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SENATE

FRIDAY, SEPTEMBER 22, 1961

The Senate met at 10:30 o'clock a.m., and was called to order by Hon. LEE METCALF, a Senator from the State of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of all grace, among Thy manifold gifts to us we rejoice in the sacrament of human friendship and in those who love us and trust us.

Open our eyes, we pray, to simple beauty all around us lest we miss the splendor that is in the commonplace. Open our hearts to the virtues and nobility that even comrades by our side often hide from us, because, alas, we do not try enough to understand them.

Strengthen and refresh us that we may seek Thee eagerly, find Thee surely, and serve Thee faithfully. Keep us at tasks too hard for us that constantly we may be driven to Thee for strength. Set our eyes on far-off goals, many of which cannot be reached in our day. Even amid the contentions and confusions of these days keep steady our feet by the assurance that Thou, our God, hast the whole world in Thy hands and that even the gates of hell cannot revoke Thy decree, "Behold I make all things new."

We ask it in the Name that is above every name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 22, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, September 21, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on September 22, 1961, the President had approved and signed the following acts:

S. 279. An act to provide Federal assistance for projects which will demonstrate or develop techniques and practices leading to a solution of the Nation's juvenile delinquency control problems; and

S. 336. An act to make available to children who are handicapped by deafness the specially trained teachers of the deaf needed to develop their abilities and to make available to individuals suffering speech and hearing impairments the specially trained speech pathologists and audiologists needed to help them overcome their handicaps.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 7723) to amend section 303(a) of the Career Compensation Act of 1949 by increasing per diem rates and to provide reimbursement under certain circumstances for actual expenses incident to travel, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 389) endorsing the World Economic Progress Exposition, in which it requested the concurrence of the Senate.

HOUSE BILL PLACED ON CALENDAR

The bill (H.R. 7723) to amend section 303(a) of the Career Compensation Act of 1949 by increasing per diem rates and to provide reimbursement under certain circumstances for actual expenses incident to travel, was read twice by its title and placed on the calendar.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session, to consider the nominations sent to the Senate by the President of the United States.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Fowler Hamilton, of Connecticut, to be Administrator of the Agency for International Development.

By Mr. BYRD of Virginia, from the Committee on Finance:

Robert M. Fortson, of Indiana, to be collector of customs for customs collection district No. 40, with headquarters at Indianapolis, Ind.;

Joseph A. Curnane, of Massachusetts, to be comptroller of customs with headquarters at Boston, Mass.;

Tennent L. Griffin, of Mobile, Ala., to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala.; and

Roy L. Peterson, of Washington, to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash.

By Mr. SPARKMAN, from the Committee on Banking and Currency:

Eva B. Adams, of Nevada, to be Director of the Mint.

By Mr. ERVIN, from the Committee on the Judiciary:

J. Spencer Bell, of North Carolina, to be U.S. circuit judge for the fourth circuit.

By Mr. KEFAUVER, from the Committee on the Judiciary:

Thomas L. Robinson, of Tennessee, to be U.S. attorney for the western district of Tennessee.

By Mr. HART, from the Committee on the Judiciary:

Wade Hampton McCree, Jr., of Michigan, to be U.S. district judge for the eastern district of Michigan.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the Secretary will proceed to state the nominations on the Executive Calendar.

COLLECTORS OF CUSTOMS

The Chief Clerk proceeded to read sundry nominations of collectors of customs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

FEDERAL POWER COMMISSION

The Chief Clerk read the nomination of Charles Robert Ross to be a member of the Federal Power Commission.

Mr. PROUTY. Mr. President, today I have one of the most pleasant opportunities I have had since I came to the Senate—the opportunity to speak a few words in behalf of Charles R. Ross, who has been nominated by the President to serve on the Federal Power Commission.

Mr. Ross, whom I am privileged to call Charlie, has made an exceptional record in Vermont.

He took over the chairmanship of the Vermont Public Service Commission at a very critical time when arrangements were underway to get for consumers, both domestic and industrial, much-needed St. Lawrence power.

Only a few months ago Mr. Ross worked out with the State of New York an arrangement whereby Vermont will get additional power from the Niagara Falls project.

In these two instances he served his State with great diligence and skill.

Moreover, Mr. Ross has taken a far-sighted view with respect to the need for developing and supplementing our natural resources. As a result of his efforts the day may soon come when natural gas, with all its advantages, will be used in Vermont.

From an administrative standpoint, Charles Ross has proved to be an excellent chairman of our State public service commission.

He had conducted an intensive study of the commission's activities. This study led to the enactment of several bills of great importance.

We will sorely miss his talents in Vermont. The Nation as a whole, however, will be the winner.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SECURITIES AND EXCHANGE COMMISSION

The Chief Clerk proceeded to read sundry nominations to be members of the Securities and Exchange Commission.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the nominations will be considered en bloc; and without objection, they are confirmed.

U.S. COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the U.S. Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none; and the nominations will be considered en bloc; and without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF GENERAL SALES MANAGER, COMMODITY CREDIT CORPORATION

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the General Sales Manager concerning the policies, activities, and developments, including all sales and disposals, with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support, for the month of April 1961 (with an accompanying report); to the Committee on Agriculture and Forestry.

VOLUNTEERS OF SERVICES ON BEHALF OF MUNICIPAL GOVERNMENT OF THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide that the Commissioners may accept or permit the acceptance of the performance by volunteers of services for and on behalf of the municipal government of the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a resolution adopted by the Charles Roth Post No. 692 of the American Legion, Oak Park, Ill., reaffirming their position that the Senate oppose any endeavor to weaken the so-called Connally reservation, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Res. 215. Resolution to provide additional funds for the Committee on Armed Services (Rept. No. 1107);

S. Res. 216. Resolution to print additional copies of hearings entitled "Defense Secretary McNamara on Senate Resolution 191" (Rept. No. 1108); and

S. Res. 218. Resolution to print "The Communist Party Line" as a Senate document (Rept. No. 1109).

By Mr. KERR, from the Committee on Public Works, without amendment:

H.R. 8320. An act to amend the Freeport Harbor project, Texas (Rept. No. 1110).

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 1111).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PROXMIRE:

S. 2600. A bill to amend section 7 of the Small Business Act with respect to the maximum loan which can be made to any one borrower; to the Committee on Banking and Currency.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY (by request):

S. 2601. A bill to establish a uniform national policy concerning rights to inventions under contracts with the U.S. Government, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (for himself, Mr. JACKSON, Mr. ERVIN, Mr. MUNDT, and Mr. CURTIS):

S. 2602. A bill to make illegal the manufacture for distribution and the distribution in interstate or foreign commerce of certain deceptive gambling devices; to the Committee on the Judiciary.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL:

S. 2603. A bill for the relief of Lorenza Vedova-Rocchi Catta; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 2604. A bill to provide for the issuance of a special postage stamp in 1962 commemorating the centennial of the Morrill Act to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS of New Jersey:

S. 2605. A bill for the relief of Kang Jong Sun;

S. 2606. A bill for the relief of Kim Booshin; and

S. 2607. A bill for the relief of Lee Hwa Sun; to the Committee on the Judiciary.

By Mr. FONG (for himself and Mr. LONG of Hawaii):

S. 2608. A bill extending to the State of Hawaii power to impose aviation fuel taxes on all aviation fuel brought into the State; to the Committee on Finance.

By Mr. PELL:

S. 2609. A bill to provide for the issuance of a special series of postage stamps in honor of Julia Ward Howe; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. PELL when he introduced the above bill, which appear under a separate heading.)

By Mr. PELL (for Mr. SMITH of Massachusetts):

S. 2610. A bill to amend title 23 of the United States Code to exclude unreasonable land acquisition and engineering costs from costs of construction for the purposes of such title; and

S. 2611. A bill to amend title 23 of the United States Code, relating to highways, in order to direct the Attorney General to take certain actions with respect to State condemnation proceedings for the acquisition of lands for Federal-aid highways; to the Committee on Public Works.

(See the remarks of Mr. PELL when he introduced the above bills, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 2612. A bill providing for the appointment of Indian tribal court judges by the judge of the U.S. district court; to the Committee on the Judiciary.

By Mr. ANDERSON (by request):

S. 2613. A bill to amend section 2 of the act of July 31, 1947 (61 Stat. 681), and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

ESTABLISHMENT OF JOINT COMMITTEE ON EXPORT TRADE

Mr. HUMPHREY submitted a concurrent resolution (S. Con. Res. 52) establishing the Joint Committee on Export Trade, which was referred to the Committee on Commerce.

(See the above concurrent resolution printed in full when submitted by Mr. HUMPHREY, which appears under a separate heading.)

RESOLUTION

MRS. EDITH KIAER—REFERENCE OF SENATE BILL 2594 TO COURT OF CLAIMS

Mr. FONG submitted the following resolution (S. Res. 219); which was referred to the Committee on the Judiciary:

Resolved, That the bill (S. 2594) entitled "A bill for the relief of Mrs. Edith Kiaer", now pending in the Senate, together with all accompanying papers, is hereby referred to the Court of Claims; and the Court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

AMENDMENT OF SECTION 7 OF SMALL BUSINESS ACT

Mr. PROXMIRE. Mr. President, I introduce, for appropriate reference, a bill to amend section 7 of the Small Business Act with respect to the maximum loan which can be made to any one borrower.

This bill would reduce the maximum loan that the Small Business Administration can make to any one small business concern from $350,000 to $100,000.

I am concerned with the recent rapid increase in the lending activities of SBA and the increased need for funds to operate these programs.

I ask unanimous consent that tables I have designated tables I and II be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I

Fiscal year	Number of loans	Size of loan	
		Total	SBA share
1954 [1]	473	$27,739,000	$23,508,000
1955	1,172	55,975,000	45,988,000
1956	1,915	81,977,000	68,419,000
1957	3,536	159,095,000	132,061,000
1958	4,014	194,997,000	165,982,000
1959	5,582	267,042,000	228,539,000
1960	3,670	168,366,000	144,306,000
1961	4,989	250,432,000	214,926,000
Total	25,351	1,205,623,000	1,023,729,000

[1] 11 months.

TABLE II.—*Small Business Administration—Business loan applications received and approved, selected periods by months*

[Dollar amounts in thousands]

Month	January through June 1960				January through June 1961			
	Applications received, number	Loans approved			Applications received, number	Loans approved		
		Number	Total amount	SBA share		Number	Total amount	SBA share
January	518	250	$11,866	$10,378	726	350	$15,648	$13,513
February	630	308	13,867	11,772	718	302	15,603	13,459
March	850	316	15,434	13,422	1,332	483	21,659	18,860
April	671	369	16,636	14,014	1,066	501	26,968	22,894
May	752	309	15,376	13,134	1,209	511	26,037	22,519
June [1]	908	519	25,708	21,985	1,305	921	48,255	40,875
Total for period	4,329	2,091	98,887	84,705	6,356	3,068	154,170	132,120
July	745	233	11,365	9,602	1,220	588	33,680	28,786

[1] The accounting records in June of each year are held open to include all "pipeline" transactions in order that the June 30 financial statements would reflect all operations for the year. Consequently, the monthly figures shown appear out of proportion to previous months.

Source: Office of the Budget, Aug. 28, 1961.

Mr. PROXMIRE. Table I shows SBA regular business loan activities since it was formed. Table II shows the activities of SBA from January to June of this year compared with the same period last year.

In July of this year SBA approved 588 loans for a total of $33,680,000, and in August SBA approved 546 loans for a total of $35,612,000. In July of last year SBA made 348 loans totaling $18,729,000.

The Small Business Administration has set a new record in lending out Government money at a 50-percent faster clip in the first 6 months of this year than it did last year. The July figure for this year shows a fantastic increase of approximately 200 percent over a comparable period last year. August was 100 percent higher.

The SBA performance for these first 2 months in fiscal 1962 plus the last 6 months of fiscal 1961 raises the question in my mind as to the probable vast increase of the totals for the complete fiscal year. It also raises the question of whether this country should have this rapid increase in public funds generally for nondefense purposes at a time when there are such enormous drains on the Treasury for other expenditures.

This increase has not been a normal, steady growth in these programs in a time of recession. It has not been caused by exceedingly high interest rates.

What is more, this vast expansion comes at a time when the Government is burdened with enormous defense expenditures, a vastly increased program for space exploration, when our commitments for foreign aid are increasing all over the world.

These expenditures may well increase due to the constant crises which seem to be building up all over the world. This SBA increase comes at a time of rapidly improving business conditions in this country. Secretary of Commerce Hodges announced that the country is continuing to make a stronger economic recovery from the recession than originally anticipated.

The increase also comes during a period when the banking system has been following an easy credit policy so that loans were more readily and easily available to small business than a year earlier. There was an expansion in bank credit and a continued ease in bank reserve positions. Free reserves in August 1961 averaged $538 million as compared with $247 million in August 1960; and the reserves for the week ending September 13, 1961, totaled $601 million. Total loans and investments of commercial banks rose in the first half of 1961, whereas they usually decline in the first half of the year, and the money supply also increased. Interest rates during the first half of this year were below their levels of a year earlier. In 19 large cities, for example, bank rates on short-term business loans in the second quarter of this year averaged 4.97 percent compared with 5.35 percent in the same period last year.

Mr. President, there is simply no economic or political case for the rapid expansion of this agency's lending at this time. The bill I introduce will make the SBA loan limit $100,000. When SBA was created in 1953, the limit was $150,000. The amount was later raised to $250,000 and in 1958, when SBA was made a permanent agency, the amount was raised to $350,000.

Let me point out that I have just received statistics from the Small Business Administration which indicate that while only roughly 10 percent of all business loans made were over $100,000, they involved nearly half—46.4 percent—of the dollar volume of the SBA loans.

Mr. President, this absorption of half the loan money in one-tenth of the loans is bad public policy for two reasons:

First, it means that a single large loan for $350,000 absorbs as much Government money as 10 moderate $35,000 loans or a hundred really small $3,500 loans.

Second, because, of course, the bigger loans tend to be to the larger concerns,

SBA is extending about half of its dollar assistance to firms of generally substantial financial size.

The SBA has assured me that the agency's definition of small business includes more than 95 percent of all U.S. firms. This means that the overwhelming majority of all U.S. businesses are eligible to borrow from the SBA. Since the big loans in excess of $100,000 constitute only 10 percent of SBA loans, it is logical that they would tend to go to the larger of the eligible firms. It would follow that many firms in this group might be classified as larger than 80 percent or 90 percent of the business concerns in America.

It is my contention that the Federal Government cannot and should not make subsidized loans available to 95 percent of the business firms in our economy without stricter limitations.

A case can be made for limited assistance to genuinely small firms. My amendment limiting loans to $100,000 would tend to do just this.

It would begin to limit the extension of Government funds into the American private economy. It would restrict loans to a modest size that would primarily assist really small business.

It would reduce the tax burden on the vast majority of Americans who receive no subsidy.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2600) to amend section 7 of the Small Business Act with respect to the maximum loan which can be made to any one borrower, introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

NATIONAL PATENT POLICY IN GOVERNMENT CONTRACTS

Mr. WILEY. Mr. President, I am introducing today by request a bill to establish a uniform national policy concerning rights to inventions under contract to the U.S. Government.

This bill was prepared originally by a committee of the Milwaukee Patent Law Association. It is the belief of those responsible for the drafting of this bill that this bill will answer the need for clarification of patent rights arising out of Government-sponsored research. Several other bills are already pending before the Senate Patent Subcommittee. They all represent different points of view in connection with this important issue, and I hope this bill will help focus attention on other important aspects of this legislation.

I ask unanimous consent that the bill be printed in the RECORD following my statement. I request also that the analysis explaining the intent and provisions of this bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and analysis will be printed in the RECORD.

The bill (S. 2601) to establish a uniform national policy concerning rights to inventions under contracts with the U.S. Government; and for other purposes, introduced by Mr. WILEY, by request, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Invention Act".

SEC. 2. Congress recognizes—

(a) that the United States patent system was established to encourage inventions and discoveries and the disclosure and commercial use thereof; and

(b) that the general welfare and the promotion of science and the useful arts are better served by taking advantage of the incentives provided by the patent system:

(1) to encourage industry's important participation in Government-sponsored research and development; and

(2) to achieve greater commercial use of Government-owned inventions and discoveries.

SEC. 3. The Patent Act of 1952 is hereby amended by adding to title 35 of the United States Code, chapter 27, the following:

"§ 268. Licenses to the Government

"(a) The property rights to be secured by the Government through any agency thereof with respect to inventions made in the performance of Government contracts (excluding contracts between the Government and its individual employees and consultants), except as provided in section 269 hereof shall be a nonexclusive license, and shall not require that title to such inventions be assigned to the Government. No such license to the Government shall convey any right to the Government to provide services or supplies to the general public in competition with the contractor or its licensees.

"(b) Unless separately negotiated no license shall be acquired by the Government with respect to the contractor's inventions which are at private expense:

"(1) designed, engineered, tested, or used; and

"(2) patented or made the subject of a pending application for United States letters patent.

"§ 269. Title in the Government

"The Government may, notwithstanding section 268(a), contract for title to inventions made in the performance of a Government research and development contract in which:

"(a) the contract is for the development of a new field of technology as to which there is at the time of the contract no significant, non-Government experience to build upon; or

"(b) the contractor is to function primarily as an administrative agent of the Government; or

"(c) the contract is for the development of products in fields directly relating to the health or safety of the public and the products as developed in the performance of the contract are in a form suitable for commercial use.

§ 270. Licenses by the Government

"(a) The Government may grant royalty producing licenses, either exclusive or nonexclusive, with or without territorial use or product limitations, as conditions warrant, of inventions owned by the Government. Where the Government proposes to grant an exclusive license under any such invention, whether patented or the subject of a United States patent application, public notice identifying such patent or application shall be given in the Federal Register and in the Official Gazette of the United States Patent Office at least ninety days prior to grant of any such license and an opportunity given to any interested person, firm, or corporation, to apply for such license and to negotiate with the Government therefor.

"(b) Any such exclusive license shall be subject to the right of the Government at all times to make use of the invention for governmental purposes.

"(c) All proceeds from such licenses shall be paid into the United States Treasury for the general use of the United States."

SEC. 4. (a) The Space Act of 1958 is hereby amended by repealing section 305.

(b) The Atomic Energy Act of 1954 is hereby amended by repealing section 152.

(c) All sections of Acts in conflict with this Act are hereby repealed.

The analysis presented by Mr. WILEY is as follows:

ANALYSIS OF BILL TO ESTABLISH A UNIFORM NATIONAL POLICY CONCERNING RIGHTS TO INVENTIONS UNDER CONTRACT TO THE U.S. GOVERNMENT

The accompanying bill has for its purpose the clarification of the laws and regulations relating to Government research and development contracts. This bill covers the Government acquisition of rights in inventions and patents arising from such contracts.

The objective of the bill is to provide for the actual needs of the Government in regard to results from such contracts, to protect the public interest, and to preserve the equities of the contractor at least under explicit circumstances. These objectives are achieved while promoting progress of the useful arts in accordance with the principles of the American patent system. A particular objective is to encourage participation by private interests in fields of technology relating to Government research and development and to encourage the development of special technology by these private interests to thereby promote the general welfare.

Particular cognizance is taken of the fact that the American patent system functions in the public interest, not on the basis of an award for making an invention, but as an equitable consideration for developing an invention and introducing it into public use. The advantages resulting from the dissemination of information by issuing patents are well recognized and it is factually substantiated that the patent system has caused the early dissemination of information. However, the benefits of the patent system are incompletely realized and public benefit from the system is not fully derived unless it is possible to provide that the grant of patent in most all instances can also be a basis for causing the utility of the invention in commerce by encouraging the production of new products and increased demands for improved old products.

A more specific objective is to utilize the patent system to its fullest extent in promoting the public's interest and encouraging the assumption of risk by private investors in fields of technology now almost exclusively supported by our taxpayers through Government research and development contracts.

As stated by the Honorable Luther Hodges, Secretary of Commerce:

"The patent system works in three ways to accomplish vitally important results which benefit our economy.

"First, by holding out the offer of the patent reward, it stimulates and encourages the making of the invention.

"Second, by helping make the invention a salable asset, it attracts the capital to perfect it and get it on the market.

"Third, by requiring that the invention be disclosed in the printed patent if it is to be protected, it adds to the sum of human knowledge and lays the basis for still further inventions."

Our patent system thus goes far beyond the so-called inventor award system. In fact it makes no award to an inventor and his backers. Instead it in effect makes them earn an award by developing the commercial utility of the invention.

Only as an invention earns an award by competing in the channels of commerce, does the inventor or his backers receive any award. There is no more honest way of determining the amount of award for any given invention than by its market value in the commercial world.

Thus our patent system functions in the public interest, not so much as an award for making an invention, but more as an award for developing it further and introducing it into commercial public use.

It is possible for the Government to contract for the making of inventions through research and development contracts, the same as inventors can be employed to invent. Such research and development contracts may include the further development of such inventions for the specific governmental need.

However, the Government is not engaged in supplying the commercial needs of the public. It does not compete with private business in the channels of commerce.

When the Government takes title to inventions arising from research and development contracts upon the theory that all taxpayers can then make free use of the inventions, it really destroys the principal function of our patent system in encouraging private investment toward the commercial use of the inventions. The public interest so vital to our commercial progress is thus not achieved.

It is with this in mind that the present bill provides for the retention of title to inventions by the contractor subject to a paid-up nonexclusive license to the Government for its needs. Such a policy will utilize the patent system in the public interest by bringing many more inventions into the channels of commerce where the public may use them. In new fields of technology the more rapid introduction of inventions into commercial use will stimulate private investment in research in such fields, thereby reducing the burden upon the taxpayer which otherwise would remain under a Government "title" policy for many years.

Section 268 of this bill provides for the Government needs with respect to inventions made in the performance of Government R. & D. contracts by the grant to the Government of a paid-up nonexclusive license. It is considered that the Government shall normally need no rights to provide services or supply to the general public in competition with the contractor. It is specifically provided in section 268 that, with respect to contractor's background inventions, the Government is to negotiate for license. The Government however is given a free license of use even of background inventions which are necessary for the use of the specific subject matter procured under the Government contract.

In explanation of the need for section 268, currently existing laws and regulations of some Government agencies provide that inventions conceived by contractors prior to a Government contract will be taken by the Government. This taking occurs even though the prior invention has been designed, engineered, tested, or used and even when the invention is the subject matter of a pending patent application or a granted patent. This inequitable present status has resulted in much difficulty and burden in regard to industry acceptance of Government contracts.

Section 269 of the proposed bill defines specific circumstances in which the Government may contract for title to inventions. These circumstances involve the development of new fields of technology, situations where the contractor is functioning primarily as an administrative agent of the Government, or where the contract is for the development of products regarding health or safety and which products as developed in the performance of the contract will be in a form suitable for commercial use.

Section 270 of the proposed bill provides that the Government may grant either exclusive or nonexclusive licenses under Government-owned inventions and may receive royalty from such licenses. Provision is made for public notice and open bidding in connection with the granting of exclusive licenses.

It is firmly believed that the policy set forth in this proposed bill will strongly encourage the participation of competent contractors in Government research and development work, will utilize the patent system in the public interests by encouraging more inventions to be brought into the channels of commerce where they may be used by the public, provides for best effort participation in research and development in Government contracts and encourages private investment in research and development toward the commercial utilization of inventions in all fields of technology.

DISTRIBUTION OF CERTAIN DECEPTIVE GAMBLING DEVICES IN INTERSTATE COMMERCE

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill which is cosponsored by Senators JACKSON, ERVIN, MUNDT, and CURTIS. The purpose of the bill is to prohibit the manufacture, sale, or distribution of deceptive or crooked gambling devices in interstate commerce or through the mails.

Mr. President, under section 3 of Senate Resolution 69 of this Congress, the Committee on Government Operations, or any of its duly authorized subcommittees, is authorized and directed to study the adequacy of Federal laws to prevent the operation of organized crime in interstate commerce.

In accordance with the mandate of that resolution, the Permanent Subcommittee on Investigations of the Committee on Government Operations commenced hearings on August 22, 1961, on several phases of gambling and racketeering. The subcommittee's hearings produced testimony concerning the manufacture, sale, and distribution of all forms of crooked gambling equipment. While there is no fraud between the seller of such equipment and the buyer, the equipment itself is patently fraud inducing. It serves no other purpose than to allow the unscrupulous possessor to cheat others in games of chance.

Mr. President, our hearings developed that a substantial portion of this fraud-inducing equipment is purveyed to members of the Armed Forces. At our request—from a list of names we took from the books and records of one of these companies, a company which manufactures and distributes crooked gambling equipment, and which even issues large catalogs for advertising purposes—a large carton of crooked dice and marked cards was taken from members of the Army, Navy, and Air Force.

The sharp gets hold of crooked cards or crooked dice and maneuvers himself into a position of confidence and association with the men of the armed services, and thus is able to rob them of their pay. That is what it amounts to. That has been going on rather extensively.

There was testimony that 400,000 decks of marked cards are in use in this country and that several hundred thousand pair of crooked dice are manufactured and distributed each year. The subcommittee viewed sophisticated electronic devices and special contact lenses used for card cheating, proving that this industry is keeping up with science.

From the variety and great quantity of crooked gambling equipment available, there can be no doubt that the public has been cheated out of millions of dollars by professional hustlers and confidence men, who prey on those who occasionally gamble at conventions or summer or winter resorts, in what are thought to be innocent social games. One expert in the field testified that he believes 1 game out of 10 is infected by the professional cheat using crooked dice, marked cards, or any of the other numerous aids so readily available on the open market today, unhampered by any existing Federal or State law.

Mr. President, there are between 25 and 50 companies that brazenly advertise these wares in national magazines and servicemen's magazines and send out thousands upon thousands of catalogs. One company in Chicago employs five full-time girls who grind out 20,000 pairs of marked decks of cards a year.

Mr. President, this bill would define deceptive gambling equipment, more particularly marked cards and loaded dice—by far the most common form of deceptive gambling equipment in use today—as well as any other gambling device designed to permit a participant in a game to defraud or cheat other players. The bill would make it a misdemeanor to manufacture, sell, or distribute in interstate commerce or by mail any of this paraphernalia.

I have no doubt that with the Federal Government assuming jurisdiction of the prohibition of manufacturing, sale, and transportation of such crooked equipment in interstate commerce, protection will be afforded those who enjoy and sometimes like to engage in social games, with small wagers. To protect people like that, I think it is imperative that equipment which is especially designed, manufactured, and sold for no other purpose except to deceive, cheat, and defraud should be made unlawful, and that those who so engage in the manufacture, sale, and distribution of the equipment should be subject to criminal action and punished accordingly.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2602) to make illegal the manufacture for distribution and the distribution in interstate or foreign commerce of certain deceptive gambling devices, introduced by Mr. McCLELLAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

ISSUANCE OF SPECIAL COMMEMORATIVE STAMP IN HONOR OF JULIA WARD HOWE

Mr. PELL. Mr. President, it is with great pride that I introduce, for appropriate reference, a bill seeking the issuance of a special commemorative stamp in honor of Julia Ward Howe, the famed author of the "Battle Hymn of the Republic."

I have a particular interest in this bill because Julia Ward Howe was a resident of my own home State of Rhode Island for many years. She died in Newport County on October 17, 1910.

My father knew Mrs. Howe and her daughter, Julia Ward Howe Elliott, very well indeed. In my native city of Newport the fame and memory of Julia Ward Howe is still very much alive.

A well-known poet and writer, Mrs. Howe is perhaps best known for her famous rallying song composed during the War Between the States, "The Battle Hymn of the Republic," which was written here in Washington, is still sung today and has become a classic in our folklore of American music.

A resolution of the Rhode Island General Assembly, signed by the Honorable John A. Notte, Jr., Governor of the State of Rhode Island and Providence Plantations, has been sent to me memorializing this Congress and urging commemoration of Mrs. Howe at this particular time, as this year marks the hundredth anniversary of that tragic War Between the States or Civil War.

Mrs. Julia Ward Howe Stickley, great-granddaughter of Mrs. Howe, who is a resident of the District of Columbia, has been in touch with many Members of this honorable body and has found them sympathetic to the issuance of a special series of postal stamps in honor of this great woman.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2609) to provide for the issuance of a special series of postage stamps in honor of Julia Ward Howe, introduced by Mr. PELL, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF TITLE 23, UNITED STATES CODE, RELATING TO HIGHWAYS

Mr. PELL. Mr. President, on behalf of the junior Senator from Massachusetts [Mr. SMITH], who is necessarily absent, I introduce two bills amending title 23 of the United States Code relating to highways, which I ask to have appropriately referred.

I also ask unanimous consent that the statement the Senator from Massachusetts intended to deliver at this time introducing these bills be inserted at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bills, introduced by Mr. PELL (for Mr. SMITH of Massachusetts), were received, read twice by their titles, and referred to the Committee on Public Works, as follows:

S. 2610. A bill to amend title 23 of the United States Code to exclude unreasonable land acquisition and engineering costs from costs of construction for the purposes of such title; and

S. 2611. A bill to amend title 23 of the United States Code, relating to highways, in order to direct the Attorney General to take certain actions with respect to State condemnation proceedings for the acquisition of lands for Federal-aid highways.

The statement presented by Mr. PELL (for Mr. SMITH of Massachusetts) is as follows:

STATEMENT BY MR. SMITH OF MASSACHUSETTS

I introduce, for appropriate reference, two amendments to title 23 of the United States Code dealing with the Federal highway program.

The first amendment would enable the Department of Justice to represent the Federal Government in State condemnation proceedings where Federal money is involved.

The second would give the Federal Government the power to make its own independent appraisal of the costs of land acquisition and the cost of engineering projects where Federal money is involved. If this appraisal finds these costs are excessive, the Government could withhold Federal funds.

Based on my study of the Federal highway program, as a member of the Senate Public Works Committee, I believe this legislation will go a long way toward correcting abuses which exist.

The American people have a great stake in honest and efficient highway construction. Under the Federal highway program, they have paid out over $15 billion in the last 5 years. Under this program the Federal Government pays 90 percent of the cost of National System of Interstate and Defense Highways, and 50 percent of the cost of less important roads. The public interest is not adequately safeguarded at the present time. The people have the right to have these programs run as honestly and efficiently as possible.

AMENDMENT OF SECTION 2 OF THE ACT OF JULY 31, 1947, RELATING TO SALE OF CERTAIN TIMBER

Mr. ANDERSON. Mr. President, I send forward, for appropriate reference, a bill I am introducing by request to amend the Materials Act of 1947 with respect to sales of sand, clay, stone, and like common materials from the public lands of the United States.

I ask unanimous consent that the letter from the Assistant Secretary of the Interior transmitting the draft of the proposed legislation and explaining its need and purpose be printed at the appropriate place in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2613) to amend section 2 of the act of July 31, 1947 (61 Stat. 681), and for other purposes, introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. ANDERSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., September 14, 1961.

HON. LYNDON JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill to amend section 2 of the act of July 31, 1947 (61 Stat. 681), and for other purposes.

We suggest that this proposed legislation be referred to the appropriate committee for consideration, and we recommend that it be enacted.

Under the act of March 4, 1913 (37 Stat. 1015), as amended (16 U.S.C. 614–615), which is often called the Dead and Down Timber Act, the Secretary of the Interior is authorized to sell timber on federally owned lands outside the boundaries of the national forests which is dead or down or seriously or permanently injured by forest fires. This law is applicable to timber on unperfected mining claims, though in such situations the claimants' consent is required. Timber sold under this act is to be awarded to the highest bidder, either at public auction or by sealed bids. Proceeds from such sales are to be deposited in the Treasury. Where the timber sold is on an unperfected mining claim, the statute requires that the money received for the sales be kept in a special fund awaiting the final determination of the claim.

The Dead and Down Timber Act has been largely superseded by the Materials Act of July 31, 1947 (61 Stat. 681), as amended by the act of July 23, 1955 (69 Stat. 367; 30 U.S.C. 601–604). Section 1 of the Materials Act authorizes the Secretary to dispose of both mineral and vegetative materials, including in the latter by specific definition timber and other forest products. Section 2 of that act sets forth specific rules governing the disposal of materials, the appraised value of which exceeds $1,000. Disposal in such a case is made to the highest responsible qualified bidder by competitive bidding; publication of the notice of the proposed disposal in a newspaper of general circulation in the county within which the material is situated is required for a period of 4 consecutive weeks. The Secretary is permitted to dispose of materials of less value in any manner which he deems desirable.

The specific provisions of the present section 2 of the Materials Act now appear to us undesirable. The restrictions imposed upon the sale of materials exceeding $1,000 in value are unrealistic, and have hampered emergency type operations. Because of fluctuations in economic values, a monetary limitation may quickly become unrealistic. We believe that it would be better for the disposal of all materials to be vested in the Secretary's discretion, without regard to monetary value.

The provisions of the Dead and Down Timber Act have been negated by the passage of other legislation, as we have pointed out above. Under the act of July 23, 1955 (69 Stat. 367), the Secretary is permitted to manage and dispose of the vegetative surface resources of a mining claim, while the claimant's right to use timber for mining purposes is protected. The provision in the old statute for the consent of the mining claimant prior to a timber sale and the placing of proceeds in escrow is thus inconsistent with the 1955 statute.

The provisions of the Dead and Down Timber Act applicable to parks and monuments and to Indian lands are seldom used and are of little or no value because on these lands section 3 of the act of August 25, 1916 (39 Stat. 535), as amended (16 U.S.C. 3), and sections 7 and 8 of the act of June 25, 1910

(38 Stat. 857; 25 U.S.C. 406-407), apply, respectively, for the disposal of all types of timber. Nor would unperfected claims under any of the public land laws be adversely affected by repeal of the Dead and Down Timber Act since there is relatively little acreage in this category. The act has seldom been applied to unperfected land claims since its passage.

Accordingly we have prepared the enclosed proposed bill. Section 1 of the draft would be substituted for the present section 2 of the Materials Act. Section 2 of the draft would repeal the Dead and Down Timber Act.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

NOTICE OF MOTION TO SUSPEND THE RULE — AMENDMENT TO SUPPLEMENTAL APPROPRIATION BILL, 1962

Mr. SMATHERS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph (1) of rule XVI for the purpose of proposing to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, the following amendment; namely: At the end of the bill add the following:

"AMENDMENT TO FAIR LABOR STANDARDS ACT OF 1938

"Section 13(a) of the Fair Labor Standards Act of 1938 is amended by striking out the period at the end of paragraph (22) and inserting in lieu thereof '; or' and by adding at the end thereof the following new paragraph:

"'(23) any employee employed in the processing, marketing, freezing, curing, storing, packing for shipment, or distributing of shellfish unless canned and retorted.'

"Section 13(b)(4) of such Act is amended by inserting after 'vegetable life' the following: '(other than shellfish unless canned and retorted)'.

"The amendments made by the two preceding paragraphs of this Act shall take take effect September 3, 1961."

Mr. SMATHERS also submitted an amendment intended to be proposed by him to House bill 9169, making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

STRENGTHENING THE JUDICIAL CONFERENCE—AMENDMENT

Mr. KEATING. Mr. President, I send to the desk an amendment intended to be proposed to H.R. 6690, a bill to provide for the inclusion of a district judge or judges on the judicial council of each circuit.

I ask that the amendment be ordered to be printed and to lie on the table.

The purpose of the amendment is to clarify and strengthen the authority and responsibility of the Judicial Conference of the United States over the administration of the business of the Federal courts. Under the present language of section 331 of title 28, the Judicial Conference is directed to make comprehensive surveys of the operations of the courts and submit suggestions for improvements. Under the amendment I intend to propose, the Conference would be required to carry on continuing studies of the work of the courts and promulgate policies which shall be observed by the judicial councils, courts of appeals, and district courts.

The need for more attention to the administrative problems the courts face in coping with an ever-increasing caseload is widely recognized. I have discussed my proposed amendment with many experts in this field and have been encouraged by the widespread agreement on its desirability. Certainly there is no critical implication in this proposal. I recognize, as we all should, that the courts have been doing an increasingly better job in adopting modern techniques of administration in an effort to deal more efficiently with their judicial business without impairing the quality of justice. One important principle of sound administration, however, is a clear statement of responsibility and authority. This amendment would provide such a statement and thereby serve to further enhance the ability of the Judicial Conference to carry out its assigned objectives. I sincerely believe that the amendment would be welcomed by the courts and would be of great assistance to them.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

AMENDMENT OF DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT—CHANGE OF CONFEREE

Mr. MORSE. Mr. President, I ask unanimous consent that the Senator from Massachusetts [Mr. SMITH] be excused as a conferee on the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, and that the Senator from Nevada [Mr. BIBLE] be appointed in his stead.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. METCALF:

Address to be delivered by Senator CHURCH tonight, September 22, 1961, entitled "The Indian Program on the New Frontier."

INCOME TAX TREATMENT OF CONVERSION FROM STREET RAILWAY TO BUS OPERATIONS

Mr. HUMPHREY. Mr. President, I ask the majority leader if we might bring up Calendar No. 1082, which has been cleared on both sides of the aisle.

The ACTING PRESIDENT pro tempore. The bill has not yet been received from the printer.

Mr. HUMPHREY. It is on the calendar.

Mr. MANSFIELD. Mr. President, will the Senator withhold his request?

Mr. HUMPHREY. Yes. It is only a matter of my being present when the bill is considered. I must be in attendance at a meeting of a conference committee. I merely wanted to be sure that the Senate acted on the measure, which has been reported unanimously from the committee.

Mr. MANSFIELD. Mr. President, if the Senator will withhold his request until we get a report, I think it would be advisable to proceed at that time. The Senator will be notified so he can be present.

Mr. HUMPHREY. It will not be necessary for me to be here, if the report comes to the Senate and the majority leader handles the bill.

Mr. MANSFIELD. I will do my best.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KUCHEL. I wish the Senator to know that when the bill comes to the Senate, we will register no objection in precisely the same fashion that we would register no objection if the able Senator were here.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. PROXMIRE. Mr. President, may I have the attention of the majority leader briefly? In the event a unanimous-consent agreement is sought to permit the Committee on Foreign Relations to meet, I would appreciate it very much if I could be notified.

Mr. MANSFIELD. Mr. President, in response to the request of the Senator from Wisconsin, he is anticipating something which is not an actuality. There is no request that I know of for the Committee on Foreign Relations to meet this morning, or, for that matter, any other committee.

Mr. PROXMIRE. I thank the Senator from Montana.

On request of Mr. MANSFIELD, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

THE NORTHERN GREAT PLAINS REGIONAL CENTER, SIDNEY, MONT.

Mr. MANSFIELD. Mr. President, the Department of Agriculture this week took a major step forward in the advancement of soil and water conservation in the Great Plains area. The Secretary of Agriculture has now advised the distinguished chairman of the Agriculture Appropriations Subcommittee, the Senator from Georgia [Mr. RUSSELL] and and my able colleague from Montana [Mr. METCALF] and myself that the very severe drought which has

plagued the northern Great Plains region in recent months has caused the Department to review its program of soil and water conservation research and has determined that the proposed Northern Great Plains Regional Center at Sidney, Mont., should be given priority in its planning program.

The Secretary states that they will use available funds in the amount of approximately $30,000 for preparation of plans and specification for the Sidney facility. We anticipate the construction on this project will be included in the Department of Agriculture's fiscal year 1963 program.

This news will be well received in eastern Montana and when the regional center is put into operation it will make a major contribution to the constant search for new and better ways of conserving soil and water. The unpredictable climatic conditions in eastern Montana, the Dakotas, and Wyoming are a continuing threat to the agricultural economy of the area.

Sidney, Mont., is a busy and growing city. Local interests are eager to have such a facility. In fact, the farmers have been participating in cooperative research on a limited scale for some years now. A site for the regional center has been informally offered by Sidney interests and the Montana branch experiment station in Richland County will also facilitate research at the proposed center.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks a series of communications by myself and my colleague [Mr. METCALF] with the President, the Senator from Georgia [Mr. RUSSELL], the Department of Agriculture, and the Bureau of the Budget in recent weeks concerning the Northern Great Plains Regional Center.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., September 21, 1961.

Hon. RICHARD B. RUSSELL,
Chairman, Subcommittee on Agriculture Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to our conversation earlier this week I wish to reaffirm my great interest in the Northern Great Plains Soil and Water Conservation Research Center at Sidney, Mont., and to supply you with several supporting documents. Senator METCALF asks that he be associated with the contents of this communication. The Sidney project has his complete endorsement.

As I indicated to you, I feel strongly that this project should be gotten underway at the present time. This year's serious drought and the continually changing climatic conditions which have such a tremendous influence on the agricultural economy of eastern Montana and the neighboring States, North Dakota and South Dakota, underscore the need for accelerating research on soil and water conservation in this area.

I have been somewhat concerned at the shuffle this research center has been subjected to by the Department in the past several years. As you will recall during the hearings on the fiscal year 1960 agriculture bill and as supported by Senate document No. 59, it was recommended that the small facility at Newell, S. Dak., be phased out and that a Northern Great Plains Soil and Water Conservation Research Center be located at Sidney or Rapid City, S. Dak.

During the fiscal year 1961 hearings before the Senate Appropriations Committee this research center was placed at the top of the list of newly proposed research centers by the Department, pursuant to a change in the type of research work to be continued at the Newell station. During the course of the hearings this year, I understand the Sidney facility was again changed by the Department and lowered to a position of 46, the bottom of the list. Both Senator METCALF and I feel that we are thoroughly justified in asking that the Department proceed with the Sidney facility. We have had a number of conversations with the Department of Agriculture and the Bureau of the Budget and just recently we addressed the problem to the President.

It is my understanding that the Secretary of Agriculture intends to communicate with the committee concerning his plans for this project, adjusting the priority and financing the necessary planning work. The Department of Agriculture will then bring up to date its construction estimates which I am informed will be in the vicinity of $425,000 for inclusion in its budget request for fiscal year 1963.

Your support and cooperation in this matter will be appreciated.

Thanking you and with best personal wishes, I am,

Sincerely yours,

SEPTEMBER 15, 1961.

The Honorable JOHN F. KENNEDY,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: For several years we both have been deeply interested in and actively supported the establishment of a Northern Great Plains Soil and Water Conservation Research Center at Sidney, Mont. We feel that no facility is more urgently needed or can contribute so much to eastern Montana and the advancement of research now sponsored by the Department of Agriculture.

This year's disastrous drought and the erratic nature of the climatic conditions in eastern Montana and the Dakotas underscore the need for accelerating research on the conservation of moisture and soils in an area that is largely dependent on an agricultural economy. This is an area where the prosperity and economic livelihood of its residents is so basically affected by nature. Great strides have been made in developing new conservation techniques but much more needs to be done and the northern Great Plains regional center at Sidney is the facility we need to provide the necessary information and improved methods.

The many factors favoring the establishment of this soil and water research center at Sidney are outlined in the attached letter just received from the Secretary of Agriculture. The summer's drought is a very real reminder that this center is needed now. We recognize that a priority list of research centers was established in the previous administration but we also feel strongly that such lists are subject to constant review and revision. All factors support immediate action in proceeding with the Sidney unit—the drought, ideal soil conditions, enthusiastic local cooperation.

The 1st session of the 87th Congress is very nearly ended but we consider that the existing conditions in our State warrant a determined effort to obtain an appropriation of funds to firmly establish this center at Sidney, proceed with the necessary land acquisition beyond the property which has already been offered without charge to the Federal Government, and start the necessary planning work. The appropriation need not be great, perhaps $425,000 as a maximum which would provide for construction work this fiscal year or as a minimum $300,000 for plans, specifications, and building programing. We are prepared to present a strong case to the Appropriations Committee in Congress but we are requesting your approval and support which is vital at this time.

Your personal consideration and attention to this matter will be greatly appreciated by the people of Montana and your colleagues in the Senate.

With best personal wishes, we remain,

Sincerely yours,

MIKE MANSFIELD, *U.S. Senator.*
LEE METCALF, *U.S. Senator.*

DEPARTMENT OF AGRICULTURE,
Washington, D.C., September 14, 1961.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: This letter is in response to your request that we give further consideration to the need for a northern Great Plains regional center for soil and water conservation research proposed for location at Sidney, Mont.

Senate Document No. 59, 86th Congress, 1st session, the working group report on facility needs for soil and water conservation research, recommends Sidney, Mont., as a suitable location for the establishment of a regional center for research on problems of moisture conservation, and water and wind erosion. Moisture availability is always a limiting factor in the northern Great Plains, both for dryland farming and range forage production. This year's disastrous drought has made research to develop more effective methods for productive use of the limited moisture available for crop or forage production urgent.

Dryland farming in the area has been limited by climate, chiefly to wheat fallow. Recently, safflower, an oilseed crop, has come into use in the area on lands diverted from wheat production. Production of safflower has aggravated erosion problems.

We are assured by many years' experience of excellent cooperation at Sidney with the Montana Agricultural Experiment Station through its Eastern Branch Experiment Station. We have been informally offered a site for the headquarters building of the proposed regional center on the lands of the branch experiment station. Close association and cooperation with the personnel of the Montana Branch Experiment Station would greatly facilitate research at the proposed center.

The work of the proposed regional research center would be expedited by use of a tract of land which would be made available near Culbertson by a group of soil conservation districts for field studies. Other areas could be obtained for use as needed.

The proposed northern Great Plains regional center would directly serve eastern Montana and adjacent areas of the Dakotas and Wyoming. Results of research on moisture conservation would be applicable generally on wheat-fallow and hard range lands in other areas.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

SEPTEMBER 15, 1961.

Hon. ORVILLE FREEMAN,
Secretary, Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: Senator METCALF and I are today sending the attached letter to the President and we will appreciate your con-

tinued interest in the proposed Soil and Water Research Center at Sidney, Mont.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

SEPTEMBER 15, 1961.

Hon. DAVID E. BELL,
Director, Bureau of the Budget,
Washington, D.C.

DEAR MR. BELL: Senator METCALF and I are today sending the attached letter to the President and we would appreciate your cooperation in getting this project started. As you know, the Department of Agriculture's program for the current fiscal year includes two similar facilities in Alabama and Missouri.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

FACTS FAVORING THE LOCATION OF A NORTHERN GREAT PLAINS SOIL AND WATER CONSERVATION RESEARCH CENTER AT SIDNEY, MONT.

1. A study committee of Federal and State scientists recommended the establishment of a soil and water conservation research center in the general area of eastern Montana and the western Dakotas. Sidney is the most central location available to serve the area in question.

2. The study committee also recommended that the proposed Soil and Water Conservation Research Center should be associated with a land-grant college of agriculture. There is no land-grant college campus situated in the immediate area to be served but an extension of the Montana State College campus is available in the form of the eastern branch of the Montana Agricultural Experiment Station. The recommended land-grant college affiliation can be achieved through this relationship. Furthermore, a site for the headquarters building of the research center can be provided on the lands of the branch experiment station.

3. The proposed location at Sidney can reach out easily to the important soil and water situations characteristic of the northern Great Plains. Important problem situations are present in the area on dry croplands, irrigated lands, and rangelands. Most important, perhaps, is the fact that the Sidney location is near the dividing line between the glaciated and the unglaciated soils of the northern Great Plains and the problems of both of these important soil situations can be studied readily from Sidney.

4. The farm and ranch people of northeastern Montana have a long record of support for soil and water conservation research, including the expenditure of locally provided funds for the support of soil and water research carried on cooperatively with the Agricultural Research Service and earlier with the Soil Conservation Service over a period of more than 20 years. The continuing nature of this local support is unique and should be encouraged and supplemented. It is doubtful if this degree of local support and leadership in the field of soil and water conservation research can be duplicated at any other place in the Nation.

5. The local supporters of soil and water conservation research have extended themselves to the limit to provide permanence for such a research effort in the area. For approximately 20 years, the soil conservation districts in the area leased a farm which was made available without charge as a site for soil and water conservation research. These same soil conservation districts purchased a farm of 80 acres near Culbertson on April 1, 1958. This tract of land is available without charge as a site for soil and water conservation research. The farm now owned by the soil conservation districts cost $7,200. It is operated through a group of citizens organized as the Northeast Montana Research Committee.

6. The area to be served by the proposed Soil and Water Conservation Research Center at Sidney is facing major adjustments in its agriculture. One important phase of adjustment is already underway with the development of safflower production on lands diverted from wheat production in northeastern Montana and northwestern North Dakota. Safflower production has developed in the area to the extent that a processing plant was opened at Culbertson during 1959. This new crop holds great promise for increasing the agricultural income of the area but has brought with it several problems requiring additional research. Among them is the problem of erosion of the land after the safflower crop has been harvested. Soil and water research related to this problem will aid in the adjusting of the agriculture of the area away from grain crops which are now in surplus.

7. The city of Sidney is among the most pleasant and progressive in the northern Great Plains area. It is located in the Yellowstone River Valley in a setting of productive irrigated agriculture. The valley is bordered by dry crop and rangelands. Sidney is a growing city with modern facilities. It has an outstanding school system and construction will begin on a new high school this spring. A new hotel completed within the past 10 years is among the finest in Montana. Sidney is served by railroad, busline, and Frontier Airlines.

INCOME TAX TREATMENT OF CERTAIN LOSSES SUSTAINED IN CONVERTING FROM STREET RAILWAY TO BUS OPERATIONS

Mr. HUMPHREY. Mr. President, I understand that the bill to which I referred a moment ago is at the desk. If it is, I move that the Senate proceed to the consideration of the bill.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8652), relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, the bill was passed unanimously by the House, and it was reported favorably by the Committee on Finance. It relates to a public utility; therefore, there can be no private gain involved. It will affect only the rate structure, to the interest of the consumer. I am hopeful that the Senate may see fit to pass the bill.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. I should like to ask the Senator from Minnesota whether this will affect the Treasury of the United States in any way. Will it reduce the revenue of the Treasury?

Mr. HUMPHREY. Not in the long run.

Mr. PROXMIRE. Not in the long run?

Mr. HUMPHREY. No.

Mr. PROXMIRE. Is the bill printed?

Mr. HUMPHREY. Yes, it is printed. It was reported favorably to the Senate by the Committee on Finance. It was reported favorably to the Senate a year ago, but the Senate did not act on it because we did not have time to do so. It had been passed by the House a year ago. It had full hearings in both the Senate and the House.

Mr. PROXMIRE. No objection was raised in the Committee on Finance, and it was passed unanimously by the House?

Mr. HUMPHREY. Yes.

The ACTING PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill (H.R. 8652) was ordered to a third reading, was read the third time, and passed.

Mr. HUMPHREY. I move that the Senate reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

YOKO TAKAYASHIKI

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1070, H.R. 2640.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 2640) for the relief of Yoko Takayashiki.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1089), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant to the minor child to be adopted by citizens of the United States the status of a nonquota immigrant, which is the status normally enjoyed by the alien minor children of U.S. citizens.

STATEMENT OF FACTS

The beneficiary of the bill is a 16-year-old native and citizen of Japan, who presently resides in that country with Mr. and Mrs. Daniel Iwai Aiso, U.S. citizens, who adopted the beneficiary on September 5, 1961. Mr. Aiso is a chief warrant officer in the U.S. Army. Mrs. Aiso was lawfully admitted to the United States for permanent residence and was thereafter naturalized a U.S. citizen on November 3, 1953. Mr. and Mrs. Aiso are scheduled to return to the United States within the near future, and desire to bring their adopted daughter with them.

The ACTING PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

CHARLES J. UTTERBACK

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 881, S. 521.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 521) for the relief of Charles J. Utterback.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment on page 1, line 9, after the word "from", where it appears the first time, to strike out "the date of his separation from service for the purpose of retirement under the Civil Service Retirement Act on September 30, 1959, through October 31, 1959, the date on which he would have been separated for such purpose except for the erroneous computation of his term of service by the Corps of Engineers" and insert "September 30, 1959, the date of his separation from service for the purpose of retirement under the Civil Service Retirement Act (in accordance with an erroneous computation of his term of service made by the Corps of Engineers) through October 12, 1959, the date on which he became eligible for retirement."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles J. Utterback, of Aiea, Hawaii, a sum equal to the amount he would have received as compensation had he continued in his employment with the Corps of Engineers, of the United States Army, Honolulu District, from September 30, 1959, the date of his separation from service for the purpose of retirement under the Civil Service Retirement Act (in accordance with an erroneous computation of his term of service made by the Corps of Engineers) through October 12, 1959, the date on which he became eligible for retirement.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 898), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as amended, is to authorize the Secretary of the Treasury to pay to Mr. Charles J. Utterback, of Aiea, Hawaii, a sum equal to the amount he would have received as compensation had he continued his employment in the Corps of Engineers of the U.S. Army, Honolulu district, from September 30, 1959, the date of his separation from service for the purpose of retirement under the Civil Service Retirement Act, in accordance with an erroneous computation of his term of service made by the Corps of Engineers, through October 12, 1959, the date on which he became eligible for retirement.

STATEMENT

The unfavorable report of the Department of the Army on this bill shows that Mr. Charles Utterback was born August 5, 1898, in Landes, Ill., and entered the U.S. Army on December 3, 1917, and remained on active duty until he was honorably discharged at Camp Zachary Taylor, Ky., on January 17, 1919. Mr. Utterback reentered the Army on July 1, 1928, and remained on active duty until receipt of his second honorable discharge on July 1, 1934. Mr. Utterback received a civil service appointment as a tractor operator, CR–3, on November 25, 1936, and remained in various civil service positions continuously until he was erroneously retired from the rolls of the U.S. Army Engineer district, Honolulu, Hawaii, on September 30, 1959. Mr. Utterback would not have completed his 30 years of service required for optional retirement until October 12, 1959.

Since Mr. Utterback's separation had become effective and he could not be restored to the rolls, the district engineer, U.S. Army Engineer district, Honolulu, took corrective action making the effective date of retirement October 31, 1959. Mr. Utterback was granted length of service credit for October 1959 without actually having performed any duties, so that he could meet the minimum eligibility requirements for optional retirement. This was accomplished administratively by granting Mr. Utterback leave nunc pro tunc.

This committee is mindful of the fact that Mr. Utterback was separated from his employment by an error of the Corps of Engineers in erroneously determining his length of service for the purpose of retirement under the Civil Service Retirement Act. There is no doubt that Mr. Utterback would have gladly worked through the month of October so that he would have been eligible not only to draw his retirement but also to have drawn his salary for each day up to the day when he would receive his retirement check, which would have been November 1, 1959. However, since Mr. Utterback became eligible to retire on October 12, 1959, this committee feels that he should be paid compensation for only those days which it was actually necessary for him to have worked for purposes of drawing his retirement and, therefore, recommends that the bill, as amended, be favorably considered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

APPOINTMENT OF NEW DIRECTOR FOR CENTRAL INTELLIGENCE AGENCY

Mr. PROUTY. Mr. President, the White House announced several weeks ago that Allen W. Dulles would retire as Director of the Central Intelligence Agency before the end of this year.

Yet Congress is only hours away from adjournment and the President has left the legislative branch in the dark with respect to whom he will nominate to succeed Mr. Dulles.

I am deeply disturbed about this situation.

Unlike other Government agency heads the Director of CIA has been personally vested by Congress with sweeping autonomous authority.

The next 90-day period, from the standpoint of peace or war, may be one of the most crucial in our Nation's history.

The success of the United States in these most critical days ahead requires the finest coordination of intelligence and the most reliable foreign intelligence operations.

The President will be making a grave mistake if he does not use every effort to persuade Mr. Dulles to remain until the competence of his proposed successor can be thoroughly scrutinized by the U.S. Congress.

GOODBY "PORKY"

Mr. BOGGS. Mr. President, on Wednesday, September 20, one of the truly fine gentleman in the sports world, Golfer Ed "Porky" Oliver, passed away.

"Old Pork Chops," as he was known to his fellow professionals, succumbed to the dread disease, cancer.

"Porky" caddied as a youngster at the Wilmington Country Club and in 1933 at the age of 18, he turned pro. For almost 25 years, "Porky" followed the sun from one tournament to another, many times a bridesmaid but never a bride. Known as golfdom's perennial runner-up, "Porky" never won a major tournament but he did lead the United States team to victories in the Ryder Cup over England in 1947, 1951, and 1953.

He lost a chance for a tie in the 1940 National Open when he was disqualified for teeing off ahead of schedule and he dropped the PGA title in 1946 to Ben Hogan after leading halfway through the final 36-hole match. He also finished second in the 1952 National Open and the 1953 Masters.

Shortly before becoming ill "Porky" quit the tournament trail to do public relations work for a Denver, Colo., trucking firm and after being struck down, he returned to his home in Wilmington where he kept busy by aiding cancer research through testimonials and affairs in his honor. It is estimated that he helped raise over $20,000 for research through his efforts and public appearances.

Mr. President, Delaware and the Nation have lost one of their greatest athletes ever to compete in national and international competitions and one of their finest citizens.

Mrs. Boggs and I express our heartfelt sympathy to Mrs. Oliver and the wonderful Oliver children.

In the words of the late Grantland Rice:

Clean as the west wind's sweep,
Strong as the northern gale;
Charon—a friend's asleep,
Give him your stoutest sail.
Out through the mystic gate,
Over the ghostly foam;
Let all your half-gods wait,
Till he is safe at home.

OUR RESPONSIBILITIES IN THE RYUKYU ISLANDS

Mr. LONG of Hawaii. Mr. President, late last year the Senator from Alaska [Mr. GRUENING] and I, as members of a special study group of the Senate Interior and Insular Affairs Committee, visited the Ryukyu Islands. We were interested in the Ryukyus principally because of the relationship between them and other islands under U.S. jurisdiction in the Pacific. Our interest

concerned primarily our civil responsibilities in the Ryukyus rather than military or strategic matters.

In Hawaii, we have about 32,000 people of Ryukyuan descent. They are among our most outstanding citizens, and we are proud of them. It was therefore with more than a routine interest that I traveled to the Ryukyus, which, although far away in terms of miles, are nevertheless close in heart to us in Hawaii.

As a result of my trip, I gained some impressions and arrived at some recommendations on how the United States should meet its civil and moral responsibilities in the Ryukyus. I would like to share those impressions with my colleagues in the Senate, and respectfully urge them to give careful consideration to several suggestions for improving our relations with the wonderful people of the Ryukyus.

First, I would like to give some background on the Ryukyus and our trip there.

The Ryukyus consist of 3 major groups comprising about 63 islands stretching along 375 miles. The islands have a total area of 848 square miles and a population of 882,000. Okinawa is the largest of the islands, with an area of 454 square miles and a population of 682,900.

U.S. occupation of the Ryukyus is probably unique. Prior to World War II, the islands were an integral part of Japan. Following Japan's surrender, they were treated as a separate territory for purposes of U.S. occupation. By the Treaty of Japan, ratified by the Senate on April 28, 1952, the United States was granted sole administrative authority over the Ryukyus for an indefinite time. Article III of the treaty states, in part:

> The United States will have the right to exercise all and any powers of administration, legislation, and jurisdiction over the territory and inhabitants of these islands.

Japan did not, however, specifically renounce "all right, title, and claim" to the Ryukyus as Japan did in respect to Korea, Formosa, and the Kuriles. Then Secretary of State Dulles described the arrangement as "residual sovereignty." The treaty does not, however, confer upon Japan any right to exercise any true sovereignty.

Executive Order 10713 of June 5, 1957, assigned to the Secretary of Defense the responsibility of governing the Ryukyus. The order states, in section 2:

> In the exercise of this authority the Secretary of Defense shall encourage the development of an effective and responsible Ryukyuan Government, based on democratic principles and supported by a sound financial structure, shall make every effort to improve the welfare and well-being of the inhabitants of the Ryukyu Islands, and shall continue to promote the economic and cultural advancement of the inhabitants." (22 Fed. Reg. 4007, 1957).

There are two governments in the Ryukyus. Headed by the High Commissioner is the U.S. Civil Administration of the Ryukyu Islands—USCAR—responsible for exercising the powers of administration granted by the Peace Treaty with Japan.

USCAR has established a local central government, called the Government of the Ryukyu Islands—GRI—organized along democratic lines. The local government includes legislative, executive, and judicial branches.

The strategic importance of the Ryukyus is obvious. They are located 400 miles east of the Communist China coast; 620 miles southeast of Korea; 970 miles south of Tokyo; and 920 miles north of Manila.

Okinawa is the only western base in the western Pacific where no other government can impose any restrictions which could limit the effectiveness of our military forces. This factor cannot be overemphasized in considering the importance of the Ryukyus to U.S. security.

It is likewise obvious that U.S. occupation of the Ryukyus for security purposes will continue for an indefinite time in the future.

Our study group was interested in the Ryukyus principally because of the relationship between these islands and other islands under U.S. jurisdiction in the Pacific. Our point of interest therefore concerns primarily the civil responsibilities rather than military or strategic matters. In this connection, however, it should be kept in mind that a vital factor in maintaining security in the Ryukyus is the existence of a loyal and friendly local population. This is made clear by the Executive order of 1952. USCAR has done much to foster friendly relations, particularly through the establishment of the local GRI government. Evidence of our successful efforts was the local election held shortly before the study group visited Okinawa last year. Pro-American candidates were chosen in what news reports described as a "landslide" vote of confidence in the United States.

The maintenance of a congenial local population thus is in our own selfish interest. But it is a great deal more than that. It is another example of meeting a moral and humanitarian obligation for all the world to see.

During our stay in Okinawa, from November 21 through 23, discussions were held with Lt. Gen. Donald P. Booth, high commissioner and commander general of the Ryukyus and General Booth's representatives; Brig. Gen. John G. Ondrick, U.S. civil administrator; Seisaku Ota, Chief Executive of the government of the Ryukyu Islands; Tsumichiyo Asato, speaker of the legislature; officials of the University of the Ryukyus; and others.

Our major interest involved the need for development of Ryukyuan economy and an easing of U.S. immigration restrictions on Ryukyuans. Of greatest interest among Ryukyuans is the effect of the so-called Price bill of the 86th Congress. The legislation as originally introduced by Congressman MELVIN PRICE of Illinois (H.R. 1157) and by me in the Senate (S. 3203) was intended to assure the Ryukyus of continuing U.S. support for the economy of the islands to permit long-range planning. The legislation proposed that up to $6 million of the U.S. Federal income taxes collected in the Ryukyus be earmarked for promotion of economic and social development in the Ryukyu Islands.

Congress, however, amended the proposal to make it an authorization for an appropriation of up to $6 million a year for such purposes. (See H. Rept. 1517 and S. Rept. 1738, 86th Cong., 2d sess.) The amended legislation was signed on July 12, 1960, and became Public Law 86–629. Although the new law does not assure the continued availability of funds as originally proposed, it does for the first time officially and legally authorize appropriations for the economic and social development of the Ryukyus. Previously, such funds were not specifically authorized and therefore ran the risk of being blocked on a point of order by any Member of the House or Senate.

Provision of the full $6 million annual appropriation for economic and social development in the Ryukyu Islands authorized by Public Law 86–629, assumes particular importance in view of the economic, political, and moral implications involved.

It is a harsh fact that the Ryukyuan economy is one of scarcity, begotten of a poverty of natural resources, aggravated by the perennial problems of natural disasters and intensified by one of the world's most extreme population densities.

The area has no mineral deposits of any significance; it has no economically exploitable hydroelectric power potential, no important deposits of natural gas, and not even any usable thermal springs. The Ryukyus are far from self-sufficiency in food production. Annual food imports exceed $28 million, including nearly 50,000 metric tons of rice. Ryukyuan farmers are making some advances in the expansion of cash crop production, notably pineapple, which is now their second principal export item. However, their major cash crop, sugar, can now supply only 2½ percent of Japan's 1,200,000-metric-ton annual import demand.

One major factor affecting agricultural production is the requirement by U.S. agencies to use about 16,500 acres or 17.4 percent of the arable land on the island of Okinawa; however, since the Ryukyuans are permitted to farm approximately 4,600 acres of this land, the actual loss in acreage available for farming is 12.6 percent. This is still a substantial loss to an already deficit area.

Natural disasters, predominately typhoons and droughts, are common in the Ryukyus. Thirty-four typhoons struck these islands during the period fiscal year 1953 through fiscal year 1960, with wind velocities as high as 175 miles per hour and precipitation up to 15 inches. Tremendous damages to public and private property have been sustained. In 1959 alone, three major typhoons resulted in an estimated $14.7 million worth of damage.

The population density, twice that of Japan and 20 times that of the United States, averages nearly 1,100 per square

mile in all of the islands, and is over 5,000 persons per square mile of arable land on Okinawa Island. The ratio of population to farmland increased from 3.8 per acre in 1940 to 5.7 per acre in 1960.

In addition to the dearth of natural resources there are huge deficits in basic economic facilities such as roads, bridges, harbor facilities, and land development. There are nearly 2,000 miles of roadway—excluding farm roads—of which only 150 miles are paved. To accommodate the 32,000 vehicles that now travel Ryukyuan roads—in contrast to the 200 there before World War II—there is an urgent requirement for paving and construction of roads and bridges costing some $44 million. This requirement can only be met on a long-range basis.

The nature of the geography of the Ryukyus makes them almost completely dependent on their ports and harbors for commerce, fishing, and economic ties with other areas. These are also a principal key to the development of the economic potential of all the islands. At all of the 70 small ports, and 4 of the 8 large ports, cargoes and passengers must be lightered from large vessels to shore. This is a costly time-consuming process, yet not so costly as the losses of vessel incurred from the lack of a harbor in typhoon weather.

Retaining walls at the base of slopes and at the edge of the sea are vital to protect roads, agricultural land, and villages from the destructive forces of nature and to assist in development of land which is so vital in this densely populated area. Requirements for retaining walls are estimated to cost some $16 million.

These are only some examples of the need to provide the full $6 million authorized annually by Public Law 86–629 if there is to be effective progress toward economic stability. In addition there are the important areas of public health, education, and technical training.

By helping to meet these needs in the Ryukyus, the United States stands to gain the political stability essential to insure freedom of military operation in most this important base in the Far East. Political stability there can be achieved only if there is economic progress and stability.

From the moral viewpoint, we are responsible for the welfare of the 900,000 souls who became our wards through the fortunes of war; we have assumed this responsibility by adopting the treaty of peace with Japan. The American sense of fair play, now explicit in the law of the land and implicit in all our efforts in this area, dictates that we make every effort to improve their welfare and well-being. The needs are tremendous; our assistance should be the maximum reasonably defined.

On the basis of my impressions as chairman of the special study group during our visit to the Ryukyus, I wish to make the following recommendations:

First. That the Congress support as soon as possible the full appropriations authorized by Public Law 86–629 for the social and economic development of the Ryukyu Islands.

Second. That Congress approve legislation, already introduced in the Senate by members of the study group (S. 1157), to provide a quota of 100 a year for Ryukyuans who want to immigrate to the United States.

Third. That the administration give careful consideration to the possibility of easing U.S. customs restrictions on goods from the Ryukyus, particularly those which are noncompetitive to U.S. products.

I am sure that there are other steps which can be and are being taken to improve our relations with these friendly and loyal people in the Ryukyus. I particularly commend President Kennedy for appointing a special "task force" to visit the Ryukyus within the next few weeks to study conditions there.

I had the pleasure earlier this week of discussing this assignment with Dr. Carl Kaysen, chairman of the task force, and Undersecretary of the Army Stephen Ailes, a member of the task force. They fully realize the importance of our responsibilities toward the Ryukyuan people, and I am indeed hopeful that they will be able to speed the steps which need to be taken.

When we assumed by treaty the control of these islands for an indefinite period we assumed responsibility for the happiness and the social and economic well-being of the 800,000 people who live there and whose ancestors lived there for centuries. We are meeting that responsibility, but not as fully as we should. We can and should do a better job. This is our opportunity. This is our challenge.

WAR CLAIMS LEGISLATION

Mr. KEATING. Mr. President, the war claims bill recently ordered to be reported by the Committee on the Judiciary falls grievously short of providing the relief urgently needed and fully justified.

It is now over 16 years since the end of World War II. During all this period we have been holding hundreds of millions of dollars of vested former enemy assets which the Allies retained after the war by joint agreement with Germany in lieu of reparations. We have enacted legislation prohibiting the return of these assets and have frequently recognized their availability for the payment of damages to Americans who suffered losses during World War II. Nevertheless, we have failed in all these years to enact the enabling act necessary to complete a compensation program.

With this background, the committee has now reported a bill which omits any provision for payment of claims, prohibits the sale of vested assets tied up in endless litigation, discriminates against newer American citizens, and omits any basis for settling heirless property awards for the relief of the victims of Nazi persecution.

This bill disregards every consideration of fairness and compassion, threatens to add an unwarranted burden upon the American taxpayer, and raises the danger that most claimants will have died long before they are awarded any measure of just compensation.

There is only one ray of sunshine in this bleak picture. At least a war claims bill is almost out of committee and on the Senate Calendar. This means that at long last the Senate will have an opportunity to work its will on this subject, and hopefully, to deal more equitably with the important interests this legislation affects.

Although this bill was reported to the Senate for action, several members of the Judiciary Committee are dissatisfied with various provisions in it. It is my intention, when the bill is under consideration, to propose a number of essential amendments. I know that there is widespread support for every one of these proposals. In my opinion, if the purpose of these amendments were fully understood, they would be warmly endorsed by an overwhelming majority of the Senate.

Separate views are now being prepared to accompany the committee's report, in which each of the amendments will be discussed fully. At this point I merely want to comment briefly for the information of the Senate on some of the issues involved.

In the last session of Congress, the administration supported a war claims bill (H.R. 2485) to provide in general for the payment of compensation out of vested assets to Americans who suffered injury or death or property losses under certain circumstances as a result of military operations during World War II. In transmitting this bill to Congress, the then administration pointed out:

> In our judgment the settlement of the claims, which would be authorized under the bill, should not be delayed any longer. With the passing of time the difficulties of establishing titles, successions, and valuations keep on mounting to increase administrative costs attending claims processing.

Prompt action on the bill was urged by the Department of State, the Department of the Treasury, the Bureau of the Budget, and the Foreign Claims Settlement Commission. There were many witnesses who sought to have the application of the bill broadened. But there was virtually no opposition to the bill except on the part of a small group, who, contrary to all existing treaties, international agreements and legislation on this subject, believe that we should return the vested assets to their former alien owners.

H.R. 2485, after its approval in the other body, was completely emasculated during its consideration in the Senate Committee on the Judiciary in the 86th Congress and only a bare skeleton of the original proposal was reported to the Senate. Even this wholly inadequate measure was allowed to die on the Senate Calendar at the expiration of the 86th Congress without having been called up for consideration. Earlier this year the present administration recommended a war claims bill similar to H.R. 2485, the bill that passed the House of Representatives in the previous Congress. Despite the increasing urgency of the subject, however, no action has been

taken in either body on the new administration's bill. Instead, we have been presented with an original committee bill containing all the defects and shortcomings of the bill which was allowed to die on the Senate Calendar a year ago.

This is a shocking situation. It is unfortunate that the persons involved are in the main too old and poor and discouraged to give voice to the disappointment and despair which they must feel. These men and women are now told in effect that an inventory will be made of their claims without any promise of ultimate payment. In all earnestness, I say that if we wait much longer, this problem will be mooted by the death of the thousands of Americans who deserve better treatment from Congress. This is an injustice to our fellow Americans and a breach of our obligations which no amount of sophistry and meretricious analogies can justify.

Let us face the issue squarely. Either the vested assets will be used to pay war damage claims or they will have to be paid for out of tax revenues, or they will not be paid at all. I see no reason whatever to tax the American people for an obligation which was assumed years ago by our former enemies in exchange for a waiver on the part of the Allies of reparations which would have been many times more costly. The attempt to defer the question of payment is not a solution to the problem, but a vain hope that out of exasperation and impatience this load can be cast upon the shoulders of Uncle Sam rather than upon those who long ago understandably agreed to meet this cost. This is an intolerable proposal which would produce an irresistible public protest if the facts were more widely known.

The principal one of my amendments, therefore, will be to restore the payment provisions of the administration's bills in both this Congress and the previous Congress.

In addition, I will propose an amendment which would permit the sale of vested assets still being run by the Department of Justice instead of private enterprise because of endless litigation over their ownership.

This proposal has the vigorous support not only of former Attorney General Rogers but also of present Attorney General Kennedy.

I will also propose a settlement of so-called heirless property claims which could never be returned to their owners because of their death in concentration camps or from other sources.

I intend also to include a special provision for Americans who lost property in Hungary and received only slightly more than 1 percent of their losses under an earlier program, the adequacy of which was grossly overestimated by Government officials.

I shall explain these amendments in detail in my separate views. At this point, however, I want to emphasize that all, I repeat all, have been expressly endorsed by the administration and deserve much more sympathetic consideration than they have received in committee.

Finally, I intend to propose an amendment to avoid any discrimination against any American citizens under this legislation. We have never accepted in this country any concept of junior or second-class citizenship. No American reasonably can be expected to look for compensation to his Government of former allegiance or to be shunted aside by the Nation to which he now owes his complete allegiance. But, the committee bill excludes later nationals from even its filing provisions, which is further than we have ever gone before. The exclusion of later nationals from previous payment bills on this subject has marred their otherwise salutary and humanitarian objectives. In all candor, I must concede that the administration has not given its support to my view on this proposal, but I believe that this is more the result of a legalistic reliance on inapt principles of international law, than because of any lack of sympathy for the small amount of additional claimants that would be involved. Congress has never sanctioned priority under any legislation depending upon the date of naturalization, and this certainly is no occasion to institute such an unwarranted practice.

Mr. President, this is a complex and difficult subject and I have touched only briefly on the major issues it presents in order not to impose unduly on the time of the Senate. The basic question involved, however, can be simply stated: "After 16 years of inexcusable delay, is Congress going to deal equitably and meaningfully with Americans who suffered compensable losses in World War II?" In my opinion, the bill ordered reported by the committee would provide a wholly negative response to this question. It will be my purpose before the debate on this subject is concluded to give the Senate an opportunity to reject the misguided course recommended by the committee and to respond to this same question in an unmistakably affirmative manner.

A MOST PRECIOUS FREEDOM

Mr. THURMOND. Mr. President, the September 12, 1961, edition of the St. Petersburg Evening Independent, St. Petersburg, Fla., contains a particularly discerning editorial discussing the merits of freedom of speech. The editorial points out the fact that freedom of speech is one of the basic tenets which our Constitution is designed to protect. I ask unanimous consent that this editorial, entitled "A Most Precious Freedom: The Right of Free Speech," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A MOST PRECIOUS FREEDOM: THE RIGHT OF FREE SPEECH

Freedom is an intangible thing. It has no fixed abode. It comes and goes like the shadows of the night. It has never been given to any nation. To be enjoyed it must be earned. To be enduring it must be safeguarded with all the zest and might and power of a free people. There must be minutemen in watchtowers alert at all times to prevent government from stealing it away for the time being—or, perhaps, forever.

Within the past 30 years we have lost great numbers of freedoms in America. We stand to lose more, unless we awaken to our dangers. Every time a power is given to government, a freedom is lost by the people. If only we could understand the truth that government can be a deadly enemy to the freedoms of all citizens, we would not confer a single additional power on government.

When we contemplate the enormous number of new powers given government at the urging of so-called liberal leaders during the past three decades, we shudder to think of the many freedoms surrendered by our fellow Americans.

One of the greatest freedoms enjoyed in the past is the right of government officials and the leaders of our Armed Forces to proclaim their loyalty to the United States; and to express their love and devotion to the great principles of liberty guaranteed by our Constitution. At the same time, everyone in Government, including members of the Armed Forces, has the right of free speech to point out the dangers we face from our enemies and the perils of listening to the false claims of totalitarian governments. To place a muzzle on the voices of our military men is to deprive them, as well as all of us, of the right to compare the great benefits coming from our way of life to the evils and dangers of dictatorships.

We raise our voices in solemn protest to any restraint on the leaders of our Armed Forces expressing their views on the evils of communism. Our form of government is either good or bad. If it is good, and we aver that it is the very best ever devised by the mind and purpose of man, then every American should proclaim its virtues to all the world without cessation and without let or hindrance.

If communism is evil, and we assert that it is a form of barbarism, an ungodly and immoral creation ruled solely by lust, might, and power under a form of slavery and oppression, then everyone who believes in honesty, integrity, ethics, compassion, and godliness should freely be permitted to point out its savage aspects and how destructive its forces are to the rights and liberties of free men.

We must end gag rule now and forever. Let the leaders of our Armed Forces speak out and display the vast pride they enjoy at being Americans.

GOVERNMENT COTTON PROGRAM AND POLICIES

Mr. TOWER. Mr. President, large areas of the State of Texas are dependent upon cotton for their livelihood. Only Texas can boast of cotton-growing conditions comparable to about all parts of the Cotton Belt. And since it produces about 30 percent of each year's cotton crop, Texas has a unique stake in our Government's cotton program and policies.

Long before coming to the Senate, I tried to acquaint myself with cotton's problems, needs, and opportunities. Cotton still has problems, but the depressing surplus of a few years ago no longer exists and the overall cotton situation is encouraging. We are all hopeful that the Geneva agreement will alleviate to some degree the problem of cotton textile imports. However, the threat of such imports still remains. Another of cotton's biggest needs is an adequate,

well-balanced research program to reduce costs, increase efficiency, and improve the quality of cotton products.

But cotton also has tremendous opportunities. To achieve them, however, it is necessary that our Government administer its vast powers over the destiny of the cotton industry wisely and sympathetically. It is to this subject that I address myself today.

For any industry to prosper it must assure its customers of adequate and steady supplies of quality materials at reasonable prices. It is in this area that the Government, through the Department of Agriculture, plays its most vital role. The Department of Agriculture sets not only the cotton-acreage allotment but also the level of price support.

All of us interested in the welfare of farmers and the entire cotton industry at every opportunity should urge that the farm program be administered in the interest of those affected.

One of the most important decisions that the Secretary of Agriculture makes insofar as the U.S. cotton industry is concerned is the size of the upland cotton acreage allotment. By law he must set the 1962 allotment before October 15. Because of many circumstances and factors, this determination will have an impact on the cotton industry for years to come. Made wisely, it can be of immeasurable benefit to the cotton industry. A poor decision could spell real disaster for all segments of the industry.

I noted recently in the daily press that the junior Senator from Arkansas was quoted as saying the Department of Agriculture was considering the possibility of reducing the national acreage allotment for upland cotton in 1962. He stated that the need next year was not for a reduction in acreage but rather an increase. I associate myself with him completely in this regard.

Mr. President, it would be a grave mistake to even consider reducing the acreage allotment for cotton for next year. A cursory examination of the facts leads one to the inescapable conclusion that the 1962 acreage allotment must be increased.

The Agricultural Act of 1958 gave the Secretary of Agriculture wide discretionary authority in setting the cotton acreage allotment. This was done in order to permit him to meet changing conditions and the demands of the times. That law directs him to consider, in making his marketing quota and acreage allotment findings, stocks of cotton in the United States and foreign countries; the maintenance of adequate stocks in the United States; a continuous and stable supply in this country and in foreign cotton consuming countries; and the national security.

No objective person can look at these factors without realizing that the cotton acreage allotment should be increased.

The old crop carryover of upland cotton has declined steadily from its record high of about 14 million bales on August 1, 1956, to about 6.8 million bales last August 1, the lowest since 1953. At our recent rates of consumption this is less than a half year's supply and is just about enough for the transition to the new ginning season.

The reason for the decline is simple. In each of the last 5 years total useup of cotton has exceeded production. Even if we accept the Department of Agriculture's most recent estimate of domestic consumption and exports for next season, which is generally considered to be low, we will have an even further slight reduction in stocks if the crop turns out as indicated.

There is, however, the distinct possibility that the crop may be smaller than the most recent estimate. With Hurricane Carla causing great damage to the cotton crop in parts of Texas and to some extent in Louisiana, a more realistic outlook for the current season, it seems to me, is for a smaller crop.

Free world stocks of cotton are the lowest since just before World War II, with the exception of 1 year during the Korean war. I do not presume to know what an adequate level of stocks is. But I do know in view of the serious international situation we now face, we cannot afford to gamble with our cotton supplies and run the risk of a shortage. Cotton is of vital importance to our national security and to the support of our allies. Senators will recall during the Korean war when the demand for cotton reached such a peak that an embargo had to be imposed on U.S. exports. With our friends abroad denied access to our cotton which was their traditional source of supply, cotton prices outside of the United States went to 80 cents per pound.

With the severe shortage occasioned by the Korean war and the sharp rise in cotton prices overseas, foreign producers were given every incentive to increase their acreage and production. During Korea acreage in the free foreign world increased about 8 million acres—25 percent.

Following the Korean war, controls were reimposed and acreage cut sharply. But U.S. cotton stocks continued to rise because we failed to meet our competition both overseas and at home. Our price support program held foreign prices up with the result that foreign cotton acreage was further expanded. Foreigners added 6 million additional acres to their production base in the 3 years following the end of the fighting.

This was a period in which U.S. cotton suffered some of its severest losses. I for one do not want a repetition of this. But an equally tragic crisis could be precipitated if a shooting war developed in Berlin. It would be sheer folly not to assure ourselves and our allies a sufficient supply of cotton.

Furthermore, completely aside from national security considerations, we simply must produce an adequate supply to protect our markets. Nothing could destroy our export markets quicker than our inability to supply the demand in the qualities and quantities needed. And if foreign nations are not going to carry the cotton needed then we must do so.

There are too many contingencies facing us to be complacent about cotton supplies. The international situation, the lateness of our current crop, the damage wrought by Hurricane Carla, round after round of inflation—all of these call for a realistic look at our cotton supply.

Again, Mr. President, let me say that I do not presume to suggest a desirable level of production. That is for the Department of Agriculture to decide after receiving the advice of cotton industry leaders. I would, however, point out that there are several factors which must be considered in order to attain the amount of production needed.

One of these is the extent to which the allotted acreage will not be planted. As a general proposition, the larger the allotment the greater will be the underplanting. Underplanting has been increasing for some years. A comparison of the 1960 season with 1961 when the allotment was increased shows a rise in underplantings from a little over 9 percent to around 10½ percent of the allotment.

I have raised these points, Mr. President, to dramatize the position of the American cotton industry. An increase in the 1962 acreage allotment is absolutely necessary. But that increase must be predicated upon the best possible information available to the Department of Agriculture.

I ask all those interested in the welfare of the U.S. cotton industry to join with me in petitioning the Secretary of Agriculture not only to increase the 1962 cotton acreage allotment, but to base that increase on well reasoned, sound fact. There is too much at stake to do otherwise.

CUBAN GOVERNMENT-IN-EXILE

Mr. TOWER. Mr. President, the State Department has on two occasions rejected suggestions that the United States recognize a Cuban government-in-exile. These decisions were well-founded due to the fact that both proposals were no more specific than to name a single proposed leader. Obviously, our Government could not tap a single individual on the shoulder and, in effect, say, "You be the leader of a Cuban government." To have done so would immediately have alienated all other factions represented by Cubans in exile in this country and elsewhere.

However, it seems to me that the time has come when it is both necessary and desirable for the United States to take some positive action to encourage and facilitate the formation of a responsible Cuban government-in-exile. Such a government must be a coalition, including all major Cuban political factions in exile. Otherwise, it would fail.

Earlier this week President Prado of Peru indicated that such a Cuban government would find a safe haven in that country. I believe several other Latin American governments are prepared to recognize such a government.

In my opinion an affirmative statement by our Government at this time would precipitate the early formation of a responsible Cuban government-in-exile. It is my hope that such a statement will be forthcoming.

It has been 5 months since the ill-fated invasion at the Bay of Pigs. In that time nothing has been done to my knowledge and in the meantime Castro grows stronger. If we allow this matter to drift we shall demoralize the free world by permitting them to believe that the mighty United States of America intends to coexist with communism at our very shoreline.

AMENDMENT TO FEDERAL CIVIL DEFENSE ACT OF 1950

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate and made the pending business.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which will be stated by title.

The CHIEF CLERK. A bill (H.R. 8383) to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the conference report on the Mexican farm labor bill (H.R. 2010), be laid before the Senate for consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PROXMIRE. Is this the Mexican farm labor bill?

Mr. MANSFIELD. Yes. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. PROXMIRE. Mr. President, it was the understanding of the junior Senator from Wisconsin before the Senate adjourned last night that an agreement had been reached between the Senator from Ohio [Mr. LAUSCHE] and the Senator from Oklahoma [Mr. KERR] that immediately following the conclusion of the morning hour today the lead and zinc bill would be taken up.

Mr. MANSFIELD. Not necessarily immediately after the morning business. I do not believe anything should be done on that subject until the Senator from Ohio and other interested Senators have come to the Chamber.

Mr. PROXMIRE. I thank the Senator from Montana.

EUROPEAN COMMON MARKET AND AMERICAN AGRICULTURE—PROPOSED JOINT COMMITTEE ON EXPORT TRADE

Mr. HUMPHREY. Mr. President, our Secretary of Agriculture, Orville Freeman, in a recent address at Brussels did a magnificent job in explaining the U.S. position toward maintaining and opening new markets for U.S. agricultural exports to the European Common Market countries. I commend our Secretary for directing his energies to this very important subject. This is but another example of the fine and dedicated work that Secretary Freeman has been doing on behalf of American agriculture. I ask unanimous consent that Secretary Freeman's speech be inserted at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, having for many years been most interested in the development and expansion of our export trade in agricultural commodities, I have been most hopeful that the European Economic Community will move in the direction of lowering artificial restrictions on the importation of agricultural commodities. Such a step would be of benefit to all concerned. It would benefit American agriculture, and it would also result in lower food costs for the European people.

One of America's leading export items should be our agricultural products. We can take pride in being the leading agricultural nation in the world. No country can match us in agricultural know-how, in production, in quality, and in price. This is why I have taken issue with those who cry about our so-called farm surplus. My reply to them has been that our food abundance should be treated as a blessing rather than a curse and that we should extend our efforts to utilize this God-given resource both at home and abroad. We have been moving altogether too slowly in expanding our export markets for farm products. We have hardly scratched the surface.

The U.S. Government has given strong support to the emerging European Economic Community. However, it has generally viewed this emerging organization with favor on the assumption that it would develop a liberal trade policy, not only within the European Economic Community, but also in its relationships with third countries. The hope and expectation within the United States has been that the Common Market countries would adopt a liberal and outward looking tariff and trade policy. This is the only way that the European Economic Community trade with the United States and the rest of the free world will be able to expand on a reciprocal basis.

I recognize that there are many problems, especially in the agricultural field. However, I feel that a liberal trade policy will be in the interest of the six countries themselves—in what is known as the Inner Six and, indeed, the so-called Outer Seven. The establishment of a common market will offer them great opportunities for expanding production and sales on a competitive basis. Thus, they will be better able to develop their economic strength.

As the competitive strength of the Community grows, its export oppportunities will also increase. To be able to expand its export trade, the European Economic Community will find it necessary to become more liberal in its foreign trade policy. This it will find necessary because trade can be expanded only on a reciprocal basis.

I recognize that the European Economic Community has had to develop its agricultural proposals against the background of the agricultural situation and current policies of the six countries. European agriculture has increased production substantially above prewar. This increase in production was stimulated by many governmental actions, as well as by technological progress.

Import restrictions originally imposed for balance-of-payment reasons have been continued for protective purposes. State trading practices, mixing regulations, skimmings, and a variety of other devices have also been used to protect European farm production and soybean processors in the European Economic Community.

Compared with the present agricultural and trade policies of the major European Economic Community countries, the Commission proposals for a common agricultural policy have certain good features.

On the other hand, the proposals would continue certain protective devices now employed by European Economic Community countries, and in some cases extend their use to all six countries.

I am especially concerned by reports that the import duty on soybean oil entering Western European markets will be increased from about 5 percent to 10 percent ad valorem. European crushers of soybeans have free access to U.S. soybeans. This provides them with a basic source of raw material which can be converted into both oil and meal. It would appear equitable that no special favors should be made for European soybean crushers, and that soybean oil should enter free of duty, just as soybeans are.

Mr. President, if the import duty on soybean oil entering the European Economic Community should be increased, it will have a most disturbing effect on the U.S. soybean market. It will tend to lower the price of soybeans in the United States, and thereby tend to depress prices for the ever-growing number of farm producers. It will depress the price of soybean oil. Both effects will have serious consequences in terms of the agricultural economy of our country.

I would say to our friends in the European Economic Community that such increases in import duty will most assuredly fan the flames of protectionism

here in the United States. As a stanch supporter of our reciprocal trade programs, I would hate to see this happen. But there can be no doubt that if tariffs are raised by other countries, the demand will grow that our country reciprocate in kind.

I remind our European friends that next year the Reciprocal Trade Act will come before Congress for renewal. Any action on the part of the European Economic Community, either the Inner Six or the Outer Seven, which raises tariffs or imposes quotas or embargoes will only fan the flames of protectionism in the United States, to the disadvantage of the European market, which finds such a great outlet in the United States for the goods of its manufacturing establishments. This would be most unfortunate, and I urge the European Economic Community to consider this aspect of the problem most carefully before instituting higher trade barriers.

Mr. President, I want to support the European Common Market, because I know it has a great potential for good. It is a step in the right direction. However, it is essential that the United States, as an exporting nation, obtain a share of the expanding market. That is in line with the spirit of the General Agreement on Tariffs and Trade.

We must look with disfavor on restrictive proposals which tend to disrupt our patterns of trading relations with the area. We are pursuing an evermore liberal policy in trade. That is what we seek and shall continue to seek. But this is a two-way street. If we are to pursue a more liberal trade policy, the nations with which we trade must do likewise. There must be cooperation among the nations.

Mr. President, on Tuesday of this week, I addressed the Senate on the Soviet economic offensive and its efforts to disrupt established commercial trading between the nations of the free world. This is a serious and well-planned offensive of the Soviet Union and one not to be taken lightly. It is imperative that the free world nations do not play into the hands of the Soviet Union in this area by doing anything that would disrupt, rather than promote, trade between nations.

Our Government has been making vigorous efforts to encourage American exports by a variety of means. It has inaugurated a coordinated export expansion program that draws together interested agencies, including the Departments of State, Commerce, and Agriculture, in efforts to increase the U.S. export. I applaud this program and I am hopeful that it will be continued and stepped up because of its great importance.

I also suggest that this is a subject worthy of more intense study by Congress. Therefore, I propose the creation of a special joint committee to be made up of members from the Senate Committees on Foreign Relations, Finance, and Commerce and the House Committees on Foreign Affairs, Ways and Means, and Interstate and Foreign Commerce to make a detailed study of U.S. export trade and to recommend to Congress steps to be taken to develop and expand such trade.

I particularly call the attention of the Senate to the importance of having the joint committee study the effects of the Common Market or the European Economic Community upon U.S. trade. I hope the special joint committee would determine whether or not the European Common Market offers us greater trade opportunities, or whether the European Economic Community is engaged in imposing, directly or indirectly, restrictions upon the freer flow of trade between the United States—in fact, the Western Hemisphere—and the European Community.

Mr. President, I submit a concurrent resolution proposing the establishment of such a joint committee and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 52) was referred to the Committee on Commerce, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint committee which shall be known as the Joint Committee on Export Trade (hereinafter referred to as the "joint committee"). The joint committee shall be composed of nine Members of the Senate, of whom three shall be from the Committee on Foreign Relations, three from the Committee on Finance, and three from the Committee on Commerce, to be appointed by the President of the Senate, and nine Members of the House of Representatives, of whom three shall be from the Committee on Foreign Affairs, three from the Committee on Ways and Means, and three from the Committee on Interstate and Foreign Commerce, to be appointed by the Speaker of the House of Representatives.

SEC. 2. (a) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection.

(b) The joint committee shall select a chairman and a vice chairman from among its members. In the absence of the chairman, the vice chairman shall act as chairman.

(c) A majority of the joint committee shall constitute a quorum except that a lesser number, to be fixed by the joint committee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. (a) The joint committee shall conduct a full and complete study and investigation of the export trade of the United States with particular reference to ways in which such trade may be developed and expanded.

(b) The joint committee shall report to the Senate and the House of Representatives the results of its study and investigation, together with its recommendations at the earliest practicable date, but not later than January 15, 1963. Upon the submission of such report, the joint committee shall cease to exist and all authority conferred by this resolution shall terminate.

SEC. 4. The joint committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times within the United States, to hold such hearings, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable.

SEC. 5. The joint committee may employ and fix the compensation of such experts, consultants, and other employees as it deems necessary in the performance of its duties.

SEC. 6. The expenses of the joint committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the joint committee.

Mr. HUMPHREY. In conclusion, Mr. President, I ask unanimous consent that a letter which I wrote to the Honorable George Ball, Under Secretary of State for Economic Affairs, on the subject of our export trade in agricultural commodities, along with excerpts from the reply which I received, dated May 15, be printed at this point in the RECORD.

There being no objection, the letter and excerpts were ordered to be printed in the RECORD, as follows:

MARCH 25, 1961.

Hon. GEORGE BALL,
Under Secretary of State for Economic Affairs, Department of State, Washington, D.C.

DEAR GEORGE: During recent years I have been very interested in the development and expansion of our export trade in agricultural commodities. I am convinced that the only real solution to the so-called agricultural production problem in the United States is the expansion of our agricultural markets at home and abroad. Much of this can be done through the food-for-peace program, but ultimately what we must rely upon is the export of agricultural commodities for hard currency. In other words, we must seek new markets in new areas and expand our activities in the old markets.

There is a problem which needs to be faced in the export business relating to agricultural commodities. All too many countries have tariffs, embargoes, and quotas on the importation of agricultural commodities. This is particularly true in Europe where the countries have tried to maintain a degree of self-sufficiency in agriculture and therefore have lifted the prices of domestically produced agricultural commodities through all sorts of artificial pricing mechanisms. This has resulted in a very high priced agricultural budget for European workers at the same time it has denied Europe's industrial centers the labor that is necessary for an expanding industrial economy.

* * * * *

As a member of the Senate Foreign Relations Committee and a former member of the Senate Committee on Agriculture and Forestry I shall be watching the developments in this area. I will appreciate a report from time to time as to just what is being done to accomplish a better market situation for our agricultural products. I would be more than happy to discuss this matter in greater detail at your convenience.

Sincerely,

HUBERT H. HUMPHREY.

DEPARTMENT OF STATE,
Washington, D.C., May 15, 1961.

Hon. HUBERT H. HUMPHREY,
U.S. Senate.

DEAR HUBERT: As I stated in my acknowledgment of your letter of March 25, we appreciate receiving your views and suggestions with respect to the development and expansion of U.S. export trade in agricultural commodities.

Your letter observes that the expansion of our agricultural trade, particularly in European countries, is hindered by the existence of tariffs, embargoes, and quotas on the im-

portation of agricultural commodities. As you point out, such barriers to imports result in higher priced agricultural goods for consumers and a diversion of needed labor from industry to farms. We certainly agree with the statement that there is a great opportunity for oversea market development for American agricultural products, and that increased trade in these commodities would be of great benefit to the United States and the importing countries. The U.S. Government has long sought to encourage American exports by a variety of means. The President on March 17, 1960, inaugurated a coordinated export expansion program that draws together interested agencies, including the Departments of State, Commerce, and Agriculture, in efforts to increase U.S. exports.

Without a doubt, foreign import barriers are a major impediment to the desired expansion of trade. The United States has been making continuous and strenuous efforts to effect the removal of these barriers. * * *

The Department of State, in conjunction with the Department of Agriculture and our missions in Europe, has been vigorously seeking the removal of import restrictions on trade in agricultural and industrial goods. In the last 2 years, most of the nontariff barriers on industrial goods in the major European countries have been removed, permitting us to concentrate our further effort almost entirely on the removal of such restrictions as remain on agricultural goods.

The U.S. Government is attacking these restrictions on our agricultural exports on a wide front. Full use is made of the multilateral forums provided by the General Agreement on Tariffs and Trade (GATT) and the International Monetary Fund (IMF). In addition to making use of the regularly scheduled GATT meetings, the United States has initiated several special conferences under GATT auspices that have been instrumental in advancing trade liberalization in Italy, France, and Germany. Formal and informal representations urging the removal of restrictions are being made through diplomatic channels. The problem of import barriers to our agricultural products is also regularly called forcefully to the attention of foreign ambassadors and other high ranking foreign embassy officials in Washington, who have been called in to the Department of State for this purpose.

* * * * *

We have gone to great lengths to impress on the governments of the EEC countries the importance that the United States attaches to provision for competitive access to EEC agricultural markets for the United States and other third countries.

Despite the obvious difficulties in gaining unlimited access for our exports to foreign agricultural markets, I will leave no stone unturned to obtain the removal of barriers to American agricultural exports. I welcome your interest in this matter and the opportunity to review it with you to date.

Actually I would like very much to talk with you about this soon in more detail; but as you probably know I am leaving for Europe shortly and will not be back until early June. I shall look forward to getting together with you, perhaps at lunch if you like, after my return.

Yours ever,

George,

GEORGE W. BALL,

Under Secretary for Economic Affairs.

Mr. HUMPHREY. Mr. President, in my comments to Mr. Ball, I stated that I was convinced that the only real solution of the so-called agricultural production in the United States is the expansion of our agricultural markets at home and abroad. I also asked Mr. Ball to examine into the limitations on trade which had been imposed by many countries which impose tariffs, embargoes, and quotas on the importation of American agricultural commodities.

I said to him that these limitations were particularly obvious in the Western European Community. In my study of the Office of European Cooperation and Economic Development, I found that a number of countries in Western Europe had very severe limitations and restrictions on the importation of American agricultural commodities. Therefore, I urged the Department of State to do everything in its power to try to remove those limitations.

In his letter to me, Mr. Ball stated:

Your letter observes that the expansion of our agricultural trade, particularly in European countries, is hindered by the existence of tariffs, embargoes, and quotas on the importation of agricultural commodities.

Without a doubt, foreign import barriers are a major impediment to the desired expansion of trade. The United States has been making continuous and strenuous efforts to effect the removal of these barriers.

Mr. President, I ask the State Department in the negotiation of new trade agreements to place particular emphasis upon the expansion of our agricultural commodity markets. I believe this will have definitely beneficial effects on our agricultural economy, will tend to step up agricultural income, and will tend to alleviate some of the problems of agricultural production.

EXHIBIT 1

NEW FRONTIERS IN FOREIGN TRADE

(By Secretary of Agriculture Orville L. Freeman before the American Chamber of Commerce, Brussels, Belgium, Wednesday, September 6, 1961)

This occasion is for me both an honor and a great opportunity.

It is an honor because in this audience are many of Belgium's foremost leaders in business, government, and agriculture.

It is an opportunity because I hope, in these few minutes, to give you at least a glimpse of how we in the United States are trying to conduct our agricultural affairs in a way that is helpful to farmers and consumers, fair and constructive to business, and strengthening to the free world.

This is a big task. In carrying it out we need your understanding and your support.

Agriculture in the United States is a vast enterprise. It includes 4 million farmers and their families. It is a modern, efficient enterprise—we believe our efficiency is not exceeded by any country in the world. It provides such an abundance that after feeding and clothing our own people we are able to sell large amounts of food and fiber to prosperous nations such as yours and at the same time, through assistance programs, make available large amounts of food and fiber to underdeveloped nations in support of free world unity and advancement.

As Secretary of Agriculture, my greatest concern is that of keeping strong and viable this agriculture of ours which no longer is merely a food and fiber factory but which is serving as a potent force in the affairs of mankind.

With Berlin literally only a few minutes away, no one in this audience needs any reminder of the world's contest between democratic and dictatorial systems. Even though the means of conducting the contest have become more complex, food continues to play as basic a role as it did in the days of Napoleon or Alexander. In this contest, we of the West have a great advantage in our food supply. Food is a problem for the Communists. For us of the West, it is an asset.

The constantly improving agricultural efficiency of the Western World is one of the pillars of our free society. One way to measure the efficiency of agriculture is through the ratio of farm people to nonfarm people. Belgium is a progressive industrialized nation and here, because of agricultural improvements, fewer farmers are able to feed more city people than was thought possible even a decade or two ago. The same is true in the United States. In my country, through mechanization and other farming advancements, 1 farmworker today is able to produce enough to feed 26 persons. In the Soviet Union, by contrast, one farmworker is able to produce enough to feed only six persons.

The secret of our greater agricultural productivity in the West is not necessarily any superiority of technical knowledge. There are few secrets in agriculture for the world's knowledge of farming is widely shared. We know that the Soviet Union has many excellent scientists and technicians for we have met them in recent years through our exchange programs.

What gives us superiority is our system of competitive free enterprise which brings out the best efforts and the best rewards.

We of the West live by a set of rules which are unique in human history. We believe in competition but we also believe in compassion. For those who are our equals, whether in the athletic stadium or in the marketplace, we like to offer vigorous competition. For those who are weaker, we like to offer help toward greater economic strength and social progress.

Rules like these can and do bring misunderstanding in their application. There has been misunderstanding as to the intentions of the United States in our agricultural trade policies. On the one hand the United States is carrying out a vigorous foreign market development program, seeking to expand our sales of food and fiber to Western Europe and other prospering areas. On the other hand, the United States also is moving large amounts of food and fiber to the underdeveloped countries of Asia, the Middle East, Latin America, and Africa. Some of this moves as gifts, some with only token payment.

Is there a conflict between these two approaches? We believe not. On the contrary, we believe them to be a healthy practical application of the enlightened self-interest which guides our Western society.

Our approach toward international trade is quite simple. Basically we believe in the efficacy of the commercial marketing mechanism as the best means of providing consumers with goods and services. Where the commercial marketing mechanism has problems in rendering this service, it is our desire to help strengthen it so that it can function adequately.

The United States, for example, is sending large amounts of food to India. Approximately a shipload of wheat moves from our ports daily to an Indian destination. In the fiscal year ending June 30, India received 22 percent of our exports of wheat. These are not cash transactions in the marketing sense; they are a form of assistance to a nation greatly in need of help. What we are doing might be defined as humanitarianism—but there is economic reality in it also for we know that the only way that India eventually can become active as a cash buyer in the world market is to lend her a helping hand in these early stages of development. We look forward to that day when India, and scores of other newly emerging countries, can take their place alongside of you and our other commercial friends as active buyers of our products.

I might add that there is political reality in this, too, for as Nehru has said, men are not much concerned about freedom and democracy when their stomachs are empty. India is having a hard time in feeding her people but what is today a dietary problem was once a hunger crisis and would still be a hunger crisis and a political crisis without the food assistance she is receiving.

The most obvious problem of the commercial marketing mechanism is encountered when countries are too poor to buy all the things they need. But other impediments can appear also, sometimes more subtly. When countries are prosperous but allow trade barriers to impede the ready flow of commerce between them, this, too, weakens the world's distributive system.

Of the two problems, poverty and trade barriers, the latter is the more insidious because it is of our own making.

If we are to achieve our goal of a world that is well fed and well clothed, we must match our spectacular progress in agricultural production with equal progress in agricultural trade. This means not only helping underdeveloped nations to rise from poverty but also mutually removing barriers to trade from between our prosperous nations.

President Kennedy was elected on the keynote that the old frontiers are disappearing but there are new frontiers equally challenging, equally demanding of our best effort. One of the new frontiers—one of the great new challenges—is that of constantly improving our trading relations with one another. As we seek to produce agricultural abundance, we must make it easy for consumers to have access at reasonable prices to this abundance. Any system that fails to encourage the ready flow of supplies to consumers makes it that much harder to attain the goal of a better fed, better clothed world.

During the past quarter century much progress has been made toward relaxation of international trade barriers in the industrial field. This progress has been of benefit to nations and their people actively engaged in such trade. I regret that equal progress has not been made in the agricultural field. In agricultural trade, not only do many barriers remain but also there are signs in some areas that new barriers may be erected. If this regression takes place, it will harm business, it will harm consumers, and it will weaken the economic and political cohesion of the free world.

The United States and you six countries that comprise the European Economic Community have long enjoyed a mutually profitable trade covering many products, including agricultural. There is a vast reservoir of good will in my country for the Common Market as a whole. But it is no secret that we do have grave reservations regarding the direction taken by some of the proposals for an agricultural import policy. My visit to Brussels and my talks that are scheduled with the Commissioners of EEC are primarily concerned with this matter.

It is not my intention to return your hospitality today by delivering a detailed criticism of Common Market agricultural import policies. In all candor, however, I feel impelled to say that American agriculture is concerned over the possibility of a restrictive import policy on the part of the Common Market which would reduce our sales to the area of wheat, rice, feed grains, livestock products, poultry, tobacco, certain fruit items, and possibly others.

We believe these proposals to be contrary to the trade-expansive spirit of the General Agreement on Tariffs and Trade to which the European Community has subscribed.

Although the EEC agricultural proposals seek to remove barriers in agricultural trade between members, we who are not members of the fraternity can only look on them as restrictive if they disrupt the pattern of our agricultural trading relations with the area.

The United States is doing its best to pursue a liberal policy of agricultural trade, in consonance with the spirit of GATT.

We ask no more than access to markets under fair and reasonable competition as between imports and domestic production.

The problem of restraints on movements of agricultural products is not one that affects only producers and consumers of those products. The effect is felt by the industrial community as well, and I should like to cite a current example. Let us consider feed grains, a commodity that is basic to the production of many consumer foods. When a nation imports substantial amounts of feed grains, as Belgium does, and when that nation places increasingly heavy import levies upon feed grains, as Belgium has been doing, those fees are passed along to the consumer in the form of higher prices for meat, milk, butter, and eggs. Since your industrial wages are determined by the cost of living index, this causes your wages to go up proportionately—which adds to your costs of production and the prices you must ask. Since you export a substantial part of your manufactured goods, you business representatives may find it that much harder to meet price competition in the world market—because of a cost spiral that begins with a feed grain import fee. On the other hand, a freer international trade policy could bring about in the long run, higher standards of living at lower real costs to all concerned. This, I suggest, is something worth considering.

I do not wish to end on a note of pessimism or criticism. We of the United States enjoy and appreciate the excellent relationships that we have with Belgium and all nations of Western Europe. We share the same rules of conduct and we like to do business with one another. We have similar aspirations and goals, and we stand united for a cause we all believe in. But problems do arise, even among the best of friends and it is best to recognize them and resolve them as they appear. In this way lies mutual trust, advancement, and friendship of long duration.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. JORDAN obtained the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from North Carolina may yield to me without losing the floor, in order that I may suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. JORDAN. Then, Mr. President, I yield.

Mr. MANSFIELD. Mr. President, I now suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JORDAN. Mr. President——

Mr. KEATING. Mr. President——

Mr. JORDAN. Does the Senator from New York wish me to yield to him?

Mr. KEATING. Well, Mr. President——

Mr. MANSFIELD. Mr. President, I think what is at issue is the fact that the Senator from North Carolina is the Senator in charge of handling the conference report in this Chamber. I assume—although I may be mistaken about this—that he has a right to the floor on the basis of the position he holds in connection with the pending measure. I understand that he is willing to yield to the Senator from New York or to any other Senator whatever amount of time such Senator may desire to have—because the Senator from North Carolina has to serve in this particular capacity.

Mr. KEATING. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from New York will state it.

Mr. KEATING. If that is so, obviously that is all we can do. I assumed that any Senator would have a right to obtain the floor during the debate on a conference report.

The ACTING PRESIDENT pro tempore. That is correct; any Senator has a right to obtain the floor.

The Senator from North Carolina had the floor, and unanimous consent was given in order that he might yield for a quorum call without losing the floor. The Senator from North Carolina still has the floor.

Mr. JORDAN. Mr. President, I am willing to yield to the Senator from New York.

Mr. KEATING. Mr. President, I plan to speak following the remarks of the Senator from North Carolina.

Mr. JORDAN. Mr. President, I am willing to yield, and I prefer to yield to Senators who may wish to obtain time, rather than to yield the floor, because after I yield the floor, I do not get it back.

Mr. KEATING. Mr. President, I prefer to wait until the Senator from North Carolina concludes his remarks, and then to obtain the floor in my own right.

Mr. PROXMIRE. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield.

Mr. PROXMIRE. It seems to me that the Parliamentarian very definitely takes the position—and I know this, because I have often discussed this matter with him—that no Senator has a right to farm out the floor; and that when a Senator wishes to speak, he should address the Chair, obtain recognition, and then proceed to speak.

The difficulty with having a Senator farm out the floor is that when, under those circumstances, he yields to permit another Senator to speak, that Senator speaks under those circumstances at a great disadvantage, inasmuch as whenever the Senator who has yielded to him

wishes to shut off the remarks of such Senator, he can decline to yield further.

It seems to me it puts every Senator at a great disadvantage. It is not in accordance with the Senate rules, as I understand them. If a Senator wants to speak, he can get the floor and can yield for a question, but if another Senator wants to speak—and I understand the Senator from New York has a 2-hour speech; the Senator from Illinois wants to speak on the subject; the Senator from Wisconsin has a long speech—it seems to me this procedure would be at variance with Senate custom and Senate rules. If we carry on that way, I think any Senator could ask for the regular order.

Mr. MANSFIELD. I would not say it was at variance with custom, because ordinarily the Senator in charge of a conference report does have the floor for the purpose of explaining it. Insofar as farming out time is concerned, I would point out, in all candor, the Senator from Minnesota yesterday did a very good job, for a long period of time, of farming out time.

I think this is a minor matter. On the basis of custom, a Senator in charge of handling a conference report usually has the floor. I am positive the Senator from North Carolina does not want to cut off or stifle debate in any manner or form, and I hope interested Senators will recognize that fact. If they do not, I am sure the Senator from North Carolina is Senator enough to face up to the facts and yield the floor, at an appropriate time, after he has made his comments.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. KUCHEL. I want to say to the genial Senator from Wisconsin that whatever logic there may be to the position he takes on this question is overcome by the fact that on more than one occasion my genial friend has taken the floor and kept it all night long. So I suggest the Senator may find himself somewhat in the position of non sequitur, announcing what ought to be done, but, on the basis of the record, conceding that he himself has failed to practice his own admonitory suggestion.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. PROXMIRE. It is true I wanted to speak at great length on a nomination and I held the floor for a long time. I yielded to other Senators, but any time a Senator wanted to ask for the regular order I could have been made to take my seat. I remember in 1958, when we were discussing the Lake Michigan water diversion bill, I was required to take my seat because I had yielded to other Senators. At any time a Senator desires, he should have every right under the rules to secure the floor in his own right, and hold the floor, without asking another Senator to yield to him.

Mr. JORDAN. Let me tell the Senator from Wisconsin my only reason for maintaining my right to the floor. I do not care how long the Senator or any other Senator wants to talk. I will yield from now on, so far as I am concerned, but I would like to have the discussion kept germane to the issue so we can complete action on the conference report reasonably soon today, because Senators have other business to attend to. I have very few remarks to make about the conference report. I do not want to cut off debate of any other Senator. I am willing to yield as much time as a Senator wants. If that is going to worry any Senator, I will yield the floor and let a Senator talk in his own right. I want to take the floor back before we get through, so I can make concluding remarks on the report.

Mr. President, I yield the floor.

Mr. KEATING. Mr. President, I want to extend my gratitude to the Senator from Wisconsin, with whom I had a colloquy the other day regarding milk, over his defense of my constitutional rights as a U.S. Senator. I know it is typical of his desire to see the rules of the Senate fully complied with, and it is my pleasure to have such a very able, aggressive, and vigorous advocate on my behalf. I am glad the matter has been clarified. I understand, under the rules of the Senate, it is necessary, if a Senator yields to another Senator, that he be on the floor; and stand during all that time, and I just did not want to impose on my good friend from North Carolina, under whose leadership one of the first things I did when I came to the Senate was to serve on the Senate Restaurant Subcommittee. The distinguished Senator from North Carolina rendered fine service in that regard. I pay high tribute to him as chairman of the Subcommittee on the Restaurant. He was a fine chairman. I always saw eye to eye with him on food. But when it comes to the problem we are now discussing, I find myself at variance with him. It always hurts me to find myself on the other side of a question from him; but my main reason for not requiring that he remain on the floor was that he might want to leave, he might want to sit down, and he could not do either, under the rules of the Senate as I understand them, if he did not yield the floor.

NEW YORK WORLD'S FAIR

Mr. KEATING. Mr. President, yesterday we had some discussion of the measure to provide for the participation of the United States in the World's Fair in New York. I refer to a bill which would authorize a modest appropriation for planning purposes. I recognize that this bill might be considered lesser in importance in the way of shirmishes at the tail end of the session than many other matters, but the planning for a Federal pavilion at the New York World's Fair is a matter which, I am told, requires long-term planning. It would be very serious if we were not to act at this session.

The Soviet Union and many other Iron Curtain countries, as well as many friendly countries, will have pavilions at the New York World's Fair. Some 60 nations have now signed up, along with a large number of States. The count increases each day.

If the United States were not to have a pavilion, it seems to me that would be a serious mistake.

I confess my interest, which could be considered selfish, in seeing the bill enacted into law, because naturally the people of the great State of New York are very much interested in it. I have tried to view this in the wider perspective and to realize the importance of the measure to our country. I hope some way can be found to iron out our present unfortunate misunderstanding about the bill, so that it can be passed before Congress adjourns.

I make no recriminations. I make no charges. I am sure any difficulties which have arisen must have been the result of a misunderstanding.

I have endeavored to assure Senators that the bill is only a planning bill. It goes no farther than that.

Various figures have been bandied about as to what may be the eventual Federal requirement if participation, in terms of the building of a pavilion, is provided. None of those figures have any validity or authority. There will be no obligation whatever by the United States until a new bill is passed to proceed with the actual building of a pavilion. The proposal is for planning only, to see to what extent, if any, the United States should participate in the fair.

The bill passed the other body by an overwhelming vote. It has been strongly endorsed both by the previous administration and by the present administration.

The bill was sent to the Congress by the distinguished Secretary of Commerce, the Honorable Luther Hodges. Because of the active administration support I felt it would be worth while to have the administration reaffirm its position on the proposed legislation, and I therefore wired Secretary Hodges yesterday as follows:

> In view of limited time before adjournment would appreciate reiteration of your support for legislation to plan Federal exhibit at New York World's Fair 1964–65. I trust that it is still your position that the Federal Government should exhibit at the fair. The World's Fair is an important forum of world opinion. Excellent opportunity to demonstrate strength and meaning of American political and economic freedom. I fear that unless administration renews its plea for study legislation this year we will be put in position of making hasty and ill-considered decision on Federal participation. Would appreciate your immediate reply.

This morning the Secretary called me and indicated again that the administration has consistently urged Federal participation in the New York Fair. He said that the Department had testified on Monday before the Appropriations Committee on this subject. He also indicated that the Department's views in support of World Fair legislation are the same as those of the administration. I stress this identity between the Commerce Department views and the administration views because it may be

of some importance at this final stage of the session, when so much is going on.

The Secretary offered to be helpful, and he certainly was very prompt in responding to my telegram. I appreciate his assistance, and I thank him for it.

Mr. PROXMIRE. Mr. President, will the Senator yield for a question?

Mr. KEATING. I yield.

Mr. PROXMIRE. Is the Senator discussing the New York World's Fair, with respect to which there has been a proposal that the Federal Government build a pavilion on the grounds of the fair as its contribution?

Mr. KEATING. Yes, except that the only proposal before the Senate now, which is the one passed by the House, is a proposal to authorize a planning appropriation of $300,000. This has now been made $200,000, which perhaps may be more satisfactory. That is the figure which is really being urged for the appropriation measure.

This money would be for planning purposes, to determine, first, whether the Federal Government should participate; and, second, if the Government should construct a pavilion, what kind of structure it should be.

Mr. PROXMIRE. Is it not true that at the time the Congress decided against having a world's fair in Washington, D.C., in favor of having a world's fair in New York, there was an understanding on the part of most Senators—it was my understanding—that no Federal money would be spent to support the World's Fair in New York?

Mr. KEATING. That is apparently what has given rise to a misunderstanding. I said at that time, and I believe my distinguished colleague [Mr. JAVITS] said, there would be no request for Federal funds to subsidize the operations of the fair. In other words, there would be nothing comparable to what the Federal Government is asked to do in regard to the Seattle Fair. That is still our position.

I specifically said at that time that we hoped the Federal Government would have a pavilion at the fair. That is entirely separate from any assistance in financing the fair. The financing of the fair is to be done exclusively by the city of New York, the State of New York, and private individuals.

Mr. PROXMIRE. If the Federal Government constructed a pavilion at the fair what would be the general range of the cost?

Mr. KEATING. That is something as to which I have no knowledge. A figure of $30 million has been suggested and is being used in an effort to defeat our proposal, but the World's Fair Corp. has gone on record that the $30 million is not authentic and has no authority.

Mr. LAUSCHE. Mr. President, will the Senator yield so that I may supply some information?

Mr. KEATING. I am happy to yield.

Mr. LAUSCHE. The World's Fair Corp. of New York issued a brochure, and in the brochure it was stated that the building to be constructed by the Federal Government and the exhibits would cost $30 million. After I learned that I called the Department of Commerce and talked to the Assistant Secretary of Commerce, Mr. Gudeman, who said, "$30 million is the least it will cost if we go in." I have spoken to the Secretary of Commerce, Mr. Hodges, and he states that the least it would cost would be $30 million.

I also point out that the amount of money which is envisioned as being needed is $64 million; $40 million is to be underwritten by banks, businesses, hotels, and railroads of New York, which have been given notice they will be repaid; $24 million is to be underwritten by the city of New York, which is to be repaid.

The United States, however, is to put up a building aggregating in cost $30 million, which will become the property of that area, the expense to be borne by the citizens of Wisconsin, Ohio, Vermont, and other States.

Mr. KEATING. Mr. President, in answer to the Senator, in regard to the figure of $30 million, I have not seen the particular brochure to which the Senator refers. Any number of proposals have been made as to what the Federal Government might do in the way of erecting a pavilion at the fair.

All of them envision, of course, that the final decision as to what the final structure would be, how much it would cost, or whether there would be any structure, and similar questions, will rest with Congress. It might be that it would be decided that there should be no Federal pavilion, although this is pretty difficult for me to conceive of.

I do not think my friend intended any implication that the city of New York or the individuals who put up the proposed money would in any way get anything out of the erection of a Federal pavilion. I am sure he did not mean to imply that. The State of New York, which is putting up a large share of the money to finance the fair, is also building its own pavilion. Approximately 20 other States have already signed up for exhibits at the fair. These exhibits are to be completely financed by the States involved.

Approximately 60 nations, including the Soviet Union and a number of other Iron Curtain countries, already have signed up for the fair. They are coming here to display their wares. It seems to me that it would be highly regrettable if the United States did not have a dignified and appropriate building at the fair.

Mr. LAUSCHE. Mr. President, if the Senator will yield for a comment, I shall withdraw from the colloquy.

Mr. KEATING. I yield.

Mr. LAUSCHE. Mention has been made of the Washington State Fair. It is the world's fair for this decade. The Seattle fair was chosen and approved by the Bureau of International Expositions, which is made up of 31 countries, and which decides where world fairs shall be held. The World's Fair for this decade is being held in Seattle, Wash. We have erected a building that will cost $12.5 million. Thus far we have not subsidized the Seattle World's Fair.

The International Exposition Bureau has officially declared that this cannot be a world fair. It has boycotted it.

The New York Fair is a domestic State affair, whose sponsors desire to have it take on the aspects of a world fair, which is impossible under the rules of the International Exposition Bureau. The provisions of that organization state that there shall be one fair every 10 years. The International Exposition Bureau approves the sites of fairs.

Mr. KEATING. Mr. President, the Senator from Ohio is a very able and amiable Senator, but, I believe, he is misinformed on this subject. The Bureau of International Expositions, the so-called BIE, is an organization in Paris to which this country does not belong and which cannot dictate to this country. This is the first time that I have ever known my friend from Ohio to rise in the Senate and say that we should be dictated to by an organization of which we are not a member and which we have refused to join.

The reason we have refused to join the BIE, and have traditionally refused, is that membership might involve some interference with our sovereignty. That organization recognized the Seattle Fair because we are not members of the BIE, and because the big fair of this decade is to be the New York Fair. They are disturbed because the United States is not a member of the BIE. They said that they would recognize the Seattle Fair, which, I am sure, will be a very fine exposition, but it does not have the world backing and will not be of the significance of the New York Fair. That argument has nothing to do with what we are attempting to do now.

There is in the appropriation bill to be considered tomorrow a Federal contribution in the way of a subsidy to the Seattle Fair. When the Seattle Fair was authorized, I happened to be a member of the Calendar Committee. My good and dear friend from Washington said:

> This is only a minor fair that we want to have out on the west coast.

I gained the feeling from what the Senator from Washington said—but I would not want to quote him—that the Seattle Fair was a regional fair. That is the impression that I gained from the conversation. He said, "Put this measure through on the calendar call. There is nothing to it." So it went through.

Now the sponsors of the Seattle Fair want money for the fair. We do not want any money for the fair. We have not asked for any. If the U.S. Government—this great sovereign Nation—does not wish to exhibit at the fair, it is entirely a matter for us to decide. I think it would be a tragic and regrettable mistake not to exhibit, when other powers, against whose ideologies the Senator from Ohio has been fighting hard, are coming here to show their wares and try to sell themselves to the people of this country.

The fair has been supported by former President Eisenhower and President Kennedy. They have both expressed a great interest in it. The Secretaries of Commerce of both adminis-

trations think it is extremely important that there be a U.S. pavilion at the fair.

I do not understand the rather intransigent attitude of my good friend from Ohio on this subject.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. PROXMIRE. The Senator from Wisconsin is somewhat puzzled. We have a wonderful State fair in Wisconsin every year. It has a real international flavor.

Mr. KEATING. We have a State fair in New York every year.

Mr. PROXMIRE. As the Senator knows, Wisconsin is a glorious melting pot. People from all over Europe and from all over the world live in our State. We are very proud of our culture. We emphasize it. What in the world would prevent Wisconsin from requesting an appropriation? After all we have not had a world's fair in Milwaukee for many years. New York had one in 1939. Why could we not decide that in 1965 or 1966 we wanted to call the Milwaukee Fair or the Wisconsin Fair a world fair and come to Congress and say that we wanted $20 million, $30 million, or $40 million to build a big pavilion?

We have not had such a fair for a long time. We are a great sovereign State. We have been contributing to other similar enterprises. Under those circumstances, why should not the Federal Government step in and subsidize such a fair in Wisconsin?

Mr. KEATING. I shall be glad to answer the Senator. I refer him to a little history on this subject, which he may not remember or possibly did not know about, since it was not a problem involving him so much as it involved the Senators from New York and other areas.

President Eisenhower appointed a commission. It was known as the Sawyer Commission. The Chairman of the Commission was the former Secretary of Commerce under the Truman administration. There were conflicting opinions with respect to a world fair. The selection of a site boiled down pretty much to Washington, D.C., Los Angeles, and New York.

Mr. LAUSCHE. Chicago also, I believe.

Mr. KEATING. I believe Chicago also. Hearings were held. Some other cities were considered. I think Philadelphia was also in the picture. But it boiled down pretty much to three cities, as I remember. Extensive hearings were held. A distinguished panel of experts was to advise the President as to where the fair should be held. I do not think there was a New Yorker on the panel. All the interested parties set out their cases. The panel of experts unanimously concluded that such a fair could best be held in New York City.

I would say to the Senator from Wisconsin that if similar hearings were held, and Milwaukee or Madison, Wis., were selected by the President of the United States as the city that he would recommend for a World's Fair city, I would be the first to support a U.S. pavilion at that fair, when 60-odd foreign countries were going to exhibit there, as well as, we hope eventually, all of the States. At the present time over 20 of the States have signed up for the fair.

We have a New York State Fair also, and it is a very fine fair. I will match the Senator from Wisconsin melting pot for melting pot any day in the week. Everybody loves to go to a fair. The New York State Fair is not the kind of fair we are talking about, which we hope will be a significant worldwide occasion. I do not wish to exacerbate in any way any of the Members of the Senate about the situation, I would have to be content if the Senate should go on the record and differ with the other body on this matter. This has been thrashed out on a rollcall vote in the other body. The vote was overwhelming. As I remember, it was three to one, or perhaps even more. If the bill could be brought before the Senate and debated and decided, and if a majority of the Senate felt that the United States should not authorize this fund for planning for the fair, naturally, the Senator from New York would have to be content with the decision. I do believe, however, that the matter should be thrashed out. I hope that it will be possible to do so before we adjourn.

Mr. LAUSCHE. Will the Senator yield for a brief statement?

Mr. KEATING. I am happy to yield.

Mr. LAUSCHE. I believe the record of the full discussion does contain about two sentences in a maze of discussion that are significant. The general impression when this subject was up was that New York, with a 15 million population to draw on, was in a wonderful position to finance the project. Washington did not have the same opportunity; neither did Chicago nor Los Angeles. Most of the members of the Committee on Foreign Relations gained the impression that the United States would not be asked to spend any money. It is true that we are not being asked to subsidize the operations, but to build a pavilion for $30 million. I cannot go along with that. It requires some sophisticated thinking to try to exclude the building of a $30 million pavilion from being a part of spending money. Whether we subsidize or whether we put up a building, the net result is identical: we spend $30 million of taxpayers' money. That is the impression which I had of it 2 years ago. That is the impression of the Washington Star, which said in its editorial that this subject left the people of Washington under the definite impression that New York would not ask for the spending of any money. Thirty million dollars is asked for. I say it will be $40 million eventually. With respect to the Seattle Fair, I did not know until the last few days that they are now asking for a subsidy. That is how things operate. The camel's nose is put under the tent and finally the whole camel goes in. I am sorry that I must differ with the Senator from New York. I would like to go along, but I cannot on this item.

Mr. KEATING. The Senator from New York is not making a plea to the distinguished Senator from Ohio that he go along with favorable action on the proposal. I recognize that his conscience does not permit him to do so. What the Senator from New York is asking the Senator from Ohio to do is not to block consideration of the measure until next January or February. Very likely it can be done next year, but we should not delay the planning of the fair. It would be serious to do so. Planning a Federal pavilion is something that cannot be done overnight. It takes a good deal of planning for this kind of operation, if it is decided that the United States will eventually erect a pavilion. We all recognize the handicap under which we operate with regard to any legislation at this stage of the proceedings. Therefore it is still my hope that the Senator from Ohio, who is one of our better Senators—although no better than any of the other 98 Senators, but one whom we all love and respect—will see his way clear to permit this matter to be voted in committee and eventually on the floor.

I must call attention to what I said on September 14, 1961, when this matter was on the floor:

> I call attention to the fact that when New York held the 1939 fair, the only Federal participation in the way of appropriation was for the financing of the Federal building at the fair. In all other respects it was completely financed by private interests or by the State of New York.

That is the situation now. It was implicit, by everything the Senator from New York said previously on the floor and off the floor, that he expected and hoped and intended that the Federal Government would participate to the extent of having a pavilion at the fair. I have already referred to how interested Secretary Hodges is in the fair. I know the President is taking an interest in it. I know President Eisenhower took an interest in it, and still does. In fact, I ask unanimous consent to have included at the end of my remarks on the subject of the fair an article appearing in this morning's New York Times about President Eisenhower's visit yesterday to the exposition grounds. His interest continues up to this moment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KEATING. Secretary Mueller, the predecessor of Secretary Hodges, wrote as follows:

> For reasons which I shall set forth, it is now my view, fully concurred in by all agencies concerned, that the Federal Government should participate in the New York World's Fair. We believe further that such participation should be on a scale and in a manner commensurate and appropriate to the fair as a whole, calculated to assure widespread participation and attendance and to achieve the best possible effect in terms of promoting international good will—the underlying purpose of a World's Fair.

In view of the strong backing of both administrations, I again express the hope that it will be possible to have action taken on this proposal and to give those who oppose it, including the Senator from Ohio [Mr. LAUSCHE] and possibly the Senator from Wisconsin [Mr.

PROXMIRE], if we are not able to convince them between now and then, a full opportunity to present their views, and then let the Senate vote the measure up or down.

EXHIBIT 1

EISENHOWER TOURS WORLD'S FAIR SITE—SAYS EXPOSITION WILL ADD TO NATIONS' UNDERSTANDING

(By Philip Benjamin)

Former President Dwight D. Eisenhower visited the site of the 1964 World's Fair yesterday and predicted that by the time the fair opened things were bound to be better.

He took the opportunity to deplore the uneasiness and fear we express these days.

In a driving morning rain that was the city's taste of Hurricane Esther, General Eisenhower motored to Flushing Meadow, Queens, the site of the fair, from the Park Lane Hotel in Manhattan, where he and Mrs. Eisenhower are stopping during their visit here.

General Eisenhower was met at the administration building by Robert Moses, president of the World's Fair Corp., and 20 or 30 eager office workers, 1 of whom, a woman, was wearing an "I Like Ike" button. General Eisenhower shook her hand.

"I'm glad to see the fair is completely democratic," he said.

After a briefing conducted by William E. Potter, executive vice president of the fair corporation, the former President was taken on a bus tour of the grounds. It called for a mighty effort of the imagination, since nothing has been built so far, and the scene was wet desolation.

After lunch, Mr. Moses presented to General Eisenhower a gold-colored pass to the fair, and General Eisenhower made a statement for reporters. He said he was impressed by what he had seen and by the type of people you have here.

General Eisenhower was asked what shape he thought the world would be in by the time the fair opened in 1964.

"Well, it's bound to be better," he said. His audience laughed.

Turning serious, General Eisenhower said: "I deplore the amount of uneasiness and fear we express these days.

"We are a people who are vibrant, vital, courageous, and intelligent. I see no reason to put our heads between our knees and be weeping all the time. We have to look into ourselves and our hearts, and not give way just because a bully is threatening us."

General Eisenhower said he thought the World's Fair would contribute to better understanding among nations.

"I am not degrading the serious news of the threat," he went on. "It is a very bad problem. But how are people going to be tested without rough problems?"

The general said also that there should be no compromise in the Berlin crisis and that the death of Dag Hammarskjold, Secretary General of the United Nations, meant a loss that would be felt a long time.

During his visit to the fair site, the former President watched as Consul General Kien Wen Yu of Nationalist China signed an agreement to take part in the fair.

General Eisenhower is in New York for an indefinite time. Last night he and Mrs. Eisenhower went aboard the Holland-America liner *Nieuw Amsterdam* for a $100-a-ticket benefit cruise sponsored by the New York City Cancer Committee.

Today General Eisenhower is scheduled to meet with State Attorney General Louis J. Lefkowitz, the Republican candidate for mayor, and to breakfast with the Republican city campaign committee at the Waldorf-Astoria Hotel.

Mr. PROXMIRE subsequently said: Mr. President, before the Senator from New York moves to another subject, I should like to ask him one more question on the subject of the New York World's Fair. I am trying to be as helpful as I can in the consideration of that situation. I wonder if it might not be possible that the sum involved, whether it be a few million or $30 million, could be repaid to the Federal Government, in view of the fact that the fair will make money. Every time I have visited a fair, it has been mighty expensive. I wonder if, in light of that, the participation by the Federal Government could be put on a loan basis. It seems to me that that would be far more attractive and would make more sense, if the project is to be a revenue-yielding operation.

Mr. KEATING. I appreciate the Senator's suggestion. I am unfamiliar with the details of the financing of the fair. However, I can envision that such a suggestion would pose some problems among, for instance, the other States which have already indicated that they will have exhibits at their own space, and among foreign countries, which might well ask, "Why should not the World's Fair reimburse us if it will reimburse the U.S. Government?"

Mr. PROXMIRE. It seems to me that the other countries and the other States will be getting great benefit from the World's Fair. They will get advertising for their countries or their States. It will be helpful to them in promoting not only tourism, but also the buying of their products.

If Wisconsin has an exhibit—and I think it might easily have one—we would feature some of our outstanding dairy products, I suppose, and other attractive Wisconsin products. Our State would gain much, as would other countries.

On the other hand, the United States would not really be advertising its products as much as promoting the attractiveness of our entire Nation. It would be an investment just as applicable to the people of New York as well as to the entire Nation.

Mr. KEATING. I appreciate the significance of the Senator's statement. I wish to express a word of caution. If Wisconsin enters an exhibit, I do not want her to attempt to sell us on the national milk sanitation proposal.

Mr. PROXMIRE. That is an excellent suggestion. Wisconsin certainly will seriously consider it.

Mr. KEATING. New York will welcome an exhibit from the State of Wisconsin.

First, I thank the Senator for his open-minded attitude and his indication that if he can be convinced, he might go along with us. I appreciate the suggestion he has made. I will pass it along to those who are responsible for the management of the fair. It is conceivable that something along the line of the Senator's suggestion could be worked out. However, I can see rather strong difficulties if the U.S. pavilion were the only one which was placed on a loan basis, or was placed on the basis of reimbursement of costs. Nevertheless, I shall pass along the suggestion to those concerned with this phase of the operation of the fair. I thank the Senator for his suggestion.

SOVIET COLONIALISM

Mr. KEATING. Mr. President, as the United Nations gathers its forces and prepares its agenda for the coming year, I sincerely hope that it will not omit one of the most burning questions of the postwar era, a genuine question that affects millions of people—the fate of the captive nations in Eastern Europe which have been occupied by the Red armies since the end of the war.

Mr. President, the time has certainly come for the free world and the United States in particular to stop listening passively to Soviet demands—on Berlin, on U.N. structure, on the Congo, on Laos, and on disarmament—and to start making some counter demands of our own. We have announced our willingness to negotiate with the Russians on certain aspects of the Berlin crisis, but to date, so far as I can see we have made no demands of our own, we have staked no claims, beyond the recognition in writing of rights which we already possess. When we reach the negotiation table then, the only question will be, how far shall we retreat. Our pattern of negotiation appears to be purely defensive. That is one reason why it does not capture the imagination or sympathy of other nations.

The time is overdue for the United States to take the initiative and press our own demands. The case for the captive nations is a good one, whether they are in Europe, or in Asia, such as, for example, Tibet. Events have clearly shown over the past decade that the Communists, not the Western nations, are the imperialist aggressors who flout and evade the principle of self-determination. As long as the Soviets continue to press their claims on Berlin, we must urge U.N. action, long overdue, on freedom of the captive nations. We can also make other points, such as calling for a direct territorial route to Berlin, demanding free elections throughout Berlin and East Germany, demanding rejection of Hungarian credentials in the United Nations, and moving for an investigation of conditions in the other captive European nations.

Mr. President, as the New York Times so aptly pointed out in an editorial yesterday "The voice of even the tiniest new state in Asia and Africa is given respectful attention in the General Assembly. It cannot ignore the voices of ancient European nations crying for freedom."

Mr. President, I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LITTLE U.N.

Just across the street from the United Nations, a "little United Nations," organized as the Assembly of Captive European Nations, has also met in annual session and has issued a new appeal to the world organization to remember the nine nations groaning under the Soviet heel and to aid them in their fight for freedom. The 9 nations, comprising more than 87 million people, are Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania, to which East Germany might

soon be added. All of them are either under direct Soviet military occupation or under Soviet-dominated Communist regimes.

At their session the representatives of the freedom forces in these nations gave poignant expression to their growing fear that the new drive for world domination launched by Premier Khrushchev—the heir of Adolf Hitler—the present weakness of the United Nations, and, above all, the increasing talk in the West about new concessions to the Soviets, of disengagement and even outright appeasement, pose the gravest danger to the West and to their own hopes for liberation. They therefore appeal to both the self-interest and the conscience of the United Nations, especially of member countries newly liberated from Western colonialism, not to look the other way when confronted with Soviet colonialism and not to abandon them.

They do not ask for the use of force, which would destroy everybody, including themselves. But they ask for moral support. In particular, in a unanimously adopted resolution, they urge the United Nations General Assembly to put the issue of self-determination for their peoples on its agenda; to call for Soviet respect for human rights and for free elections in these countries under international supervision, and to seek new ways of enforcing its resolutions on Hungary, starting with rejection of the credentials of the Kadar regime's delegates.

The voice of even the tiniest new state in Asia and Africa is given respectful attention in the General Assembly. It cannot ignore the voices of ancient European nations crying for freedom.

TRIBUTE TO AMERICA'S VOLUNTEER FIREMEN

Mr. KEATING. Mr. President, my home city of Rochester, N.Y., was recently the scene of the 89th Annual Convention of the Volunteer Firemen's Association of the State of New York. More than 3,000 of these valiant public servants attended the convention, and many of them heard Gov. Nelson A. Rockefeller say that volunteer firemen are "absolutely essential to the preservation of lives and property in communities all over the State—and it is equally essential that the dedicated citizens who contribute so much as volunteer firemen receive the wholehearted support of the communities they serve." I heartily agree with the Governor's observations.

Mr. President, those of us who were born and brought up in smaller communities know that there are few men so important to the public safety as volunteer firemen. There are few so prompt, so faithful, and so efficient in their duty to their fellow men and to the welfare of their communities.

I know of no organization which better typifies the values and spirit of America's Founding Fathers than the volunteer firemen. They demonstrate the credo, "I am my brother's keeper." Their concern for others, their initiative in selflessly forming and operating fire companies, their community spirit, and the belief in local self-government which is stimulated by this community spirit, are all a testimonial to the American way of life. They continue the finest traditions of our forefathers.

The necessary role performed by volunteer fireman is best demonstrated, perhaps, by citing a few statistics. Every year in the United States roughly 1 million fires occur, damaging more than $1 billion worth of property, and killing more than 11,000 persons. These are shocking and tragic facts. Fire knows no geographical boundaries. It attacks communities large and small. These figures, therefore, emphasize the importance of the work performed by all our fire companies, professional and volunteer.

In my own State of New York, and all across the country, many smaller communities simply cannot afford to pay for full-time firefighters. Only volunteer fire companies are feasible. Only local citizens, acting of their own free will, out of a desire to protect their community, can fulfill this necessary function. This point was recently emphasized in an editorial in the Rochester, N.Y., Democrat and Chronicle of August 21, 1961. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VOLUNTEER FIREMEN SELFLESS CITIZENS

As hundreds of volunteer firemen converge in Rochester for their 89th annual State convention, a doff of the editorial hat to this sturdy, selfless brand of citizenship is highly in order.

Their contribution to safer communities, in which their own personal safety is cheerfully risked and at almost astounding savings to taxpayers, is too little understood and too often not appreciated.

Monroe County's 57 fire companies, with a few paid drivers, use more than 3,000 volunteer firefighters. They get no pay and they are protected only by workmen's compensation insurance. Whatever the hour, whatever the circumstance, in the heat of summer as in bitterest cold, these men take their lives into their hands every time they answer a summons.

How much do the volunteers save the taxpayers? Let us quote Joseph B. Kuhn, Penfield fire commissioner, himself a volunteer for 25 years: "It costs $150,000 a year to man one firetruck around the clock with five paid firemen and an officer." A fire company, however, needs more than one truck and it requires other equipment.

Suppose every Monroe County firefighter was a full salaried employee. Such an addition to the public payrolls would produce a skyrocketing figure of hundreds of thousands of dollars which the county's taxpayers would shell out were it not for these men.

Curiously, with the risk and inconvenience involved, one might expect recruitment of volunteers to be difficult. Not at all. Penfield, for instance, has 65 volunteers and, like other fire companies, a waiting list of eager-beaver applicants of from 18 to 50 years waiting to wield a hose—and there is an initiation fee at that.

It is an honor to welcome these stouthearted visiting firemen gathering for a week of speeches and forums and demonstrations on how to do their jobs better and, we would hope, a thick slice of gaiety and entertainment.

Mr. KEATING. Mr. President, the U.S. Government has long recognized the valuable public service of the volunteer firemen. In 1948 a 300th anniversary stamp was issued to commemorate the founding of the first volunteer fire company in America. The picture on the stamp was that of Peter Stuyvesant, with the legend below reading, "Organizer of the First Volunteer Firemen in America." But it is the motto which this stamp bears that typifies and symbolizes the volunteer firemen: "Unselfish Public Service—Courage—Duty."

Mr. President, the organized, efficient, and well-equipped volunteer fire organizations of today are a far cry from the leather-bucket brigade days of Peter Stuyvesant in New Amsterdam, which we know today as New York City. But they have maintained the same spirit, the same high standards, the same devotion to duty which are summed up in their motto.

Mr. President, let me add at this point that the same high praise is also deserved by our professional firemen, who, it is true, are paid for their work, but who nevertheless have chosen a career of community service in which the dangers are greater and the financial rewards are less than in many other fields. All our firemen are devoted servants of the community. Their indispensable services are perhaps never fully appreciated until disaster strikes us in our own homes or offices. Until we need them, it is all too easy to forget the firefighters and our debt to them.

Therefore, Mr. President, I should like to indicate one way in which we can help the volunteer firemen carry out their duties, one way in which the Federal Government can help these men to serve their local communities and residents. There are before Congress numerous bills to benefit volunteer firemen. Earlier this year, I introduced S. 1548, which would extend the privilege of a preferential, bulk, third-class mailing rate of 1¼ cents per piece to volunteer fire companies. Enactment of this bill would contribute to the national safety, because by means of this lower postal rate, fire safety rules and regulations, community appeals for assistance and cooperation, and other matters closely related to the job of firefighting could be more economically distributed.

Third-class mailing privileges are granted to numerous nonprofit groups, such as agricultural, educational, fraternal, labor, philanthropic, religious, scientific, and veterans' organizations. The volunteer firemen have frequently appealed to be included in this group, but the Post Office Department has ruled that their applications and supporting evidence do not qualify them under its interpretation of the law. I disagree with this conclusion, and have therefore proposed to correct this situation. I am hopeful that in the not-too-distant future, Congress will pass my bill to permit volunteer fire companies to use the third-class mailing privileges. Such approval would demonstrate forcefully the gratitude of the American people to the fine work of the volunteer firemen. I am also studying other legislative means to assist the volunteer firefighters in the performance of their vital tasks.

Mr. President, the motto of the volunteer firemen is one for all public servants to heed: "Unselfish public service, courage, duty." I salute the dedicated volunteer firemen in my own State of New York and those all across America.

We are a safer, happier, and richer land because of their activities. Long may they thrive and prosper.

AMENDMENT TO FEDERAL CIVIL DEFENSE ACT OF 1950

Mr. MANSFIELD. Mr. President, would the Senator from New York like a brief respite, during which I could bring up the unfinished business, if it is understood that in yielding for that purpose he will not lose the floor?

Mr. KEATING. I do not need a respite, let me say.

Mr. MANSFIELD. Then would the Senator from New York mind farming out a little of his time, in order that I may bring up the unfinished business?

Mr. KEATING. I am happy to do so.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate resume the consideration of the unfinished business, Calendar No. 829, H.R. 8383.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H.R. 8383) to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have an excerpt from the committee report on the bill printed at this point in the RECORD.

There being no objection, the excerpt from the report (No. 846) was ordered to be printed in the RECORD, as follows:

PURPOSE AND EXPLANATION OF THE BILL

This legislation was requested by the Office of Civil and Defense Mobilization. It would amend the Federal Civil Defense Act of 1950, as amended, to overcome an adverse ruling by the Comptroller General with respect to contributions made by the Office of Civil and Defense Mobilization to the States in connection with their obtaining necessary emergency equipment and conducting appropriate civil defense activities.

The General Accounting Office, during audits conducted in 1959, determined that certain project applications and procurements by the States had been accomplished prior to the availability of Federal appropriations in various fiscal years. Some such instances date back to 1953. Approximately $1 million may be involved and over half of the States are affected. Apparently this was the result of differing interpretations by the States and cities concerning the date when a purchase became an obligation. The Comptroller General advised the OCDM that such contributions made by the Federal Government to the States were, in fact, retroactive payments since the projects had been submitted and approved prior to the availability of Federal appropriations. Therefore, this technical defect would compel the Office of Civil and Defense Mobilization to require repayment from the States of the Federal contributions previously made.

While it is understood that all such questioned items have not yet been identified, the following are set forth as examples. A more detailed list is included in the printed record.

Location	Item	Using agency	Federal share	Date application approved	Date purchased
New York State	Medical supplies and equipment.	Department of Health.	$17,909.30	May 3, 1955	Apr. 27, 1954
Kirkwood, Mo	Emergency generator.	St. Joseph Hospital	2,486.00	June 20, 1958	Apr. 16, 1957
Tarrant County, Tex	Communications equipment.	County agencies	2,443.10	May 22, 1957	Dec. 30, 1955
Whitehall Township, Pa	do	Civil Defense Agency	751.23	June 18, 1957	January 1956
Oak Creek, Wis	do	Police and fire department dispatchers.	5,034.25	July 16, 1958	Nov. 12, 1956

In view of this technical defect, OCDM, the Bureau of the Budget, and the General Accounting Office have recommended enactment of this remedial legislation.

The bill would ratify financial contributions made prior to July 1, 1960, for projects involving this defect. Since that date, OCDM revised its regulations to require State and local governments to obtain OCDM approval of project applications before purchases are made, or obligations incurred. This modification will avoid future technical noncompliance with the statute.

FISCAL DATA

Enactment would not involve any additional appropriations since it would ratify payments previously made to the States. As indicated above, it is estimated that the total amount of previous payments ratified by this bill would not exceed $1 million.

DEPARTMENTAL DATA

The Office of Civil and Defense Mobilization recommends enactment of this legislation, and the Bureau of the Budget interposes no objection, as is evidenced by the letter printed below and hereby made a part of this report:

EXECUTIVE CORPS OF THE PRESIDENT,
OFFICE OF CIVIL AND DEFENSE MOBILIZATION, OFFICE OF THE DIRECTOR,
Washington, D.C., July 12, 1961.

Hon. LYNDON B. JOHNSON,
The President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a bill to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes.

Under section 201(i), the Office of Civil and Defense Mobilization makes financial contributions to assist the States and their political subdivisions in obtaining necessary emergency equipment and conducting appropriate civil defense activities.

Under this program, States and their political subdivisions could procure eligible items of civil defense equipment and subsequently submit a project application to OCDM requesting reimbursement for one-half of the cost.

Since 1952, OCDM regulations have prohibited financial contributions for obligations incurred prior to the date of availability of applicable Federal appropriations. This regulation was based upon the decision of the Comptroller General of January 17, 1952 (31 CG 308) in which it was held:

"Congress did not intend or contemplate that retroactive payments would be made for obligations incurred or expenditures made by the States prior to an appropriation becoming available."

In addition, OCDM procedures require the State and political subdivision to certify that the procurement had been accomplished in compliance with this and other applicable regulations.

During 1959, audits by the General Accounting Office disclosed that, while certain project applications and related documents contained the required certifications, the procurement involved had in fact been accomplished prior to the availability of the Federal appropriation. Apparently this was the result of differing interpretations by the States and cities concerning the date when a purchase became an obligation.

The review disclosed that some considered the State, city, or county became obligated when the invitation to bid was issued, others when a bid was accepted or an order placed. Further, some believed the obligation arose upon delivery of the item procured and others felt that the date of the supplier's invoice was the determining factor. These differing interpretations existed notwithstanding the provisions of the OCDM Manual AM 25–1 which indicated that the time a firm purchase order was placed should be considered the date of the obligation.

It is important to recognize that generally the purposes of the contribution, as authorized by section 201(i), have been fulfilled by the State and local governments and the emergency readiness of the government involved increased as a consequence of the procurement and the payment of the Federal share of the otherwise eligible civil defense costs.

However, the OCDM has been informally advised by the representatives of the General Accounting Office that in applicable projects, the aforementioned technical defect will compel them to require repayment from the States of the Federal contribution previously made. Some such instances date back to 1953. The General Accounting Office further advises that the only alternative to requiring such repayment is the enactment of remedial legislation which would ratify those contributions wherein this technical difficulty exists.

OCDM urges enactment of such legislation because it is believed inequitable to require repayments under these circumstances and at this time. It is considered that to require repayment would be especially inappropriate in view of the long lapse of time since approval, completion and full payment of the Federal share for the projects involved. Further, enactment of the proposed amendment would avoid what amounts to a penalty to the affected States and subdivisions resulting from their active cooperation in assisting to develop the civil defense readiness of the Nation. In addition, repayment would constitute an extreme hardship for some small communities and could result in irreparable damage to the civil defense effort in certain localities.

The draft bill herewith transmitted would ratify financial contributions made prior to July 1, 1960, for projects involving this defect. In this connection, it is pointed out that as of July 1, 1960, the Office of Civil and Defense Mobilization revise its regulations to require State and local governments to obtain OCDM approval of project applications before purchases are made, or obliga-

tions incurred. This modification resulted from discussions of the matter with representatives of the General Accounting Office and was made to avoid future incidents of technical noncompliance similar to those herein described.

Proposed legislation to accomplish the purpose of the draft bill was before the 86th Congress. This legislation was in the form of a proposed amendment to the Second Supplemental Appropriations Act, 1961. The Office of Civil and Defense Mobilization at that time urged approval of the amendment and the Comptroller General also recommended enactment. However, the House Appropriations Subcommittee, in reporting the bill, stated that the subject of the amendment was legislative matter and a legislative committee should determine the appropriate action to correct the situation.

No additional appropriations would be involved if the amendment were enacted as it is a technical matter which merely ratifies Federal payments previously made to the States and their political subdivisions. Preliminary review of civil defense projects approved between 1953 and 1959 indicates that approximately $1 million may be involved and over half of the States are affected.

The Bureau of the Budget has advised, that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress.

It is respectfully requested that the enclosed draft bill be introduced in order that it may be considered for enactment.

Sincerely,

———, ———,
Director.

The ACTING PRESIDENT pro tempore. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 8383) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JORDAN. Mr. President, I move to lay on the table the motion to reconsider.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I thank the Senator from New York for his courtesy.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agriculture Act of 1949, as amended, and for other purposes.

Mr. KEATING. Mr. President, turning now to the conference report on the migratory farm labor bill, I wish to make very clear, in line with one or two remarks made by several Senators, that I am opposed to filibusters. I support majority cloture. As envisioned in the proposal which the Senator from Illinois [Mr. DOUGLAS] and I and several other Senators sponsored in the recent rules debate, there would be 15 days of debate before cloture could be invoked by a majority. Mr. President, I wish to say now that I make a solemn promise not to take more than 15 days on this conference report; but I wish to discuss some of the issues involved in it.

PUBLIC WORKS APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, before the Senator from New York proceeds further with the presentation of his views, will he yield so that another measure can be made the unfinished business and be pending, and thus make it possible to comply with the rules—if it is understood that in yielding for that purpose he will not lose the floor, and that after the bill has been made the unfinished business he may resume his remarks on the conference report on the migratory farm labor bill?

Mr. KEATING. Certainly.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from New York may yield for this purpose, without losing his right to the floor.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the Senate now proceed to the consideration of Calendar No. 1078, House bill 9076, the public works appropriation bill, and that the bill be made the unfinished business.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments, on page 3, line 19, after the word "construction", to strike out "$14,356,000" and insert "$16,479,000".

On page 4, line 12, after the word "construction", to strike out "$681,045,880" and insert "$735,923,880".

On page 5, line 20, after the word "flood", to strike out "$133,272,000" and insert "$141,246,000".

On page 6, line 3, after the word "investigations", to strike out "$13,000,000" and insert "$13,148,000".

On page 6, line 8, after "(33 U.S.C. 702a, 702g–1)", to strike out "$70,725,000" and insert "$73,700,000".

On page 7, line 20, after the word "and", to strike out "sixty" and insert "seventy-two".

On page 8, line 15, after the word "expended", to strike out "$6,523,000" and insert "$6,770,000", and in line 16, after the word "which", to strike out "$5,423,000" and insert "$5,520,000".

On page 9, after line 3, to insert:

GENERAL INVESTIGATIONS (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, to remain available until expended, $2,623,000, which shall be available to purchase only those currencies which the Treasury Department shall determine to be excess to the normal requirements of the United States.

On page 9, line 18, after the word "expended", to strike out "$153,283,500" and insert "$153,876,400", and on page 10, line 7, after the word "customer", to insert the following additional proviso: "*Provided further*, That funds shall be available to complete the construction of and to operate and maintain within and adjacent to the Yuma Irrigation District, in the South Gila Valley, Arizona, those drainage works on which construction has heretofore been initiated pursuant to the Act of June 23, 1946 (60 Stat. 338): *Provided further*, That not to exceed $192,000 of funds made available for construction and maintenance of access roads in the Yellowtail Unit area shall be nonreimbursable."

On page 10, line 21, after the word "law", to strike out "$36,600,000" and insert "$36,189,000".

On page 11, line 14, after the word "program", to strike out "$12,679,000" and insert "$13,394,600".

On page 12, at the beginning of line 7, to strike out "$53,268,000" and insert "$52,034,500", and in line 9, after the word "and", to strike out "$2,200,000" and insert "$3,433,500".

On page 18, after line 3, to insert:

After October 1, 1961, the position of Administrator, Bonneville Power Administration, shall have the same annual rate of compensation as that provided for positions listed in section 2205(b) of title 5, United States Code, so long as held by the present incumbent.

On page 21, line 16, after the word "vehicles", to strike out "$2,352,601,000" and insert "$2,353,001,000", and on page 22, line 8, after the word "transferred", to strike out "*Provided further*, That not to exceed $7,000,000 of this appropriation may be transferred to the appropriation for 'Plant acquisition and construction', if the Commission determines such transfer is necessary to carry out the purposes of such cooperative power reactor demonstration program as may be authorized under the Commission's authorization Act for the fiscal year 1962:"

And, at the top of page 23, to insert:

PLANT ACQUISITION AND CONSTRUCTION

For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and hire of passenger motor vehicles; $205,960,000, to remain available until expended.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask that the Senate now resume the consideration of the conference report on the migratory labor bill. Again I thank the Senator from New York for his courtesy.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. KEATING. Mr. President, I wish to express my support for the vigorous fight which the Senator from Minnesota [Mr. MCCARTHY] is making for meaningful amendments to the Mexican farm labor bill. I will be frank. I am opposed to the Mexican farm labor program. I voted against it when I was a Member of the House of Representatives. I voted against it when it was before the Senate. We have glutted the labor market for farm labor and have depressed rates, in my judgment, all over the country as a result of this program.

Unless we make real and serious changes, I think it should be killed. I offered an amendment on the floor of the Senate to provide comparable working conditions to domestic workers, the same conditions that we require under law for Mexicans. My amendment was defeated, but the McCarthy wage amendment was adopted. I feel that both amendments are important. However, unless we get at least one, in this case, the McCarthy amendment, then very little has been accomplished.

Mr. President, what if I were to get up today and offer a bill saying that we should employ people from Japan and Hong Kong in American textile mills? I could say that these people would be available at lower rates. I could say that this is the only way the textile industry can survive. I could argue that this is better than no industry at all, so why worry about the American worker who would be hurt? I would be laughed out of the Chamber. Yet, under the Mexican farm labor program we are doing exactly this.

I do not favor national control over all aspects of farm labor. But I do not want us to continue hitting these unfortunate farmworkers over the head with the Mexican program. These are very unfortunate people in many instances. They have no rights of citizenship. They have no homes or roots. They are in a rut that is difficult to get out of. They do not receive any of the protection accorded to other groups of American labor, such as minimum wage, unemployment compensation, fair labor standards, union and labor laws, and many others.

New York State and many other States have given protection to migrant farmworkers. I have qualms about too much Federal regulation and control in this area, but this is not the question. The Mexican program is a horse of another color. It is a definite depressant of the labor market for American workers. In a period of 7 percent unemployment, we had better be thinking about American jobs.

I have nothing against the Mexicans involved. They are an excellent labor force. All I say is that more priority should be given to Americans, who, after all, are citizens of our own country.

In my own State of New York, the Mexican program not only hurts farmworkers, it also hurts farmers. Many New York farmers must compete with farmers in areas in which Mexicans are used, and therefore wage rates and labor costs are much lower. This makes it difficult for farmers in States like New York and farmers in other States similarly situated to New York, and in States particularly which have taken action to provide needed protection and assistance for farmworkers.

Mr. President, the amendment which I offered when the H.R. 2010 was before us made the point that significant advantages are offered to Mexicans which are not offered to American workers. I have before me a U.S. Department of Labor publication entitled "Information Concerning Entry of Mexican Agricultural Workers Into the United States." I wish to read some of the provisions which give special privileges and treatment to Mexican laborers. This is the standard work contract.

Under "Lodging," appears the following language:

> The employer agrees to furnish the Mexican worker, upon the Mexican worker's arrival at the place of employment and throughout his entire period of employment, without cost to such Mexican worker, hygienic lodgings, adequate to the climatic conditions of the area of employment and not inferior to those of the average type which are generally furnished to domestic agricultural workers in such area. Such lodgings shall include blankets when necessary, and beds or cots, and mattresses when necessary. Mexican workers may not be assigned to any lodging quarters in such numbers as will result in overcrowding of the premises. Sanitary facilities to accommodate them shall also be furnished by the employer. The employer further agrees to comply with such housing standards as may be prescribed jointly by the United States and Mexico.

On the subject of "Transportation Between the Migratory Station and Reception Center"—

> TRANSPORTATION BETWEEN MIGRATORY STATION AND RECEPTION CENTER
>
> The Secretary of Labor, at the expense of the U.S. Government, shall provide transportation for a prospective Mexican worker selected at the migratory station, except Guadalajara, from such migratory station to the reception center and return to the nearest migratory station. The transportation of the Mexican worker recruited at Guadalajara shall be paid by the U.S. Government from Hermosillo, Sonora, to the reception center and return to Hermosillo,
>
> The Secretary of Labor, at the expense of the U.S. Government, shall also furnish the prospective workers subsistence while awaiting transportation from the migratory station, except Guadalajara, to the reception center, while he is in transit between the migratory station, except Guadalajara, and the reception center and return and while he is at the reception center. Mexican workers who are recruited at Guadalajara and who are returned to Hermosillo will be furnished subsistence while at the reception center and paid for subsistence while in transit between the reception center and Hermosillo.

Then we come to a provision covering "Prohibition Against Discrimination":

> ARTICLE 8—PROHIBITION AGAINST DISCRIMINATION
>
> Mexican workers shall not be assigned to work in localities in which Mexicans are discriminated against because of their nationality or ancestry. Within a reasonable time after the effective date of this agreement and from time to time thereafter, the Mexican Ministry for Foreign Relations will furnish the Secretary of Labor a listing of the communities in which it considers that discrimination against Mexicans exists.

There is a provision about "Employment Governed by Agreement and Work Contract":

> ARTICLE 11—EMPLOYMENT GOVERNED BY AGREEMENT AND WORK CONTRACT
>
> All employment of Mexican workers legally admitted to the United States for agricultural employment shall be governed by the terms of this agreement, including the work contract which is attached hereto and made a part of the agreement, and by the joint interpretations provided for in article 37. Except as provided in article 24 of this agreement, neither the Mexican worker nor the employer may individually or jointly change the work contract without the consent of the two Governments.

We also find a provision with respect to "Contracting at Reception Center":

> ARTICLE 13—CONTRACTING AT RECEPTION CENTER
>
> The work contract shall be entered into between the employer and the Mexican worker under the supervision of a representative of each of the two Governments and such contracts shall be prepared in Spanish and in English. Such worker shall be free to accept or decline employment with any employer and to choose the type of agricultural employment he desires.

None of those provisions is made available to domestic workers. This was envisioned in my amendment.

On the subject of "Wages":

> ARTICLE 15—WAGES
>
> The employer shall pay the Mexican worker not less than the prevailing wage rate paid to domestic workers for similar work at the time the work is performed and in the manner paid within the area of employment, or at the rate specified in the work contract, whichever is higher.

Further under the wages provision the following appears:

> In no case shall the Secretary of Labor make an authorization on the basis of any job order which specifies a wage rate found by the Secretary of Labor to be insufficient to cover the Mexican worker's normal living needs.

Then we come to the provision about "Guarantee of Work":

> ARTICLE 16—GUARANTEE OF WORK
>
> Except as otherwise provided in this agreement, or in the work contract, the employer shall guarantee the Mexican workers the opportunity to work for at least three-fourths of the workdays of the total period during which the work contract and all extensions thereof are in effect, beginning on the day after such worker's arrival at the place of

employment and ending on the expiration date specified in the work contract or its extensions, if any.

All that the amendment which I offered sought to do was to extend similar, but not as extensive, privileges to American workers. My amendment did not go nearly as far as these provisions I have been discussing.

We come to the subject of "Transportation Between Reception Center and Place of Employment." The contract provides:

ARTICLE 17—TRANSPORTATION BETWEEN RECEPTION CENTER AND PLACE OF EMPLOYMENT

Subject to the provisions of article 32 of this agreement, the employer shall, at his expense, provide the Mexican worker transportation and subsistence from the reception center at which he contracts such worker to the place of employment. The employer shall also, at his expense, either provide transportation and subsistence or pay for the cost of transporting such Mexican worker from the place of employment to the reception center.

On that point, again all my amendment sought to do was to give that same privilege to American workers.

The provision with respect to "Occupational Injuries and Diseases" reads:

ARTICLE 19—OCCUPATIONAL INJURIES AND DISEASES

The employer shall provide for the Mexican worker, at no cost to such worker, the guarantees with respect to medical care and compensation for personal injury and disease provided in article 3 of the work contract.

My amendment sought to give to American workers, the same protections, in the case of occupational injuries and diseases, the agreement provides for Mexican workers.

Under "Representatives of Mexican Workers," the contract provides:

ARTICLE 21—REPRESENTATIVES OF MEXICAN WORKERS

The Mexican workers shall enjoy the right to elect their own representatives who shall be recognized by the employer as spokesmen for the Mexican workers for the purpose of maintaining the work contract between the Mexican workers and the employer, provided that this article shall not affect the right of the Mexican worker individually to contact his employer, the Mexican Counsul, or the representative of the Secretary of Labor with respect to his employment under this work contract.

There is also a section relating to official inspection, which reads:

The employer shall permit the representative of the Secretary of Labor, and officials of the U.S. Department of Justice access to the place of employment of Mexican workers when necessary for these officials to carry out their responsibilities under this agreement and under the immigration laws of the United States.

So it goes. There are many provisions, which, it seems to me, if we are going to provide them for the Mexican workers, should also be provided for the U.S. workers. This clearly demonstrates the injustice of the bill now before the Senate.

Then we go to tools and equipment, which provision reads:

The employer shall furnish the Mexican worker without cost to such worker, all the tools, supplies, or equipment required to perform the duties assigned to him under the contract.

Then there is an article relating to deductions:

No deductions shall be made from the Mexican worker's wages except as provided in this article.

Then are listed the specific deductions which the employer may make. I shall not read them to the Senate, but they are explicitly pointed out.

Then there is a provision relating to water and fuel, which reads:

WATER AND FUEL

The employer shall furnish potable water to the Mexican worker without cost to him in sufficient amount to satisfy his needs and at a reasonable distance from the place at which he is performing his work and from the place of lodging assigned to him by the employer. When fuel for heating is necessary, the employer shall furnish sufficient fuel ready for use for the adequate heating of the Mexican worker's quarters, without cost to such worker.

Then there is a provision entitled "Right To Purchase at Place of Choice," which reads:

The Mexican worker shall be free to purchase articles for his personal use, in places of his own choice and shall be given an opportunity, once each week, to go to locations where he can obtain the articles desired.

Where the location of employment is not within walking distance of the town offering the desired articles and public transportation is not available, the employer will make arrangement for transportation.

Another provision or article in the standard work contract, relates to meals, and reads:

MEALS

The employer, when he maintains the necessary facilities, shall provide meals to the Mexican workers on the same basis as he provides such facilities to domestic workers. When the employer furnishes meals to the Mexican worker, they shall be furnished at cost, but in no event shall the charge to the Mexican worker exceed $1.75 for three meals.

Mr. President, my amendment simply sought to try to provide some of these working conditions for American workers, U.S. citizens, who are working right alongside these Mexican workers, and do not have the benefit of any of these provisions. I want to make this very clear. The Labor Department materials on this subject are quite impressive.

Then there is a provision entitled "Maintenance of Records and Statements of Work and Earnings."

This is required under New York State law with regard to migrant workers in New York State. The article in this contract reads:

ARTICLE 19

Maintenance of records and statements of work and earnings

Each employer shall keep accurate and adequate records in regard to the earnings and hours of employment of the Mexican worker in his employ.

Such records shall include, but shall not be limited to, information showing the number of hours worked each day, the rate of pay, the amount of work performed each day when piecework is performed and the periods for which the worker is entitled to receive subsistence.

The employer shall make such records available at any reasonable time for inspection by the representative of the Secretary of Labor, or by the representative of the Mexican consulate when accompanied by the representative of the Secretary of Labor.

The employer shall with respect to each pay period furnish in writing in both Spanish and English, to the Mexican worker at the time the Mexican worker is paid for such pay period, such information regarding his earnings as may be required by the Secretary of Labor.

Such information shall include, but shall not be limited to, the total earnings for the pay period, the rate of pay, hours worked, periods for which subsistence was paid, and an itemization of all deductions.

The employer shall also keep such additional records as may be required by the Secretary of Labor.

Then there is a provision about documentation costs. That, of course, would not apply to American workers.

There is also a provision entitled "Protection From Immoral and Illegal Influences," which reads:

The employer agrees to take all reasonable steps to keep professional gamblers, vendors of intoxicating liquors, and other persons engaged in immoral and illegal activities away from the Mexican worker's place of employment.

There is also a provision with respect to Mexican social security benefits, which reads:

(a) Effective with respect to standard work contracts entered into after January 1, 1960, the employer shall reduce the amount of the deductions from the worker's wages which he has been making prior thereto pursuant to article 6(g) of the standard work contract, as amended, in an amount equal to $0.20 (20 cents U.S. currency) per month for each $1,000 of nonoccupational life insurance which had been provided prior thereto to the Mexican worker, or such other amount as may be specified by the Secretary of Foreign Relations. An amount equal to these reductions shall be deducted from the worker's wages no later than the end of the first week of employment, to cover the first 4 weeks contribution to the Mexican Institute of Social Security required pursuant to article 6(h) of this contract. Such deductions shall be transmitted promptly to the designated representative of the Mexican Government at the reception center at which the Mexican worker was contracted. If the amount of the reduction specified in this paragraph is increased or decreased by the Secretary of Foreign Relations, such increase or decrease shall not affect the amount which the employer was authorized to deduct from the worker's wages pursuant to article 6(g) of this contract, prior to such increase or decrease.

Mr. President, there are additional provisions with reference to social security benefits.

Then there is a reference to transportation and joint operating instructions, and that provision reads:

All buses with fixed seats shall meet the standards for schoolbuses prescribed by the State in which the buses are registered.

Those provisions are not provided for American workers who work right alongside workers coming into the United States under Public Law 78. Those are the provisions for the Mexican workers. All I am saying is that these provisions

should be provided for American workers.

I read from a provision entitled "Living and Sleeping Quarters":

Living and sleeping spaces shall be in good structural condition and constructed so as to provide shelter to the occupants against the elements and to exclude dampness.

The floors and roofings of all buildings must be in good condition. Floors of building used as living or sleeping quarters shall be constructed of wood, asphalt, concrete, or other comparable materials. Dirt floors are not acceptable.

Under "Sanitary Facilities," I cite the following:

Convenient and suitable bathing facilities separate from cooking and sleeping rooms shall be maintained in a sanitary condition, readily accessible to living quarters.

Under "Lighting," I read:

All rooms used by workers shall be adequately lighted.

The following appears under "Laundry":

Laundry facilities shall be maintained in a sanitary condition and provided with adequate drainage as required by the general standards. Such facilities shall be separate from the eating and sleeping rooms but may be under the same roof or enclosure with the bathing and dressing rooms.

Mr. President, as I have pointed out, the amendment I offered when the bill was before the Senate included workmen's compensation, a contract guaranteeing employment three-fourths of the agreed term of employment, subsistence payments when work is not available, and transportation for one worker, not to exceed $3 a week, on the part of any one employer. In short, the amendment provided only that the American workers have the same working conditions, in those respects, that Mexican workers have under the agreement to which I have referred. This is very limited when compared to the statements which I have just read. It indicates clearly that basic reform in Public Law 78 is urgently needed.

Mr. President, in conclusion, let me say that the main argument used to justify continuation of Public Law 78 is that domestic workers simply are not available for the jobs held by Mexicans. It is argued that Mexicans are not competing for jobs with U.S. workers, and cannot adversely affect the wages or employment opportunities of American workers. If this argument is accepted, the need to protect our citizen farmworkers conveniently disappears.

Those who hold this view cite various snatches of evidence—here, U.S. farmworkers are too old or too young; there, domestic laborers turn down jobs offered by growers; somewhere else, they prefer to take nonfarm jobs or to sit at home in idleness. In some places, American workers are alleged to be too unreliable to work on farms; elsewhere, they allegedly prefer to leave their homes and move to unfamiliar places in search of work. In this way, American farm labor is belittled and maligned, to make a case for continuation of the Mexican farm labor importation program.

Let us look a little more closely at the so-called shortage of suitable domestic workers. The first thing we notice is that the shortage is concentrated in just a few States and on a relatively tiny fraction—under 2 percent—of the Nation's farms. The great bulk of American farm employers are able to meet their labor needs by drawing upon the American labor force.

How does it happen that the alleged farm labor shortage is limited to areas in a few States? The answer becomes clear when the wages and other conditions of employment offered by employers in heavy Mexican-labor-using areas are examined. Wages in many sections where the use of Mexican labor is claimed to be essential range from 30 cents to 50 cents an hour. Housing for workers in these areas is often pitifully inadequate or deliberately designed to accommodate only single workers of the type available from Mexico. Efforts to recruit domestic workers are often, at best, halfhearted. Many employers refuse to advance transportation costs or to guarantee a minimum period of employment or a minimum amount of earnings to the citizens workers whom they are supposedly trying to recruit. The citizen worker is expected to assume the heavy risks of agricultural joblessness due to bad weather, the costs of on-the-job injuries, the possibility of complete unemployment if crops are destroyed by natural conditions, a complete lack of job tenure, and so on. Under these conditions, it is not surprising to hear of recruitment difficulties in the major Mexican-labor-using areas.

The disgraceful fact is that Mexican workers receive far more protection than do our own farmworkers. To reiterate, their transportation costs are paid; they are guaranteed work on at least three-fourths of the workdays in their contract period; their contract period is usually no less than 6 weeks long; they are entitled to free subsistence during periods of partial employment; their housing is regulated and inspected; they are guaranteed no less than the prevailing wage for similar work in the area; their employer must insure them against occupational injuries at his own expense; their right to elect representatives as spokesmen in dealing with employers is guaranteed; and their rights are also protected by the surveillance by the Department of Labor and by the Mexican consuls. None of these guarantees and protections is available to most of our own farmworkers. This was the purpose of my amendment—in short, to provide for equalization in that regard.

Why do wages and other terms of employment remain at such unattractive levels in most so-called labor shortage areas which utilize substantial numbers of Mexicans? The answer is obvious. The availability of Mexican workers makes it unnecessary for employers in these areas to adjust their wages and working conditions and to compete freely for the domestic labor supply. The availability of Mexicans makes it unnecessary to adopt the kind of enlightened and constructive personnel policies which employers in other areas and in other industries have adopted in order to solve their labor problems. A vast source of low-wage labor across our southern border thus depresses American labor standards.

There can be no doubt about this situation. It has been carefully and impartially documented by the distinguished consultants appointed by former Secretary of Labor Mitchell to review the problem. The report of the consultants—thorough and factual—argues against the adoption of the conference report on H.R. 2010.

The need for careful regulation of the employment of Mexican farm labor, in order to protect our own citizen workers, is obvious. That is why the Senate last week adopted the McCarthy amendment. But the conference report does not contain this provision. That is why it threatens the livelihood of American farmworkers, for the benefit of a small fraction of farmers who seek to use the facilities of the Federal Government to import cheap labor; and it has the effect not only of doing that, but also of injuring States and farmers who produce fruits, vegetables, and similar foodstuffs and agricultural commodities and who do not have available to them this low-cost labor imported through the facilities of the Federal Government.

Mr. President, it is not my desire to cut off debate in any way. But after all Senators who wish to be heard on this subject have been heard, I intend to move for reconsideration of the action taken by the Senate in refusing to lay the conference report on the table. However, since I apprehend that such a motion to reconsider may also be made the subject of a motion to lay on the table, I shall refrain from making the motion at this time; but I merely advise the Senate of my intention to make the motion at a later time.

Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, when this bill was before the Senate, the principal issue was over the question agreeing to the McCarthy amendment. No other issue seemed to divide the Senate very greatly in connection with its consideration of this measure.

Mr. President, at this time I wish to refer to the Senate rule in regard to the selection of conferees.

Before I do that, first let me say that the conferees, of course, were selected from the Senate Committee on Agriculture and Forestry. The first conferee, understandably, was the chairman of that committee, the Senator from Louisiana [Mr. ELLENDER]. The Senator from Louisiana voted against that amendment. The next conferee was the Senator from South Carolina [Mr. JOHNSTON]. The Senator from South Carolina had voted against the McCarthy amendment. The next conferee was the Senator from Florida [Mr. HOLLAND]. The Senator from Florida had voted against the McCarthy amendment. The McCarthy amendment had carried a majority of the Senate—it is true, a narrow majority, but a majority had voted for it.

The next member of the Committee on Agriculture and Forestry in terms of seniority was not placed on the conference committee. Nor was the next. Nor was the next. But the following member of the Committee on Agriculture and Forestry on the Democratic side who was placed on the conference committee had voted against the McCarthy amendment.

On the Republican side, the first three ranking Republicans on the committee were appointed to the conference committee. One voted for the McCarthy amendment; two voted against it.

I call attention to the documents which are provided for the instruction and guidance of the Senate, as I understand, with regard to all rules and with regard to the selection of conferees where there has been a division of opinion among Senators. The rule provides, and I read from Senate Procedure, at page 172, at the bottom of the page:

> The conferees in theory are appointed by the Presiding Officer but in fact are designated by friends of the measure who are in sympathy with the prevailing view of the Senate, and with consideration for the usual party ratio. And the Senate, on motion, may elect its conferees as it sees fit.

The volume continues and gives a specific example:

> In order to obtain the appointment of certain conferees on the Muscle Shoals bill in 1925 favorable to the position of the Senate, members of the committee senior in rank were successively elected and excused by unanimous consent until the desired conferees were reached in the order of their seniority.

In this particular instance it would have been possible to select a majority of the Senate conferees from the Agriculture and Forestry Committee who had voted for the McCarthy amendment. The junior Senator from Wisconsin voted for the McCarthy amendment. I am a member of the committee. Another member of the committee, a very distinguished, and fine Senator, Mr. JORDAN of North Carolina who is junior to me, was appointed to the conference. The Senator from Minnesota [Mr. MCCARTHY], author of the amendment which was adopted, was not appointed to the conference committee, nor was the Senator from Michigan [Mr. HART], nor was the Senator from Oregon [Mrs. NEUBERGER], all of whom represent the majority party and all of whom voted for the McCarthy amendment, or whose position was stated as being for the McCarthy amendment.

It seems very clear to me that, on the basis of the rules, Senators representing the Senate on a bill in conference should be chosen from those who favored the majority position. It was clear on the Mexican farm labor bill that the only division of significance in the Senate was the division over the McCarthy amendment, and a very tiny minority, about as small as could be obtained, only one Senator, the distinguished Senator from Vermont [Mr. AIKEN], the ranking Republican member of the Committee on Agriculture and Forestry, was the only Senator who represented that viewpoint.

I quote from the Senate manual, which guides the Senate in its procedures. On page 146 the Senate Manual reads:

> In the selection of the managers the two large political parties are usually represented, and, also, care is taken that there shall be a representation of the two opinions which almost always exist on subjects of importance. Of course the majority party and the prevailing opinion have the majority of the managers.

Let me repeat that last sentence:

> Of course the majority party and the prevailing opinion have the majority of the managers.

If these rules mean anything, it seems to me we should certainly make an effort to provide that a majority of the conferees represent the majority opinion of the Senate. It is clear in this case that only one out of the seven conferees represented that position. I do not know how we could get farther away from that rule, unless they were unanimously against it. At the very least, those representing the position that prevailed in the Senate should have been given substantial representation.

I can see why, under certain circumstances, it might have been necessary to put on the conference Senators favoring the minority position—although I think it is bad—but certainly not six who favored the minority view and only a single representative of the majority view.

I have been one who has been concerned about the Senate seniority rules. I recognize there is great wisdom in them. Perhaps it is necessary to have such rules and there may be great advantage in having them. But I think if we are going to have a rule of seniority, we ought to abide by the rule of seniority. The fact is that on the Republican side the rule of seniority was used as the basis for selection in this case. On the Democratic side, it was not used, because the junior Senator from Wisconsin was senior to one of the Members who was chosen to represent the conferees. It should be said, in all fairness, that this exception was made for the Senator who handled the bill on the floor, and was the chairman of the subcommittee who handled the bill; but the fact is that the Senator from North Carolina is junior to the junior Senator from Wisconsin. If seniority is strictly followed, and if this is a reason or excuse for having this kind of representation, it seems to me seniority should be followed all the way down the line.

To turn to the substance of the matter——

Mr. MCCARTHY. Mr. President, will the Senator yield before he gets into the substance of the bill?

Mr. PROXMIRE. Yes; I am glad to yield to the Senator from Minnesota, who was author of the amendment which is now in controversy.

Mr. MCCARTHY. I think the experience we have had in conferences with the House this year gives added weight to the argument made by the Senator from Wisconsin; in many cases we went into conference with representatives of the Senate who really supported the Senate's position but they gave way to the House in the conference. Since that disposition seemed to have been established, it was all the more important when we went into conference with the House on this bill that we send as representatives of the Senate those who strongly represented the position of the Senate; then, perhaps, conferees would not come back with a statement such as was made by one of the conferees, that the House conferees absolutely would not take the Senate position. They said, "This is it, or there will be no migratory labor bill this year, because we are not giving in on this point and we will not yield over on the House floor, either."

If the Senate is to surrender in the face of this attitude on a bill of this kind—when there really is no serious reason for not postponing action for the next 3 or 4 months—what position does it leave the Senate in on a question of appropriations which relate to vital functions of the Government, when the House says, "Unless you give in to us, there will be no appropriation"?

It seems to me in this kind of situation we ought to take a firm stand. Although there will be some disadvantages if the program is not continued over the next 3 months, they are minor, and it seems to me we should make a stand here. If we give in on this, how shall we ever make a stand on an appropriation measure which is of vital importance to the country?

Mr. PROXMIRE. I could not agree more with the Senator from Minnesota. The Senator from Minnesota makes the point that here is a case where, if the Senate had been adamant in insisting on its position and the House had said, "It is this or no bill," and the Senate had accepted that ultimatum, both the broad public interest, and the people who are directly affected by this bill, would not have been significantly affected at all. That fact is underlined by the Secretary of Labor. Here was a bargaining position on the part of the Senate conferees that was very, very strong. What happened under those circumstances? As the Senator so aptly described it the other day, the conference was extremely short. I suppose there have been shorter ones, but this one was not very lengthy. One of the Senators who was in the conference is now present on the floor. If I am wrong, he can correct me. But here was the Senate in a position to fight for its position, to fight for a long time and make sure every single member of the House conferees thoroughly understood that the Senate felt so strongly about the question.

What happened? The conferees not only gave away the McCarthy amendment, which had been agreed to by the Senate, but also gave away other provisions and protections in the bill which provided some kind of minimum wage, which had been accepted by the Committee on Agriculture and Forestry and by the Senate virtually without significant opposition. The provisions were accepted without any opposition of which I knew; yet were given away also.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. I do not recall what else was given away, and I think perhaps "taken away" would be better words to use.

I speak as a member of the Senate conferees who did support the McCarthy amendment.

Mr. PROXMIRE. The Senator from Vermont was the only conferee who did.

Mr. AIKEN. I did vote for it. I think I ought to point out, however, there were five controversial Senate amendments which were not in the House bill. So far as I know, all of those amendments were objectionable to the corporation farmers who employ the Mexican laborers along the border.

The result was that the House conferees accepted three of the amendments without any change. The House conferees accepted another amendment, with a modification. That was the amendment which prohibited the use of Mexican labor to operate farm machinery of any kind. It was modified so as to limit the restriction to planting, cultivating, and harvesting machinery.

Three of the Senate amendments were agreed to by the House conferees. The fourth amendment was accepted substantially. The fifth amendment was the McCarthy amendment, and it was not accepted. It would not have been accepted. I do not believe we could possibly have persuaded the House conferees to accept that amendment.

The vote in the Senate on the McCarthy amendment was, as I recall, 42 to 40 in one case and 42 to 41 later, whereas the vote in the House on a comparable amendment was by voice vote, which for all practical purposes is about 437 to nothing. It was as good a position as possible for the House conferees.

Mr. PROXMIRE. This is the numbers game, of course. I have great respect for the Senator from Vermont. The Senator is a very honest and very fine Senator, certainly one of the finest.

But the fact is that the three amendments which the House conferees accepted were not really significant amendments to the bill. They were not significant, at least, in terms of protection of migratory workers, either the domestic American workers or the Mexican workers. Certainly they were not as significant as what was given away.

I read from paragraph 3 of the conference report.

> The committee of conference has agreed to the Senate amendments with two major changes: (1) Elimination of the subsection providing minimum wage rates other than those already provided for in the act and in the agreement with Mexico; and (2) modification—

I think they gave away the whole thing—

> (2) Modification of the provision relating to the use of Mexican workers to operate or maintain power-driven machinery so that this provision will apply only to power-driven, self-propelled harvesting, planting, or cultivating machinery.

Mr. AIKEN. That is correct.

Mr. PROXMIRE. It seems to me this leaves wide open the possible use of Mexicans for all kinds of work, competing directly with American workers.

Mr. AIKEN. It was set forth that if the fourth amendment, relating to the use of Mexican labor on machinery, had not been modified, it could have been construed to mean to prohibit turning a switch, driving a pick-up truck to transport workers from one place to another, and so on. The Senate yielded on that modification, and I agreed to it. After all, it was the use of Mexican labor for planting, cultivating, and harvesting machinery which was said to be so important to the large farmers along the border.

I believe it was that amendment which was responsible for the large farmers along the Rio Grande, and possibly other places along the border, taking such a vehement stand in opposition to the bill.

In fact, the situation is a little bit ludicrous, in a way. Labor opposes the bill because it did not get everything asked for, and the farmers who employ the Mexican labor oppose the bill because labor got so much. I do not know who is right or who is wrong.

Mr. PROXMIRE. I am delighted to answer the Senator from Vermont. Both would like to have the bill killed, so let us kill it. Both of the Senators from Texas, who are most directly affected, voted in favor of the motion to table the conference report. The Labor Department has indicated it is very unhappy with the conference report.

Mr. AIKEN. The Senator is correct.

Mr. PROXMIRE. Under these circumstances it seems to me that no interest would be served by agreeing to the conference report.

Mr. AIKEN. I have seldom seen a more unrealistic alliance than the one I saw on the vote to table the conference report yesterday.

Perhaps the conference report should be killed. I would not have had any great regret if it had been tabled. Then all parties would have been able to find out the true situation. I suppose each side feels that if the proposal is tabled it can win the next battle. I am not sure which would win the next battle.

I think there is a trend toward more conservatism in this country; either that, or the conservatives are better organized. I am inclined to think that labor would get the short end if it went to the mat and came back again.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I shall yield to the Senator from Minnesota in a moment, but first I wish to say until very recently the Nation was not familiar with or aware of the plight of the migratory workers. As a result of the CBS television program and other developments, including a great deal which has been written in the newspapers all over the country, I know there is a tremendous awareness of the problem in Wisconsin, a State in which there had been considerable study before, but in which there was not a broad and deep popular understanding until recently. I think there is now far more sympathy and understanding, with a strong humane impulse to do something about the problem, and to correct the problem, than we have observed before.

I feel very strongly that regardless of the future of conservatism—and I feel conservative on many things—so far at this particular exploitation is concerned, it is on the way out.

Mr. AIKEN. I do not feel too keenly over the outcome, regardless of what may happen to the conference report. At least the extremes on both sides are asking to have it done away with and considered as an issue next year. I am inclined to think the planters would win the next round, but I may be completely mistaken; I do not know.

I have felt that the proposal does represent a gain for labor over any previous Mexican labor bills, and I have always taken the position that if one could not get 100 percent of what one wished, one should take 80 percent or if one could not get 80 percent, one should take 75 percent. Perhaps one should not take a minimum of 51 percent, but I have felt that one should take what one could get, and watch for the next step.

Mr. PROXMIRE. The position of the Senator from Wisconsin is that he opposes the proposal because it involves the importation to this country by the Government of braceros who compete with American workers, which, in my judgment, tends to drive down the wages the American workers receive.

Mr. AIKEN. I say to the Senator again, I shall not break down and weep, regardless of what happens on a vote on the conference report. I feel that the extremes on both sides are a little shortsighted.

Mr. PROXMIRE. Mr. President, I now yield to the Senator from Minnesota.

Mr. McCARTHY. Of course, the Senator from Vermont and I have discussed the question of how the bill is unsatisfactory to both sides. The Senator referred to labor and the growers. I do not think this is simply a division as between labor and the growers.

Although organized labor may be interested in the passage of the bill, it could not be said to have an interest in the bill in respect to organized labor. The people with whom we are seeking to deal not only are not Americans but also are not members of organized labor. The migrant laborers in this country, with very few exceptions, are not members of organized labor. In this case we would have to credit organized labor with a somewhat unselfish interest.

Mr. AIKEN. I do not think I used the words "organized labor." I said "labor."

Mr. McCARTHY. I know the Senator did.

Mr. AIKEN. I meant to refer to U.S. labor.

Mr. McCARTHY. Yes.

In this case organized labor has no direct interest, and unorganized labor really has no voice. We do not know whether those people are interested in the passage of the proposed legislation.

I hope they would be benefited some by passage of the proposed legislation.

The dissatisfaction which has been expressed has been expressed by those who have advocated amendments to the bill to improve the program. Primarily they are people concerned with social work and social welfare. Many of the religious groups have long been concerned about the plight of migrant workers.

If, as the Senator says, both sides are dissatisfied with the proposal, that does not mean it is a good bill or a good compromise. Both sides might be correct. It might be a bad proposal from the point of view of all concerned. We would have to look to the particulars in the bill before we really could come to the conclusion which the Senator from Vermont seems to indicate he has accepted.

Mr. AIKEN. Would it not be a good way to settle the problem to permit the bill to go to the White House and let the President veto it? He really has not vetoed a worthwhile bill this year, or even a very bad one. [Laughter.] That might be a good solution.

Mr. McCARTHY. There is some possibility that the bill might be vetoed. I intended later to say that that would be my recommendation, since one of the strong appeals for the amendments—not only those that were adopted, but several others that came from the executive branch of the Government—and the argument in support of the amendments, was that they were necessary in order to carry out the laws as the administration thought they should be carried out. It was felt that some clarification and some sustaining language in the bill which would help them would be needed. Since I am of the opinion that we have not given the administration what was requested, I think it would be really in order for the President to veto the bill.

The President has many burdens at this time, as the Senator from Vermont knows. I do not know whether we ought to distract his attention. If we could insure a veto here this afternoon, I think it might serve the country well.

Mr. PROXMIRE. Mr. President, as I understand, the Senator from New York [Mr. KEATING] has announced that he will later ask for a reconsideration of the vote by which the Senate refused to table the conference report. If such reconsideration is granted, there will then be an opportunity to table the report. The question is, Will that tabling action, which in the judgment of some of us will defend and protect a group of Americans who have been shamefully exploited, and who are at the very bottom of the economic pyramid, inconvenience or damage in any significant way the farmers of America?

A responsible Cabinet officer, whose face adorns the front of the current issue of Time magazine—Secretary of Labor Arthur Goldberg—has written to the Senator from Minnesota [Mr. McCARTHY] on this subject. I think his letter bears directly on this question the Senate is about to face. He wrote:

> I have given considerable thought to your inquiry as to the harm that might be caused to the agricultural community, or to individual growers, if the Congress failed to enact an extension of the Mexican labor program (Public Law 78) at this session. I recognize that at this juncture when consideration of some vitally important legislation is being deferred until next year, such deferral of Public Law 78 enactment is not out of the question.
>
> As you know, the present Mexican labor program expires on December 31 of this year. If the law is not extended before the final adjournment this year, the process of repatriation of the braceros then employed would have to commence immediately after December 31. Funds are included in the currently pending appropriation for beginning the orderly liquidation of the program if that should prove necessary.

So the Labor Department is prepared in the event the conference report is tabled.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. AIKEN. Does the Senator from Wisconsin share the opinion of Secretary of Agriculture Freeman? Does the Senator know what the position of the Secretary of Agriculture is on the enactment of the proposed legislation? I do not know; I am seeking information.

Mr. PROXMIRE. No; the Senator from Wisconsin does not know. Of course, the Senator from Minnesota [Mr. McCARTHY] is the one who obtained the letter. I reason I think the Secretary of Labor was called in is that the bill put him into the situation. As I understand, he is primarily involved in administering the law, although, of course, the Secretary of Agriculture is the Cabinet officer who is most responsible for our farm economy. But I think the judgment of the Secretary of Labor, who is a very able and fairminded man, is in this case significant and germane in view of his responsibility for administering the law.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield to the Senator from Texas.

Mr. TOWER. If an extension of the Mexican farm program were rejected, under Public Law 76, or the immigration code, would there be available means by which farmers could obtain Mexican labor where there is a pressing need and where adequate domestic labor is not available for the fruit and vegetable harvest?

Mr. PROXMIRE. I do not wish to evade the specific question of the Senator from Texas, but it is the conclusion of the Secretary of Labor that because of the timing of these events, because the termination would be on December 31, the Senate would be back in session 10 days later, and any adverse effect would be negligible. I cannot give the Senator a specific answer with respect to Public Law 76, because I do not know.

Mr. TOWER. It is my understanding that under the immigration law, even in the absence of the bracero program, such labor could be made available. I was wondering if the Senator had any idea what the disposition of the administration would be toward trying to help the fruit and vegetable farmers take up the slack, in the event the bracero program is killed, by cooperating with them and helping them to obtain migrant labor where needed in pursuance of the immigration code.

Mr. PROXMIRE. I do not know. All I can do is to assume that the administration would be concerned about the possible impact on those engaged in the fruit and vegetable industry. If significant inconvenience or economic damage should result, as it might, I am sure the administration would do all that would be necessary to alleviate it.

The letter from Secretary of Labor Goldberg is written with full recognition of the total impact of this program, not merely on the producers, who have been particularly and primarily involved in the past, but, as I understand, also on the whole farm economy, including the fruit and vegetable growers.

I continue to read from the letter of Secretary of Labor Goldberg:

> Clearly a December 31 termination of the authorization for the Mexican program, followed in a few weeks by enactment of a new authorization, would be costly in the sense of disruption of a going organization, hardship to staff and loss of efficiency both before and after such interruption. In this sense, it is much to be preferred that an adequately revised extension bill be passed at this session.
>
> I must also inform you, however, that deferral of such legislation until early in the next session would not need to cause significant loss in agricultural production or to individual farm employers. This conclusion flows from the fact that January and February are months in which the United States as a whole has a substantial oversupply of rural workers. Employers may in some cases need to pay better wages or to assure that decent housing is available for workers with families, or to make more realistic recruitment efforts in order to attract such workers to the place needed. But in the winter season of heavy unemployment among farmworkers, with 3 months' advance notice, no more than modest improvements in job offers would be needed to attract the requisite number of U.S. workers.

That statement is at least a partial answer to the question raised by the Senator from Texas. The letter continues:

> Parenthetically, this conclusion is shared by some responsible farm interests in the areas most intimately concerned. This is illustrated by a message received in the Department reading as follows:
>
> "The undersigned grower and shipper of produce in California and Arizona is of the opinion that continuance of the bracero program in an unrestricted manner will further encourage surplus production of subject commodities. For example, cool season crops such as lettuce can be grown and harvested with domestic labor. The use of braceros is mandatory only in the harvest of hot weather crops in the desert areas. Because of the unlimited supply of braceros they have been exploited by the large commercial packers and shippers of vegetables to the disadvantage of the smaller farmer and individual producer. The surplus production of many items is only defeating the purpose of the program by depressing markets, and returns to growers are thereby lowered to far less than cost of production a great deal of the time."
>
> The conclusion that failure to extend this law this year will not be significantly detrimental to agriculture is, of course, supported

also by the fact that the Congress can if it chooses act swiftly to extend the law early next year. The present Congress will reconvene within a week of the termination date of the present law. The necessary hearings will already have been held and the issues, sharply drawn. Under these circumstances the Congress could pass an adequate extension of Public Law 78 with very little delay if the situation demanded it.

Finally, my conclusion is based on the continued existence of the Immigration and Nationality Act under which, without quota limitation, permanent immigrants may be obtained from Mexico to fill farm jobs of more than temporary duration for which U.S. workers are not available.

That is a more precise and specific answer to the Senator from Texas [Mr. TOWER].

Mr. AIKEN. That merely means that if there were no program, the farm operators would make their own arrangements for labor rather than have them made through a Government transaction. Is that not correct?

Mr. PROXMIRE. Yes; and the letter indicates that there is a specific provision in the Immigration and Nationality Act covering that point.

Mr. AIKEN. It means that they would have to make their own negotiations, as they used to do some years ago. That practice was abused and led to the establishment of the Mexican farm labor law, whereby our Government deals with the Mexican Government and makes arrangements to provide the labor that we need. I believe the program has improved the situation tremendously. There are many States which are dependent on Mexican labor. Of course in the Northeast we do not have any such labor. I think practically all this work is done by domestic labor. In New England we have a great many Florida people who come to our part of the country for the harvest season in the fall. They make much more than the minimum wage that is provided for the Mexican labor, and they are therefore not affected by the Mexican farm labor law.

Mr. PROXMIRE. As I read this letter of the Secretary, and when we recognize that, first, this is during a period when there is a surplus of agricultural labor available, not during a shortage period; second, that it could be for a short period of time, because Congress would be in a position to act 10 short days after the act expires; and third, that it is legally possible, as the Senator from Vermont says there is a precedent and experience in securing workers from Mexico—and it has certainly been done before—it seems to me in view of all these circumstances, when we put all these facts together, that the total effect on the farm economy of tabling this conference report would be minimal, if not negligible.

Mr. AIKEN. It is doubtful that sufficient agricultural labor could be recruited from the unemployed people, particularly in the Northeastern States, to work on the farms, because they receive unemployment compensation which actually amounts to more than they would be paid for working on the farms.

Mr. PROXMIRE. The Senator from Vermont will admit, I am sure, that January and February are not periods in the Northeastern States when there is any need for farm labor.

Mr. AIKEN. In my State the unemployment compensation amounts to $40 a week, approximately, and these people are not going to look around to be recruited for farm labor.

Mr. PROXMIRE. There would be nothing for them to do on the northern farm either.

Mr. AIKEN. Besides that, they expect to go back to their old job when the season changes. Therefore I believe that this practice, although American labor did not get all that they asked for, improved the situation, since it would prohibit using Mexican labor in processing and packaging and canning, and so forth. It requires them to be paid a reasonable wage, which would undoubtedly be somewhat in excess of what they have been getting up to now.

Mr. PROXMIRE. It is my understanding that the conference report provides for no change in that particular respect, because the conference report eliminates the subsection providing the minimum wage rates other than those already provided for in the act and in the agreement with Mexico.

Mr. AIKEN. That is from the statement on the part of the House managers.

Mr. PROXMIRE. This is from the statement of the agreement between the House and the Senate. This is the conference report.

Mr. AIKEN. The House managers always make that statement. There is not always full agreement between the two Houses. Perhaps I should have studied the report much more closely than I have, in order to determine if there is any difference of opinion between the House and the Senate interpretations of the conference agreement.

Mr. PROXMIRE. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Florida.

Mr. HOLLAND. I would not want the record to be left in such shape that it could be inferred that the Mexican Government is willing to continue to proceed on the basis of the law that would be left on the books if this measure should vanish in the disapproval of the conference report.

To the contrary, under the law that existed when the bracero law was enacted, the Mexican Government had been so dissatisfied with the results obtaining, that it notified our Government and notified the interested farming groups that they would not permit the entry of additional Mexican laborers unless something was worked out that gave the Mexican Government itself control of recruiting. The reason was that under the law as it had been, and would be again if this conference report fails, the farmers, in getting Mexican laborers, simply went across the border and enlisted whomever they could get, and in the main that would be from the areas immediately adjoining the United States.

The Mexican Government said that it was not in those areas that they had heavy unemployment, and they wanted the right to recruit their workmen who were to come to the United States in areas of heavy unemployment.

The Senator from Florida sat in the hearings and in the conference at the time the present law was enacted, and he knows that the Mexican Government at that time, at least, was not satisfied and indicated that it would discontinue allowing these people to come into the United States for the purpose of rendering agricultural labor, which means that those who would come in would be wetbacks. I do not know of any situation under which they can be more greatly imposed upon than when they do come in without legal authority. They are subject to the imposition of abuses of every kind.

Mr. PROXMIRE. Let me point out to the Senator that the position of the Senator from Wisconsin is that, of course, the illegal entry of any alien into this country is something of great concern, particularly when it results in competition with American workers. It seems to me that this is always a problem. The fact that we have had that situation and that we may have it in the future, and have it now to a lesser extent, is no reason for Congress to enact a bill which in the judgment of some of us may result in further diminishing the standard of living of hundreds of thousands of American citizens who are migratory workers.

Mr. HOLLAND. In the first place I do not agree at all with the conclusion that that would be the result. I do not believe it has been the result of the enactment and the existence of the present law.

The second thing I wanted to correct is the apparent understanding of the distinguished Senator from Wisconsin that there is no market for these migrant workers in the wintertime. As a matter of fact, along the Mexican border, in the lower areas of Texas and Arizona and also California, the area which shares with my own State the responsibility for the supply of winter vegetables and fruits and the like, winter is one of the times of heavy need for stoop labor, the very kind of labor that is supplied by the Mexicans.

The third point I wish to make is that whoever is responsible—and I wish to make this absolutely clear, because it is inescapable—whoever is responsible for the failure of the enactment of this law in such a way as to force the operation back on the basis of the prior existing law is going to be answerable to thousands of farmers in many communities in this country and to the people who use their products, and that there will not be any corresponding advantage to our own domestic labor. It seems to me that instead of, in effect, obstructing the passage of the most constructive legislation which we have been able to work out, the distinguished Senator from Wisconsin and others who feel as he does would be on sounder ground in cooperating in leaving a basis of law under which we can operate, and then look to the future to continue to remedy the existing law.

As the Senator knows, the conference report does improve existing law in sev-

eral respects. It is not always true to say that it is possible to jump from one unsatisfactory position—if the Senator from Wisconsin regards existing law as that—to an ideal situation. We would be making very real progress by enacting the conference report.

The Senator from Florida has no direct interest, so far as the bill is concerned, in the Mexican labor problem. The very few Mexicans who come to Florida are residents of the United States. They drive to Florida from Texas or some other place where they may live, generally with their whole families, in their automobiles; but there are very few who come to us. So we have no direct interest in this problem at all.

However, I know from a long study made at that time, and from time to time since the time of the enactment of the present law, that real hardship will be done if the conference report is not adopted. That harm will be done before we can get back in the early part of the year to make amends or to correct the situation.

Mr. PROXMIRE. Mr. President, it is my position that no significant progress has been made in the bill as it emerged from conference. All one has to do is to read the third paragraph in the statement of the managers on the part of the House, which makes it clear that whatever improvement there had been in the Senate bill, even before the McCarthy amendment—and there had been some significant improvement—was all given away. There have been some technical changes made, but they are of no significant importance.

Second, as I have tried to document the case, I now summarize it by reading a short paragraph from the letter of the Secretary of Labor:

> There will be no significant inconvenience if the conference report is tabled until next year.

Arthur Goldberg concludes by saying:

> These various considerations suggest that damage to the farm economy or to individual farmers, if enactment of a Public Law 78 extension were deferred to next year, would be negligible. The anticipated adverse effect upon the Department's staff and upon its operational efficiency, however, are sufficient to lead me to suggest that deferral should take place only if acceptable modifications cannot be achieved at this session.

So the Secretary of Labor recognizes that there will be an adverse effect in rebuilding and revivifying the bureau of the Department of Labor which operates this section of the law. That is a matter of real consideration.

However, so far as the impact on the economy of farms and farmers is concerned, I think he has reasoned very well and carefully that the effect will not be significant.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin further yield?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. I do not doubt that the distinguished Secretary of Labor thinks he is on sound ground; but basing my own statement on an experience a good deal longer in this field, and upon direct observation of the problem through a good many years, I desire the RECORD to show that in my opinion the Secretary is entirely wrong in his conclusion. I know, having myself conferred with various diplomats of the Mexican Government at the time the present law was enacted, how completely unwilling they were to continue to operate upon the existing law, which is all that would be left if the conference report were not approved.

So far as concerns the improvement made in the conference report, I remind the distinguished Senator from Wisconsin that the provision in the report which prevents the employment of Mexican laborers in highly difficult work or dangerous work in connection with the operation of complicated machinery of one kind or another makes such a difference in the law that certain cotton farming groups in the State of Texas are objecting to the enactment of the conference report, because they say they have used some of the Mexican laborers for the dangerous work. I think the distinguished Senator from Wisconsin will agree that there is an accomplishment, there is an improvement of the law, when we place in it a requirement that the Mexican laborers shall not be used in that kind of work.

The fact that this position has been taken by persons practically affected, who say they will not be able to use Mexican laborers in work on which they have used them because of that provision, ought to appeal, I think, to the humanitarian instincts of the Senator from Wisconsin—and he certainly is humanitarian, for which I honor him—in that he did find that there is a real improvement in this respect made in the conference report as contrasted with existing law.

Mr. PROXMIRE. Yes; but it seems to me the Senator from Florida should recognize—and I am sure he does recognize—how much the Senate gave away.

We provide, in the first place, for the elimination of the subsection providing minimum wage rates other than those already provided for in the act.

In the second place, we have modified the provision relating to the employment of Mexican workers to operate and maintain power-driven machinery will apply only to power-driven, self-propelled harvesting or cultivating machinery. This means, as the Senator from Vermont [Mr. AIKEN] indicated, that they may drive pickup trucks and tractors, provided the tractors are not involved in this particular kind of activity. There are many things the Mexicans who make 50 cents an hour can do now under the bill as accepted in conference. It seems to me that that is a loophole which opens up real competition among the workers on American farms.

Mr. HOLLAND. Can they not do those things now, and a great deal more?

Mr. PROXMIRE. Once we adopt the conference report, this situation will be settled for 2 years, I presume. If we do not adopt it, it will afford an opportunity for the Senate to act; and the Senate must act, I think, early next year, in January or February. As the Secretary of Labor has stated, the effect will be limited, because of the very short time which will elapse if the Senate refuses to act now. A reconsideration of the measure will come at the best time of the year for most of the farm economy in America, although I realize that in Florida and Texas, and some of the other Southern States, this is a very active season. But for most of the country, January and February is a part of the year when there is not great activity.

Mr. JORDAN. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. JORDAN. As the Senator from Florida has stated, the conference report makes a very important change in the program in prohibiting the use of Mexican nationals in the operation or maintenance of certain power-driven machinery. The language of the conference report in this respect differs somewhat from that in the bill we sent to conference. The language of the bill prior to conference was not definite enough to suit some members of the conference who insisted that it ought to be specifically spelled out as to the kind of equipment the Mexicans could handle. Under the existing law, the Secretary of Labor has broad authority as to the employment for which Mexican workers may be made available, so a great many Mexican laborers were allowed to use cultivators, combines, and that type of equipment. It was a matter of employing Mexican workers for skilled labor, which should be paid a higher wage scale, high enough to attract domestic workers. The farmers were not employing domestic workers, who were used to a higher wage scale, as long as they could get Mexican workers at lower wages.

One Senator, from a Northwestern State, said the farmers paid combine operators, and persons of that type, $2.50 an hour. There the competition was intense. So we wrote into the bill a specific provision to meet the objection with respect to the scale of skilled labor. That comes under the heading of "skilled labor," and not the heading of "danger."

It was also stated that under the provision which went to conference a Mexican could not operate irrigation machinery or turn on a pump, or do ordinary things like that, which require no special skill or training. We were asked to make the language specific.

I said that if it was desired to clarify the language of the Senate amendment and make it more effective to do what it was intended to do, that was perfectly all right with me. And that is what was done. The limitation was made applicable to jobs which should carry a higher wage scale. The Secretary of Labor said that he did not have power to prohibit the Mexican workers from using such equipment. The conference report spells out that authority as it ought to be spelled out.

I should like to say one other thing about the letter from the Secretary of Labor, a copy of which I also have received. I have great respect for the Secretary of Labor, but I do not believe he understands the farming industry as well as he does labor conditions. He testified, if I am not badly mistaken—his testimony is printed—that the cost of labor was about 3 percent of the price of the crop. The testimony showed conclusively that in the case of cucumbers the laborers got 50 percent of the price. They got half of it for harvesting.

Mr. PROXMIRE. It depends on what is meant by the price of the crop. If one talks about the price the housewife pays when she goes to the store to buy the food at retail in some cases the farmers get such a small percentage of it that the amount of 3 or 4 percent of the total cost of the food for any of the farm processing would be possible.

As the Senator from North Carolina knows perfectly well, the wheat farmer gets a tiny fraction of the cost of a loaf of bread. The cotton farmer gets a small fraction of the cost of a shirt. I think the dairy farmer gets too small a fraction of the cost of a quart of milk when it is purchased in a store. In Wisconsin, dairy farmers get about 6 cents a quart, whereas of course the consumers pay 25 or 26 cents a quart. So it depends on the base used by the Secretary of Labor in making the calculation.

Mr. JORDAN. He was using as the base the price received by the farmer. But, for the cucumbers when they were delivered to the market, the Mexican workers who harvested the crop got half of the sales price.

Cotton is all piecework, and the Mexican laborers and the domestic workers are paid the same price. I know that is the case. They get about 10 cents a pound for picking cotton in the lint, and that is about one-third of the price the cotton brings.

Mr. PROXMIRE. I thank the Senator from North Carolina. I wish to say it is very unpleasant to have to disagree with my two very good friends on the Committee on Agriculture and Forestry, for both of whom I have the highest esteem. Both of them are extremely considerate, and they are most competent in this field. The Senator from North Carolina has been handling this measure very well, under very difficult circumstances; and he has both my admiration and my sympathy.

Mr. President, as I have stated, I feel very strongly that the bill as amended in conference is grossly inadequate to correct the inequities which now exist.

The amendments included in the Senate version of the bill—not only including the McCarthy amendment, but also including the amendments incorporated by the committee—are absolutely necessary, in my judgment. I believe that without them, the bill should die.

The chief evil of the bracero system is that it helps create and preserve a depressed class of wage earners for a few privileged employers who believe that their labor problems are insoluble without the help of the Federal Government. These employers believe that the Federal Government should provide them with a free farmworkers' placement service. At the present time the Bureau of Employment Security of the U.S. Department of Labor spends an estimated $10 million a year recruiting domestic farm labor for American growers. The money which pays for this program comes out the pockets of nonagricultural employers who are covered by unemployment insurance. Not satisfied with having the Federal Government recruit cheap domestic labor in depressed rural areas for shipment all over the country, they have also demanded and obtained a carte blanche program for the importation of poverty-stricken Mexican nationals for work on U.S. farms—under the guise that American labor is not available.

Not available at what rate of pay, may I ask? Thirty cents an hour in Arkansas? Fifty cents an hour in several parts of Texas? Sixty cents an hour in New Mexico? It is sheer hypocrisy to say American workers are not available if attempts are made to recruit these workers at decent rates of pay.

It is stated over and over again that if proper standards are insisted upon, such agricultural commodities can no longer be sold at the prices at which they are sold today. Well, perhaps they should not be sold at those prices. I see no reason why the farmers should so enormously subsidize the consumers. But that is exactly what is happening. Certainly a decent, adequate living wage should be paid to those who do this work; and certainly the Federal Government has an obligation to do all it can to achieve such protection.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. PROXMIRE. I am happy to yield to the Senator from Florida.

Mr. HOLLAND. I think there is a basic misunderstanding in connection with the argument the Senator from Wisconsin is making. He seems to think that merely by making further efforts to obtain domestic labor, we shall be able to obtain it. However, the fact is that it is impossible to obtain enough labor to do this work, even when good wages are paid.

I wish the RECORD to show that in Florida—as shown by the records of this committee and other committees—a very high rate of pay is offered—well above the minimum rate of pay for even industrial workers—for migrant agricultural workers. Furthermore, in Florida the employers are required by the Department of Labor to have recruiting offices in distant States—for instance, last year as far away as Missouri; and a good rate of pay is offered. But, even so, it is impossible to obtain the necessary domestic workers. So Florida turns to the offshore areas.

Mr. PROXMIRE. Will the Senator from Florida state the wage that is paid in Florida for such work?

Mr. HOLLAND. The wage for citrus fruit workers is shown by the report made by the Senator from New Jersey [Mr. WILLIAMS] to have been $1.29 an hour. The rate for vegetable workers is a few cents less than that. I prefer to have the Senator from New Jersey state from his own compilation just what that rate was. But both were above the then existing minimum wage rate for industrial workers in the Nation.

My point is that even when offering wages of that kind, and when offering living conditions which are regulated by our State health department, and when offering various other working conditions which have been used as models in connection with the enactment of some of the migratory labor legislation which has been enacted here in recent weeks, we find it impossible to obtain an adequate supply of domestic labor—to the degree that the Secretary of Labor allows us to bring in approximately 12,000 workers from the Bahamas, Jamaica, and the Barbados, under agreements with the local governments there for the rates of pay I have mentioned. I believe those are the correct figures.

Under those circumstances, how can the Senator from Wisconsin say that ample domestic labor is available? The fact is that we cannot obtain an adequate supply of domestic labor, even by offering the wages we are offering.

So we are paying those rates to people in much more distant areas from the centers of population, in order to get an adequate labor supply to do that necessary stoop labor work.

Mr. PROXMIRE. The answer is, as I have said, that at the present time in Arkansas 30 cents an hour is paid, and in parts of Texas the rate is 50 cents an hour, and in some areas in New Mexico the rate is 60 cents an hour. It may be there are kinds of toll which are so enormously difficult—including stoop labor—that it is difficult to obtain American citizens to do that work. But in such a situation, why should not that fertile land be used for some other purpose, if we can import food from other countries—and we can import it, not only from Mexico, but also from other countries which have a far lower standard of living, and pay their workers far less. It seems to me we should use our production for other purposes.

Finally, the fact is that we do not have an underproduction or shortage in our farm economy. Instead, we have a gross overproduction. We have been suffering from excess production—with too many persons engaged in farming, not too few. So when we bring in additional hundreds of thousands of Mexican braceros, the effect is to add to our overproduction, and to add—although indirectly, I agree—to the cost to the taxpayers because of the continuation of that surplus production.

Mr. HOLLAND. But no such surplus of production is found in the areas where highly perishable crops that the Nation wants are being produced at reasonable prices—for instance, fruits such as strawberries and vegetables—the various commodities of that sort produced in Arizona and in California—which is

such a market basket—and in south Texas and Florida. Florida does not have to yield to any other area as a producer of vegetables, fruits, berries, and other highly perishable crops. There is no surplus production of them. We do not look to the Federal Government to pay us price supports or to take steps to eliminate certain of the production. We are willing to pay the bill; and in my State, at least, we are paying the highest wages for agricultural labor that are known, at least in any part of the country about which I know; and we are keeping our heads above water, and are keeping in the black.

It is only in the areas where the philosophy that the farmers have a right to look to the Federal Government to keep them in business applies that the surpluses are found; and they are not areas which require so much stoop labor, as in the picking of tomatoes, strawberries, the gathering of celery, and in many other types of similar employment, where the work has to be done by hand and by stooping.

I do not believe the Senator from Wisconsin will find at all that there is an adequate supply of domestic labor. If there is, then the Secretary of Labor has been improperly certifying, every year, that we in Florida have a right to bring in well-paid workers from offshore areas to do the necessary work; and the Secretary of Labor has made the same finding with reference to the areas that use the Mexican labor.

I do not believe the Secretary of Labor is mistaken in that, because I think one thing he knows about is conditions of employment of American labor. I do not think he knows about conditions of gathering of highly perishable crops which have to rely upon those who perform stoop labor.

I appreciate the Senator's yielding to me. I hope he does not think I differ violently, although I do differ thoroughly with him. I have been up against this problem, even to the formulation of the law which the Senator is unwilling to extend.

Mr. PROXMIRE. I should like to say that the Senator from Florida, who is extremely well informed in this matter, is, of course, mighty persuasive. I think the statistics, however, are a sufficient answer to what he has stated.

According to the U.S. Department of Labor, the wages of migrant farmworkers have decreased steadily ever since the Mexican national program has been in operation. Farm wages have gone up—yes. But the wages of domestic migratory farmworkers—those who are in direct competition with Mexican labor—have gone down. In 1952, the average daily wage earned by migrants was $6.90. Today it is only $6. This represents a decrease of about 14 percent.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. GOLDWATER. In order to make one part of this problem clear, the Senator has been referring to the unusually low-wage rates that are paid. I wanted to cite the instance of cotton, which is of extreme importance in my general section of the Southwest. These pickers, as well as domestic pickers, are paid $3 a hundred pounds, and a good Mexican or domestic picker can pick anywhere from 200 to 250 pounds a day. It means that the wages are in the neighborhood of $10 a day. I have watched farmers in my State try to get domestic help. In fact, we would rather have domestic workers, but they pass the farms by and go to work in the aircraft and electronic factories, where they get higher pay and do less arduous work.

The general area of cotton may be different than most of the areas about which the Senator from Wisconsin is speaking, but I know the bracero who comes into Arizona and the valleys of southern California can earn very good money, particularly for him. The braceros go home at the end of the contract period in a rather wealthy condition, when comparing the standard of living in Mexico to our standard of living. We would much prefer to have domestic pickers. They are much less trouble. We have no problems with them. But we just cannot get them. It is the most difficult thing in the world to apply at the employment offices for workers to pick cotton in the fields. It is hard work. I have picked cotton. I know what I am talking about.

Mr. PROXMIRE. Of all the people in America, perhaps the distinguished Senator from Arizona stands out as the champion of the system of supply and demand, the system of competition, the system of relying on the law of the marketplace to determine prices. I admire him for that and agree with him fully in that position. It seems to me, when we have gotten into the postion where farmworkers cannot be hired at low wages, to have the department subsidize a program to bring workers from Mexico into this country who will work at a wage which is lower than that which American workers will accept is unfair competition, and is not relying on the law of the marketplace and the law of supply and demand. Frankly, I am surprised that the Senator from Arizona is one who would call for disrupting the law of supply and demand. There are natural forces pushing up farm wages. I am for it, whether we have a minimum wage program or not. Of course, there is no such minimum wage law with regard to agricultural workers. I think the tendency of farm wages to move up under the impact of supply and demand is a good thing, although, with regard to migratory farm labor, as a result of the impact of Mexican farm labor competition, those wages have moved down.

Mr. GOLDWATER. I am not discussing the other field in which braceros work, but I do know that applying the law of supply and demand would not solve the problem. There are many places where that law would solve the problems. I remember, back in the days before the Second World War, that $5 a day was paid to workers who picked cotton. I think if we removed the controls that are placed on agriculture, we would remove some of the problems. We find in the general field of cotton complete inability to compete with foreign markets, with the exception of a few growers in my area, where they can grow 4 bales to an acre. If we could remove the yoke from around the neck of farmers, I would say the law of supply and demand could be brought into play 100 percent as it relates to labor.

Then we would witness the income of the farmers going up. But today, with the price-cost squeeze because of Government controls, farmers cannot sell their products for what it costs them to grow those crops. I think we are going to have to go a step further. I find myself in the unusual position of arguing for retention of the bracero program, whereas if we were operating in a free agricultural economy, in the 30 percent covered by regulation, I think we would find better wages would prevail.

I will end on this one note, and the Senator is going to find this increasingly true in other agricultural areas. The machine is semiperfected to run man out of the cotton patch. The machine picks cotton off the ground that the cottonpicker knocks down. It is a Rube Goldberg affair, with widespread rubberbands that spread out and pick up cotton, and the dirt, too; but at the end of the season man would never go into the cottonfield. Such mechanization is being accelerated because of high prices and agricultural controls. When such machines are perfected, we are not going to have to worry about braceros, or domestics, either. I would join the Senator in making an effort to return to the free enterprise system and get agriculture out of politics and Government controls.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JORDAN. In reply to the remarks the Senator from Arizona has made, I wish to point out that, with regard to cottonpickers, they get one-third of the price the cotton brings on the market. The picker gets 3 cents a pound for seed cotton and it takes about 3½ pounds of seed cotton to make a pound of lint cotton. Is that correct?

Mr. GOLDWATER. That is correct.

Mr. JORDAN. The picker gets a third of the price cotton brings on the market. The Government is paying 8½ cents a pound subsidy on all cotton exported, in order to meet the world market. Is that correct?

Mr. GOLDWATER. That is correct.

Mr. JORDAN. That started on August 1. Before that the Government was paying 6½ cents a pound.

We shall do nothing but hurt the farmer if we kill the program now. As I have said before, the enactment of the program does not mean one iota to North Carolina, because we do not use such labor, but the Senator's State does and cannot get along without such workers. They have not been able to obtain domestic migratory workers on any terms. I point out that the Secretary of Labor has the right to deny farmers Mexican labor if American labor is available. The Secretary could do it under the old law, and he can do it under this law. I do not see how any harm will come out of the law, but if the bill

is not enacted, harm will come out of that.

Mr. GOLDWATER. This is another example to illustrate that when we start tampering with the law of supply and demand there is no end to it.

We try to put controls on cotton by telling a man he can grow so many acres of cotton of such and such quality, and then the first thing we know it is necessary to import labor to pick the cotton. I am convinced that if we had permitted agriculture to continue on its own we would not be arguing about this question at all today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is my understanding that the Senator from New York [Mr. KEATING], at approximately 3 o'clock, if not before that hour, will offer a motion to reconsider the vote by which the motion to lay on the table the conference report was rejected yesterday.

It is also my understanding that, at the time the motion is made, the distinguished Senator from North Carolina will make a motion to table the motion to reconsider.

Mr. PROXMIRE. Will the Senator yield for a clarification?

Mr. MANSFIELD. Yes.

Mr. PROXMIRE. It is the understanding of the Senator from Wisconsin that there was no motion to reconsider the vote by which the motion to lay on the table was rejected, and no motion to table the motion to reconsider. Because there was no motion to table a motion to reconsider, it is now in order to offer a motion to reconsider; otherwise it would not be in order.

Mr. MANSFIELD. The Senator is correct. If the motion to table is agreed to today, that will end debate on the particular proposal.

Mr. McCARTHY. Mr. President, I have talked to the Senator from New York [Mr. KEATING] who said that in the event his motion is tabled, he will then offer a motion to postpone consideration until a date certain next January, so additional action would be required.

Mr. JORDAN. That would be subject to a vote.

Mr. McCARTHY. Yes.

Mr. MANSFIELD. What is suggested is the privilege of the Senator from New York or of any other Senator. For the information of the Senate, I wished to make the anouncement, so that Senators would be prepared.

Mr. PROXMIRE. Mr. President, in view of the very brief time remaining, it seems to me I have very little time to cover what I have to say, so I think I should insist on speaking without yielding for the next few minutes, and then I shall yield the floor.

I go back to this "cottonpickin'" conversation in which we were engaged. [Laughter.]

Take Arkansas, for example. This year, the opening rate in three Arkansas counties for domestic cotton choppers was between 30 and 35 cents an hour. In these same areas Mexican nationals were receiving the minimum of 50 cents an hour. It does no good for Arkansas growers to tell us that the only people available for work were a few women and children. What kind of labor can they expect to get for 30 cents an hour? What able-bodied man can support himself and his family at this rate of pay?

Thirty cents an hour, for 10 hours a day, is $3 a day.

In several sections of Texas, the average rate for farm labor has remained at 50 cents an hour ever since the bracero program has been in operation.

It does no good for growers to say the Secretary of Labor already has the authority to protect domestic wage rates. Whenever the Secretary of Labor attempts to exert his authority under the law, he is sued in court by the growers. At the present time, in Washington, D.C., the growers and the whole State of New Mexico are objecting in Federal court to a prevailing wage order issued by the Secretary.

It does no good for the growers to say that braceros must be paid the prevailing rate of pay, because the prevailing rate of pay is whatever the growers want it to be. Where there is a large influx of foreign labor, there is no compunction on growers to raise prevailing wages in order to attract domestic labor.

That is why I insisted, in my colloquy with the distinguished Senator from Arizona, that if we are to be in favor of supply and demand we should be in favor of it whether it applies to domestic or migratory workers, to businesses which are competing, or to our whole farm economy.

Why should wages be raised when Mexicans can be obtained at the lower rate of pay? In other words, when large amounts of foreign labor are imported into the country, there is no free labor market and the law of supply and demand no longer applies.

The whole program, as it operates at the present time, is a travesty of every economic idea we in this Nation hold sacred. What would be the reaction of American cottongrowers if the domestic market were flooded with cheap foreign cotton by governmental sanction? If such a system is not good as applied to commodities, it is even worse as applied to human labor.

I called the program a travesty. It is. I would call it a farce, except that there is nothing funny about the adverse effect this program has on the poorest of the poor in our society, migratory farmworkers and their families.

The McCarthy wage amendment would help alleviate this situation. It would not cure it entirely. Actually, it is a very mild amendment—too mild, as far as I am concerned. Nevertheless, without such an amendment it would be unconscionable to extend the Mexican national program.

All the amendment did was to require growers who use Mexican workers to pay those workers 90 percent of the average farm wage rate in the State or the Nation, whichever is the lower. By raising Mexican wages it might indirectly help raise domestic wages a little in those areas where Mexicans are employed.

This is not a minimum wage for agriculture. It applies only to the growers who use Mexican labor. It is not an extension of the Secretary of Labor's authority. The Secretary of Labor already has the authority to set wages for Mexican nationals. That is why there is a 50-cent-an-hour minimum for Mexican braceros. Rather than an extension of the Secretary's authority, it is actually a limitation. It sets a standard or criteria which the Secretary must follow in setting wages for Mexican nationals. The McCarthy amendment merely sets congressional guidelines as to how the Secretary may determine what the Mexican workers should receive.

This amendment did not remove the agricultural exemption contained in the Fair Labor Standards Act. Anyone who claims this does not know the law. It would be legally impossible to remove an exemption contained in the Fair Labor Standards Act by amending Public Law 78. This amendment applies only to the users of Mexican nationals—less than 2 percent of the growers in the United States. It sets wages for Mexican workers, not domestic workers.

I have heard it said over and over again in the cloakrooms, off the floor, and on the floor, that Senators feel very strongly the McCarthy amendment should not prevail because they do not wish to have the Secretary of Labor set farm wages, or a minimum wage for farm labor. As I have pointed out, the amendment does not so provide. It relates to wages for Mexican workers, not domestic workers.

The amendment might have the indirect effect of raising wages for domestic labor, but I would remind the Senate that the 50-cent minimum imposed on growers who use Mexican labor also had this effect. In other words, the principle involved has been in effect in relation to Public Law 78 for several years.

By eliminating the McCarthy wage amendment, the Congress has endangered the entire program. The administration has made known that it is against any passage of this program without substantial reform.

Let us not be guilty once again of ignoring the plight of the migrants and their families. Let us take a step in the direction of restoring a free labor market to American agriculture. Let us begin now to eliminate a farm labor system based on poverty and destitution.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I wish to make a very short statement in regard to the proposal before the Senate today.

The conference committee which met last week to iron out the difficulties between the House and Senate did the best job possible. There was insistence on the part of the House conferees that the law be extended for 2 years without qualifications.

What the conference did—in fact, what the Senate did—was to make it almost impossible for any Mexican labor

to be brought into this country except those who do so-called stoop labor.

As we all know, the question of providing labor is left entirely in the hands of the Secretary of Labor. Not one single Mexican laborer can come across the border to work in this country unless the Secretary of Labor finds there is no local U.S. citizen available to do the job in question.

In my judgment, this program ought to be extended for another 2 years. It has been on the statute books now for more than 10 years, and it has worked well.

The purpose of the Mexican farm labor program is to bring in workers to perform work for which domestic workers are not available. Essentially these are the jobs commonly referred to as stoop labor. H.R. 2010, as approved by the conference, contains a number of additional provisions designed to insure that Mexican workers will not be recruited to fill jobs which could be filled by domestic workers. Section 3 of the conference substitute adds a new section 504 to the basic law to impose two additional safeguards in this respect. The first safeguard prohibits the employment of Mexican workers recruited under the act for other than temporary or seasonal occupations, except in specific cases where the Secretary of Labor finds that such employment is necessary to avoid undue hardship. The purpose of the program is to provide employment to meet the temporary and seasonal needs of agriculture. During such periods of peak seasonal employment, the employers may find it difficult to obtain domestic workers for year-round employment. However, except in very unusual circumstances, the conference substitute requires that such year-round jobs shall be filled only by domestic workers.

The second restriction imposed by section 504 prohibits the employment of workers recruited under the act to operate or maintain power-driven, self-propelled harvesting, planting, or cultivating machinery, except when the Secretary of Labor determines that such employment is necessary to prevent hardship. The whole purpose of the program is to provide workers to fill jobs for which domestic workers cannot be obtained. There is no reason why domestic workers should not be obtainable for the jobs that require skill and training, which do not require hard physical work, and which normally bring better wages. However, it appears that Mexican workers have been made available under the program for the operation of tractors and other machinery. The conference report would reserve these better jobs for domestic workers and restrict the employment of Mexicans to the less desirable jobs for which domestic workers are not available.

The term "agricultural employment" as currently defined in Public Law 78 includes cotton compressing and storing, crushing of oil seeds, and the packing, canning, freezing, drying, or other processing of perishable or seasonable agricultural products.

The conference substitute would further restrict the employment of Mexican workers recruited under Public Law 78 by eliminating the employment just described from the definition of "agricultural employment." The use of such workers for commercial compressing and storing, oil seed crushing, and packing, canning, freezing, drying, or other processing of commodities would be prohibited in the future, subject to certain minor exceptions where the work is done for the farmer producing the commodity.

Under existing law workers can be recruited only to assist in such production of agricultural commodities as the Secretary of Agriculture deems necessary. They may not be made available for employment in any area unless the Secretary of Labor determines that domestic workers are not available to perform the work. They cannot be made available in any area if their employment will adversely affect the wages and working conditions of domestic agricultural workers. They cannot be made available in any area unless the Secretary of Labor determines that reasonable efforts have been made to attract domestic workers at comparable wages and hours, and to this provision the conference report adds the further requirement that reasonable efforts must have been made to attract domestic workers at comparable working conditions.

The conference report enlarges the already broad powers conferred upon the Secretary for the protection of domestic workers. The Secretary of Labor is now required to see that the program does not adversely affect wages and working conditions of domestic workers similarly employed. In the future, he will be prohibited from making workers available for other than seasonal or temporary employment. He will be prohibited from making workers available for the maintenance or operation of tractors or other power-driven, self-propelled farm machinery. In the future he will be prohibited from making workers available for cotton compressing or storing, oil seed crushing, or the packing, canning, freezing, drying, or other processing of agricultural products. These additional prohibitions would be imposed even though the Secretary of Labor cannot now make Mexican workers recruited under the act available for these activities if their employment would adversely affect wages and working conditions of domestic workers or fill jobs for which domestic workers are available.

I hope that the conference report will be agreed to. If it is not, and the law is permitted to lapse, I warn that we shall return to the old wetback system, and no one wants this. However, that is what will happen unless the conference report is agreed to.

Mr. WILLIAMS of New Jersey. Mr. President, in the recent past, the American public has become increasingly aware of the intolerable living and working conditions which the migratory farmworker endures. This new awareness and concern, on the part of the public, is attributable in large measure to the extensive and outstanding coverage of the problem by numerous newspapers throughout the Nation.

One of the most recent examples of this coverage is an excellent and informative series of five articles entitled "Long Island's Migrants," written by Mr. Harvey Aronson. Mr. Aronson's articles appeared in the Garden City, Long Island, N.Y., Newsday on August 28 through September 1.

The articles give a very objective picture of the lives of the migrants who travel to Long Island each year to work in the fields. Some live better than others, but Mr. Aronson points out that—

> All of them represent a problem that cries out for attention. * * * Sometimes, it is as though the surrounding community looks right through the migrants and doesn't see them. But they are very much there—they are a part of Long Island's economy, and they constitute one of its problems.

Because Mr. Aronson's articles are indicative of growing national interest in and concern for our migratory farm families, and because they recognize the urgent need for concerted effort to improve the living and working conditions of these underprivileged citizens, I ask unanimous consent that the articles appear in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

LONG ISLAND'S MIGRANTS—I

(By Harvey Aronson)

(NOTE.—They arrive each year on Long Island by the thousands, following the sun and the crops. If it's a good season and the back-breaking work is steady, they may manage to save some money. If it's not, they tighten their belts and hope for a better harvest. Some are exploited, some are not. But all of them represent a problem that cries out for attention. Here is the story of the migrants in our midst.)

Each year thousands of migrant workers come to Long Island. They come by truck, bus, car, and plane to work on farms, in grading houses, and nurseries. They move with bent backs through the strawberry rows of Calverton, and they labor among the potato fields that stretch north and east of Riverhead. Some of them pitch horseshoes in the afternoons, when there is no work, and others sit in front of shacks drowning their dreams in bottles.

There are no typical migrants; just individuals. There are the young Puerto Ricans who walk aimlessly along the streets of East Northport, or sit at a picnic table in a children's playground and talk. There is the jobless Negro from Maryland staring disconsolately at a pot of butter beans cooking on a portable stove in a Cutchogue labor camp. There is the denim-clad old man tinkering with a rusty carburetor in a Riverhead yard who wants to go home to Florida because "I kin make more money there, and there ain't no snow and cold weather, and you kin fish the year round." There also is the 40-year-old Jamaican who sits at a table teaching himself to print the alphabet and says pridefully that he is able to make as much as $90 a week in the fields of the North Fork. And there is the grandmother in South Huntington whose family uses a privy, but owns a 1960 sedan.

The migrant laborers on Long Island are part of the great stream of itinerant farmworkers who follow the sun across the country earning an annual wage that averages out into only hundreds of dollars. Migrants

are vital to the agricultural economy of eastern Suffolk, but they also live and work in the suburbanized western section of the county, up against the Nassau border. (In development-cluttered Huntington Town, for example, there are about 15 registered farm labor camps.)

In the early 1900's, the migrants were Polish. But these people stayed with the land, and now they are the farmers. Although the seasonal work force has been decimated over the past decade by mechanization, chemical weed-control and the sales of farms to developers, there are still thousands of migrants. They are needed sporadically from June through October for such crops as strawberries, cauliflower, cabbage, and potatoes. Last year, there were more than 4,500 migrant workers in Suffolk County. More than 3,500 of these were Negroes who had trailed the crops north from Florida, Mississippi, Virginia, and Maryland, while upward of 500 were Puerto Ricans. The balance consisted of Jamaicans, and of itinerants from within New York State itself.

For these people, Suffolk County is a place where they stay for a few weeks or months out of the year. They bring their sweat and weariness into regulated labor camps that provide functional-to-good housing, and into boardinghouses that are adequate, and hovels that are not. For one migrant, "home" is an unregulated rundown shack off Sound Avenue, Riverhead, that has no running water. For a second, it is a dusty labor camp in Cutchogue. For a third, it is his own pleasantly furnished room in an East Northport cottage that would do justice to any development.

If a stranger walks among these people, he finds himself traveling in an alien world. And as it is for any tourist, there will be scenes that stand out. Perhaps, there will be the camp of Puerto Ricans in Huntington, where a huge pot of rice and beans cooks on a stove and the men come in from the fields to eat, read mail from home, and listen to a Spanish-language radio station. Possibly, it will be the dirt-streaked little Negro boy in Aquebogue pulling at a white man's pants and begging for money. Or maybe the scene that comes to mind will be that of the Puerto Rican strawberry picker who is happy where he is, but doesn't know where he will go the following week when the harvest is over and the farmer can't afford to keep him. "Maybe you have a job for me?" he says.

Basically, the migrant's world is a poor one, and aspiration is not easy to come by. A good number of migrants are men who either are single or who leave their families home. Others bring their wives, and a few bring children. All of them come to Long Island for a simple reason: to earn a living. It's a hard one. Farming is dependent on the weather and the market. And agricultural workers in New York State are excluded from legal protections afforded employees in industry. There is no minimum wage for them, no hospital insurance, no workmen's compensation. The only migrants who enjoy such guarantees are about 200 Puerto Ricans who come here under a contract sponsored by their Commonwealth.

The average migrant pays about $3 a week rent, and about $12 a week for his meals if he eats at a camp messhall. His income ranges from zero, when there is no work, to as much as $70 to $90 a week. However, the latter figures are the exception. A survey taken 2 years ago showed the average weekly wage of the Suffolk migrant to be $26.23. An ex-migrant testifying this spring at a congressional hearing said she rarely took home more than $5 a week last year in a potato-grading house. "They bring us up from the South and make slaves out of us," she said.

If there is a "harvest of shame" being reaped among migrants (and there are many persons who feel the TV show of that title gave a false picture), there also are seeds of progress being planted. Many farmers try to do the best they can for their help, and there are people attempting to aid seasonal workers. Nevertheless, it is a drab life—especially so for the small percentage of migrants who become part of Long Island's permanent population each year. Some want to stay in the North. Others are without means to return home either because of their own slothfulness, or because they have been exploited. And they crowd into the year-round slums of Riverhead—filthy shacktowns unregulated by housing codes. Many of them wind up on welfare rolls and police reports.

For all migrants there is another pitfall—community indifference. It is not just the white community; even resident Negroes are reluctant to accept Negro migrants. "They seem to be lost when they come into a place, and people let them stay lost," said a man who has worked among migrants. A Negro migrant explained his leisure time this way: "I go down to the sound and watch people fish. I wish I had a rod; I would fish, too. Sometimes, we get to jump in a car with other boys, and we just ride through town. Maybe we get beer and whisky." A Puerto Rican in Calverton said that on Sunday, "we clean the barracks and sit around. I would like to go to church, but I don't know where it is."

Sometimes, it is as though the surrounding community looks right through the migrants and doesn't see them. But they are very much there—they are a part of Long Island's economy, and they constitute one of its problems.

LONG ISLAND'S MIGRANTS—II

(By Harvey Aronson)

(NOTE.—Housing for the migrant is a world of squalid buildings, minimum sanitary facilities—and, in some cases, adequate comfort. It is a world filled with loneliness and contrast. And for the ex-migrant, housing usually means a decrepit slum and a future to match.)

In one place, there is vinyl linoleum on the floor. In a second, there are venetian blinds and freshly varnished furniture. In a third, old curtains sag from a piece of string. In a fourth, a small refrigerator is overcrowded with ribs, lard, and frankfurters, and a grease-caked frying pan sits on a dirty stove. In a fifth, a child is sleeping in a torn blanket on the floor of a bare, dusty room.

These are all places where migrant workers live on Long Island. Migrant housing can be anything from a cinder-block barracks to a small cottage. If it is a farm labor camp occupied by five or more itinerant workers, it comes under a State code and health department supervision, and is a functional—quite possibly a good—place to live. Otherwise, it may be an overcrowded boardinghouse or a rundown shanty on the edge of a potato field. In any case, it probably is a better place than the year-round slum that is home to the ex-migrant—the onetime itinerant who has had the misfortune to become a permanent member of the community.

The best housing is provided by the regulated camps that stretch across Suffolk, occasionally turning up in incongruous places. A small camp of Puerto Rican workers is located within throwing distance of a housing development on bustling Larkfield Road in East Northport. Puerto Ricans also live at a farm in Kings Park just west of Sunken Meadow State Parkway. Motorists probably find the farm a pleasant view; but a small building in their line of sight is the camp's outhouse.

Visit the migrant camps and you know that you are a tourist among transients. There are the Spanish-language newspapers and the airline bags with San Juan tags; there are the cars with the Mississippi and Florida license plates. In some camps, there is the smell of sweat in the shower rooms. In others, there is the antiseptic scent of cleanliness in newly equipped kitchens.

The largest camps in the county are a Greenport installation for Puerto Ricans and a camp for southern Negroes in Cutchogue. Both are operated by a farmers' cooperative. The Greenport camp is marked by the loneliness of single men at mail call; the Cutchogue camp is oppressive with the poverty of wandering families. As many as 175 migrants live at Cutchogue from June to January, paying $3 a week rent a person or $12 a week for a small 2½-room family unit. The camp is livable, but it is not one of the better ones in the county. If there is a luxury feature at the camp, it is the fact that the latrines have flush toilets.

A visitor to the Cutchogue camp drives in on a black-topped road that is flanked by a scraggly wire fence. He sees rows of tarpaper-shingled cabins, a shower room, dingy compartmented barracks, and a clean, white-painted child-care center that is sponsored by both the State and the cooperative. He also sees an office, a small store, and a restaurant called the Dixie Belle Inn. There are signs inside the Dixie Belle reading "Please pay when served," "Positively no credit," and "Positively no cussing."

Last year there were 100 registered camps operating in Suffolk. This year, 75 already are in operation. These camps must conform with the health and housing requirements of the State code, which calls for such things as fire-resistant new construction, hot and cold running water, 40 square feet of floor area for each person, a showerhead for each 18 persons, and a flush toilet or privy seat for every 15 persons.

The operators of the camps must obtain permits from the Suffolk Health Department, and the department's inspectors make regular and thorough checks. There are cesspools in one North Fork camp because a health department inspector visited the place on a hot summer day some years ago and smelled sewage that had been running off into nearby woods.

CODE DOESN'T APPLY

Where there are less than five migrants, the building does not come under the State code. The result is that standards may not be as high. Other places have been classified as multiple dwellings rather than migrant camps. Here, the most frequent result is overcrowding—a condition that was graphically illustrated this June when the Huntington Town Building Department raided a house just north of the East Northport business district. The raiders found Puerto Ricans living in the cellar, the attics, and the garage, and the owner of the house said there were other buildings in the town where conditions were worse.

Some migrants who come to Long Island never go home. These are the "settled" or ex-migrants, some of whom land on welfare rolls. There are hundreds of them living in the Riverhead area, in places called the Bottom, Tintops, Belltown, and Duck Farm. These are not migrant camps, they are year-round slums. They are places like a shacktown off Cranberry Street in Riverhead where a drunken Negro called a white man "boss," where there were two water spigots and a group of outhouses, flimsily strung wire, and a bare square of earth where a shanty had burned down. The landlord, Ejenar Boden, told a health department official this summer: "These people don't have any other place to go. What do you want me to do, throw them out? Let the town tear it all down and build something else." He pointed

to a tenant and said, "I'd just like to have nice people like this old guy." The "old guy" was a drunk, mumbling that he always paid his $5-a-week rent.

There is little that can be done about the slums. Riverhead has no housing code to prevent them from spreading, and the slums are not migrant camps that come under State regulation. "We're taking care of the camps," says Suffolk Health Department Sanitarian Sid Beckwith. "The problems are in the slums, where the towns should have laws to keep shacks from going up."

The slum-dwellers who want to better themselves have little chance of doing so. "We pay $12 a week where we live," said a young woman from the Bottom, "and we pay extra for our utilities. We'd like to live someplace better, but there isn't any place. There was an ad in the paper for these apartments down on Main Street. They were $65 a month, and we called up and the man said 'Okay.' But when my mother and I went down there and he saw we were colored, he said the apartments had been taken. But we saw the ad for 5 weeks after that."

A local Negro leader summed up the town's attitude toward the slums. "They're building a big new school near the Bottom," he said, "and the way we figure, they won't worry about tearing down the slums, they'll just build a high fence around the school."

LONG ISLAND'S MIGRANTS—III

(By Harvey Aronson)

(NOTE.—Work for the migrant is tough, strenuous and irregular. Few of them receive the benefits of industrial workers, if they are injured. Some are subject to outright exploitation. Despite all this, some farmers have no choice but to pay low wages.)

There was no work in the fields, and the residents of the Suffolk migrant camp lazed about in the July heat. A Negro from Aiken, S.C., sat on a wooden box in front of the two-and-a-half-room barracks apartment where he lived with his wife and six children. "I ain't had no steady work for 3 weeks," he said. "Just sometimes maybe a day and a half, and then nothing. I pay $12 a week rent, and I figure it cost us $20 a week for groceries. I owe the man in the store everything I have."

A few weeks before, the migrant and his wife had earned $115 in 4 days picking strawberries for 7 cents a basket. And a few weeks later, they were working again as the potato harvest began. But on that hot, listless day in July, they were broke and in debt to the future. And it was no single person's fault. There are times when migrants are illegally and specifically exploited, but the basic villain is a system of seasonal farm labor in which the worker has none of the economic safeguards that are taken for granted in industry. There is no minimum wage for the itinerant farm employee in New York; no compulsory workmen's compensation, no unemployment or health benefits. And there is no union for fieldhands.

Under this system, an honest, hard-working migrant can come to Long Island and live in a camp operated by honest, hard-working farmers. He can labor in the fields when work is available. He can scratch the dust with his shoe, or get drunk, when there isn't any work. And despite everybody's good intentions, he can wind up like a Maryland Negro who recently told a visitor: "Ain't no work, and I'm a long way from home. See that pot over there. Them's butter beans, and that's all we got."

DEPRESSING WAGE PICTURE

In terms of wages, the picture is depressing. According to a Senate committee, the average migrant in the United States makes $710 for 119 days' work on farms each year. His nonfarm income raises the figure to $911. A survey taken 2 years ago showed that the average wage of the migrant in Suffolk County was only $26.23 a week. And there is another factor. Mechanization has reduced the migrant's numbers and resulted in economic savings to the farmer. But only a small portion of these savings has been returned to the worker.

Except for about 200 contract workers from Puerto Rico, the average Long Island migrant earns low wages and has no security. He can lose an arm in a farm accident, for example, and never collect compensation for it. The Puerto Rican contract workers are a dramatic exception. They are hired through a contract established by the Puerto Rican Department of Labor. The contract—which covers as many as 7,000 workers in New Jersey—provides for group insurance (87 cents a week is deducted from the worker's earnings), workmen's compensation, and a guaranteed wage of 160 hours' work every 4 weeks. On Long Island, this is figured at 80 cents an hour. The laborer receives this sum whether he works the 160 hours or not.

But the contract Puerto Ricans are only a small percentage of the migrant work force on Long Island. In fact, there are more Puerto Ricans who come in without the contract. Some of them work for employers who have hired them in the past; others just drift. This June, a group of Puerto Ricans in a Calverton strawberry field told an interviewer that they still were owed back wages for employment in Maryland. They were happy in Calverton, but where would they go when the strawberry season ended? "No se," said one of them. "I don't know."

DETAILS OF EXPLOITATION

Along with the disadvantages of a general system, the average migrant also faces the possibility of specific exploitation. Frequently, this is blamed on the crew leader system in which workers are brought north by a so-called crew leader, or labor contractor. The farmer pays the crew leader, who then pays the workers. An elderly Negro woman told a congressional committee last May that her crew leader in Suffolk never gave her more than $16 a week for 6 days' work. She said she worked from 6 a.m. to midnight. "They took out social security on me with no number," she said. "I paid a dollar for union fees, and I don't know what kind of union I was in." (The Senate last week passed a bill aimed at curbing exploitation by crew leaders, but delays in the House are expected to hold up final passage for at least a year.)

Generally, farmers admit that the crew leader system can lead to exploitation, but they defend it as an efficient way of hiring southern workers. And they point out that crew leaders must register with the State industrial commissioner. Also, exploitation occurs among migrants who come to Long Island by themselves. Some employers illegally recruit workers from Puerto Rico and then take advantage of them. There are a few farmers who may directly exploit their help. And there are migrants who prey on other migrants with cards, dice, and wine.

However, the picture is not all one sided. Despite the platitudes of many would-be reformers, all migrants are not heroic figures holding their chins up. And all farmers are not unscrupulous villains. There are migrants who are impoverished because of their own laziness or because they are spendthrifts. And farmers have to contend with the weather, the market, and high expenses, and can't always afford to pay good wages. Many farmers feel that the public should be willing to help foot the bill for eradicating misery among migrants. "I see nothing wrong if society is willing to pay me to pay my men more," says Calverton farmer William Zeh. "My scales are low, but I can't return enough to pay higher."

The essential fact remains, however. And this is that the migrant is an excluded person on Long Island. He is excluded from economic protection, and he is excluded from the community in which he lives and works. He comes into a camp and he is asked his name, and the name of someone to notify in case of an accident. When he is through work, there is no place to go, little to do. A group of Puerto Ricans talk in the soft syllables of their native tongue outside a camp in Huntington Town on a summer night, an old Negro from Florida tells you that "I got enough of this Sound Avenue (Riverhead). There ain't no place to go less you get a ride, and you just can't get somebody to stop and pick you up. You gotta pay. I pay out more money for getting rides."

It is something of a paradox. The migrant is ignored but necessary. Louise Anderson, the wife of a foreman on a Calverton farm, explained it this way: "We used to have migrant workers, and I treated them wonderful. I said to myself that if it was not for them, how would this harvest be taken care of?"

On Long Island, there are other people who try to help migrants. There also are people who just say they care, but do little to back up their words. And there are a great many who just don't give a damn.

LONG ISLAND'S MIGRANTS—IV

(By Harvey Aronson)

(NOTE.—When the noise and smoke of statements and headlines are cleared away, very few groups are actively working to make life easier for the migrant. There are many more promises than actual performances.)

Anyone can walk into the barren world of the migrant farmworker, but few people make the trip. Most of them just go through the motions of entering, or stand on the periphery and stare inside.

There has been a great deal of noise about the migrant's plight, but much of it has been made by empty barrels. There are officials content to make superficial gestures toward solving the problem, and there are political figures who appear to be more interested in sensational headlines than in genuinely helping anyone. There also are do-gooders who mostly do nothing, or even do bad.

Fortunately, there are people on the other side of the ledger who are working sincerely to aid migrants on both governmental and social levels. These include legislative and administrative officials who are close to the problem, persons whose jobs bring them into contact with farmworkers, and volunteers who "want to help."

Probably the outstanding Long Island agency involved in the migrant field is the Suffolk Health Department. Registered migrant camps are livable because of the thoroughness and fairmindedness of the health department inspectors who check them regularly. The department, which shrugs off pressure from both political and farm quarters, also works with the State employment office to obtain better standards in migrant housing that does not come under the farm-camp code.

Health Department Sanitarian Sid Beckwith may well be the county's top expert on the realities of migrant life. He achieved his expertness by inspecting camps, and by talking to both migrants and farmers over a period of years. Farm representatives may not always agree with him, but they respect him. It is Beckwith's feeling that "the general public believes the solution belongs to the group employing the migrant labor—the farmer. The problem actually belongs to all groups; farmers, wholesalers, public agencies, communities, and municipalities."

Officials such as Beckwith make worthwhile contributions toward doing something about the migrant problem. But the trouble is that for every Sid Beckwith, there is an official who may talk glibly of migrants but

whose ostensible expertness is purely second hand.

Much of the programs aimed at migrants stem from the work of legislative committees. Nationally, there are two major groups in this field—a Senate unit headed by New Jersey Democrat HARRISON WILLIAMS, and a House group chaired by New York Democrat HERBERT ZELENKO.

The Williams unit has been impressive in pioneering migrant reforms. The Zelenko subcommittee is seeking similar worthwhile legislation, but it has drawn mixed reaction from some observers. At hearings held by the House group in New York this past May, farm representatives complained that they were not given a chance to fully state their positions. The sensational testimony of one witness, a New Jersey migrant, was discredited after it had produced headlines in the Spanish press. A number of persons in the Riverhead area told a reporter of being contacted by committee investigators. But they said that the investigators appeared to be primarily interested in whether they knew of any abuses of a sensational nature. One committee representative was reported as saying that his major objective was to get headlines.

In Suffolk County, a citizens' unit has been appointed to study the migrant problem. The group, the Suffolk County Migrant Labor and Slum Clearance Committee, was organized a year and a half ago. Committee Chairman Thomson C. McGowan, of Huntington, said at a recent civic meeting that the group has been studying the problem intensively. As yet, however, its material program has been primarily of a pilot nature.

The group started a pilot project last fall, a 4–H Club for slum children. McGowan, who testified at length before the Zelenko committee, feels that a settlement house type of center is needed urgently for migrants and ex-migrants in the Riverhead area. The committee has recommended the establishment of a fully staffed center on Doctors' Path in Riverhead. A site previously proposed by McGowan was rejected after it was learned that a suggested wading pool on it was a polluted stream.

TALES OF THE "DO GOODERS"

The migrant problem also involves a number of zealous but somewhat less-than-knowledgeable "do gooders." There is the woman who walked through a migrant barracks and indignantly told a health department inspector, "Why, they don't even have any reading lamps over their beds!" There is the group of teenagers from a Long Island church who visited the Cutchogue labor camp one winter and promised camp manager John Murphy that they would come back in the spring to paint the buildings. "But I never saw them again," says Murphy. He adds that "the average white person is afraid to go in the camp alone. If anybody really wants to know what it's like, they should spend a weekend here."

The most impressive social group actually working inside the migrant world consists of young people from everywhere except the North Fork of Long Island. It is a group of 19 college students from throughout the United States and abroad, who are taking part in a work project sponsored by the American Friends Service Committee. Only Mr. and Mrs. Scott Crom, leaders of the group, are Quakers. The others are Jews, Protestants, Moslems.

The students, who pay their own expenses, are working with children from slums and migrant camps, and have also started a program for adults. The resultant scenes are heartwarming. Barbara Brandt, a pretty coed from Brooklyn, plays her guitar and sings to an appreciative audience in a migrant camp. A reporter who is taking part in an afternoon project with the group feels the curious stares of white sunbathers as he stands on a beach with the students and about 50 to 60 Negro children from the shacktowns of Riverhead. One white woman moves angrily down the beach, and talks to other bathers. She points at the slum group.

But the students are oblivious. The colored children run on the shore and jump in the water, splashing and squealing. And Hormoz Alizadeh, from Iran, recounts an experience he recently had while on the beach with the slum children. "A woman came up to me and said 'What are you doing here? Why don't you keep them where they belong?'" Alizadeh said he told the woman, "Madam, they belong everywhere."

LONG ISLAND'S MIGRANTS—V

(By Harvey Aronson)

(NOTE.—Here are the proposals of officials who know what can and should be done to aid the migrant. In some areas, a start has been made; in others, little has even been contemplated.)

"It seems almost impossible that a nation dedicated to social justice can permit some 2 million of our fellow Americans to live among us without any of the rights that the rest of us take for granted."

The speaker was Senator HARRISON A. WILLIAMS, JR., Democrat, of New Jersey, chairman of the Senate Subcommittee on Migratory Labor. And the people he was discussing were the itinerant farmworkers who trek across the United States each year, trying to grub a livelihood out of its fields. They are vital to the country's farm economy, and yet they have few of the economic and social safeguards enjoyed by industrial workers.

Authorities interested in improving migrant labor conditions feel that there is an urgent need for Federal laws that would cover wage guarantees, accident compensation, crew leader registration, and transportation of migrants. Locally on Long Island, observers also see a need for stricter town housing regulations, centralization of migrant agencies, tighter relief policies, and community awareness of the migrant.

The major breakthrough in a migrant reform program would be a Federal minimum wage. Supporters of such legislation feel that it should be national rather than statewide so that a farmer in one State is not forced to compete at an economic disadvantage with a farmer in another State. The Williams subcommittee has proposed an agricultural minimum that would start at 75 cents an hour and rise to the industrial rate in 4 years. Farm bureaus oppose a minimum wage on the grounds that the farmers' livelihood is too precarious. However, there are individual farmers who think differently. Said one Long Island farmer: "I do not object to any legislation providing it's universal, providing growers can compete under the same conditions."

NEED FOR FEDERAL MINIMUM WAGE

One of the advocates of a Federal minimum wage is Joseph Monserrat, chief of the migrant division of the Puerto Rico Department of Labor. "Farm groups in northern States have higher standards than in other areas," he said. "For the sake of preservation against unfair competition, they should promote standard standards across the country. They could begin with wages by having a Federal minimum wage."

Monserrat also feels strongly about the need for compulsory workmen's compensation, a form of protection that is provided for agricultural workers in only a few States—New York not among them. "I think it is something that should bother the conscience of people," said Monserrat, "that the workers who pick our food and fiber in 1961 can lose an arm or a leg and not collect a cent for it because there is no compensation, while their brothers in industry can."

Both a wage guarantee and compensation are included in a farm labor contract established by the Puerto Rican Department of Labor. There are only 200 Puerto Rican contract workers on Long Island, but the program has taken hold and proven a long-term success in New Jersey, where there are about 7,000 such workers. The Jersey program includes a clean, modern reception center for migrants at Glassboro, N.J., that features a 21-bed hospital. The camp is operated by the 1,400-member Glassboro Service Association, a farmers' cooperative.

The value of the program was succinctly explained this summer by a worker in a New Jersey asparagus field. Juan Camacho, who sends money home regularly to his wife and four children, said the contract was better than coming to the United States on his own because it was "mass seguro," it offered more security. His employer, Mickleton, N.J., farmer J. Ellison Haines said that the Glassboro setup could be a guide "for anything in the way of laws."

The Puerto Rican contract also includes free housing and requires the farmer to post a performance bond. The main objection of farmers is that workers frequently do not stay out the length of the contract. However, Puerto Rican authorities feel that this occurs where working conditions are not kept up to par.

On the Federal level, a start has already been made toward meeting the needs of the migrants. The Senate, in addition to passing a law regulating crew leaders last week, has also approved aid for communities seriously affected by the seasonal impact of migrants, and grants for family health service clinics. Additional bills now under study would set up a national advisory council to the President on migratory labor problems and would prohibit children under 14 from working as migrant laborers.

In the House, other proposals introduced would establish the all-important 75-cent-an-hour minimum wage for migrants, permit migrants to organize in unions and establish day care centers for migrant children. However, no final congressional action on any of these measures is expected until next year.

Along with Federal laws, there also is action that can be taken on a local level. One such step, according to some observers, would be a Riverhead Town housing code to prevent the spread of year-round slums filled by ex-migrants. "It is a little ridiculous," says Suffolk County Health Department Sanitarian Sid Beckwith, "that we have construction codes for migrant camps in Riverhead, but that all around them people can put up shacks." Another idea about housing was broached by John Murphy, manager of the Cutchogue labor camp. "I know our housing isn't the best," he said. "But the farmers haven't had a good year since 1952. There should be an agency to borrow money from for housing. We could tear down these buildings and build new ones of all-concrete construction."

CENTRAL ADMINISTRATION

Another step that might be taken locally would be to centralize the administration of migrant affairs. "There is no single agency involved with all phases of the problem," explained Beckwith.

Then, there is the whole problem of the migrant and the community. Tighter relief residency laws would do a great deal toward preventing ex-migrants from becoming community burdens on Long Island. And an effort should be made to educate migrants both academically and socially. A man who has worked among Long Island migrants and is sympathetic to them feels nevertheless that some of them "have got to be taught about electric ranges, bathrooms, toilets, and how to take care of floors."

The community also could aid the migrant through its courts. It is not always easy for a migrant to get anywhere with a justified complaint against an employer. "Sometimes there is a failure by the courts to punish

violators and force rapid compliance with codes," said Beckwith. "When the case finally comes up, the migrant has gone home and the case is dismissed." Out of simple humanity, the biggest thing the community can do is to let the migrant know that it is aware of his existence.

Frequently, the migrant worker has little education and little hope. Even if he is not resigned to exploitation, there isn't much he can do on his own behalf. Monserrat said it this way at a congressional hearing: "The very fact that these people must move about to work puts them at a disadvantage. They have no political strength. They can't vote—they can't wait around for a case to come up on a court calendar."

All migrant workers can do is travel along a route of ripening crops. For most of them it is a weary journey, and there are few rewards along the way.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 47) to print additional copies of report entitled "Freedom of Communications."

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund.

The message further announced that the House had passed the bill (S. 1186) to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also further announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes.

The message also announced that the House insisted upon its disagreement to the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes; asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McMILLAN, Mr. BURKE of Kentucky, and Mr. BROYHILL were appointed managers on the part of the House at the further conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 3587) to amend section 612 of title 38, United States Code, to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4797) for the relief of certain aliens.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7377) to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY, Mr. JAMES C. DAVIS, Mr. DULSKI, Mr. HENDERSON, Mr. CORBETT, Mr. GROSS, and Mr. JOHANSEN were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H.J. Res. 542) relating to the admission of certain adopted children.

The message returned to the Senate, in compliance with its request, the bill (H.R. 8558) to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses;

S. 2102. An act to redesignate the Jefferson division of the eastern district of Texas as the Marshall division;

S. 2295. An act to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4862. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens; and

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes.

CONDITIONS IN THE CONGO

Mr. DODD. Mr. President, the distinguished Senator from Minnesota [Mr. HUMPHREY] and the distinguished Senator from Idaho [Mr. CHURCH] have over the past 3 days taken the floor to challenge certain of the statements I made and certain of the evaluations I presented in my several speeches on the Congo crisis.

Among other things, they challenged my statement that there was already a dangerous pro-Communist influence in the Leopoldville government and that U.N. policy in the Congo, if it succeeds in destroying President Tshombe, might lead to a complete Communist takeover in that country.

I rise now to accept their challenge and to deal with their purported rectifications.

My colleague, the distinguished Senator from Idaho, said:

> It has come to my attention that a translation of an article on the Congo appearing in the Moscow New Times of September 8 was inserted in the RECORD on September 13 as a guide to an explanation of the current developments in the Congo. I am somewhat astonished that we would seek guidance from a second-line Soviet publication which, I am told, is largely designed to purvey propaganda to foreign audiences. In this connection, let me say that this particular article in the Moscow New Times is a reasonably typical example of the deliberately misleading tripe which is spewed out from the Communist bloc on a daily basis. It is literally crammed with distortions and inaccuracies.

In making these remarks, my colleague implied that I had based the whole of my case, or the major part of my case, on an article in the Soviet New Times. This is inaccurate.

I made my first statement on the Congo crisis on Friday, September 8, several days before the Moscow New Times article had come to my attention. In this opening statement I made the charge that the U.N.-fostered coalition in Leopoldville was dangerously weighted on the Communist side and that U.N. policy was driving the Congo in the direction of Communist domination. I supported this charge with certain basic statements of fact that have yet to be challenged. I supported them by inserting into the RECORD articles by Stewart Alsop and Marguerite Higgins and other distinguished American correspondents.

In short, the RECORD will clearly reveal that the charges I have made and the essential facts I have presented in support of these charges, were not based on an article in the Soviet press.

I did introduce into the RECORD on Wednesday, September 13, a translation from the Russian edition of the Moscow New Times, by way of amplifying and further confirming some of the statements that I made. I believed the

article I had inserted had much significance and I offered it for the information of the Senators. In the light of developments since September 13, I believe that the article from New Times which I inserted on that date has even greater significance than I had originally estimated. I again call it to the attention of my colleagues.

One of the first questions that must be answered is whether, according to the available evidence, the non-Communists or the pro-Communists and their henchmen hold the preponderance of power in the coalition government established in Leopoldville.

The very able Senator from Minnesota has made the point that we must not identify a follower of Lumumba or a follower of Gizenga with the Communists, nor must we bandy these terms around loosely. I agree with him. I myself have used these differing terms in describing various personalities in the Congo because I believe it is important to be careful about definitions.

For example, I never described Patrice Lumumba as a Communist, although I feel the Senator from Minnesota implied that I had. In his own evaluation of Lumumba, my distinguished colleague said:

> I am quite sure he had Communist sympathies and found his associations with the Communist bloc to his advantage. In order to retain and expand his personal power, he apparently did not mind serving as an instrument for the extension of Communist bloc influence into central Africa.

I accept this evaluation, and I find no comfort in it.

On the other hand, the able Senator from Minnesota, has repeatedly made the point that there was serious danger of a Communist takeover in the Congo, and that only the U.N. had prevented such a takeover. If there is grave danger of a Communist takeover in the Congo, then obviously there must be many Communists in the Congo, and they must have leaders. If my colleague's evaluation of Congo personalities is correct, however, there is not a single Congo politician who can be clearly identified as a Communist. They are all either anticolonialists or followers of Lumumba or followers of Gizenga.

I would ask my colleague to consider the patent contradiction in these positions.

The personality of Antoine Gizenga is of central importance in any evaluation of the current situation in the Congo. My good friend from Minnesota refuses to characterize Gizenga as a Communist because he says there is no proof. He would not go beyond equating Gizenga with Lumumba, who, he had said, "sympathized with communism and did not mind serving as an instrument for extension of Communist influence into central Africa."

I cannot help wondering whether my colleague is not carrying caution a bit too far in the case of Antoine Gizenga. Absolute proof is difficult to come by. To this day there is no absolute proof that Fidel Castro is a Communist, and there was still less proof before he seized power and in the period immediately after he seized power.

In making evaluations about faraway places, in trying to decide who is our friend and who is our enemy in the world struggle, we have to be guided by certain commonsense rules of evidence. If, in a desire to be fair, we insist on absolute juridical standards rather than these commonsense standards, we will, in virtually every situation, wind up by concluding that there is no proof; and we will, in consequence, fail to take the action that should have been taken.

The failure to apply commonsense rules of evidence has been responsible for a paralysis of policy in a whole series of situations.

Our State Department experts believed that the Chinese Communists were not really Communists but agrarian reformers; so we failed to take the necessary action in China.

At a later date, there were State Department experts who took the stand that there was no proof Fidel Castro was a Communist, and that only one or two of his entourage could be identified with certainty as Communists. Again we failed to take the necessary action.

Today, it would appear, there are other State Department experts who are not prepared to accept the very substantial proofs offered by the British Royal Commission that Cheddi Jagan, of British Guiana, is a Communist. And in this instance, too, our failure to recognize the enemy has led to a paralysis of policy that has played into the hands of this enemy.

Mr. President, I desire as much as anyone in this body to be fair and to avoid premature conclusions. But I do not think I was wrong when, at a very early stage of the game, I said that the Castro movement was Communist dominated and that Fidel Castro himself was probably a Communist.

I do not think I was wrong when, before the recent British elections, I described Cheddi Jagan to my colleagues as a proven Communist. And I do not think I was wrong in nailing the Communist label firmly and without reservation on Antoine Gizenga.

Either there are no Communists in the Congo, or there are some. If there is a single Congolese political leader who qualifies as a Communist, that man without any question is Antoine Gizenga.

When Patrice Lumumba was alive, most Western correspondents and experts who visited the Congo, made evaluations of Lumumba similar to that of my colleague's. In general, they described him as an explosive and dangerously pro-Communist opportunist. Their evaluation of Gizenga, however, was different. Almost without exception they described Gizenga as a much more sinister and dangerous personality, as someone who was either a Communist or consistently pro-Communist. Indeed, Gizenga is probably the only Congolese political leader who has been persistently described in these terms by Western observers on the spot. As for Congolese anti-Communists, there is not a single one of them who has any doubt about Gizenga.

Fidel Castro and Cheddi Jagan at certain points in their careers both pretended or inferred that they were not Communists. But Antoine Gizenga has never even deigned to deny inferentially the many charges that he is a Communist.

When Colonel Mobutu overthrew the regime of Lumumba, Gizenga, as Vice Premier, fled to Oriental Province, installed himself in the capital city of Stanleyville, and proclaimed himself the legal government of the Congo.

The world Communist movement supported him in this move politically, diplomatically, militarily, and economically.

They supported his claim to be the legal government. Indeed, with the exception of a sprinkling of leftwing neutralists, the Communist bloc nations were the only ones to establish embassies in Stanleyville. They provided him with economic aid to bolster his economy. They sent in large quantities of military supplies with the assistance of Cairo. They sent in hundreds of technicians and agents disguised as technicians. Day in and day out, the Communist radio in every language upheld Gizenga as the legal Premier and as the true representative of the forces of progress in the Congo. And the Stanleyville radio and press has reciprocated the attention and affection of the Communist bloc.

An African friend said to me recently:

> I do not understand you Westerners, if you want more proof than this that Gizenga is a Communist.

I agree with this statement. On the basis of the known record, I stand by the assertion I have already made that Antoine Gizenga is the No. 1 Communist in the Congo. Antoine Gizenga is the man the world Commuist movement is backing.

It has been repeatedly reported in the American press that Antoine Gizenga, as a Communist, was one of the many Africans brought to Prague in recent years for cadre training. Indeed, only a few months ago, this charge was repeated in the Saturday Evening Post by Peter Zenkl, former mayor of Prague and leading Czechoslovak anti-Communist. The Senator from Minnesota tells me that according to his own information, Gizenga has spent no more than a month in the Communist bloc, and that only a portion of this time was spent in Prague.

I have rechecked the matter since my colleague spoke and I can state that it is widely believed both by Congolese and by Americans who have been in the Congo that Gizenga has spent more than a few weeks in Prague. There obviously exists a conflict of information.

But I do not think this conflict of information is at all important. The really important thing is what Gizenga stands for, what he has done, what evidence there is of his cooperation with and involvement in the world Communist conspiracy. The able Senator from Minnesota came very close to this position at one point in his speech when he said that the only logical criterion we can apply to any man in a situation like the Congo is: Does he do the work of the Communists?

Applying this criterion to Antoine Gizenga, there can be only one answer. That answer is, "Yes."

The fact that Antoine Gizenga is a Communist does not mean that everyone who follows him is a Communist. Indeed, since he pretends to head a nationalist movement, I am convinced that the great majority of his followers at rank-and-file level are non-Communists. But we must distinguish between the Gizenga followers at rank-and-file level and those followers who have been handpicked by Gizenga for important ministerial posts. Even in the absence of categorical proof, it would be commonsense to assume that at least some of the men designated by Gizenga to fill Cabinet positions are Communists and that all of them are obedient to his personal discipline.

The Moscow New Times article which I inserted into the RECORD on Monday, September 11, claimed that 23 of the 44 Government positions had been filled by, I quote, "members of the political parties of the National Assembly bloc headed by Patrice Lumumba." The distinguished Senator from Idaho claimed that this was an exaggeration, that only 14 of the 44 Ministers and Secretaries of State were "possible Gizengaists."

State Department desk officers have no record of infallibility when it comes to the detection of Communists or to the evaluation of pro-Communist tendencies inside political movements or governments. But let me not press this point.

For the sake of argument, let me assume that my colleague was correct in claiming that only 14 of the 44 Cabinet members are pro-Gizenga. On the basis of the very considerable experience we have already had with coalition governments, I would consider any coalition in which the Communists and those who followed them held one-third of the posts, to be dangerously loaded in favor of the Communist side. I am distressed that such a coalition should now be held up as a victory for the free world.

Let me say at this point that I consider it the duty of the State Department to inform the American people accurately and to warn them of the perils that lie ahead in any given area. The information from the State Department which my distinguished colleague from Idaho has now made public constitutes the first time, to my knowledge, that the State Department has advised the American people that 14 of the 44 members of the Congo Cabinet, according to its tally, are probably pro-Gizengaists. I would consider my insertion of the Moscow New Times article into the RECORD justified if it had accomplished no more than smoking this significant admission out of the files of the State Department.

Coalition governments have to be weighed not merely in terms of their arithmetical content, but in terms of the positions assigned to the Communists and those under their control. The Communists have traditionally tried to get their hands on certain key posts, including the Ministry of the Interior and the Ministry of Justice, because these positions give them the power of life and death over their political rivals. My distinguished colleague from Minnesota confirmed my statement that both of these posts in the present coalition government had been awarded to ardent followers of Gizenga who had been personally designated by him. The post of Minister of Justice went to Remy Mwambe and the post of Minister of the Interior to Christophe Gbenye.

My colleague questioned the statement that Gbenye was a Prague-trained Communist. He said that, according to his information, Gbenye has not even been out of the Congo. I have rechecked this item with people who know Gbenye personally, and they insist that he has been out of the Congo and has been to Prague. On this item, again, there is a conflict of information that can only be resolved by further investigation.

But let us not ignore fundamental facts while arguing over secondary facts about which there may be legitimate dispute. The fundamental facts in the case of Christophe Gbenye, the man who now holds full police powers in the Congo Government, are first, that he is generally recognized as the chief lieutenant to Gizenga; second, that anti-Communist Congolese consider him the No. 2 Communist in the Congo; third, that, as Minister of the Interior under Gizenga's rebel government in Oriental Province, he was responsible for the ruthless suppression of anti-Communist opposition forces; fourth, that he is completely obedient to Gizenga's discipline.

I was surprised that my distinguished colleagues from Idaho and Minnesota should have glossed over these facts as though they were unimportant. I was even more concerned when my friend from Minnesota said that he would not be surprised, nor would he "consider it very meaningful, if Premier Adoula, in order to tighten the cohesiveness of his coalition cabinet, made some further concessions to secure the allegiance of political figures who have either supported Gizenga or Lumumba in the past." He said that he would not "fall into paroxysms of alarm if Gen. Victor Lundula were appointed General Mobutu's second in command because nothing has ever been charged against Lundula except that he took orders from Gizenga."

I believe that a commander of the Congolese Army who takes orders from Gizenga is plenty to be alarmed about.

Because of the very close relations which the Senator from Minnesota enjoys with the Department of State, I earnestly hope that this statement of his does not foreshadow a further extension of the Gizengaist influence within the Leopoldville government.

Having conceded the possibility that there may be an enlargement of the Gizengaist influence in the coalition government, my colleague went on to challenge and ridicule a few of the statements contained in the Moscow New Times article.

Specifically, he challenged the statements that Adoula had agreed to replace General Mobutu with the Gizenga designee General Lundula, as commander of the armed forces, and that he had agreed to accept Gizenga designees as Minister of Defense and as Ambassador to the United Nations.

Now, there is an art to reading the Communist press. Sometimes this press indulges in the most monstrous lies and exaggerations; sometimes it tells the truth. It is important not to dismiss everything in the Communist press as lies, because when it tells the truth, this truth can have the greatest significance for the free world.

The report in the Moscow New Times article, quoted verbatim the text of a telegram from Gizenga to Adoula, dealing with the replacement of General Mobutu: I quote this wire:

> Simultaneously with taking the necessary measures with relation to Mobutu, as we agreed at Stanleyville, it is necessary to remove from the army all soldiers and officers who are against the unity of the country.

The Moscow New Times quoted indirectly from another Gizenga-Adoula telegram in which Gizenga spoke of decisions concerning the appointment of Gizenga followers to the posts of Minister of Defense and representative to the United Nations.

Even if the Moscow New Times article were wrong on certain details, it would in no way alter the basic nature of the situation and the facts which I have just recounted and which my colleague has not challenged.

I have pondered this matter carefully, and I have also discussed it with several people who have made a study of the Soviet press for many years and who have the acquired ability to distinguish Communist lies from Communist truth. These experts are agreed that this is almost certainly an instance of a Communist truth, that the Communists would have nothing to gain from forging a telegram or telegrams from Gizenga to Adoula, and that the account in the New Times probably conveys, with essential accuracy, the statements made by Gizenga and his followers.

There are other criteria, commonsense criteria, which can help us to determine whether this was an instance of Communist falsehood or Communist truth.

The first criterion is: How do these statements jibe with what we know about the Leopoldville government and its actions? My opinion is that it jibes completely with the pattern I have outlined.

The second criterion is: Is there any confirmation for these statements from other sources? My colleagues claim that General Mobutu is secure in his position as commander of the armed forces. On the other hand, many Western newspapers, both in this country and abroad, have carried the story that Mobutu's position has become exceedingly shaky because of the role he played in negotiating President Tshombe's release from a Léopoldville prison, and there have been independent reports, even before the Moscow New Times article appeared, that Lundula was slated to replace Mobutu as commander of the armed forces.

Let me point to another curious fact. The Moscow New Times from which my insertion was taken, became available,

in its French edition, during the course of last week. In addition, the translation which I inserted into the RECORD was widely carried by newspapers in France and Belgium on September 14 and 15.

The Moscow New Times article purported to quote from official statements by Gizenga and his followers as reported in the Stanleyville press. If these statements and press reports were fabrications; if there is, in fact, no agreement between Gizenga and Adoula covering the appointment of the commander in chief and the designation of the Secretary of Defense and the Ambassador to the U.N.; the Adoula government probably would have repudiated these statements as false.

So far, the only repudiation I have seen is the one issued by my distinguished colleague from Idaho.

For my own part, I shall be willing to believe that there is something to this repudiation if Prime Minister Adoula, within the next few days, gets up and informs the world that he has concluded no agreement with Gizenga covering the assignment of these important posts to Gizenga designees.

The proof of the pudding is in the eating.

Mr. President, if there was any doubt about where the preponderance of power lies in the Leopoldville coalition, I believe that this doubt should have been resolved by the actions of this government in the brief time that it has been in office.

My colleague questioned the claim of the Gizenga group, as reported in the Moscow New Times, that Adoula is committed to "carry out all decisions made earlier by the Lumumba government."

Conceivably this claim is somewhat exaggerated. But one of the first things that the Adoula-Gizenga government did upon assuming office was to invite back to Leopoldville the Communist bloc embassies which had been expelled by General Mobutu and President Kasavubu.

As is generally known, these Communist bloc embassies, with their hundreds of trained agents posing as diplomats, almost succeeded in turning the Congo over to communism in the early chaotic days of the Republic. The return of these embassies to Leopoldville cannot by any stretch of the imagination be construed as a victory for our side; it is a victory for the Communist side.

This is a fact which my colleagues chose to ignore.

Shortly after the Adoula-Gizenga coalition was formed, there took place the Belgrade Conference of neutralist countries. Prime Minister Adoula expressed a desire to attend this Conference. The conveners of the Conference advised him that he could attend only if he was accompanied by Vice Premier Gizenga. The condition was accepted; and Adoula and Gizenga went to Belgrade and dutifully voted for all the anti-Western resolutions adopted by the Belgrade Conference, without even the minor reservations that men like Nehru and Nasser felt constrained to indicate.

The conduct of Gizenga and Adoula at the Belgrade Conference, again, was not a victory for the West; it was a victory for the Communists. This is another fact that my colleagues chose to ignore.

Now we come to the most critical fact of all: the appointment of an administrator for Katanga Province. This was the most important position filled and the most significant action taken by the coalition government since its formation. Katanga has 60 percent of the world supply of cobalt and vast mineral wealth of other kinds. The control of this mineral wealth is of the greatest importance to the free world. Moscow has been eyeing this mineral wealth greedily for many years; indeed, this is a major part of its purpose in the Congo.

Against this background, it is clear that there must have been some conflict within the coalition government between pro-Western elements and pro-Communist elements over the selection of a man who would fill the post of administrator for Katanga. Who was appointed? Egide Bochely-Davidson, an ardent Lumumbaist, a former member of the Gizenga government, and a man who, according to the Western press, is considered strongly pro-Communist by Western diplomats.

My own information from a reliable American source is that Bochely-Davidson is not only a Communist, but an agent of the Soviet Secret Police. The State Department has said that it has no proof Bochely-Davidson is a Communist, but it admits that he is a Gizenga follower and that he would probably take his orders from Gizenza.

The newspapers of this Wednesday reported that Prime Minister Adoula had made a vitriolic attack on "the capitalist nations," and had said, I quote, "Mr. Hammarskjold was the victim of certain financial circles for whom a human life is not equal to a gram of copper or uranium.

My distinguished colleague from Minnesota, in the light of this outburst, still defended Prime Minister Adoula as a "recognized anti-Communist" and "a recognized friend of America." I can recall no newspaper account that went beyond describing Adoula as a "neutralist." About all I can say is that if Prime Minister Adoula is representative of the ardently anti-Communist and pro-free-world elements in the Leopoldville government, then heaven help us.

These are the actions against our interests that have been taken by the Leopoldville government since its installation. I ask my colleagues whether they can name a single action taken by the Leopoldville government since its installation that can be characterized as upholding the side of the free world.

Mr. President, there is every reason to fear that the Moscow New Times article was an instance of Communist truth, and I believe that the coming weeks will bear this out.

But even if some of the statements reported by the Moscow New Times were incorrect, it would not cancel out the salient facts that a minimum of 14, and possibly as many as 23, members of the 44-man Cabinet are Gizenga followers; that the key positions of Minister of the Interior and Minister of Justice have been filled by Gizenga appointees; that the critical position of administrator for Katanga Province was awarded to an ardent Gizenga follower; that the Communist bloc embassies have been invited back to Leopoldville by the Adoula-Gizenga government; that this government joined in all the resolutions critical of the free world at the Belgrade Conference; and that Prime Minister Adoula, as yesterday's papers report, now charges that the capitalist nations were responsible for the death of Dag Hammarskjold.

So much for the coalition government in Leopoldville. Now I wish to address myself specifically to the question of Katanga and U.N. intervention in Katanga.

My good friend, the able Senator from Minnesota, challenged my statement that there had been more public order in Katanga than in any other part of the Congo. He said that Katanga was equally involved in the frightful rioting and warfare that erupted in the month following the Congo's independence, that he had vivid memories of a great proportion of the Belgian population reportedly fleeing from Elisabethville in a mad scramble for safety into Northern Rhodesia, that there are whole city blocks in the African quarter of Elisabethville which still stand seared by fire and looting which occurred when the Katanga gendarmery went out of hand.

I believe the distinguished Senator's memory has played a trick on him and that he has confused Leopoldville or Stanleyville with Elisabethville. By and large, remarkable order prevailed in Katanga while the rest of the Congo was erupting in bloodshed and flames. There was a brief mutiny of units of the Katanga gendarmery, but it was quelled overnight with only a handful of casualties. The physical damage was negligible. It is completely inaccurate to say that entire city blocks were seared by fire and looting. Because it believed that President Tshombe's personal influence was largely responsible for the peaceful transition and for the preservation of law and order in Katanga, the Belgian Government bestowed upon President Tshombe the highest award available to non-Belgians.

The Senator from Minnesota claimed that President Tshombe controlled only half his Province and that the other half has been the scene of fierce tribal warfare. Let me venture the suggestion that this information from U.N. sources which desire to bolster their own position, is exaggerated many times over. I have received letters from American missionaries in Katanga, some of whom travel widely, which satisfy me that by far the greater part of Katanga is peaceful and that the authority of the Tshombe government is respected.

My distinguished colleague from Minnesota further sought, if I understood him correctly, to create a parallel between President Tshombe and Gizenga, and for that matter, most of the Congo politicians, by taking the stand that all of them are volatile and inclined to change sides. He referred to a pur-

ported broadcast by President Tshombe's Minister of the Interior, Godefroid Munongo, threatening to seek the assistance of the Communist bloc, as evidence of this.

I would point out that the statement to which my colleague referred was made by Minister Munongo at a time when President Tshombe was convalescing from the effects of his treacherous imprisonment by the central government at Leopoldville. I have been informed that Munongo was attempting to say, in desperation, something like the following: "You Western nations never seem to support your friends and always seem to support those who play footsie with Moscow. Perhaps we had better be realistic, if we want your assistance, and join the ranks of those who get help from the West by displaying friendship for the East."

I do not defend such a statement. But I understand how it could be made in desperation. I want to point out further that President Tshombe was so perturbed by the interpretation placed on this statement that, as soon as he returned to Elisabethville, he sent his brother, Thomas Tshombe, to the United States last July to assure this country that Munongo's remarks did not express the policy of the Tshombe government, and that the Tshombe government would have nothing to do with the Soviet Union. I believe that the failure of my friend from Minnesota to point this out is an extremely serious, although I am certain, unintentional omission.

I ask unanimous consent, Mr. President, to insert into the RECORD at the conclusion of my remarks, the New York Times dispatch of July 28 reporting on the Washington press conference of Thomas Tshombe.

I confess that I am perplexed by portions of the statement made yesterday by the able Senator from Minnesota, because I feel that in certain cases one portion of his statement contradicts another.

For example, he is prepared to concede at one point that Colonel Mobutu's military coup was probably necessary in order to save the Congo from communism. At another point, he appears to give virtually the entire credit to the United Nations for saving the Congo from communism.

From a preliminary reading of these two passages, one would almost conclude that the United Nations and Colonel Mobutu acted in concert to save the Congo from communism. The fact, however, is, as everyone knows, that the United Nations strongly supported the government of Lumumba on grounds of constitutionality, that it opposed Mobutu by every means short of force, that at a few isolated points it came to open shooting between Mobutu's soldiers and the United Nations, and that it was thanks to the unceasing efforts of the United Nations that the provisional regime installed by Colonel Mobutu was forced to relinquish office and turn its powers over to a cabinet elected by the Lumumbaist-dominated National Assembly.

The statements of my distinguished colleagues from Idaho and Minnesota, as I read them, came very close to justifying the U.N. effort to depose the government of President Tshombe by force. They referred, as justification for this action, to a United Nations resolution that called for the use of force to prevent civil war or disorder.

In reply to this, I agree with the comment of the New York Times editorial column, when it said:

In Korea the United Nations went to war to check outright aggression. In Katanga it seeks to avert civil war by removing a potential belligerent, and not the one threatening to attack.

Mr. President, there was no civil disorder in Katanga. The Katanga Army was not threatening to invade Leopoldville or to attack its neighbors. It was the U.N. that initiated the fighting in Katanga when it seized the Post and Telegraph building on the morning of September 13.

In the light of these unchallenged facts, I say that the U.N. Command in Katanga acted in a wanton and brutal manner, against the spirit of the U.N., and without authorization under the charter or under the resolutions of the Security Council.

The evidence is indisputable that the action undertaken by the U.N. went much further than the seizure of the Post and Telegraph Building. Within hours of the seizure, the U.N. Command had announced the arrest of three of Tshombe's cabinet ministers, the deposition of the Tshombe government and the appointment of Bochely-Davidson as administrator for Katanga. The U.N. representative, Mr. Conor Cruise O'Brien, further announced, "that the Katanga secession has ended," and that the action had been undertaken at the request of the central government.

These are the basic facts. We should not permit them to be obscured by references to the mercenaries in the Katanga Army. Let me point out, however, as a matter of interest that, compared with the several hundred mercenaries in the Katanga Army, the Indian Army forces in the Congo contain several thousand Ghurka soldiers, who are not Indian nationals or U.N. ideologs, but simply mercenaries. These United Nations mercenaries were, according to the accounts of the American press and all Europeans in Elisabethville, guilty of brutality that will forever stain the name of the United Nations. I ask unanimous consent, Mr. President, to insert into the RECORD, at the close of my remarks, a statement signed by all the European doctors in service in Elisabethville at the time of the United Nations action.

These distinguished Senators who have spoken against my position have asked that we should not jump to hasty conclusions, that we should not condemn the U.N. action before all the facts are in. I was distressed that they did not see fit to call for an immediate cease-fire, so that the factfinding which they endorsed could be conducted in an objective and meaningful manner and not against the background of a fait accompli. They asked for a delay in passing judgment on the U.N. action; but apparently they were not willing to ask the U.N. to delay its attempt to seize military control of Katanga and depose President Tshombe.

I do not know whether the action in the Congo was conceived in the Office of the Secretary General or whether Dr. O'Brien acted on his own initiative. An article in yesterday's New York Times strongly suggests that Dr. O'Brien acted without Hammarskjold's approval and that Hammarskjold was deeply disturbed by the developments. But it seems to me that in taking military action on such far-reaching implications, the U.N. would, as a matter of course, engage in prior consultations with the members of the Security Council. It is obvious that such consultations did not take place. Our British and French allies had made it clear that they had no foreknowledge of the action and they did not approve of it.

What remains unclear is whether the State Department did have foreknowledge and did give its blessing to the deposition of President Tshombe. This is something which the State Department should clean up.

I believe that those who now approve or defend the United Nations action in Katanga are not helping the U.N. but hurting it. I believe that in making this defense, they are guided by a blind desire to avoid any criticism of the U.N., and they simply refuse to face up to the facts or to the implications of their position.

Mr. President, I would ask those who defend the U.N. action in Katanga whether they believe that the proper way of preventing civil war is to intervene against the intended victim and not against the aggressor.

I would ask them if they would consider if the function of the U.N. to intervene against secessionist movements everywhere, and if they do, whether they would recommend, as a next step, that the U.N. intervene against Senegal to force its reunification with the Mali Federation.

I would ask them whether they consider it the function of the U.N. to install and foster coalition governments that are heavily weighted on the pro-Communist side.

The distinguished Senator from Minnesota accused those who defend the right of secession from the Congo of inadvertently assisting the Communists to take over in the Congo. He argued that the Congo, without the mineral wealth of Katanga, will be an impoverished, chaotic country that openly invites Communist subversion.

Let me say in reply to this, that I would personally prefer to see a free federation of Congo states. I believe this to be President Tshombe's position. I believe that such a federation could have been achieved had the United Nations not intervened to force the government of General Mobutu to relinquish its power to the Lumumbaist national assembly. I believe further that the installation of the heavily weighted coalition government in Leopoldville, more than any other single factor, has militated against a free federation of the Congo. If I were President Tshombe, I would refuse as resolutely as he has any suggestion that I subordinate my territory

to the control of central government which already displays a dangerous degree of Communist and pro-Communist influence, and which will probably be under complete Communist control before too many political moons have passed.

Mr. President, the U.N. can emerge with honor from the Congo situation if it now demonstrates that it is big enough to recognize the errors that have been made and to readjust its policy accordingly.

I was happy to learn of the conclusion of the cease-fire Wednesday between President Tshombe and the U.N. representatives and of the decision to remove Dr. Conor Cruise O'Brien as U.N. representative in Katanga. These are the first essential moves in the return to sanity and probity. I believe that an outraged world opinion has played an important role in producing this return to sanity. If I have myself been able to contribute in small measure to this welcome development, I feel that my several statements on the Senate floor have been more than amply rewarded.

That we were previously on the wrong path and that we are now on the right path is, I believe, clearly indicated by Moscow's reaction to the news of the cease fire. Let me again quote from the Soviet press, or to be more accurate from the New York Times account of the Soviet press reaction:

MOSCOW SCORES CAPITULATION

LONDON, September 21 (Reuters).—The Soviet Union condemned in vehement terms tonight the United Nations and the forces of Katanga Province.

The Moscow radio in a home service broadcast called the agreement a "new capitulation" on the part of the United Nations.

Tass, the Soviet press agency, said the agreement with President Tshombe, whom Tass called a "colonialist puppet" evoked only a feeling of "indignation."

The Tass writer, V. Kharkov, said what had been a promising United Nations operation to end the secession from the Congo of Katanga had ended in a total flop.

The way is cleared for peaceful negotiations—and it is only through peaceful negotiations that an organization like the U.N. should endeavor to achieve its objectives unless there is a clear danger of attack against the public order or against its own forces. The cease fire has also cleared the way for a reappraisal of our entire policy in the Congo. And I hope we will take advantage of this interval to examine this policy with brutal frankness and without regard for personal reputations.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the Moscow New Times article dealing with the situation in the Congo, and several articles and editorials that have appeared in recent days in the American press.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

KATANGANS DENY ASKING SOVIET AID—CONGO PROVINCE DELEGATION IN U.S. REBUTS REPORT

WASHINGTON, July 28.—A high-ranking delegation from secessionist Katanga Province in the Congo denied today that Katanga was negotiating for Soviet aid.

Thomas Tshombe, brother of Katanga's President Moise Tshombe, said at a news conference that one of the main reasons for the delegation's visit here was "to correct the impression we want Soviet help."

In Katanga earlier this week, Interior Minister Godfroid Munungo announced, according to news agency reports, that Katanga had accepted Soviet aid offers. He also said, the reports added, that negotiations had been opened with the Soviet-backed regime of Antoine Gizenga in Stanleyville Province.

TSHOMBE SAID TO BE ILL

President Tshombe has been reported to be ill and he has made no public appearances since July 11.

In addition to the President's brother, the delegation consisted of Jean-Marie Pweto, vice president of Katanga's National Assembly, and Harry Kambola, president of the ruling Conakat Party. Thomas Tshombe is a member of the assembly.

Mr. Tshombe denied that the interior minister had expressed Katanga policy in his remarks on ties with Moscow.

In repudiating the official, Mr. Tshombe said he was speaking "for my brother, the national assembly, and the people of Katanga."

"We don't want anything to do with Russia," Mr. Pweto declared.

The three spoke through a Belgian adviser, Michel Struelens, who said he represented the Katanga Information Service in New York.

The Katanga officials met earlier in the day at the State Department with low-ranking officials in charge of Congo affairs. They had an appointment to talk with Roger Tubby, Assistant Secretary of State for Public Affairs. A spokesman in Mr. Tubby's office said the appointment had not been kept.

The United States does not recognize Katanga as a sovereign state and the State Department supports the United Nations policy of trying to help form a national Congolese Government.

Officially, the State Department had "no comment" on whether there had been any meeting with the delegation.

But sources in the Department's African Bureau said the talks had been routine and that the visit did not mean any change in U.S. policy.

The delegation left Washington by automobile for New York in the afternoon and said it would return Thursday for a meeting with American businessmen interested in investments in Africa.

GIZENGA PROTESTS TO U.N.

LEOPOLDVILLE, THE CONGO, July 28 (Reuters).—Antoine Gizenga, head of the dissident, Soviet-backed Congo regime at Stanleyville, has protested to the United States over alleged violations of an agreement under which the Congolese Parliament is meeting, it was disclosed today.

The United Nations staff here said it had conveyed the protest from Mr. Gizenga to Dag Hammarskjold, Secretary General of the United Nations.

The Parliament opened its first session in 10 months yesterday at Louvanium University near here, with all Congolese factions represented except secessionist Katanga Province.

Mr. Gizenga's protests were understood to stem from reports that the Congolese President, Joseph Kasavubu, and United Nations officials were freely entering and leaving the university, despite an agreement that the lawmakers were to be left alone.

Another Gizenga complaint was over the presence of armed Congolese soldiers in Léopoldville in violation of an agreement to disarm soldiers during the parliamentary session.

Mr. Gizenga is regarded as possible Premier in a projected government of national union. Supporters of Mr. Gizenga say he plans to come to Leopoldville as soon as his health permits.

AN APPEAL TO THE CONSCIENCE OF THE INTERNATIONAL MEDICAL COMMUNITY

On this day, we, the undersigned doctors, on duty in Elisabethville, attest on our honor that the mercenary soldiers of the United Nations are firing on Katangist ambulances, after wounding ambulance attendants in the uniform of the Red Cross; that the ambulances of the United Nations, in addition, are not giving the most elementary assistance to civilians who require it; that three hospitals in the city have been transformed into offensive bases by the soldiers of the United Nations, including times when they were filled with sick people in beds, and that the United Nations soldiers fired at both soldiers and civilians from the gardens and roofs of these hospitals. One of these hospitals is called, perversely, the United Nations Red Cross Hospital. U.N. snipers in this hospital were responsible for wounding numerous civilians.

(Signatures of European doctors in Elisabethville.)

ELISABETHVILLE, *September 15, 1961.*

GIZENGA MEN WIN VICTORY IN CONGO—THEY CAPTURE ALL TOP POSTS IN PARLIAMENT EXCEPT ONE

(By Henry Tanner)

LEOPOLDVILLE, THE CONGO, July 26.—The followers of Antoine Gizenga, head of the Soviet-backed Congo regime in Stanleyville, won an impressive victory yesterday in the Congolese Parliament.

Joseph Kasongo, like Mr. Gizenga, a stanch follower of the slain Premier, Patrice Lumumba, was reelected President of the Chamber of Deputies by a margin of four votes. Although his majority was slight he swept into office with him an all-Gizenga team of two Vice Presidents and four members of the Secretariat.

Jacques Massa, a conservative Minister in the central government of Premier Joseph Ileo, was Mr. Kasongo's opponent. The vote was 61 to 57.

In the Senate, the Presidency went to Victor Koumoriko, a conservative with close ties to the central government, but the positions of two Vice Presidents and four Secretariat members were filled by men regarded as outright or potential followers of Mr. Gizenga.

ILEO'S ROLE UNCLEAR

It was not clear whether Premier Ileo, who had been President of the Senate when it first met a year ago, had made an attempt to regain his old post and had lost or whether he had withdrawn his candidacy before the vote.

Presiding officers were elected at an informal meeting.

The first formal session, scheduled for tomorrow morning, will be opened with an addresed by President Joseph Kasavubu.

The Parliament is meeting under United Nations protection on the campus of Lovanium University, 12 miles from the capital. Members have been living in seclusion since they entered the campus last week.

GIZENGA VICTORY A SURPRISE

The extent of the victory by the Gizenga forces came as a surprise to Congolese political observers here. It caused speculation that Mr. Gizenga might have a better chance than was commonly expected to become Premier of a national coalition government.

To be confirmed by Parliament a new government requires an absolute majority in both chambers. Observers noted that in the lower House, Mr. Gizenga's forces needed to add only eight votes to those cast for Mr. Kasongo.

Mr. Gizenga remained in Stanleyville today, but Cleophas Kamitatu, president of Leopoldville Province, who visited him yesterday, repeated assurances that the Stanleyville leader would join the parliament session in the next few days, as soon as he was completely recovered from a recent illness.

ARMY TALKS BROKEN OFF

LEOPOLDVILLE, July 26 (Reuters).—The Congolese army chief, Maj. Gen. Joseph D. Mobutu, has broken off discussions with representatives of secessionist Katanga Province aimed at forming a unified national army command, it was reported here today.

The military high command said the unfriendly attitude of Katanga negotiators had made it impossible to continue the talks at Elizabethville, the Katanga capital, the Congolese news agency ACP said:

The command said the talks had not been terminated indefinitely and would be resumed if Katanga made a friendly and positive gesture.

But the fact remains that Russia is on the verge of winning an important cold war victory by default. For if the Soviets extend their influence into Katanga, they will be in a position to control 70 percent of the world's cobalt supply.

Radioactive cobalt is an important element in hydrogen bombs, thus potentially is the most lethal force on earth. It is also a valuable weapon in the medical world's fight against cancer. The nonradioactive variety is used for high strength steel alloys, used in conventional weapons, and for casings for missiles requiring tremendous heat-resistant qualities.

While present U.S. stockpiles of the metal are held to be sufficient to meet foreseeable needs, the West should certainly do more than sit idly by while the Communists gain access to territory that can prove of immense strategic and political value to them. The world knows that Tshombe was anti-Communist from the beginning. He took Katanga out of the Congo Republic because he objected to attempts by the late Patrice Lumumba to draw the new nation into the Soviet orbit.

[From the New York Herald Tribune, Aug. 2, 1961]

TIME FOR UNITY IN THE CONGO

President Kasavubu's nomination of Interior Minister Cyrille Adoula as the Congo's new Premier offers some hope, at least, of progress toward bridging the country's bitter divisions. A pro-Western moderate, Mr. Adoula has generally been thought the man most likely to be acceptable both to the Kasavubu and to the Gizenga factions.

Even if he wins parliamentary approval, however, the task of creating a government that can govern effectively and will govern responsibly will be a long way from completion. Unless Mr. Gizenga has changed radically in his outlook, it is difficult to see how such a government would long keep his support. Questions of the central government's powers in relation to those of the Provinces have yet to be resolved. The knotty problem of Moise Tshombe's reluctance to join the government remains, as does the role of Mr. Gizenga himself.

The present Parliament, unfortunately, is still largely a legacy of the Lumumbist demagoguery that dominated last year's elections. Perhaps the first year of Congolese independence, with its terror and bloodshed, its rape and pillaging, its economic decay, its necessary recourse to United Nations troops to keep some sort of order, its scheming and counterscheming by foreign powers bent on furthering their own imperialist ends at the Congo's expense, has taught some of these fledgling legislators enough elementary lessons of what is practicable and possible to make them more responsible architects of nationhood. Perhaps counsel by U.N. representatives on the spot will illumine for them some of the pitfalls that yet lie ahead.

The chief hope for the Congo leaders is that, cloistered as they now are in Lovanium University, they will rise to their destiny.

Theirs is the primary task of raising the Congo to responsible nationhood. They sought independence; they got it. They have witnessed its tragic aftermath; now it is their duty to use it wisely and well.

Mr. Tshombe has still persisted in his boycott of the parliamentary session. He might well consider whether the time is not now ripe—even from the standpoint of Katanga's own self-interest—to cooperate with the central government rather than frustrating it, throwing whatever strength he still has into the balance on the side of order and freedom.

While the rest of the Congo dissolved in chaos, Katanga remained an island of stability. Tshombe's record as an effective preserver of civil order entitles him to a strong voice in a united Congo. But if he continues stubbornly to insist on a separatist fiction, he dooms both the Congo as a whole and his own Province to yet more of the explosive strife that has threatened the peace of all Africa.

[From the New York Post, Aug. 2, 1961]

SEE U.N. AIDS PLAYING INTO GIZENGA'S HANDS

(By Smith Hempstone)

NAIROBI, KENYA, August 2 (CDN).—The antagonism of U.N. officials toward Moise Tshombe's breakway, pro-Western Katanga may have thrown the rest of the Congo into the hands of the Communist-oriented regime of Antoine Gizenga.

From fragmentary reports slipping through the cordon of 4,000 U.N. troops sealing off the meeting of the rump Congolese National Assembly at Leopoldville, it appears certain that Gizengists have won control of the Chamber of Deputies. One, Joseph Kasongo, has been elected president of the Chamber. Gizenga is the political heir of Patrice Lumumba.

Legislators supporting moderate President Joseph Kasavubu apparently hold a slight edge in the Senate.

Had Katanga's aspirations been treated with more understanding by U.N. representatives, Tshombe's deputies would have provided the margin necessary to prevent Kasongo's election and strengthen Kasavubu's position in the Senate.

TSHOMBE ACROSS RIVER

Katangan deputies are boycotting the assembly on Tshombe's instructions.

Tshombe himself is across the river from Leopoldville in Brazzaville, formerly the capital of French Congo, where he has suggested that a meeting of top Congolese leaders be held.

His presence in Brazzaville was dictated by his willingness to participate in economic cooperation with the rest of the Congo—if it doesn't endanger Katanga's political autonomy.

The reluctance of Tshombe and his deputies to participate in the Leopoldville assembly sessions is understandable. The last time Tshombe ventured into the Congo he was arrested, held for 2 months and threatened with trial for treason and murder.

LONG UNDER ATTACK

From its beginning, U.N. officials and to a lesser degree the United States have attacked Tshombe's regime on the grounds that Katanga's independence violates the territorial integrity of the Congo. Both overlooked the fact this was an artificial unity imposed by the Belgian regime and that in reality power was held only by regional leaders.

The fact that Tshombe was—and is—maintaining peace and productivity in Katanga while the rest of the Congo has deteriorated into tribal warfare and economic chaos should have been sufficient evidence of his right to be treated with respect and sympathy.

U.N. ACTION IN THE CONGO

In line with Secretary General Hammarskjold's concept of the United Nations, as a "dynamic instrument of government" of a developing "organized international community," United Nations troops have taken drastic action to curb the power of President Tshombe of secessionist Katanga and to bring that province back into the Congo State under the rule of President Kasavubu and Premier Adoula. They have arrested for repatriation dozens of Belgian, French, British, and other white officers of the Katanga army, regarded as the mainstay of President Tshombe's rule, and have established a virtual state of siege in Elisabethville.

This action is in line with the Security Council resolution of February 21 calling for the removal from the Congo of all Belgian and other foreign military personnel and political advisers. President Tshombe has protested that the United Nations has exceeded its mandate. But if the action helps to reunite the Congo and ease both the danger of civil war and the United Nations burden, it may be justified by the circumstances.

But it can be justified only if it does not create a panic among the whites in Katanga which could wreck the Congo's main productive facilities and if it is applied uniformly throughout the Congo. The latter consideration arises because Antoine Gizenga, Communist-trained head of the Stanleyville regime who has accepted the post of Vice Premier, appears to be plotting to take over Premier Adoula's government from the inside.

He demands control of the Congolese army and police; he has formed a "National Patrice Lumumba party" to back up his claims, and his rampaging troops have just beaten and expelled the American consul from Stanleyville, while Communist and other embassies accredited to him remain there. The United Nations Command has rushed reinforcements to Stanleyville and it must be expected that they will be equally energetic there as in Elisabethville.

WHAT IS U.N. DOING IN CONGO?

(By Robert C. Ruark)

This has been a very difficult year, it seems to me, for the application of any sort of ordinary moral standards to nearly anything, whether it was the abortive invasion of Cuba with its aftermath of our President endorsing the barter of human flesh for machinery in the tractors-for-prisoners deal, or some of the recent highjinks of the United Nations forces at home and abroad.

The U.N. position in the Congo alone has been worthy of a treatise on the merits of fixing an umpire to rig the decisions in favor of the home club. Certainly its armed intervention in the fuss between the vastly rich province of Katanga and the vastly confused so-called central Congolese Government in Leopoldville would have caused King Solomon to actually chop the baby in half, rather than to threaten the mothers with the harsh choice.

It has been little more than a year, but such was the commotion in Leopoldville just after independence that they pleaded for the U.N. to come down and sort out the murders, rebellions, and schisms between complete rival governments in the Leopoldville sector alone.

This was more or less done, although I am told in Africa that the presence of other African, albeit United Nations, troops more

or less richened the already reeking mixture of rapine and plunder, drunkenness, and violence.

In this same short year, Albert Kalonji of the South Kasai, declared himself out and nominated himself as king of the diamond state. Moise Tshombe, no unsophisticate, realized that his Katanga had most of the riches of the Congo, and departed to set up an independent state. Antoine Gizenga, the pro-Communist deputy of the murdered buffoon, Lumumba, dug himself in at Stanleyville.

In a typically African bit of bullet diplomacy, they asked Tshombe to a conference on the future of the "greater Congo" and clapped him in the clink as cynically as his men had shot Lumumba a few months before. Tshombe somehow lied or, most likely, bribed his way clear of his unwarranted imprisonment, took off for home, and promptly thumbed his nose at Kasavubu and the other mountebanks who claim to speak for the vast Congo, but repeatedly have been unable to run their own precincts.

This is all fine, and to be expected of free peoples so drunk on freedom that they cannot operate the vehicle. But where the immorality now becomes terribly apparent is that the United Nations peacemakers have gone to work so brazenly for the Kasavubu forces that they declare war on Katanga, which has mostly been minding its own business, in its own province, with its own gendarmerie and its own money.

The United Nations troops marched on Katanga, and arrested the bulk of the white mercenaries whom Tshombe hired to run his army and ramrod his constabulary, after the time-eroded habit of intelligent dictators who need pros to run their amateurs.

There is nothing noble about Tshombe, and nothing nice about hiring mercenaries to fight your battles, as we did in Cuba and are trying to do in other troublous spots. But nonnoble, nonnice, apart, is it entirely moral for the United Nations to become a gun for hire, in order to hijack Katanga just because the Kasavubu boys want that lovely mining loot? I call it criminal collusion, or armed robbery, by a supposed force for law and order.

The U.N. General Assembly is always debating great questions of moral right, calling down censures and deploring at the top of its great windy lung, and I would like them to debate one thing:

Just what the hell is the United Nations doing in the Congo, anyhow?

[From the Chicago Daily Tribune, Sept. 18, 1961]

MR. HAMMARSKJOLD'S SUPERGOVERNMENT

In a bitter review of the United Nations shambles in Katanga, to which we have previously referred, Senator DODD, of Connecticut, said: "I believe that for the actions the U.N. is now taking in the Congo there is no authority in the Charter of the United Nations, or under international law."

In this view we concur. Senator DODD referred to the Security Council resolution of last February 21, invoked as the pretext for the war launched by U.N. against Katanga. It called for "force, if necessary," to prevent civil war in the Congo, which is hardly an excuse for the U.N. to launch a war on its own. It also called for the expulsion of foreign officers in the Katanga Army and police and foreign advisers in the Kantanga government.

"This resolution," said Senator DODD, "did not endow the U.N. commander with police powers, nor did it define what was meant by an 'adviser,' nor did it establish any procedures. But the United Nations command in the Congo has not been deterred by this lack of specific directives.

"It has interpreted the word 'adviser' to mean any Belgian holding a technical or administrative position of importance. It has arrested people or ordered them expelled from the country with no notification of charges and no provision for legal procedure or appeal. It has, in effect, established a police state on the territory of a government friendly to the United States and the Western nations."

And it has topped all this off by sending its army into action against that government—the government of Katanga.

How could it do these things? The Secretary General of U.N., Mr. Hammarskjold, dodged the question of whether the U.N. force had gone into action on his orders. But it takes slight acquaintance with Hammarskjold's conception of the function of U.N. and of his own presiding role to establish that what was done in Katanga fully coincides with his own ideas about the expanding nature of U.N. as a world supergovernment under his own executive direction.

On August 17, in the introduction to his annual report, Hammarskjold said that one view of U.N. held the organization to be no more than "static conference machinery for resolving conflicts of interest and ideology." But, said the Secretary General, those adhering to the "parliamentary aspects" of U.N. "do not pay adequate attention" to other principles favoring a different concept.

Under this other concept, which has Hammarskjold's endorsement, U.N. is to be "a dynamic instrument of governments" through which they should "develop forms of executive action" as steps "in the direction of an organized international community."

Now, "an organized international community" with power of "executive action" is world government, no less. If there is any doubt as to who is to run the show, Hammarskjold goes on to say that the charter in no way closes the door to "executive action." And if there is doubt as to who is to provide the executive action, the Secretary General modestly offers the reminder that, under article 48, the Security Council may request the Secretary General to "perform * * * such functions as are entrusted to him."

Functions of what sort? Well, says Hammarskjold, "the right to the use of force is somewhat more extensive than may seem to be the case from a superficial reading." And this extensive" latitude, together with the Secretary General's willingness to shoulder "political functions," was apparently all the Secretary General needed to embark upon an executive war to further his scheme of advancing U.N. as "a dynamic instrument" of the kind of supergovernment into which he would like it to be transformed.

We think the Secretary General has far exceeded any authority he may have and that he should be brought up short before he starts thinking of himself as president of the world, with an army at his disposal to knock off anybody who seeks to cross his purposes.

[From Barron's National Business and Financial Weekly, Sept. 18, 1961]

DAY OF RECKONING—IT HAS COME FOR BOTH THE U.N. AND THE UNITED STATES IN THE CONGO

To some future historian, especially one with an ironic turn of mind, the outbreak of open warfare in the Congo last week cannot fail to be a source of endless wonder. The ruthless attack on Katanga, to begin with, was launched by the United Nations, a world organization which, under the terms of its charter, is solemnly dedicated to the cause of peace. The brunt of the fighting was borne—"with great gallantry," according to dispatches—by troops of Sweden, India, and Eire, countries which boast an unbroken record of ignoble neutrality. Perhaps most incredible of all, the whole bloody business was apparently sanctioned by a U.N. resolution of last winter, which U.S. diplomats supported and subsequently hailed as a triumph of American statecraft.

Even then their complacency squared not at all with the facts. On the contrary, as we observed at the time—Barron's, February 27—the U.N. resolution, with its insulting reference to Belgian mercenaries and its mandate for the use of force, constituted a "scarcely veiled assault upon the Western position in the Congo." As the tragic events of the past few days have unfolded, it has grown clear that the assault is downright naked. Under the flimsiest of pretexts, the U.N. command by military means has sought to impose the will of other Congolese authorities upon the independent state of Katanga. Thereby it is seeking to replace a government that is supported by its people and friendly to the West with an alien power, which, while theoretically neutral, in practice has worked to further the Communist cause in Africa. Whether or not it succeeds in its shocking design, the U.N. has fired a shot which will echo loud and long. Katanga has shattered once and for all the spurious moral facade with which some circles have endowed the glass house on the East River. It also furnishes one more devastating proof of the folly of American diplomacy, notably as practiced since January by the U.S. Ambassador to the United Nations. In pursuit of a will-o'-the-wisp known as world opinion, Washington, at his behest, has chosen to evade its obligations and to neglect its vital interests. The time has come, we submit, to call this disastrous policy, as well as those responsible for it, to account.

Such a reckoning by rights must begin with the Eisenhower administration, which, by cravenly "letting Dag do it," took the first steps toward undermining freedom in the Congo. However, for the current state of affairs, which finds the United States in effect financing a war of aggression by its enemies against its friends, Messrs. Stevenson, Williams, Bowles, and Rusk must bear the blame. Last February, it will be recalled, after the death of rabble-rouser Patrice Lumumba, the U.N. Security Council convened in emergency session. In an atmosphere of crisis and riot, it passed a resolution, drawn up by Ceylon, Liberia, and the United Arab Republic (and supported by the United States which called for "the removal of all Belgian and other foreign military and paramilitary personnel and mercenaries"; reaffirmed the supreme authority of the U.N. in the Congo; and authorized it to prevent civil war even, in the last resort, "through the use of force." Since then, under U.N. protection, a so-called Congolese Parliament has met and chosen a 46-man Cabinet headed by Cyrille Adoula. The new regime at Leopoldville, significantly, also includes as Vice Premier Antoine Gizenga, a former Lumumba supporter who has been called a Moscow-trained Red, and one of his henchmen as Minister of the Interior (who controls the police).

Since taking office in July, the Congolese Government, while nominally neutral, has lost no time in showing its true colors. It has invited Communist embassies, which had been shut down as centers of subversion by a predecessor, to reopen their doors. It also turned up among the nonalined states at Belgrade, where Premier Adoula, in a statement which attracted far too little notice here, boasted openly of furnishing support to the insurrectionists and armed invaders in neighboring Angola. Above all, the Congolese authorities promptly launched a campaign of intimidation and pressure against mineral-rich Katanga, which, ever since Belgium granted the Congo its independence last summer, has flourished as a free state under pro-Western, procapitalist President Moise Tshombe.

As tension mounted and the threat of civil war grew, the U.N. command, which has had forces stationed in Katanga for over a year, went into action. Late in August it started to arrest and deport the white officers who have helped build up Katanga's army. Last week, under its so-called mandate to keep the peace, it launched what is tantamount to preventive war, not against the would-be aggressors in Leopoldville but against their target in Katanga. What the U.N. obviously expected to be a brief police action has turned into bloody fighting, which, at week's end, continued to rage.

Where the grim episode will end, no man can say. What can be said—or, preferably, shouted from the housetops—is that the whole affair is a damning indictment of the United Nations. In purging the Katanga army of its white officers, the U.N. forces behaved in the worst traditions of a police state, disdaining warrants and other legal procedures, ignoring contract or property rights, and employing terroristic methods. In seeking to overthrow the Tshombe government by force of arms, the world organization has ridden roughshod over its oft-repeated pledges to Katanga, over the principle of self-determination, and over its pious professions of faith in peaceful negotiation and the rule of law. Politically and morally, the U.N. stand is revealed to the world as bankrupt.

The same thing must be said of American foreign policy and of those who have planned and executed it. As Senator DODD, Democrat, of Connecticut, bitterly charged the other day, "If the Congo goes Communist, it will not be because of Soviet intervention, but because of intervention by a United Nations army, created by American policy and paid for by American money." Under Republicans and Democrats alike, in one part of the world after another, U.S. diplomacy for over a decade has been the gravedigger of freedom. In the interests of its own survival, this country can delay no longer in reversing its suicidal course.

[From the New York Herald Tribune, Sept. 21, 1961]

TRUCE PROVIDES: A PRISONER SWAP, NO TROOP SHIFTS

NDOLA.—President Moise Tshombe, of Katanga, last night announced a provisional cease-fire effective at 12:01 a.m. Thursday (4:01 p.m. Wednesday, e.d.t., between his troops and U.N. forces battling in the secessionist Congo Province. Mr. Tshombe's announcement at the airport in this Northern Rhodesian town came after 2 days of talks with U.N. negotiator Mahmound Khiari, a Tunisian who flew here from Leopoldville after the death of U.N. Secretary General Dag Hammarskjold in a plane crash early Monday.

Mr. Tshombe said the agreement is subject to affirmation at U.N. headquarters in New York.

The agreement was a triumph for Mr. Khiari, who undertook the difficult task of filling Mr. Hammarskjold's place at the conference table despite violent attacks on him by Mr. Tshombe over his Radio Free Katanga.

HEADQUARTERS DAMAGED

On the eve of the truce, travelers from Elisabethville had indicated that Conor Cruise O'Brien, top U.N. official in Katanga, had been driven out of his Elisabethville headquarters to an Indian camp on the outskirts. Delayed reports said U.N. headquarters were heavily damaged in a bomb attack Monday.

From Stockholm, the Swedish government announced it was complying with a U.N. request and sending Swedish-built SAAB J-29 jet fighters to the U.N. forces in Katanga.

The halt in hostilities was ordered after 8 days of savage battles. They began when U.N. forces sought to take over the mineral-rich secessionist Katanga and return it to the less prosperous Central Government in Leopoldville.

Mr. Tshombe said the agreement signed by himself and Mr. Khiari set forth six points:

1. An immediate cease-fire.

2. It is to start at 1 minute past midnight in all territories of Katanga.

3. A mixed commission of four men is to be set up without delay with full powers to control the cease-fire agreement and to seek means of settling relations between the U.N. and Katangan authorities. This includes an agreement on the location of U.N. troops in Katanga.

4. No troop movements are to be permitted for reinforcing garrisons or positions. This includes the movement of ammunition and weapons of all kinds including aircraft and tanks.

5. Both sides retain their freedom to make their own arrangements for their supplies of food.

6. An exchange of prisoners under control of the four-man commission appointed under point 3.

A parallel announcement by the U.N. negotiators was to be made at a conference immediately following Mr. Tshombe's.

Lord Alport, British High Commissioner in the Rhodesian Federation, tried to get the two sides to make the cease-fire announcement at the same conference, but they would not agree.

WAIT FOR WORD FROM NEW YORK

Mr. Tshombe said the agreement will continue while both sides wait for New York's approval.

The talks had snagged earlier on Mr. Tshombe's reiteration of a condition previously rejected by the U.N.—the immediate withdrawal of U.N. troops from his province. The U.N. position was that Katanga must end its secession and rejoin the Central Congolese Government. Despite the two opposing views, the truce was accomplished.

CONGO VOW: ALL-OUT WAR ON KATANGA

LEOPOLDVILLE.—Congolese shouted anti-Western slogans in the streets of Leopoldville yesterday. British and Portuguese Embassies were the targets of demonstrations.

Premier Cyrille Adoula angrily accused "capitalist powers" of responsibility for Dag Hammarskjold's death and announced his government has decided "to spare no effort to end Katanga's secession."

Soviet Union diplomats were back in town, hunting a building of 40 rooms or more to house a new Soviet Embassy. They lost their old one when they were expelled in a Congolese Army coup a year ago.

Mr. Adoula, the chief of a government now again including Lumumbists, declared in a radio speech the Congolese Army has been alerted and every citizen must be prepared to serve in Katanga—President Moise Tshombe's mineral-rich land that the U.N. is trying to put under Leopoldville's control.

"No sacrifice will be considered too much," he said.

Mr. Adoula declared the secession is backed "by the duplicity of trusts, holdings, and capital." He said Katanga's army is bolstered by Belgians, Rhodesians, South Africans, and English, "whose hatred of the colored man is universally known."

"Katanga is in the hands of capitalist imperialism," he said. "It is in this net of capitalist imperialism, in which the traitor Tshombe is hopelessly enmeshed, that the real cause of the disappearance of Mr. Hammarskjold can be found." Mr. Adoula confined his charge to these generalities.

O'BRIEN RECALLED FROM CONGO POST—U.N. AGENT IN KATANGA DUE BACK SOON—BRITISH AGAIN DEPLORE THE FIGHTING

(By Robert Conley)

UNITED NATIONS, N.Y., September 21.—Dr. Conor Cruise O'Brien is being recalled from his post as the United Nations representative in Katanga Province of the Congo.

The Irish diplomat, with a rank here just below that of an under secretary, is expected back in New York "very shortly."

News of the move came to light today against a background of serious questions over the wisdom of the United Nations military intervention in secessionist Katanga Province, and growing concern that last night's cease-fire represented a humbling setback for the United Nations after 8 days of bitter fighting.

DUMONTET TAKING OVER

Britain reaffirmed her skepticism of the intervention by declaring that Katanga could be brought under the control of the Congolese Central Government again only by "peaceful constitutional methods and not by intimidation or violence."

Dr. O'Brien's duties are expected to be taken over by Georges Dumontet of France, a United Nations political officer, although there may be no public transfer of titles. M. Dumontet flew to Katanga from here Tuesday, the day after Secretary General Dag Hammarskjold was killed in a plane crash as he was flying to a cease-fire meeting with Katanga's President, Moise Tshombe.

Officially the United Nations was silent on Dr. O'Brien's recall. Some sources sought to characterize the shift as procedural. They also pointed to Mr. Tshombe's recent refusal to have any further dealings with Dr. O'Brien. Dr. O'Brien had been at Elisabethville, the capital of Katanga, but had been unable to obtain a meeting with Mr. Tshombe since the start of the fighting September 13.

At the same time, authorities here maintained a bold front on the provisional cease-fire.

They contended that the agreement worked out with Mr. Tshombe did not imply recognition of the Katanga Province's independence from the Congo Republic. Katanga is rich in mineral resources in contrast to the financially hard pressed country as a whole.

Equally, authorities here said the United Nation's military command in the Congo continued to be committed to removing European mercenaries from the Katangan army under the orders of the Security Council.

Few diplomats find any consolation in the way the Katangan offense unexpectedly turned against the United Nations troops after they had sought to seize control of Elisabethville and end the secession of Mr. Tshombe's regime.

Earlier in the day, President Kwame Nkrumah of Ghana sent a message to Mongi Slim, President of the General Assembly, calling on African and other countries to rally to the support of the United Nations.

But a number of diplomats are aware that the cease-fire can be annulled by either side at any time. They also are apprehensive that the 158 Irish soldiers captured by the Katanga forces at Jadotville may be held as hostages.

Dr. O'Brien, 44 years old, has been in the Congo since early summer. With a doctorate in literature and history from Trinity College, Dublin, he spent 19 years in Ireland's diplomatic corps until brought by Secretary General Hammarkjold into the Congo coordinating group here last May.

Dr. O'Brien was a member of the Irish delegation to the United Nations, subsequently headed the United Nations section of the Irish Department of External Affairs, and was Assistant Secretary of that U.N.

ministry at the time of his appointment here.

M. Dumontet, 54 years old, is a former French journalist who has been on the United Nations staff since 1946. His present title is political officer for the Congo.

In the prelude before the United Nations intervention in Katanga, Dr. O'Brien had been firm in his dealings with the Tshombe regime.

He had demanded the ouster of Godefroid Munongo, Katanga's Interior Minister, on charges that Mr. Munongo had organized a "murderous conspiracy" against United Nations troops and officials.

LONDON WELCOMES CEASE-FIRE

LONDON, September 21.—The British Government welcomed the cease-fire agreement between the United Nations and the Katanga Government, a Foreign Office spokesman said today.

"It is sincerely hoped that this will speedily lead to negotiations between the Congolese Government and Mr. Tshombe, with the assistance of the United Nations, for the achievement of Congolese unity by peaceful means," the spokesman said.

MOSCOW SCORES "CAPITULATION"

LONDON, September 21 (Reuters).—The Soviet Union condemned in vehement terms tonight the United Nations and the forces of Katanga Province.

The Moscow radio in a home service broadcast called the agreement a new capitulation on the part of the United Nations.

Tass, the Soviet press agency, said the agreement with President Tshombe, whom Tass called a colonialist puppet, evoked only a feeling of "indignation."

The Tass writer, V. Kharkov, said "what had been a promising United Nations operation to end the secession from the Congo of Katanga, had ended in a total flop."

NEW DELHI DEFENDS TROOPS

NEW DELHI, INDIA, September 21 (Reuters).—A spokesman of the External Affairs Ministry said today that "nasty allegations" of atrocities by Indian troops under United Nations command in the Congo were "completely false."

The spokesman said that several consular representatives in Elisabethville had "refuted allegations that Indian troops were involved in acts of cruelty."

After reading extracts from a report by Dr. Sture Linner, chief of United Nations Congo operations, the spokesman said foreign mercenaries in the Katanga service had not observed the rules of war.

United Nations troops had had to attack an ambulance because it was being used for bazooka fire against them, he said.

NKRUMAH NOTE BACKS U.N.

ACCRA, GHANA, September 21 (Reuters).—President Nkrumah has told the United Nations General Assembly that Katanga Province should be "absorbed completely into the Congo as a unitary, sovereign and independent state," officials here reported today.

Mr. Nkrumah said in a note sent to the United Nations headquarters last night that Ghana fully and completely supported the United Nations action in Katanga and considered it essential that all United Nations member states, particularly those from Africa, should go to the immediate aid of the United Nations.

He congratulated Mongi Slim of Tunisia on his election as President of the General Assembly, and said it was "yet another milestone in Africa's increasing role in international affairs."

KATANGA IS UNEASY UNDER CEASE-FIRE

(By David Halberstam)

ELISABETHVILLE, THE CONGO, September 21.—Elisabethville began an uneasy cease-fire today.

Except for a few sporadic bursts of fire, the accord between the United Nations forces and President Moise Tshombe of secessionist Katanga Province was being observed.

The city, which had grown accustomed to the daily sound of mortar fire and machine-gun bursts, was strangely silent.

Both sides made minor protests over what they termed infractions of the agreement, effective at 12:01 a.m., but they welcomed the rest after 8 days of fighting.

Meanwhile, in car after car Belgian and other European families were leaving Katanga with their possessions.

In the uneasy and tense quiet, the streets remained almost deserted. A few citizens ventured into the downtown area to glance at the battle-scarred post office building, which was a center of the firing as United Nations troops, fought to disarm the Katangan army.

The spectators moved cautiously, still fearful of the Indian marksmen housed in the building.

There was a lack of information on just how the cease-fire would be controlled and on who would serve on the proposed four-man supervisory commission. It appeared that matters were being left much to chance.

The United Nations has been hampered by poor communications throughout its mission. By midafternoon, Dr. Conor Cruise O'Brien, chief United Nations representative here, conceded that he had received no instructions from Leopoldville or Ndola, the capital of Northern Rhodesia, where the truce accord was reached. He was unable, he said, to give any further information on how the cease-fire would be policed.

Dr. O'Brien described the situation as "still tense."

"It will continue to be tense, but it is much better than fighting," he said.

Katangan gendarmery still are seen on the streets and highways. Several carloads of troops waved their arms and flailed the air with beer bottles as they rode by. They signaled "V" for victory and offered beer to civilians.

BALUBAS A PROBLEM

With the cease-fire on, it is clear that a chief problem now concerns the 30,000 Baluba tribesmen who are refugees under United Nations protection. The United Nations increased today the Swedish guard on the camp housing them. Armored vehicles were assigned to help the guard protect the area.

The Belgians in town had been so frightened by the aimless pattern of the fighting that they had barely gone outside their homes for 8 days. Now, under a cease-fire the Belgians are still not exuberant.

Those Belgians departing from the city related atrocity stories involving Baluba tribesmen from the refugee camp. There was no evidence to support their charges, however.

The United Nations aided by Len Robinson, an American Seventh-day Adventist missionary, has brought the Balubas nearly 60,000 tons of food—the first they had received in several days. Nevertheless, Balubas frequently leave the camp to maraud.

Dr. O'Brien said 10 Balubas had been killed and 60 wounded in attacks on the camp by Katangans. He said he had made it clear that any new attack on the Balubas would be considered an attack on the United Nations.

U.N. REPORTS 10 MEN LOST

The United Nations, announcing casualty figures, said it had lost 10 men, 2 Swedes and 8 Indians, in the fighting. This figure is believed to be slightly larger by some sources here.

The United Nations said also that 16 of its men had been severely wounded, including 2 Swedes and 16 Irishmen, and that 38 men had suffered slight wounds. The United Nations said it had taken 81 Katangans prisoner. The Katangans, according to the United Nations command, are holding 186 United Nations soldiers. All but three of these are Irishmen.

The Katanga Hospital said that 5 whites and 53 Africans had died during the fighting and that 118 were wounded. It gave no indication how many of these were soldiers.

At the same time, both sides began to move against men they considered to be either traitors or deserters. The United Nations sent back to Leopoldville under guard two Swedish soldiers who had been assigned to fly a reconnaissance mission over the beseiged Jadotville area.

Instead the two men flew the plane in the other direction and landed at Ndola. The Katangans are bringing treason proceedings against a Captain Mwambe, former aide of President Tshombe.

UNITED STATES SENDS TRANSPORTS

(By Henry Tanner)

LEOPOLDVILLE, THE CONGO, September 21.—The United States moved today to strengthen the United Nations military position in the Congo.

Four transport planes of the U.S. Air Force have been put at the disposal of the United Nations command to move troops and military equipment inside the Congo, according to authorized U.S. sources.

A Globemaster C–124 and a Hercules C–130 arrived here today. Two more C–130's are scheduled to arrive shortly. All the transports are four-engine models.

Till now, the U.S. Air Force has provided the United Nations with airlift facilities only from foreign countries into the Congo. The deepened American commitment for internal air transport in the Congo, is thought to be in line with U.S. policy of backing the United Nations to the fullest possible extent in the current crisis.

ARRIVE AFTER CEASE FIRE

The U.S. planes and crews, requested by the United Nations command, arrived a few hours after the cease-fire between the United Nations forces and the Katangan Government of President Tshombe went into effect at 12:01 a.m.

Under the cease-fire agreement, the two sides have agreed not to carry out any troop movements in Katanga and not to bring up any reinforcements in men or materiel.

United Nations officials, however, take the position that they are free to strengthen the United Nations military capabilities in the Congo outside Katanga.

United Nations officers and diplomatic observers feel that the United Nations command is obliged to strengthen its military posture in the Congo because of the possibility of a breach in the cease-fire by the Katangan Government.

They point to the tactics used by the Katangans at Jadotville last Monday when a company of Irish soldiers was suddenly overwhelmed and taken prisoner after a local cease-fire had been agreed upon.

SWEDEN SENDING JETS

For the same reason, the United Nations has requested some jet fighters from Sweden. The Swedish Government has acceded to the request, according to an announcement in Stockholm this morning.

Officials feel that the presence in Leopoldville of Swedish fighters and U.S. transport planes and crews will provide the United Nations force with effective protection against the Katangan jet fighter, piloted by

a Belgian pilot. The jet played a key role in the week of fighting.

Mahmoud Khiari of Tunisia, United Nations negotiator in the cease-fire talks, made it clear that the agreement he signed with Mr. Tshombe involved purely military matters and did not touch in any way the political problem of Katanga's secession.

His statement appeared to foreshadow a long period of negotiation between the United Nations and the Katangan Government. United Nations officials still hope they have enough leverage to achieve by persuasion what they were not able to obtain by military force.

Mr. Khiari declared emphatically at a news conference that the United Nations would continue to press for the application of resolutions of the Security Council and the General Assembly. The resolutions call for the withdrawal of foreign mercenaries and undesirable political advisers.

THE DEFRAUDING OF AMERICAN CITIZENS BY SOVIET REPRESENTATIVES

Mr. DODD. Mr. President, I want to advise the Senate that thousands of American citizens have been the victims of either fraud or embezzlement by the agency legally designated by the Soviet Government as the sole vehicle for the shipment of parcels to citizens of the U.S.S.R.

This crime is all the more flagrant because it has been practiced on people of modest means who have been endeavoring to ease the plight of their relatives and friends in the Soviet Union by sending them parcels of food and clothing. The great majority of these immigrant citizens are workers who earn $50, $60, $80 per week. Many of them have saved for weeks and months in order to be able to purchase and ship the parcels which, they hoped, would bring a small measure of comfort and happiness to relatives on the other side of the Iron Curtain.

Now it develops that the parcels purchased by these American citizens have not only not been delivered, but that the heavy duties which they were obliged to prepay on the parcel contents have apparently vanished.

The flagrancy of this crime is again compounded by the fact that it has been practiced by the legally designated representatives of one of the great world powers.

Mr. President, let me set forth the facts in detail for the information of the Senate and of the American public.

Parcels of food and clothing can be shipped from this country to the Soviet Union only through the General Parcel & Travel Co. of 135 West 14th Street, New York City. This is a shipping agency officially authorized by the Soviet Government agency, Intourist, to ship gift parcels to individuals in the Soviet Union.

While the director of General Parcel, Mr. Leonid Tankel, is an American citizen, and while the company is incorporated under American law, there is little doubt that it was created by Intourist especially for the purpose of serving as its representative in the area of parcel remittances to the Soviet Union.

General Parcel & Travel Co. has 12 branch offices in various parts of the country. The directors of these branches are American citizens, for the most part refugees themselves, who enjoy friendly relations with the refugee and immigrant community because they are considered non-Communists.

Under existing Soviet regulations, gift parcels are not accepted for delivery in the Soviet Union unless the heavy duties prescribed under Soviet law are paid in advance by the shipper. As an example, the prepaid duty on a woman's cloth coat is $11.50; on a woolen blanket, $3; on a man's shirt, $1; on a pair of shoes, $2.50.

These duties are collected by the branches of General Parcel & Travel Co. from all those who send parcels to the Soviet Union, and transferred to headquarters, which, in turn, remits them to Intourist, which, in turn, transfers them to the credit of the Soviet Union.

The parcel operation was apparently running smoothly until several months ago, when it was noticed that, for some strange reason, the parcels were not arriving at the destinations in the U.S.S.R. People in this country would write to their relatives in the U.S.S.R. to tell them that they had sent packages; but months later these parcels had not yet arrived.

Inquiries to the Intourist headquarters were met with various explanations. As it had sometimes happened previously that parcels required 3 or 4 months to reach the consignees, the branch office directors were not worried at first. But as time passed and parcels still failed to arrive at destination, they decided to make a determined effort to discover what had happened. After much probing, they found out that the great majority of the parcels had been returned from the Soviet Union to New York and that they were piled up in the cellar of the General Parcel & Travel Co.

The total number of parcels thus returned is about 5,000, and the total value of the merchandise involved may reach as high as $1 million. The prepaid duties and the postage on these parcels may exceed another $100,000.

After discovering this, all the branch managers of the General Parcel & Travel Co. came to New York for a meeting, to which they invited the proprietor of the company, Mr. Leonid Tankel. At this meeting it was established that Intourist had returned all the parcels because the General Parcel & Travel Co. had not paid the duties, even though these prepaid duties had been remitted to headquarters by the branch managers.

What happened to the prepaid duties which the branch office directors remitted to headquarters of the General Parcel & Travel Co. could not be established. Mr. Tankel offered no explanation. About the only thing that is certain is that the money disappeared somewhere along the line, either in the offices of the General Parcel & Travel Co. or in the American offices of Intourist. The money, it appears, is just gone with the wind.

Mr. Tankel suggested that the only way of solving the problem was for the branch managers to pay the custom duties required by the Soviet authorities out of their own pockets.

Needless to say, the branch managers did not receive this proposal with enthusiasm, all the more so because there was no guarantee that Mr. Tankel would not perform the same trick all over again when he received the prepaid duties for the second time.

It was therefore decided to establish direct contact with Intourist. But the representatives of Intourist in New York were either unwilling or did not have the authority to clear up this matter. The whole matter has been left hanging in midair, while the parcels continue to rot in the cellar of General Parcel.

Meanwhile, the senders and the intended recipients of these parcels are becoming more and more concerned, because to this day most of them do not know what has happened.

Mr. President, on receiving this information several weeks ago, I immediately communicated with the Attorney General and asked that he look into the matter. On September 6 the Attorney General replied, advising me that an investigation was underway.

Yesterday, however, I learned that the situation had further deteriorated.

Previously, the General Parcel & Travel Co. had at least paid the return postage on the packages that were returned from the U.S.S.R. because they lacked prepaid duty. This prevented the packages from being destroyed by the Post Office. Within the last few weeks, however, some 800 additional packages have been returned from the U.S.S.R. to the New York post office, with notification that they could not be delivered because duty had not been prepaid in accordance with Soviet regulations. The General Parcel & Travel Co. has advised its branch directors that it has no funds to pay for return postage on these packages, and that the Post Office will destroy the packages unless the postage can be paid by the branch directors of General Parcel, or by those poor, defrauded citizens who saved so diligently to purchase the parcels, paid postage on them, and also prepaid very heavy duty.

Since the mills of justice sometimes grind slowly, I feel that the facts about this outrageous situation should be given to the American people. I believe that Americans with relatives in the Soviet Union should be advised against sending parcels until this situation has been cleared up.

As I have said, I do not know at what point in the transmission line the prepaid duties disappeared. The money may very well have disappeared in the office of the General Parcel & Travel Co., and not in the Intourist office. But I feel that this is a situation in which the Soviet authorities should voluntarily assume responsibility for the actions of their hand-chosen contractual agent in this country.

I earnestly hope that the Department of Justice will be able to move with all possible expedition to investigate this matter. I have also submitted a memorandum to the Department of State

asking that the matter be discussed with the Soviet authorities. Finally, to protect those who have already been cruelly victimized, I have wired to the Postmaster General and the postmaster in New York asking that no action be taken to destroy the parcels and expressing the hope that some way can be found of returning them, free of charge, to the people who shipped them.

PROJECT PRIVATE ENTERPRISE PARTICIPATION

Mr. JAVITS. Mr. President, I announce to the Senate that an effort is being made by private enterprise, both in the United States and in the German Federal Republic which will be of enormous significance with respect to the economic struggle that is now going on in connection with the foreign aid policies of both countries. This project is called private enterprise participation. It relates to the proposal by groups of businessmen in the United States and in the German Federal Republic, who will meet on October 5, in Paris to enlist the full power of the private sector of the Atlantic Community nations in the foreign aid programs pursued by their governments.

For the last 3 years I have been the Chairman of the Economic Committee of the NATO Parliamentarian Conference. The American group of businessmen is composed principally of members of the U.S. Advisory Group who, since 1958, have advised me in my work as Chairman of that Committee. The German group has had the same genesis.

The chairman of the U.S. group is Dr. E. G. Collado, director of Standard Oil Co. of New Jersey. I might note at this point that in the Standard Oil Co. of New Jersey the directors are the executives; they are working directors.

I have a rather interesting listing of the men who compose the U.S. advisory group which will attend the Paris meeting on October 5. They are representatives of great banks and industrial companies and other sectors in our economy.

I ask unanimous consent that this list, together with the advisers and the members of the staff may be made a part of the RECORD at this point; together with the agenda for the meeting to be held on October 5.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. ADVISORY GROUP ATTENDING PARIS MEETING, OCTOBER 5, 1961

Senator JACOB K. JAVITS, Chairman, Economic Committee, NATO Parliamentarians.

Dr. Emilio Collado, director, Standard Oil of New Jersey.

Mr. J. W. Sundelson, regional executive, European operations, Ford International, Dearborn, Mich.

Mr. Walter Wriston, executive vice president, First National City Bank, New York.

Mr. Sylvester Weaver, McCann-Erickson Advertising, New York.

Mr. D. H. Robinson, vice president, Procter & Gamble, Cincinnati.

Mr. Edouard Eller, vice president, French operations, Chase Manhattan Bank, Paris.

Mr. William L. Reynolds, president, Litton International, S.A., Zurich, Switzerland.

Mr. Jack L. Camp, International Harvester Co., Chicago.

Mr. Franklin A. Lindsay, Itek Corp., Lexington, Mass.

Mr. Armand Erpf, Carl M. Loeb Rhoades & Co., New York.

Mr. Howard Clark, president, American Express, New York.

Mr. Paul Mazur, Lehman Bros., New York.

Mr. John D. J. Moore, vice president, W. R. Grace & Co., New York.

Mr. Werner Salzmann, European representative, Bell & Howell Corp., Davas, Switzerland.

Mr. Tupper Barrett, vice president, the Morgan Guaranty Trust Co. of New York, Paris.

Benjamin A. Javits, Esq., Javits & Javits, New York.

Mr. Jacob Blaustein, president, American Trading & Production Corp., Baltimore.

David Maxwell, Chemical Bank New York Trust Co., New York.

Mr. John J. Powers, Jr., president, Pfizer International., Inc., New York.

ADVISERS

Forrest Murden, New York.
Peter Cusick, New York.
Gen. Julius Klein, Chicago.

STAFF

Ben T. Moore, the Twentieth Century Fund, New York.
Walter Gruber, New York.

UNITED STATES-GERMAN ADVISORY GROUP MEETING, OCTOBER 5, 1961, 10 A.M., NATO HEADQUARTERS, BOIS DE BOULOGNE, PARIS

TENTATIVE AGENDA

I

(a) The role of private business in the development of the less-developed countries and the relationship between public and private activities in this regard.

(b) Methods of encouraging savings as a stimulus to internal economic development in underdeveloped countries.

(c) United States-German consortium method (the systems-management approach) of joint effort by private industrial-commercial industries in meeting short-range economic goals.

II

(a) The problems and goals of international trading in basic commodities.

(b) The specific problem of marketing the output of less developed countries as their industrialization process increases the impact of such production on the established international trade pattern.

(c) The outlook for German-United States trade and balance of payments policies.

III

Problems of East-West trade in the light of growing capacity of the Soviet Union to intervene actively in world trade.

IV

The potential role of the Organization for Economic Cooperation and Development in strengthening the development of the less-developed countries.

V

The role and activities of private business groups such as the Committee for Economic Development (United States) and the International Chamber of Commerce in the development of economic policy.

VI

Advisability of preparing a blueprint of economic requirements in Latin America, Africa, and other less developed areas.

VII

The development of an international private investment code—progress and prospects.

GERMAN ADVISORY GROUP ATTENDING PARIS MEETING, OCTOBER 5

Fritz Berg, president, Federation of Industries.

Dr. Wilhelm Beutler, executive member, board of the Federation of Industries.

Max Paul Meier, one of the plenipotentiaries of the Flick K.G.

Dr. h. c. W. A. Menne, member of the board, Farbwerke Hoechst A.G., Frankfurt.

Professor Meimberg, director, Deutsche Bank A.G., and special assistant to Herrn Abs.

Dr. Prentzel, member of the board, Degussa, Frankfurt.

Direktor Sendler, member of the board, Klockner A.G.

Dr. von Siemens, member of the board, Siemens-Schuckert und Siemens-Halske A.G.

Graf Dr. Nikolaus Strasoldo, partner, Sal. Oppenheim Jr. & Cie., Cologne.

Dr. Martin Blank, member of the board, Gute Hoffnungshutte A.G.

Mr. JAVITS. As I have already said, the meeting will be held on October 5 in Paris at the NATO headquarters, preceded by meetings of the Economic Committee, of which I am Chairman. The Department of State and the German Federal Republic and international organs of the Atlantic community will be present as observers. An invitation has also been extended to the AFL–CIO, through its distinguished European representative, Irving Brown.

The two groups will explore matters of free world interest in the foreign economic field, with special emphasis on the need for business cooperation among the private economies of the Atlantic community countries to supplement the efforts of their governments to aid the less developed areas of the free world and to achieve maximum economic cooperation within the Atlantic community.

This effort is especially pertinent now in connection with the establishment of the Organization for Economic Cooperation and Development, to which we have adhered in the Senate, in view of the fact that both the United States and the German Federal Republic are represented, and the purposes of which include so importantly the coordination of aid to the less developed areas.

I conclude upon this note: The survival of freedom demands this businesslike procedure in the broad national interest. I am sure that we will find it worth while.

Private enterprise in the United States and in the other industrial nations of the free world, including both labor and management, is coming to grips, at last, with the paramount challenge facing the survival of our free way of life: the encroachment of Communist ideology and power on the independence of the developing nations. This new focusing of attention and energy by the leaders of private enterprise is perhaps the best augury for the future of freedom on this planet.

Three-quarters of the economic power of the United States rests with the private sector. Similar ratios exist in most of the great industrial nations of the free world. The effective application of the resources resting in the private sector is, therefore, essential, if we are to meet successfully the total application

of all our resources to the success of freedom.

The demonstration of how these resources of free enterprise can be harnessed to work voluntarily and with good will in the public interest represents one of the most potent arguments which we have in answer to the easy promises made by the Communists of the advantages of totalitarian statism.

Mr. President, in that respect, I call attention again to a brilliant address on the subject of the Soviet economic offensive delivered on September 20—just a day or two ago—by the distinguished senior Senator from Minnesota [Mr. HUMPHREY]. It is my intention to use this address, which I consider very good, as one of the staff papers in the meeting of businessmen to be held in Paris. I hope to return to the Senate at the conclusion of that meeting in order to give the Senate a report as to the results achieved. I think the results should prove almost revolutionary in the concept which is being launched by these two groups of United States and German businessmen, the United States group headed by Dr. E. G. Collado, of the Standard Oil Co. of New Jersey, and the German group headed by Fritz Berg of their National Federation of Industries.

Again I emphasize that this will all be done in a fishbowl, with the respective Departments of State of both countries participating, and with an invitation, which I am confident will be availed of, having gone to our own great labor federation to send its representative to the meeting as an observer.

NEWBURGH, N.Y., WELFARE CODE

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Decency at Newburgh?" published in the New York Times of recent date.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DECENCY AT NEWBURGH?

After reveling for 2 months in the applause of those who like to evade social responsibility by assuring themselves that most people on relief are shiftless no-accounts, the city of Newburgh, N.Y., has apparently beaten a quiet retreat from the most obnoxious features of its restrictive new welfare code.

In papers filed with the State supreme court, Newburgh has declared its intent to conform with all State and Federal rules governing public welfare—rules that already provide ample weapons for ridding the rolls of malingerers. It has specifically altered what would have been the cruelest and most medieval of all its proposals, one under which mothers of illegitimate children would automatically have been cut off relief if they had more babies out of wedlock. In place of this plan to punish helpless children in the name of morality, the city now pledges that it will institute judicial proceedings to put illegitimate youngsters under foster care if investigation indicates an unsatisfactory home environment.

Newburgh's steps back toward civilized treatment of its needy would be more heartening if its officials were not at such pains to deny that anything has changed. When the State commissioner of social welfare welcomed the court statement as proof that the city had substantially abandoned its blueprint for misery, Newburgh's city manager advised him to stick around and watch us.

The commissioner ought to do just that. If Newburgh has no real idea of adhering to the standards of decency required of all communities that rely on State and Federal funds to help pay welfare costs, an injunction against enforcement of its code is the only appropriate answer.

Mr. JAVITS. Mr. President, the editorial states that Newburgh itself has now declared, in papers filed with the New York Supreme Court, its intention to conform with State and Federal rules governing public welfare, and has eliminated the most objectionable and regressive provision of its code; namely, that which would have cut off relief for children born out of wedlock.

I feel certain that the social welfare commissioner of the State of New York will keep close watch on events at Newburgh. However, I think it is a very interesting augury, after all the talk, that Newburgh has now conformed to what are tough provisions of the New York State and the Federal law; and that to be tougher is to be inhumane. Newburgh has now realized that itself; or at least the courts have brought about that realization.

STEEL PRICES AND PRICE STABILITY

Mr. JAVITS. Mr. President, we have heretofore discussed the question of a possible increase in the price of steel. I observe in the Chamber the distinguished senior Senator from Illinois [Mr. DOUGLAS] and the distinguished junior Senator from Wisconsin [Mr. PROXMIRE] and I am sure all of us who are friends of stability would welcome an announcement by General Motors, which is signalized by an editorial published in the New York Times today, that it does not expect to raise its prices.

The Times states what so many of us have said, namely, that we hope the President of the United States will be just as firm, just as decisive, and just as direct in his words to American labor as he has been in his words to American management and American investors. I think that if there was any other thing in contemplation—and I do not believe there was—certainly that tone has now been clearly set here.

However, from the point of view of the national interest, it would be great and magnificent if we could have this fine measure of public interest and cooperation from both management and labor in order to keep the price level stable. So the General Motors announcement is most heartening.

I feel that all of us who participated in the debate—the Senators whose names I have mentioned and the distinguished Senator from Tennessee [Mr. GORE], the distinguished Senator from Minnesota [Mr. MCCARTHY], and many others, as well as Senators on this side of the aisle—will in a sense wish to be policemen ourselves, and to raise our voices at the first indication that the public interest is not being observed in the field of price stability, which is critical, I think, to the security and the economic defense of our country.

Mr. President, I ask unanimous consent that the editorial to which I have referred be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOWARD PRICE STABILITY

Hope that the country will escape another inflationary surge is strengthened by announcement that the 1962 prices of General Motors cars will not go up, despite the higher labor bill involved in the company's new union contract.

General Motors' action will have a powerful pattern-setting influence on other auto manufacturers. It will also operate as a spur to the major steel producers to go along with President Kennedy's plea to hold the line on steel prices when their wage costs rise next month.

Gratifying as such developments would be, they cannot be expected to continue indefinitely unless the President follows through on his implied promise to demand moderation on the union side in next year's pivotal wage negotiations in steel. Industries less able than General Motors to neutralize higher payrolls through automation or other aids to productivity will find it harder than General Motors, our Nation's biggest manufacturer, to keep their prices steady in the face of union pressure for comparable benefit improvements.

The provisions of the new General Motors contract likely to prove of greatest real significance to the workers are not those that relate to higher hourly pay and thus contribute most to raising costs. The important advances are in the clauses calling for more security of year-round income through liberalized supplemental unemployment benefits and a new weekly pay guarantee to offset the impact of shorter workweeks.

The effect of these provisions will be to stimulate much more intense management concern for regularity in work schedules. Plant and department managers will be deterred from laying out their week's work on a 3- or 4-day schedule by the knowledge that the workers will get 65 percent of their normal pay for every hour short of 40. By the same token, the extension of supplemental unemployment compensation will give the corporation as a whole increased incentive for promoting stabilized employment.

These provisions are far from a full answer to the problems of job security raised by new technology, but they are in the direction in which still further progress must be made in labor-management relations.

CONTROL OF RADIO AND TELEVISION LICENSES BY LARGE CORPORATE GROUPS

Mr. MCGEE. Mr. President, the steady increase in the number of large corporate groups coming into control of radio and TV licenses is a matter of growing concern to me. Just within the last few days, the Ford Motor Co. announced plans to purchase the Philco Co. which, in turn, had owned a TV station in Philadelphia and is now in litigation involving a television outlet in Philadelphia.

This information comes on top of recent reports that the Federal Communications Commission is planning to renew

the licenses of General Electric and Westinghouse, both of which are giant corporations with vastly wider interests and influences than merely communications.

This is not to say that corporate groups have no place in the spectrum of TV-radio licenses. It is obvious that the high costs of operating in the communications field often preclude individual or small capital groups from succeeding in the TV-radio field. Likewise, it is understandable when in certain instances capital formations for these purposes stray far from either local community interest or local control. It stands to reason, however, that local and regional interests are more likely to be served more effectively by radio and TV stations whose ownership centers closest to the area being served.

I hasten to add that there are many cases of large, absentee owners doing an effective job in the broadcasting industry. It is valid to observe, nonetheless, that conspicuous absentee ownership should be more the exception than the rule.

Within the vast broadcasting industry both the times and circumstances have changed greatly since the first rules and regulations were conceived to bring a sense of order in the field. Sheer force of economies alone has forced the steady encroachments by huge corporate interests with multipurpose stockholdings upon the once private holdings of broadcasting licenses held by groups whose primary business was broadcasting.

The consequences can be serious.

One of the more dangerous is ownership of TV stations by gigantic corporations doing business with the Government, which thus acquire a double interest—as well as capability—in shaping and influencing public opinion.

General Electric is a prime case in point. GE is one of the third or fourth largest defense contractors with the Pentagon, holding commitments to the Defense Establishment of this country amounting to many hundreds of millions of dollars. It simultaneously owns broadcasting facilities.

Mention was made above of the entry of the Ford Motor Co. into the electronic field. Not only is Ford already one of the industrial giants of the Nation, it has just been awarded one of the fattest of our recent contracts for space exploration.

Nor does this exhaust the list. Other business groups with large defense contracts are acquiring radio-television stations. One of these, for instance, is Aerojet, manufacturer of the Polaris missile, which in turn is owned by General Tire & Rubber which also owns RKO-Tele Radio with television stations in Boston, Los Angeles, San Francisco, New York, and Memphis. Another is Avco, the American Aviation Co., which, under an affiliate, owns TV stations in Cincinnati, Columbus, Dayton, Ohio, Indianapolis, and Atlanta, Ga.

Philco owned WRC–TV in Philadelphia beginning in 1941 and sold it to Westinghouse in 1953—both big defense contractors. In 1955, Westinghouse transferred the station to NBC, which is owned by Radio Corp. of America—another big defense contractor. At present, WRC–TV is in litigation between RKO, NBC, and Philco—all three big defense contractors, RKO being allied with Aerojet through its parent company, General Tire & Rubber, and NBC being a wholly owned subsidiary of RCA. In other words, we see these big corporations and defense contractors trading around the licenses granted them by the Government of the United States, which are so valuable in influencing public opinion, just as if they were stocks on the stock market.

These are sufficient cases to make the point to which I address myself today. One recalls the words of former President Eisenhower when he warned that "the conjunction of an immense Military Establishment and a large arms industry" was "new in the American experience" and that "we must not fail to comprehend its grave implication." He further said, "We must guard against the acquisition of unwarranted influence by the military industrial complex," because of "the potential for the disastrous rise of misplaced power."

Let this be sufficient warning to the wise.

A second dangerous consequence of current trends toward large corporate absentee ownership of broadcasting stations is the difficulty of pinning down responsibility for conduct as a licensee. This occurs when large corporations create subsidiary operating entities presumably independent of the parent group. Under those conditions when the FCC, for instance, would wish to deal with specific stations in regard to responsibilities which may be connected to license renewal, a convenient device is built in, whereby the parent corporation can disclaim responsibility in the event the operating subsidiary strays beyond the legal boundaries. Conversely, when a parent organization takes some steps which may transgress some certain laws, the operating subsidiary can say that its operation was independent and, therefore, it should not be responsible for the deviations of the parent corporation.

How complicated this can become may be illustrated in both the General Electric and Westinghouse cases. Both own TV licenses. Both are up for renewal, despite the fact that officers of each corporation not long ago were convicted, fined, and jailed in some of the most flagrant antitrust cases of recent years. Where does corporate responsibility begin—or end—in the holding of TV licenses? Will the standards of license renewal not be called into question by many who fail to see the difference between the two corporations as electric contractors with the Pentagon and as TV licensees?

Within recent years, the Justice Department has enforced a decree against the motion picture industry whereby motion picture producers are not permitted to own theaters which exhibit their films. This was done because it was felt the public was entitled to complete divorcement between the man who produces the film and the company which exhibits it. In the transportation industry, we see the situation where railroads are not permitted to own steamship companies and are restricted in their operation of buslines. We also have a situation where airplane companies are not permitted to operate steamship lines, and it is also not permitted for companies which manufacture airplanes to own more than a small percentage of stock in companies conducting air transportation.

It is my opinion, Mr. President, that a similar situation could well be considered for the radio-television industry before we find ourselves in the situation where they become a law unto themselves.

The growing concentration of ownership which is evolving in the communications industry is fraught with many complications and has reached the stage whereby, unless properly constituted authorities such as the FCC act, and act quickly, we may witness a forfeiture of one of the richest resources belonging to the public—the airwaves. From the very first, this public property has only been licensed to petitioners upon the condition that it be used responsibly and in the public interest.

As a member of the Subcommittee on Communications of the Committee on Commerce, I express the hope that the FCC will examine critically the many issues attendant to the TV license being granted to large corporations. A cold, calculating assessment now, before it is too late, would be a great service to both the public as well as the private interests at stake. Forthright action could well avoid the necessity of more stringent action on the part of the Congress.

Mr. McNAMARA. Mr. President, will the Senator from Wyoming yield?

Mr. McGEE. I am glad to yield.

Mr. McNAMARA. I wish to ask a question. Did I correctly understand the Senator from Wyoming to say that the Ford Motor Co. is applying for a license for a television station?

Mr. McGEE. The Ford Motor Co. has plans to purchase the Philco Co., which has had such a station, and is involved in litigation in connection with acquiring another one in Philadelphia.

Mr. McNAMARA. Then the Senator from Wyoming assumes, I suppose, that the purchase of the Philco Corp. by the Ford Motor Co. would involve the transfer to the Ford Motor Co. of that license.

Mr. McGEE. Under the present negotiations, that is one of the matters which is involved, pending completion of the negotiations.

My question is whether it is time for the Federal Communications Commission to take another look at the policies which govern the regulation of such matters.

Mr. McNAMARA. I agree with the Senator from Wyoming. Certainly it is news to me to learn that the Ford Motor Co. has even been involved in acquiring a broadcasting company, either radio or television.

Mr. McGEE. That is a secondary matter in connection with the acquisition of the Philco Corp. by the Ford Motor Co.

Mr. McCARTHY. Mr. President, will the Senator from Wyoming yield to me?

Mr. McGEE. I yield.

Mr. McCARTHY. I commend the Senator from Wyoming for calling attention to this matter, especially since recently so much concern was expressed in regard to the possibility that a dairy cooperative might acquire an outlet for the milk it produced.

Mr. McGEE. Yes. One of the basic principles at stake in connection with the granting of radio or television licenses has been servicing the local community. The tendency to move such control farther and farther away from the local community requires, I believe, the most serious type of evaluation by the Federal Communications Commission.

Mr. President, I yield the floor.

THE OBLIGATIONS OF INDUSTRY—ADDRESS BY PRESIDENT OF THE FORD MOTOR CO.

Mr. WILEY. Mr. President, at this time, when we are thinking in terms of how far off are the bombs and the missiles, I wish to state that recently there came to my desk a copy of a remarkable speech by the president of the Ford Motor Co. I desire to read several paragraphs of the speech; then I shall ask that the entire speech be printed in the RECORD following my remarks.

I read these parts of the speech because man is a mental animal who lives on ideas:

We hear a lot now about how small the world has grown. Gentlemen, it has grown small only in terms of time and distance. It has grown tremendously big and complicated in terms of its problems and the way these problems can be solved. If we must have a strong government to lead us through this difficult period, I think we also must have strong businesses to support that government, businesses with the ability to carry their share of the national burden. Our businesses must be strong in management, strong in production and research ability, and financially healthy to do the big jobs we will be called upon to do in the years ahead.

We must continually expand and improve our plants and our tools, and give our scientists freedom to explore new areas.

Mr. President, let me read one or two other paragraphs of the speech, because, as I have said, it is couched in language which to me, at least, is most significant:

Indeed, it is safe to say that world history during the last half century might have been quite different if our industry had not then been, in fact, the arsenal of democracy. This enormous diversified manufacturing and assembly facilities of the industry, its pool of experienced managers, its network of supplier relationships, its engineering talent and its unequaled ability to mass-produce complicated products were ready made for the needs of conventional warfare. * * * With the cold war gripping the world, the military seeks quickly to translate new scientific knowledge into radically new and better weapons and equipment. There now is a vital need for companies that have the scientific and technological capacity to come up with new ideas and new designs as well as the management and facilities to carry these ideas through to final production. * * * Atomic energy, plastics, and new electronic devices all served to impress upon us the enormous industrial potential of pure research. We were convinced, and still are, that future discoveries in fuels, in materials, in energy conversion, in electronics, and in other fields would open up entirely new directions both for our products and our manufacturing technology. * * * Another way in which we strive to protect the continuity and freedom of research is by placing our scientific laboratory on a 5-year budget which guarantees continuing support of research projects regardless of ups and downs in our business and our earnings.

A little while ago we were debating the question of a 5-year budget, Mr. President.

I read further from the address:

Half of our scientific research program is devoted to long-range applied research—to the task of discovering practical applications of fundamental new knowledge. * * * The point is that in our scientific research we are not bound by the experience, the traditions, or the inherited men and facilities of the past. We have been able, rather, to start fresh and work toward an ideal environment which encourages creative research and manufacturing innovations. * * * We have concentrated our research in areas which might lead to innovations in materials; in the sources, storage, and conversion of energy; and in electronic control and communications devices.

* * * * *

What implications, then, does our experience have for others in the defense transportation field?

First, I think we must all recognize the fast-growing importance of scientific research in all our activities. We must support such research to the best of our financial ability. But we must also take advantage of every technological development to improve the usefulness and the quality of our products, our facilities, and our tools.

Second, we must stop thinking only in terms of traditional products, materials, and methods, and let our research lead us toward new and better ones.

Third, while today most companies concentrate on a group of products closely related in terms of use or manufacturing processes, in the future a company's product line may be determined more and more by its research.

* * * * *

Finally, gentlemen, I would like to make one more point this morning:

When I started, I said that American industry must be a full working partner of our Government. I feel, and I am sure you will agree, that as industrial citizens we have the same civic obligation as do individual citizens.

But I think we have a further obligation. We must keep ourselves always ready to serve, without notice or warning. As I see it, this means that we must keep our financial muscles strong, our facilities up to date and flexible, and our management highly trained.

Mr. President, I ask unanimous consent that the entire speech by John Dykstra, president of the Ford Motor Co., be printed at this point in the RECORD.

In closing, Mr. President, I wish to say that, as I have stated, man lives on ideas; and our Nation must live on ideas or it will not survive. We must have men of ideas, such as John Dykstra, feeding to the Nation what it needs—men who sense what the Nation needs in terms of its future.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am very glad to have the opportunity to address this group. As a member of the National Defense Transportation Association, our company shares wholeheartedly the goal of encouraging understanding and cooperation between industry and the Defense Establishment. In my judgment, the achievement of this goal is one of the paramount needs of our country and can be one of the most important contributions to our national security.

I certainly do not want to imply that Government and industry cannot, and do not, work together. But I do believe that the defense potential of American industry can be realized fully only if industry is looked upon as a permanent partner of the Government in the continuing effort to conceive, design, develop, and produce new and better defense equipment. By the same token, industry has its own duty to seek out ways of making the maximum contribution.

Industry has always been ready to respond when the Government has called upon it in time of war. This no longer is enough. The grave dangers and the great opportunities of today place upon us a more exacting responsibility. We in industry must examine our own companies to determine how our management, our resources, and our talents can best be used to advance the total national effort.

Detroit was once known as the arsenal of democracy. In recent years, we have seen that title begin to slip away from us. Some years ago, Ford Motor Co. decided that in recognition of its obligation to our country, we should become once again a substantial contributor to the defense effort—not merely as a manufacturer, but as a designer and developer of the most advanced kinds of equipment. Because Ford Motor Co.'s history so closely parallels the development and changes in our industrial society since the turn of the century, our experience in coming to terms with this challenge may be interesting and useful to you and others.

Ford Motor Co. now is preparing its bid to manufacture the biggest, most powerful American entry in the space race—the first-stage booster of the giant Saturn vehicle. This is only one sign that we are moving into the defense and space business with both feet. We are determined to be in the vanguard of our country's effort to regain space-age leadership. Our scientific laboratory in Dearborn has become one of the world's leading centers of basic research. Our aeronutronic division in Newport Beach, Calif., is steadily expanding its role in space-age technology. Our special military vehicles operation is now producing the Ford-designed successor to the jeep, and developing new trucks that we believe will surpass their military predecessors by a wide margin.

These particular activities are, perhaps, less important than the decision that lies behind them. A primary goal of Ford Motor Co. is to contribute whatever we can, and as much as we can, to the Nation's space and security objectives. The vast facilities, the scientific assets, and the management ability of our company are pledged to this policy.

In discussing this development today, I have two main objectives. Frankly, Ford's role in the space industry is not as well known as it should be, and we would like to improve that. Second, since our past experience is not unique, I hope to arrive at some general conclusions about industrial production in the age of space that may be of special interest to you.

The automobile industry has a long and honorable history as a producer of defense goods. During World War I, we made extensive production and engineering contributions. The most dramatic of Ford's World War II efforts was the Willow Run bomber plant, where we applied the technique of assembly line mass production to the manufacture of airplanes. Aircraft specialists at that time thought that automobile methods

were unsuitable for aircraft production but the mile-long Willow Run assembly line reached and then exceeded spectacular bomber production quotas.

During that period, Ford turned out planes by the thousands, and engines, vehicles, and other equipment by the hundreds of thousands. But its contribution cannot be measured in volume of units alone. Our engineers found literally thousands of ways to improve the design and assembly of this equipment, changes which improved quality and interchangeability, while reducing costs.

During the Korean conflict, we again became a mass producer of military equipment—tanks, tank engines, rockets, and bomber wings. Between 1950 and 1959, our aircraft engine division in Chicago built more than 3,000 Pratt & Whitney 28-cylinder reciprocating engines, and more than 6,000 J–57 turbojets.

Again our own specialists contributed engineering, design, and production changes that saved the taxpayers money while improving the quality and delivery rates of these engines.

Other auto manufacturers had comparable production records during these periods of national crisis. Indeed, it is safe to say that world history during the last half century might have been quite different if our industry had not then been, in fact, the arsenal of democracy. The enormous diversified manufacturing and assembly facilities of the industry, its pool of experienced managers, its network of supplier relationships, its engineering talent, and its unequaled ability to mass-produce complicated products were ready made for the needs of conventional warfare.

I can think of no other industry with this much depth and breadth of resources.

Ford, for example, in addition to having manufactured military equipment, automobiles, trucks, and tractors, is a primary producer of steel, glass, plastics, paints, and electrical goods—to name just a few. In each of these areas—as in many others—we have expert knowledge and capability. In many fields of manufacturing technology, Ford Motor Co. has contributed major advances. It is hard to imagine any problem of engineering or manufacturing that a company of this highly integrated nature would not be competent to tackle.

Today, however, the Defense Establishment needs more from industry than outstanding engineering and manufacturing capabilities. With the cold war gripping the world, the military seeks quickly to translate new scientific knowledge into radically new and better weapons and equipment. There now is a vital need for companies that have the scientific and technological capacity to come up with new ideas and new designs as well as the management and facilities to carry these ideas through to final production.

Consequently, we at Ford Motor Co. knew that if we were to have as one of our primary goals the contribution of whatever we could, and as much as we could, to the Nation's space and security objectives—if we were to pledge our vast facilities, our assets, and our management to this policy—then we certainly would need skills beyond those of mass production. We would need a solid research foundation that would be broader and deeper than our normal product and engineering research. This could not be established overnight.

In our own case, we started building that foundation shortly after World War II. We could see the aircraft industry being revolutionized by jet propulsion. Atomic energy, plastics, and new electronic devices all served to impress upon us the enormous industrial potential of pure research. We were convinced, and still are, that future discoveries in fuels, in materials, in energy conversion, in electronics, and in other fields would open up entirely new directions both for our products and our manufacturing technology. In short, we were convinced that the future in our industry, as in others, would belong to companies that could exploit the frontiers of scientific discovery.

The result was the establishment in 1951 of the Ford Scientific Laboratory. In setting up the laboratory, we recognized that science cannot be harnessed full time to specific technological objectives. By definition, scientific research is concerned with the unknown. Where it will lead, what practical benefits it will discover, no man can predict. To tie scientific research down to specific product goals is to limit its potential and foreclose discoveries that cannot even be imagined.

Freedom, therefore, has been the watchword of our scientific policies. Approximately half of our research program is devoted to basic studies in physics, chemistry, and metallurgy. Within this area, our scientists follow their research wherever it leads, and no man in the company has the right to divert them. Another way in which we strive to protect the continuity and the freedom of research is by placing our scientific laboratory on a 5-year budget which guarantees continuing support of research projects regardless of ups and downs in our business and our earnings. We believe that we were one of the first industrial corporations to place basic scientific research projects on a guaranteed long-range budget.

Our research policies and our new laboratory facilities have made it possible for us to attract some of the world's outstanding scientists.

In stressing our basic research program, I do not mean to imply that we have become a company of eggheads, unconcerned with practical results. On the contrary, half of our scientific research program is devoted to long-range applied research—to the task of discovering practical applications of fundamental new knowledge. The point is that in our scientific research we are not bound by the experience, the traditions, or the inherited men and facilities of the past. We have been able, rather, to start fresh and work toward an ideal environment which encourages creative research and manufacturing innovations.

Nor have we neglected the engineering side of our business. We have expanded our engineering groups, both at the staff level and in our operating divisions, and have created a special manufacturing engineering research center to develop new testing techniques and new tools. As a result of the close cooperation of all these people, we are learning more about the properties and use of various materials than many of the companies that specialize in their production.

But as we moved further into the space age, we realized that it was not enough to add new research to our proven production ability if we were to contribute our full share to national security. We would have to go further.

By 1956, we were ready. With the establishment of aeronutronic, we made our bid to reverse the declining participation of Ford Motor Co. in the defense effort.

Unlike the scientific laboratory, aeronutronic was established with no thought of making a direct contribution to automotive technology, though we do expect its indirect contributions in the years ahead to be substantial. The new member of the Ford family was created, rather, to make important and original contributions to the Nation's space, missile, and defense programs.

It is easy to see now how aeronutronic was the logical outgrowth of our expanded scientific and engineering efforts.

As an automotive company, we have concentrated our research in areas which might lead to innovations in materials; in the sources, storage, and conversions of energy; and in electronic control and communications devices.

Simply reciting this list makes it clear that our next step had to be into space and missiles. Our longrun scientific and technological requirements as an automotive manufacturer are virtually the same as the requirements of missile and space development. Tough, light, easily formed, heat- and friction-resistant materials are equally important to the designer of automobiles and the designer of space vehicles. Likewise, each has a compelling interest in new and better ways of storing and releasing energy and in the multiple uses of electronic devices.

Thus, aeronutronic was not an alien body, grafted onto Ford Motor Co. It was a logical outgrowth of our needs, and a way of making fuller and more economical use of our existing scientific and technological capacities, as well as a way of increasing our contribution to the Nation's strength and security.

However, we had no illusion that we could enter the space age halfway, or do a useful job with our left hand. We know that aeronutronic would have to be set up as an independent entity, quite capable of standing on its own feet.

Starting with a handful of people 5 years ago. aeronutronic's research and development staff currently consists of 3,000 engineers, scientists, management, manufacturing, and support personnel.

Already it is making major contributions to the Army, Navy, Air Force, and National Aeronautic and Space Administration programs as well as to basic scientific knowledge.

Our defense and space age activities are strengthened immeasurably by drawing upon the resources of the worldwide Ford organization.

For example, our Dearborn laboratories have developed new techniques for producing superstrong steel and for bonding graphite to metals that will probably find their first application in space vehicles.

At the same time, the independent research and development activities of aeronutronic are virtually certain to contribute unforeseeable innovations to automotive technology.

We expect this exchange of ideas to continue and to grow. We also expect that as our research expands into new areas we will make discoveries that will effect great changes in our entire operations.

In addition, as many of you may have heard, Ford Motor Co. last week announced plans to purchase the assets of Philco Corp. Henry Ford II said then that our purpose was to broaden our operations and to make possible a fuller participation by Ford in the national defense and space effort.

What implications, then, does our experience have for others in the defense transportation field?

First, I think we must all recognize the fast-growing importance of scientific research in all our activities. We must support such research to the best of our financial ability. But we must also take advantage of every technological development to improve the usefulness and the quality of our products, our facilities, and our tools.

Second, we must stop thinking only in terms of traditional products, materials, and methods, and let our research lead us toward new and better ones.

Third, while today most companies concentrate on a group of products closely related in terms of use or manufacturing processes, in the future, a company's product line may be determined more and more by its research.

Thus, in the past, Ford has been a volume producer of automobiles and trucks, and its

defense production has been closely allied to its basic business—military vehicles, tanks, and engines. Today, it still is a major producer of vehicles, and growing stronger in this field every day. But at the same time our research activities are leading us into additional areas—into electronics, special materials, and special fuels. Our future growth can well follow still unforeseen paths. We welcome this challenge.

Finally, gentlemen, I would like to make one more point this morning:

When I started, I said that American industry must be a full working partner of our Government. I feel, and I am sure you will agree, that as industrial citizens we have the same civic obligation as do individual citizens.

But I think we have a further obligation. We must keep ourselves always ready to serve, without notice or warning. As I see it, this means that we must keep our financial muscles strong, our facilities up to date and flexible, and our management highly trained.

We hear a lot now about how small the world has grown. Gentlemen, it has grown small only in terms of time and distance. It has grown tremendously big and complicated in terms of its problems and the way these problems can be solved. If we must have a strong Government to lead us through this difficult period, I think we also must have strong businesses to support that Government, businesses with the ability to carry their share of the national burden. Our businesses must be strong in management, strong in production and research ability, and financially healthy to do the big jobs we will be called upon to do in the years ahead.

We must continually expand and improve our plants and our tools, and give our scientists freedom to explore new areas. By the same token, we must be able to make the best possible products for today's market and sell them at a profit sufficient to permit increased investment in space-age programs and facilities.

If we do this, we will serve not only our stockholders, but our broader national duty as well.

Thank you.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. McCARTHY. Mr. President, according to the agreement, the Senator from New York [Mr. KEATING] will offer a motion relating to disposal of the measure now before us.

Before he does that, I should like to have printed in the RECORD a letter from the Secretary of Agriculture; and at this point I should like to read from the letter. I should like at this time to read the letter. Whereas the Department of Agriculture supported the extension of Public Law 78, the Secretary wrote the chairman of the Agriculture and Forestry Committee under date of June 9, 1961, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 9, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR SENATOR ELLENDER: This is in response to your request for the views of this Department with respect to S. 1945 providing for the continuation of the Mexican farm labor program.

This Department recommends the passage of this bill.

We believe that this program has served a very important function in providing needed agricultural labor and that its abrupt termination would cause serious disruption in agricultural production. Nevertheless, it is clear that with the present widespread unemployment and underemployment in this country, the use of agricultural workers from other countries instead of domestic workers raises serious problems. However, until ways can be found to meet the need for workers now supplied by Mexican nationals we agree that some extension of this program is necessary.

We believe that extension of this program standing alone, as provided in H.R. 2010, without clarifying amendments of the type incorporated into this bill, would not meet the overall test of maximum contribution to solution of needed adjustments in the farm economy which will incorporate into the agricultural work force the unemployed and underemployed living in low-income farming areas. In addition to those now unemployed a spectacular increase is taking place in the number of young people entering our labor force. By 1965 we will have 40 percent more persons under 20 years of age in our national labor force than we now have; many of these will be farm boys.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

Mr. McCARTHY. Mr. President, I also ask unanimous consent to have printed in the RECORD a number of telegrams from various organizations in support of the amendment which I originally offered, and in opposition, for the most part, to the bill as it is now written and is before us in the conference report.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *September 21, 1961.*
Senator EUGENE MCCARTHY,
Senate Office Building, Washington, D.C:

The Christian family movement is unalterably opposed to the renewal of Public Law 78 unless it contains the reforms which you have recommended and your amendment recently passed by the Senate. We feel that these reforms are essential for justice to both American and Mexican workers. Our Mexican groups strongly oppose the present wage conditions of the bracero program. For better international understanding Public Law 78 should be reformed. We commend your efforts for bettering the conditions of these workers.

Mr. and Mrs. PATRICK CROWLEY,
National Presidents.

WASHINGTON, *September 22, 1961.*
Senator EUGENE MCCARTHY,
U.S. Capitol, Senate Chamber, Washington, D.C.:

Appreciate your and others' good fight against conference report Public Law 78 extension. Keep it up.

HOWARD A. DAWSON,
Executive Secretary, Department of Rural Education.

SAN JOSE, CALIF., *September 22, 1961.*
Senator EUGENE J. MCCARTHY,
Senate Office Building, Washington, D.C.

DEAR SENATOR: On behalf of our membership many of whom are agricultural workers we wish to compliment you in your effort to bring justice to the domestic and foreign agricultural workers throughout our land. We heartily endorse your stand and reiterate our opposition to extension of Public Law 78 without your amendment. Please keep talking.

Sincerely yours,

ANDREW ESPARZA,
Community Service Organization of Santa Clara County.

NEW YORK, N.Y., *September 22, 1961.*
Senator EUGENE MCCARTHY,
Old Senate Office Building, Washington, D.C.:

In interest of deprived migrant children urge you stand firm against conference report on Public Law 78.

ELI E. COHEN,
National Child Labor Committee.

NEW YORK, N.Y., *September 22, 1961.*
Senator EUGENE MCCARTHY,
Old Senate Office Building, Washington, D.C.:

Strongly urge you continue fight against conference report on H.R. 2010 re Mexican farm labor program because Congress should either adopt the Senate-passed bill for the sake of justice or Public Law 78 should die.

FAY BENNETT,
Executive Secretary, National Sharecroppers Fund.

NEW YORK, N.Y., *September 22, 1961.*
Senator EUGENE MCCARTHY,
Old Senate Office Building, Washington, D.C.:

Urge defeat of legislation extending Mexican farm labor program unless Senate amendments adopted.

THOMSON C. MCGOWAN,
Chairman, New York State Citizens Committeee on Farm Labor.

NEW YORK, N.Y., *September 22, 1961.*
Senator EUGENE MCCARTHY,
Old Senate Office Building, Washington, D.C.:

Strongly support your move to restore the 90 percent of prevailing wage for migratory workers in Public Law 78. Without it the legislation is worthless. We urgently need strong legislative support for these needy people.

RAY GIBBONS,
Director, Council for Christian Social Action, United Church of Christ.

NEW YORK, N.Y., *September 22, 1961.*
The Honorable EUGENE J. MCCARTHY,
Old Senate Office Building, Washington, D.C.:

Urge you to make every effort to have your standard setting provisions included in any legislation affecting migrant farmworkers and to oppose the extension of Public Law 78 unless such standards are included.

Mrs. ARCHIE D. MARVEL,
President, National Board, YWCA.

COVINGTON, KY., *September 22, 1961.*
Senator EUGENE MCCARTHY,
Senate Office Building, Washington, D.C.:

We support amendment of Public Law 78.

YOUNG CHRISTIAN WORKERS FEDERATION,
GEORGE MINER,
President.

DENVER, COLO., *September 22, 1961.*
Senator EUGENE MCCARTHY,
U.S. Senate Office Building, Washington, D.C.:

We appreciate your stand on Public Law 78 and wish to encourage you in your fight for justice.

L. M. LOPEZ,
Colorado Federation of Latin American Groups.

RIVEREDGE, N.J.
September 22, 1961.

Senator EUGENE MCCARTHY,
U.S. Senate Office Building,
Washington, D.C.:

I fully support your filibuster against Public Law 78.

DIOCESAN COUNCIL OF CATHOLIC WOMEN, BERGEN PARAMUS DISTRICT, SOCIAL ACTION,
MRS. WALTER SOLTMANN.

ST. LOUIS, MO.,
September 21, 1961.

Hon. EUGENE MCCARTHY,
U.S. Senate Office Building,
Washington, D.C.:

In line with longstanding goals to bring America's migrant workers under equal protection and benefit of law and consistent with policy statements of the General Board of the National Council of Churches, the Department of Migrant Work in session at St. Louis strongly supports your stand in regard to Public Law 78.

Rev. SHIRLEY E. GREENE,
Chairman.

SAN ANTONIO, TEX.,
September 21, 1961.

Hon. EUGENE MCCARTHY,
Senate Office Building,
Washington, D.C.:

It is unthinkable that Public Law 78 should be extended without the McCarthy amendment and other much-needed reforms.

Archbishop LUCEY.

ST. LOUIS, MO.,
September 21, 1961.

Senator EUGENE MCCARTHY,
Care the President of the Senate, the Capitol,
Washington, D.C.:

The National Migrant Advisory Committee of the National Council of Churches currently meeting in St. Louis, speaking on its own authority, expresses its conviction that your amendment to the bill renewing Public Law 78 should be reinstated.

G. SHUBERT FRYE,
Vice Chairman.

SILVER SPRING, MD.,
September 21, 1961.

Senator EUGENE MCCARTHY,
Senate Office Building,
Washington, D.C.:

The American Veterans Committee commends your work on behalf of the forgotten people in our affluent society—migrant farmworkers. We believe the Senate should stand firm on its amendments to H.R. 2010. We prefer Public Law 78 to be allowed to die rather than accept the House version.

J. ARNOLD FELDMAN,
Executive Director, American Veterans Committee.

WASHINGTON, D.C.,
September 22, 1961.

Senator EUGENE MCCARTHY,
U.S. Senator,
Senate Office Building,
Washington, D.C.:

We urge you to continue fight against conference report on H.R. 2010. Congress should adopt Senate bill or let Public Law 78 expire.

H. VERA MAYER,
General Secretary, National Consumers League.

WEST LOS ANGELES, CALIF.,
September 21, 1961.

Senator EUGENE MCCARTHY,
U.S. Senate,
Washington, D.C.:

The Association of California Consumers wishes to go on record in strong support of your position on amendments to Public Law 78. We oppose passage unless these amendments are included.

Mrs. MARY HEINEMANN,
Executive Secretary.

CHICAGO, ILL., *September 21, 1961.*

Senator EUGENE MCCARTHY,
Senate Office Building,
Washington, D.C.:

Illinois Federation of Mexican-American Organizations representing all of the Mexican-American organizations in the State congratulate you on your fight for decency and justice for American and Mexican agricultural workers. We strongly oppose the renewal of Public Law 78 if it does not contain your wage amendment. This amendment is essential for justice for both American migrants and Mexican braceros.

Member organizations: Circulo Jalisciense Latin American Social Club, Hns.; Our Lady of Guadalupe, South Deering Post 1238, YCW; Our Lady of Guadalupe Club; Juventud Mexicana; Mexican Bowling Association, Ladies South, YCW; Precious Blood, Lulac Council 313; Manuel Perez Post 1017; Holy Name Society, JR-Our Lady of Guadalupe; Back of the Yard Political, YWC; Immaculate Heart Don Bosco Club, Hns.; Immaculate Heart Mexican Community Committee; Mexican Bowling Association, Ladies West; Quince Originals Club Ospreys; Mexican Democratic Organization, Hns.; St. Francis Tenth Ward Independent Mexican Voters; Guadalupanas Immaculate Heart Mexican Bowling Association (men); Manuel Perez Post Auxiliary; South Deering Post Auxiliary; Latin American Gulf Club; Associated Members Cordi-Marian Auxiliary; Spanish-Speaking Presto Pride Club; Social Jalis Ciense, Young Married Couples Ball and Chain Club; American GI Form, Chicago Chapter; American GI Form, West Side Chapter; Lulac Council 288.

Mr. KEATING. Mr. President, very briefly, I wish to read two paragraphs from a very perceptive editorial which appeared in the New York Times:

The Senate's decision to put safeguards for the wages of domestic farmworkers into its proposed extension of the Mexican farm labor program represents a bow to decency in what has long been an area of national disgrace. Without such safeguards, the annual importation of several hundred thousand Mexican braceros to help harvest rich croplands can only continue to serve as an instrument for depressing the already inadequate wages of American migratory farmworkers.

If, as seems likely, the conferees representing the House refuse to go along with the Senate stipulation that the Mexicans be paid at least 90 percent of the average domestic farm wage, it would be better to let the program die at the end of this year and thus compel reconsideration of the whole law when Congress reconvenes in January.

Following that is a paragraph which perhaps would be unparliamentary, in that it might be considered critical of the other body, and I shall not read it.

I do wish to propound a parliamentary inquiry of the Chair.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The Senator will state his parliamentary inquiry.

Mr. KEATING. It is my intention to move to reconsider the vote by which the Senate declined to table the conference report. If that motion is made and if there is a vote on it, whether a motion to table it, or however the vote comes, if the conference report is still before the Senate and is not disposed of by the motion, my parliamentary inquiry is whether it will be in order to move to defer the consideration of the conference report until January.

The PRESIDING OFFICER. A motion to postpone to a day certain would be in order.

Mr. KEATING. A further parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. Would such a motion be debatable?

The PRESIDING OFFICER. Such a motion would be debatable.

Mr. KEATING. I thank the Chair. I now move to reconsider the vote by which the Senate declined to table the conference report.

Mr. JORDAN. Mr. President, I move to table the motion, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina [Mr. JORDAN] to lay on the table the motion of the Senator from New York [Mr. KEATING] to reconsider the vote by which the Senate declined to lay on the table the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MCCARTHY. Mr. President, is a parliamentary inquiry in order? What is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the motion to lay on the table the conference report was rejected.

Mr. MCCARTHY. Would it be correct to say that those who generally favor my position and would like to see the Senate adjourn early should vote "nay"?

Mr. KUCHEL. The regular order, Mr. President. That is a highly inflammatory statement. [Laughter.]

The PRESIDING OFFICER. The regular order is demanded.

The rollcall was concluded.

Mr. BOGGS. Mr. President, I have a live pair with the Senator from Illinois.

Mr. KUCHEL. Order, Mr. President.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BOGGS. I have a live pair with the Senator from Illinois [Mr. DIRKSEN]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. HICKEY], the Senator from Wyoming [Mr. MCGEE], the Senator from Utah [Mr. MOSS], the Senator from Maine

[Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Massachusetts [Mr. SMITH], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Colorado [Mr. CARROLL], the Senator from Michigan [Mr. HART], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. HARTKE]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Indiana would vote "nay."

On this vote, the Senator from Nevada [Mr. CANNON] is paired with the Senator from Wyoming [Mr. HICKEY]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Wyoming would vote "nay."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Mississippi would vote "yea," and the Senator from Wyoming would vote "nay."

On this vote, the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Alabama would vote "yea," and the Senator from Alaska would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL] is absent by leave of the Senate to attend the Commonwealth Parliamentary Conference in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate to attend the Interparliamentary Conference in Brussels.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate to attend the Conference of the International Fund and World Bank in Vienna.

The Senator from Kansas [Mr. CARLSON] is detained on official business.

The leave of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Iowa [Mr. MILLER], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

On this vote, the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Maryland would vote "nay."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 38, nays 33, as follows:

[No. 216]

YEAS—38

Aiken	Fulbright	Mundt
Anderson	Goldwater	Robertson
Bennett	Hayden	Russell
Bible	Hickenlooper	Saltonstall
Byrd, Va.	Hill	Smathers
Case, S. Dak.	Holland	Smith, Maine
Cooper	Hruska	Stennis
Cotton	Johnston	Talmadge
Curtis	Jordan	Thurmond
Dworshak	Kerr	Wiley
Ellender	Kuchel	Williams, Del.
Engle	Long, La.	Yarborough
Ervin	McClellan	

NAYS—33

Bartlett	Kefauver	Pastore
Byrd, W. Va.	Lausche	Pell
Case, N.J.	Long, Mo.	Prouty
Dodd	Long, Hawaii	Proxmire
Douglas	Magnuson	Randolph
Fong	Mansfield	Scott
Gore	McCarthy	Symington
Humphrey	McNamara	Tower
Jackson	Metcalf	Williams, N.J.
Javits	Monroney	Young, N. Dak.
Keating	Morse	Young, Ohio

NOT VOTING—29

Allott	Carroll	McGee
Beall	Chavez	Miller
Boggs	Church	Morton
Bridges	Clark	Moss
Burdick	Dirksen	Muskie
Bush	Eastland	Neuberger
Butler	Gruening	Schoeppel
Cannon	Hart	Smith, Mass.
Capehart	Hartke	Sparkman
Carlson	Hickey	

So the motion to lay on the table the motion to reconsider the vote by which the motion to lay on the table the conference report was rejected was agreed to.

Mr. DOUGLAS. Mr. President, it should be noted that on the vote yesterday and on the vote today there were a large number of absentees. Yesterday 26 Senators did not vote and 74 voted. While I did not hear distinctly the result of the vote today, as I understood it, there were 38 yeas and 34 nays.

The PRESIDING OFFICER. Thirty-three nays.

Mr. DOUGLAS. Or a total of 71 Senators voting, which indicates 29 absentees.

I have not had time to check the list of absentees as of today, but I have checked the list of absentees of yesterday. I am convinced that a very large proportion—perhaps the majority—of the absentees would have voted for the McCarthy amendment and with the Senator from Minnesota. Therefore, it is my belief that if there is a discussion in depth on this subject, a great number of absent Senators will return in order to make their positions clear on this issue.

I am well aware of the fact that two of our distinguished members, the Senator from New Mexico [Mr. CHAVEZ] and the Senator from New Hampshire [Mr. BRIDGES] are ill in the hospital, and cannot be expected to attend.

At least 27 absent Senators who are deeply interested in the issue would, if proper notice were given, come hurrying back to the Chamber from the places to which they have gone.

Some of those Senators are in Africa. Some are in Europe. Some have gone home. But all, I am sure, are responsive to the call of duty; and if the discussion proceeds for some time, and we have a clear delineation of the issues in depth, I am convinced that absent Senators will return, and that the decision which has been made in the two previous votes will be reversed and the McCarthy amendment will once again be upheld.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. ERVIN. I ask my good friend from Illinois if he can explain the distinction between a debate in depth and a filibuster.

Mr. DOUGLAS. The filibuster is prolonged discussion or other delaying tactics intended to prevent a vote. When I speak of discussion in depth I speak of a discussion which is not intended to prevent a vote, but one intended to elucidate the issues in great detail so that the Senate and the Nation may be better informed, and so that the final vote will be more intelligent and more in the public interest. We want to bring the absentees home so that the real opinion of the Senate may be registered.

Mr. ERVIN. I thank the Senator for his lucid explanation, which means that there is a difference without a distinction.

Mr. KEATING. Mr. President, will the Senator yield to me on that point?

Mr. DOUGLAS. I am glad to yield to the Senator from New York for a question with the understanding that I do not lose my right to the floor.

Mr. KEATING. I ask my distinguished friend from Illinois if it is not a fact that under the proposed amendment to rule XXII that he and I supported, there would have been 15 days of debate before debate could be cut off. I wish to ask him further whether it is his intention, or the intention of any Senators identified with the report, to engage in as much as 15 days of debate on the measure.

Mr. DOUGLAS. I think it is highly improbable. We will observe a restraint which we would not impose on our southern friends. They say they need more than 2 weeks to discuss civil rights. They therefore cannot properly object if we take less than 2 weeks to try to improve the condition of Negro and Mexican-American farm laborers.

Mr. KEATING. I agree with the Senator.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am always delighted to yield to my good friend from North Carolina, who is the soul of geniality and the embodiment of wit. But I remind him that he is delaying the discussion in depth.

Mr. ERVIN. I was about to ask my good friend from Illinois if, in determining whether a proceeding is a debate in depth or a filibuster, it would be safe to lay aside the technical distinctions and merely observe the conduct of the junior Senator from New York [Mr. KEATING]; and if I could rest assured that no matter how long the discussion might last, if the junior Senator from New York were participating in such discussion, it would not be a filibuster.

Mr. DOUGLAS. The Senator has asked a highly hypothetical question. But I say to my good friend from North Carolina that, though this is not a filibuster, if it were to be a filibuster, it would have been modeled upon the practice of experts who might have taught some people from the North, unaccustomed to such procedures, the full intricacies of the method. But I wish to make clear that it is not a filibuster. It is a discussion in depth.

Mr. ERVIN. The Senator makes plain, as I understand, that even though it is a discussion in depth, it is modeled after the conduct of those who are forthright enough to admit that they are engaged in a filibuster when they are filibustering.

Mr. DOUGLAS. I have never heard my friends from the South admit that they were engaged in a filibuster. It has always been disguised as an attempt to discuss the issues.

In the last few years there have been no speeches which included a reading of the pages of the telephone book or a recitation of the recipe for potlicker, as was the case in years past. But the discussion by our southern friends has gone on for weeks and weeks. Our intentions are far more moderate and restrained.

I am sure that in their hearts the Senators from south of the Mason-Dixon line do not oppose the practice of discussion in depth, which is much more moderate than the methods which they have customarily used.

Mr. ERVIN. I thank my good friend for his geniality, and assure him that since I have learned that what we are engaged in is not a filibuster, I will not participate in it further.

Mr. DOUGLAS. If I may be permitted to reply to my good friend from North Carolina without losing my right to the floor, the withdrawal of the Senator from North Carolina from the discussion in depth on the pending question is a great deprivation to the Senate and the country, because he always introduces the sparkle of wit and good humor into any discussion.

Earlier in the morning, when there were not many Senators on the floor, the Senator from Wisconsin [Mr. PROXMIRE] made some very interesting points about the procedure under which this bill went to conference. I wish to preface my remarks by saying that I am not making the slightest reflection upon the character or behavior of any member of the conference committee. I know all of these gentlemen and have the highest opinion of them. They are not only distinguished in the senatorial use of that word, but distinguished in fact, and uniformly very fine gentlemen and men whom we properly honor and for whom we have a great deal of respect.

Mr. GORE. Mr. President, I make the point of order that the Senate is not in order.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The Senate will be in order.

Mr. GORE. Mr. President, I make the further point of order that the Senate is not in order.

The PRESIDING OFFICER. Senators will take their seats. The Senate will be in order.

Mr. DOUGLAS. Mr. President, the workings of the conference committee in this matter illustrate a very great defect in our present conference procedure. As I understand, four Democratic Senators and three Republican Senators were appointed to the conference. The rollcall on the McCarthy amendment, when it was approved by a majority of the Senate showed that six of these Senators voted against the McCarthy amendment, and only one, the very eminent and beloved Senator from Vermont [Mr. AIKEN], voted for the McCarthy amendment. The McCarthy amendment was the chief point in difference between the House and the Senate. So we sent to conference a conference committee six-sevenths of whom had voted against and were therefore opposed to the McCarthy amendment, which a majority of the Senate had supported.

This has happened several times in recent years in connection with other bills. While none of us has questioned the fact that the representatives of the Senate defended the position of the Senate when they get to conference, still I believe it is true that they could not be expected ardently to defend a proposal in which they did not believe. It would be a superhuman act were they to do so.

While these gentlemen are eminent, lovable, distinguished, and able, I believe they would not claim they were superhuman. If anyone does claim that they are superhuman, I will be very glad to admit that they are. Until that claim is advanced, I do not think we should admit that fact.

In general, the conference committee was made up on the basis of seniority. That was followed in the case of three members. In the present instance the top three men on the senior list on the Democrats were made members, but then the distinguished Senator from Wisconsin [Mr. PROXMIRE] was passed over, although he was senior to the eminent Senator from North Carolina. I had thought that the principle of comity for which this body is known would, as a matter of courtesy, have carried with it the designation of the author of the McCarthy amendment, namely, the junior Senator from Minnesota himself. This was not done.

So the four Democratic Senators were men who had opposed the McCarthy amendment. Incidentally, I believe in accordance with the composition of the Committee on Agriculture and Forestry, the Democrats were entitled to five members, not four members.

I believe the present instance illustrates the necessity for making the rules of the Senate explicit on this point; namely, that where a majority of the Senate expresses itself through a vote in favor of a proposal, the majority should be given strong representation, to say the least, upon the conference committee itself. This is not an isolated instance. It occurred in the past on another amendment the Senator from Minnesota had sponsored; namely, the proposal to abolish the so-called 4-percent dividend credit. This motion had been carried in the Senate twice, but it was given up in the conference committee by a conference committee composed on the Senate side almost exclusively of members who opposed the 4-percent dividend credit.

The Senator from Louisiana [Mr. LONG] has also suffered in the past from the practice of selecting conferees who are opposed to an amendment which was in dispute between the House and the Senate. I believe on two occasions—although I may be mistaken—amendments which the junior Senator from Louisiana had sponsored and which carried through the Senate by very large majorities, went to a conference in which the Senate members were opposed to the Long amendment, and in which by some strange coincidence the Long amendment was sacrificed.

Lest my words be misunderstood, and lest it be thought that I am leveling uncalled for criticism on senatorial members of the conference, let me say once again that I am making no personal reflection upon these gentlemen. I am merely criticizing the practice which has grown up in the Senate and which was carried out in the present instance.

I believe we should either have an explicit change of the rules to govern this situation, or else reach a gentleman's agreement that in the selection of conference committees Senators in favor of amendments adopted on the floor should have adequate and full representation on the conference committee itself.

Mr. President, I turn now from procedure to substance. We are dealing here with the conditions of probably the most exploited group in American society. I am very glad that the general condition of American labor and the American people, including the farmers, has improved so much during the last 25 years. I think we all remember the second inaugural address of President Franklin D. Roosevelt, in which he said that a third of the Nation was ill clothed, ill housed, and ill fed. Those words of the President were challenged at the time; but statistics on income as compared to the cost of living indicated that those words were an understatement rather than an exaggeration. I worked at the time on the figures of income and

living costs; and after spending much time trying to work out the relationship between the two, I came to the conclusion that approximately three-eighths of the poulation were then close to primary poverty and were, in fact, ill fed, ill clothed, and ill housed—not one-third; not 33 percent; but somewhere around 37 or 38 percent.

Since then, fortunately, there has been a big improvement in the condition of the American people, caused by many factors, including an increase in productivity, but also to some degree caused by the social legislation passed by the Democratic Party over the opposition of other groups. I think it is probably safe to say today that the percentage of people in primary poverty, both as wage earners and as farmers, is somewhere between 20 and 25 percent, probably about 22 percent and that there has been, therefore, a very marked improvement in the condition of the American people. This has not only helped the people but it has also put the Nation in a healthier condition. Incidentally, it has helped business, because business cannot flourish if it sells to impoverished people who do not have the money or the purchasing power with which to buy.

But while we congratulate ourselves on the progress which has been made, we should at the same time be aware of the weaknesses which exist. Our greatest labor weakness is in the field of migratory labor. I am very happy, as I utter these words, to look to the chair of the Presiding Officer and see the distinguished junior Senator from New Jersey [Mr. WILLIAMS] presiding, because, in my judgment, he has done more than any other Member of this body to call to the attention of the Senate and the country the plight of the migratory workers. I pay all tribute and all honor to him for the magnificient part which he has played.

The migratory workers are the low men, women, and children on the social and economic totem pole. Their wages are low; their employment is scanty; they move about from place to place. They live in miserable housing; their children lack education; the disease rate is high; they live on the outskirts of towns, where they are treated more or less as social pariahs. The migratory labor force consists primarily of those of Latin stock and Negro blood. So they are almost the economic and social outcasts of the Nation. Because of their mobility, because they move about like quicksilver, because they do not have political influence, and many do not have the vote, and because some are foreigners, it has been hard to enact legislation which would deal with their difficulties adequately. There is responsibility, therefore, for us to try to protect this group who cannot protect themselves.

We did pass some minor legislation at the instance of the Senator from New Jersey. I think that was a very healthy beginning. However, I feel certain the Senator from New Jersey would corroborate me, as his recent votes indicate, that this was merely the beginning; that what we need to do is, in some fashion, to try to improve the wage levels of those people and raise their economic, as well as their social conditions.

We all saw the documentary film "Harvest of Shame," which the Columbia Broadcasting System produced. I think it was a great public service. That documentary has been criticized by various Members of the Senate, including the distinguished senior Senator from Florida [Mr. HOLLAND]. It may well be that in certain individual instances the portrayal was inaccurate, but the main content of the film was, in my judgment, correct. It called attention to the terrible dimensions of the problem, gave some vivid case examples, and pricked, as it should have pricked, the conscience of the Nation.

I think that we in the Senate should not be impervious to this issue. The large votes which the McCarthy amendment received—a majority on original passage, and in the last votes 33 or 34 Members of a diminished total Senate—indicate that many of our consciences have been pricked.

I myself have some acquaintance with this problem, because in trips which I have taken over the country, I have tried to get off the main highways and to see at least some of the labor camps which house the migratory workers. I have visited labor camps in Florida, and I have visited labor camps in States farther north such as on the so-called Delmarva Peninsula. In my own State, frankly, I have seen some housing for migrants which was up to standard. So this is not a sectional difficulty; it is a nationwide difficulty.

I pay tribute to the improvement which the State of Florida has recently made. Especially, I pay tribute to former Gov. Leroy Collins, of Florida, who was extremely conscientious in this matter of effecting real improvements in the labor camps of his State when he was the Governor.

However, much remains to be done, and the McCarthy amendment would help us to do it. The facts are simply these: There are about a million migratory workers, together with their families and appendages. I suppose that at least 2 million people belong to this most depressed class. The migratory workers are divided into approximately equal proportions—native migratory workers and imported migratory workers, roughly, I suppose, about a half million of each. Of the half million imported migratory workers, 315,000 or 325,000 come from Mexico; the rest come from the islands of the Caribbean.

Mr. President, it stands to reason that if half a million migratory workers are brought in from outside the country, this will depress the wages of the half million migratory workers who are inside the country. If there is anything which is clear in the so-called principle of demand and supply, it is this: Increase the supply, all other things being equal, and the price per unit drops. If there is twice as much sugar as usual, the price per pound will be reduced.

The supply of migratory labor in this country has been doubled by the importation of migratory farmworkers, of whom the Mexican workers under Public Law 78 form the most important group. Certainly such importations affect adversely the wages of the migratory workers already in the United States.

LEAVE OF ABSENCE

Mr. AIKEN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield, if I may do so with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. I shall help the Senator from Illinois get it back, if he loses it.

Mr. President, I ask unanimous consent to be absent from the Senate tomorrow and Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, I know the Senator from Vermont has a good reason for wanting to be absent.

Mr. AIKEN. Absolutely.

Mr. DOUGLAS. But I wish to say that the deliberations of the Senate will suffer from his absence; and I hope he will come back to the Senate for the final vote on this matter.

Mr. AIKEN. At the end of next week?

Mr. DOUGLAS. I hope he will be back in time for the final vote.

Mr. AIKEN. I certainly hope I shall be missed tomorrow. But I shall be back for the final vote—by the end of next week? I can be back on Tuesday.

Mr. DOUGLAS. Well, I think we can be ready at the end of next week or before. [Laughter.]

Mr. McCLELLAN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question.

Mr. McCLELLAN. The Senator does not mean adjournment at that time, but for the taking of a vote on this measure?

Mr. DOUGLAS. Yes.

Mr. McCLELLAN. Yes—for I thought the adjournment would come later. [Laughter.]

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. DOUGLAS. Mr. President, there is abundant statistical evidence to bear out the general point I have been making; namely, that the introduction of Mexican agricultural labor has operated to decrease the wages of American migratory farm labor.

I shall now quote statistics from page 42 of the pamphlet entitled "The Hired Farm Working Force of 1959," published by the Economic Research Service of the U.S. Department of Agriculture. It shows the average wage per day in 1952, 1954, 1956, 1957, and 1959. I wish to read those figures, first for men workers, and then for men and women workers, combined. I think these figures will make my point abundantly clear.

In 1952, before Public Law 78 was in operation, the average wage earned per day by male migratory workers in the United States was $7.35; in 1954, $6.65; in 1956, $8.50; in 1957, $7; and in 1959, $6.10—or $1.25 less than 7 years earlier, in 1952.

For male migratory workers and female migratory workers, when those wages are combined, there was a decrease from $6.90 to $6.

Mr. President, there was a decrease of well over 15 percent in the money wages of male migratory workers during that 7-year period, one in which wages as a whole were markedly rising.

I ask unanimous consent that the table from which I have been quoting be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average days worked and wages earned at farm and nonfarm wage work by workers who did 25 days or more of farm wage work, by migratory status and sex of worker, United States, selected years, 1952–59

Year, migratory status, and sex	Farm and nonfarm			Farm			Nonfarm		
	Days worked	Wages earned		Days worked	Wages earned		Days worked	Wages earned	
		Per year	Per day [1] worked		Per year	Per day [1] worked		Per year	Per day [1] worked
1952:									
Migratory	124	$884	$7.15	87	$600	$6.90	37	$284	$7.75
Male	144	1,101	7.60	99	731	7.35	45	370	8.15
Female	65	259	4.00	53	222	4.20	12	37	3.10
Nonmigratory	169	911	5.40	140	698	5.00	29	213	7.40
Male	195	1,074	5.50	161	815	5.05	34	259	7.70
Female	68	265	3.90	58	234	4.00	10	31	3.20
1954:									
Migratory	156	1,033	6.60	124	794	6.40	32	239	7.35
Male	166	1,160	6.95	135	899	6.65	31	261	8.30
Female	117	565	4.80	81	410	5.05	36	155	4.25
Nonmigratory	169	972	5.75	145	800	5.50	24	172	7.05
Male	187	1,119	5.95	161	919	5.70	26	200	7.60
Female	91	344	3.75	75	287	3.80	16	57	3.45
1956:									
Migratory	143	1,178	8.25	116	935	8.05	27	243	9.15
Male	157	1,369	8.70	126	1,069	8.50	31	300	9.55
Female	91	500	5.55	81	458	5.70	10	42	4.35
Nonmigratory	162	958	5.90	140	776	5.55	22	182	8.10
Male	189	1,188	6.30	163	958	5.90	26	230	8.95
Female	86	295	3.40	73	254	3.45	13	41	3.25
1957:									
Migratory	131	859	6.55	115	745	6.45	16	114	7.25
Male	148	1,045	7.05	129	900	7.00	19	145	7.55
Female	80	304	3.80	75	280	3.75	5	24	4.45
Nonmigratory	147	898	6.15	127	737	5.80	20	161	8.05
Male	168	1,095	6.50	145	895	6.15	23	200	8.70
Female	78	270	3.50	67	233	3.45	11	37	3.55
1959:									
Migratory	143	911	6.40	119	710	6.00	24	201	8.40
Male	156	1,025	6.60	128	782	6.10	28	243	8.70
Female	88	447	5.05	81	418	5.15	7	29	4.05
Nonmigratory	165	1,063	6.45	142	852	6.00	23	211	9.10
Male	188	1,278	6.80	162	1,019	6.30	26	259	9.95
Female	85	314	3.70	72	271	3.75	13	43	3.25

[1] Rounded to the nearest 5 cents. Farm wage earnings are cash only and do not include the value of perquisites received by many farmworkers.

Mr. DOUGLAS. Mr. President, this table in conjunction with figures I shall introduce shows the real increase which has occurred in general wages has been accompanied by a decrease for migratory farm labor. Thus the average weekly earnings in all manufacturing increased from $67.97 in 1952 to $89.47 in 1959. This was an increase in money wages of $21.50 a week or slightly over 30 percent. But the earnings of migratory labor fell by over 15 percent. The only inference one can draw is that migratory farm labor has been exposed to competition to which other groups of labor were not exposed. Of course that competition is the importation, either under Public Law 78 or under special agreements, of close to half a million agricultural workers from outside the United States.

Some may ask about the change from 1959 to 1960. It is true that during that 1-year period there was an increase in the average daily earnings of migratory labor. That increase was approximately 2 percent. So it is said that perhaps the migratory workers' wages do not depress the wages of the domestic workers, because migratory farm labor wages improved slightly between 1959 and 1960—even though such workers had taken a tremendous beating, in terms of their wages, during the preceding 7 years.

However, a careful analysis of the figures shows that the increase was due almost entirely to certain specific causes which occurred in certain parts of Texas, and that this increase probably was due to a Bureau of Employment Security ruling in regard to the prevailing wage, which did not put as much pressure upon domestic workers, as regards unemployment insurance benefits as before, and thereby exerted pressure to increase the wage in that area.

Furthermore, in California during that period there was a drive to unionize the workers on the large ranches in California, which in the main operate under the old Roman system of latifundia and which carry over the old Spanish and Mexican procedure of having large estates, together with the huge railway grants which were given to a limited group, for the construction of railroads through that part of the country. This is also a weak spot in our economy. We have touched on it several times in connection with the distribution of water—the question of whether the reclamation law of 1902 should be applied.

In sections of California and in sections of Texas and the Southwest in general there is the exact opposite of what I regard as the American agricultural system of small farms with independent ownership and operation. Instead, there are huge estates and huge ranches on which the work is done by a relatively depressed population, living almost in the position of peons, and accumulating income for those who own the land. In 1959–60 an attempt was made to unionize those workers. Of course, that is very difficult, inasmuch as the local forces of law and order are usually in the hands of the owners of the large ranches. And that effort was unsuccessful.

Finally the AFL–CIO withdrew its attempts, but in the meantime the organizing campaign had been carried out, and in order to head it off, wages had been increased and improved by the big farmers. Those two factors accounted for the increase in the pay of migratory workers for the Nation as a whole, together with possibly similar circumstances existing in other regions.

But if we isolate the regions where the Mexicans were brought in, certain sections of Texas, the eastern region of Arkansas, sections in Arizona and Colorado, we find there that the wages of migratory farmworkers decreased from 1959 to 1960.

It may be said that these wage figures are not good. I wish to remind those who say this that the figures were prepared by the Department of Agriculture in the previous administration. They were prepared under the direction of the then Secretary of Agriculture, Mr. Ezra Taft Benson. Mr. Benson was a very estimable gentleman in his private and public life, but he was a confirmed and, in fact, bitter, opponent of what has become known as the McCarthy amendment. He represented the growers and planters, but not the agricultural workers.

If the Department of Agriculture, under the direction of Ezra Taft Benson, gave these figures, which clearly illustrate the depressing influence which the introduction of foreign migratory labor has upon domestic wages, that is a pretty clear indication, I think, that this is precisely what did occur.

So I wish to say that bringing in the half-million agricultural workers from abroad does depress the wages of American workers. Because these American workers are of Mexican descent or of Negro blood does not do away with the fact that they are Americans. The 14th amendment to the Constitution provided that inhabitants of a given State who were naturalized were citizens both of the particular State and of the United States. There were to be no first-class citizens or second-class citizens—all were to be citizens alike. That has been the principle for which many of us have been contending in the Halls of Congress and in the Nation as a whole for a good many years. The fact that these unfortunate workers are known as

"Latinos" of Mexican descent and Negroes does not do away with the fact that they are the most exploited, underpaid, overworked, maltreated group in the entire population. They are also the group which lacks, more than any other group, defenders, because they live isolated from the communities in which they work and because they do not have the vote. Therefore, they lack political defenders and sponsors, although I am happy to see men taking up the cudgels for them, some men who have absolutely nothing to gain from doing so.

Both Senators from New Jersey, who have rallied to the defense of the migratory workers, come from a State which uses a large number of migratory workers in the vegetable fields of their State, particularly in south Jersey. They have absolutely nothing to gain by defending migratory workers, and yet they have done so. I call attention to the fact that the behavior of these Senators is beyond praise for what they have done and are doing.

Mr. President, we have been hearing a great deal about the need of protecting American industry from the importation of foreign products. Moves have been made to restrict the importation of textiles, of lead and zinc, of a whole variety of products, because, it is said, they create unemployment in this country, decrease profits, or reduce wages. But here is an importation of labor which directly depresses wages and working conditions and creates unemployment among Americans who are here. This is direct. It does not affect merely a few thousand workers, as in the lead and zinc industry, but hundreds of thousands of workers. But their appeal seems to fall on deaf ears. Many—I think perhaps a large majority—of those who voted against the protection of both domestic labor and imported labor by opposing the McCarthy amendment are nevertheless zealous advocates of either a tariff system or a quota system to protect American industry indirectly. It makes a great deal of difference, Mr. President, whose ox is gored.

Congress has been relatively deaf to the abuses practiced upon native migratory unskilled farm labor. The McCarthy amendment attempts to make a beginning in improving the economic conditions of those migratory workers. It is only a beginning. It provides that, if migratory workers are imported, they shall receive 90 percent of the going wage for native farmworkers, either in the country as a whole or in the local area, whichever is lower. The aim is really to provide an equality of wages. Providing 90 percent instead of 100 percent is designed to compensate for the fact that under Public Law 78 certain fringe benefits are granted to the migratory workers who come here from abroad which are not granted to the native migratory workers. They consist of transportation in and out of the country, social security, and certain other provisions. So the McCarthy amendment is intended to provide that foreign workers can come into this country, but if they do so they shall be paid approximately the same wage as the same unskilled domestic farm laborers. What is wrong with that? It is an attempt to prevent the coming in of huge masses of migratory workers to depress wages of migratory workers still further. There is a great deal of unemployment and underemployment among the native migratory workers.

It is intended to provide a greater volume of employment for native migrants, and thus to build up their annual income by increasing volume as well as by having some effect upon wage rates.

Mr. President, the McCarthy amendment is not only a thoroughly humanitarian proposal, but it is also a very sound economic measure.

The charge has been made that this will mean the Government will fix a minimum wage. The eminent Senator from Wisconsin dealt with that issue in his remarks earlier today. It would not do so.

Public Law 78, if one wishes to cavil at that point, does do so, because it fixes a minimum of 50 cents an hour, which is totally inadequate.

The McCarthy amendment would not require the Government to fix a minimum wage, but would merely require that the Government find out what is the prevailing wage for unskilled farm labor. The Government does so now by means of statistics, the accuracy of which has never been questioned. These figures are published in the publications of the Department of Agriculture and also in the publications of the Department of Labor.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the distinguished author of the amendment, who has borne the major burden of the struggle both in the committee and on the floor, whom we all hold in the greatest of esteem and affection.

Mr. McCARTHY. I thank the Senator. I commend the Senator for making this all-important point once again.

The argument made against my amendment from the beginning has been a misleading argument, since it has been charged on the floor and in the backrooms that we were seeking to embark on a new program to fix wages for farmworkers. The fact is that this principle has been established in the program from the beginning. The Secretary of Labor has a responsibility to determine the prevailing wage for the same kind of work. When that is done, the Secretary requires growers who use Mexican nationals to pay the prevailing wage. What we propose in the amendment is not a different procedure. The only difference relates to the base, to determine what the wage shall be. We propose it shall be 90 percent of the average wage for the farmworkers in a State or in the Nation, whichever is lower. It is a modest proposal. I think it should be agreed to.

Mr. DOUGLAS. So do I. It was agreed to by the Senate but lost in the conference.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. PROXMIRE. Is it not true that it would be impossible for the Senate to fix farm wages by modifying the Mexican labor statute, in view of the fact that the statute provides for the wages paid to the braceros who, under the law, are to get 50 cents an hour?

Mr. DOUGLAS. At the least.

Mr. PROXMIRE. The McCarthy amendment applied to the Mexican workers, whose wage is fixed and would have been fixed by treaty anyway, and did not apply to domestic agricultural workers in this country.

Mr. DOUGLAS. I think that is true, but we should also very frankly state that by reducing the competition against American labor we hope to generate natural forces which would increase the wages of American labor.

Mr. PROXMIRE. Yes.

Mr. DOUGLAS. We would have this done through the play of supply and demand, with a smaller quantity of labor in the market and consequently a higher wage, with the employers bidding against each other for the hiring of the smaller quantity.

What we would do is to depend upon the competitive system of the free market, but would have the free market freed, if I may say so, of the importation of large numbers of people who will work at substandard wages.

Mr. PROXMIRE. Is it not true that from the very beginning of this Republic there has been an influence on wages through tariff regulations, which no one has argued is against the American system and no one has opposed as an interference in principle with the working of supply and demand, although it has an effect indirectly?

That action was taken in the 18th century, a far cry from the 20th century action with respect to establishing minimum wages which, as I understand, were established in 1938, some 150 years after tariffs were very common in American life.

The point I make is that there is nothing in the McCarthy proposal—nothing any of us have asked for or urged—which would fix a minimum wage for American farmworkers. I am conscious that in my State—and I am sure the Senator from Illinois is very conscious that in his State—the farmers disapprove of fixing minimum wages for domestic citizens who work for them on their farms.

What we seek to deal with is a situation fixed by treaty. We seek to provide a somewhat different standard. By doing so, as the Senator from Illinois properly indicates, we would indirectly benefit American migratory workers, which is the whole purpose of the statute, as I understand it.

Mr. DOUGLAS. It is the purported purpose of the statute, which has worked very imperfectly.

I wish to comment on the point mentioned by the Senator from Wisconsin; namely, that the protective tariff has been justified in the past on the ground that frequently it was necessary to provide high wages for American workers.

I once went into that subject quite thoroughly. I found that in general the industries which had highly protective tariffs had low wages. The textile industry in this country in the past was one of the great tariff-protected industries, and

had extremely low wages. In general, the industries which fabricate fibers are low-wage industries. The argument that one must have a protective tariff to give high wages to the employees who work in the industry is not borne out historically.

The McCarthy amendment is however a direct attempt to protect American workers. I emphasize again that we propose to do it in as indirect a way as possible without involving the Government in direct wage fixing.

Frankly, this is why so many groups oppose the proposed legislation. They think it will result in increased wages and increased labor costs.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. PROXMIRE. The Senator from Illinois has very properly been concerned over the fact that the conferees gave away the McCarthy amendment, for which the majority of Senators voted.

The Senator from Wisconsin considered this amendment absolutely minimal.

Mr. DOUGLAS. That is so because of the difficulty of finding similar work.

Mr. PROXMIRE. Exactly.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from North Carolina.

Mr. JORDAN. If the Senator will read the provisions for wage rates, he will see it is exactly the same for domestic as for Mexican workers. They are both protected. The report would strengthen the law rather than weaken it.

Mr. PROXMIRE. But what the conference did is very clear. I read from page 3 of the statement of the managers on the part of the House:

> (1) elimination of the subsection providing minimum wage rates other than those already provided for in the act and in the agreement with Mexico.

In other words, no minimum is provided.

Mr. JORDAN. I suggest that the Senator read the act and the agreement with Mexico and he will find that the prevailing wage shall be paid, and the Secretary of Labor shall not certify a single Mexican until it has been proven to his satisfaction that the employer cannot secure other labor. He would have complete control over the labor program.

Mr. DOUGLAS. May I say to my good friend from North Carolina, whom we all like very much, that I think in effect the conference report would permit American workers to work at the low wages for which the Mexican worked rather than to provide that the Mexican should work for the higher wages of American labor.

Mr. JORDAN. The Senator is incorrect. If the Senator will look at the table, he will see that in the States in which Mexican workers are employed, the wage scale is the highest wage scale in the United States for agricultural workers.

Mr. DOUGLAS. I believe that what the Senator has said is true in the case of California. But I think California is an exception. It is not true in Arkansas, the Southern States in general, or the sections in Texas in which large numbers of migratory labor are used. And Texas is the biggest user of migratory Mexican workers.

Mr. JORDAN. It depends on who gets up the figures.

Mr. DOUGLAS. I have been quoting the figures of the Department of Agriculture.

Mr. JORDAN. I think the Senator could find that some employers pay as little as 20 cents an hour.

Mr. DOUGLAS. I would say that if there were bias and prejudice—and I do not say that there was—in the Department of Agriculture, under the previous administration, it would be on the side of the growers and not on the side of the migratory workers. I think that point is fully established. The Department of Agriculture published the figures that I have been quoting, and I believe we can have some degree of confidence in them. They did not come from the Department of Labor although the Department is scrupulous in the statistics which it publishes.

Mr. JORDAN. Mr. President, will the Senator yield so that I may add one other point?

Mr. DOUGLAS. I yield.

Mr. JORDAN. California uses next to the largest number of Mexican workers of any State in the United States.

Mr. DOUGLAS. That is true.

Mr. JORDAN. California has the highest wage scale in the United States.

Mr. DOUGLAS. That is true.

Mr. JORDAN. There are some areas in which Canadians are used, and I believe Bahamans are used in Florida.

Mr. DOUGLAS. The Senator is correct.

Mr. JORDAN. We cannot pick out areas in which Mexicans are involved in the program.

As I have said previously in the Senate a number of times, we do not use any such workers in North Carolina.

Mr. DOUGLAS. I have never charged that the Senator from North Carolina was influenced by selfish motives. I am very glad to make a disavowal of that fact now. I believe that the Senator from North Carolina is wrong, but he certainly is honest.

Mr. JORDAN. I am merely trying to carry out the wishes of the conference committee, as embodied in the report. The responsibility came to me.

Mr. DOUGLAS. The Senator is correct.

Mr. JORDAN. I would hate to see the farm program wrecked by the act being allowed to die. I believe it would do a great injustice to the people of the United States.

Mr. DOUGLAS. The act will not die if the committee will go back to conference determined to fight for the McCarthy amendment. If we display equal vigor to that of the conferees on the part of the House, the program will not die.

Mr. JORDAN. We would have no bill at all this year.

Mr. DOUGLAS. Why not?

Mr. JORDAN. The House will not consider the measure any longer. They have already passed the measure twice.

Mr. DOUGLAS. What the Senator has said brings us to another very interesting point. I believe in the two bodies of Congress being coequal. I believe the House is equal to the Senate. I have never, personally or publicly, assumed any superiority over the House. Though there are 100 Members of the Senate as compared with 437 Members of the House of Representatives, we are equal bodies. But I submit that the House of Representatives should not assume that when they take a position, the Senate must invariably yield. That position, which the House has frequently taken, means that they are saying, "The House must be supreme."

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JORDAN. As the Senator knows, the House passed an extension of the present law, Public Law 78, originally. That is correct, is it not?

Mr. DOUGLAS. Yes. Incidentally, there was quite a large vote against the measure. I believe that 178 Representatives opposed the measure and wanted the McCarthy amendment.

Mr. JORDAN. But it passed.

Mr. DOUGLAS. It passed with a strong dissent. In the House there are humanitarians as there are in the Senate.

Mr. JORDAN. I cannot discuss that feature because I have nothing to do with the voting in the House. But the bill came over to us from the House.

Mr. DOUGLAS. Does that mean we should surrender?

Mr. JORDAN. It means only that both Houses must pass a bill before we have a law.

Mr. DOUGLAS. Yes. I am confident that if the Senator from North Carolina, with his vigor, energy, and the solid backbone for which he is noted, goes back and says to the House conferees, "I am sorry, gentlemen; the Senate insists on the McCarthy amendment," we will be able to get together.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. DOUGLAS. I am glad to yield to the Senator from Wisconsin for a question.

Mr. PROXMIRE. I ask the Senator from Illinois whether it is not true that here is a situation in which the Senate is particularly reinforced in insisting on its position and not giving in to that kind of ultimatum?

Mr. DOUGLAS. The Senator is correct.

Mr. PROXMIRE. If there is no bill this year, as the Secretary of Labor has pointed out, it is clear from an objective analysis that no great harm will be done, because, first, when will these workers not be available? In January and February, when there is a surplus of agricultural labor. It would be only over a period of 10 or 20 days before Congress can act.

Second, as the Senator from Vermont [Mr. AIKEN] indicated earlier, we have a history and a precedent of large producers recruiting workers in Mexico. They can do so under the law. It is well established that they can do so. So the injury to anyone involved in laying the bill over to next January would be extremely limited under those cir-

cumstances. And for that reason the Senate could stand fast, remain tough, and say to the House, "We recognize your ultimatum, and we insist on getting a good bill, a humane bill, or no bill."

Mr. DOUGLAS. I have great respect for the House of Representatives. My wife served a term in the House before I came to the Senate. In fact, I got elected to the Senate on a case of mistaken identity. The voters thought they were voting for my wife; and then, to their pain, they discovered they were voting for me. So I have very much of a soft spot for the House.

Incidentally, my wife has said that a Senator can condense into an hour what a Member of the House can say in 5 minutes. I am not, however, carrying out that principle this afternoon. But I wish to emphasize again my great respect for this coequal body. But that statement does not mean that we should accept dictation at their hands.

I may point out in connection with agricultural matters that we have all too often been confronted with a loaded pistol and told, "Take the House version or you will have no bill at all."

In connection with the sugar bill, in the summer of 1960 the Committee on Agriculture of the House came in with a bill at the conclusion of the session and told the Senate, "You take it or there will be no bill."

That bill, in fact, gave large bonuses to foreign countries which previously had not produced sugar, but which received the Cuban quota which was then being redistributed. That amounted to a present—I think at a yearly rate of about $140 million a year—to a small group of sugar producers in other countries. It was to last for 6 months. Then the act came up again last March, and on the eve of the expiration of the act, once again the House Committee on Agriculture came in and continued the same practice.

We remember that the Senate Committee on Finance proposed instead that the bonus of 2 cents a pound above the world price, which was being paid, should go into the Federal Treasury, and that such action would mean an increase in Federal revenues of about $140 million a year.

The Senate was about ready to adopt the amendment, in spite of the way in which the lobbyists flew up here from Latin America, arriving in so many airplanes that the heavens were almost darkened by the wings of the planes. In spite of that, the Senate was about ready to accept the proposal—and I take some credit, if I may be forgiven, for advancing the proposal—when we were told that if we acted in that way "the House will never agree to the proposal, and the 6 months' extension will expire and we will be in chaos."

A decent self-respect should therefore cause us to carry out a policy which is at once humane and economical and which reasserts the dignity of this body.

On Tuesday of this week we heard the eloquent speech of the Senator from Georgia [Mr. RUSSELL] on the dignity of the Senate, who said the Senate was a great deliberative body and deserved to be respected by its Members and by the world at large and by the House of Representatives as well.

I believe in that, too. I believe in thorough discussion, but I believe in our commanding the respect of other bodies. We do not command respect by yielding every time there is a conflict of wills.

I believe that we should send the conference committee back to meet with the House. If some of them do not desire to serve, perhaps they might be replaced with Members of the Senate who believe in the McCarthy amendment. If some of them cannot conscientiously serve, we may have a conference committee more representative of the opinion of the Senate.

I know that this is September 22, and it has been a long session. We have been in session nearly 10 months. It is in these last days that frequently decisions are made which are ultimately disastrous, and special interest groups depend upon the fatigue of Senators and Representatives and their desire to get away, to get measures adopted which do not stand up in the light of time.

The Senator from Illinois would like to get away too. There are many things he would like to do, among them going back to his beloved State. However, legislation comes first. If necessary, the Senator from Illinois is ready to stay here until Christmas to get a proper bill enacted in the field of migratory labor, and to get proper tax bills enacted or improper bills defeated.

I said I did not wish to engage in a filibuster. I wish to discuss this issue in depth. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO THE COMMITTEE ON SMALL BUSINESS TO FILE REPORTS.

During the delivery of Mr. DOUGLAS' speech,

Mr. SPARKMAN. Mr. President, will the Senator yield so that I may make a unanimous-consent request, with the understanding that it will not jeopardize his right to the floor?

Mr. DOUGLAS. I am delighted to yield to the Senator from Alabama, who was our candidate for Vice President in 1952, who not only has a brilliant political past, but also a brilliant political present and future, and whom we all hold in the highest esteem.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Select Committee on Small Business be authorized, during the adjournment of the 1st session of the 87th Congress, to file with the Secretary of the Senate the following two reports: "Small Business Administration, 1961," and "The Role of Competition in a Space Communication System," and that both reports be printed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ABOLITION OF FEDERAL FARM MORTGAGE CORPORATION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1040) to abolish the Federal Farm Mortgage Corporation, and for other purposes, which was, on page 4, line 5, strike out "(12 U.S.C. 722)" and insert "(12 U.S.C. 772)".

Mr. HOLLAND. Mr. President, I wish to say for the information of the Senate that the House amendment merely corrects a typographical error in citing the number of the United States Code section that is referred to. The amendment should be concurred in. I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

EXTENSION OF PROVISION FOR MINIMUM WHEAT ACREAGE ALLOTMENT IN TULELAKE AREA OF CALIFORNIA

Mr. KUCHEL. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 1107.

The PRESIDING OFFICER (Mr. GORE in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1107) to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California, which was, on page 2, line 1, after "1962" insert "or 1963".

Mr. KUCHEL. Mr. President, I ask the concurrence of the Senate in the amendment of the House. I have the approval of the distinguished Senator from Louisiana [Mr. ELLENDER], chairman of the Committee on Agriculture and Forestry, and the ranking members of the committee on the minority side of the aisle.

The amendment, which affects the growing of Durum wheat in the Tulelake area of California, provides that the exception which the Senate wrote into the bill shall apply in the year 1963 as well as the year 1962. On that basis, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. KEATING. Mr. President, in the light of the debate which has taken place, it seems to me that it would be unwise to give further consideration to the conference report at a time when Congress is moving toward adjournment. A few moments ago, I read in the New York Times an editorial which suggested that it would be wise to defer consideration of the conference report until January, unless it contains the substance of the amendment offered by the distinguished Senator from Minnesota [Mr. McCARTHY].

Therefore, in a moment or two I shall move that the Senate defer consideration of the conference report until Friday, January 26, 1962; but before making that motion, I wish to address a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. KEATING. If the motion to defer consideration of the conference report to Friday, January 26, 1962, should not succeed, would it then be in order to move to defer its consideration until Thursday, January 25, 1962?

The PRESIDING OFFICER. The failure of the first proposed motion would have no bearing upon the second motion, assuming that the second motion were materially different from the first.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Did I correctly understand the Senator from New York to state that he is considering a motion to have the Senate pass upon the consideration of the conference report on January 15, or, if that motion should fail, on January 24, 1962?

The PRESIDING OFFICER. The Senator from New York propounded a parliamentary inquiry. The Chair is unable to determine the course of action which the Senator from New York had in mind.

Mr. KEATING. I shall be glad to enlighten the majority leader. I am about to move to defer consideration of the conference report until Friday, January 26. I shall state my reasons briefly. I made a parliamentary inquiry as to whether, if that motion failed, it would be in order to move to defer the consideration of the conference report until Thursday, January 25, or to some other date in January. The Chair informed the junior Senator from New York that the second motion would be in order if it were materially different from the first one.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield?

Mr. KEATING. I yield.

Mr. MANSFIELD. The Senator from New York advances a very interesting proposal; but it seems to me that what he is suggesting is, in effect, two possibilities which could cover the same subject within the period of a week. I would not for the world say that the Senator was employing dilatory tactics.

Mr. KEATING. No; I understand that.

Mr. MANSFIELD. I realize that speaking in depth entails taking some time. However, I plead with the Senator from New York, not in view of the fact that some Senators have looked forward to adjournment this coming Saturday, or possibly on Sunday morning; but because this subject has been discussed on two occasions, there have been numerous votes on particular amendments, and there was a yea-and-nay vote on the passage of the bill. I am sure, in my own mind at least, that no Senator will change his opinion at this late date.

If Senators wish to make motions, I think they should do so, because that is their right; but I hope the motions will be considered expeditiously and that the conference report will be voted up or down.

I am on the side of the Senator from New York, the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Minnesota [Mr. McCARTHY], and the Senator from Illinois [Mr. DOUGLAS]. However, I think we ought to face the situation, vote the conference report up or down, and quit wasting the time of the Senate.

Mr. KEATING. I am sympathetic to the views of the majority leader, who has a responsibility to the Senate. I think I can state why a deferral of the question until January would not injure anyone.

Mr. MANSFIELD. Not merely January, but twice in January within a week's time, as I understand.

Mr. KEATING. I wish to make it clear to the distinguished majority leader that what I posed was a parliamentary inquiry.

Mr. MANSFIELD. The Senator from New York does not pose parliamentary inquiries unless he has something in the back of his mind. I have known him a long time in both Chambers of Congress. That is another warning sign.

Mr. KEATING. The Senator from Montana is quite correct. The parliamentary inquiry is not necessarily intended to indicate the intentions of the Senator from New York, and I know nothing about the intentions of Senators who may be allied with me on this issue. At the moment, I am on the verge of moving to defer the consideration of the conference report until January. The reason why such action would not in any way injure the program is that it is my understanding that the months of January and February represent the period when farmers generally contract for the Mexican labor. Mexican labor is not employed—at least, in any great numbers—during the months of January and February. By January, the Senate would be able to have digested the problems involved in the controversy and, in my judgment, would be better able to reach a conclusion.

Mr. KUCHEL. Mr. President, will the Senator from New York yield?

Mr. KEATING. I yield.

Mr. KUCHEL. I suggest to the able Senator from New York that the parliamentary inquiry he has just propounded reminds me that perhaps his statement could be described most accurately as an announcement of low-yield nuclear parliamentary testing.

Mr. KEATING. I appreciate the Senator's comment. I propounded the parliamentary inquiry in order to clear the atmosphere, so as to make abundantly certain in the minds of those with whom I am allied in this effort, as well as in my own mind, what the parliamentary situation is.

It is my sincere hope that Senators will feel that this subject is not of such urgency that consideration of it may not be postponed at this time. The conference report will still be before the Senate when we reconvene. There is no reason why the Senate cannot adopt it on January 26; or if that date in any way interferes with any other plans of the leadership, I should be very happy to select some other date more in accordance with the wishes of the leadership. Nevertheless, I believe that no harm would be done by postponing consideration of the conference report. To do so would permit the Senate to get on with its other urgent business.

Therefore, I move to defer the consideration of the conference report until Friday, January 26, 1962.

Mr. JORDAN. Mr. President, I move that that motion be laid on the table.

Mr. HOLLAND. Mr. President, before the Senator from North Carolina makes the motion, will he yield to me?

Mr. JORDAN. I yield.

Mr. HOLLAND. First, I should like to say to the Senator from New York that what he suggests would be of no hardship to the farmers of his own State or to the farmers of the State represented in part by me; but it would represent a real hardship to those in the citrus industries of California, Arizona, and Texas, all of whom will be picking and handling their fruit at that particular time of the year—in January—when this measure would not be applicable. It would be a particular hardship on the winter producers of vegetables and other small crops, many of whom in the States I have mentioned need stoop laborers.

So I do not believe that the Senator from New York realizes that he is offering to visit such a handicap, such an inconvenience, and perhaps such a great loss upon good people in other parts of the Union who would be so adversely affected by putting off this decision until late January, as he has proposed.

So I hope he will withdraw his motion, because it so obviously would be of great disservice to a great many persons who should not be so mistreated.

Mr. KEATING. Let me ask the Senator whether I have been incorrectly informed that in January and February the contracting arrangements for Mexican labor are made.

Mr. HOLLAND. The Senator from New York has been correctly advised if he thinks that is what affects the question we are talking about. This act expires on December 31; and it will fail to operate thereafter unless the measure now before us is enacted into law. This labor is so necessary and so traditional in the great areas of the Nation I have mentioned that the damage inflicted

would be so great that I feel sure the Senator from New York would not wish to insist upon making the motion. My own State is not in the area which would be thus affected. Similar crops are grown in Florida, but Mexican laborers do not happen to be used in connection with them.

Mr. KEATING. I realize the present law will expire on December 31. But under this motion, unless I incorrectly analyze it, there would be only a brief interim period—if the conference report were approved on the 26th—when contractual arrangements could not be made; but there would still be the entire month of February when such contractual arrangements could be made, if it were then decided to extend the existing law.

Mr. HOLLAND. If I am correctly advised, access to this particular pool of labor would then cease on December 31, and thus a great disservice would be visited upon literally thousands of people who have their funds invested in crops which would be ready to be gathered at that time.

Mr. JORDAN. Mr. President, I may also point out to the distinguished Senator from Florida that every one of these Mexican laborers would then have to be returned to Mexico—on December 31; and thereafter they would have to be rehired, and a new contract with the Mexican Government might have to be made; and all that might require weeks or months. In addition, there would be the expense of moving the Mexican laborers back to the United States at a later date. According to the information I have received, they are contracted for weeks and weeks ahead of time.

Mr. RUSSELL. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. GORE in the chair). Does the Senator from Florida yield to the Senator from Georgia?

Mr. HOLLAND. I yield.

Mr. RUSSELL. I thank the Senator from Florida.

Mr. President, this measure does not materially affect the State which I am honored to represent in part here. I have voted for a measure of this sort in years past because it has been rather important to those who live in other States and who have become accustomed to depending upon this source of labor.

But I do not rise at this time to address myself to the merits of the issue involved. I regret that our distinguished majority leader has left the floor. I have a great and an abiding affection for the distinguished Senator from Montana [Mr. MANSFIELD]; but I was somewhat surprised at his rebuke of the fearless foes of the filibuster who are carrying on a filibuster against this measure. It was out of keeping with his character—even though he did it in a very gentle fashion—for him to be so critical of those who proclaim from the housetops that the filibuster is the bane of the life of the Senate, although they have been engaged here for the better part of 2 days in carrying on dilatory tactics and a filibuster against the pending conference report.

Mr. KEATING. Mr. President, at this time I withdraw my motion.

SEVERAL SENATORS. Vote! Vote!

Mr. PROXMIRE. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. PROXMIRE. First, I wish to say to the Senator from Georgia that so long as the Senate rules are as they are and so long as Senators are allowed to speak their minds fully and completely, it seems to me it would be ridiculous for any Senator—regardless of whether he comes from Wisconsin, from Georgia, or from Florida—to adopt rules of his own and to state that he would not speak at length, but to take the position that if other Senators wish to speak at length, that is their business. It seems to me that the rules apply to all Senators. So I see nothing inconsistent in the desire of Senators to wish to change the rules, on the one hand, but, so long as the rules are not changed, to abide by the rules and to speak at length in trying to inform other Senators and in trying to change the viewpoint of other Senators and in trying to have their view prevail.

Mr. HOLLAND. Mr. President, I wish to say to the Senator from Wisconsin that my position has not been to chide him for debating; but my position has been to chide him for taking a position which would result in such great losses to citizens in parts of the country which have a right to look to the Senator from Wisconsin, as well as to other Members of the Senate, for protection. I have tried to give the Senator an understanding of the disaster which his proposal would visit on innocent people.

Mr. PROXMIRE. In reply on that very point, I say to the Senator from Florida that we have gone into great detail in discussing the impact of a postponement until January. It is a fact that there are laws under which producers can recruit laborers in Mexico. They did it for years under that arrangement, before this treaty was signed; and they can do it again.

The Secretary of Labor himself said:

> These various considerations suggest that damage to the farm economy or to individual farmers, if enactment of a Public Law 78 extension were deferred to next year, would be negligible.

And he considered in considerable detail what effect it would have in Texas and in other States which employ many Mexican laborers.

Mr. HOLLAND. In reply, I should like to state that, in the first place, the Secretary of Labor does not happen to know his subject; he does not know that the Republic of Mexico had declined to operate further under the old law, and that the present law was enacted because of that position by the Republic of Mexico. Nor does he know—because of lack of prior experience—the great abuses of Mexican labor which occurred under the "wetback" system which prevailed in certain parts of the United States when there was no efficient machinery with which to handle the recruiting of such labor and the use of such labor in the United States after it was recruited. Under those circumstances, great numbers of Mexicans illegally came across the 1,700- or 1,800-mile border between the two countries, and were then imposed upon because they were illegally in the United States, and were paid mere pittances.

But the law was designed to create a better situation; and it has done so, and it has been lived under by the Republic of Mexico, which was one of the agencies which strongly insisted upon the enactment of this law.

Mr. RUSSELL. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. RUSSELL. Mr. President, I regret that I did not have an opportunity to speak immediately after the Senator referred to me by name. But I was not twitting him for filibustering. I was saying he is a most accomplished filibusterer; I was undertaking to commend the Senator's skill as a filibusterer.

Of course, the Senator has used more time on the floor, this year, than have a number of those of us who are charged with filibustering any time we speak more than 30 minutes on certain subjects. So it has been difficult for me to understand why so many of those who put on the white armor and claim they are against free debate on the floor of the Senate, and that they are in favor of gag rule, speak at such length here on the floor. It leads me to conclude that they are trying to create an excuse for gagging Senators who do not carry on such long debate, but who might have some reason for expressing themselves on the floor. I insist that that is not a consistent position to take.

A check of the time that has been consumed on the floor of the Senate this year will undoubtedly show that the 10 or 12 Senators who claim most vociferously that they are against filibusters have utilized more time than all 43 Senators who voted against applying the gag rule this week. I make that assertion without fear of contradiction. If one measures the remarks that have been made in this Chamber, he will see that the 10 or 12 leading "white knights" who are against filibusters have used more time in this session in speaking on the floor of the Senate than all 43 Senators who this week voted against gagging the Senate.

Mr. HOLLAND. I appreciate the fine and timely comment of the Senator from Georgia. I think we understand that the Senator from Georgia intended to compliment the Senator from Wisconsin for his skill in speaking.

Mr. RUSSELL. I only wish he were more consistent and would do so some time when there was a more meritorious issue before the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JAVITS. Mr. President, I have not been heard upon this particular question. Hence I think it is proper to take a few moments to state my views,

especially since I think I qualify on all the grounds which have been laid out. I am a member of the Committee on Labor and Public Welfare, and therefore am concerned not only with labor problems, but also with the question of migrant laborers. On my side of the aisle I have been most active with the Senator from New Jersey [Mr. WILLIAMS] in connection with problems of migrant labor. Happily, legislation was enacted in this session of Congress dealing with those problems.

Also, I represent a great State, with many people and almost every interest one can conceive of that comes before the Senate. So I am compelled to deal with many of those interests. Also, I am strongly opposed to rule XXII as now written, and believe it very seriously inhibits the role which should be played by Congress in this modern day.

Finally, I often find myself bewitched and deeply absorbed by the strange things which go on here, including the fact that for the past 2 days we have been engaged in a hot debate in which it has been demonstrated that only one Member of the Senate can prevent a committee from considering a measure which affects the greatest city in the Nation, which action can greatly embarrass the United States and that city.

Yet 1 Senator out of 100 prevents a committee from holding a meeting to consider the question, so that it may be brought before the Senate for action, the measure having passed the other body of Congress.

The rules of the Senate are strange and wonderful. We believe in them all. All of us try to live within them, and to state views and take actions which we believe will be conducive to the welfare of our Nation, within the limitations of such rules.

If things were going as well from my point of view as they are from the point of view of Senators who find it unnecessary to talk very much, I do not think I would talk very much, either; but I find it necessary, on many occasions, not to be content with respect to many things in which I devotedly and ardently believe, because very often I find it difficult to get things done that I think my constituents want done and which I thing are most conducive to the well-being of our Nation.

I do not think anyone can regard the Mexican labor question without some concern about what we are doing in this country in respect of the problem. The American people have always found a little distasteful the mass transportation of labor under agreements to move such laborers from overseas; or any such move of people en masse, and with some deep feeling about whether moving people in that manner from one economic area to another is the humane way to proceed.

As a boy from the lower East Side of New York, I am aware of the feeling one gets from this kind of operation. There is a street in New York called the Bowery, otherwise known as Skid Row. When I was a boy, I lived and was reared one block from the Bowery. When I was a boy, there were employment agencies on Skid Row that employed railroad labor. I do not think I have ever quite gotten over the feeling of seeing, very early in the morning—5 or 6 o'clock—men of all sizes, shape, and condition, dressed in the most disreputable clothes, herded aboard a truck with the tailgate locked, and carted off somewhere, as if they were subhumans, to do some kind of work.

The connotations for the dignity of our country and the dignity of labor which reside in such an operation are very disconcerting to me, and I am sure to many other Americans. It seems to me, therefore, that the mass transportation and utilization of workers which is contemplated by the law to which this conference report would apply must be justified on the grounds of great national interest and economic interests which are undeniable, in order to be justified at all in our minds.

Time and again I have heard the word "wetbacks" used. It seems to me that the situation is gradually developing away from an even more uncomfortable and unhappy status to us, in terms of our well-being as a Nation, the wetback stage. It has been the subject of some kind of regulation. It seems to me that the regulation should be somewhat strengthened and firmed up so as to conform somewhat with conditions under which American labor should be expected to work.

I supported with great conviction the amendment of the Senator from Minnesota because I thought an effort was being made to tighten up this program as it developed, and not merely to accept year after year an extension of the law, without trying to make some measurable improvement in a situation which, in my judgment, cried out for improvement, especially as it dealt with the general effect upon the entire American labor picture.

It seems to me that it is the essence of the position of persons like myself in supporting the amendment of the Senator from Minnesota [Mr. MCCARTHY], in view of the rather strong position taken by the Senate in that regard, to stand up and show a little fight, when this amendment is threatened with being swept out of the Chamber merely because the conferees have not agreed.

Somehow or other—and I had occasion to raise this point the other day as to the foreign aid bill—the conferees on the other side of the Capitol seemed to have the firmness and willingness to stay here until the snow flies, whereas our conferees seem compelled to yield and come back another day.

This is true notwithstanding the fact that we take, as we often do, and as we have in this case, a sharply distinguished position from that of the other body, for very good reasons, in my opinion, in this case.

If the action in which we are engaged in respect to the conference report does nothing else, it will at least make clear that we are very much dissatisfied with the situation which results in a battle for a particular thesis in the Senate; in our winning in the Senate, albeit by a very narrow margin, as it was in this case; in the amendment being taken to conference by our conferees; and, almost as quickly as one can wink, abandoned.

We have seen many sad examples in respect to amendments for which men have fought and bled and died—amendments which suddenly went down the hatch and disappeared as soon as the conferees were outside the door.

I think the Senate has a good deal at stake in this debate. I think anyone who hears the debate would underestimate its import if he did not realize how, at the end of the session, all these thoughts and ideas well up within us and we finally select one measure on which to make some effort to assert ourselves and to assert what we think we were sent here to do. I think this is one such measure.

I wish to state some of the reasons why the case has not been made to sweep away the additional protections which were given to American workers—and I emphasize that—by the McCarthy amendment. There is a rather interesting unanimity of view in respect to this type of legislation, as between former Secretary of Labor James Mitchell, who was a Republican, and the present Secretary of Labor, Arthur Goldberg, a Democrat. Both of them questioned the effect of the proposed legislation on the economic position of farms who do not use foreign labor. The effect has been questioned by many other farm leaders.

There has also been an expression of intent on the part of the administration that the law should be amended to protect U.S. farmworkers from unfair competition from Mexican labor.

This should be very instructive to us, and at the very least it should give us pause to know that there is such bipartisan agreement as to the effect of a bill of this character.

In view of the fact that a measure of this character has a tendency to depress the status, wages, hours, prospects, and conditions of farmworkers generally, I think it is extremely important that we should have a look at how farmworkers are faring and at the great floating population of farmworkers in this country, the so-called migratory workers with whom the Senator from New Jersey [Mr. WILLIAMS] and I have tried to deal in proposed legislation.

It has been truly said that American farmworkers are the most underprivileged group in the Nation's labor force. According to the Department of Agriculture, underemployment of rural people is estimated at the equivalent of 1.4 million fully unemployed workers. The average earnings of agricultural workers are barely over $1,000 a year, income from all sources, farm and nonfarm.

In addition to their other troubles, farmers are excluded from minimum wage, unemployment insurance, and most workmen's compensation legislation. In addition, they are excluded from legislation which protects the rights of workers to organize into unions and to bargain with their employers.

While I am on that subject, I think it should be said that some of the most violent and trying labor disputes, strikes, and picketing situations which have oc-

curred have occurred in respect to the farmworkers. We have found traditionally that when a situation is repressive, when a situation disadvantages a particular economic group in the community, when an effort is made to redress the grievances, it is likely to express itself in the greatest violence. There a reaction almost in proportion to the extent to which there has been injustice and repression. It seems to me that that fact is a confirmation of the grave difficulties in the social sense which are encountered by farmworkers.

Added to this, we know that every year some 400,000 American farmworkers who, together with their families, number 1 million souls or more, are forced to migrate to avoid either low wages or unemployment at home. While on the road, their lives are very often characterized by inadequate employment, low wages, poor housing, lack of education, and lack of health and welfare services. In some cases, they even suffer from transportation in highly unsafe vehicles.

The Congress is not inclined to pass laws for no particular reason. It is necessary to make a firm and important showing of facts before any law is enacted, especially a law which appropriates money. It seems to me this is a very pertinent consideration in respect to the bills dealing with migrant labor which we passed at this session of Congress. They involved the expenditure of millions of dollars. They extended programs over a period of years.

The enactment of such laws, and the concurrence in their adoption by many Senators who are extremely careful about even the smallest expenditure, seems to me to be confirmation of the fact that it is high time—indeed, the time is long overdue—that these migrant workers had our attention in the national sense and received some help in the elementary matters of education, health, and sanitation, insofar as the Federal Government is concerned.

A bill of this character precisely affects very directly the likelihood that the migrant workers may find their way, somehow or other, to a higher plateau of personal well-being, such as is vouchsafed to most American workers.

It seems to me the presence of the American migrant workers, as well as the condition of the American migrant workers, which we are seeking to remedy by legislation, are confirmation of the fact that, at the very least, a real effort should be made by legislation to establish some parity between them and the Mexican workers. It should not be a parity on the way down, but a parity on the way up. We should be very loath to enact any legislation which would allow the depressing effect of Mexican farmworkers to continue upon the general status and general position of the migrant worker.

I speak with some authority with respect to migrant workers, for I am a member of the subcommittee which deals with the problem. I have studied its documents and evidence, and have delved to a considerable extent into the facts and figures. My experience gives me the greatest confirmation in terms of joining those who are so vigorously and devotedly opposing the conference report because it fails to meet the cardinal issue which the McCarthy amendment presented; that is, that it is high time this whole area of workers was somewhat upgraded, because it is having such a depressing effect on those who are so low in the economic scale. That is our experience with regard to migrant workers in the United States. I feel greatly confirmed in the opposition which I have expressed to the conference report.

By way of proof of the depressing effect of Mexican farm labor and its employment upon the situation of the American agricultural worker and particularly upon the situation of the migrant worker, I should like to give some facts.

I should like to give some facts upon that very subject. Interestingly enough, these facts were supplied to a colleague of ours in the other body, Representative COAD. They are found in the RECORD of May 3, 1961. They can be checked, because they are printed. He obtained the facts from the Assistant Secretary of Labor, Mr. Holleman. The facts are as follows:

First, hourly wage rates without room and board, reported by the U.S. Department of Agriculture, rose about 16 percent from 1953 to 1959, but Labor Department surveys show that wages in most areas and activities employing Mexicans remain relatively stable. Fifty percent of the States show no significant change in the rate from earlier to later years within this period. Thirty-two percent show an increase, and 18 percent show a decline. The decline would not be expected to occur in labor shortage situations.

That goes to the issue which is often raised with respect to this type of labor, that it must be obtained because there is a labor shortage, otherwise crops would not be harvested.

The second point is that in 43 percent of the cotton-harvest wage surveys in Mexican-using areas compared within the 1953–59 period, wage rates remained stable, and in 32 percent declines were reported.

Third, a study of the 1960 trends shows that in more than half of the cotton-harvest wage surveys in important Mexican-using areas, wage rates remained the same as in 1959, while over the country wage rates declined. Most Mexican nationals are employed in the cotton harvest.

Fourth, in some sections of Arizona wage rates in the cotton harvest have remained virtually unchanged from 1953 to 1960, and in other areas of the State—that is, Arizona—cotton wage rates have dropped 50 cents a hundredweight, at a time when wage rates in all of industry has been moving up and when prices have been moving up.

Fifth, in Mississipi County, Ark., wage rates for cotton picking were virtually unchanged from 1953 to 1960, despite the fact that the U.S. Department of Agriculture's hourly rate for the State as a whole rose 28 percent. The particular area—Mississippi County, Ark.—uses 11,000 Mexican workers a year.

Sixth, another example, is Phillips County, Ark. This county had an hourly cotton-chopping rate of 30 cents for domestic workers. Think of it, Mr. President. In June of 1954, although the average rate in 1960 was 37 cents, rates as low as 30 cents were still being paid a year ago. Mexicans are paid contract rates of 50 cents, and the U.S. Department of Agriculture hourly rate for Arkansas was 69 cents in July 1960. We certainly can understand what that kind of wage pattern does to the wage market generally.

Seventh, in Texas and Arkansas widespread declines occurred between 1959 and 1960 in cotton harvest rates, pulling in Texas and picking in Arkansas, the types of occupation described. Typically, the decline was $1.75 to $1.50 a hundredweight. Now, Mexicans are paid the contract rate of $1.55.

Mr. President, again the depressing effect of this kind of static wage in a dynamic situation becomes clear. A notable exception resulted from Department of Labor action under earning policies in the lower Rio Grande Valley, where the picking rate rose from $2.30 to $2.50, but this followed a period of several years in which there had been no change in rate until 1959, when, by virtue of the Department of Labor's action, the rate rose from $2.05 to $2.30.

Finally, in the Imperial Valley of California, wage rates remain unchanged at 70 cents an hour between 1951 and 1959. Recently the average hourly rate has increased to 90 cents an hour. Nevertheless, this rate is about 35 cents below the average for the State as a whole. The Imperial Valley of California is a Mexican-worker-dominated employment area.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOUGLAS. Was not the increase largely caused by the fact that the AFL–CIO started an organizing drive for the agricultural workers of the Imperial Valley and other sections of California, and that to head off this drive, the big farm operators increased the hourly rates?

Mr. JAVITS. I thank my colleague for that contribution to the facts which I have stated, and I am very glad to receive it, as it is most pertinent to explaining the facts and figures.

Again I point out the pattern in different States with different agricultural occupations. Where Mexican farm labor is an element in the wage picture, it results in depressing it and preventing it from keeping pace with general economic advance.

It is very interesting to me that the conferees, who favor the program, have included in the agreed conference report a restriction upon the use by Mexican farm labor of automatic machinery.

As I see it, the outlook for increased development of automatic machinery is the very thing which has redeemed most of American labor. Let us leave it out of what can be compared with stoop labor in agriculture.

It seems to me that by encouraging this program we perpetuate a situation in which more and more of the same will be required, instead of getting to the day when, by the utilization of the highest form of automation, which is in the American pattern, we may bring into agriculture the same techniques, the same earnings, the same status, in terms of labor, which we are gradually attaining in industry, and very much for the same reason that we have encouraged and pressed the idea of automation.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOUGLAS. Is not the prohibition against the use of Mexican labor in using power-operated machinery susceptible of another interpretation; namely, that the prohibition would protect the skilled workers, but that free importation of Mexican labor would hurt the unskilled worker?

Mr. JAVITS. The Senator is quite correct. That is another aspect of the prohibition which is included in the bill. I was trying to trace indications of the kind of planning and the kind of philosophy which animates a certain type of legislation, which often is quite unwitting in terms of the way it is written, and yet is very revealing in terms of its fundamental purpose. I appreciate very much the contribution on that subject from my colleague.

Mr. DOUGLAS. Is it not true that unskilled workers in certain areas are largely Mexican Americans living in the United States, or Negroes, and therefore they are not in as good a position to fight back as are skilled workers, who tend to be Anglo-Saxons and who have political power, compared to the relatively small amount of political power possessed by the unskilled Mexican Americans or Negroes have in areas which import Mexican labor?

Mr. JAVITS. We are dealing with a set of effects, some of which may be more indirect, more implicit, than others. But, generally speaking, I think the opponents of the conference report have successfully traced out a depressant pattern, which is incident to the way in which the Mexican labor predicament operates, and which will be further helped by the way in which the proposed legislation is brought to us. We have an opportunity for some improvement in the position of other American agricultural workers by reason of the way in which the program was amended under the amendment of the Senator from Minnesota.

I conclude with one further thought. It is very interesting to me to note that there is beginning to be a division of opinion, even in States where Mexican farm labor is used.

Mr. President, a rather pronounced difference of view was expressed by a Senator—I shall not name him, since he did not make the statement in a public way—when he said that his State has been split down the middle on this subject. Down the middle, Mr. President. One part of the State was against it, and one part for it.

This is a very revealing observation. It has shown up in the votes that we have taken on the measure in the Senate. It is a very revealing observation because when we begin to have deleterious and adverse and regressive economic effects from a particular kind of law, the first people who are likely to feel its worst effects are those who may have heretofore profited from it. They begin to have some differences of opinion among themselves. It begins to work out badly for some of them at least as to this proposal. So it seems to me that this is again a confirmation of the view that this program needs to be lifted up a very material notch from where it is, and that the amendment of the Senator from Minnesota, which has received no consideration whatever in the conference report, was entitled to far more consideration that it did receive, and that therefore the effort of the proponents of the conference report, including myself, is fully justified on the situation which we face here.

I yield the floor.

AMENDMENT OF TITLE 23, UNITED STATES CODE, RELATING TO THE ORGANIZATION OF THE BUREAU OF PUBLIC ROADS

Mr. McNAMARA. Mr. President, in accordance with the notice requesting reconsideration of H.R. 8558, entered on September 21, I now ask unanimous consent that the Senate reconsider the vote by which it passed H.R. 8558, and proceed to its consideration.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8558) to amend section 303(a) of title 23, United States Code, relating to the reorganization of the Bureau of Public Roads, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

Without objection, the third reading of the bill is reconsidered.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the Senate amendment be reconsidered and rejected and that the bill be passed in the same form in which it was passed by the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

HURRICANE CARLA PROVES FEASIBILITY OF PADRE ISLAND PARK, HOUSTON CHRONICLE FINDS

Mr. YARBOROUGH. Mr. President, some opponents of S. 4, the bill to make Padre Island a national seashore recreation area, have pointed with shortsighted and unbecoming enthusiasm to the fact that Hurricane Carla swept high tides over the island.

The opponents of my bill hardly waited for the wind to calm and the tides to ebb before they seized upon the mighty hurricane to argue that it proved that Padre was not suited to be a national seashore recreation area.

This view is absolutely without foundation; the sound conclusion would be to the contrary.

I would like to point out that there was no loss of life on Padre Island. There was ample warning that the hurricane was coming. There was time for people all along the hurricane-threatened gulf coast of Texas to seek refuge further inland.

There was no danger to the people who sought to camp, boat, fish, or simply to find restful seclusion on the Nation's last great potential seashore recreation area.

Hurricane Carla has been called the worst hurricane to slam into the gulf coast. The fact that Padre Island remains, as it always has, a recreation area without parallel in the United States, is sufficient answer to those who would grasp at a devastating hurricane in an attempt to bolster arguments.

My bill to make Padre Island a national seashore recreation area envisions the development of access roads and inexpensive but permanent facilities for camping, fishing, boating, and the usual facilities that go into such a project.

To claim that Padre Island is unsuited for such development is tantamount to claiming that the people of the gulf coast should not return to rebuild their damaged cities and homes. Such a claim is ridiculous.

The fact that hurricanes can be located and watched and reported with such efficiency as that displayed by the U.S. Weather Bureau in dealing with Hurricane Carla is worthy of note.

The fact that ample warning is given to provide time for a mass exodus from the coastline of hundreds of thousands of people is worthy of note.

Hurricane Carla demonstrates that Padre Island is more suitable for a recreation area than as a site for expensive homes.

Those who seek to defeat a park in order to promote high-priced beach homes in this hurricane area, would mislead potential investors and conceal logic with a smoke screen.

The fact that I have pointed to repeatedly in advocating the passage of S. 4—that Padre Island is better suited for development as a national seashore recreation area than for anything else is worthy of renewed emphasis.

It is important to emphasize again that the areas available to the Nation for recreation are dwindling, that costs are rising, and the need for more recreation areas is an ever-increasing need. It is urgent that Congress act with expediency in acquiring available lands like the beaches of Padre Island for conservation for use by all the people, for all time.

I ask the unanimous consent of the Senate to place in the RECORD the following editorial entitled "Park Foes Put Up

Phony Argument," which appeared in the Houston Chronicle of Houston, Tex., Wednesday, September 20, 1961.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PARK FOES PUT UP PHONY ARGUMENT

Some foes of the Padre Island Park project have seized on Hurricane Carla for an argument opposing Federal development of the island. High winds and tidal waves swept over the island, they point out, so it would be "obviously" futile to establish a park there.

Well, high winds and tidal waves swept over most of our gulf coast, and in many spots for several miles inland. It wasn't the first time that has happened, and it won't be the last. Using the park foes' opportunistic and self-serving argument, the people who had built homes and businesses up and down the coast were chumps for doing so and fools if they return and rebuild.

Of course, they weren't, and of course they will. Since when did Texans surrender to a mere hurricane every few years? And of course that isn't what the park foes meant, at all.

What they meant, when you get right down to it, is that Padre Island's 110 miles of seashore, sunshine, and unspoiled beaches is a potential treasure trove of tourist dollars.

The fact that Padre was inundated last week—like most of the rest of the Texas coast—is being ballyhooed right now as an expedient, to discourage supporters of the proposed park in Congress and in Texas. The park foes know as well as anyone that their argument is specious.

The whole purpose of making the better part of Padre Island (some 88 miles of it) a "national seashore area," under administration of the National Park Service, is to preserve its unspoiled state, keep it a wild, primitive sort of place where visitors can enjoy nature without the sordid distractions of hotdog stands, beer joints, carnival rides, trailer camps, and other profitmaking enterprises.

This purpose scarcely envisions any costly and elaborate installations which would be under threat of destruction by hurricane, and to warn taxpayers that they stand to lose "several million dollars" every time a hurricane hits Padre, if a park is established there, is a phony argument.

Through a maneuver seeking to trim the length of the park from 88 to 65 miles the park bill was stymied in the current session of Congress, and State Land Commissioner Jerry Sadler has further confused the issue with a johnny-come-lately proposal to establish a State, rather than a Federal, park there.

Properly developed, Padre Island can be one of Texas' most valuable natural resources. Its potential as a tourist attraction and as a recreation area is too important to the State, and to the Nation, to permit impairment by selfish interests.

The fight to make it a Federal park will be continued; it must be successful.

TRIBUTES TO PHIL M. DONNELLY

Mr. SYMINGTON. Mr. President, last week, at Lebanon, Mo., we attended the funeral services for the late Honorable Phil M. Donnelly, the only citizen in the history of our State to have been twice elected Governor of Missouri.

At these services, the eulogy delivered by Rev. LeRoy Munyon was one of the most beautiful and effective tributes to a great man it has been my privilege to hear.

Accordingly, I asked Governor Donnelly's beloved friend, the Honorable Frank Briggs, a former Member of this body who is now Assistant Secretary of the Interior, to obtain a copy so it could be placed in the RECORD for the benefit of the host of friends of Governor Donnelly, including many Members of the Senate.

I ask unanimous consent that this eulogy be printed at this point in the RECORD.

Governor Donnelly was a great and good man, able, experienced, courageous, and of high character. The people of Missouri and the people of the Nation mourn his passing.

Mr. President, I also ask unanimous consent that an article from the St. Louis Post-Dispatch dated September 13, 1961, a column from the St. Louis Globe-Democrat dated September 14, 1961, and an editorial from the Kansas City Times dated September 14, 1961, be inserted at this point in the RECORD.

There being no objection, the eulogy and article were ordered to be printed in the RECORD, as follows:

EULOGY OF PHIL M. DONNELLY, AT THE FUNERAL SERVICE, FIRST CHRISTIAN CHURCH, LEBANON, MO.

Contrary to Mark Antony, I come, not to bury Caesar, but to praise him. Let us render honor to whom honor is due.

The words of Shakespeare in "Julius Caesar" seem to be accurately descriptive and appropriate at this time. "His life was gentle, and the elements so mixed in him that nature might stand up and say to all the world, 'This was a man.' "

One's first impression on meeting Phil M. Donnelly was an awareness of his splendid physique. His voice was suited to his stature, and his general attitudes were in keeping with his dignified demeanor. Along with his natural dignity he possessed a delightful strain of geniality and cordiality, which won for him an immediate trust and confidence. This trust and confidence, together with his professional ability and personal integrity, were the basic factors in the outstanding achievements of his social, business, and political life. His entire career constitutes a corroboration of another of Shakespeare's lines, "Corruption wins not more than honesty." If a given principle or proposition was legally sound, socially expedient, and ethically right Phil Donnelly was for it, otherwise he was with no uncertainty against it.

From a minister's viewpoint, and in the highest meaning of the word, I would say that Phil M. Donnelly was a good man. From a citizen's viewpoint I would say he was a useful man. The services he rendered our State as Representative, Senator, and Governor will forever reflect honor to his name, and constitute a cherished memory for his family, his posterity and his friends.

He was exceptionally successful as an attorney and businessman. Across the years his name has been associated with larger business organizations of Missouri. He was affiliated with the Independent Order of Odd Fellows and the Order of Ancient Free and Accepted Masons. He was a Christian. His pastor frequently sought his counsel and counted it wisdom. In a quiet and consistent manner he lived his convictions. He was a devoted husband and father. The home was the center of his affections. Our hearts go out to Mrs. Donnelly and David in speechless sympathy in this hour of bereavement, distress, and grief. He loved his home town and its people. Lebanon, in return, admired and loved him. The community has in many ways expressed appreciation for his concern and benevolence. Someone has said: "Some men are born great, others achieve greatness, and some have greatness thrust upon them." Phil M. Donnelly achieved greatness by his capacity to enlist active friends from every station in life throughout the length and breadth of Missouri. They believed in him and he justified their faith. His memory shall be to each of us a challenge to good government, integrity of purpose, and the pursuit of the higher life. May God add His blessing to these meager words.

[From the St. Louis Post-Dispatch, Sept. 13, 1961]

PHIL M. DONNELLY DIES; EX-GOVERNOR—ONLY ONE EVER TO SERVE TWO FULL TERMS—WAS SENATOR 30 YEARS

LEBANON, MO., September 12.—Funeral services for former Gov. Phil M. Donnelly, who died last night at his home, will be at 2 p.m. tomorrow at First Christian Church in Lebanon. Burial will be in city cemetery.

Mr. Donnelly, 70 years old, was the only person to be elected to two full 4-year terms as Governor of Missouri. He had suffered a stroke last May and had been confined to a hospital. He returned home and became ill again last Sunday.

He was first elected Missouri's chief executive in 1944, after having served 22 years in the legislature, 20 of them as a senator. He was ineligible under the Missouri constitution from succeeding himself, but came back to win reelection to a second full term as Governor in 1952.

Gov. John M. Dalton said Mr. Donnelly "was an outstanding Missourian and one of the State's great Governors."

Former Gov. James T. Blair, who succeeded Mr. Donnelly in 1957, called him "a great man and an outstanding public servant." Former Gov. Forrest Smith, who served between Mr. Donnelly's two terms, praised him as "one of Missouri's great statesmen."

Tributes to Mr. Donnelly were also voiced by two other former Missouri Governors, Lloyd C. Stark of Eolia and Forrest C. Donnell of St. Louis.

URGED STRIKE LAW

Mr. Donnelly was a partisan, but conservative, Democrat. His first term as Governor was marked by stormy controversies with his own party leaders, Federal officials, labor groups, State agencies and Republican-controlled legislatures.

In his message to the 1947 legislature, Governor Donnelly urged passage of a law to prohibit strikes affecting the health, welfare and safety of the public, or which challenged sovereignty of the State.

This led to enactment of the present King-Thompson law prohibiting strikes in public utilities. The original Republican draft, was, in the Governor's opinion, weak and ineffective. He called a special joint assembly of the legislature and demanded that the law contain stiff penalties and a strong enforcement section. His recommendations were adopted and the bill was passed.

He did not sponsor but signed that session the stringent Madison labor regulatory law. This act barred jurisdictional strikes and secondary boycotts. Labor groups obtained repeal of this law in 1949 after Mr. Donnelly's first term ended, but they have failed in repeated attempts to weaken or repeal the King-Thompson Act.

BLOCKED POLICE UNION

Early in his first term, Governor Donnelly blocked efforts to establish a St. Louis police union. He battled the U.S. Department of Labor when that Department sought to dictate terms for return of the State employment service from Federal to State control after World War II. The Government threatened to withhold funds due the State,

but Governor Donnelly refused to give in and a settlement was reached sustaining the Governor's position.

He took issue also with Federal officials on flood control plans, withholding State consent for construction of high dams on the Osage and Grand Rivers.

Another major controversy occurred in 1948 when Governor Donnelly fired all six members of the State board of training schools after they refused to resign. He charged that the board failed to cope with inmate murders and escapees, and placed the State highway patrol in charge of the school.

FOE OF GAMBLING

He ordered his police boards in St. Louis and Kansas City to clamp down on gambling, and frequently used the highway patrol to raid outstate gambling places. Acting in conjunction with the attorney general's office, Governor Donnelly ordered Southwestern Bell Telephone Co. to discontinue service to Pioneer News Service in St. Louis and Harmony Publishing Co. of Kansas City, which furnished bookmakers with wire racing results provided by the Capone syndicate in Chicago.

In both of his terms Governor Donnelly frequently used his veto powers to void legislation he opposed. He disapproved small loan bills in 1946 and 1947 on the ground they would have legalized unconscionably high interest rates. He vetoed a bill setting up a 10-member State highway commission which would have parceled out State road-building work on a regional basis.

One of his most controversial vetoes was his disapproval of a $9,250,000 "bonus" appropriation of State school funds in 1953. Public school officials sharply criticized the Governor for this, and brought suit challenging Governor Donnelly's right to cut school allotments. The Missouri Supreme Court, however, upheld the veto.

PRISON PROBLEMS

In his second term, Governor Donnelly was beset by problems in State penal and eleemosynary institutions. He again was forced to call out the highway patrol to quell a penitentiary riot in 1954 when prison buildings were destroyed by fires set by rioting convicts.

To meet the rebuilding needs at the penitentiary and other State institutions, he sponsored a $75 million State bond issue. The legislature, called into special session, quickly approved his proposal.

As a member of the Missouri Senate, he headed the important judiciary committee several sessions and twice served as its president pro tempore. He took no active part in the 1941 "governorship steal" but went along with Democratic partisan efforts to keep Republican Governor-elect Donnelly out of office.

FOUGHT PENDERGAST MACHINE

Mr. Donnelly refused to support the corrupt Kansas City Democratic Pendergast machine, and in 1939 actively supported Governor Stark's bill to place Kansas City police under State control. He was author of the bill to take the State liquor control division out of politics by providing for bipartisan appointment of liquor inspectors.

Mr. Donnelly, an attorney, was born March 6, 1891, at Lebanon, where he attended public schools. He was graduated from the law school of St. Louis University in 1915, and returned to Lebanon where he maintained his law practice throughout his life. At one time he was a regional attorney for the Frisco Railroad.

He was married in 1915 to the former Miss Juanita McFadden of Maplewood. He served several terms as city attorney of Lebanon and one term as prosecuting attorney of Laclede County.

He was elected State representative from his county in 1922, and 2 years later was elected to the first of his five consecutive 4-year terms in the Missouri Senate.

He is survived by his wife and a son, Phillip David Donnelly, with whom he was associated in the practice of law.

[From the St. Louis Globe-Democrat, Sept. 14, 1961]

PHIL M. DONNELLY: A REVERED GOVERNOR

(By Marsh Clark)

Phil M. Donnelly had been in failing health for some time before his death this week, and so those who knew him were ready for the word.

On one of his last appearances in Jefferson City, a town where he gained lasting renown, he stood outside a church talking with two men who have also experienced the fearful burden of being Governor—James T. Blair, Jr., and John M. Dalton. They were there for the funeral of a fine newspaperman. Mr. Donnelly, appearing wan and tired, had come up from his home in Lebanon, Mo., to pay his respects.

As the three conversed quietly, politicians and others slipped up to greet Mr. Donnelly. One could see the deference they paid him. No slapping of the back or wild pumping of the hands or other loose familiarities. Nearly everyone called him Governor although he had been out of office 4 years then.

That was Mr. Donnelly. He looked like a Governor and, when he was Governor, he acted like one. He was tough and serious and feared and respected and, most agree, he was one of the best Governors Missouri ever had.

He was partisan in political matters to a point of brutality, but you never heard the Republicans complain about the way he performed when the welfare of Missouri was involved.

ERECT, INTENSE

In his prime, which probably ended—most observers feel—before he completed his second term as Governor (the only two-term Governor we ever had), Mr. Donnelly had an erect carriage and distinguished appearance, white hair and all. This coupled with his native intensity of purpose and seriousness of mind, made him a rare public servant indeed.

The major accomplishments of his career are well known and need but a quick recapitulation here: His 22 years of service in the legislature; his consistent advocacy of economy in government; the hundreds of bills, now law, which had his name at the top; his fights against corruption in State agencies involving members of his own party.

There are those who didn't like him, especially some of those around St. Louis who were on the losing end in fights with him, and they say you know a man by his enemies.

He came from Lebanon, a small town where his father was postmaster and county Democratic chairman. He was known thereabouts as "Phil" or "Little Phil" or, occasionally, "Mr. Phil." He was a serious boy who seldom got in scuffles or went fishing or peeled down for a swim in the "crick" with the other boys. He did play baseball and football and, for years after his graduation from St. Louis University in 1913, he umpired baseball games in the little towns up and down the Frisco line.

He was a fine lawyer then and had one of the biggest law libraries in rural America, located above the State savings bank of Lebanon's Commercial Street.

FOR THE DEFENSE

He was prosecuting attorney down there and city attorney and then he turned to the defense. The last 22 years of his practice before being elected Governor in 1944 were all for the defense.

The way he operated was demonstrated in 1931 when, just before the trial of an important criminal case, Mr. Donnelly was nearly in a state of collapse from a sickness which was weakening him, one which he couldn't seem to cure with simple remedies.

The night before the summation before the jury, he tossed for long hours in bed, burning with fever. Next day, he got up and drove 26 miles north to Camdenton. Somehow he got there, parked his auto, charmed the jury, listened to a verdict of acquittal. Then he staggered back home and, once inside the door, fell into bed, where he stayed for 4 months as he fought the ravages of typhoid fever.

When Mr. Donnelly came back as Governor, Hume Duval, chief of the Globe-Democrat's Jefferson City bureau (the newspaperman whose funeral Mr. Donnelly attended last year) wrote that his first 2 weeks in office indicated that "he is the same man who took over the reins of government here 8 years ago and established a record that led to his being virtually drafted to seek office again."

"His inaugural address on January 12 [1953] was hard hitting and straight from the shoulder," Mr. Duval wrote. "He demanded a cleanup of the State government and suited his words to the action by launching an investigation of the department of revenue, which had been the subject of wide criticism under former Gov. Forrest Smith."

RUGGED INDEPENDENCE

Actually, the completed record of his second term indicated to many that Governor Donnelly had forfeited much of his vigor during his first sojourn in office and the long years of legislative leadership that had preceded it.

Nevertheless, Republicans and Democrats alike who noted his passing this week agreed there never was a stronger Governor or one who was more ruggedly independent. Typical of the comment was that of State Representative R. J. King, Jr., one of the toughest Republicans around, who said:

"I never knew a man I respected more."

[From the Kansas City (Mo.) Times, Sept. 14, 1961]

PHIL M. DONNELLY

In his 8 years as Governor of Missouri, Phil M. Donnelly was chief executive in the full sense of the term. During his two administrations the veto power was applied vigorously, often to the chagrin of powerful groups. But when the aloof, austere Governor made up his mind that was it.

Governor Donnelly, who died this week at his Lebanon home, was the only Missouri Governor to serve two terms. In this State a Governor cannot succeed himself. So the two Donnelly terms, 1944–48 and 1953–57, were separated by the administration of Forrest Smith. Donnelly was persuaded to run in 1952 by party leaders who thought he had the best chance of carrying the State in the face of the expected Eisenhower sweep.

For Missouri, the 8 Donnelly years generally were a period of conservatism and consolidation. In the first term, the King-Thompson law that protects the public against utility strikes and stoppages was enacted by a Republican legislature. Donnelly, the Democratic Governor, applied and defended the law despite terrific labor pressure. In those years he also emerged as a leader for the development of the Missouri River system.

The second Donnelly term was scarred by the long impasse with the Jackson County Judicial Commission. But he must be given a large amount of credit for the appointment of a number of Republican judges under the nonpartisan court procedure. This broke the tradition of Governors appointing judges

only of their own political faith—a practice that was downgrading the very essence of the nonpartisan plan. He also pushed the $75 million bond program that was approved by the voters in his second term.

At varying times the supporters of the schools, proponents of mental health reforms, and organized labor were incensed by Donnelly vetoes. The legislature was saddened by his veto of an expense-allowance increase (he had served 20 years in the Missouri Senate) and a salary raise for State judges also was turned down. His vetoes were sweeping and very often controversial. Generally, his years as Governor bore the stamp of his natural, innate conservatism. During those years there was no doubt whatever as to who was the Governor of Missouri.

OZARK RIVERS NATIONAL MONUMENT

Mr. SYMINGTON. Mr. President, earlier this year my distinguished colleague from Missouri [Mr. LONG] and I introduced S. 1381, a bill to authorize the establishment and development of the Ozark Rivers National Monument in the State of Missouri.

A companion measure (H.R. 5712) was introduced by Congressman RICHARD H. ICHORD, of the Eighth District of Missouri, in the House of Representatives.

The bill has received the full support of the administration. The Secretary of the Interior and the Secretary of Agriculture have both endorsed the plan to set aside some 113,000 acres of land in the State of Missouri, to be administered by the National Park Service.

The plan embodied in S. 1381 and H.R. 5712 has received the strong support of the government of the State of Missouri—Gov. John M. Dalton, the State park board, and the State conservation commission. It also has received strong support of citizens throughout the State of Missouri and in the area to be directly affected by establishment of the national monument.

On July 6, hearings with reference to this bill were held before the Subcommittee on Public Lands of the Senate Committee on Interior and Insular Affairs; on the following day, hearings were held before the Subcommittee on National Parks of the House Interior Committee with reference to the companion measure introduced by Congressman ICHORD.

Both the supporters and opponents of this proposed bill were given opportunity to present their views during the 2 days of testimony. Alternative means of developing and preserving the natural beauty and recreation values of the Current and Eleven Point Rivers area have also been much discussed here in the Congress and in the State of Missouri.

Mr. President, the bill introduced by Senator LONG and myself has two aims: First, to preserve the scenic beauty of one of the finest natural areas in our State—and, in fact, anywhere in the country; and second, to bring progress and development to the counties in which the monument will lie.

It is our belief that by giving jurisdiction to the National Park Service we will best achieve our twin purposes of progress and preservation. The area in question is particularly suited to the type of development which the National Park Service can bring about.

We also hope that the U.S. Forest Service will continue its work in multiple-use development in the Ozark River watershed and throughout the State of Missouri. The Forest Service now owns more than 1,300,000 acres in our State, and we hope that they will continue and accelerate their excellent program for development of timber and recreation values of this acreage.

S. 1381 provides for cooperative development of the watershed by the various governmental agencies concerned. It is our hope that enactment of this bill will lead to harmonious and effective development of the great natural and scenic resources of the Ozark River area. Both the National Park Service and the U.S. Forest Service have an important role to play in this program.

Careful attention has been, and will be, given to the interests of persons who will be directly affected by the acquisition of land in the area. Provision is made in S. 1381 for anyone who desires to stay, for the remainder of his lifetime, on any land which the Federal Government may acquire for the monument. Full market value will, of course, be paid for the lands acquired; and, as in the case of other property acquired by the National Park Service, every attempt will be made to accommodate the interests of the persons in the area.

Secretary of the Interior Udall is today visiting and boating on the Current River; and, I am sure, is enjoying the beauty of one of America's most scenic areas. I hope that members of the House and Senate Interior Committees will also be able to visit the area in the near future.

Establishment of the Ozark Rivers National Monument will assure that the beauty and scenic qualities of the Current and Eleven Point Rivers will be preserved for the benefit of all Americans.

Mr. President, I hope that favorable action will be given to S. 1381 soon after the Congress reconvenes next year.

Mr. LONG of Missouri. Mr. President, as this 1st session of the 87th Congress draws to a close, I wish to speak for a few minutes on a legislative proposal which is still pending. This is the bill to establish the Ozark Rivers National Monument in southern Missouri. In this part of my State, there flows a beautiful river complex known as the Current and Eleven Point Rivers. These streams flow through lands untouched by the bulldozer. The handiwork of Mother Nature along these rivers takes your breath away. My senior colleague and myself introduced early this year a bill to establish a national monument along these rivers. The monument would extend along many miles of the rivers but only reach out a short distance on each side. It would require that these streams remain freeflowing and would retain the wild nature of the adjacent land.

The Subcommittee on Public Lands held hearings on the bill this year. Also, its counterpart in the House has held hearings. It is anticipated that members of both committees will visit the area this fall and see firsthand the beauty of this area and see the need for congressional action for its preservation. The subcommittee will also have the opportunity to talk further with the people of the area.

It should also be pointed out that Secretary of Interior Udall is today taking a float trip on the rivers. I am sure he will return a stronger advocate of this proposal.

It is impossible for anyone to visit this country without returning home a little richer from the experience. Missouri welcomes all of America to visit.

It is certainly my hope that final congessional action can be taken on this measure soon after Congress convenes in January.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that a statement which I made before the Senate Committee on Interior and Insular Affairs on July 6, 1961; a statement of Representative W. T. Bollinger, Jr., of Carter County, Mo., before this same committee on July 6, 1961; a statement of G. L. Davis, of Birch Tree, Mo., before the Senate committee on July 6, 1961; a column from the St. Louis Globe-Democrat, September 13, 1961, entitled "Ozark Rivers," by Mr. Leonard Hall; an editorial from the St. Louis Post-Dispatch, August 22, 1961, entitled "Harmonious but Separate"; an editorial from the Springfield, Mo., News and Leader, September 3, 1961, entitled "Monument Idea Is Best of Three"; and the text of S. 1381 as introduced on March 20, 1961, be inserted at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SYMINGTON

Thank you for the privilege of appearing before your committee in support of the bill (S. 1381) introduced by Senator LONG and myself to authorize the establishment and development of the Ozark Rivers National Monument in the State of Missouri.

I appreciate your cooperation and kindness in setting the date of this hearing to accommodate witnesses from the State who will testify here today and before the House tomorrow.

Congressman RICHARD ICHORD, of the congressional district in Missouri where the major portion of this monument would lie, has introduced a companion measure in the House of Representatives. The Congressman is here to testify today.

S. 1381 represents the culmination of many years of work and study about the future of one of the most beautiful parts of our State or any other State. It has long been felt that steps should be taken to preserve free-flowing streams and the wild Ozark beauty for the benefit of all Americans. The Current and Eleven Point Rivers area has been recognized as one of unique scenic and recreational value.

In March 1954 the Arkansas-White-Red Basins Interagency Committee adopted a resolution recommending that the appropriate State and Federal agencies prepare a plan for the preservation and development of the natural qualities of the Current-Eleven Point Rivers area. As an outgrowth of this resolution, with the cooperation of the Missouri Conservation Commission, a comprehensive development plan for the recreation resources of the area was drawn up in 1955 by the Missouri Division of Resources and Development.

This original report led to much discussion and thought as to the best course to be taken

for development of this area. In February 1959, at a meeting here in Washington attended by the Governor of the State of Missouri and a number of State officials with the National Park Service, it was decided that the Park Service would make a study which would provide a framework for Federal participation in the development of this national asset.

In June of 1959 the Congress appropriated $35,000 to the Park Service for a cooperative Federal and State study. The result was the pamphlet and appendix issued in January 1960 by the Department of the Interior entitled "A Proposal: Ozark Rivers National Monument." The information and ideas contained in this excellent study were obtained from close consultation with the State agencies concerned, with the University of Missouri, and with persons in the area to be directly affected.

I should like to emphasize here that the National Park Service has been very concerned with taking the views of local residents into account as they have moved ahead in evolving a plan for the Current River area. Meetings were held in 1959 and in May of this year to discuss details of the legislation now being considered by this committee.

The Department of the Interior proposal was the basis for a series of discussions in the State of Missouri and here in Washington as the best way of providing: (1) Preservation in its natural state of one of the most beautiful sections of our country; and (2) Development, in the most effective way, of the economy of the Ozark Rivers area.

S. 1381 resulted from this joint consideration and consultation. In the past few months there has been much discussion of this bill within the State and there has been strong support, both in the counties where the monument will lie and throughout the State, as the testimony of the witnesses here today will demonstrate.

I ask unanimous consent that House Resolution 222, adopted last month by the 71st General Assembly of the Missouri House of Representatives, be inserted at this point in the RECORD.

S. 1381 has two aims—preservation and progress. It is our hope that the bill, as finally adopted by this committee, will carry forward these essential purposes.

May I express my appreciation to the Department of Agriculture for their cooperation in this matter, and emphasize my support for the work that the U.S. Forest Service is doing in the State of Missouri. It is my hope that we will continue to move ahead with the proper development of the economic and recreational potential of the more than 1,300,000 acres of national forest land within the State.

I pay special tribute to the National Park Service and the Department of the Interior for their cooperation, both at the local level and here in Washington, in working out an effective program for the Ozark rivers area.

I respectfully urge that this committee take favorable action on S. 1381—the bill to provide for the establishment and development of the Ozark Rivers National Monument in the State of Missouri so that we may move ahead as quickly as possible with this plan which is so important to the future of our State and to the people of the entire country.

STATEMENT OF W. T. BOLLINGER, JR., BEFORE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS IN BEHALF OF S. 1381 ON JULY 6, 1961

Mr. Chairman and members of the committee, my name is Walter Bollinger and I represent Carter County in the Missouri Legislature. Carter County would be one of the counties affected under this proposal, should it become law.

I will make my remarks brief and then be happy in the attempt to answer any questions you desire to ask me.

This proposal first came before the Missouri Legislature in 1959, and was endorsed under House Resolution 19 with the approval of Gov. Jim Blair. It was again brought before the Missouri House in 1961, and endorsed under House Resolution 222 with the approval of Gov. John M. Dalton.

You will no doubt be told here today that some of the people in the area are opposed to the passage of this bill and I will concur in such a statement, but I bring you living proof that the majority of the people in my county are in favor of it as I have used it as a campaign issue both in 1958 and in 1960, and was elected each time because of it.

Senator SYMINGTON, Senator LONG, and Congressman ICHORD would not have introduced identical bills requesting that this proposed monument be established, did they not feel that it was the will of the majority. By the same token, Governor Blair nor Governor Dalton would have endorsed it. The State representatives, who represent the counties involved, would have opposed passage of the resolutions endorsing it had they too not been in favor of it. Each time, the resolutions were adopted without a dissenting vote.

Favorable action on this bill will be a great service not only to those living now, but to those not yet aware of the unspoiled beauty surrounding these two Ozark streams. Both are located in counties that are heavily timbered, ranging from 70 to 90 percent. They are crystal clear, springfed streams, several being of the first magnitude.

Current River is the larger of the two, but both are capable of float fishing in the famous "John boat." With the exception of a small portion of the Eleven Point that supports rainbow trout, they are notably smallmouth bass streams.

The counties involved under this proposal are among the lowest in assessed valuation in the State and would be benefited greatly by the additional property and business investments. The tax gain would far outweigh any tax loss due to Federal ownership. A recent study made by the University of Missouri on the effect that this proposal would have upon the economy of the area proved that this statement is correct. The university's report stated that if the monument is established, over $34 million in additional facilities would be required to accommodate the increased number of visitors that would be attracted to the area.

The total assessed valuation of my county is less than $4 million, so you can readily see the impact that the passage of this bill would have on our economy.

This legislation has been given wide publicity in Missouri and we, like all other States, have those who would attempt to exploit the area. For that reason, we beg of you, please act favorably on this bill in this session of Congress.

STATEMENT OF G. L. DAVIS, BEFORE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS IN BEHALF OF S. 1381 ON JULY 6, 1961

I am G. L. Davis, of Birch Tree, Mo. I am Republican county chairman of Shannon County, farmer, and retired schoolteacher. I am appearing here today as president of the Ozark Rivers National Monument Association in support of S. 1381. I am accompanied by Bill Bailey (farmer and Democratic county chairman of Shannon County), Eminence, Mo.; Ray Allman (automobile dealer), Winona, Mo. (Shannon County); George S. Cotton (banker), Van Buren; James Gresham (automobile dealer), Van Buren; Coleman McSpadden (funeral director), Van Buren; Leo Anderson (merchant and the treasurer of our organization), Van Buren; Marlin McClintock (motel operator, and secretary of our organization), of Carter County, Van Buren; W. T. Bollinger, Jr. (businessman and Democratic county representative of Carter County), Van Buren, Mo.; Bob Shy (automobile dealer), and Wendell Howard (insurance and real estate dealer), both of Ellington, Reynolds County, Mo.; Louis Simpson (farmer, community leader, and former Democratic representative of Alton), Oregon County, Mo.; Ray Davis (businessman), and Glenn Davis (businessman and civic leader), both of Mountain View, Howell County, Mo.

All of these gentlemen are members of the Ozark Rivers National Monument Organization. This organization was formed on June 5, 1961, and has 175 paidup members at $5 each—representing all walks of life from the counties affected by the proposed Ozark Rivers National Monument. We are in thorough accord with the objectives of S. 1381 which would preserve one of the outstanding scenic and scientific areas of these United States. Our organization urges your early enactment of this legislation.

Others here today have testified as to the importance of preserving the irreplaceable values represented in the proposed Ozark Rivers National Monument. All of us heartily endorse the testimony in favor of this legislation.

[From the St. Louis Globe-Democrat, Sept. 13, 1961]

OZARK RIVERS

(By Leonard Hall)

POSSUM TROT FARM.—We have been reading, these past few days, "Birth of a National Park," which tells of the long battle to establish Great Smoky National Park. Although just 27 years old, Great Smoky attracts twice as many visitors as any other national park. It has created a new and better way of life for residents of large areas of two States and brought untold millions of dollars into this region which go into the hands of the native people.

There are parallels between the struggle to establish Great Smoky and the effort to create an Ozark Rivers National Monument along the Current and Eleven Point in Missouri. There are also parallels between the natural beauties of the two areas, especially in the richness and variety of the flora. But while Great Smoky has high mountains and big timber, our Ozarks have rivers such as exist in no other national park.

It took 11 years from the time the movement to create Great Smoky Park began until final action by Congress that made the dream a reality—and another 10 years for land acquistion. If we take that long to create our Ozark Rivers National Monument—or if we make the mistake of passing second-best legislation trying to manage the area through ridiculously inadequate scenic easements which leave it open to every sort of exploitation—these rivers with their beauty and recreational opportunity will be lost forever to the American people and the hard-working residents of the Ozark counties. As anyone who visits or floats the rivers today can testify, they are going downhill at a shocking rate.

The forces that opposed establishment of Great Smoky National Park differ little from those opposing the Ozark Rivers National Monument. A member of the House committee that held hearings on the Symington-Long-Ichord bills for the monument put it this way: "It seems to me that, as in most of these cases, those who are here testifying for the establishment of this monument are moved by the public interest. Those in opposition are clearly moved by one or another private interest."

In the Great Smoky battle there were mining speculators, timber operators, and badly

led and misinformed local landowners like those in Cades Cove. Even after the establishment of the park, a U.S. Senator was still trying to smear the first superintendent with unfounded charges of mishandled funds. But the proponents fought through to victory, to the everlasting benefit of the area, its people, and the Nation. In view of the need for preservation and economic uplift of the Ozark highland and for expansion of recreation space throughout America, it can be hoped that proponents of the Ozark Rivers National Monument also fight through to victory.

We are often asked what the difference is between the monument bill and the so-called Forest Service bill which proposes attempting preservation of the rivers through scenic easements without Federal ownership but under Forest Service management. The answer is simple and the Forest Service itself has testified before Congress that it favors the monument bill and administration by the National Park Service. The proponents of the so-called Forest Service bill seem less interested in true preservation than in maintaining an illusion of wilderness along the river banks by means of a one-eighth-mile easement that appears little more than a sham.

Actually, the U.S. Forest Service is dedicated to a policy called multiple use on the lands it owns and manages. This term means different things to people with different interests. But it always means that national forest lands can be subject to timber cutting, leased grazing, mining exploration, rental for cabin sites, establishment of timber-use industries which may encourage clear cutting of small timber holdings and to recreation as a secondary use.

The 113,000 acres proposed for the Ozark Rivers Monument are in no way suited to this type of management. Probably less than 40 percent of the area is in forest at all, and this is second and third growth that is 60 to 100 years away from harvest. Even then, Forest Service figures indicate yields of a few cents per acre per year from land of this type. Perhaps another 30 percent of the land is in submarginal farms, many of which are today actually abandoned for substantial agricultural production. The remainder is in a picturesque but nonproductive limestone bluffs and gravel bars.

The effort here should be for multiple use, but not in the Forest Service sense. It should be for restoration and recreation; restoration to the original condition so far as possible—and recreation under proper regulation by the National Park Service to insure preservation of the area for all time for all the people of America.

[From the St. Louis Post-Dispatch, Aug. 22, 1961]

HARMONIOUS BUT SEPARATE

Missourians are concerned for the economic development of the Ozark region, and they also are concerned for the safeguarding of the Ozark rivers. Both are proper concerns, and to some extent they go hand in hand. Yet it is necessary to avoid confusion, especially when specific legislation such as the Ozark Rivers National Monument bill is concerned.

The development of the region—the watersheds of the rivers—is a multipurpose undertaking. Its most promising objective may be the development of a forest industry—timbering, pulpmaking, and the like. It also involves farming, dairying, mining, waterpower development, tourism, and all other activities suitable to the area. Of course, it involves the conservation and use of water, soil, and other natural resources.

One of the most useful agencies on behalf of this multiple-use program is the Department of Agriculture's Forest Service. It is in charge of the Clark and Mark Twain National Forests. In them, supervised timbering and other activities are encouraged. Missourians are grateful for the Forest Service.

The preservation of the Current, Jacks Fork, and Eleven Point Rivers and their banks in their semiwild state is another matter. Missouri properly has asked the National Park Service to carry out this function. As a result, the Symington-Long-Ichord bill for the creation of the Ozark Rivers National Monument is pending in Congress. The bill's primary object is the conservation and enjoyment of scenic beauty. It would authorize the Park Service to acquire narrow strips of land along the rivers—in addition to the larger Cardareva section with its springs, caves, and sinks—and to manage these, in general, as other national parks are managed. This is a single-purpose mandate.

It is, however, in harmony with the broader purposes of area development. Commercial activities would be restricted only on a fringe of riverbank. The relatively small acreage involved would not handicap general economic development. On the contrary, a park would stimulate the business of providing accommodations beyond its borders.

Like the Forest Service and the various State agencies concerned, the Park Service people are conservationists. They can be counted on to be sympathetic and cooperative in regional development. Being charged with guarding the rivers against unwarranted exploitation does not at all mean that their work would be a barrier to overall development. Nor does it follow that the Park Service job might as well be turned over to the Forest Service. The work of the two is harmonious, but each has a specialized task.

[From the Springfield (Mo.) News & Leader, Sept. 3, 1961]

MONUMENT IDEA IS BEST OF THREE

Arguments on all sides have been presented, letters written, and wires pulled, but it still appears that the soundest of three plans for preserving the Current, Jacks Fort, and Eleven Point Rivers is that of an Ozarks National Monument.

As the situation now stands there are three plans for the use of this 113,000-acre recreation area.

The one which this newspaper supports is before the House Interior Subcommittee and calls for the creation of the Ozarks National Monument, which would be developed on the advice of representatives from Federal, State, and local governments. These three agencies would organize a commission to control the area and develop it as a tourist attraction.

The second plan, supported by the Secretary of the Interior, calls for the area to become a national park, which would eliminate many features of the local-control proposal. The national park, of course, would be completely under Federal supervision and there would be close restrictions on concessions, accommodations, and perhaps such recreational usage as fishing and hunting.

The third, and least attractive, plan is set forth in a bill prepared by St. Louis Representative TOM CURTIS, which calls for the development of an Ozark Scenic Riverways as an expansion of the Clark National Forest. All the Federal Government could control would be a so-called scenic easement along an eighth-mile strip each side of the rivers.

This would give present landowners the right to use the remainder of their land as they saw fit, including erection of unsightly structures and the continued destruction of the timber resources.

The easement plan of the National Forest Service seems to be a promotion of private interests, who are sounding off loudly against eminent domain. They don't want the land to become public property, as it would have to be under plans Nos. 1 and 2.

While dissent is their right, and the right of all, it can hardly be respected if it is based solely on selfish and individual interests.

Under a commission or National Park Service operation, a continuous effort would be made to preserve the clear, free-flowing streams, springs, caves, forests, and wildlife. There would be no threat of exploitation within the preserve, but the fringe area no doubt would blossom with resorts and new businesses, offering a distinct economic advantage to an area of the Ozarks which obviously can stand a shot in the arm.

We fervently hope that our Representatives in Congress do their utmost to push forward the monument bill, and resist stoutly the evident efforts to muddy the water by those who are either selfish or misinformed.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of conserving and interpreting unique scenic and other natural values and objects of historic interest, including preservation of portions of the Current and Eleven Point Rivers in Missouri as free-flowing streams, preservation of springs and caves, protection of wildlife, and provision for use and enjoyment thereof by the people of the United States, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall designate an area not to exceed one hundred and thirteen thousand acres being generally depicted in the publication by the United States Department of Interior, National Park Service, entitled "Ozark Rivers National Monument", dated January 1960, including submerged land along, near, or beneath the Current River in Missouri, the Jacks Fork of the Current River, and the Eleven Point River, for establishment and development as the Ozark Rivers National Monument (hereinafter referred to as "such area"): *Provided,* That no lands shall be designated within two miles of the municipalities of Eminence, Van Buren, and Doniphan, Missouri.

SEC. 2. The Secretary of the Interior may, within such area, acquire lands and waters, or interests therein, by such means as he may deem to be in the public interest; except that any parcel of land containing not more than five hundred acres, which borders either of the rivers referred to in the first section of this Act, and which is being used primarily for agricultural purposes, shall be acquired by the Secretary in its entirety unless the owner of any such parcel consents to the acquisition of a part thereof. Lands and waters owned by the State of Missouri within such area may be acquired only with the consent of the State. Federally owned lands or waters lying within such area shall, upon establishment of the monument pursuant to section 4 hereof, be transferred to the administrative jurisdiction of the Secretary, without transfer of funds, for administration as part of the monument.

SEC. 3. Any owner or owners, including beneficial owners (hereinafter in this section referred to as "owner"), of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommercial residential purposes for a term ending at the death of such owner, or the death of his spouse, or at the death of the survivor of either of them. The owner shall elect the term to be reserved. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

SEC. 4. When the Secretary determines that lands and waters, or interests therein, have been acquired by the United States in

sufficient quantity to provide an administrable unit, he shall establish the Ozark Rivers National Monument and shall declare such establishment and designate the boundaries thereof by publication of notice in the Federal Register. The Secretary may thereafter alter such boundaries from time to time, except that the total acreage in the monument shall not exceed one hundred and thirteen thousand.

SEC. 5. (a) In order to provide compensation for tax losses sustained by counties in the State of Missouri as a result of certain acquisitions by the Secretary of privately owned real estate and improvements thereon pursuant to the provisions of this Act, payments in lieu of taxes shall be made to each such county in which such real estate is located, and which has been authorized, under the laws of Missouri, to assess taxes upon real estate to the person who is in possession thereof and to assess taxes upon any present interest in real estate to the owner of such interest, in accordance with the following schedule: For the calendar year in which the real estate is acquired in fee simple absolute, an amount which bears the same proportion to the full amount of tax assessed thereon in such year as the number of days remaining in such year after the date of acquisition bears to the number of three hundred and sixty-five. In any case where an amount in excess of the difference between such proportionate amount and such full amount has already been paid to the county by or on behalf of the owner or owners from whom the real estate was so acquired, payment of such excess amount shall be made as reimbursement to such owner or owners out of such proportionate amount and only the balance remaining of such proportionate amount shall be paid to the county. For the two succeeding calendar years there shall be paid on account of such real estate an amount equal to the full amount of tax assessed thereon in the year of acquisition.

(b) No payments in lieu of taxes shall be made on account of real estate and improvements thereon in which the Secretary has ever acquired less than a fee simple absolute under this Act.

(c) As soon as practicable after real estate taxes have been assessed by such counties in each calendar year, the Secretary shall compute and certify the amount of payments in lieu of taxes due to each of such counties, and such amounts shall be paid to the respective counties by the Secretary of the Treasury out of any money in the Treasury not otherwise appropriated.

(d) The provisions of this section shall not apply to any property acquired by the Secretary after December 31 of the twenty-fifth year following the date of enactment of this Act.

SEC. 6. (a) In furtherance of the purposes of this Act, the Secretary is authorized to cooperate with the State of Missouri, its political subdivisions, and other Federal agencies and organizations in formulating comprehensive plans for the monument and for the related watershed of the Current and Eleven Point Rivers in Missouri, and to enter into agreements for the implementation of such plans. Such plans may provide for land use and development programs, for preservation and enhancement of the natural beauty of the landscape, and for conservation of outdoor resources in the watersheds of the Current and Eleven Point Rivers.

(b) The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the monument under such regulations as he may prescribe. The Secretary shall, prior to the issuance of any such regulations, consult with those officials of the State of Missouri and of any political subdivision thereof who, with respect to any lands or waters acquired by the Secretary under this Act, exercised jurisdiction over hunting and fishing conducted thereon prior to such acquisition by the Secretary.

SEC. 7. (a) There is hereby established an Ozark Rivers National Monument Commission (hereinafter referred to as the "Commission"). The Commission shall terminate ten years after the date the monument is established pursuant to section 4 of this Act.

(b) The Commission shall be composed of eleven members each appointed for a term of two years by the Secretary as follows:

(1) Seven members to be appointed from recommendations made by the members of the county court in each of the counties in which the Ozark Rivers National Monument is located (Carter, Dent, Howell, Oregon, Ripley, Shannon, and Texas), one member from the recommendations made by each such court;

(2) Three members to be appointed from recommendations of the Governor of the State of Missouri; and

(3) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary shall reimburse members of the Commission for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(e) The Secretary or his designee shall, from time to time, consult with the members of the Commission with respect to matters relating to the development of the Ozark Rivers National Monument, and shall consult with the members with respect to carrying out the provisions of this Act.

(f) It shall be the duty of the Commission to render advice to the Secretary from time to time upon matters which the Secretary may refer to it for its consideration.

SEC. 8. The Ozark Rivers National Monument, when established pursuant to this act, shall be administered in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), and laws supplementary thereto and amendatory thereof.

SEC. 9. There are hereby authorized to be appropriated such sums as may be needed to carry out the purposes of this Act, of which not more than $6,000,000 shall be expended for the purpose of acquiring lands, interests in lands, and improvements thereon.

SEC. 10. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to any person or circumstance other than that to which it is held invalid, shall not be affected thereby.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. KEATING. Mr. President, I should like to read into the RECORD an excellent editorial published in the Washington Post of Wednesday of this week, dealing with the subject under discussion. It is entitled "Extending Peonage." It reads:

[From the Washington Post, Sept. 20, 1961]

EXTENDING PEONAGE

The hopes of ending peonage among migrant farmworkers have been dashed by a conference committee rejection of the amendment to Public Law 78 adopted by the Senate. Public Law 78 which governs the employment of Mexican migrants, commonly called braceros—the farmworkers who flood across the border to help pick seasonal crops in the Southwestern States—expires at the end of this year. The House passed a bill extending it unchanged for 2 more years. The Senate passed an extension bill containing an amendment by Senator EUGENE MCCARTHY barring the Secretary of Labor from providing Mexican farmworkers to United States farmers unless they agreed to pay the Mexicans at least 90 percent of the State or National average farm wage, whichever was less.

The McCarthy amendment is an indispensable device for protecting American farmworkers—indeed for preventing an exploitation amounting to peonage. The Secretary of Labor urged it as absolutely necessary. The wages of migrant workers have gone down steadily (as Representative MERWIN COAD pointed out in the House) ever since Public Law 78 was originally adopted in 1950; indeed, they are now no less than 18 percent below the 1950 level. The braceros, desperate for employment, are content to work under conditions and for wages disastrously depressing to the farm wage structure in general.

When the two bills went to conference, the Senate conferees, unfortunately, were for the most part unsympathetic to the McCarthy amendment. It occasioned no real surprise that they yielded. We hope, however, that the Senate will not yield. It would be a great deal better—for the country as a whole as well as for farmworkers—to let Public Law 78 lapse at the end of the year than to extend it in a form which can only aggravate the wretchedness and squalor of the servitude imposed on Mexican and American migrants alike.

Mr. President, a few moments ago I expressed my intention to move to defer consideration of the conference report until Friday, January 26, 1962. After some remarks had been made, I withdrew the motion in order to confer further with Senators who feel as I do about the proposed legislation and also to confer with representatives of the Department of Labor. I have done that. I do not believe we should take hasty action.

It should be remembered that the Department of Labor in this administration and in the preceding administration, and the President in this administration and in the preceding administration, recommended substantially the McCarthy amendment, which was included in the bill the Senate passed. Incidentally, they also recommended the amendment which I offered, but which was rejected. So from that point of view it might be argued that the views which they expressed might naturally be in favor of the McCarthy amendment and in favor of the proposal to defer action on the conference report until we can be certain that we are not making a grave error today by adopting the conference report.

However, the remarks which I made earlier are substantially correct. Public

Law 78 will expire on Decembr 31 of this year. But between December 31 and the date on which I would propose that the Senate consider the conference report, based on previous experience, some of the growers would use braceros—not nearly as many as at a later period, but some would be used. However, at that time of the year there is very little demand for farm labor of this kind. Therefore, if the braceros were not available in that short interim period, plenty of American workers would be available. If legislation approving the employment of Mexican labor were passed at some time in January, the Mexicans could then be hired. In the meantime, growers could be making their plans to hire braceros, if new legislation were enacted at that time.

I have conferred with the distinguished Senator from Minnesota [Mr. McCARTHY] and other Senators. It is not our desire to be unfair toward anyone. I have clearly expressed my continued opposition to this program, both on the basis of the conditions which it has brought about and on the basis that, in my judgment, it would permit some States to compete unfairly with States like New York, which raise fruits and vegetables and pay living wages to labor, but are required to compete with growers in States where cheap Mexican labor is available.

Congress is due to reconvene on January 10. Perhaps January 26, which is the date I originally suggested, is rather late in the month of January. Perhaps a week earlier would be a fairer date for the Senate to reconsider the question. That seems to be the consensus among Senators with whom I have discussed the question.

Therefore, Mr. President, on behalf of both the Senator from Minnesota [Mr. McCARTHY] and myself, I move to defer consideration of the conference report until Friday, January 19, 1962.

Mr. JORDAN. Mr. President, I move to lay that motion on the table.

Mr. KEATING. Mr. President, I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina to lay on the table the motion of the Senator from New York to defer consideration of the conference report until Friday, January 19, 1962. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOGGS (when his name was called). Mr. President, I have a pair with the Senator from Illinois [Mr. DIRKSEN]. If the Senator from Illinois were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. HICKEY], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. MUSKIE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "nay."

On this vote, the Senator from Nevada [Mr. CANNON] is paired with the Senator from Indiana [Mr. HARTKE]. If present and voting, the Senator from Nevada would vote "yea", and the Senator from Indiana would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from New Mexico would vote "yea", and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Wyoming [Mr. HICKEY]. If present and voting, the Senator from Idaho would vote "yea", and the Senator from Wyoming would vote "nay."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Mississippi would vote "yea", and the Senator from Alaska would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL] and the Senator from Texas [Mr. TOWER] are absent by leave of the Senate, to attend the Commonwealth Parliamentary Conference, in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent, by leave of the Senate, to attend the Interparliamentary Conference, in Brussels.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senator from Connecticut [Mr. BUSH] is absent, by leave of the the Senate, to attend the Conference of the International Fund and World Bank, in Vienna.

The Senator from Kansas [Mr. CARLSON] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Iowa [Mr. MILLER], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Kentucky would vote "yea", and the Senator from Connecticut would vote "nay."

On this vote, the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from Indiana would vote "yea", and and the Senator from Maryland would vote "nay."

The result was announced—yeas 43, nays 30, as follows:

[No. 217]

YEAS—43

Aiken	Gore	Mundt
Anderson	Hayden	Robertson
Bennett	Hickenlooper	Russell
Bible	Hill	Saltonstall
Byrd, Va.	Holland	Smathers
Case, S. Dak.	Hruska	Smith, Maine
Cooper	Jackson	Sparkman
Cotton	Johnston	Stennis
Curtis	Jordan	Talmadge
Dworshak	Kefauver	Thurmond
Ellender	Kerr	Wiley
Engle	Kuchel	Williams, Del.
Ervin	Long, La.	Yarborough
Fulbright	McClellan	
Goldwater	Monroney	

NAYS—30

Bartlett	Keating	Morse
Byrd, W. Va.	Lausche	Pastore
Carroll	Long, Mo.	Pell
Case, N.J.	Long, Hawaii	Prouty
Dodd	Magnuson	Proxmire
Douglas	Mansfield	Randolph
Fong	McCarthy	Scott
Hart	McGee	Symington
Humphrey	McNamara	Williams, N.J.
Javits	Metcalf	Young, Ohio

NOT VOTING—27

Allott	Carlson	Miller
Beall	Chavez	Morton
Boggs	Church	Moss
Bridges	Clark	Muskie
Burdick	Dirksen	Neuberger
Bush	Eastland	Schoeppel
Butler	Gruening	Smith, Mass.
Cannon	Hartke	Tower
Capehart	Hickey	Young, N. Dak.

So the motion to lay Mr. KEATING's motion on the table was agreed to.

SEVERAL SENATORS. Vote! Vote!

Mr. PROXMIRE. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. I expect to talk at some length on this matter. I feel very strongly about it.

EXECUTIVE REPORTS OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from South Carolina without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSTON. Mr. President, as in executive session I send to the desk the nominations of 50 postmasters reported favorably by the Committee on Post Office and Civil Service.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 2732. An act to amend section 303(c) of the Career Compensation Act of 1949 to authorize the Secretaries concerned to prescribe a reasonable monetary allowance for the transportation of house trailers or mobile dwellings;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard;

H.R. 8765. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Midwest City, Okla.; and

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the conference report on the migratory labor bill. Without objection, the conference report is adopted——

Mr. KEATING. Mr. President, may we be informed what the bill that was offered was?

The PRESIDING OFFICER. The Senator from South Carolina sent to the desk nominations of postmasters.

The question now is on agreeing to the conference report on the migratory labor bill.

Mr. JAVITS. Mr. President, has the Senator from Wisconsin been recognized?

Mr. PROXMIRE. Mr. President, the Senator from Wisconsin has the floor.

Mr. JAVITS. I do not think so, because the Chair was about to call for a vote.

Mr. PROXMIRE. It was the understanding of the Senator from Wisconsin that he yielded to the Senator from South Carolina with the understanding that he would not lose the floor. The Senator from South Carolina brought up another matter and wanted to bring up a motion——

The PRESIDING OFFICER. The Senator from Wisconsin is correct. The Chair was in error in his statement.

ORDER FOR ADJOURNMENT TO 8 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, the request I am about to make was made about 2 hours ago, and has nothing to do with continued speechmaking on the conference report.

I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 8 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, reserving the right to object——

Mr. MANSFIELD. Mr. President, I move that when the Senate adjourns tonight, it adjourn to meet at 8 o'clock tomorrow morning.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana. [Putting the question.]

The motion was agreed to.

ORDER OF BUSINESS

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GOLDWATER. Until what time will the Senate remain in session tonight?

Mr. MANSFIELD. I would say the Senate will remain in session at least until 10 or 11 o'clock, or thereabouts.

Mr. GOLDWATER. Is it the Senator's intention to bring up the public works bill tonight?

Mr. MANSFIELD. If the conference report is disposed of, yes; that bill will follow the pending business.

Mr. GOLDWATER. Does the Senator expect to complete action on the public works bill tonight?

Mr. MANSFIELD. It is not in my hands.

Mr. GOLDWATER. I would like to get it in the hands of the majority leader.

Mr. MANSFIELD. So would I. [Laughter.]

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. JOHNSTON. Mr. President——

Mr. PROXMIRE. Does the Senator from South Carolina wish to have the Senator from Wisconsin yield?

Mr. JOHNSTON. Yes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from South Carolina without my losing the floor.

Mr. COTTON. Mr. President, I object.

Mr. PROXMIRE. Mr. President, since objection has been heard, the Senator from Wisconsin has no alternative but to speak.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes, for a question only.

Mr. COOPER. Is it not correct that the Senator from Wisconsin has another alternative—he does not have to speak?

Mr. PROXMIRE. I thank the Senator from Kentucky. I have another alternative. I do not have to speak, physically, I suppose, but, morally, I am compelled to speak, and it is not an alternative that is available.

Mr. PROXMIRE obtained the floor.

Mr. JOHNSTON. Mr. President, will the Senator yield to me with the understanding that he will not lose his right to the floor?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may do so.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin?

Mr. COTTON. Mr. President, reserving the right to object—and I shall not object—it seems to me that if Senators at this hour are to take an opportunity to hold up business, they should hold up business. I do not wish, however, to impede the exercise of duty by the distinguished Senator from South Carolina, so I shall not object. I may object if there is any further yielding except for questions.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and the Senator from South Carolina may proceed.

STATUS OF CERTAIN ALIENS

Mr. JOHNSTON. Mr. President, I ask the Presiding Officer to lay before the Senate the amendments of the House of Representatives to Senate Concurrent Resolution 31.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 31) relating to certain aliens, which were, on page 2, strike out line 10; on page 2, strike out line 12; on page 3, strike out line 9; on page 3, strike out line 19; on page 4, strike out line 3; and on page 4, after line 6, insert:

SEC. 3. The Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief

Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-7957556, Allen Shih-Chun Hsiao,
A-9948078, Piccinich, Matteo Millo,
A-10135721, Scrivanich, Nicolo Martino,
A-10255933, Hroncich, Martino,
A-7828472, Bohlman, Jerzy (also known as Michael George Bohlman),
A-6920592, Kapka, Alice Mary.
A-6920587, Kapka, Edith Majer,
A-6920588, Kapka, Edith Rosemary,
A-6920633, Kapka, Janos or John,
A-6920591, Kapka, Janos or John Mary,
A-7469190, Kapka, Mary Valery,
A-10136154, Morin, Giovanni (also known as John Morin),
A-9798837, Sotirion, Georgios,
A-6667573, Wasiel, Bogdan.

SEC. 4. The Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 40 App. U.S.C. 1953):

A-9660331, Zurek, Edward,
A-9776592, Nyczkalo, Piotr or Petro Nyczkalo or Peter Nickalo,
A-8015435, Szubert, Marijan.

Mr. JOHNSTON. Mr. President, on July 17, 1961, the Senate agreed to Senate Concurrent Resolution 31, to approve the action of the Attorney General in granting suspension of deportation to 52 deportable aliens.

On August 22, 1961, the House of Representatives agreed to Senate Concurrent Resolution 31, with amendments to delete 5 cases from the resolution, and to add an additional 17 cases of aliens whose cases were referred to the Congress under the provisions of section 6 of the Refugee Relief Act of 1953, as amended, and the Displaced Persons Act of 1948, as amended.

The House of Representatives has agreed to reconsider its action in deleting two of the cases. I move that the Senate concur in the House amendments Nos. 1, 2, 5, and 6 to Senate Concurrent Resolution 31 and disagree to amendments Nos. 3 and 4, which have been ironed out with the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, witnesses testifying before congressional committees have advanced a series of arguments for Public Law 78 which appear to range from the irrelevant to the ridiculous when analyzed. We shall examine them one at a time.

NO LABOR AVAILABLE

Some witnesses claimed that without braceros their crops would rot in the fields. They claim that dometic labor is not available for seasonal agricultural work.

If we have heard any consistent argument it seems that this is the argument we have heard over and over again. This argument was partly answered previously today. A few additional remarks seem warranted.

Most of the witnesses who advanced this argument were the representatives of labor contracting associations, user organizations, and processing cooperatives and corporations which have a special interest in perpetuating the bracero system. These witnesses claimed that they made all-out attempts to recruit domestic labor but failed.

Harvey R. Adams, executive vice president of the Agricultural Council of Arkansas, put it this way:

> I don't believe anybody can make any more effort to obtain the workers (domestic) than we have; we think we have done a tremendous job in soliciting them from out of State and any place we can find them.

Can Mr. Adams really be serious about his recruitment efforts when farmworkers in Arkansas are paid, according to Department of Labor surveys, between 35 and 50 cents an hour? The truth is that American farmworkers are understandably not available for such preposterous wage rates, and neither should they be. From any viewpoint these wage rates are morally wrong and economically absurd. They belong to the unhappy depression days of 25 years ago, from which we have long and thankfully emerged, at least in most parts of these United States.

When decent wages and working conditions are offered, American labor is available. It is available, for example, in the State of Washington, where wages are as high as $1.25 an hour, where growers participate in an annual worker plan, and sometimes advance transportation costs to American migrants.

It is available in the State of Oregon, where the State legislature has enacted legislation improving conditions for American farmworkers. It is available in northern California, where American workers can earn as much as $1.50 an hour on tree crops. It is available in the State of Ohio, where an enlightened State and grower policy has resulted in an elimination of the foreign labor which once came into the State.

In other words, in those places where growers have made a sincere effort to recruit domestic workers, they have been successful. When an unlimited supply of foreign labor is available, however, there is no economic pressure put on the grower to improve his recruitment activities.

The second argument which was made by witnesses was that they were unable to pay. Some witnesses testified that because of decreasing farm income, growers cannot afford to raise wages. This argument is generally coupled with the complaint that growers have no control over the price they receive for their products.

The question arises as to what growers cannot afford to pay higher wages. There is no doubt that the family farmer who uses little or no labor is in serious economic trouble. No evidence has been presented, however, to indicate that those large growers and processing corporations and cooperatives, who are the chief beneficiaries of the bracero program, are fighting for survival. On the contrary, these enterprises which employ braceros seem to be doing quite well. It is highly possible that an increase in labor costs could be absorbed by most growers who use Mexican labor through mechanization, crop diversification, or some other means.

The fact is that in the State of Wisconsin over 1,000 Mexicans are employed, according to testimony received by congressional committees. I know that virtually none—and I think none—of the braceros are employed on the Wisconsin dairy farms. Wisconsin is a great dairy State. While there is some tendency for some farmers who have very large herds to employ other than members of the family to work on the farm, that is most unusual.

The fact is that employment of braceros at low wages, far from benefiting farmers, provides for the family farmer a form of competition which does not increase farm income but decreases income, which does not decrease the surplus of agricultural commodities but increases that surplus, which does not increase the prices the farmer receives for what he produces but reduces those prices.

Even if labor costs could not be absorbed, it is highly doubtful that an increase in labor costs would result in a substantial increase in overall production costs in agriculture. In 1958, the total wage bill amounted to $2.9 billion, while total production expenditures, including interest and rent, amounted to $25.2 billion. Farm labor costs, therefore, represent only 11.5 percent of total farm production costs, or less than one-eighth, according to the U.S. Department of Agriculture. This means that farm labor wages could rise more than 8 cents an hour before production costs are raised as much as 1 cent an hour.

Mr. President, I wish to repeat that. In the first place, farm labor costs represent only 11.5 percent—about 10 percent—of total farm production cost. This means farm labor wages could rise more than 8 cents per hour before production costs would be raised as much as 1 cent an hour.

Furthermore, as I have tried to emphasize, the fact is that the labor costs are not the costs of the typical family farmer because he and his family, almost by definition, do the work on the typical family farm. This is the cost of his competition, with the corporation farm, with the large farm.

J. Blaine Quinn, master of the California grange, in a speech before the 88th annual convention of the California grange, said the following regarding the price growers receive for their products:

> The threat to orderly production and harvesting of California's $3 billion agricultural output must not be ignored. We take the position that the present labor strife is an indirect result of greed on the part of large landholders who brazen their way with unlimited expansion of all farm products, with little heed to supply and demand.

Naturally, they depress the market for all similar products and force the independent producer to seek the cheapest labor supply available in order to get enough out of their year's effort to keep above board. This forces wages for farm labor down below those of any other scale in the American Nation.

As the senior Senator from New York [Mr. JAVITS] so eloquently said earlier in his excellent speech on this issue, the fact is that the agricultural farmworker is at the bottom of the American economic pyramid. If there is any forgotten man, if there is any man or woman who is neglected, it is the agricultural farmworker. He not only lacks the kind of economic income he deserves, but also, he does not have the political influence to achieve the kind of legislation which would protect him, because typically he is a man who travels all over the country. Since he is a migrant worker, he does not work where his residence is. As the Senator from Illinois has emphasized over and over again, the migrant worker rarely votes. Often he is a man of Negro or Mexican extraction. Every study has indicated that the nonwhite population has a very low record of voter participation. There are many reasons for it, most of which are beyond their control.

Without the braceros, it is highly doubtful that the "large landholders" Mr. Quinn describes could "brazen their way with unlimited expansion of all farm products." Mr. Quinn suggests that when the independent producers "organize" they will be able to "calmly and rightly demand a fair return." When this happens, Mr. Quinn says, "Labor unrest will be reduced to a minimum."

Yet, even if all these factors did not exist, it would still be impossible to argue that American agriculture must, in the attempt to meet its economic problems, exploit farmworkers. Fred Bailey of the National Grange testified as follows before the Subcommittee on Equipment, Supplies, and Manpower:

We shouldn't rely on the pleas of economic poverty in agriculture to justify a low rate. We have got to put the emphasis, in our opinion, on raising agricultural income to the point where it is attractive to American workers.

We heartily concur with Mr. Bailey and the Grange.

This is no way to increase farm income. This is a way to decrease farm income, by importing into the country more producers. If there is any simple, well-known economic fact in America, it is that we have too much farm production. We have an overproduction. We have a surplus which has plagued not only the farmer, but the taxpayer. That is why, unless there are strict limitations and careful supervision of the importation of Mexican workers, it is certainly not in the interest of the taxpayers of America, because it means we will be plagued with a surplus to an even greater degree.

In the third place, some Public Law 78 supporters contend that consumer prices will increase if the bracero program is terminated or reduced. The argument goes like this: A reduction in the amount of Mexican labor available to American growers will cause an increase in the labor cost, thereby raising food costs. In our opinion, this question has no bearing whatsoever on whether or not Public Law 78 should be reformed, extended, or terminated. As former Secretary of Labor Mitchell said:

In this country we do not choose to keep down our bills, including our food bills, at the cost of overworking and underpaying human beings. We choose to pay the price necessary to support an adequate wage.

Of course, Mr. Mitchell is correct.

We do this overwhelmingly in the industrial sector of our economy. We provide minimum wages and maximum hours. Not now, but in the very near future, we shall require the payment of the $1.25 minimum wage for those working in interstate commerce. But with time and a half for overtime, it will amount to nearly $2 as a minimum for people who work more than 40 hours. Whereas, of course, in agriculture, our farmers work far more than 40 hours a week. The fact is, as stated by the Department of Agriculture, that in Wisconsin the average number of hours worked on Wisconsin farms was 12 hours a day, 7 days a week, or 84 hours.

No argument can be made for subsidizing the American consumer by having the farmworker work at wages which are substandard, unfair, and indecent. It is as immoral and wrong as the system of many years ago, now far gone in America, at least in most sections of America, of expecting people to work for a pittance—10, 15, or 20 cents an hour—in sweatshops, on the ground that if they were paid more, consumer prices would increase.

We are in complete agreement with this statement, and we believe that the vast majority of farmers in the United States would also support Mr. Mitchell's views on this question. Spokesmen for consumer groups, testifying before the Gathings subcommittee, stated unanimously that consumers would be willing to pay the extra cost, if any, necessary to eliminate substandard labor conditions in American agriculture.

It is doubtful, however, that reform of Public Law 78 would have a significant effect on consumer prices. In 1957 farmers received 40 cents of every consumer dollar spent for food. Of the receipts, farmers paid 9.6 percent in wages. That is, less than 4 percent of consumers' food expenses went for farm labor.

As I understand, the farmer used to receive more than half the price that the housewife paid for food, but the percentage has declined. As I said, in 1957 it was 40 cents; now it is a little less.

If the farm wage level should rise, even if farmers were able to pass the increase straight along, the consumer would scarcely feel its effect upon his budget. If wage costs rose 25 percent, for example, retail prices would be pushed up a mere 1 percent. We know they fluctuate more than that from month to month.

The fourth argument used by proponents of the law, those that feel it is essential that it should be extended, is the effect that it would have on Mexican-American farm labor.

The Mexican farm labor importation program is, in effect, a point 4 program to Mexico, the supporters of Public Law 78 have testified. The fact is that Public Law 78 is not a foreign aid program, but a program to supply American farmers with supplemental labor. It must be examined on this basis, and not on the basis of a point 4 program. While it is true that the money brought home by Mexican braceros is of help to the Mexican economy, it cannot be argued that this is a legitimate justification for a program which is undermining the economic position of American farmworkers.

As we stated in the minority report of this committee last year:

One can hardly expect the American farmworker to shoulder the burden of providing foreign aid to Mexico. If Mexico is to be helped, let us do it through programs established for that purpose—and not by injuring a large segment of our population.

ANTIWETBACK MEASURE

The fifth argument proponents of Public Law 78 make is that the bracero program is an antiwetback measure. If the program were terminated or reduced, these growers claim, the invasion of illegal entrants from Mexico—the so-called wetback invasion—would begin all over again.

It must be stated that this is more of a threat than an argument. The growers are telling the U.S. Government that if it reduces the amount of braceros available for work on U.S. farms, they will hire Mexicans who enter the country illegally. Turning logic upside down, they say that the best way to cure the wetback problem is to legalize the wetbacks.

We believe that the Immigration and Naturalization Service is adequate to the task of policing the Mexican border. We believe, further, that if growers, or any other employers, presume to break our Nation's immigration laws by harboring and/or transporting workers who have entered the country illegally, they should be punished for their actions. A few stiff fines levied on such lawbreakers would cure them of hiring illegal entrants to the United States.

To sum up this section, it seems to me that the argument that no domestic labor is available has been met with statistics. It has been met by showing the situation in State after State. The way to meet it, of course, is to pay adequate wages to domestic workers. It has been shown that this is true in State after State. It is true in the State of Washington, in the State of Oregon, in part of California, in the State of Ohio, and in many other areas. Domestic labor is available to those who are willing to pay it.

It was interesting to me that the distinguished junior Senator from Arizona [Mr. GOLDWATER], who is recognized as one of the leading statesmen of America, should argue this afternoon that it was necessary to have this program because wages are too high and it is impossible to procure domestic workers for

the wages that are paid, or the wages the farmers can afford to pay.

The Senator from Arizona is a great expert on economic policy. He believes deeply and wisely in the classic economic theory, which argues that one can cure these ills through the law of supply and demand. He is absolutely correct in arguing that way. However, he is not right or consistent in saying that the difficulty is that it is impossible to get labor because the people will not work at the wages that can be paid.

The solution is simple. The solution is to pay higher wages. That is the solution that has worked in America and has resulted in a magnificent increase in our standard of living and in a very substantial increase in the economy of those who are not agricultural workers but work in other fields.

Wages have gone up because employers have found that they cannot get workers at the low wages that were paid years ago. Suppose we had handled this situation years ago by providing that, because we could not get workers at 10 cents or 20 cents or 25 cents an hour, we would import them from some other country, perhaps from central Europe or from the Far East. To some extent there was a tendency for that situation to develop, but in a somewhat different way. Immigrants came to this country who were willing to work for low wages. That situation has been changed. However, those people came to America to become American citizens, not to stay for a few months and then to return to their country.

It has been demonstrated beyond any question that it is possible to hire workers if one is willing to pay them.

The second point that is made is the inability to pay. It seems to me that that point has been met by the fact that we should recognize who these people are who hire the producers. They are not the dairy farmers of Illinois or the corn and hog farmers of Illinois. They are not the dairy farmers or the corn and hog farmers of Wisconsin. These are the big corporate operators.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield for a question.

Mr. DOUGLAS. Is it not true that the State which imports the largest amount of Mexican labor is the State of Texas?

Mr. PROXMIRE. The Senator from Illinois is absolutely correct.

Mr. DOUGLAS. California is second. Labor conditions in California are not too bad. However, the State of Texas imports the largest number. Is that not true?

Mr. PROXMIRE. The Senator from Illinois is correct. The State of Texas imports the largest number.

Mr. DOUGLAS. Did the Senator from Wisconsin read the novel "Giant" written by Edna Ferber, and from which the motion picture was made?

Mr. PROXMIRE. Yes; the Senator from Wisconsin read the novel and enjoyed it greatly, and also enjoyed the excellent motion picture.

Mr. DOUGLAS. Is it not true that the most significant sociological observation in that novel was the comment of the big rancher who told his niece that the big fortunes of Texas were based on exploited Mexicans and the 27½-percent depletion allowance?

Mr. PROXMIRE. The Senator from Illinois is absolutely correct. The Senator and I have worked for a long time for the correction of the 27½-percent depletion allowance, which I think is a very necessary and laudable target. This is a problem of even greater import, because it involves human beings directly. I think that observation is interesting, if perhaps not completely and totally accurate.

Mr DOUGLAS. Is it not true that Edna Ferber spent a great deal of time in Texas and was entertained widely by Texans, particularly by the big ranchers, and was not prejudiced against Texas in the slightest, and that after studying and observing the local color, she decided this was her considered judgment?

Mr. PROXMIRE. The Senator from Illinois is entirely correct. I point out further that this is something that should be appreciated by many Senators. One of the interesting customs of the Senate is to give great consideration to the attitude of Senators who represent the States which are most directly involved.

As the Senator has pointed out, Texas is certainly far more involved than any other State. It is overwhelmingly involved in this program. What position do the Senators from Texas take? They both voted to table the conference report. They both felt that consideration of it should be postponed until next year. They were correct, although perhaps for different reasons than the Senator from Illinois and the Senator from Wisconsin have stated. They understand their States thoroughly, and far better than does any other Senator. I think their position should be given very great weight.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. Without speculating on the motives of the Senators from Texas, is it not true that what is happening in Texas is a very curious affair, namely, that the big growers feel that the bill does not give them enough, and the people who want to defend the underdog feel that the bill goes too far?

Mr. PROXMIRE. The Senator is correct.

Mr. DOUGLAS. And the Senator from Wisconsin and the Senator from Illinois are on the side of the underdog?

Mr. PROXMIRE. The Senator is right.

Mr. DOUGLAS. We are not opposing the bill in order to help the big ranchers.

Mr. PROXMIRE. The Senator is correct. The Senator from Vermont, who is on his feet, has made this point very effectively. As he puts it, the extremes on both sides do not like the bill. He implies that because the extremes do not like it, the middle road, which is so attractive to all of us, and which we all consider to be a desirable place to get, should be adopted on the basis of consideration of who opposes the conference report.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. Is there not too much of a tendency to have homogenized politics at the present time?

Mr. PROXMIRE. I certainly agree. Whether one is on the right or on the left or in the middle of the road, if he examines the merits of the program—Public Law 78—from the standpoint of the national interest, whether he is a taxpayer or a farmer—and I am including the average family farmer who owns his own farm—this program is not in his interest. It is not a program which benefits him. I think it is a program that can, at the very least, be delayed.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. AIKEN. I have been very much interested in the debate on the conference report, because it has proved conclusively one of my contentions. I have always held that if two persons start from the same spot, and one starts left and keeps going left, and the other starts right and keeps going right, the two will eventually meet.

Mr. DOUGLAS. At a distance of about 12,417 miles.

Mr. AIKEN. When I saw the Senator from Illinois walking hand in hand with the Senator from Texas yesterday, I felt the point I had made had been conclusively proved.

Mr. PROXMIRE. I thank the Senator from Vermont for his observation. However, I feel strongly that this is not a middle-of-the-road bill; it is a bill which benefits only the big corporation farmers. It benefits only a few producers who are financially, economically, and politically powerful. It does not benefit the overwhelming majority of American farmers. It hurts them because it provides for unfair competition. Ninety-nine percent of the taxpayers are damaged by the program because it hinders the production of farm products.

Even if labor costs could not be absorbed, it is highly doubtful that an increase in labor costs would result in a substantial increase in the overall costs of agriculture. The inability-to-pay argument makes no sense, for two reasons: First, those who are best able to pay are the ones who would be affected by the program. It is the corporation farmers who can afford to pay it.

Second, if the increased labor costs were passed on to the consumer, the impact of the consumer would be extremely limited, because the share that the farmer, including the big farmer, gets of the consumer's dollar is small; and the proportion of agricultural wages to farm costs is small.

As I have stated, a 25-percent increase in the wages of ordinary farmworkers—and the bill would not provide anything like that—would result in a 1-percent increase, at the very most, if it were translated—which it would not be—into the ultimate cost of food.

In the third place, the argument was made that the bill will have an unfortunate effect on Mexico. The answer to that argument is clear. A foreign aid program for Mexico is laudable, but it ought to be considered and discussed, if there be a chance to do so, on its merits, and the cost borne by all Americans equitably, not primarily by migrant farmworkers. It should not be borne by the migratory workers who compete with the braceros.

The final argument was that the bill serves as an antiwetback program. This is not true, because there is no reason in the world why employers who wish to violate the law by hiring Mexicans under illegal circumstances and paying them even less than is paid under the braceros programs would be dissuaded because of the treaty that has been signed. The Immigration and Naturalization Service has a duty to enforce the law. I am confident that it can enforce the law if it is given the personnel to do so.

The Mexican farm labor importation program, whereby an emergency measure has been extended and expanded during all this time, raises serious moral and economic questions, and represents questionable public policy. I think we should recognize that this was an emergency program, a wartime program; and while we are in another emergency, I think it is perfectly obvious that the emergency which gave rise to the present program no longer exists. The justification for it no longer exists. It is ridiculous to continue it on the basis of its initial adoption. This program, which depends for its existence on poverty and unemployment in the Republic of Mexico, has a tendency to increase poverty and unemployment at home in America.

As the program is operating at present, it is denounced by religious leaders of all faith. It has been criticized by responsible citizens from all walks of life. It has been declared to be detrimental to the interests of U.S. farmworkers by both the former Secretary of Labor, James P. Mitchell, a Republican, and the present Secretary of Labor, Arthur J. Goldberg, a Democrat. Its effect on the economic position of farmers who do not use foreign labor has been questioned by the leaders of national farm organizations. I think this is important, because some Senators are laboring under the misapprehension that this is a bill which, while it is opposed by organized labor, the Secretary of Labor, and by religious leaders and others who have humanitarian instincts, is somehow a bill which is favored by farm organizations. The fact is that farm organizations have seriously questioned it. Its effect on the economic position of farmers who do not use foreign labor has been questioned by the national farm leaders.

The present administration has announced opposition to Public Law 78, unless it is amended to protect U.S. farmworkers from the unfair competition of Mexican laborers. Earlier today, the question was raised as to whether President Kennedy would veto the bill if it should pass. There is a strong indication that he might do so, in view of the position taken by the Secretary of Labor, because the present administration has announced its opposition to any extension of Public Law 78 unless the law is amended to protect U.S. farmworkers from unfair competition by Mexican labor.

It is apparent from an analysis of the bill that the technical extension which the House adopted certainly does not constitute protection of U.S. farmworkers of any significance on the basis of what the administration has said, so it seems to me that there is every chance that there might be a veto of the bill, even if it were passed. It is my contention that the bill does not conform with the program of the President of the United States.

Essentially, the Mexican farm labor program raises an important question concerning public policy. Should the power and authority of the Government be used in such a manner as to perpetuate a farm labor system rooted in unemployment and poverty, both at home and abroad?

The bill, by providing for a 2-year extension of Public Law 78, without major reforms, answers this question in the affirmative. I invite the attention of the Senator from Illinois to this point, because I know he is concerned about it. The bill previously provided for a 1-year extension; this proposal provides for a 2-year extension. That means that if the bill passes, the question will be taken out of the hands of Congress for 2 long years. If the Senate had compromised with the House; or if there had been any effort to limit the term to 1 year, I think the case for the extension of the measure might be somewhat stronger. But to extend the impact of the present law for 2 years is, it seems to me, quite serious. It means that Senators and Representatives who feel very strongly about the measure are giving up for 2 years their opportunity to pass on the question. It means that Senators who come up for election in 1962 may never have an opportunity to pass on it again. Every Member of the House puts himself in that position.

The bill is based upon the proposition that the Nation's largest industry, agriculture, is dependent on cheap labor for its survival, and that the Nation's growers are incapable of solving their labor problem without help from the Federal Government. Growers who have benefited from this program through the years have come to believe that the Government "owes" them a labor force.

If there is any group in America which has been condemning Government programs and Government subsidies, it is the big farmers—the big corporation farmers. Wisconsin has very few big farmers. There are some, but they are in a small minority, and they are not significant in terms of total production. They strongly oppose Government intervention in agriculture. Nevertheless, they are receiving a cheap labor supply because the Government has intervened.

I deny the validity of this proposition. It is my contention that it should be public policy to accomplish in agriculture what we have already accomplished in other sectors of our economy; namely, a restoration of respect and dignity, based upon steady and good working conditions for those who work for hire on American farms.

In my opinion the conference report would work against the accomplishment of this goal.

EFFECT OF PUBLIC LAW 78 IN FOSTERING A CLASS SYSTEM IN AMERICAN AGRICULTURE

Witnesses representing bracero-using associations, sugar companies, processors, and canneries testified before congressional committees that American workers will not perform stoop labor on American farms. A steady parade of these witnesses variously described this kind of work as "arduous," "disagreeable," "unpleasant," "nasty," and "distasteful."

At the same time, they described the American workers who do accept this work as "unreliable," "physically incapable," "alcoholics," and "skid-row derelicts." When these witnesses were asked whether higher wages and better working conditions might attract more reliable and qualified workers, the answer was generally "No," the contention being apparently, that Americans are above performing these so-called distasteful agricultural jobs.

The implication of such testimony is that some jobs in American agriculture are below the dignity of qualified American farmworkers. The further implication is that such work is not below the dignity of citizens of Mexico. Thus, according to this point of view, Mexican labor is needed to perform jobs that only the derelicts of American society will perform. Once the initial premise is accepted, it is easy to arrive at the ultimate conclusion: Since American growers should not have to depend on unreliable and physically incapable American derelicts to satisfy their labor needs, they must be provided with foreign labor.

It seems clear that these growers are arguing for a class system in American agriculture. Years ago the English economist, Ricardo, defined what he called "the natural rate of wages" as being "that price which is necessary to enable the laborers, one with another, to subsist and perpetuate their race without increase or diminution," and thereby be able to serve the owners or producers.

Mr. President, growers tell us that if American workers are not available at the prevailing wage—the modern substitute for Ricardo's "natural rate of wages"—we must recruit workers from the poor of foreign countries. Presumably, they believe that there will always be a sufficient amount of poverty in the world to provide workers who are willing to perform jobs that higher class people will not accept. This theory is based, of course, on placing a very low economic and social value on the jobs associated with the harvest.

Is it true that these jobs are so disagreeable that qualified American workers will not accept them, regardless of the wages and working conditions of-

fered? Frederick S. Van Dyke, a grower from Stockton, Calif., when testifying on behalf of the National Advisory Council on Farm Labor, said:

> There is dignity, gentlemen, in agriculture. For the moment it has shrunk under the onslaught of misguided legislation such as Public Law 78. But, given the chance, it can survive and it can flower. The dignity inherent in agriculture deserves to survive, no less than our free society itself deserves to survive.

Mr. President, the dignity Mr. Van Dyke spoke about will not survive if agriculture becomes permanently dependent on a special class of poverty stricken and underprivileged people, regardless of whether they originate in the United States or Mexico.

I have studied the Ricardian theory of economics. I disagree vigorously with the notion that the proposal now before us is even in accordance with the Ricardian theory of economics. It is not. The essence of the Ricardian theory of economics is to insist on applying the law of supply and demand to labor. But the entire system of government encouragement of union organization under the Wagner Act and its modifications has been contrary to the Ricardian theory of economics. However, even under a strict application of the Ricardian theory of economics, the Mexican bracero system does not square with it, because the pay of domestic workers is not increased, even though it is found that sufficient numbers of them are unwilling to work at such wages. In that situation, those who would follow the Ricardian theory of economics would argue that the wages should, therefore, be increased. Although such persons did not have the same regard for union organization that many persons today have, they did feel that if wages were too low, the way to solve the situation was to raise wages, just as when there is an inadequate supply of a commodity, the way to remedy that situation is to have the price of the commodity raised, with the result that larger quantities of the commodity are produced. So I submit that this measure is not in keeping with the kind of legislation we have enacted in regard to other labor, and it is not even in accordance with the 19th century theories of economics.

Each year, hundreds of thousands of migratory workers, underemployed, poorly paid, poorly educated, and trained only in agriculture, roam throughout the United States, helping to reap the rich American harvest. To this we add approximately 400,000 underprivileged foreign workers, because, according to the bracero-using growers, there are not enough migrants to perform agriculture's disagreeable jobs.

The proponents of Public Law 78 dismiss the migratory labor problem as a social question, not the concern of American growers. They are quick to admit, however, that many American growers are dependent on migratory labor; that they could not get their crops harvested without the migrants. In effect, what these spokesmen are saying is that many American growers are dependent on a supply of socially and economically displaced people.

By the same token, the same grower spokesmen claim that thousands of growers would go out of business if the supply of Mexican braceros were cut off. The implication is that these growers are dependent on poverty and unemployment in Mexico—an economic situation which spawns hundreds of thousands of unemployed and/or low paid workers who are willing to migrate to the United States, to accept work on farms at substandard U.S. wages.

Such a system cannot continue unchecked indefinitely; and farsighted growers already realize this. Fred Bailey, testifying on behalf of the National Grange, described Public Law 78 as a "crutch," and advocated termination of the program as soon as possible.

Mr. President, the National Grange is widely respected. By no stretch of the imagination could it be regarded as radical or extreme. It is recognized for its great responsibility and for the fact that it has always very carefully and thoughtfully considered the interests of the producers—primarily, the agricultural commodity producers.

Mr. Bailey said:

> The Grange does not believe that continued extensions of Public Law 78 are in the best interests of a majority of American farmers. We doubt that it is in the long run best interests of even a minority. Too many of us in agriculture have leaned far too long on Public Law 78 as a crutch—as an excuse for failure to take positive steps which would make the program unnecessary.

Reuben Johnson, testifying on behalf of the Farmers Union, which I understand is the second largest farm organization in America, got to the heart of the class system problem when he said:

> It is our deep conviction that farm labor problems should not be singled out for separate and different treatment from other labor relations issues. These are principles equally correct and just as the goal of parity farm income for farm operator families. We do not think that a large majority of farmers favor a future for our Nation's agriculture that is built on a mud sill of poverty.

Mr. Bailey and Mr. Johnson, representing two of the most respected farm organizations in the country, do not believe that American agriculture must be dependent on a class system to survive. These men, as well as Mr. Van Dyke, believe that American agriculture is capable of finding essential solutions to its labor problems. The reliance of agriculture on the underprivileged of the United States and foreign countries is to a certain extent an excuse for avoiding labor problems rather than a solution to them. Only one national farm organization identified itself with the philosophy of those farm organizations which represent bracero users, and that was the American Farm Bureau Federation. This is an organization which makes eloquent pleas to Congress to get the Government out of agriculture in order that the law of supply and demand may be restored to the marketplace, but insists in the continuance of Public Law 78—a Government program which interferes with the normal workings of the labor market.

We can understand the support given this program by those farm associations which represent bracero users, but it is difficult to understand why the American Farm Bureau Federation should stand alone as the only—and I stress the word "only"—organization to take this position. It purports to represent more than 1½ million farmers and testifies strenuously in favor of a program which is of benefit to only 2.1 percent of the growers in the United States.

The Farm Bureau often complains that agriculture is the victim of poor public relations. It seems to us that as long as growers advocate a class system in agriculture, as long as they advance the proposition that the State and Federal Governments owe them a supply of premium labor at cut-rate wages, they will continue to have a public relations problem.

American workers perform strenuous tasks in coal mines, steel mills, foundries, and in oil fields. They work on garbage trucks, in cesspools, under rivers as sand hogs, and in the boiler rooms of ships and factories. They perform heavy labor in industry and construction.

They would be available to perform the so-called "arduous" work in American agriculture if the wages offered and other conditions of employment were right. American working men are far less soft and far more capable than bracero-using growers, association managers, and the processing corporations representatives give them credit for—and they have a greater respect for the work of the harvest than those who describe such work as "nasty," "distasteful," "unpleasant," fit only for the dregs of the American labor force and the unemployed citizens of foreign countries.

EFFECT OF PUBLIC LAW 78 ON FARMERS WHO DO NOT USE FOREIGN LABOR

Mr. President, let me now stress the effect of the extension of this law on farmers who do not use foreign labor.

Representatives of organizations and associations whose members use Mexican labor testified before congressional committees that the majority of their members are small farmers. From this testimony—testimony presented by witnesses who have a special interest in perpetuating the bracero program—some Members of Congress have concluded that Public Law 78 is of inestimable help to the small farmer; indeed, that many small farmers would be forced out of business if the program were terminated.

The bracero program may be of short-run help to those small growers who use Mexican labor. It is questionable, however, whether the program is beneficial in the long run to these growers. Considerable evidence has been accumulated which shows that the availability of Mexican labor causes overproduction and a resulting decline in the prices these small growers receive for their products. The large grower who is able to increase his acreage—usually at the

expense of the small grower who has been forced out of business—is not affected by this decline in prices.

That is a very important point to stress, Mr. President, because the small grower, by definition, because he is small, is in a position in which it is extremely difficult for him to remain in business when prices are driven down. He does not have the capital to sustain losses for more than a year, 2 years, or 3 years. He goes out of business. But the big grower is able to stay in business, even though he is less efficient.

Furthermore, the bracero program is of no benefit whatsoever to the majority of family farmers who hire no labor at all—54 percent of all the farmers in the United States, and the overwhelming majority in my State of Wisconsin—or to those growers who hire domestic labor exclusively—over 40 percent of all the farmers in the United States.

Mr. President, approximately how many American farmers hire Mexican laborers? What proportion of them would be benefited by the program? The fact is that approximately 2 percent of all American farmers hire Mexican labor. No doubt there are small farmers among the 2 percent who hire Mexican labor, but compared to the overwhelming majority who do not, they constitute a minuscule minority, because the big farmers use the braceros. Because the small farmers operate small family-type farms, and because the work is done by the family on the farm or a local person who is willing to work temporarily, of course they do not get into expensive bracero programs that involve contracts with the Labor Department and considerable investigation. The small farmer is virtually excluded, and is adversely affected because the program means competition with farmers who hire such labor and results in driving his prices down, and driving the farmer out of business.

Furthermore, there is some doubt as to whether those small growers who do use Mexican labor are farmers in the real sense of the word. Fred S. Van Dyke, a California grower, explained it this way:

> Professional spokesmen for bracero-using associations have come before you [the Gathings subcommittee] and stated that the majority of their members are small growers who could not possibly survive without bracero labor.
>
> Let us take, for example, associations of citrus growers, managers of which have testified before you in favor of the bracero system. The small citrus growers of southern California may be small, but they are not growers in any meaningful sense. They do not grow anything. They are a form of landlords. Instead of renting out apartments and office space for profit, they rent out orange and lemon trees. The tenant is the Sunkist Association.
>
> And who does the labor for the Sunkist Association? On February 25, 1961, 1,880 of the 2,160 employees in the Ventura County lemon harvest were foreign contract workers, i.e., 87 percent. Since about 10 percent of the workers in any such harvest are foremen, checkers, truckdrivers—positions which cannot be legally filled in California by braceros—we may conclude that Mexican nationals do virtually all the actual picking of lemons on the small farms of southern California.
>
> These are the small farmers who claim they need Public Law 78. I say that it is time to call a halt to the phony farming that has emerged as an adjunct of the foreign contract labor system.

In most cases, the legal employers of Mexican nationals are labor contracting associations. It is the task of these associations to supply labor to their members whether they be growers or distributing and processing cooperatives or corporations. Often the grower does not even pay for the Mexican labor he is supplied with. For example, the following colloquy took place between Representative GATHINGS, chairman of the House Subcommittee on Equipment, Supplies, and Manpower, and Fred G. Holmes, labor commissioner of the Great Western Sugar Co. and the Northern Ohio Sugar Co.:

> Mr. GATHINGS. That money [cost to import a bracero to Montana and back to Mexico] comes out of the pocket of the farmer, is that not right?
>
> Mr. HOLMES. The sugar companies advance the money and make what we call a mechanization charge to the grower. If the grower fully utilizes the labor, uses mechanical means to reduce the amount of labor, he makes no payment to the company, the company bears the entire cost of labor.

I repeat that, Mr. President:

> The sugar companies advance the money and make what we call a mechanization charge to the grower. If the grower fully utilizes the labor, uses mechanical means to reduce the amount of labor, he makes no payment to the company, the company bears the entire cost of labor.
>
> Mr. GATHINGS. It does not come out of the pocket of the grower at all?
>
> Mr. HOLMES. No, it does not in this particular case.

Another colloquy between Chairman GATHINGS and Robert H. Ford, of the National Pickle Growers Association, brought out the same fact:

> Mr. GATHINGS. Are the expenses of these Mexicans that come up to Michigan reimbursed—do you have to pay that to each grower, does the grower have to pay that?
>
> Mr. FORD. The actual farmer does not, no sir. The association does, the processors, and the association ultimately winds up bearing that expense.

Spokesmen for several farm organizations have taken a dim view of this system. Reuben Johnson of the Farmers Union—an organization of family farmers—asked the Gathings subcommittee to consider the effect of the Mexican national program on family operated farms:

> We are concerned by the lack of information on the economic effect of large numbers of imported farmworkers on family operated farms. We, therefore, urge you to provide for further study of the Public Law 78 program on our traditional pattern of family operated farms.

The fact is that if a large grower or processing corporation is able to obtain an unlimited quantity of labor for low wages, the labor performed by a farm operator and the members of his family on a small family farm becomes of equally low value.

Not only does importing the braceros and paying them very little not help American agriculture but also it hurts the overwhelming majority of American farmers. This fact has been brought to the attention of the Gathings committee many times. It has been brought to the attention of the Committee on Agriculture and Forestry, on which I serve. As yet, it has not struck home.

For this reason, I believe it is necessary to present in this report specific illustrations of how the importation of unlimited quantities of Mexican labor adversely affects small family operated farms.

Let us consider lettuce. The spring lettuce crop is grown in Arizona and California, largely with foreign labor, and in North Carolina, South Carolina, and Georgia exclusively with domestic labor. Over the past 6 years, production in the Western States has risen while production in eastern areas dropped.

Frequently during the debate a Senator has risen and said, "My State is not affected. We do not use braceros in our State. We do not hire Mexican labor." Yet the Senator says, "I favor the bill, because it benefits farmers elsewhere."

The fact is, as I have pointed out, that in the State of North Carolina, the State of South Carolina, and the State of Georgia the farmer is affected, but he is adversely affected. He is adversely affected because of competition from other areas of the country in respect to crops, which drives the prices down. Prices are driven down not only in Arizona and Texas, but also in North Carolina, Georgia, South Carolina, and other competing States.

Over the past 6 years production in the Western States has risen, while production in the eastern areas has dropped.

There has been a clear downward drift in average price for both the eastern and western crop. The average price per hundredweight for eastern lettuce declined 35 percent to $3.88 for 1959 and 1960; the corresponding price for western lettuce went down 15 percent to $3.50. It appears that the availability of foreign labor has contributed to lower returns for eastern farmers by overexpanding production and by enabling western growers to take over some of the markets formerly available to small farmers in the East.

Next let us consider strawberries. California growers have doubled their production of midspring strawberries for processing over the last decade, largely with the help of Mexican labor. U.S. production rose by about 20 percent and prices fell 18 percent. The five other States producing this crop in competition with California—Virginia, Kentucky, Tennessee, Arkansas, and Oklahome—all of which use domestic labor for strawberries, have curtailed production sharply as prices fell.

The argument is made that the bracero program works to the benefit of farmers who cannot hire people to work on their farms to help them produce. The fact is that it may benefit certain large contracting associations in Texas and California, but in Virginia, Kentucky, Tennessee, Arkansas, and Oklahoma strawberry production has dropped. Of course, the income of strawberry-producing farmers has been sharply reduced.

As for tomatoes, more than four-fifths of the California workers who harvest tomatoes for processing are Mexican workers. U.S. production of this crop averaged 3.8 million tons in 1959 and 1960, about 3 percent higher than in 1950 and 1951. California's annual production rose 0.5 million tons over this period while annual output in other producing States, which rely mainly on domestic labor, went down by about 0.4 million tons, nearly a half million. The U.S. average price to farmers dropped by about 12 percent.

Earlier today I had a very interesting colloquy with my good friend the very able and distinguished senior Senator from Florida [Mr. HOLLAND]. It was the contention of the senior Senator from Florida that in respect to these crops there is no price problem. He said:

> We do very well. We do not suffer from the kinds of problems which plague agriculture with respect to which there has been so much governmental intervention.

The Senator was referring, of course, to price-support programs, and so forth.

The evidence I am now producing is a direct refutation of the assertion of the distinguished Senator from Florida.

The use of Mexican labor probably has a bearing on the disappearance of the family-scale farm and the concentration of production on the large-scale farm. The Census of Agriculture of 1959 revealed that the number of large-scale farms, with a value of products sold at $10,000 or more, increased more than one-third in the past 5 years, from 583,000 to 794,000. But meanwhile the number of medium- and small-scale commercial farms, the real family farms, on which the family does all the work, declined by more than 40 percent.

In other words, farms are becoming larger, with larger acreage and larger gross income, and there is a rapid disappearance of the small family farm.

One of the inevitable reasons is the fact that with regard to lettuce, strawberries, and tomatoes, in all of which the bracero program plays a very large part, the prices drop, and production is shifted from the States in which the family farmer was and is very largely supreme, to States where large corporation farming operation is prevalent.

It may be inevitable that the family farm type of operation must gradually disappear from the American scene. I vigorously disagree with that contention. I think if we give the family farmer in America—whether it is a dairy farm, vegetable farm, or a wheat farm—an equal opportunity so that he does not have to compete with imported, Government-subsidized low wages, he can do very well.

The family farmer in America is the most efficient economic unit, beyond comparison. That has been proved magnificently. If we compare the increase in efficiency in American agriculture, which is very largely still a family operation, with the increase in efficiency of our factories or the increase in the efficiency of any other sector of American economy, we find that agriculture has done far better. The President's economic report of a year ago showed that the efficiency in productivity of agriculture had increased three times as fast as the general increase in productivity throughout America. The family farmer has done extremely well from the standpoint of efficiency.

What is the greatest difference between economic efficiency in this country and economic efficiency in Soviet Russia? It is not in our big factories, although we have an advantage in our labor productivity there. It is not in our marketing system, though that is very efficient, and I am sure has an advantage over the Russians. The really overwhelming advantage is that of American agriculture, the family farm, over the collectivized Soviet agriculture. This is where the decisive advantage is. Why? Because American family farming is efficient and productive, and it works. Nevertheless, the smaller farms are tending to dwindle and disappear because of this unfair kind of competition.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Wisconsin may yield, so that a veto message may be delivered to the Senate, without losing his right to the floor.

The PRESIDING OFFICER (Mr. PELL in the chair). Is there objection? The Chair hears none, and it is so ordered.

INCREASED RETIREMENT COMPENSATION OF CERTAIN FORMER MEMBERS OF METROPOLITAN POLICE FORCE, THE DISTRICT OF COLUMBIA FIRE DEPARTMENT, THE U.S. PARK POLICE FORCE, THE WHITE HOUSE POLICE FORCE, AND THE U.S. SECRET SERVICE—VETO MESSAGE (S. DOC. NO. 58)

The PRESIDING OFFICER (Mr. PELL in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the District of Columbia, and ordered to be printed.

To the Senate:

I return herewith, without my approval, S. 1528 "to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service; and of widows and children of certain deceased former officers and members of such forces, department, or service."

This bill is a reenactment of a similar proposal in the last Congress which President Eisenhower expressed disapproval of on September 24, 1959.

I find objectionable that portion of the bill which increases by 10 percent the annuities of certain former members of the Police, Fire Department, and Secret Service.

Already, as a result of the Equalization Act of 1923, which gives an automatic proportionate increase in annuities whenever active duty policemen and firemen receive them, a significant number of these retirees now receive a larger pension than their annual salaries while on active duty. The record also indicates that this group is much more generously treated than other District government annuitants who are covered by other retirement programs. The proposal would compound the existing disparity and is inconsistent with essential objectives of fairness and impartiality to all employees.

The provisions of the bill affecting widows and surviving minor children of deceased policemen and firemen who retired prior to October 1, 1956, are a different matter. Their annuities were last adjusted in 1949, and, in the years since, this fixed income has diminished in value with each increase in the cost of living. S. 1918, which has passed the Senate, provides for an early increase in these annuities and I am hopeful that the House of Representatives will pass this bill promptly.

JOHN F. KENNEDY.

THE WHITE HOUSE, *September 22, 1961.*

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, I wish to point out that if the Senator from Wisconsin had been interested in delaying a vote or in filibustering, it would have been easy for him to object to the request of the majority leader that the reading of the veto message be permitted.

I think the veto is the first, second, or third of the few vetoes that President Kennedy has handed down. It would have been extremely interesting to hear the justification for the veto. However, I think it is necessary that we discuss the subject at hand because it is extremely important, and I believe that the merits of the bill should be discussed.

I also wish to call attention of the Senate to the fact that the discussion by all Senators on this subject has largely been germane and to the point. We are trying our level best to persuade our fellow Senators to see the wisdom of our position. We are not discussing extraneous subjects.

It seems to me that it is unfair that the small American family farm should disappear partly because the Government of the United States makes available to large-scale growers and processing corporations an unlimited supply of foreign labor at wage scales which undermine the value of labor furnished by the farm operators and members of their families. I believe the family farm operator should be given a fighting opportunity to survive. It seems to me that the conference report would damage the family farmer quite severely.

I come to one of the most significant aspects of the impact of the bill, and that is the effect of the extension of the bill on the American farmworker—not the farmer, but the farmworker. American farmworkers are among the most underprivileged in the Nation's labor force. It is estimated that there are 1,400,000 fully unemployed workers. The average earnings of agriculture workers are barely over $1,000 a year. Farmworkers are excluded from minimum wage, unemployment insurance, and most workmen's compensation legislation. In addition, they are excluded from legislation which protects the rights of workers to organize into unions and to bargain with their employers. Each year approximately 400,000 American farmworkers are forced to migrate in order to avoid either low wages or unemployment at home. While on the road the migratory workers' lives are even worse, by reason of underemployment, low wages, poor housing, lack of education, lack of health and welfare services and, in some cases, unsafe, vehicles for transportation. The effect of Public Law 78 on these already downtrodden Americans is similar to the effect of a boot applied to the head of a person who, through no fault of his own, is already groveling in the dust.

Many Americans were deeply shocked by that most impressive documentary of the American Broadcasting System, "Harvest of Shame."

The plight of the American farmworker, the migratory worker particularly, is one that really touched the heartstrings of Americans. Earlier it was brought out by another Senator that the Nation in many ways is becoming more conservative. I think that may well be true.

I believe there is great merit in that position. Whether our Nation is becoming more conservative or less conservative, I believe that once Americans can see a gross injustice—and certainly the treatment of the American migratory farmworker is gross injustice—all Americans, whether they are conservative or liberal, Democrat or Republican, business people or laboring people, of high income or low income, will feel that this injustice should be corrected and rectified. On the basis of all the documentation we have, and the magnificent work that has been done by the junior Senator from New Jersey [Mr. WILLIAMS] and the junior Senator from Minnesota [Mr. MCCARTHY], who spent many months investigating this situation and have made their position clear on the floor, there is no question that this gross injustice exists in America.

Rev. William E. Scholes, western field representative, Division of Home Missions of the National Council of Churches, gave the following testimony before the House Subcommittee on Equipment, Supplies, and Manpower:

> Some time ago, our staff made an informal study of the needs of migrant workers. We always ask one question, which is important to us, and it is: "What can we best do to help?" We thought that the answer might come that: "You could encourage the school system to help our children with their studies," or something of this nature. Instead, almost invariably high on the list of what we could do was to help them get some of the jobs back that the braceros had taken from them.

Assistant Secretary of Labor Holleman has stated:

> It is not in the public interest for Government to interpose itself in the farm labor market to guarantee a labor supply to employers whose refusal to adjust wages, working conditions, or personnel practices creates artificial labor shortages.

For 9 months in 1959, four consultants studied the effects of Public Law 78 on domestic farmworkers at the request of former Secretary of Labor, James P. Mitchell. These men conducted their investigations not only in Washington, D.C., but in all the areas where Mexican nationals are employed. They conferred with farm employers, domestic migrants, braceros, government officials, and others close to or directly concerned with the Mexican farm labor program.

The four men who reported to the Secretary of Labor on this subject were certainly not radicals, extremists, or crusaders. They are sound and able men.

The four men who reported to the Secretary of Labor on this problem were: Ex-Senator Edward J. Thye of Minnesota, one of the men who helped write Public Law 78; Rufus B. Von Kleinsmid, chancellor of the University of Southern California and ex-president of the University of Arizona; Glenn E. Garrett, executive director of the Good Neighbor Commission and chairman of the Texas Council on Migratory Labor; and Msgr. George C. Higgins, social action director of the National Catholic Welfare Conference.

These distinguished Americans, from varied backgrounds and varied points of view, arrived at the unanimous conclusion that the Mexican farm labor program was undermining the already deplorable economic condition of American farmworkers.

These four men were men of outstanding distinction and fairness, men who were looking for answers, not from the standpoint of any political advantage, but because they wanted to get the most honest and fair answers they could get; and they came to the unanimous conclusion that the Mexican farm labor program was undermining the already deplorable economic condition of the American farmworkers.

Evidence accumulated by the Department of Labor supports the conclusion reached by the four consultants.

WAGES

A vast amount of evidence accumulated by the Department of Labor proves conclusively that the importation of Mexican labor has had a definite adverse effect on the wages offered to American labor. The following facts, based on wage surveys made by the Labor Department's Bureau of Employment Security and compiled for this report at our request are to the point:

First. Hourly wage rates reported to the U.S. Department of Agriculture rose about 14 percent from 1953 to 1959, but Labor Department surveys showed that wages in most areas and activities employing Mexicans remained relatively stable. Fifty percent of the studies showed no significant change in rate, from earlier to later years within this period, 32 percent showed an increase, and 18 percent showed a decline. Declines would not be expected to occur in labor shortage situations.

Second. In 43 percent of the cotton harvest wage surveys in Mexican-using areas compared within the 1953–59 period, wage rates remained stable; and in 32 percent declines were reported. A study of 1960 trends shows that in 57 percent of the cotton harvest wage surveys in important Mexican-using areas wage rates remained the same as in 1959, while 28 percent declined. Most Mexican nationals are employed in the cotton harvest.

In some sections of Arizona, wage rates in the cotton harvest have remained virtually unchanged from 1953 to 1960, and in other areas of the State, cotton wage rates have dropped 50 cents per hundredweight.

In Mississippi County, Ark., wage rates for cotton picking were virtually unchanged from 1953–60, despite the fact that the USDA hourly rate for the State as a whole rose 28 percent. This area uses 11,000 Mexican braceros.

Phillips County, Ark., had an hourly cotton chopping rate for domestic workers of 30 cents in June 1954. Although the average rate in June 1960 was 37 cents, rates as low as 30 cents were still being paid. Mexicans are paid contract rates of 50 cents. The USDA average hourly rate for Arkansas was 69 cents in July 1960.

In Texas and Arkansas widespread declines occurred between 1959 and 1960 in cotton harvest rates—pulling in Texas and picking in Arkansas. Typically, the decline was from $1.75 to $1.50 per hundredweight in pulling—Mexicans are paid the contract rate of $1.55—and from $3 to $2.50 per hundredweight in picking. A notable exception resulting from Department of Labor action under earning policies, occurred in the Lower Rio Grande Valley, where the picking rate rose from $2.30 to $2.50. But this followed a period of several years in which there had been no change in rate until 1959, when, also by virtue of Labor Department action, the rate rose from $2.05 to $2.30.

Third. In the Imperial Valley of California, wage rates remained unchanged at 70 cents an hour between 1951 and 1959. Recently the average hourly rate has increased to 90 cents an hour. Nevertheless, this rate is about 35 cents below the average for the State as a whole. The Imperial Valley is a bracero-dominated area.

This is just some of the evidence accumulated by the Department of Labor. There is much more. For example, Department of Labor studies have shown that growers who hire foreign labor pay lower wage rates to the Americans they hire than growers who hire American labor exclusively. Even more important, the Labor Department has found that braceros are employed at approximately 20,000 skilled, semiskilled, and year round occupations.

Some persons have argued that we must engage in substantial Government projects, that we have to run a substantial Federal deficit. Others have argued that we can solve unemployment by engaging in extensive labor-training programs. Indeed, the Senate has passed a bill—quite a costly bill, but quite a necessary bill—to provide training in special skills for labor which is unemployed and cannot find work because it does not have skills which are in demand.

Congress has passed an area redevelopment bill. The distinguished senior Senator from Illinois [Mr. DOUGLAS] was a great pioneer in that field. His work finally came to fruition this year when the depressed areas bill was enacted.

The highway program and the housing program, both of which are expensive programs, have been justified, to some extent at least, not only on the ground that they provide services but that they put people to work. I am sure those programs would not have been nearly so extensive or expensive to the American taxpayer if we could not have argued that they are of great value to the unemployed.

When we bring in 400,000 Mexicans to compete with 1.4 million American farmworkers who are out of work, are we helping to solve our unemployment problem? It seems to me that one of the greatest blows the Senate could strike at unemployment in America would be to end this program. But we are not asking for that. That may be an extreme position. We are asking, however, that the program be sufficiently reformed so that it will comply with the recommendations of the President of the United States through his Secretary of Labor. It is a very modest request. We have watered down that request through the McCarthy amendment, by providing that when Mexican braceros come in, they shall be paid either 90 percent of the average farm wage in the State in which they are employed, or 90 percent of the national farm wage, whichever is lower. But even if the McCarthy amendment were rejected, many of us would be willing to consider the possibility of extending the program, even as it is, for even 1 year, as was done last year. Instead, it is proposed that the program be extended for 2 years.

Probably the greatest economic problem facing the American people today is the problem of unemployment. We certainly do not contribute to the solution of that problem by aggravating it through subsidizing the importation of 400,000 Mexicans to compete with farmworkers in this country who are out of work. The 1.4 million figure does not include nonagricultural workers. It includes only farmworkers in employment situations such as this.

The conference report provides the braceros an extensive field for competition. Whereas the Senate bill provided a strict limitation on the kind of work the braceros could do, the conference report modifies that provision by the following language:

> And (2) modification of the provision relating to the use of Mexican workers to operate or maintain power-driven machinery so that this provision will apply only to power-driven, self-propelled harvesting, planting, or cultivating machinery.

There are a number of other jobs in competition with American workers in which the braceros are obviously free to compete.

At a time when underemployment in agriculture has reached the equivalent of 1.4 million fully unemployed persons, the employment of foreign workers in these jobs is a disgrace. This 1.4 million figure does not include nonagricultural workers; it includes only farmworkers. In an employment situation such as this, it is difficult to imagine by what set of mental gymnastics bracero-using growers can justify the employment of foreign workers in skilled occupations.

It is true that Public Law 78, as it is presently written, does not specifically limit the employment of Mexican labor to unskilled occupations, but it is our contention that it was the intent of Congress to so limit their employment. The use of Mexicans for skilled work reduces the opportunities of domestic farmworkers to advance from unskilled to higher paid skilled jobs and tends to lower the wage levels of domestic farmworkers employed in skilled occupations.

I wish to read from a number of documents which relate directly to this program. The first is from the senate factfinding committee on labor welfare of the State Senate of California. It bears a release date of June 19. Senator James A. Cobey, chairman of the senate factfinding committee on labor welfare, said:

> Material gathered during a 2-year study shows that the controversial bracero program has resulted at times in detrimental effects to both domestic and seasonal farmworkers and farmers.

He went on to say:

> The program was established to supply workers to farmers temporarily when their usual sources of seasonal labor were insufficient to meet harvest demands.

Some farmers have taken the path of least resistance and have given up their recruitment and utilization of domestic workers. They are not always dependent on foreign labor. Most recently Mexican interests postponed again any concerted effort to employ legal restraints to migratory workers.

I should say the junior Senator from New York [Mr. KEATING] and his senior colleague [Mr. JAVITS], who have been making such a fine fight on this issue, submitted an amendment to provide protection for our domestic migrant agricultural workers and at least put them on the same basis as the braceros.

I should like to point out some of the abuses which have been suffered because of the Mexican farm labor importation program. The fact is that this law hurts the poorest of the poor in our society—the domestic migratory farmworkers. Some 315,000 Mexican farmworkers—known as braceros—were imported under Public Law 78 in 1959. This importation results in a surplus of cheap labor, so that wages and working conditions can be kept at substandard levels on corporation farms. On some crops, Mexicans do virtually 100 percent of the work. American farmworkers can expect an average of only 138 days of employment a year. Farm wages run as low as 30 cents an hour, and in some areas where Mexicans are used in great numbers, wages have actually declined in recent years. Average income for farmworkers was $829 for all of 1959.

Earlier I indicated that the bracero program not only has a general effect in keeping down the wages of domestic farmworkers, but it has a very specific effect in the areas where the braceros are employed. These are the particular areas where wages have remained stationary, or in some cases have declined, whereas in other areas, where braceros are not employed, the Department of Agriculture was able to show that farm wages have increased consistently. This is especially contradictory in view of the fact that the only justification for the program is supposed to be the labor shortage. In a labor shortage area wages should be increasing, not decreasing.

Mr. ANDERSON. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. PROXMIRE. I am happy to yield.

Mr. ANDERSON. Will the Senator list some of the States where the average wage is 30 cents?

Mr. PROXMIRE. I have tried to be as careful as I can in stating the wages. I have said that the average wage has been 30 cents in some parts of Arkansas.

Mr. ANDERSON. For bracero labor?

Mr. PROXMIRE. Oh, no, because it has to be 50 cents, under the agreements.

Mr. ANDERSON. But the Senator from Wisconsin just got through saying that the wages were 30 cents—unless he changes the RECORD. Will he name a State in which it is 30 cents?

Mr. PROXMIRE. I have said that farm wages run as low as 30 cents an hour, and in some areas where Mexicans are used in great numbers wages have actually declined in recent years.

Mr. ANDERSON. Does the Senator from Wisconsin contend that Arkansas is a large user of bracero labor?

Mr. PROXMIRE. Oh, I may say that one county in Arkansas—Mississippi County—has used 11,000 of them; and Mississippi County is in an area where wages of the domestic workers average as low as 30 or 35 cents an hour.

Mr. ANDERSON. I have been listening to the Senator from Wisconsin. At one time, I administered a program of trying to find labor. Does the Senator from Wisconsin hope to defeat this measure, or does he desire to defeat it—I shall put it that way—regardless of his hope?

Mr. PROXMIRE. My desire is to amend and correct this measure, so as to bring it in line with the recommendations of the President, through his Secretary of Labor. My position is that under present conditions we shall have a far better chance of doing so if the bill is put over until January. Of course,

what we really would like to do is have the conferees return to a further conference and there state that the Senate insists on their fighting for the inclusion of the McCarthy amendment.

Mr. ANDERSON. I know the Senator from Wisconsin believes in majority rule. But is he not actually suggesting that he wants a return to the importation of wetbacks?

Mr. PROXMIRE. Oh, no; that is illegal.

Mr. ANDERSON. What else would result from his position? Nothing else.

Mr. PROXMIRE. Of course not. There is no reason why the producers in New Mexico, Arkansas, and Texas should violate the law by recruiting Mexicans to come across the border illegally to work in this country. I think the law should be strictly enforced.

Mr. ANDERSON. Does the Senator from Wisconsin believe that the only way wetbacks come into the United States is by recruitment?

Mr. PROXMIRE. Of course not.

Mr. ANDERSON. They swarm across the border; they look for opportunities to obtain employment. And the Senator from Wisconsin wants that to continue. I think it will be terrible if it continues.

Mr. PROXMIRE. I think (a) they should be sent back, and (b) we certainly should not legalize the wetback system or give it approval by action of the U.S. Senate. I do not think there will be anything like the competition from illegally entered aliens that there is at the present time under Public Law 78.

Mr. ANDERSON. I can only say to the Senator from Wisconsin that he is arguing exactly on the side of all the large users of bracero labor in my part of the country. All of them have been sending to me telegrams in which they urge that I vote against the conference report. Why? Because they want to use the wetbacks.

Mr. PROXMIRE. Oh, no; the reason they want the conference report defeated is that they think they can get everything they want, and they want an opportunity for the braceros to be allowed to operate farm machinery, without any limitations. But the bill provides at least a small limitation. It does not satisfy me, at all; but the conferees' modification of the bill provides that the use of Mexican workers to operate self-propelled harvesting or cultivating machinery shall be prohibited, although the big employers want to use them for that purpose.

Mr. ANDERSON. I wish to say that I found a spot or two where braceros were used in such employment, and I joined with the employment agency in our State in seeing that that was stopped; and today it cannot be done.

But when they get wetbacks, they can do it; and I am sorry to see an effort being made to bring in wetbacks again. We fought for years against that.

I do not say these workers now are paid all that they should be paid; but at least they are paid 90 percent of the prevailing wage, and they cannot be imported until the U.S. Employment Service certifies that there is an absolute shortage of workers. Does the Senator from Wisconsin indict the U.S. Employment Service?

Mr. PROXMIRE. As I have already said, the U.S. Employment Service has no choice, because the shortage of workers in that area can be determined very well by associations of producers. After all, if the wages are driven down low enough—as has been done—certainly an adequate supply of domestic workers cannot be obtained when wages of 35, 50, 60, or 75 cents an hour are offered. A family cannot possibly be supported on such a wage. It is inhumane to expect people to do this difficult toil for such pitifully inadequate wages.

But I say that the solution of the problem is not to bring in 350,000 or 400,000 Mexican workers—or whatever the total is. The solution is to let the law of supply and demand operate, and pay them decent wages, as is done in Washington, Oregon, and many other States.

Mr. ANDERSON. And build up a wetback program.

Mr. PROXMIRE. Oh, no.

Mr. ANDERSON. That is all the Senator from Wisconsin is contending for, as I see it.

Mr. PROXMIRE. It seems that the Senator from New Mexico is in the position of arguing that we should legalize theft, and organize it, so it is somewhat limited in its impact on its victims, because if we do not, we create an invitation for other people to steal, because many thieves are not caught. The reasoning of the Senator from New Mexico is, it seems to me, very, very tortured. I can see no connection between saying we should vote for the passage of a proposed law which is bad public policy and militates, in my judgment, against the taxpayers, as well as against the overwhelming majority of the American farmers and farmworkers—on the ground that if that law is not enacted, people will steal anyway.

Mr. ANDERSON. I now understand that the Senator from Wisconsin probably would be for prohibition, but it did not work. When this law is abolished, the Senator knows, or he must know if he has had any experience with it, we shall have wetbacks. The difference between us is that I opened up the unemployment service in New Mexico in 1936, when we established unemployment compensation benefits and put certain agencies under it. I administered the program for a while as Secretary of Agriculture. I have watched it for a long period of years in that part of the country, and I believe I know what I am talking about. The greatest thing the Senator can do for the depression of farm labor is defeat this legislation and let them go back to the wetbacks.

Mr. PROXMIRE. The position of the Senator from Wisconsin is very clear. It is that in this legislation we must provide adequate protection for the domestic migratory workers so that they will not be under unfair competition. Then I would be willing to approve and support an extension of the program. If we cannot provide that protection, we are legalizing a wetback system, whether the workers are brought into this country through cooperation with the Government under Public Law 78 or whether the immigration laws are not enforced. There is the same devastating effect on American workers. The way to answer that problem is to enforce the law. I can see no reason why we cannot enforce this kind of law. I have seen our Immigration and Naturalization Service do it before.

Mr. ANDERSON. I do not know when the Senator has seen the law enforced, but I have seen wetbacks swim the river night after night. No agency was herding them across. They were looking for employment. They got it. They receive far better employment under far better conditions under Public Law 78. I do not understand why the Senator wants to go back to the old conditions.

Mr. PROXMIRE. The law can be enforced not only by more adequate controls, but by sending the wetbacks back, and by punishing the producers who violate the law by hiring them. Any number of things could be done to make the law effective. Because the law has been violated before, it makes no sense to say we must keep agricultural workers in a submerged condition where they receive pitifully low wages—and especially when there are 1,100,000 agricultural workers out of employment.

Mr. ANDERSON. Can the Senator get some of those agricultural workers down to our part of the country? The Employment Service in our area certifies steadily that it cannot find such workers. The Senator from Wisconsin seems to be doubting these people, who are honest people, when they say there is an absence of agricultural workers. He thinks they are lying. I do not think they are. I think he ought to go down there and say that to them. He will get a vigorous answer.

Mr. PROXMIRE. There is no question but that those people are honest and mean what they say, but what they are saying is that Americans cannot be found who are willing to do this hard work for 50 or 60 cents an hour. I say we should not be able to find American workers who are willing to do that work at such low wages. If they are paid enough, workers will be found, as has proved to be the case in other States.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. CARROLL. Both the Senator from New Mexico and the Senator from Wisconsin are absolutely correct, considering the premise upon which they are proceeding. Many years ago, as the able Senator from New Mexico knows, before we had the benefit of what we call the Mexican nationals contract, the wetbacks swam the Rio Grande. They swam the Rio Grande because certain of our employers—I will not mention the industry by name; it was agricultural—used the loudspeaker system to draw them across the Rio Grande. That is why they were called wetbacks. They came into New Mexico, Texas, and Colorado. They were used in our agricultural industry for a few months, and

then fell back upon our communities. We took care of them the whole winter, in the early days, before we had any law.

Let us see what has happened in the intervening years. As the able Senator from New Mexico has said, as a result of the intelligent, progressive legislation by both State and National Governments, we have sought to protect the people who came into this country. We do not need wetbacks any more. We now negotiate with the Mexican National Government.

Let me say to the Senator from Wisconsin that I have voted for every amendment of the Senator from Minnesota [Mr. McCARTHY]. Why? I shall come to that point later. I remember one time when I had a very short sojourn of 3 months with President Truman. The same problem arose. President Truman took the firm position that we ought to have better contracts with Mexican nations, for the benefit of human beings. I am sure the Senator from Wisconsin is talking about people, and not solely economic issues. By the same token, the Senator from New Mexico has said that, from years of experience, this is what we have tried to evolve in a gradual program. This is not the sole answer.

The American Federation of Labor and economists are saying this. The law involves Mexican nationals. It may be that there are other States than those I mentioned which are affected. This is not the complete answer to the problem. What about the great area of the American people who are doing stoop labor? Do they compete with Mexican nationals? I think that is what the able Senator from Wisconsin is talking about this evening. I think it is why the able Senator from New Mexico was discussing his amendment.

In the State of Colorado, which borders the great sister State of New Mexico, we have these problems. We need Mexican nationals because we have seasonal crops. We have potatoes, fruit, lettuce, and cantaloups. We still have not solved all our problems. We have not solved housing and health problems to the satisfaction of the people of Colorado, but we are taking steps forward. We took great steps forward under the administration of Franklin D. Roosevelt. Subsidies were created to establish housing programs for migrant workers which have been abandoned for almost 20 years. Now the Mexican Government says to this country, "Before you take a contract, show me how you are going to treat my nationals. Show me the health conditions, the water conditions, and the housing conditions. Show me what wages you are going to pay."

The Mexican Government is doing a pretty good job of negotiating. Who is not doing a good job? The American Government is not doing the necessary job for its own American citizens.

Mr. PROXMIRE. I could not agree with the Senator from Colorado more.

Mr. CARROLL. This is the issue to which the able Senator from Wisconsin is directing his remarks.

I listened to the discussion with my friend, the Senator from New Mexico. Suppose we fail to realize our ideal or our objective? Suppose we fail to realize the objective sought by the proposed legislation?

New Mexico and southern Colorado and the areas of seasonal production need the Mexican nationals. We should listen to the Senator from New Mexico. We do not have the necessary stoop labor. I use that term. We do not have the stoop labor necessary to bring the produce from the land. The farmers in our area are very poor. Their income is very low. Whole communities subsist from one cash crop. It may be potatoes. It may be cantaloups. It may be a fruit.

Who lives upon this production? Many people of the southern tier of counties of Colorado are Spanish-American people who came from Mexico one or two generations ago, through Texas, and through New Mexico, into southern Colorado. If they do not have this work they will have nothing.

In principle the able Senator from Wisconsin is entirely correct. This is why I supported the McCarthy amendment. I think it would establish a principle. It is a symbol to which I would adhere. I believe in it.

In the final analysis, to say that we should have no legislation would be destructive to the economic well-being of my own people. Thousands of Spanish-American people live under substandard conditions. They receive substandard wages. The answer, however, is not to do nothing. We should do something.

I commend the able Senator from Wisconsin for his effort this evening. Whatever he does and whatever the Senate does, I shall remember the words of President Truman almost 10 years ago. There has been little progress in 10 years. We keep fighting. Perhaps next year we shall move forward. The next year we may move forward further.

The Senator from Wisconsin has been very patient. I remember not so many years ago when American citizens—not Mexican nationals—were brought in trucks all the way from Texas into southern Colorado. There would be a truckload of people, not seated, but standing, like cattle, in the truck. The truck driver might drive for 24 hours and then suddenly fall asleep, and there would be a slaughter on the highway.

I appeared before the Interstate Commerce Commission and asked the Commission to impose regulations upon the interstate transportation of people. I asked the Commission to give people the same consideration they gave hogs, sheep, and cattle moved interstate. We now have certain regulations in Colorado. We are far behind some of the other States. I do not know what New Mexico has done. It all takes time.

I said to the Interstate Commerce Commission, "You should put some insurance on the trips. If you put a value on people, as you do on cattle, sheep, and hogs, the insurance companies will take care of the problem."

It takes a long period of time.

I commend the Senator from Wisconsin. I know that his principle is correct. His fight is a proper one. However, we must not do anything to obstruct the passage of the proposed legislation, which is vitally necessary.

I thank the Senator for yielding.

Mr. PROXMIRE. In the first place, I agree that we should pass improved legislation. However, I feel that the Secretary of Labor, who has analyzed the problem very thoroughly and carefully, is correct in saying that if we postpone consideration to a day certain in January, though the law would die on December 31, only 10 or 15 days would elapse in which the law would not be effective. It is the judgment of the Secretary, after carefully analyzing the problem, that the impact on American farmers and farm producers would be—and this is the word he used—negligible.

I feel we should do something, and do something now. There are a number of things on which the Senator from Colorado and the Senator from Wisconsin agree. I think the Senate conferees should go back to conference and insist on the McCarthy amendment.

If we cannot do that—if we cannot have the McCarthy amendment—then we should have the other provisions in the bill the Senate Committee on Agriculture and Forestry presented to the Senate. They are important provisions for protection of minimum wages for the braceros, to protect our own people against competition.

It seems to me that postponement of consideration of this problem until next year would be sensible. We are willing to bargain further. I would at least like to see the program continued, not for 2 years, but for only 1 year. Last year the program was extended for 1 year. This year the bill calls for a 2-year extension. The more often the proposal comes before the Senate the more opportunity there will be for reform in the law.

I ask the Senator from Colorado and the Senator from New Mexico for help in this regard.

It has been charged that if the program were abolished it would encourage a great increase in "wetbacks." That has been the assertion of the Senator from New Mexico, and the Senator from Colorado has confirmed it.

I ask the Senator from New Mexico, a former Secretary of Agriculture, who is one of the most brilliant men in the country, and who is very experienced in this field, if he can tell me how many "wetbacks" there were and if there is any authoritative or reliable estimate to indicate how many there would be if this program lapses? Or whether more wetbacks would come into the United States than there are braceros who come into the United States legally?

Mr. ANDERSON. I know of no one who kept track of illegal importation. That is like asking, "How much 'bootleg' whisky was drunk in the United States?" It was too much, but nobody knew how much it was.

I can only say that there were thousands of "wetbacks." I have seen a thousand of them at one time shoved back across the border.

There was a limited number of enforcement officers at El Paso. When President Truman came to the Southwest in 1948, I was on his special train.

We talked to him at El Paso. He had been critical of some things concerning the bracero labor. I loved President Truman. I love him today. I wished to have him understand the situation. To give him firsthand information, we brought in men from the customs office. We put them inside his private car, so that he could ask them if they could enforce the legislation against "wetbacks." They all told him it was impossible.

A great many of the people who live on one side of the Rio Grande look a little like the people who live on the other side of the Rio Grande. They speak English. They get along very well. They remember where they are supposed to live. They have lived in old Mexico, or in some other place. It is pretty hard to prove they are "wetbacks." That takes time. Nobody knows exactly how many "wetbacks" there were, but the number was sufficient to do all the work necessary in stoop labor.

What happened when the Mexican Government made its contracts? As the Senator from Colorado carefully pointed out, the U.S. Government insisted that decent dwellings be provided for these people. I know the Senator from Wisconsin will not deny that. The Senator from Colorado and I know it is so.

The Government insisted upon a decent supply of drinking water. At one time, the Government insisted upon medical attention, and life insurance policies. They were only small life insurance policies, to be sure, for only $1,000, but no one had had that sort of protection before.

I have seen people from northern New Mexico go by the truckload into the sugarbeet fields of Colorado, there to be employed as families, not as individuals. Now the Mexican Government contracts and specifies who shall work and who shall not work.

I suggest to the Senator from Wisconsin, on whom I know I am making no impression, that an ounce of experience is sometimes worth quite a little of theory. I have seen the situation change with reference to the employment of agricultural labor. Many people who grow cotton in my State do not make bracero contracts because they cannot afford bracero labor.

The labor is higher priced than domestic labor.

If the Senator succeeds in his ambition to put the question over until January, the people in my part of the country, up and down the Rio Grande, who want to get wetbacks will be glad to tender a banquet to him and hail him as a conquering hero. That would be the worst thing that could happen.

The standard of living of braceros has been raised, largely with the assistance of President Truman in consultation with President Aleman. They established decent standards and tried to live up to them.

Mr. PROXMIRE. Can the Senator from New Mexico inform the Senator from Wisconsin and the Senate how the conference report would prevent the large producers, who the Senator from New Mexico says are eager to get wetbacks, from bringing them in? The conference report would not increase the number of immigration and naturalization enforcement officers. It would not provide any change in the law in that respect. Why can they not go ahead and do what they did before?

Mr. ANDERSON. I did not say they were eager to get wetbacks.

Mr. PROXMIRE. The Senator said that the people along the Rio Grande would tender me a big banquet if I could defeat the program.

Mr. ANDERSON. I said that so long as the present law is on the books, the Mexican Government will stop the wetbacks from crossing the border. I have seen representatives of the Mexican Government standing on the beach between Juarez and El Paso to make sure that the people getting on the streetcars were not coming over to engage in agricultural labor in the United States. I have seen them lining the banks of the river to make sure that their citizens did not come to the United States. It has been the policy of the Mexican Government to make the braceros come in under contracts legally executed with the United States. If we abolish the right of the Mexican Government to make such contracts, the people affected will have no place to turn.

Mr. PROXMIRE. Is it the position of the Senator from New Mexico that if, in order to get better terms and wages for the Mexican nationals, the Senate should postpone action on the conference report until 10 or 15 days after the first of the year, the Mexican Government would then change its program and not prevent Mexican nationals from coming into this country?

It seems to me they would do all they could to assist their own citizens.

Mr. ANDERSON. I realize that it seems that way to the Senator from Wisconsin, but it does not seem that way to people who know the opposite situation.

Mr. PROXMIRE. Why not?

Mr. ANDERSON. Because we have watched what has happened. We have lived through it.

Mr. PROXMIRE. On page 8 of the committee's report—not the conference report—is a list of the States in which Mexican nationals were employed last year. I noticed that more than 1,000 were employed in the State of Wisconsin.

I can tell the Senator that those 1,000 braceros, or Mexican nationals, could not possibly have been employed if they were illegally in the State of Wisconsin. I know where they are employed. I know the towns in which they are employed. I know that in town after town it would be virtually impossible in Wisconsin to live very long without the authorities knowing that wetbacks are there.

We have a very law-abiding State. I am sure that the Senator from New Mexico has, too. But we would not stand for this kind of thing if those people were there illegally. There might conceivably be one or two of them who would get through. But we would not get 1,000.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ANDERSON. What would the people of Wisconsin do if those 1,000 people were needed?

Mr. PROXMIRE. We would send them right back. They would be in Wisconsin illegally.

Mr. ANDERSON. Not illegally.

Mr. PROXMIRE. As wetbacks.

Mr. ANDERSON. Those 1,000 Mexican nationals who are now in Wisconsin are there because an official of the State of Wisconsin and the Public Health Service said they were needed.

Mr. PROXMIRE. Oh, indeed.

Mr. ANDERSON. Do I correctly understand the Senator from Wisconsin to say that he would be happy to let the contract go by the board and not allow those people to come in when they are needed?

Mr. PROXMIRE. No; the Senator from Wisconsin has never made that statement.

What the Senator from Wisconsin has said over and over again is that the bill should provide an improvement. The Kennedy administration has said that unless there is reform and improvement in the proposed legislation, it should not be enacted. That is exactly the position of the Senator from Wisconsin. I would not be happy to see the program end. I say it should be continued, but it should be improved. I say that if it were ended, there would be no tremendous disaster, because even in my State, if our people are willing to pay high enough wages, we could find 1,000 people who would take the positions which would be available. No wetbacks could remain there under those conditions.

Mr. ANDERSON. If what the Senator from Wisconsin has said is true, the person who certified the braceros should be removed from his job. I am surprised that the Senator from Wisconsin has allowed them to remain there.

Mr. PROXMIRE. The person who certified the workers has acted correctly. The fact is that the prevailing wage in Wisconsin, and throughout the Nation—because, of course, we have national competition in the commodities that are purchased—is such that we cannot employ American citizens to do that kind of work at that particular wage.

Mr. ANDERSON. The Senator has said that it is all right in Wisconsin but wrong in Texas.

Mr. PROXMIRE. It is not all right in Texas.

Mr. ANDERSON. I thought the Senator said it was. Does the Senator disapprove of it?

Mr. PROXMIRE. I disapprove of continuing the program unless it is improved as recommended by the administration. If it is not improved in that way, I say we are better off without it. The Senator from New Mexico has probably got the Senator from Wisconsin off the point, which is that the wetbacks could not possibly continue to be employed in Wisconsin, because I am sure that 1,000 illegal wetbacks from Mexico could not work in Wisconsin for any period of time without being discovered and sent back. I am sure if that were true in Wisconsin, it would also be true in Wyoming, Georgia, Nebraska, Mon-

tana, Colorado, and Michigan, which employs 11,000, and in a number of other States.

It may be a real problem in Texas, which is directly on the border. As the Senator from Texas has so well pointed out, many Mexican-Americans work there.

Mr. ANDERSON. I agree with the Senator from Wisconsin. The problem will be great on the border, and would include the States of Texas, New Mexico, California and Arizona. There it would be a difficult problem.

I think we are far better off with the present program and the progress we have thus far made. I am only trying to point out to the Senator from Wisconsin that, of course, he did not get all he wanted in the bill. In the past 12 years, other proposed legislation related to agriculture has been before the Senate. I did not approve of a great deal of it. Two or three times I made motions on the floor to strike out some price level provision and to substitute another provision. Some of those motions carried, and the bill would go to conference and come back without the amendment for which I had fought.

I did not try to take away from the American farmer what little good he got out of the bill by standing up and trying to kill the bill, saying that if we held off further action for 4 or 5 years we would get a better bill for the farmer.

I say to the Senator from Wisconsin that, having lost his point, he would do a disservice to the farmers by saying, "Let us postpone action until January, and return to the wetback system."

Mr. PROXMIRE. Let us come to the wetback system. I was about to quote a man who is probably the outstanding authority on immigration questions in this country. He is Gen. J. M. Swing, Commissioner of Immigration and Naturalization Service, U.S. Department of Justice. What did he say? He said in a letter that he sent to the Senator from Minnesota [Mr. MCCARTHY], dated February 8, as follows:

> In response to your first question, the Service does not believe that the enactment of Public Law 78 brought about a significant reduction of illegal wetback entries. From the attached table, it will be observed that for at least 3 years following enactment of the law, the apprehension of wetbacks rose appreciably to the alltime high of over 1 million in the year ending June 30, 1954.

He went on to document his position. He presented a series of tables which indicated very clearly that his position is correct.

Mr. ANDERSON. I can only say to the Senator from Wisconsin that if he is satisfied that General Swing is an expert, I am not.

Mr. PROXMIRE. I am talking about the wetback situation.

Mr. ANDERSON. He is a former friend of a distinguished American who, lacking any other form of employment, was sent down to the border to take care of charges that were made. He made several trips into Mexico in the form of fancy hunting expeditions, equipped with American airplanes. He probably found out all about the wetback situation.

Mr. PROXMIRE. I ask the Senator to give me the name of one who is more of an authority on the question of the violation of immigration laws than the Commissioner of Immigration.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. CARROLL. The discussion between the Senator from New Mexico and the Senator from Wisconsin has been very important. No one can misconstrue the position of the able Senator from Wisconsin, with which in principle I thoroughly agree. I voted for all the McCarthy amendments.

What we are seeking to do is to see that when Mexican nationals come into this country, first, that they have a wage scale that is commensurate with their work, so that their presence would not interfere with American labor. If I understand correctly one point of the Senator from Wisconsin, we have American labor who can do the same work. I am thinking of my own State of Colorado. On the other hand, this question reminds me of the Attorney General who can give an opinion on each side. I ask the able Senator from New Mexico to pay attention to what I am about to say.

I do not quite agree that if consideration of the conference report is postponed for a little time the wetbacks will flood over the Rio Grande. The able Senator from New Mexico [Mr. ANDERSON] has spelled this out quite clearly. He is giving the history of what was done some 25 or 30 years ago. This used to be the practice. In my State groups of people went to the Rio Grande with loudspeakers and enticed Mexicans to swim across the river. We do not want any more wetbacks in this country. When a wetback comes into the country illegally, not only does he not get his pay, but he is threatened with jail. We want no more of that. What we want is a better contract with the Mexican nationals. Why? We do not want Mexican nationals to come in with a low salaried contract of any kind as compared with the wage that American farm laborers get. Does not the Senator agree with that?

Mr. PROXMIRE. I agree. That is one of the arguments that the Senator from Wisconsin is making.

Mr. CARROLL. The other question is one which I have not thoroughly understood. Are the Secretary of Labor and the President now advocating that, unless the McCarthy amendment is included that the bill should go over until next year?

Mr. PROXMIRE. No; as usual the administration has not been that specific. I believe the President would be in error if he indicated on what grounds he would veto the bill. He has not done so. No President has done that in the past.

Mr. CARROLL. I am not talking about a veto.

Mr. PROXMIRE. He has not indicated that it should go over until next year. It has been indicated that unless there is a significant reform in Public Law 78, and unless it is improved, the program should not be continued. In other words, they feel that a simple extension of the existing law is not enough. This is the only point I make.

It is my contention that the conference report represents substantially the House position. The House accepted three technical changes which were in the Senate amendments.

The report provided for a modest—a too modest—provision with respect to the kind of work braceros can do. Except for that, it did nothing to provide any improvement whatever with respect to the minimum wage to be paid braceros. This, it seems to me, is the crux of any substantial and significant reform in the Mexican labor program.

Mr. CARROLL. Since the conference has there been any communications from the administration as to its position on the bill as reported?

Mr. PROXMIRE. Not to my knowledge.

Mr. CARROLL. Does not the Senator agree with me entirely in principle? In every vote I have cast I have reflected this principle, in entire agreement with the Senator's position on this subject. In view of the fact that there has been silence on the part of the Secretary of Labor and the administration, how can we justify postponing consideration? If the position is not clear in the latter part of September, how do we know what the situation will be in January?

Mr. PROXMIRE. There has not been silence on the part of the Secretary of Labor. He wrote a letter to the Senator from Minnesota [Mr. MCCARTHY], in which he clearly said that no significant damage would be done if the program were postponed until next year.

Mr. CARROLL. What was the date of that letter?

Mr. PROXMIRE. Unfortunately, as so often happens, the material I have been using and have incorporated in the RECORD is now being processed.

Mr. CARROLL. Is the date of the letter subsequent to the conference?

Mr. PROXMIRE. I believe not. The conference was held at an extremely recent date. I believe it recognized the kind of situation that could develop in the conference. It was responsive to such a situation.

Mr. CARROLL. I hope, therefore, there will be no vote on this question this evening, in view of the remarks of the able Senator from Wisconsin. We should have a clear statement from the administration. This is their responsibility, not ours alone. Let them speak. If we can get a letter here in the morning, by 10 o'clock or 11 o'clock, and not have a vote on the question this evening, we shall find out if there would be any damage, in their opinion. They have the experts. They have the staff. If they want this program to go over until next year, let them say so. Does the Senator agree?

Mr. PROXMIRE. Of course we are a legislative body. We should reach our own conclusions.

Mr. CARROLL. We would be legislating on what?

Mr. PROXMIRE. I agree wholeheartedly with the Senator from Colorado that the vote should go over.

Word from the White House would be helpful. The Senator from Wisconsin

is somewhat reluctant to demand or insist that action not be taken without word from the White House on the proposed legislation. The Senator's point is very well taken.

Mr. CARROLL. Does not the Senator agree that each of us has only a small staff, and that this problem is within the jurisdiction of the Department of Labor? The Secretary of Labor has a large force. They know what goes on in each State. If this contract is not injurious to the agricultural sector, or the labor sector, we should have that information. We cannot know this individually, although I agree entirely in principle with the able Senator from Wisconsin. However, I believe that in the interest of logic, clarity, intelligence, and proper legislative action, this question could go over.

We can decide this question in 1 hour in the morning. Why must we say we will do this because we are a legislative body, and merely because of that? We legislate upon the basis of intelligence, knowledge, and facts. No Member of this body today knows what the effect would be if ratification of a contract with Mexico were delayed with respect to the people coming into our area.

Mr. PROXMIRE. I have the letter in front of me now. It has no date on it. It might have been more recent than I indicated. Let me read the first and last paragraphs. I believe they indicate a little more specifically, at least, what the answer might be. This is from Secretary Arthur Goldberg. He says:

> I have given considerable thought to your inquiry as to the harm that might be caused to the agricultural community, or to individual growers, if the Congress failed to enact an extension of the Mexican labor program (Public Law 78) at this session. I recognize that at this juncture when consideration of some vitally important legislation is being deferred until next year, such deferral of Public Law 78 enactment is not out of the question.

Then he deals at considerable length with the substance, and he summarizes——

Mr. CARROLL. Would the Senator say that the Secretary wants some other things included in the bill? Have I been denied that information?

Mr. PROXMIRE. He indicates what the effect would be on the growers, and what the effect would be on the farmers, if this program should go over and not be enacted, and what the effect would be on his Department. His Department must administer the program. He points out that in January and February there is no shortage of agricultural labor. This is not a period of great shortage, although there is some need for labor in Texas and Florida.

Mr. CARROLL. And perhaps southern Colorado.

Mr. PROXMIRE. In January and February?

Mr. CARROLL. I am talking about now.

Mr. PROXMIRE. I am discussing what the situation would be if the bill were to go over and not be enacted into law until, say, the 15th of January or the 20th of January. It would be in effect until December 31. This situation was dealt with by the Secretary of Labor. He concludes by saying:

> These various considerations suggest that damage to the farm economy or to individual farmers, if enactment of a Public Law 78 extension were deferred to next year, would be negligible. The anticipated adverse effect upon the Department's staff and upon its operational efficiency, however, are sufficient to lead me to suggest that deferral should take place only if acceptable modifications cannot be achieved at this session.

It is the position of the Senator from Wisconsin, on the basis of the analysis of the conference report, that acceptable and significant modifications have not been made in the legislation. Therefore, it is my conclusion, even though there might be some adverse effect upon the Department staff in its operational efficiency, that it would be worth the cost, because there is no significant effect—the adjective used by the Secretary of Labor is "negligible"—on the farm economy of America.

Mr. CARROLL. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. CARROLL. I am sure the Senator from Wisconsin will permit the junior Senator from Colorado to have an expression of opinion. As I have said, I agree to the philosophy and the great statesmanship of the able Senator from Wisconsin. But if I read the letter of Secretary Goldberg to the people of Colorado, they would laugh me out of the southern part of the State, because he said there would be—as I remember the words—"no significant impact."

Mr. PROXMIRE. He said the impact would be negligible.

Mr. CARROLL. He said the impact on the livelihood of a small segment of people would be negligible. I am glad to say there is no longer any stoop labor in that area. I am sorry that it is necessary to depend on some Mexican nationals for some labor.

Mr. PROXMIRE. In all fairness to the Secretary of Labor, what he is saying is that if the bill goes over, there would be a short period in January when the law would not be in effect. That period would not adversely affect the growers, because that period is not a period when a large amount of farm labor is needed. The Department only administers the program when Mexicans are in this country in significant numbers.

If we add 15 days in October or September or July, or in any of the many months of the year when Mexicans are working, then the absence of the law would have a significant effect. But the Secretary is referring only to the short period in January when the law would not be in effect.

I do not believe the Senator from Colorado can argue that this provision would inconvenience, let alone damage, the farmers of southern Colorado, because I doubt very much if there would be a single bracero in Colorado—well, perhaps there might be one from January 1 to January 25 but there would not be many more.

Mr. CARROLL. They would be frozen at that time.

Mr. PROXMIRE. It is the period between the 1st and the 15th or 20th of January about which the Secretary of Labor is talking.

Mr. CARROLL. I understand that argument. I think it is valid argument or point. But for me to go back home to the people of Colorado and say that we are going to delay negotiating a contract over a long period of time, after a contract has been negotiated and consummated when they now come into Colorado, we have control that has never been had before by Federal officers.

The able Senator from New Mexico [Mr. ANDERSON] spoke about Mexican nationals in his own State. There is a little town in New Mexico called Espanola. The whole community moves into southern Colorado at this time of year. They are not Mexican nationals. They are Mexican Americans. They bring their children and families into Colorado and work in the potato fields. I know, because I watched with amazement how the families come—not one family, but groups of families. I saw children 4, 5, 6, and 7 years old, in 40 groups, working in an area.

Why is not that work mechanized? Because the potatoes grow in the rocks. I have walked among them. I have asked them, "Why do you do this work? Where do you go to school?" I learned about them. They make a stake with the family and then go back to Espanola to live through the winter. This happened in Denver 30 or 40 years ago.

Mr. PROXMIRE. It is only in the winter, with the postponement of the proposed legislation until early in January, that there would be any effect. In the winter, as the Senator has said, braceros are not in Colorado; they are not in Texas; they are not in Louisiana. They are in Mexico. The Secretary of Labor is absolutely correct in saying that during this period the effect will be negligible. That is all he is saying.

Mr. CARROLL. Why does he not say it now, after the conference has taken place? Let him say it now or tomorrow morning.

Mr. PROXMIRE. Perhaps he will say it tomorrow morning; but his letter satisfies me, because he has recognized the situation; and it is exactly the situation which confronts us at the moment.

Mr. CARROLL. The Senator from Wisconsin has only a thousand in his State. Wisconsin is away up near Canada. It is too bad the labor cannot be brought down from Canada. I am trying to say that from Texas to Arizona and into New Mexico, Colorado, and California, we have a peculiar problem.

While I believe in the Senator's beautiful philosophy, and I shall vote for it, there is a point beyond which I must consider the survival of my State.

Mr. PROXMIRE. I would agree; and in the event the program were to be carried on during next summer or fall, I think the danger to some farmers, both in Wisconsin and Colorado, might be considerable.

Mr. CARROLL. I thank the Senator from Wisconsin. I hope we will not vote this evening. If the Senator keeps talking a little longer, I feel certain we will not. I will try to help out in this problem.

Mr. PROXMIRE. I thank the Senator from Colorado. He has been extremely helpful.

I observe in the Chamber the distinguished Senator from Florida [Mr. HOLLAND], who is an outstanding expert in this field and in many others. Earlier today I had a discussion with him on this particular issue. I should like to continue it now.

I refer to the adverse effect on the price which the independent farmers receive, because the larger farmers use bracero labor.

The spring lettuce crop is grown in Arizona and California, largely with foreign labor. The lettuce crop of South Carolina, North Carolina, and Georgia is grown exclusively with domestic labor.

Over the past 6 years, production in the Western States has risen while production in eastern areas dropped.

There has been a clear downward drift in average price for both the eastern and western crop. The average price per hundredweight for eastern lettuce declined 35 percent to $3.88 for 1959 and 1960; the corresponding price for western lettuce went down 15 percent to $3.50. It appears that the availability of foreign labor has contributed to lower returns for eastern farmers by overexpanding production and by enabling western growers to take over some of the markets formerly available to small farmers in the East.

Next, let us consider strawberries. California growers have doubled their production of midspring strawberries for processing over the last decade, largely with the help of Mexican labor. U.S. production rose by about 20 percent and prices fell 18 percent. The five other States producing this crop in competition with California—Virginia, Kentucky, Tennessee, Arkansas, and Oklahoma—all of which use domestic labor for strawberries, have curtailed production sharply as prices fell.

Now let us take tomatoes. More than four-fifths of the California workers who harvest tomatoes for processing are Mexican workers. U.S. production of this crop averaged 3.8 million tons in 1959 and 1960, about 3 percent higher than in 1950 and 1951. California's annual production rose five-tenths million tons over this period while annual output in other producing States, which rely mainly on domestic labor, went down by about four-tenths million tons, nearly a half million. The U.S. average price to farmers dropped by about 12 percent.

This is the reason why I argued with the distinguished Senator from Florida that the bracero program had an adverse effect not only on the migratory worker but on the independent small farmer.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. I wish to congratulate the Senator from Wisconsin for the very able speech he has just made and for the way in which, as always, he throws himself into battle on the side of the weak and the dispossessed. He deserves great praise for his attitude in connection with this matter. The debate will be read by countless thousands of people over the country, and they will hail the Senator from Wisconsin as their champion who is ready to defend them.

Mr. PROXMIRE. I thank the Senator very much.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. I think the Senator should know that instead of adversely affecting those who produce perishable crops in my State, anything that has happened elsewhere—braceros, domestic migrants, offshore migrants, and all the other confusing factors—and the picture is not a simple one—have not been able to keep our industry from growing tremendously, both in size and in prosperity. Only a few years ago California produced a good deal more citrus fruit than Florida did. But today Florida produces more than three-fourths of all the citrus fruit produced in the United States, including that produced in California, Arizona, and Texas, in addition to that produced in Florida. From the standpoint of the annual production of our crops—whether citrus fruits or vegetable crops, or any other—the production in Florida has increased every year. During the years in which the price-supported crops have been going down, we have continued year after year to advance in the value of our production, and last year it reached $820 million.

I wish to say to the Senator from Wisconsin that I think he is completely wrong in several of his conclusions; and he could not be more wrong than he is in his statement that there will be no immediate effect in January or even up to early February upon those who produce highly perishable crops.

As a matter of fact, the California navel oranges, after the end of the movement for the Christmas holidays, begin to move right after New Year's Day, and move in great quantities during January and February, as the Senator from Wisconsin will find if he has any statistics on that movement. All the Texas grapefruit have to be moved before the Mexican fruit fly comes across the border. Generally all the Texas grapefruit has to be moved by April 15—which means that January and February are about the peak times of the movement of the Texas grapefruit. A similar situation prevails in Arizona, and similar situations prevail with reference to the particular perishable vegetable crops which are produced in Texas, Arizona, and southern California.

I do not care how the Secretary of Labor may picture the situation; I wish to say to the Senator from Wisconsin that long before I came to the Senate, my practice was in connection with agriculture; and I represented officially, for several years, the citrus industry of Florida, in its national affairs, before I came to Washington. So I know something about this subject; and I know there is no time at which the Senator from Wisconsin could strike a more severe body blow at those who depend upon such labor to gather their crops in the fields or from the fruit trees than in January and February, so far as the States of Texas, Arizona, and southern California are concerned.

So there is no escaping the fact that what the Senator from Wisconsin is proposing here—namely, that no action be taken now, but that this question be simply left in abeyance, with reliance upon an old law under which Mexico now refuses to operate—and I am not stating this on the basis of the knowledge possessed by someone else, but I am stating it on the basis of my own knowledge, in part, when this legislation was enacted—is to strike a severe body blow at American citizens who are entitled to receive some consideration from him and from the other Members of Congress; and I believe the Senator from Wisconsin would not do it if he understood the gravity of this situation.

I wish to say that sitting beside me now is a distinguished Senator who knows vastly more about this subject than I do, but I daresay he will verify every word I have spoken. I refer to the great Senator from New Mexico [Mr. ANDERSON] who served as our Secretary of Agriculture, and who knows more about this subject matter than does any other Member of the Senate or any Member of the House of Representatives. I am sure he will state that there are no months in which more serious blows could be struck at the producers of perishable fruits and vegetables and berries than the months of January and February.

Mr. PROXMIRE. The Senator from New Mexico has already told me plenty.

I wish to thank the Senator from Florida for an excellent response.

I shall carry on this presentation a little later.

Mr. President, I yield the floor.

Mr. MORSE. Mr. President, this is the first time I have found myself in the position of being an arbitrator, a mediator, and a middleman. Thus far in the debate I have not spoken on this subject matter. I have planned to make my position clear on the record, because this matter is of great concern to the perishable fruit industry of Oregon, which makes great use of itinerate workers, including Mexican workers.

But here, again, as always, in my judgment human values come ahead of material values; and in my judgment we would best protect the fruit industry of Oregon by protecting the human values involved in connection with the harvesting of the fruit. Furthermore, in my judgment, of all the forgotten people in America, none are more forgotten, from the standpoint of having social justice and all the other types of justice done for them, than are the itinerant workers of this country.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield, with the understanding that in yielding to me he will not lose his right to the floor?

Mr. MORSE. Yes, with that understanding.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, the Senator's comment gives us great cheer.

I wonder whether the Senator from Oregon remembers the story about the

war of the 1630's and 1640's in England. It is said that the Commonwealth Army was sorely pressed by the forces of King Charles and was in great difficulty, when Oliver Cromwell came riding across the heath, the troops of the Commonwealth Army threw their caps into the air, gave a great shout, and proceeded to defeat the Royalists.

I wish to say that some of us, who have been trying our best to oppose the forces that would exploit the labor of America, now are—like the forces of the Commonwealth Army—literally throwing our caps into the air and are shouting that with Cromwell and MORSE we are going to win. [Laughter.]

Mr. MORSE. Mr. President, I wish to say to my biased friend, the Senator from Illinois, that one of the reasons why I love him so much is that he is so biased in regard to his friendship for me. Certainly no one knows better than I that I am most undeserving of the accolade the Senator from Illinois has just now paid me.

But once again I stand shoulder to shoulder with the Senator from Illinois, the Senator from Wisconsin, and the others who have raised their voices in this debate, pleading for fairness and for just treatment of the itinerant workers of this country who are engaged primarily in the perishable fruit and vegetable industry. It is because of my understanding of their plight that I raise my voice tonight in their defense.

But first I wish to say that the chief role I have sought to perform during the past hour, since my good friend, the majority leader, the senior Senator from Montana [Mr. MANSFIELD], talked to me about the parliamentary situation which confronts us, is that of one who seeks to find a fair, equitable solution to the parliamentary tangle in which all of us now are enmeshed.

There is no doubt that we can stay here all night and discuss this matter; we have ample forces to do that. But I have kept asking the question, What would be the end result? As an old arbitrator, I realize that whenever there is a major strike, everyone knows that the strike will end at some time; and often I have thought it too bad that it could not be ended quickly on the basis of a fair adjustment of the differences involved—which in most instances is the final result; and I think it will be the final result of this parliamentary battle. But there are some principles involved in this battle; there is a record to be made, and, I say most respectfully, there are some lessons to be taught.

I should like to have the attention of the Senator from Wisconsin [Mr. PROXMIRE] and the Senator from Illinois [Mr. DOUGLAS], who I think deserve great credit for their parliamentary heroism in connection with this debate. I mean just what I say, because I think it is good that, even in the closing hours of the session, when all the pressure is on to ramrod through to an early adjournment, when there is great temptation to let things go by, the Senator from Wisconsin and the Senator from Illinois have had the courage to stand up and say, "We are not going to let this matter go by until it receives full consideration in the Senate and until at least we do everything we can to see to it that we set right what we consider to be serious shortcomings to individuals."

Mr. DOUGLAS. Mr. President, will the Senator yield for a moment?

Mr. MORSE. I yield.

Mr. DOUGLAS. I appreciate everything the Senator has said, and I am sure the Senator from Wisconsin does, too. We are proud of what we have done, but we have had associated with us other Senators, such as the senior and junior Senators from New York on the other side of the aisle, who fought with us, who are comrades in arms, and who also feel like throwing up their caps now that the Senator from Oregon has joined the forces. I refer also to the Senator from Minnesota [Mr. MCCARTHY].

Mr. MORSE. I did not in any way intend to slight Senators on the other side of the aisle. I intended to make special reference to them. But I wanted first to talk about my fellow Democrats, because, after all, we are the majority party. We have the responsibility for the legislative record made. We shall have to take the criticism for any shortcomings that may be found in that record. That is why, up to this moment, in my speech, I have been directing attention to my Democratic colleagues.

I join the Senator from Illinois in expressing my great appreciation to the Senator from New York [Mr. KEATING] and his colleague, Mr. JAVITS, and other Republicans who recognize that basic to this dispute is a sincere difference between us over the question of the justice that is owed itinerant workers who do so much in the harvesting of perishable crops in this country.

I return to the subject matter I was discussing before the last interruption. I go back to raising some parliamentary questions and discussing the parliamentary entanglement binding us, and which binds every Senator. I mean to hurt no one's feelings. I mean to discuss the situation objectively. I have been discussing the subject in the cloakroom with my colleagues and the majority leader. I continue to ask, "What is the end result? What is the final result?"

I find myself in agreement with the critics who make this point. I find a considerable amount of resentment and a considerable amount of criticism in the feeling that the supporters of the McCarthy amendment have not received the consideration to which they believe good procedure and parliamentary practice entitle them, in connection with the procedures that have been followed in connection with this bill.

The argument has been made—and it cannot be erased from their feelings, at least—that they do not think much of a battle was waged in conference in support of the decision of the Senate in regard to the McCarthy amendment. I was not there. I cannot answer the question, "Vas you dere, Sharlie?" I do not know. I am telling the Senate what the feeling is. It is felt that the close vote in the Senate does not make any difference. The vote in the last general election was very close, too, but it did not mean the President did not have a mandate to carry out his pledges and to carry out the Democratic platform. So my colleagues in this controvery use that argument by analogy, saying that, after all, the conferees had a mandate. It makes no difference what the vote was by which the Senate adopted the amendment. The Senate registered itself in favor of the amendment, and the Senate conferees had a mandate to fight for the Senate's position.

Mr. President, I did not have a stopwatch. Frankly, I did not know what was going on at the time, but my colleagues who feel strongly about this issue say that about 26 minutes was required for the conference on the whole bill, including the McCarthy amendment. I do not know, but I say it is pertinent to the parliamentary situation in which we find ourselves, and it is pertinent to the amount of sleep we get tonight, because it has a direct relationship to the slumber of Senators between now and dawn.

Someone has said that one of the leaders of the fight has gone home, on the basis of the comment that, as the general, he lost the war, but he cannot prevent his troops from fighting. Be that as it may, we must, as parliamentarians, face the question good naturedly and responsibly, of what confronts us as a blockage in the Senate tonight.

I shall be honest with the Senate. I am much more interested in the conference that is going on now in the rear of the Chamber than I am in my own words, because I think that conference will determine our procedure between now and dawn more than anything the Senator from Oregon can say, although I am proud of the fact that I had something to do with starting the conference, because I made the suggestion which I now make openly to the Senate. Apparently, what "sticks in the craw," so to speak, of some very sincere men who share my view is that the bill is not good enough, and that the McCarthy amendment was necessary in order to do the justice to the itinerant workers which the senior Senator from Oregon thinks ought to be done. Many Senators do not share that view. They are sincere, and I respect their opinion.

It seems to me that the next parliamentary step—and I think it would be a fair one—would be to have a vote "on the nose," so to speak, on a direct motion—and I do not phrase the motion now, but I will tell the Senate what its nature ought to be, in my judgment—to have the conferees go back to conference with instructions to fight for and bring back the McCarthy amendment. Such a motion might be defeated, but at least we ought to know, by a "nose count"—and by that I mean a yea-and-nay vote—how Senators stand on the issue. In my judgment, if such a motion were put, if there were a rollcall, every Senator would have made his record on the issue that really is at stake in this debate. The issue is whether or not the Senate is willing to vote to send the conferees back to conference with instructions to bring back the McCarthy amendment.

I know what some of the arguments made will be. It is very easy to make

such arguments, but I think it is unrealistic.

It will be said, "Oh, the Morse proposal is an indirect—and perhaps not so indirect—slap at the conferees." Let us keep the personal issue of out it. This has to do with the question of procedure of the Senate. It is within the rules.

If a majority of Senators are not satisfied with the report the conferees have brought back to the Senate, there are plenty of precedents in the Senate whereby the Senate can move to direct its conferees to go back to conference and present a specific request for which the Senate asks.

I think my colleagues who feel this way about it—and I join with them—are entitled to a yea-and-nay vote on that issue.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New York.

Mr. KEATING. I agree entirely with the objective of the distinguished Senator. My understanding of the rules is—and perhaps some Senator ought to propound a parliamentary inquiry—that we are faced with a vote up or down on the conference report as our first vote. We must first vote on that question. Only if that report is defeated can we send the conferees back and instruct them.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. The point the Senator from New York is making flows from the fact that the House has accepted the conference report. After the House has accepted the report, the Senate cannot, as an initial measure, send its conferees back to conference.

Mr. KEATING. That is my understanding.

Mr. DOUGLAS. I wonder if the Presiding Officer would answer a parliamentary inquiry.

If an up or down vote were held on accepting the conference report, and if the report should be rejected, would it then be in order for the Senate to ask that new conferees be appointed—they could be the same conferees, if the Chair so decided—with instructions to seek a further conference? In the new conference the conferees could be instructed to press for the McCarthy amendment.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian as follows: A vote up or down on the conference report must first occur. If the conference report is rejected—and only if the conference report is rejected—the motion suggested in the parliamentary inquiry may be made.

Mr. DOUGLAS. But if the motion were made it would be in order?

The PRESIDING OFFICER. The Chair is advised that before the conferees were actually named it would be in order, on motion, to instruct the conferees with respect to the will of the Senate.

Mr. MANSFIELD. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. MORSE. I yield.

Mr. MANSFIELD. Is it not true, in effect at least, that on a motion of this nature the main point of interest would be the McCarthy amendment, and even though it were a matter of voting on the conference report as a whole, basically the difference would be on the McCarthy amendment?

The PRESIDING OFFICER. The Chair is not sure it would be within the scope of a parliamentary ruling to respond to that statement.

Mr. MANSFIELD. I understand. I shall not ask the Presiding Officer to explain further. The reason I make the statement is that this has been the chief bone of contention during the consideration of the conference report.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from New Mexico.

The PRESIDING OFFICER. The obvious response is that it would depend on the nature of the instruction. The nature of the instruction would be included in the motion. The attitude of the Senate with respect thereto would be expressed either by supporting or rejecting the motion.

The Senator from Oregon has the floor.

Mr. MORSE. I yield to the Senator from New Mexico.

Mr. ANDERSON. I think the Senator from Oregon has made a helpful proposal. It could be made abundantly clear in the vote that the only way there could be a vote on the McCarthy amendment would be to reject the conference report, so that every Senator who really favors the McCarthy amendment would have an opportunity to vote if he cared to do so. That is as close as we can come to a direct vote in this situation. I commend the Senator from Oregon for trying to bring about a solution, because I think he has put his finger on the crucial issue.

Mr. MORSE. Mr. President, in response to the Senators from New Mexico, Illinois, Montana, and New York, I shall vote against the conference report. I shall make very clear, in what I hope will be a brief speech tonight, that if the conference report is rejected I shall make the motion that the Senate instruct its conferees to go back to conference and endeavor to bring back to the Senate the McCarthy amendment.

The parliamentary situation being what it is, as the Parliamentarian has pointed out, the motion I am suggesting would have to come before the House agreed to the conference report. I think there is nothing for us to do but to accept the parliamentary law and proceed with some very short speeches to make clear that we shall oppose the conference report and pledge to the Senate that if the conference report is rejected we shall then make a motion to instruct the conferees to return to conference and endeavor to bring back to the Senate the McCarthy amendment.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. MORSE. That will give us a vote on the issue. It will settle the problem one way or the other. I think it is a sensible way to handle the problem, in view of the parliamentary impasse in which we find ourselves at 9:26 p.m.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from North Carolina.

Mr. JORDAN. I am still a little confused as to what would be done if the conferees should come back with the same report they have now presented.

Mr. MORSE. It is highly speculative as to what the Senate might ever do.

Mr. JORDAN. Would we go through the same filibuster that has been going on for 2 days?

Mr. MORSE. That is highly speculative. I would ask the Senator from North Carolina to join with me in a cloture petition under those circumstances. I am sure he would do so.

Mr. MANSFIELD. I say to the Senator from Oregon, "That'll be the day." [Laughter.]

Mr. MORSE. We will have to cross that bridge when we come to it. We have an immediate problem. I do not think we ought to confuse the situation by speculation as to what might happen if something else should happen. We have an immediate problem. We should try to arrive at some understanding among ourselves, as reasonable men confronted with the problem, to reach a vote on the issue of the conference report, in the hope that those of us who will oppose the conference report can muster a majority with the pledge on our lips that if we succeed in having the conference report rejected we shall make a motion to instruct the conferees.

Mr. JORDAN. Mr. President, will the Senator yield for one further question?

Mr. MORSE. I wonder if the majority leader has anything further to suggest.

Mr. MANSFIELD. No. Everything has been said. I would operate on the assumption that the particular unanimous-consent request, when the issue was voted on, would decide the future conduct of the Senate in this respect, and that we would very likely then be able to proceed immediately to the unfinished business, temporarily laid aside, the public works appropriation bill.

Mr. MORSE. That seems to me to be sensible.

I am sorry; I did not know the Senator from North Carolina had another question.

Mr. JORDAN. The chairman of the Committee on Agriculture and Forestry designated the conferees before. Would the chairman of the committee still designate the conferees, as he did in the first place?

Mr. MORSE. The Senate, and not the chairman of a committee, appoints the conferees. If the chairman of the committee appointed the conferees, it had to be with the leave of the Senate. That is a prerogative of the Senate.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. The Senator from North Carolina has put his finger on the

difference between the actual practice and the theoretical rule. The theoretical rule is that the conferees are appointed by the Presiding Officer. In practice, as we know, lists of Senators are handed to the Presiding Officer, sometimes by the majority leader—I think in this case by the chairman of the conference committee—and then the clerk reads the list off as though the names came from the Presiding Officer.

The Senator from North Carolina was speaking about the reality, as I remember the situation. The Senator from Louisiana sent the list to the desk, and it was read off by the clerk as though it came from the Presiding Officer. I think we might as well face that fact.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. ANDERSON. The Senator from Illinois would recognize, in this peculiar situation, that observance might be accorded to the rule which states that the prevailing sentiment should be recognized.

Mr. DOUGLAS. If that be true, I think there should be a new conference committee. As I pointed out this afternoon, six of the seven Senate conferees voted against the McCarthy amendment.

While I have great respect and affection for all these gentlemen, I would not say that the conference committee represented the will of the Senate. The Senator from New Mexico, in citing Jefferson's Rules, made a point that I did not intend to make because of my high concern for the Senators concerned; namely, that if the will of the Senate is carried out, it should mean different personnel on the conference committee. So I hope that the next time the Presiding Officer will make the appointments himself, and will not merely permit the clerk to read a list of names of Senators handed to him by unknown persons.

AMENDMENT OF VIRGIN ISLANDS CORPORATION ACT—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figure "$16,000,000" on line 7, insert "$15,000,000"; and the Senate agree to the same.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOHN A. CARROLL,
HENRY C. DWORSHAK,
THOMAS H. KUCHEL,
Managers on the Part of the Senate.

LEO W. O'BRIEN,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOHN KYL,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ANDERSON. Mr. President, as passed by the House, H.R. 4750 provided for a $2½ million increase in the revolving loan fund of the Virgin Islands Corporation for the purpose of purchasing an additional power generation unit. The Senate amended the House bill by increasing the authorization to a $5 million figure so that two generating units—one for St. Thomas and one for St. Croix—could be purchased and installed in order to meet the very heavy demand for electric energy on those islands. The House disagreed with our figure and requested a conference.

The conferees have just met, and we have agreed upon a $4 million increase in the revolving fund for the Virgin Islands Corporation. It is our understanding that this is a sufficient amount of borrowing authority to permit the installation of these two generators.

The conferees also agreed that the Department of the Interior would be requested to report to the Committees on Interior and Insular Affairs of the House and Senate by the end of January next year the bids received on these generating units and from whom received and when and where the generators are to be installed. It was also agreed that the Department would be requested not to proceed beyond obtaining bids until the reports I have just referred to have been received.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, as anticipated all evening, there will be no votes tonight. But I hope that Senators who have conference reports and the like will do what they can to present them this evening. I thank all Senators for their consideration and courtesy.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. MANSFIELD. Mr. President, I offer a unanimous-consent agreement, which I send to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Saturday, September 23, 1961, at the conclusion of routine morning business, during the further consideration of the conference report on H.R. 2010, to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, debate shall be equally divided and controlled, respectively, by the majority and minority leaders, with a vote on the question of the adoption of the report coming at 10 o'clock a.m.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object—and I shall not object—is it possible by unanimous consent under the rules of the Senate to fix a time certain to vote? Would it not be better to put a 1-hour limitation on the debate? I am wondering if tomorrow an objection could not be made to the unanimous-consent request. Would not a quorum call be required preceding the time certain for the debate?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the vote would be a vote on the conference report, and as such it would not fall under the rule commented on by the Senator.

Mr. MANSFIELD. Mr. President, in the unanimous-consent agreement that has been read by the clerk, the reference was "at the conclusion of the morning hour."

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. I suggest that in that request there be no reference to the morning hour, and that, after dispensing with the reading of the Journal, the Senate immediately proceed into the period to be divided between the opponents and the proponents of the resolution which has been offered.

The PRESIDING OFFICER. Is the proposed request understood? Is there objection? The Chair hears none, and the unanimous-consent agreement is agreed to.

The unanimous-consent agreement, reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Saturday, September 23, 1961, after the dispensing of the reading of the Journal, during the further consideration of the conference report on H.R. 2010, to amend title V of the Agricultural Act of 1941, as amended, and for other purposes, debate shall be equally divided and controlled, respectively, by the

majority and minority leaders, with the vote on the question of the adoption of the report coming at 10 o'clock a.m.

EXCHANGE TEACHERS PROGRAM

Mr. MORSE. Mr. President, I wish to make my speech on the pending conference report on the so-called Mexican labor bill tonight. Before I do so, I wish to make a comment on another subject.

Recently I was honored to be selected as the Democratic Senator to address the hundreds of exchange teachers who had come to Washington for orientation before going to their respective teaching assignments in this country. This exchange program is carried on cooperatively at the national level by the U.S. Office of Education and the Department of State. The implementation of the educational exchange programs involves teachers, supervisors, and school administrators from 75 countries, who each year come to teach in American schools or to participate in special training activities at selected colleges and university centers, throughout the United States. Educational opportunities for American teachers are also provided abroad to teach or to improve the skill and knowledge of these teachers in the foreign language and social science fields.

In promoting the development of international education through recruiting American teachers for interchange assignments, one-way teaching positions, and summer seminars overseas; placing foreign teachers in American schools; and arranging training programs for foreign educators in the United States, these expanding exchange activities serve to enhance peace, world understanding, and human betterment in classrooms around the world.

These programs give educators a first-hand look at our schools and community life and serve to clarify and sharpen our awareness of each other's individuality and intrinsic worth. The exchange of teaching personnel between various nations is one of the finest ways in which international understanding can be fostered.

Schoolteachers can translate the United States and its people to their children and colleagues in spreading and deepening their knowledge and understanding of the United States as a whole, and of American education in particular. Teachers can best depict or create a true image of the United States and its people, our hopes and aspirations to our friends overseas in large numbers and in all walks of life.

American embassies and educational commissions abroad attach great importance to the teacher exchange programs in reporting that the followup of returned teacher grantees has shown that they are tremendously effective because of their continuing enthusiasm and their willingness to speak and write about their experiences in the United States. To a large extent, the effectiveness of the programs is due to the efficient organization and careful planning given to the programs by the U.S. Office of Education. Teachers, supervisors, and school administrators shape the future of their countries, their development and progress, and the attitudes of their youth in creating an atmosphere of mutual understanding and respect among the countries of the free world. They are the guardians and exponents of freedom on the world's frontiers.

To me, this meeting with teacher-ambassadors was a source of gratification; for me it was also an honor to have been selected to give a message to our guests, telling them of our American ideals—in principle and in practice.

I am proud of the fine Americans we have sent to other countries, and I am gratified to see what fine teachers they have sent us.

SELMA M. BORCHARDT, LEGISLATIVE REPRESENTATIVE, AMERICAN FEDERATION OF TEACHERS

Mr. President, in this connection I extend my high commendation and compliments to Miss Selma Borchardt, who is the legislative representative of the American Federation of Teachers. She has given dedicated service to her post on Capitol Hill for a great many years. Miss Borchardt also spoke at the meeting in which many teachers from overseas were welcomed in connection with the teacher exchange program under the auspices of the U.S. Office of Education and the Department of State. I think as we come to a close of this session—a session in which here in the Senate, at least, we gave very careful and favorable consideration to President Kennedy's education program, so far as S. 1021 is concerned—Miss Borchardt is deserving of special thanks from those of us who had anything to do with S. 21, for the great assistance that she was to us at all times in connection with our consideration of education legislation.

JUDGE LEARNED HAND

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a very fine article written by James E. Clayton entitled "An Era of Law Ended With Judge Hand."

I consider it a particularly fitting tribute to this great jurist who unquestionably was one of the great jurists of our times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE OF A UNIQUE GROUP—AN ERA OF LAW ENDED WITH JUDGE HAND

(By James E. Clayton)

When the teletypes clacked out the message on August 18 that Learned Hand was dead, they described him as one of America's most distinguished judges. They should have added another sentence: When Hand died, an era of American law ended.

The era to which Learned Hand belonged and which he personified as did no other American living in the seventh decade of this century was an era which was over, in large part, 25 years ago.

It was an era marked off from the rest of America's history by a unique group of judges. These judges—Holmes, Brandeis, Cardozo, Hughes, Sutherland, Stone, Hand—left a long imprint on history.

They were the men around whom turned the disputes of the twenties and thirties over the power of Congress. They were the men who laid out the arguments and the issues upon which debate still runs today—the proper role of the Supreme Court, the extent of congressional power over economic matters, the reach and content of the Bill of Rights.

But these were also men who gave America two great heritages. One is a heritage of judicial excellence to which many judges aspire but few attain. The other is a heritage of philosophy—not philosophy in the narrow sense of legal theories, but a broad philosophy of the values Americans hold dear.

This imprint and these heritages began to be built at the turn of the century. It was 1902 when Oliver Wendell Holmes was appointed to the Supreme Court, 1909 when Learned Hand was named a Federal judge in New York, and 1914 when Benjamin Cardozo first sat on New York's highest State court.

In the years that followed, Holmes was joined on the Supreme Court first by Charles Evans Hughes and then by Louis D. Brandeis, George Sutherland, Harlan Fiske Stone, and Cardozo. Only Hand in this group never shared their title of Mr. Justice. But Hand won the title of 10th Justice because of the quality and quantity of his work on a circuit court of appeals.

What was it about this group of men that marked them off as framers of an era in American law and as major participants in American history? Perhaps more than anything else, it was their intellectual and cultural achievements, their deep and reflective thinking, and their ability to express themselves precisely and yet eloquently.

These traits, which separate giants from mere men, appear from time to time on the American scene. But seldom has the Nation had such a group of men possessing them who devoted their efforts to one topic as this group did in the twenties and thirties.

The standards of excellence these men set will long remain with American law. They looked and acted like the wise men Americans expect their judges to be. Their dignity and decorum were above reproach. They were (and are) widely respected even by those who disagree violently with what they said and did. They brought to their task of judging that which Hand said a judge needs when he wrote:

"I venture to believe that it is as important to a judge called upon to pass on a question of constitutional law to have at least a bowing acquaintance with Acton and Maitland, with Thucydides, Gibbon, and Carlyle; with Homer, Dante, Shakespeare, and Milton; with Machiavelli, Montaigne, and Rabelais; with Plato, Bacon, Hume, and Kant; as with the books which have specifically been written on the subject."

Hand went on to explain why judges who interpret laws and rule on their constitutionality need this background. He said:

"For in such matters everything turns upon the spirit in which he approaches the questions before him. The words he must construe are empty vessels into which he can pour nearly anything he will. Men do not gather figs of thistles nor supply institutions from judges whose outlook is limited by parish or class.

"They must be aware that there are before them more than verbal problems; more than final solutions cast in generalizations of universal applicability. They must be aware of the changing social tensions in every society which make it an organism; which demand new schemata of adaptation; which will disrupt it, if rigidly confined."

This is not to say that all those who brought to the bench the wisdom and knowledge that Hand said judges need agreed on a basic philosophy or agreed on solutions to the problems of the Nation. There can be no sharper disagreements than those which arose between Sutherland and Brandeis or Sutherland and Stone.

But all these men had within their grasp that which Holmes once described as the

joy of the thinker—knowing that "a hundred years after he is dead and forgotten, men who have never heard of him will be moving to the measure of his thought."

Take, for example, the question of how much power the Constitution gives Congress to regulate economic affairs. This was a crucial question in the twenties and thirties because on the answer to it turned social legislation of the 20th century. It was here that Sutherland and, to a lesser extent, Hughes parted company with Holmes, Brandeis, Cardozo, Stone, and Hand.

They fought the battle daily in the courts until it was settled in favor of broad congressional power. But the arguments and barrages which Holmes and Sutherland exchanged in the twenties provide the underpinning of today's discussion, which assumes that broad power exists but questions the wisdom of using it.

In the same manner, the arguments put forward by Holmes, Brandeis, Cardozo, Stone, and Hand are the basic statements used today when the meaning of the Bill of Rights is debated.

This issue now sharply divides the Supreme Court and many Americans. It turns on whether the guarantees of freedom of speech, press, religion, etc., are absolute bars against congressional power or whether they can be balanced against the need of the Nation for security.

The former position is that taken by Justice Hugo L. Black and the latter that of Justice Felix Frankfurter. Each man argues that his view reflects most accurately that of Holmes, Brandeis, and Stone.

Thus the influence of the men of the twenties and thirties invades the sixties and is likely to go into future decades.

The overlap, of course, is great. Frankfurter's influence was felt in the heyday of Hughes, Cardozo, and Stone. Hand's presence was felt when the day of Holmes and Brandeis was just beginning and it continued long after they were gone. But since the midthirties, only Frankfurter and Black, and perhaps Robert Jackson, have approached the standards of excellence and philosophy left by their predecessors.

Perhaps the best way to demonstrate those standards is to recall some of the philosophy of Hand, the last of the group. This philosophy, while close to that of Holmes in many respects and while joining that of Stone upon occasion, was not shared by all the others. But it serves to show how their minds probed deeply and well into the basic problems of mankind.

At the height of the McCarthy era, when suspicion was being cast upon many, it was Hand who said:

"Risk for risk, for myself I had rather take my chance that some traitors will escape detection than spread abroad a spirit of general suspicion and distrust which accepts rumor and gossip in place of undismayed and unintimidated inquiry.

"I believe that that community is already in process of dissolution where each man begins to eye his neighbor as a possible enemy, where nonconformity with the accepted creed, political as well as religious, is a mark of disaffection; where denunciation without specification or backing takes the place of evidence, where orthodoxy chokes freedom of dissent; where faith in the eventual supremacy of reason has become so timid that we dare not enter our convictions in the open lists, to win or lose."

To Hand, the greatness of America was marked in its belief in liberty and moderation. The spirit of moderation, he once said, "is the temper which does not press a partisan advantage to its bitter end, which can understand and will respect the other side, which feels a unity between all citizens * * * which recognizes their common fate and their common aspirations—in a word, which has faith in the sacredness of the individual."

Of liberty, he said: "What do we mean when we say that first of all we seek liberty? I often wonder whether we do not rest our hopes too much upon constitutions, upon laws and upon courts. These are false hopes; believe me, these are false hopes.

"Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it; no constitution, no law, no court can even do much to help it. While it lies there, it needs no constitution, no law, no courts to save it.

"What then is the spirit of liberty? I cannot define it; I can only tell you my own faith. The spirit of liberty is the spirit which is not too sure that it is right; the spirit of liberty is the spirit which seeks to understand the minds of other men and women; the spirit of liberty is the spirit which weighs their interests alongside its own without bias; the spirit of liberty remembers that not even a sparrow falls to earth unheeded; the spirit of liberty is the spirit of Him who, nearly 2,000 years ago, taught mankind that lesson it has never learned but has never quite forgotten: that there may be a kingdom where the least shall be heard and considered side by side with the greatest."

Not all the judges of the twenties and thirties would have agreed with all these thoughts, although most of them would have. But these are representative of the quality of thought and literature which that unique group of that era produced.

Those judges—Holmes, Brandeis, Cardozo, Hughes, Sutherland, Stone, Hand—were men who lived out their lives so that they met the test Hand outlined for all men when he spoke 9 years ago at a celebration of his 80th birthday:

"We can live without dishonor, and to live without dishonor is to live with a high heart and in such fashion that we shall not wince when we look back upon our part."

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. MORSE. Mr. President, turning to the conference report which is pending before the Senate—and I shall be very brief—in 1959 Secretary of Labor Mitchell appointed a special group of consultants to study the Mexican farm labor program. The members were former U.S. Senator Edward Thye, of Minnesota; Dr. Rufus V. von Kleinsmid, chancellor of the University of Southern California; Glenn E. Garrett, chairman of the Texas Council of Migrant Labor; and Msgr. George Higgins, director of the social action department of the National Catholic Welfare Conference.

The consultants made their report in October 1959, and their report is very clear concerning adverse effects of this program.

I should like to read and comment on sections of this report.

Because of the lateness of the hour, however, and because nothing I could possibly say would in any way improve upon the soundness of the observation made by this special and highly qualified consultative team of experts, I ask unanimous consent that the material from their report be inserted at this point in my remarks. I want the RECORD to show that I associate myself with the comments in the reports. I make their arguments and observations my arguments and observations. I am perfectly willing to stand on the report as my record in regard to the substantive issues which are before us in connection with this general subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEXICAN FARM LABOR PROGRAM CONSULTANTS REPORT

INTRODUCTION

In enacting Public Law 78, Congress intended to accomplish two basic objectives: First, obtain agricultural workers from Mexico to meet peak seasonable labor shortages. Second, insure that our own domestic farmworkers will not be adversely affected by the employment of Mexicans.

The Department of Labor has now had 8 years of experience in administering Public Law 78. A review of this experience indicates that the Department has been successful in meeting the first purpose of the act, namely obtaining unskilled workers from Mexico to assist the United States in the production of agricultural commodities. Almost one-half million Mexicans were brought into the country last year in an orderly and organized fashion to supplement the domestic farmwork force. The existence of such a legal importation system has facilitated the elimination of the illegal entry of Mexicans ("wetbacks"). Although improvement in compliance activity is indicated, the mechanics for recruiting Mexicans, operating reception centers, transporting "braceros" and policing their conditions of employment have been improving each year.

However, the Department has been much less successful in meeting the second major objective of the law—protecting the domestic work force from the effects of Mexican importation. The Secretary of Labor has found it extremely difficult to administer section 503 of the act which prohibits the authorization of Mexican employment unless the Secretary determines that: (a) domestic workers are not available, (b) use of Mexicans will not adversely affect wages and working conditions of domestic farmworkers, and (c) reasonable efforts have been made to attract domestic workers at wages and standard hours of work comparable to those offered to Mexican workers.

In appointing the consultants to advise him on problems arising out of Public Law 78, the Secretary of Labor expressed particular concern with four questions:

Adverse effect: Does the availability of "braceros" restrict employment opportunities for domestic farmworkers? Does it adversely affect wages and the availability of family housing? If there are adverse effects arising out of the Mexican importation program, what should be done to meet the problem?

Extensive use of Mexicans: Should foreign labor be limited to specific crops? Should they be used in year-round, skilled or machine jobs? Are there other ways in which the use of foreign labor should be limited?

International relations aspects of the program: What is the attitude of the Mexican Government toward the present importation program? What alternative importation procedures are there?

Continuation of program: Should the foreign labor program be renewed for a specified time or made permanent? Under what conditions?

This report is directed to these and related problem areas.

FACTUAL BACKGROUND

To obtain a fuller understanding of the problems associated with the operation of the farm labor program, the committee developed a statement of facts through conferences with the Department of Labor staff and through field visits. Discussion of six aspects of the program follows.

A. Adverse effect

Section 503(2) of Public Law 78 prohibits the Department of Labor from making Mexican workers available in any area unless it is determined that the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

Neither the law nor the legislative history explain definitively what is meant by adverse effect or how Congress intended the determination of adverse effect to be made. This, therefore, has become a very controversial and difficult area of administration.

There are varying kinds of constructions that can be placed on the concept of "adverse effect."

1. In a strict sense, the term may be interpreted as depriving American workers of jobs, lowering wages, or impairing conditions of employment that already exist in the area. Under this interpretation, the Department's obligation would be to assure no worsening of the status quo for American workers.

2. Another possibility might be to interpret "adverse effect" as preventing wages and working conditions from reaching a point they would have reached under the play of forces in a free labor market if Mexican nationals were not employed in the area.

3. Under a third interpretation, any interruption of normal adjustments that might be expected to take place in the labor market could be considered "adverse effect." In areas of labor shortages, adjustments in wage rates, conditions of employment, production methods, and other factors tend gradually toward restoring a balance of labor supply and labor demand. The use of Mexicans may be considered as providing a cushion to alleviate and slow down the impact of these adjustments on farm employers. However, where corrective tendencies are halted, as evidenced by declining wage rates, increased reliance on Mexican labor, displacement of American workers, reluctant recruitment efforts, failure to improve housing and working conditions, etc., "adverse effect" is present.

In carrying out other provisions of Public Law 78 and the International Agreement, the Department has established procedures which tend to minimize adverse effect. These include (a) preseason supply-demand analysis to determine labor shortages; (b) interstate clearance to meet shortages from available surpluses of domestic labor; (c) requiring employers of foreign labor to meet acceptable standards of housing and working conditions; (d) requiring employers of foreign workers to pay the "prevailing wage" to protect domestic wage standards while preventing exploitation of foreign workers; and (e) requiring employers using foreign workers to hire qualified U.S. workers who become unemployed in the area, either in addition to or in place of Mexican nationals.

In spite of these efforts, there are indications that adverse effect has occurred in some cases. The following are some examples:

1. Employment displacement: There are indications of some employer preference for Mexicans over domestic workers because they represent an assured work force of premium adult male labor. Use of Mexicans relieves the farmer of the risk of losing his labor supply, and enables him to take maximum advantage of changing market prices and crop grades. The unit cost of housing foreign workers is generally smaller than the cost for domestic migrants, who usually travel in family groups. In a competitive situation, other farmers seek the same advantages, and strong and continuing pressures build up to utilize foreign workers. Thus in some areas, almost 100 percent of the seasonal work on certain crop activities is performed by foreign workers. Domestic workers either migrate to other areas of employment or do not seek jobs in the activity which is identified with Mexicans.

In one State wages paid for harvesting cotton have fallen gradually while the proportion of foreign workers in the crop has risen. The inference is that U.S. workers have been forced to seek alternative job opportunities.

2. Duration of employment: Agriculture cannot provide year-round employment for most farm wage workers because of the short duration of seasons. The average farm wage worker can only expect to work about 125 days a year at farm jobs. If foreign workers are available, seasons of agricultural employment may be further compressed by using more workers at peak. This may result in even shorter duration of employment and loss of income for American farmworkers in areas where foreign workers are employed.

3. Low wages: Agriculture has been historically a low-wage industry. Farm employers have not generally attempted to compete with other industries for labor. In areas where foreign workers are used in large numbers their presence may prevent wage rates from rising to levels they would attain if no foreign workers were admitted. Knowledge of the availability of Mexican nationals weakens the domestic workers' bargaining position and contributes to the depression of area wage levels. Studies made by the Department of Labor show that wage rates in activities in which Mexicans are employed have lagged behind the rising wage level for farmwork generally. The studies also show that wages paid by employers who use foreign workers tend to average lower than those paid by nonusers in the same area (see discussion of wages in C below).

B. Extensive use of Mexican nationals

1. Year-round occupations: Public Law 78 does not limit the use of Mexican nationals to seasonal occupations although the history and background of this program indicate that it generally was considered to be for the purpose of meeting emergency needs. However, approximately 20,000 Mexicans, known as specials, are now employed on a year-round basis. These are workers with specialized knowledge and experience who are specifically requested at reception centers and whose contracts are renewed every 6 months. Most specials are employed in the border States of Texas and New Mexico.

2. Skilled occupations: Public Law 78 does not limit employment of Mexicans in terms of skills, and in recent years, there has been an increasing tendency to use Mexicans in semiskilled and skilled occupations. In addition to those employed as tractor operators and ranch hands, thousands are engaged in skilled and semiskilled jobs. Recently, the Department has been confronted with the problem of Mexican workers penetrating into field packing and sorting of vegetables as new machine methods were introduced and the work transferred from the shed to the fields. This work was formerly done by packing shed operators at higher wage rates in sheds.

The only legal authority the Department of Labor has for limiting the use of Mexican nationals in terms of skill considerations is a determination under section 503(1) that sufficient domestic workers who are able, willing, and qualified are available at the time and place needed to perform this work, or a determination under section 503(2) that the use of Mexicans adversely affects the wages and working conditions of domestic workers similarly employed. However, difficulties have arisen in attempting to apply these provisions. For example, in the case of Mexicans used in the machine packing and sorting of vegetables in the field, American packinghouse workers have been displaced. However, the displaced workers are not necessarily available to transfer to field jobs because of changes in the job content as well as a lowering of wages and the conditions of employment. Consequently, Mexicans are requested for field packing work while higher paid domestic shedworkers are laid off.

3. Nonessential crops: Under Public Law 78 foreign workers may be used for any commodity or product which the Secretary of Agriculture deems essential. Since the inception of the law, however, the Secretary of Agriculture has not exercised his discretion to declare any commodities nonessential, even those which are in surplus supply and heavily subsidized. More than 60 percent of all Mexicans employed at peak work in crops which are in surplus supply.

C. Wages

1. Wage trends: Section 503(2) of Public Law 78 states that the Department of Labor's responsibility under the law shall be carried out in a manner that will not adversely affect wages. The international agreement helps to implement this by providing that wages paid to foreign workers should correspond with those paid to domestic workers similarly employed in the area.

The prevailing wage to be paid Mexican workers is determined by conducting surveys at frequent intervals among samples of employers of domestic workers in areas where foreign workers are used. As an added check individual workers are consulted as to wages received for each activity. Under a formula adopted in 1958, the wage rate paid to 40 percent of the workers is considered the "prevailing wage" for a given activity in the area surveyed. In the small proportion of cases (less than 5 percent) where no single wage is paid to 40 percent of the workers, an alternative formula is used to find the prevailing wage. Observations are arrayed from the highest to lowest wage paid. The prevailing wage range is found by starting with the lowest wage and proceeding upward until 51 percent of the workers in the survey are included. The highest wage paid to any worker in the 51-percent group becomes the bottom of the range. The top of the range is the highest rate paid to any worker in the survey.

The prevailing wage concept may work satisfactorily in situations where wage rates are determined by competitive forces in the labor market, and there are so few Mexicans that their presence does not upset this equilibrium. Actually, however, the availability of a potential reserve of foreign labor generally influences the wage levels in the area for crops on which Mexicans are usually employed, and on other crops as well. Thus, Mexican rates are tied to domestic wage levels, which, in turn, may be more or less stabilized by the presence of Mexicans. Therefore, wage levels tend to become fixed in areas and activities where Mexicans are employed.

Studies of the Bureau of Employment Security show that wage rates in crops for which Mexicans are employed do not move upward at a rate corresponding with the general trends in farm wage rates.

Between 1953 and 1958, the hourly farm wage rate in the United States increased 14 percent, according to the Department of Agriculture. An examination of wage surveys made by State agencies in areas using Mexican nationals showed that the average rate paid to domestic workers in these areas either remained unchanged or decreased in three-fifths of the cases. In making this analysis each wage survey was given equal weight regardless of the relative

number of workers employed. If the findings had been weighted, the indication of a leveling or downtrend of wages would be greater. For example, in cotton, in which about one-half of the Mexicans are employed, three-fourths of the cases showed rates unchanged or lowered. Between 1958 and 1959, an improvement in wage rates paid to American workers in areas using Mexican nationals has been reported, but the magnitude of these increases is less than the overall increase in farm wage rates in the United States.

During the past decade the wage differential between agriculture and industry has been widening steadily, and it may be inferred that the use of foreign workers in agriculture is partly responsible.

If the Department of Labor's obligation under Public Law 78 were merely to prevent wage levels from declining below levels that existed at the time Mexican nationals were introduced in an area, the prevailing wage concept might be adequate for this purpose. However, if the Department's obligation is (a) to restore wages to levels they would have reached if no foreign workers were in the area, or (b) to attain a level at which supply and demand might balance, or (c) to keep pace with wage trends in areas in which foreign workers are not employed, present procedures do not accomplish this.

2. Dominated areas: A special problem is posed by areas and activities within areas in which the farm work force is preponderantly Mexican national. It is generally recognized that prevailing wage determinations are meaningless in such cases. Some of the heavily dominated crops are lettuce, citrus, melons, and carrots in parts of Arizona; tomatoes, lettuce, citrus, strawberries, sugarbeets, and melons in California; citrus fruit, beans, peppers, cucumbers, in parts of Texas; cotton in New Mexico; pickles and lettuce in Colorado; and sugar beets in a number of States.

The Bureau's policy in the case of dominated areas has been to associate wage rates in dominated areas with those in comparable areas which are not dominated. This procedure has sometimes proven to be impracticable because of the difficulties of finding comparable areas which are so similar as to be acceptable substitutes and in which wages have not been influenced by employment of foreign workers.

A proposal is under consideration to authorize wage setting in dominated areas. If this plan were adopted, wage rates could be based on such considerations as general wage trends, wage rates paid for comparable work in other areas, earnings for farmwork of comparable skill in the same area, wage differentials between employers who use foreign workers and those who do not, wages paid by employers successful in recruiting domestic workers, etc.

While agriculture is excluded from the Fair Labor Standards Act, the Government has experience and precedent in setting wages for agricultural workers under the Sugar Act. This act provides that fair and reasonable wages be determined after investigation, due notice, and opportunity for hearings. In administering the "fair and reasonable" standard, the Department of Agriculture takes into account cost of living; price of sugar and its byproducts; income from sugarbeets and sugarcane; cost of production; and differences in growing conditions among various producing areas.

3. User-nonuser differentials: Under present procedures, the prevailing wage rate is based on the rate paid to 40 percent of the domestic workers on survey farms regardless of whether they are employed on farms which also employ Mexicans or whether they are employed on farms which do not use braceros. However, BES studies indicate that, in the same area and for the same activities, there is a tendency for employers who use Mexicans to pay less than those who do not. These wage studies show users paid less than nonusers in nearly half of the wage surveys examined between January 1957 and May 1959; no difference was reported in one-third of the instances; and in one-fifth of the cases users paid more. This supports the conclusion that prevailing wages, as presently determined, are based on wage rates which, in themselves, are partially influenced by the presence of Mexican nationals.

4. Earnings of Mexican workers: The Mexican Government has set a 50-cent minimum for braceros paid on an hourly basis. This standard is below existing wage levels in most areas where foreign workers are employed, but above prevailing levels in the Lower Rio Grande Valley in Texas, Arkansas delta areas, and parts of New Mexico.

Studies of earnings of Mexican workers have revealed that many paid on a piece-rate basis were not realizing the equivalent of 50 cents an hour. Therefore, in 1958 the Bureau of Employment Security adopted a policy that workers of reasonable diligence must realize a minimum of 50 cents an hour or the piece rate must be adjusted to assure this.

This does not, however, set an absolute minimum wage, since 10 percent of the workers, who are presumed to be less diligent than others, may earn less than 50 cents an hour. Adjustment of piece rates to eliminate unsatisfactory earnings has been generally accomplished through negotiation with growers.

In addition, the Bureau adopted a policy to compare the average hourly earnings of Mexican piece-rate workers with time rates for similar work. If the average earnings of a group of workers appear to be lower than the prevailing hourly rate, the Bureau informs employers and consults with them in the appraisal of wage-rate actions or adjustments. Negotiated adjustments in piece rates have resulted under this arrangement.

D. Conditions of employment

One of the reasons that shortages of labor cannot always be filled by American workers is that conditions of employment are less satisfactory than those offered foreign workers. Contract guarantees give Mexican workers a number of advantages; the principal ones are provided by the international agreement listed below.

1. Transportation: Transportation from migration centers in the interior of Mexico to the border, as well as subsistence en route, is paid from a revolving fund to which employers contribute. Employers also arrange for transportation of braceros from the border to the worksite. When the employer provides a bus or truck to pick up the worker at reception centers, the vehicle must meet rigid standards. Return transportation from the work area to the worker's home in Mexico is also the employer's responsibility.

Domestic migratory workers generally pay their own transportation to and from work areas. Employers frequently advance partial transportation costs, reimbursing themselves through payroll deductions. In some instances, employers will offer return transportation to workers who remain until the end of the season. Domestic migrants are usually transported by crew leaders whose trucks are subject to ICC regulations if State lines are crossed. Many now travel in their own cars or by public transportation.

2. Work guarantee: The Mexican worker contract guarantees the worker the opportunity to work on at least three-fourths of the work days in the contract period, which is usually for a minimum of 6 weeks. If the employer does not provide the guaranteed number of days of employment, the worker is paid the amount he would have earned had he worked. Under the contract, workers who are offered employment for less than 64 hours in any 2-week period, are entitled to subsistence, consisting of three meals per day or cash equivalent, for each 8 hours less than 64. Domestic workers generally have no contract, work guarantee, or subsistence allowance.

3. Housing: Foreign workers are provided free housing which must meet minimum standards of sanitation, space, cleanliness, etc., prescribed by the Bureau of Employment Security. Blankets and bedding must be provided, as well as cooking facilities separate from sleeping quarters in camps which do not have central feeding facilities.

Housing for domestic workers varies greatly as to type and quality. Typically, migrants carry their own bedding and cooking facilities. They are housed in small cabins or in rooms in partitioned barracks, either on the employer's farms or in public camps. Many seek out rooms in small towns in rural areas. Migratory worker housing is subject to standards and inspection in States with farm labor camp codes. About half the States, including Arizona, California, and New Mexico, which employ large numbers of foreign workers, have laws or regulations that apply to farm labor camps, ranging from very limited to comprehensive regulations. Even in States with codes, inspection is limited or virtually impossible because of inadequate staff. Texas and Michigan are outstanding examples of States with high employment of domestic migrants and foreign workers without State codes, although local health ordinances may apply. To some extent the foreign worker program has helped to improve standards of housing for domestic workers. Employers of Mexicans who also employ domestic workers often provide equivalent housing conditions for both.

4. Wage guarantee: Mexican worker contracts specify a minimum wage based on the prevailing wage in the area of employment ascertained by the local employment office. If the prevailing wage is found, on the basis of surveys, to be higher than the contract minimum, the worker must be paid the higher wage. If paid on a piece rate, the contract guarantees the worker at least $2 a day for the first 48 hours of employment while he is learning.

Domestic agricultural workers are not protected by a contract minimum. The wage and hour provisions of the Fair Labor Standards Act do not cover agriculture. None of the State minimum-wage laws, except in Alaska, Hawaii, and Puerto Rico, apply to all agricultural workers.

5. Insurance: Employers of Mexican workers are required to provide insurance or establish sufficient financial responsibility to cover major occupational risks. They are obligated to pay all expenses for hospital, medical and surgical attention and other similar services necessitated by occupational injury or disease.

They must also pay for the workers' subsistence during days the workers are unable to work because of illness or injury. Employers of Mexican nationals also carry nonoccupational insurance for their workers, the cost of which is paid by deductions from wages.

Domestic workers are not protected by occupational insurance except to the extent that they are covered by workmen's compensation laws. Only Ohio and California have compulsory coverage of farmworkers. In certain other States (including Arizona), farmworkers engaged in mechanized occupations are covered.

6. Performance guarantee: The U.S. Government guarantees the performance by employers of the provisions of the Mexican's work contract relating to wages and transportation. The workers may also contact the Mexican consul with respect to contract provisions, and they may elect their own representatives as spokesmen in dealing with employers.

Unemployed domestic workers may contact the local employment office for preference in employment in cases where Mexican workers are employed. They have no protection regarding wages or working conditions except in 3 States which have wage collection laws which apply to agriculture. The California and Massachusetts laws apply specifically to farmworkers; Minnesota's, to transient labor. Generally, domestic workers are not organized in unions. A crew leader may act as spokesman for workers or as intermediary between workers and employers.

E. Recruitment and availability of domestic workers

1. Recruitment efforts: Section 503(3) provides that reasonable efforts must be made to attract domestic workers at wages and standards of work comparable to those offered to foreign workers as a condition for recruiting foreign labor.

Bureau of Employment Security procedures require employers seeking foreign workers to file orders which are treated as requests for domestic workers. They are circulated in interstate clearance, but generally are not filled, presumably because workers are needed in supply States at the same time. The number of foreign workers authorized and the prevailing wage must be posted in public places. If, during the contract period, qualified domestic workers become available for jobs held by Mexican workers, the employment office has the responsibility to refer them to employers using foreign workers, and the employer is obligated to employ them.

It is the Bureau's policy to require employers of foreign labor to participate in efforts to obtain domestic workers. There is evidence, however, that many users of foreign workers do not make as great an effort as those who rely on domestic workers. Employers successful in recruiting domestic workers offer competitive wages, housing suitable for family groups, participate in day haul, youth programs, and other local recruitment efforts. Many of them send agents to supply States to participate with the employment service in positive recruitment efforts. They try to make preseason arrangements with crew leaders through the annual worker plan.

On the other hand, some employers of foreign labor make only token efforts to cooperate in obtaining domestic workers. For example, in one of the major agricultural areas, more than 80 percent of the workers engaged in harvesting tomatoes—generally a popular crop for domestic workers—are foreign, while in the same area only about 6 percent of the workers in other crops are foreign. Evidently, employers in the tomato crop are substantially withdrawn from the domestic labor market. In many instances, housing is built only for single males which deters use of domestic workers who are in family groups. Artificial shortages may exist in these areas because of unsuitable housing facilities.

Studies of the Department of Labor have shown that wage rates paid to domestic workers by farmers who use Mexicans are generally lower than those paid by nonusers for comparable work in the same area. This indicates that employers of foreign labor frequently do not make the same effort as other employers in competing for domestic farmworkers.

2. Wage payment to domestic workers: In carrying out the provisions of section 503(3) of Public Law 78, the Bureau of Employment Security requires users of Mexican workers to offer the same wages to domestic as to foreign workers. However, domestic workers who are employed at a lower wage prior to the time Mexican workers are recruited do not necessarily receive an increase when higher paid Mexicans arrive on the job. Reports from some areas show American workers being paid $0.35 and $0.40 per hour for chopping cotton on the same farms where Mexicans receive the contract minimum of $0.50 an hour.

F. International relations

Would the nonrenewal of the Mexican farm labor program have an adverse effect on relations between the United States and Mexico? It is difficult to answer this question with certainty. On the one hand, it can be assumed that Mexico strongly favors the program because of the economic benefits it derives. On the other hand, there are some aspects of the program over which Mexico has some reservations.

All things considered, it is probably accurate to conclude—on the basis of private as well as public information—that the Government of Mexico, notwithstanding these reservations, would regret and possibly resent the termination of the program in 1961. This could have an adverse effect on relations between Mexico and the United States.

Another international consideration is the possibility of a large scale recurrence of wetbacks if Public Law 78 is not renewed. Such a development would be unfortunate for our own domestic workers, for the wetbacks themselves, and for the two governments involved. Still another possibility, if Public Law 78 were to be terminated, would be the recruitment of Mexicans under Public Law 414, the Immigration and Nationality Act but under procedures and conditions less desirable than Public Law 78.

However, these considerations should not constitute a conclusive argument in favor of extending Public Law 78. The Congress of the United States should assess the Mexican farm labor program on its own merits and in terms of its impact on the agricultural economy and the labor force of the United States.

RECOMMENDATIONS

A review and discussion of the factual background led to the following recommendations. Six of these involve the law itself, and one relates to the procedures by which the law is administered.

A. Continuation of program

The Mexican farm labor program, administered under the terms of Public Law 78, has always been thought of as an emergency program designed to meet a temporary need for supplementary agricultural labor. Although the law was amended several times, its basic purpose was never changed. It is still intended to relieve temporary shortages of unskilled labor.

Do the original arguments in favor of the bracero program still apply? In the judgment of the committee, it is impossible to give a definitive and unqualified answer to this question. On the one hand, it can be argued that all of the labor needs of American agriculture are not, and in the foreseeable future will not be available from domestic sources. On the other hand, it can be contended that the shortage of domestic agricultural labor does not constitute a real emergency, except in certain crops and areas and that, even in these specific cases, the shortage is not unavoidable. More specifically, there is reason to believe that the real or presumed shortage of domestic agricultural labor could in large measure eventually be eliminated if more satisfactory wages and conditions of work were offered to domestic farmworkers and if the farm labor market operated on a more rational basis.

Furthermore, the renewal of Public Law 78 without changes in 1961 would almost certainly tend to postpone the adoption of necessary reforms and would tend to increase rather than diminish the shortage of domestic farm labor.

The arguments for and against the renewal of Public Law 78 are not entirely conclusive. As a practical judgment, however, the committee has concluded that, on balance, the case in favor of renewing Public Law 78 on a temporary basis is more conclusive than the arguments against its renewal.

However, the committee doubts whether it is possible to prevent adverse effect on our citizen agricultural work force by such use of imported workers until and unless the law provides the necessary enforcible authority to prevent adverse effect. Part II of this report shows clearly the continuing problems in administering the law as presently written. In order to provide effective tools by which the Secretary of Labor may continue to authorize the orderly importation of Mexican nationals only where necessary and justified, the committee has incorporated in this part of the report its recommendations for changes in Public Law 78. The committee's support of a temporary renewal of Public Law 78 is conditioned on its being substantially amended so as to prevent adverse effect, insure utilization of the domestic work force, and limit the use of Mexicans to unskilled seasonal jobs.

To overcome the shortcomings of Public Law 78, several basic principles need to be established and incorporated into the legislation. This may be done in a preamble, or by means of amendments to specific sections of the law. These principles are included in the recommendations in items "B" through "F" listed below.

B. Limitations on use of Mexican nationals

The legislation should clearly confine the use of Mexicans to necessary crops in temporary labor shortage situations and to unskilled, non-machine jobs. To accomplish this, the committee recommends that the law be amended to: (a) prohibit employment of Mexicans in specific occupations involving year-round employment such as ranch hands, general farmhands, and other types of nonseasonal employment; (b) prohibit employment of Mexicans in machine operations such as sorting and packing machines, tractors, irrigation equipment, etc.; and (c) delete present provision authorizing the Secretary of Agriculture to designate necessary crops on which Mexicans can be used, unless this provision can be clarified and implemented. To avoid undue hardship to growers who have been employing Mexicans in categories (a) and (b), provision might be made for a gradual termination of such employment over a 1-year period.

C. Recruitment and availability of domestic labor

1. The law should authorize the Secretary of Labor to take such action as may be necessary to insure active competition for the available supply of domestic agricultural workers. The objective of the Secretary should be to reduce reliance on Mexican labor. Some ways in which this could be done include: (a) limit the ratio of Mexicans to domestic workers on individual farms, (b) and limit the number of Mexicans in any particular crop area to a specific proportion based upon previous years' experience.

2. Sections 503(1) and 503(3) of Public Law 78, both of which relate to the availability of domestic labor, should be combined. The test of availability of domestic labor, which must be made before the use of foreign workers may be authorized, should be clarified and strengthened. The law should clearly stipulate that the primary responsibility for the recruitment of domestic workers rests with the employer himself. The law should direct the Secretary of Labor not to certify as to the unavailability of domestic labor unless: (a) employers have undertaken positive and direct recruitment efforts in

addition to the efforts of the public employment offices—such efforts should be made sufficiently in advance of the need; they might include, but not be restricted to, publicizing needs, participation in day-hauls, providing adequate housing and transportation; (b) employment conditions offered are equivalent to those provided by other employers in the area who successfully recruit and retain domestic workers; (c) domestic workers are provided benefits which are equivalent to those given Mexican nationals, i.e., transportation, housing, insurance, subsistence, employment guarantees, etc.; (d) employers of Mexican nationals offer and pay domestic workers in their employment, no less than the wage rate paid to Mexican labor.

D. Adverse effect criteria

The test of adverse effect on wages and employment, which, if threatened, precludes authorization of Mexican workers, should be more specific. The Secretary should be directed to establish specific criteria for judging adverse effect including but not limited to: (a) failure of wages and earnings in activities and areas using Mexicans to advance with wage increases generally; (b) the relationship between Mexican employment trends and wage trends in areas using Mexican workers; (c) differences in wage and earning levels of workers on farms using Mexican labor compared with nonusers.

E. Wages

The Secretary should be authorized to establish wages for Mexicans at no less than the prevailing domestic farm rate in the area or in the closest similar area for like work; and no less than a rate necessary to avoid adverse effect on domestic wage rates.

F. General rule

While there is inherent authority to issue implementing regulations, Public Law 78 should be amended to include specifically a provision authorizing the Secretary to promulgate such rules and regulations as he deems necessary to effectuate the requirements of the law.

G. Administrative procedures

Although many of the problems in connection with the Mexican farm labor program can be resolved only by changes in Public Law 78, there is much that can be done through administrative procedures.

1. It is believed that additional progress could be made if adequate staff resources were available so that the Secretary could make the fullest use of the authority he does have to evaluate carefully all requests for foreign labor. Emphasis should also be given to developing procedures and regulations which will avoid, to the greatest extent possible, adverse effect in their employment.

2. It is recognized that many facets of the Mexican importation program have been decentralized and that other parts of the program are administered through the affiliated State agencies and their local offices. While this undoubtedly results in economies, there is also a serious danger that local pressures and considerations may distort the original intent of the program. It is therefore suggested that sufficient controls and checks be developed to offset this possibility.

3. For more effective administration of the compliance aspects of the importation program, consideration should be given to the possibility of punitive action against violators which would be less severe than complete withdrawal of Mexicans. Failure to provide less severe penalties often results in no punitive action at all.

4. It is recommended that a tripartite advisory committee be established to advise the Secretary on the Mexican farm labor program. The committee should consist of representatives of management and labor in equal numbers and of public members.

In recommending changes in Public Law 78, and in the administration of the law, the committee is mindful that these proposed changes will not, of themselves, solve the long-standing and complicated manpower problems of American agriculture and may not substantially improve the wages and working conditions of domestic farm labor. These recommendations should therefore be considered minimal in nature.

Mr. GLENN E. GARRETT,
Msgr. GEORGE G. HIGGINS,
Mr. EDWARD J. THYE,
Dr. RUFUS B. VON KLEINSMID,
Consultants to the Secretary.
Mr. WILLIAM MIRENGOFF,
Executive Secretary.

Mr. MORSE. Mr. President, Public Law 78, as it is currently constituted is essentially a device to harm American farm labor. No better evidence of this fact exists than the use of the Mexican farm labor importation to break strikes.

It has been employed frequently in this way. When domestic workers struck, braceros were brought in to harvest crops. Or the braceros continued to work behind the picket lines when the domestic workers walked off the job. Public Law 78 provides an inbuilt strikebreaking weapon for growers to use against domestic workers.

While the Labor Department considers whether to remove braceros, the growers get injunctions against such actions in friendly courts. The bureaucratic delays of the Department and the nuisance court actions of the growers combine to take up time, so that only when the braceros have harvested the crops are they finally pulled out. By that time the strike is senseless and it has completely failed.

The latest instance of this was the ill-fated strike against the huge lettuce growing corporations in the Imperial Valley early this year. That strike was effectively broken by the use of braceros. They harvested the lettuce while the Labor Department attempted to settle the dispute. Court actions under the present law and Labor Department delays were the major factors which helped the growers defeat the strike of these workers who sought the munificent wage of $1.25 an hour.

This is only the latest example. Let me cite just a few others in which the Mexican farm labor importation was used to break strikes.

In May and June 1952, the National Farm Labor Union, later called the National Agricultural Workers Union and now a part of the Amalgamated Meat Cutters & Butcher Workmen, AFL-CIO, struck the cantaloup jobs in the Imperial Valley. Before that year, cantaloups had been picked at piece rates of 25 cents a crate. Through skill, experience, and teamwork, domestic crews were able to make fairly good wages on this basis. The Imperial Valley growers suddenly switched to hourly rates and offered 70 cents an hour across the board.

The strike was virtually 100-percent effective among the domestic workers as 550 of them walked off the job and established picket lines. But the Imperial Valley Growers Association was able to use braceros in whatever numbers and whatever jobs it saw fit. The strike was broken.

Between 1954 and 1959, the National Agricultural Workers Union was involved in a number of small walkouts, many of them spontaneous and most of them to avoid pay cuts—that is right, pay cuts. Every single one of the walkouts was defeated by the use of braceros. For example, the strikes on carrot harvests in Salinas, on asparagus and tomatoes in Stockton, on peaches in Sutter, and on cantaloups in Fresno.

The United Packinghouse Workers Local 78 had the same experience after 1954. When the jobs packing lettuce, celery, carrots, and other vegetables were moved from the sheds into the fields, braceros replaced domestic workers, who had been under union contract. Wages were cut by 50 percent.

When the UPWA tried to restore the old wages, the same grim story was repeated: Picket lines were established and the removal of braceros requested. The Department of Labor took 4 to 6 weeks to investigate and decide whether the strike was a bona fide labor dispute and whether it could remove braceros under the law. When the Department did come to that conclusion, it was too late. Work on the crops had been completed.

Of more recent vintage, braceros worked behind the picket lines of the Agricultural Workers Organizing Committee during the August 1960 strike at a large peach ranch in Butte County, Calif.

Mr. President, I suggest that this law makes the Federal Government not only a party to strikebreaking, but the leading accomplice.

This is hardly a position we would want to see our Government in. I urge that we amend Public Law 78 to overcome its many abuses.

The conference report on H.R. 2010 would continue these abuses. I therefore urge that the conference report be rejected. I urge that the Senate insist on its bill. If the measure we passed last week is not adopted, I urge that we do not renew Public Law 78.

The abuses and the shame of Public Law 78 are far too great. We cannot allow its continuation without the moderate, but meaningful reforms added by the Senate last week.

It would be instructive to examine in depth, some of the issues in the Imperial Valley strikes of last year—as outlined officially by the Labor Department.

I have those statements before me. Had I spoken at length tonight—and it is no longer necessary for me to do so—I would have read every word of the findings of the Labor Department. However, I shall now only place them in the RECORD. I refer to the release of March 4, 1961, entitled "Statement by Secretary of Labor Arthur J. Goldberg Regarding the Revocation of an Authorization to Certain Imperial Valley Lettuce Growers To Employ Mexican Nationals Under the Migrant Labor Agreement of 1951, as Amended."

I ask unanimous consent to have printed at this point in the RECORD the statement of Secretary of Labor Goldberg. I incorporate the position taken

by Mr. Goldberg as my position. I not only associate myself with his position, but I say to those, including those who in my own State will not look with favor upon my opposition to this conference report, that I join with Mr. Goldberg in the conclusions he has reached in connection with the findings of fact and other material which he submitted.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY OF LABOR ARTHUR J. GOLDBERG REGARDING THE REVOCATION OF AUTHORIZATION TO CERTAIN IMPERIAL VALLEY LETTUCE GROWERS TO EMPLOY MEXICAN NATIONALS UNDER THE MIGRANT LABOR AGREEMENT OF 1951, AS AMENDED

On February 23, 24, 25, and 27, 1961, notices were issued by Lee G. Williams, special assistant to the Director of the Bureau of Employment Security, which had the effect of withdrawing from 18 companies, members of the Imperial Valley Farmers Association, authorization to use Mexican nationals on any lettuce ranches operated by these companies where picketing occurs in connection with an alleged labor dispute.

This action was taken pursuant to article 7(d)(2) of the Migrant Labor Agreement, which provides that existing authorizations for the employment of such workers may be revoked: "Where the employment of Mexican workers by the employer would present a menace to the health or safety of the Mexican workers."

On March 1, 1961, these 18 companies filed special appeals from the notices with the Office of the Secretary of Labor. These appeals were accepted by the Secretary as presenting a proper opportunity for expeditious review of action taken in the exercise of authority delegated by him, particularly in view of the effect of such action upon the harvesting of a perishable commodity and in view of the necessity of his response to certain communications from the Government of Mexico regarding this matter.

The Under Secretary of Labor was designated to hear these appeals and to make a report and recommendation to the Secretary.

Hearings were held by the Under Secretary on March 2 and 3, 1961. Statements and testimony were presented by Special Assistant Williams, by representatives of the 18 companies, by representatives of the labor unions who have been conducting organizing activities among employees of these companies, and by various State and local public officials. Minister Eugenio de Anzorena, of Mexico, attended these hearings.

The statements and testimony presented in these hearings and the accompanying record require clear and perhaps overdue recognition of two distinct, though interrelated, aspects of this matter.

One appraisal of this situation would be limited to the exercise by the Secretary of his own judgment as to whether the situation in the Imperial Valley area today is such that the continued employment of Mexican workers by some or all of these 18 employers would present a menace to the health or safety of the Mexican workers.

My conclusion, as a matter of personal judgment, is that such continued employment would not today present the menace to health or safety identified in article 7(d)(2).

This conclusion proceeds, as does Mr. Williams', from full acceptance of the fact that the situation which has developed in the past 2 months in the Imperial Valley, in connection with the lettuce harvest, is an extremely unfortunate one. The attempt there to organize the domestic workers in the lettuce fields and the opposition to this organizing effort has given rise to a series of disturbing developments.

There have been allegations from time to time by the employers that the picketing and striking by the organizing unions has been marked by violence and intimidation. They have obtained injunctions on this basis. Yet they say now, to the contrary, that the picketing and striking has been, with one or two isolated exceptions, completely peaceful. I find this to be true.

Yet it is also true that there have been over 300 private citizens deputized by the sheriff of Imperial County on the basis of claimed necessity to cope with this situation. Some of these deputies have carried firearms in the course of their exercise of their authority. There have been some 50 arrests of union organizers on one basis or another. It has been felt necessary to put armed patrols at night around some of the camps where the Mexican workers live. There have been demonstrations of one kind or another. There was, at least for a time, great tension in the area and obvious reason for concern about outbreaks of trouble which, if it had developed, might have affected adversely the safety of the Mexican workers.

Such outbreaks have not developed. There were incidents at two of the labor camps in early February. They apparently started with demonstrations by the organizing unions outside the camps, although it would be impossible to say that these were any more the causes of the broader trouble than the result of it. The 50 arrests followed these incidents. In one of them, two Mexican workers were hurt, fortunately not seriously. The two camps were closed.

In the past month there has been no serious trouble of any kind. There is still tension. Yet what picketing has gone on has been entirely peaceful, even desultory. The two camps remain closed. The Mexican nationals go about their work and their living without threat of any identifiable kind to their safety. One explanation of this improvement is that it is a result of the special measures which have been taken to augment the forces of law and order in the valley. There is as much reason to conclude that there has been a substantial lessening of the causes of tension—the early organizing activities and the reactions to those activities, including what appears to have been overzealousness in the deputies' exhibitions of their authority.

On February 23, 1961, the Governor of California, Edmund G. Brown, advised me by telegram, with particular reference to this situation, that "the health and safety of all persons within our border are secure." There have been similar representations from other officials of the State of California and of Imperial Valley.

It would be properly concluded, based on the record of the March 1 and 2 hearings, that there is not presently any identifiable threat to the health or safety of the Mexican workers on these ranches, and there is every reasonable and practical assurance that this will continue to be the case.

This conclusion makes it unnecessary to reach any final determination regarding the significance which the Williams' notices attach to the fact of picketing, as such, in extending a "menace to health or safety" condition from one ranch to another. It would be my tentative judgment, however, that peaceful picketing of a ranch is not enough, in itself, to warrant the conclusion that the situation there presents a menace to the health or safety of the Mexican workers employed on that ranch. Mr. Williams indicated at the hearing, in this connection, that his action was in fact based upon the finding of a general condition in the area rather than upon the situation on any particular ranch.

What has been said here so far, however, omits any reference to what I must conclude is the controlling factor in this entire matter. This is the position which has been taken by the Mexican Government.

On February 1, 1961, the consul of Mexico in Calexico, Calif., Humberto Martinez Romero, wired Mr. Edward F. Hayes, manager of the Imperial Valley Farmers Association, requesting that "all Mexican farmworkers under contract with your association who are at present time at property of 15 user members where strike is in progress be immediately transferred to work for other user members of your association where there is no strike." On this same day, Mr. Hayes replied to Mr. Romero, advising him that in view of certain stated considerations he would withhold any action pending further clarification.

On February 2, 1961, a letter was sent to me by Minister Eugenio de Anzorena regarding this matter.

This letter referred to "the seriousness of the strike situation in the Imperial Valley of California as it affects nationals of the Republic of Mexico," identifying this as "a matter of serious concern" to the Mexican Government. The situation in the Imperial Valley was characterized as involving "an atmosphere of danger to [the Mexican workers'] safety and well-being" and as "having all of the undertones of holding Mexican citizens in peonage." There was reference to "placing the Mexican workers behind locked gates." The letter concluded that "it is the position of the Government of Mexico that it is asserting its sovereign right to protect its nationals when it requests that they be removed from the struck places in order to assure the safety of its own countrymen."

I met on February 8, 1961, with Minister de Anzorena. I advised the Minister of my intention to dispatch a special representative of the Department to the Imperial Valley to conduct an investigation of this situation and to exercise certain specially delegated authority in the discharge of responsibilities identified in article 7(d)(2) of the Migrant Labor Agreement.

Subsequent letters addressed to Minister de Anzorena under dates of February 21, 1961, and February 24, 1961, by Assistant Secretary of Labor, Jerry R. Holleman, and Director of the Bureau of Employment Security, Robert C. Goodwin, reflect the continued urging of the Mexican Government that all Mexican nationals be withdrawn from all properties of companies which had had any of their ranches struck.

The issuance of the notices by Mr. Williams came at approximately this same time.

There was subsequently transmitted to me, under date of February 28, 1961, delivered by hand on March 1, a letter from the Mexican Ambassador, Antonio Carrillo Flores. This letter recited the Mexican Government's understanding of the Imperial Valley situation as follows:

"In one of the demonstrations Mexican workers were injured and had to be hospitalized. The situation is so serious that Mexican workers have to be kept behind locked gates guarded by armed deputies. The transfer of Mexican workers from one farm or field owned or operated by a struck employer to another farm or field owned or operated by the same or by another struck employer, within the Imperial Valley, does not lessen the menace to their safety."

In this letter Ambassador Flores stated:

"My Government has requested me to convey to you its most serious concern over the conditions under which Mexican citizens continue to be employed in the Imperial Valley of California."

The letter concluded:

"Pursuant to instructions from my Government, accordingly, I am again urging removal of all Mexican workers from all fields

of struck employers, within the Imperial Valley, as contemplated in these circumstances by the Migrant Labor Agreement of 1951, as amended."

In the notices which he issued, Mr. Williams recites as one of the facts and circumstances forming the basis of his action:

"The Government of Mexico has repeatedly sought the removal of its citizens from the employ of employers involved in labor dispute situations for the protection of their safety."

I am impelled to the conclusion that the circumstances require and warrant compliance with the request and urging of the Mexican Government.

This would be my conclusion even if the determination were limited to considerations of international obligation. The workers involved here are Mexican nationals. The Mexican Government's representations have continued over an extended period of time. They are based on a specific reference to that Government's assertion of its sovereign right to protect its nationals. Such representation could not, under the circumstances, be legitimately disregarded.

My recommendation is not confined, however, to considerations of obligation. I have stated my own confident conclusion and judgment, based on the record of the March 1 and 2 hearings, that the present situation in the Imperial Valley no longer includes any menace to the health or safety of the Mexican workers there, and that this condition may be expected to continue. I recognize fully, however, that the history of this situation would justifiably put it in a quite different light in the eyes of the responsible officers of the Mexican Government who very properly see it as their obligation to avoid even the remote possibility of risks to the safety of Mexican nationals in an area outside Mexico's borders. If the question, though it would be presumptuous, were whether the facts of this situation would warrant a reasonable conclusion, by those charged with the responsibilities of the Mexican Government, that revocation action is necessary here, the answer would have to be clearly affirmative.

I accordingly must deny the appeals from the notices issued by Mr. Williams on the basis that any different action would be inconsistent with appropriate compliance with the official request of the Mexican Government.

It seems to me appropriate, at the same time, to note that the incidents referred to by Minister de Anzorena and Ambassador Flores occurred almost a month ago. It is my considered judgment, incorporated in this report, that the possible crisis of tension which existed at that time has passed, and that the situation is at present such that it does not present any menace to the health or safety of the Mexican workers who are involved. I am prompted to suggest that a review by Ambassador Flores of the information regarding the present situation would be important both in terms of serving the immediate common interests involved and in terms of establishing the firmest possible basis for the future administration of this program.

In conclusion:

I find:

(1) That the situation in the Imperial Valley be recognized as appearing from the record of the hearings of March 1 and 2 not to present any menace to the health or safety of the Mexican workers employed in the lettuce fields;

(2) That the present appeals from the Williams' notices be nevertheless denied in the light of the requests and urging of the Mexican Government;

(3) That independent rulings revoking outstanding authorizations be issued in accordance with the Mexican Government's requests;

(4) That this situation warrants further, continuing and perhaps immediate review by the Mexican Government of what may very properly be considered changed and improved conditions.

DECISION OF THE SECRETARY OF LABOR, MARCH 4, 1961

(In the matter of the appeal of Admiral Packing Co., Sam Andrews Sons, Bud Antle, Inc., Arena Imperial Co., Fred Bright Co., J. J. Crosetti Co., Danny Danenberg, D'Arrigo Bros., Charles Freedman Co., Farley Fruit Co., Garin Co., Giffin & Allen, William B. Hubbard, Jackson Produce, Inc., Jerome Kantro Co., Royal Packing Co., Salinas Valley Vegetable Exchange, Thor Packing Co.)

This matter is before me on an appeal by the above-named parties from the notice of immediate action under article 7 of the Migrant Labor Agreement of 1951, as amended, issued to each of the parties by Lee G. Williams pursuant to authority vested in him under delegation of authority dated February 11, 1961, from Robert C. Goodwin, Director of the Bureau of Employment Security.

The aforesaid notices of immediate action issued between the dates of February 23, 24, 25, and 27, 1961, revoked all certifications and authorizations of the parties insofar as they permitted them to employ Mexican workers admitted to the United States under the terms of Public Law 78, 82d Congress, at any location which is picketed in connection with an alleged labor dispute and further revoked all certifications and authorizations issued to the Imperial Valley Farmers Association to the extent that they would permit the employment of such Mexican workers at such locations.

This action was taken by Williams under the provisions of article 7(d)(2) of the Migrant Labor Agreement of 1951, and was predicated by him on the conclusion that the lives, health and safety of the Mexican nationals affected by his order will be jeopardized by delaying the revocation of the certification and authorization of the above parties to employ them at said locations.

This appeal was heard, at my instruction, by the Under Secretary of Labor on March 2 and 3, 1961. His report and recommendation has been submitted to me today. Having given careful consideration to it, I adopt the conclusions reached therein as my own and the recommendations made therein as most appropriate in these circumstances.

The appeals of the above-named parties are accordingly denied.

ARTHUR J. GOLDBERG,
Secretary of Labor.

REVOCATION ORDER OF THE SECRETARY OF LABOR

Having reviewed the report and recommendations submitted to me by W. Willard Wirtz, Under Secretary of Labor, with respect to hearings held by the Department of Labor on March 3 and 4, 1961, and having adopted the recommendations made therein, I hereby order that the certifications and authorizations of the parties listed below to employ any Mexican nationals under the Migrant Labor Agreement of 1951, as amended, be and are hereby revoked and the certifications and authorizations issued to the Imperial Valley Farmers Association, insofar as they permit the employment of Mexican nationals under said agreement by said parties, are hereby revoked: Admiral Packing Co., Sam Andrews Sons, Bud Antle, Inc., Arena Imperial Co., Fred Bright Co., J. J. Crosetti Co., Danny Danenberg, D'Arrigo Bros., Charles Freedman Co., Farley Fruit Co., Garin Co., Giffin & Allen, William B. Hubbard, Jackson Produce Inc., Jerome Kantro Co., Royal Packing Co., Salinas Valley Vegetable Exchange, and Thor Packing Co.

The Imperial Valley Farmers Association is further requested and directed, to the extent practicable, to reassign such Mexican workers to other authorized user members of the association for approved agricultural employment. If such reassignment is not practicable, the affected workers are to be returned to the appropriate reception center and their contracts canceled in accordance with established procedure.

Date: March 4, 1961.

ARTHUR J. GOLDBERG,
Secretary of Labor.

Mr. MORSE. Mr. President, I now turn to another statement by Mr. Goldberg, dated June 13, 1961, before the Agricultural Research and General Legislation Subcommittee of the Committee on Agriculture and Forestry, with respect to proposed legislation to extend the Mexican farm labor program. It is a very courageous statement, the kind of statement we expect from the industrial statesmanship of a man such as Arthur Goldberg.

An interesting thing about this Secretary of Labor is that it is difficult to find among the leaders of industry, the industrial statesmen within industry, those who will criticize the impartiality, the fairness, the ability, and the dedication to the responsibilities of his job of Arthur Goldberg. One cannot read the statement I am now about to make a part of my speech without realizing that the leaders of industry are justified in having that confidence in Mr. Goldberg. I do not need to labor the point that the same high confidence is vested in him by the labor leaders of America.

I invite attention to this paragraph from Mr. Goldberg's statement of June 13. He said:

> But it should be equally clear that the administration opposes any extension of this law unless it is appropriately amended to provide sorely needed protection for our own workers; protection against the rampant competition for available jobs from an almost inexhaustible reservoir of foreign workers accustomed to work for wages and under conditions which compared with ours are substandard and which we have long relegated to the past.

As I am about to close, I direct my attention to my Democratic colleagues.

Mr. President, I ask unanimous consent that the statement of January 13 by Secretary of Labor Arthur J. Goldberg before the Committee on Agriculture and Forestry concerning the Mexican farm labor program be printed in full at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE ARTHUR J. GOLDBERG, SECRETARY OF LABOR, BEFORE THE AGRICULTURAL RESEARCH AND GENERAL LEGISLATION SUBCOMMITTEE, SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, ON LEGISLATION TO EXTEND THE MEXICAN FARM LABOR PROGRAM, JUNE 13, 1961

I welcome this opportunity to present the views of the administration and to express my personal views on legislation which this committee is considering for improving the Mexican labor program and for its extension for an additional 2 years.

To remove any doubt as to the administration's position, I would like to state at the outset that we are not advocating the termination of the program. On the con-

trary, fully mindful of the uncertainty of meeting the labor requirements at this time of our agricultural producers entirely from our own labor supply, we recommend the extension for a 2-year period of Public Law 78—the law which provides the basic authority for the Mexican labor program.

But it should be equally clear that the administration opposes any extension of this law unless it is appropriately amended to provide sorely needed protection for our own workers; protection against the rampant competition for available jobs from an almost inexhaustible reservoir of foreign workers accustomed to work for wages and under conditions which compared with ours are substandard and which we have long relegated to the past.

The basic question is, Do we not have a solemn responsibility to our own workers to provide safeguards against the adverse impact upon their wages, working conditions and employment opportunities that must inevitably flow from the large-scale use of foreign supplemental labor?

There are two bills presently before this committee, H.R. 2010 and S. 1945.

H.R. 2010 would merely extend Public Law 78 for an additional 2 years without amendment. S. 1945 would extend the program for 2 years but with basic amendments to protect the interests of domestic agricultural workers. The amendments are as follows:

1. Authorize the Secretary of Labor to limit the number of Mexican nationals that may be employed by any one employer to the extent necessary to assure active competition for domestic workers.

2. Require growers to offer conditions of employment to domestic workers comparable to those they must provide Mexican workers.

3. Prohibit the employment of Mexican workers in other than temporary or seasonal work or in work involving the operation of power-driven machinery.

4. Provide that employers using Mexican workers must pay them wages at least equivalent to the statewide or national average rate for hourly paid farm labor, whichever is the lesser. The maximum increase in any one year would be the equivalent of 10 cents per hour.

The administration supports S. 1945.

Programs for the admission of Mexican agricultural workers have been with us for almost 20 years. The present program stems from governmental arrangements concluded during World War II. At no time during the war years did the numbers exceed 175,000 in any one year. With the cessation of hostilities the program tapered off until the Korean emergency again created manpower stringencies. The need was felt for an orderly method of supplementing available domestic workers, and in 1951 Public Law 78 was enacted. The law, implemented by an international agreement with Mexico in the same year, has been extended, with minor amendments, from time to time since then.

Under Public Law 78 approximately 200,000 Mexicans were brought in annually between 1951 and 1953. From that time it increased until it reached a peak of approximately 445,000 in 1956. In 1960 due to mechanization of the cotton harvest the number decreased to about 315,000.

During the House consideration of similar legislation this year, considerable argument was advanced designed to show the need for a continuation of the program. Since the administration is not opposing an extension of an improved law, such arguments are not relevant. The sole question which we are now considering is what terms and conditions are necessary, when admitting Mexican workers, to avoid undermining the economic conditions of our domestic farmworkers.

Approximately 2,200,000 American farmworkers who depend for their livelihood on farm employment are in some measure affected by the Mexican labor program. But the impact of mass importation of foreign agricultural workers falls with the greatest severity upon our migrant agricultural workers—the segment of our labor force whose shocking living and working conditions have increasingly become the subject of public scrutiny in the press, over the radio, on television, in the pulpit and in the Halls of Congress.

The majority of American migrants, moving in vast streams out of the South and Southwest each spring, exist for the most part in a shadowy world of poverty, privation, lack of opportunity and living conditions intolerable by any standards. Each year approximately 500,000 American farmworkers migrate with their families in order to avoid either unemployment or low wages at home. All too frequently they are quartered in unsanitary and substandard housing; transported in unsafe buses and trucks which has subjected them to a high incidence of accidents resulting in death and serious injury. Because they are constantly on the move, their children are denied the opportunity to receive a minimal education, while restrictive residence requirements deny them public health and welfare services. The conditions of these families are an affront to American concepts of human dignity.

The unpleasant truth is that the migratory labor system in the United States is based on underemployment, unemployment, and poverty. This is not a small problem. The Department of Agriculture estimates that underemployment alone in rural areas of our Nation is the equivalent of 1,400,000 fully unemployed people. The earnings of agricultural workers average barely over $1,000 a year.

Farmworkers are excluded from minimum wage, unemployment insurance, almost all workmen's compensation legislation and most other social legislation. In addition, they are excluded from legislation which protects the right of workers to organize and bargain with their employers.

We, as a nation, take pride in our concern for the dignity of the individual, but the apathy that has been demonstrated toward this lingering social problem seems to us to be an abdication of our responsibilities. At a time when we are engaged in a bitter struggle to advance the cause of democracy throughout the world, this social and economic blight at home has become a matter of embarrassment to the United States.

The emphasis in our foreign aid policy is reflecting a greater concern for the individual in the underdeveloped countries throughout the world. We are accenting the need for improving the standard of living of these poverty-ridden people. While we have necessarily expended hundreds of millions of dollars in this effort, we must equally measure up to our responsibilities toward our own agricultural workers who, in our midst, live in poverty and degradation. The conditions under which these men and women live and work is contrary to our democratic institutions and ideals. In the interest of simple humanity, we should not tolerate these conditions.

The present administration is firmly of the view that the time for studying the migrants' problem is past; the time for remedial action is long overdue. This blemish in our social order must be eradicated. While some progress has been made it is not nearly enough.

For its part, the Department of Labor is now considering ways and means of improving and extending existing programs for farmworkers in order to assure greater continuity in employment and higher earnings.

To me it appears highly inconsistent, however, to attempt to improve the lot of the migrant workers through the series of bills which the Congress is now considering while requiring these workers to compete, without adequate legal protections to safeguard their interests, with an inexhaustible supply of foreign workers.

The nature and size of the Mexican labor program substantially interfere with the normal operations of the law of supply and demand in the labor market. The inexorable result is to stabilize or depress the wages of our own farmworkers in areas where Mexican braceros are employed. My concern over this problem was shared by my predecessor in office, the distinguished James P. Mitchell. It has been highlighted in a report of a committee of prominent consultants who were appointed by Secretary Mitchell to study the matter.

Athough we are concerned with the impact of the Mexican labor program on the economic conditions of domestic farmworkers, we are in no way critical of the Mexican workers as individuals. We value them highly as respected neighbors. They have proved to be dependable and competent workers and have contributed a great deal to the Nation's agricultural production.

To meet these problems, the administration recommends the enactment of Senator McCarthy's bill, S. 1945. This bill is designed to assure that the Mexican labor program remains a truly supplemental labor program rather than a program to substitute Mexican workers for United States workers.

We have been urged by many groups and individuals to oppose any extension of Public Law 78. This position, we believe, is too extreme. The administration's proposals would extend the program for 2 years with reasonable and moderate amendment.

First, the Secretary of Labor would be provided with authority, in connection with his certifications under section 503, to limit the number of foreign workers who may be employed by any employer to the extent necessary to assure active competition among farmers for the services of U.S. farmworkers.

As I indicated above, we find that because of the Mexican labor program, there has been a substantial deterioration of employer recruitment programs and of the labor relations practices designed to maintain a stable and productive work force. The results are that employers of Mexican workers frequently pay lower wages to domestic workers than the employers in the same activity and area who depend upon U.S. agricultural workers. They are under no real compulsion to attract additional U.S. farmworkers, with results that are clearly adverse to the interests of our own farmworkers.

The most tangible result of the ready supply of Mexican workers is its depressing effect upon wages. The failure to make the special effort to offer other working conditions that are necessary to maintain a satisfied work force, however, may be even more detrimental to U.S. farmworkers and a significant factor in the failure to obtain them.

All efforts to protect our farmworkers from these effects of the Mexican labor program in a meaningful manner heretofore have been unsuccessful. Clearly, employer responsibility to recruit and retain U.S. farmworkers is required in the law. The incentive for employers of Mexican workers to do a better job of domestic recruitment and labor relations will be increased under this amendment. Where necessary, each employer of Mexican workers will be required to maintain a fair, specified proportion of domestic agricultural workers in his work force.

In this connection, I am somewhat disturbed by allegations that our domestic workers are an unstable and unreliable source of labor; that employers experience, notwithstanding their best recruitment efforts, large turnover in their domestic labor force. In

my judgment, this is a most unjust characterization of our domestic agricultural labor force.

Thousands of farmers throughout the country depend exclusively upon domestic agricultural labor to plant, cultivate, and harvest their crops. It is evident that when dealing with a large number of domestic workers or foreign workers there will be those in both categories who will not fulfill their obligations. In varying degrees, some Mexican workers have failed to complete their contracts without justifiable reasons. I think it is significant that approximately 500,000 domestic migrant workers year by year leave their homes in search of employment. It is inconceivable to me that these people would be willing to subject themselves to the privations and hardships under which they live and travel if they were not sincerely and genuinely interested in obtaining remunerative employment.

We should also take note that to a great extend they move from the low-wage areas to seek better employment opportunities.

My experience convinces me that the stability of a work force is directly related to the efforts and interests of the employer in providing the worker with satisfactory employment. A dependable work force is obtained not alone by the payment of transportation. While this may be a significant factor in obtaining the workers in the first instance, whether a worker is satisfied with his employment depends in a large measure upon day-to-day treatment accorded him by his employer; it depends upon the interest the employer manifests in his welfare; it depends upon the wages and working conditions, the housing provided him and a variety of other factors which employers who successfully recruit and retain workers have learned are important in assuring themselves of a competent and dependable work force.

I would like to point out that generally where decent wages and working conditions are offered, domestic labor is available. It is available, for example, in the State of Washington where wages are $1.25 an hour, as compared to 50 cents an hour in other areas and, where growers participate in an annual worker plan, and sometimes advance transportation costs to American migrants. It is available in the State of Oregon where the State legislature has enacted legislation improving conditions for American farmworkers. It is available in northern California, where American workers can earn as much as $1.50 an hour on some tree crops. On the other hand, we cannot expect to attract domestic workers to areas which pay less than 50 cents per hour.

I have also heard from time to time the complaint that domestic workers will not accept certain agricultural employment, such as "stoop labor," regardless of the wages and working conditions offered. This contention does not square with the facts. Good cases in point are the States of Mississippi and Louisiana. In the early days of the Mexican labor program, these States used a substantial number of Mexican workers. The employers in these States, however, decided that it was in the best interest of the local economy to utilize domestic agricultural workers and are no longer employing Mexican labor. In these States, as in many other States, domestic agricultural workers are performing "stoop labor." For example: More foreign workers are used in the cotton harvest than in any other crop. In this activity which involves exclusively "stoop labor," four-fifths of the entire labor force is comprised of domestic agricultural workers.

Approximately 64 percent (70,000) of all the workers employed at the peak of the tomato harvest, the second largest crop in which foreign workers are used, are domestic agricultural workers. Approximately 39,000 Mexicans are used in this activity at peak, almost all in the State of California.

Even in Texas, California, Arkansas, Arizona, and New Mexico, the five States using the greatest number of Mexican workers, the majority of the total hired agricultural labor force during the same time, in the same States, in the same areas and in the same activities, are domestic workers.

The theory that domestic agricultural workers will not accept work which is unpleasant or undesirable is not supported by the facts. Innumerable American workers are employed in a variety of difficult and unpleasant jobs, such as mining, operation of garbage trucks, sewer maintenance, cesspool workers, sandhogs, boiler stokers, blast furnace workers and others.

It is thus apparent that the allegations that domestic workers will not accept the type of employment for which Mexicans are used is without foundation.

For the reasons I have stated I believe that the administration's proposal to permit the Secretary of Labor to limit the number of Mexican workers employed in the United States is necessary to stimulate more vigorous recruitment programs to the end that there will be a greater utilization of the domestic labor force.

The second substantive amendment provided in S. 1945 would make Mexican workers available only to employers who have made reasonable efforts to attract domestic workers at terms and conditions of employment reasonably comparable to those offered to foreign workers.

Under existing law, the Secretary of Labor must certify, before foreign workers may be made available, that domestic workers have been offered wages and standard hours of work comparable to those offered to Mexican workers. No provision is made for offering to domestic workers the other material benefits which, under the Migrant Labor Agreement, are provided the Mexican workers. These include workmen's compensation or occupational insurance coverage for the Mexican farmworkers, as well as free transportation, free housing, subsistence when work is not available, written contracts and work guarantees.

S. 1945 would condition the availability of the Mexican workers to any employer on the employer's offer to domestic farmworkers, not only of comparable wages and standard hours of work, but also of other, comparable benefits.

The effect of this amendment is that the available job offers would be made more attractive for domestic workers at costs for such benefits generally the same as those the employer now incurs when he obtains Mexicans. It would also remove the anomaly and injustice that has done so much to arouse public sentiment against Public Law 78, its, maintenance of higher labor standards for foreign workers than those accorded our own workers.

The amendment does not require precisely the same terms and conditions to be offered as are extended to Mexicans. It is contemplated that appropriate recognition would be given to the differences between the situation of the domestic workers and the foreign workers.

For example, for local workers who have their own homes in the area of employment, it would not be reasonable to require the employer to offer free housing. Local workers would be reimbursed with monetary allowances in lieu of housing and of daily transportation to the job when these benefits are not provided. The requirements that local workers be offered a written contract, the three-quarter guarantee of employment, and subsistence payments would be waived in instances where they are clearly inappropriate.

The principal impact of certain features of the amendment relates thus to recruitment of nonlocal workers. Those assurances should make acceptance of out-of-area seasonal farm employment a feasible choice for many more unemployed and underemployed.

The provision of comparable benefits to domestic migrants poses some special problems as it relates to housing. The obligation to provide free housing, as is provided Mexican nationals, should not be expanded, on a mandatory basis, to the free provision of family housing for dependents not part of the work force. Here again a monetary allowance of roughly equivalent to the cost of housing a single worker can be provided.

We are, of course, aware of the complaint filed by some employers of unsatisfactory results from their recruitment of distant workers. Cases have been cited in which workers transported at the employer's cost have not completed the work required for the harvest. Here I would like to advert to my previous observation that generally the dependability of a work force has a direct relationship to the treatment accorded the workers and the terms and conditions of their employment. For example, a study made by the State of Washington in 1958 disclosed that approximately 100 crew leaders with 3,600 workers were recruited in Texas through the annual worker plan, directed and coordinated by the Department of Labor, for employment in the State of Washington. Farmers in the State of Washington advanced more than $110,000 to those crew leaders by sending cashiers' checks or Western Union money orders to them in care of the Texas Employment Commission's local offices. All but two of these crew leaders reported for work with crews and proved eminently satisfactory—the total loss $250. This is only one illustration which, I am sure, can be duplicated throughout the country.

While the experience of many other employers who provide transportation to workers has been gratifying, the Department recognizes that many employers are honestly and legitimately concerned with the uncertainties involved. Accordingly, we propose to provide that the employer who chooses may, in lieu of providing transportation in advance, agree rather to reimburse workers for their transportation costs, after the fact, in proportion of the agreed contract which the worker fulfills. However, this should not permit practices that are less liberal than those prevailing in the area. This will, I believe, remove any reasonable objection on the part of employers to paying for domestic workers, as they do for Mexican workers, the cost of transportation to the job and of their return home on completion of the contract

Fear has been expressed by some that the Department of Labor, in proposing that domestic farmworkers be afforded terms and conditions reasonably comparable to those provided Mexican workers, is seeking broad discretionary power which might be exercised in an arbitrary manner. The area of uncertainty seems to be centered around a method of converting transportation and housing allowances into cash payments.

I find it rather strange that this same fear has not been manifested in connection with a present provision of Public Law 78. Under that provision, in any case in which a Mexican worker is not returned to the reception center, the employer is required to pay an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers to the reception center. The administration of this provision involves the exercise of discretion on the part of the Department. Although thousands of dollars have been paid by the growers to the United States on the basis of estimates made by the Department of Labor, there has been no accusation of any arbitrary or capricious action on the part of the Department. As a matter of fact the Depart-

ment on its own initiative in 1954 proposed and obtained an amendment which provided authority to relieve employers of double assessments which were required in some cases under the provisions of the law.

In the light of this experience, fear of arbitrary action on the part of the Department is certainly not well founded. Far from granting new undefined authority to the Secretary, the "comparable terms and conditions" principle is specific and limited. The terms and conditions provided the Mexicans are spelled out in considerable detail in the agreement with Mexico. These would provide a specific outer limit upon what the employer would be required to offer to domestic workers. To me, it is indeed anomalous that a citizen of the United States who presents himself for employment in this country can under the law be told that foreign workers are entitled to greater benefits when employed in the United States than he can obtain. U.S. citizenship thus becomes a liability in the United States.

We also recommend an amendment contained in S. 1945 to prohibit generally the employment of Mexican workers admitted under Public Law 78 in other than temporary or seasonal work or in work involving the operation of power-driven machinery. The Secretary could grant temporary exceptions where he believes this necessary to prevent undue hardship. He would use this authority to permit gradual adjustment where farmers are now dependent upon Mexican workers for year-round or machine jobs.

Although we believe that the Mexican labor program when initially enacted was viewed as a means of meeting seasonal shortages of unskilled field hands, this purpose was not specified in the law. Consequently we now have substantial numbers of braceros employed on mechanical equipment and additional thousands in year-round jobs. In view of the substantial underemployment and unemployment characteristics of our own farm work force, the alleged shortage of U.S. workers for skilled and year-round jobs are believed to reflect problems of wage levels and employee relations rather than true shortages of labor. We believe that the Congress should so conclude, leaving the Secretary with discretion only to grant temporary exceptions in specific hardship cases. We are not now even considering the question of "stoop labor" but of employing braceros to operate costly machinery and in year-round occupations. In my opinion, there is no question but that domestic workers will accept such employment provided that the wages and conditions of work are reasonable. Whenever there is a need for additional workers for year-round employment which cannot be met from our domestic labor force, they should be admitted under the provisions of the Immigration and Nationality Act which deals with the permanent admission of workers for employment in the United States.

The administration's recommendations for legislation extending the Mexican labor program, as contained in S. 1945, would also enact into law a definite policy with respect to wages of Mexican workers that must be offered and paid by employers seeking authorization to employ such workers.

The prevailing wage principle that has been our basic guide in this matter is a proper protection for Mexican workers and must continue to be used for this purpose. We now know, however, that the prevailing wage principle applied to a massive foreign worker program tends to prevent wages from rising. That this has actually occurred over the last 8 years, to a serious extent in many areas, is now a matter of common knowledge.

In areas where a large number of Mexicans are used, it is difficult to arrive at a valid method for determining the prevailing wage required to be paid Mexicans so as not to reflect merely the wage received by those workers from year to year.

The Department has made strenuous efforts during the last few years to avoid this. These efforts have not met with success. And in some areas the employers of Mexican labor have initiated wage increases designed to overcome adverse effects of the Mexican labor importation. Unfortunately, these have been in the minority.

In numerous other areas the wage rates in the specific activities in which Mexican workers are employed have remained static or even declined. To illustrate, Mexican nationals were employed in 1951, after Public Law 78 was enacted, at an hourly wage of 50 cents per hour in Arkansas, Missouri, Texas, and New Mexico. Ten years later, in 1960, this was still the rate normally paid braceros in most areas in these States. In the meantime, of course, the average wage rate for all hourly paid farmworkers in these States as well as in the Nation as a whole was increasing significantly.

The availability of braceros at these static rates throughout this 10-year period has tended to place a ceiling upon the wage offered U.S. workers engaged in similar work in the areas where braceros are employed.

To these illustrations of static wages in the presence of substantial Mexican employment can be added many others. Of the 123 wage surveys made in 1960 in specific areas and activities employing Mexican workers, it was found that the wage prevailing among U.S. workers had remained static from the previous year in 67 percent of the cases. It had actually declined in 15 percent. In the face of generally rising farm wages, this tendency to remain stable or decline where Mexican workers are employed is, in my view, a direct outgrowth of the Mexican labor program. This is a central problem in the way the Mexican program operates today, and the reason why we urgently need corrective guidelines of the type proposed in S. 1945.

In far too many areas employers have not, since the inception of this program, voluntarily introduced any wage increases and have vigorously opposed any efforts of the Department to give meaning and effect to the statutory responsibility of the Secretary not to make Mexican workers available under circumstances which would adversely affect the wages and working conditions of our own agriculture workers. We have found ourselves in endless litigation challenging the validity of the Department's policy and criteria to prevent such adverse effect even where the policies of the Department would require the payment of wages which would produce minimum earnings of 50 cents per hour.

In light of this experience and in view of the unrelenting resistance to the Department's efforts to carry out its responsibilities under Public Law 78, we have concluded that statutory standards should be prescribed by the Congress to avoid the continuous and irksome friction that has characterized the program; and which has in effect tended to impair the safeguards which the law purports to provide.

To this end, the administration recommends an amendment, as contained in S. 1945, which would require employers with labor shortages sufficient to warrant bringing in foreign workers to offer to such workers wages at least equal to the statewide or national average rate for hourly paid farm labor, whichever is the lesser. This would be applicable only to those employers who are seeking to obtain Mexican workers. Where employers requesting Mexican workers are not offering at least this much, they would be expected to bring their wage offers up to this level. In no case would employers be required to increase their wages by more than the equivalent of 10 cents per hour in any 1 year. We believe that this formula will prevent the stagnation and/or depression of farm wages in some areas where large numbers of braceros are employed; it would simply cause wages in these activities to keep pace with farm wages generally. No employer willing to offer average wages would be deprived of needed braceros by this amendment.

We are of the view that we presently have the authority under existing legislation to require this; that the adoption of this formula by the Department would be a reasonable exercise of the Secretary of Labor's statutory responsibility under title V of the Agricultural Act of 1949 (Public Law 78) not to make Mexican workers available unless he can certify that their employment will not adversely affect the wages and working conditions of domestic workers similarly employed. We believe that this is a fair and appropriate standard by which to test such adverse effect.

The simple fact is that whenever the Department of Labor has adopted any measure to give meaning and effect to this statutory requirement, the authority of the Secretary of Labor has been vigorously contested, in and out of court. In fact, in the most significant cases in which such restraining orders have been issued, even though set aside at a later date, it has been due only to the action of the Mexican Government in withholding their nationals that the adverse effect has not been greater. Because we have been subjected to restraining orders and to other litigation that vitiates that authority, we believe that the time has come to remove any doubt as to the validity of the Secretary's actions through a specific legislative standard.

This is not, I believe, contrary to a resolution passed in December 1960 by the American Farm Bureau Federation favoring extension of the Mexican labor program. This resolution read, in pertinent part:

"We favor the establishment of statutory standards for the exercise of the broad discretionary authority now delegated to the Secretary of Labor. We strongly oppose the delegation to the Secretary of discretionary authority even broader than he now has."

I am somewhat perplexed by the dilemma in which the Department finds itself. On the one hand, when it endeavors to establish standards to give effect to its responsibilities under the law, its authority to adopt such standards is forthwith challenged on the grounds that the Secretary of Labor is attempting to usurp Congressional prerogatives. On the other hand, the same groups are here opposing a proposal on the part of the Department to avoid such problems in the future by requesting an amendment which would provide statutory standards and remove any further question as to whether or not the standards are within the congressional contemplation.

During the House debates on H.R. 2010 and the amendments introduced similar to those contained in S. 1945, it was repeatedly argued that the Department of Labor already has authority under present law to put into effect the recommendations of the administration. We do not concur in this conclusion, at least with respect to some of the amendments. To the extent that such authority presently exists, the purpose in requesting statutory guidelines is to eliminate any further question as to the propriety of action taken by the Department to protect the interests of our domestic agricultural workers within the contemplation of Public Law 78.

To meet these problems adequately the administration recommends that if Public Law 78 is to be extended for 2 years, it should be amended as provided in S. 1945.

In closing I would like to observe that there is general recognition of the fact that we are confronted with a serious problem of

underemployed and unemployed farmworkers; that these workers and their families live and work under conditions which we cannot in good conscience continue to ignore. We have an obligation to these workers to extend every effort not to aggravate an already intolerable situation by placing them in competition with foreign workers without safeguarding them against the impact of this vast foreign supplemental labor supply.

The time has come for a more realistic approach to this problem. It is time that we cease finding reasons why we cannot utilize more fully our own labor resources. It is time that we begin to think in terms of developing affirmative programs which will bring dignity, social and economic well-being to our own underprivileged agricultural labor force.

Mr. MORSE. Mr. President, to my Democratic colleagues I say once again that this is not the first time in recent weeks when I have had to make this argument. We must make a choice between whether we will support the President of the United States in his program, on the basis of which he campaigned, and in respect to which he made pledges across the country; or whether, as Democrats, we are to pull the rug out from under him once again on another piece of major legislation in the Senate.

It is my opinion that if we adopt the conference report, we will be acting against the recommendation of the administration's leading expert on labor, the Secretary of Labor, and we will be acting against the President of the United States himself.

How many times do Democrats think they can pull the rug from under the President, and then go home to their constituencies and ask for support either for themselves or for the administration?

I say quite frankly that we did it to the President on education legislation—not on S. 1021; but on the bill for the extension of assistance to impacted areas and the NDEA proposal, when the President made a personal plea to strengthen his arm, not to weaken it, we weakened it.

I give, in my speech tonight, the administration's position, presented to Congress, with respect to the Mexican farm labor program. Pending before the Senate is a conference report which cannot be reconciled with the position of the President.

Are we ready to say that the pledges and promises he has made should not be kept? Are we ready to surrender to the powerful economic interests in this country which want to make exploit profit at the expense of the underprivileged workers in America known as itinerant workers? Is that to be Democratic Party policy? If we make it our policy, we shall have some embarrassing questions to answer on the political platforms, even during the interim between now and the time we return in January; and we shall have more such questions to answer in 1962. If we think the memory of the voters is that short, we are mistaken.

Once more the senior Senator from Oregon, as a player on the President's team, makes the plea: Support your President and vote against the conference report. In my judgment, we cannot square this conference report with the testimony of the President's spokesman, the Secretary of Labor, on January 13 of this year. We cannot square this report with the position taken by the Department of Labor that Public Law 78 can be used, has been used, and undoubtedly will be used in the future if we do not modify it as a strike breaking law.

I do not believe our President should be placed in a position where, under his leadership, his party sanctions strikebreaking against the most exploited group of human beings in American economic life, the itinerant "Grapes of Wrath" workers in America. In our luxury, our comfort, and our full bellies, we would like to lean back and wishfully think that "The Grapes of Wrath" is no longer applicable in the United States. But it is. If we think it is not, then, as I said the other day, when I made a plea for support of the President with respect to education legislation, Democrats should take a junket into the farm camps of the itinerant workers and see for themselves whether they really want to countenance the inhumanity which is possible under Public Law 78, and against which Secretary of Labor Goldberg testified.

I know it is neither pleasant nor easy to put one's own party on the spot in regard to a great need for reform in the United States. The Democratic Party is the majority party. We cannot pass the buck to any coalition between conservative Democrats and conservative Republicans. We cannot excuse the Democratic Party on the ground that we have not the votes in the Senate, because the voters want to know when we are going to carry out our pledges.

The spokesman for the Democratic Party is the President of the United States. In my judgment, the President, through his Secretary of Labor, has made an unanswerable case against Public Law 78.

Listen to Secretary of Labor Goldberg again, as I read one more paragraph from his statement of June 13, 1961:

But it should be equally clear that the administration opposes any extension of this law unless it is appropriately amended to provide sorely needed protection for our own workers; protection against the rampant competition for available jobs from an almost inexhaustible reservoir of foreign workers accustomed to work for wages and under conditions which compared with ours are substandard and which we have long relegated to the past.

On June 13 of this year the Secretary of Labor proceeded to document his charges against Public Law 78. He supported the findings I have already recited in regard to Public Law 78 being used as a strikebreaking law in a series of now historic strikes in this country.

As the spokesman for the Democratic President of the United States, he asked the Democratic Members of Congress to eliminate those abuses. In this Congress the Democratic Party is the majority party, Mr. President, and upon it must fall the major blame for not amending Public Law 78 in order to eliminate the abuses the Secretary of Labor referred to on June 13, 1961. I am such a proud Democrat, Mr. President, that I beseech Senators who belong to my party to live up to its responsibility as the majority party. In my judgment our first responsibility is to strengthen the arm of the President by helping him carry out his pledges and the platform of our party.

I rest my case on that premise. I say to the voters of my State that tomorrow I shall vote against agreeing to the conference report. I will vote against agreeing to it, because in my judgment the Democratic administration has made an unanswerable case against the abuses of Public Law 78, and the conference report does not correct those abuses. It does not even eliminate the strikebreaking potential of Public Law 78, and it continues the itinerant farmworkers of America as the forgotten men and women in the wage structure of our country.

How can the Democratic Party justify it? I know that many Democratic Senators will be quick to point out that many Republican Senators voted for it, too. Of course they did; and for 8 years the Eisenhower administration continued those abuses and human injustices. But at least we must admit that the Eisenhower administration appointed, in its closing days, a board of consultants and experts whose qualifications cannot be questioned. I have already placed their names in the RECORD; and they left behind the Eisenhower administration a sound report for consideration by the Democrats, and it is backed up by a Democratic Secretary of Labor.

Mr. President, I believe we should follow where these facts lead. I say to the Democratic Senators—and I say this with the majority leader and with the majority whip now on the floor—that they have a party responsibility to correct these abuses. They cannot pass the buck to a coalition of conservative Republican Senators and Democratic Senators. They must face up to the inhumanity of the treatment that the itinerant farmworkers have been receiving from the Democratic Party; and in my judgment the conference report should be rejected tomorrow, and the Democratic Senators should proceed, if the conference report is rejected, to support the motion I shall then make—and I pledge now that I shall make it at that time tomorrow; namely, that our conferees be sent to a further conference, with our instructions either to bring back no report at all or else bring back a report which includes the McCarthy amendment.

Mr. President, I yield the floor.

WORLD ECONOMIC PROGRESS EXPOSITION

Mr. HUMPHREY. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution 389.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 389, as follows:

Whereas the encouragement of private and public participation in international economic development is vital to the achievement of a free and democratic economic growth process, and the responsibility for stimulating international economic growth,

and especially the growth of those nations in the less-developed areas, must be shared and supported, in accordance with their capacity, by the peoples of the world, whether as individuals or through their private organizations and their governments; and

Whereas the Government of the United States and its people have consistently endorsed the aspirations of all peoples and nations to realize a free and prosperous society and have, toward these ends, actively supported and participated in programs for free economic development; and

Whereas the success or failure of these objectives and the freedom of the individual, his nation, and the world, depend upon the scope and quality of public understanding and the ability of the individual to focus on this historic movement of our century, and is dependent upon the ability of the leaders in the great endeavor to understand each other and each other's efforts and thus find ways by which mutual efforts can be joined for the good of all mankind; and

Whereas in order to assist in bringing about a greater understanding and acceleration of this effort, a World Economic Progress Assembly and Exposition, privately organized, financed, and sponsored, will be presented in November 1962, in Chicago, Illinois, at the new exposition center known as McCormick Place; and

Whereas the purpose of this assembly and exposition is to bring together for the first time a world assembly to examine and explore the many diverse elements of mankind's struggle to assure to itself adequate food, clothing, shelter, health, education, and other elements of its well-being and to provide the means through exhibits, meetings, and special events to translate what is now a vague topic to many into an understandable reality; and

Whereas further purposes of this assembly and exposition are to provide the opportunity to bring to the United States, which has spearheaded the effort for the betterment of mankind, representatives of national governments and international and national government and private agencies including foundations and educational, religious, labor, banking, and business organizations and institutions and the general public to enable them, and their American counterparts, to come together to report, explain, and evaluate their progress, roles, and operations, catalog needs as yet unmet, exchange views and plan within a coherent framework the new opportunities for private and Government cooperation, chart new and mutually productive and advantageous paths into a future, and achieve a closer understanding and collaboration in this great and essential endeavor; and

Whereas it is the declared policy of the United States to encourage the contribution of United States enterprise toward economic strength of less-developed countries, through private trade and investment abroad and exchange of ideas and technical information, and to increase mutual understanding between the people of the United States and the people of other countries, using to the maximum extent practicable the facilities of private agencies, and the World Economic Progress Assembly and Exposition will provide a unique and effective means of carrying out these objectives; and

Whereas the President of the United States, recognizing that the assembly and exposition provide a response to the urgent need to broaden understanding, at home and abroad, of the progress and challenge of international economic development and that the participation of the American people through various United States Government programs in the development of the economies of other nations and in the evolution of international economic growth is an integral part of the story to be projected at the proposed assembly and exposition, has therefore instructed the various agencies and departments of the Government concerned to assist in every way possible in contributing to the success of the event: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the World Economic Progress Assembly and Exposition is consistent with the objectives of the Government of the United States and has an unusual opportunity to make a significant contribution to the objectives of the United States and to all who seek to realize a society in which man and nations can realize their potential in freedom and peace.

SEC. 2. The President of the United States is requested to issue a proclamation reciting the purposes of the World Economic Progress Assembly and Exposition and inviting participation by all concerned with international economic development.

Mr. HUMPHREY. Mr. President, the Senate passed a similar Senate concurrent resolution (S. Con. Res. 41) on the same day. They literally crossed as they came to the respective Houses. Therefore, the Senate is acting on the House concurrent resolution in order to expedite the action of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of House Concurrent Resolution 389?

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

BASIC RESEARCH: KEY TO SCIENTIFIC PROGRESS

Mr. HUMPHREY. Mr. President, before the second session of the 87th Congress convenes next January, many important milestones in international science and technology will no doubt have taken place, especially in space science.

This first session has taken numerous significant steps for the support of U.S. science. Congress authorizing and appropriations committees have, I believe, within these past several months made many vital contributions to the cause of science and of America's preminence in science.

I have just received a comprehensive report to a series of questions which I had asked regarding one of the most crucial phases of scientific progress—the support of basic research.

PAST OVEREMPHASIS ON PRACTICAL SCIENCE

I say it is "crucial," because no less an authority than the President's Science Advisory Committee has repeatedly stressed its significance, as have other outstanding authorities—virtually without exception.

But this fact is all too often ignored or downgraded amidst our national preoccupation with applied technology—with so-called "quick, demonstrable results"—new gadgets, new "practical" processes, and so forth.

DR. WATERMAN'S VALUABLE REPORT

I had sent the questions on basic research to the one agency of the U.S. Government which is charged with the responsibility for support of the pursuit of knowledge for its own sake; that is, independent of any specialized missions. I refer, of course, to the National Science Foundation.

The report sent by Dr. Alan Waterman is exceedingly valuable, in my judgment. It provides an authoritative and well-rounded statement as to where we stand and where we should be moving in support of basic research.

There are so many important points covered by Dr. Waterman that I would not attempt to take the time of the Senate at this point to elaborate on them.

INSUFFICIENT FUNDS AVAILABLE

Let me, however, note that he estimates that, in the 1962 fiscal year, more than $170 million in worthy applications for basic research will be received by the National Science Foundation over and above what can be funded under presently available appropriations.

The fact is that only about one-fourth of all research proposed for support by NSF is funded, even though three-fourths of all applications are judged by eminent scientists to be clearly worthy of support.

RESULTS OF INADEQUATE FUNDS

The question may then be asked: "So what?"

The answer is: "So science suffers and America's position in science suffers."

NSF has studied the aftermath of its unfortunate inability to support worthy applications.

Its preliminary findings are these: In almost 70 percent of the cases studied, the research which was proposed but which could not be funded was not undertaken at all. Yet, more than 90 percent of the investigators who had originally proposed particular research still felt that their basic study was important and should be performed.

So, gaps in man's knowledge needlessly persist.

And no man can predict how critical these gaps may prove to be in the physical, mathematical, engineering, social, or biological sciences.

Sooner or later, we will pay a price for failing to support good men with good ideas and failing to enable them to train other good men in the next scientific generation.

And, I say, sooner rather than later, the practice of excessive earmarking of appropriations seriously impairs the Foundation's flexibility—its subsequent ability to put funds where scientists feel they should best be allocated at a given time, in the light of previously unforeseen developments.

STUDY BY GOVERNMENT OPERATIONS SUBCOMMITTEE

The report to which I refer was compiled in response to one of a series of requests to Federal agencies by a Senate Government Operations Subcommittee, of which I am privileged to be chairman. This subcommittee has been making a comprehensive study of Federal budgeting for research and development, as I advised the Senate in my comments of August 3 and September 8.

Our purview is budgeting, rather than appropriations, although the two are obviously interrelated. Similarly, our

interest is in interagency implications of basic research. That is why we have contacted so many agencies, in addition to the Office of the President's Special Assistant for Science and Technology—a post very ably filled, I may say, by Dr. Jerome Wiesner.

I ask unanimous consent that the text of Dr. Waterman's reply be printed at this point in the RECORD.

There being no objection, the reply was ordered to be printed in the RECORD, as follows:

NATIONAL SCIENCE FOUNDATION,
OFFICE OF THE DIRECTOR,
Washington, D.C., September 19, 1961.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Reorganization and International Organization, Committee on Government Operations, U.S. Senate, Washington, D.C.

MY DEAR SENATOR HUMPHREY: I am pleased to submit our reply to your letter of August 18, 1961, seeking further information relevant to your subcommittee's review of Federal budgeting for research and development.

The 10 questions given in your letter form a useful outline for organizing the material we wish to submit. Accordingly, on the following pages we record each question separately, and immediately thereafter give our response to that question. Some of the questions are, of course, interrelated; in some instances, our reply to one question contains a reference to material in the response to another question.

We believe that your review of this important subject is timely and we hope that our responses will be helpful to you in this connection.

With best wishes.

Sincerely,

ALAN T. WATERMAN,
Director.

QUESTIONS AND RESPONSE

Question 1. Past trend of foundation expenditures: First, by way of background would you kindly supply to the subcommittee tables (and/or, if readily available, charts) showing, on a year-by-year basis, since the Foundation's inception: (a) overall obligations (or if more readily available, expenditures); and (b) the subtotals for each of the principal divisions.

RESPONSE

The requested information is contained in the attached table which shows the total obligations of the National Science Foundation from its beginning in 1951 through fiscal year 1961. Breakdowns are given for the three principal research divisions (BMS, MPE, SOC) and for the division that carries our major responsibilities in scientific personnel and education. All of the remaining obligations are combined in a fifth item.

During the decade, the Foundation has obligated a total of nearly $600 million. Of this amount, about $285 million or some 47 percent has been devoted directly to the support of basic research in the colleges and universities and in the national research centers for which the Foundation is responsible.

Obligations by the National Science Foundation for fiscal years 1951–61

[In thousands]

Division	Fiscal years											Total by division
	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	
Biological and Medical Sciences	0	$763	$831	$1,966	$3,612	$4,918	$8,246	$9,527	$23,075	$27,242	$28,316	$108,496
Mathematical, Physical, and Engineering Sciences	0	311	983	2,033	4,398	5,097	12,095	14,940	35,296	44,408	49,429	168,990
Social Sciences [1]	0	0	0	0	0	0	289	554	853	2,105	3,407	7,208
Scientific Personnel and Education	0	1,644	1,477	2,120	2,297	3,718	14,698	19,414	62,070	64,634	64,461	236,533
Other [2]	$151	748	1,133	1,835	2,180	2,256	3,302	5,539	11,645	20,211	29,382	78,382
Total by year	151	3,466	4,424	7,954	12,487	15,989	38,630	49,974	132,939	158,600	174,995	599,609
Rounded total for fiscal years 1951 to 1961 inclusive												600,000

[1] Before fiscal year 1957, obligations for the social sciences were included in the Biological and Medical Sciences and Mathematical, Physical, and Engineering Sciences Divisions.

[2] Includes management, science information services, special studies, antarctic research, and institutional programs.

Question 2. Comments on anticipated future trends: Would you comment in general on the types of factors which might determine future patterns of Foundation expenditures in the decade of the 1960's?

RESPONSE

During its first 10 years, the NSF has been characterized in large part by the support of specific problems and of individual scientists. Scientific quality and competence have determined the selection of grantees on a highly competitive basis. In the 1960–70 decade, while retaining the values of specific grants and fellowships, the NSF will broaden the base of support and will put increased emphasis on the needed expansion of resources, on the increase of scientific and engineering personnel with broad education and training of high quality, and on the expansion and strengthening academic institutions concerned with education and research in science.

Educational institutions must be given the independence of choice and the economic capabilities to develop and balance their science programs in accordance with their own best judgments in educational matters. Today, relatively few institutions, perhaps 20, furnish the very large majority of the top quality doctorates in science and engineering. The number of such first-rank institutions must be doubled during the next few years if the Nation is to fulfill its goals for scientific progress. The Foundation will be increasingly concerned with this problem.

Increased attention will be given to all educational aspects that have a long-range bearing on the future of science. More attention must be devoted by the Nation to the strengthening of education in all fields, as well as in science, at the secondary and college levels; the Foundation will do all it can, within its statutory authority, to encourage such strengthening.

Thus the future support patterns of the NSF will continue to reflect its statutory responsibility for the general strengthening of basic scientific research and science education in all fields. Complementing the support given by other agencies in fulfilling their particular scientific and technological missions, the NSF will seek further opportunities to insure overall scientific balance and to encourage the full and healthy development of the Nation's scientific potential. Some of the factors that may be expected to influence the Foundation's expenditures in the 1960's are:

1. New scientific and technical opportunities:

(a) New scientific frontiers: For example, the discovery of the structure of DNA and its role in the control of molecular processes in biological systems is leading to wholly new attacks in medical research.

(b) New instrumentation developments of broad application in research. For example, the nuclear magnetic resonance spectrometer has opened up many new areas of chemical and biological research.

(c) New technological developments and requirements that may stimulate interest in specific areas of science. For example, interest in fusion power development has had a powerful effect in stimulating research in plasma physics and related areas.

2. Manpower factors:

(d) Changes in the growth pattern of scientific manpower.

(e) New developments in science and engineering education.

3. International factors:

(f) Possible increase in support of research in foreign countries. The Foundation's statutory authority currently restricts such support to exceptional cases.

(g) Competition in scientific progress among major world powers.

(h) Increase or decrease in world tension leading to a major shift in defense-related activities in research and development.

4. Methods and scope of support:

(i) Decisions to provide support on a programed basis for particular areas of science and technology that have been recognized as important to the national welfare.

(j) Possible decision to utilize Foundation funds to build up capabilities in selected institutions in order to have more first-rate centers for scientific research.

(k) Possible support for research in industry and in industrial-type nonprofit institutions. Under present policies most NSF support goes to academic institutions.

(l) Possible broadening of Foundation mission to include the study of needs in applied research and exploratory development in areas of national interest not adequately covered by other Federal agencies. For example, fire research.

(m) Shifts in the role of NSF relative to other Federal agencies. For example, a decision by DOD to terminate research in certain areas as not being directly mission related would open new opportunities for support by the Foundation.

The general growth of science during the next decade has been projected recently in the report, "Investing in Scientific Progress." Starting with certain national goals relevant to the impact of science, that report shows that by 1970 the number of scientists and engineers in the country can and should be twice as many as it is now; and that to achieve this growth, with quality, the annual national investment in science and science education must approximately triple.

The Foundation is now examining its possible role within the 10-year growth pattern portrayed in the above-mentioned report. Today, the Federal Government supports about two-thirds of the basic research that is done in the colleges and universities. The NSF, in turn, at present supplies about one-sixth of the Federal funds for basic research in academic institutions. Future possible changes in these ratios are now being studied. Although there are no conclusions as yet, certain assumed trends can be mentioned here to indicate somewhat more quantitatively the possible growth of NSF support.

It is conservatively expected that by 1970 the Federal Government's share will have grown from two-thirds to three-fourths of the basic research support in academic institutions. If the Foundation continues to furnish its present fraction (one-sixth) of the Federal support, and if the total national investment increases threefold, the basic research budget of the NSF will reach about $400 million by 1970. If instead, in recognition of its special mission in the support of basic science, the Foundation increases its share of the Federal support from, say, one-sixth to one-third, the NSF budget for basic research will reach about $800 million by 1970. These 10-year possibilities are, of course, very uncertain at this time and are mentioned here only to give the subcommittee a broad indication of the way in which NSF funding patterns may tend.

Much less speculative, however, is the situation in certain emergency problems. Especially critical is the need to expand the graduate research laboratory facilities of the colleges and universities. During the next few years the NSF, together with other Federal agencies, must find ways to overcome the existing deficit of about $500 million and to supply, on a matching basis insofar as possible, such funds as are necessary to bring the Nation's total investment in graduate research laboratories up to at least $2½ billion during the next 10 years. The NSF strongly endorses the importance and urgency of this investment. Similarly pressing needs exist in facilities and equipment for science education.

The NSF believes that it should fulfill a reasonable proportion of these emergency needs and, at the same time, broaden its support of institutions and keep step with the growth of basic research as indicated earlier. If these things are to be done effectively, the total budget of the NSF will have to grow at an average rate of about 35 percent per year for the next 10 years. Much more rapid growth will be needed during the first few years to overcome existing deficits more promptly.

Question 3. Role in Government-wide budgeting for science: (a) What has the National Science Foundation done and what does it plan in helping to project on a long-range basis future Government-wide and national scientific expenditure and future Government-wide and national science manpower needs?

(b) Toward the goal of refining procedures of long-range planning, per se, please describe how the Foundation may, in the light of subsequent developments, have reviewed earlier Government-wide estimates of long-range basic research and manpower needs. What, for example, may have been learned as regards the difficult process of long-range planning, per se?

(c) As an illustration of the difficult-to-estimate types of data required for long-range planning, would you cite in a few selected fields (e.g., in varied fields with high costs and low costs of plant and equipment), the estimated dollars which may be required per average senior investigator?

RESPONSE

3. (a) The role of the NSF in Government-wide budgeting for science stems directly from its distinctive responsibility: to be concerned with science itself—with the quality, breadth, and growth of research and education in all areas of science. Other agencies, in contrast, are concerned with science insofar as it impinges upon the agency's mission responsibility, whether it be defense, health, agriculture, or the like. Accordingly, in the following response to question 3 we first discuss the approach of the NSF in projecting its own budget needs, and we then relate this process to general budgeting for science on a Government-wide scale.

The Foundation's support of basic research is administered through some 20 program offices grouped in 3 divisions (BMS, MPE, SOC). Each program covers a specialized field or area such as astronomy, chemistry, or environmental biology. Each program office collects and analyzes information regarding the research needs and trends in its respective area of science. The information includes data on the number of proposals received and the number of dollars requested; the number of proposals and dollars recommended for support, together with ratings of relative quality; and the number of proposals and dollars actually granted.

The rates of growth of these several numbers during past years are projected to show future likely trends. These trends are then adjusted by special considerations such as the scientific promise of the particular field, new scientific opportunities that may have been opened up by the development of a new experimental technique, etc. The trends thus adjusted are then used as a basis of preliminary budget proposals from the individual programs. (The subsequent summation and intercomparison of budget projections from each program are then carried into the general budgeting process of the Foundation as discussed under question 7.)

In addition to forming the basis for proposals within the usual budget cycle of about 2 years (e.g., budget needs for fiscal year 1963 are set forth initially by the program offices in 1961), the above-described information can also be used to project research trends in each program area of science for 5 or 10 years in the future.

We now turn to the interactions between the NSF and other agencies. Each program maintains liaison, at the working level, with its opposite number in other agencies through personal discussions and exchange of information, through cross-attendance at meetings of advisory panels, and through joint membership on various intergovernmental committees. By means of such liaison, the staff scientists responsible for each program within the Foundation maintain current knowledge regarding the total Federal level and distribution of research support within their respective areas of science. Further, by means of continuous professional contact with practicing research scientists and scientific societies, the program directors in the Foundation maintain an up-to-date, comprehensive view of the scope and progress of research in their respective areas.

The liaison activities with other agencies and with the scientific community are essential to the fulfillment of the Foundation's distinctive role in the general strengthening of science itself. In addition, however, the knowledge thus gained places the Foundation in a unique position to contribute information relevant to budgeting and forward planning for science on a Government-wide scale. Just how this contribution can be made most effectively has been the subject of discussions and experimental activities for several years and is now leading to a strengthening of the Foundation's role in this respect.

3. (b) The Foundation, since its inception, has conducted studies and prepared reports on activities, needs, and trends in many aspects of basic science and scientific manpower. For example, the Special Commission for Rubber Research, in December 1955, in a report entitled "Future Role of the Federal Government with Respect to Research in Synthetic Rubber," recommended disposition of the Government laboratories, termination of the Government-sponsored rubber research projects program costing about a million dollars per year, and the institution of a basic program in high-polymer chemistry supported by the National Science Foundation. The Pierce Committee report reprinted in the Astrophysical Journal, November 1961, recommended very large antenna systems for active and passive astronomy and urged the need for expanded training of radio astronomers.

A report to the Bureau of the Budget, "Federal Financial Support of Physical Facilities and Major Equipment for the Conduct of Scientific Research," June 1951, predicted that capital expenditures for research facilities (both intramural and extramural) would rise to $500 to $700 million annually by 1962. This same report further recommended a number of policies, criteria, and procedures which should accompany Federal support for facilities.

Also in 1951 the now widely known publication entitled "Basic Research—A National Resource" appeared as a report to the President of the United States. This document dealt with recommendations for strengthening basic research by declaring a more active role for industry and for nonprofit organizations. The report recommended increased support by State governments, with Federal-State sharing; a shift in Federal financing; expansion of physical facilities for research; and improvement in the Federal administration of science.

In 1952, the Director of the National Science Foundation submitted to the President another report, "Government University Relationships in Federally Sponsored Scientific Research and Development." In it, attention was drawn to such matters as indirect costs of sponsored research, incremental salary rates of university faculty, applied research and development at colleges and universities, classified work, use of research centers, title of research equipment procured with Federal moneys, the use of contract or grant funds for attendance at scientific meetings and for scientific publications, the continuity of support for basic research, the extension of granting authority on an optional basis to all Federal agencies, security matters, and exchange of research and administrative personnel between Government and the universities. The report reflected a detailed knowledge of the R. & D. programs of the Federal agencies and of anticipated plans and future trends.

Several series of NSF publications are specifically designed to provide data and analyses relevant to policy formulation and planning. The information they contain includes trends and estimates into the future and incorporates much data from the programs and budgets of all Federal agencies involved in science and technology. The "Federal Funds for Science" series is now in its 11th year; the "Federal Grants and Contracts for Unclassified Research in the Life Sciences" series is in its 6th year, the number of "Reviews of Data on Research and Development" now total 28, and some 15 "Scientific and Manpower" bulletins have been issued. A report now in press, "The Long-Range Demand for Scientific and Technical Personnel," gives 10-year projections of demands by fields of science and engineering.

These basic studies, projections, and policy recommendations have served as guideposts for the agencies of the Federal Government with research and development responsibilities, for the Bureau of the Budget, for the Congress of the United States, and for State

and municipal governments, universities, research institutes, and industry.

The Foundation's recent report, "Investing in Scientific Progress," initiated a more unified approach to the presentation of overall information for planning. This degree of unification became possible only because of the large body of relevant, detailed information that had by then become available, largely through the several NSF studies and publications cited above. The Foundation is now strengthening its capabilities for producing comprehensive reports that are directly relevant to forward planning.

3. (c) There are several ways to measure the magnitude of an effort in R. & D. These include the number of dollars spent, the number of personnel engaged, the amount of space occupied, and the quantity of information produced. These measures, in turn, can be broken down more specifically to give details such as cost of space, cost of equipment, etc.

Each way of measuring has advantages and limitations, depending on the purpose to be served. For example, because research talent is scarce and takes time to develop, the number of personnel is a particularly meaningful measure of the critical resource—of the maximum effort that can be expected. Dollars, on the other hand, provide a common currency for comparing R. & D. efforts with any other kind of effort that draws on the available budgetary resources.

For long-range planning, it is important to have a thorough understanding of these several measuring sticks and of ways in which they relate to each other. Thus, one important ratio is "square feet of space per person" because this ratio makes it possible to predict the amount of laboratory space that will be needed to house a prescribed number of researchers. Obviously these ratios are not simple, permanent numbers: They can change in time and they may differ depending on the kind of activity that is involved.

A most important ratio is "cost per person" because this ratio makes it possible to anticipate the critical manpower requirements to fulfill a projected dollar level of R. & D. effort. The fundamental "unit" of scientific endeavor is really the individual scientist—whether he is a researcher, a teacher, or a student. The number of qualified scientists places a fixed upper limit on the amount of research that can be done. No matter how many dollars we have and no matter how much we may want to advance more rapidly, scientific progress simply cannot be forced beyond its manpower limit.

It is crucial, therefore, to understand the relationships between the numbers of scientists and the costs they incur. The ratio of "dollars per scientist" varies over wide limits, depending upon fields and types of activity. Some overall numbers are obtainable from data in the report, "Investing in Scientific Progress." For example, the total national expenditure for basic research ($1.8 billion) divided by the total number of professional scientists and engineers doing basic research (70,000 full-time equivalent) yields about $25,000 per researcher. The corresponding ratio for doctoral scientists doing basic research is about $100,000 per doctorate. These are gross ratios covering all fields of science and all sectors of performance. The cost ratio for mathematics research is much less, and the ratio for high energy physics is much more, because of large differences in the costliness of the equipment used. The ratio for research in outer space may be especially high, but is difficult to estimate at this time. The Foundation is now planning to develop a number of relevant cost-per-person ratios to aid in forward planning on a Federal level.

Question 4. NSF, relationship with NASA: In view of President Kennedy's appeal and the Congress' prompt response for a bold, long-range commitment for endeavors in outer space, NSF's relationships with the National Aeronautics and Space Administration are of particular interest. Would you please summarize the Foundation's cooperation with NASA in anticipating and in helping to provide both for basic research in space sciences and the national manpower needs of these sciences?

RESPONSE

The National Aeronautics and Space Act of 1958 (72 Stat. 726; 42 U.S.C.A. 2451–2476) established the National Aeronautics and Space Administration, with general responsibility for aeronautical and space activities, and in particular for: "(A) research into, and the solution of, problems of flight within and outside the earth's atmosphere, (B) the development, construction, testing, and operation for research purposes of aeronautical and space vehicles, and (C) such other activities as may be required for the exploration of space" (sec. 103).

NASA responsibility thus encompasses large segments of science as well as space technology.

The NSF is responsible for the general encouragement and support of basic research, whether or not that research may have immediate or expected practical applications. Large segments of general scientific research do, however, contribute to space exploration.

Because their interests and responsibilities overlap in many areas of science, the NASA and the NSF have, from the first, sought to cooperate closely with each other in the development of their respective programs. The Director of the Foundation was a member of the National Aeronautics and Space Council during its first 2 years of existence, and through this membership he contributed to the general formulation of policy for space activities. NASA has a major interest in developing vehicles for space exploration and in seeing what can be done with these vehicles in space. The NSF is interested in any aspects of basic research that require space experiments or that can best be done by observations made in outer space. The two agencies recognize that some basic research problems proposed by scientists qualify for support by either agency, and that the multiplicity of sources of support for such research contributes to the general strengthening of science as well as to the advancement of space exploration. In a general way, however, NASA's basic research efforts tend to focus on experiments that actually involve, or closely relate to, measurements in space; whereas the geographic location of the research is not usually a criterion in determining items for support by the National Science Foundation.

In some cases the two agencies jointly support a particular research program. One example is the Princeton balloon-borne telescope program, which, in fact, is jointly supported by three agencies—NASA, NSF, and ONR. Another example is the research at the Kitt Peak National Observatory, where the satellite telescope system is supported primarily by the NSF, but is also aided by funds from NASA's Goddard Space Flight Center.

An important collaborative activity of the two agencies is the support of the Space Science Board (SSB) of the National Academy of Sciences. The members of this Board are eminent scientists drawn from several scientific disciplines that bear on research in space. The principal task of the SSB is to advise the NSF, the NASA, and other agencies "on a wise and vigorous national program in space science." The SSB has provided a valuable point of contact between the scientific world and the cognizant Government agencies. From time to time it has indicated how the activities of the individual agencies might better be coordinated, from the point of view of the working scientist, in order to achieve national goals.

There is also a more or less constant interchange of information and ideas between the agencies on a working level, particularly through liaison representation of one agency on advisory groups serving the other agency. Examples are the Subcommittee on Astronomy and Astrophysics of NASA's Space Sciences Coordinating Committee, and the NSF's Advisory Panel for Astronomy. Dr. G. Keller, NSF Program Director for Astronomy, is a member of the Astronomy Subcommittee of the NASA Space Sciences Steering Committee. In addition, NASA has informally requested NSF cooperation in analyzing the scientific manpower utilization and requirement patterns implied in the anticipated growth of NASA programs during the next several years.

We should point out that in many respects NSF's relationships with NASA are similar to its relationships with other Federal agencies supporting mission-related research. We strongly believe that such research is necessary and should be continued.

Question 5. Multiple sources of support: Would you state the view of the National Science Foundation with respect to multiple sources of support for similar types of scientific endeavors?

RESPONSE

One of the challenging problems of grant programs, both within and outside the Government, is to recognize and support bright, young, but untested investigators. Bold investments of "risk capital" increase our chances of making major jumps in scientific discovery. But different support agencies have different degrees of conservatism in such investments, depending on their particular missions and their budget capabilities. Multiple sources of support make it more likely that the truly promising new idea or new investigator will find support somewhere.

There are various schools of scientific thought and emphasis among different but equally competent groups of specialists in specific areas of science and engineering. For this reason, too, it is important that there be multiple sources of funding (both Federal and non-Federal) to insure support of ideas that may fail to strike a responsive chord among the members of panels that hold a particular point of view.

In addition, because there are, not infrequently, individuals who wish to pursue problems that are apparently unrelated to specific categories for which Federal funds have been allocated, as is the case with definitively mission-oriented agencies, there must be noncategorical sources for these people who have nowhere else to go.

Finally, multiple funding of research is highly advantageous in that it yields a more widespread interest in the scientific results. Every agency that is putting some support into a particular scientific area pays attention to that area and uses relevant research results more promptly and effectively. If supported by one agency only, a scientific field tends to receive inadequate attention and, consequently, the results from that field tend to be used less effectively.

Question 6. Balance in science support: The subcommittee has heard from numerous scientific experts concerned as to what they feel to be disproportionate amounts of resources being allocated by Federal agencies as among competing scientific areas and as to alleged over-commitment toward short-range technological goals.

A related concern has been expressed over what has been termed "projectitis"—forcing applicants to pinpoint specific targets, rather than enabling institutions to nourish broad areas of inquiry. In the light of the above—

(a) Would you comment on the Foundation's general view as to its responsibility

toward allocation of funds in a flexible, balanced manner which would best serve the interests of the scientific community generally?

(b) Would you illustrate from the record of the past how the National Science Foundation identified one or more "gap" areas of basic knowledge, e.g., as regards radio astronomy, which were not, in its judgment, being adequately supported by Federal agencies, and how the Foundation proceeded to help fill the need.

(c) Would you present the Foundation's view as to future need for increased stress in long-range, institutional-type support?

RESPONSE

6. (a) In its program of basic research grants, the Foundation has always attempted to provide a support pattern that best fits the needs of competent research scientists. In developing its programs, the NSF provides opportunities for a large and representative number of the scientists of the country to give advice and to participate in planning needed methods of support. Since it is our policy to make the grant to the institution, rather than to the individual scientist, the form of support is also influenced by administrative processes within the institution.

In addition to supporting individual work, the Foundation provides funds for broad programs which can be regarded as scientifically coherent and which are judged on their scientific merit. Such "coherent area" grants may involve a group of senior scientists with their associated graduate students and postdoctoral men. On the other hand, many scientists prefer to be supported individually, with a few assistants. Thus, a flexible policy seems best calculated to meet the needs.

The allocation of funds among research, education, and scientific information services is a continuing problem. Advice is sought from the National Science Board as well as from advisers with a broad view of the overall national effort in science. A statutory Divisional Committee composed of senior scientists, largely from universities, is formally established to advise each of the divisions of the Foundation on its programs. Also, each specific research program, of which there are some 20 in the research divisions, is served by a regularly appointed advisory panel of active research specialists in the respective fields. Further, many special study groups have been appointed to examine particular areas of science and to advise the Foundation regarding new scientific opportunities and needs.

Under the present system of multiple support for research and development, agencies with mission-related programs specifically allocate funds to further the basic research in areas which they deem to be important. In a sense, they enter the scientific "marketplace" and attempt to make their available funds go as far as possible in "buying" research that is relevant to their respective missions. Their support programs are in most cases administered in a way that strengthens science generally.

6(b) To the extent that congressional appropriations permit, the Foundation endeavors continually to modify and expand its own pattern of support in order to permit the broadest and best balanced support for scientists and for the institutions in which they work. Perhaps the most notable of the recent developments of this kind were the establishment of (1) the institutional grants program, which provides each institution receiving basic research grants from the NSF with modest additional funds which may be used at the discretion of the institution for the general support of scientific activities; and (2) the program for the development of graduate research laboratories, which permits institutions to apply for grants (on a matching basis) for the construction and rehabilitation of graduate research laboratories.

In order to meet the needs of research institutions for expensive research facilities that are needed for special fields but that cannot be supported under usual research grants, the Foundation has set up a number of special facility programs. These include ones for specialized biological facilities, university computing facilities, university nuclear research facilities, and oceanographic research vessels and facilities.

To meet scientific needs for facilities of such size and expense that purchase of multiple installations cannot be justified, the Foundation has established several national research centers. These include the National Radio Astronomy Observatory, the Kitt Peak National Observatory, and the National Center for Atmospheric Research.

In addition, the Foundation has provided support for major research activities such as the IGY and has Federal responsibility for a number of national research programs, including the Antarctic research program, the Indian Ocean expedition, deep crustal studies of the earth (Project Mohole), and the weather modification research program.

Because of the interrelationship of all science and engineering, the neglect of one branch means the ultimate neglect of all. Basic research is unpredictable—capital discoveries in science are unforeseen. Therefore, our investment in science must be distributed broadly across all areas to insure that no bets are overlooked. In the interest of national security, therefore, as well as in the interest of strong science, there should be no recognizable area of science in which our effort is at least not equal to that of our competitors. We must adopt a policy of "no gaps" in basic science.

Throughout its 10 years of operation, the NSF has paid particular attention to the identification of possible gaps in scientific research. Experience in ferreting out many gap areas has led to the adoption of a more or less standard approach for doing so: (a) a preliminary study by the staff explores the possibility of a research gap in a certain segment of science; (b) a feasibility study is conducted, often by a specially appointed consultant who is highly qualified in the relevant area, who devotes a substantial amount of time to the study. A recent example was the appointment last year of Dr. Dixie Lee Ray, a prominent marine biologist, who spent about half a year, on a full-time basis, studying the status of biological oceanography. The result of her study, as is typical, was a report and recommendations regarding the feasibility of new programs that might be established to fill research gaps in the area being studied; (c) a specific program and budget proposal is prepared for consideration by the Director's staff and others, as appropriate.

Examples of gap areas that have been studied by the Foundation and that have led to the establishment of new programs are: (a) social sciences (this study led eventually to the establishment of a Division of Social Sciences); (b) systematic biology; (c) radio astronomy (this study led, among other things, to the establishment of the National Radio Astronomy Observatory at Green Bank); (d) high temperature physics; (e) atmospheric sciences; (f) computer techniques in biological research; (g) inorganic chemistry (currently under study, this is a field in which work in the United States of America apparently lags considerably behind work in certain other countries); (h) tropical biology (a first-phase, preliminary study is just being completed). (See also response to question 3 for comments relative to the avoidance of gaps.)

6. (c) The response to question 2 recounts the Foundation's initial emphasis on research grants and educational fellowships, and indicates anticipated future trends toward the support of institutions on a broad base. We see emerging an important triumvirate: (1) grants for individual research projects, judged on the scientific merit of the proposed research; (2) fellowships and other awards for individual students and professional scientists, judged on scientific promise and competence of the individuals; and (3) mechanisms for the support of organizational units, from "coherent area" laboratories to major universities, designed to strengthen the general quality and environment of the institution in its conduct of research and education in science.

All three parts of this triumvirate are important. Each needs particular modes of support designed to meet its particular problems. The individual research grants and fellowships have gone far toward establishing a national "standard of excellence," and have greatly expanded the singling out and the encouragement of excellence at the grassroots level. While retaining these values, we must now move forward to the further development of the institutional environments in which the grassroots science is carried on.

Thus, the Foundation's view is that institutional-type support must be expanded and that new criteria must be developed for the appraisal and allocation of institutional support. Means must be found both to help the first-rate institutions to evolve and manage their programs in accordance with their particular educational policies, and to help the scientifically less-developed institutions to raise their levels of achievement and thus to increase the number of colleges and universities that can offer science education and research opportunities of highest quality. Further, institutional support must be developed in balance with the continuing direct support of specific research problems and of individual scientists.

Briefly in summary, and in other words, institutional-type support is viewed as an essential component in the support of science through three general approaches: (1) direct support of the progress of science, through the project system of grants for specific research problems and facilities; (2) development of the individual, through fellowships, institutes for science teachers, and improved methods for teaching students; and (3) attention to the strength and health of research institutions, through the development of their general facilities for science and through appropriately designed mechanisms of institutional support.

Question 7. Internal budgeting in NSF: Would you please summarize the internal budget processes of the National Science Foundation?

RESPONSE

In the development of the budget, the primary objective is the identification of scientific needs which can most effectively be supported within the scope of the National Science Foundation Act. Budget recommendations are based on programs and activities reflecting the combined knowledge and experience of Foundation staff members, working closely with representatives of the scientific and educational community. These representatives, drawn from the staffs of universities, colleges, independent research institutions, and professional societies, participate in the work of the Foundation through their membership on advisory committees, divisional committees, and the National Science Board.

The initial step in the formulation of the budget is the issuance, by the Director, of instructions for the preparation of program plans and estimates. These instructions include policies, procedures, and schedules for the guidance of staff members.

The divisions and offices prepare preliminary budget proposals, including a brief explanation of proposed program plans, objectives, and estimates of cost. These preliminary program plans and estimates are

initially reviewed by the Budget Review Committee, which is composed of the heads of divisions and offices of the Foundation. The purpose of the initial review is to identify possible problem areas and to develop policy recommendations as appropriate. After the initial review, some of the preliminary program estimates are revised and a draft summary budget is prepared. The summary of program plans is further reviewed by the Budget Review Committee to coordinate the proposed programs and to provide the Director with justifications based on program content, scope, national urgency of certain budgeted items, and amounts to be allocated to each item. After the summary budget estimates, together with the recommendations of the Budget Review Committee, are considered by the Director, dollar levels are established for the various programs. Summary estimates are then submitted to the National Science Board for its consideration.

The preliminary program plans and estimates for the budget year are then discussed with officials of the Bureau of the Budget and, in certain instances, with the Office of the Science Adviser to the President. Following these discussions, the Director establishes budget allowances for each program and activity and a detailed budget document is prepared for consideration by the National Science Board and for transmission to the Bureau of the Budget by September 30. Conferences are held subsequently between the Director of the Foundation and officials of the Bureau of the Budget to discuss the budget level to be included for the Foundation in the President's budget submission.

The Bureau of the Budget establishes an overall allowance within which the Foundation prepares a detailed budget estimate for submission to the Congress. Important considerations in establishing the budget request are: (a) the needs in support of the total national scientific effort; (b) the numbers of qualified scientists and educators available to engage in the research and educational programs proposed; and (c) the impact that the request would have on the national budget.

Question 8. NSF funding of meritorious applications: Would you supply to the subcommittee a statement on the extent to which funds have been and will be available to the foundation in the 1961 and 1962 fiscal years, to provide support for applications which are adjudged meritorious?

What is your view as to the optimal ratio of such applications which should be funded?

RESPONSE

Funds available to the NSF for the support of basic research have not grown as fast as have the funds requested in research proposals. There is an ever widening gap between supply and demand in the funding of proposals clearly worthy of support, both for new research and for continuing projects. Consequently, the Foundation frequently awards grants of less than the amount requested, in order to give at least some support to as many scientists as possible. Further, some worthy proposals are held over for possible support in the succeeding year and others are declined outright for lack of adequate funds (see question 10).

In fiscal year 1961, advisors to the NSF considered about 75 percent of the proposals submitted to be clearly worthy of support. The Foundation was able to finance only some 32 percent of the 75 percent. Essentially the same percentages have obtained for several years.

The NSF expects to receive in fiscal year 1962 around 5,000 research grant applications totaling approximately $326 million. Based on the 1962 appropriation and previous experience, about $170 million of worthy proposals will not receive Foundation support in fiscal year 1962.

The Foundation strongly believes that, in the national interest, all scientifically worthy research should be supported.

Question 9. Grant duration and renewals: Would you comment as regards average length of Foundation grants, and the proportions (both as to numbers of individuals and dollar totals) which renewals represented in the 1961 fiscal year?

RESPONSE

Of the proposals being received by the Foundation, an increasing number are renewals. These come from investigators who have Foundation support and who wish to continue or to expand their current research efforts. Because the term of support requested is, with few exceptions, reduced by the Foundation so that a greater number of projects can be financed with the limited funds available, most grants expire before the research is completed.

Requests for renewal of support are carefully reviewed in competition with all other research proposals; however, when an already established research project is approved for continuation, it usually receives a much larger percentage of the amount requested than is the case with grants for initial support. The annual increment in the number of renewals, coupled with the relatively higher level at which they are funded, reduces the money available for initiation of new projects.

During fiscal year 1961, the Foundation received 1387 continuation applications totaling $105,469,000. This dollar volume was about 40 percent of the $260,012,000 requested by all applicants and represented 32 percent of the total number of proposals. Of the 1387 applications, only 850 were approved. Although the financial needs as stated by the investigators submitting these 850 came to $64,000,000, the amount approved was reduced by the Foundation, because of lack of funds, to $32,416,000—31 percent of the total requested and 48 percent of all the money available for the support of basic research.

The growing proportion of funds allocated to continuation grants makes it increasingly difficult to provide adequate support for the expanding volume of initial research proposals. To meet this dilemma, the Foundation has been reducing the average duration of grants below the number of years requested in order to provide at least some support for an increasing number of worthy proposals. As a consequence, the average duration of research grants is steadily decreasing. It has fallen from 2.26 years in fiscal year 1959 and 2.20 years in fiscal year 1960 to 2.02 years in fiscal year 1961. This trend runs counter to the recommendation of the President's Science Advisory Committee which urged that the duration of the average research grant be about 3 years.

Question 10. Outcome on rejected applications: Finally, would you summarize what may be known as regards what actually happens so far as the substantive work is concerned in a sample, if available, of meritorious applications for which funds were not available to NSF?

RESPONSE

As is shown in the above response to question 8, only about one-fourth of all research proposed for support by the NSF is actually funded, even though three-fourths is judged to be clearly worthy of support. The decreasing duration of grants described under question 9, and reductions of grant dollars below those requested, relieve the immediate shortage somewhat. But these are not satisfactory solutions. The scientific needs can be met only by increasing the total funds available for research support.

In order to obtain a stronger factual basis for determining the needed level of support, the NSF is making a case history study of rejected applications. Analysts are examining the subsequent history of applications that had been turned down. The results to date show, in general, that the failure to support all of the worthy research proposals leaves unfilled gaps in our scientific knowledge. Preliminary data indicate that in almost 70 percent of the cases studied, the proposed research is not undertaken; yet more than 90 percent of the investigators still feel that the proposed research is important and should be performed.

The study has also revealed that without the requested support, unsuccessful investigators necessarily turn their attention and talents to projects which in their opinion are of less importance. In addition, many research associates and assistants who would have joined in the project, and thus would have gained valuable research training, must now seek other means for obtaining comparable training opportunities. Of greatest concern, however, is the possibility that by the denial of the requested support valuable scientific research will be delayed or terminated in certain areas and thus will leave at least temporary gaps in knowledge.

INTERNATIONAL PROGRESS IN THE WAR AGAINST CANCER

Mr. HUMPHREY. Mr. President, the newspapers of the world are full of talk of possible war—limited war or nuclear war.

But there is one type of "war" which is not just a possibility—it is a grim actuality; it is the war of disease against man and of man against disease. It is a war in which every human being—American, Russian, Cuban, Briton—fights as an ally on the same side.

In this 1st session of the 87th Congress, the Senate and House of Representatives have once again provided indispensable resources for fighting this war.

Much of the credit goes to the distinguished chairman of the Senate Appropriations Subcommittee for the Department of Health, Education, and Welfare, the senior Senator from Alabama [Mr. HILL], and to his able counterpart in the House of Representatives, Congressman JOHN FOGARTY, of Rhode Island.

It has been my pleasure to contribute to this effort in several ways, one of which is in the capacity of chairman of a Government Operations Subcommittee.

For 3 years, our subcommittee has been studying problems in international medical cooperation. We have published 11 committee prints, 4 hearing volumes, and a report.

One of the most important phases of world medical cooperation is in the battle against one of the most evil scourges on this planet.

I refer to the disease which kills more Americans than any other cause, with the exception of cardiovascular disease. It is, of course, cancer.

LETTER ON INTERNATIONAL UNION AGAINST CANCER

I have just received a welcome message from one of the great battlers against cancer, the former Director of the National Cancer Institute, now president of the world famous Memorial Sloan-Kettering Cancer Center, Dr. J. R. Heller.

Dr. Heller wrote concerning an organization with which our subcommittee has been in closest contact for the past 3

years, the International Union Against Cancer.

On July 22 to 28, 1962, the international union will be holding its eighth international congress in Moscow.

Dr. Heller summarizes a number of important developments on the worldwide cancer front, prior to that congress.

I may note that he refers specifically to the work of several of the leading crusaders against cancer, including the former dean of medical sciences of the University of Minnesota, Dr. Harold S. Diehl, now senior vice president of the American Cancer Society, a wonderful human being whom I have had the pleasure of knowing for a great many years.

It is thanks to scientists like "Rod" Heller, Harold Diehl, George Pack, and others too numerous to mention, that progress is being made toward the day when cancer, we trust, will have been eliminated from the annals of disease.

LEADERS IN VOLUNTARY AND PROFESSIONAL PARTNERSHIP

It is fair to say that, in my 3 years of study of world medical problems, I have found that no single American voluntary organization has worked more closely with voluntary health groups abroad than has the American Cancer Society. Much of the credit for this great work goes to great pioneers of the society like Mary Lasker and Elmer Bobst. Much credit goes, as well, to the head of the ACS foreign desk, Mrs. Mildred Allen.

And of all the many specialized international organizations of the medical profession, none, I believe, has a better or more fruitful record of international partnership than the International Union Against Cancer.

I ask unanimous consent that the text of Dr. Heller's letter be printed at this point in the RECORD, and that it be followed by a memorandum, summarizing the many references to the cancer fight which have been carried in the series of publications issued by the Subcommittee on Reorganization and International Organizations.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

SEPTEMBER 20, 1961.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Old Senate Office Building.,
Washington, D.C.

DEAR SENATOR HUMPHREY: It is very helpful to continue to receive the reports of your Subcommittee on Reorganization and International Organizations and I appreciate being kept on your mailing list. The subcommittee reports have been exceedingly useful in stimulating and furthering interest in health programs in other nations. Our mutual friend, Dr. Harold Diehl, senior vice president of the American Cancer Society, informs me that Mrs. Allen of his organization has shared copies with representatives of foreign cancer societies who have visited New York. The issues and hearings on International Medical Research have been found to be excellent reference material for colleagues from abroad.

The American Cancer Society is known throughout the world for great assistance to other nations in the many phases of cancer—particularly in sharing knowledge, exchanging materials and ideas. It has cooperated with the Cancer Control Commission of the International Union Against Cancer in extending the work of the union and in translating and interpreting the attitude and interests of the United States in cancer control.

It occurs to me that you might be interested in what I consider to be important developments in worldwide cancer control.

1. During the past 2 years, a questionnaire on cancer control programs has been distributed by the Cancer Control Commission to 139 countries of the world, requesting information on the status of voluntary cancer societies and activities of both governmental and nongovernmental cancer organizations. To date we have received replies from 94 countries and an analysis and report is now being prepared in final manuscript form. It will be printed (through the International Union Against Cancer in Switzerland) and distributed at the Eighth International Cancer Congress to be held in Moscow, U.S.S.R., July 22–28, 1962. The report will give the names and addresses of cancer societies and leaders in all the countries reporting, and information as to whether they are conducting programs of cancer prevention, cancer detection, professional education, public education, and patient care, as well as which cancer sites present the greatest problem. There will also be a section on materials—a list of films, brochures, posters, etc. For the first time, all countries are in a position to know what their neighbors are doing in cancer control and with whom to communicate about similar problems.

2. Dr. George T. Pack, chairman of the Committee on Patient Care of the Commission on Cancer Control, is conducting a survey on facilities for the diagnosis and treatment of cancer on the same basis. His comprehensive report will be a supplement to the above report of the Commission on Cancer Control and also will be distributed at the Cancer Congress.

3. The permanent office of the International Union Against Cancer has been established in Geneva, Switzerland, thereby enabling the union to move forward more vigorously in the development of the worldwide campaign against cancer.

4. The Eleanor Roosevelt Cancer Foundation (recently affiliated with the American Cancer Society) requested the International Union Against Cancer to initiate and administer (in Geneva) an international cancer research fellowship program to be supported by an annual grant of $250,000 by the Foundation. These fellowships have been created and are being awarded in the belief that the international exchange of scientists will facilitate the sharing of knowledge and thereby contribute to the control of cancer.

5. At the biennial meeting of the International Union Against Cancer, held in Tokyo, Japan, in October 1960, it was recommended that the International Cancer Year be launched following the Moscow meeting.

Although this is a brief report, it is an encouraging indication of progress. It is most inspiring to witness the fine spirit of cooperation between governmental and nongovernmental institutes of health and their leaders in practically all nations working in unison to conquer cancer. Suspicions do not exist in this area and men and women from all corners of the globe have mutual respect and confidence. All strive to accomplish the objectives of the International Union Against Cancer—a nongovernmental voluntary organization devoted solely to promoting the campaign against cancer in its research, therapeutic, and preventive aspects on an international level.

With best wishes.

Sincerely yours,

J. R. HELLER, M.D.,
President, Memorial Sloan-Kettering Cancer Center and Chairman, Cancer Control Commission, International Union Against Cancer.

REFERENCES TO CANCER IN U.S. SENATE COMMITTEE ON GOVERNMENT OPERATIONS INTERNATIONAL HEALTH STUDY AND THE SUBCOMMITTEE'S SERIES OF PUBLICATIONS

BACKGROUND—THE CONGRESS' RECOGNITION OF THE CANCER PROBLEM

For the 1962 fiscal year, the Congress has authorized $142,836,000 for the National Cancer Institute.

This is the largest sum allocated to any of the seven categorical institutes of the National Institutes of Health.

The sum constitutes recognition of the significance of the cancer problem, from the standpoint of the toll taken by the disease. But more especially, the authorization is a recognition of the fundamental, scientific challenges posed by the complex problem of unlocking the mysteries of cancer.

MAJOR ATTENTION GIVEN TO CANCER PROBLEM

Throughout the international health study, cancer has probably received more attention from the subcommittee than any other single disease problem—with the exception of cardiovascular disorders.

This attention, too, has been accorded in view of cancer's role as (a) the second highest cause of death in the Western World, (b) a research problem which cuts across the most basic processes of life.

In the various publications listed below, some of the references are but a few paragraphs long; others involve whole pages and sections. The fifth committee print, "Cancer—A Worldwide Menace," was exclusively devoted to cancer and much of the 10th print (on radiation) concerned applications to the field of cancer.

ROLE OF SUBCOMMITTEE

Essentially, the subcommittee has explored who is doing what, where, and why. That is, What agencies of the U.S. Government, what intergovernmental organizations and what nongovernmental organizations are now active in this field? And, How do their programs interrelate? How can coordination be strengthened, so as to assure the most efficient handling of the taxpayers' resources?

The answers have been presented in the series of committee prints and other publications which are listed below:

Committee prints—publication, topic, and page reference

Committee Print No. 1: "International Medical Research"; summary of foreign contributions to present knowledge in the field of cancer, pages 58–62.

Committee Print No. 2: "Statutory Authority for Medical and Other Health-Related Research in the U.S. Government"; text of statutes setting up the National Cancer Institute, pages 3–6.

Committee Print No. 3: "The Status of World Health"; chart on international cancer mortality, page 62.

Committee Print No. 4: "The United States and the World Health Organization"; comments on WHO work in helping to standardize cancer terminology and in otherwise strengthening collaboration, page 77.

Committee Print No. 5: "Cancer: A Worldwide Menace"; questions and answers on the worldwide cancer problem, 40 pages.

Committee Print No. 6: "Patterns of Incidence of Certain Diseases Throughout the World"; epidemiological clues in worldwide incidence of cancer, pages 15–18.

Committee Print No. 7: "The National Science Foundation and the Life Sciences"; summary of support by National Science Foundation in fundamental fields such as molecular biology, regulatory biology, etc., pages 13–15.

Committee Print No. 8: "Rehabilitation of the Disabled in 37 Countries"; general description of rehabilitation agencies and services in the United States and in 36

other countries (a few of which are active in rehabilitating victims of cancer of larynx and other organs).

Committee Print No. 9: "Health in the Americas and the Pan American Health Organization"; brief reference to research opportunity, pages 48, 74.

Committee Print No. 10: "Radiation Research in the Life Sciences"; summary of current research utilizing radiation for diagnosis and therapy; reference to U.S. Atomic Energy Commission, National Cancer Institute, Division of Radiological Health, as well as to other U.S. and foreign radiation research, 151 pages.

Committee Print No. 11: "Veterinary Medical Science and Human Health"; description of NIH support for research in comparative medicine, as well as summary of pertinent work of U.S. Department of Agriculture, pages 51–54, 165, 226.

Hearings, appendixes, and reports

Hearing, Part I: "The U.S. Government and the Future of International Medical Research"; statements by Dr. George Papanicolaou, Dr. Leiv Kreyberg, pages 61–68, 293–296.

Appendix, part II—Exhibits (letters, memorandums) from official organizations; general description of U.S. and foreign official efforts in medical research.

Appendix, part III—Exhibits from nonofficial organizations; staff memorandum on International Union Against Cancer and letters from Dr. Harold Dorn, and numerous foreign oncologists, pages 802–820, 881–912.

Hearing: "Coordination of activities of Federal agencies in biomedical research"; chart showing 1,848 extramural and 324 intramural projects supported by National Cancer Institute in 1960 fiscal year, letter from Dr. J. R. Heller, on national cancer chemotherapy program, comments on NCCS indexing of compounds, description of NCI information system on grants, pages 44, 62–64, 101–102, 224–225.

Senate Report No. 142, part I, 87th Congress: "The Health Activities and Expenditures of the U.S. Government"; brief references to cancer efforts as part of description of all U.S. Government activities in the field of health, page 132, etc.

NOMINATION OF MILO FOWLER HAMILTON TO BE FOREIGN AID DIRECTOR

Mr. HUMPHREY. Mr. President, today the Senate Committee on Foreign Relations listened to the testimony of Mr. Milo Fowler Hamilton, the President's nominee for Director of the new AID agency. Mr. Hamilton is a very capable and able man. He will be the Chief of the Agency for International Development, and will have enormous responsibilities. I am sure the Senate will confirm the nomination.

Mr. Hamilton is well recognized for his ability as a lawyer, as a public servant, and as an administrator. He has had a great deal of international experience. I wish Mr. Hamilton well, and assure him of my wholehearted cooperation.

I take the time of the Senate tonight to say a few words about him because I have great concern about the foreign-aid program. I want to see the program well administered. I want to see a new spirit in the Agency. I want to see the money we have appropriated for loans, grants, and technical assistance used well. I want to be sure that the program gets down to the people, and does not merely bolster institutions that may very well have outlived their usefulness.

I know Mr. Hamilton will do his very best, and it will be exceedingly good, to make this program responsive to the great needs of humanity throughout the world.

The new foreign aid bill has a new sense of purpose and direction. It is a bill based on social, economic, and political reform, as well as economic assistance. The foreign aid is designed to strengthen not only the economies of nations, but also the social institutions and the political fabric of the free nations of the world.

I offered amendments in the Senate to the foreign aid bill, asking that the Administrator and the Agency for International Development seek to use the existing facilities of our domestic departments of Government. When the AID agency works in the field of agriculture, I want to see it call upon our Department of Agriculture, for personnel, facilities, and technical guidance and assistance. When it works in the field of health, I want to see the AID agency call upon the Department of Health, Education, and Welfare for the technicians, professional talents, and know-how that are required for a good health and hospital program.

When it works in the field of housing, I want to see the AID agency call upon the Housing and Home Finance Agency.

In each instance I want to see the Agency call upon the private sector of our economy, upon our medical profession, upon agriculturists on the farms of America; upon American housing builders; American architects; those who manufacture building materials.

I want to see the AID Administrator and his Agency call upon the Department of Labor for assistance in areas where the Labor Department can be helpful.

I want to see the AID agency call upon the welfare specialists of our Government when those who engage in social welfare activities may be of help.

In other words, I do not wish to see the AID agency build an empire unto itself, but call upon the public and private resources of this country to amplify our AID program.

I also want to see the AID agency carry out the mandate of the Congress to encourage the development and use of cooperatives in agricultural areas, production cooperatives, consumer cooperatives, distribution cooperatives. I want to see this Agency encourage the building of credit unions, so that credit will be available to people who need small amounts of credit. I want to see the Agency encourage savings and loan associations and mutual savings banks. I want to see it encourage the development of housing facilities which are so urgently required in vast areas of the world.

I have only touched on some of these areas, but, with a new Director, we need a new sense of direction. We need to get away from old patterns.

There is no room for mismanagement. There is plenty of room for imagination. There is great need to make the program a real, viable, and active force in our foreign policy.

I ask unanimous consent that an article from the New York Times of September 21, 1961, entitled "Foreign Aid Director, Milo Fowler Hamilton," be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 21, 1961]

FOREIGN AID DIRECTOR MILO FOWLER HAMILTON

Milo Fowler Hamilton is capable of splendid indifference on the golf course, his closest friends say, and of brilliant concentration elsewhere.

The newly named Chief of the Agency for International Development has an enormous capacity for analysis in complicated areas. He does not regard golfing as complicated. It offers him a superb opportunity for thinking—about something else. With an extraordinary facility for historical, poetic and classical allusion, Mr. Hamilton is a much sought after conversationalist who, however, can turn brusquely aside from people who waste time in inconsequentialities.

Although close friends describe him as "easy to get along with, considerate and popular with his associates," some who have encountered him in more public moments have said that he is "the kind who does things well and leaves little doubt that he thinks so."

As a lawyer he is regarded by others in his profession as "brilliant" in the presentation of briefs as well as in pleading in his field of corporate law.

A friend who has known him for more than 25 years pointed out that, if the foreign aid role he has assumed calls for the "ability to analyze information, evaluate its significance without preconviction," he should prove successful in the job.

WAS RHODES SCHOLAR

He has had wartime experience in the area of "enemy economy" and in economic warfare.

He was born in Kansas City, Mo., May 7, 1911, a son of Eugene and Emily Fowler Hamilton. Before entering the University of Missouri, he completed his middle studies at Westport and Southwest High Schools in his hometown.

He was graduated from Missouri in 1931 with a bachelor of arts degree and entered Christ Church, Oxford, in Britain. There, as a Rhodes scholar, he took a degree in jurisprudence in 1933, and a year later was awarded a bachelor of civil law degree there. In the same year he married the former Helen Katherine Miller. They have three children, Helen, Emily and Milo. Mr. Hamilton, meantime, dropped the use of his first name.

Mr. Hamilton was admitted to the Missouri bar in 1935, the Washington, D.C., bar in 1945, and the New York bar in 1947. From 1935 to 1938 he was with the firm of Watson, Ess, Croner, Burnett & Whittaker.

WORKED IN LONDON

He left private law practice in 1938 to become special assistant to the Attorney General and in 1942 he joined the War Frauds Unit of the Department of Justice.

Mr. Hamilton was assigned to direct the enemy section of the economic warfare division of the U.S. Embassy in London. At the war's end he became chief legal consultant with the Department of Justice and joined the firm of Cleary, Gottlieb, Steen & Hamilton.

He returned to Government service once more in 1956 as general counsel of the Subcommittee on the Air Force of the Senate Armed Services Committee.

Mr. Hamilton had a brief brush with the espionage business in 1949 when he was assigned by Federal Judge Simon H. Rifkind to defend Valentine A. Gubitchev, a Russian United Nations employee charged with spying. Mr. Gubitchev rejected his services.

A careful and conservative dresser, Mr. Hamilton has his suits made by a London tailor. He and his family live at Round Hill Road, Greenwich, Conn.

DAG HAMMARSKJOLD

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from the Minneapolis Tribune of September 19, 1961, entitled "Dag Hammarskjold." This particular editorial pays very appropriate tribute to this truly great world citizen.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune, Sept. 19, 1961]

DAG HAMMARSKJOLD

It would be difficult to imagine a worse time for fate to have ended Dag Hammarskjold's efforts in behalf of world peace and security.

It would be impossible to imagine a worse hour for a buffeted United Nations to lose its chief administrative and political officer.

It would be hard at this moment to imagine any single human removal so calculated to assist the leaders of world communism in their schemes for penetration and exploitation in the Congo and elsewhere.

One must speak in such extremes to measure adequately for mankind the significance of that DC–6 airliner crash in Northern Rhodesia during the early hours of Monday.

Hammarskjold may not have been the perfect U.N. Secretary General but he probably was as close to it as governments wishing that limited world organization well are ever likely to find.

Certainly he had most of the required attributes: intelligence, courage, energy, persistence, flexibility, a sense of humor and almost inexhaustible tact.

He was controversial almost from the start of his first term in 1953 for one basic reason: He rejected the notion that the Secretary General should be only an administrator, and act in the political field only on specific, detailed instructions from the Security Council or General Assembly.

"The discretion and impartiality imposed on the Secretary General by the character of his immediate task must not degenerate into a policy of expediency," he told the council during the Hungarian and Suez crises of 1956.

He declared in 1957 that he should be expected to act "without guidance from the Assembly or the Security Council" where necessary to "fill any vacuum that may appear in the systems which the (U.N.) charter and traditional diplomacy provide for the safeguarding of peace and security."

Thus did Hammarskjold interpret what came to be called "the residual powers" of the Secretary General—those not spelled out in detail in the Charter.

Thus did he serve notice of intention to act to uphold the principles and purposes of the Charter and the cause of peace when other U.N. machinery for whatever reason could not function.

He was exercising those powers to try to bring peace to the Congo at the time of his death—and, as usual, was getting heavy criticism, much of it this time from Western governments.

His earlier exercise of such powers blocked Soviet penetration of the Congo and touched off the Communist drive to remove him from office and junk the whole idea of an independent Secretary General.

Now that fate has removed him, the Soviet bloc surely will push harder for a three-headed U.N. secretariat, whose Communist member could veto any peace-keeping action by the organization.

Moscow's chances for success in this crippling move undoubtedly are greater, now that the man whose name meant "hammer shield" is no longer blocking the way.

However much he may have stretched his residual powers, Hammarskjold had little patience with those uncritical admirers who insisted on regarding the U.N. as practically a world government.

In a memorable 1958 speech in Norway he reminded such champions that on the political side the U.N. was mainly machinery for collective diplomacy, to be used when this approach seemed most promising for a particular international problem.

Then he put the whole matter of the U.N. and world government in perspective by adding:

"Unfortunately, it is necessary to learn to crawl before one can walk. But it is rather risky to refuse to move at all just because one has not learned how to walk."

What is certain is that without Dag Hammarskjold our troubled world will find it more difficult to walk—or to move at all—along constructive paths to security and peace.

Mr. HUMPHREY. I also ask unanimous consent that a thoughtful and moving column by Walter Lippmann on Dag Hammarskjold, which appeared in the Washington Post of September 21, 1961, be printed in the RECORD at this point. I hope everyone will read this article, because Mr. Lippmann asks some very meaningful and telling questions.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 21, 1961]

DAG HAMMARSKJOLD

(By Walter Lippmann)

Over the years I have often wondered whether Dag Hammarskjold belonged to an age that is passing or to one that is being born. He was a bold innovator in world affairs, and he opened up a future, having carried further than it has ever been carried before the principle of international action to promote peace. Yet he was himself the fine flower of the European tradition of civility which, if it is not dying, certainly is not flourishing today.

He was altogether not the mass man of our times. He could be a very good friend but there was a deep reserve in his character which few, if any, can have penetrated. In the great public world where the white lights blazed upon him, he lived an inner life of contemplation and esthetic experience that had nothing to do with power and popularity and publicity. His diplomacy had a finesse and a courtliness in the great traditions of Europe. Never before, and perhaps never again, has any man used the ancient art of diplomacy for such unconventional and such novel experiments.

The biggest experiment, for which in the end he gave his life, was to move the international society of the United Nations from having to choose between a very difficult police action in Korea and sole reliance on debate and verbal expressions. He moved the U.N. onto the plane of executive action without large scale war as in Korea. This movement from words to deeds, from general resolutions to intervention, was best seen during the crisis at Suez, in Palestine, in Laos, and then in the enormous, the infinitely difficult and the infinitely dangerous crisis in the Congo.

I knew Dag Hammarskjold long enough and well enough, I think, to understand why he accepted the risks of opening up new paths in such wild and uncharted country. He was not an innovator because he had an itch to change things. He was a political innovator because there was no decent alternative. He saw no alternative to intervention by the United Nations in a crisis where there was a bitter confrontation in the cold war.

No cautious and timid man would have dreamed of staking the prestige and perhaps the future of the United Nations, as well as his personal reputation and his office, on the attempt to pacify the Congo. But great as were the risks of intervention, the risks of letting events run their course were much greater. If the United Nations now fails in what Hammarskjold inaugurated, the prospects are that the terrible racial struggle between Europeans and Africans will become deeply entangled in the conflict between the Western Powers and the Communist powers of the Soviet Union and China.

It was to avert and to prevent this fatal entanglement that Hammarskjold dared to use the powers of the United Nations. The outcome is as yet unknown. But what we do know is that his unprecedented innovation in world affairs has run into fearful resistance both in the East and in the West. Hammarskjold's use of the U.N. to isolate and disinfect the Congo crisis brought on him and the U.N. the implacable hatred of the Soviet Government. At the same time Hammarskjold did not have the full support of the Western powers. In Algeria, in Katanga, in Angola, in Rhodesia, and in South Africa there is bitter resistance to the objectives of the United Nations in the Congo. Those objectives are to protect the transition from white supremacy, which cannot be continued much longer, to African self-government for which the Africans are so unprepared.

There is no doubt that in the administration of the new U.N. policy there have been mistakes, errors of judgment, and failures of personnel. But let us keep it in mind that the cause of the two-sided opposition to the U.N. action is not the mistakes, which are not irreparable. The cause of the opposition from East and West is a determination not to have the U.N. succeed in what it is attempting to do. For if the U.N. succeeds, there will not be a Communist government in the Congo. That is what Khrushchev hates about Hammarskjold and the Secretary General's office. And if the U.N. succeeds, there will not be a restoration of white supremacy in the Congo, and that is why money, propaganda, and clandestine intervention are being employed to frustrate the U.N.

No one knows today who can come after Hammarskjold, and there are many signs that he is in fact irreplaceable. For Hammarskjold was made Secretary General at a time when the U.N. was really no more than a debating society. Except for the police action in Korea it passed resolutions which aimed at mediation and conciliation but it did not, in any important place, command executive action.

It is easy to say that the world is not ready for international action to establish peace, and it would be hard to refute such a statement. Hammarskjold, under the fearful pressure of circumstances, resorted to international action. With his extraordinary diplomatic elegance and finesse, he used successful international action at Suez, in Palestine, and in Laos. As compared with these the Congo presented a new order of difficulty, and the outcome, now that Hammarskjold is dead, is in the gravest doubt.

If the world is not ready for what Hammarskjold felt compelled to try in the Congo, it is also true, I hate to say, that this present world is not ready for the kind of man

Hammarskjold was. He was a Western man in the highest traditions of political excellence in the West. Khrushchev says that Hammarskjold was not neutral in the Congo, and that there is no such thing as a neutral man. Hammarskjold was in fact the embodiment of the noblest Western political achievement—that laws can be administered by judges and civil servants who have their first allegiance to the laws and not to their personal, their class, or even their national interests.

No such political ideal is believed to be possible or is regarded as tolerable in the Marxist world. The ideal is not very well understood in most of the rest of the world, and there is no use pretending that such public servants are not very rare indeed. So there are times, as now in this hour of our grief and shock, when the ideal seems to belong to things that are passing away.

Mr. HUMPHREY. Mr. Lippmann is a great writer, but he reached new heights of editorial and philosophical excellence in the article of September 21.

INTERNATIONAL PROGRAMS OF ASSISTANCE WHICH UTILIZE AGRICULTURAL COMMODITIES

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to provide for U.S. participation in international programs of assistance which utilize agricultural commodities, and for other purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2620) to provide for U.S. participation in international programs of assistance which utilize agricultural commodities, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, the bill is a development of Senate Resolution 128, adopted by the Senate June 1, 1961. The resolution reads:

Resolved, That it is the sense of the Senate that the President should explore with other nations the establishment of an international food and raw materials reserve under the auspices of the United Nations and related international organizations for the purpose of acquiring and storing in appropriate countries raw or processed farm products and other raw materials, exclusive of minerals, with a view to their use in—

(1) preventing extreme price fluctuations in the international market in these commodities;

(2) preventing famine and starvation;

(3) helping absorb temporary market surpluses of farm products and other raw materials (exclusive of minerals);

(4) economic and social development programs formulated in cooperation with other appropriate international agencies.

Participation by the United States in such an international food and raw materials reserve shall be contingent upon statutory authorization or treaty approval, as may be appropriate.

Mr. President, the bill would carry out the purposes of the resolution. It would provide an authorization of not to exceed $50 million for foodstuffs, which would be available for transfer by grant from the Commodity Credit Corporation for the purpose of international commitments which the program would require.

The bill also relates to the 20th anniversary of the holding of the food and agriculture conference at Hot Springs, Va., which resulted in the establishment of the Food and Agriculture Organization of the United Nations, commonly known as FAO. The 20th anniversary will occur in 1963. Plans are being made for the appropriate recognition of this occasion.

We in America wish to be prepared to participate actively in the conference.

The bill I am introducing provides that the President shall be authorized to invite the Food and Agriculture Organization of the United Nations to convene a World Food Congress at an appropriate location in the United States during the spring of 1963.

I ask unanimous consent that the text of the bill may be printed in the RECORD at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Trade Development and Assistance Act of 1954, as amended, be further amended by adding at the end therof a new title, as follows:

"TITLE V—MULTILATERAL FOOD PROGRAM

"SEC. 501. The purpose of this title is to utilize surplus agricultural commodities and the products thereof produced in the United States in programs of economic development, emergency assistance, and special feeding carried out through the United Nations system or other intergovernmental organizations.

"SEC. 502. In furtherance of this purpose, the President is authorized to negotiate and carry out agreements with such intergovernmental organizations to provide for the transfer on a grant basis of surplus agricultural commodities, and products thereof, from stocks of the Commodity Credit Corporation or from private stocks procured by the Corporation for the purposes of this title, to such organizations for use in programs of economic development, emergency assistance and special feeding. Such agreements may also provide for grants of dollars in amounts appropriated therefor.

"SEC. 503. In entering into such agreements the President shall seek and secure commitment from such international organizations that reasonable precautions will be taken to assure that agricultural commodities utilized in the program shall not displace or interfere with sales which might otherwise be made.

"SEC. 504. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including not to exceed $50,000,000 for transfer by grant, and including such amounts as may be required to make payments to the Commodity Credit Corporation for its actual costs incurred in procuring commodities for use under this title and the Corporation's investment in commodities made available from its stocks, including processing, packaging, transportation, and handling costs.

"SEC. 505. (a) Transfers of commodities under this title may include delivery free on board vessels in United States ports.

"SEC. 505. (b) Ocean shipments of commodities granted under this title shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, Seventy-third Congress (15 U.S.C. 616 (a) and section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)))."

SEC. 2. (a) The twentieth anniversary of the holding of the Food and Agriculture Conference at Hot Springs, Virginia, which resulted in the establishment of the Food and Agriculture Organization of the United Nations (FAO), will occur in 1963. Plans are being made for the appropriate recognition of this occasion. Many fundamental changes have taken place in the food and agricultural situation over the world, as well as in economic developments affecting that situation, since the holding of the abovementioned conference and the establishment of the resulting organization. It is particularly fitting that the United States of America, as the convener of the initial conference, should provide the site and serve as host to a World Food Congress being convened by FAO to review the developments over the intervening twenty years and to assist the organization and its members in planning for the future.

(b) The President is authorized to invite the Food and Agriculture Organization of the United Nations to convene a World Food Congress at an appropriate location in the United States during the spring of 1963.

(c) The President, in cooperation with such Federal, State, and international agencies and such producer and industry groups and other organizations as he may deem appropriate, is authorized in behalf of the United States as host country, to collaborate with the Food and Agriculture Organization of the United Nations in the promotion, development, and holding of the World Food Congress.

(d) The President is authorized to receive and utilize for the purposes of this section, contributions of funds, services, equipment, and supplies; to utilize on a compensated or uncompensated basis the personnel, services, equipment, or supplies of any Federal, State or international agency; and to contract for the furnishing of services, equipment, or supplies or for the performance of any functions authorized. All such contributions received shall be deposited into a special trust fund in the Treasury of the United States and shall be available to carry out the functions authorized on the terms of any applicable trust agreements.

(e) Restrictions applicable to Government personnel, funds, contracts, and property, expense and per diem allowances and employment of aliens shall not be applicable to functions performed under this section except to the extent that the President shall specifically provide.

(f) There is hereby authorized to be appropriated for the purposes of this section not to exceed the total sum of $500,000, to be made available in such amounts and in such fiscal years as may be needed and to remain available until expended or released by the President.

(g) Following the close of the World Food Congress and upon completion of the functions hereunder, including the translation, publication, and distribution of material relating to the World Food Congress, all unexpended balances of funds appropriated under this section shall be released by the President and covered into the general funds of the Treasury, and all Government property remaining shall be deemed surplus property.

Mr. HUMPHREY. Mr. President, I feel it is important for us to prepare now with appropriate legislation for the 20th anniversary of the Food and Agriculture Organization. I am hopeful that in the 2d session of the 87th Congress we shall be able to act favorably.

THE NEED FOR TIGHTER CONTROLS ON RESIDUAL OIL IMPORTS

Mr. BYRD of West Virginia. Mr. President, the Office of Civil and Defense Mobilization has been subjected to con-

siderable pressure since its announced intention of studying the effect of oil import controls on the national security program. Attempts to influence the final OCDM decision are not confined to a particular group. The appeals come from the international oil shippers, from retail purveyors of the imports, and from large consumers on one side; they ask for more liberal quotas or, in fact, for complete elimination of oil import controls. On the other side, groups insisting upon more rigid restrictions are producers of domestic coal and oil, railroads which would normally transport the coal now being displaced by residual oil imports, and residents of mining communities and transportation centers whose economy has been disrupted by the impact of residual oil imports.

Under the circumstances, OCDM's position is understandably difficult. I hope that it will not be swayed by irrelevancies and non sequiturs that have come to be injected. Perhaps none of us with an ardent interest in the controversy can escape at least a small measure of guilt in this regard. The oil import control program was initiated—and, so far as I know, the basic premise has never been altered—exclusively as a national defense mechanism. Despite such knowledge, however, one who is close to the hardship attributable to excessive residual oil imports finds it extremely difficult to restrain himself from some reference to this part of the story when the subject is under discussion.

I regret that neither Congress nor the executive department has adopted a plan to keep out of this country all of the residual oil that displaces job opportunities for American miners and railroaders. I believe that the same feeling would be shared by a vast majority of Members of both the Senate and House if a preponderance of our colleagues had an opportunity to visit a depressed mining region of West Virginia.

Immediately after arriving there, they would seriously question the wisdom of the Federal policy allowing a foreign commodity to enter the domestic market and take away thousands of jobs rightfully belonging to our own people. They would be saddened to find mines down and railroad cars idle—reminiscent of the dismal 1930's. They would find a stagnation of business from bakery to bank, and from filling station to furniture store. They would see strong men wondering where to turn: whether to hang on in hopes of better times, or to try a new life in a larger industrial center.

We have lost more than our share of native West Virginians to other areas in the past decade, Mr. President. Our people do not want to leave, but they are desperate, and a desperate family will go anywhere in pursuit of a means of livelihood. Our men have gone to the west coast, to Texas, to Detroit, and Akron, and to anywhere else that holds hopes for employment. Some return after a fruitless search for work. Many stay. West Virginia's population declined from 2,055,552 in 1952 to 1,860,421 in 1960.

Mr. President, West Virginians are industrious and they are resourceful. Many of our unemployed, fortunately, have enough space within the proximity of their homes for gardening. Their families have special treats at this time of year: assorted fruits and vegetables to go with surplus foods. September has its sadder implications. Unemployed fathers cannot send their sons and daughters to college. By next year, they will say, times may be better. But that is what our youth have been hearing for more than 10 years. Somehow, the next year has not been better for West Virginia. And after a long period of discouragement and frustration, even the most ambitious youth begins to lose faith in what lies ahead.

To live among these conditions would bring sympathy from even the most ardent free trade enthusiast, for there is no mystery about why mines are down or working only part time. There is no mystery about unemployment on the railroads, and the consequent surplus labor that extends into supply houses and equipment manufacturers and right down the line through the various business houses of our communities. The answer stands out in bold relief on residual oil import tables.

In 1950 West Virginia was prominently represented at hearings of a Senate and Public Welfare Labor Committee studying causes of unemployment in coal and other industries. Our witnesses came from every part of the State. They included coal operators and officials of the United Mine Workers of America, railroad companies, and railroad brotherhoods. The Governor of West Virginia testified. Our State's Senators and Representatives participated.

Congress learned, at that time, what could happen to a mining State when inordinate foreign competition is not curbed. The 74½ million barrels of residual oil entering the United States in 1949 had created serious unemployment in West Virginia. Congress was warned that only legislative action limiting the imports would check the economic blight that was then extending throughout Appalachian mining regions.

Congress failed to harken to these appeals. The surging seas of residual oil imports mounted higher and higher. The 74½ million barrels that created such extensive injury in 1949 rose, by 1960, to an unprecedented 230 million barrels—or 55 million tons of coal in energy equivalent. Through September 8, the 1961 run was 1½ million barrels over last year's total for the same period, and importers are quickly moving toward another new record. It will be a shameful record, for it will mean that the international oil companies will have set another new mark for the number of American jobs that they have washed out.

If one is exposed to conditions of surplus labor and hardship, it is difficult to isolate and disregard these effects when the problem is discussed. Yet the OCDM is, by the very nature of the order setting up the mandatory control program, forbidden from admitting evidence not directly concerned with the mobilization base. Closed mines that could not resume immediate operation during an emergency have a specific bearing on the case. So do the skilled technicians who would be required to operate the mining machinery but who must look for employment many hundreds of miles away from the coal fields. They would not be available in the event of an all-out military effort.

Whether those remaining residents of a coal community are hungry, however, is another matter, unfortunately. The OCDM perforce must overlook these aspects.

By the same token, any investigation by OCDM should not be weighted down with inconsequential references intended by elements of importing companies to distract attention from the main purpose of the investigation. The New England council, which has embarked upon what appears to be a well-financed promotional campaign to scuttle the oil import controls, recently issued a public statement regarding decreases in demand for coal by the railroads. The statement was as impertinent as it was irrelevant. It was an attempt to make mockery of the control program designed to protect this Nation's security.

As reported in the New York Times of August 27, the statement asserted that residual oil import restrictions forced east coast consumers to pay a higher price for fuel. The Times added, however:

> There is some doubt whether removing import controls would result in a long period of cheaper fuel oil prices. Venezuela and the other principal oil exporting nations have formed an association with the objective of not only maintaining but increasing prices of crude oil.
>
> Too, almost 900,000 barrels a day of heavy fuel oil, or about 11 percent of crude oil runs to refineries, are produced in this country and oil refiners could not afford to cut the price of heavy fuel oil much below the present level and pay the present prices for crude oil. If so, they would have to receive higher prices for other products such as gasoline, for at prevailing prices, the refiner who has to buy his crude oil at present posted prices in this country is having a difficult time in operating profitably.

Whether or not there is merit to this phase of the New England council attack, I submit that it is inapplicable to the point at issue. It is a distraction with which the OCDM should not be burdened.

Sir Walter Scott observed:

> Oh, what a tangled web we weave
> When first we practice to deceive.

In a period when the imperialist forces of communism are fomenting trouble in every corner of the world and hold subdued peoples to the Kremlin's will at bayonet point, there is no excusing deception that would weaken this Nation's defense structure. Controls on oil imports were made necessary for security reasons. Whether exports from alien refineries can be acquired at less cost than domestic fuel production is inadmissible. America's safety must be guaranteed and defended irrespective of monetary considerations. Selfish desires of fragmentary import groups cannot be permitted to imperil the security of our country.

We read of the insolence of the Red militia facing American servicemen across the barbed wires that have set

apart the people of Berlin from their own brothers and sisters. We read of the barbaric treatment of courageous individuals who attempt to escape from Red tormentors. We listen to Khrushchev's vicious and vitriolic threats to the nations of the free world. I ask, Mr. President, can America afford not to maintain a rugged, vibrant industrial readiness even if, in the process, a few importers find it to be to their financial discomfort?

If the OCDM is permitted to make an objective study, the agency will find that the rate of oil imports is already much too high to meet mobilization standards. I would suggest that Director Frank B. Ellis instruct his investigators to look into some of the east coast industrial plants and generating stations now using foreign residual oil to determine just what part they would be expected to play in a war emergency. They should check into our military establishments along the seaboard and ask where their heat and energy would come from if tanker traffic is cut off as it was in the last war. These are the questions to be answered, not whether the New England council is dissatisfied with income and profits.

When the Reciprocal Trade Agreement Act expires next year, I trust that the New England council will have been permitted to proffer its testimony to an appropriate committee of Congress. We coal State Senators will want to enter evidence of the economic distress incident to excessive imports of residual oil, of course. Perhaps the New England council will also wish to list grievances against shipments of other foreign commodities destructive of industry in that part of the country. What is sauce for the goose is sauce for the gander.

Mr. President, on September 6 certain Senators conducted a discussion on the Senate floor relative to the residual oil import matter. The material was excellently presented and merits careful study by everyone interested in this vital problem. I was particularly pleased that the unemployed coal miners of West Virginia and other mining States received the sympathetic attention of those participating in the colloquy. I believe, however, that a closer examination of the history of residual oil imports will disclose a much more direct connection between them and unemployment in coal-producing regions. Nonetheless, it is national security with which the OCDM is concerned, and neither proponents of the oil import control program nor its detractors can be of service to the OCDM in its current deliberations by referring to other problems created by imports and/or the control program.

The colloquy on September 6 revealed that the genesis of the oil imports control program is not fully understood. Perhaps it is the fault of those of us who have been so close to the problem that we have neglected to provide proper background material for our friends who have not had an opportunity to understand fully why excessive residual oil imports seriously endanger the Nation's defense structure. Certainly some of the remarks engendered during the discussion on September 8 are evidence that we may have been remiss in this respect.

Briefly, the seeds of what was to develop into an oil import control program may be said to have been sown during the early part of World War II. They were planted by enemy submarines that blasted coastwise tanker traffic out of the waters of the Gulf of Mexico as well as the Atlantic Ocean. For month upon month, New York and New England found themselves in a serious fuel shortage, so serious—in fact—that both the Secretary of the Interior and the President of the United States found it necessary to call for wholesale conversions from oil to coal. These appeals were necessary, not because coal was dilatory in answering the call to arms, but principally due to the heavy new burdens placed upon America's overland transportation systems.

Mr. President, in the September 6 colloquy an attempt was made to brush off the vulnerability of oil tankers to submarine attack. One of our distinguished colleagues declared, "The major threat from enemy missile-carrying submarines is to land installations." He maintained that, "Even with overall military superiority, fixed targets such as rail hubs will be vulnerable. Coal shipments by rail from mine to consumer, especially along the concentrated transportation areas of the east coast, would be easily interrupted. When we think of how a snowstorm can slow them down, think what would happen in a bombed out marshaling yard."

Of course bombed out marshaling yards can disrupt the overland movement of coal. However, such disruption, if our railroads cannot find ways of rerouting their trains, would be for a matter of a few days at best. Bomb craters can be filled and new rails laid, but sunken tankers are sunk for all time, and the construction of new tankers to replace those lost takes months and months. The movement of coal to consumers would hardly pause in its stride, while the movement of residual oil would become a trickle at best.

From 1938—the year immediately preceding the outbreak of World War II—through 1944—the year that the Allies' major offensive against the Continent of Europe was launched—this country's bituminous coal production was increased by 75 percent. Time was on our side during that conflict. We also had the advantage of being able to reach many millions of tons of coal by stripping relatively small amounts of overburden from rich veins of coal not too far removed from the surface of the land.

The coal thus extracted is no longer available. Today, the industry is introducing enormous new shovels, and draglines with shovels many times the capacity of those in use two decades ago; yet, their workload becomes increasingly difficult as the quest for coal continues deeper into the earth. I point to this fact parenthetically, because those persons not acquainted with the mining industry seem to assume that production could again be accelerated by whatever degree is required.

When the treachery of Stalin brought disillusionment to those who dreamed that termination of World War II would bring lasting peace to the people of the world, foresighted Members of Congress acquainted with coal's vital role in the Nation's defense began to demand that steps be taken to preclude the unnecessary deactivation of domestic coal capacity. For sometime before I became a Member of the House of Representatives in 1953, warnings of danger to the national security, as a consequence of unrestricted residual oil imports, echoed through the halls of both the Senate and the House. Mines that traditionally served east coast markets were closing because their sales outlets were being usurped by foreign residual oil. Railroad gondolas and hoppers, that only a few short years before had been employed to carry coal to the stricken communities of New York and New England, had suddenly been relegated to sidings, where they would rust away and no longer be able to serve in an emergency.

By 1955, Congress had become alarmed at foreign residual oil's impact upon the defense structure. Congress was in no mood to permit foreign commodities to whittle away at essential industries as world tension continued to increase. I ask my colleagues to notice closely these developments over the years so that they may be disabused of the implication that the oil import control program was a hastily devised plan formulated without careful study. A year earlier, the President's Advisory Committee on Energy Supplies and Resources Policy had included this recommendation in its report:

> Other energy industries, especially coal, must also maintain a level of operation which will make possible rapid expansion in output should that become necessary. In this complex picture both domestic production and imports have important parts to play; neither should be sacrificed to the other.

The report stated further:

> Since World War II, importation of crude oil and residual fuel oil into the United States has increased substantially with the result that today these oils supply a significant part of the U.S. market for fuels.
>
> The Committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oils bore to the production of crude oil in 1954, the domestic fuels situation could be so impaired so as to endanger the orderly industrial growth with the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery for new sources of supply.

And may I commend this further quotation from the report particularly to the attention of those who have been misled into believing that residual oil does not have a legitimate place in the control program:

> If in the future the imports of crude oil and residual fuel oils exceed significantly, the respective proportions that such imported oils bore to domestic production of crude oil in 1954, appropriate action should be taken.

With the detailed findings of the Advisory Committee at hand, the Senate

Finance Committee adopted what was to become the national defense amendment. The following quotation is from the report of that committee:

> The committee had before it several proposals dealing with specific commodities, namely, petroleum, fluorspar, lead, and zinc. In lieu of specific action on each of these the committee adopted an amendment which specifies that the Director of the Office of Defense Mobilization shall report to the President when he has reason to believe that imports of a commodity are entering the United States in such quantities as to threaten to impair the national security; that the President shall cause an immediate investigation to be made if he feels there is reason for such belief; and that the President, if he finds a threat to the national security exists, shall take whatever action is necessary to adjust imports to a level that will not threaten to impair the national security.
>
> The committee believes that this amendment will provide a means for assistance to the various national defense industries which would have been affected by the individual amendments presented.

There followed the so-called voluntary oil imports control program, with the White House establishing a Special Committee To Investigate Crude Oil Imports. Its first official report to the President was made on July 29, 1957, and was transmitted by the former Secretary of Commerce, the Honorable Sinclair Weeks. Here is a paragraph from that statement:

> On February 26, 1955, the White House released a report on energy supplies and resources policy in which the Cabinet Committee concluded that in the interest of national security imports of crude and residual oils should be kept in balance with the domestic production of crude oil at the proportionate relationships that existed in 1954. The committee also recommended that these ratios should be reevaluated from time to time in the light of changing circumstances.

I have inserted this paragraph because Mr. Weeks has recently been quoted as saying:

> It was never the recommendation of my committee that residual oil be included in the crude oil restrictions.

Mr. Weeks was a member of the Advisory Committee on Energy Supplies and Resources Policy that made the recommendation originally. It was he who transmitted the report on July 29, 1957, that included the above paragraph.

Publilius Syrus, whose works are accredited to a period immediately preceding the coming of Christ, made this observation:

> We may with advantage at times forget what we know.

I would prefer to believe, however, that the recent statement by Mr. Weeks was erroneously attributed to him. Friedrich Wilhelm Neitzsche, a German philosopher of a century ago, wrote:

> Blessed are the forgetful: for they get the better even of their blunders.

I am confident that Mr. Weeks would not want even the New England Council to get the better of any misrepresentation for which he may be inadvertently responsible. I do feel, however, that it is essential that this matter be corrected.

The voluntary oil import control program proved unworkable. It was for this reason that the mandatory controls were adopted on March 10, 1959. Since that time the quota levels have been arbitrarily shifted both up and down, but at least the will of the Senate—as expressed in the national defense amendment—has been respected in substance. I remind Senators, however, that the decision of the Senate at that time was made in an atmosphere much more conducive to a spirit of international cooperation and understanding than now prevails. In the intervening years, a still more pronounced argument for oil import controls has developed through the wiles of the designers of disaster whose headquarters are in Moscow. The free world has been slow to recognize the new threat, but I believe that it is our duty—and the duty of the OCDM—to give it studied consideration as we explore the advisability and workability of the oil import control program.

On June 12, 1961, in a statement before the Senate Interior and Insular Affairs Committee, Secretary of the Interior Stewart L. Udall said:

> In short, we should take action now to insure against an energy gap. A study of fuels and energy by a Senate committee, and appropriate action based upon its recommendations, would go far toward assuring all Americans that they will never be faced with such a gap.

Secretary Udall, at the time, was testifying in support of a national fuels and energy study, provisions for which were adopted last week when the Senate passed Senate Resolution 105, as amended. The study will unquestionably provide a valuable perspective upon which future action by Congress with respect to fuel supplies and consumption can be based.

Yet the OCDM cannot await the results of the study. It is already in the process of determining its course regarding the oil imports control program. It knows that we are on a collision course with communism—a course that is not of our choosing, but one which aggressive Communist imperialism is forcing upon us. It is a course that requires the institution of measures that will best guarantee the security of the United States when the collision occurs. One such measure must be the assured supply of energy and fuel resources for our industries.

As the Secretary has wisely stated, we should take action now to insure against an energy gap. Failure to do so invites disaster. The masters of the Kremlin have devised the strategy that could lead to an energy gap among the free nations of the world unless proper leadership against such a threat is provided without delay.

On his return from a tripartite technical meeting of the International Labor Organization in Geneva, Switzerland, in January, Stephen F. Dunn, president of the National Coal Association, warned that the free nations of the world represented at the conference were alarmed at the expanding volume of Russian oil being made available in Europe, Africa, South America, and Asia at prices with which the Dutch-Anglo-American producers could not compete. Since that time there has been a continuity of events to support the view that Red oil could become a threat to survival for a large number of nations outside the Communist sphere of influence.

The Library of Congress, at the request of a subcommittee of the Senate Committee on the Judiciary, has published a study entitled "Soviet Oil in the Cold War." The U.S. Bureau of Mines has contributed "The Soviet 7-Year Plan—1959–65—for Oil." These publications combine to emphasize Russia's political and military strategy in establishing dependence upon Red oil wherever possible.

In 1950, production from Soviet fields amounted to about 265 million barrels. That figure was almost doubled by 1955, and in 1960 output reached nearly 1 billion barrels. Incidentally, last year's Soviet production actually surpassed that of Venezuela. Moscow anticipates that an annual rate of 1,750 million barrels will be realized within the coming 5 years.

Until the Suez crisis in 1956, the bulk of Soviet oil production had been retained at home for industrial and military purposes. Because Europe's basic fuel requirements were met with oil supplies rerouted from producing centers of the Middle East, and a stepped-up program from North and South America, Russia failed to make the inroads she had hoped for while the Suez was blocked. By now, Moscow was determined to employ petroleum for both political and military purposes, however, and plans for accelerating the exportation of Soviet oil began to take shape.

In 1958 the Soviet decided upon a program for the expenditure of $45 billion in the ensuing 15-year period in oil exploration, production, refining, and transportation. The U.S.S.R. blueprint calls for construction of a network of pipelines to carry Soviet oil from producing fields to outlets on the very edge of free Europe. As contemplated, crude oil lines will comprise about 11,000 miles, and product lines 8,000 miles, of the system to expand Russia's petroleum trunklines from 9,000 miles in 1958 to 28,000 by the end of 1965. At the same time the Russians are building a literal navy of tankers to carry crude and products to the far corners of the world.

The discussion about residual oil imports that took place on the Senate floor on September 6 included reference to Russia's oil-marketing program and the improbability of Soviet's oil entering the United States if import restrictions were removed. I submit that the Russian campaign is much broader and has far greater implications than was indicated in the casual mention given it by my colleagues.

Now, it has been confidently stated that American markets will never be opened to Soviet oil. I am inclined to agree with this analysis, for I cannot conceive of even the most apathetic of

our citizens being willing to stumble blindly along the course that is being described by the Kremlin as another medium to hasten free world destruction. I cannot bring myself to believe that even the greedy among us would be so unpatriotic as to serve the cause of communism for financial gain.

By indirection, however, America's markets would be exposed to the world oil glut perpetrated by Khrushchev and his collaborators if the OCDM were to accede to the demands of those who wish to destroy the oil import control program. If oil consumers elsewhere in the non-Communist world do not reject the product of the Soviet oil fields, more tankers will turn toward the ports along the coasts in hopes of getting rid of the cargo that is no longer marketable elsewhere. Further price cutting will come into vogue. International oil companies will declare open season on America's markets as the deluge of Red oil increases in volume. To eliminate the present barriers, inadequate though they may be, would only facilitate Russia's oil conquest.

If a substantial number of our allies permit their plants, factories, and generating stations to become dependent upon oil that originates behind the Iron Curtain, just that many nations will be useless as military partners in a showdown. The United States should, by this time, understand the necessity of being able to maintain an economic self-sufficiency so far as any relationship with Russia is concerned. Our soldiers stationed in the Republic of Korea often found their barracks in utter darkness because the Communists of North Korea controlled the electric power supply. Once a free nation allows its generating stations to establish reliance upon Russian oil, it, too, can find itself in darkness at any time the Kremlin desires. By interrupting oil supplies, Russia could similarly put a stop to whatever industrial activity has come to depend upon the U.S.S.R. for its fuel.

This problem is not simply a matter of competitive economics. Russia can undersell the Dutch-Anglo-American bloc wherever it wishes and whenever it wishes. The prices of Soviet oil and oil products in the export trade have been adjusted to suit both Soviet political aims and specific market situations. Prices have been pegged well below those previously accepted as standard in the international market. Russia can make up for its losses on sales to the free nations by adjusting upward the cost that satellite nations will be charged for their supplies.

Russia has the further advantage—distasteful as it is from the standpoint of human respect and integrity—of being able to set prices of commodities without regard to product costs, inasmuch as labor can be obtained for as little as the Kremlin wishes to pay * * * or for nothing at all. Another tactic that enables the Russians to peddle their petroleum and its products around the globe is her willingness to barter for anything from coffee to cotton, from beef to pharmaceutical products.

Red oil is going to West Germany, Italy, Japan, India, Argentina, and wherever else it is possible to open the trade doors. Brazil is trading a host of raw materials for Soviet exports that include crude oil and diesel oil. The Soviet Union and Spain have concluded a trade contract for an exchange of Soviet oil and Spanish textile fibers. Ceylon is negotiating for Russian oil in exchange for a variety of raw materials needed by the U.S.S.R.

On September 1, 1961, the Pittsburgh Post-Gazette reported:

> Tokyo reports the Russians are coming to Japan this fall to make a deal for $150 million worth of steel pipe and $100 million worth of machinery for an oil pipeline across Siberia.
>
> Nissho Co. said the Soviets have plans for a 2,622-mile Trans-Siberian line between Irkutsk in central Siberia and Nakhodka on the Japan seacoast.
>
> The spokesman of the Japanese company said delivery is scheduled to begin in 1963 and the pipeline is to be completed sometime in 1966.
>
> The Russians have been making a big splash in the export oil market.

When that deal and the pipeline are completed, Russia will have established outlets on either side of the free world so that she will be able to crowd out other fuels with even greater facility than she now enjoys.

Let us take a closer look at Western Europe. Russia has made its greatest advance in the continental market. Finland is almost entirely dependent upon Russian oil. Sweden and West Germany are taking more and more of it. Denmark uses it for its railroads. Italy takes the Russian crude and refines it, then finds easy entry into the Common Market of Europe. Great Britain, according to most recent reports, has not yet fallen into the bear trap, though Russia has been dangling contracts to buy English products at high prices in exchange for oil on a bargain basis. Britain needs no new source of oil. Its arrangement with Kuwait, the major supplier, is exceptionally favorable because that sheikdom reinvests much of its earnings in Britain.

Because of her reluctance to become dependent upon Communist fuel, the British Government has been in for some familiar criticism. There are charges that refusal to allow the Red oil to enter the United Kingdom is motivated by the desire to protect the oil combines.

In this country, we who are acquainted with economic conditions in our mining areas accept without protest the accusations that we insist upon holding down residual oil imports because we want to protect miners, railroaders, and other American workers. Last week the West Virginia State Department of Mines reported that production for the first 7 months of this year was almost 12 million tons below that for the corresponding period of 1960. We think that it is obligatory upon the U.S. Government to preserve employment opportunities in this country by placing whatever barriers are necessary against the destructive effects of import commodities.

Whether or not one sympathizes with this point of view, one cannot close his eyes to the danger emanating from those oil producing fields of the Soviet Union. For security reasons, our own domestic fuel industries must be maintained in a healthy and vigorous condition. Whether or not foreign oil can be purchased below the cost of domestic output, we cannot afford to allow our own fuel industries to decline during this period of world uncertainty.

Mr. President, any dependence on foreign residual oil on the part of a significant segment of the Nation's industrial system could be disastrous. It certainly should be considered as a needless and unnecessary risk at this moment of Kremlin manufactured world tensions.

Suppose a political upheaval such as that which occurred in Cuba should strike Venezuela. Could we reasonably expect that the nearly 114 million barrels of oil which we imported from that country in 1960 would continue to be available? I have a tremendous regard for the present Government of Venezuela. It has restored democratic rule against great odds. But we cannot ignore the fact that the government is sorely pressed by its Castroites and Communists. In the event Russia succeeds in undermining world peace, should we not suppose that she will also move to undermine the present government in Venezuela? Our dependence upon Venezuelan oil is, at best, a fickle one, and foolhardy to boot.

Thirty non-Communist nations, many in key positions in the Western defense structure, are now partially dependent upon Russian oil. Unless there is action at the diplomatic level, this number, and the degree of dependence, are certain to increase as the availability of Red oil mounts. This, of course, would be as much to their peril as to ours.

Meanwhile, another vise is closing tighter upon the Dutch-Anglo-American oil companies. It takes form from the ambitions of shahs, sheiks, juntas, and other ruling individuals and groups in countries containing the rich oil pools. They want a greater share of the income from oil sales. A meeting in Baghdad last year brought together representatives from Venezuela, Iraq, Saudi Arabia, Kuwait, and Iran for the purpose of working out what they called a "just price formula." Iraq has demanded increased influence in the affairs of the oil companies, insisting upon a share of at least 20 percent of the companies' capital, a larger share of oil revenues, and a right to use the natural gas that comes with production of petroleum.

J. H. Carmical began his Sunday, September 10, oil story in the New York Times this way:

> Oil operations abroad by private companies are becoming increasingly unattractive. To cover growing costs of governmental operations, including ambitious long-term development programs, some of the host countries are demanding a bigger share of the profits.
>
> For a little more than a decade, the practice generally has been to split profits from oil operations equally between the operating company and the government of the producing nation. Since the oil companies had to assume the risk of discovering the oil and also had to provide transportation and markets for it when found, the consensus generally had been that such an arrangement was fair to both parties.
>
> Now, however, it seems that this old formula is being discarded. Since the profit-

sharing is done through taxation, there is little the companies can do when assigned a higher rate other than to pay it or withdraw from that particular country. With heavy investments at stake, they usually try to work under the new rates.

The first important break in the fifty-fifty profit-sharing pattern came late in 1958, when Venezuela decreed a rise in the income tax that made the Government's take 60 to 65 percent.

The oil companies in Venezuela were surprised by this action, but had to accept it. Washington took the position that the question of levying taxes in Venezuela was a matter for that Government to determine.

The result was that oil drilling and exploration efforts in the country dropped sharply and Venezuelan oil was placed in a less advantageous competitive position in world oil markets.

Mr. President, I believe that this development—reduction of Venezuelan output for the reasons stated—should have been taken into consideration in the Senate discussions of September 6. It might also tend to reflect upon the price rises in residual oil that have allegedly been creating so much economic disturbance in New England.

Mr. Carmical continued:

The next most important break in the pattern came late last month, when President Sukarno of Indonesia decreed that Government would take 60 percent of the profits of foreign oil companies there.

This action came in the midst of discussions which had been going on since January between the Government and the foreign oil companies in Indonesia on whether the companies should come under a new petroleum law promulgated late in October 1960. Under that law, foreign-owned companies would operate under contract to state-owned companies and would be able to obtain further concessions.

Let us be realistic, Mr. President. The Russian thrust into the world oil markets is not going to be blunted by an increase in quotas under the oil import control program. It is not going to be thwarted by the philosophy of purchasing fuel wherever it is cheapest. The national security demands the maintaining of a domestic fuel industry in a robust state; that is why the oil import control program was established in the first place. While it has been liberalized to such an extent that its effectiveness is questionable, nevertheless, inviting greater volumes of imported fuel could lead to national suicide. Our coal production capacity is already far too low to meet mobilization base requirements. It has been debilitated by the rising tide of foreign residual oil that has been inundating east coast fuel markets almost since the end of World War II. Here is some documentary information that pertains to the four leading coal distributors in New England.

Company A distributed 1,287,466 tons in 1950 as against only 760,104 tons in 1960—a loss of 45 percent. Company B sold 2,969,000 tons in 1950 and only 1,081,000 tons in 1960—a loss of 65 percent. Company C, which sold 318,703 tons in 1950, was completely out of the coal business 10 years later. By comparison, the two leading oil distributors in the same area increased their volume 600 percent and 1,200 percent, respectively, in the same period.

One company in the metropolitan New Jersey area lost 74 accounts involving a total of 324,000 tons of coals in the last 5 years. For the Philadelphia-New York area, the loss amounted to 300,000 tons of industrial business.

These are but a few of the notoriously significant examples of how American coal has been displaced by foreign residual oil. I have previously explained to the Senate how distributors in the New York area negotiate contracts for residual oil imports by offering their product at whatever price is necessary to get below the cost of coal. This practice violates the fundamental rules of free competition. More than that, it leads to a further reduction in the coal capacity that may be needed in the event of an emergency.

If America is willing to neglect its defense needs on the theory that energy supplies should be obtained purely on a dollar and cents basis, how can we expect those 30 or more nations now buying Russian oil to take a more realistic view? Most of the $80 billion or more contained in our national budget will go for national security and the security of the free world. There is no logic in permitting one of the vital components of the defense mechanism to break down because a barrel of oil can be purchased for a few cents less than its energy equivalent in coal. Our brothers elsewhere must, by the same token, be convinced that it is folly to permit any part of their industrial effort, leading to a stronger defense, to be diluted through dependence upon a source of energy which Khrushchev can cut off in a moment's notice.

This is one facet of the oil imports question that must be examined carefully by the Congress, the White House, the Defense Department, and the OCDM. It is not enough to wait until Russia has completed her pipelines and her supertankers. The matter requires immediate and urgent attention. Meanwhile it is imperative that the OCDM strengthen the oil imports program in conformity with the gravity of the international situation. The import allocations have been relaxed entirely too freely within the past 8 months. The revisions have not been in keeping with the temper of the times.

Building up our Armed Forces here and abroad should be accompanied by a reenforcement of our industrial defense efforts. The situation calls for a cutback in residual oil imports here at home. It also calls for the closest cooperation among non-Communist nations in attacking the new menace that is emerging from Soviet oilfields and spreading incessantly and rapidly into the very lands that communism has targeted for envelopment.

REPORT OF SOME OF THE ACTIVITIES OF THE PREPAREDNESS INVESTIGATING SUBCOMMITTEE OF THE ARMED SERVICES COMMITTEE

Mr. STENNIS. Mr. President, I wish to relate some of the activities of the Preparedness Investigating Subcommittee of the Armed Services Committee.

It became evident in early 1961 that the time had come for a critical study and evaluation of the available weapons systems for intermediate and long-range delivery of nuclear and conventional intercontinental missiles. Important decisions were soon to be made or had already been made by our military planners involving, among others, the future of the manned bomber. Would we abandon production of the heavy bombers, the B–52 and the B–58 after 1962? Would we proceed for the development of a fully integrated airplane weapons system to succeed contemporary long-range bombers or would we proceed at a leisurely pace for development of the mach 3 B–70 airplane as a fast flying airplane without attempt at system development and make decisions later as to whether to go forward with the full weapons system?

By a vote of 84 to 4 the Senate rejected an amendment to the Defense appropriation bill which would have disallowed defense funds for additional long-range bombers. As a result, the Congress voted nearly $514.5 million for the long-range bombers when the administration had proposed no funds. In addition, the Congress provided $400 million for the B–70 bomber against the $220 million in the administration program. By providing the additional $180 million for the B–70, it is hoped that the Pentagon will expedite its development as a full weapons system rather than merely a prototype.

Now, I want to make it very clear that the congressional view on the subject implies no criticism at all of the administration. It is simply the difference of opinion of two groups of people striving for the same goal—the safety, strength, and protection of our country. It was a case of different people attempting to do the same thing in different ways. Of late there has been some evidence that the administration has reconsidered its previous decisions on the subject.

The members of the Preparedness Investigating Subcommittee had the opportunity of presenting their views on this and other aspects of national defense in an audience with President Kennedy and Defense Secretary McNamara last week and thereafter Mr. Kennedy's press aid has been quoted as stating that the administration was considering its previous decisions regarding long-range bombers.

It is not alone the nuclear power of the long-range bomber that needs stressing. If we fight a conventional war we have a better chance to survive, and the long-range bomber has value for less than all-out atomic war while the long-range missile delivery systems do not.

This, too, then, was a conclusion emerging from our hearings. At the same time many of us were convinced that dependence upon the long-range bomber well into the sixties implies the need for improved delivery of weapons and required full support for the Skybolt system, this being the solid fuel air-to-ground ballistic missile having a range of about 1,000 miles.

We were impressed, too, with the necessity for the development of mobile Minuteman which has been deferred or postponed indefinitely. Our military planners concluded that the same money could buy more hardened site Minutemans than mobile Minutemans. Whether or not this is true the comparative amount of defense and destructive power that would be bought under the competing systems is a subject on which some of our Senators have taken exception with the administration. I think at the very least, our planning must have the mobility features of this ICBM in mind and it must not be rejected out of hand.

The subcommittee conducted its inquiry into strategic weapons and weapons delivery systems in closed session. The state of our advancement in this area, including highly classified information as to the number and quality of our intercontinental missiles on launcher, made this imperative. However, two other sets of hearings conducted by the subcommittee this session were of a character that permitted and lent themselves to open hearings and the publication of pertinent reports. The first of these hearings was a study of the military housing program under the Capehart Housing Act of 1958.

The basis for investigation was the work stoppages on substantially all of the Capehart housing undertakings by a single contractor. Inquiry disclosed that lack of timely intervention by Government agencies having jurisdiction contributed to the continuation of the stoppages for a period of about a year during which time great deterioration occurred in addition to the deprivation to would-be users of the needed housing. The subcommittee concluded that inadequate protection to Government interests was afforded under the contracts for construction under which the Government possessed no right to terminate or to default the contractor for nonperformance. The subcommittee's findings in the investigation lent added strength and substance to the move to reduce Capehart housing and to substitute appropriated fund housing, which sentiment was translated into legislation at this session of the Congress.

The subcommittee also conducted an extensive investigation of the collapse of Texas tower No. 4. This investigation led to extensive hearings on the matter.

The inquiry concerned the tragic collapse on January 15, 1961, of an Air Force early warning radar platform standing in 185 feet of water some 80 miles at sea off the New Jersey coast which resulted in the loss of 28 lives.

Because the Air Force had preferred charges against some of its officers in the immediate chain of command for failing to evacuate the tower in advance of a North Atlantic storm and wishing to avoid any prejudice to the judicial rights of those officers, our public hearings were confined to matters relating to the design, construction and repair of the tower.

On the basis of all the evidence which included five volumes of testimony totaling 604 pages, the conclusions were inescapable that the design criteria of winds of 125 miles per hour and breaking waves of 35 feet in height were clearly inadequate; that it is extremely doubtful if the tower, during its 3-year life, despite repeated attempts to keep it in repair, ever had achieved or met its design strength in terms of those criteria; that because of structural mishaps occurring during its erection and the difficulties of making repair underwater, the tower was doomed from the very beginning; that the responsibility for its deficiency in design rests squarely upon the Navy's Bureau of Yards and Docks and the design engineering firm of Moran, Proctor, Muser, & Rutledge; and that a substantial portion of the blame for the loss of life rests upon the Air Force.

We would like to think that the investigation by this subcommittee, as an arm of the Senate, into this dreadful tragedy may, at least in part, be responsible for generating an awareness of the danger and peril inherent in the other two remaining towers still standing in the Atlantic Ocean and which incorporate in them no greater design criteria or factors of safety than the one which so tragically toppled into the sea. We were gratified to learn that both towers were timely evacuated in advance of Hurricane Esther which packs power greatly in excess of the design strength of both.

A fourth area of injuiry by the subcommittee centered on the long period of development for the M–14 rifle. This is the successor to the M–1 rifle of World War II and Korean war vintages.

The M–14 is fully automatic and fires a clip of 20 rounds as compared to the semiautomatic M–1 which fires only 8 rounds on a clip. This M–14 is a versatile weapon replacing the M–1, the Browning automatic rifle, the standard carbine, and the submachinegun.

Sad to relate, the Army stated a requirement for a lightweight rifle in 1945 and it was only in 1959 that production commenced. Four years, 1952 to 1956, unbelievably were consumed in testing the weapon. No interest was shown in it for many years and the result is that when the 1,500 auxiliary troops marched into Berlin a few weeks ago they were carrying the M–1 rifle. The whole garrison also carried the M–1.

I am happy to state that with the advent of the Prepardness Committee inquiry, the situation has been rectified and all the Berlin troops will have the new M–14 by the beginning of October.

Production difficulties have been overcome but the production schedules will not result in full M–14 equipment for several years. We are aware that this should be speeded up, increased, and augmented. This is one recommendation contained in a report we hope soon to issue shortly. In addition, the subcommittee will keep a watchful eye on future production of the M–14 rifle, including plans to bring in a third commercial source.

During the missile systems hearings certain information was presented to the subcommittee which indicated to many of the members that it would be advantageous in the interest of the preparedness posture of our Nation to hold more frequent hearings through the year than had hitherto been conducted. As a result, plans are going forward for the early resumption of our general investigation of the strategic weapons and weapon delivery systems with added specific areas of inquiry as I will mention later. However, at the present, the members of the subcommittee will devote much of their attention to the tasks of the new ad hoc subcommittee recently appointed by Senator RUSSELL, chairman of the Armed Services Committee.

All of the Preparedness Committee members with the addition of Senator STROM THURMOND are members of the new subcommittee which was appointed following the approval of the following resolution of the Armed Services Committee.

Resolved, That a subcommittee of the Senate Committee on Armed Services to be appointed or designated by the chairman, be authorized and directed to study and appraise the use of military personnel and facilities to arouse the public to the menace of the cold war and to inform and educate armed services personnel on the nature and menace of the cold war, and that such subcommittee be vested with the full subpena power of the Senate Committee on Armed Services.

I shall form a semijudicial inquiry and study to be conducted in an atmosphere of calm. We shall endeavor to learn the true facts. All witnesses shall testify under oath and shall be examined and cross examined.

The staff of the Preparedness Subcommittee has other immediate tasks in addition to the work it will do in assisting the ad hoc subcommittee.

As I noted before, the hearings on the missile systems uncovered areas which we thought could be explored to the profit of the preparedness effort. These include:

First. The study of comparative cost effectiveness of the Polaris weapons system and the Minuteman weapons systems, either fixed or mobile.

Second. The study of defense industries including the problems encountered in military contracting and production procedures, the present and potential capacity, adequacy of plans for mobilization of industry in the event of all-out emergency.

As I stated, we will continue our surveillance of the M–14 program. It should be emphasized that the M–14 program is not the only Army program in which we are interested. The Army fund is for the first time in many years for the realization of enhanced material objectives and a huge program is underway for its modernization which is sorely needed. The Army has approximately a billion dollars more for this objective this fiscal year than it had last year. The staff has gathered materials and information on Army modernization, and it is a possibility that hearings and a report will result therefrom in the not too distant future.

Other areas of inquiry include a study of the circumstances surrounding the construction of the aircraft carrier *Kitty*

Hawk and the difficulties, delays, and deficiencies involved.

I am grateful for the splendid work on the subcommittee of the fine Senators on both sides of the aisle who are enrolled in its membership. They include the Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Maine [Mrs. SMITH], the Senator from Missouri [Mr. SYMINGTON], the Senator from Washington [Mr. JACKSON], and the Senator from Alaska [Mr. BARTLETT].

I count myself fortunate to be associated with them and I know that we shall endeavor to go forward in the coming year to even higher goals than we have so far attained.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. HRUSKA. I commend and compliment the Senator from Mississippi on his report of activities in this field. For a long time I have had immense admiration and respect for the work done by the Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

Mr. HRUSKA. It is especially gratifying to hear from him that, in the past week, the President and the Secretary of Defense have been briefed on the facts and the thinking of Congress on long-range bombers. That briefing, I am sure, will have a substantial impact on the thoughts and subsequent planning in this field. And it is precisely that kind of thinking and action which is long overdue. So, as a Member of this body, I want once again to compliment and commend the Senator for his contribution to this end.

Mr. STENNIS. I thank the Senator from Nebraska very much indeed. It was as a result of a suggestion originally made by the Senator from Nebraska [Mr. HRUSKA], following a luncheon engagement when we discussed part of this program, that the Preparedness Subcommittee sought an audience with the President of the United States and the Secretary of Defense. The meeting occurred at the White House this week. I had not had an opportunity to report to the Senator from Nebraska. His suggestion was followed out. I think it was received by the President and the Secretary of Defense with genuine interest and concern. These questions are now under the most earnest consideration, advisement, and readvisement. I thank the Senator again for his assistance and encouragement.

Mr. HRUSKA. It is my hope that the suggestions made by the delegation from Congress will be more fruitful than the work along the same line of similar delegations who called upon the predecessor of the present occupant of the White House. It seems to me that for too long a time undue reliance—almost exclusive reliance—was placed upon guided missiles rather than upon a combination of guided missiles and manned bombers. So I hope that the conference which the congressional delegation had with the President and the Secretary of Defense will be more productive than ones which preceded it.

Mr. STENNIS. I think the Senator's conclusion is correct about the present state of missiles and the need for a balanced program, which includes the bomber, which is now undoubtedly our chief deterrent and our greatest single weapon.

Let me add one word further. It is the opinion of the Senator from Mississippi in connection with this vast, far-flung military program, that our subcommittee, which has a special staff, can make some contribution to Senators and Representatives, as we exchange ideas in determining legislative will and legislative information. Someone must make final decisions; and they are not all military decisions by any means. If we can make some contribution in bringing about a better understanding of this vast program on the part of individual Senators and Representatives, I shall be very happy, and will think we will have served one of our major purposes.

Mr. HRUSKA. I am sure the Senator is correct. The Senator from Nebraska was a Member of the other body and of the Subcommittee on Armed Services Appropriations when the transition was made from the propeller bombers and aircraft in the Air Force to jet aircraft. At that time as well, there was the necessity for an assertion of the legislative will. It was asserted effectively, and added a great deal to the success of that transition. I am hopeful again that the legislative will, so articulately expressed by the Senator from Mississippi, will have a telling effect upon the situation that lies ahead of us regarding the relative position of guided missiles and manned bombers.

Mr. STENNIS. I thank the Senator again, and again emphasize the part played by Members of the other body. The Senator was at one time a Member of the House. They have a very fine knowledge of these subject matters and make a great contribution in seeking their solution.

THE SLEEPING BEAR PROPOSAL

Mr. HART. Mr. President, on June 27 of this year, on behalf of myself and my senior, Mr. MCNAMARA, I introduced S. 2153.

This bill proposed to preserve in its extraordinary beauty a representative portion of the Sleeping Bear area in Michigan.

This step was taken as a result, first, of the reconnaissance surveys of the entire coastal and Great Lakes shorelines of this country; a survey conducted by the National Park Service. The Sleeping Bear area in Michigan was identified as 1 of the 10 most important areas worthy of preservation for public benefit and use. Next, after the survey identified the significance of Sleeping Bear, detailed studies were made by the Service which amplified the importance of the variety and biological features in the Sleeping Bear area and determined them to be of national significance. Reflecting this conclusion of the Park Service, S. 2153 was proposed in order that we could fully consider the action which, under these findings, would be proper.

There has been wide appreciation of the desirability of preserving the beauty of the dunes, of the Lake Michigan shoreline, the views of the inland lakes, and the unusual plant and animal life of the area.

We are all witness to the daily and progressive destruction of the remaining shorelines and similar areas of beauty suitable for outdoor recreation. Through development, both private and industrial, these areas one by one will lose the qualities which distinguish them as places of unusual grandeur and charm. Experience teaches us that no area is immune from the onward march of a growing population with increased leisure, greater mobility, and higher standards of living. It has happened in other parts of the country and it will happen in Michigan. Once the beauty is destroyed, it cannot be "put back together again."

Only if we take prompt and positive steps to preserve some of these remaining areas will they be available, unspoiled, for future generations to enjoy.

The proposal to accomplish these objectives has resulted, however, in apprehension and quite understandable concern—concern that residents in the area will be displaced by the proposal; concern that visitors to the proposed area will be allowed to roam indiscriminately over the lands presently occupied and enjoyed by local residents; concern that private enterprise in the area will be stifled by Federal control; concern that tax revenue will be lost to local units of government. All of us need to understand the safeguards designed to insure their continued occupancy and protect their individual rights for enjoyment of the area and to recognize also that it is not suggested that the initial proposal is the final answer, whether involving area, condition and use, or otherwise.

Mr. President, I ask unanimous consent that this material, reflecting the attitude of the Department of the Interior, be inserted in the RECORD at this point; also a copy of a letter to a Michigan citizen who was concerned, as I previously outlined, by this proposal, written by the conservation director of the Izaak Walton League of America, Joseph W. Penfold; and an editorial on this subject which appeared in the Pontiac Press of September 7.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPORTANCE AND SCOPE OF THE SLEEPING BEAR PROPOSAL

First of all, it is necessary to understand the importance of the Sleeping Bear area and the reason for including in a proposal for unified preservation the "developed" inland areas as well as the Lake Michigan shoreline features.

Comprehensive surveys of our Nation's seacoast and the Great Lakes shoreline have identified the Sleeping Bear area as one of the 10 most outstanding remaining areas in the country from the standpoint of scenery and of public recreation values. Recently, detailed studies of the Sleeping Bear area have demonstrated even more clearly the national significance of the variety of geographical, biological, and scenic features of the whole Sleeping Bear area including the Empire Dunes, the Platte Plains,

South Manitou Island, and the closely associated inland lakes. At the present time, the development along the shores of these inland lakes does not detract from the beauty of panoramic views from atop the dunes, the morainal bluffs, and other scenic overlooks throughout the area. The basic charm of these inland lakes still remains. However, without some reasonable and early planning or zoning, expanding commercial and private development along these inland lakes will inevitably impair the beauty and charm of the area to the detriment of both the residents and the visiting public.

2. ZONING PROVISIONS OF THE BILL

The proposed legislation would provide for retention of ownership by the owner of any home if construction was begun before July 1, 1961, provided zoning bylaws, as specified in the pending bill, are in effect. (See item 3, below, for construction after this date.) If this one condition is met, a homeowner could stay permanently; he could pass his home on to his children and his children's children; and he could dispose of his home to another owner who could, in turn, exercise all the same rights. This right would never terminate as long as the zoning bylaws remain in effect. If an owner wished to sell to the U.S. Government, his property would be purchased when funds are available. (A project must first be authorized by the Congress before appropriations can be requested.)

This way of arranging for long-existing community life to continue, while permitting the establishment of a national seashore area, offers numerous advantages to homeowners. It was first proposed by Massachusetts people as a solution to their problem of preserving old, beautiful, and historic communities, while also preserving the Cape Cod landscape.

This procedure seems especially appropriate for an area where there is a substantial amount of homeownership and where there is also adequate space for use by the visiting public. Under the bill that has been introduced, the Secretary of the Interior would be granted authority to establish zoning standards. The bill provides safeguards to prevent amendment of these standards without suitable cause or in such a way as to jeopardize property already zoned according to approved standards. Zoning standards should be designed to accomplish two purposes: (1) control the unlimited expansion of commercial and industrial development (as compared with residential use) and (2) assist in the preservation of the natural values within the area.

Zoning standards for the Cape Cod National Seashore can be regarded as a general pattern for standards that would be appropriate. Final zoning standards for Cape Cod have not been issued by the Secretary of the Interior, but the general nature of the proposed standards is shown in the attached preliminary statement officially issued by the Secretary during consideration of the bill for establishment of the Cape Cod National Seashore. These standards are typical of normal zoning practices.

3. CONSTRUCTION BEGINNING JULY 1, 1961, OR LATER

The cutoff date of July 1, 1961, does not deprive any property owner of his property. But a person who started construction after that date would have no assurance that the property might not be acquired by the Federal Government at a later date. However, if the Federal Government should acquire his property he must be fully compensated for its fair market value at the time of the acquisition, including the improvements thereon. Appraisals would be made by independent, non-Federal appraisers, fully qualified and familiar with property values in the general vicinity. The purpose of this provision is to protect the Federal Government against speculative building. At the same time, every effort would be taken to avoid working hardships in those cases where people had started recently to contract or prepare for very early building.

4. TAKING OF SHORELINE IN FRONT OF COTTAGES

Under section 4d of the bill, the Secretary of the Interior would be authorized to acquire certain property in front of residences regardless of other provisions that would permit the owner to retain a larger acreage. His authority in this respect would be limited to beach or waters and so much of the adjoining land as he finds necessary for public access to the beach or waters. In consideration of both public use and the rights of owners of inland lake property to enjoyment of their homes or cottages, it was the intent of the bill that application of this authority would be limited to property bordering on Lake Michigan. The bill could be amended, before enactment, to specify this limitation.

5. DESIGNATION OF THE AREA

The bill provides that the area would be established as the "Sleeping Bear Dunes National Recreation Area." It has become evident, during the course of discussions of the bill that this title may have unintentionally put too much emphasis on recreation and not enough on preservation. To give clearer emphasis to the preservation objectives of the bill, and to clarify the fact that it is not the dunes alone that are of outstanding significance, it has been suggested that the name be change to "Sleeping Bear National Seashore," consistent with Cape Hatteras and Cape Cod National Seashores. (Webster's definition of "seas" includes inland bodies of water such as the Caspian Sea or the Sea of Galilee.)

In this connection, attention is called to the statement of preservation policy on Sleeping Bear, issued recently by the National Park Service:

"The most important resource of the Sleeping Bear area for park purposes is the variety of geological and biological features. Combined, they form the scenery; unobstructed vistas of forested moraines, shore bluffs, bays and inland lakes and intimate glimpses of streams, ponds, wildlife, and plant life.

"These scenes have the capacity to stimulate and inspire the beholder, be he scientist, student, artist, or vacationing sightseer. Understanding these natural forces that have molded and remolded the landscape and that have fashioned the environments of the plant and animal inhabitants increases one's appreciation.

"The mission of the National Park Service, if a national seashore is created in the Sleeping Bear area, will be to protect and preserve the natural features and to bring to the visiting public an understanding of these panorama through a program of interpretation. The National Park Service would also provide to the public an opportunity to engage in those forms of recreation for which the area is ideally suited."

6. SEPARATION OF PARK TRAFFIC FROM LOCAL TRAFFIC

The National Park Service report on Sleeping Bear emphasizes the great importance of separating, as much as possible, park traffic from local traffic. The principle involved is as follows:

"The first objective of a park road system would be to provide access to the significant points of interest in the area. The second objective would be to separate, where possible, park traffic from local or residential traffic. Michigan 22 could provide the basic alinement from south to north, relocated when necessary to take full advantage of topography, to keep the road within the area and to retain a parklike character throughout by bypassing built-up areas. In addition to Michigan 22, other loops would be required to bring significant points of interest within reach of the visitor and to separate park and local uses."

If the Sleeping Bear bill is enacted, the above principle would be followed in designing road alinement and traffic separation. Under this plan homeowners within the park would actually be provided with protection against adverse development—a benefit which should be reflected in the value of the homes so protected.

7. CAMPS, FARMS, MOTELS, AND RENTAL COTTAGES

The policy of the Service would be to allow continuance of present uses of camps, farms, motels, and rental cottages that are of types compatible with the objectives of the national seashore. In other words, children's organized camps that are well maintained and managed would be compatible with the purposes of the national seashore. Where farming has been practiced over the years as a means of livelihood and does not seriously impair the conservation objectives, such farms could be expected to continue operation either in private ownership or on a lease basis. Well operated and maintained motels and rental cottages that are serving the visiting public could continue to operate either under existing ownership or by lease-back from the Government if they are sold. The expansion of additional commercial establishments within the boundaries of the national seashore, however, would not be encouraged.

8. BOUNDARY DETERMINATION

The boundary of the Sleeping Bear area was designed to include important scenic and scientific features rather than necessarily to include or exclude particular properties. The exterior boundary shown on boundary map NRA–SB–7000 follows well-defined physical features and, for ease of general description, it follows public land survey lines wherever possible. A final boundary for the Sleeping Bear proposal, if established by act of Congress, would be determined by accurate land surveys which could not extend beyond those limits authorized in the act, but which could, during final determination, exclude certain lands not considered appropriate to the proposed area.

THE IZAAK WALTON LEAGUE OF AMERICA,
Washington, D.C., September 15, 1961.

DEAR ———: Your letters and other materials relating to the Sleeping Bear Dunes National Recreation Area proposal have been sent on to me. I appreciate getting your viewpoint.

The league is in support of Federal, State, and local programs to protect and preserve for public use and enjoyment significant portions of key shoreline areas. Competent recreation surveys of the Great Lakes shorelines indicate that the Sleeping Bear Dunes area offers one of the few remaining major opportunities. The league does not at this time either support or oppose S. 2153 as written. It has supported S. 543, which would authorize detailed study of the area, along with other named areas on the Atlantic, Pacific, gulf, and Great Lakes shorelines, and has a keen interest in its possibilities.

S. 2153 will receive scrupulous study by the Senate and House Interior Committees. It will be the subject of careful public hearings. Judging by past experience, members of the committees will visit the area in person. The local and State people will have adequate opportunity to express their viewpoints and wishes.

The Cape Cod National Seashore, created by Congress this year, went through such a

long and careful period of study. The final version met most local objections and problems. It offered just as great complexities as does the Sleeping Bear Dunes proposal. The rights of the communities, individual property owners, and existing commercial interests were recognized.

The Point Reyes National Seashore bill, already passed the Senate and due for action by the House early next session, likewise offered complex problems which appear now to have been largely solved through a couple years of careful study.

MICHIGAN WOULD PROFIT THROUGH NATIONAL PARK

Senator PHILIP A. HART has proposed a bill that would seem to have a common objective for all of us since it would preserve the beauty and uniqueness of Michigan's scenery and outdoor beauty.

The proposal he has introduced in the U.S. Senate would make a national recreation area at Sleeping Bear Dunes. The area in question is few miles north of Beulah at Glen Lake.

The bill was drafted with the cooperation of the National Park Service of the Department of the Interior and is based on detailed studies and experience gained in other similar recreation and seashore areas throughout the United States.

A survey has been made that shows the Sleeping Bear area as possessing outstanding scenic qualities and varied and unique scientific features. Further studies seem to indicate that this northern Lake Michigan area should be a part of our National Park Service.

Since the second largest business in our State is the tourist trade, we should push for any and all national recreational areas that would draw people from outstate.

Like other types of progress, perhaps a few residential and some commercial property might be hurt. When something is for the overall betterment of a large number of people oftentimes this cannot be helped. For any property that had to be purchased the owner would be paid the fair market value.

While it is impossible to predict the exact amount of benefit the local economy would derive from the establishment of a park, it is a matter of record that national parks have resulted in improved economic conditions for surrounding communities.

If the proposed area were established, accommodations for tourists, hotels, restaurants, motels, service stations, foodstores, and a multitude of other service establishments would develop outside the area, providing investment opportunities and local employment.

We feel that Senator HART is thinking in terms offering all U.S. citizens something his State has which is worthy of national significance.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

AMENDMENT OF WAR CLAIMS ACT OF 1948, TO PROVIDE CERTAIN WORLD WAR II LOSSES—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 1112)

Mr. JOHNSTON. Mr. President, from the Committee on the Judiciary, I report an original bill to amend the War Claims Act of 1943, as amended, to provide for certain World War II losses, and I submit a report thereon. I ask unanimous consent that the minority have the right to submit a report within a week, and that the report be printed.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar; and, without objection, the minority may submit minority views, as requested by the Senator from South Carolina.

The bill (S. 2618) to amend the War Claims Act of 1948, as amended, to provide for certain World War II losses, was read twice by its title, and placed on the calendar.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. HART, from the Committee on the Judiciary:

Luther M. Swygert, of Indiana, to be U.S. circuit judge for the seventh circuit.

By Mr. KEATING, from the Committee on the Judiciary:

Thomas M. Dugan, of New York, to be U.S. marshal for the eastern district of New York.

By Mr. BIBLE, from the Committee on the District of Columbia:

Joseph M. F. Ryan, Jr., of Maryland, to be associate judge of the municipal court for the District of Columbia, domestic relations branch.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive I, 86th Congress, 2d session. The Geneva (1959) Radio Regulations, with annexes and an additional protocol, signed for the United States at Geneva on December 21, 1959 (Ex. Rept. No. 12).

BILLS AND JOINT RESOLUTION INTRODUCED OR REPORTED

Bills and a joint resolution were introduced, or reported, read the first time, and, by unanimous consent, the second time, and referred or placed on the calendar, as follows:

By Mr. DOUGLAS:

S. 2614. A bill for the relief of Mr. and Mrs. Alfredo Hua-Sing Ang; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. LONG of Missouri):

S. 2615. A bill for the relief of the B Amusement Co. (Robert H., J. C., Kenneth, and Mrs. J. R. Bowers) and others; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2616. A bill to establish Grand View National Park, Needles National Park, and Upheaval Dome National Park in the State of Utah; to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

S. 2617. A bill to provide for the designation of qualified interpreters to assist defendants who are unable because of deafness to understand proceedings in Federal criminal actions, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON:

S. 2618. A bill to amend the War Claims Act of 1948, as amended, to provide for certain World War II losses; placed on the calendar.

(See the remarks of Mr. JOHNSTON when he reported the above bill, which appear under the heading "Reports of Committees".)

By Mr. HRUSKA:

S. 2619. A bill to amend Public Law 85-752 to give the Federal courts discretion to sentence thereunder certain narcotics addicts convicted of violating a law of the United States relating to narcotic drugs or marihuana, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. HRUSKA when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2620. A bill to provide for United States participation in international programs of assistance which utilize agricultural commodities, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. McGEE:

S.J. Res. 142. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

INTERPRETERS FOR DEAF DEFENDANTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to provide for designation by Federal courts and the courts of the District of Columbia of qualified interpreters for deaf defendants in criminal cases whenever the courts determine that a defendant is unable to understand the proceedings because of deafness. This is an attempt to remedy a situation which was brought to my attention in the case of a resident of the District of Columbia who was prosecuted and convicted for a pedestrian traffic violation and because of total deafness was unable to hear or understand the proceedings.

The sixth amendment of the U.S. Constitution guarantees to criminal defendants the right to be confronted with the witnesses against them. However, the few judicial decisions regarding deaf defendants, while recognizing that this right is substantially impaired by deafness, indicate that the courts have wide discretion as to how interpretation for deaf persons shall be accomplished, and even as to whether any interpretation is made at all. Accordingly, this bill is designed to assure that in all cases a uniform technique in the Federal courts and in the courts of the District of Columbia is readily available for protection of the rights of such defendants.

This is, of course, one part of a much larger problem involving the protection generally of the rights of criminal defendants who are in any way incapacitated from adequately defending themselves. I am a cosponsor of S. 655 introduced by Senator KEFAUVER, one of several bills introduced to provide for legal representation of indigent defendants in criminal cases in the Federal district courts. These bills are pending before the Senate Judiciary Committee, whose Subcommittee on Constitutional Rights issued an excellent study of the problem in April of this year and strongly urged that immediate hearings be held on the measures by the full committee.

I hope that the committee will consider both problems—deaf defendants and indigent defendants—in the near future. The Federal court system must continually be improved so that it will serve as an example of the manner in which our institutions protect the rights of all citizens.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2617) to provide for the designation of qualified interpreters to assist defendants who are unable because of deafness to understand proceedings in Federal criminal actions, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF PUBLIC LAW 85–752, TO PERMIT FEDERAL COURTS DISCRETION TO SENTENCE CERTAIN VIOLATORS REGARDING NARCOTIC DRUGS OR MARIHUANA

Mr. HRUSKA. Mr. President, serious consideration has undoubtedly been given in many quarters to the proposal of the Senators from New York that a White House Conference on Narcotics, similar in concept to White House conferences on education, youth and child welfare, be held at an early date. Such a conference would undertake to evaluate present methods and to study the merits of other proposals for solving, or at least reducing, the problems of drug traffic and addiction.

In that connection, the bill which I have now introduced could be included in any such study, in order that the Congress might have the benefit of the views of the representatives of law-enforcement groups, the courts, the social agencies, and other organizations with an expert knowledge of this subject invited to participate in the conference when it undertakes, as the Congress eventually must, a thorough review of the present policies and practices in this field.

The bill stems from work done by the Senator from Nebraska with the Senate Subcommittee on National Penitentiaries. During my inspection of Federal institutions, I have encountered a situation requiring corrective action by the Congress. The situation is created by the failure of the Narcotics Control Act of 1956 to provide for the use of some discretion on the part of the courts in making distinctions between racketeers or major peddlers and their victims, the addicts.

The philosophy inherent in the Narcotics Control Act, namely, that trafficking in drugs is an extremely serious offense, and should be so regarded by the community and law-enforcement officials—is eminently sound and beyond dispute. No one acquainted with the human misery brought about by drug traffic and addiction can have sympathy for narcotic racketeers and large-scale peddlers.

But there is a growing feeling that the problem of addiction itself should be met by means other than mandatory long prison sentences. The 1961 report of the Joint Committee of the American Bar Association and the American Medical Association on Drugs, for example, comments on the "dissatisfaction within the legal and medical professions concerning current policies which tend to emphasize repression and prohibition to the exclusion of other possible methods of dealing with addicts and the drug traffic."

The report recognizes that drug peddling is a vicious and dangerous crime, but it questions "whether severe jail and prison sentences are the most rational way of dealing with the narcotic addicts." And it asserts that the narcotic drug addict "because of his physical and physiological dependence on drugs and because of his frequent abnormal personality patterns should be as much a subject of concern to medicine and public health as to those having to do with law enforcement."

The inflexibility of the Narcotics Control Act has been the subject of criticism by our Federal judiciary. The Ninth Circuit Judicial Conference in 1959 recommended that a more constructive approach be found on the basis that—

> The Federal courts have been deprived of all discretion in providing for the individualized treatment of the victims of the drug traffickers; and Federal judges in sentencing violators of the Narcotic Control Act are given no opportunity to distinguish, when pronouncing sentence, between the greedy narcotic racketeer on the one hand, and his hapless victim on the other, or between those addicted to opium and its derivatives and those who use marihuana.

Last year, 650 addicts were committed to prison, for violations of the Narcotics Control Act—many of them youths and first offenders. Referring to my report submitted to the National Penitentiaries Subcommittee, I have already observed that:

> The Bureau of Prisons is confronted with a difficult problem of growing proportions with the men sentenced for narcotic violations. None in this group are eligible for parole under the Narcotics Control Act of 1956. For increasing numbers this category of prisoners face the prospect of serving their entire lives in prison or eventually being released at an extremely advanced age. One youth, a mentally defective epileptic, is serving a life sentence for selling narcotics; he is the only lifer in the Federal Prison System, regardless of how heinous the offense, who was ineligible for parole. A 36-year-old drug addict is serving an 80-year sentence on a similar charge.
>
> Other cases included a 34-year-old honorably discharged veteran who was serving 50 years for selling marihuana, his first offense of any kind; a 33-year-old man whose only previous charge was a traffic misdemeanor is serving 40 years for selling marihuana; and a number of individuals now in their early forties who were serving similarly long sentences for narcotics offenses. They will be 80 years old or more before they can be released under present statutes. The mounting evidence of such cases literally stagnated in our prison system and the disturbing effect this has on effective programs of treatment and rehabilitation warrant a thorough review by the Congress of the Narcotics Control Act of 1956, particularly in regard to this one aspect (S. Rept. 170, 87th Cong., 1st sess., p. 26).

In these situations, the present statutory requirement of a mandatory sentence of imprisonment, with no provision for parole, not only frustrates the search for reasonable justice; it ignores the real problem which the drug addicts represent. An addict imprisoned under the Narcotic Control Act is certainly kept away from drugs over a long period of time; but the very length of his term leaves him with very little basis or motivation to rehabilitate himself. The medico-psychological problems which his addiction really involve are largely unmet, because his imprisonment postpones for too long the essential final phase of his treatment which must be undertaken in the community.

In 1958, the Congress enacted Public Law 85–752, providing for indeterminate sentences up to the maximum provided by law, an extension of the upper age limits under the Federal Youth Correction Act from 21 to 25 years of age, commitments for diagnosis and observation, and the creation of judicial sentencing institutes to develop a more consistent pattern of sentencing in the Federal judiciary. The maximum statutory terms provided for crime were left untouched, but the correctional institutions and the parole boards were given an increased measure of latitude in dealing with prisoners. This enabled them to improve the degree of continuity between the institutional and community phases of the offender's treatment and to establish more specific and realistic rehabilitative goals to be accomplished by the offender. The act, however, did not apply to any offense carrying a mandatory penalty.

The bill which I have now introduced today would continue the criminal dispositions of addict offenders. However, it also authorizes a form of sentence which would contribute to their treatment and cure. Briefly, for addicts who must now be sentenced under the mandatory no-parole provisions of the Narcotics Act, this bill would establish eligibility for sentencing under the indeterminate provisions of Public Law 85–752, if the court felt, and so found, that they would be benefited thereby.

The bill is not a lenient one. It does not diminish the mandatory minimum terms now provided by the Narcotics Control Act. It merely vests in the court discretion to commit the addicted offender under the mandatory no-parole provisions of the Narcotics Control Act, or, in an appropriate situation, under the indeterminate sentencing alternatives of the 1958 sentencing statute. Thus, the court could make a distinction between the major offender and the simple addict, which now is denied it under the Narcotics Control Act. However, even when the offender was an addict, the court could still commit him under the no-parole provisions of the Narcotics Control Act if the court felt he was a major offender and that protection of the public dictated his extended incarceration.

The bill does, however, offer the flexibility needed in providing for the medical treatment of the addict, when that is a primary consideration. It would make the addicts sentenced under its provisions eligible for parole when, in the opinion of the board of parole, their institu-

tional treatment had progressed to the point where they were promising candidates for release under supervision. The conditions of their parole could very well include whatever restrictions or requirements might appear necessary in the individual cases, including periodic medical examinations to determine whether they have relapsed in their addiction.

With this legislation, it becomes possible for addicts convicted of narcotic violations to receive medical treatment in an institution and the followup care in the community that is essential to a narcotic cure. It would, nevertheless, permit the retention in custody for a substantial term of addicted offenders who remained poor prospects for a useful community life.

At an early date in the 2d session of the 87th Congress, I will urge that hearings be conducted on this bill and on related bills to obtain the views of interested agencies and groups.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, in connection with my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2619) to amend Public Law 85–752 to give the Federal courts discretion to sentence thereunder certain narcotics addicts convicted of violating a law of the United States relating to narcotic drugs or marihuana, and for other purposes, introduced by Mr. HRUSKA, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4208 of title 18 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding the provisions of section 7 of the joint resolution of August 25, 1958 (72 Stat. 845), the provisions of this section shall be applicable in the case of any individual who, on or after the date of enactment of this subsection, is convicted of violating a law of the United States relating to narcotic drugs or marihuana and for the violation of which a minimum mandatory penalty is prescribed, if such individual, at the time he committed the violation for which he was so convicted, was an addict as defined in section 2(k) of the Public Health Service Act (58 Stat. 682), and if the court finds that there is reasonable grounds to believe that the defendant will benefit from the treatment provided under section 4208."

SEC. 2. Section 4209 of title 18 of the United States Code is amended (1) by inserting "(a)" immediately before the first sentence thereof, and (2) by adding at the end of such section the following new subsection:

"(b) The provisions of section 7 of the joint resolution of August 25, 1958 (72 Stat. 845), shall not bar the application of the provisions of subsection (a) of this section in the case of any individual who, on or after the date of enactment of this subsection, is convinced of violating a law of the United States relating to narcotic drugs or marihuana and for the violation of which a minimum mandatory penalty is prescribed, if such individual, at the time he committed the violation for which he was so convicted, was an addict as defined in section 2(k) of the Public Health Service Act (58 Stat. 682), and if the court finds that there is reasonable grounds to believe that the defendant will benefit from the treatment provided under section 4209."

SEC. 3. Notwithstanding any other provision of law, the provisions of subsection (d) of section 7237 of the Internal Revenue Code of 1954 shall not be applicable in the case of any individual who, on or after the date of the enactment of this Act, is convicted of any offense referred to in such subsection, if such individual, at the time he committed the offense for which he was so convicted, was an addict as defined in section 2(k) of the Public Health Service Act (58 Stat. 682), and if the court finds that there is reasonable grounds to believe that the defendant will benefit from treatment provided under sections 4208 and 4209.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO SUPPLEMENTAL APPROPRIATION BILL, 1962

Mr. JAVITS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely, at the end of the bill add the following:

"NEW YORK WORLD'S FAIR, 1964–65

"The President is authorized, through such agency or agencies as he may designate, to investigate and make plans and other necessary preliminary determinations and arrangements, including development of theme, proposed exhibit structures, and content for United States participation in the New York World's Fair, to be held in 1964 and 1965.

"The President shall report to the Congress as soon as practicable, but not later than January 15, 1962, his recommendations for such United States participation. No commitments shall be made regarding the scope or nature of such participation except as thereafter authorized by the Congress.

"There shall be within a designated agency the United States Commissioner for the New York World's Fair, whom the President shall appoint, by and with the advice and consent of the Senate, and who shall be compensated at the rate applicable to an Assistant Secretary. The head of the designated agency shall prescribe the duties of the Commissioner and may delegate to him such powers and duties as are deemed advisable in carrying out the preliminary work authorized by this Act and such actual participation as may finally be determined upon and authorized by the Congress.

"The functions authorized hereunder may be performed without regard to such provisions of law or other limitations of authority as the President may specify relating to the employment and compensation of personnel, procurement of goods and services, by contract, and acceptance of voluntary services and other contributions.

"There is hereby authorized to be appropriated not to exceed $200,000 to carry out the provisions of this Act."

Mr. JAVITS also submitted an amendment, intended to be proposed by him to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 22, 1961, he presented to the President of the United States the following enrolled bills:

S. 302. An act to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes;

S. 558. An act to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia;

S. 564. An act to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland;

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain vehicle operators' licenses;

S. 2102. An act to redesignate the Jefferson division of the eastern district of Texas as the Marshall division;

S. 2295. An act to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890;

S. 2397. An act authorizing the National Capital Transportation Agency to carry out part I of its transit development program and to further the objectives of the act approved July 14, 1961 (74 Stat. 537);

S. 2476. An act to amend section 207 of the Military Construction Act of 1960 in order to clarify the authority granted under such section to the Secretary of the Navy to exchange certain lands owned by the United States for lands owned by the State of Oregon;

S.J. Res. 51. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; and

S.J. Res. 66. Joint resolution to amend the joint resolution providing for membership and participation by the United States in the Inter-American Children's Institute.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. HART. Mr. President, if there is no further business to come before the Senate, pursuant to the order entered previously, I move that the Senate adjourn until 9 a.m. tomorrow.

The motion was agreed to; and (at 10 o'clock and 40 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Saturday, September 23, 1961, at 9 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate September 22, 1961:

DISTRICT OF COLUMBIA MUNICIPAL COURT

Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years. He is now serving in this office under an appointment which expired December 7, 1960.

U.S. MARSHALS

John C. Ward, of West Virginia, to be U.S. marshal for the southern district of West Virginia for the term of 4 years, vice Russell R. Bell.

Alvin Grossman, of New York, to be U.S. marshal for the western district of New York for the term of 4 years, vice George M. Glasser.

Richard J. Jarboe, of Indiana, to be U.S. marshal for the southern district of Indiana for a term of 4 years, vice Robert C. McFadden.

Leo A. Mault, of New Jersey, to be U.S. marshal for the district of New Jersey for the term of 4 years, vice Joseph F. Job.

Joseph W. Keene, of Louisiana, to be U.S. marshal for the western district of Louisiana for the term of 4 years, vice Donald C. Moseley.

U.S. ATTORNEY

Clinton N. Ashmore, of Florida, to be U.S. attorney for the northern district of Florida for a term of 4 years, vice Wilfred C. Varn.

Marjorie Maki, of Minnesota, to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

Kenneth E. Francis, Oakland, Calif., in place of C. C. Herrick, retired.

FLORIDA

W. Joel Beckham, Ocala, Fla., in place of W. K. Read, resigned.

ILLINOIS

Charles H. Roberts, Salem, Ill., in place of C. H. Roberts, transferred.

INDIANA

Arthur E. Hiester, Bremen, Ind., in place of H. G. Carbiener, retired.

LOUISIANA

Robert J. LeBlanc, Abbeville, La., in place of E. J. LeBlanc, deceased.

NEBRASKA

Alfred A. Jorgensen, Fairmont, Nebr., in place of G. W. White, retired.

Vern C. Hendricks, Plattsmouth, Nebr., in place of L. W. Niel, retired.

NEW YORK

Thomas J. Dolan, Dover Plains, N.Y., in place of K. C. Lasher, removed.

NORTH CAROLINA

Irene S. Coffey, Blowing Rock, N.C., in place of H. C. Robbins, resigned.

OHIO

Daniel B. Slack, Jr., Westerville, Ohio, in place of S. O. Kreischer, retired.

OKLAHOMA

Charles O. Blew, Cherokee, Okla., in place of P. L. Brown, deceased.

PENNSYLVANIA

John J. Bocinec, Tarentum, Pa., in place of J. W. Venables, retired.

Esther T. Williams, Thorndale, Pa., in place of L. E. Port, retired.

RHODE ISLAND

Ellen L. Costanza, Bradford, R.I., in place of T. F. Eldridge, deceased.

SOUTH CAROLINA

John C. Wells, Bennettsville, S.C., in place of H. S. Covington, retired.

TEXAS

A. Fred England, Commerce, Tex., in place of L. W. Rutland, retired.

Clifford L. Hudgin, Welch, Tex., in place of W. I. Liles, retired.

UTAH

Grace H. Parker, Hooper, Utah, in place of F. M. Manning, retired.

WEST VIRGINIA

Lon L. Lewis, Jr., West Hamlin, W. Va., in place of D. W. Oxley, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate, September 22, 1961:

COLLECTOR OF CUSTOMS

D. Patrick Ahern, of California, to be collector of customs for customs collection district No. 27, with headquarters at Los Angeles, Calif.

Peter W. Princi, of Massachusetts, to be collector of customs for customs collection district No. 4, with headquarters at Boston, Mass.

FEDERAL POWER COMMISSION

Charles Robert Ross, of Vermont, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1964.

SECURITIES AND EXCHANGE COMMISSION

Manuel Frederick Cohen, of Maryland, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1963.

Jack Melville Whitney II, of Illinois, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1964.

U.S. COAST GUARD

The following-named persons to the rank indicated in the U.S. Coast Guard:

To be chief warrant officers (W–4)

Hudson M. Cooper	Emile J. Dreuil
Edmond S. Handor	Augustus R. Mackriss
Thomas R. Warren	Rudolph Grady
Cecil E. Phillips	Thomas J. Kiernan
Robert H. Doyle	Harold M. Schiffbauer
Gale T. Blundell	Lloyd M. Probst
Louis Sandler	Frank J. Macedonia
James B. Gaffney	Roscoe Smith
Harold M. Ball	John H. Elliott

To be chief warrant officers (W–3)

Alvin R. Rutz	William T. Dickinson
Karl V. Macklin	Joseph W. Ellis
Carl A. Simon	Henry T. Hutchins
Raymond C. Buday	Harold A. C. Duchene
Richard R. Spencer	Henry N. Marsh
Boyd M. Smith	Herman H. Korf
Frank E. Smith	Earl R. Gard
Albert Solberg	Norman W. Zelck
Raymond J. White	Starr C. Burgess
John H. Forbing	Osborne Estelle
Burton B. Watkins	Carl F. Michael
Donald H. Bangs	Frank B. Wright
Herman J. Lentz	Wendell M. Cahill
John C. Horton	Michael O'Connell
William O. Caverly	

To be chief warrant officers (W–2)

William L. Taylor	Robert W. Oviatt
Paul R. Saylor	Harold F. McPherson
Laurin J. Wiersema	Chester R. Brooks
Ivey N. McClure	Robert H. Piper
Joseph A. Kalczynski	Earl F. Hauser
Wayne Kangas	Sam Haas, Jr.
Francis J. Taddei	Herbert M. Collins
Homer T. Austin, Jr.	Melvin W. Ellis, Jr.
Andrew L. Holeman	H. V. Parkin III
Delaney J. Elliot	Herbert W. Bagg
John H. Lee	Valentine Gaida
Marvin L. Olson	

HOUSE OF REPRESENTATIVES

FRIDAY, SEPTEMBER 22, 1961

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 145: 18: *The Lord is nigh unto all them that call upon Him, to all that call upon Him in truth.*

Almighty God, by whose grace we have been brought to a new day, may all of its hours be radiant with Thy presence and may we find our delight in doing Thy will.

Grant that we may experience a renewal of dedication and devotion as we become more fully and fervently imbued with a sense of mission.

Make us strong and valiant in these times when there are forces of evil which have no respect for the freedom and rights of man.

May the divisions and dissensions that prevail among the nations soon come to an end and all the members of the human family be bound together into a deeper and more joyous fellowship.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 8652. An act relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a United States Air Force aircraft at Midwest City, Okla.; and

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 167. An act to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes;

S. 383. An act to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes;

S. 970. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Mid-State reclamation project, Nebraska, and for other purposes;

S. Con. Res. 41. Concurrent resolution endorsing the World Economic Progress Exposition; and

S. Con. Res. 47. Concurrent resolution to print additional copies of report entitled "Freedom of Communications."

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4750) entitled "An act to amend section 6(a) of the Virgin Islands Corporation Act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. JACKSON, Mr. CARROLL, Mr. DWORSHAK, and Mr. KUCHEL to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8291) entitled "An act to enable the United States to participate in the assistance rendered to certain migrants and refugees," disagreed to by the House; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. HUMPHREY, Mr. WILEY, and Mr. HICKENLOOPER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8444) entitled "An act to amend the act of August 12, 1955, relating to elections in the District of Columbia," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. MORSE, and Mr. PROUTY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) entitled "An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes."

The message also announced that the Senate requests that the House return to the Senate the bill (H.R. 8558) entitled "An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the Report of the Archivist of the United States numbered 62–7.

PEACE CORPS

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted the Speaker pro tempore on Thursday, September 21, 1961, he did on that day sign the following enrolled bill of the House:

H.R. 7500. An act to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower.

TOP-LEVEL POSITIONS IN THE GOVERNMENT

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7377) to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

The Chair hears none and appoints the following conferees: Messrs. MURRAY, JAMES C. DAVIS, DULSKI, HENDERSON, CORBETT, GROSS, and JOHANSEN.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House on the bill H.R. 7377 have until midnight to file a conference report on that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE HONORABLE PAUL J. KILDAY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I was pleased to read the many tributes paid to our colleague, the Honorable PAUL KILDAY of Texas, during yesterday's session of the House. The best speech I could make at this point would be to say I concur completely in the many fine things said about PAUL KILDAY in those tributes. I know of no one more deserving of the admiration of his colleagues than the gentleman from Texas.

I came to Congress in 1945 and was assigned to the Military Affairs Committee. That was my good fortune because it marked the beginning of a long association with PAUL KILDAY, which was continued to this day through service on the House Armed Services Committee.

There is no adequate way to measure the importance of PAUL KILDAY's service to members of the armed services of this Nation. He was the leading force in most of the beneficial legislation for servicemen which has been enacted in the past 20 years.

His sharp legal mind, his retentive memory, served his colleagues on the Armed Services Committee in assisting them in following legislative programs before the committee. In my 18 years in Congress I have never known a more able legislator, either in the tedious writing of legislation in committee or in the presentation of it on the House floor. In both instances PAUL KILDAY was a master.

It is fitting that his great ability should be recognized by the President of the United States by his appointment to the Court of Military Appeals, because PAUL KILDAY was the architect of the legislation creating the present code of military justice. No one has shown greater interest in this field than the gentleman from Texas.

I join my House colleagues in expressing their regret in losing PAUL KILDAY in this Chamber, but because I know of his own happiness in going to a judicial bench in an area in which he had such deep interest, I congratulate PAUL and I assure him he carries with him my sincere good wishes.

CRISIS IN THE U.N.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, the free world is saddened by the death of Dag Hammarskjold. He made a valiant effort to hold the United Nations together and to have it contribute to the cause of peace and understanding. It would be a cruel thing to say that the U.N. is as dead as its Secretary General, and that to mourn the passing of one is to mourn the passing of both. But cruel or otherwise, there is little else to say about that organization which once carried such high hopes. Possibly leadership can be found which will breathe new life and new hopes into it. I hope this is to be the case. If it does not happen soon, the best course could be speedy burial for an organization which is now little more than a sounding board for propaganda, most of it directed against us.

I regret to state that I am disillusioned with the United Nations, but I am. There is still a chance for it to justify its existence, but I am not optimistic. The United Nations is in crisis. Many of its members make no pretense of paying their bills. The Russians pay for no activities which they do not support. In consequence the costs are passed on to us. A large number of U.N. members are new nations, representing little bits and pieces of territory, few of them with reason for being in existence. Yet the rawest nation from the deepest jungle in Africa has exactly the same vote in the U.N. that the United States has. Recently the U.N. directed an attack on the Province of Katanga in the Congo. By no

stretch of the imagination is there authority for the U.N. to settle internal problems of government within nations. Strangely enough this action, for which the United States will pay most of the bill, was beneficial only to Communist aims. The Katanga government is pro-Western. The Congo Government claims to be neutral but it has in it many with Communist leanings.

We are close to being in the minority in the U.N. We are hard pressed to maintain a majority position in matters of fundamental importance to the future of the free world. Witness the growing clamor for the admission of Red China to the U.N. The U.N. shunned a strong case against Russia in the rape of Hungary; has been unable to achieve a settlement in Korea, and seems largely unconcerned with Russia's course on Berlin or about the renewal of nuclear testing. It appears safe to say the U.N. is being used more and more successfully by Russia as a vehicle to promote Communist aims. Through it all, uncertain neutrals, nearly all of them feeding at our table, seem unable to comprehend the U.N. as anything more than a debating society.

It is time for an awakening. Sentiment will dictate that we should continue our support for the U.N., just because it is the right thing to do. What's right for this Nation and for freedom may be entirely different and this is the more important thing to me. We should make a new and a positive effort to awaken the U.N. to its responsibilities. We should provide strong leadership which clearly delineates the choice before the world between democracy and communism. We should insist upon a proper sharing of the costs of the U.N. But failing to achieve a realistic response, we should be prepared to cut the purse strings, to make new alliances with those nations who recognize that their security and ours are identical, and if necessary we should turn our backs upon this latest and presently disappointing alliance for world understanding.

THE LATE HONORABLE OVERTON BROOKS

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. VINSON] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. VINSON. Mr. Speaker, we were saddened last Saturday, September 16, to learn of the death of our very distinguished colleague, the late Overton Brooks.

Overton Brooks most assuredly died in the service of the Nation he so dearly loved.

He was indefatigable and even up to the last moments of his life, concerned himself with the problems of our space program and all of its connotations for the future security of the Nation.

For many years, he served as a member of the Military Affairs Committee. In 1947 he became a member of the Armed Services Committee. As we worked together, I soon learned that he was dedicated not only to his work as a Member of Congress, but to the security of the Nation and especially to the Reserve Forces that constitute such a vital segment of our national defense.

He eventually earned the unchallenged title of "Mr. Reserve."

I think it is fair to say that Overton Brooks contributed more than any other man in the Nation to the building up of a strong Reserve structure as a part of our Armed Forces.

When he assumed the grave and heavy responsibilities of chairman of the Science and Astronautics Committee, he continued to exercise that same degree of devotion to duty, dedication to national problems, and willingness to work long and arduous hours, in the interests of our Nation.

Overton Brooks was a veteran of World War I. I think it can be truly said that he was also a veteran of the cold war, and, most assuredly, a casualty of the cold war.

I extend to his bereaved family my heartfelt sympathy.

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, I desire to pay my tribute to OVERTON BROOKS with whom I have served in the House of Representatives for 21 years. He was a gentleman of the old school, a dedicated and patriotic American whom we shall keenly miss. He was a devoted legislator, an able, conscientious citizen; he was a loving father and a good husband. His district and the State of Louisiana mourn his passing which is a matter of sadness to all of us. His unquestioned integrity and his devotion to his country were clearly evident to all of us who were privileged to know him and to work with him. I am one of those who had the honor to serve with him on the Committee on Armed Services for many years and to come to know him well. Though his untimely passing deprives us of his presence here, it is consoling to know this man leaves the greatest heritage that a man can leave, that of a good name, that of having served his party, his Nation, and his family with honor and integrity. To his family I extend my deepest sympathy and condolences. His service to his district and the Nation leaves a monument of which all of his family and his friends can be proud.

VETERANS OF THE INDIAN WARS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3587) to amend section 612 of title 38, United States Code, to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

After line 6, insert:

"SEC. 2. The period referred to in section 1712 of title 38, United States Code, shall not end before June 18, 1963, with respect to pursuit of a program of education or special restorative training under chapter 35 of such title 38 by an eligible person who (1) had not reached his twenty-third birthday on June 29, 1956, and (2) resided in the Republic of the Philippines during all or part of the period June 29, 1956, through June 18, 1958."

Amend the title so as to read: "An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the first section of this bill provides outpatient treatment for veterans of the Indian wars on the same basis as is provided for veterans of the Spanish-American War. Under the terms of Public Law 791 of the 81st Congress, which has now been codified into title 38, United States Code, as section 612(e), all disabilities of the Spanish-American War group are considered to be service connected for the purpose of outpatient care and treatment.

According to the Veterans' Administration, as of August 31, 1961, there were 28 veterans of the Indian wars currently on the pension rolls. Their ages range from 79 to 99 with an average age of 91.1 years.

H.R. 3587 originally passed the House on March 6, 1961, and was reported in the Senate on September 12, 1961.

The cost of this particular section would be quite small for obvious reasons.

Section 2 of this bill, Mr. Speaker, would afford all eligible persons under age 23 on June 29, 1956, the date of enactment of the War Orphans Educational Assistance Act, a full 5 years after the effective date of Public Law 85-460—June 18, 1958—in which to avail themselves of the benefits of this program. Thus, while under existing law the eligibility period for many trainees in the Philippines ended June 29, 1961, this

bill would automatically extend this period to June 18, 1963.

The original act of 1956 did not authorize the taking of training in the Republic of the Philippines. Subsequently, Public Law 85–460, effective June 18, 1958, permitted such training. That law, however, did not make any exception to the deadlines for residents of the Philippines. Thus, a number of eligible persons who were within the age limits when the original law became effective had, in practical effect, only 3 years and 11 days instead of the intended 5 years in which they could use their 36 months' educational entitlement. This is due to the fact that the pursuit of training under the basic law is generally limited to the ages between 18 and 23.

After the enactment of Public Law 85–460, two other amendments to the basic law have been made extending the program to children of the veterans of the Spanish-American War and to children of certain peacetime veterans whose deaths resulted from service. In these two amendments, a provision was contained to the effect that persons under 23 years of age on the date of enactment and who first became eligible as the result of the amendment would have a full 5 years thereafter to pursue their program of education.

The Veterans' Administration reports that in 1962 there would be a monthly average of 1,730 trainees at a direct annual cost of $2,850,000 and that in 1963 the monthly average would drop to 570 at the annual cost of $940,000, or a total cost of $3,790,000.

Mr. Speaker, section 2 of this measure passed the Senate as S. 2051 on June 21, 1961, and passed the House under suspension of the rules on September 6, 1961. The House passed this bill with an amendment which, in effect, was the provisions of H.R. 879, as unanimously passed by the House on June 5, 1961. This was the service-connected compensation bill which apparently the other body has decided to drop.

PRIVATE CALENDAR

The SPEAKER pro tempore. In accordance with the unanimous-consent request granted yesterday, the call of the Private Calendar is now in order. The Clerk will call the first bill on the calendar.

MIN-SUN CHEN

The Clerk called the bill (S. 316) for the relief of Min-sun Chen.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GIUSEPPE ANIELLO

The Clerk called the bill (H.R. 1352) for the relief of Giuseppe Aniello.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. CHOW CHUI HA

The Clerk called the bill (S. 1934) for the relief of Mrs. Chow Chui Ha.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ELWOOD BRUNKEN

The Clerk called the bill (S. 631) for the relief of Elwood Brunken.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

HOWARD B. SCHMUTZ

The Clerk called the bill (S. 651) for the relief of Howard B. Schmutz.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

H. K. FERGUSON CO. AND THE MACCO CORP.

The Clerk called the resolution (H. Res. 371) for the relief of the H. K. Ferguson Co. and the Macco Corp.

There being no objection, the Clerk read the resolution as follows:

Resolved, That the bill (H.R. 8071) entitled, "A bill for the relief of the H. K. Ferguson Company and the Macco Corporation", together with all accompanying papers, is hereby referred to the Court of Claims subject to its rules and pursuant to sections 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, such findings of fact, including facts relating to delay or laches, facts bearing upon the question whether the bar of any statute of limitation should be removed, or facts claimed to excuse the claimant for not having resorted to any established legal remedy, and conclusions based on such facts as shall be sufficient to inform Congress whether the demand is a legal or equitable claim or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DR. ROBERT E. HILLER

The Clerk called the bill (H.R. 6938) for the relief of Dr. Robert E. Hiller.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Doctor Robert E. Hiller, an employee of the United States Air Force in Germany, is hereby relieved of liability to the United States in the amount of $1,755.20. Doctor Hiller accepted employment in good faith at a beginning salary of $12,555 per annum, having stated in his application for employment that $12,500 per annum was the minimum salary he would accept. The beginning salary and an increase thereafter granted was, as a result of administrative error, more than he might lawfully be paid, the difference in all amounting to $1,755.20 during the period from September 3, 1958, when he was hired, to August 6, 1960, when the error was corrected. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Doctor Robert E. Hiller, an amount equal to the aggregate of the amount paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 14, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE B. OLMSTEAD

The Clerk called the bill (H.R. 8779) for the relief of George B. Olmstead.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That George B. Olmstead is hereby relieved of all liability for repayment to the United States of the sum of $2,196.80, representing overpayment of compensation he received, through administrative error, as an employee of the Department of the Air Force, Air Force Technical Applications Center, Headquarters, United States Air Force, in the period between July 13, 1958, and November 12, 1960.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said George B. Olmstead, the sum of any amounts received or withheld from him on account of the overpayment referred to in the first section of this Act.

With the following committee amendment:

Page 1, line 4, strike out "$2,196.80" and insert "$1,866.40".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. CARL F. ROMNEY

The Clerk called the bill (H.R. 8780) for the relief of Dr. Carl F. Romney.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WALTER SINGLEVICH

The Clerk called the bill (H.R. 8781) for the relief of Walter Singlevich.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

HARRY A. SEBERT

The Clerk called the bill (H.R. 8947) for the relief of Harry A. Sebert.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

MAJ. LEONARD H. POTTERBAUM, U.S. AIR FORCE

The Clerk called the bill (H.R. 9059) for the relief of Maj. Leonard H. Potterbaum, U.S. Air Force.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

STANLEY HAYMAN & CO., INC.

The Clerk called the bill (H.R. 1288) for the relief of Stanley Hayman & Co., Inc.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

KENNETH STULTZ

The Clerk called the bill (H.R. 2147) for the relief of Kenneth Stultz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Kenneth Stultz, of Columbia, Missouri, is hereby relieved of liability to the United States in the amount of $579.56, the amount by which he was overpaid as a regular clerk in the postal service during the periods from July 1, 1953, to May 17, 1957, inclusive, and from July 12, 1958, to April 30, 1960, inclusive. Such overpayments were made as a result of an administrative error on the part of the Post Office Department in determining the longevity increases to which he was entitled. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Kenneth Stultz, of Columbia, Missouri, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 11 and 12, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENE H. KING

The Clerk called the bill (H.R. 2969) for the relief of Gene H. King.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and he is hereby, authorized and directed to relieve Gene H. King of all liability to refund to the United States the sum of $200. Such sum represents per diem paid him for the period April 27, 1956, to June 5, 1956, while he was stationed at Fort Devens, Mass., as a second lieutenant in the United States Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS C. WHEELER

The Clerk called the bill (H.R. 3487) for the relief of Louis C. Wheeler.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis C. Wheeler, doing business as Sun Valley Construction, East Greenwich, Rhode Island, the sum of $7,958.85, together with interest from the due date of October 10, 1957. The payment of such sum shall be in full settlement of all claims of Louis C. Wheeler against the United States for amounts due such person as a subcontractor to Maguire Homes, Inc., under the contract entered into by Maguire Homes, Inc., and the New England Division, Corps of Engineers, United States Department of the Army, for the construction of housing at the North Kingstown, Rhode Island, Nike site: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. Upon the payment to Louis C. Wheeler of the sum authorized by the first section of this Act, all rights and remedies of such person against Maguire Homes, Inc., to recover amounts due such person as a subcontractor to such corporation under the contract referred to in such first section, shall be transferred to the United States.

With the following committee amendment:

Page 1, lines 7 and 8, strike out "together with interest from the due date of October 10, 1957".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GILES L. MATTHEWS

The Clerk called the bill (H.R. 3710) for the relief of Giles L. Matthews.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Giles L. Matthews, 1025 Roma Avenue Northeast, Albuquerque, New Mexico, is hereby relieved of all liability to repay to the United States the sum of $1,563.50 representing an overpayment of compensation incident to his transfer to the position of chief, special procedures section of the collector's office, district of New Mexico, of the Internal Revenue Service, in the grade of GS–9 from the period April 1956 to April 1960. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of any amounts refunded by the said Giles L. Matthews or withheld from amounts otherwise due him because of the liability referred to in section 1 of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SP5 DANIEL J. HAWTHORNE, JR.

The Clerk called the bill (H.R. 4365) for the relief of Sp5 Daniel J. Hawthorne, Jr.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the

Treasury not otherwise appropriated, to Specialist Five Daniel J. Hawthorne, Junior, United States Army, the sum of $284, in full settlement of his claims against the United States for reimbursement of travel expenses incurred by him in connection with his travel from Fort Bliss, Texas, to North Adams, Massachusetts, during the period beginning November 4, 1959, and ending December 2, 1959, both dates inclusive. His claim for such expenses was denied because his permanent change of station orders was revoked while he was on leave prior to the time his travel from the original duty station was required. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike "$284" and insert "$266.88".

Page 2, line 5, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PRIVATE LAW 85–699

The Clerk called the bill (H.R. 5181) to amend Private Law 85–699.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act for the relief of Charles C. and George C. Finn", approved August 27, 1958 (72 Stat. A157), is amended by striking out "on September 15, 1952" and inserting in lieu thereof "on or about September 18, 1952".

SEC. 2. Notwithstanding any ruling or judgment of the United States Court of Claims under authority of Private Law 85–699, on the claim of George C. and Charles C. Finn against the United States of America filed in such court on August 27, 1959, the claim shall be heard on its merits and the proceedings in such court on such claim shall be continued after the date of enactment of this Act, and the proceedings in such court on such claim from August 27, 1959, to March 1, 1961, both dates inclusive, shall be deemed to be proceedings under Private Law 85–699, as amended by the first section of this Act.

With the following committee amendment.

"Strike out all of section 2, pages 1 and 2."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELENA M. GROVER

The Clerk called the bill (H.R. 5139) for the relief of Helena M. Grover.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations contained in section 202(h) of the Social Security Act, as amended, or any other limitation provided by law, the application of Helena M. Grover for parents insurance benefits and proof of support, filed on July 9, 1959, shall be considered to have been timely filed and acted upon in accordance with other applicable provisions of the Social Security Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. HARLEY BREWER

The Clerk called the bill (H.R. 8204) for the relief of Mr. and Mrs. Harley Brewer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Harley Brewer, of San Ildefonso Pueblo, New Mexico, the sum of $9,000. The payment of such sum shall be in full satisfaction of all their claims against the United States for compensation for losses sustained by them when they were forced to abandon a house which they had constructed on Pueblo Indian land in the State of New Mexico without having first obtained the approval of the Secretary of the Interior as required by section 17 of the Act of June 7, 1924 (43 Stat. 636): *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 3 and 4, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. WALTER H. DUISBERG

The Clerk called the bill (H.R. 8269) for the relief of Dr. Walter H. Duisberg.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Attorney General, as successor to the Alien Property Custodian, is authorized and directed to pay to Doctor Walter H. Duisberg, out of vested funds now held under the provisions of the Trading With the Enemy Act, the sum of $327,850. The payment of such sum shall be in full settlement of all claims of Doctor Walter H. Duisberg against the United States on account of matters set forth in his petition in the congressional reference case styled Walter H. Duisberg against the United States (congressional numbered 4–59). In said case the United States Court of Claims, in an order filed the 9th day of June 1961, based on a stipulation for entry of finding of fact and conclusion of law agreed to and signed by the attorneys for the respective parties therein, concluded that Doctor Walter H. Duisberg has an equitable claim against the United States for which he should be compensated in the aforesaid sum of $327,850.

SEC. 2. No part of the amount paid by the Attorney General as successor to the Alien Property Custodian in excess of 17½ per centum thereof shall be paid or delivered or received by any agent or attorney on account of services rendered in connection with securing passage of a bill in Congress for the relief of Doctor Walter H. Duisberg and the preparation and settlement of the suit in the Court of Claims entitled "Doctor Walter H. Duisberg against United States" (congressional numbered 4–59), and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRISON THOMAS HARPER

The Clerk called the bill (H.R. 8325) for the relief of Harrison Thomas Harper.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harrison Thomas Harper, of Cincinnati, Ohio, the sum of $3,500 in full settlement of all his claims against the United States for the injury to his left eye resulting from an accident which occurred on March 17, 1958, when he was working in the machine shop on an institutional assignment while in confinement at the United States penitentiary at Atlanta, Georgia: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Private Calendar for today.

ADMISSION OF CERTAIN ADOPTED CHILDREN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H.J. Res. 542) relating to the admission of certain adopted children, with Senate

amendments thereto, and concur in the amendments of the Senate.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments as follows:

Page 8, after line 13, insert:

"SEC. 34. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Gianpietro Vittorio Monetti, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Loranzy Dal Jackson, citizens of the United States."

Page 8, line 14, strike out "34" and insert "35".

Page 8, line 14, after "parents" insert "or stepparents".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4797) for the relief of certain aliens, with Senate amendment thereto, and concur in the amendment of the Senate.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 4, after "Act," insert "Marcelino Ormaechea Lamiquiz,".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. GEORGE P. MILLER. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 222]

Abernethy	Dominick	Ichord, Mo.
Adair	Dooley	Johnson, Wis.
Anderson, Ill.	Evins	Jones, Mo.
Anfuso	Fino	Karth
Ashbrook	Ford	Kearns
Barrett	Frazier	Kee
Bass, Tenn.	Garland	Kilburn
Bell	Glenn	Kilday
Berry	Goodell	Kyl
Blitch	Granahan	Landrum
Boggs	Gray	Libonati
Buckley	Griffin	Lindsay
Burke, Ky.	Hall	Loser
Byrnes, Wis.	Hardy	McDonough
Cahill	Harrison, Va.	McIntire
Carey	Harvey, Ind.	McSween
Cederberg	Harvey, Mich.	Macdonald
Celler	Hébert	Magnuson
Colmer	Hiestand	Martin, Nebr.
Cooley	Hoeven	May
Corbett	Hoffman, Mich.	Miller, N.Y.
Corman	Holifield	Morrison
Daniels	Holtzman	Moss
Dent	Horan	Moulder
Devine	Hosmer	Multer
Nelsen	Riehlman	Sullivan
Norblad	Rodino	Teague, Calif.
O'Hara, Mich.	Rooney	Thompson, La.
Osmers	Roosevelt	Tollefson
Pelly	St. George	Tupper
Pfost	Santangelo	Vinson
Pilcher	Saund	Weaver
Pirnie	Schwengel	Westland
Poage	Shelley	Williams
Powell	Short	Winstead
Quie	Siler	Wright
Rabaut	Slack	Young
Rains	Smith, Calif.	Younger
Reifel	Smith, Iowa	Zelenko
Reuss	Spence	

The SPEAKER pro tempore. On this rollcall, 315 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PRINTING ADDITIONAL COPIES OF REPORT ENTITLED "FREEDOM OF COMMUNICATIONS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent to take from the Speaker's table the concurrent resolution, Senate Concurrent Resolution 47, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed ten thousand additional copies each of parts I, II, and III of Senate Report Numbered 994, Eighty-seventh Congress, entitled "Freedom of Communications", prepared pursuant to S. Res. 305, Eighty-sixth Congress, of which two thousand five hundred copies shall be for the use of the Senate, two thousand five hundred copies shall be for the use of the House of Representatives, and five thousand copies shall be for the use of the Senate Committee on Commerce.

SEC. 2. There shall be printed five thousand additional copies of each of parts IV, V, and VI of said report for the use of the Senate Committee on Commerce.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

TRAVEL EXPENSES FOR STUDENT TRAINEES

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 8798) to amend section 7 of the Administrative Expenses Act of 1946, as amended.

The Clerk read the title of the bill.

Mr. BROWN. Mr. Speaker, will the gentleman explain briefly what the bill does?

Mr. BROOKS of Texas. This is a bill which came out of the Government Operations Committee by a unanimous vote of both Republicans and Democrats. It has been cleared with the Democratic and Republican leadership.

This bill will allow the Government to pay people who are assigned for special manpower training courses for their transportation after the completion of their courses back to their new assignment, but only in those situations where they fall within a manpower category determined to be critical and where the Civil Service Commission determines there is a manpower shortage.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DONOHUE. Mr. Speaker, I object.

MAXIMUM CAPITAL OF THE GENERAL SUPPLY FUND

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 8099) to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund.

Mr. BROWN. Mr. Speaker, reserving the right to object, will the gentleman from Texas make a brief explanation of the bill?

Mr. BROOKS of Texas. I shall be pleased to. This is a bill introduced by the gentleman from Illinois [Mr. DAWSON], chairman of the Government Operations Committee, at the request of the administration. It is approved unanimously by both Democrats and Republicans on the committee. It has been cleared with the leadership on both sides of the aisle.

The bill does this: It removes the present ceiling of $150 million on the general supply fund which is operated by the General Services Administration. This is the fund for the Federal Supply Service for which the GSA is responsible. They have presently obligated $139 million. They have requests primarily from the Defense Department to undertake further responsibilities for the Government. They feel that their present ceiling of $150 million will be inadequate for them to undertake these supply responsibilities being transferred from the Defense Department.

Even though the ceiling be removed there will be congressional safeguards, for the General Services Administration comes to the Congress for funds in the usual manner, and the GSA also makes quarterly reports to the Bureau of the Budget on items taken over from the Defense Department to the general supply fund capitalization.

While I favor the legislation, it is something for the Congress to decide. I think it is sound legislation.

Mr. BROWN. I wish to compliment the gentleman on his explanation of the legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the third sentence of subsection (a) of section 109 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 382), as amended (5 U.S.C. 630g(a)), is hereby deleted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 8100) to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund.

Mr. BROWN. Mr. Speaker, reserving the right to object, will the gentleman make a brief explanation of the purpose of the bill?

Mr. BROOKS of Texas. This bill was also reported unanimously by the Government Operations Committee. It was introduced by the chairman of that committee at the request of the agency involved.

This bill would allow the General Services Administration to charge to the consuming agencies the transportation cost of items of supply sent them by request. There has been some question in the past as to whether or not they could charge the consumer agency with the full cost of transportation from the depot to the ultimate consumer agency.

This would allow the GSA to charge a Government agency for the cost of the material, plus the entire cost of moving and delivering it to them for their use.

Mr. BROWN. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, is hereby amended as follows:

(a) In subsection (a), by deletion of "first storage" from clause (2) in the fourth sentence and by substitution therefor of "ultimate distribution".

(b) In subsection (b), by deletion of the second sentence and by revision of the third sentence to read: "Such prices shall be fixed at levels so as to recover so far as practicable the applicable purchase price, the transportation cost to ultimate distribution point, inventory losses, the cost of personal services employed directly in the repair, rehabilitation, and conversion of personal property, and the cost of amortization and repair of equipment utilized for lease or rent to executive agencies."

(c) By deletion of subsection (d).

(d) By deletion of "supplies" wherever it appears and substitution therefor of "personal property".

With the following committee amendment:

On page 1, line 6, strike out " 'first storage' " and insert in lieu thereof the following: " 'to first storage point' ".

On page 1, line 7, after "sentence" insert a period and strike out the remainder of the sentence.

On page 2, line 2, strike out "cost" and insert in lieu thereof "cost,".

On page 2, line 3, strike out "to ultimate distribution point,".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TRAVEL EXPENSES FOR STUDENT TRAINEES

Mr. BROOKS of Texas. Mr. Speaker, there was a misunderstanding about a bill that I called up earlier. I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8798) to amend section 7 of the Administrative Expenses Act of 1946, as amended, and its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BROWN. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. BROOKS of Texas. This is the bill I called up earlier. It allows the Government to pay the transportation of people being trained under existing law when they have completed their training.

Mr. BROWN. This is the second bill the gentleman called up?

Mr. BROOKS of Texas. Yes.

Mr. GROSS. Mr. Speaker, further reserving the right to object, this has a very limited application; is that correct?

Mr. BROOKS of Texas. That is right. I may say to the gentleman that this is for payment of transportation of Government employees who have not been promoted. If the Government employee has been promoted, he gets paid. This is for a small group of people who need additional training and who have already been promoted or who are not to be promoted. This allows them to receive their cost of transportation to their next assignment only in those areas that are determined by the Civil Service Commission to be suffering from a manpower shortage.

Mr. GROSS. This is not a blanket payment of transportation for all new Federal employees?

Mr. BROOKS of Texas. No, it is not.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 7 of the Administrative Expenses Act of 1946 (60 Stat. 808, as amended; 5 U.S.C. 73b 3(b)) is amended by deleting the word "promoted" wherever it appears and substituting the word "assigned," and by deleting the word "promotion" wherever it appears and substituting the word "assignment."

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof the following: "That subsection (b) of section 7 of the Administrative Expenses Act of 1946 (60 Stat. 808, as amended; 5 U.S.C. 73b-3(b)) is amended by deleting the word 'promoted' wherever it appears and substituting the word 'assigned', and by deleting the word 'promotion' wherever it appears and substituting the word 'assignment'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING DISTRICT OF COLUMBIA SALES TAX ACT

Mr. McMILLAN submitted the following conference report and statement on the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1253)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

"SEC. 101. (a) Section 125 of the District of Columbia Sales Tax Act (D.C. Code 47–2602) is amended by striking out '2 per centum' and by inserting in lieu thereof '3 per centum.'

"(b) Subsection (a) of section 127 of such Act (D.C. Code 47–2604(a)) is amended to read as follows:

"'(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section.'

"SEC. 102. Section 212 of the District of Columbia Use Tax Act (D.C. Code 47–2702) is amended by striking out '2 per centum' and inserting in lieu thereof '3 per centum.'

"SEC. 103. The amendments made by the first two sections of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act. From and after the effective date of such amendments, all references in the District of Columbia Use Tax Act to sections 125 and 127 of the District of Columbia Sales Tax Act shall be deemed to be references to such sections 125 and 127 as amended by the first section of this title.

"TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

"SEC. 201. Paragraph (1) of subsection 7(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as

amended (61 Stat. 353; sec. 47–1586f(a)(1), D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'(1) Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this article for the filing of such return.'

"SEC. 202. The provisions of this title shall be applicable to the taxable years beginning after December 31, 1960.

"TITLE III—REAL ESTATE DEED RECORDATION TAX ACT

"SEC. 301. DEFINITIONS.—When used in this title, unless otherwise required by the context—

"(a) The word 'District' means the District of Columbia.

"(b) The word 'Commissioners' means the Commissioners of the District of Columbia, or their duly authorized agents or representatives.

"(c) The word 'deed' means any document, instrument, or writing (other than a will and other than a lease), regardless of where made, executed, or delivered whereby any real property in the District of Columbia, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

"(d) The words 'real property' mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

"(e) The word 'consideration', except as otherwise provided in section 304 of this title, means the price or amount actually paid, or required to be paid, for real property including any mortgages, liens, or encumbrances thereon.

"(f) The word 'person' means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

"(g) The word 'deficiency' as used in this title means the amount or amounts by which the tax imposed by this title as determined by the Commissioners exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

"(h) The word 'taxpayer' means any person required by this title to pay a tax, or file a return.

"SEC. 302. EXEMPTIONS.—The following deeds shall be exempt from the tax imposed by this title:

"1. Deeds recorded prior to the effective date of the enactment of this title.

"2. Deeds to property acquired by the United States of America or the District of Columbia.

"3. Deeds to property acquired by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under the Act of December 24, 1942 (Public Law 846, Seventy-seventh Congress, chapter 826, second session), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under said Act: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"4. Deeds to property acquired by an institution, organization, corporation, or association entitled to exemption from real property taxation by special Act of Congress, which property was acquired solely for a purpose or purposes for which such special exemption was granted: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"5. Deeds which secure a debt or other obligation.

"6. Deeds which, without additional consideration, confirm, correct, modify, or supplement a deed previously recorded.

"7. Deeds between husband and wife, or parent and child, without actual consideration therefor.

"8. Tax deeds.

"9. Deeds of release of property which is security for a debt or other obligation.

"SEC. 303. IMPOSITION OF TAX.—(a) There is hereby imposed on each deed at the time it is submitted to the Commissioners for recordation a tax at the rate of one-half of 1 per centum of the consideration for such deed: *Provided*, That in any case where application of the rate of tax to the consideration for a deed results in a total tax of less than $1 the tax shall be $1.

"(b) Each such deed shall be accompanied by a return under oath in such form as the Commissioners may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Commissioners may require.

"(c) The parties to a deed which is submitted to the Commissioners for recordation shall be jointly and severally liable for payment of the taxes imposed by this section: *Provided*, That neither the United States nor the District of Columbia shall be subject to such liability.

"(d) The Commissioners are authorized—

"(1) to prescribe by regulation for reasonable extensions of time for the filing of the return required by subsection (b) of this section; and

"(2) to waive as to any party to a deed the requirement for the filing of a return by such party whenever it shall be determined by the Commissioners that a return cannot be filed: *Provided*, That any waiver granted by the Commissioners to a party shall not, unless specifically authorized, be deemed to be a waiver as to any other party. Any waiver made pursuant to this subsection shall not affect the requirements of subsection (c) of this section.

"SEC. 304. ABSENCE OF CONSIDERATION.—Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Commissioners shall require. Whenever, in the opinion of the Commissioners, a return does not contain sufficient information as to the fair market value of such real property, the Commissioners are authorized to make a determination thereof from the best information available.

"SEC. 305. INVESTIGATION BY COMMISSIONERS.—The Commissioners, for the purpose of ascertaining the correctness of any return, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Commissioners promulgated hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title, or the consideration for any deed upon which a tax is imposed, are authorized to examine any books, papers, records, or memorandums of any person bearing upon such matters and may summon any person to appear and produce books, records, papers, or memorandums pertaining thereto and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided then, and in that event, the Commissioners may report that fact to the United States District Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court. Any person in custody or control of any books, papers, records, or memorandums bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Commissioners or any person designated by them of any such books, papers, records, or memorandums, or who shall obstruct or hinder the Commissioners or any person designated by them in the examination of any books, papers, records, or memorandums, shall upon conviction thereof be subject to the penalties provided in this title.

"SEC. 306. RECORDATION.—Except as otherwise provided in this title, no deed shall be recorded by the Commissioners until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

"SEC. 307. PRESUMPTIONS AND BURDEN OF PROOF.—For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all deeds are taxable and the burden shall be upon the taxpayer to show that a deed is exempt from tax.

"SEC. 308. DEFICIENCIES IN TAX.—(a) If a deficiency in tax is determined by the Commissioners, the person liable for the payment thereof shall be notified by registered or certified mail of said determination which shall include a statement of taxes due and given a period of not less than thirty days after such notice is sent in which to file a protest with the Commissioners and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty-day period, the deficiency as determined by the Commissioners shall be final. If a protest is filed within said period of thirty days, opportunity for hearing thereon shall be granted by the Commissioners, and a final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

"(b) Any deficiency in tax which has become final in accordance with the provisions of subsection (a) of this section shall, if no protest is filed, be due and payable within ten days after the expiration of the thirty-day period provided in subsection (a) of this section or, if a protest is filed, shall be due and payable within ten days after notice of the final decision of the Commissioners upon such protest is sent to the person liable for payment of the deficiency.

"SEC. 309. PENALTIES AND INTEREST.—(a) In case of any failure to make and file a correct return as required by this title within the time prescribed by this title or prescribed by the Commissioners in pursuance of this title, 5 per centum of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed 25 per centum in the aggregate, except that when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the

Commissioners may in their discretion waive, in whole or in part, the addition to the tax provided by this subsection.

"(b) The amount added to any tax under subsection (a) of this section shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of neglect.

"(c) Interest upon the amount finally determined as a deficiency shall be assessed at the same time as the deficiency, and shall be collected as a part of the tax, at the rate of one-half of 1 per centum per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is assessed.

"(d) If the time for payment of any part of a deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one-half of 1 per centum per month or portion of a month for the period of the extension. If a part of the deficiency the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at the rate of one-half of 1 per centum per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

"(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

"(f) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid.

"(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsections (c), (e), or (f) is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one-half of 1 per centum per month or portion of a month from the date when such unpaid amount was due until it is paid.

"(h) The Commissioners are authorized at the request of the taxpayer to extend the time for payment by the taxpayer of the amount of the tax imposed by this title, whether determined as a deficiency or otherwise, for a period not to exceed six months from the date prescribed for the payment of such tax.

"SEC. 310. COMPROMISE AND SETTLEMENT.—(a) Whenever in the opinion of the Commissioners there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Commissioners may compromise such tax.

"(b) The Commissioners are authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Commissioners and the taxpayer involved, or his authorized agent or representative, shall be final and conclusive and—except upon a showing of fraud, malfeasance, or misrepresentation of a material fact—the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

"(c) Any person who, in connection with any compromise under this section or offer of such compromise or in connection with any written agreement under this section or offer to enter into any such agreement, conceals from any officer or employee of the District of Columbia any material fact relating to the tax imposed by this title; destroys, mutilates, or falsifies any books, documents, or record; or makes under oath any false statements relating to the tax imposed by this title shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the municipal court of the District of Columbia, in the name of the District of Columbia, on information by the Corporation Counsel of the District of Columbia or any of his assistants.

"SEC. 311. COMPROMISE OF PENALTIES AND ADJUSTMENT OF INTEREST.—The Commissioners shall have the power for cause shown to compromise any penalty which may be imposed under the provisions of this title. The Commissioners may adjust any interest, where, in their opinion, the facts in the case warrant such action.

"SEC. 312. LIMITATIONS.—(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three years after the deed is recorded by the Commissioners and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

"(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

"(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Commissioners and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

"(f) The running of the period of limitations provided in this section on the making of assessments, or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Commissioners are prohibited from making the assessment or from collecting said tax, and for ninety days thereafter: *Provided,* That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding and for ninety days after the decision of the court shall have become final or, if the proceeding shall have been dismissed or otherwise disposed of, for a period of ninety days after such dismissal or other disposition.

"SEC. 313. ADMINISTRATION OF OATHS.—The Commissioners are authorized to administer oaths and affidavits in relation to any matter or proceeding conducted by them in the exercise of their powers and duties under this title.

"SEC. 314. APPEAL.—(a) Any person aggrieved by any assessment of a deficiency in tax finally determined by the Commissioners under the provisions of section 308 of this title may appeal to the District of Columbia Tax Court in the same manner and to the same extent as set forth in sections 3, 4, 7, 8, 9, 10, 11, and 12 of title IX of the Act entitled 'An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes', approved May 16, 1938, as amended and as the same may hereinafter be amended.

"(b) The remedy provided in subsection (a) of this section shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law but no suit by the taxpayer for the recovery of any part of the tax imposed shall be instituted or maintained in any court if the taxpayer has elected to file an appeal with respect to such tax, or any part thereof, in accordance with the provisions of subsection (a) of this section.

"SEC. 315. REFUNDS AND COLLECTION.—The provisions of section 14 of title IX of the District of Columbia Revenue Act of 1937, as added by the Act of May 16, 1938, and as amended by the Act of July 26, 1939, and as added by section 4 of the Act of July 10, 1952, and the provisions of section 1601 and section 1602 of title XVI of the District of Columbia Public Works Act of 1954 shall be applicable to the tax imposed by this title.

"SEC. 316. STAMPS.—The Commissioners are authorized to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as they may deem necessary and proper for the administration of this title.

"SEC. 317. PROMULGATION OF RULES AND REGULATIONS.—The Commissioners are hereby authorized to prescribe such rules and regulations as they may deem necessary to carry out the purposes of this title.

"SEC. 318. ABATEMENT.—The Commissioners are authorized to abate the unpaid portion of any tax due under the provisions of this title, or any liability in respect thereof, if the Commissioners determine under rule or regulation prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

"SEC. 319. ELIMINATION OF FRACTIONAL STAMPS OR DEVICES.—For the purpose of avoiding, in the case of any stamps or devices employed pursuant to authority of this title, the issuance of stamps or the employment of devices representing fractional parts of $1, the Commissioners are authorized, in their discretion, to limit the denominations of such stamps or devices to amounts representing $1 or multiples of $1, and to prescribe further that where part of the tax due is a fraction of $1, the tax paid shall be paid to the nearest dollar.

"SEC. 320. GENERAL CRIMINAL PENALTY.—Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be subject to a fine of not more than $1,000, or to imprisonment of not more than one year, or to both such fine and imprisonment. Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States attorney in and for the District of Columbia, or any of his assistants.

"SEC. 321. CRIMINAL PENALTY AS TO STAMPS.—(1) Any person who, with intent to defraud, alters, forges, makes, or counterfeits any stamp, or other device prescribed under authority of this title for the collection or payment of any tax imposed by this title, or sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, or

other device, or makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, or other device; or

"(2) Fraudulently cuts, tears, or removes from any deed, parchment, paper, instrument, writing, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title; or

"(3) Fraudulently uses, joins, fixes, or places to, with, or upon any deed, parchment, paper, instrument, writing, or article, upon which a tax is imposed by this title,

"(a) any adhesive stamp, or the impression of any stamp, die, plate, or other article, which has been cut, torn, or removed from any other deed, parchment, paper, instrument, writing, or article upon which any tax is imposed by this title; or

"(b) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or

"(c) any forged or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article; or

"(4)(a) Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used; or

"(b) knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

"(c) knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any deed, parchment, paper, instrument, writing, package, or article;

shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than three years, or both.

"SEC. 322. DISPOSITION OF FUNDS.—All moneys collected under this title shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

"SEC. 323. SEPARABILITY CLAUSE.—If any provision of this title, or the application thereof to any person or circumstances, is held invalid the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 324. APPROPRIATIONS.—There are hereby authorized to be appropriated such amounts as may be necessary for the carrying out of the provisions of this title, including the use of stamps or other devices for evidencing payment of the tax imposed by this title.

"SEC. 325. EFFECTIVE DATE.—The provisions of this title shall take effect on the first day of the first month which begins on or after the sixtieth day after the enactment of this Act.

"SEC. 326. SHORT TITLE.—This title may be cited as the 'District of Columbia Real Estate Deed Recordation Tax Act'.

"TITLE IV—AMENDMENTS TO WATER RENT RATES AND SANITARY SEWER SERVICE CHARGES

"SEC. 401. Section 101 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 101; sec. 43–1520c, D.C. Code, 1951 ed.) is amended by inserting the subsection designation '(a)' immediately after 'SEC. 101', and by adding to such section the following subsection:

"'(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioners are authorized, in their discretion, to increase the rates charged by the District for water and water services furnished by the District water supply system: *Provided*, That no such increase shall exceed 25 per centum of the rate or rates in effect on January 1, 1961.'

"SEC. 402. Section 207 of title II of such Act (sec. 43–1606, D.C. Code, 1951 ed.) is amended by striking '60 per centum' wherever it occurs in such section and in each such instance inserting in lieu thereof '75 per centum'.

"SEC. 403. Section 208 of title II of such Act (sec. 43–1607, D.C. Code, 1951 ed.) is amended by adding thereto the following new subsection:

"'(c) If at any time, or from time to time, the Commissioners shall change the established sanitary sewer service charge, the sanitary sewer service charge for any period beginning prior to any such change and ending thereafter shall be prorated on a monthly basis, in accordance with the established charges prevailing in the respective periods.'

"SEC. 404. The provisions of this title shall become effective on the first day of the third month which begins after the date of enactment of this Act.

"TITLE V—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

"SEC. 501. Section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows:

"'SEC. 7. All fees and other moneys collected under this Act, including all fees collected pursuant to section 11 of the Act entitled "An Act making appropriations to the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes", approved April 4, 1938 (District of Columbia Code, sec. 40–616), and the Act entitled "An Act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center", approved June 6, 1940 (54 Stat. 241), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account within the highway fund established in the first section of the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (District of Columbia Code, sec. 47–1901). Moneys deposited in such special account shall be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this Act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this Act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment.'

"SEC. 502. The first sentence of section 8 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows: 'The Commissioners shall include in their annual budget such amounts as may be required from the highway fund established in the first section of the Act of April 23, 1924, for the purpose of carrying out the provisions of this Act.'

"SEC. 503. The District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended by renumbering section 10 thereof as section 11 and by inserting immediately following section 9 the following new section:

"'SEC. 10. Notwithstanding any provision of this Act, no real property shall be acquired under the authority of this Act for use as a parking facility on or after the date of enactment of this section, and the Commissioners and the agency are authorized to operate and maintain only those parking facilities which have been established prior to the date of enactment of this section. No such existing parking facility shall be expanded or otherwise altered except to the extent as may be necessary to permit its continued operation in the same manner as it was being operated immediately before the date of enactment of this section. This section shall not apply to (1) any parking facility which is limited to use by officers and employees of the Governments of the United States or of the District of Columbia by reason of their employment by any such Government, (2) any fringe parking facility, and (3) any parking facility located on property of the District of Columbia beneath any elevated portion of a public highway.'

"SEC. 504. All fees and other moneys which have been deposited in the special account of the Treasury of the United States before the date of enactment of this title to the credit of the District of Columbia in accordance with section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 are hereby transferred to the special account established in the highway fund by the amendment made to section 7 of such Motor Vehicle Parking Act of 1942 by section 501 of this title, and such funds shall be available for the purposes provided in such amendment to such section 7.

"TITLE VI—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

"SEC. 601. Section 9(8) of the Act of September 30, 1950 (20 U.S.C. 244 (8)), is amended by inserting 'the District of Columbia,' after 'Guam,'."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

ALAN BIBLE,
BEN A. SMITH,
J. GLENN BEALL,
Managers on the Part of the Senate.

JOHN L. MCMILLAN,
FRANK W. BURKE,
JOEL T. BROYHILL,
Managers on the Part of the House.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the substitute agreed to in conference are noted in the following outline, except for incidental changes made necessary by reason of agreements reached by the conferees and minor and clarifying changes.

TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES AND USE TAX ACT

Title I of the conference substitute is identical to sections 1, 2, and 3 of the House bill.

TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Section 401 of title IV of the Senate amendment amends paragraph (1) of sub-

section (7)(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 so as to provide that the amount of tax due the District from a taxpayer shall be due and payable in full at the time prescribed in the act for the filing of the taxpayer's return.

Effect of this change is to eliminate installment payments which are presently allowed under paragraph (1) of subsection (7)(a) of title XII. This amendment does not affect the time of payment of individual income taxes. Such taxes are, by paragraph (2) of subsection (7)(a), payable in full at the time prescribed for filing individual income tax returns.

The House bill had no comparable provisions.

Title II of the proposed conference substitute is identical with the provisions of title IV of the Senate amendment with only appropriate renumbering changes.

TITLE III—REAL ESTATE DEED RECORDATION TAX ACT

Title V of the Senate amendment creates an entirely new tax for the District of Columbia. This tax, which is imposed upon deeds submitted to the Commissioners for recordation, will produce an estimated revenue of $1,500,000 per year, and is a method of raising revenue which in various forms is in common usage in the States.

Section 501 of title V of the Senate amendment contains a number of important definitions. "Deed" is defined as any type of instrument, document, or writing (other than a will and other than a lease) which accomplishes the transfer of any interest in real property in the District. "Real property" is defined to include any kind of estate or right, legal or equitable, vested or contingent, in lands, tenements, or hereditaments located in whole or in part within the District. "Consideration" is defined as the actual purchase price paid or required to be paid for real property.

Section 502 of the Senate amendment contains the exemptions from tax. The class of deeds exempt are deeds recorded prior to the effective date of this title, deeds to property acquired by the United States and the District of Columbia, deeds to property acquired solely for an exempt purpose by institutions, organizations, corporations, associations, and foreign governments entitled to exemption under the general real property exemption statute in force in the District (act of December 24, 1942), deeds to property acquired solely for an exempt purpose by specially exempt groups, deeds securing a debt or other obligation, deeds which, without additional consideration confirm, correct, modify, or supplement a previously recorded deed, deeds between husband and wife, or parent and child, without actual consideration, tax deeds, and deeds which release property which is security for a debt or other obligation.

Section 503 of the Senate amendment imposes a tax (with a minimum of $1) upon each deed at the time it is submitted to the Commissioners for recordation at the rate of one-half of 1 percent of the consideration for the deed. This section requires that each deed submitted to the Commissioners shall be accompanied by a return under oath on a form to be prescribed by the Commissioners executed by all of the parties to the deed setting forth the consideration, the amount of tax, and such other information as the Commissioners may require. All parties to a deed (except the United States and the District of Columbia) are made jointly and severally liable for payment of the tax. The Commissioners are authorized under certain conditions to waive the filing of a return or to extend the time for the filing of a return. Section 504 relates to the tax to be paid in the case of a deed for which there was, in fact, no price or amount paid or to be paid, or where such price was nominal. This section requires, in that event, that the parties to the deed represent to the Commissioners the fair market value of the property which is the subject of the deed and, if the information provided the Commissioners is insufficient, the Commissioners are authorized to determine the fair market value of the property from the best information available to them. The tax will be based upon the fair market value of the property.

Section 505 of the Senate amendment authorizes the Commissioners to make investigations for the purpose of ascertaining the correctness of any documents filed with them in connection with a deed, including the right to examine witnesses and to require the production of records and other materials. This section also authorizes the Commissioners to administer oaths and to summon persons for the purpose of obtaining necessary information. In the event of a neglect or refusal upon the part of a person summoned to obey the summons, provision is made for its enforcement through the U.S. District Court for the District of Columbia. In the event any person who has control or custody of materials bearing upon the matters investigated by the Commissioners refuses to permit the examination of such materials, or if any person hinders the Commissioners in making an examination, a criminal penalty is provided.

Section 506 of the Senate Amendment states that the Commissioners, except as otherwise provided, shall not record a deed until the necessary return has been made, as required by the title, and the tax has been satisfied.

Section 507 of the Senate Amendment provides that all deeds are presumed to be taxable, and imposes the burden of showing otherwise upon the taxpayer.

Section 508 of the Senate Amendment authorizes the Commissioners to determine deficiencies in tax in cases where an improper tax has been paid. Opportunity in such cases is given to the person liable for payment of the tax to protest the deficiency and show cause or reason at a hearing why it should not be paid.

Section 509 of the Senate Amendment contains provisions for the imposition of civil penalties and interest, and includes authority in the Commissioners under certain circumstances to waive penalties as well as to extend the time for the payment of a tax by the taxpayer.

Section 510 of the Senate Amendment authorizes the Commissioners to compromise a tax when there is doubt as to the liability of the taxpayer or doubt as to the collectibility of the tax. The Commissioners also are authorized by this section to enter into a written agreement with a taxpayer as to the amount of his tax liability. This section provides further that where, in connection with a compromise or agreement, a person involved with that matter conceals material facts or destroys, mutilates, or falsifies books, documents, or records or makes under oath false statements relating to the tax imposed by this title, such person shall be subject to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both. Prosecutions in such matters are to be brought in the Municipal Court for the District of Columbia on information by the Corporation Counsel in the name of the District of Columbia.

Section 511 of the Senate amendment authorizes the Commissioners for cause shown to compromise penalties and adjust interest.

Section 512 of the Senate amendment contains provisions relating to the periods within which the Commissioners may make assessments of tax and may proceed in court to enforce collection of the tax imposed by this title.

Section 513 of the Senate amendment authorizes the Commissioners to administer oaths and affidavits in matters arising under this title.

Section 514 of the Senate amendment contains provisions relating to appeals to the District of Columbia Tax Court and states that the right to such an appeal shall not be an exclusive right, but that the taxpayer shall retain any other remedies which he may have under any other provision of law. However, if the taxpayer elects to proceed in the District of Columbia Tax Court he is not permitted to file a suit in another court for recovery of the tax or any part thereof.

Section 515 of the Senate amendment incorporates by reference for tax refund purposes provisions already in existence for other District taxes. This section also incorporates by reference the collection procedures available to the Commissioners under the personal property tax laws of the District.

Section 516 of the Senate amendment authorizes the Commissioners to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as the Commissioners may deem necessary and proper for the administration of this title.

Section 517 of the Senate amendment authorizes the Commissioners to prescribe rules and regulations necessary to carry out the purposes of this title.

Section 518 of the Senate amendment authorizes the Commissioners to abate the unpaid portion of any tax due, or any liability in respect thereof, if it appears to the Commissioners, under rules or regulations prescribed by them, that the administration and collection costs involved would not warrant collection of the amount due.

Section 519 of the Senate amendment authorizes the Commissioners, in the event they conclude to employ stamps or other devices for the collection of the tax, to limit the denominations of such stamps or devices to amounts representing $1 or multiples of $1. The Commissioners are further authorized to prescribe that where part of the tax due is a fraction of $1, the tax shall be paid to the nearest dollar.

Section 520 of the Senate amendment sets forth a general penalty for violations of title V in cases where no specific penalty is provided. The penalty under this section is a fine of not more than $1,000 or imprisonment for not more than 1 year, or both such fine and imprisonment, with prosecutions to be brought in the Municipal Court for the District of Columbia by the Corporation Counsel. This section provides, however, that in cases of violations which constitute felonies under this title, prosecutions shall be brought by the U.S. attorney and not by the Corporation Counsel.

Section 521 of the Senate amendment provides for a fine up to $5,000 or imprisonment up to 3 years, or both, for certain fraudulent acts relating to any stamps or devices the Commissioners may employ pursuant to this act.

Section 522 of the Senate amendment provides that all moneys collected by the Commissioners shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

Section 523 of the Senate amendment provides that if any part of title V or its application to any person or circumstances is held to be invalid, the remainder of the title and its application to other persons or circumstances shall not be affected thereby.

Section 524 of the Senate amendment authorizes appropriations for the carrying out of the provisions of this title, including use of stamps or other devices.

Section 525 of the Senate amendment makes the title effective on the 1st day of the 1st month which begins on or after the 60th day after the enactment of the act.

The House bill had no comparable provisions.

Title III of the proposed conference substitute is identical with the provisions of title V of the Senate amendment with only appropriate renumbering changes.

TITLE IV—AMENDMENTS TO WATER RATES AND SANITARY SEWER SERVICE CHARGES

Section 601 of title VI of the Senate amendment gives to the District of Columbia Commissioners authority to increase water rates by not more than 25 percent of those rates in effect on January 1, 1961. This authority is standby only so that any increases in water rates will be made only in increments as required. The additional revenues which could be produced by the maximum increase would be approximately $1.8 million.

Sections 602 and 603 of the Senate amendment authorize the Commissioners to increase, in increments as needed, the sanitary sewer service charge which is presently a maximum of 60 percent of the water rate to a maximum of 75 percent of the water rate. Such maximum increase would produce additional revenue of $2.5 million.

The House bill had no comparable provisions.

Title IV of the proposed conference substitute is identical with the provisions of title VI of the Senate amendment with only appropriate renumbering changes.

TITLE V—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

Section 501: Section 4 of the House bill amends section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 to place certain moneys (principally those collected in connection with parking of vehicles) in a special account in the highway fund. Such moneys are to be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia by the Metropolitan Police force; second, to defray the expenses of operating parking facilities under this act; and third, for the maintenance of highways within the District of Columbia including, but not limited to, the purchase of highway equipment.

Section 501 of title V of the conference substitute is the same as section 4 of the House bill with the exception that moneys placed in the special account shall be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment.

Section 502: This section of the conference substitute is a conforming change made necessary by reason of section 501 and is identical with section 5 of the House bill.

Section 503: Section 6 of the House bill added two new sections 10 and 11 to the District of Columbia Motor Vehicle Parking Facility Act of 1942. The new section 10 prohibited the authorization of persons who are not police officers to enforce parking laws, rules, or regulations.

The Senate amendment did not contain this restriction.

The proposed conference substitute does not contain this restriction.

The new section 11 added to existing law by the House bill prohibited the acquisition under authority of the District of Columbia Motor Vehicle Parking Facility Act of further real property for use as a parking facility and the Commissioners and the agency were authorized to operate and maintain only those parking facilities heretofore established. Existing parking facilities were not to be expanded or altered except to permit continued operation in the same manner as they are presently being operated.

The Senate amendment did not contain a similar provision.

The conference substitute is the same as the House bill with the exception that these prohibitions are not to apply to (1) parking facilities which are limited to use by Government officers and employees by reason of their governmental service, (2) fringe parking facilities, and (3) parking facilities located on property of the District of Columbia beneath the elevated portion of any public highway. It is intended by the conference committee that this exemption covers (A) those parking facilities for use solely by persons employed by the Federal and District governments who are permitted to use those parking facilities by reason of their employment, (B) those fringe parking facilities, such as that presently located in the vicinity of the Carter Barron Amphitheater, which are located on the outskirts of the District of Columbia and are designed primarily for use by persons motoring to the District from outlying areas to enable them to use mass transit facilities for their transportation in the District of Columbia thus relieving traffic congestion, and (C) those parking facilities to be located underneath the elevated portions of freeways in the District when the land is owned by the District and is principally suitable for use for parking of vehicles.

Section 504: This section of the conference substitute is the same as the provisions of section 7 of the House bill.

Section 8 of the House bill provided that sections 4, 5, 6, and 7 of the House bill would take effect as of July 1, 1961.

Title V of the conference substitute would take effect on enactment.

TITLE VI—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

Title IX of the Senate amendment amends Public Law 874 to include the District of Columbia. This is done for the purpose of permitting the District of Columbia to receive certain Federal payments based upon the impact upon the school system of the District of Columbia by reason of the Federal Government.

The House bill had no such provision.

Title VI of the proposed conference substitute is identical with title IX of the Senate amendment.

TITLE OF THE BILL

The Senate amendment amended the title of the bill to reflect more accurately the bill as amended by the Senate.

Since the proposed conference substitute does not contain certain of the provisions referred to in the title as amended by the Senate, the Senate recedes from its amendment to the title. Thus, the title of the bill will be that given it by the House.

JOHN L. McMILLAN,
FRANK W. BURKE,
JOEL T. BROYHILL,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H.R. 258) and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. BAILEY. Mr. Speaker, reserving the right to object, I would like to ask for an explanation of this bill. This is the bill, H.R. 258, having to do with taxes for the District of Columbia?

Mr. McMILLAN. That is correct.

Mr. BAILEY. Mr. Speaker, there are rather unusual procedures taking place in connection with this legislation. The other body has seen fit to amend the House bill, H.R. 258, which is a revenue-raising measure for the District of Columbia.

It appears there was an argument as to the amount the Federal Government should make available to the District of Columbia to compensate it for various services they render the Government.

The District asked for approximately $32 million. The Appropriations Committee gave it $28 million. In order to make up the difference between the item of $32 million and $28 million a Member of the other body amended the House bill and put the District of Columbia under Public Law 874, which is the maintenance and operation of the city schools. In other words, it makes the District eligible, as well as all the States in the Union, for assistance under the provisions of Public Law 874.

Mr. Speaker, I understand a point of order was not pressed against the item. But I might say to my colleagues in the House that in view of moves like that, there is no justification for including the District of Columbia under that law. It is, after all, Government money which would be paid to the District and they had just as well have made up the difference between $32 million and $28 million in a direct appropriation, because they get about that much for the schoolchildren of the District of Columbia.

Mr. Speaker, there is no impaction in the District of Columbia, any more than in Washington's selection of it as the National Capital. There are no defense units in the District of Columbia.

Mr. Speaker, I want to call the attention of my colleagues to the fact that this kind of movement will result in your not having any Public Laws 815 and 874 in the future. This would kill the legislation.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I am delighted to yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, the District of Columbia is not an impacted area, is it?

Mr. BAILEY. That is right.

Mr. MASON. And this would take several millions of dollars from the other impacted areas in order to dress up the appropriation for the District of Columbia?

Mr. BAILEY. That is correct. The District of Columbia also has a higher rate of employment than any of the States. I have also noticed that in the other pieces of legislation, for instance, speaking of the school hot lunch program, my State of West Virginia, which is supposed to be the most depressed of

all the areas of the Nation, gets a contribution of 4.2 cents a meal for those lunches; whereas, the District of Columbia is getting 8.3 cents. I do not want that treatment under the provisions of Public Law 874.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Florida.

Mr. HALEY. I think also that this fact should be called to the attention of the Members of the House: That this general area here, according to the best reports that I have, has about the second highest income per capita in the entire United States.

Mr. BAILEY. I think the gentleman from Florida is correct. It is among the highest. I am sure that within recent days I have seen the statement that there was less unemployment here than in any other State in the Union.

Mr. MASON. Is the gentleman from West Virginia going to object to this request?

Mr. BAILEY. The gentleman from West Virginia cannot object to it. A point of order will not rest against it because the House conferees have accepted the Senate amendments.

Mr. MASON. The gentleman from West Virginia can object to the unanimous-consent request.

Mr. Speaker, I object.

The SPEAKER pro tempore. The Clerk will read the report.

The Clerk read the conference report.

Mr. McMILLAN. Mr. Speaker, the conferees met on the House sales tax bill which had only one item in it when it passed the House. The Senate added nine items to H.R. 258. After quite a lengthy conference the House agreed to the impacted area amendment so the District of Columbia would come under the impacted school area fund. We really did not have any argument to present against the item since practically every State in the Union is receiving impacted area funds. However, the District of Columbia does receive a $30 million Federal payment. That is the reason the House did not have the item in their bill when it was presented to conference.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, in view of the effect that this will have upon the impacted areas of the Nation, robbing them of $4.5 million which is to go to the District, which is not an impacted area, I shall demand a rollcall on this bill.

Mr. McMILLAN. Mr. Speaker, we do have Fort McNair in the District and we do have a good many Army people residing here. However, I never did consider the District an impacted area. But that was one of the arguments the other body used in the conference, and we did not have any figures to rebut that argument since the House had held no hearings on this item.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Virginia.

Mr. BROYHILL. Mr. Speaker, approximately 50 percent of all the land area in the District of Columbia has been taken off the tax rolls. It is either owned by the Federal Government, by the District government, by embassies or nonprofit organizations that are exempt from taxes. That is a burden imposed upon the District of Columbia by action of the Federal Government and the Congress has recognized that it has a responsibility to the District of Columbia in that regard. It has authorized the payment of $32 million to help finance the District budget which this year is $270 million. A $32 million authorization for Federal payment is a very small portion of the budget necessary to operate the District government. In the bill that was taken to conference the other body provided for a $4 million increase in that authorization for payment to the District government. It also provided for bringing the District of Columbia under the impacted area school program. The House conferees did not agree to increasing the Federal payment, because we have always had problems getting the Committee on Appropriations to approve the full authorized amount, so we compromised and agreed to let the impacted area program amendment stay in.

Granted that the District of Columbia is different from the rest of the communities of the Nation, it still has a large number of employees living here and working on nontaxable Federal property. The District of Columbia has a larger burden proportionately than any other community in the country. It makes no difference to me or to the House conferees whether we approach it through the impacted areas payment or the Federal payment to the District of Columbia. It is a compromise taken as part of the proposal adopted in the other body. I can appreciate the problem the gentleman has, but this is just another method of getting at the Federal Government's responsibility and obligation to the Nation's Capital.

Mr. McMILLAN. The other body had a $36 million Federal payment in their bill. We voted that item out and accepted the impacted area item.

Mr. BAILEY. If the gentleman will yield, it was not any compromise between the conferees of the two bodies on whether they would appropriate $32 million or $36 million. Might I say to my colleagues of the House that from the time this impacted area legislation was drafted 11 years ago each time we considered that bill the matter came up as to whether we would include the District of Columbia. It was never included. There never was any sentiment in the committee for including the District. Once or twice such amendments were offered, but they were voted down unanimously. Now they come in here and cut in on the bill, after the House has taken action on it and there is no sentiment in the committee for it whatsoever.

Mr. BROYHILL. I agree with the gentleman from West Virginia, but it is a question of compromise on this matter. The legislation would still be subject to appropriation. I did not understand the money would be taken out of the impacted area funds for other States, but thought it would be added. However, I repeat for emphasis, it was a compromise. We would have had to increase the Federal authorization for payment rather than take the impacted area provision. But the House did win most of the points in the conference. You cannot win them all.

Mr. BAILEY. I would like to recall to the members of the Rules Committee, who turned down three general education bills, and the House, which rejected a compromise package bill because you did not want to consider it, that you are now paying teachers' salaries in the District of Columbia.

Mr. McMILLAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MASON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 142, nays 159, not voting 134, as follows:

[Roll No. 223]

YEAS—142

Addabbo	Forrester	Moorhead, Pa.
Addonizio	Frelinghuysen	Morgan
Albert	Friedel	Morris
Alexander	Gallagher	Mosher
Andrews	Garmatz	Murphy
Ashley	Gary	Murray
Ashmore	Gathings	Natcher
Aspinall	Giaimo	Nix
Auchincloss	Gilbert	O'Brien, N.Y.
Avery	Grant	O'Konski
Ayres	Green, Oreg.	Olsen
Baldwin	Green, Pa.	O'Neill
Baring	Griffiths	Perkins
Barry	Gubser	Price
Bennett, Fla.	Hagan, Ga.	Pucinski
Blatnik	Hagen, Calif.	Rhodes, Pa.
Bolling	Harding	Rivers, Alaska
Bonner	Healy	Rivers, S.C.
Boykin	Henderson	Rogers, Colo.
Brewster	Huddleston	Rogers, Fla.
Broomfield	Ikard, Tex.	Rostenkowski
Broyhill	Inouye	Rutherford
Burke, Mass.	Jarman	St. Germain
Burleson	Joelson	Scott
Byrne, Pa.	Johnson, Calif.	Selden
Casey	Johnson, Md.	Shipley
Chelf	Karsten	Slack
Clark	Kastenmeier	Smith, Miss.
Cohelan	Kilgore	Smith, Va.
Cook	King, Calif.	Staggers
Davis, James C.	Kirwan	Steed
Davis, John W.	Kluczynski	Stephens
Davis, Tenn.	Kornegay	Stratton
Dawson	Lankford	Stubblefield
Delaney	Lennon	Taylor
Dingell	Lesinski	Teague, Tex.
Dorn	McCormack	Thompson, N.J.
Downing	McDowell	Thornberry
Doyle	McFall	Toll
Dwyer	McMillan	Ullman
Edmondson	McSween	Vanik
Elliott	Mahon	Wallhauser
Everett	Mailliard	Walter
Fallon	Marshall	Whitener
Farbstein	Mathias	Wickersham
Finnegan	Miller, Clem	Zablocki
Flood	Miller, George P.	
Flynt	Montoya	

NAYS—159

Abbitt	Fulton	O'Hara, Ill.
Alford	Gavin	Ostertag
Alger	Goodling	Passman
Andersen, Minn.	Gross	Patman
Arends	Haley	Peterson
Bailey	Halleck	Philbin
Baker	Harris	Pike
Bass, N.H.	Harrison, Wyo.	Poff
Bates	Harsha	Randall
Battin	Hays	Ray
Becker	Hechler	Reece
Beckworth	Herlong	Rhodes, Ariz.
Beermann	Hoffman, Ill.	Riley
Belcher	Holland	Roberts
Bennett, Mich.	Hull	Robison
Betts	Jennings	Rogers, Tex.
Boland	Jensen	Roudebush
Bolton	Johansen	Roush
Bow	Jonas	Rousselot
Brademas	Jones, Ala.	Ryan
Bray	Judd	Saylor
Breeding	Kelly	Schadeberg
Bromwell	King, N.Y.	Schenck
Brooks	King, Utah	Scherer
Brown	Kitchin	Schneebeli
Bruce	Knox	Schweiker
Cannon	Kowalski	Schwengel
Chamberlain	Kunkel	Scranton
Chenoweth	Laird	Seely-Brown
Church	Lane	Shriver
Clancy	Langen	Sibal
Coad	Latta	Sikes
Collier	Lipscomb	Springer
Conte	McCulloch	Stafford
Cramer	McVey	Taber
Cunningham	MacGregor	Thomas
Curtin	Mack	Thompson, Tex.
Curtis, Mass.	Madden	Thomson, Wis.
Dague	Martin, Mass.	Trimble
Denton	Mason	Tuck
Derounian	Matthews	Udall, Morris K.
Derwinski	May	Utt
Dole	Meader	Van Pelt
Donohue	Merrow	Van Zandt
Dowdy	Milliken	Wels
Dulski	Mills	Whalley
Durno	Minshall	Wharton
Ellsworth	Moeller	Whitten
Feighan	Moore	Widnall
Fenton	Moorehead, Ohio	Willis
Findley	Morse	Wilson, Calif.
Fisher	Nygaard	Wilson, Ind.
Fountain	O'Brien, Ill.	Yates

NOT VOTING—134

Abernethy	Hansen	Osmers
Adair	Hardy	Pelly
Anderson, Ill.	Harrison, Va.	Pfost
Anfuso	Harvey, Ind.	Pilcher
Ashbrook	Harvey, Mich.	Pillion
Barrett	Hébert	Pirnie
Bass, Tenn.	Hemphill	Poage
Bell	Hiestand	Powell
Berry	Hoeven	Quie
Blitch	Hoffman, Mich.	Rabaut
Boggs	Holifield	Rains
Buckley	Holtzman	Reifel
Burke, Ky.	Horan	Reuss
Byrnes, Wis.	Hosmer	Riehlman
Cahill	Ichord, Mo.	Rodino
Carey	Johnson, Wis.	Rooney
Cederberg	Jones, Mo.	Roosevelt
Celler	Karth	St. George
Chiperfield	Kearns	Santangelo
Colmer	Kee	Saund
Cooley	Keith	Shelley
Corbett	Keogh	Sheppard
Corman	Kilburn	Short
Curtis, Mo.	Kilday	Siler
Daddario	Kyl	Sisk
Daniels	Landrum	Smith, Calif.
Dent	Libonati	Smith, Iowa
Devine	Lindsay	Spence
Diggs	Loser	Sullivan
Dominick	McDonough	Teague, Calif.
Dooley	McIntire	Thompson, La.
Evins	Macdonald	Tollefson
Fascell	Magnuson	Tupper
Fino	Martin, Nebr.	Vinson
Fogarty	Michel	Watts
Ford	Miller, N.Y.	Weaver
Frazier	Monagan	Westland
Garland	Morrison	Williams
Glenn	Moss	Winstead
Goodell	Moulder	Wright
Granahan	Multer	Young
Gray	Nelsen	Younger
Griffin	Norblad	Zelenko
Hall	Norrell	
Halpern	O'Hara, Mich.	

So the conference report was rejected.

The Clerk announced the following pairs:

Mr. Rooney with Mr. Younger.
Mrs. Sullivan with Mr. Garland.
Mrs. Norrell with Mr. Cederberg.
Mrs. Blitch with Mr. Ashbrook.
Mr. Johnson of Wisconsin with Mr. Quie.
Mr. Abernethy with Mrs. St. George.
Mr. Harrison of Virginia with Mr. Teague of California.
Mrs. Granahan with Mr. Curtis of Missouri.
Mrs. Hansen with Mr. Dooley.
Mr. Buckley with Mr. Fino.
Mr. Powell with Mr. Berry.
Mr. Anfuso with Mr. Adair.
Mr. Keogh with Mr. Byrnes of Wisconsin.
Mr. Multer with Mr. Glenn.
Mr. Holtzman with Mr. McDonough.
Mr. Evins with Mr. Nelsen.
Mr. Landrum with Mr. Riehlman.
Mr. Burke of Kentucky with Mr. Siler.
Mr. Frazier with Mr. Tollefson.
Mr. Loser with Mr. Devine.
Mr. Colmer with Mr. Corbett.
Mr. Zelenko with Mr. Norblad.
Mr. Shelley with Mr. Keith.
Mr. Ichord of Missouri with Mr. Hall.
Mr. Corman with Mr. Horan.
Mr. Rabaut with Mr. Kyl.
Mr. Sheppard with Mr. Osmers.
Mr. Cooley with Mr. Tupper.
Mr. Libonati with Mr. Ford.
Mr. Roosevelt with Mr. Bell.
Mr. Diggs with Mr. Anderson of Illinois.
Mr. Santangelo with Mr. Harvey of Indiana.
Mr. Bass of Tennessee with Mr. Hoeven.
Mr. Hébert with Mr. Reifel.
Mr. Fogarty with Mr. Pillion.
Mr. Hemphill with Mr. Short.
Mr. Celler with Mr. Westland.
Mr. Fascell with Mr. Kilburn.
Mr. Holifield with Mr. Harvey of Michigan.
Mr. Barrett with Mr. Kearns.
Mr. Rodino with Mr. Hosmer.
Mr. Spence with Mr. Weaver.
Mr. Monagan with Mr. Hiestand.
Mr. Hardy with Mr. Halpern.
Mr. Sisk with Mr. Smith of California.
Mr. Carey with Mr. Cahill.
Mr. Vinson with Mr. Michel.
Mr. Smith of Iowa with Mr. Griffin.
Mr. Boggs with Mr. Hoffman of Michigan.
Mr. Watts with Mr. Goodell.
Mr. Morrison with Mr. McIntire.
Mr. Williams with Mr. Martin of Nebraska.
Mr. Pilcher with Mr. Miller of New York.
Mrs. Pfost with Mr. Pelly.
Mr. Moss with Mr. Dominick.
Mr. Young with Mr. Chiperfield.
Mr. Thompson of Louisiana with Mr. Lindsay.
Mr. Winstead with Mr. Pirnie.

Messrs. SIKES, O'HARA of Illinois, BREEDING, O'BRIEN of Illinois, KING of Utah, DONOHUE, CURTIN, BELCHER, BECKER, and SCHADEBERG changed their vote from "yea" to "nay."

Messrs. CLEM MILLER, DOYLE, and CHELF changed their vote from "nay" to "yea."

The vote was announced as above recorded.

The doors were opened.

Mr. McMILLAN. Mr. Speaker, I move that the House insist on its disagreement to the amendments of the Senate and ask for a further conference with the Senate.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. McMILLAN, BURKE of Kentucky, and BROYHILL.

There was no objection.

BUREAU OF PUBLIC ROADS

The SPEAKER pro tempore laid before the House the following request from the Senate:

SEPTEMBER 21, 1961.

Ordered, That the House of Representatives be requested to return to the Senate the bill (H.R. 8558) to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes.

The SPEAKER pro tempore. Without objection, the request is granted.

There was no objection.

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Mr. JAMES C. DAVIS. Mr. Speaker, I call up the conference report on the bill (S. 739) to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1240)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) entitled "An Act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendments numbered 1 and 2: That the Senate recede from its disagreement to the amendment of the House numbered 1 and 2 and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3 and agree to the same with the following amendments:

On page 1 of the House engrossed amendments strike out subsection (b) and insert in lieu thereof the following:

(b) All special issues in which the civil service retirement and disability fund is invested in accordance with section 17(d) of the Civil Service Retirement Act as in effect prior to the enactment of this Act shall be redeemed and the moneys reinvested by the Secretary of the Treasury, as nearly as may be practicable, in equal annual amounts over the period of ten calendar years beginning with the calendar year 1962, in accordance with such section 17(d), as amended by subsection (a) of this section.

On pages 5 and 6 of the House engrossed amendments strike out sections 6 and 7 of the House engrossed amendments.

On pages 6 and 7 of the House engrossed amendments renumber sections 8 and 9 as sections 6 and 7, respectively.

And the House agree to the same.

Amendment to the title: That the Senate recede from its disagreement to the amend-

ment of the House to the title of the bill and agree to the same.

TOM MURRAY,
JAMES H. MORRISON,
ROBERT J. CORBETT,
Managers on the Part of the House.

OLIN D. JOHNSTON,
JOSEPH S. CLARK,
HIRAM L. FONG,
J. CALEB BOGGS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) entitled "An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments numbered 1 and 2: These amendments, which are of a technical nature, designate subsection (a) of the first section of the Senate bill and make a clarifying change in the legal citation of a provision of the Civil Service Retirement Act. The Senate recedes.

Amendment numbered 3: The Senate recedes from its disagreement to the amendment of the House numbered 3 and agrees to the same with the following changes:

(1) Special Treasury Issues Held by Civil Service Retirement and Disability Fund: The bill as passed by both Houses amended section 17(d) of the Civil Service Retirement Act to provide that the interest rate on public-debt obligations purchased by the civil service retirement and disability fund shall be equal, in the future, to the current average market yield borne by all marketable interest-bearing obligations of the United States not due or callable until after the expiration of four years from the end of the calendar month next preceding the date of issuance.

The House amendment provided that all special issues in which the fund is invested under such section 17(d) as in effect prior to enactment of the conference agreement shall be redeemed and the moneys reinvested by the Secretary of the Treasury, on or before January 1, 1962, in accordance with the amended section 17(d). Since these special issues are public-debt obligations which affect the state of the budget and the public debt, the committee of conference believes that the January 1, 1962, date represents too short a time in which the present Treasury issues are to be redeemed and new issues undertaken at an interest rate currently 1 percent in excess of the rate payable under existing law. Accordingly, the conference agreement provides that such issues shall be redeemed and the moneys reinvested by the Secretary of the Treasury in equal annual installments over the ten-year period beginning with the calendar year 1962.

(2) Elimination of sections 6 and 7 of House Amendments: Section 6 of the House amendments amended section 6(f) of the Civil Service Retirement Act to provide that any Member of Congress who completes twenty years of service or who attains the age of fifty-five years and completes fifteen years of service (at least ten years of which is service as a Member) shall, upon separation from the service (other than by resignation or expulsion) be paid a reduced annuity. Section 7 of the House amendments amended section 6(d) of such Act to provide that any congressional employee who completes twenty years of service shall, upon involuntary separation from service as a congressional employee not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity.

The committee of conference agreed that the matters covered by sections 6 and 7 of the House amendments will be considered early during the second session of the 87th Congress. Accordingly, the committee of conference has eliminated sections 6 and 7.

(3) Technical Amendment: The conference agreement renumbers sections 8 and 9 of the House amendments as sections 6 and 7, respectively.

TOM MURRAY,
JAMES H. MORRISON,
ROBERT J. CORBETT,
Managers on the Part of the House.

Mr. JAMES C. DAVIS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING CLAUSE 3 OF RULE XIII OF HOUSE (RAMSEYER RULE)

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 407) and ask for its present consideration.

The Clerk read the resolution as follows:

Resolved, That the Rules of the House of Representatives are hereby amended as follows: In rule XIII, clause 3, strike out the period at the end thereof, insert a colon, and add "*Provided, however*, That if a committee reports such a bill or joint resolution with amendments or an amendment in the nature of a substitute for the entire bill, such report shall include a comparative print showing any changes in existing law proposed by the amendments or substitute instead of as in the bill as introduced."

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and at this time yield myself such time as I may consume.

Mr. Speaker, this resolution provides for a change in the so-called Ramseyer rule of the House of Representatives. The Ramseyer rule provides that when a bill is reported by a legislative committee, the committee report on the bill shall contain a statement in comparative print, setting forth the changes in existing law that are supposed to be made by the new bill. The way that that rule has been construed and the way it has operated in the past has been that if a bill is introduced and referred to a legislative committee, then when the bill is reported by that committee, the changes in the law are pointed not at the bill which is reported, but are pointed at the original bill, as introduced. It, therefore, causes confusion and is not of any use to the Members who are trying to find out what the changes are because, as I said, the comparative print explaining the changes are not pointed toward the bill you are really going to consider. So this change which has been worked out by the Parliamentarian in connection with the Committee on Rules and which has the unanimous approval of the Committee on Rules would make it so that in order to comply with the Ramseyer rule, the report would have to print in comparative columns or italic or other distinguishing symbols the changes in existing law which would be made by the bill which is under consideration and not by the bill which was originally introduced.

Mr. Speaker, I hope that explanation is clear to the Members, but if it is not, I will be glad to yield for any questions to any Member who may wish to ask about it.

If there are no questions, Mr. Speaker, I yield now to my colleague, the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, as the gentleman from Virginia, the chairman of the Committee on Rules, Mr. SMITH, has explained, this resolution provides for an amendment to rule XIII, clause 3, through an amendment which I believe is very much needed, has been requested by many Members of the House, and which, as the gentleman from Virginia has stated, would simply provide, instead of following the present procedure of printing in a committee report the original bill and the changes in the present law made by the original bill, the report would carry the bill, as amended, and the differences between the present law as provided in the final bill as presented.

In other words, the adoption of this resolution making this change in the rules will eliminate a great deal of confusion and make it much easier for all Members of Congress, even members of the Committee on Rules itself, in considering legislation to understand just exactly what is in the bill that may be before them and what changes are made by such legislation from existing law. This has been long needed. It is a very good amendment of the rule.

This resolution was reported unanimously from the Committee on Rules, and I hope it will have the unanimous support of the House.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT

The SPEAKER pro tempore (Mr. ALBERT). The Chair will advise Members that special orders will be called at this time, but that when conference reports or legislative business are ready for consideration we will interrupt the special orders to take care of such business.

GEN. MARK CLARK WAGES A RELENTLESS FIGHT TO SAVE AMERICAN YOUTH FROM COMMUNISM

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, Gen. Mark Clark, the illustrious president of the Citadel, not only builds men from college students but begins this training in Americanism by providing a summer camp at the Citadel at Charleston for young boys not yet ready for college. On October 8 in the magazine known as This Week the cover will contain a full color photograph of General Clark and 11-year-old James R. "Rusty" Kingman, son of Mr. and Mrs. James E. Kingman, 120 Nob Hill Road, Spartanburg, S.C. Rusty is holding the trophy he won in the physical fitness tests for his age group. It is a fine photograph and the wording on the trophy even shows up clearly to identify the camp. I commend this article to the House.

Inside the magazine is a black-and-white picture story which effectively presents the camp. The block of copy that describes the camp and which the photographs illustrate, was written by General Clark in the form of a memorandum to This Week. The memorandum establishes the background of the camp, states its objectives, tells something of what has been accomplished at the camp, and recommends that similar camps be established at other colleges and on military reservations where there are idle facilities. This article points out the value of such Americanism training in reducing juvenile delinquency and in building the character of American youth. General Clark's article is as follows:

"When I first came to the Citadel," wrote General Clark, "I had for many years been impressed with the great need for camps to provide wholesome training for youngsters during the summer. It seemed to me that the Citadel's facilities, unused in the summertime, were ideally suited for this purpose. So, I founded the Citadel Summer Camp for Boys in 1957.

"By last summer's end, more than 1,300 boys, 11 to 15, had graduated from its sessions, and by every yardstick we can apply the camp has been a smashing success.

"My conviction is that America's hope for conclusive victory over communism lies in the development of America's youth into enlightened patriots with strong minds and bodies. Summer camps of the type we launched could be a powerful aid toward this end.

"I'd like to propose, therefore, that a program be instituted to encourage other colleges to form summer camps, and to establish similar camps on military reservations where there are idle facilities. I am sure that the impact of such a program would contribute greatly to reducing juvenile delinquency, to building the character of American youth, and ultimately to strengthening America's ability to survive in a dangerous and challenging world."

Mr. Speaker, there is just one way to fight what could be our last battle with communism. There is no other way. Prepare the minds of the youth of today so that they not only can recognize communism but possess the training and the moral makeup to resist its insidious infiltration. General Clark is a pioneer in this the most important endeavor in the battle for America. On yesterday, I called attention of the House to General Clark's program of preparing the freshmen of this great institution by requiring them to read "Masters of Deceit" by J. Edgar Hoover. General Clark should have the vigorous assistance of other college presidents in this important work. Unless he does get some help, these may be the last days of the American Republic.

It is no accident that General Clark should fight communism. He had to live, as American commanding general, with the representatives of Moscow in the battle for Europe because Washington "deemed it advisable" that our so-called "allies" journey with us on the last victorious march in Europe. This mistake was the beginning of our present trouble. General Clark knew it then and you know it now.

HON. G. MENNEN WILLIAMS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on other occasions I have spoken of the accomplishments of the Honorable G. Mennen Williams, Assistant Secretary of State for Africa, in winning the hearts and minds of the people of Africa. As chairman of the Subcommittee on Africa, I strive as best I can to keep my hand on the African pulse. From every quarter on that continent I have heard most heartening reports of the success of Secretary Williams in restoring the old image of Uncle Sam among the men and women of the new emerging nations in that important area.

I have taken the time of the House today to call the attention of my colleagues to a truly remarkable speech of Assistant Secretary of State Williams before the Rhodesia National Affairs Association at Salisbury in Rhodesia and Nyasaland. That is a zone of tensions. Mr. Williams spoke on the "Basic U.S. Policy," and when I describe his address as truly remarkable that evaluation is substantiated by the fact that following its delivery both the Evening Standard, the white settler newspaper, and the Daily News, the black African newspaper, editorially commended it.

Bearing in mind that this is a territory where there are tensions and feelings run strong, I am sure my colleagues will find illuminating Mr. Williams' address, in which he stood up foursquare for the American ideal of independence, and the editorials that followed its delivery, one from the white settler viewpoint, the other from the black African viewpoint.

BASIC U.S. POLICY

(Address by the Honorable G. Mennen Williams, Assistant Secretary of State for African Affairs, to the Rhodesia National Affairs Association, Salisbury, Rhodesia and Nyasaland, August 25, 1961)

It is a great pleasure and honor to be invited to address the Rhodesia National Affairs Association. This is our third and final day in Salisbury before going on to Blantyre, the Copperbelt, and Lusaka. We also slipped into your country about 10 days ago for a first glimpse of your magnificent Victoria Falls.

My wife and I have been tremendously impressed by this vital city of Salisbury. We have met and talked with a great many of your citizens and have noted many evidences of the progress you have been making in housing, education, and welfare. This morning it was a special pleasure to attend the greatest tobacco auction in the world where we heard the familiar sounds of an American tobacco auctioneer. Later today we are looking forward to our visit to the University College of Rhodesia and Nyasaland.

This is my second visit to Africa since President Kennedy appointed me to the Department of State. My mission is, first of all, to become acquainted with the leaders and public of Africa and to convey to them renewed assurances of the keen interest and friendship of the United States. Second, and quite simply, I have come to learn of your aspirations and your problems so as to offer effective counsel of my Government in the formulation of its foreign policy.

The U.S. Government under the new administration of President Kennedy finds itself faced by a host of critical and fundamental problems of foreign affairs. Some of these are of grave and immediate urgency. Others have a long-range but equally profound significance.

These problems manifest themselves in many ways and in many different parts of the world. Yet there seem to be ties that bind quite a number of them together. People the world over want governments of their own choosing. They want a better life for themselves and their children. And they want to enjoy the full recognition of their dignity as human beings. When the continued enjoyment of these conditions is threatened, or the prospect of achieving them is denied, the result is a restiveness which more often than not smolders or explodes into unpleasant problems.

The United States is concerned about these things because of our moral and political heritage but also because we believe that the denial of these values jeopardizes the world of peace and justice we want for ourselves and our children.

In these terms one of the most pressing challenges today is that of Berlin. Berlin is a vitally important symbol of freedom and self-determination to a large part of the world. It represents the desire and the determination of 2¼ million West Berliners to continue under a government of their own choosing, and it is a focus of the hopes of other millions now under the imperialist rule of the Kremlin. What West Berlin means has been demonstrated in recent weeks by the repressive measures taken by the Communists to stop the flow of refugees who streamed by the thousands and thousands into the West Berlin sanctuary of liberty and hope. I need only add that the Soviet Union maintains 22 divisions of occupation troops in the countries of middle and Eastern Europe to subjugate these aspirations for freedom.

President Kennedy has plainly told the American people that the Soviet threat to continued freedom and self-government in

West Berlin has brought the unsought choice of war or peace dangerously close. You may be sure, and President Kennedy has stated it in so many words, that "the challenge is not to us alone" but "to all who want a world of free choice." Surely many of you here have known war. And all of you can read the omens of this shrinking planet in the trace of satellites whirling through the heavens overhead. My country, like yours, has known a time of isolation, but that time is gone with the wind.

We have made our pledges, with the support of the Atlantic Community, to meet the peril of Berlin. We hope, with God's help, to preserve the peace and defend the human rights of the people of that city. At the same time, we look out upon another and broader field in which the future of countless millions of human beings will be determined—a future equally bound up with peace and security for all of us. I am speaking here of the less developed areas inhabited by some two-thirds of the world's peoples.

Is the question of freedom any less vital here? Surely it is not, for we hold that freedom is indivisible. That is why President Kennedy has pledged the United States to assist the less developed countries to build up the strong and independent societies to which their peoples aspire. That is the underlying support for our policy toward Africa.

We recognize that the new nations of Africa do not wish to be involved in the cold war. And we believe that they need not be directly involved, provided they can work out solutions to the basic problems of misery and despair, of human rights and essential justice. The Communist aim of course is to aggravate the tensions and discontent that may be attendant on this process, but the problems themselves are inherent in the transitional process. Our purpose is to help these peoples and governments to help themselves, because in this ever more interdependent world what concerns all of you here in Africa sooner or later will concern us, if it does not affect us already.

On my visits to the newly independent countries of tropical Africa, I have been impressed by the sincerity and conviction with which national leaders have told me of their aspirations.

First among these aspirations is the desire to be free from any form of outside domination, to be independent in the fullest sense. The United States recognizes the dynamics of nationalism in Africa today. Coupled with this is an awareness and assertion of what is often referred to as the African personality. Also related is a fierce desire for racial equality and sensitivity to problems of color wherever they trouble the world.

Then there is the compelling, burning aspiration for education. To provide educational opportunities to millions of young Africans is a tremendous challenge to responsible governments and to those from outside who would help. Yet I submit we cannot evade this challenge.

Another basic aspiration is for economic development to raise living standards and assure political stability. The prevailing pattern is one of economic planning for rapid development, in which there is a mixture of private and government-owned enterprise. Very little in this pattern is rigid or doctrinaire. And we must of course expect these new African States to develop governmental institutions which fit the values of their particular societies.

This may sometimes mean a greater reliance on some aspects of centralized authority than in the democracies of the Western World. The evidence suggests, however, that democratic forces will continue to make themselves felt. In the history of Europe and America, there is much evidence that the early processes of nation-building are formidable and often turbulent. Yet to date, the broad consensus of the peoples of the new African States has been responsive to their leadership.

The newly independent countries of Africa face a great many problems. They are short of capital, short of skills, short of broad experience in self-government. Their leaders seem to be in a great hurry, new and changing groupings among them appear to be developing, and there are a good many borders in dispute.

In our view, it is not reasonable to expect to find fully mature governments firmly in place in these new countries. What is striking, and reassuring, is that the great majority of the new leaders are conducting responsible independent governments, despite all their burdens. The Congo has been an important exception, but clearly it is an exception and not the rule. And let me add that the United States has steadfastly supported the United Nations in the Congo with one purpose; to allow the Congolese people to develop their own national destiny.

If all these leaders can keep abreast of the rising expectations of their peoples, responsible government will prosper and mature. That is why they deserve our help. For the alternatives are surely demagoguery, disorder and subversion.

There has been an unprecedented transfer of power in Africa and we must accept the plain facts that there are now 28 sovereign nations in Africa, of which 18 have attained their independence in the past 2 years. This represents an enormously significant transformation in our world community.

This new play of forces on the world stage may seem poorly rehearsed and we are not very well acquainted with many of the actors. But this drama of change is a text for our times. It cannot be buried by angry men or hidden in the midst of the sea by those who dislike or fear its unrolling. It is inexorably written in the lifestream of our times.

Around this central theme there is, in Africa, much diversity in political and social development, and I do not suppose that what is true of one area is necessarily true everywhere. On the other hand, no part of Africa is set apart from this great process of transition, which is so much in your own thoughts today.

Whatever may be said of the tensions inherent in the colonial experience, it is striking that the great majority of the new African nations have emerged to freedom peacefully. A considerable degree of preparation, perhaps lacking in some respects but nevertheless vital, was extended to these dependent peoples in the field of economic development, education, political expression, and self-government. Confusion has resulted, and could result again on the continent, largely through failure to make this preparation or from undue delay in the political process which it is intended to facilitate.

Where preparations for inevitable change have not yet begun, the hour is dangerously late. But even in those areas determined reform coupled with genuine good will may in God's grace find success. Let us pray that this course will be chosen.

Your own Government institutions and your peoples are engaged in a vital process not only of constitutional transition but of accommodation between races. Certainly these problems of transition and accommodation must be resolved primarily by the peoples and governments concerned. It is our genuine hope that political, social and economic progress will occur without reference to the race of individual citizens, and certainly without the derogation of the full rights of any element of the population.

There are some who feel you are going too fast and there are some who feel you are going too slow. But the important thing is that you have not set your face against the course of history. You are working toward the commendable goals of self-government by all the people and an interracial society. It is the speed with which you approach these goals which is the substance of your political dialog. We take it that it is your intention to get on with the job.

We in the United States are humbly aware that we have yet to achieve the full promise of racial equality. But it is the declared law of the land, it is the vigorous policy of our new national administration, and we shall attain it.

American foreign policy is based on a set of principles to which we hold most seriously. Self-determination is one of these principles. In fact, it is a universally recognized principle which asserts the right of people to determine the kind of government under which they want to live. This is the very basis of the world order which makes possible the area of freedom and which, I am sure, is the goal of your own evolution.

From this basis, the United States will seek to evaluate its policies toward Africa according to the merits of each individual case and problem. We do not propose to apply formulas nor have we any desire to export any particular concepts of our own. We shall, instead, adhere to principle and try to use our influence judiciously and in concert with men of good will, of all races and creeds, in whose hands the future of Africa rests.

In conclusion, may I express again my appreciation for the opportunity to visit this part of Africa. I am gratified at the good will I find among so many, and at the dedicated efforts being made, by people of all races, to create a society in which all can fully enjoy a good life in peace and harmony.

I think I can understand the disappointment of those who find things moving too slowly and even the concern of those who find things moving too fast. Certainly, I would not minimize the tasks of transition which are yours to solve.

Speaking for the Government of the United States and on behalf of its people, I wish you Godspeed in bringing those tasks to a successful conclusion.

REACTION TO THE WILLIAMS ADDRESS

Here is the editorial from the Evening Standard, the white settlers newspaper:

THE TRUTHS EARNESTLY SPELLED OUT

The U.S. Assistant Secretary of State for African Affairs, Mr. Mennen Williams, was certainly "telling us" in his speech in Salisbury today.

For that reason, more than anything else, there are many who will criticize him, but nobody who is prepared to look at, and analyze, his speech dispassionately can deny the truth of what he says.

Nor can anybody who reads the speech carefully, and with perception, fail to appreciate the principle which is basic to American policy toward Africa—and the other countries of the world as well.

Whether it is Berlin or Africa, America believes that the people have the right to determine the kind of government under which they want to live. The United States is pledged to assist the less developed countries to build up the strong and independent societies to which their people aspire—and which it considers basic to peace and freedom.

In that context, Mr. Williams made three points:

1. People the world over want governments of their own choosing and full recognition of their dignity as human beings. The denial of these values results in restiveness which can explode into "unpleasant problems."

The United States recognizes the "dynamics" of nationalism in Africa today and the desire to be free from any form of outside domination.

2. There are 28 sovereign nations in Africa today of which 16 have attained their independence in the past 2 years.

If the leaders of these newly independent countries can keep abreast of the rising expectations of their people, responsible government will prosper and mature. That is why these nations "deserve our help."

3. This drama of change "is a text of our times." It cannot be buried by angry men or hidden in the midst of the sea by those who dislike or fear its unrolling.

No part of Africa is set apart from this great process of transition. For that reason, where preparations for change have not yet begun, the hour is "dangerously late."

Mr. Williams made his speech today with that earnestness which is characteristic of the Americans. In that spirit he had a special word for us in the Federation (though he seemed studiously to avoid use of the word; "Federation" does not appear once in the text of his speech): "The important thing is that you have not set your face against the course of history. You are working toward the commendable goals of self-government by all the people in an interracial society. It is the speed with which you approach these goals which is the substance of your political dialog. We take it that it is your intention to get on with the job."

As we have already commented, he was certainly "telling us." Equally certainly he told countries like Portugal and South Africa what America's attitude is, what it thinks they should do, and of the grave dangers it believes inevitable if they do not "get on with the job" of coming to terms with their peoples' aspirations.

America will not be loved any the more as a result, but it would be a tragedy (in the real sense of the word) if the truths he spelled out today were hidden and lost in the mists of anger.

THE BLACK AFRICAN REACTION

Here is the editorial from the Daily News, the black African newspaper:

WILLIAMS SPEAKS

The declaration of policy by Mr. Mennen Williams, the Assistant Secretary of State for Africa in the United States today, will be received with interest and widespread approval by those persons of all races and background genuinely interested in the development of self-governing African states, and dynamic nonracial new nations.

The subject of freedom for a people to choose governments under which they will live, is a vital one in Africa today—it is the cry on the lip of every articulate African from Cairo to Cape Town, and from the Atlantic to the Indian Ocean. It is gratifying for people in Salisbury to hear, firsthand, that America tends to assist in this delicate but vital process.

Mr. Williams has not minced words. Some of his statements will be hard for local politicians to swallow and digest—even if they did they may suffer from indigestion. This is mainly because many of our people take too parochial a view of the current world problems and have attitudes of the past century. If they were to have their own way, the prospects of world peace would be endangered as Mr. Williams warned.

We are also heartened by Mr. Williams' acceptance of the fact that new African nations do not (and should not) wish to be involved in the cold war, where, of course, they would only be used as pawns. The acceptance of the neutral position of African states is one of the new, but encouraging lines of thought in the new Kennedy administration.

The pace of constitutional transition and accommodation of the races here, particularly the latter, is too slow for our liking. We hope there is the intention to get on with the job. If that intention were not there, or new men tried to slow it down, we expect Mr. Williams to put the full weight of his administration in the direction of greater speed, even if it means hurting old, or newly won friends.

NEW COMPTROLLER OF THE CURRENCY SHOULD DISCOURAGE BANK MERGERS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the long-awaited resignation of Ray M. Gidney as Comptroller of the Currency should bring a new, hard look at any new or pending bank merger applications. Mr. Gidney's last annual report, just recently issued, confirms the fact that he has shown quite a record of approving bank mergers, notwithstanding the hopes of Members of Congress that under the Banking Act of 1960 the merger trend would be abated. I am looking forward to the next annual report with the expectation that it will record a very much smaller number of bank merger approvals.

In this connection, I would like to introduce into the RECORD a very penetrating analysis of the bank merger problem as it developed under Mr. Gidney, prepared by Bernard D. Nossiter and appearing in the Washington Post this morning.

Also, following Mr. Nossiter's article, I wish to include an article from this morning's New York Times headlined "Four Banks Here Slating Mergers," and another item entitled "Jersey Banks Plan Merger." These articles give further evidence, if it is needed, that the merger movement in banking is reaching the danger stage.

Finally, I wish to include another article from the New York Times discussing the appointment of the new Comptroller of the Currency. This article mentions that some 30 or more national bank merger proposals are pending in the Comptroller's office.

[From the Washington Post, Sept. 22, 1961]

COMPTROLLER EXITS TO ECHO OF OLD ISSUES

(By Bernard D. Nossiter)

The off-again-on-again resignation of Ray M. Gidney, Comptroller of the Currency, reflects a historic clash of economic and political philosophies.

After some fumbling in the White House and the Treasury Department Wednesday over whether Gidney had or had not resigned, the question of his departure at least is settled. The Comptroller will leave November 15, and a Chicago bank lawyer, James J. Saxon, will then take his place.

Yesterday Gidney was hinting to reporters that he felt he had been unceremoniously forced to resign. But from a political standpoint the only mystery is how the 74-year-old Cleveland banker hung on as long as he did. Gidney, a Republican, was the choice of President Eisenhower's Treasury Secretary, George M. Humphrey.

For the past 40 years a new Comptroller has taken office whenever the White House changed political hands. Gidney's 11-month tenure under an administration of another party is a modern record of sorts.

Circumstance and Gidney's economic beliefs account for this, according to administration sources. When the Kennedy forces took over in January, they were concerned about filling key jobs, and the Comptroller's post was left to be dealt with later.

Then, in February, Gidney—known as a stanch supporter of big, strong banks—approved the merger of two Philadelphia banks over the opposition of Attorney General Robert F. Kennedy's Antitrust Division. At that point, administration officials say, it would have been awkward to ask Gidney to bow out, lest it appear that he was being removed because of his decision in a particular case.

Gidney consolidated his advantage by approving still more mergers that the Justice Department disliked. On Capitol Hill some traditional foes of bigness in banking—notably Representative WRIGHT PATMAN, Democrat, of Texas—grumbled openly.

Finally, on Wednesday, Gidney gave way when his successor's nomination was mistakenly sent to the Senate.

Normally the Comptroller's job is a long way from the center of power. His principal task is to oversee the 4,524 national banks—those chartered by the Federal Government, including those in the District. That largely means auditing their loans and investments to make sure they are sound.

But under the Banking Act of 1960, the Comptroller was given another chore: final authority to approve or disallow the merger of national banks. He is required to consult with the Attorney General, the Federal Reserve Board, and the Federal Deposit Insurance Corp., but their opinions are not binding on him.

This is no academic matter. Like a youth in springtime, the banks have developed a powerful urge to merge in recent years.

PATMAN counts 13,500 commercial banks today (the other 9,000 nonnational banks are chartered and supervised by the States) against 31,000 in 1920. He and Lee Loevinger, head of the Antitrust Division, worry about this growing concentration.

A look at Gidney's last annual report, for 1960, shows that he approved dozens of mergers despite the Eisenhower Justice Department's opposition.

In case after case, Gidney argued that the merger would produce a bigger, stronger, more profitable bank. This was clearly his principal consideration. He generally disposed of the lack-of-competition argument by saying that the merged bank would be better able to compete with still bigger banks in getting the business of large corporate borrowers.

The Loevingers and Patmans approach the problems differently. They ask what is the merger's effect on borrowers, particularly small businessmen. In the cases in which the Justice Department has opposed mergers, Loevinger contends that the combined bank gives a potential borrower one less chance to shop for a loan.

Moreover, Loevinger fears that the very big banks will be uninterested in or hostile

to a small borrower. It's more expensive to make 500 loans of $100,000 each than one of $50 million. Also, he asks whether a banker will freely lend money to a small competitor of a large firm that has already borrowed a big amount from his bank.

Gidney's departure doesn't close the issue. The Justice Department is going ahead under the Sherman Antitrust Act in an attempt to break up mergers Gidney has approved. These cases have a long road to travel through the courts before they are settled.

And even if the new Comptroller and Loevinger see eye to eye, the Government won't speak with one voice. The Federal Reserve Board has the last word on mergers of State banks in the Federal Reserve System and, like the Comptroller, receives advice only from the Justice Department. Earlier this month the Board approved the merger of two big new banks against the advice of Loevinger and company.

[From the New York Times, Sept. 22, 1961]

FOUR BANKS HERE SLATING MERGER—THREE ARE ON LONG ISLAND—NEW INSTITUTION TO OPEN

Two merger proposals affecting four banks, and plans for the opening of a new bank were announced yesterday.

Directors of the Commercial Bank of North America, whose head office is in Manhattan, and directors of the State Bank of Long Beach, Long Island, gave tentative approval at separate meetings yesterday to a merger plan.

A merger proposal also was approved by directors of the Security National Bank of Long Island and directors of the Peconic Bank of Sag Harbor, Long Island.

Meanwhile, the County National Bank of Mineola, Long Island, announced that it would open its doors for business for the first time next Wednesday.

If the merger of Commercial Bank and the Long Beach bank is effected, it will mark the first venture of a nonbillionaire New York City bank beyond the city limits since the bank expansion law went into effect 14 months ago.

HOLDERS APPROVAL NEEDED

The consolidation, which must be approved by stockholders of both institutions as well as regulatory authorities, will add one office to Commercial Bank's branch system. The bank now has five offices in Manhattan, four in Brooklyn, two in Queens, and one in the Bronx.

G. Russell Clark, who became chairman of Commercial Bank of North America following his resignation earlier this year as New York State superintendent of banks, said he hoped final approval for the merger would be forthcoming before 1961 has ended.

Bank stock analysts were speculating yesterday on terms of the merger, which as yet have not been announced. The consensus was that the exchange of stock would be on a basis of four shares of Commercial Bank for five shares of the State Bank.

On September 5, Commercial Bank was quoted over-the-counter at 46 bid; it closed today at 50 bid. State Bank shares on September 5 were quoted at 25 bid; the bid price rose yesterday to 34 bid.

Commercial Bank has deposits of approximately $185 million, State Bank about $10 million. Total resources of the two institutions combined are $220 million.

Security National Bank is the third largest bank on Long Island. It has 28 branches in Suffolk and Nassau Counties and assets of about $225 million. The Peconic Bank has assets of about $3,500,000. If the merger is approved, it will be operated as a branch of Security National.

The office of the new bank in Mineola will be at 146 Old Country Road. Total capital funds of the bank will be $1,800,000. It has been organized by nine local businessmen in Mineola, the Nassau County seat.

[From the New York Times, Sept. 22, 1961]

JERSEY BANKS PLAN MERGER

RED BANK, N.J.—Officers of the Monmouth County National Bank, Red Bank, and the First National Bank, Freehold, announced plans today for consolidation of both institutions. There will be a later meeting of stockholders to vote on the plan.

[From the New York Times, Sept. 22, 1961]

VIEWS OF NEW U.S. COMPTROLLER ON BANK MERGERS ARE AWAITED—SAXON, WHO SUCCEEDS GIDNEY IN NOVEMBER, BRINGS WIDE EXPERIENCE TO POST

(By Edward T. O'Toole)

The surprise appointment yesterday of James J. Saxon, a 47-year-old counsel for a Chicago bank, as the new U.S. Comptroller of the Currency has left a lot of people guessing. Among the most active guessers are the Nation's bankers, especially those representing national banks.

What concerns them is what Mr. Saxon's attitude will be with respect to bank mergers. The merger wave of the last decade has resulted in the consolidation of more than 100 banks each year. Mergers involving national banks fall within the jurisdiction of the Comptroller to approve or disapprove. During the last year, Ray M. Gidney, the present Comptroller, gave the green light to the majority of the merger applications that reached his office. And the merger wave shows no sign of abating.

Many bankers yesterday were wondering if Mr. Saxon, who succeeds Mr. Gidney on or about November 15, will follow in his predecessor's footsteps or will hold more firmly to the line set by Attorney General Robert B. Kennedy. As head of the Department of Justice, Mr. Kennedy has left no doubt where he stands on the question of big bank mergers: Thus far he has approved them all.

Despite Mr. Gidney's approval of recent big bank mergers in Illinois, Pennsylvania and Kentucky, the Attorney General lost no time in opposing them in court on the grounds that they violated provisions in the antitrust laws. Although no public rift developed from this marked difference of opinion, it was no secret in Washington that the administration sooner or later would take steps to move Mr. Gidney out and someone else in.

The surprising element in Mr. Saxon's appointment was the fact that President Kennedy was not acquainted personally with his new Comptroller. According to Mr. Saxon, his candidacy was championed by Secretary of the Treasury Douglas Dillon. Washington observers close to the Treasury are of the opinion that Under Secretary of the Treasury Robert V. Roosa also backed the midwestern lawyer's appointment.

Mr. Saxon said yesterday that his new job would mean a considerable reduction in salary, but that a compelling compensation would be "the opportunity to return to public service. Once infected with the virus, you always have it somewhere in you."

The new Comptroller brings to the office a broad and deep financial background. After graduating from Georgetown University with a law degree in 1937, he spent 15 years with the Treasury. He was Treasury attaché to the U.S. High Commissioner in the Philippines during World War II and also handled special assignments in Puerto Rico and north Africa.

WENT WITH ABA

After the election of President Eisenhower in 1952, Mr. Saxon, an avowed Democrat, joined the staff of the American Bankers Association as assistant general counsel in the Washington office. He specialized in the fields of taxation and legislation and developed close relationships with such key financial legislators as Senator A. WILLIS ROBERTSON, Democrat of Virginia, chairman of the Senate Banking and Currency Committee, and Representative BRENT SPENCE, Democrat of Kentucky, chairman of the corresponding House committee. In 1956 he joined the First National Bank of Chicago, where he is counsel.

Mr. Saxon is a native of Toledo, Ohio, is married and the father of six children.

Although he refused to comment specifically on his plans for handling the 30 or more national bank merger proposals he may find awaiting his decision when he moves into the Treasury again in November, he did remark pointedly that the Kennedy-Dillon-Gidney agreement would expire, according to its own terms, when Mr. Gidney left office.

The agreement stipulated that the Comptroller would not endorse any merger applications to which the Department of Justice took exception. The signing of the agreement raised questions in some banking circles as to whether the assignment of veto power to the Department of Justice was proper.

There was a growing feeling in Washington yesterday, and elsewhere among bankers, too, that proper or not, the agreement would not be revived after Mr. Saxon took office.

TREND TOWARD MONOPOLISTIC BANKING PRACTICES SHOW UP IN SAVINGS AND LOAN FIELD

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, as I am sure all of my colleagues are well aware, I have consistently fought against bank mergers, consolidations, chain and branch banks, and similar monopolistic practices of the banking fraternity, which seem to be occurring with ever increasing and most discouraging frequency. In my opinion, the most satisfactory method of opposing this trend has been developed by the traditional policy of my State of Texas, as expressed in its constitution and in its banking regulations and statutes, which are aimed at preventing the establishment of branch banks.

BRANCHES IN SAVINGS AND LOANS

In this connection, I was recently informed that, on May 22, 1961, a resolution was passed by the board of directors of the Ninth District Federal Home Loan Bank of Little Rock, Ark., which prohibited, for the period of 1 year, the establishment of any new Federal savings and loan associations in Harris and Dallas Counties, Tex. It is also my understanding that the resolution does not forbid or have any effect upon the establishment of branch operations or offices in the above counties by large savings and loan associations. I have been informed that such branches would be merely depositories and would not furnish complete home financing to the communities in which they are located. My attention has also been directed to a public announcement, alleged to have been made by the president of the Dallas Federal Savings and Loan Association, to the effect that he intends to establish 10 branches in Dallas County.

Because of my great concern with this growing problem in this country and the concomitant destruction of locally owned enterprises, I requested the Chairman of the Federal Home Loan Bank Board to inquire into the above situation and advise me with respect to the justification, if any, for this obvious departure from the established policies of Texas insofar as branch banking is concerned.

In order that this most interesting, apparent attempt on the part of the Federal Home Loan Bank of Little Rock, Ark., to circumvent the policies of Texas and to usurp the prerogatives of the Board, itself, may be brought to the attention of my colleagues, I am inserting herewith my letter to the Chairman of the Board and his forthright reply:

SEPTEMBER 18, 1961.

Hon. JOHN P. McMURRAY,
Chairman, Federal Home Loan Bank Board,
Washington, D.C.

DEAR MR. CHAIRMAN: It has been brought to my attention by a constituent, that on May 22, 1961, a resolution was passed by the Board of Directors of the Ninth District Federal Home Loan Bank of Little Rock, Ark., which prohibited, for the period of 1 year, the establishment of any new Federal savings and loan associations in Harris and Dallas Counties, Tex.

It is also my understanding that the resolution does not forbid or have any effect upon the establishment of branch operations or offices in the above counties by large savings and loan associations. I have been informed that such branches would be merely depositories and would not furnish complete home financing to the communities in which they are located. My attention has also been directed to a public announcement, alleged to have been made by the president of the Dallas Federal Savings and Loan Association, to the effect that he intends to establish 10 branches in Dallas County.

As you are undoubtedly aware, the traditional policy of Texas, as expressed in its banking regulations and statutes, is definitely opposed to the establishment of branch banks. I have always been in complete accord with this policy and feel very strongly that financial institutions and activities should be confined to the areas in which the customers to be served are located. In other words, I am unalterably opposed to having the banking needs of local communities handled by large organizations situated elsewhere, particularly in the big cities.

Inasmuch as savings and loan associations perform functions very similar to those of banks, I am very much disturbed about the reports which I have received and mentioned above with respect to branch operations of such associations in my State. Additionally, it is obvious to me that, during the moratorium mentioned above, the large savings and loan associations would be able and apparently intend to establish branch offices in numbers sufficient to effectively prevent the organization of any small associations at the end of that time, on the ground that there will then be no need for local or hometown savings and loan facilities.

Accordingly, I would greatly appreciate your inquiry into the situation which is reported to exist in Dallas and Harris Counties, with particular reference to the most unusual resolution approved by the bank in Little Rock, and advising me of the justification, if any, for this apparent departure from the established policies of Texas insofar as banking is concerned.

Your prompt compliance with the foregoing requests will be appreciated.

Sincerely yours,

WRIGHT PATMAN.

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., September 21, 1961.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: This will reply to your letter of September 18, 1961, referring to a resolution adopted by the directors of the Federal Home Loan Bank of Little Rock, Little Rock, Ark., on May 22, 1961, which you state "prohibited, for the period of 1 year, the establishment of any new Federal savings and loan associations in Harris and Dallas Counties, Tex." You request information concerning this matter.

The resolution to which you refer reads as follows:

"Whereas in our opinion Harris and Dallas Counties, Tex., are at the present time being adequately served by the insured savings and loan facilities: Therefore be it

"Resolved, That for a period of at least 1 year the officers and directors of the Federal Home Loan Bank of Little Rock will not offer a favorable recommendation on any application for membership in the Federal Home Loan Bank of Little Rock filed by any newly organized association, or by any group wishing to organize a Federal savings and loan association in this area, unless such application was in the process of being prepared for filing prior to May 22, 1961."

It is apparent, I believe, from the foregoing resolution that the directors of the Little Rock bank did not purport to prohibit the establishment of any new Federal savings and loan associations in Harris and Dallas Counties, Tex. The directors of the bank, of course, possess no such authority.

The resolution was apparently adopted pursuant to section 523.2 of the Rules and Regulations for the Federal Home Loan Bank System which provides, in part, as follows:

"The officers of the bank designated by its board of directors shall promptly consider the application for membership and shall endeavor to obtain such supplemental information as they may deem appropriate. They shall report their recommendation thereon to their board of directors or to the executive committee of the bank, which shall consider the officer's report, and after obtaining any additional information with respect to the application as it may desire, shall then transmit the application to the Board with its recommendation thereon."

The Board first became aware of the resolution on June 12, 1961, when the general manager of the Federal Savings and Loan Insurance Corporation transmitted it to the Board together with a memorandum which reads as follows:

"Attached is a copy of a letter dated May 31 received from the Federal Home Loan Bank of Little Rock enclosing a resolution adopted by its board of directors. As you will note, the opinion is expressed that both Harris and Dallas Counties are adequately served by existing savings and loan facilities and that '* * * for a period of at least 1 year the officers and directors of the * * * bank * * * will not offer a favorable recommendation on any application for membership.'

"While the board of directors of the bank naturally has its own rights, it is equally clear that the Federal Home Loan Bank Board is charged with the final responsibility for passing upon such applications.

"We may observe that in Dallas County there are 32 facilities (including branches), or 1 for every 29,735 persons. In Harris County (Houston), there are 29 facilities, or 1 for every 42,867 persons. In the light of this information, we have serious reservations about any conclusion that there is no need for even a single additional facility.

"It is recommended that applicants for insurance be continued to be considered on the basis of the usual tests and that the proof of need be appraised on the basis of the facts relating to each applicant."

By minute entry, dated June 16, 1961, the Board approved the recommendation of the general manager. That minute entry reads as follows:

"The Board considered memorandum dated June 12, 1961, from the General Manager, Federal Savings and Loan Insurance Corporation, concerning a letter dated May 31, 1961, from the president, Federal Home Loan Bank of Little Rock, with regard to views of the officers and directors of that bank as to applications for membership in the bank filed from Harris County or Dallas County, Tex., by any newly organized association or by any group wishing to organize a Federal savings and loan association in those counties.

"The Board approved the recommendation of the General Manager and directed that he accordingly notify the president of the Federal Home Loan Bank of Little Rock."

A copy of the General Manager's memorandum and the minute entry referred to were transmitted to the president of the Federal Home Loan Bank of Little Rock by the General Manager on June 28, 1961. It was the opinion of the Board that the General Manager's recommendation, together with the Board's minute entry, would make abundantly clear to the directors of the Federal Home Loan Bank of Little Rock that the Board would continue to pass upon applications for bank membership on a case basis giving due consideration to all factors involved in each application.

The Board was not aware that the resolution of the Little Rock bank was ever publicized by that bank. However, it is unfortunate that the directors of a Federal home loan bank would adopt a resolution which, if publicized, might lead the public to believe that the establishment of any new Federal savings and loan associations in a given area would be prohibited for a given period of time. I want to assure you that this Board, so long as I am its Chairman, will continue to approve or disapprove all applications, whether in Harris and Dallas Counties or elsewhere, strictly upon the merits of the application involved.

While the Board respects the right of the board of directors of the Federal home loan banks to make recommendations concerning applications for bank membership, those recommendations are only recommendations and treated as such by the Board.

We were unaware of the alleged public announcement by the president of a Federal savings and loan association in Dallas that he intends to establish 10 branches in Dallas County. However, no Federal savings and loan association may establish a branch office without the prior approval of the Board. Accordingly, no Federal savings and loan association, whether in Dallas or elsewhere, may establish 10 branches or even 1 branch unless this Board has been convinced that the application in question is meritorious and meets the required criteria.

We hope this letter will clarify any misunderstanding which may have arisen in the minds of your constituents as a result of the resolution adopted by the directors of the Federal Home Loan Bank of Little Rock.

I wish to express my personal appreciation and that of the other members of the Board for your interest in this and other matters relating to the savings and loan industry.

Sincerely,

JOSEPH P. McMURRAY,
Chairman.

BERLIN AND THE U.N.

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent to extend my

remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, there is a saying that old mistakes come back to haunt us, and certainly the error of omission we made in failing to provide permanent, indisputable access to Berlin at the conclusion of World War II is an apparition of more substance than any ghost could hope to manufacture.

The Communists have repeatedly and consistently exploited this failure, this trust we placed in the establishment of a new, peaceful world, for their own ends.

They have placed unceasing and consistent pressure on us and our allies in this often beleaguered city. They have harassed us. They have attempted to starve us out. They have resorted to kidnaping, to the buzzing of commercial airliners, to mock crises and sham demonstrations as well staged as any Broadway production, in repeated attempts to force us out of Berlin and to deprive the 2,500,000 residents of West Berlin of their freedom and their hope for the future.

We have resisted these efforts strenuously under extreme tension and provocation. We have stood firm and the people of West Berlin have applauded our firmness and our resolution to stand up for their rights as free men and women.

President Kennedy made this Nation's position clear in his report to the Nation on July 25 when he said:

> We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force. For the fulfillment of our pledge to that city is essential to the morale and the security of West Germany, to the unity of Western Europe, and to the faith of the entire free world.

Former President Eisenhower earlier had drawn the line in his statement of March 16, 1959, in which he said:

> We have no intention of forgetting our rights or of deserting a free people. Soviet rulers should remember that freemen have, before this, died for so-called scraps of paper which represented duty and honor and freedom. * * * We cannot try to purchase peace by forsaking 2 million free people of Berlin. * * * We will not retreat one inch from our duty.

We have stood by these principles in the face of extreme pressure, and we should continue to stick by them in the future.

Now we have entered the latest phase in the devious course of Khrushchev mental and physical manipulations.

After attempting to scare the world half out of its wits with a series of atomic blasts undertaken unilaterally, Khrushchev has once again sharply altered course on his ship of state.

He is talking peace. He is talking about hope, and the need for heading off the danger of an armed conflict over Berlin.

He has proposed a subtle plea to the neutral nations of the world that the United Nations move its headquarters to Berlin, and that West Berlin—and West Berlin only—be made an international city.

There certainly is method in Khrushchev's apparent madness. A quick look at the fate of the free city of Danzig tells us where Khrushchev's aims are in this latest gambit. He wants to gobble up West Berlin. If this cannot succeed, then he wants to neutralize the effectiveness, the vitality, the growth, and the freedom enjoyed by the residents of West Berlin.

To back up his proposal, Khrushchev has spared no expense and no hardship on East Berliner and West Berliner alike to accomplish his objectives. He has built a brick wall across the center of the city of Berlin, sealing East from West, and stopping the flow of refugees which formerly flocked across the border to freedom in a virtual army of rebellion against the hardships, the despair, and the monotony of life behind the Iron Curtain.

If this brick wall is to stand as a symbol of Russian architecture, then I believe we should add a few American embellishments. One of the most noteworthy additions to the American home in recent years has been the picture window.

Perhaps we should add a picture window and possibly even a sliding glass door through Khrushchev's brick wall.

How do we accomplish this?

Let us take the first part of Premier Khrushchev's proposal, the relocation of United Nations headquarters to Berlin. I think we should consider accepting this part of Khrushchev's plan.

As for Khrushchev's suggestion that West Berlin be made an international city, I think we should reject it and propose instead that West Berlin continue its ties with West Germany.

Our argument should be that West Berlin should no more be an international city than New York is an international city, even though it is U.N. headquarters.

Khrushchev and his Communist propaganda machine have made much of the fact that U.N. headquarters are located in the largest city in the largest and strongest capitalistic nation in the world.

He has pointed to the U.N. location as an argument in support of his propaganda campaign that the U.N. is controlled and dominated by those who believe in free enterprise and the worth of the individual.

Further, the Communists have made much of every little incident, every little friction which has developed in New York involving a U.N. delegate or his staff.

Let us permit Khrushchev to have his way on this point. Let us permit and support the moving of U.N. headquarters. I believe that our Nation and the free world has much more to gain through such a move than Khrushchev.

First, it is my contention that the relocation of U.N. headquarters in Berlin—preferably on the border between East and West Berlin and possibly even straddling the Brandenburg gate—would end the pressure Khrushchev and company have been placing on West Berlin. Access to West Berlin would no longer be an issue.

Certainly, not even Khrushchev would halt U.N. delegates from going to U.N. headquarters through East Germany, as world opinion would rise up in righteous indignation.

Second, Khrushchev could not attempt to starve out West Berliners as he has in the past, simply because he would be starving out his friends as well as his enemies in the U.N.

Third, and in my opinion, most important, we will have added a picture window to Khrushchev's wall through Berlin.

I do not see how the U.N. delegates could be stopped from visiting East Berlin as well as West Berlin if this move of U.N. headquarters were approved. Further, I do not see how U.N. delegates could be stopped from visiting East Germany, as even Khrushchev would think twice about limiting the travel activities of the neutrals he is trying to woo into the Communist world.

Anyone who has been to Berlin recently knows the sharp contrast between East and West Berlin, between East and West Germany. He can see for himself the activity, the hope, the freedom that the Germans in the Western World enjoy. The contrast between this freedom, this prosperity, this faith in the future and the despair, the poverty, and the fear written on the faces and in the actions of East Berliners and East Germans is obvious for anyone to see.

Those who might have been thinking of joining the Communist camp would have second guesses about the wisdom of such a move simply by seeing East and West Berlin side by side.

Those who have hope for the future of mankind would see in which direction hope, prosperity, and freedom lay.

What would Khrushchev do under these circumstances?

He would have two major alternatives.

Either he would try to continue to seal off the view of the world from East Berlin and East Germany as he is doing now so that the contrast between dictatorship and freedom would not be so apparent, or he could try to raise East German living standards, try to give the East Germans a litle more freedom, so that this view through the picture window would be more desirable.

If either alternative is followed by Khrushchev, we have won the diplomatic battle and the Communists have lost.

The Iron Curtain policy, if it were pursued, would alienate the neutrals, would make them suspicious and resentful of the restrictions to travel placed upon them. Further, they would no longer be susceptible to Red propaganda about Berlin, because they would be able to see its lies for themselves, firsthand.

If Khrushchev decides instead to raise East German living standards and make East Berlin and East Germany a Communist showcase, then we also have won.

Khrushchev will then be running the risk of creating that which he fears, a strong Germany, becoming too strong to contain and which might turn to reunification with West Germany whether Khrushchev likes it or not.

This is not a new idea with me. I proposed it some 3 months ago along with my colleague, the gentleman from New Jersey, Representative GALLAGHER. I am happy to see that it is picking up support not only here at home, but abroad as well. I think this suggestion deserves the most serious consideration by this administration and by the Department of State.

For the information of my colleagues, an editorial from the Daily Tribune, Royal Oak, Mich., on this plan, as well as an article which appeared in the Detroit News, Detroit, Mich., are included in the RECORD at this point.

BERLIN AND THE U.N.

The private conversations to be held between Secretary of State Dean Rusk and Soviet Foreign Minister Andrei A. Gromyko at New York during early days of the United Nations General Assembly, it has been emphasized in both Washington and Moscow, are to be purely exploratory. There is to be nothing in the nature of negotiations. But the dividing line between negotiations and what are called "exchanges of views" has never been very clear. Lifting of the 1948–49 Berlin blockade—one of the few notable Allied successes in 15 years of cold war—was effected by East-West exchanges of views at U.N. headquarters in May 1949.

The United Nations itself, because of its large membership, could not aspire to be a focal point in efforts to solve the Berlin problem, Secretary Dag Hammarskjold wrote in his August 24 annual report. He appeared to favor direct exchanges which might arrive at a modus vivendi that then could be given a kind of U.N. seal of approval.

Secretary Rusk on July 11 had stated: "I think we can suppose that at some stage the Berlin question might well come to the attention of the United Nations, as do almost all important questions involving tensions and threats addressed to peace." And on August 16 the Kennedy administration was reported to be considering a plan to seek eventual ratification by the U.N. of any negotiated Berlin settlement.

Walter Lippmann, in a sober article of September 12, wrote: "To keep West Berlin not only free but alive and flourishing, it will have to be given a significant and attractive function to perform in the years to come." Lippmann might have been—but was not—alluding to a Berlin solution suggested in many letters received at the White House after President Kennedy's July 25 radio-TV address to the Nation. It was that U.N. headquarters be moved to Berlin to insulate that city from the cold war.

The idea has not caught on and is highly obnoxious to West Germans, who look upon West Berlin, in Mayor Willy Brandt's phrase, as "the clamp which holds these divided [German] peoples together." But the suggestion, curiously, has found great favor with a wide spectrum of the British press. Typical is this passage from an editorial in the Conservative Daily Telegraph:

"It has been considered before—and rejected on the ground of cost and because it was thought that the guarantee would not be strong enough against Communist obstruction and subversion. But might there not be value in thinking all its implications through again? The problems are legion, but so are the possibilities; and if a practicable scheme could be evolved, might it not be worth sounding out the Russian view? There are more ways of calling a man's bluff than by accepting his challenge in a fight."

Earlier the equally Conservative Sunday Times had outlined the case for putting the U.N. in Berlin: Neither Russia nor the United States is entirely satisfied with the present site. Ideally, the headquarters should be the central feature of its location, and in West Berlin it could become the focus of the city. West Berlin would not be demilitarized—but denationalized. Few of its citizens would mind that, since they would have a built-in guarantee of personal freedom.

The Laborite Daily Herald cites still a further advantage. Bringing the U.N. into West Berlin would attract large amounts of foreign currency to the city and give it an economic stability that would be sorely needed. In that connection it might be noted that the West German Government, which has spent 25 billion marks ($6½ billion) since 1948 in subsidizing West Berlin, on September 11 allocated another 500 million marks ($125 million) to the beleaguered ex-capital. That's on top of the 1.1 billion mark ($257 million) contribution already earmarked for the city.

(By J. F. Ter Horst)

WASHINGTON, September 21.—It isn't often that the Russians borrow an international idea from a Republican—and that's just why Representative BROOMFIELD is wary.

As a way of easing the Berlin crisis, BROOMFIELD (Republican, Royal Oak), suggested in an interview 3 months ago that the United Nations might be moved to West Berlin.

Now the young House Foreign Affairs Committee member finds it coming back at him—and the United States—done up in Russian ribbons.

INTERNATIONAL CITY

"They've juggled it around to fit their own aims," BROOMFIELD observed. "I can't support their version."

A front page editorial in Izvestia, official voice of the Soviet Union, proposed in Moscow that the U.N. General Assembly consider transferring headquarters from New York to West Berlin.

The Kremlin indicated it would support such a shift if the Western Powers would agree to a Soviet demand that Berlin be made an international city under U.N. control.

Right there is where BROOMFIELD and Soviet Premier Khrushchev part company.

"That's the crux of the whole idea," BROOMFIELD said.

KEYED TO ALLIED ACCESS

His plan, back in late June and today, is that the U.N. might move to West Berlin if the Russians would agree to restore access to East Berlin under the original four-power occupational agreement.

Even that, BROOMFIELD says, is going a long way toward meeting Russian objections to "American domination" of the U.N. because of its New York location.

Internationalizing Berlin as the Russians want, according to BROOMFIELD, would mean the removal of Western troops and the eventual loss of Allied influence.

"When Khrushchev talks about a 'free Berlin' he's got a different interpretation than I do," the Congressman said.

WEIGHED BY DIPLOMATS

BROOMFIELD, with the backing of a fellow committee member, Representative GALLAGHER, Democrat, of New Jersey, advanced the U.N. transfer to the State Department as a negotiating point with the Russians.

"It embodies the hope that somewhere we can find a way of dislodging the Communists from the collision course we now find ourselves on," GALLAGHER said.

The State Department and Western diplomats informally reviewed the suggestion but feared it would put the international agency at a disadvantage, 110 miles inside East Germany. Access to Berlin, it was felt, would be subject to Communist whims.

PROMOTED BY BRITISH

BROOMFIELD's idea lay dormant until a few weeks ago when conservative British newspapers began promoting it. Some of the advantages they saw were a "facesaving" for both the East and West on the Berlin issue, a chance for U.N. members to grasp an understanding of divided Germany, and a continued free existence for West Berliners.

The Oakland County Republican conceded that some voters might mistakenly decide that he and Khrushchev were walking down the same road to a Berlin settlement.

"I'm sticking by my original proposition," BROOMFIELD said. "Besides, what if Khrushchev said 'water runs downhill'? Am I supposed to disagree just because he's a Communist?"

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER], may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, I want to compliment the gentleman from Michigan [Mr. BROOMFIELD] for his knowledgeable remarks and for the depth of his thinking on the great challenge of our times—Berlin.

Mr. BROOMFIELD and I many months ago, discussed the possibility of removing the headquarters of the United Nations to Berlin, as a way to help solve the great diplomatic and political problems it raises. Our findings on the recent study mission to Berlin for the Foreign Affairs Committee added to the interesting possibilities that can be found in this proposal.

Such a proposal is worthy at this time of the most serious consideration. It needs to be explored in the greatest detail. It demands study and consideration by the world's most experienced and competent statesmen and legislators.

It is possible the location of United Nations headquarters in a free city of Berlin—not just a free city of West Berlin, but a free city that would include the whole Berlin complex—East and West—would in time bring about a better understanding between the free nations and the Communist world.

And the city itself could exercise its free choice by a plebiscite so that the people of Berlin could decide by vote whether they wanted to continue as part of West Germany or part of East Germany or even be a third Germany, which is the real meaning of Khrushchev's free city idea.

Such a move would, of course, require a deliberate crumbling of the recently erected concrete barriers between East and West. It would necessitate the ripping away of barbed wire, the turning away of Communist guards, the withdrawal of tanks and infantry. It would require a freedom of travel and of communications. Berlin as a world capital, which in effect is what it would be under such an arrangement, would have to be an area of free access for citizens of all nations with these rights guaranteed by treaty.

Our deliberations in this important matter must be founded upon a realistic recognition of the fact that a reunification of the city of Berlin or of East and

West Germany is not likely to occur for many years, perhaps for decades. Unification is something we, and certainly the Germans, talk a great deal about, but do we, or they, really believe it is imminent? But the thought of the United Nations with all its implications of reality as well as its symbolic meaning could be the initial stage of a rapprochement between the East and the West.

Is the designation of Berlin, its East and its West, as a free city and the seating there of major agencies of the United Nations or even the headquarters of that organization, the best possible alternate solution?

Consideration of such proposals must be primarily diplomatic and political in nature. These are fields of realism, and we can afford to be nothing less than realistic in these critical times. There would have to be guarantees, not only of free travel and communications, but of sincerity and good will, for any agency dedicated to seeking world peace could not function in an atmosphere charged with the ill will of nations and the threat of war.

It is conceivable that such an arrangement—the rejoining of East and West Berlin and in the stationing there of representatives of all nations—would lead in time to an effective relationship between the Communist nations and the countries of the free world. Perhaps if the representatives of all nations were to live on the very line that separates the conflicting ideologies of communism and democracy, differences between the two would be placed in a better world perspective.

I do not propose, nor do I consider practical, a move of the headquarters of the United Nations to Berlin at this time, but I do believe the proposal of my distinguished colleague has much merit and is worthy of the fullest and most deliberate study.

The confrontation of communism with the way of life of the free nations would, most certainly, react in our favor. The two systems, existing side by side, would in the end cause communism to wither away, for in time it would become obvious to all that man was born to be free and that only a system where freedom exists can in the end prevail.

Perhaps a logical first step would be to hold meetings of major agencies of the U.N. in Berlin. Perhaps the better move would be to hold a meeting of the General Assembly in that city.

We must reconnoiter every road in our unceasing effort to find a just and lasting peace. It could well be that the road leading to Berlin as a unified city and the headquarters of the world organization dedicated to peace is the road we will want to follow to a just and lasting peace.

LEGISLATION IN 87TH CONGRESS

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Indiana [Mr. MADDEN] is recognized for 30 minutes.

Mr. MADDEN. Mr. Speaker, it has been my policy to make a brief summary of the major legislative accomplishments at the close of each session of Congress.

This has been one of the longest and most strenuous sessions which I have experienced during my service in the House of Representatives.

The start of any new Congress and especially a new national administration, takes several months before the congressional committee machinery functions and the new President can convey his messages on the various legislative programs to be considered. In spite of this delay, the Kennedy administration and the 87th Congress enacted more constructive legislation to combat the recession and unemployment than in any similar time since the first 100 days of Franklin Delano Roosevelt's administration in 1933.

This Congress has concentrated on the all-important task of building up the Nation's total strength economically in the struggle to preserve liberty, both at home and abroad, against the aggressions of the Communist tyranny. It was highly necessary for us to embark upon this long-range program to revive our domestic economy which has been woefully neglected during the past 8 years. Every effort has been made by this Congress to reconstruct and further expand our international alliances through programs recommended by the President. We must improve the economy of the backward or neutral countries to aid them to resist Soviet pressures. This Congress has set in motion several legislative enactments to build up and strengthen our military and expand our explorations in the new realm of science and space. We have launched what could be termed a national mobilization in peacetime to meet the unprecedented conditions which were created by Communist aggression.

During the previous 8 years, unfortunately, our Government has acceded to practically all demands which were made by the Communist tyrants in their cold war pressures in Korea, southeast Asia, the Middle East, Suez and even in our own hemisphere with our neighbors to the south. When President Kennedy assumed office, a Soviet state was already established under Castro within 90 miles off the Florida coast. No new President in our history, with the exception of Abraham Lincoln, ever assumed an office under such an avalanche of international problems which threatened our national life and our future as a free and independent government. The Communist dictators were allowed to run rampant through propaganda and military threats until they had established beachheads in every major continent on the globe.

DOMESTIC LEGISLATION

President Kennedy inherited a major economic crisis as far as our domestic economy, production, and unemployment are concerned.

By reason of the successes of the Communist aggressors, it was unfortunate that the new administration was compelled to face international crises in Laos, Cuba, Africa, Berlin, and other places.

During this session, President Kennedy has delivered or submitted to the Congress 15 messages on major legislative programs and policy in addition to 45 important administration bills, several governmental reorganization plans, along with numerous other minor bills pertaining to various governmental matters.

The 87th Congress has set a new high mark in the history of modern legislative achievement. Thirty-three major legislative enactments were approved during this session in contrast to 12 approved in the first session of President Eisenhower's first Congress in 1953.

This Congress cooperated with the President in passing an area redevelopment bill in an effort to reestablish prosperity and employment in various pockets of depression throughout the country. This legislation is now in the process of being implemented into action.

AUTOMATION

Automation and accumulated technological changes have brought about greater abundance, production, unemployment, and a substitution of machines for manpower. The Labor Committee of the House of Representatives has been holding weeks of hearings from labor, management, and all economic groups in an effort to discover a solution to this problem. In the next session, legislation will be presented to the Congress on this serious situation in our economy.

HOUSING

This Congress passed the most comprehensive housing program in congressional history so as to give an opportunity for more American citizens to own their homes. This bill also included expansion of urban renewal, public housing, housing for the elderly, and college housing. It also included the first major middle-income housing with low interest and 35-year loans, including 3-percent downpayment. The bill also provided open spaces in urban renewal programs for children to enjoy fresh air and recreation.

WATER POLLUTION CONTROL

Over 5,000 additional communities will benefit by an expansion of water pollution control legislation.

MINIMUM WAGE

A minimum-wage bill was passed which eventually calls for $1.25 per hour—a most important legislative step to benefit the economy for millions of underpaid workers in our Nation's history.

COMMUNITY HEALTH FACILITIES

We passed legislation dealing with nursing homes, hospital rehabilitation, and community services for the aged. Hospital and medical care legislation for the aged will be considered in the next session of the 87th Congress beginning in January.

AGRICULTURE

Farmers' income had diminished and declined during the 8 years of the Eisenhower administration. When the farmers of the Nation lack sufficient buying power, it does not take long for this condition to be reflected in the mills and

factories of Lake County, Ind., and other industrial areas. The emergency feed grain program was enacted into law in the early part of the session which was a great aid in helping the farmer on the upward trend to improve his economic status. Later in the session, the Congress considered, after much study and work, then enacted the broad-scale and long-range farm program, called the Agriculture Act of 1961. The Chicago Tribune of September 21 carried a news dispatch from the Department of Agriculture stating that cash receipts from farm marketing in first half of this year totaled more than 3 percent above the first half of 1960.

FOREIGN AFFAIRS

The Congress cooperated with the Kennedy administration and the State Department on a 5-year, long-term commitment through a new agency and a new approach for mutual aid for our allies and neutral nations in an effort to curtail communism.

PEACE CORPS

The Peace Corps program was enacted so as to bring the message of democracy and free government to the minds of millions in nations which are just beginning to enjoy independent government. This relatively inexpensive program will contribute greatly toward curbing Communist aggression throughout the world. The Kennedy administration recommended and the Congress cooperated in meeting the challenge to our national security by expanding our missiles, aircraft, and bomber capacity so as to meet any attack, unexpected or otherwise, which might come from the Soviet or Chinese Communist tyrants or their satellites.

TAXES AND JUSTICE DEPARTMENT LEGISLATION

This Congress enacted into law a number of bills which simplified and closed some loopholes in our tax structure and also enacted several crime bills recommended by the Attorney General to combat crime, racketeering, juvenile delinquency, and so forth. It extended the Civil Rights Commission for another 2 years. It expanded the Federal Aviation and Airport Act and adopted four of the seven Government reorganization plans which had been recommended by the Hoover Commission.

HIGHWAY LEGISLATION

This Congress enacted legislation which will simplify and make practical for rapid action on getting our mammoth highway program in operation. Our $31 billion highway construction program has been inexcusably delayed for almost 5 years under the Eisenhower administration.

RECOVERY

The Washington Post of September 20, 1961, quoted Secretary of Commerce Luther Hodges as saying "we are coming out of the depression faster than anticipated." He further said that the value of our goods and services have reached an alltime high of $25 billion increase over the recession low of $501 billion early this year. This major progress in our economy can be attributed to the program and policies of the new administration. Further economic recovery will take time, but the Nation is on the road to prosperity. Sixty-eight percent of expenditures during President Kennedy's first year has been for our delayed science and space development. Nine hundred million dollars has been allotted for antirecession measures and restoration of employment.

EDUCATION

For years, education has been the Soviet's most successful program. Mr. Speaker, I wish to relate a personal conversation I had with a millwright or master mechanic in Gary, Ind., during the depression of 1933. He had been one of thousands laid off from the Lake County steel mills. He told me he was leaving for Moscow the following week to teach mechanics and steelmaking. He signed a 5-year contract for $20,000 per year plus all living expenses. The salary for the 5-year period was placed in escrow in a New York City bank. I met George Samuelson 6 or 7 years later and he told me that he was one of several thousand teachers, technicians, scientists, and so forth, who were hired from outside of Russia to teach and educate the Communist youth. This Soviet educational program later was extended beyond the Iron Curtain. They have been graduating three and four times as many teachers, scientists, technicians, and so forth, as the United States, annually; most of these graduates have been sent to Asia, Africa, South America, Cuba, and other lands in order to infiltrate, make friends, teach, and build good will to further spread their communistic doctrine. A United Press-International news item in this morning's Washington, D.C., Post reports Fidel Castro's 2½-hour speech denouncing the United States at the graduation exercises of 750 army political commissars educated at Havana's Sanchez Cabrera School. Similar Communist schools are scattered in other continents over the globe, all directed from Moscow.

Two years ago I received from General Hershey, Director of the Selective Service System, a breakdown of the number of American boys rejected during World War II on account of educational deficiency. In 10 States of our Nation, the rejectees were as high as 30 to 33 out of 100. In 15 States, the percentage of boys who could not qualify as privates in our Army, ranged from 20 to 30 percent. This situation was due to illiteracy. Khrushchev has boasted that our children and grandchildren will be Communists; 90 percent of the Communist cold war success and expanded aggression can be attributed to their well-organized educational program to spread Communist propaganda and know-how throughout the world.

President Kennedy's legislative program to combat the Soviets in the field of education was blocked in this session of Congress by the old political coalition of reactionary Republican leaders and some southern Democrats. This coalition has also been aided by powerful insurance companies and moneylending lobbies who have been reveling in lush, high interest 30- and 40-year school construction bonds. This is why Lake County taxpayers are bonded to the limit to keep pace with the school crisis in our population-exploded industrial era. The interest rate on bonds increased after George Humphrey became Secretary of the Treasury in 1953. School bond interest in 1954 was 2.28 percent. Year by year it ascended until in 1960 the taxpayer was paying 3.75 percent on school construction bonds.

Last week I called the Department of Education for the latest statistics and was informed that 1,868,000 public school students are attending part-time school. This figure does not include the number in overcrowded classrooms. The vast majority of private schools over the Nation are undergoing the same hardships.

In this session of Congress, 8 members of the 15-member House Rules Committee refused to allow the other 429 Members of Congress to debate the plight of the public and private schools on the floor of the House of Representatives. This issue must be met as each year an additional million and a half schoolchildren will be knocking at the doors of our schools throughout the Nation. In 1975 the Nation will have 20 million more schoolchildren than today. In congested industrial areas, the taxpayer is already overburdened with long-term, high interest, school bonds. All American children are entitled to the best education a rich nation can afford. Education of our youth is the cheapest defense we can buy in this 20th century of progress, space exploration, and scientific achievements. When Khrushchev said "we will bury you," he no doubt labored under the delusion that the United States would follow the reactionary economic policies that brought on the depression in the early 1930 period. He has observed our economy sink in two depressions during the last 8 years. Last November the people elected a President pledged to progress and a program to meet the crisis of the 1960's. Let us follow his leadership.

THE FEDERAL HIGHWAY PROGRAM

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 60 minutes.

Mr. CONTE. Mr. Speaker, on February 15 of this year, I introduced a bill, H.R. 4305, that would require competitive bidding between concrete and asphalt producers for the contracts to surface highways built under the Federal highway program. On numerous occasions I have presented various evidence to the Congress showing that we could save hundreds of thousands of dollars annually by using asphalt paving wherever possible.

I have noted a report by the Stanford Research Institute entitled "Economics of Asphalt and Concrete for Highway Construction," which further substantiates my premise, and which is, I believe, particularly significant in light of the difficulties we have had in providing adequate financing for the interstate highway program.

This session of Congress has had to face up again to the fact that we need more money to keep the construction of

the Interstate System moving ahead on schedule. Unfortunately, this was not the first time that we have had to impose new taxes on the motorists of the Nation to pay for the 41,000-mile system of superhighways. Congress did it in 1956 when the program was enacted. We did it again in 1959 when the program was in danger of bogging down completely. And now we have to resort to further tax increases only 2 short years later.

Let me remind you gentlemen that when Congress enacted this great interstate program only 5 years ago, the cost was estimated at $27.6 billion, about $25 billion of which was the Federal Government's share. Now we are told that the program will cost $41 billion, of which approximately $37 billion will come from the Federal Government. And one of our most distinguished colleagues—the senior Senator from Virginia—has indicated that he believes the cost of this program could well increase beyond the $50 billion level before it is completed. He is not alone in this belief. Certainly there is every likelihood that the pressures of rising costs alone will force the price tag up again—and possibly again and again—before the 41,000 miles are completed.

It is because I am deeply concerned about the rising costs of this program that I was particularly impressed by the Stanford Research Institute report which I mentioned at the beginning of my remarks. The crux of this study is that savings of up to $1 billion can be realized in the completion of the Interstate System if the portions not yet let to contract are all constructed of asphalt.

I would like to tell you just a little about the background of the study. It came about because very little information has been gathered or published on the relative costs of asphaltic concrete and portland cement concrete. State highway departments that do make economic comparisons between the two pavements use widely varying methods and techniques. Because of this fact, the American Petroleum Institute asked Stanford Research Institute to make a comprehensive study of the economics of asphalt and concrete under a wide range of conditions.

Stanford Research's staff members visited 21 State highway departments and 13 turnpike authorities over a period of 8 months to collect their data. The States visited were well distributed geographically, and they represented an area in which roughly two-thirds of the Nation's population and motor vehicle registrations are concentrated, where half of the interstate mileage is located and where 61 percent of the value of State highway contracts was let during 1959 and 1960.

The Stanford researchers broke down the initial costs of asphalt and concrete into three groups, the average for all projects in the Federal aid primary and Interstate System, and the average for interstate projects alone, and the average for very heavy designs appropriate for adverse conditions of soil and traffic. Although the initial costs for both asphalt and concrete vary considerably from one State to another, the study concluded that the average initial cost of heavy-duty portland cement interstate roads was $79,500 per two-lane mile, as compared to $55,300 for asphalt. There were comparable differences in cost for other projects off the Interstate System, but this was the one comparison that particularly interested me.

On the subject of maintenance, the Stanford people found that the annual maintenance costs for asphalt and concrete tend to be just about equal over a period of time, averaging about $250 per mile per year.

I believe it is particularly significant to note that the study disclosed that the total average annual costs of asphalt were estimated to be less than the costs for concrete under all conditions and in all but one of the States represented in the study. Computed over a period of 40 years, the total costs worked out to an annual average of about $4,490 per mile for asphalt and $5,420 for concrete, or a difference of $930. In other words, since concrete costs 21 percent more per mile than asphalt, there would be a theoretical saving of $37,200 per mile during the 40-year period by using asphalt.

Mr. Speaker, I submit that these findings are important. Thus far, about 40 percent of the Interstate System construction has been with asphalt. The other 60 percent represents portland cement construction. Even if this ratio remains steady for the portions of the system not yet let to contract, the total potential initial cost savings during the next 10 years would be about $440 million.

As I have already pointed out, as much as $1 billion could conceivably be saved in connection with Interstate System construction alone if all remaining portions were constructed of asphalt. The Stanford researchers do point out, however, that about 10 percent of the remaining construction represents special cases, such as elevated and depressed structures, where concrete must be used. Therefore, they indicate that the real range of potential future construction savings that would result from using asphalt on the remainder of the system could be considered to lie between $440 million and roughly $990 million, or from about $50 million to almost $100 million a year.

Mr. Speaker, every time this program has run into financial difficulties, our conditioned reflex, almost like that of Pavlov's dogs, has been to increase taxes. We have done it without joy, and with the full knowledge that the tax increases—like all tax increases—were unwelcome to the people who had to pay the bill.

When the costs of the program are adjusted upwards, we make the adjustments felt in the highway users' wallet. He does the adjusting in his personal budget by allowing just a little more for taxes and a little less for actual highway use. I think it is about time that we seriously considered some adjustments in the highway program, too. I believe it is time for us to strive for some balance between the program itself and the ability of the motorists of this Nation to pay for that program.

Some of my colleagues have suggested a stretchout or cutback in the program as one means of achieving this balance. This suggestion has much to recommend it. But as an alternative, we can complete this tremendous program on schedule and still realize some savings in the process if we take a realistic look at what actually comprises the total $41 billion cost figure. This Stanford Research Institute report indicates that we can save the highway users of this Nation up to $100 million annually on paving costs alone by using asphalt for most of the system.

The report makes a good deal of sense to me. That is why I am taking this opportunity to call it to your attention. I believe it suggests an area in which real savings can be effected for the highway users of this Nation:

ECONOMICS OF ASPHALT AND CONCRETE FOR HIGHWAY CONSTRUCTION—SUMMARY REPORT

INTRODUCTION

Increasing expenditures on highway programs in general, and the National System of Interstate and Defense Highways in particular, are making cost more and more important as a criterion in selecting between alternative pavement types. Moderate percentage savings in costs associated with surfacing could amount to over a billion dollars in the Interstate System alone during the next 10 years. Despite this fact, very little information has been gathered or published on the relative costs of asphaltic concrete and portland cement concrete.[1] Those few studies that have been made in the past have tended to be superficial and incomplete State highway departments that make economic comparison between the two pavements use widely varying methods and techniques. As a result, the American Petroleum Institute asked Stanford Research Institute to make a comprehensive study of the economics of asphalt and concrete under a wide range of conditions. This report summarizes the findings of the research carried out by Stanford Research Institute.

SCOPE AND METHOD OF APPROACH

The research was concerned solely with high-type asphalt and concrete highway construction on the Federal aid primary system, including the Interstate System, and turnpikes in the continental United States.[2] Most of the research effort was devoted to the gathering and analysis of data on four major subjects: initial construction cost,[3] resurfacing cost, the length of time until resurfacing,[4] and the annual maintenance cost,[5] for both asphalt and concrete.

The almost total lack of published source material required that accurate and realistic data be developed from basic sources in the field. As a result, institute staff members visited 21 State highway departments and 13 turnpike authorities, over a period of 8 months, to collect this information. The

[1] Referred to for convenience as asphalt and concrete.

[2] Excluding Alaska.

[3] Includes direct contract cost of the traveled way plus any differential in shoulder cost. The traveled way is that portion of the road structure between the subgrade, or native soil, and the pavement surface, within the confines of the shoulders. The traveled way cost excludes the cost of cuts, fills, traffic signs, roadside development, etc. Any difference in the average shoulder costs of asphalt and concrete is added to the traveled way cost of that type of pavement having the higher shoulder costs.

[4] Referred to as resurfacing frequency.

[5] Includes direct costs of labor, material, and equipment required to maintain the traveled way.

States contacted are listed below, together with the turnpike visited:

States: California, Colorado, Connecticut, Florida, Illinois, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Mississippi, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Texas, Virginia, and Washington.

Turnpikes: Colorado, Connecticut, Florida, Illinois, Kansas, Kentucky, Maine, Massachusetts, New Jersey, Ohio, Oklahoma, Pennsylvania, and Virginia.

States were selected on the basis of large highway expenditures, representative geographical location and pavement preference, location of turnpikes, availability of information, and other pertinent factors. A large number of States were visited in the East because of the concentration of turnpikes and the large highway budgets of States in that region. In terms of the percentage of the continental United States, the 20 States[6] represent 66 percent of the population, 65 percent of the motor vehicle registrations, 51 percent of the interstate mileage, and 61 percent of the value of State highway contracts let during 1959 and 1960.

Turnpikes were visited in order to obtain information on very large, well-defined projects using recently designed, high-type construction.

During the fieldwork, cost information was obtained for over 2,500 individual projects equivalent to approximately 20,000 2-lane miles[7] on the Federal aid primary system and turnpikes. Data on the initial cost of construction were obtained for over 750 projects representing approximately 7,000 miles of highway (app. A) largely constructed or let to contract during the last 5 years.

CONCLUSIONS

The total average annual cost[8] per mile for asphalt is less than the cost of concrete in 19 out of 20 States. On the basis of very heavy design and 5-percent interest, the potential annual savings by using asphalt vary by State from $475 to $2,416 per mile, and average about $930 per mile. (In the 20th State, the very heavy asphalt design results in costs that slightly favor concrete.) Because of the regional distribution of the States, it is believed that these potential savings are indicative of nationwide experience.

SUMMARY OF MAJOR FACTORS

Analysis of the data collected from highway departments and turnpike authorities indicates the differences in initial cost, resurfacing cost, and resurfacing frequency between asphalt and concrete, as shown in table I. The same information is shown State by State in appendix B.

The initial costs of asphalt and concrete are broken down into three groups: the average for all projects in the Federal Aid Primary and Interstate System, the average for Interstate projects alone, and the average for very heavy designs appropriate for adverse conditions of soil and traffic. The first two groupings represent actual new construction projects that met strict selection criteria. The very heavy designs were estimated by Stanford Research Institute, using individual State design procedures and bid costs, so that initial costs for both pavements could be compared under similar and extreme conditions of soil and traffic.

INITIAL COSTS

The initial costs for both asphalt and concrete vary considerably from one State to another. The estimated costs of concrete for very heavy design, for example, range from $55,000 per mile in Colorado to $105,000 per mile in New Jersey—a difference of $50,000 a mile. While the difference in initial cost of the two pavements also varies, asphalt is from $6,000 to $40,000 per mile less expensive than concrete, for very heavy design. On the average, asphalt costs $47,000, $55,000, and $60,000 per mile for all projects, Interstate projects alone, and very heavy designs, respectively. On the average, concrete costs are virtually constant at $80,000 per mile, giving an average differential of from $20,000 to $33,000 per mile in favor of asphalt.

Both the overall averages and individual State figures illustrate the relative stability of concrete designs and costs within a wide range of traffic and soil conditions and, conversely, the flexibility of asphalt design in adjusting to varying design conditions.

RESURFACING COSTS

The resurfacing costs for the two types of pavement are estimated at $20,000 per mile for asphalt and $24,000 per mile for concrete, assuming complete resurfacing of shoulders as well as the traveled way. The difference in resurfacing cost is accounted for by the somewhat heavier overlay required when resurfacing concrete.

RESURFACING FREQUENCY

The length of time from initial construction until resurfacing averages 18 years for asphalt and 26 years for concrete. The range on a State-to-State basis is 14 to 25 years for asphalt and 20 to 35 years for concrete. By necessity these estimates are based on the experience of highways mainly built before World War II.

MAINTENANCE COSTS

The annual maintenance costs for both types of pavement tend to be equal over time, averaging about $250 per mile per year. However, the trends in maintenance costs for asphalt and concrete vary considerably.

Asphalt maintenance costs begin at an estimated $50 per mile per year, rise to an average peak of $300 at the time asphalt is resurfaced (18 years), and then decline. Concrete costs start at about $75 per year, rise rapidly for the first several years, and then gradually increase until the pavement is resurfaced (26 years). The projections have a range of about plus or minus $50, reflecting the variation in projecting costs over a longtime period and the variable nature of the data.

TOTAL ANNUAL AVERAGE COST COMPARISON OF ASPHALT AND CONCRETE

Total average annual costs of asphalt are estimated to be less than the costs for concrete under all conditions and in all States represented in the study, with the exception of Illinois.

Annual costs for both asphalt and concrete are computed over a period of 40 years, by combining the major cost elements and using compound interest to take into account the time value of money. In selecting between alternative capital expenditures, the method of financing any project has no significant bearing on the interest rate assumed for analytical purposes. The interest rate assumed in engineering economic studies should reflect the realistic rate that could have been earned by the owners of a project had there been alternative choices as to the use of funds. Experts in the field of engineering economics as well as research conducted by the institute suggests that minimum interest rates of 5 to 8 percent be employed in studies of highway economics. Therefore, 5 percent is considered an appropriate figure to be used as a basis for comparing pavement types.

Table II presents the variation in the average annual costs of the two pavements assuming different initial costs and various interest rates. The difference between the total annual costs of asphalt and concrete increases both with higher interest rates and with increasing differences between the first cost of the two types of pavement. For example, at an interest rate of 5 percent, the difference in annual average cost increases from $930 per mile per year to $1,120 and $1,610 for average initial costs of very heavy designs, interstate projects, and all Federal aid primary projects, respectively. Considering very heavy designs alone, the annual average difference increases from $660 to $930 to $1,230 per mile per year when assuming 3-, 5-, and 7-percent interest, respectively.

A State-by-State breakdown of annual average cost per mile is shown in appendix C. The variation between States is also shown in table III, which shows annual costs under the assumption of very heavy initial design and a 5-percent interest rate. State-to-State differences result from variations in initial costs, resurfacing costs, and frequency of resurfacing. The cost differential between the two pavement types tends to be less in States around the Great Lakes, such as Illinois, Ohio, and Pennsylvania. The annual costs in Illinois slightly favor concrete, mainly because of the high first cost of the asphalt design as shown in appendix B.

The 20 States in table III have an annual average total cost of about $4,490 per mile for asphalt and $5,420 for concrete, or a difference of $930. Since concrete costs 21 percent more per mile than asphalt, there would be a theoretical saving of $37,200 per mile during the 40-year period by using asphalt.

IMPLICATIONS OF THE RESEARCH

The implications of the preceding analysis can be shown by considering the potential effect of the use of the two pavements on the Interstate System. (See table IV.)

If the entire system were built of asphalt, initial construction cost would be about $1.5 billion less than if it were built entirely of concrete, assuming the conservative very heavy design for both pavements. If all of the remaining system not yet let to contract were constructed of asphalt instead of concrete, the total first-cost savings would approximate $1.1 billion.

This latter figure must be interpreted in the light of past performance. To date, about 40 percent of the Interstate System has been constructed of asphalt, the remainder of concrete. Should this percentage hold for that portion of the system not yet let to contract, the total potential future initial-cost savings would approximate $440 million over a 10-year construction period. As mentioned, if all the remaining mileage were constructed of asphalt, the estimated savings would be about $1.1 billion. However, it is roughly estimated that about 10 percent of the remaining system represents special cases, such as elevated and depressed structures, and bridges where concrete must be used. Therefore, the range of potential future construction savings that would result from using asphalt on the remainder of the system could be considered to lie between $440 million and $990 million, or from about $50 million to $100 million per year, assuming a 10-year construction period.

The exact mileage that should be built of asphalt, from an economic standpoint, is virtually impossible to determine without extensive further anaylsis. However, potential future savings are probably at the upper end of the range shown.

It would seem necessary and desirable that State highway departments carry out continuing economic analyses of the type presented in this study, so that limited highway funds can be used to the best advantage. Much can be gained by increasing the amount of published information on pavement economics; however, sufficient information is available within State highway departments to allow economic analyses to be made. The results of such analyses should form the major basis for pavement selection. Inadequate maintenance data in

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[6] The 21 States listed above, excluding New Hampshire.

[7] One mile, two lanes, or 24 feet in width. Two-lane mile is assumed throughout the text.

[8] Including initial cost, resurfacing cost, and annual maintenance costs.

some areas are no hindrance to the making of sound economic analyses, since annual maintenance costs represent only several hundred dollars a mile of total annual costs on the order of $4,000 to $5,000 a mile.

(This report, prepared by John M. Huneke, is approved by Philip W. Rogers, civil engineer registered in the State of California, who participated in the study of which this report is a summary.)

TABLE I.—*Summary of average differences between asphalt and concrete*

[Per 2-lane mile]

	Asphalt	Concrete	Difference
Initial cost:			
Very heavy design	$59,800	$79,800	$20,000
Interstate projects	$55,300	$79,500	$24,200
All projects [1]	$47,300	$79,700	$32,400
Resurfacing cost	$19,800	$24,200	$4,400
Time to 1st resurfacing, years	18	26	8
Annual maintenance cost [2]	$250	$250	0

[1] Excluding very heavy design.
[2] In 1958 dollars.
Source: Appendix B.

TABLE II.—*Weighted-average annual costs of asphalt and concrete over 40 years at various interest rates*

[Dollars per 2-lane mile]

Interest rate	Asphalt	Concrete	Difference
Very heavy design:			
3 percent	3,600	4,260	660
5 percent	4,490	5,420	930
7 percent	5,470	6,700	1,230
Interstate projects:			
3 percent	3,410	4,230	820
5 percent	4,230	5,350	1,120
7 percent	5,130	6,620	1,490
All projects: [1]			
3 percent	3,060	4,230	1,170
5 percent	3,760	5,370	1,610
7 percent	4,530	6,650	2,120

[1] Excluding very heavy design.
NOTE.—Figures have been rounded.
Source: Appendix C.

TABLE III.—*Annual costs of asphalt and concrete over 40 years at 5 percent interest—very heavy design*

[Dollars per 2-lane mile]

	Asphalt	Concrete
California	4,488	5,258
Colorado	2,718	3,695
Connecticut	4,150	5,372
Florida	3,282	4,107
Illinois	6,494	6,400
Kansas	4,162	5,396
Kentucky	4,190	5,477
Maine	4,115	5,251
Maryland	5,002	5,484
Massachusetts	2,656	5,072
Minnesota	4,107	4,610
Mississippi	4,663	5,199
New Jersey	5,731	6,717
New York	5,024	6,545
Ohio	5,311	5,786
Oregon	2,788	4,316
Pennsylvania	5,637	6,158
Texas	3,307	4,144
Virginia	3,693	5,514
Washington	4,528	5,039
Weighted average	[1] 4,491	[1] 5,416

[1] Asphalt saving over concrete is $924 per mile per year, or 21 percent per year, or $37,000 per mile over 40 years.
Source: Appendix C.

TABLE IV.—*Potential savings in first cost on the Interstate System through use of asphalt, based on very heavy design*

Total system cost: $40 billion.

[In millions of dollars]

	Total pavement cost [1]	Remaining program not let to contract [2]
Savings through use of asphalt versus concrete:		
If paved with concrete	6,000	4,400
If paved with asphalt	4,500	3,300
Potential saving with asphalt		1,100

[1] 75,000 2-lane miles (excluding toll roads).
[2] 55,000 2-lane miles (excluding toll roads).
Source: Stanford Research Institute.

Range of savings on remaining program based on percent asphalt used:

	Millions
100 percent asphalt	$1,100
90 percent asphalt	990
40 percent asphalt	400

APPENDIX A.—*Number of projects and project mileage for which data were obtained from States and turnpike authorities*

Subject	Asphalt		Concrete		Total	
	Number of projects	2-lane mileage	Number of projects	2-lane mileage	Number of projects	2-lane mileage
Initial cost	387	3,740	382	3,341	769	7,081
Resurfacing cost	119	845	100	726	[1] 271	[1] 2,146
Resurfacing frequency	114	459	943	4,775	1,057	[2] 5,234
Maintenance cost	240	2,766	287	2,895	527	5,661
Total	860	7,810	1,712	11,737	2,624	20,122

[1] Includes projects where type of pavement resurfaced not specified.
[2] Straight-line mileage. The 2-lane mileage represents approximately 6,500 miles. On the basis of 2-lane miles the total 2-lane mileage would be about 21,400 miles, not 20,122.

APPENDIX B.—*Initial and resurfacing costs and resurfacing frequency for asphalt and concrete by State*

[Costs in thousands of dollars]

State	Initial cost [1]									Resurfacing cost		Years to 1st resurfacing	
	Very heavy design [2]			Interstate projects [2]			All projects [2]						
	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference	Asphalt	Concrete	Asphalt	Concrete
California	60.0	77.0	17.0	43.0	68.5	25.5	39.8	67.8	28.0	17.2	20.6	14	21
Colorado	36.0	55.0	19.0	24.4	55.5	31.1	19.9	55.5	35.6	11.9	14.8	17	25
Connecticut	62.0	83.5	21.5		84.2		48.2	84.1	35.9	17.1	21.2	23	27
Florida	45.6	59.7	14.1	49.6	70.2	20.6	46.6	70.2	23.6	18.6	27.8	21	26
Illinois	91.6	97.9	6.3	88.0	97.8	9.8	78.5	97.9	19.4	23.4	28.1	15	26
Kansas	54.2	79.5	25.3	46.0	79.1	33.1	36.8	73.4	36.6	24.2	29.1	17	24
Kentucky	57.2	83.2	26.0	60.8	84.6	23.8	57.1	88.6	31.5	19.5	23.3	17	25
Maine	56.4	76.2	19.8	56.4	76.2	19.8	35.3	76.2	40.9	18.6	23.2	17	20
Maryland	71.0	84.6	13.6	67.5	83.0	15.5	60.6	89.5	28.9	27.9	32.5	20	30
Massachusetts	37.5	77.0	39.5	34.8	77.0	42.2	34.8	77.0	42.2	15.8	19.0	25	22
Minnesota	54.3	70.2	15.9		76.5		23.7	66.0	42.3	22.2	26.7	17	30
Mississippi	68.0	80.3	12.3	61.2	75.7	14.5	51.7	77.2	25.5	16.1	20.2	18	27
New Jersey	78.5	105.0	26.5	68.2	100.0	31.8	59.3	102.1	42.8	29.1	34.6	17	30
New York	66.5	94.0	27.5	62.0	95.4	33.4	59.5	95.4	35.9	28.8	33.6	17	20
Ohio	75.1	87.8	12.7	71.9	83.6	11.7	62.5	83.2	20.7	21.5	25.8	17	25
Oregon	40.8	68.9	28.0	37.7	68.0	30.3	32.4	68.0	35.6	11.5	14.4	25	35
Pennsylvania	84.1	93.5	9.4	75.7	93.6	17.9	70.1	93.6	23.5	22.1	27.8	20	24
Texas	44.1	62.2	18.1	42.1	58.4	16.3	20.8	62.2	41.4	12.6	15.6	15	25
Virginia	49.0	84.0	35.0	51.0	87.5	36.5	51.0	87.5	36.5	18.9	22.7	17	25
Washington	64.0	75.8	11.8	54.7	74.6	19.9	56.4	78.3	21.9	19.6	23.5	18	25
Average	59.8	79.8	20.0	55.3	79.5	24.2	47.3	79.7	32.4	19.8	24.2	18	26

[1] Includes cost of the traveled way. The traveled way is that portion of the roadway structure within the confines of the shoulders, the native soil, and the pavement surface.
[2] Any difference in shoulder costs between asphalt and concrete is added to that pavement having the higher shoulder cost.
[3] Excluding very heavy design.
Source: Stanford Research Institute.

APPENDIX C.—*Weighted average annual costs of asphalt and concrete over 40 years at various interest rates by States*

[Dollars per year per 2-lane mile]

State	3 percent								
	Very heavy design			Interstate			All projects [1]		
	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference
California	3,628	4,177	549	2,893	3,809	916	2,755	3,779	1,024
Colorado	2,205	2,913	708	1,702	2,934	1,232	1,508	2,934	1,426
Connecticut	3,247	4,153	906		4,184		2,650	4,180	1,530
Florida	2,632	3,266	634	2,805	3,721	916	2,675	3,721	1,046
Illinois	5,175	5,024	(151)	5,019	5,020	1	4,608	5,024	416
Kansas	3,405	4,287	882	3,050	4,270	1,220	2,652	4,023	1,371
Kentucky	3,376	4,295	919	3,531	4,356	825	3,371	4,529	1,158
Maine	3,310	4,168	858	3,310	4,168	858	2,397	4,168	1,771
Maryland	3,990	4,274	284	3,839	4,205	366	3,541	4,486	945
Massachusetts	2,115	3,939	1,824	1,999	3,939	1,940	1,999	3,939	1,940
Minnesota	3,342	3,617	275		3,889		2,018	3,435	1,417
Mississippi	3,675	4,043	368	3,381	3,844	463	2,970	3,909	939
New Jersey	4,618	5,220	602	4,173	5,004	831	3,788	5,095	1,307
New York	4,090	5,225	1,135	3,896	5,285	1,389	3,788	5,285	1,497
Ohio	4,216	4,542	326	4,078	4,360	282	3,671	4,343	672
Oregon	2,192	3,294	1,102	2,058	3,260	1,202	1,828	3,260	1,432
Pennsylvania	4,417	4,812	395	4,053	4,816	763	3,811	4,816	1,005
Texas	2,674	3,265	591	2,587	3,101	514	1,666	3,265	1,599
Virginia	3,000	4,317	1,317	3,086	4,469	1,383	3,086	4,469	1,383
Washington	3,607	3,962	355	3,205	3,911	706	3,279	4,071	792
Weighted average [2]	3,601	4,257	656	3,410	4,226	816	3,059	4,228	1,169

[Dollars per year per 2-lane mile]

State	5 percent								
	Very heavy design			Interstate			All projects [1]		
	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference
California	4,488	5,258	770	3,497	4,762	1,265	3,310	4,721	1,411
Colorado	2,718	3,695	977	2,042	3,725	1,683	1,780	3,724	1,944
Connecticut	4,150	5,372	1,222		5,412		3,346	5,407	2,061
Florida	3,282	4,107	825	3,515	4,719	1,204	3,340	4,719	1,379
Illinois	6,494	6,400	(94)	6,284	6,394	110	5,730	6,400	670
Kansas	4,162	5,396	1,234	3,684	5,372	1,688	3,148	5,040	1,892
Kentucky	4,190	5,477	1,287	4,400	5,558	1,158	4,184	5,791	1,607
Maine	4,115	5,251	1,136	4,115	5,251	1,136	2,885	5,251	2,366
Maryland	5,002	5,484	482	4,798	5,391	593	4,396	5,770	1,374
Massachusetts	2,656	5,072	2,416	2,499	5,072	2,573	2,499	5,072	2,573
Minnesota	4,107	4,610	503		4,977		2,323	4,365	2,042
Mississippi	4,663	5,199	536	4,266	4,931	665	3,713	5,019	1,306
New Jersey	5,731	6,717	986	5,131	6,426	1,295	4,612	6,548	1,936
New York	5,024	6,545	1,521	4,761	6,627	1,866	4,616	6,627	2,011
Ohio	5,311	5,786	475	5,124	5,541	417	4,577	5,518	941
Oregon	2,788	4,316	1,528	2,607	4,270	1,663	2,298	4,270	1,972
Pennsylvania	5,637	6,158	521	5,147	6,161	1,014	4,821	6,161	1,340
Texas	3,307	4,144	837	3,191	3,923	732	1,949	4,144	2,195
Virginia	3,693	5,514	1,821	3,809	5,718	1,909	3,809	5,718	1,909
Washington	4,528	5,039	511	3,986	4,969	983	4,084	5,184	1,100
Weighted average [2]	4,491	5,416	925	4,232	5,353	1,121	3,760	5,371	1,611

[Dollars per year per 2-lane mile]

State	7 percent								
	Very heavy design			Interstate			All projects [1]		
	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference	Asphalt	Concrete	Difference
California	5,432	6,465	1,033	4,156	5,827	1,671	3,916	5,774	1,858
Colorado	3,284	4,572	1,288	2,413	4,609	2,196	2,076	4,609	2,533
Connecticut	5,148	6,723	1,575		6,776		4,113	6,768	2,655
Florida	3,999	5,040	1,041	4,299	5,828	1,529	4,074	5,828	1,754
Illinois	7,946	7,946	0	7,676	7,939	263	6,964	7,946	982
Kansas	4,995	6,635	1,640	4,380	6,605	2,225	3,690	6,177	2,487
Kentucky	5,086	6,799	1,713	5,356	6,904	1,548	5,079	7,204	2,125
Maine	5,001	6,451	1,450	5,001	6,451	1,450	3,418	6,451	3,033
Maryland	6,116	6,834	718	5,854	6,714	860	5,336	7,202	1,866
Massachusetts	3,250	6,321	3,071	3,047	6,321	3,274	3,047	6,321	3,274
Minnesota	4,946	5,722	776		6,195		2,651	5,407	2,756
Mississippi	5,752	6,490	738	5,242	6,144	902	4,529	6,257	1,728
New Jersey	6,954	8,395	1,441	6,181	8,020	1,839	5,514	8,178	2,664
New York	6,046	8,009	1,963	5,709	8,114	2,405	5,521	8,114	2,593
Ohio	6,485	7,176	691	6,245	6,861	616	5,540	6,831	1,291
Oregon	3,446	5,454	2,008	3,214	5,394	2,180	2,816	5,394	2,578
Pennsylvania	6,985	7,645	660	6,355	7,653	1,298	5,935	7,653	1,718
Texas	4,002	5,131	1,129	3,852	4,846	994	2,254	5,131	2,877
Virginia	4,454	6,851	2,397	4,604	7,114	2,510	4,604	7,114	2,510
Washington	5,539	6,239	700	4,842	6,150	1,308	4,969	6,428	1,459
Weighted average [2]	5,471	6,703	1,232	5,130	6,622	1,492	4,525	6,645	2,120

[1] Excluding very heavy design.
[2] Weighted by average of State construction expenditures, 1959 and 1960.

NOTE.—Dashed line indicates no data obtained.
Source: Stanford Research Institute.

WE NEED A POLICY SYMPATHETIC TO TEXTILES

The SPEAKER pro tempore. Under the previous order of th use the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 30 minutes.

Mr. HEMPHILL. Mr. Speaker, here in the closing days of the session, I am constrained to rise again to speak on the subject of textiles.

I was happy recently to see in the State newspaper of Columbia, S.C., of Tuesday, September 12, 1961, an article in which the vice president of the ACMI said the pact with Japan was far less dangerous than what might have resulted from negotiations. The ACMI, according to him, is going to make a further investigation and has adopted a wait and see policy.

I include the article:

ON INCREASED IMPORTS: COTTON INSTITUTE ADOPTS WAIT AND SEE ATTITUDE

WASHINGTON.—The American Cotton Manufacturers Institute adopted a wait and see attitude Monday toward an agreement calling for a 7- to 9-percent increase in cotton textile imports to this country from Japan next year.

ACMI Executive Vice President Robert Jackson termed the pact, announced over the weekend in Tokyo, "clearly a gain" for Japan but said it is "far less damaging" than what might have resulted from the negotiations.

His organization, Jackson indicated, will have a more formal statement on the agreement after fuller examination of the final draft to determine its effect on specific products.

At best, he said, the cost of the agreement to American textile and apparel workers and mills "will be high." But he said the ACMI hopes "other actions on the import problem which the Government has assured us will be taken will have some offsetting effects."

While he didn't amplify on that, there was the inference of hope that some remedy may come out of the textile industry's request for import relief from the Office of Civil and Defense Mobilization on the grounds the foreign shipments are hurting an essential defense industry.

The Tokyo agreement permits a total 1962 volume of 275 million square yards of textile imports, compared with 247.2 million last year and only 235 million for the first 3 years of a 5-year pact signed in 1956.

The agreement represents a net boost of 7 percent for fabrics over the year's level and 9 percent for apparel as a group.

Japan has asked for a 30-percent boost and the United States team went to Tokyo with an offer of 5 percent.

Jackson was one of half a dozen textile industry executives who accompanied the U.S. team to Japan.

Warren Christopher, a special State Department aid, headed the official U.S. team. He is due back in Washington Tuesday.

I was most unhappy to learn that the State Department continues to try to sell us down the river insofar as textiles are concerned. Not long ago I heard Senator SMATHERS make a statement before my committee that there is a State Department within the State Department, and I am afraid that this is true. I am also afraid that these people are one worlders, do-gooders, and possibly have some tie with communism. It certainly is un-American to sell American jobs down the river as they are doing. It certainly helps the Communists when it hurts the textile people.

I am including here an article from the Charlotte Observer, Charlotte, N.C., of September 10, 1961, which describes the situation:

MORE JAPANESE TEXTILES HEADED FOR THE UNITED STATES

TOKYO.—Japan will be allowed an increase in her textile imports to the United States during 1962. The increase will amount to about 8 percent.

The increase was part of an agreement reached Saturday in Tokyo during textile talks between the two nations. The agreement was announced by special U.S. representative to the talks, Warren P. Christopher.

Under the provision of the agreement, Japan will increase her exports from 255 million square yards this year to 275 million square yards in 1962.

The increase was allowed, Christopher said, in exchange for a promise from Japan to observe voluntary export controls.

The agreement also provided for the two nations to begin negotiations October 9 on a new long-term agreement, "which will be to the benefit of all exporting and importing countries."

The agreement contained four other basic points, Christopher said. They were:

The two countries will hold consultations anytime the United States determines there has been undue concentration on any item, and Japan will agree to hold exports on that item to 110 percent of the 12-month period preceding the consultations.

Each particular group of textiles will be permitted 5 percent flexibility, but increases will be permitted only in the so-called basket category (unspecified items).

"From the U.S. standpoint the agreement has been made in accordance with the Geneva agreement and is under the Geneva umbrella."

The number of categories will be "only slightly more than the present agreement in sensitive areas."

Under the recent Geneva agreement on textiles, 64 different categories were listed. Japan had been afraid the United States would insist on her exports being spread out over more categories, but Christopher said the United States settled "for a great deal" less than the 64.

The British have asked the United States to crack down on Japanese imports into this country. So, while we are courting the Japanese, we are angering the British. I include an article from the Chester Reporter, Chester, S.C., of August 16, 1961:

BRITISH ASKING U.S. CRACKDOWN ON JAP IMPORTS

LONDON.—The British textile industry announced it will issue a demand in Washington today for U.S. Government action against Japanese export methods it says are disrupting the world market.

The demand will be made in a note to be submitted to the U.S. Office for Civil and Defense Mobilization—now being petitioned by American textile interests who claim that imports are threatening America's security.

The British note draws attention to the large inroads made by Japanese wool cloth in U.S. markets in recent years.

It says this is due to the operation of the U.S. wool cloth tariff quota which favors the plainer fabrics produced by Japan and Italy at the expense of finer clothes sold by Britain.

The British note that U.S. imports of Japanese wool cloth are running at a rate of 14 million yards a year, or 7 times as much as in 1955.

The note contended that the stiff increase in American import duty last January 1—raising the 25 percent duty to 38 percent—would "not have been necessary but for the disruptive imports from Japan."

Perhaps those in the State Department who are bent on destroying the textile industry, and I suppose would like to see this country destroyed, pretend they are making friends abroad, and yet every time they make a move to make a friend—and there is no evidence that they have—they make an enemy at the same time and, meanwhile, destroy our economy.

In July 1961 I came across an article in the Charlotte Observer, Charlotte, N.C., concerning a textile concern in this country that is going abroad to invest. I include that article:

SOUTH CAROLINA FIRM INVESTS ABROAD

GREENVILLE, S.C.—J. P. Stevens & Co., Inc., South Carolina textile firm, announced Thursday it has bought an interest in a French textile firm.

Robert T. Stevens, president of the firm, said, "We will continue to expand our American business and strive for increased prosperity for American textile workers."

The announcement was made at a directors meeting in Greenville, at which a quarterly dividend of 27½ cents a share was declared.

The French firm in which the Stevens firm has purchased a stock interest is S. A. Pierre Genin & Co., producing fiber glass and synthetic fabrics.

They are going abroad where they can get cheaper labor, cheaper overhead, cheaper cotton and come back to haunt us with it if they want to. I hope they will not because I know that this particular company is most patriotic and its president once served with distinction as Secretary of the Army. I know he is not going abroad because he wants to, but because he is being forced into it.

I have here a comparison of the U.S. trade with Japan from 1956 to 1960. I think it only fair that this be included in the RECORD and that we have these comparisons to consider:

U.S. TRADE WITH JAPAN, 1956–60

This report analyzes the trade between the United States and Japan during the years 1956 through 1960. Commodities are grouped so as to emphasize those most significant in the trade between the two countries. This trade has grown from a level of $1.4 billion, both ways, to $2.5 billion during the last 5 years. The United States has enjoyed a consistently favorable trade balance with Japan in every postwar year except 1959.

U.S. trade with Japan

[In millions of dollars]

Year	Exports	Imports	Export balance
1956	887	548	+339
1957	1,227	602	+625
1958	829	674	+155
1959	931	1,018	−87
1960	1,325	1,127	+198

EXPORTS

Commodity groups with a value of $20 million and over in 1960 accounted for about 91 percent of U.S. exports to Japan last year.

[In millions of dollars (f.o.b.)]

Raw cotton	217
Iron and steel scrap	120
Oilseeds (mostly soybeans)	105

Metals and products, ferrous and nonferrous, other than iron ore, iron and steel scrap, and copper scrap	78
Petroleum and products	78
Grains	71
Metalworking machinery	61
Chemical specialties (mostly synthetic resins)	55
Coal (mostly bituminous coal)	53
Industrial and other chemicals	48
Copper scrap and copper-base alloy scrap	44
Industrial machinery	37
Aircraft and other vehicles	36
Electrical and power-generating machinery	29
Office, accounting and computing machines	27
Animal oils	26
Rubber and products (mostly synthetic rubber)	26
Phosphate rock and potassium chloride	25
Paper and pulp	24
Hides and skins	24
Tobacco and manufactures	20

Between 1956 and 1960 exports to Japan grew from $887 million to $1,325 million, an increase of 49 percent. All but three commodity groups expanded their share of this growing oversea market (second only to Canada), reflecting the rapid rate of Japan's economic growth and the implementation of her import liberalization policy. The most remarkable gain in exports during this period was achieved by metalworking machinery, which rose from $7 million to $61 million. Shipments of civilian jet aircraft were largely responsible for raising aircraft and other vehicles from $8 million to $35 million. Office, accounting and computing machines grew from $9 million to $27 million.

Also significant is the growth in the exports of industrial raw materials, since Japan is primarily dependent upon this country for their supply. During the 5-year period exports of petroleum and products rose from $38 million to $78 million; chemical specialties (mostly synthetic resins) from $31 million to $55 million; coal (mostly bituminous coal) from $32 million to $53 million; copper scrap and copper-base alloy scrap from $23 million to $44 million; and rubber and products (mostly synthetic rubber) from $7 million to $26 million.

Japan is the leading foreign purchaser of U.S. raw cotton. After some decline in 1958–59, raw cotton exports to Japan again reached the 1957 high of $217 million in 1960. This was about 22 percent of all U.S. cotton exports, and about 2.3 times the amount purchased by the next largest importer (France). Other agricultural exports increased steadily: Oilseeds (mostly soybeans) from $54 million to $105 million, and tobacco and manufactures from $5 million to $20 million. The only noticeable decline in exports was in grains, reflecting successive years of record grain crops, principally rice, in Japan.

IMPORTS

Principal import commodity groups in 1960 ($20 million and above) are listed below. These groups accounted for about $83 percent of the 1960 imports from Japan.

[In millions of dollars (f.o.b.)]

Rubber and products	94
Steel mill products	91
Cotton manufactures and semimanufactures	74
Wool manufactures and semimanufactures	72
Radios and parts	71
Fish and products	53
Ceramic products (chinaware and earthenware)	50
Plywood	50
Silk manufactures	50
Toys and sporting goods	46
Iron and steel manufactures	45
Lumber and wood products other than plywood	37
Manmade fiber manufactures and semimanufactures	33
Electrical apparatus other than radios	31
Raw silk	26
Miscellaneous textile products	25
Miscellaneous metal products	23
Sewing machines	21
Jewelry, plated ware, etc. (mostly costume jewelry and lighters)	21
Leather and related products	20

Total imports from Japan during the last 5 years have doubled. Notable, however, is the slower rate of increase of textile imports. In dollar value they rose 37 percent in this period, but their proportionate share in total Japanese imports declined steadily from 37.2 percent in 1956 to 24.8 percent in 1960. Cotton products declined from $84 million to $74 million, and raw silk from $33 million to $26 million, while increases were registered in wool products ($34 million to $72 (million), silk products ($30 million to $50 million), and manmade fiber products ($7 million to $33 million). It should be noted that the balance in United States-Japanese cotton trade is markedly favorable to the United States: In 1960, this country sold three times more raw cotton to Japan than it bought from her in cotton products.

Rubber products imports, which rose from a very low base of $2 million to $94 million, are mostly rubber footwear. The bulk of these imports are "zori" sandals, a traditional Japanese footwear, now made of rubber, which has appealed to the taste of American consumers and created an entirely new market. Steel mill products grew from $10 million to $91 million, but they are still less than U.S. exports of iron and steel scrap, which averaged $96 million during the last 5 years. Other lines of imports that grew in this period are: Radios and parts (mostly of the transistor type) from $2 million to $71 million (another case of a new market created by imports); iron and steel manufacturers from $13 million to $45 million; electrical apparatus (other than radios) from $6 million to $31 million; ceramic products (chinaware and earthenware) from $27 million to $50 million; and toys and sporting goods from $24 million to $46 million. Two established lines of Japanese imports, plywood and sewing machines, declined in 1960.

U.S. exports [1] to Japan, 1956–60, by selected commodity and commodity groups

[In thousands of dollars]

Line	Commodity group	1956	1957	1958	1959	1960
	ANIMAL PRODUCTS					
1	Edible animal products	8,608	9,959	5,053	3,530	6,820
2	Hides and skins	17,674	15,652	13,464	14,584	23,530
3	Animal oils	17,665	19,683	18,977	20,816	26,109
4	Other inedible animal products	970	1,032	849	1,485	4,521
	Subtotal [2]	44,917	46,325	38,344	40,416	60,980
	VEGETABLE PRODUCTS					
5	Grains	96,351	111,933	110,416	82,875	71,311
6	Other edible vegetable products	7,827	8,725	8,220	6,793	11,330
7	Tobacco and manufactures	5,163	3,434	10,506	11,292	19,764
8	Rubber and products	6,736	9,557	10,718	24,353	26,068
9	Oilseeds (mainly soybeans)	53,915	62,993	71,881	95,453	104,803
10	Other inedible vegetable products	2,555	3,447	3,832	7,625	13,178
	Subtotal [2]	172,547	200,088	215,574	228,391	246,453
	TEXTILE FIBER AND MANUFACTURES					
11	Raw cotton	180,240	217,333	118,089	92,629	217,039
12	Other textiles and products	8,927	15,425	8,205	10,775	9,048
	Subtotal [2]	189,167	232,758	126,294	103,404	226,087
	WOOD AND PAPER					
13	Unmanufactured wood	2,410	3,661	5,486	9,197	12,328
14	Paper pulp	12,233	15,389	4,764	9,476	24,278
15	Other wood and paper products	4,210	5,682	4,204	6,589	7,070
	Subtotal [2]	18,853	24,732	14,454	25,262	43,676
	METALS, MINERALS, AND MANUFACTURES					
16	Coal	32,271	54,100	35,290	40,660	53,404
17	Petroleum and products	37,764	61,653	46,005	56,281	77,868
18	Other nonmetallic minerals	6,490	5,941	6,245	9,190	11,380
19	Iron ore	9,313	10,532	5,044	5,240	8,623
20	Iron and steel scrap	106,635	126,526	20,096	105,071	119,704
21	Copper scrap and copper-base alloy scrap	23,431	32,128	4,777	9,941	43,697
22	Other metals and products	77,259	166,975	26,182	28,410	77,952
	Subtotal [2]	293,163	457,855	143,640	254,793	392,628
	MACHINERY AND VEHICLES					
23	Electrical and power generating machinery	24,081	27,586	43,046	34,036	29,140
24	Construction machinery and equipment	4,575	9,862	10,107	7,567	9,129
25	Metalworking machinery	6,509	43,572	58,309	34,588	60,857
26	Industrial machinery	26,457	46,618	47,306	39,303	36,816
27	Office, accounting, and computing machines	8,935	11,759	11,329	19,604	27,074
28	Other machinery	5,375	6,742	4,068	4,143	6,221
29	Aircraft and other vehicles	8,049	17,193	20,450	9,889	35,497
	Subtotal [2]	83,981	163,332	194,615	149,130	204,734
	CHEMICALS					
30	Chemical specialties	30,743	36,681	33,410	54,148	54,622
31	Industrial chemicals	8,176	10,363	9,927	15,352	17,797
32	Phosphate rock and potassium chloride	14,078	16,070	14,923	16,090	24,548
33	Other crude and processed chemicals	17,406	21,000	22,288	26,954	29,935
	Subtotal [2]	70,403	84,114	80,548	112,544	126,902
	MISCELLANEOUS					
34	Miscellaneous products	14,284	17,387	16,020	16,582	23,301
	Subtotal [2]	14,284	17,387	16,020	16,582	23,301
	Total [2]	887,315	1,226,592	829,489	930,522	1,324,762

[1] Exports exclude reexports and special category shipments (military items).
[2] Items may not add to totals or subtotals because of rounding.

Source: Compiled from the U.S. Export Statistics, U.S. Bureau of the Census, Repts. Nos. FT-410 and FT-420.

U.S. imports [1] from Japan, 1956–60, by selected commodity and commodity groups

[In thousands of dollars]

Line	Commodity group	1956	1957	1958	1959	1960
	ANIMAL PRODUCTS					
1	Fish and products	45,035	49,176	53,573	58,355	52,769
2	Shellfish and products	9,109	10,377	10,959	17,342	11,284
3	Other edible animal products	1,047	1,042	655	458	680
4	Leather and related products	3,916	5,335	10,266	15,751	19,890
5	Other inedible animal products	5,869	5,934	8,652	8,782	7,409
	Subtotal [2]	64,976	71,864	84,105	100,689	92,031
	VEGETABLE PRODUCTS					
6	Fruits and fruit products	2,438	2,917	2,372	6,468	7,401
7	Other edible vegetable products	4,093	4,799	5,016	5,489	7,016
8	Rubber products	2,110	4,521	13,104	53,989	94,099
9	Other inedible vegetable products	5,000	5,093	3,807	3,491	3,566
	Subtotal [2]	13,640	17,330	24,299	69,437	112,082
	TEXTILE FIBER AND MANUFACTURES					
10	Cotton manufactures and semimanufactures	84,044	65,873	71,561	76,810	73,508
11	Wool manufactures and semimanufactures	33,762	36,467	44,249	61,082	72,044
12	Raw silk	32,529	25,111	14,752	23,657	26,019
13	Silk manufactures	30,112	36,664	40,488	54,099	49,590
14	Manmade fiber manufactures and semimanufactures	6,976	8,644	11,195	28,966	33,468
15	Other textile products	16,286	17,117	18,913	21,304	24,565
	Subtotal [2]	203,709	189,876	201,158	265,918	279,194
	WOOD AND PAPER					
16	Sawmill products (lumber)	10,512	6,829	8,103	12,256	9,962
17	Plywood	33,921	44,433	44,231	59,321	50,251
18	Other wood products	13,035	15,177	18,308	27,860	26,822
19	Paper and manufactures	8,410	7,098	6,784	9,306	10,241
	Subtotal [2]	65,878	73,537	77,426	108,743	97,276
	METAL, MINERALS, AND MANUFACTURES					
20	Glass and products	6,632	5,437	6,513	11,079	11,439
21	Ceramic products (chinaware and earthenware)	26,811	28,995	31,406	40,709	50,281
22	Cultured pearls	7,882	9,417	10,240	12,875	13,627
23	Other nonmetallic mineral products	896	975	7,100	6,088	8,198
24	Steel mill products	9,743	7,828	30,530	82,856	90,788
25	Iron and steel manufactures	12,937	17,953	20,877	34,095	44,627
26	Ferroalloys and similar metals	18,168	30,037	18,796	17,566	12,576
27	Jewelry, plated ware, etc. (mostly costume jewelry and lighters)	10,008	10,239	10,743	17,203	20,724
28	Other metal products	20,067	11,463	14,459	20,843	23,090
	Subtotal [2]	113,144	122,344	150,664	243,905	275,350
	MACHINERY AND VEHICLES					
29	Radios and parts	2,482	5,590	16,040	55,153	71,424
30	Other electrical apparatus	5,587	10,456	12,202	18,810	30,661
31	Sewing machines	13,082	18,798	20,334	25,697	20,764
32	Other machinery	1,535	2,968	4,483	8,431	10,303
33	Vehicles (except agricultural)	868	1,599	3,618	8,228	10,132
	Subtotal [2]	23,554	39,411	56,677	116,319	143,284
	CHEMICALS					
34	Industrial chemicals	2,535	2,052	5,113	12,084	9,881
35	Other chemicals and related products	1,370	1,841	2,540	5,202	5,718
	Subtotal [2]	3,905	3,893	7,653	17,286	15,599
	MISCELLANEOUS					
36	Photographic goods (mostly cameras)	5,082	8,916	8,623	10,138	[3] 14,411
37	Scientific instruments (mostly binoculars, telescopes, microscopes)	7,603	9,844	11,805	14,512	16,492
38	Toys and sporting goods	23,631	27,370	27,291	39,522	45,776
39	Miscellaneous products	11,649	24,627	17,924	22,443	23,742
40	Estimate for low-valued shipments	10,791	13,144	6,325	8,981	11,292
	Subtotal [2]	58,756	83,901	71,968	95,596	111,713
	Total [2]	547,562	602,156	673,951	1,017,893	1,126,529

[1] Imports are imports for consumption and are in foreign values.
[2] Items may not add to totals or subtotals because of rounding.
[3] The 1960 import figure is not comparable with figures for years prior thereto, since it includes new import classifications covering flash guns, exposure meters, and other electrical photographic equipment. Imports from Japan of these commodities were valued at about $1,920,000 in 1960.

Source: Compiled from the U.S. Import Statistics, U.S. Bureau of the Census, Repts. FT-110 and FT-120.

Not long ago I read in the August 1961 issue of the Textile World an editorial. I include that editorial:

NEEDED FAST: THREE DECISIONS

Everywhere you look these days in business and industry, you see symptoms of recovery from the 1960 business slump. What's more, if you can believe some pretty persuasive prophets, 1962 will be a banner year for the economy.

Some of this recovery is rubbing off on textiles. And if the boom comes as predicted, the textile industry is sure to feel some of its impact.

But we believe the textile industry deserves a better fate than just to have a little recovery rub off on it. That's a passive role that ill becomes a giant industry—and certainly not the role the industry's leaders seek. What they seek is opportunity for their industry to become a full partner in recovery. Though in many ways it is better off now than it was a year ago, it is not a full partner in recovery today—and will not be until and unless it can plan and act on its future with some assurance of a predictable operating base.

The textile industry needs this assurance promptly—and is entitled to it. This assurance can come only from clear decision on three matters that now lie with our Government:

1. Decision on imports: The industry has submitted strong pleas for a rollback on imports. It has laid its case before the State Department and before the Office of Civil and Defense Mobilization (OCDM).

With laudable speed the State Department has laid the groundwork for negotiations with textile-producing and consuming nations and scheduled an international conference at Geneva. Meanwhile, OCDM has taken the industry's plea under study.

It is important that some results flow from one or the other of these agencies. (The Geneva Conference had not yet convened when this page went to the printer.) But whatever the results are to be, it is equally important that they come quickly. The industry (and its friends in Washington) will be understandably intolerant if there is indecision, bickering, or delay at Geneva, or bureaucratic frustration in the OCDM. It needs to know unequivocally and immediately where it stands—needs to know whether it must operate with or without quotas—so it can get on with its job.

2. Decision on cotton subsidies: Our Government cannot help the American textile industry by boosting textile wages overseas. But the U.S. Government does fix the price of American cotton sold overseas, and thus has a role in determining the equities or inequities of cotton and cotton-textile trade between the United States and other countries. This is something our Government can and must do something about.

We can see no valid reason for the Agriculture Department to delay any longer in coming to firm, clear decision on the cotton subsidy. The method by which today's cotton-price inequities are removed is not so important as the speed with which they are removed.

3. Decision on depreciation: Treasury Department studies of industrial-equipment depreciation have been going on for a long time. What's more, 3 months after President Kennedy's directive in May, Treasury still has not completed its study of the textile industry's special problems and still has made no recommendations. The time for action is now—not a month or a year from now.

The decision, when it comes, can go only one of two ways—either to change the depreciation rules or not to change them. It's as simple as that. But the dispatch with which Treasury comes to decision—be it to change the rules or not to change them—is almost as important as the way the decision turns.

Under today's rules, textile management men have about $500 million a year, mostly depreciation money, to spend for modernizing their plant and equipment. A tidy sum. But in the swift advance of textile technology today, $500 million is not enough.

We believe a relaxation of the depreciation rules would unleash an equipment- and plant-modernization program unequaled in the textile industry's history—a program that would benefit the industry, the economy, and the Nation as a whole. The sooner the decision on such relaxation comes, the better for all concerned.

As you will note, this editorial says that what is needed, fast, are three decisions. I agree with that statement, but we must go much further. What we need is a policy.

We need a policy from the Government of the United States, and especially from the State Department as one of the executive branches of the Government, that it recognize the rights of the working people in the textile industry. The security of the public should be recognized. The necessity of their employment should be a paramount consideration. The fact that the textile mills cannot operate unless there is sufficient profit to insure not only a reasonable rate on the investment, but enough profit to insure current change, modernization, and improvements sufficient to meet the demands of the consuming public. The policy picture could not be complete without a recognition that the import problem must be met.

From time to time, here in the Congress, I have spoken on textiles. I intend to continue to do so. I have outlined in detail the decline in textile jobs, the effect on the industrial growth and economic health of the communities involved. The textile people are very close to my heart. I was born among them, worked with them, went to school with them, served with some of them in the defense of this country in World War II, and count numbers of them as my personal friends. I know they are concerned and I also know that this Nation should be concerned.

Not long ago, Mr. Robert T. Stevens, a patriotic and successful businessman in the industry, attended the international Conference in Geneva. I include herewith an article from the Evening Herald, Rock Hill, S.C., of July 27, 1961, in which he made a significant statement:

TEXTILE PACT WON'T SOLVE IMPORT PROBLEMS—STEVENS

GREENVILLE, S.C.—A U.S. consultant at the International Textile Conference in Geneva says an agreement reached there won't solve all import problems but is a step in the right direction.

Robert T. Stevens said the degree of success attained at the Conference will depend ultimately on the type of government administration used to carry out the program.

Stevens is president of J. P. Stevens & Co., which operates the Aragon & Industrial mills in Rock Hill and the Republic plants in Great Falls.

"Statements by several officials of our Government in Geneva indicated their determination to see that the agreement is fully implemented," the Greenville textile leader said.

"Meanwhile," Stevens added, "continued vigorous efforts will be needed to get into effect promptly the other important points of the President's program."

Textile leaders said the Geneva agreement assures that the U.S. cotton textile industry will not have to face abrupt increases in foreign imports for at least a year. It also is viewed as offering hope for an eventual long-term solution to the foreign imports problem.

Roger Milliken, of Spartanburg, leader in Republican efforts in last year's presidential voting in South Carolina, and head of extensive textile interests, said the Geneva Conference will do little to ease the textile import problem.

Milliken declined an invitation from the new Democratic administration to take part in the Geneva Conference.

"I declined [because] I had no confidence that the State Department had any desire to find a permanent solution to protect the jobs of those employed in the textile industry," he explained in a news statement Wednesday.

The textile people are doing everything they can to meet competition. When I think of the taxes they pay and the lack of sympathy in the State Department to their problems, I just wonder who the people in the State Department think they are working for. In case they are in doubt, I wish to tell them they are employed by the American people, although I suspect they are not really working for the American people. Meanwhile, the people in the textile industry continue to fight the battle for survival. I include, at this point in my remarks, an article from the Gaffney Ledger, Gaffney, S.C., of July 13, 1961:

TEXTILE RESEARCH EXPANSION IS SET

SPARTANBURG.—An expansion program located on the grounds of the Deering Milliken Research Corp., most comprehensive privately financed textile research organization in the world, was announced here.

Roger Milliken, president of Deering Milliken, stated that work would commence immediately on an addition to the existing chemical research facilities and on an entirely new cotton processing and spinning research facility.

The processing and spinning research unit is to allow plans developed jointly by Deering Milliken Research and the membership of the Institute of Textile Technology at Charlottesville, Va.

Mr. Milliken stated officials were in fact doing everything in their power to encourage American textile firms to invest in foreign plants and import their textile needs. He stated that his company had not made any such investments and has no intention of doing so.

"We are investing our money in these new research facilities," he said, "as a further effort to improve the technology of American textile manufacturing and to maintain America's position as the most efficient textile-producing nation in the world.

"We have confidence, moreover, that the American people and their representatives in Congress will not tolerate any further loss of jobs in this industry which employs so many people and is so vital to the defense of the country. This is an industry that is only held back from greater progress because of the competition caused by low oriental wage rates and an artificial, Government-authorized cotton raw material advantage available to foreign competition amounting in August to 8½ cents per pound or $42.50 a bale of cotton."

Members of the Deering Milliken Research Corp. have been working for a year in conjunction with the Institute of Textile Technology and its member companies in developing plans for the cotton spinning research unit.

Technicians have scoured the United States and the world to select the most advanced mill design and machinery construction.

The unit will be designed so that as further new developments occur, they can be easily installed and evaluated on a production basis.

While all of the machinery has not been selected, it was stated that the unit will include equipment from the United States, England, Switzerland, Germany, and Japan. Purchases of foreign equipment have and will be made only when machinery of comparable performance and quality is not available domestically, Mr. Milliken said.

Daniel Construction Co., of Greenville, has been awarded the building contract, and the electrical work will be done by the J. Frank Blakely Co., of Spartanburg. The air conditioning and air handling will be installed by Carrier Corp., Buensod-Stacy, and Pneumafil. Skidmore, Owings & Merrill are the architects.

I also include an article from the Lancaster News, Lancaster, S.C., of August 3, 1961, concerning the magnificent efforts which are being made at Clemson College, South Carolina:

CLEMSON TEXTILE SCHOOL SEEKING TO MEET GREAT NEEDS OF INDUSTRY

A working force of approximately 130,000 South Carolinians join together with the more than 325 textile plants in the State to create the heartbeat of the textile industry throughout the world.

However great, South Carolina's textile industry today stands on the threshold of the most dynamic era of its history, industrial and educational leaders believe. The need for college trained men and women with their eyes focused on the textile industry is greater now than ever before. It is evident that this need will continue almost insatiable for at least another decade.

To meet the challenge facing the textile industry, of which 33 percent is in South Carolina, is the aim of the Clemson College School of Textiles.

South Carolina's textile industry will require at least 4,500 graduates during the next 10-year period. In this State alone more specialists will be needed than can be supplied by all the textile schools in the Nation at the current yearly rate.

This startling fact defines a textiles career as unlimited for young men and women who are today searching for a field of study.

Other facts also give rise to the predication that a career in textiles has almost boundless potential. Textiles is the third largest industry in the United States, accounting for 15 percent of the total estimated value of all property in South Carolina. The textile industry in South Carolina accounts for more active textile spindle-hours than any other State in the Union and during these hours more than one-fourth of all cotton grown in this country is consumed. The industry accounts for two-thirds of the total industrial employment income in South Carolina.

The textile industry's faith in the youth of South Carolina is reflected through the many substantial gifts the industry has made to the Clemson College School of Textiles.

These gifts, totaling more than $1 million, have fostered the need for improved technical education. They have provided Clemson with modern laboratories, machinery, library facilities and numerous teachings aids, all used for textile training and research to provide personnel and research data to the textile industry.

Whatever the interests of textile students, Clemson has a place for them. Among offered curriculums is training in textile chemistry, textile science and textile management.

Textile management is an area requiring resourcefulness of the highest order. It is here that specialists combine knowledge, ideas and know-how and translate these aspects into hundreds of "woven wonders" of the textile world.

Textile chemistry is the stabilizer of the industry. Serving to strengthen the anatomy of the industry's foundation, textile chemists are daily producing "miracle fibers" such as wrinkle-resistant and drip-dry, all requiring minimum care.

Textile science leads the way, through research and engineering, for the industry to break away from old traditional methods. Progress requires changes which are the goals of the textile scientists assuming his duties and responsibilities to the industry.

Textile research in South Carolina is now progressing at a rapid pace and, no doubt, people all over the world for generations to come will continue to reap benefits derived

from the endeavors of textile research carried out in this State.

To produce the knowledge and resourcefulness so vital to the textile industry is the high aim of Clemson College and its School of Textiles.

With a faculty of highly trained specialists, Clemson stands preeminently prepared to meet the challenge facing the textile industry today, tomorrow, and years hence. The school continues to equip students interested in textiles with the finest education possible for an outstanding career in a dynamic and challenging industry.

Specific and detailed information on textiles as a career may be obtained by writing Dean Gaston Gage, School of Textiles, Clemson College, S.C.

A questionnaire mailed by Clemson School of Textiles' Dean Gage to 2,100 former students aroused a 66-percent response to his survey. Of those heard from, 75 percent are still working in textiles.

Distribution by positions and job classifications of this personnel was recorded as follows:

Presidents, vice presidents, and general managers, 7.89 percent; plant managers and general superintendents, 8.27 percent; superintendents, 9.4 percent; technical superintendents and assistant superintendents, 14.54 percent; overseers, 15.66 percent; assistant overseers, 7.52 percent; trainees, 10.28 percent; staff, 16.79 percent; research, 2.26 percent; sales and service, 6.52 percent; and office managers, 1 percent.

I include, at this point in the RECORD, a story which came out in the U.S. News & World Report, in the August 14, 1961, edition:

SPECIAL REPORT: STORY OF ANOTHER SICK INDUSTRY: TEXTILES

It's more than the competition from abroad that is plaguing the U.S. textile industry. Troubles are deep seated, hard to get at.

Shift in the clothing tastes of Americans is an important factor. So is the rising use of synthetic fibers in fabrics.

Whole industry now is going through a period of change to try to cure its ills. Here is the outlook for a cure:

Add the textile industry to those basic American industries now in trouble and looking to Government for help.

The farm industry, the railroad industry, the mining industry—providing the Nation with essential products and services—all are struggling with problems that keep on growing. The textile industry finds itself within this group.

Here then are problem industries that supply the Nation with its food, its clothing, its fuel, and its transportation.

In the case of textiles, rising imports from abroad are blamed by many in the industry for most of their problems. A close look, however, discloses that imports of textiles, while up sharply and rising, take less than 7 percent of the U.S. market.

The close look does disclose though, that some segments of the industry—the producers of low-priced cotton fabrics in particular—have been hard hit by the upsurge of imports. This foreign competition gets a further advantage from sales abroad of American cotton at artificially low prices, subsidized by U.S. taxpayers.

Also, U.S. manufacturers are running into stiffer competition in oversea markets. That competition in cotton textiles is to be limited after October 1 under terms of an agreement among 16 nations for a freeze on both imports and exports for a 12-month period. Meanwhile an attempt will be made to find a more permanent solution.

However, the facts indicate that problems of the American textile industry will not be solved by limiting foreign competition alone. Those problems, on examination, appear to be deep seated and to have resisted attempted solutions over past years.

The industry has tried to overcome its difficulties by moving to areas with lower labor costs. It has invested heavily in modern equipment. Efficiency in the textile industry, as in the farming industry, has risen more rapidly than the average in industry as a whole. Nearly 850 textile mills have closed since World War II, with elimination of 400,000 jobs in the industry.

Yet trouble persists. Why? Many reasons for this trouble are found.

The basic trouble is this: Use of textile products in the United States has been in a declining trend for the last several years. The average individual in this country 10 years ago used 43.5 pounds of textile products a year. Now the average use per person is down to 36.3 pounds.

Not only are fewer pounds of textiles being used, but the type of fabric also has changed drastically. In the past 10 years, for example, the population has increased 19 percent, but the number of men's suits sold has dropped 8 percent. This decline stems from the trend toward more informal living. Sales of sports shirts, slacks, and jackets have increased, while sales of suits and dress shirts have declined.

There has been a drop of 33 percent in sales of overcoats and topcoats over the past 10 years. However, that decrease has been largely offset by an increase in sales of raincoats, often of the all-weather type with zip-in linings.

The shift in men's styles has been toward lower priced garments that often use less cloth and require less labor in manufacturing processes.

The story is the same with women's clothes.

On a per-capita basis, women now are buying more slacks, shorts, and pedal pushers; fewer coats, suits, inexpensive dresses, and hosiery. The more popular garments today often use less fabric. Result: smaller demand for textiles.

Role of synthetics: Then, too, there has been growing demand for manmade synthetic fibers at the expense of demand for cotton and wool. In the last 10 years, the consumption of cotton has dropped by more than 600 million pounds, while the use of synthetic fibers has risen by approximately the same amount. Manmade fibers, moreover, do not replace cotton or wool on a pound-for-pound basis. On the average, it is estimated that 1 pound of synthetic fiber takes the place of 2 pounds of natural fiber.

The growing use of manmade fibers has cut into the industrial uses of cotton as well as its use in clothing. Nylon and rayon have replaced cotton in tire cords. Synthetics are becoming more popular in home-furnishings. Paper and plastics are being used more and more instead of cotton.

All of these trends have caused a drastic reshuffling in the textile industry.

Supply and demand: The nature of the textile industry itself also poses problems. The industry is made up of many small mills and, as in agriculture, no single firm or group of firms dominates its activity. The largest textile firm accounts for only about 6 percent of total sales and the top 10 firms for only 20 percent.

The result is that prices are set, as in agriculture, by supply and demand in a situation of fierce competition. When demand slackens, the reaction among textile producers is to maintain output in an attempt to offset lower prices by larger volume. This results in a rapid buildup of inventories which eventually must be unloaded. Result is that ruinous price competition sets in with a disastrous effect on profits.

This sequence has been repeated again and again in the history of the textile industry.

Another problem is the long chain of distribution between mills and final consumers of textiles. Before the fabric reaches the retail shelf, it passes from mills through dyers, finishers, wholesalers, and garmentmakers.

Inventories may get out of hand at any of these points, with upsetting effects on the whole industry. Ups and downs of inventories, in fact, often cause wide fluctuations in textile production even when consumer buying stays fairly stable.

These persistent problems of the industry—declining demand, increased use of synthetics at the expense of natural fibers and cutthroat competition—were compounded in the mid-1950's by a flood of imports, mostly cotton textiles. Actually, it was not until 1955 that imports loomed as a major problem. In that year, imports of cotton textiles jumped to 87 million pounds from 48 million pounds in 1954.

In 1957, Japan, which had been getting most of the complaints about foreign competition, voluntarily cut back cotton goods sales to the United States. But other sources soon filled the gap. Hong Kong which sold only 3 million square yards to the United States in 1957, sold 82 million in 1960. Other nations which had been shipping little or no cloth to the United States rushed in after 1957 to take up the slack left by Japan. These included India, Spain, Portugal, Formosa, South Korea, Pakistan, and Egypt.

Total imports of cotton cloth soared from 122 million square yards in 1957 to 455 million in 1960. Foreign producers also contributed to price cutting. The American textile industry pointed out that while its average wage of $1.64 an hour is below the Nation's average factory wage of $2.33 an hour, it is still far above the average textile wage of other countries. In Japan, for example, the average wage is 17 cents an hour and in Hong Kong only 10 cents.

The import situation has touched off a demand from the industry for protection by the Government against foreign competitors.

A ray of hope: In spite of all the problems facing the textile industry, some producers see a chance of improvement ahead. Many mergers recently have taken place with larger firms buying out weak ones. There also is a trend among larger firms to do their own finishing, dyeing and selling, thus bringing more order into marketing. Some of the larger mills also are trying to gear production more closely to final demand and have tried to persuade smaller mills to follow their example.

With the industry in stronger hands, some analysts expect more stress on development and merchandising of new products. They point out that most of the trouble in the industry centers on low-priced products. The high-style, more-expensive fabrics still command a good market both at home and abroad.

However, there are yet no positive signs that textile companies are to enjoy anything but rather slim profits. But the 16-nation agreement gives the industry a little breathing time, and some hope that improved conditions may be on the way.

As is evident by the title of this story, the recognition of the problems of the textile industry has reached the editorial of this great publication. Why has not this story reached the ears and the eyes and the hearts of those in the State Department who are charged with responsibility in this field? The textile industry is a sick industry. We do not want the illness to continue; we are determined that the patient should not get worse; we do not want this industry to die on the vine, and it shall not do so.

Our problem is basically a problem of policy. As a Representative of a textile

area, I insist that the Government of these United States holds to my people and to this industry a review of policy and cure the illness of the textile industry in the United States.

THE JOHN BIRCH SOCIETY

The SPEAKER pro tempore. Under the previous order of the House the gentleman from California [Mr. ROUSSELOT] is recognized for 60 minutes.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, I had planned to take the floor today to address the House concerning an article printed in the September 26, 1961, issue of Look magazine entitled "The Man Behind the John Birch Society," and why I feel this article is unfortunate and gives an unfair presentation of true facts about the John Birch Society.

However, I believe that Mrs. Jean Scheehle of Phoenix, Ariz., has done a much better job than I could do in pointing out omissions and half-truths presented in the article. Sometimes it takes a normal, active citizen like Mrs. Scheehle to point out the obvious in simple terms. I would, therefore, like to present to this body the letter which Mrs. Scheehle has sent to Mr. Chester Morrison, senior editor of Look magazine, who also wrote the article.

Sometimes the tendency of those in political office is to explain things in great detail, when a simple straightforward explanation would suffice. I think Mrs. Scheehle is to be complimented for her very pointed response to the article.

A distinguished Member of this body, the Honorable JAMES B. UTT, refuted one of the errors in the article in a letter to Mr. Morris which he inserted in the CONGRESSIONAL RECORD on September 20, 1961. The gentleman from California, Congressman UTT, is not a member of the John Birch Society, and yet the article "very authoritatively" identifies him as such. All Mr. Morrison had to do was call the gentleman from California [Mr. UTT] to see if this were fact or fiction.

It is rather disappointing in these very difficult times in our history to see an article in a major publication that so poorly represents facts about an organization, whether it be the John Birch Society or any other organization.

However, this is certainly the right of Look magazine to do whatever in its judgment is responsible reporting. To say the least, I believe the report was inadequate and unfair.

The letter follows:

PHOENIX, ARIZ.,
September 13, 1961.

CHESTER MORRISON,
Senior Editor, Look,
New York, N.Y.

DEAR MR. MORRISON: I wish to comment on your lullabye to the American public in your September 26 edition of Look magazine. I assume that was your purpose in writing the article "The Man Behind the John Birch Society"—to lull Americans back into apathy by inferring that Communist infiltration in our country is incredible and consequently members of the John Birch Society are ridiculous adventure seekers. Ironically, I believe you have greatly aided the cause of the John Birch Society by your article, in which you have misquoted, misconstrued, and told so many half-truths that it is laughable to the members of the society who are familiar with the correct quotations, correct meanings, and the whole truths of every one of your references as to what Robert Welch and the John Birch Society stand for. How have you aided the cause? A member can now simply point out to anyone interested (and there will be many) how your article corresponds to the facts printed in the Blue Book, monthly bulletins of the society, or any of the many available sources. For, you see, there is nothing secret about these sources or nothing secret about the whole society—nothing. I am sure you know this if you did any investigating at all before you wrote this editorial. I get the distinct impression you wish the society were more secretive about its beliefs.

Yes, I am a proud member of the John Birch Society. And it is perfectly logical that I would be. I come from a long line of workers—workers in the true sense of the word—not at all the type the Communists harp on. The workers of my family tree believed in working—with their hands, or minds, or both, according to their abilities. They gained satisfaction from work well done and enjoyed the freedom of using their earnings as they saw fit, and especially assuming their responsibility by having a "nest egg" in case of hard times and for retirement. They had their hard times, of course, but they grew spiritually by meeting them head on. Such, I believe, is God's purpose for man on earth. This would seem a very dreary philosophy to the Communist worker or the liberal thinkers, who seemingly care little about work for work's sake, or for individual freedom of choice, or for the pleasure derived from caring for one's own family, or the satisfaction of having planned for one's own retirement. (But then the Communists don't believe in God either, do they? One would think any organization fighting against out-and-out heathens would be applauded rather than scorned in the United States. But these are indeed strange times.) Yes, my family tree is loaded with self-made men just like the family trees of millions of other Americans.

This was possible under the free enterprise system and under the Constitution of the United States, although those of us in the past two generations have been gradually losing these privileges I have been elaborating on and more besides. It is the fervent wish of my husband and myself that our two young sons will be able to live in a democratic republic—not socialism—nor its twin brother, communism. All of these things I believed in before I ever heard of the John Birch Society or Robert Welch. In fact it has been fairly recently that I realized that because of my views I am considered a conservative. I think a person should form his own beliefs through experiences and education rather than follow blindly on the coattails of any leader, as you seemed to imply was the case in the John Birch Society, don't you?

It is so typical of a liberal to think that people must be led around by the nose, unable to think for themselves or take care of themselves that it is no wonder such thinkers would regard any group that was accomplishing anything as being under the dictatorship of someone or something. In the John Birth Society nothing could be further from the truth. Its members are people who think for themselves and are not afraid to say what they think—to their founder or anyone else. We are drawn together for a common purpose—to fight communism and to restore our country to a democratic republic.

As I read your article, I was quite shocked by your audacity at painting a picture so reversed to fact just by leaving out certain words in quotations and using certain expressions to degrade sincere, patriotic ideals. I had been told that this sort of thing is done in your profession but I have never been in a position to see it so clearly. I cannot help but wonder "why?"

You wrote about John Birch. Why did you not add that the facts concerning John Birch's death were kept secret in Government files for years? I'm sure your readers would have found that interesting reading.

You quoted Robert Welch—"Democracy is merely a deceptive phrase, a weapon of demagogery and a perennial fraud." Why didn't you state the difference between a democracy and a democratic republic? Do you know the difference? I am sure the large majority of your readers would prefer a democratic republic if they were but informed of the difference.

You entered a quote Mr. Welch made concerning Protestant ministers. Why didn't you go a statement further on that quotation where he explains that ministers don't become Communists but Communists do become ministers—for the purpose of subversion, of course?

You mentioned the impeachment of Chief Justice Earl Warren. Why didn't you tell the reading public that we of the society feel that Earl Warren's job is to defend the Constitution rather than usurping it? Were you afraid that might start freedom-loving Americans thinking?

You wrote about the society's 100 recommended book list. Why didn't you name more of them? Your pity for the overworked librarians and bookstore employees, no doubt.

Your article infers that you do not approve of public opinion or a representative government by the scorn you show for the society's letterwriting campaign. Why shouldn't the American people have a say as to what they wish to see in magazines, on TV, or listen to on the radio? Who buys the sponsors' products? Why shouldn't the American people tell their public servants what they want from them in regard to their government? Who pays their salaries, etc.? (That etc. covers a lot of ground these days.) I was taught in school that that is a citizen's responsibility.

And then you brought up antisemitics. Why didn't you quote Robert Welch's statement that a Jew or Christian cannot be a Communist because when a man becomes a Communist he ceases to be either a Jew or a Christian? The John Birch Society is anti-Communist and anti-"Com-symp." And every God-fearing man should be helping in the fight against the Communist menace.

You say we are a Fascist group. Why do you use that term? Do you mean by that that we are conservatives in that we want to restore our Constitution to power? Then you are correct. But why didn't you write it that way? Of course if you had, it would bring to light the fact that some people in this country are bent on changing this constitutional government just for the sake of "change" (change without progress). And some others are bent on changing it because they are dedicated with all their being to make this a Communist world. Either group can accomplish the same end and with both groups working together, consciously or unconsciously, will accomplish that end that much sooner. That end is world communism. Or if you mean by "fascist" that we want no part of one world government if it means sacrificing our present protection under our Constitution. Hasn't the Soviet

Union emphasized strongly enough that we cannot coexist? Hasn't the United Nations cost us dearly enough already security-wise, prestige-wise, and money-wise?

I am happy to say I am not a year-by-year subscriber of Look because I have seen for some time the slant of your editorials, but I want to thank you, strangely enough, for giving the John Birch Society members this opportunity to demonstrate to others what men in your profession can and will do in trying to lead the public. This alone ought to get Americans to inform themselves better on facts and not to rely on every piece of newsprint they put their hands on.

I am sure you will agree, at least, that there is one member of the John Birch Society that can say more than "jes' fine, jes' fine." Not that we think for one moment you really believe us to be so ignorant or so inarticulate. If you did, you wouldn't have bothered to blast us. Of course I don't really expect you to answer all the questions I asked you in this letter because I have a pretty good idea of the answers.

Very truly yours,

JEAN SCHEEHLE.

THE THREAT OF RESIDUAL FUEL OIL IMPORTS

The SPEAKER pro tempore. Under the previous order of the House the gentleman from West Virginia [Mr. HECHLER] is recognized for 15 minutes.

Mr. HECHLER. Mr. Speaker, I have frequently called public attention to the threat of residual fuel oil imports to my State of West Virginia. Today I would like to analyze some of the arguments used by those who oppose restrictions on residual oil imports.

Mr. Speaker, one of the principal arguments used by opponents of Government restrictions on the import of residual fuel oil is an economic one. These opponents of restrictions allege that controls have forced up the price of residual fuel oil and, as a consequence, the consumers of oil, particularly in New England, have been compelled to pay an unwarranted and unnecessary premium for fuels.

This argument, of course, Mr. Speaker, completely ignores national security—the reason for the imposition of controls by President Eisenhower in March of 1959. All other considerations—and this includes any economic impact which the controls may have upon any section of the Nation—are of course secondary to national security.

But for the moment, I would like to put aside national security considerations and examine this economic argument, because that seems to be, in the minds of many persons, the only question involved. There have been many claims about the alleged economic cost of the program to New England. Some people have charged the restrictions on imports cost New England $21 million a year. Others have cited alleged losses of $40 million and $60 million and one newspaper editorial recently exceeded the bounds of all credibility by estimating the economic damage of controls to be in the neighborhood of $350 million.

The talk about prices have been equally confusing. Some people have charged that controls have resulted in an increase of 15 cents a barrel. Others have mentioned 25 cents and just recently the truly astounding figure of 63 cents a barrel—as the price increase which can be traced to residual oil controls—has been prominently mentioned.

In all of this talk about prices, there seems to be one fundamental fact which opponents of controls seem to overlook. And that is that the posted price for cargo—or full tanker—lots is the same today for Boston Harbor—$2.26—as it was when controls were instituted.

The significance of the posted cargo price is that this is the price which would reflect the effects of controls more accurately than do any others. Thus, the true import price is the cost of oil as landed in Boston Harbor for distribution to customers throughout the area. This is the way oil is shipped to this country from foreign sources by tanker, in cargo lots. We do not import oil from the Caribbean by barge lots or by tank car.

If the demand for residual oil was so much greater than import allocations, as opponents of the program have charged with increasing regularity, then it seems to me that this cargo price would increase. Yet, it has not increased. And this fact—together with the additional fact that importers failed to bring in about 2 million barrels of residual oil which had been allocated for the first 6 months of the year, would seem to fully dispose of the argument that controls have limited the supply of oil, or have influenced any price increases.

There have been some increases in the price paid by some consumers for residual fuel oil in the New England area since controls were established. No one challenges this. But in this connection there are two facts I would like to call to the attention of the House of Representatives.

First, the increases in price have occurred, not in the import price, but for resale in smaller lots—in tank car and barge lots. These price increases reflect changes in the prices after the oil is imported into the United States and during its distribution to the ultimate consumer by importers. These price increases may reflect higher internal distribution costs, higher labor costs, and perhaps a higher profit level for importers and distributors. These price increases cannot be charged to the import control program. They can be traced to the domestic pricing policies of the international oil companies and other importers and distributors of residual fuel oil.

Second, these reported price increases in residual oil are consistently exaggerated. Those who try to show that they are a result of import controls and who cite them as justification for the removal of controls usually use the spring of 1959 as the base period for making comparison. They contrast prices today with the prices which prevailed in April 1959 when controls became effective. Ordinarily this would appear to be the proper way to consider price behavior following imposition of import controls. However, it completely ignores the fact that the spring of 1959 was a period of excessive dumping of residual fuel oil on the east coast which had driven prices down to abnormally low levels. In fact, this dumping reached such proportions by early 1959 that the Government was forced to institute mandatory controls, in the interest of national security, to replace voluntary controls which had been persistently violated by importers.

Mr. Speaker, it is as unrealistic to compare prices today with those existing in 1959—a period of abnormally low level—as it would be to compare today's prices with those existing in 1957—a year when the Suez crisis pushed oil prices, including residual, to high levels.

Yet, opponents of controls persistently say that, because domestic prices for residual oil today are somewhat higher for some categories than they were during a period of abnormally low prices, the added cost of residual oil to New England is $21 million, $40 million, $60 million, or $350 million—depending upon who is evaluating the damage.

By this same reasoning, I could compare today's prices with those of 1957—a period of high prices—and come up with a figure to prove that controls have actually saved New England about $77 million a year on its fuel bill. One example is as valid as the other.

The only responsible and fair manner in which prices should be compared is, it seems to me, to see how prices prevailing today compare with those of 1958. The year 1958 was a normal year. It was a year of high industrial activity. The demand for residual fuel oil was high. Yet, it was neither a period of abnormally high prices or abnormally low prices.

And when we examine residual fuel oil consumption in New England in 1958, and compare the results against 1960, what do we find?

Most dramatic of all, Mr. Speaker, we find that the astronomical price increases which supposedly are costing New England so heavily are simply not based on sound statistical analysis.

The Bureau of Mines of the Department of the Interior reports that, in 1960, 71,458,000 barrels of residual oil were consumed in New England—by electric utilities, by industrial plants, for heating of apartments and other buildings, and by all other consumers.

Now, we turn to the Office of Civil and Defense Mobilization for official figures as to what New England consumers paid for this oil. These figures are not cost estimates; they are actual prices paid by consumers as reported to OCDM in its continuing survey of the operation of the oil import program and its effect upon the economy.

Mr. Speaker, by multiplying the consumption by various categories by the prices which were actually reported to OCDM by consumers, we learn that oil used in New England in 1960 actually cost $14.5 million less than it did in 1958—which was, as I have pointed out, a normal year insofar as residual fuel oil is concerned—neither a year of abnormally high prices or abnormally low prices, nor of market gluts or of shortages.

Now, let us apply this same formula and use 1960 prices compared with those for 1959. Here, Mr. Speaker, we come up with the fact that the 71,458,000 barrels of residual fuel oil, at 1960 prices, cost only $3,739,000 more than it would have had the abnormally low 1959 prices

prevailed. The economic damage of $21 million, $40 million, $60 million, or $350 million suddenly becomes a rather insignificant increase of less than $4 million when solid economic data is substituted for public relations claims. And this, when compared with prices at an abnormally low level.

At this point, Mr. Speaker, I would like to insert a chart spelling out the amounts paid for residual oil in New England:

Cost of fuel oil in New England based on 1960 consumption and prices for 1957, 1958, 1959, and 1960

	1960 consumption (thousand barrels)	Cost per barrel				Total cost based on yearly averages for—				Increase (decrease) 1960 from—		
		1960	1959	1958	1957	1960	1959	1958	1957	1959	1958	1957
						Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*
Heating	24,204	$2.11	$2.06	$2.32	$2.98	$51,070	$49,860	$56,153	$72,128	$1,210	($5,083)	($21,058)
Utilities	16,544	2.18	2.12	2.36	2.99	36,066	35,073	39,044	49,406	993	(2,978)	(13,400)
Industrial	23,872	2.11	2.06	2.32	2.98	50,370	49,176	55,383	71,139	1,194	(5,013)	(20,769)
Subtotal	64,620					137,506	134,109	150,580	192,733	3,397	(13,074)	(55,227)
All other	6,838	2.11	2.06	2.32	2.98	14,428	14,086	15,864	20,377	342	(1,436)	(5,949)
Total	71,458					151,934	148,195	166,444	213,110	3,739	(14,510)	(61,176)

Sources: "Sales of Fuel Oil and Kerosene in 1960," Bureau of Mines; "Survey of Fuel Oil Prices," OCDM.

The increase of $3,739,000 in residual oil costs for New England, over and above the low 1959 prices, represents a per capita cost of about 30 cents for each of New England's 10½ million people.

Even if this increased cost could be ascribed to the import control program, which it cannot, would not 30 cents per capita in New England be a reasonable amount to pay for a strengthened national security? Is national security, even when the cost is so minimal, to be discarded and ignored when it collides with special interest groups?

There is another telling fact which clearly separates this $3,739,000 cost increase from the residual fuel oil import control program.

The increase is, roughly, 2½ percent—that is, residual fuel oil costs roughly 2½ percent more in 1960 than it did in 1959. In the same period, the official cost-of-living index in Boston—as published by the Bureau of Labor Statistics—increased by a little more than two points, from 125.7 to 128.4—an increase which appears to be in excess of 2 percent.

Mr. Speaker, I ask unanimous consent to insert in my remarks at this point a table showing the cost of living index in Boston for the years 1957 through 1960.

TABLE B.—*Consumer Price Index, all items, Boston*

[1947–1949=100]

1957	121.2
1958	124.8
1959	125.7
1960	128.4

Source: Bureau of Labor Statistics, Department of Labor.

In other words, Mr. Speaker, the advance in the cost of fuel oil in New England was pretty well in line with the advance in all other items, as reflected in the Boston cost-of-living index.

Can New Englanders honestly demand that the price of residual fuel oil remain stable when the prices of all other items—as reflected in the BLS cost-of-living index—are advancing at approximately the same rate?

Would it not be just as logical and realistic for New Englanders to demand that the price of meat be held to the 1959 level? Or that shoes cost no more today than they did in 1959? Or that the cost of medical service be pegged to 1959 levels and not be permitted to increase? By what logic can New England demand that residual fuel oil, out of all the many items used each day by the New England economy, be held to 1959 levels? Why has residual fuel oil been picked out for selective price fixing?

We are told by opponents of the program that if controls are removed, the price of residual fuel oil undoubtedly would decrease in view of an anticipated influx of imported oil. Undoubtedly, the price would fall, temporarily, if imports increase significantly. So would the price of gasoline and so would the price of light fuel oil distillates which New England householders use to heat their homes if these fuels could be imported freely from cheap foreign sources. New England pays out a much larger amount each year for gasoline and home heating oil than they do for residual fuel oil. Unlimited imports of these products would save the region untold millions of dollars, and it seems if New England's chief worry is cheaper fuel costs, here is where they should concentrate their efforts for greater imports. If our national policy should be directed toward lower prices for New England, then, Mr. Speaker, under the same reasoning we should have unlimited imports of meat into Boston Harbor. That would reduce the region's food bill and contribute materially to reducing the cost of living. By the same token, we might import unlimited amounts of cotton textiles. That would lower clothing prices. Why not open wide our ports to shoes from Czechoslovakia? Why not remove all restrictions on imports of hats, and on all types of electronic equipment? Why not let all types of fuel be imported in unlimited amounts? Prices would go down and New England consumers and industry would benefit.

Surely neither New England nor the rest of the Nation wants these steps to be taken.

No, Mr. Speaker, New England does not want unlimited imports. Take cotton textiles, for example. Representatives of the region have been among the most effective, vociferous spokesmen for a further curtailment of textile imports. I have joined with them, and they were represented on the committee which has talked personally with President Kennedy about this problem. They have also spoken out eloquently for tighter restrictions on imports of many other items—all of which are produced in New England—on the grounds that unlimited imports damage the national security.

When it comes to residual fuel oil, these same New Englanders are enthusiastic free traders. They ask us to knock down all the barriers. They seem to want unlimited amounts of cheap foreign oil to be imported into the country. It will give us cheaper fuel, they contend.

I contend, Mr. Speaker, that the New England fuel bill is not the sole matter at issue here. There is something far more basic involved. I refer, of course, to the national security.

A lot of special pleaders are assuring one and all that residual fuel oil import controls are unimportant and that we can let down the bars against unlimited imports without weakening the Nation's security posture. Perhaps these amateur strategists are correct, but until there is something more than a guess or wishful thinking on the part of persons with a special economic interest at stake on which to base a reversal of a national decision, I say, Mr. Speaker, that we must resist the demands for an end to the residual fuel oil import restrictions. The alternative to import restrictions, as determined by the President and a special Cabinet Committee, is a weakening of the domestic fuels industries to a point where they could not produce the fuels which the Nation must have in time of war.

No, Mr. Speaker, the Nation cannot afford to run the risk to national security inherent in the outright abolition of residual import restrictions. Even if the arguments advanced by opponents of controls to the effect that residual consumers are being unfairly taxed and discriminated against—even if this argument were true, which I have proven it is not—national security considerations would still have to be the overriding factor.

Certainly, when these arguments are shown to be fallacious—when the economic damage from import controls proves to be nonexistent and when the price increase in residual is shown to be no more than the increase in the general cost of living—and when dependence on an insecure source of fuel has already

reached dangerous proportions to the national security—then, I say, Mr. Speaker, the Nation has no other choice than to retain import restrictions. Prudent mobilization planning demands that we safeguard our domestic fuels industries and this can be done only through a sensible oil import program.

Several weeks ago, Mr. Speaker, a group of advocates of higher residual oil imports obtained consent for a series of speeches defending their position. I was in the Chamber at the time, Mr. Speaker, and I asked for an opportunity to pose a question to one of my colleagues controlling the time. I was denied that right, Mr. Speaker. Even when I personally informed my colleague in advance the question I wanted to ask, I was denied an opportunity to speak although I was on my feet asking my colleague to yield. This drove home to me, Mr. Speaker, the fact that perhaps there are advocates of higher imports of residual oil who do not wish their position publicly questioned. I hope, for the sake of West Virginia's and the Nation's economic future we may further curb the threat to our economy of residual oil imports.

TO HUMANIZE OUR IMMIGRATION LAWS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts is recognized for 10 minutes.

Mr. LANE. Mr. Speaker, the high tide of immigration—as a percentage of our population—took place in the hundred years between 1830 and 1930, reaching its peak in the period between 1901 and 1910, when 8,795,386 people left their homes in foreign lands to start a new life in the United States. There was plenty of room for them in our spacious country and in our expanding industries. We needed their help. We welcomed them.

There were more than utilitarian reasons for the generous immigration policy of the United States. With the exception of less than half a million Indians, the fathers and forefathers of all other Americans were immigrants. That is why we have a special understanding and sympathy for the tens of millions of people in other lands who are sustained by the hope that someday they will be permitted to enter our sanctuary of freedom and opportunity.

In the harbor of New York is the massive Statute of Liberty enlightening the world, rising 305 feet from the foundation of the pedestal to the torch. It was the first greeting that became the most precious memory of the many immigrants who landed at New York. Graven on a tablet within the pedestal of the "Mother of Exiles" are these lines from the famous poem by Emma Lazarus:

> Give me your tired, your poor,
> Your huddled masses yearning to breathe free * * *.

After World War I, however, motivated by unreasoning prejudice, the U.S. Government adopted the much-criticized quota system for regulating and limiting the influx of immigrants from some countries, while providing much larger and often unused quotas for others. To quote a few examples, the normal immigration quota is: 6,488 for Poland, 5,666 for Italy, 384 for Lithuania, 308 for Greece, 100 for Lebanon, and 65,361 for Great Britain and Ulster.

Since the end of World War II, the Congress has passed special laws providing admission to the United States, of limited numbers of refugees, and especially those who fled Hungary after the heroic but futile revolution against their treacherous Communist masters.

Every Member of Congress has been frustrated in trying to explain the impersonal technicalities of the quota system to an alien constituent who has but one concern and that is: how to get official authorization for his wife and children to be reunited with him in the United States. In answer to his plea for help, our answers sound evasive.

Finally, in S. 2237, a little light begins to appear through the thicket of redtape. For instance, this bill will permit the entry of certain eligible alien orphans. The term "eligible orphans" means those who are under 14 years of age at the time that petitions in their behalf were filed; who are orphans because of the death or disappearance of both parents, or because of abandonment, or desertion, or separation or loss from both parents, or who only have one parent because of the above reasons. Providing that this one parent is incapable of taking care of the "orphan," and releases the child in writing for emigration and adoption.

If such a child is adopted abroad by a U.S. citizen and spouse, or comes to the United States for adoption under these circumstances, the natural parent or prior adoptive parent of such child shall not thereafter by virtue of such parentage, acquire any right, privilege or status under the Immigration and Nationality Act.

Any alien eligible for a quota immigrant status on the basis of a petition filed with the Attorney General before July 1, 1961, shall be considered a nonquota immigrant, and, if otherwise admissible, shall be issued a nonquota immigrant visa. Provided, that he has retained his relationship to the petitioner, and his status, as established in the approved petition.

This provision is designed to expedite the reunification of certain families of citizens of the United States and immigrants admitted for permanent residence.

Other provisions moderate the rigid restrictions and make it possible for an alien suffering from tuberculosis to be reunited with a close relative in the United States. Other aliens, who would be excludable because convicted of a misdemeanor, may be admitted, provided, they individually committed only one such offense.

Basically, if the alien's exclusion would result in extreme hardship to the U.S. citizen or lawfully resident spouse, parent, or son or daughter of such alien, and his admission would not be contrary to the national welfare, safety, or security of the United States, the Attorney General may in his discretion and pursuant to such terms, conditions, and procedures as he may by regulations prescribe, consent to the alien's applying, or reapplying, for a visa and for admission to the United States.

The proposed amendments to the Immigration and Nationality Act ease the way for aliens to be reunited with their close relatives in the United States. And they prove that the Congress gives every consideration to human values in its determination of an immigration policy that truly reflects the ideals of our free society.

OWNERSHIP OF COMMUNICATIONS SATELLITE SYSTEMS SHOULD BE RETAINED BY THE FEDERAL GOVERNMENT FOR AT LEAST 2 YEARS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 30 minutes.

Mr. RYAN. Mr. Speaker, on July 27 I introduced House Concurrent Resolution 360, a resolution expressing the sense of Congress that ownership and responsibility for communications satellite systems should be retained by the Federal Government for at least 2 years. The question of assigning responsibility for ownership and control of civilian communications satellites has only recently been raised, yet it appears that the answer may be one of the most important decisions facing the 87th Congress. This is not only a novel question, but also a very complicated one. It is for this reason that I advocate a decision for at least interim ownership of the system by the Federal Government. Such a decision would permit the communications satellite program to proceed with maximum speed, while giving Congress the time to give this question the study it requires.

I have called the decision as to responsibility for this system one of the most important to face this Congress. This is true both because of the tremendous potentialities which communications satellites hold and because of the widespread economic and political effects which the decision on ultimate ownership will have. Much has been written during the past year about the potentialities of civilian communications satellites. Not only will they meet the rapidly growing demand for international telephone service and increase the reliability of this service, but they will also open new vistas of international communications. Global television, transoceanic facsimile transmission of mail, and international computer conversations should become a reality through use of these satellites.

It would be unwise to regard communications satellites as merely another technological advance in the communications industry, capable of being managed and developed by that industry as are other innovations. Rather, their development has been and will continue to be an integral part of our space program. When we entered the space age, a mere 4 years ago, it was recognized that space exploration would have political, economic, and military as well as

scientific implications. However, I think most of us are still a little surprised at the speed with which space is assuming such practical importance in our daily lives. The meteorological Tiros satellites have already shown their usefulness in improving weather predictions and enlarging the geographical area of weather surveillance. However, it is in the communications satellite field that the space program appears likely to pay the most immediate and largest dividends, dividends not only in the economic sense, but also in the sense of increasing American prestige and political strength.

Let us not forget that these dividends will be paid on what has so far been a public investment. Communications satellites have been made possible only because of Federal Government expenditures which have enabled this Nation to place satellites in orbit, to control the inclination and altitude of these orbits, to provide energy for operating satellite instruments, and to track the satellites. In addition, the Federal Government has spent and is continuing to spend large sums of money specifically on space communications programs. Echo, Courier, Relay, Rebound, Westford, and Advent—these communications projects represent the investment of taxpayer dollars. And civilian satellites, if they were turned over to private ownership, would continue to benefit from the Government's civilian space research and the military communications satellite program. They will continue to be launched and tracked by Federal Government facilities.

The public has a tremendous stake in communications satellites because of its investment in them. The public also has an interest in these satellites because the manner in which they are developed and used is directly related to the national interest. As I have pointed out, it is a matter of national concern that this country be first in establishing an operable communications system. It is a matter of national concern that in developing this system there be the international cooperation sought by President Kennedy in his invitation to all nations to participate in this program. It is a matter of national concern that this system be directed to serving the needs of underdeveloped areas in addition to those countries where the use of communications satellites is economically profitable. It is a matter of national concern that the operation of broadcasting satellites be consistent with the foreign policy of the United States.

As a member of the House Committee on Science and Astronautics, I have had the opportunity to examine this ownership question and to attend the hearings which this committee has held. I have, therefore, been in a position to realize the vast amount of careful study which should go into the ultimate decision. Even to a Congress which is accustomed to solving difficult problems, this issue has extremely widespread ramifications. Let me briefly describe some of the policy questions involved.

Communications satellites will be of importance in the military as well as the civilian sphere. These satellites are needed for defense purposes because of the unreliability, limited capacities, and susceptibility to jamming or sabotage of existing radio and cable facilities. As pointed out by Brig. Gen. William M. Thames in his testimony before the House Committee on Science and Astronautics on August 9, 1961:

> Active communication satellites offer possibilities, beyond the capabilities of conventional means, of overcoming present limitations in military communication facilities and to meet constantly increasingly military requirements for channel capacity, range, and reliability.

Since early in the space program governmental responsibility for development of communications satellites has been divided between the National Aeronautics and Space Administration and the Department of Defense. Our Echo balloon satellite was a civilian space agency project, whereas the Army developed the Courier I–B satellite launched last October. At the present time both the Army and NASA are working on active repeater satellites. Although military communications satellites will have to meet the additional requirements of mobility, service to remote areas, and the provision of bandwidths for encription and antijamming, it would appear that much of the knowledge gained in each program would be useful to the other. However, in addition to the problems of avoiding duplication and securing maximum NASA–DOD coordination, there arise questions of the relationship between the military and civilian communications satellite systems. Will the satellite system developed by the Department of Defense be solely a military system or will it be open to use by other agencies of the Government such as the Weather Bureau and the U.S. Information Agency?

Since the military system has the capacity to carry civilian communications, is there a need for two systems? A policy decision in this area will involve the question of whether civilian needs would best be met by the types of satellites developed by the Department of Defense as well as the problems of military-civilian sharing of the same system.

Let us consider the policy questions posed by a separate civilian satellite system owned by private enterprise. In the first place, there is the question of which companies should be permitted to participate in the system ownership. Since it is generally accepted that there would be one civilian communications satellite system to handle international communications needs, competition cannot exist in the usual manner. The Federal Government has already shown that it is aware of this problem. In his testimony before the House Committee on Science and Astronautics on August 9, 1961, Assistant Attorney General Nicholas deB. Katzenbach, stated:

> The Department believes that achievement of the President's stated policy objectives should not be turned over to a so-called chosen instrument.

The recent action of the FCC indicates that it favors vesting ownership of the system in a combine of companies and limiting participation in this combine to the international telecommunications carriers, excluding both equipment manufacturers and domestic communications companies. On the other hand, the Department of Justice at least originally urged that there be broader participation in the combine to assure maximum competition.

Two serious antitrust questions are presented by creation of an ownership combine. First, is it possible to have competition in the purchasing or contracting for satellite equipment? If ownership is restricted to international common carriers, how could A.T. & T., International Telephone & Telegraph Co., and Radio Corp. of America be prevented from relying solely on their own manufacturing subsidiaries? If some equipment manufacturers participate in the ownership, would any equipment manufacturers outside the combine have a chance to enter this market? The second serious problem is whether regulation of this combine would be capable of preventing the growth of monopoly power in the communications industry in view of the dominant position of the American Telephone & Telegraph Co.

Private ownership of communications satellites would not only raise serious antitrust questions, but also problems of foreign policy. Communications satellites will bring for the first time a worldwide communications network. In so doing they will have a tremendous impact on American prestige abroad. Should such an important instrument of our foreign policy be placed in private hands? Would these satellites have as much impact if they were owned by what the Communists would undoubtedly call profit-seeking monopolists? Should the decision as to the speed of establishing an operable system be determined by private companies? Would private enterprise decide to establish a more advanced system if its investment in the original system had not yet been written off? We have hardly begun to answer complex questions of international law in outer space. Should we, therefore, permit a privately owned object to orbit over foreign countries, when space law is a matter for governmental negotiation and when there is the possibility that the satellite might cause damage in a foreign nation?

A global communications satellite network will only be possible through international cooperation. Unlike the bilateral cooperation on transoceanic cables, this cooperation will be on a multilateral basis. Furthermore, it will involve foreign governments since in other nations communications systems are publicly owned. The problems of a private American combine making multilateral arrangements with foreign governments certainly warrant serious study. To what degree would the U.S. Government have a say in these arrangements? It seems obvious that the State Department would have to negotiate agreements involving tracking of the satellites and international frequency allocations. How willing would foreign nations, and especially new foreign nations, be to negotiate with a private American company?

Still more serious foreign policy problems will confront international broadcasting satellites. Should the broadcasting channels be available to all foreign nations? Should these satellites be operated under United Nations auspices?

This is by no means a complete list of the questions which must be faced in determining ownership of a civilian communications satellite system. It should also be noted that the choice before Congress is not so much between the two alternatives of private ownership, operation, and control or governmental ownership, operation, and control of the system. It is rather a choice between a number of alternatives involving varying degrees of Government and industry participation. For instance, it has been suggested that the satellites be owned by the Government but used by private enterprise. The satellites are but one link in the chain of communications.

The July 24 statement of President Kennedy does not preclude congressional action in this matter. In fact, it might be noted that Assistant Attorney General Katzenbach stated before the House Committee on Science and Astronautics in his testimony of August 9:

> There is nothing necessarily incompatible between the Presidential decision that the American participation in an international system should be in private hands, and one in which some of the "birds" themselves are federally owned and fly the U.S. flag but are privately operated under an appropriate contractual and regulatory arrangement.

In any event, the Congress should participate in making the decision on this question. During the past few weeks several committees of the House and Senate have begun studying this question and have held hearings on various aspects of the problem. These hearings have brought out many of the policy questions I have mentioned and have shown the need for further study.

The decision as to permanent ownership of this satellite system can be postponed. There is time to determine whether private ownership will sufficiently protect and promote the public interest. This can be done by a decision to place interim ownership of the satellite system with the Federal Government. This would in no way conflict with the objective of developing communications satellites as quickly as possible. As I stated before the Monopoly Subcommittee of the Senate Select Committee on Small Business on August 10:

> I view the time in which a communications satellite system would become operable as a matter of urgent priority. I do not view the time in which a system becomes privately owned as of crucial import. Ownership is secondary to the issue of the rapid development of an operable system. The debate over ownership would be separated from the question of development during the interim 2-year period.

Let us give ourselves the time we need to make this decision on permanent ownership. I seriously urge that Congress prevent premature action on this matter by passing House Concurrent Resolution 360.

RESOLUTION OF CONDOLENCE ON THE DEATH OF THE HONORABLE OVERTON BROOKS

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, the Committee on Science and Astronautics held a brief informal meeting last Tuesday at which a resolution of condolence was adopted on the death of the Honorable Overton Brooks, of Louisiana, its chairman.

Mr. Speaker, I insert at this point in the RECORD the text of the resolution.

(The resolution referred to follows:)

RESOLUTION OF THE COMMITTEE ON SCIENCE AND ASTRONAUTICS ON THE DEATH OF CHAIRMAN OVERTON BROOKS, SEPTEMBER 19, 1961

The House Committee on Science and Astronautics expresses its profound sorrow at the death of its distinguished chairman, the Honorable Overton Brooks, of Louisiana.

Mr. Brooks will be remembered not only as the first chairman of this body, but also as one of the major architects of the Nation's space program.

He served as chairman from January 7, 1959, until his death on September 16, 1961. During this period of almost 3 years, he was the chief driving force behind efforts to provide funds for the struggling new space agency and for the Nation's space program. When the President urged Congress to authorize a monumental program for manned exploration of the moon, he threw his wholehearted support behind this ambitious and imaginative program and was instrumental in obtaining its endorsement by the Congress.

He gave himself unstintingly to the space program, holding numerous committee meetings and traveling about the country to acquaint the Nation with what had to be done. He once said, "The people look to us in Congress for guidance. Once they realize the importance of a space program and how essential it is to this Nation to be foremost in space, they will give it their wholehearted backing." In addition to the monumental blessings which he believed would accrue to mankind from the exploration of outer space, he was also convinced that the security of the United States was dependent upon American research and exploration of space.

He threw himself heart and soul into the task of bringing the facts before the American people. Indicative of his efforts in this regard, the committee, during his tenure as chairman, held 374 hearings, heard 957 witnesses, took almost 10 million words of testimony, and conducted 82 investigations.

Mr. Brooks was cognizant also of the fact that the committee was the sole committee in Congress with jurisdiction over science in general. He fought for the advancement of science, knowing well its great potentialities for the welfare of the Nation. We take great pride in the fact that shortly before his death he was cited as "Congressman of the Year in Science."

These evident facts give only a partial indication of the manner in which he labored to educate the Congress and the country on the importance of the Nation's space and science programs: Therefore be it

Resolved, That we, his colleagues on the Committee on Science and Astronautics, salute him as a tireless worker in the cause of peace and in the advancement of science. In his passing we mourn the loss of a dear friend and colleague whose unceasing efforts on behalf of the country he loved so well we shall strive to carry on.

To his bereaved widow, to his daughter Laura Anne, and to the other members of his family we offer our sincere condolences on his untimely passing. May their bereavement be assuaged by the thought that he still lives in the hearts of his friends and in the accomplishments he left behind him.

THE FEDERAL-AID HIGHWAY REFORM ACT OF 1961 (H.R. 9353)

The SPEAKER pro tempore. Under previous order of the House the gentleman from Florida [Mr. CRAMER] is recognized for 30 minutes.

Mr. CRAMER. Mr. Speaker, since it was created in September of 1959, the Special Subcommittee on the Federal-Aid Highway Program, of which I am now ranking minority member, has held a number of public hearings involving highway practices and procedures followed by the States of Oklahoma, Florida, and New Mexico and, at present, has investigations pending in a number of other States. Thus far, three interim reports have been issued and another is in the process of being written.

The evidence adduced before our subcommittee thus far has demonstrated many improper and undesirable practices which are bringing our vast Federal-aid highway program into disrepute and are adding untold millions of dollars to the ultimate cost of this program, all at the expense of the taxpayers of our Nation and the Federal Treasury, which participates in this Federal-State undertaking to the extent of 90 percent. There is much evidence in the record and a great deal more outside the record to show the following reprehensible practices which I believe to be widespread throughout the United States.

One of these is the manner in which Federal funds appropriated by the Congress for highways are being used by unscrupulous politicians of both parties on a national scale to indirectly finance Federal and State campaigns in both primaries and general elections.

Mr. Speaker, I am going to discuss two or three other subject matters. On the basis of this information as of yesterday I introduced a bill known as the Federal-Aid Highway Reform Act of 1961, H.R. 9353. Although I have been unsuccessful in urging the subcommittee to conduct a thorough investigation in this area of campaign contributions, there is enough evidence, now a matter of public record, to indicate that such an inquiry is a national imperative. As a matter of fact, there was recently stated in one of the leading newspapers in the district which I have the privilege of representing that in the last Governor's race two of the principal candidates spent between $800,000 and $900,000 apiece in the primaries and that, in its opinion—the newspaper having examined the records available and otherwise—in the opinion of that newspaper

approximately $100,000 has gone into the campaigns of the respective primary candidates for Governor in the State of Florida from highway contractors. That is an example.

For another example, in *U.S.* v. *Worcester* (U.S.D.C. Mass.) the defendant Worcester, a consulting engineer, was convicted in August of 1960 of income tax evasion because he had filed false and fraudulent income tax returns for himself and a number of corporations which he owned. He had, in these returns, deducted $275,000 in commissions which he had paid to a former State official who had used his political influence to obtain $2,750,000 in highway contracts during a 3-year period. The evidence showed that these commissions were in fact nondeductible bribes and that the influence peddler was in fact a bagman who transmitted much of the money to various State officials who were in a position to award the contracts to Worcester.

At the trial Worcester offered the interesting defense that the bribes were a proper item of income tax deduction because they were his ordinary and necessary expense of doing business with the State. The court held that this contention, if true, was no legal defense and Worcester and his corporations were found guilty by the jury. The court offered Worcester a suspended sentence if he testified truthfully about who actually got the bribes, and Worcester accepted these terms.

His subsequent testimony and name dropping is a sordid and degrading story of political corruption, which was the basis of an article in the March 1961 issue of the Atlantic magazine entitled "Dirty Money in Boston" and which appears in the CONGRESSIONAL RECORD on May 11, 1961, at pages 7908–7912. Worcester testified, and the court so found, that a bundle of the $275,000 bribe money had been delivered to one of the leading political figures in the State who was then chairman of the Massachusetts Department of Public Works and that some of it was paid to four then members of the State legislature, all Democrats. The record also shows that the Democratic Governor had demanded some of this money as contributions to the Democratic State Committee and for the purchase of $100 tickets to the Jefferson-Jackson Day dinners held by the party faithful. However, the "Worcester bounty," as the court called it, was dispensed in a bipartisan fashion which did not ignore deserving Republican politicians. Thus, $20,000 was paid to a Republican ex-State senator, who failed to report it on his income tax returns, because the Democrats wanted him to run for Governor in the Republican primary to cause a split in his own party. And there is much more—too much in the Worcester record to recount here.

The perverse use of public funds to corrupt, via the kickback and contribution route, both public officials and the very election process so vital to our representative form of government, is not confined to Massachusetts, as demonstrated by the senior Senator from Delaware in two speeches which he delivered in the Senate this session. See CONGRESSIONAL RECORD, January 9, 1961, at pages 379–382 and January 13, 1961, at pages 707–708. The Senator documented that in the State of Delaware, the chairman of the State highway commission has used his position and influence to enrich both his own purse and the party's campaign coffers. The State's chief highway engineer, under the inspiring leadership of his chairman, has approved huge overruns of one highway contractor who showed his gratitude by contributing $15,000 to the Democratic State Committee, which was made by two checks. The chairman of the State Democratic Party also showed he was on the job when he met with another State official and a contractor who, in return for a promise of a contract, contributed a $5,000 check payable to the State Democratic committee. The chief engineer, in addition to the $15,000 contribution which he extorted from a contractor, discussed above, has boldly solicited other contractors doing business with the State and has even assigned subordinates, in State cars and on State time, to exact kickbacks from and to shake down fellow highway employees for 1 to 2 percent of their wages, the solicitation, in one case, amounting to about $300 per month.

I do not wish to seem partisan about this serious matter. If the cases I have cited mostly involve Democrats, it is only because they have had a bad run of luck and have been caught more often than the Republicans. I am convinced that these practices obtain in many States, regardless of which party happens to control the statehouse and therefore the administration of the funds. However, I must say that when I have taken the initiative to open this subject matter during our subcommittee hearings thus far, my colleagues on the other side have been most adamant in their opposition and have accused me of being politically motivated, which I am really not at all. It is my hope that they will reconsider their position and will direct the staff to investigate this important area, for to continue to ignore it is to close our eyes to perhaps the greatest scandal within the jurisdiction of our subcommittee. I am disturbed that, according to information made available in our last session of our subcommittee, the staff is still being handcuffed in their investigations in Massachusetts and are not being permitted to go into areas of kickbacks—and this despite the sordid facts that already have come to light. The minority will continue to press for thorough investigations despite present majority opposition.

Our hearings involving Oklahoma have shown evidence of contractors on Federal-aid projects performing substandard work, being paid for material not delivered to the State; one former highway commissioner engaged in a conflict of interest by which he used a position of trust to enrich himself and his firm at the taxpayers' expense, and some State inspectors and engineers who have created a climate conducive to fraud by admittedly falsifying test results and other reports submitted to both the State and the Bureau of Public Roads.

In the public hearings involving New Mexico, our subcommittee found that two highway commissioners had interests in private businesses, which sold substantial amounts of material and supplies to contractors constructing Federal-aid projects for the State. One of these same contractors constructed a $1.7 million project so substandard that it literally fell apart before the State accepted it. He had sufficient influence with these commissioners as to have them remove to other projects State inspectors who insisted that the contractor comply with State specifications. The record also shows that this contractor was one of several who made payments of cash and other things of value to other engineers and employees of the State highway department, whose job was then to supervise the payers compliance with State specifications.

The two series of hearings involving my own State of Florida disclosed that over the years many of the big highway contractors have been making payments of cash, whisky, turkeys, and other merchandise of substantial value to officers and employees of the State road department who were, of course, paid by the State to see that these same contractors complied with specifications. The Florida hearings have also shown that due to inadequate planning and worse, the State has disposed of valuable improvements on the rights of way in total disregard of the public's interest and has allowed the contractors and speculators to reap windfall profits that should have been realized by the State, a system which has permitted some contractors to use these valuable assets for what might be euphemistically called "payola," to grease the palms of two city commissioners and at least one State highway official.

There are many other undesirable practices which are subject matter of pending investigations and hearings and which will, in time be brought to public light. Without being exhaustive, they include consulting engineers and highway contractors who kick back to State officials having jurisdiction over such matters, and who have State legislators on their payrolls; State appraisers, negotiators, and others, who receive kickbacks and other unauthorized compensation from owners of property to be taken by the State as rights of way, and other methods by which State officials use their position and influence to enrich themselves at the expense of the public.

The experience of our subcommittee and my own research make it clear that present laws, both State and Federal, are inadequate to punish and deter these practices. They cannot be condoned; they must be remedied. It is the height of irresponsibility for Congress to appropriate money—billions of dollars—from the Federal Treasury and not to see that it is efficiently expended. I have, therefore, prepared legislation which I believe will correct many of the abuses I have described above which are not presently covered by existing laws, and I in-

sert this bill (H.R. 9353) at this point in the CONGRESSIONAL RECORD.

POLITICAL CONTRIBUTIONS

In 1940, the Congress enacted what is now section 611 of title 18, United States Code, which is as follows:

Whoever, entering into any contract with the United States or any department or agency thereof, either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof, or selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly makes any contribution of money or any other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

Whoever knowingly solicits any such contribution from any such person or firm, for any such purpose during any such period—

Shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

It will be noted that section 611, supra, prohibits firms and individuals performing certain contracts with the United States from making political contributions to "any political party, committee, or candidate for public office or to any person for any political purpose or use" and equally punishes him who knowingly solicits any such contributions. This, in my judgment, is sound public policy designed to prevent indirect financing of campaigns for and elections to public office out of the U.S. Treasury. The statute does not, however, extend to the same practices with regard to abuses of Federal-aid highway funds, noted above, because in the latter cases, the contracts are between firms or individuals and the States, not the United States. But if it is bad to misuse Federal funds for political purposes at the Federal level, it is equally bad at the State level, for the obvious evil to be remedied is that Congress has not appropriated these funds for political use. And since it is estimated that Congress has or will appropriate some $43 billion to implement the Federal-Aid Highway Act of 1956, the urgent need for corrective legislation is therefore self-evident.

Title I of H.R. 9353, will provide such remedial legislation and does no more than complement the public policy approved by the Congress in section 611 by following the Federal funds down to the State and local levels in the federally administered highway program. This title I adds subsection 611(B) which in general contains the same language, vis-a-vis State contracts, as contained in section 611—now 611(A)—and provides the same coverage, with the exception that the phrase in section 611, "land or buildings," is omitted. This is so because there is no evidence of abuse in this aspect and it seems manifestly unwise thus to disenfranchise literally hundreds of thousands of landowners whose property is taken, often against their consent, for rights-of-way.

If there is a need for new legislation in this field, it is the pernicious practice of State officials such as appraisers, attorneys, and negotiators who solicit a kickback from the owners in excess of the fair market value of the property to be taken by the State. But here, a kickback or payment of money from the landowner to the State official, even though not a political contribution, would come within the provisions of section 201 of title II of the bill which proscribes payments and solicitations of "any unauthorized money or anything of value." Moreover, such conduct would be punishable under existing Federal criminal law in the fraud and conspiracy statutes. See, for example, 18 U.S.C. 371, 1001.

Furthermore, H.R. 9353, in title III, amends section 1020, title 18, United States Code, which now provides criminal penalties to those who file or make or cause to make false reports, statements, or representations, in connection with Federal-aid highway projects, so as to make section 1020 applicable to the value of "any property acquired, disposed of, or administered or to be acquired, disposed of, or administered."

KICKBACKS AND UNAUTHORIZED COMPENSATION

Title II of H.R. 9353 adds a new chapter, chapter 41, to title 18, United States Code, which contains two sections, section 891, entitled "Kickbacks and Other Unauthorized Compensation," and section 892, entitled "Conflicts of Interest."

Section 891, as noted above, makes it unlawful for firms or individuals contracting with any State on a federally aided highway project to pay, or offer to pay "any unauthorized money or anything of value to those State officers and employees covered by the statute and extends to those who solicit or receive such payments." This law will be entirely adequate to punish and deter the widespread and reprehensible practices shown by our hearings to flourish in a number of States whereby highway construction companies make payments of cash and other merchandise, whether they be gifts or compensation, to State officers and employees having jurisdiction over the subject matter of the contracts. This statute will include almost every imaginable type of bribe, kickback, or payola.

With regard to these payments of cash and merchandise passing from contractors to State employees, our hearings have demonstrated that the payers have uniformly deducted the fair market value thereof for income tax purposes as business expenses and thus have recouped much of these payments under the tax laws. This they have done because heretofore, the propriety of the deductibility of these items of expense has not been clear, to say the least, if the payments are not, as is often the case, proscribed by State laws.

Thus, title 26, United States Code, section 162(a)—Internal Revenue Code of 1954—allows a deduction for "all ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business." The Supreme Court of the United States has held that under this section such expenses are not deductible if they violate or frustrate some clearly defined State or Federal public policy. The Court has also insisted, however, that this public policy must be evidenced by some Federal or State statute or pronouncement. See *Lilly* v. *C.I.R.*, 72 S. Ct. 497, 343, U.S. 90 (1952). Under section 201 of title II of H.R. 9353 such payments are declared to be illegal and, therefore, under the Lilly case supra, payments would be nondeductible to the payer-taxpayer as a business expense. Hence, there appears to be no need to amend title 26, United States Code, section 162(a) to this effect.

CONFLICTS OF INTEREST

As noted above, section 892, added to title 18, United States Code, by title II of H.R. 9353, makes it unlawful for certain officers or employers of a State on any federally aided project to engage in conflicts of interest such as the subcommittee has found in Oklahoma, New Mexico and my own State of Florida. The statute I propose is fully warranted by the facts and has long been a matter of concern to the Federal Bureau of Public Roads which has recognized the problem but is unable to cope with it because of the Federal-State nature of our system.

Section 302 of title 23, United States Code—the Federal-Aid Highway Act of 1956—specifies that "Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped and organized to discharge to the satisfaction of the Secretary the duties required by this title." Consistent with this congressional mandate, the Secretary of Commerce, acting through the Federal Highway Administrator of the Bureau of Public Roads, has promulgated sections 1.33 and 1.36, part I of chapter 1, title 23, of the Code of Federal Regulations, which forbids the types of conflicts of interest which I have described earlier in my remarks. However, the Secretary in this same regulation has provided "it shall be the responsibility of the State to enforce the requirements of this section." This the States have been either unable or unwilling to do.

Section 201 of title II of H.R. 9353 will enact into Federal criminal law substantially the same provisions as in the regulation quoted above with regard to Federal-aid highway projects. It is obvious that this cannot be accomplished by Executive fiat and the need for such a law has long been apparent, and I therefore propose to meet it by direct Federal legislation. This law is limited to Federal-aid projects and will in no way interfere with what might properly be regarded as the basic police powers reserved to the State to deal with, or not to deal with, purely State jurisdiction.

The Federal law already on the books is adequate to deal both criminally and civilly with other cases in which contractors and others perpetrate fraud upon or otherwise overcharge the States

and Federal Government on Federal-aid projects. For example, title 31, United States Code, section 231, provides that the Federal Government can bring civil suits or recover double damages plus penalties for false claims and this extends to Federal-aid highway projects. This plus other criminal statutes are entirely adequate to deal with all types of fraud, false reports, and conspiracies. See, for example, title 18, United States Code, sections 371, 1001, and 1020, as amended by H.R. 9353.

ACQUISITION OF RIGHTS-OF-WAY

Mr. Speaker, the hearings of our subcommittee have also shown that the present law is inadequate to permit States to make long-range acquisition of Federal rights-of-way and that this defect is adding untold hundreds of millions of dollars to the ultimate cost of the highway program envisioned by the Highway Act of 1956. Although sections 105 and 124 of the act provide that the States can use Federal funds to acquire rights-of-way 7 years in advance of construction, there are emergencies when immediate acquisition would save millions of dollars, as it would forestall threatened subdivisions and rebuilding on the rights-of-way which, though known, will not take place within 7 years. This quite often leaves the States helpless and unable to cope with this problem because there is always a limited amount of funds available for right-of-way acquisition and, moreover, there is a propensity for the States to give priority to construction, rather than rights-of-way.

The record shows that the States of California and Ohio and possibly others, have shown great imagination in meeting this problem by State laws creating rights-of-way protection funds. These enlightened States have created these funds and financed them with such nonhighway moneys as State employee retirement or veterans' reserves which otherwise will lie fallow or else draw nominal interest. These funds can then be effectively used for advance acquisition of rights-of-way, in such emergencies, and have saved the States and the Federal Government many millions of dollars. These funds are revolving funds and money spent for rights-of-way is later repaid when regular highway funds, including the Federal-aid share, are available.

For example, the record shows that in the case of California the State fund, created by the legislature, with $30 million in nonhighway moneys, has permitted the State to acquire rights-of-way even 10 years in advance of construction in order to head off costly subdivision and improvements being added to the eventual cost of taking. This has also allowed the State's property management division to dispose of assets at their fair market values by sale, lease, auction, rehabilitation, and so forth. Since the passage of the 1956 act, the Federal Government has reimbursed California $193,877,830 for rights-of-way, and California, due to its prudent acquisition of rights-of-way and disposal of assets, has given the Federal Government a credit of $11 million, a 6-percent return in excess of gross profits above expenses, and California still has the $30 million fund intact.

I believe that it is in the public interest for the Federal Government to encourage such imagination, initiative, and efficiency, and I hope that there is some way in which we can encourage other States to take similar action and reward them financially for doing so.

There are a number of approaches to this problem which suggest themselves to me. However, I am not yet sufficiently convinced of their practicability so that I could offer them in any legislative form for the consideration of the Congress. I am, therefore, requesting the views and recommendations of both the Federal Bureau of Public Roads and the American Association of State Highway Officials, with the hope that their vast experience and competence in this highly technical and complicated area will lead to some workable solution to a problem which, in theory at least, is highly appalling to me and, I think, to many other Members of the Congress.

Mr. Speaker, I realize that during these waning days of this 1st session of the 87th Congress there is little, if any, hope that H.R. 9353 will be acted upon this year. I am introducing it now so that the Congress will have ample time to consider and reflect upon its merits, or lack of them, before the second session begins in January. I will welcome the support and views of all Members of this body and will at a later time discuss the provisions of this bill in more detail.

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REPRESENTATION IN THE HOUSE OF REPRESENTATIVES

Mr. TOLL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. TOLL. Mr. Speaker, I understand that today is the 50th birthday of our distinguished colleague from Kentucky, the Honorable FRANK CHELF. I had the honor of serving on a subcommittee of the House Judiciary Committee on August 24, 1961, when our colleague presented his statement in support of his bill to increase the membership of the House.

I have been a member of legislative bodies for 11 years including 3 years in this honorable body. I have never heard a presentation which had such fervor, such interest, such intense devotion. Our colleague had made an exhaustive study of the subject and in the presence of a packed hearing room containing a large number of Members of the House, he presented the material in support of his bill in a most persuasive manner. It is unfortunate that his voice, his aside remarks, his illustrations, and his answers cannot be presented, unless the entire testimony is included in this statement. However, I feel that on his 50th birthday a complete copy of his original statement will illustrate the kind of work which was produced by this illustrious colleague.

I include a copy of his statement.

STATEMENT OF HON. FRANK CHELF, REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. Chairman and my colleagues, first of all I want to thank you, and all of you gentlemen, from the bottom of my heart for this opportunity to appear before you. Never in your legislative career before or after will you ever have a fellow appear before you who is more grateful. This legislative fight has been a long, difficult row of stumps to plow, my friends, from January up to August, 1961.

It reminds me of a story about the country farmer, if you will permit me to digress for a moment, who was speeding his car ahead of two sweet, little, old schoolteacher ladies down in the hills of Kentucky. He ran ahead of them and he could not negotiate a curve. He hit a tree, he hit the embankment and abutment of a bridge and he rolled over and over and over, down about 35 feet to the bottom of a dry creek bed. The sweet little old ladies stepped up their pace, they drove up, dashed out of their car and ran down and dragged this poor, bedraggled, unshaven farmer out of his car just as it burst into flames. One of these sweet little souls said, "God bless you. The good Lord was sure riding with you on this occasion." He looked up and spat about half a pint of amber (tobacco juice down in Kentucky) and he said, "If He was, lady, He sure just had one helluva rough ride, didn't He?"

We have had a helluva rough ride since January, trying to obtain this hearing today. Actually I have fought harder for an opportunity to be heard than I have for the bill itself. A representative of the people is entitled to be heard.

Getting back to the subject matter, my friends, I have been directed and authorized to appear before you this morning on behalf of the entire Kentucky delegation: Hon. BRENT SPENCE, Hon. JOHN C. WATTS, Hon. WILLIAM H. NATCHER, Hon. FRANK A. STUBBLEFIELD, Hon. FRANK W. BURKE, Hon. CARL D. PERKINS, Hon. EUGENE SILER, and myself, in support of H.R. 3725 to provide that the House of Representatives shall be composed of 469 Members.

There is ample precedent and a historical basis for this legislation. Beginning in 1789, there were 65 Members of the House, as was testified here by my colleague, and I do respect him and honor him, my chairman of my Subcommittee No. 1 on Immigration. There is not a finer gentleman in America. There is not a greater legislator or a greater American than the gentleman who preceded me in this chair. I do not think, gentleman, we have ever had one iota of difference with respect to laws that pertain to un-American activities or to immigration and naturalization. We have tried to have an open mind, and we have tried to do the right thing for the people.

I respectfully and honestly disagree with his attitude here that we should go for only four seats. In other words, his bill would take care of Massachusetts, Missouri, Pennsylvania, and Illinois—four States and no more. Gentlemen, I think if we are to be fair about this thing, we ought to go all the road or go none. I sincerely believe this from the bottom of my heart.

There is ample precedent for a 34-seat increase in the House of Representatives,

because on April 14, 1792, the number of 65 was raised to 106. In 1802, the House was increased to 141, in 1811 to 181, in 1822 to 213, in 1832 to 240, in 1850 to 233, in 1862 to 241, in 1872 to 283, in 1882 to 325, in 1891 to 356, in 1901 to 386, and then in 1911, 50 years ago, the number was upped to 435, where it has remained until the admission of Hawaii and Alaska, which brought it to its present 437. These figures taken from the Congressional Library present a revealing record of the growth of the country and the House of Representatives. From 91,972,000 in 1911, we have grown to 183 million in 1960—more then double our size. Incidentally, the average congressional district has grown from 200,000 in 1910 to 412,000 in 1960.

The House has not only this precedent, but we have a precedent of more recent significance. The increase in the Rules Committee membership from 12 to 15 was an addition of 20 percent. I seek to increase the House by 34, which is only approximately 7.2 percent, notwithstanding the fact that the population of the United States the past 50 years has more than doubled. My bill would help 14 of the 16 losing States to maintain their representation. Only two States would not be helped—Iowa and West Virginia would not be helped. I am sorry from the bottom of my heart. According to the statisticians in the Census Bureau and the so-called equal proportions formula, it would take a House increase to 488 to restore Iowa's loss and an increase to 528 Members to solve West Virginia's loss.

I am going to be realistic on that particular score, as was my predecessor who spoke a few minutes ago.

The thing that touched my heart and I think touched the hearts of the membership from the 15 States other than Kentucky, that comprise the 16 that lose representation. Knowing, gentlemen, that they would not be helped, knowing that my bill would not cover them, every man except one from the fair State of West Virginia walked down and signed the so-called Chelf petition in order to help us. I want you to know I will never forget it as long as I live. That is true friendship, brother; that is the kind of friendship I want.

Imagine that. That was the most unselfish act I have seen since I have been in politics. Gentlemen, I have been elected on the county level and on the Federal level as a young fellow. I have been an elected official for 28 years and I have never seen anything which compares to this noble and most gracious expression of friendship.

We have 155 as of this morning on our petition, and this is significant: 9 Members who have signed that petition and chairmen of major full committees of the House of Representatives, the like of which has never been in the history of this Congress. You know how the chairman of a committee feels. He does not like to sign a petition to take away a bill from the chairman of another committee. But they were so impressed with the justice and fairness of our cause; they felt so deeply and so sincerely about this problem, about this matter that meant so much to 16 sovereign States that were losing 21 seats, which are electoral college votes, if you please, that they signed this petition.

Gentlemen, in addition to helping 14 States which lose seats, my bill would enable those States which have greatly gained in population to acquire seats in addition to those already allocated to them by the 1960 census. Fortunately for them, my legislation would help to reduce their heavy workload per Member. The States which would be entitled to bonus seats, that is, over and above and beyond those which the Census Bureau has already allocated to them under the 1960 act, are: Texas, two; Oregon, one; Ohio, one; New Mexico, one; New Jersey, one; Michigan, one; Louisiana, one; New York, one; Colorado, one; Connecticut, one; Florida, one; Illinois, one; Indiana, one; and California, three.

H.R. 3725 would not only give bonus seats to those already gaining, such as California, Texas, and Florida, but it would also give additional representation to several States which ordinarily would not be affected by the 1960 census, up or down. In addition to this, my legislation would materially assist 14 of the 16 States which lose seats.

As an example, it would help 28 States and harm none.

As it has been stated, prior to 1911 it was the custom automatically to raise the number of the House every 10 years. Inasmuch as no increase has been voted since 1911, we therefore have an additional 91 million people in the United States who literally have no representation, because if it took 435 Members to adequately represent 91 million, I contend that the additional 91 million people who have come upon the scene in the United States are entitled to at least 34 seats.

Incidentally, the States of New Mexico, Arizona, Hawaii, and Alaska, as has been testified by my beloved colleague and friend, Tad Walter, have also come into the Union since 1911, and these four States, as testified by him, have drawn, shall I say, on the 435 bank. So that makes us in worse shape than ever before. We are therefore actually losing seats as the thing stands.

Opponents of this and similar bills say that this would make the House "unwieldy." Let us go into this carefully. They argue that we are selfish in our motives because they contend that our legislation seeks to keep politicians in their jobs and that the cost to the taxpayers would be terrific.

These objections are erroneous. For instance, I have been a Member of the House for almost 17 years, and in all that time, Mr. Chairman, I have never yet heard all 435 Members answer any given rollcall, up or down, good or bad, important or unimportant. It just is not possible. As we all know, deaths, illnesses, important committee meetings, and vacancies prevent 100 percent attendance. An accurate and systematic check of the yea and nay votes over the past 16 years shows an average attendance—this is important, gentlemen, speaking of unwieldiness—let us be fair about it—shows an average attendance of less than 370 Members per rollcall for the past 16 years. This means that an average of 65 Members never vote, no matter how important or unimportant the situation may be. This is through no fault of their own. As I said a while ago, it may be death, illnesses, assignments overseas, committee work, or what have you. You can never get 435 Members together. That is the point I am trying to make.

So, what is unwieldy about this number that I am seeking, 469? An average attendance out of 469 would be approximately 400.

If the House is too large and too unwieldy, as our opponents argue, why is it that we 435 Members of the House are always through with our work, difficult as it may be, at the end of any given session, and often have to wait on the other body to finish their work? The House, as you all know, operates under strict rules that practically divest Members of an opportunity to make a nuisance of themselves. As you know, the total time for debate is limited, and those handling the debate decide who speaks and for how long. Whether or not amendments may be offered is determined in advance by the Rules Committee and the same Rules Committee determines what bills may be taken up by the House. When we take everything into consideration, the House moves with remarkable smoothness and a minimum waste of time.

In addition to the above, the leaders of the House are selected from among the ablest Members of each political party. They are chosen for their ability and their skill to work with their colleagues and to know, appreciate and understand them. Over the years, their success in these fields has become almost legendary.

Size alone is not the determining factor, as so many fall into the trap of believing, gentlemen, as to when a legislative body becomes unwieldy, because a large, well-led, and highly disciplined body is far less unwieldy than a small, poorly led, and undisciplined one.

The British House of Commons has 612 members, but it also has a distinguished record of achievement, despite its size. Incidentally, the average district of a Member of Parliament, the House of Commons in Britain, is composed of slightly more than 80,000 constituents, compared with our 412,000 constituents.

A few years ago under the Eisenhower administration, we created 40 new Federal judgeships right in this particular Judiciary Committee. Several weeks ago, at this very session of the 87th Congress, we created an additional 75 judgeships. Why? Obviously, this action was necessary in the interest of better Government because it afforded better service to the people of the Nation. Due to the very rapid growth of the country, our courts had become clogged with litigation, and the only way to relieve the dockets was to create new Federal judges. Why not take action to relieve the representatives of the people so that they may be in a better position to serve their constituents more adequately?

Insofar as the argument of selfishness is concerned, let me say to you, gentlemen, that this legislation is, to the contrary, most unselfish, because it really prevents a Member from growing too powerful and too important by the reduction of the size of a given State's delegation. In other words, I am a more powerful Member of Congress if I am one of a delegation of four than I am if I am one of a delegation of eight. I am twice as strong, I am twice as important, twice as powerful. It is just that simple.

The argument of terrific cost falls "flat on its face" for the very simple reason that the 34 newly created seats, including Member's salaries, office staffs, their salaries, allowances, all the prerogatives of the office—everything—would cost the 183 million people of the United States today an average of three-quarters of 1 cent per person per year. That is cheaper than the old penny postcard. I think that is little enough to pay for representation.

With our population explosion, if we keep on adding tens of thousands of constituents to an individual Member of Congress, the time will come when he will be so overwhelmed and so frustrated by the housekeeping duties of his office that he will be literally chained to the chair and he will have little time in which to legislate and practically no time in which to visit or mingle with his people, which is most important.

Through no fault of his own, a Member would become unavailable and inaccessible, which is just the reverse of what the Founding Fathers envisioned when they drafted our Constitution.

As an example—and it is a good one, if I may say so, since it is not my idea. This came from history. A gentleman stepped out of history today to aid and assist the plea that I am making to you. I am told that the only occasion on which George Washington, the President of the Constitutional Convention, entered into the discussion of the Constitutional Convention was when he urged that the House be made accessible to more people rather than less. James Madison reported in his "Journal of the Federal Government," gentlemen, that

when it was proposed that the constitutional requirement of 1 representative for every 40,000 be amended to a Congressman for every 30,000, George Washington spoke out on the proposed amendment, urged its adoption, and asserted that it would give him much satisfaction to see the smaller ratio of representation adopted in order to further secure the rights and the interests of the people. At that time, some 175 years ago, gentlemen, George Washington made this argument and set this precedent and example. I do not think we are very far afield on this situation at all.

George Washington, in my opinion, has made the strongest possible argument for the enactment of H.R. 3725. It was the primary object, intent and purpose of George Washington and the drafters of the Constitution to keep the Members of the House of Representatives close to the people. It has been possible in the past for a Member to see his people and have his people see him. Let us not attempt to change this "modus operandi" because if we do, good, sound, responsible, democratic government will become a legend rather than a living, active, moving force. In common parlance, a bricklayer can lay so many bricks in a day, a dentist can fill so many cavities, and a father can support only so many children. Likewise, a Member of the House can serve just so many constituents and no more—adequately, that is.

Gentlemen, remember, the size of a Member's constituency has grown from the 30,000 recommended by Washington in 1789 to 412,000 in 1960. Increasing the size of our staff is not the answer. The loyal and faithful members of our staff are truly, in every sense of the word, "assistant members of Congress"—bless them—but there are so many things that demand the personal attention of the House Member. When people come to one's office, they want to see the Congressman—not an aid. When the committees are in session, the presence of the Member is required—not his secretary. When the House meets, we have to answer the rollcall and vote and, with only 24 hours in each day, we find it increasingly more difficult to be at all places at all times.

Another reason the House membership should be increased is that the work has increased manifold. During the past 30 years the Federal Government has moved into many fields left heretofore only to the States. It has taken responsibility in foreign and domestic fields the like of which we had never known prior to this time. Today the citizens of America are becoming wards of the Federal Government from the cradle to the grave.

At birth it deals with vital statistics; then schools in impacted areas, school lunches, labor, agriculture, airlines, railroads, buses, highways, communications, small businesses, housing, old-age pensions, social security, retirement funds, aid for the blind, lame, flood control, veterans benefits, reforestation, limited hospitalization, and many other benefits, and at death what happens—the social security and the Veterans' Administration help pay the funeral expenses. If that is not from the cradle to the grave, wire me collect.

Truly, therefore, my friends, not only has the number of Federal activities grown but they have become so complex that they affect constantly and intimately the lives and welfare of all of our citizens.

In conclusion let me say this: The argument has been advanced that this legislation is not necessary because today we have faster means of travel, radio, TV, telephone, and telegraph and that all of this makes it easier for a Member to serve his people. With the aid of these facilities, we have been able to increase the average constituency from the 30,000 in 1789 to 412,000 in 1960. However, with all of these modern facilities and the invention and use of others since 1911. We still cannot cope with the situation. Frankly, it is getting out of hand. There is no substitute for a face-to-face meeting and a handshake with one's constituents.

I want my people to know me and my people want to know their Congressman. I want to be able to call them Joe, Jack, Bill, and Henry and I want them to be able to call me Frank.

As I previously stated, the Rules Committee memberhip has been increased recently by 20 percent. The seats in the Senate have grown from 92 to 100 in 50 years. This is an increase of 8 percent. Therefore, what is wrong with the House moving up only 7.2 percent of the basis of the requested 34 seats?

Gentlemen of the committee, I implore you to give the more than 91 million people who have come upon the scene in America since 1911, at least 34 seats which would make the total 469. I repeat: If 435 Members were needed to represent adequately 91,972,000 in 1911, don't you think 183 million or more than double that number, are entitled to some consideration and representation?

Remember—these are electoral college seats that are being lost by these 16 sovereign States.

I urge you to vote for H.R. 3725.

Gentlemen, in your very capable hands we rest our case.

THE 1962 COTTON OUTLOOK

Mr. McSWEEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McSWEEN. Mr. Speaker, last Tuesday, September 19, I reviewed the current cotton supply and demand situation and the provisions of the Agricultural Act of 1958 as it relates to cotton. Today I should like to briefly discuss the 1962 cotton outlook and to indicate very briefly some of the reasons why it is necessary for the Secretary of Agriculture to reverse the trend he started in 1961. I should also like to reiterate my opposition to compensatory payments for cotton.

Within the next few days the Secretary of Agriculture will announce his intentions with regard to the acreage allotment for cotton in 1962. It is my earnest hope that the Secretary of Agriculture will allot sufficient acreage to produce the anticipated offtake for the 1962 marketing year. The current acreage allotment is 18,458,424 acres. This allotment was based on estimated marketing quotas of 15,562,000 bales. Because of underplanting, abandonment of acreage, and adverse weather, the U.S. Department of Agriculture estimated a 1961 crop of only 14,472,000 bales on 15,562,000 harvested acres.

The carryover of cotton on August 1 of this year was estimated to be 6,800,000 bales. This is the lowest level reached since the Korean war. Conservative estimates of offtake during the 1961–62 marketing year indicate a further decline in these stocks between now and August 1, 1962.

Stocks of cotton in the free world outside the United States are very low, equivalent to only about a 5 months' offtake. Consumption in the free world outside the United States is rising.

Under these circumstances any reduction in the 1962 marketing quota and acreage allotment below the 1961 level would involve serious risks. In my opinion an acreage increase above the 1961 level is justified. Conditions today are quite similar to those at the time of the outbreak of the war in Korea. I am sure that my colleagues will recall what happened at that time. It proved very chaotic to both the domestic and foreign cotton industry. You will recall that the world price of cotton went up to 80 cents per pound. The domestic price rose to more than 40 cents per pound. As a result it was necessary to impose export restrictions. More important the production of synthetic fibers at home and abroad was sharply stimulated. This did permanent damage to the position of American cotton.

The law provides "that beginning with the 1961 crop, the national marketing quota shall be not less than a number of bales equal to the estimated domestic consumption and estimated exports for the marketing year for which the quota is proclaimed." We believe the situation justifies currently an increase in the acreage allotment for the 1962 crop.

As indicated in my presentation last Tuesday I hope that the Secretary of Agriculture will also reverse his 1961 action with regard to the level of price support. We cannot continue to justify the great disparity between the price domestic mills must pay for their cotton and the price available to foreign textile producers. We believe that the Secretary of Agriculture would be working in the best interest of cotton producers as well as the textile cotton economy to reduce the level of price support in 1962 and at the same time increase the acreage.

There has been some indication that the Secretary of Agriculture might reduce the acreage allotment from the 1961 level and further increase the level of price support. This would be disastrous to the total cotton industry.

There are those who believe that the ultimate solution to the cotton problem including the textile problem is compensatory or direct payments. In my opinion, such a course of action would spell disaster for the total cotton industry.

In general two types of payment programs have been discussed. Under both approaches Government price support measures such as loans and purchases would be eliminated, and cotton prices would be allowed to seek their level in the marketplace. Under one approach farmers would be given payments based on the difference between market price of cotton and the governmental established price support level. Under the other approach payments would be made in such a way as to raise total income of cotton farmers to some governmentally determined fair levels. Payments have been held out as a means of channeling money into agriculture without impairing the market price, without regimenting farmers and without creating burdensome surpluses, and without disrupting foreign markets. It has also been suggested that all of this can be accomplished at a very modest cost and without leveling per

farm income. I say to you that none of these promises are sound and that, if we go down this road, the economic consequences to the cotton industry will be the most drastic and damaging in the last 50 years.

I hope that cotton producers, textile mill operators, shippers, and all segments of the U.S. cotton industry will think seriously about the consequences of some of the choices before them.

In my opinion, the best course of action to follow would be to move forward with the full intent and spirit as spelled out in the Agricultural Act of 1958 as it relates to cotton. This act is designed to increase consumption of cotton, reestablish the market system, and increase exports. Under such a program we can look forward to an offtake of not 15½ million bales, but 20 million bales, during the next decade. This can be accomplished if we will use our heads. To bring more income to the cotton producers and to the whole cotton industry we must move forward with a program designed to expand production and consumption of cotton. If we move in the direction of reduced acreage, restrictions, and high Government guaranteed prices, we will reverse this whole trend and cotton will become a sick and frustrated industry.

RECESS

The SPEAKER pro tempore (Mr. ALBERT). The Chair desires to advise Members of the House that important business will probably be considered in the House later in the day and that it will be advisable for Members to remain within call.

The bells will be rung 15 minutes before the House reconvenes.

Without objection, the House will stand in recess subject to the call of the Chair.

There was no objection.

(Thereupon at 2 o'clock and 19 minutes p.m. the House stood in recess subject to the call of the Chair.)

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MCCORMACK) at 6 o'clock and 10 minutes p.m.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House, by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On September 8, 1961:

H.R. 566. An act authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Tex.;

H.R. 5321. An act for the relief of American President Lines, Ltd., Nitto Shosen Co., Ltd., and Koninklijke Java-China-Paketvaart Lijnen N. V. (Royal Interocean Lines);

H.R. 7108. An act to amend the Federal Home Loan Bank Act and title IV of the National Housing Act, and for other purposes;

H.R. 7934. An act to authorize the Secretaries of the military departments to make emergency payments to persons who are injured or whose property is damaged as a result of aircraft or missile accidents, and for other purposes; and

H.R. 8277. An act to amend the Federal Home Loan Bank Act to simplify and improve the election and appointment of directors of the Federal home loan banks.

On September 13, 1961:

H.R. 32. An act authorizing the establishment of the Fort Smith National Historic Site, in the State of Arkansas, and for other purposes;

H.R. 206. An act to facilitate administration of the fishery loan fund established by section 4 of the Fish and Wildlife Act of 1956, and for other purposes;

H.R. 1337. An act for the relief of Amelia Andreoli D'Attorre;

H.R. 2111. An act for the relief of Benjamin Schoenfeld;

H.R. 2429. An act to prohibit destruction of, or injury to, certain property moving in interstate or foreign commerce, and for other purposes;

H.R. 2457. An act to amend title V of the Merchant Marine Act, 1936, in order to clarify the construction subsidy provisions with respect to reconstruction, reconditioning and conversion, and for other purposes;

H.R. 3159. An act to permit certain foreign-flag vessels to land their catches of fish in the Virgin Islands in certain circumstances, and for other purposes;

H.R. 4539. An act to amend section 723 of title 38 of the United States Code to provide for immediate payment of dividends on insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940 which has been converted or exchanged for new insurance under such section, and for other purposes;

H.R. 4785. An act to provide specific authority for Federal payments of the employer's share of the cost of retirement systems for civilian employees of the National Guard and to extend the authority for withholding employee contributions to State retirement systems by permitting deductions of employees' contributions to State-sponsored plans providing retirement disability or death benefits;

H.R. 5054. An act for the relief of Wolfgang Stresemann;

H.R. 5656. An act to provide for reasonable notice of applications to the United States courts of appeals for interlocutory relief against the orders of certain administrative agencies;

H.R. 6798. An act to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation; and

H.R. 7154. An act to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs.

On September 14, 1961:

H.R. 256. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H.R. 1021. An act to extend for 2 years the definition of "peanuts" which is now in effect under the Agriculture Adjustment Act of 1938;

H.R. 1098. An act to amend section 901 of title 38, United States Code, to provide that a flag shall be furnished to drape the casket of each deceased veteran of Mexican border service;

H.R. 2877. An act to authorize the Director, Office of Civil and Defense Mobilization, to approve a financial contribution for civil defense purposes to the State of Oklahoma;

H.R. 3222. An act to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and crossclaims in any action in which such court has initial jurisdiction;

H.R. 3296. An act to authorize the Secretary of the Interior to nominate citizens of the Trust Territory of the Pacific Islands to be cadets at the U.S. Merchant Marine Academy;

H.R. 5180. An act for the relief of Dr. Ferenc Domjan and others;

H.R. 5647. An act for the relief of David C. Thomas, Robert W. Barber, Milton A. Chace, and Richard F. Turner;

H.R. 6309. An act to amend title VI of the Merchant Marine Act, 1936, as amended, in order to increase certain limitations in payments on account of operating-differential subsidy under such title;

H.R. 6495. An act to amend the Life Insurance Act of the District of Columbia;

H.R. 7044. An act to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia;

H.R. 7265. An act to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes;

H.R. 7707. An act for the relief of Andrew Telesfor Kostanecki;

H.R. 8032. An act to amend the Healing Arts Practice Act, District of Columbia, 1928, and for other purposes; and

H.R. 8033. An act to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards.

On September 15, 1961:

H.R. 1627. An act for the relief of the Princess Anne County School Board, Virginia; and

H.R. 4639. An act for the relief of Rear Adm. Carl H. Cotter.

On September 16, 1961:

H.R. 3156. An act to make the Panama Canal Company immune from attachment or garnishment of salaries owed to its employees, and to amend the Shipping Act, 1916.

On September 19, 1961:

H.R. 176. An act to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States.

On September 20, 1961:

H.R. 8102. An act to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes.

On September 21, 1961:

H.R. 2816. An act for the relief of Chief Warrant Officer James M. Cook;

H.R. 2883. An act to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of this employment, and for other purposes;

H.R. 2924. An act to repeal an act entitled, "An act extending the time in which to file adverse claims and institute adverse suits against mineral entries in the district of Alaska," approved June 7, 1910 (36 Stat. 459);

H.R. 3606. An act for the relief of William C. Winter, Jr., lieutenant colonel, U.S. Air Force (Medical Corps);

H.R. 4369. An act for the relief of Henry James Taylor;

H.R. 4669. An act to amend the law relating to gambling in the District of Columbia;

H.R. 5182. An act for the relief of Charles P. Redick;

H.R. 5559. An act for the relief of Ralph E. Swift and his wife, Sally Swift;

H.R. 5852. An act to provide for the free entry of a towing carriage for the use of the University of Michigan, and to increase the duty-free exemption of persons arriving in the United States who are not returning residents thereof;

H.R. 6302. An act to establish a teaching hospital for Howard University, to transfer

Freedmen's Hospital to the university, and for other purposes;

H.R. 6667. An act to amend the act of August 16, 1957, relating to microfilming of papers of Presidents of the United States, to remove certain liabilities of the United States with respect to such activities;

H.R. 6732. An act to amend the Merchant Marine Act, 1936, as amended, to encourage the construction and maintenance of American-flag vessels built in American shipyards;

H.R. 6969. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 6974. An act to amend section 607(b) of the Merchant Marine Act, 1936, as amended;

H.R. 6996. An act for the relief of Harry Weinstein;

H.R. 7043. An act to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes;

H.R. 7264. An act for the relief of M. C. Pitts;

H.R. 7371. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 7447. An act to amend the Strategic and Critical Materials Stock Piling Act to provide for the immediate disposition of certain waterfowl feathers and down;

H.R. 7622. An act to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia;

H.R. 8072. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 8666. An act to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges; and

H.R. 8719. An act to amend the act of July 23, 1947, chapter 301, as amended, to extend for 2 years the authority to make temporary appointments and promotions in the U.S. Coast Guard.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 8383. An act to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes; and

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California.

The message also announced that the Senator from Nevada [Mr. BIBLE] had been appointed a conferee on the bill (H.R. 5986) entitled "An act to amend the District of Columbia Unemployment Compensation Act, as amended," in place of the Senator from Massachusetts [Mr. SMITH] excused.

SUGGESTED HOUR OF MEETING

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 o'clock a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, just what is there on the docket tomorrow that we cannot complete by meeting at 12 o'clock instead of 10 o'clock?

Mr. ALBERT. There are conference reports which will be ready that we would like to get out of the way early in the day.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman change that request to 11 o'clock?

Mr. ALBERT. We are doing this to try to accommodate the Members as to the adjournment situation.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I object to 10 o'clock.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. ANDERSEN of Minnesota. I object.

TAYLOR STREET RAILROAD SIDING, DISTRICT OF COLUMBIA—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 243)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 8466, "To authorize the construction of a railroad siding in the vicinity of Taylor Street, Northeast, District of Columbia."

The bill authorizes the issuance of a permit to the Baltimore & Ohio Railroad to use a small portion of public space for the construction of a railroad siding. The siding will permit the further industrial development of land lying along the railroad's right-of-way.

Unfortunately, this area lies within the proposed right-of-way for the projected freeway, Interstate 95S, for which acquisition of the privately owned property should start in the next few years. For the Government to encourage the private development of property which it plans to acquire for public use seems inappropriate.

Business interests locating in the area might, if they are unaware of the plans for its ultimate use, be subject to dislocation and financial loss. Extensive industrial development would also unquestionably increase costs to the Federal and District Governments when the right-of-way is acquired.

The bill received only brief consideration by the Congress and there was no opportunity for some of the Federal agencies concerned with development of the District to be heard. I believe all aspects of the matter should receive the thorough consideration of the Congress.

JOHN F. KENNEDY.

THE WHITE HOUSE, *September 22, 1961.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal and without objection the bill and message are referred to the Committee on the District of Columbia and ordered to be printed.

There was no objection.

CONFERENCE REPORT ON H.R. 4750, VIRGIN ISLANDS CORPORATION ACT

Mr. ASPINALL submitted a conference report and statement on the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act.

PERSONAL ANNOUNCEMENT

Mr. ROONEY. Mr. Speaker, this afternoon I was unavoidably absent on rollcall No. 223. I was busy on important official business elsewhere. Had I been present, I would have voted "no."

FIRST ANNIVERSARY OF THE INDEPENDENCE OF THE REPUBLIC OF MALI

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, today on the first anniversary of its independence, we in the Congress of the United States salute the Republic of Mali. Later in the day, when the legislative business has been completed, it will be my privilege and my pleasure to attend the reception given by His Excellency, Abdoulaye Maiga, the distinguished and highly respected Ambassador of Mali, and personally extend to him the congratulations and the good wishes of the Subcommittee on Africa. Congresswoman BOLTON and Congressmen DIGGS, MURPHY, NIX, and ADAIR, the other members of our subcommittee, also will be at the reception that by their presence Ambassador Maiga may know how deep is our friendship for Mali and all the other new emerging nations of the African Continent.

While this is but the first anniversary of its independence, Mali has a history that dates back to the 13th century. That ancient kingdom reached its apogee between 1300 and 1400, declined thereafter and was finally destroyed about 1650. Its capital was near modern Bamako. Its realm extended as far as Timbuktu and Gao.

The Mali of today achieved its independence under the dynamic leadership

of Modibo Keita and the republic was proclaimed on September 22, 1960. Mr. Keita served much of his political apprenticeship under the late Sudanese Deputy, Mamadou Konate. The people of Sudan revered the Deputy and the mantle of his leadership was passed on to Mr. Keita, who among his own people is known as the "lion of the jungle and dispenser of wisdom." He is believed by many to be a descendant of the Keita dynasty that founded the Mali Empire and ruled it during the 13th and 14th centuries. He is a youthful 46-year-old man, more than 6 feet tall, and is possessed of most agreeable manners and a winning personality.

The leading product of Mali is peanuts which represents 90 percent of its exports, all committed to countries of the Soviet bloc under bilateral trade agreements. Nevertheless, President Keita is reported as saying that his government would "build a dam against them—the Communists."

President Keita began his career as a schoolteacher in Sudan and his wife was also a schoolteacher. Twice the President has sent Mrs. Keita to Israel to study agricultural methods.

To President Keita and to all the people of this great new republic, today 1 year old, we in the Congress send greeting and sincere wishes for a bright future among the republics of the free world.

MOSCOW'S COLONIALISM AND A SPECIAL COMMITTEE ON CAPTIVE NATIONS

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes on two separate subjects.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, in the forthcoming weeks we shall hear a great deal about colonialism and imperialism. The sole and prime colonialists of our day will exploit the U.N. forum on this subject. As I pointed out the other day, Moscow and its colonial puppets will carry on a heavy campaign along these lines to solicit uncommitted support for their troika idea and all the damaging effects this implies.

How well prepared are we to meet the expected Moscow onslaught on colonialism and imperialism? Not too well, of this I am certain. We could have made careful preparations on this subject by forming a special Committee on Captive Nations early in this session. With such a committee we would have been prepared to serve the interests of our people as well as those of the free world by counteracting Moscow lies and fabrications with facts and truths on Moscow's colonialism and imperialist domination over the numerous captive non-Russian nations in eastern Europe, central Asia, and south and east Asia. However, our opportunity to prepare properly and strongly in this way will yet come.

On the necessity of a special House Committee on Captive Nations millions of Americans are vitally interested in this proposal and its favorable determination by this Congress.

I have often pointed out in detail the utter consistency and logical report of this highly important proposal with the policy of our Government as enunciated in unequivocal language by the President himself and also the Department of State last April. If there is any confusion on this point, it certainly was not created by those favoring the establishment of this committee.

Moreover, as to considerations of pretext, atmosphere, complex situation, and at this time, in the very throes of the Berlin crisis the President declared in his Captive Nations Week proclamation that we support the freedom and independence of all peoples and nations. I repeat, all. My resolution and those of my colleagues are clearly based on this fundamental principle and the single standard of morality and integrity of word that it implies.

It cannot be emphasized too strongly that the paramount purpose of a special Committee on Captive Nations is to focus a steady factual and objective spotlight on Moscow's colonialism and imperialism in the captive nations. No such spotlight of consistent factfinding exists. Sporadic and piecemeal undertakings of both governmental and nongovernmental experts have not and cannot provide this in the interest of our own American popular enlightenment, not to speak of any imprint made on the uncommitted nations of the world. Surely the captive peoples, who are so strategically important to our own security now and in the future, deserve the concentrated effort at facts and truth which our proposal signifies. This basic and highly essential weapon cannot be left to efforts less than this, with insignificant impact on our own people, not to mention others.

Both Presidents Eisenhower and Kennedy are on record supporting the essential need for such popular study of the plight of the captive nations. Only a special committee made up of dedicated representatives of our people can advance this necessary study. In the cases of the Katyn Forest massacre and the Committee To Investigate Communist Aggression we were also told about the work of experts and regularly constituted committees. It requires special committees to help public understanding of these matters. Now this understanding must be served on the basic subject of Moscow's colonialism and imperialist domination.

The popular support of our proposal is extensive and deep. All major national organizations directly concerned with this primary problem are fully behind it; 40 similar resolutions have been offered in favor of it; the Republican Policy Committee supports it; the nationwide observance of Captive Nations Week highlighted it; thousands of letters have underscored the necessity of it; and articles, editorials, and commentaries in a variety of organs have emphasized the need to concentrate on Moscow's colonialism and imperialism. I am certain that my colleagues are vividly aware of all this.

Others may not have our responsibility as given in our congressional passage of the Captive Nations Week Resolution in 1959. Now Public Law 86–90, this resolution demonstrated to the world our foresight and wisdom. The passage of the proposal to create a special Committee on Captive Nations would confirm this foresight and wisdom and the very spirit of Public Law 86–90. I cannot conceive that we, the people's representatives, could retreat from this responsibility.

What I have been saying is well supported by an editorial on "Sure, Talk Colonialism" which appeared in the New York Daily News, issue of September 4, 1961. Also the memorandum on "Freedom versus Russian Communist Colonialism," submitted by the Ukrainian Congress Committee of America to each delegate at the U.N. General Assembly, substantiates my points further. I request that both of these be printed at this point in the RECORD:

SURE, TALK COLONIALISM

Rather than shoot a conventional Labor Day editorial today, we'll wish our friends in organized labor prosperity and discretion, and proceed to discuss Soviet Russia's request that colonialism be put on the agenda of the upcoming 16th session of the United Nations General Assembly.

This request by Soviet Foreign Minister Andrei Gromyko is of importance to U.S. organized labor, as is any Soviet maneuver—because if communism ever takes over the world there will be no more labor unions as we know them.

What Gromyko wants to discuss is colonialism as long practiced and now being largely abandoned by Britain and France.

What U.S. U.N. Ambassador Adlai Stevenson should insist on also discussing is colonialism as currently practiced by Soviet Russia and Red China.

TYRANNICAL RED EMPIRE

Russia has long held in cruel bondage a huge fistful of once independent nations: Albania, Bulgaria, Czechoslovakia, Estonia, East Germany, Hungary, Latvia, Lithuania, Poland, Rumania, and the Ukraine.

Red China up to now holds only North Korea and Tibet in slavery, but hopes to expand its colonial empire.

Both Russia and Red China are far more cruel to their colonies than the British, French, Germans, Dutch, and Portuguese ever were.

By all means let's insist that Soviet colonialism go on the General Assembly agenda for an exhaustive discussion.

Continued and vigorous agitation of the captive nations' question is one of the best propanganda weapons we have against the Red slave empire—as a means of keeping its rulers off balance and, conceivably, of some day causing that empire to explode from within.

There is a grave question though, in many people's minds as to whether the Kennedy administration intends to use the Captive Nations weapon in the cold war, or even to keep it.

In his July 25 speech on the Berlin crisis, the President said, among other things: "We recognize the Soviet Union's historical concern about their security in central and

eastern Europe, after a series of ravaging invasions—and we believe arrangements can be worked out which will help to meet these concerns, and make it possible for both security and freedom to exist in this troubled area."

To a lot of us, that sounds like a cautiously worded offer to Khrushchev to forget all about our concern for the liberation of the captive nations, in return for a promise by him to let West Berlin continue free, capitalistic and unhampered as to its routes of communication with West Germany.

Khrushchev would be happy to make such a promise at such a price.

But he would break the promise the moment he felt he could get away with doing so; and—the price itself—is too great for us to pay.

By paying it, we would officially admit Khrushchev's right to keep the captive nations in chains forever, give those peoples over to despair for themselves and hatred of us, and junk one of the best cold-war weapons now in the Western arsenal.

TALK TO KENNEDY IN HIS LANGUAGE

How to blast out of the President's mind any thoughts he may be having along these lines?

We'd suggest that the Assembly of Captive European Nations and all other Iron and Bamboo Curtain refugee groups in this country get busy, and get busy now.

Their objective should be, it seems to us, to convince President Kennedy that, if he sells the captive nations or any part of them down the river, he and his party can count on losing large blocs of Polish, Hungarian, German, etc., etc., votes permanently to the Republicans.

The Republicans can contribute their bit by stepping up their own longstanding insistence that the captive nations never be written off by the American people.

Just as Khrushchev best understands brute strength, so Kennedy best understands the language of practical race-group politics. The above-mentioned groups had better start putting the pressure on him before it is too late.

FREEDOM VERSUS RUSSIAN COMMUNIST COLONIALISM—MEMORANDUM TO UNITED NATIONS GENERAL ASSEMBLY, XVITH SESSION

(Submitted by the Ukrainian Congress Committee of America, New York, N.Y., September 1961)

YOUR EXCELLENCY: This memorandum is presented for your consideration and information by the Ukrainian Congress Committee of America, a nationwide American organization, representing over 2 million American citizens of Ukrainian descent and background. We firmly believe that the information contained herein should be of interest and use to you in formulating your policy with respect to the problems of communism, especially those pertaining to Russian Communist colonialism.

Ever since the emergence of the U.S.S.R. as a nuclear and space power, the Kremlin, under the ruthless, dictatorial leadership of Nikita S. Khrushchev, has embarked upon a policy of considered terror and inhuman threats of atomic annihilation with respect to the non-Communist and unalined nations of the world.

During the 15th session of the U.N. General Assembly in the fall of 1960, Mr. Khrushchev proposed that all colonial countries, trusteeship territories and other dependencies be given "complete independence and freedom in the building up of their national states in conformity with the freely expressed will and desire of their peoples."

There was much shoe-banging and name-calling at that session on the part of Khrushchev and his servile puppets from the Communist orbit. In using the issue of colonialism, Khrushchev attempted to wreck the present structure of the United Nations, or at least to turn it into an instrument of Russian Communist policy. He accused the Western Powers of practicing colonialism and assumed the role of "champion of liberation of the colonial peoples of Asia and Africa," thus turning the eyes of the world away from the greatest slave and colonial empire in the world—the Soviet Union.

It is to the credit and honor of the smaller nations, members of the United Nations, such as Chile, the Philippines, Canada, Australia, and the Republic of China, that their representatives at the 15th session of the U.N. General Assembly valiantly challenged the Russian dictator on his enslavement of numerous nations of Europe and Asia. Prime Minister John G. Diefenbaker of Canada, in his eloquent defense of the nations oppressed by the U.S.S.R., stated: "Since the last war 17 colonial areas and territories, comprising more than 40 million people, have been brought to complete freedom by France. In the same period some 14 colonies and territories, comprising half a billion people, have achieved complete freedom within the Commonwealth. Taken together, some 600 million people in more than 30 countries, most of them now represented in this Assembly, have attained their freedom with the approval, encouragement and guidance of the United Kingdom and France. These facts of history invite comparison with the record of Soviet domination over peoples and territories, sometimes gained in the name of liberation, but always accompanied by the loss of personal and political freedom. The General Assembly is still concerned with the aftermath of the Hungarian uprising of 1956. How are we to reconcile that tragedy with Mr. Khrushchev's confident assertion of a few days ago in this assembly: 'It will always be the Soviet stand that countries should establish systems of their own free will and choosing.' What of Lithuania, Estonia, and Latvia? What of freedom-loving Ukrainians and other Eastern European peoples?"

This statement of Mr. Diefenbaker was a powerful blow against Russian Communist colonialism and evoked a storm of violent protests and vituperations in the Communist press in Moscow and other Communist centers, in the same manner as did the "Captive Nations Week resolution enacted by the U.S. Congress in July 1959, which struck at the weakest spot in the Russian empire—the enslaved and captive nations.

1. UKRAINE, A SUBJUGATED COLONY OF COMMUNIST RUSSIA

Among the 22 captive nations enumerated in the U.S. Captive Nations Week resolution is Ukraine. According to the Soviet constitution it is a republic of the Soviet Union, and as the Ukrainian Soviet Socialist Republic it is a charter member of the United Nations.

Although the Ukrainian S.S.R. is theoretically a "free and sovereign state," and has a constitution which empowers it to secede from the U.S.S.R., in reality it is a colony of Communist Russia, brazenly and pitilessly exploited by Moscow. The Soviet Ukrainian government is but a puppet of the Kremlin. A genuine independence of the Ukrainian people was proclaimed on January 22, 1918, in Kiev, and was supported by the overwhelming majority of the Ukrainian people. The Russian Bolsheviks attacked this free State of Ukraine without provocation and in breach of their recognition of the free Ukrainian Government. After their conquest of Ukraine in 1920, they imposed upon Ukraine a barbarous Communist regime.

2. TWO UKRAINIAN DEFECTORS ATTEST TO COLONIAL ENSLAVEMENT OF UKRAINE

Your Excellency, you know that the latest assault of Khrushchev upon Berlin has provoked a mass exodus of thousands upon thousands of refugees from East Germany. But the East Germans are not the only captive people trying to escape from the Soviet Russian land of "milk and honey." Diplomats, sailors, officers, dancers and other categories of citizenry seek political asylum in the West almost daily. Among them are two outstanding Ukrainian scientists, who recently escaped from the Soviet Russian tyranny and the oppression: Dr. Mikhail A. Klochko, a noted chemist and Stalin Prize holder in science, defected in Canada, and Nicholas Sereda, a young Ukrainian electronic specialist from Kiev, defected in Vienna, Austria.

(a) Dr. Mikhail A. Klochko: Upon his defection in Ottawa, Canada, Dr. Klochko, a Ukrainian by birth, stated that he could not endure any longer the lack of personal freedom in the Soviet Union. Commenting on his defection, the New York Times editorial of August 21, 1961, said: "History reveals that there are still powerful motives for even a relatively affluent Soviet scientist to be at odds with that system. Dr. Klochko denounces 'the lack of human dignity in the U.S.S.R.,' the political pressure on scientists, and the lack of freedom among the factors impelling his decision. No doubt there are other factors, too, that played a role. His name sounds Ukrainian and he may well have smarted over Great Russian rule in the Soviet Union."

(b) Nicholas I. Sereda, a 24-year-old electronics specialist from Kiev slipped away from a touring Soviet group in Vienna last month and was granted political asylum by the Austrian Government.

Sereda defected because he opposed Soviet Russian domination of his native Ukraine. His father, Ivan M. Sereda, a member of the Ukrainian Academy of Sciences in Kiev, was flown by the Russians to Vienna in a final attempt to get his son back. But, according to the United Press International, the young Ukrainian electronics specialist refused to return and rejected the Soviet regime because of "the injustice dealt to Ukraine by the dominant Moscow-based Russian regime."

An Austrian official stated that Mr. Sereda "intimated to the Austrian authorities that there is an anti-Soviet underground in Ukraine." He also quoted Mr. Sereda as saying:

"As a Ukrainian I reject Russian rule over the other peoples of the Soviet Union. I also oppose the Communist regime and am an adherent of democratic socialism."

These two Ukrainian defectors who undoubtedly belonged to the privileged class of Soviet society in Ukraine indicate that the Ukrainian people en masse are suffering from Soviet Russian colonial exploitation and political oppression, and are looking forward to early liberation from Communist slavery. Western tourists traveling through Ukraine and other non-Russian countries confirm this view almost unanimously.

3. BLEAK REPORTS ON CONDITIONS IN UKRAINE

Your Excellency, Mr. Khrushchev may boast of his space rockets and his ICBM's; he may have gigantic parades in honor of Gagarin and Titov, but it appears that these manifestations are not an expression of strength and technological progress, but merely are a cheap propaganda stunt to impress the world, especially those nations which are unalined and noncommitted.

American tourists and visitors to the U.S.S.R., and especially those who are of Ukrainian descent and understand the Ukrainian language, upon visiting Ukraine return with bleak stories about the miserable lot of the oppressed population:

(a) Russification: Moscow is relentlessly pursuing a policy of ruthless Russification in Ukraine, by imposing the Russian language as the "international" language, while the Ukrainian language is relegated to secondary importance. Ukraine's seven universities—in Kiev, Lviv, Kharkiv, Odessa,

Dniepropetrovsk, Uzhorod, Chernivtsi—are Russified in outlook and flooded with technical textbooks and other classroom material in the Russian language.

(b) Economic misery: The Ukrainian people are suffering from an acute shortage of all consumer goods; they do not have adequate clothing, shoes or other manufactured goods. Even foodstuffs are very scarce. Substantial elements of the economy, especially in western Ukraine, are clothing and other manufactured merchandise sent by Americans of Ukrainian origin to their relatives in that area;

(c) Antireligious oppression: Religious freedom is nonexistent in present-day Ukraine. The Soviet Government has destroyed the Ukrainian Catholic Church, as evidenced by the third consecutive imprisonment and condemnation of Metropolitan Joseph Slipy, Catholic Primate of Western Ukraine. Khrushchev's predecessor and tutor, Stalin, brutally destroyed the Ukrainian Orthodox Church in the late 1930's;

(d) National and political persecution: Despite constant claims of the Soviet Government that the Ukrainian anti-Soviet underground, notably, the Ukrainian Insurgent Army (UPA) and the Organization of Ukrainian Nationalists (OUN), had been totally annihilated, Soviet courts and military tribunals are busy meting out death sentences to Ukrainian patriots and freedom fighters. But, even though the active resistance and guerrilla struggle have subsided in Ukraine, the opposition of the Ukrainian people against Russian Communist colonialism and imperialism goes on under various guises and subterfuges—and the final and complete liberation of Ukraine from the Russian colonial yoke is the ultimate objective of the Ukrainian people.

4. FREEDOM VERSUS RUSSIAN COMMUNIST COLONIALISM

The present trouble over Berlin, generated by Khrushchev and his Communist totalitarian staff, is one of Khrushchev's perennial crises through which he is endeavoring to attain his ultimate goal: the conquest of the world for Russian communism. This, regrettably, was wholly missed or overlooked by the conference of the neutral nations, recently held in Belgrade. Khrushchev claims that he wants a helpless Germany; but he also wants to break the Western alliance from Turkey to Britain; he wants to isolate the United States and free Communist energies for further Russian assaults upon the free countries of Asia, Africa, and Latin America. What is going on now in Algeria, Angola, Cuba, British Guiana, and even in Brazil—all is to the benefit of Khrushchev and his ultimate objective: "a World Union of Soviet Republics" under a Russian commissar.

Your Excellency, you have a great opportunity to serve the cause of universal freedom as well as the interests of your own country, which you represent. This you can do if you will challenge the unquenchable thirst of Russian colonialism: to turn the argument of colonialism against Khrushchev and point out his enslavement of such countries as Ukraine, Armenia, Turkestan, Georgia, Poland, Albania, Lithuania, Latvia, Estonia, Rumania, Hungary, Czechoslovakia, Bulgaria, Cossackia, East Germany, North Korea, North Vietnam, Idel-Ural, mainland China, Tibet, Azerbaijan and Byelorussia—all of which are internal or external satellites of Communist Russia, and that their eventual liberation will bring a final peace and stability to the world.

You could also support a universalized declaration of freedom—against the oppressive and enslaving Russian Communist colonialism.

UKRAINIAN CONGRESS COMMITTEE OF AMERICA., INC.

POPULAR SUPPORT FOR A SPECIAL COMMITTEE ON CAPTIVE NATIONS

Mr. FLOOD. Mr. Speaker, since last March, when I introduced House Resolution 211 to establish a Special Committee on Captive Nations, I have provided considerable evidence of the popular nationwide support that exists in behalf of this proposal. This support will have to be reckoned with sooner or later.

As the record clearly shows, this popular support of our proposal is extensive and deep. All major national organizations directly concerned with this primary problem are fully behind it. Forty similar resolutions have been offered in favor of it. The Republican policy committee supports it. The nationwide observance of Captive Nations Week highlighted it. Thousands of letters have underscored the necessity of it and articles, editorials, and commentaries in a variety of organs have emphasized the need to concentrate on Moscow's colonialism and imperialism. I am certain that my colleagues are vividly aware of all this.

As further additions to this record I include the following items as part of my remarks:

First, supporting letters for the passage of the resolution; second, resolutions of the 28th Annual Convention of the Ukrainian Youth League of North America; and third, an editorial written by Dr. Lev E. Dobriansky of Georgetown University, Washington, D.C., on "The World, the President, and Captive Nations Week, 1961," and an article on "Russian Colonialism in Turkestan," both of which appeared in the summer issue of the Ukrainian Quarterly:

DULUTH, MINN., *September 12, 1961.*

Hon. DANIEL J. FLOOD,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: It is my understanding that on March 8, 1961, you introduced House Resolution 211 calling for the creation of a special House Committee on Captive Nations.

Through this letter I wish to convey my fervent support of this constructive measure and my hope that House action will soon be forthcoming. In my judgment, a measure of this significance should be adopted without acrid or prolonged discussion.

House Resolution 211 is indisputably one of many legislative proposals we must adopt, not only to bring hope to the captive peoples, but moreover to at last serve notice upon the entire world that we are irrevocably committed to the triumph of freedom over godless communism.

I fear that far too many individuals regard the protracted conflict as being purely a military operation in which the private sector has no direct responsibility. If human freedom is to emerge victorious, it is imperative that the private sector be apprised of the total scope of the international Communist conspiracy and it is my belief that your proposal would contribute to an enlightened citizenry.

I am gravely concerned with the movement currently afoot to withhold information concerning the true nature of the adversary from the American people inasmuch as complete knowledge of the enemy is the prime requisite of victory. A Captive Nations Committee could do much to eradicate prevalent naivete concerning the intentions of the Communist bloc. We can no longer afford to discount their avowed objective of world domination.

You are to be commended for your realistic and resolute approach to our perplexing international problems.

Kindly advise if I can be of any assistance.

Yours sincerely,

ARCHIE D. CHELSETH.

FLINT, MICH., *September 9, 1961.*

Hon. DANIEL J. FLOOD.

DEAR SIR: I have read the Washington report and wish to extend my approval of House Resolution 211.

A special House Committee on Captive Nations would inspire the hundreds of enslaved people throughout the world with new hopes for freedom and serve as a constant reminder to Khrushchev that we will not forget the captive nations.

I have also written to my Congressman, CHARLES E. CHAMBERLAIN, urging his support of a special Committee on Captive Nations.

Sincerely,

CHRIS I. LAWRENCE.

RESOLUTION ADOPTED BY THE 28TH UKRAINIAN YOUTH LEAGUE OF NORTH AMERICA CONVENTION

I

Whereas by an act of the Senate and House of Representatives of the United States of America, and subsequent proclamation of Presidents Eisenhower and Kennedy, the United States has established the third week of July as Captive Nations Week, and thus has officially recognized and written into the law of the land that Ukraine, Armenia, Georgia, and other nations in the Soviet Union are enslaved countries conquered by aggressive Russian Communist imperialism; and

Whereas it is vital to the national security of the United States, Canada, and the free world that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

Whereas House Resolution 211 has been proposed in the House of Representatives by Congressman DANIEL J. FLOOD to create a permanent committee to deal with the captive nations; therefore, we do hereby

Resolve, That the UYL–NA and its members strongly urge the formation of such a permanent committee by the U.S. Congress.

II

Whereas Russian Communist imperialistic activities are becoming increasingly arrogant and belligerent as indicated by events in Berlin, Africa, Cuba, Latin America and other parts of the world; and

Whereas the Russian Communist drive to enslave the entire world is gaining momentum because of clever Russian propaganda aided by general apathy on the part of the free world; we do hereby

Resolve, That the UYL–NA members throughout the United States and Canada intensify their efforts to encourage a firm stand of our people against further Russian Communist aggressions and transgressions and to disseminate more detailed information regarding Russian Communist imperialism exposing the tragic plight of the exploited and almost forgotten people held in bondage behind the Iron Curtain.

III

Whereas the U.S. Congress has enacted a law allocating a portion of land in Washington, D.C., for the erection of a Taras Shevchenko Monument: We, therefore,

Resolve, That the UYL–NA Shevchenko Monument Committee continue its cooperation with the Schevchenko Monument Committee in formulating plans in connection with raising of the necessary funds for the successful erection of the Taras Shevchenko Monument in Washington, D.C.

IV

Whereas the U.S. celebration of the Shevchenko centennial will demonstrate to Moscow that we are perfectly aware of and sympathize profoundly with the freedom aspirations of the Ukrainian people and other captive nations in the present Red Russian empire; and

Whereas today, as 45 million Ukrainians enslaved by Communist Russia, work unselfishly and unceasingly by holding up Taras Shevchenko as a shining exponent of true liberty and as their symbol of inspiration and incentive to rid themselves of the despotic rule of Moscow: We do hereby

Resolve, That the UYL–NA members and their friends continue to urge the present administration for favorable consideration of the issuance of a champion of liberty stamp as a tribute to Taras Shevchenko, the great Ukrainian poet and freedom fighter.

V

Whereas the Ukrainian Congress Committee of America is carrying out an active struggle against Russian Communist imperialism by exerting every possible effort to inform this country, and the world, of the plight of the Ukrainian nation, and the true aspirations of her people for a free and independent Ukraine; and

Whereas for over 20 years the Ukrainian Congress Committee of America has devoted and unselfishly dedicated itself to the Ukrainian cause of freedom and self-determination: We do hereby

Resolve, That the UYL–NA executive board commend the excellence of the Ukrainian congress committee publications, and urge its members to actively support said publications through subscriptions and financial support; and further

That the UYL–NA and its member organizations manifest their support of the multisided and varied operations of the UCCA by their generous and unstinting contributions to the UCCA.

VI

Whereas the Ukrainian fraternal associations, such as the Ukrainian National Association, Ukrainian Workingmen's Association, Providence Association and Ukrainian National Aid Association of America, have and are playing a vital role in the everyday economic, political, and fraternal life of our Ukrainian-Canadian communities: We do hereby

Resolve, That the members of the UYL–NA and their friends be encouraged to join as members of these fraternal organizations in their local communities and participate in their activities.

VII

Whereas the UYL–NA was founded for the purpose of uniting all youth of Ukrainian ancestry in the United States and Canada into an organization so as to further their common interests; and

Whereas there exists in our countries youth organizations as yet unaffiliated with the UYL–NA: We do hereby

Resolve, That the executive board explore all the possibilities and exert every effort to encourage such youth groups to join the UYL–NA, and it is further recommended that the executive committee board report at its board meetings the progress made in these endeavors.

VIII

Whereas members of the UYL–NA, because of their ancestry and Ukrainian upbringing, are capable of enriching the cultural life of the United States and Canada by displaying their knowledge of the Ukrainian language, literature, history, music, art and costumes: We do hereby

Resolve, That the UYL–NA clubs and members enthusiastically support, promote, and actively participate in all cultural programs in their respective communities.

IX

Whereas the four Ukrainian fraternal organizations have manifested an interest in the strength and well-being of the UYL–NA rendering such financial aid as was required, and making available valuable space in their publications for UYL–NA activities: Now, therefore, be it

Resolved, That the executive board of the UYL–NA express the appreciation of the UYL–NA and its member organizations for such invaluable aid.

X

Whereas the U.S. delegation to the United Nations does not include an expert on Ukrainian and Byelorussian affairs including the ability to speak the two languages; and

Whereas the U.S. delegation has not to date made any serious effort to explore the particular national interests of the Ukrainian and Byelorussian nations as separate and apart from the problems of Russia: Now, therefore, be it

Resolved, That the Ukrainian Congress Committee of America appeal to the President of the United States to appoint qualified experts to the U.S. delegation to the United Nations to implement a more effectual policy pertaining to Ukraine and Byelorussia.

XI

Whereas the Ukrainian American Veterans have organized a national veterans organization; and

Whereas many Ukrainians have served in the armed services of the United States; and

Whereas it is desired to have a strong national organization representing these Ukrainian veterans; and

Whereas the national veterans organizations can be a major influence in the everyday social, economic, and political life of Ukrainian-Americans: We do hereby

Resolve, That the members of the UYL–NA and their friends be encouraged to organize local veteran posts, which would join the Ukrainian-American Veterans National Organization.

The resolutions committee was composed of John O. Flis, chairman; Edward Popil, Alexander Danko, Michael Zaderecky, Matthew Pope, Alexander Yaremko.

[From the Ukrainian Quarterly]

THE WORLD, THE PRESIDENT, AND CAPTIVE NATIONS WEEK, 1961

The observance of Captive Nations Week in 1961 was more successful than that of 1960 or 1959. This is as it should be. With more experience, a background of planning, and more efficient coordination by the National Captive Nations Committee in Washington, citizen committees in various sections of the country have come to organize the festivities of the week with increased skill and performance. One of the highlights of the week was, of course, the proclamation issued by President Kennedy.

It serves no useful purpose to compare the contents of Kennedy's proclamation with those of Eisenhower's in the 2 preceding years. Comparisons along this line are, nevertheless, already underway. For example, under the caption "Captive Nations Week—An Unfortunate Symptom," a statement by Representative JOHN M. ASHBROOK, of Ohio, in the CONGRESSIONAL RECORD of July 27 contends that the President "issued a halfhearted proclamation which never once mentioned the Communists." Others point to the pithy character of this third proclamation. These strictures may be correct. On the other hand, however, the Kennedy proclamation eliminates the misleading term "Soviet-dominated nations" which appeared in the Eisenhower proclamations. Contrary to the wording of the Captive Nations Week resolution, this term caused people to assume that the nations referred to are those under the domination of the Soviet Union rather than all of the captive nations under the foreign heel of Soviet Russia. Moreover, the resolved part of the present proclamation stresses explicitly "the just aspirations of all peoples for national independence and freedom." This does not appear in either of the Eisenhower proclamations.

The fact is that President Kennedy did issue a proclamation which, it is reported, he himself prepared. In certain fundamental respects, as indicated above, it improves upon the previous proclamations. In other respects, also as shown above, it could have been more substantial in the whereas clauses and more decisive in spotlighting the myth of Communist ideology. It is hoped that in future proclamations there will be absolutely no grounds for complaint and criticism. And there is every reason to be confident of this. These proclamations are read widely and carefully, behind the Iron Curtain as well as in the free world. They reflect the foreign policy thinking of our Government at given times. With the state of the world today, whether one looks at Berlin, Cuba, Laos, Turkestan, or East Germany, our displayed interest in the captive nations always bears important relevancy. Words, the cloak of our ideas, are profoundly consequential.

THE POWER OF THE PRESIDENT'S WORDS

It should be quite evident, therefore, that the words, declarations, and proclamations of the President of the United States command and convey tremendous power. They create impressions, they affect minds and thoughts, and they influence, for better or for worse, the actions and activities of groups and individuals. What is not said in particular situations is just as consequential as what is said.

In the past 7 months there has been increasing doubt about the proper and judicious use of this power in the White House. This does not mean the President alone, but also those about him. Many statements are prepared for the President and, although the responsibility for checking on them rests with him, oftentimes circumstances prevent the giving of the most careful attention to them. As concerns the captive nations, the record of this first phase of the new administration is a checkered and unstable one. It reflects uncertainty of thought and conviction regarding the captive nations, the world, and our security.

Here is the record. In contrast to Eisenhower's first inaugural address, President Kennedy's made no mention whatsoever of the captive nations. The New Frontier, which the President defined in these terms—"if freedom is to survive and prosper, it will require the sacrifice, the effort and the thoughtful attention of every citizen. It is this effort and concern which makes up the New Frontier"—obviously did not include the captive nations. Then, in his state of the Union message, the President inserted one weak, sentimental sentence: "We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples."

The Cuban fiasco changed this trend radically. Before the American Society of Newspaper Editors in April, the President asked some to recall "the long rollcall of refugees who cannot now go back—to Hungary, or to North Korea, or to North Vietnam, or to East Germany, or to Poland, or to any of the other lands from which a steady stream of refugees pours forth, in eloquent testimony to the cruel oppression now holding sway in their homelands." In the same address he emphasized what many have been declaring for a decade: "The evidence is clear—and the hour is late. We and our friends will have to face the fact

that we cannot postpone any longer the real issue of survival itself." One may ask whether the peoples of the non-Russian captive nations are regarded as our friends and, if so, what preparations are being made to enlist them in the war of survival?

At this time the reply of the President to Khrushchev reached a high point that months ago should have been a starting point: "The people of the United States believe that the right of self-determination is fundamental and should apply throughout the world. We reject the right of any narrow political grouping or any country to arrogate to itself the power to determine the real will of the people." Nothing explicit about the captive nations which Khrushchev does not like to hear but, nonetheless, the meaning is clear.

In June the President's report on his European talks is now marked by confusion as well as omission. He affirms again our belief "in a system of national freedom and independence" and "that liberty and independence and self-determination, not communism, is the future of man"; but with regard to Khrushchev's basic empire, the U.S.S.R., he speaks of that "nation's achievements in space" (the U.S.S.R. a nation) and also of the different meanings given by "the Soviets" to the "same words—war, peace, democracy and popular will." The soviets, or councils of workers and peasants, can scarcely express themselves, and the colonial Russian totalitarians who alone can assign their meanings to words, obviously do not have different brain structures from ours and impute meanings they want for purposes of confusion, deception, and division. It is surprising that the President was pulled in by this.

Considering all of this and more, it is no wonder that toward the close of June the London Times depicted the administration in a state of "political disarray." With this situation prevailing, many began to wonder whether the President would proclaim Captive Nations Week the following month. There can be no doubt of the fact that the Khrushchev message to Kennedy on our Independence Day was designed to influence the President from issuing the proclamation. Moscow and its colonial puppets would then have a propaganda heyday. The issuance of the proclamation on our own Independence Day would have had a compounded effect. But the President chose to release solely his statement on "The Meaning of Liberty," in which he says, "What matters is the concrete meaning that our words give our lives. We make the revolution of liberty, not by what we exhort others to do, but what we do ourselves."

The proclamation was issued on July 14, 2 days before the Captive Nations Week commenced. But a week after the period, in an otherwise excellent address to the Nation on the Berlin crisis, the President made a fantastic statement which again suggests a lack of understanding and a deep uncertainty with regard to East European history, the captive nations, and their strategic relationship to us. It is hard to believe, but he did say: "We recognize the Soviet Union's historical concerns about their security in Central and Eastern Europe, after a series of ravaging invasions—and we believe arrangements can be worked out which will help to meet those concerns, and make it possible for both security and freedom to exist in this troubled area." One finds it difficult to conceive a more logically confused and mixed-up statement than this. Also, as Senator KEATING, of New York, rightly pointed out in the Senate, "The President seemed to be stressing the rights of the Soviet Union to security rather than the rights of the people there to self-determination, not only for East Berlin, but also for East Germany and all of east and central Europe."

As to the fantastic statement itself—first, it is evident that a state which has been in existence for less than 40 years could scarcely have developed historical concerns in this short period. Second, if the President doesn't as yet know, this empire-state was created and built by the destruction of numerous independent non-Russian nations and states which are enumerated in the Captive Nations Week resolution. Third, if the security of the present Red Russian Empire and that of the previous White Russian Empire is an object of our concern, we are desperately in need of historical training to see in what direction the series of ravaging invasions took place. According to this statement, the invaded have now become the invaders. Only the Russians have had the reputation of distorting and rewriting history. It appears someone in the administration has chosen to compete with them. And, fourth, the statement is almost sublimely self-contradictory. Concern for the security of an empire mixes with freedom as oil with water.

FROM THE WEEK TO A COMMITTEE

The above facts, more than anything else, explain why a Special House Committee on the Capitive Nations is a patent necessity. During the observance of the 1961 Captive Nations Week the theme of creating such a committee was sounded over and over again. Throughout the country countless Americans recognized the urgent need for such a committee to serve not only Congress and the represented American citizenry but also—quite necessarily—our executive branch of the National Government. The July 24 issue of the CONGRESSIONAL RECORD gives an impressive account of the activities, festivities, and expressed thoughts of groups and individuals who observed Captive Nations Week.

In addition to this theme there were, of course, other ideas furthered by observers of the week. These included a firm stand without any compromise on West Berlin, a determined opposition to the admission of Red China to the U.N., the establishment of a Freedom Academy, the activation of the Karsten amendment to the Mutual Security Act with reference to Cuba, the expansion and improvement of the Voice of America broadcasts to the non-Russian nations in the U.S.S.R., and the restoration and extension of the "Champion of Liberty" stamp series. However, the theme which attracted most attention was the passage of House Resolution 211. The resolution was sponsored originally by the Honorable DANIEL J. FLOOD, of Pennsylvania, and calls for the establishment of a Special Committee on the Captive Nations in the House of Representatives.

The argumentation in favor of this and similar resolutions has been set forth in detail since March 8 when the original resolution was submitted. The addresses of Congressmen FLOOD, DERWINSKI, SCRANTON, HALPERN, and some 4 dozen other legislators spell out all the compelling reasons why such a committee is a must. The reader can profit immensely from reading the RECORD issues of March 8, March 27, May 10, June 20 and 24, and August 3. No direct refutations have been given to the dozen and more reasons cited for the necessary formation of the committee. There is no question but that once the measure is reported out by the Rules Committee, it will pass overwhelmingly in the House.

Thus in this project alone one can see how the world, the President, and Captive Nations Week observances are tied together. Through its investigations, studies, hearings, and reports a Special Committee on the Captive Nations would fix the attention of world opinion on the only real threat to the nontotalitarian free world, namely Soviet Russian imperialism and colonialism. It would thereby put to account statements made by leaders in the free world, as, for example, President Sukarno's statement in June that it is "nonsense" to accuse Moscow and Peiping of carrying out imperialist policies. Furthermore, the work of such a committee would give the constant lie to the so-called 20-year plan launched by Moscow, particularly by its disclosures of the rampant colonialism and imperialism within the Soviet Union.

In serving our Government and the American people this committee would be the prime vehicle of public information and enlightenment concerning all of the captive nations. It would be performing an indispensable job that no agency, public or private, is doing. And the salutary results of the committee's work and findings would help to prevent the incurrence of grandiose statements on the Soviet Union, and on the captive nations within and outside it, at any high level of our Government. Twisted conceptions about the enemy and his victims are not exactly solid grounds for meeting the tasks of a war of survival.

Finally, the creation of a Special Committee on the Captive Nations would represent the first concrete implementation of the Captive Nations Week resolution. It would also be the fitting response of Congress to the 1961 Captive Nations Week, to the urgings of millions of Americans who see in it a powerful means to ultimately defeat Moscow in the cold war.

[From the Ukrainian Quarterly]

RUSSIAN COLONIALISM IN TURKESTAN

(By Arin Engin)

Turkestan's area is 5,500,000 square kilometers. It possesses vast prairies, beautiful highlands, and rich natural resources, and is populated by 35 million homogenous Turks with a highly developed culture and historical traditions. Yet this immense country has been colonized by Russians, by force of arms, for roughly the past one and one-half centuries. Other Turkish countries which have been overrun by the Russians are: Idel-Ural (5 million), Azerbaijan (3 million), and the Crimea (1,500,000 who have all been deported to Siberia).

Turkestan has been divided by the Russian Bolshevik imperialists into five nominal republics: Kazakh, Uzbek, Kirghiz, Turkmen, and Tadzhik. In all live the same Turks, speaking the same language with slight local variations, cherishing the same historical traditions, believing in the same religious faith. Following the famous colonial method of divide and rule, the Russians artificially divided this people, giving them separate alphabets and encouraging old local tribal dialects. In fact, Kazakh, Uzbek, Kirghiz, Turkmen, and Tadzhik are nothing but the old tribal names of the ancient Turks. The Tadzhiks alone have a Persian strain.

Greater Turkestan also includes eastern Turkestan with its 8 million population, which is under the Chinese Communists.

THE RUSSIAN PATTERN

Let us examine the historical development of Russian colonialism in the ill-fated country of Turkestan.

In the 13th century the great Turkish-Mongol invasion captured all the Muscovite principalities and for centuries ruled them. The Muscovites (Russians) were slaves of the Turkish Khanates, known as the Golden Army, for centuries.

In 1380, Prince Dimitri, after a battle with the Turks on the River Don, established the Muscovite Principality, based on the myth of eventual growth into a third Rome. The next year the Turkish Khan, named Toktamish, captured Moscow, and this principality passed again under Turkish rule until 1395,

when Emperor Tamerlane revived this principality again.

Subsequently, Vasili III established a wider independent hegemony over the Muscovite principalities. His wife Sophia was the daughter of Emperor Constantine Paleolog in Byzantium (Istanbul). Hence the Russian claim to Istanbul which caused Russian-Turkish wars throughout the centuries.

In 1547, the grandson of Vasili III, Ivan IV, assumed power. He became known as the "Terrible" for his cruelty to the Kazan (Idel-Ural) Turkish Khanate, which he devastated in 1554. This ruler, who killed his own son for fear he would take his place, became the first Russian czar in the year 1547. It was Ivan who established the Boyar feudal system.

In 1557, Giray Han of Crimea, leading a force of 120,000 soldiers, attacked and defeated Ivan decisively, thereby taking revenge for the unspeakable cruelties committed against the Kazan (Idel-Ural) Turkish people in 1554. As a result of a short-sighted policy, however, Giray retreated, leaving behind all the gains he had made.

After the destruction of Kazan, the road to Turkestan was open to the Russians. For centuries they fought by all unscrupulous means and bestial ways to establish their colonialism in that rich and beautiful land. The history of this colonialism is replete with atrocities and destruction.

THE FOUR PERIODS OF RUSSIAN COLONIALISM IN TURKESTAN

The first step

Vasili III (1505–33) moved Muscovite (Russian) villagers to the western valleys of the Ural Mountains. This was the beginning of the Russification policy and the "Drive to Turkestan" conspiracy.[1] (The same process began in the Crimea, North Caucasus and Azerbaijan a little later.)

The second step

During the reign of Peter I, the Bukhara and Khiva Khanates in Turkestan were driven into fighting each other through the efforts of a Russian fifth column, headed by Nefesi. The Khiva Khanate was forced to ask for military aid from Peter. Thus in Mengishlak (on the eastern shore of the Sea of Hazar) the Russians succeeded in establishing the first fortress (1704) in Turkestan proper. In order to create artificial famines, the Russians changed the course of the rivers to create deserts. Hence the manmade famine is not a new Russian method of genocide. It was again applied in 1937 in Turkestan, killing about 3 million Turks, and in 1933 in Ukraine, exterminating about 5 million innocent people in horrible fashion. Thus has both White and Red Russian colonialism sought the same aim: Conquest of the whole world, the realization of Muscovite "Messianism" and the establishment of the "third Rome."

Because of the artificial famine and the erection of the Russian fortress, the Khiva Khanate turned into a bitter enemy of the Russians, and inflicted a heavy defeat upon the Russian army under Bekovich on the field of Para-Kilamaz near the city of Khiva. But the Russians were not to be deterred.

The third step

The third step resulted from the fall of Orenburg in Kazakhstan and its conversion into a capital city, a city for Russian infiltration and subversion in Turkestan.

In 1803, Russian agents in Orenburg divided the Turks into two opposite camps on the Hazar shores. In the course of the fighting, one camp was driven to ask help from the Russians in Orenberg. This was another means of interfering in the affairs of Turkestan, as is now being used in Cuba. Both the White and the Red methods derive from the same treacherous Russian mentality through all the centuries of colonialism.

In 1832, the Khiva Prime Minister, Hekim Kushbey, held talks with the British delegate, Mr. Burns. But again the Russian hand was instrumental in preventing help from coming from Britain.

The British Government, seeing great danger looming at the gates of India, sent another delegate, this time to the Bukhara Khanate in 1838. The head of the Bukhara Khanate was Naserullah, to whom Stodhart, the British delegate, proffered help to check the Russian invasion of Turkestan. The Orenburg Russian agents, however, remained alert. They sent messages of friendship to Naserullah, and suggested their doing away with the British delegate and his collaborator, Mr. Connelly. This was done (1840). The Russian ambassador, Buteniev, became an intimate of the Bukhara Han Naserullah, who reigned for 34 long despotic years.

Again, through the conspiratorial efforts of Russian agents in 1842, Ali Kuli, the Han of Khiva, signed a treaty with Russian delegate Perovsky, according to which Russian fortifications could be built along the Seyhun River within the boundary of the Khiva Khanate.

The Khanate of Hokant attacked these fortifications time and again in a truly valiant spirit. For Perovsky this was an excuse to capture the great city of Akmesjit in 1858, right after the Russo-Turkish war in the Crimea.

In answer to the sharp protests of Turkey and Great Britain, Russia made the infamous Gortschakoff Declaration, by which she claimed the "legitimacy" of these invasions, because they comprised a "civilizing divine right mission."

The fourth step

The year of 1864 marked the turning point in the history of ill-fated Turkestan. That year a Russian army under the command of Chernaiev attacked Tashkent, the principal city of Turkestan. At the outset, 10,000 men of the Han achieved a brilliant victory, despite scanty arms and insufficient training. But Chernaiev, with better equipment and numerical superiority, launched another attack, this time capturing the city and committing unspeakable horrors and atrocities. It was a typical instance of the Russian "civilizing" mission in the East.

The King of Bukhara, Monzaffereddin, thereupon declared a holy war on the invading Russians. In 1866, the Russian Romanovsky, enjoying numerical superiority as well as that of equipment, defeated a Turkish army of 40,000 and captured the most important parts of Turkestan. In 1868, with 36,000 men, the second great city, Samarkand, was conquered. Kauffman became the first "butcher" governor of Turkestan, as Khrushchev was to become in the highly cultured country of Ukraine.

This pattern of colonialism in Turkestan was followed by the Reds during the period of 1917–22, and down the years to the present.

Russia is now using communism as a means to her centuries-old program of world conquest.[2] What the West must do is to wage a more intensified psychological war with more concrete means, with more specialized personnel, especially taking the captive nations problem in hand more effectively. It must help the enslaved peoples by all means to achieve their independence, a development which would automatically signify the end of the Russian imperium. Hence these subjugated nations are our greatest allies. With their help, the West can achieve the downfall of the Russian empire without any mutually destructive atomic war.

A West Point for psychological warfare ought be established in the leading country of the world, the United States of America. Here personnel can be trained and tactics and strategies explored and crystallized. With proper governmental leadership, the West can speedily wrest the initiative from the Russians in the cold war. Their subsequent downfall would then become a political and sociological inevitability.

[1] Prof. Z. V. Togan, "Turkestan," Istanbul, 1947. H. Stumm, "Russia in Central Asia." pp. 2–3. N. Ney, "En Asie Centrale," p. 208.

[2] Dr. Baymirza Hayit, "Turkestan," 1957, Bonn.

MR. DYKSTRA'S SUGGESTION

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, President Kennedy has called on all Americans to rise to their responsibilities at this crucial time when the Communists are stepping up their activities all across the world. I am aware that there are some, happily not in this body, who have raised doubts over our ability to compete with the Soviets in the space age. I cannot agree with these doubting Thomases, because I believe that free people in a free economy can successfully meet the industrial and scientific skills which have given our people the highest standard of living of any nation in the history of the world.

It is true, however, that a dictatorship can force its people to respond to the demands of its government, while our country must depend on a voluntary effort by our people in peacetime.

This is why I was delighted to learn of the announcement made this week by Mr. John Dykstra, president of Ford Motor Co., that Ford is committed to an all-out effort to assist our Government in meeting the space challenge, and has pledged the full resources of his company to this effort. All Americans have reason to cheer this statement.

Mr. Speaker, I congratulate Mr. Henry Ford II and Mr. Dykstra for this positive action in the national interest. I hope that all business organizations, large and small, will respond to Mr. Dykstra's request that American industry place the full weight of its great resources at the disposal of our Government and its people. If it does, the free world can be assured that the United States will meet its responsibilities and prove that free men can move ahead and stay ahead of the Communist world in this age of outer space.

UNION AND ECHO REACHES NEW MILESTONE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and revise and extend his remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, the Catholic Union and Echo, a Catholic newspaper in Buffalo, N.Y., recently enlarged its editorial offices. In dedicating and blessing this addition, the Most Reverend Joseph A. Burke, bishop of Buffalo, said:

This newspaper has defended principles that were not invented by men but were revealed by the living God. It will continue to perform that vital task for the enlightenment and progress not only of our country, but of God's holy church.

The observance marked completion of a second-floor addition containing editorial, advertising, and general office space for the 89-year-old publication. The official newspaper of the diocese of Buffalo, it has a circulation of 46,000.

The addition provides 5,000 more square feet of space for production of the paper and makes possible a rearrangement and expansion of printing facilities on the first floor.

Alfred H. Kirchhofer, editor of the Buffalo Evening News, who spoke at the dedication of the new building at the site in 1933, noted today:

This is a significant day because no other publication in Buffalo within a period of 28 years has had to double the amount of floor space it occupies.

Continuing, Mr. Kirchhofer called attention to the interrelationship of the art of writing and printing to the development of all publications, secular and religious.

He observed that Catholic publishers are expressing themselves increasingly on social issues which affect the Catholic population and the entire community. He quoted a recent description by His Holiness Pope John XXIII in speaking of the high standards set for newspapers.

The pontiff told a convention of Italian journalists that their work constitutes a "difficult and serious profession," whose members must have "the delicacy of a doctor, the versatility of a literary scholar, the intuition of a jurist, and an educator's sense of responsibility."

Msgr. Francis J. O'Connor, the editor in chief, termed the occasion a time for gratitude and rededication.

Commending the staff of the paper, he said that "all have shown what the church means when she speaks of the golden age of the laity." He said the addition to the building is a symbol of "their joint effort in ideas and in service."

Mayor Sedita cited the expansion as a sign of growth and success. "It is the earned and deserved reward for faithful adherence to certain concepts of mission and responsibility which have marked the existence of the Catholic Union and Echo," he said.

Cy B. King, executive editor of the Courier-Express, commended the diocesan publication on its growth and remarked:

We complement one another in our reporting of matters important to the citizens of this community. The Catholic Union and Echo does a job for Buffalo and the diocese which, in its breadth and depth, we never could hope to do.

By the same token, the daily papers do a job of furthering community understanding by the publication of articles and news of religious objectives and ideals that possibly would not reach those of other faiths by other means.

Joseph P. Driscoll, associate editor of Catholic Union and Echo, was master of ceremonies.

Open house was held for nuns of the diocese from 3 to 5 o'clock, and for friends of the newspapers from 8 to 10 in the evening.

The editorial that follows appeared in the Buffalo Courier-Express on September 20, 1961:

UNION AND ECHO REACHES NEW MILESTONE

The Courier-Express today joins in western New Yorkers' tribute to the Catholic Union and Echo, official newspaper of the Catholic diocese of Buffalo, upon the dedication of the publication's newly expanded editorial offices and mechanical facilities.

Down through the years the Union and Echo has maintained the highest newspaper standards in reporting the progress of the diocese as well as explaining and interpreting the teachings of the Catholic Church to its laity and non-Catholics as well.

As succinctly stated by Cy B. King, executive editor of the Courier-Express: "We complement one another in our reporting of matters important to the citizens of this community. The Catholic Union and Echo does a job for Buffalo and the diocese which, in its breadth and depth, we never could hope to do. By the same token, the daily papers do a job of furthering community understanding by the publication of articles and news of religious objectives and ideals that possibly would not reach those of other faiths by other means."

We feel certain that the new addition to the Union and Echo is only one of many such progressive strides that will be taken in the future as the newspaper expands. In present and future attainments we wish our neighbor publication continued success.

CONGRESSMAN JOHN D. DINGELL REPORTS TO THE PEOPLE OF THE 15TH DISTRICT OF MICHIGAN

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may revise and extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DINGELL. Mr. Speaker, I would like to present my sixth annual report to the people of my district on my stewardship in the Congress. I have filed such a report with my constituents at the end of each session of Congress during which I have been privileged to represent them and their interests.

During this session, I again served on the Committee on Interstate and Foreign Commerce and the Committee on Merchant Marine and Fisheries. I have achieved significant seniority on both of these committees, and now have the honor of serving as chairman of the Subcommittee on Oceanography of the latter committee. The subcommittee is responsible for scientific research and study of the oceans of the world.

I have appeared before appropriate committees testifying in favor of legislation to liberalize social security, and have devoted a great deal of energy to study and sponsorship of new concepts of this system to offer more and better protection to our people. The program for medical care for the aged within the social security system, on which the Congress is expected to act next year, for example, and the reduction of the retirement age with full benefits, are both examples of legislation in this field which I have sponsored since I first came to Congress 6 years ago.

I was one of the leaders in securing authorization of funds for an investigation of the securities market by the Securities and Exchange Commission to determine whether the small investor is being adequately protected by existing law.

My vigorous support has been given to legislation protecting our consumers, not only from price gouging in natural gas and other commodities, but also from dangerous, adulterated, filthy, and contaminated foods, drugs, and cosmetics.

I have supported school construction legislation, and have sponsored and supported tax measures closing loopholes and reducing the income tax of those in the lower brackets by raising the individual exemption.

I maintain two offices to serve my constituents, one in Washington, D.C., and one in Detroit at 7310 Grand River Avenue, where I will again be available, this fall, to meet with my constituents on their problems.

I. LEGISLATION INTRODUCED BY THE HONORABLE JOHN D. DINGELL WHICH HAS BECOME LAW DURING THE PAST YEAR

Mr. Speaker, I have had the satisfaction of seeing several bills which I introduced passed by both Houses of Congress and signed into law by the President. They are:

H.R. 4038: The Blatnik-Smith-Dingell Water Pollution Control Act of 1961. The act provides new and stricter Federal sanctions against the polluters of our Nation's water supply, and increases Federal grants to States and municipalities for pollution abatement works. The bill was endorsed by all conservation, municipal, and public health groups, and will result in a real cleanup of our polluted waters.

H.R. 3874: The provisions of this bill were enacted as one of the Social Security Amendments of 1961. It provides for reduction of the retirement age for men under the Social Security Act from 65 to 62.

Other pieces of legislation, of which I was one of several sponsors, and for which I have worked for a number of years, were enacted into law this session. Among these were the bills which raised the minimum monthly primary benefits under social security from $33 to $40, increased widow's benefits, and included children of the unemployed under the aid-to-dependent-children program.

I was also a cosponsor of the Temporary Unemployment Compensation Act, and the Area Redevelopment Act, and had the immense pleasure of seeing my 6-year fight for a minimum wage of

$1.25 an hour brought to a successful conclusion with passage of legislation similar to my bill H.R. 2412.

II. OTHER LEGISLATION INTRODUCED BY THE HONORABLE JOHN D. DINGELL DURING THE 87TH CONGRESS, 1ST SESSION

I introduced many other measures during this past session, Mr. Speaker, on which no action has as yet been taken. However, my constituents may be sure that I shall continue to press for the passage of such measures as these:

UNEMPLOYMENT COMPENSATION

H.R. 4084: Would establish Federal standards for unemployment compensation to guarantee benefits equal to not less than 50 percent of the worker's weekly wage, but not more than two-thirds of the average wage prevailing in the State, for a minimum of 39 weeks. This bill would have provided the average Michigan worker during the recent recession with an additional $19 weekly in benefits for the period for which unemployment compensation may now be paid, and also would have provided $49 per week for an additional 13 weeks. These two provisions, taken together, would have pumped a badly needed $1.3 billion of additional purchasing power into the American economy.

H.R. 6715: Under this measure, the Veterans' Administrator and the Federal Housing Administrator would establish funds in areas of substantial labor surplus which would be self-liquidating, and would be used to protect owners of homes subject to VA- and FHA-insured mortgages from default for 1 year while unemployed, and for 30 days after reemployment.

CIVIL RIGHTS

H.R. 2413. A bill to make it an unfair labor practice to discriminate in hiring unjustly on account of age. This would help solve one of the gravest unemployment problems of those of middle age or older.

H.R. 101. This bill, the first civil rights legislation to be introduced in this Congress, is an omnibus bill to outlaw discrimination in voting, housing, transportation, and employment, and to create a Federal Fair Employment Practices Commission with strong authority to outlaw discrimination in employment.

H.R. 102. A bill to authorize the Attorney General of the United States to file civil actions for injunction on behalf of citizens whose civil rights are threatened or interfered with.

H.R. 103. A strong antilynching bill to prohibit and punish such violence when inspired by the race, creed, or color of the victim.

H.R. 104. A bill to establish a meaningful Federal Fair Employment Practices Commission with real authority to halt discrimination in employment because of race, creed, color, or national origin.

House Joint Resolution 3. A constitutional amendment establishing uniform national suffrage by eliminating all restrictions on voting except for age and reasonable length-of-residence requirements. This provision was recommended by the Civil Rights Commission in its recent report on voting.

NATIONAL CONTRIBUTORY HEALTH INSURANCE

H.R. 4413 would establish a national program of contributory health insurance, and thus make adequate medical care available to all, on a prepaid basis. Under this program, the patient may choose his own doctor, and the doctor cannot be forced to take any patient he does not want.

SOCIAL SECURITY

H.R. 4602: A bill to liberalize the definition of permanent and total disability under the Social Security Act to permit those who are so disabled as to be incapable of continuing work in their regular employment to retire without waiting for age 62. This will permit many now denied benefits under the unduly harsh disability provisions of social security to secure desperately needed help.

H.R. 5401 would reduce the retirement age for men to age 60 and for women to 55, and eliminate reduction of benefits on account of early retirement.

H.R. 5891 would continue payment of survivor and other benefits to children attending school up to age 21, rather than the present age of 18.

H.R. 4309: The administration's proposed Retired Persons Medical Insurance Act, providing for hospitalization, skilled nursing, outpatient, and nursing home care for persons receiving retirement benefits. I was one of the first sponsors of this measure, and I am happy to report that hearings have already been held and further action is scheduled for next year.

TAXATION

H.R. 2409 and 2410: These bills would raise the individual exemption to $700 and $800, respectively. For a family of four in the lowest taxable income bracket, this would mean an additional $80 or $160 of purchasing power per year.

H.R. 2408 would eliminate the 10-percent Federal excise tax on automobiles to help provide jobs for our automobile workers.

LEGISLATIVE RECORD OF THE 87TH CONGRESS, 1ST SESSION

By means of the closest of cooperation, Mr. Speaker a Democratic 87th Congress, and a Democratic President, John F. Kennedy, have made an extraordinary record of creative action in the last 9 months.

A primary objective of the Democratic program was reorganization of the House Rules Committee, to make it more responsive to the wishes of the House and to make it more difficult for the forces of reaction to utilize that body as an obstructive instrument. This reorganization, of which I was one of the first and most determined advocates, was speedily accomplished, and liberal measures, among the first of which were those for the relief of the unemployed and hungry, followed quickly.

ANTIRECESSION ACTION

Both the President and Congress acted quickly to end the recession of 1960–61. By Executive order, the President doubled the amount of surplus foods going to each needy family and began utilization of the food stamp legislation, which I sponsored last session and which the previous administration had ignored, in a number of cities including Detroit. Early distribution was made of tax refunds and veterans' insurance dividends to bolster purchasing power.

The Congress quickly enacted extended unemployment compensation coverage, on a temporary basis, for 600,000 unemployed workers. It also passed legislation to provide the benefits of the aid-to-dependent-children program to children of the unemployed, providing over $200,000 over a 14-month period to 750,000 needy children and 250,000 needy adults. Both of these measures helped break the back of the recession, but to its everlasting discredit, the Michigan Legislature has denied the children of our unemployed $20 million by refusing to enact legislation to carry out provisions of this act.

To provide assistance to areas of high, persistent unemployment, like Detroit, the Congress enacted the Area Redevelopment Act, of which I was one of the first sponsors. This act makes funds available for redevelopment planning, industrial and commercial development projects, public facility construction, and subsistence payments to workers engaged in approved training and retraining programs.

The Congress enacted milestone amendments to the Social Security Act including among other things reduction in the retirement age to 62, of which I was a sponsor. This bill raised the minimum primary benefits from $33 per month to $40 per month and gave new coverage to 160,000 persons previously excluded because of lack of necessary quarters of coverage.

LEGISLATION TO INITIATE NEW SOCIAL PROGRESS

The Housing Act of 1961 made public housing available to 100,000 more low-income families, aided cities in preservation of open spaces and establishment of public parks, and liberalized FHA mortgages by reducing downpayments and extending the duration of the amortization period.

This session of Congress saw the first major expansion of coverage of the Fair Labor Standards Act since the original act was passed in 1938. The new law covers 3.6 million workers previously unprotected, provides pay raises for 1.9 million others, and raises the minimum wage to $1.25 per hour by two steps. Few of our workers in Michigan will be benefited directly. However, this may stop the movement of industry from our State to lower wage areas.

Strong water pollution control legislation was enacted, and the establishment of a whole series of national parks has been provided for by appropriation of funds for purchase of land.

NATIONAL DEFENSE

Because of the new threats to world peace manufactured by the Soviet Union, the Congress unanimously provided the

administration-requested $6 billion for increased missile programs—including a doubling of the Polaris program—increased bomber alerts, and new weapons and increased personnel for the Army, Navy, and Air Force. The Congress also doubled, at President Kennedy's request, the funds for America's program of space exploration.

For the first time, adequate civil defense was provided for, with a $207 million fallout shelter program and a reorganization of the administration of the program.

Congress also took a new and important step in national defense by enacting the administration's plan for a Disarmament Agency. This new Agency will be responsible for providing the research and the tools necessary for the writing of new U.S. policies to achieve effective and bilateral disarmament with safeguards and for new methods to seize initiative in this area from the Communists.

FOREIGN POLICY

The vigor of the Kennedy administration, and its close cooperation with the Congress, was manifested many times over in the field of foreign relations. The Peace Corps was established to give young Americans a chance to make a personal contribution toward building good will for America and to give substantial aid to new nations lacking in essential skills.

The new alliance-for-progress program will make available $600 million to help our Latin American neighbors help themselves.

The food-for-peace program, expanded and revitalized by Congress at the President's request, has been enthusiastically received as an outstanding way to reduce world tension and aid the world's hungry by utilization of surplus American foods.

The Congress has also recently appropriated almost $4.2 billion for other types of foreign aid under a new approach, which for the first time will emphasize self-help and loans rather than outright grants.

CONSUMER PROTECTION

The Federal regulatory agencies have undergone extensive administrative reorganization for greater efficiency. Consumer-oriented appointees have given new direction to their respective programs and will insure better protection for the American consumer and homemaker.

The Food and Drug Administration received appropriations for a substantial increase in the number of its inspectors, to better enable it to protect the American people from unsafe foods, drugs, and cosmetics.

CIVIL RIGHTS

The Congress extended the Civil Rights Commission for 2 years. Unfortunately, I was not able to secure complete acceptance of my bill, H.R. 6879, to make the Civil Rights Commission a permanent agency, but liberal forces in Congress did extend the agency for a further 2-year term. The work of this agency is too valuable to let it die.

I joined with the Attorney General in urging the Interstate Commerce Commission to establish rules and regulations to halt unlawful racial segregation on buses and in bus terminal facilities. These rules have just been adopted by the ICC and will permit further progress in the battle for first-class citizenship for minority groups.

Mr. Speaker, I believe that there has never been a time in American history when the President and the Congress have worked together so closely and effectively and have achieved more under such difficult circumstances. There are those who criticize our actions on the grounds that all this efficiency is costing too much, and excoriate what we have done because there will be a budget deficit of $5.9 billion this year. To them I would point out that 32 percent of this spending, half of which is to be repaid, was necessary to break the recession. Over half of this deficit is occasioned by additional spending for our national defense. The gravity of the domestic and world situations which the Kennedy administration and the 87th Congress inherited, required vigorous action and the substantial expenditures made to protect our country and restore our economy.

It is my hope that the next session of Congress will be as fruitful as this one, and I pledge to devote my energies to that end.

SAVINGS IN DEFENSE

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, in a statement from the floor on July 12 entitled "Defense and Fiscal Responsibilities," I cited that President Kennedy proposed increased spending of almost $12 billion, most of which was for nondefense spending. Further, that it would probably be necessary to spend an additional $3 to $5 billion for defense purposes. I said then, there is no question that any defense effort which is necessary to our security should be made; and that these expenses could and should be met out of current revenues. However, I pointed out that, in view of the staggering increase in proposed spending, the President should tell the American people how the somewhat conflicting and competing military and nonmilitary programs will be simultaneously accomplished without destroying confidence in the value of the dollar, an event which would serve Mr. Khrushchev's purpose better than almost any other possible occurrence.

Now at least I am encouraged that in our defense spending—under Secretary McNamara—there is recognition that we must not destroy confidence in our dollar through waste and duplication in conflicting and competing programs. The Secretary's action in establishing a unified Defense Supply Agency reporting directly to the Secretary is a signal and major step toward effecting savings in our defense expenditure. It can eliminate much of the waste and duplication within the military supply systems. This is something which the Congress has long urged and was a major recommendation of the Hoover Commission. It can bring about great savings and increase the efficiency of our defense effort. The Secretary deserves the full support of the Congress and the public in his implementation of this action.

MAKING ILLEGITIMACY PAY SO WE HAVE MORE ILLEGITIMATES

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, the evidence is now fairly conclusive that the manner in which aid to dependent children is being regulated at the Federal level regardless of the wishes of the States and the local communities encourages illegitimacy and the raising of children in immoral atmospheres.

As is frequently the case today, this inhumane system is conducted in the guise of humanitarianism, and smear tactics have been employed against anyone who dares raise criticism. Critics of the system have been depicted in words and cartoons as being unsympathetic to children. Herb Block's recent cartoon of Senator BARRY GOLDWATER and the little child is only one example of the viciousness employed by these pseudohumanitarians.

Now let us all agree, as we do agree, that aid to dependent children is to help the children and not the parents. We also agree that whenever possible a child should be kept with the parent; children as infants or of young age should be kept with the mother, where there is a conflict between parents. We also should agree, but herein lies the area of disagreement, that the guiding star should be healthy, moral home environment for the child. Perhaps there is agreement here, but there is disagreement in what constitutes healthy, moral home environment.

I believe that a second illegitimate birth by a mother is persuasive evidence that a home run by that mother constitutes an immoral atmosphere. When I say that it is persuasive evidence, I do not mean that the evidence cannot be rebutted, but it does mean that rebuttal evidence should be extraordinarily strong in order to overcome the presumption.

The finding that a mother giving birth to a second illegitimate child cannot maintain a moral homelife applies to all children, not just the new one. It

does not mean, and should in no sense mean, that aid to the illegitimate children is cut off. It simply means that the payments for the children should no longer be made to the mother, but should be made to an appointed curator and paid over to the person or institution which provides the child, or children, with the healthy and moral home atmosphere. Certainly a foster home is second best to a moral home maintained by a natural parent, but it is certainly superior to an immoral home maintained by a natural parent. Many fine Americans have been products of foster homes and foster institutions. There is nothing shameful or degrading about foster parents or orphanages, although there is something degrading about the tactics employed by certain people who go around suggesting that there is degradation. These same people are hard at work trying to make "means tests," which we employ for so many different purposes in our laws and institutions, degrading. A means test can be so administered as to make it degrading, but likewise it can be so administered as to make it honorable, such as a young student being awarded a college scholarship.

I am setting out a letter I wrote to a social worker 2 years ago in which I discussed this same issue. I hope we will remove the Federal hand of obstruction which is prohibiting our States and communities both from moving ahead to minimize the incidence of illegitimacy and from improving the moral homelife of the children who have had the misfortune to be born out of wedlock. I have today introduced a bill which will attain this objective.

FEBRUARY 26, 1959.

DEAR MR. ———: Thank you very much for your letter of February 4, 1959. I appreciate very much discussing with you these important philosophic criteria that lie at the base of some of our social legislation. I thought your letter was intelligent and expressive.

You have stated our area of agreement and disagreement correctly. I do believe that an unwed mother with several illegitimate children has demonstrated that she is incapable of promoting a normal home life for her children. I don't think I would go so far as to state that this is an irrefutable demonstration but certainly I feel that the burden of proof that she is capable of promoting a normal home life for the children has passed to her when she has a second illegitimate child. The law as it is presently written and administered in many States does not switch this burden of proof.

You ask what is going to happen to the children if such women are dropped off the rolls. You suggest the child will become even more emotionally disturbed. I agree that the problem for the children is by no means solved by taking them from the mother, but I am satisfied that removing them from an obvious immoral atmosphere gives us the chance of getting them into a better atmosphere. I certainly do not underestimate the value of mother's love to a child but I also do not want to underestimate the number of men and women who have become fine and, indeed in many instances, outstanding citizens who have been reared in orphanages.

What I believe your syllogism ignores is the cause of the problems. The cause rests in the inadequacies of the parents. If we can hit at the cause of these problems, possibly we can help in minimizing their number. I suggest that a policy that places no burden on correcting the inadequacy of a particular mother and, indeed, in some way places a premium upon it, is an incorrect one. It increases the number of problems.

You ask what about the mother's emotional reaction. I state that the best thing our society can do for the mother is to try to correct her inadequacies. Correction sometimes requires pain but I submit those who seem to have been the most successful in the pursuit of happiness are not the grasshoppers who dance in the warm sun of a single season but rather those who recognize that life has four seasons and that nature can be painful as well as pleasant. Do we help people in encouraging them to follow the grasshopper philosophy? Aren't we really more charitable in the long run if we make them face up to the facts of life? One of the facts of life is that the American society does not look kindly upon illegitimacy. Maybe the American society some time will change its attitude but not in the lifetime of these clients.

Finally I would say this as one who opposes our criminal laws to the extent that they are based upon retribution, I think society properly can use punishment not as retribution but as a deterrent. In other words, penitentiary sentences for criminal acts can be justified to the extent that they help deter future criminal acts. So I believe in other laws we can properly have a regard for deterrents to human actions which are deemed to be harmful to our society. If taking a firmer hand with our unwed mothers will bring about a decline in the number of children of unwed mothers we have to that extent eliminated the problems of some of the emotionally disturbed children.

I think it is much more important to correct the causes of a disease than to treat the symptoms. The illegitimate children already born are the symptoms (and we must treat them to the extent we can) but our real problem is to cure the disease and have no illegitimate children. Then we don't have to treat the symptoms.

Yours truly,

THOMAS B. CURTIS.

POLITICS OF TAX REFORM

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, earlier today I had the opportunity to address the Committee on Economic Security of the U.S. Chamber of Commerce on the subject of taxation and the continued progress of our dynamic American economy. I should like to place this speech in the RECORD for I believe that this is a matter of the greatest importance to the country:

POLITICS OF TAX REFORM

(Speech of Hon. THOMAS B. CURTIS (senior Republican House member, Joint Economic Committee, member of Ways and Means Committee (South St. Louis, St. Louis County, Mo.) before the U.S. Chamber of Commerce Committee on Economic Security, September 22, 1961, New York Room, Statler Hotel, Washington, D.C.)

I am pleased to have the opportunity of discussing with this group of business leaders assembled from around the country some of the problems which have arisen in our dynamic private enterprise economy.

It has become necessary in America today before a meaningful discussion of any economic problem can begin to be certain we are talking about things with the same basic concept.

The private enterprise system is predicated upon the assumption that government, be it local, State or Federal, is the handmaiden of the people. In no sense are people the servant of government. Nor in the private enterprise system is government at any level the partner of the people. Under the concept of the private enterprise system the only time government enters into any field is to perform some service for the people which they cannot perform for themselves and just as soon as the people can perform that service for themselves the government should phase out. Government is a handmaiden, a servant, never the master and not even a partner of the people.

Now there are people today, indeed possibly people in this audience who do not subscribe to this theory. That is their prerogative. All I ask them to do is to take exception to this fundamental thesis openly, advance their facts and arguments straightforwardly and we can get on to meaningful debate.

However, most of the people who do not subscribe to this theory of the private enterprise system, in American political life today, will not openly challenge this theory and advance their contrary beliefs. Instead, they give lip service to the thesis I have advanced and then undercover or obliquely they attack aspects of the private enterprise system which goes to its very roots to destroy it.

There are many examples I can give but one recent one is Secretary of Interior Udall's statement that private and public power organizations should join in a merged national grid of power lines. This proposal is not based upon the concept of private enterprise which I have advanced. It is based upon an entirely different concept, that government is a partner of the people. That government per se should be engaged in doing things for the people regardless of whether the people could be doing these things for themselves.

Government in business is at any time a second best way of meeting a social need. It is only excusable when for other reasons the marketplace technique cannot function. I want to spell out two basic reasons why government is and always will be second best to the private enterprise system operating through the marketplace.

1. Its personnel system does not permit the flexibility, variety and innovation that can and does exist in the private sector. Through bitter experience we have learned that we must establish civil service laws to protect governmental personnel systems from being made completely inefficient through spoils politics. Indeed we need to establish a civil service system in order to protect representative government from the abuse of power which is inherent in such a large employment power. Yet by establishing a good civil service system with such protection we by that very act are imposing a rigidity upon that system in respect to hiring, promoting and firing which make it second best to the more flexible systems which can and do exist in the private sector.

In the private sector a great deal of the competition that exists in the marketplace between one business and other business in essence is competition between two different personnel systems. Through this kind of competition we obtain innovation and as in the natural laws of the survival of the fittest the more fit personnel system tends to move out the more inefficient personnel systems.

2. The second basic reason that government will always be second best to the pri-

vate sector as a place to best do things lies in the difference in the two budgetary systems. In the private sector a business that overexpands is subject to the strict discipline of the marketplace just as is a business which remains underdeveloped. Or to put it another way, a business which overstocks on inventory faces just as strict penalties from the competition in the marketplace as does a business which understocks.

In the governmental sector, however, the automatic discipline only occurs for the bureau which understocks, not the one which overstocks. In the Army it is legendary that a supply sergeant who has enough never gets a bad checkmark but woe betide a supply sergeant who has too little, at any time, for whatever reason. In the governmental sector the discipline is all one way. Is there any doubt that we have Parkinson's first law relating to governmental bureaucracy?

The only discipline existing in the governmental sector against overstocking or overexpanding is the artificial budgetary procedures the executive branch of the Government and the Congress have established. I could give a full speech on the complete inadequacies of the governmental budgetary process to exercise the kind of discipline that comes naturally from the marketplace. The only point I am making now is that this inadequacy is inherent in the very process of government or monopoly of any sort. Bureaucratic regulation will always be second best to the discipline that market competition brings about.

I want to stress a third point why government should only be in a business which for definite and provable reasons the private sector cannot perform for the people. Government derives its revenues to support the operation of the business it must undertake for the people, business which is not subject to much debate, national defense, running our courts and our regulatory bodies and, yes, running a legislative branch of government, from imposing taxes upon the private sector. Accordingly, every time we transfer an activity from the private sector to the governmental sector we increase the taxload and diminish the tax base. In 1929 the ratio of private capital investment to governmental capital investment was about 9 to 1. Today it is less than 5 to 1. The tax base is private capital investment in essence. A rate of 3 applied to a base of 9 gives a take of 27. A rate of over five must be applied if the base is only five to obtain the equivalent tax take.

Of course the Socialists are well aware of this process. The more that is placed in the governmental sector the smaller the tax base and the higher the tax rate. This in turn makes it more difficult for the private sector to meet the needs of the people and becomes further ammunition for the Socialists' arguments that government must perform other services because the private sector either is not or cannot perform these services.

It should be unnecessary to review these factors about the private enterprise system, because they are almost axiomatic. However, I have found so few people in America who understand even the axioms lying behind the great truth of the private enterprise system, including businessmen, that I think we must state them, restate them, and then restate them again and again until every businessman in this country understands why the theory of socialism is fundamentally unworkable and must be eschewed. Furthermore, maybe some of these axioms might even penetrate into the minds of our civil servants in the State Department and other departments that deal with people abroad so we could start selling the truth of the private enterprise system to them instead of the will-o'-the-wisp socialism which our civil servants have been selling, unwittingly, I must allow, because they have never understood the theory of private marketplace economics. Perhaps they have not been taught it and perhaps we are not teaching it in our schools of economics and business today.

Having established that government at any level is the servant of the people, I would now like to move on to another basic point. Our economy is not tired and sluggish. It is not sick. It is not going nowhere as the President's Council of Economic Advisers and other Keynesian economists have been stating. Albeit now that they are in charge of the Federal Government their tune has changed a bit and there is not the downgrading of our system and its achievements to the extent there was before these gentlemen assumed political power.

Quite the contrary, our economy is so dynamic, our economy has been growing so fast that we have serious growing pains. Automation is not stagnation—it is economic growth. Shift in economic emphasis from manufacturing to service and distribution is not stagnation or going backwards, it is meaningful economic growth in the sense that more of our people are sharing in the mass production of our manufacturing concerns. It creates a more flexible and therefore a stronger economy, both for peace and for war. More leisure time though it cuts down on the GNP is not economic stagnation or economic sickness if that leisure time is spent in more years in education and in proper recreation which increases worker productivity. Indeed it is the very essence of future economic growth.

By every economic measuring stick we possess our economy has grown more rapidly than in any period in history. Now I would like to discuss some of the problems rapid economic growth creates. I am going to name two and go into some depth in respect to the second.

Rapid economic growth costs money. It costs money to junk obsolete machinery and to acquire the new and improved machinery. It costs money to engage in the research and development from whence springs the innovations which spell meaningful economic growth. It costs money to train the new skills now needed. It costs money to junk the old skills now obsolete—the money that had been sunk in the old training now useless. Rapid economic growth requires increased services—transportation, communications, power, health, recreation, and governmental services.

These costs must be recouped in the private sector through the prices charged for the goods and services provided to the consumer. Even the taxes paid by business for the increased governmental services must be included in the price of goods and services. A good deal of this cost can be absorbed in the increased productivity gains that come with real and rapid economic growth. However, the more rapid the growth the greater are the structural problems of absorbing these increased costs in this manner. I want to stress that the increased price that does come about is in no sense an inflationary increase, but rather a higher price for value received in new and better goods or services formerly unavailable, indeed unknown a few years before. In other words, the increased prices are for increased standards of living and the cost of the old standard of living has actually gone down considerably.

However, no one wants to go back to an old or lower standard of living once a higher standard of living is available—even though the price is more. And this is as it should be. This is economic growth of the most meaningful sort.

Accordingly, in a dynamic economy wages and salaries go up to meet the increased price which the higher standard of living requires. And these increased wages and salaries too can be taken care of out of the productivity increases that rapid economic growth contains. Yet the very change creates problems because wages and salaries cannot be advanced faster than real increased productivity else we have inflation—higher prices without higher living standards which also wreaks havoc with the entire private enterprise system, creating unemployment and economic stagnation.

Then, the investment money necessary to buy the new machinery and to finance the training of the personnel for the new jobs must be found. Investment money comes only from people's savings. I should not have to stress the fact that government cannot save. All it can do is take people's savings and invest in their behalf. People invest their own money much more wisely than governmental civil servants acting in their official capacities because they too are subject to the rigid disciplines of the private marketplace and governmental civil servants in their official capacities are not.

In order to keep the flow of investment capital coming, the return for (1) the risk of capital, (2) for the personal discipline exercised by the person who decided to save the dollar for investment instead of using it for consumption, must be assured. Accordingly, part of the gain from increased productivity must be passed on to the investor. The productivity increase must be split three ways to keep our system moving: (1) part to the consumer in price adjustment; (2) part to the worker in increased salaries and wages; and (3) part to the investor in a reasonable rate of return for his investment.

The more rapid our economy grows the greater demand there will be for the investment dollar. Today it requires about $20,000 of new capital investment to create one new job. The Federal Government cannot increase the available investment capital through inflating the dollar or lowering interest rates. It can deter investment capital by doing both these things, however. And, even more important, it can hog the investment capital available by going into the money market to finance its own deficit spending. This hogging the market not only lessens the investment capital available to business to finance the economic growth coming about, but it also contributes greatly to inflation.

It is for this reason, among many others, that deficit financing at the Federal level contributes so heavily to economic stagnation. And heavy deficit financing, of course, is the last stage of a system of high tax rates imposed because government has moved into the private sector of the economy so heavily and so narrowed the tax base. All of this feeds upon itself.

Finally, rapid economic growth creates frictional unemployment, which unattended freezes into what the economists call structural unemployment. Now here is another axiom that the President's Council of Economic Advisers seems to ignore. The more rapid the economic growth, particularly when it exhibits itself in automation and shifts from manufacturing into distribution and services as our economy has been doing, the greater is the incident of frictional unemployment and if unattended the greater is the incidence of structural unemployment.

Our unemployment rate today is largely the result of rapid economic growth. It is not a symptom of a tired, sluggish economy as the President's advisers have been calling it. These advisers at the very time they are deploring the unemployment say they want more rapid growth, not less rapid growth. If they have their unanalytical way they will be compounding the present serious problem of unemployment and be creating no sustainable economic growth. Government cannot make jobs any more than it can

create investment capital. What jobs government provides, that are meaningful, come only from the demands of the people for proper and needed service.

Our emphasis should not be on unemployment except as a great resource upon which we can draw to meet our real problem in filling the new jobs going begging. Rapid economic growth creates a need for many more skills and better paid skills than it displaces. Ironically at the same time the blind prophets of doom go around with long faces talking about the unemployed they are promoting ways of spending more Federal money to get people to fill jobs they say are going unfilled, more teachers, more technicians, more nurses, more doctors. Indeed, there is such a shortage of labor in this country—as there has been for 150 years in our dynamic economy—that it is hard to understand why we have not done a better job of setting up a system to do the obvious—match the needed skills with the people who need jobs. But then the rate of growth has been so much faster since World War II than at any time before, that it is somewhat understandable why we have been unprepared to handle the increased size of the problem.

And that is what I really want to talk about. Not very long, just long enough to get the message across if I can.

The job is not as simple as it sounds. Rapid economic growth, and particularly the part that automation plays in it, creates unemployment primarily among the unskilled and semiskilled workers. The jobs that it creates require more skill than the average skills then existing in the society. Obviously, we are not going to be able to match the unemployed unskilled or semiskilled worker with the job that requires more skill, not less skill, than the skills that he saw all around him and couldn't fill. What we are going to have to do—or I should say what we are doing because even though the great Government in Washington is almost completely unaware of what is going on here, much is going on. What we are doing is urging the skilled worker to learn the higher skill leaving his old job for someone below him in skill and the unskilled or semiskilled man comes in at the bottom of this chain reaction.

Some people when they see the problem immediately clap their hands and in effect say: "Oh joy, what can the Federal Government do to help here?" Well, my first answer is to say the Federal Government should first stop doing some of the things it is doing, which is a great deterrent on this process before it starts thinking of doing anything new. 1. It can change its tax laws so that the cost of a person upgrading his or her skill is a legitimate business expense for tax deduction and abandon the old law which said that it is only a business expense if a person trains to retain a job.

2. It can change its unemployment compensation laws so that it encourages instead of discourages States which want to use this system to encourage unemployed people with obsolete, or no skills, to train or retrain. I see no reason why if a State wants to toughen up and say to an unemployed person with an obsolete skill, you get no unemployment insurance unless you go to school and acquire a skill for which there is a demand, it should not be able to do so.

3. It can go to work updating its present vocational educational programs so that they are not teaching skills which are obsolete and unneeded in our economy. The Federal Government in many respects has been a deterrent to States and other organizations which have vocational educational programs from keeping the curriculum and courses up to date.

4. It can start doing a proper job of collecting information of what is presently being done in the private sector of the economy and in the State and local levels in the field of vocational and adult education, apprenticeship, and on-the-job training.

5. The Department of Labor can start doing a proper job of collecting and disseminating information about job descriptions and nomenclature and keeping this data up to date by dropping out old skills and putting in the new. Indeed, they can make projections into the future in respect to new skills which will come into or are coming into demand so that we will not be caught short. At the present time the private sector along with many of the States are far ahead of the Department of Labor in this work.

6. The Departments of Labor, and Health, Education, and Welfare should establish close liaison with each other in their respective areas that relate to this subject. The two Departments meet each other in such fields as on-the-job training and apprenticeship training.

7. The Departments of Labor, and Health, Education, and Welfare should analyze what the Defense Department is doing in the area of vocational and adult education and start coordinating their work in relation to it.

8. The DOD should get out of much of the vocational and adult education they are presently in. The DOD should identify the skills they need for operating their establishment both in peace and in the event of mobilization and rely upon the private sector to train the necessary persons in these skills. Many of the skills needed by the military are civilian in nature and many require only a little tailoring to make them meet their military counterparts. The military reserve programs should be set up to keep these tailored skills up to date. Today there is little or no liaison between military and civilian manpower needs.

Essentially, the job of retraining to be done is in the private sector. I believe business must look to its personnel systems with some eye to the problems of the overall dynamic economy. Already business has learned to cooperate with the rehabilitation authorities in analyzing their own job classifications to see where blind men, one-legged men, other persons with physical limitations can be used efficiently and effectively and not filling these jobs with people who are perfectly capable of performing other jobs where all the faculties are necessary. So I believe we must treat a great deal of the present unskilled and semiskilled unemployed in a similar manner. They are to a large degree made of people with limited IQ's and if not limited IQ's certainly with people with limited education. There are jobs these people can perform. People who are capable because of higher IQ's or more education for handling a job requiring a higher skill should not be permitted to sit on their dead ends because of lack of ambition or whatever and hold down these kinds of jobs and so keep those less able from gainful employment.

If these people won't undertake training for a higher skill they are capable of filling they should be let out if the job is needed by these limited persons. Some management today follows this policy and I believe they have better personnel systems for it. However, management as a whole needs the help and understanding of union leaders and the public to do this job properly. Indeed, the entire field of retraining and upgrading skills requires the understanding and cooperation of management and labor and the public.

Once management and labor establish working agreements in this matter I am satisfied government which always tags along—although in these days always trying to take undue credit for the advances—can then update its unemployment insurance laws and other laws to meet these new theories.

Finally, I want to put in a special plea. Don't oppose the Holland bill for retraining simply because some aspects of it are ahead of reality. I know it calls for the expenditure of $250 million for retraining and the Departments of Labor, and Health, Education, and Welfare have not worked out plans of how to spend this money intelligently and I doubt if they can ever figure out how to spend this sum of money on top of what is being spent today in the private sector and by State and local governments intelligently. However, the essence of the bill as far as I am concerned is the requirement that the Departments of Labor, and Health, Education, and Welfare start performing their functions as collectors and disseminators of up-to-date information on the subject of job skills and the training needed for these skills and start working together in doing this job. Then these Departments must report back to the Congress in a year's time on the progress they have made. By this time I hope it will become quite apparent to these good civil servants in these bureaus that you don't solve the problem of retraining by throwing money at it and indeed it is brains and ideas, not money, that is needed to meet the problem.

This is only an authorization bill, and I think we can rely, in this instance, at any rate, on the Appropriations Committee not giving any more funds than are necessary to set up the clearinghouses and to make the study. In the meantime, if business and labor get to work together in this area in a more formal and organized way than up to present, I think we can keep the Federal Government in its proper sphere of a collector and disseminator of information and not as an active participant.

Now, if what I have said has fallen on deaf ears, let me close on a note which may startle you into the points I have tried to make. The problem of frictional unemployment has been left by our society to drift to the extent that it has frozen into areas of structural unemployment—for example, the coal-mining areas of Pennsylvania and West Virginia, the iron-mining areas of northern Minnesota. The rapid rate of frictional unemployment in this dynamic economy is allowing other areas to freeze into structural unemployment. I am satisfied this problem created by rapid technological growth can be met on a daily basis if we set up the machinery to meet it. This machinery essentially can and should remain in the private sector. However, I believe government will always have a part to play here, because the bulk of our enterprise in America is composed of small and not giant units, both in the field of business organizations and labor unions. I trust it remains that way. However, being that way, some organization must serve to maintain a national clearinghouse for information. This is the function I believe the Federal Government can and should play.

If the private sector, however, does not meet the problem of frictional or structural unemployment, or cannot, then, indeed, I believe that all of us who believe in the private enterprise system and do not want socialism should say, "Well, let's see if government can do the job and how best government should do the job if that becomes the decision." Then we should add the escape clause, which should be added whenever we move government in to meet a problem. The escape clause states that whenever the problem has been solved or clarified so that the private sector can handle it, then government should be phased out.

CAPT. ALEXANDER BIELASKI

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman

from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, truly the tremendous bipartisan activities now in progress are the Civil War centennial observances. The study and appreciation of this tragic, yet great chapter in American history are bipartisan not only in the normal political usage of the word but bipartisan in regional observances as well.

One of the groups actively participating in the Civil War study and commemoration is the American Polish Civil War Centennial Committee, which specifically centers its attention on the activities of Americans of Polish ancestry who fought with both the Union and Confederate forces during our Civil War.

In studying the reports of this committee, I came across material concerning the heroic life of Capt. Alexander Bielaski, who served in the Union army and was killed at the battle of Belmont, Mo., on November 7, 1861.

Mr. Speaker, of more than passing interest to me was that Captain Bielaski had been trained in the Russian Army and fought with the Polish forces in the Polish rebellion against Russia in 1830–31. His record in the cause of freedom in the Polish uprising against czarist domination makes a most inspiring story and coupled with his heroic performance in battle during the Civil War, shows him to be a person of outstanding courage and vigor.

My purpose in bringing this matter to the attention of the House this afternoon is to point out the present-day symbolic relationship of this young Polish soldier who fought for the freedom of his country against autocratic rule, migrated to the United States and fought for the cause of freedom in his adopted country, and current conditions in Poland and with the United States-Soviet relations.

Here we have an amazing parallel where Poland, the country from which the forefathers of many American citizens have come, remains enslaved under autocratic rule, while at the present time Americans of Polish ancestry are most vigorous in their determination to defend the United States and the free world from the threat of international communism.

Mr. Speaker, under leave to insert into the RECORD excerpts from the life story of Capt. Alexander Bielaski from volume 2 of "A Child's History of the United States," by John Gilmary Shea, which was directed to my attention by the American Polish Civil War Centennial Committee.

As I have pointed out, the symbolic circumstances in which Captain Bielaski, a son of Poland, gave his life for freedom in America in 1861 while his homeland suffered under foreign occupation, just as today Poland remains under Communist rule while Americans of Polish ancestry stand shoulder-to-shoulder with all Americans in their willingness to make all possible sacrifices to preserve the freedom not only of our Nation but for all peoples in 1961.

CAPT. ALEXANDER BIELASKI—KILLED AT BELMONT, NOVEMBER 7, 1861

(By John Gilmary Shea)

When the biography of one of our countrymen is to be written, the task is easy in comparison with that of relating the incidents in the life of a foreigner, or describing those traits of character which form the man. Of the native, every kind of information may be gathered from his own family, his friends, and neighbors. Anecdotes of his youth and manhood, events of interest and occurrences of small importance, yet indicative of his turn of mind or disposition, are remembered and detailed by various old acquaintances. Old men recollect him as the boy who shared their sports and their adventures, and recall many an early scene, many a noble act, or kindly deed. Younger men describe the stanch patriot, the true friend: the lofty exhibitions of virtue, truth, bravery, and honor, are described by eloquent pens, and dwelt on by loving hearts. To the biographer is left only the pleasing labor of selecting from this bountiful supply of material such as may best serve to portray the man as he was known among us.

How widely different his work when called on for a memoir of one who came from a foreign land a matured man. Few and meager are the bits of information at hand, and who is there to ask for more? All of the kindred and early friends live in distant lands. Shall we turn for information to his brothers? They are somewhere in the Russian Empire—where, no one on this continent knows. Father, mother, sisters, where are they? Can nothing be learned from them? No; the father sleeps in unbroken quiet beneath the sod of that land which he vainly sought to defend with his sword—the sod often red with the blood of young Bielaski. Mother and sisters, if living, are in Poland. Six months ago, he could have told us where, but now that tongue, ever ready to speak truth, can no more tell of friends or country. Embarrassed, we turn to his wife and children, but they are Americans, and know only fragments of his life—a faint outline is all they can draw. That portion of his life which was spent in America, is all that was of import to these young children, and to the wife who thought of him only as her husband, not as a person of historic interest either here or in his native land.

Taking all these difficulties into consideration, the biographer can attempt nothing like a continuous narrative; all that he dare venture is a recital, in a somewhat disjointed way, of such facts as were related to him by Captain Bielaski himself. Facts they undoubtedly were; for none who knew him ever doubted the truth of his assertions.

On the bank of a small lake in the Grand Duchy of Lithuania, on the 1st day of August 1811, Alexander Bielaski was born. At the proper age he was sent to a military academy, where he received his education as a topographical engineer for the Russian Army. In 1831, Poland determined to shake off the yoke of Russian vassalage, and broke out into revolution. Bielaski, then about 20, engaged with ardent zeal in the cause of his country, and fought valiantly in most of those sanguinary but unequal battles which, in the short space of 8 months, cost the Russians the astounding loss of 180,000 men; and won for Polish courage and patriotism the admiration of all succeeding ages.

When the Polish General Dembinski was retreating from Russia, hard pressed by the enemy in overwhelming force, it became necessary for him to pass a lake near the village of Owanta, over which there was a wooden bridge. Here he must hold the Russian Army in check a sufficient time to enable him to cross, and to take up the flooring as he went. He ordered his favorite battalion of 300 picked men, in which Bielaski was a lieutenant, to form in the woods at the head of the bridge, and guard it until he should accomplish a retreat with his whole army. Dembinski embraced his friend, the commander of the devoted band, waved his hand, and bade them all farewell forever, then pressed forward to save his army. The 300 thus left to inevitable destruction, most gallantly and effectually fulfilled the duty assigned to them; holding their position until Dembinski and the Polish Army effected their escape. They deceived the Russians as to their numbers by extending their lines: then gradually concentrated them on the head of the bridge, as they became hard pressed in the unequal contest. At last, a full division of the Russian Army came down upon them, charging with the bayonet, killing, wounding, and taking prisoners all except 30 of their number. These, at the order of Bielaski, followed him into a densely wooded swamp, down the side of the lake. Soon the entire Russian Army, in full pursuit of Dembinski, were in advance of Bielaski and his handful of brave soldiers, thus cutting them off entirely from their friends. Undaunted, the remnant of the noble battalion followed; traveling by night, and keeping themselves hidden by day. At one time, all being nearly starved, Bielaski, in order to obtain some food for his men, ventured alone by daylight into a village close by the wood in which his men lay concealed. On entering the town, he found it filled with Russian infantry. Soon meeting a group of officers, he boldly addressed them in the Russian language, which he spoke with fluency. They eyed him suspiciously; but he passed on directly into the village, and coming to a cross-street which led in the direction of the wood in which his party were hidden, he leisurely walked its whole length, constantly passing Russian soldiers. At the end of the street was a fence; suddenly he sprang over this, and ran at full speed for the wood. His men, seeing him coming in such haste, called to know what was the matter? "Oh, nothing," replied Bielaski, "nothing but a regiment of Russian infantry close at my heels." This information made his men fly like a herd of deer; but in spite of their rapid flight several of them were killed by the Russians.

At length, with one man only, Bielaski reached the Polish Army near Warsaw, and reported to his general. In reply to Dembinski's inquiry after his command, he pointed to his single follower, and ordered him to present arms. The old commander turned aside his head and wept. Next day Bielaski and his companion received promotion.

Here I cannot forbear relating a circumstance which took place on the morning of the battle in the streets of Warsaw. An officer of superior rank had, on several occasions previous shown toward Bielaski a most tyrannical spirit, amounting to determined insult. On that morning he repeated his provoking conduct, and he and Bielaski were carrying on a quarrel which would probably have led to serious consequences, at the moment when the alarm was sounded that the Russians had attacked Warsaw. The two officers separated to prepare for battle. Bielaski had unfortunately sent his regimental pantaloons to the tailor to be mended, and was compelled to go to parade in a pair of white ones. The officer with whom he had been disputing a short time before saw him on parade in this extraordinary dress, and sharply rebuked him for his unsoldierly appearance. A few

hours later, the same officer beheld Bielaski, whom he recognized by the help of the unusual garment, lying to all appearance dead on the ground. Some months after, in the streets of Paris, he suddenly encountered what seemed to him the ghost of his departed fellow officer, risen from the dead to rebuke him. When he became convinced that Bielaski still belonged to this earth, he asked pardon for his past unkindness, and the generous-hearted Pole forgave him.

In this engagement he received a wound in the mouth from a musketball, which carried away all the teeth on one side of the face and came out at the back of the neck. He fell, but still resisting, was bayoneted in the shoulder. Then he lay still, feigning to be dead, until all the party of Russians had passed over him. Then he arose, and staggering to a stone bench which was near, seated himself upon it. Feeling very faint and thirsty, and descrying some young women on the opposite side of the street who seemed to view him with compassion, he made signs to them for water. One of the girls soon came to him, bringing a glass of pure, colorless whisky: supposing it to be water, and eager to slake his intolerable thirst, he seized it and swallowed the contents at one gulp. The pain caused by the action of the spirits upon this fresh wound was excruciating, but it dispelled the faintness, and he was enabled to reach a hospital which the Poles had established on the outskirts of the city. Here he had not been an hour, before the Russians, having defeated the Poles, were in full possession of the hospital. His position now became very critical, for should he be recognized as a cadet of a Russian military school, who had received his wounds while fighting on the side of Poland, he would doubtless be sent to Siberia, or sentenced to be shot. Fortunately, he escaped suspicion, his wound having so completely disfigured and altered him, that, as he expressed it, his own mother could not have known her Alexander. As soon as he was sufficiently recovered, he left the hospital, and traveled on foot from Warsaw to Paris. Here he offered his services to the French Government and was received into the army. He and his companions in exile were treated with generosity by the French, who allowed them the pay and full rations of soldiers without exacting from them the usual military service.

In 1832, he quit France, and came to America. He landed at Portland, Maine, and very soon after obtained employment as engineer upon a railroad.

At this time he was totally ignorant of the English language, but he had some knowledge of the French, by means of which he managed to make himself understood until he learned by the ear as much of our tongue as sufficed for the ordinary exigencies of life. In after years, he became quite proficient in the use of English.

In 1835, he went to Florida on a surveying expedition, which carried him into various perils and difficulties. Ever ready to brave danger, he took the lead whenever there appeared ought to dread, and with the same stirring cry which he uttered in his last daring charge, "Follow me," he would dash into swamps swarming with alligators, or thickets alive with Seminoles, his very fearlessness seeming to be his safety.

From Florida, he went, in the year 1837, to Illinois, and engaged as engineer on the Illinois Central Railroad, under the well-known engineer and contractor Arthur Hoyt. Here he was occupied in the most laborious duties of the profession; and such was his energy and power of endurance, that often when his assistants, completely worn out, could go no further, he would load himself with their baggage, adding to all the chain and compass, and thus encumbered would return to their camp and send back horses for his exhausted comrades. It was while engaged upon this work that he was attacked by ague and fever, the common disease of that country. He felt that his time was too valuable to be wasted in waiting for the slow process of cure in ordinary practice, so he took a whole box of patent pills at one dose, and, when the chill came on, swallowed a tumblerful of pure brandy. He admitted that the remedies would probably have caused death in any other man, but he never had another chill.

He became a citizen of the United States in June 1841, and on the 17th of July 1842 he was married to Miss Mary Ann Carey, of Springfield, Ill. In the following November, he went to the city of Mexico, where he was immediately employed as an engineer. During his residence in that country, he was constantly engaged; sometimes for the Government, sometimes for private individuals; but always for a very handsome salary. In March 1843, he received from Santa Anna papers of naturalization, accompanied by the offer of a high rank in the Mexican Army. This offer was wisely declined, and after remaining 18 months in Mexico, he returned to Illinois, where he devoted 2 years to farming. On the 1st of September 1845, he was appointed to a clerkship in the General Land Office, by General Shields, who was at that time a commissioner. In this post, his talents as a draftsman were often brought into requisition, and after a time procured him the place of assistant draftsman.

After passing more than 8 years in the faithful performance of these peaceful duties, Bielaski's warrior spirit was again roused. President Lincoln had known him intimately while a resident in Illinois, and highly appreciated his military capacity. Soon after the commencement of the present war, the President offered him a commission as captain in the regular army, and Bielaski immediately accepted. Upon entering the service, he was attached to the staff of General McClernand, and ordered to Cairo. He delayed only long enough to take his family back to their old home in Springfield, Ill., and then hastened to join the division to which he belonged. The first engagement in which they took part was the Battle of Belmont, which was fought on the 7th of November 1861. Bielaski's horse was shot from under him, and while advancing on foot, with the flag of his adopted country in his hand, shouting to the soldiers to follow him, he fell, instantly killed by a cannonball. General McClernand made many efforts to regain his body, but it had been buried with a mass of other dead, and could not be recovered.

Captain Bielaski was about 5 feet and 8 inches high, broad shouldered, and well formed for strength and endurance, rather than for grace and activity. His face, though disfigured by a shot, was pleasing to look upon, especially when graphically describing some hard-fought battle. Then his gray eyes sparkled with excitement, and the veins in his high, broad forehead would swell as the battle thickened. He was always frank and openhearted, sometimes blunt, but never offensive. He was the soul of truth. His promise to do a thing was, to all who knew him, an assurance that it would be done.

He has fallen for his adopted country—may that country never forget him.

TOP LEVEL POSITIONS IN GOVERNMENT

Mr. MURRAY submitted a conference report and statement on the bill (H.R. 7377) relating to top grade positions under Classification Act of 1949, and other matters.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mrs. HANSEN, for an indefinite period, on account of official business.

Mr. STUBBLEFIELD, for Saturday, September 23, through Wednesday, September 27, on account of official business with Mr. Orville Freeman, the Secretary of Agriculture, while in the Louisville, Ky., area.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RYAN, for 30 minutes, on tomorrow.

Mr. ROUSSELOT, for 1 hour, today.

Mr. HECHLER, for 15 minutes, today.

Mr. LANE, for 10 minutes, today.

Mr. HARRIS, for 30 minutes, tomorrow.

Mr. CONTE, for 30 minutes, tomorrow.

Mr. CRAMER, for 30 minutes, today.

Mr. PUCINSKI, for 30 minutes, today.

Mr. FLOOD (at the request of Mr. ROONEY), for 15 minutes, today, on two subjects and to revise and extend his remarks and to include therein extraneous matter.

Mrs. GREEN of Oregon (at the request of Mr. ROONEY), for 30 minutes, tomorrow, September 23, 1961.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RILEY.

Mr. WALTER and to include an address he delivered last night at Carnegie Hall.

Mr. SIKES and to include extraneous matter.

Mr. KYL (at the request of Mr. GROSS) and to include extraneous matter.

Mr. CONTE and to include extraneous matter.

Mrs. NORRELL.

Mr. BREEDING.

Mr. PIKE.

Mr. CRAMER to extend his remarks in the body of the RECORD following the proceedings today in two instances and to include extraneous matter.

Mr. PATMAN to extend his remarks in the body of the RECORD following the proceedings today in two instances and to include extraneous matter.

Mr. BENNETT of Michigan and to include extraneous matter.

Mr. JUDD in two instances and to include extraneous matter.

Mrs. GREEN of Oregon.

(The following Members (at the request of Mr. CONTE) and to include extraneous matter:)

Mr. SCRANTON.

Mr. ALGER.

Mr. DEROUNIAN.

Mr. WILSON of California.

(The following Member (at the request of Mr. BARRY) and to include extraneous matter:)

Mr. MCCULLOCH.

(The following Members (at the request of Mr. ROONEY) and to include extraneous matter:)

Mr. TOLL.
Mr. COOK.
Mr. MULTER.
Mr. GALLAGHER.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 167. An act to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes; to the Committee on the Judiciary.

S. 383. An act to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 970. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Mid-State reclamation project, Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 2732. An act to amend section 303 (c) of the Career Compensation Act of 1949 to authorize the Secretaries concerned to prescribe a reasonable monetary allowance for the transportation of house trailers or mobile dwellings;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4682. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard;

H.R. 7500. An act to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.R. 8765. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Midwest City, Okla.;

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens; and

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses;

S. 2102. An act to redesignate the Jefferson division of the eastern district of Texas as the Marshall division; and

S. 2295. An act to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 7500. An act to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; and

H.J. Res. 225. Joint resolution to create a regional agency by intergovernmental compact for the planning, conservation, utilization, development, management, and control of the water and related natural resources of the Delaware River Basin, for the improvement of navigation, reduction of flood damage, regulation of water quality, control of pollution, development of water supply, hydroelectric energy, fish and wildlife habitat, and public recreational facilities, and other purposes, and defining the functions, powers, and duties of such agency.

RECESS

The SPEAKER pro tempore. The House will stand in recess until 10 o'clock tomorrow morning.

Accordingly (at 6 o'clock and 19 minutes p.m.) the House stood in recess until 10 o'clock a.m. on Saturday, September 23, 1961.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1340. A communication, from the President of the United States, transmitting a report prepared by the Department of Agriculture setting forth a development program for the national forests; to the Committee on Agriculture.

1341. A letter from the Assistant Secretary of Agriculture, transmitting the April 1961 report of the General Sales Manager concerning the policies, activities, and developments, with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support; to the Committee on Appropriations.

1342. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide that the Commissioners may accept or permit the acceptance of the performance by volunteers of services for and on behalf of the municipal government of the District of Columbia"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee of conference. H.R. 258. A bill to amend the District of Columbia Sales Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes (Rept. No. 1253). Ordered to be printed.

Mr. GREEN of Pennsylvania: Committee on Ways and Means. H.R. 2016. A bill to provide that States and political subdivisions which operate liquor stores shall not be required to pay more than one tax as a retail dealer in liquor; with amendment (Rept. No. 1254). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 8938. A bill to provide a more definitive tariff classification description for lightweight bicycles; with amendment (Rept. No. 1255). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel; with amendment (Rept. No. 1256). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Eleventh report on availability of information from Federal departments and agencies; without amendment (Rept. No. 1257). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 6682. A bill to provide for the exemption of fowling nets from duty; with amendment (Rept. No. 1258). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPINALL: Committee of conference. H.R. 4750. A bill to amend section 6(a) of the Virgin Islands Corporation Act (Rept. No. 1260). Ordered to be printed.

Mr. MURRAY: Committee of conference. H.R. 7377. A bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special

rates of pay are authorized; to fix the compensation of hearing examiners; and for other purposes (Rept. No. 1261). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee on Ways and Means. H.R. 7431. A bill to allow the importation free of duty of certain stained glass windows for use in St. Joseph's Cathedral, Hartford, Conn.; with amendment (Rept. No. 1259). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 9371. A bill to revise the boundary of Dinosaur National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H.R. 9372. A bill to amend section 333 of the Internal Revenue Code of 1954 with respect to recognition of gain in certain liquidations; to the Committee on Ways and Means.

By Mr. DEROUNIAN:

H.R. 9373. A bill to amend the Internal Revenue Code of 1954 to allow a credit for amounts paid for tuition or fees to institutions of higher education or for occupational training or retraining, to allow a credit for taxes paid for public education, and to exempt from income tax certain scholarships, fellowships, and student assistantships; to the Committee on Ways and Means.

By Mr. KILGORE:

H.R. 9374. A bill to amend effective date provision of the act approved on July 12, 1960, entitled "Federal Hazardous Substances Labeling Act"; to the Committee on Interstate and Foreign Commerce.

H.R. 9375. A bill to provide disaster loans to fishing vessel owners and operators adversely affected by failure of the fishery resource, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. McDOWELL:

H.R. 9376. A bill to amend the act of July 13, 1946, to authorize the construction, maintenance, and operation of certain additional toll bridges over or across the Delaware River and Bay; to the Committee on Public Works.

By Mr. RYAN:

H.R. 9377. A bill to curb monopolistic control of professional boxing, to establish within the Department of Justice the Office of the U.S. Boxing Commissioner, and for other purposes; to the Committee on the Judiciary.

H.R. 9378. A bill to amend section 4554 of title 39, United States Code, to extend the fourth-class educational and library materials rate to playscripts; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H.R. 9379. A bill to amend the act of July 13, 1946, to authorize the construction, maintenance, and operation of certain additional toll bridges over or across the Delaware River and Bay; to the Committee on Public Works.

By Mr. MORRIS K. UDALL:

H.R. 9380. A bill to provide that for the purpose of disapproval by the President each provision of an appropriation bill shall be considered a separate bill; to the Committee on the Judiciary.

By Mr. UTT:

H.R. 9381. A bill to amend the Internal Revenue Code of 1954 to allow a credit for amounts paid for tuition or fees to institutions of higher education or for occupational training or retraining, to allow a credit for taxes paid for public education, and to exempt from income tax certain scholarships, fellowships, and student assistantships; to the Committee on Ways and Means.

By Mr. WILSON of California:

H.R. 9382. A bill to amend the Assignment of Claims Act of 1940, as amended, with respect to priority of assignments; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H.R. 9383. A bill to amend title IV of the Social Security Act to make permanent the right of a State, under its plan for aid to dependent children, to deny aid with respect to a child because of immoral or otherwise improper conditions in the home where he resides and to provide aid with respect to such a child when he has been removed to a foster home; to the Committee on Ways and Means.

By Mr. HARRISON of Wyoming:

H.R. 9384. A bill to authorize the Secretary of the Interior to erect a suitable monument to the Arapahoe Indian Chiefs Sharpnose and Black Coal; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 9385. A bill to authorize the modification of the existing project for the New Melones Dam and Reservoir, Stanislaus River, Calif., and for other purposes; to the Committee on Public Works.

By Mr. SCHNEEBELI:

H.R. 9386. A bill to amend the Internal Revenue Code of 1954 to allow a credit for amounts paid for tuition or fees to institutions of higher education or for occupational training or retraining, to allow a credit for taxes paid for public education, and to exempt from income tax certain scholarships, fellowships, and student assistantships; to the Committee on Ways and Means.

By Mr. JOHANSEN:

H.R. 9387. A bill to amend the Internal Revenue Code of 1954 to provide a credit against the individual income tax for certain amounts paid as premiums on account of medical care insurance for individuals 65 years of age or over; to the Committee on Ways and Means.

By Mr. KNOX:

H.R. 9388. A bill to amend the Internal Revenue Code of 1954 to allow a credit for amounts paid for tuition or fees to institutions of higher education or for occupational training or retraining, to allow a credit for taxes paid for public education, and to exempt from income tax certain scholarships, fellowships, and student assistantships; to the Committee on Ways and Means.

By Mr. MacGREGOR:

H.R. 9389. A bill to amend part III of the Civil Rights Act of 1957; to the Committee on the Judiciary.

H.R. 9390. A bill to amend the Internal Revenue Code of 1954 to allow a 30-percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education or for occupational training or retraining; to the Committee on Ways and Means.

By Mr. ROGERS of Colorado:

H.R. 9391. A bill to amend section 4161 of title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide for increasing the good time allowances to be deducted from the terms of the sentences of prisoners convicted of offenses against the United States and confined in penal or correction institutions for a definite period other than for life; to the Committee on the Judiciary.

By Mr. SELDEN:

H.R. 9392. A bill to amend title IV of the Social Security Act to deny Federal assistance, under the program of aid to dependent children, for the families of women who are the mothers of two or more illegitimate children; to the Committee on Ways and Means.

By Mr. WICKERSHAM:

H.R. 9393. A bill to permit agencies of the United States to purchase meat and meat products which satisfy State inspection procedures and standards if such procedures and standards are substantially equivalent to the corresponding Federal procedures and standards; to the Committee on Agriculture.

By Mr. BRUCE:

H.J. Res. 582. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MacGREGOR:

H.J. Res. 583. Joint resolution declaring that a state of conflict exists between the international Communist conspiracy and the Government and the people of the United States and making provisions to prosecute the same; to the Committee on Foreign Affairs.

H.J. Res. 584. Joint resolution providing for the establishment of a training program for governmental oversea employment of American youth; to the Committee on Foreign Affairs.

H.J. Res. 585. Joint resolution declaring Communist arms and munitions contraband in the Western Hemisphere and making provisions to enforce the same; to the Committee on Foreign Affairs.

By Mr. BURLESON:

H. Con. Res. 398. Concurrent resolution proposing an international conference to evoke trade sanctions against nations not opposing Communists in the cold war; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H.R. 9394. A bill for the relief of Erasmo Puccio; to the Committee on the Judiciary.

By Mr. BLATNIK:

H.R. 9395. A bill for the relief of William Chae-Sik Lee and Grace Koom-soon Lee; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 9396. A bill for the relief of Salvatore Pugliese; to the Committee on the Judiciary.

By Mr. CONTE (by request):

H.R. 9397. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of Dr. Thomas C. Conway against the United States; to the Committee on the Judiciary.

By Mr. CRAMER:

H.R. 9398. A bill for the relief of James Marshall; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 9399. A bill for the relief of Nea Kien Lum; to the Committee on the Judiciary.

By Mr. GRAY:

H.R. 9400. A bill for the relief of Anthony Kizanis; to the Committee on the Judiciary.

H.R. 9401. A bill for the relief of Konstantinos Alikakos; to the Committee on the Judiciary.

By Mr. HALEY:

H.R. 9402. A bill for the relief of Tsui Yung Wong; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 9403. A bill for the relief of Mrs. Josephine Ferdinand; to the Committee on the Judiciary.

By Mr. MINSHALL:

H.R. 9404. A bill for the relief of the Becker Crane & Conveyor Co., Cleveland, Ohio; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 9405. A bill for the relief of Zaven Karnik Minassian; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H.R. 9406. A bill for the relief of Rudi A. Unterthiner; to the Committee on the Judiciary.

By Mr. ROONEY:

H.R. 9407. A bill for the relief of Guillermo Manuel Garcia Vazquez; to the Committee on the Judiciary.

By Mr. SCHERER:

H.R. 9408. A bill providing for the extension of patent No. 2,388,779; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 9409. A bill for the relief of Mrs. Iris Ann Landrum; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 9410. A bill for the relief of Rahel Shukri Chelico; to the Committee on the Judiciary.

By Mr. ALFORD:

H. Res. 475. Resolution extending the thanks of the House of Representatives to Gen. Ulysses S. Grant III for his outstanding service as chairman of the Civil War Centennial Commission; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

212. The SPEAKER presented a petition of Glenn E. Brixey, chairman, Civil Defense Committee, Corvallis, Oreg., petitioning consideration of their resolution with reference to requesting that the Governor of Oregon and State officials concerned with higher education take appropriate action publicly to renounce the false statements in the letter published on August 10, 1961, in the Oregonian over the name of Frederick L. Schuman, "visiting professor of political science, Portland summer session, 1961", which was referred to the Committee on Armed Services.

EXTENSIONS OF REMARKS

The VHF Versus UHF Television Controversy

EXTENSION OF REMARKS

OF

HON. WILLIAM W. SCRANTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. SCRANTON. Mr. Speaker, the Federal Communications Commission has designated eight areas in the United States for deintermixture, the elimination of VHF television stations and the establishment of all-UHF areas. One of these is Binghamton, N.Y., which directly affects my district for there are thousands of people in the rural areas of Wayne, Wyoming, and Susquehanna Counties of Pennsylvania who are dependent on the VHF station in Binghamton for their television viewing.

My office has been deluged with letters and petitions from these constituents, who make the point that if the FCC's proposal is invoked, they will be without adequate television service. Certainly the intention of Congress in approving the Federal Communications Act was to make certain that television and radio service be made available to all the people of the United States.

There is a long history behind this proposal, beginning with the ill-conceived allocation plan for the whole United States. Previous to establishing this allocation plan, the FCC invoked a "freeze" on the allocation of all channels for a few years, and then issued the plan which right from the start was most unsatisfactory.

UHF television, both from the transmitting and receiving standpoint, has been the primary victim of this plan. Enormous sums of money were lost in attempts to put and keep UHF stations on the air in competition with VHF stations. Manufacturers of transmitting and receiving equipment have been loath to expend adequate sums in research and development of UHF because of the comparatively small market.

Now, the Federal Communications Commission and the Congress face a major problem which will beset us all even more in the future than at the present moment. A solution must be found for the further development of UHF in order that the complete usefulness of all channels is made available to the Government, the military, and especially the people of the United States.

I assume that the FCC is attempting to take a step in that direction with this proposal for the deintermixture of the areas. Unfortunately, it appears to be a false step because, for the most part, comparatively rural areas have been selected for the elimination of VHF channels. It is precisely in rural areas that VHF is most needed in order to provide adequate coverage and service for all the people.

Some Members of Congress have introduced bills bearing directly on this subject. I hope the Interstate and Foreign Commerce Committee will hold hearings on the proposed legislation as quickly as possible.

Schedule of Conferences in the Fourth District of Ohio

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. McCULLOCH. Mr. Speaker, I believe that a Congressman should be in his district to confer and visit with his constituents whenever official duties do not require him to be in Washington.

When Congress adjourns, I expect to return home and to be available for conferences and visits with residents of the Fourth District in the courthouse of each county seat between 8 a.m. and 4 p.m., in accordance with the following schedule:

Allen County, Lima: Tuesday, October 10.

Auglaize County, Wapakoneta: Wednesday, October 11.

Darke County, Greenville: Wednesday, October 25.

Mercer County, Celina: Monday, October 16.

Miami County, Troy: Monday, October 23.

Preble County, Eaton: Wednesday, October 18.

Shelby County, Sidney: Tuesday, October 24.

No appointments will be necessary. Any problems with, or opinions concerning, the Federal Government will be proper subject for conference.

Of course, I will be glad to see residents of the district, in my Piqua office, any time that Congress is not in session, except on the days scheduled above.

Representative Derounian, of New York, Scores Duplicity in Peace Corps Legislation

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. DEROUNIAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following news release of September 21, 1961:

REPRESENTATIVE DEROUNIAN, OF NEW YORK, SCORES DUPLICITY IN PEACE CORPS LEGISLATION

Representative STEVEN B. DEROUNIAN, of New York, shocked by the deletion of a provision of the Peace Corps legislation, which will "materially affect the composition of the groups sent to the Arab and other countries," and pointing to the action as "another indication of the duplicity practiced by the Democratic Party," today wired the President as follows:

SEPTEMBER 21, 1961.

The PRESIDENT,
The White House,
Washington, D.C.:

I am shocked by the action of the House of Representatives deleting from the Peace Corps legislation the provision that "the Peace Corps shall not perform services in any foreign country in which, by reason of law or official policy, any member of the Peace Corps will be discriminated against because of his race, creed, or color." The deletion of this provision will materially affect the composition of those groups sent to the Arab and other countries. You have repeatedly stated, before you were President and thereafter, that you are against any action of discrimination because of race, creed, or color. Do you intend to approve this legislation?

Respectfully,

STEVEN B. DEROUNIAN,
Member of Congress.

Happiness Exchange

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. GALLAGHER. Mr. Speaker, the Happiness Exchange, established "to alleviate human suffering," by Joe Rosenfield, Jr., in New York City, May 1, 1949, is a radio program and a nonprofit, tax-exempt foundation. Its creed is "We believe we are our brother's keeper. We believe there is one race, the human race, and we know the one sure way to be happy is by helping those who are less fortunate than we are." Big Joe conducts interviews and gives assistance to individuals and organizations daily and broadcasts nightly over the radio.

Help ranges from carfare, the cost of a meal, to a collective effort currently by all the "Cousins"—as they who participate are called—to raise $1 million to establish an endowment fund for the City of Hope in California, a free hospital and research center for catastrophic diseases.

The Happiness Exchange itself in 1959 received an endowment approximating $1 million from the estate of Cousin May Page, a sightless 85 years young angel, who had listened and wanted the work of the program to continue forever.

The good will and many fine deeds that the Happiness Exchange has participated in and accomplished are too numerous to mention. They have helped everyone who sought their help and needed it. They have received many citations and awards for their outstanding achievements and humanitarian efforts.

Some of the work that the Happiness Exchange has done is as follows:

Drug addicts anonymous, providing transportation and rehabilitation, sending 10 drug addicts per month to Lexington, Ky., for cures; fellowship center; a free foot clinic; garden of fragrance for the blind; leprosarium in Philippine Islands; dental clinic in Nigeria; complete refrigeration system in children's home in Puerto Rico; over 200 American children were sent to summer camps in 1959 and 1960; eyes for Asia in honor of Dr. Tom Dooley; orphanage in Haiti maintains 90 abandoned children; vitamin centers established in Haiti; also medical supplies, drugs and equipment, funds to build hospitals; missing persons located; no one be denied his civil rights; Blue Birds, a group of volunteer workers give service and attention to the unfortunates who have no one to care for them; welfare assistance and hospital helping hands; a Youth Town, U.S.A., these youngsters live and work in Youth Town with goals based on standards outlined by President's Council on Youth Fitness, until they feel ready to accept the responsibilities of good citizenship within the home community. Names have been omitted in this résumé of the work and achievements of Big Joe's Happiness Exchange Foundation, Inc., because of space limitation. But everything was and is made possible only through the purely humanitarian desire of people in every walk of life to demonstrate that "We are our brother's keeper."

Protest Against Arbitrary Ruling of Commission To Eliminate Certain VHF Stations

EXTENSION OF REMARKS
OF
HON. JOHN J. RILEY
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. RILEY. Mr. Speaker, I wish to join my distinguished colleagues from South Carolina and other States who have indicated their grave concern and opposition to recent FCC proposals to shift VHF television stations to UHF. I have introduced H.R. 9322, a companion bill to H.R. 9267, authored by my distinguished colleague the gentleman from Alabama [Mr. ROBERTS].

Columbia, the capital city of my State, has only one VHF channel assigned to it—channel 10. This channel was granted to WIS–TV, and since November 7, 1953, this station has been providing reliable and good television service to wide areas of our State. The many thousands of families living within the wide service area of this fine station depend on this VHF service for news from their State capital, local weather and storm warnings, crop reports and agricultural news that is vital to their livelihood and to keeping them intelligently informed on matters affecting their State. For a great many of these people, who, for the most part are living in rural and small town areas, this is their only television service from their State capital. If this service from VHF channel 10 is destroyed or deteriorated then this extremely important service will be lost to them and they will have to depend on distant stations, in many cases out-of-State stations, for television service. This, gentlemen, is not in the public interest and I must strongly protest against switching WIS–TV from VHF channel 10 to UHF and thus take away good television service from thousands of rural families who need and depend upon it for education, entertainment, and enlightenment.

I am not unfamiliar with UHF for we have a UHF television station broadcasting alongside of VHF Channel 10 in Columbia. UHF is providing an important service to the city and its immediate environs and I would not want to see this lost. At the same time I am greatly concerned because the change proposed by the FCC would take television service from channel 10 away from about half of the people who now enjoy and need this service. As the elected Representative of many of these people I cannot remain idle and allow this destruction to occur.

The people of South Carolina and throughout our Nation have the right to expect to be able to continue to receive their present reliable and high quality television service. Every Member of this distinguished body should be aware of the serious threats of the FCC's proposal and with such awareness will share the serious concern I have in this important matter.

The Indian Program on the New Frontier

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Friday, September 22, 1961

Mr. METCALF. Mr. President, tonight, Senator CHURCH, chairman of the Subcommittee on Indian Affairs of the Senate Interior and Insular Affairs Committee, will address the 18th Annual Convention of the National Congress of American Indians in Lewiston, Idaho. He has entitled his speech "The Indian Program on the New Frontier." In his address, he develops the theme of the areas of responsibility of the three-sided partnership, the Indian leadership, the Congress, and the administration, toward joining in a common effort to promote the welfare of the American Indian. He reviews the steps that have been taken toward this goal in recent months, and sets the sights for the future.

I ask unanimous consent to have the address by Senator CHURCH printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE INDIAN PROGRAM ON THE NEW FRONTIER

(An address by Senator FRANK CHURCH of Idaho, chairman of the Subcommittee on Indian Affairs of the Senate Interior and Insular Affairs Committee, to the 18th annual convention of the National Congress of American Indians)

Ladies and gentlemen, I am sure that since your arrival at this convention 5 or 6 days ago you have enjoyed the hospitality of the members of the Nez Perce Tribe, and that you have been welcomed by many of our fine citizens of Idaho. You have also met our other fellow Idaho Indians, the Shoshone-Bannocks, the Coeur d'Alenes, the Kootenais, the Kalispels. Now that you are about to conclude your deliberations, I want to add a few words of welcome of my own and express the hope that your stay here has been a memorable event and that you will return to visit our State in years to come.

There is good reason for assuming, though, that I was invited to speak at this banquet not only to welcome you to my home State but also to express to you, in my capacity of chairman of the Senate Subcommittee on Indians Affairs, some thoughts on the path we have followed in the field of Indian policy in recent months, and on the direction in which we expect to move in the future.

Before going into details, let me first say a few words about the basic assumptions with which I start as I approach a specific problem in Indian affairs. In my opinion, we must get away from the view that the problems of American Indians can be viewed in a vacuum, apart from the rest of our society. The fact is that Indians are an

integral part of our country, and that particularly here, in the West, the welfare and prosperity of the Indian and non-Indian communities are closely intertwined. In dealing with conditions in the Indian country we must recognize that the greatest need is for a comprehensive program of economic and social betterment, a program which will have its beneficial impact on the Indians concerned and indirectly also on the States in which they reside. I am thus in fundamental agreement with the guidelines for a Federal Indian policy laid down by President Kennedy in his message to your convention a year ago. Let me remind you of the President's words:

"During the recent campaign I have expressed my concern over the conditions of poverty and disease which afflict so many American Indians and have made it clear that I am intent on doing something about the matter. I want to repeat, therefore, that I am pledged to a program for the development of the human and natural resources of Indian reservations. Such a program will indeed be an integral part of the total program of my administration. We must raise the sights of our country. We must exercise world leadership and back up our position through a stronger, more productive America. In such an America there is no room for areas of depression, poverty and disease. We want every group which is now unable to make its full contribution to American strength to be given the opportunity to do so.

"It is in this spirit that we shall approach our work on Indian reservations and it is in this spirit, I am sure, that Indians throughout the country will work together for a better life for themselves and thus a stronger America."

If we view Indian policy in this light, we start with recognition of the fact that it is the responsibility of all concerned, the Indian people themselves and the Government agencies which serve them to work together in a program of development of human and natural resources. We must evolve from the static concept of trusteeship, under which a Federal employee manages Indian land and sends the Indian owner a check for the income on his allotment, to a dynamic program of economic growth and opportunity, in which the Federal Government assists Indians in lifting themselves to the level of well-being of the surrounding non-Indian communities.

This development approach is one which the Federal Government has applied in other areas as well. It is reflected in the Area Redevelopment Act, which, as you know, specifically covers Indian tribes. It is also reflected in the development programs initiated by our Government abroad. Let me say that I am a supporter of our Government's worldwide effort to combat Communist totalitarianism through economic development, but let me add that in my view our Indian population, which often faces problems similar to that of underdeveloped countries, should receive not less, but more consideration than any foreign people.

Economic and social development must thus be the keystone of our approach to Indian affairs. Indians must be given the opportunity of a decent homelife, free of hunger and disease, the opportunity of a good education, and the opportunity to work. There is little doubt that our country has the capacity to give them these opportunities.

And lest anyone think that my words are those of a free spender, let me make it clear that, on the contrary, I am interested in saving money for the taxpayer. There are some who add up the annual total appropriation for the Indian Bureau and the Indian Health Service and shrink away from the resulting figure in horror. My word to them is that they shrink too soon; they only have a subtotal. They should add the totals paid in State welfare assistance, aid to dependent children, and the total cost to the States when misery on an Indian reservation leads Indian children or adults to correctional institutions. In my opinion, a program for economic development could cut these costs. It could turn Indian reservations, which now constitute a drain on the economic resources of the Western States, into substantial economic assets.

Against the background of these principles, let me move on to discuss some of the specific developments in the field of Indian affairs since you last met and heard President Kennedy's message. , For that message has been followed up by action, action taken by both the Congress and the administration.

Perhaps you wonder why it took so long to get action, why some of the most significant developments have come in the last 2 weeks. I remind you that only 8 months have passed since the present administration was installed in office, a rather short period in the course of human events. During this period, the work of the Congress and the administration has been overshadowed by the issue of peace or war, the issue of the strength and survival of the free world. As a new administration and a new Congress took up their duties, these matters of peace and the survival of freedom, matters affecting every single citizen of our country, had to be given foremost attention.

But this heavy commitment to world problems has not caused us to neglect problems at home. In the short 8 months in which this administration and the 87th Congress have been in session, we have taken some great strides forward in the field of Indian affairs. Their effect will undoubtedly be felt soon. Let me review some of them for you, and let me begin with what I hope is pardonable pride, with the bills which had their start in my own subcommittee.

First and foremost there is S. 1540, the revolving loan fund bill. I am sure you will agree with me that the loan fund provision of the Indian Reorganization Act of 1934 has proved to be one of the most beneficial items of Indian legislation ever enacted. Many a member of an Indian tribe who is today self-sufficient owes his start to a loan from the revolving loan fund.

Only 4 years ago, you will recall the fund was in danger of being closed down altogether. Under the Indian Bureau policies then in effect, outstanding loans were collected but hardly any new ones were made. The result was that by June 30, 1957, the Bureau of Indian Affairs had $7,945,384, almost $8 million, of idle cash in the revolving loan fund. This was money which Congress had appropriated with the expectation that it would be used for the economic development of Indian reservation areas. Yet here it was, completely idle. That there was a great need for the beneficial use of that money, that it could have been invested wisely for the benefit of the Government and the Indian people, you know better than I.

After 1957, partly as a result of prodding from the Congress, partly as a result of changes in the Interior Department, new loans began to be made and, by 1960, the total available funds were exhausted. This was the problem with which we concerned ourselves during the present session of Congress and I am glad to say that only a few days ago the President signed the bill we passed, a bill which, for the first time since 1934, increases the revolving loan fund, and which in doing so doubles the existing authorization by raising it from $10 million to $20 million.

I should add that as reported out of my subcommittee and as passed by the Senate the bill called for an increase in the authorization to $35 million. In a conference with the House of Representatives, it was agreed to lower the amount to $20 million, but with the understanding that we shall review this question next year.

In speaking of the use of revolving loan fund money, I have spoken of investment rather than expenditure. I used the term advisedly, for investment is just what it is. The repayment record of loan fund clients has been good. In fact, as a result of accruals, there is more money in the fund today than Congress appropriated. But beyond the benefits apparent from a look at the financial statements, there are those intangible benefits to which I referred before: the benefits derived by a community when families which may otherwise have been dependent on welfare or on odd jobs which keep them ill-fed, ill-clothed, and ill-housed becomes self-support and self-reliant.

A second measure which was passed by the Congress and signed by the President within the last few days is S. 200, a bill which increases the annual authorization for vocational training from $3,500,000 to $7,500,000. I am sure you are well familiar with the benefits which many young Indian people have derived from this program over the last 3 years. It has provided many Indian people with the skills and work experience needed for study employment at decent wages.

That the program has been successful is clear. I am informed that 81 percent of the people who have completed their training have found gainful employment. I am also informed that at this time 1,100 eligible applications for admission to vocational training schools under the Bureau's program are pending and could not be acted upon because of the insufficiency of funds. The enactment of S. 200 and approval of a supplemental appropriation will make it possible for these 1,100 applications and an additional 3,500, which are expected to be filed, to be processed, opening new work opportunities for young Indian people to whom such opportunities were closed before.

The training offered to young Indian people in special vocational schools is only one aspect of the vocational program. Another aspect is the on-the-job training program. That program has been used most effectively to attract new industries to Indian reservations. An excellent example, of which you may already have heard, is the fishing tackle factory established by the Wright-McGill Co. on the Pine Ridge Indian Reservation in South Dakota. Starting with a few dozen employees last January, the company has now increased the work force to a few hundred. As this manufacturing enterprise establishes itself firmly on the reservation, it may bring a variety of new opportunities to the Oglala Sioux, for the people who are now employed at last have money to spend on the necessities of life. The reservation can, therefore, support more commercial enterprise, which in turn means more jobs.

It is fair to say that Wright-McGill may never have come to an Indian reservation if it were not for the on-the-job training program. After all, in dealing with any group of employees with no previous industrial work experience, a manufacturer takes a serious risk. Most workers will have to undergo a training period, in which they don't really produce efficiently for their company; some will drop out after weeks of training, making it necessary for the employer to start all over again with a new man. By sharing the training cost with the employer through on-the-job training assistance, the Bureau of Indian Affairs has made it attractive for the manufacturers to locate on or near Indian reservations. The beneficiary of this program is in the first instance the Indian who has found employment, then the company which now has a trained worker, and ultimately the State

and the Nation whose productive strength has been increased.

There are other development opportunities open to Indians. As our country grows, and as people have more leisure time, more and more persons take to traveling through the United States on vacation tours. Tourism has become an increasingly important business, providing a significant source of income for people in many areas of our country. Just think of the sums which tourists spend in hotel, motel, or even camping-site accommodations, as well as the sums spent on food, on gasoline, and on buying mementoes. Just think how interesting and instructive it would be for them to visit Indian reservations, if there were appropriate accommodations for them. I am told that the White Mountain Apaches have demonstrated how the tourist potential of a reservation can be developed; so have the North Carolina Cherokees. Here in my own State I have followed with great interest the plans for tourist development drawn up by my friends in the Nez Perce Tribe. I am pleased that I was able to enlist the interest of the National Park Service in the plans of the Nez Perce. That Service, which has done such an excellent job in developing attractive tourist facilities in our national parks, sent one of its experts to Lapwai, who, after a tour of the area, found that the ingredients for successful development are most definitely present. I am confident, therefore, that the Nez Perce Tribe, working in conjunction with its neighbors in Lewiston will demonstrate to the country how cooperative endeavor in tourist development can redound to the benefit of an entire area, bringing new employment opportunities for Indians and non-Indians alike.

In the context of economic development, we must also chart a workable land policy. Where land can serve as a resource for economic growth, it should be used appropriately, rather than being frittered away. At the same time, I am sure you agree with me that something simply has to be done with the wasteful and inefficient ownership pattern created by what is known as the heirship problem.

As you may know, I introduced an heirship bill earlier this year, emphasizing at that time that it was merely a vehicle for obtaining a full expression of the views and wishes of the Indian people. I meant what I said. I held hearings on the bill, as well as on a counterproposal by the administration, at which valuable testimony was received. In the light of the new suggestions received, I intend to introduce a new proposal at the next session of Congress. Copies of the new bill will be distributed to all the tribes and new hearings will be held. At the conclusion of these hearings, I hope, we shall be in a position to report out a bill which brings us nearer to a satisfactory solution of the heirship problem.

Once existing human and natural resources are utilized to provide a solid economic foundation for a reservation area, other services furnished by the Federal Government can be used far more effectively than now in lifting Indian communities to an economic and social level comparable to that of surrounding non-Indian communities. You know, of course, of the fine work done by the Public Health Service, which has accomplished so much in cutting infant mortality and mortality from infectious disease among Indians and has in many ways brought the wonders of modern medicine to the Indian country. Yet the Public Health Service knows the limitations under which it operates. In its comprehensive survey of Indian health a few years ago, it said: "To achieve good health, Indians need more than measures aimed directly at disease prevention and control. They need better general education, vocational training, housing, food, roads, and means of transportation. They also need adequate economic opportunities."

Once we shift from enforced idleness to gainful employment, from malnutrition to an adequate diet, good health care can be far more effective than it is now. Better health, in turn, results in the case of children, in better ability to learn in school and, in the case of adults, in better ability to produce. These again result in better opportunities, better employment, and better income; and so the pump is primed.

In this context, the context of services which may accompany an economic improvement program, we should also remember the excellent sanitation program of the Public Health Service, which is bringing uncontaminated water as well as sewage facilities to Indian reservations. Furthermore, I am told that the Housing and Home Finance Agency of the Federal Government has begun to make its services available to Indians. Here, then, is another door opened to Indian people to better their lives.

So far I have spoken to you largely from the vantage point of a legislator. We in Congress can enact laws for vocational training or the revolving loan fund, for a sanitation program or for housing. But this is where our ability to influence the course of events ends. Whether the programs which we initiate succeed or fail depends ultimately on you, the leaders of Indian tribes, and the Government officials who work with you.

There is thus, as I see it, a three-sided partnership in this field, including the Indian people, the Congress, and the officials in the executive branch. If any one side fails, the entire program fails. And that thought brings me to another question on which I should touch briefly, concerning the relations between you and officials of the executive branch, usually officials of the Indian Bureau. I know that you in the National Congress of American Indians have analyzed organizational problems of the Indian Bureau, such as the role of area offices, and the advisability of substituting a board for a single Indian Commissioner. Such questions can reasonably be discussed by all conscientious students of Government. But it hardly serves any useful purpose to propose that we "abolish the Indian Bureau." You and I know that right here in Idaho it would be a bitter blow to our Indian people if the Bureau were suddenly abolished. It would be an equally bitter blow to the State and the counties containing Indian reservations, which would have to assume the whole burden of the resulting costs at a time when neither they nor the Indian people are ready.

I am sure that, as you reflect on it, you will remember Indian Bureau employees who have performed their duties well, who have assisted Indian people in their efforts to improve themselves, just as you can think of others, who have drawn their pay and have done little or nothing. Unfortunately, similar patterns can be found in every Government agency and for that matter even in private businesses. What is needed in the Indian Bureau, as it is needed elsewhere, are more employees of the dedicated, competent kind and fewer employees who lack the ability to carry on an effective and progressive program. Ultimate responsibility for the execution of such a program has been vested by President Kennedy in three men who have long been known as true friends of the Indian people, Secretary Stewart Udall, Assistant Secretary John Carver, and Commissioner Philleo Nash. I am sure that you share my conviction that these men have the ability and the desire to fashion the Bureau of Indian Affairs into an agency capable of rendering the kind of assistance to Indian people of which I have spoken to you today.

I have already referred to a three-sided partnership in this development effort and have spoken of the areas of responsibility of two of the partners, the Congress and the administration. The third and most significant partner is the Indian people, and particularly the Indian leadership. A heavy responsibility rests on your shoulders. None of our efforts can succeed without your cooperation. You will have to help develop reservation programs, you will have to screen requests for assistance to determine which serve a useful productive purpose and which do not, you will have to resist pressures to fritter away tribal assets and instead plan on their utilization for maximum economic benefit. All this will be a great challenge to you. I know you will be ready to meet it and I, for one, stand ready to work with you in every way that will genuinely promote the welfare of the Indian people.

Playing Ping-Pong With the Farm Problem

EXTENSION OF REMARKS

OF

HON. JOHN KYL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. KYL. Mr. Speaker, under leave to extend my remarks, I include the following text of an address by our colleague, the gentleman from Minnesota, the Honorable ANCHER NELSEN, prepared for delivery today at the Iowa State Conservation Field Day, Marshalltown, Iowa:

AN ADDRESS BY THE HONORABLE ANCHER NELSEN, OF MINNESOTA

If you have listened to the so-called experts in agriculture over the years, I imagine you may be as puzzled as I am over how we as farmers can be in all the trouble we are. An expert, you know, is just an ordinary guy away from home.

But as I come here from your neighboring State as the operator of a 280-acre dairy farm in central Minnesota, I do not propose to stand up here and claim to be one of those so-called experts. I want to try instead to apply a little commonsense to a discussion of where we are, and why, and with perhaps a few words on what we ought to do about it.

Over a period of 25 years I have been associated with government in some small way, while at the same time being an active farmer. And I am convinced that there has been too much attention to applausemeter politics in the field of agriculture, with the farmer paying through the nose because there have been too many men who have made use of their alleged knowledge of the subject to make political hay.

Actually, it seems to me the political manipulations in farm discussions have been our worst enemy. Actually, a large part of our troubles are the result of the fancy footwork of some of our so-called friends.

I am sure you may wish to ask, "Why are you still on the farm?" My answer is that I find pleasure and satisfaction in getting out to the barn in the morning to take care of the cows, and I hope that you get a lift out of climbing aboard the tractor and riding the fields as I do, or building or repairing fences. The work is hard, the hours are long, but there is along with the healthy tired feeling at the end of the day a feeling of satisfaction.

And along with all that, I know that you, too, have grown accustomed to the uncertainties of crops, of prices, of weather; the doubts as to whether your year's work will pay off; the doubts as to meeting the loan at the bank; the doubts as to what Congress is going to do to you next week or next year.

Because, my friends, if you don't like all that and the other things that go with modern farming, you are in a rugged business in which most of the odds are against you, whether the odds are man-made or the acts of God, and you can well wonder if it's worth it all.

If you'll just take the time to come up and shake my hand, you'll see that it has had long, hard training on my family size farm in central Minnesota which, I imagine, is not vastly different from the farms which most of you operate. And I happen, as your chairman has said, to be one of those Members of Congress who helps make your life never dull—even if regularly uncertain. So you may safely assume that you are listening to a sympathetic soul.

But—I say, "Thank goodness for the farmer." There surely is nowhere in this land a more essential industry than agriculture. There surely is no industry which has as little to say about its product, its prices, its profits. Did I say profits? We don't really use that term in our business, do we?

There surely is no industry that has so many well-meaning, fighting friends allegedly trying to help us and usually just aggravating the problem. And there surely is no industry that had better be in top shape all the time because our foods and our fibers are the prime essentials of the Nation and the world.

And, let me add, I am sure that you will all agree that we are all determined to do our best to produce as we are permitted to, to provide a good living for our families, to make the farmer's life sufficiently attractive so that our sons and daughters will want to carry on. Because, really, it is a great life, I think, and it is always a satisfaction to me when the duties of Congress permit, to get out to the farm at Hutchinson and help my son do his job.

Just why is farming so difficult? I guess we all know most of the reasons; we are asked to raise great amounts of food for war, and when war ends we all help build up vast surpluses which throw a tremendous burden on all of us, simply because the marvelous performance we have developed carries on while the politicians fight over whether to let us keep on with our job. Farming is difficult because the policymakers fight it out year after year, making the rules of the game more complicated every time they pass a law, and that's usually every year.

In passing, let me give you a couple of illustrations of the problems that a Member of Congress faces when he tries to take a hand.

First, he may be for or against a particular approach for perfectly sound reasons, but he knows full well that his political opponents—and we all have them—will turn and twist his every act to make him sound like an enemy of the farmer. I can give you plenty of examples in my own experience, but I suppose that's all part of the game.

Second, I know you are aware that one of the toughest parts of the business, no matter where you are, is the abundance of farm organizations always ready to tell you what to do. I'm for them, you understand, but it does get a bit confusing now and then if you try to listen to the advice of all of them. So we who serve you in Congress have to take what we can from many ideas and sources and make up our own minds. Let me add that I do not believe a Member of Congress should be a 100-percent supporter of the proposals of any organization, no matter how lofty its purpose. I hope that we may represent all our people to the best of our ability.

Here are some of the things we as Congressmen—and as farmers—have to deal with: Are price supports to be fixed or flexible? Are they to be high or low? Are they to be used to encourage production or discourage it? Are this year's decisions about parity and support prices going to be any good next year or the year after?

Now let's take a look at the political pingpong game that keeps us all jumping.

We came to the end of World War II having done a great job of producing * * * and with our farms geared to high production and potential surpluses. In 1947 CLINTON ANDERSON, now a U.S. Senator from New Mexico, became Secretary of Agriculture. He advocated a badly needed, long-range farm plan based on flexible supports—if a short supply in a commodity exists, raise supports to encourage production. When surpluses mount, drop supports, but always with a floor to protect the farmer. President Truman supported Mr. Anderson, and Secretary Brannan did, too, for a time when he took over the department.

A year later, in 1948, both political parties stood for flexible supports, but by the spring of 1949, Secretary Brannan scuttled the idea in favor of his own infamous plan, and what chance could there possibly be for agreement on anything except to let the mistakes continue and the surpluses mount.

By 1952 the Republicans stuck with flexible supports and the Democrats, bargaining again for votes, campaigned for high rigid supports, and the administration of President Eisenhower was up against the same old political pingpong game. Thus through the next 8 years the battle was fought and refought to the utter confusion of everyone, and with a surplus problem that became increasingly a headache.

The Kennedy administration next moved in on the scene. They then proposed the Agricultural Act of 1961, known as the omnibus farm bill, which attempted (1) to take over the functions of Congress, and (2) to obtain authority to place into operation the Cochrane theory of supply management over every one of the 256 agricultural commodities produced in America. The Congress was wiser than the controllers. It refused to give this authority. The proponents by the application of their concept would destroy the U.S. marketing system by placing controls over every segment of the marketing system, and thereby destroying the free market.

In the meantime the so-called emergency feed grain bill had been passed and I might say that this program has possibilities, the theory being that land would have to be retired in order to balance supply and demand. But to our surprise, this program—contrary to the political history of its proponents (especially the new Secretary of Agriculture, Mr. Freeman, who had criticized Mr. Benson at every opportunity for not supporting high fixed supports at 90 percent)—allows the Secretary to set supports at any level above 65 percent of parity. This is rather confusing.

If 90 percent of parity was supposed to be the answer in 1952, why isn't it the answer in 1961? We were told in 1952 that rigid supports at 90 percent was what the farmers were supposed to get—and what do we get in 1961? You know what we are getting under the new feed grain program: corn supports at 74 percent of parity and the program calls for flexible supports. Yes, they flex all the way up from 65 percent of parity. And under this wide range of discretion vested in the Secretary of Agriculture, where does he set the supports? At 90 percent? At 80 percent? No, not even at 75 percent—he has set supports at 74 percent. I do not necessarily quarrel with the position taken, but I do quarrel with the politics that has been played with it.

So we are right back to where we started from.

It seems pretty clear to me that the political appeal of an issue has been of greater concern to the politicians than an effective answer that will produce proper income to the farmer.

And out of the mistakes of the last 20 or 30 years has developed the toughest problem of all—some $8½ billion in surplus commodities which hangs as a dead weight on the market and our own plans—and which hangs, too, as a tremendous burden on all taxpayers, whether farmer or not, in paying the costs of storage, handling, interest, and transportation to the tune of more than a billion dollars a year. So we can perhaps understand a little when the general public fails to understand or gets critical of farm programs, forgetting that these things have happened because we farmers have done our best to do the job that they, the public, want us to do.

When the emergency feed grain bill was before the Congress, many Congressmen pointed to the fact that farmers were in the midst of marketing their 1960 crop of corn and other feed grains. There was fear that the Secretary of Agriculture would use the extraordinary powers proposed in that measure to force down the cash price of corn by the sale of tremendous Government stocks on the free market. The Secretary gave assurances that he would not do this. He said as follows: "You may be sure that we will not administer this program so as to reduce the income received by the farmers prior to October 1, 1961, from sales of feed grains from the 1960 crop, below that they would have received if this program had not been enacted."

However, as soon as the feed grain bill became law, the Secretary proceeded to sell tens of millions of bushels of feed grains under the pretext that this was corn "threatened with going out of condition." Between October 1, 1960, and September 1, 1961, the Commodity Credit Corporation sold for domestic use over 235 million bushels compared with 105 million bushels in the same period a year earlier.

This action by the price fixers has caused the price of corn to be at least 10 cents a bushel below the level it should be—below what the free market would have paid. As a matter of fact, on the 14th of September 1961 the cash price for No. 2 corn in Chicago was actually 8 cents under a year ago. The price fixers have taken tens of millions of dollars out of the pockets of corn producers.

During the congressional debate on the feed-grains program, the Secretary of Agriculture insisted that he have the authority to dispose of Commodity Credit surpluses at the prevailing market price. Apparently his reasoning was that with this power to control the market he could force farmers into the new program. This is the club that he wanted to use.

When this question came up on the floor of the House I felt that it was not right to give the Secretary of Agriculture this power to club farmers into line. It was my contention that if the program was to be a success it would have to be made attractive so that a great majority of the farmers would find it to their advantage to participate in the signup. It was then that I offered my amendment to authorize partial payment in advance at signup. The adoption of this amendment would provide two advantages: (1) It would encourage farmers to participate in the program and thus secure the land retirement which is the basis of the whole program. Second,

while being beneficial to the program itself, the partial payment in advance would provide the farmer with cash in his pocket at a time when he needed it most—during spring's work when fuel, fertilizer, and seed bills run high.

Fortunately my amendment was adopted and is a part of the 1961 emergency feed grain program and has been carried over into the 1962 program.

I have often wondered how many farmers would have found the program attractive if it had not been for this so-called Nelsen amendment.

But there's another aspect to this situation. As you know, the new feed grain program provides for payment to the farmer by certificate.

Here's how it works: When farmers signed up for the program last spring, they were in theory paid in kind. The farmer had three choices. (1) He could take his certificate and redeem it in grain. (A few actually did this); (2) he could take his certificate and sell it to a third party; or (3) he could take the cash value and return the certificate to the Secretary, who would later market it as the agent of the farmer. (This is what nearly all farmers did.) It had the effect of channeling all these certificates back into the hands of the Secretary—some $680 million worth. This vast sum is clearly enough to give the Secretary a complete corner on the grain market. He can make it go up by withholding sales and he can make it go down by selling. This is a tremendous power. It is too much power for one man. I opposed this grant of power in the Congress. These certificates should never have been allowed to be concentrated in one man's hands. The judgment of thousands of farmers buying and selling in different parts of the Nation would not have this disastrous potential.

The Secretary in this case can drive the market down. Then any speculator could go into the market and buy grain at less than production costs. The speculator could go into the feeding game or dairying in competition with the farmer with fixed costs and break him. You can't sweep your farm under the rug when the assessor comes.

Iowa Congressman JOHN KYL, during the debate, asked the question: "Is this bill intended to raise or lower market prices?" He got no answer.

Let us now turn to another commodity, soybeans. This group of producers has been a most farsighted group. They have worked hard on developing a market for their product at a competitive, yet attractive price and in 1960, 23.6 million acres were harvested. These producers asked the Secretary not to raise the price above $2 a bushel—but in spite of this request, the Secretary established a support price 45 cents above the 1960 level and the latest crop reports indicate that there will be 27.1 million acres to be harvested and this represents 114 percent of the 1960 crop. In all probability this will drive the price of soybeans down and the Government will be the purchaser—and the industry may well find itself in the same trouble that other agricultural commodities are in.

I cite these strange maneuvers, but I am frank to admit that neither a program of fixed supports or of flexible supports will work unless a land retirement program is brought into play, and by this method balanced supply and demand.

Recently the Department of Agriculture announced that it would sell surplus corn at market price. It was stated that the purpose in so doing was to stabilize prices, pointing out that in some areas where feed was in short supply fluctuations occurred. In other words, the market price was too high.

First, at what level was the market price at the time of the announcement? As of September 13 the market price for No. 2 yellow corn in Chicago was $1.12 per bushel. This compares with $1.20 a year ago; $1.12 is 69 percent of parity.

Actually, according to latest Government reports the average cash price received by farmers was $1.04 a bushel. This is 64 percent of parity. A good question would be, Are we now being told that 69 percent of parity is too high? Are we now being told that we cannot ever have 100 percent of parity, even if the market will pay it? But instead we are to be satisfied with 74 percent of parity from the Government.

Because of what is known as the Neal Smith amendment, the farmer who is participating in the program will get 74 percent of parity on only his normal production based on his 1959–60 yield. For example, if your yield is established at 70 bushels an acre and if because of good weather and farming practices you are fortunate in having a yield of 100 bushels an acre this year, you will still get the 74 percent on only 70 bushels. The other 30 bushels you will have to sell on the market in competition with Government dumping and noncooperators at a market price depressed by Government action.

In a recent press release the Department announced its intention to sell 850 million bushels of corn during the next marketing year. This is 17 million bushels of corn per week. Certainly if they accomplish this objective, the price of corn would be low. The feed grain/livestock ratio will be high and as Secretary Freeman, himself, has said, cheap feed grain means cheap livestock. The next step could well be taken in the fall of 1962 under those circumstances where the livestock prices could conceivably and very likely be driven down, and without question a program would evolve to regulate livestock.

It becomes quite clear that if we are to depart on a completely regulated economy that the farmer will find himself in more and more trouble as time goes on. It has been pretty well established by now that many of our problems have been a result of mistakes of big government.

It is not my purpose to appear here as a carping critic—but remember, we have to live with this law. I do wish to point out features of this law and the way it is administered which could destroy agriculture—and I wish to make suggestions as to changes that many of us feel could make this law an effective instrument and increase income for agriculture without breaking the back of the taxpayers of the country or breaking our free enterprise system.

The changes that I would suggest would be these: We have now for years attempted to legislate by dealing with individual commodiites—corn, wheat, etc. We reduced wheat acres in the wheat areas by quotas and allotments of acres, only to have production break out in the nonwheat area, by an act of Congress permitting 15-acre plots.

We reduced corn acreage only to find grain sorghums and barley coming into production competing with corn.

I think the feed grain bill approach does have merit. I think it can be improved and in order to work and produce the necessary results a much more general participation is necessary. If that is not accomplished, it will go down as the greatest boondoggle of them all. I would like to suggest an approach to the farm problem on the basis of total tillable acres rather than on the basis of commodity-by-commodity. We would then:

1. Make an overall determination as to the amount of land retirement necessary;

2. Provide incentive compensation by cash or in kind to get the farmer participation to effect the necessary retirement;

3. Provide a system of supports that can be raised or lowered, applying it to commodities in question. In other words, let's not drive the competitive market, but merely guide it when and where necessary. Go back to what CLINTON ANDERSON advocated in 1947.

I should point out that the 1961 feed grain program with its payment-in-kind feature isn't a brandnew idea. If this year's program had approached the feed grain problem on the basis of total tillable acres, it would have been very similar to the proposal which I and several other Midwest Congressmen introduced in the House of Representatives over a year ago. Our proposal, however, would not have restricted participation to 40 percent by individual farmers and we would not have vested in the Secretary of Agriculture a one-man control of the feed grain markets.

It begins to appear that the degree of participation this year has not been high enough to reduce the total supply of corn and grain sorghums. The 40-percent limitation discouraged too many farmers from participating when greater participation was needed. With good crops coming along, it now appears that the limited participation—42 percent of all eligible farms and 23 percent of the corn acreage—will not be sufficient to offset the annual corn production which is now estimated by the crop reporting board as only 10 percent below that of last year.

The one cardinal rule of success for any payment-in-kind program is that the annual supply from both the annual production and the release from storage must not exceed the annual disappearance. This rule is based on the old reliable law of supply and demand. In other words, the total amount of corn available both from this years' production and from Government surpluses are reflected by the payment-in-kind certificates must not exceed the expected disappearance this year in animal feed, seed, food, and export.

Any workable program we might adopt is going to cost money—a lot of money. But if we're going to spend the money, let's have a program that's going to do the job. The alternative is a never-ending problem of surpluses and high costs.

With the corn market 8 cents lower than it was least year at this time, and operating costs increasing rather than decreasing, it becomes apparent that the economic planners haven't found the answer to the farmer's cost-price squeeze. If the planners are going to control the farm markets by depressing the prices, why don't they give some thought to putting planning controls on other aspects of our economy? The Nation's family farmer isn't going to benefit from the present program when the cash price of feed grains is being driven down for the benefit of the speculator feeders and supports higher than the market price work a comparative benefit to the commercial growers. What happened to the so-called champion of the family-sized farm? Meanwhile we find American industry generally being priced out of world markets as a result of high costs of production here at home—those same high costs of production which are putting the squeeze on the Nation's farmers.

So, finally, we arrive at this point: If the farm economy is to be planned and controlled by the so-called experts, then all of American economy must be likewise planned and controlled. And in the end who is going to plan the planners?

So let's profit by the mistakes being made with the new feed grain program. Let's leave political ping-pong out of the farm game; make an honest effort to do what is best and right for American agriculture and the entire Nation's economy. We are living in times when we cannot afford the luxury of politics as usual—we farmers never could

afford it and I say now that it is time that the political experts realize that our country can't afford it.

Railroad Technological Advancement

EXTENSION OF REMARKS
OF
HON. ROBERT E. COOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. COOK. Mr. Speaker, every Member of Congress is aware of the present crisis confronting American railroads. This huge deficit-ridden industry is trying to halt its slide toward bankruptcy through mergers and relief from Government discriminatory treatment in order to restore the earnings that once made the railroads one of the greatest industries in the United States.

It is obvious to all that a good, strong railroad system is essential to the future of our country as it has been to the glorious past of this Nation. Just as the railroads have helped to build this country of ours, so, too, we must look to them for assistance in meeting the challenge of the future with our growing population and our increased transportation needs.

In addition to the present personal needs of all Americans, it is essential to the adequate defense of the United States that we have a modern and efficient railway system. Here again, history has shown us that the railroads are essential in the transportation field during times of national emergency.

The present economic ills of the American railroads are well known to all of us. It behooves the Congress to take whatever steps are possible from the Government level to encourage the various railroads of this country to continue and to better their efficient operation.

The railroad industry itself should constantly seek out new methods of decreasing their operating expenses and in this way bettering their competitive position in the field of transportation. Such actions as these come under the heading of self-help and are as essential to the future of this industry as is Government assistance.

One of the most significant revolutionary breakthroughs in the technology of the railroad industry is the recent development of the 200 miles per hour liberty track by the Railroad Permanent Way Products Corp. & Railroad Rubber Products, Inc. of Ashtabula, Ohio. The principle of the liberty track is to provide a stable, sound, and safe foundation for rail travel, with speeds greatly in excess of 100 miles per hour. The new speeds determined by this track structure will be limited only by the type and weight of equipment being operated over the railroad surface. With this liberty track, the American railroads can achieve speeds of 200 miles per hour with their present equipment, if they so desire.

Among the international testimonials to this new technology is the statement of Monsieur Robert Levi, director of fixed installations for the French National Railways, who in 1947 stated "thanks to the use of rubber, we have been able to reduce maintenance costs by 70 percent." Monsieur Roger Sonneville, chief of the research section permanent way department of the S.N.C.F. in France, also stated that the "economic importance of this technique for track construction is very considerable, both as regards the increase in the life of all track material and as regards the tremendous reduction in maintenance costs. Thanks to the use of rubber we have been able to achieve what railway engineers have dreamed of ever since railways started."

This technology is the key to achieving new high speeds, greater safety, service, comfort, and a profitable low-cost operation.

It is my sincere hope that the railroad industry will investigate this revolutionary development and incorporate this technological advancement in their plans for the future. Such action by the industry should go far to lower their costs of operation and return them once again to the profitmaking days of the past.

The story of the railroads is the story of the basic and indispensable surface transportation medium of the world and I am convinced that this new perfection by this industry will greatly advance the progress of each nation and its people.

Rally Against the Admission of Communist China to the United Nations

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. JUDD. Mr. Speaker, last night a crowd of alert, patriotic Americans, with representatives of a dozen countries which world communism holds in its cruel grasp, packed Carnegie Hall in New York City to protest the efforts being made by some to seat Red China in the United Nations, and to rally the will of our Government and that of other free governments to prevent such a needless, such a wrong, and such a cruelly self-defeating action.

The opening address was given by our distinguished colleague, the Honorable FRANCIS E. WALTER, of Pennsylvania.

The Members of this House know well his extraordinary abilities, his judicial mind, and his fearless dedication to the high principles on which alone human freedom and justice can be made secure. But never have I heard him or anyone speak more penetratingly and devastatingly of the threat which communism in the form of Red China presents to us and to all free men—its record of cold criminal perfidy at home and abroad, its cynical disqualification of itself for membership in the family of civilized nations, and the steps which our country must take not in pique, but in self-respect, should a majority of members of the United Nations be so blind or so foolish or so afraid as to vote to admit Red China, thereby spelling the doom of the U.N. as an instrument of justice and freedom and enduring peace.

May I urge all to read Congressman WALTER'S address:

REMARKS BY REPRESENTATIVE FRANCIS E. WALTER, DEMOCRAT, OF PENNSYLVANIA, AT RALLY AGAINST THE ADMISSION OF COMMUNIST CHINA TO THE UNITED NATIONS, CARNEGIE HALL, NEW YORK, SEPTEMBER 21, 1961

It is an honor and a pleasure to address the representatives of those nations—and a cross section of the millions of citizens of the United States—who oppose admitting to the United Nations the world's biggest dope peddler; the one nation in the world that has a policy of trafficking in death, that pursues an indiscriminate, particularly vicious type of genocide designed to destroy not only the bodies, but the minds and morals of its enemies.

It was Mao Tse-tung himself—when he headed a relatively small band of Red conspirators in Yenan many years ago—who conceived the Chinese Communist policy of narcotics peddling or soul poison. Opium, or special merchandise, as it was called, was Yenan's main source of income. Mao used it to demoralize and debauch non-Communist Chinese while, at the same time, he used profits from its sale to finance the subversion of their free institutions.

Today, he is doing the same thing, but on a much grander scale. The distribution and sale of opium and its derivatives, morphine and heroin, worldwide, is close to being a Red Chinese monopoly. This is not by accident. For the first time in history, we are faced with a situation in which a government has undertaken to make itself the narcotics trust of the world. It has been so successful in this that Peiping now has an estimated income of $1 billion annually from trade in narcotics.

Though the use of opium is forbidden in Red China, over 5 million acres of land in that country are devoted to opium poppy cultivation. The People's Bank of China and Peiping's opium agency have special counters for handling loans and credits for opium growers. Poppy farms are protected by electrified barbed wire fences. Red China's armed forces provide guards for opium shipments. The so-called People's Bank bids in the opium poppy at US$72 and refined heroin at U.S.$500 per pound.

The records of the United Nations Commission on Narcotic Drugs reveal that Hong Kong is swamped with opium, morphine, and heroin; that Burma and Thailand are helpless to stop the annual flow of tons of opium which enter those countries from their "northern frontiers"; and that Red Chinese narcotics, a considerable portion of them openly labeled as such, are sold throughout the world.

During the Korean war, Red China falsely accused the United States of using germ warfare, when it was itself engaged in large-scale dope warfare against U.S. and U.N. troops. Narcotics were peddled at bargain prices by young women pushers near all military installations in Korea. Much of it was of such purity that it made addicts far more quickly than the adulterated type usually sold in the United States.

The same was true of Japan. In 1952, Japanese police arrested over 2,000 dope pushers near U.S. installations.

When the U.S. troops captured Pyongyang, capital of Communist Korea, they found on opium processing plant. In it there was enough morphine in cans to fill several small rooms and 300 boxes of opium, each containing 30 to 50 pounds of the drug.

In 1951–52, Republic of Korea police arrested over 2,400 North Korean agents who had gold in one hand and heroin in the other. All Korean heroin was the "Red Lion" brand, known to originate in Tientsin.

How does Red China get agents for its international narcotic syndicate? Some years ago, a Japanese seaman who was not an addict signed on a ship trading with China. He was tied, hand and foot, and injected with morphine until he became an addict. He would then do anything to get the drug he craved. By measures such as this, the Red Chinese have created a worldwide army of dope addicts and peddlers who will go to any length—and commit any crime—to obtain narcotics they crave and which they know they will get, as long as they continue to cooperate.

Rings pushing Red Chinese narcotics have been broken in Japan, San Francisco, Hawaii and many other parts of the world.

The United Nations knows these things. For years, facts on Red China's trafficking in dope have been presented to its Commission on Narcotic Drugs. Harry J. Anslinger, U.S. Narcotics Commissioner and U.S. representative on the U.N. Commission has told it:

"Spreading narcotic addiction to obtain funds for political purposes, through the sale of heroin and opium, is the policy of the Communist government in mainland China. * * *

"This narcotics menace from Communist China is a multiheaded dragon threatening to mutilate and destroy whole segments of populations * * * an unbridled monster."

I need not tell anyone in this audience about the horrors of dope addiction. Our press has been filled with accounts of it. Heroin, Red China's most valuable export, is the most potent and pernicious of opium derivatives. Its victims are practically incurable.

But even while Red China promotes addiction to this revolting drug in every corner of the world, in contravention of the rules and efforts of the United Nations, and of every norm of human rights and decency—making itself unfit to sit in the councils of any body of civilized men—we find certain member nations advocating its admission to the U.N. What a travesty this is.

Within the past 2 years, Moscow and Peiping have established a beachhead 90 miles from the shores of the United States. Their aim in doing so, is the ultimate destruction of this Nation. It is not, however, limited to this. They also intend to seize control of every nation in Latin America—either before or after conquering the United States—and turning each one of them into a Red satellite.

The Castro regime has given us a foretaste of what this will mean to tens of millions of Latin Americans: mass executions before firing squads, a brutal war against religion, dictatorial control of the press and all media of information, the suppression of liberty in every form—all the horrors the peoples of Russia, China, and the satellites have suffered at the hands of Communist governments for years.

What has been Red China's role in the enslavement of the people of Cuba?

It has given Castro a loan of $60 million with the understanding that he need not pay it back. It has bought 500,000 tons of his slave labor sugar crop. Last February, Raoul Castro said Red China had given the Communist Cuban dictatorship hundreds of machineguns and other weapons "for which we have not had to pay 1 cent."

In the spring of this year, when Castro asked Red China's help in putting down any anti-Communist revolution or invasion, Liu Shao-chi and Chou En-lai pledged Red China's complete support. In another message, Peiping referred to former President Eisenhower and President Kennedy as "jackals of the same lair" and stated that "whatever happens" Communist China would take "all the necessary measures in every field" to see that Castro's Communist grip on the Cuban people is never broken.

Shortly after Castro seized power, diplomats in Cuba reported that Peiping's worldwide extortion machine had already gone to work on the 30,000 Chinese there. The Overseas Chinese Returnees Association in Peiping was asking them if they had relatives in Red China and what property they owned in Cuba. Peiping's letters of inquiry bore the correct names, addresses and even apartment numbers of the addressees—an indication of how thoroughly its international extortion ring goes about its business.

Oversea Chinese in this country and other nations have, for years, been receiving extortion notes from Red China. Many are in our committee's files. The fear created by the Red extortionists among Chinese in free nations, however, is nothing compared to what it is for those who live under a Communist dictator.

Red China's freedom-wrecking efforts in the Western Hemisphere have not been limited to Cuba. Two training centers for Latin Americans have already been established in Peiping. One of them is teaching guerilla warfare, an art in which the Chinese Communists excel. The other has already sent 200 Communist agents into various Latin American countries as student and journalists and under other guises.

Through its Sino-American Cultural and Friendship Association, Red China has established binational cultural centers in nine Latin American countries. It has stepped up its Latin America broadcasts to 21 hours per week, and in April 1960, added 10½ hours in Portuguese. Its New China News Agency has an office in Havana and is publishing a slick propaganda magazine for distribution throughout Latin America. In 1960, over 1,000 Latin Americans traveled to Red China at Peiping's expense.

The purpose of all these activities is obvious. It is to destroy freedom throughout the Western Hemisphere by whatever means are possible and impose in its place Red totalitarian regimes.

The United Nations was founded on a noble ideal, an ideal with which no sane person can disagree—the ideal that the peace-loving, decent nations of the world should combine their forces—economic, political, diplomatic, moral, and military—to maintain world peace and protect universally recognized human rights. How? By using whatever of their combined powers were needed—at any given moment and in any given situation—to put down warmakers and violators of human rights.

It is shocking that nations which claim to be dedicated to the ideals of the U.N. and its charter, should be so cynical, so morally callous, so indifferent and blind to their own interests and survival, that they should urge that Red China be granted admission to that body.

Whoever votes for Peiping's admission to the U.N.—on the record—votes for war rather than peace, for international blackmail on a frightening scale, for a world policy of promoting narcotics addiction, for the undermining of freedom in all of Asia, Latin America, and Africa.

They are also voting for the ultimate destruction of the U.N. itself—even while they proclaim their great devotion to it. What is worse, they are making a complete mockery of the U.N., its charter and ideals. They are dragging this international organization, which has been proclaimed the best hope of man, into the gutter of the cheapest and dirtiest kind of international politics. They would have it submit to the blackmail of communism's international narcotics peddler, its trader in the degradation of human souls.

Red China's admission to the U.N. must be fought and defeated at all costs. If we fail in this endeavor, it will be time to leave the organization; not in pique, but in self-respect; not to destroy it, but in an effort to at least uphold its ideals when the organization itself has become nothing but a sham.

No nation that truly believes in the charter, in human rights and decency, in peace rather than war, could do less.

El Cajon Little League World Champions

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. WILSON of California. Mr. Speaker, late in August of this year an expert group of young baseball players from my congressional district participated in the Little League World Series held in Williamsport, Pa. This team was made up of the El Cajon-La Mesa Northern Little League All-Stars and today they are world's champions. We are very proud of these boys.

Our distinguished colleague, the gentleman from Pennsylvania, the Honorable HERMAN T. SCHNEEBELI, addressed the House of Representatives on August 29, 1961, with respect to this memorable event. Unfortunately, our colleague was not fully aware of the fantastic growth in southern California and San Diego County, in particular. So that the record may be straight, I submit herewith an article that appeared in a newspaper in my district which contains very significant statements by Mr. Dick Ferree, manager of the El Cajon Chamber of Commerce. You will note the fact that El Cajon's population is now in excess of 40,000 people and not 5,418 as my good friend, HERMAN SCHNEEBELI stated in his statement to the House.

Under unanimous consent, I include herewith as a portion of my remarks the above-referenced newspaper article:

LITTLE LEAGUERS ARE LAUDED BUT FERREE WANTS THE RECORDS STRAIGHT

EL CAJON.—There's no mistake about it. The El Cajon-La Mesa Northern Little League All-Stars are the world's champs.

But El Cajon Chamber of Commerce manager Dick Ferree would like to set the RECORD straight—the U.S. CONGRESSIONAL RECORD, that is.

Speaking before the House of Representatives August 29, HERMAN T. SCHNEEBELI, Republican of Pennsylvania, had this to say:

"I was privileged to attend the final game of the Little League world series, held in Williamsport, Pa. The crowd composed of interested spectators from localities throughout the United States and the free world totaled some 16,000 people—much more than the total combined population of the communities represented by the competing teams.

"El Cajon, Calif., from a town of 5,418, won out over the team from El Campo, Tex., population, 6,216, in an exciting contest conducted in the finest traditions of American sportsmanship."

"Of course, these statements hit me like a bomb," Ferree who takes an enthusiastic interest in such things as population statis-

tics, stated. "Congressman SCHNEEBELI obviously was quoting from the 1950 census report."

Ferree added, proudly, that El Cajon's population has soared to 40,000. He granted that perhaps the area from which the Northern Little League All-Star team was chosen has a population of about 5,000.

The Congressman continued: "It is not insignificant that the Little League world championship was decided between representatives of small towns, for it is my contention that small communities constitute the solid, strong and steady foundation of our way of life."

Ferree grudgingly admitted that perhaps El Cajon would be considered a small town, at least by California standards.

"From the moment when a home run sailed out of the park in the seventh inning of the first game, eliminating Levittown—last year's titlist—the California boys loomed as the most dangerous competitors. But El Campo, Tex., also had impressed the spectators, especially in the semifinals when it disposed of Monterrey, Mexico, which twice before had captured Little League championships, Congressman SCHNEEBELI said.

DINGDONG BATTLE

"Thus a dingdong battle, right down to the wire, was expected. And that's just what happened, with a home run by Mike Salvatore in yesterday's final inning sewing up the championship for El Cajon.

"Our warm congratulations to the new kings of Little League baseball—but unstinting praise must go also to all the lads who took part in this thrilling international event."

Address by Hon. Catherine D. Norrell, of Arkansas, Before Veterans of World War I at Dallas, Tex., September 19, 1961

EXTENSION OF REMARKS

OF

HON. CATHERINE D. NORRELL

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mrs. NORRELL. Mr. Speaker, it was my pleasure and great honor to address the Veterans of World War I and the Auxiliary to Veterans of World War I at Dallas, Tex., on Tuesday, September 19, 1961, at their ninth national convention. Under leave granted, I include in the Appendix of the RECORD the transcript of my address:

Mr. Chairman, National Commander Erickson, National Auxiliary President Mrs. Mort, distinguished guests, ladies, and gentlemen, your national commander and the membership of the Veterans of World War I of the United States have honored me greatly by inviting me to be with you this evening.

As the widow of a World War I veteran, who had served in the House of Representatives for more than 22 years, I first became acquainted with the objectives of your organization at the time a congressional charter of incorporation was granted in 1958.

Now I find that your membership has expanded to more than 200,000, with a total of 2,657 barracks located in each of the 50 States, as well as in the Philippine Islands and Ireland. My informant tells me that I may boast that Arkansas has 82 barracks with a membership of 3,919 as of August 29 this year.

This record of continually expanding membership is indeed evidence that your purposes meet with enthusiastic response. More than that, your purpose to participate in our national security in the capacity of civilians constitutes the bulwark of freemen, which no enemy could penetrate.

Your purpose is quoted in these words: "To fight all alien forces, particularly and especially Communists, whose objectives are to deny our very existence as a free people." It is to this purpose that I should like to address my remarks this evening.

In thinking about the subject of my remarks, I was reminded of the recent occasion in the House of Representatives when special orders granted us the privilege of speaking in commemoration of the ratification of the 19th amendment, the woman's suffrage amendment.

There are 17 lone women Members of the House among 420 men. Only five of us had risen to speak before the male Members began a series of requests to speak. Would you believe it: 35 male Members rose to congratulate, elaborate, and enumerate the contributions which the women of America have made to our society since they attained the franchise in 1920.

That record would seem to belie the long-standing accusation that women never seem to know when to stop talking. At any rate, the single hour of special privilege elapsed—with a male Member having the final word.

Within the same 5-year period of our history, there were three events that changed the course of our national life.

1. Perhaps you will consent now that the attainment of the franchise for women in 1920 could be counted as a victory in the field of freedom.

2. During 1917 and 1918, we were engaged in the World War I battle for democracy.

3. And in 1919, international communism began its course of enslavement of human lives. It was then that the Communist Party, U.S.A., was started by a small group of fanatics. Forty-two years later, our own country is its prime target.

Many of our citizens are informed on the nature and scope of the Communist threat, but there is need to see that many others are informed and to broaden the understanding of the extreme differences between the Communist system and freedom under law as we know it.

There is thought to be given by every individual to his responsibility in helping to maintain the strength and vitality of our fundamental principles of democracy and freedom.

The familiar World War I recruitment poster with Uncle Sam pointing his index finger and saying "America Needs You" is equally applicable today. And the symbol of our democracy points directly to every citizen of our land.

There is work to be done.

We must not accept the blessings of freedom that are ours today without at the same time giving of ourselves to help meet the needs of our national purpose. That help could best be given through any one of a number of practical means at the community level. The community is the heart of our American way of life.

Just as surely as America needed you to fight for democracy during World War I, she is in need now of your maturity of thought and experience, and of your productivity. She desperately needs your helping hand in every town and city, in all phases of community living.

Without your help, how could our Nation hope to meet the urgent needs on the home front during this critical period in our history? America's population of living veterans of all wars is more than 22,500,000. Together with their families, they approximate 40 percent of the total population of the United States.

Let us remind ourselves over and over again that our Nation has gained its present position of world leadership, technological advance, and material comfort not alone through the great natural wealth that is ours. The fundamental principles of democratic American thought have provided the structure for this unprecedented development.

Because of our system of beliefs as stated in the Declaration of Independence and reaffirmed by our Constitution, we are guaranteed certain rights which we believe to be natural and to belong to all men—freedom of worship, freedom of speech and of the press, freedom of assembly, and trial by jury.

Let us review the basic concepts of our system of government in contrast to the system under which communism operates.

The United States was the first national government to demonstrate belief in liberty through self-government, and belief in the idea that men are rational enough and reasonable enough to decide whom they wish to govern them and under what form of government.

This is in direct conflict with the Communist system. That system disregards the basic beliefs of mankind. The dignity of the individual is of no consequence, and he is relegated to a position of unimportance except as an instrument of the state.

Our belief in the rights of the individual involves certain duties which he must fulfill. These include obedience to the law and the duty to keep himself informed on current issues and problems. His obligation is a willingness to participate in government and to vote intelligently—secure in the right of a secret ballot.

It is this relationship between the informed citizen and the representative public official which keeps our Government dynamic and responsive to the wishes of the people.

Under communism the rulers have supreme power. They dictate policy. And whatever policy is decreed by the rulers, the public must accept. The officials are not held accountable to the public for their actions. They are not, as we, the servants of a public trust.

Our system of government and our economic system of free enterprise are based upon our belief in the dignity of man and opportunity for all. It has been individual self-reliance and initiative under the free enterprise system that has brought about our Nation's tremendous development and material wealth.

Under the doctrine of communism, individual initiative receives no reward. All means of production, distribution, and service are in control of the state. People are told where they may work, and must take such goods and services, and at such prices, as decreed by the state rulers.

The proponents of communism in other countries of the world proclaim that their doctrine is the best way to produce material progress. In many of the underdeveloped and overpopulated countries—whose people are primarily concerned with raising their substandard level of living—the promise of material progress overshadows the terrible cost in human bondage that is inevitable under the Communist doctrine.

One of the best ways in which we can help these newly emerging peoples of underdeveloped countries is to maintain our own moral, economic, and physical strength that was born of our freedom. We must demonstrate that the economic systems which flourish under freedom can, and will, in every country where they are employed, promote the fullest development of human life, both materially and spiritually.

The challenge of the Communist doctrine in the world today cannot be ignored. The forces of communism are working steadily,

seizing and exploiting to the fullest every means to conquest.

Thus it is, I believe, that democracy rests upon the shoulders of each of us as individuals. Its defense is dependent upon the actions of each of us working together as a group.

The well-known historian, Charles Beard, had this to say about it: "Democracy is a cause that is never won, but I believe it will never be lost."

As a nation, we are a people with a firm faith in our Creator, and with a firm belief in the highest aspirations of mankind.

With the day-by-day willingness and courage of each of us to share the privileges and the responsibilities of our heritage of freedom, there will come a time when others less fortunate throughout the world will join in upholding freedom under law in a community of nations.

In closing, I should like to speak briefly about our legislative program of interest to veterans. In fact, if I were not to do so, you might be inclined to disbelieve that I am a Member of Congress.

All of our veterans have the assurance that their interests are constantly before us. The House Committee on Veterans' Affairs has been engaged for a number of years in a continuing study of all phases of veterans' programs. Each year we endeavor to amend laws to correct inequities, to liberalize benefit programs, and to provide as generously as a grateful nation is able to do.

A few figures from the appropriations bill for the fiscal year 1962 will give you an idea of how our economic pie was cut. We have appropriated the sum of $4,889,270,500 to be expended by the Veterans' Administration for all programs. Of this sum, $3.5 billion is allocated for compensation and pensions. And $76,250,000 is allocated for the construction of hospitals and domiciliary facilities.

There are some 300 Members of Congress who are veterans, and some of us are widows of veterans; so I think you can feel assured of sympathetic consideration of legislative programs in the years to come.

I thank you.

Address by Hon. Francis E. Walter, of Pennsylvania, Against the Admission of Communist China to the United Nations

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

ADDRESS BY REPRESENTATIVE FRANCIS E. WALTER, OF PENNSYLVANIA, RALLY AGAINST THE ADMISSION OF COMMUNIST CHINA TO THE UNITED NATIONS, CARNEGIE HALL, NEW YORK CITY, THURSDAY, SEPTEMBER 21, 1961

It is an honor and a pleasure to address the representatives of those nations—and a cross section of the millions of citizens of the United States—who opposed admitting to the United Nations the world's biggest dope peddler; the one nation in the world that has a policy of trafficking in death, that pursues an indiscriminate, particularly vicious type of genocide designed to destroy not only the bodies, but the minds and morals of its enemies.

It was Mao Tse-tung himself—when he headed a relatively small band of Red conspirators in Yenan many years ago—who conceived the Chinese Communist policy of narcotics peddling or "soul poison." Opium, or special merchandise, as it was called, was Yenan's main source of income. Mao used it to demoralize and debauch non-Communist Chinese while, at the same time, he used profits from its sale to finance the subversion of their free institutions.

Today, he is doing the same thing, but on a much larger scale. The distribution and sale of opium and its derivatives, morphine and heroin, worldwide, is close to being a Red Chinese monopoly. This is not by accident. For the first time in history, we are faced with a situation in which a government has undertaken to make itself the narcotics trust of the world. It has been so successful in this that Peiping now has an estimated income of $1 billion annually from trade in narcotics.

Though the use of opium is forbidden in Red China, over 5 million acres of land in that country are devoted to opium poppy cultivation. The People's Bank of China and Peiping's opium agency have special counters for handling loans and credits for opium growers. Poppy farms are protected by electrified barbed wire fences. Red China's armed forces provide guards for opium shipments. The so-called People's Bank bids in the opium poppy at 72 U.S. dollars—and refined heroin at 500 U.S. dollars—per pound.

The records of the United Nations Commission on Narcotic Drugs reveal that Hong Kong is swamped with opium, morphine and heroin; that Burma and Thailand are helpless to stop the annual flow of tons of opium which enter those countries from their northern frontiers; and that Red Chinese narcotics, a considerable portion of them openly labeled as such, are sold throughout the world.

During the Korean war, Red China falsely accused the United States of using germ warfare, when it was itself engaged in large-scale "dope warfare" against United States and United Nations troops. Narcotics were peddled at bargain prices by young women pushers near all military installations in Korea. Much of it was of such purity that it made addicts far more quickly than the adulterated type usually sold in the United States.

When the U.S. troops captured Pyongyang, capital of Communist Korea, they found an opium processing plant. In it there was enough morphine in cans to fill several rooms and 300 boxes of opium, each containing 30 to 50 pounds of the drug. In 1951–52, Republic of Korea police arrested over 2,400 North Korean agents who had "gold in one hand and heroin in the other." All Korean heroin was the "Red Lion" brand, known to originate in Tientsin.

Rings pushing Red Chinese narcotics have been broken in Japan, San Francisco, Hawaii and many other parts of the world.

The United Nations knows these things. For years, facts on Red China's trafficking in dope have been presented to its Commission on Narcotic Drugs. Harry J. Anslinger, U.S. Narcotics Commissioner and U.S. representative on the U.N. Commission, has told it:

"Spreading narcotic addiction to obtain funds for political purposes, through the sale of heroin and opium, is the policy of the Communist government in mainland China. * * *

"This narcotics menace from Communist China is a multiheaded dragon threatening to mutilate and destroy whole segments of populations * * * an unbridled monster."

I need not tell anyone in this audience about the horrors of dope addiction. Our press has been filled with accounts of it. Heroin, Red China's most valuable export, is the most potent and pernicious of opium derivatives. Its victims are practically incurable.

But even while Red China promotes addiction to this revolting drug in every corner of the world, in contravention of the rules and efforts of the United Nations, and of every norm of human rights and decency—making itself unfit to sit in the councils of any body of civilized men—we find certain member nations advocating its admission to the U.N.

What a travesty this is.

Within the past 2 years, Moscow and Peiping have established a beachhead 90 miles from the shores of the United States. Their aim in doing so, is the ultimate destruction of this Nation. It is not, however, limited to this. They also intend to seize control of every nation in Latin America—either before or after conquering the United States—and turning each one of them into a Red satellite.

The Castro regime has given us a foretaste of what this will mean to tens of millions of Latin Americans: mass executions before firing squads, a brutal war against religion, dictatorial control of the press and all media of information, the suppression of liberty in every form—all the horrors the peoples of Russia, China and the satellites have suffered at the hands of Communist governments for years.

What has been Red China's role in the enslavement of the people of Cuba?

It has given Castro a loan of $60 million with the understanding that he need not pay it back. It has bought 500,000 tons of his slave labor sugar crop. Last February, Raoul Castro said Red China had given the Communist Cuba dictatorship hundreds of machine guns and other weapons "for which we have not had to pay one cent."

In the spring of this year, when Castro asked Red China's help in putting down any anti-Communist revolution or invasion, Liu Shao-chi and Chou En-lai pledged Red China's complete support. In another message, Peiping referred to former President Eisenhower and President Kennedy as "jackals of the same lair" and stated that "whatever happens" Communist China would take "all the necessary measures in every field" to see that Castro's Communist grip on the Cuban people is never broken.

Shortly after Castro seized power, diplomats in Cuba reported that Peiping's worldwide extortion machine had already gone to work on the 30,000 Chinese there. The Oversea Chinese Returnees Association in Peiping was asking them if they had relatives in Red China and what property they owned in Cuba. Peiping's letters of inquiry bore the correct names, addresses, and even apartment numbers of the addressees—an indication of how thoroughly its international extortion ring goes about its business.

Oversea Chinese in this country and other nations have, for years, been receiving extortion notes from Red China. Many are in our committee's files. The fear created by the Red extortionists among Chinese in free nations, however, is nothing compared to what it is for those who live under a Communist dictator.

Red China's freedom wrecking efforts in the Western Hemisphere have not been limited to Cuba. Two training centers for Latin Americans have already been established in Peiping. One of them is teaching guerrilla warfare, an art in which the Chinese Communists excel. The other has already sent 200 Communist agents into various Latin American countries as students and journalists and under other guises.

Through its Sino-American Cultural and Friendship Association, Red China has established binational cultural centers in nine Latin American countries. It has stepped

up its Latin America broadcasts to 21 hours per week, and in April 1960, added 10½ hours in Portuguese. Its New China News Agency has an office in Havana and is publishing a slick propaganda magazine for distribution throughout Latin America. In 1960, over 1,000 Latin Americans traveled to Red China at Peiping's expense.

The purpose of all these activities is obvious. It is to destroy freedom throughout the Western Hemisphere by whatever means are possible and impose in its place Red totalitarian regimes.

The United Nations was founded on a noble ideal, an ideal with which no sane person can disagree—the ideal that the peace-loving, decent nations of the world should combine their forces—economic, political, diplomatic, moral, and military—to maintain world peace and protect universally recognized human rights. How? By using whatever of their combined powers were needed—at any given moment and in any given situation—to put down warmakers and violators of human rights.

It is shocking that nations which claim to be dedicated to the ideals of the U.N. and its charter, should be so cynical, so morally callous, so indifferent and blind to their own interests and survival, that they should urge that Red China be granted admission to that body.

Whoever votes for Peiping's admission to the U.N.—on the record—votes for war rather than peace, for international blackmail on a frightening scale, for a world policy of promoting narcotics addiction, for the undermining of freedom in all of Asia, Latin America, and Africa.

They also are voting for the ultimate destruction of the U.N. itself—even while they proclaim their great devotion to it. What is worse, they are making a complete mockery of the U.N., its charter and ideals. They are dragging this international organization, which has been proclaimed the best hope of man, into the gutter of the cheapest and dirtiest kind of international politics. They would have it submit to the blackmail of communism's international narcotics peddler, its trader in the degradation of human souls.

Red China's admission to the U.N. must be fought and defeated at all costs. If we fail in this endeavor, it will be time to leave the organization; not in pique, but in self-respect; not to destroy it, but in an effort to at least uphold its ideals when the organization itself has become nothing but a sham.

No nation that truly believes in the charter, in human rights and decency, in peace rather than war, could do less.

Will the United Nations Destroy Itself by Admitting Red China?

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. JUDD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following remarkable address given by the Senator from Connecticut, THOMAS J. DODD, at a rally of the Committee of One Million in Carnegie Hall, New York City, on September 21, 1961. Senator DODD in eloquent unanswerable, and moving words portrays the deepest consideration involved in this issue, "If Red China is admitted, * * * it is the U.N. that has lost its life."

Would that every American and every official of every other country who has been beguiled into imagining Red China's objectives and behavior can be altered by accepting them into the United Nations would read and ponder this superbly clear and courageous and convincing address.

The address follows:

THE MORAL DEATH OF THE UNITED NATIONS

(Remarks of Senator THOMAS J. DODD, of Connecticut, delivered before the Carnegie Hall rally of the Committee of One Million, New York City, Thursday, September 21, 1961)

We meet in this city of New York tonight at a time when something is happening across town which may determine the survival or the death of the United Nations. And I speak not merely of the imperfect U.N. that we have known, but of the ideal that we have hoped for.

Two crises threaten the United Nations: the first is an organizational threat, the troika proposal of the Communists, which would rob it of its practical capacity to act; the second is an organic threat, posed by the contemplated admission of Red China, which would rob the United Nations of what is left of its moral authority to act and would call into doubt its very reason for existence.

The moral crisis may well be the more dangerous of the two. True the United Nations has admitted Communist regimes before, to its great discredit and shame. But at least it had the excuse of false illusion, and of hopes that these regimes were prepared to live amicably in the family of nations.

Such is not the case with Red China.

There is no question about the nature of Red China in the eyes of any who seek the truth. It is a government which, by its words and by its deeds, openly and constantly violates every basic principle for which the United Nations stands.

There can be no avoidance of the issue on grounds of ignorance. The argument against Red China has been intensely and successfully waged for a decade and if the U.N. votes to admit Red China now, it can only mark a conscious, deliberate desire to do so.

If Red China is admitted, it will mean that control of the United Nations has passed from the hands of the strong who are concerned with an honorable peace based upon justice, to the hands of the weak who are concerned principally with saving their own skins and augmenting their own influence, no matter how they must abase themselves or debase the United Nations.

The reasons against the admission of Red China are more powerful today than they have ever been, because the nature of Red China is better known than it has ever been.

Its aggression against the United Nations has now been repeated in Vietnam, in Tibet, in Laos, in India, and in Burma.

Its contempt of the United Nations has now been emphasized by continued violations of the Korean armistice.

Its subversion of its neighbors has now been intensified and expanded to nations all over the world, including those in our own hemisphere.

Its pronouncements in support of military aggression to achieve its ends have now been raised to the level of dogma.

Its persecution of its own people has now been made even more horrible since it has been systematized into the dreaded commune system which regiments every minute of every day, carries exploitation and dehumanization to the furthest limit possible, and strikes horror into the hearts of all who have the capacity to feel horror at the destruction of the human personality.

Its criminal acts have now increased to the point where it has even gone into the dreaded and abhorred business of peddling narcotics. Here is a government which many solemnly propose to seat in the United Nations, a government which has made a State industry out of producing opium and other narcotics and peddling these drugs to criminal elements all around the world at an annual profit of several hundred million dollars.

The intent of the Communist nations to rule or ruin the United Nations, which has always been apparent to those with eyes to see, is now unavoidably apparent to everyone.

And so, if the predictions of most analysts are correct, the organization which embarked at San Francisco in 1945 with such noble hopes is now prepared, consciously and deliberately, to embrace the most evil regime in history at a time when its Communist allies are openly seeking, in the most climactic and obvious manner, to destroy its very existence.

If the U.N. goes over this precipice, I do not believe anything can save it.

It shall by its own act forfeit the respect and confidence of honest men everywhere.

It shall by its own will swallow the poison which shall destroy its heart and soul and leave only an empty shell.

The arguments against admission of Red China are so basic and compelling that it seems unnecessary and even frivolous to take up the shopworn litany of shabby cliches advanced in favor of admission. Yet perhaps the larger part of mankind, in public affairs anyway, lives and acts by frivolous arguments and they must therefore be answered.

It is contended, for instance, as though it were relevant, that we cannot ignore one quarter of the human race. This is a peculiar argument to come from those who do ignore one quarter of the human race in the most cruel way possible, by consigning and abandoning them to perpetual slavery.

Certainly we cannot ignore them. We should think about them and plan for their welfare every day of our lives. But our thoughts and efforts should be directed toward their betterment, their liberation, not toward a shameful action that will in a sense legitimize their enslavers and raise them to the status of a lawful government and an accepted member of the family of legitimate governments.

It is said that we cannot ignore the government that rules 600 million people, that we need listening posts, that we need to pay more attention to Peiping for our own good.

Certainly we must pay more attention. More important, we should be ceaselessly devoting our time and energy to ways and means of combating this dread enemy. The Chinese Communists should never be off our minds. The free world should have a million listening posts in Red China. We should know everything they do, and everything they plan to do.

But this is not a job for embassies and U.N. discussions. It is a task for intelligence agents, for thousands of dedicated students of communism who are at the same time apostles of freedom.

It is maintained by India's Ambassador to the United Nations, for instance, that since a Communist regime is in actual control of the mainland it is, therefore, the rightful representative entitled to sit in the U.N.

What a principle of representation this is.

Because the Red regime has succeeded in murdering 30 million of its people and destroying the minds of those who resist it, because it has choked off all dissent and all exchange of ideas, because it has organized a reign of terror and intimidation which has

enabled it to maintain its grasp for a decade, we are told by India and others that these actions have somehow legitimized its rule and that the fact of naked power and control is all that is important in deciding representation.

If the U.N. adopts this principle, it will repudiate the ideals upon which it was founded; and having rejected its origin and reason for existence, it will have doomed itself.

Then there is the argument that by bringing them into the United Nations, the U.N. can subject the Chinese Reds to its good influence and thereby bring about their reform. If ever there was an illustration of the Biblical injunction "Pride goeth before a fall," it is here.

For 16 years the Soviet Union has been subjected to the good influence and persuasive powers of the United Nations. At no time throughout that period has it ever consciously conceded any point to the U.N. which inhibited its plan to subjugate the world. And I wonder if those who prattle idly about bringing good influence to bear upon Communist regimes paused at all to reexamine their thinking at the sight of Khrushchev pounding his shoe on his desk last year; or if the present deliberate effort of the Communist bloc to destroy the effectiveness of the United Nations gives them any pause for reflection upon the fruits of their good influence.

The presence of Communists in the United Nations has done nothing to reform them. But their presence has effectively sabotaged the U.N. and now threatens to disrupt it completely.

Finally, our own past folly of recognizing Communist regimes is used against us. People say to us: "You have already admitted Russia, you have already recognized the satellite regimes, why balk now at admitting one more? If Russia is good enough to sit in the U.N., why isn't China?"

Unfortunately, this argument is usually answered by some legalistic evasion or by the explanation that Russia's admittance was essential to the founding of the U.N., or something of that sort.

What we should say is that we were wrong to ever admit Russia; that we were wrong to ever admit any Communist regime; and that having been wrong a dozen times, we do not propose to be wrong the 13th time.

We may say that so far as this admittance question goes, the United Nations has but one flag still flying, one lone flag of honor and of decency, the flag of resistance to Red China and all the unspeakable evil it represents. The U.N. has swallowed a lot but it has refused to swallow Red China.

That flag, floating as it does above the debris of broken hopes and spineless compromises, is in my judgment the last hope, the last chance for a United Nations that stands for something eternal and significant in human history.

If we pull down that flag by voting to admit this worst of all criminal regimes, we have merely turned the United Nations into a sort of arena where thieves and murderers meet on equal terms with the legitimate representatives of the free nations of the world.

No honor can attach to such an organization. No moral authority can reside in its pronouncements. No lasting good can come from its deliberations.

No nation has done more for the United Nations than ours. We have made a home for it here on our own shores. We have financed it. We have repeatedly subordinated our national interest to its wishes. We have compromised our principles in deference to it.

The United States is the greatest friend the U.N. has, and the U.N. cannot survive without the enthusiastic support of our country. But this organization is now apparently on the verge of taking a step which is clearly repugnant and odious to the American people, to the Congress of the United States which has expressed its opposition in a series of unanimous resolutions, and to the administration policy which has prevailed under three Presidents.

If they must have Red China, so be it. But if they take this fateful step, our relationship to the United Nations can never again be the same.

While we can yet prevent this catastrophe, let us do all we can, just as we are doing tonight.

But the United Nations should be told that if Red China is admitted, it is not only the United States that has lost a contest, it is the U.N. that has lost its life.

We might linger uncomfortably in its ranks, but we could no longer look to it for guidance, or submit our vital interests to its handling.

We will have to look elsewhere for that parliament of man which will seek peace along the only path in which it can successfully be sought, the path of honor, the path of justice, the path of principle.

The Answer to a Great Dietary Need

EXTENSION OF REMARKS
OF
HON. OTIS G. PIKE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. PIKE. Mr. Speaker, at this moment 400 food and nutrition experts are meeting in Washington from all over the world under the sponsorship of the Food and Agriculture Organization. The conference is devoted to the use of fish as a food, and today the entire afternoon session is discussing the development and use of fish flour for its high protein content.

The technical papers presented today at this conference include work being done in the production and use of fish flour in Canada, in South Africa, in Peru, and in the United States of America. They show beyond any doubt that the product manufactured in the United States of America is a superior product. It is tremendously effective in any diet based on corn, rice, or other protein-lacking cereal. This means that it offers a tremendous boon to all of the major areas of the world where malnutrition is a real problem.

The greatest advantage which the product offers is the fact that it is cheap. Two and a half times the food value of powdered milk can be produced at the same cost through the use of fish flour. There is an opportunity here not only for the creation of a new and thriving American industry, but an opportunity for America to show to the people of the world how they can turn a poor diet into a good diet for just a penny a day.

I am delighted that the gentleman from Massachusetts [Mr. KEITH] has brought to the attention of the members some of these amazing reports on the nutritional value of fish flour as a food, and that over in the Senate the great potential of this product is being discussed by the Senator from Massachusetts [Mr. SMITH].

The Food and Drug Administration is opposing the sale of this product in the United States. They oppose it because it is made of whole fish. In the process of making fish flour 83 percent of the whole fish is thrown away. The process is a chemical cooking process which so changes the nature of the fish from which it is made that almost nothing remains but the protein. In no other food-processing operation that I know of is so much of an animal thrown away to get at the food value. Still the Food and Drug Administration says "Ugh," because the product is derived from whole fish.

They say it includes the heads and the tails and the insides of the fish. It certainly does. So do sardines, and so do smelts. Everyone knows what gelatine is derived from. Yet most people eat it. The sad part of the position taken by the Food and Drug Administration is that their objections are based more on witchcraft than on science. Certainly fish flour could be made from cleaned fish—fish which had been beheaded, definned, scaled, and gutted. The resulting product would taste no different than the present product—it has no taste. The resulting product would smell no different than the present product—it has no smell. The resulting product would be chemically indistinguishable from the present product. There would be just one way to distinguish it—it would cost twice as much.

No one likes to think that the Food and Drug Administration is interested solely in making it impossible to produce this wonder food cheaply. But their present position would have no other result whatsoever. Can it be that all they are really trying to accomplish is to make this food more expensive? In an age when an exploding world population and widespread hunger demand that new means be found to satisfy the nutritional requirements of the people of the world as cheaply as possible, a reasonable approach to the problem requires a more enlightened answer than the word "Ugh."

Belchertown (Mass.) Bicentennial, 1761–1961

EXTENSION OF REMARKS
OF
HON. SILVIO O. CONTE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. CONTE. Mr. Speaker, 200 years ago in the month of June the little community of Belchertown, Mass., was incorporated. Named in honor of Jonathan Belcher, the Royal Governor of Massachusetts and New Hampshire during 11 stormy years between 1730–1741, Belchertown today stands as a typical American community, whose residents are proud of the heritage which is theirs.

Although incorporated in 1761, the actual recorded history of this community and neighborhood goes back much fur-

ther—as a matter of fact a full century. The region which now includes Belchertown, Ware, and Pelham was originally known as the "equivalent lands," and by the middle of the 17th century bore the reputation of being fine hunting grounds.

The title of "equivalent lands" came originally from a grant of Connecticut territory made by the Council of Plymouth in 1630 to the Earl of Warwick, who presently conveyed title to several English nobles. In 1661 John Mason, as agent for Connecticut, purchased from the Indians all lands which had not previously been acquired by individual towns, and then surrendered them to the colony. The colonists then petitioned King Charles II for a charter confirming their rights, and the King duly obliged by a grant so sweeping that it must have astounded even the land-hungry Puritans. The boundaries were fixed as follows:

All that part of His Majesty's domains in New England, in America, bounded east by Narragansett River, commonly called Narragansett Bay, where the river falleth into the sea; and on the north by the line of Massachusetts Plantation, and on the south by the sea, and in longitude as the line of the Massachusetts Colony, running from east to west; that is to say, from the said Narragansett Bay on the east to the South Sea on the west part, with the islands thereto belonging.

The only difficulty was that no one really knew where the boundaries lay.

When eventually settlements sprang up in the vicinity of Northampton, the highway of travel for these settlers to reach Boston or other eastern towns lay across these "equivalent lands." In what is now Belchertown, near the old Bartlett farm, was a pleasant spring to welcome thirsty travelers, and the name "Cold Spring" was attached to the neighborhood and, indeed, until the town was incorporated and formally renamed, the community was called Cold Spring.

On June 25, 1761, the bill incorporating Cold Spring passed the house of representatives, was approved by the council the following day, and received the assent of Governor Bernard on June 30. It was determined to name the town Belcher's Town in memory of the late Governor, now 4 years dead. He had left Massachusetts under a cloud, having been dismissed from office, but it was discovered that various charges made against him were signed in part by forged names.

Later, after a visit to England, he was appointed Governor of New Jersey where he rendered genuine service in helping to found the College of New Jersey, now Princeton University. It was to remedy the injustice done him in Massachusetts that this town was named in honor of his memory.

Like every community in western Massachusetts, Belchertown had its committee of correspondence as the Revolution approached. The day after Lexington and Concord two companies of minutemen marched from the town, under the command of Capts. Jonathan Bardwell and John Cowles—good old Massachusetts names, both of them. They remained on duty at Boston until about August 1. The historian, George Bancroft, writes thus of this period:

The existence of the Army was an indication of the benevolence of the New England people, and its sustenance during May, June, and July cannot be accounted for by ordinary rules. There was nothing regularly established, and yet many thousands of men were supplied. Touched by an all-prevading influence each householder esteemed himself a sort of commissary. There were no public magazines, no large dealers in provisions, but the wants of the Army rung in the ears of the farmers, and from every cellar, barnyard, and field throughout Worcester, Hampshire, and even Berkshire, such articles of food as could be spared were devoted to the camp, and everybody's wagons were used to transport them. But for this, the forces must have dispersed. How it was done, cannot exactly be told; popular enthusiasm keeps little record of its sacrifices; only it was done, and the troops of Massachusetts and New Hampshire were fed without so much as a barrel of flour from the Continental Congress.

Throughout the long and bloody struggle for national independence the farmers of Belchertown did their full part. The town was represented at Bunker Hill, in Arnold's expedition to Quebec, and at the surrender of Burgoyne. Maj. Nathan Parsons, brother-in-law of the Reverend Edward Billing, Belchertown's first pastor, fought in the war from beginning to end and was attached to Washington's army at Morristown. It is a proud heritage that has come down to the men and women of these hills and valleys. The Reverend Payson W. Lyenan wrote in 1911 on the occasion of Belchertown's sesquicentennial:

History is one of the studies which should by no means be neglected. He writes himself down as a man of small mind who scouts it as of little account. All great achievements of the present and of future time must be laid on the foundation of the studies, the discoveries and experiences of the past. Inquire I pray thee, of the former age, and apply thyself to that which thy fathers searched out. Shall not they teach thee and tell thee?

Mr. Speaker, Americans everywhere today salute the people of Belchertown as they gather to celebrate the 200th birthday of the community they love so much.

Armed Forces Chemical Association Annual Meeting

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. SIKES. Mr. Speaker, it is my pleasure to submit for reprinting in the RECORD the introductory remarks of Mr. Simon Askin, president of the Armed Forces Chemical Association, at the annual banquet meeting held by that outstanding organization in Washington on September 15. Mr. Askin is one of the Nation's leading industrialists. He introduced the principal speaker, Gen. Clyde Eddleman, and read a letter from the President and one from the Secretary of Defense in his introductory remarks. His statement follows:

REMARKS MADE BY MR. SIMON ASKIN, PRESIDENT, ARMED FORCES CHEMICAL ASSOCIATION, WASHINGTON, D.C., ANNUAL MEETING AT THE BANQUET HELD ON SEPTEMBER 15, 1961

Ladies and gentlemen, honored guests, it is my pleasure to welcome you to this dinner meeting tonight which brings to a close our 16th annual meeting. I should like to read two letters of greetings received by the association, one from John F. Kennedy, President of the United States, and the other from Robert S. McNamara, Secretary of Defense. They are as follows:

THE WHITE HOUSE,
Washington, September 7, 1961.

DEAR MR. ASKIN: It is a sincere pleasure to send greetings to all attending the 16th annual meeting of the Armed Forces Chemical Association.

The theme of the meeting this year—"Balanced Military Power Through Science and Industry"—is especially appropriate now when all Americans are resolved to demonstrate to the world the kind of achievements possible through our spiritual strength, our scientific and technological genius, and our economic productivity. It is indeed comforting to realize that the Nation can rely on the fund of knowledge and experience represented by your membership.

My best wishes for a successful and profitable meeting.

Sincerely,

JOHN KENNEDY.

THE SECRETARY OF DEFENSE,
Washington.

DEAR MR. ASKIN: Please extend my greetings to the members and guests of the Armed Forces Chemical Association on the occasion of its 16th annual meeting.

The members of the Armed Forces Chemical Association can be proud of the significant contributions they have made in actively promoting the cooperative efforts of industry, civilian organizations, and the Armed Forces in applying science to the problems confronting the military.

Please convey to all attending my best wishes for a highly rewarding and successful meeting.

Sincerely,

ROBERT S. MCNAMARA.

At this time I would like to express my personal appreciation, as well as the gratitude of the association, to those individuals who by their efforts and participation in all phases of this 2-day program contributed to the success of our 16th annual meeting. I particularly want to thank our host, the U.S. Army, and Gen. Marshall Stubbs, Chief Chemical Officer. Also, we appreciate the cooperation extended to us by Col. Peter G. Olenchuk and his fellow military liaison officers. Furthermore, my gratitude to Mr. Carroll W. Hayes, general chairman of the annual meeting committee, and all the chairmen of the various subcommittees who have done such a splendid job in planning and following through the many details necessary for this meeting.

Sixteen years ago we first met in the exultation of victory. Then, in a climate that seemingly augured well for future peace, and in an atmosphere that was not visibly beclouded by atomic calamity, this organization, by its very formation, took its first step toward preparedness.

The events of the intervening years seem to have been almost a rising crescendo to this meeting, and the past 2 days have been a continuation of this program of preparedness.

There can be no question that the creation of our association 16 years ago, with

its subsequent development, was an action of foresight. How well we each do our tasks today and tomorrow, whether engaged in military, Government, or industry service, will determine how much ultimate benefit we will be to our Nation.

All of us, whether we are a part of the chemical industry or members of the defense establishment, must develop particularly the courage, capability and desire to see our Nation's defense and future grow through new chemicals and processing stemming from research.

To this we are dedicated, and thus we will serve.

And now I am honored and privileged to tell you something about our guest speaker and introduce him to you.

Gen. Clyde D. Eddlemen graduated from the U.S. Military Academy and was commissioned in the infantry.

In 1943 he went to Australia as assistant chief of staff, G–3. The general participated in all of the 6th Army's campaigns in the Southwest Pacific and was responsible to General Krueger for the planning and coordination with GHQ, the Navy, and the Air Force of all the 6th Army's campaigns, including the occupation of Japan.

General Eddleman was awarded the Distinguished Service Medal and the Silver Star citation and promoted to brigadier general in the Leyte beachhead.

In 1946 he became the first Deputy Commandant of the Armed Forces Staff College; 1949, deputy commander of the U.S. troops, Trieste, and director general, civil affairs, Allied Military Government; 1950, Chief of Plans Division, G–3, at Washington.

The general assumed command of the 4th Infantry Division, headquarters at Frankfurt, Germany, in 1954, and in 1955 was recalled to Washington to become Commandant of the Army War College. Four months later he became Deputy Chief of Staff, and on July 1, 1958, assumed command of the 7th U.S. Army in Germany. Nine months later he was promoted to the rank of general and assigned as commander in chief, U.S. Army, Europe, where he remained until he became Vice Chief of Staff, U.S. Army, on November 1, 1960.

The foregoing is merely a brief outline of the background and accomplishments of General Eddleman.

Ladies and gentlemen—Gen. Clyde Davis Eddleman, Vice Chief of Staff, U.S. Army.

General Eddleman's speech was printed in the daily CONGRESSIONAL RECORD on September 18, 1961.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. ALGER. Mr. Speaker, under permission to extend my remarks in the RECORD, I would like to include my newsletter, Washington Report:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

SEPTEMBER 23, 1961.

The grave problems facing this Nation have not been and are not being solved. Congress, under a Democratic leadership continuously since 1955, has made little progress in meeting the situations threatening our free way of life. The Kennedy administration, with its emphasis on Federal planning and an expanded welfare state, have aggravated, not moved toward a solution of the problems. To emphasize our failure to meet the challenge of this day, I am reprinting here my newsletter of February 15, 1958, in part. Note, the problems are the same, we have merely moved farther along the road to socialism.

Just where are we, legislatively speaking? New legislation is proposed with too little emphasis on the study, correction or elimination of existing laws. I propose now (too briefly, but there's a space limitation) to mention some problems that won't go away, that must be solved. Yardsticks handy for reference might be twofold: (1) What is the constitutional authority? (2) Is individual initiative, incentive, and freedom fostered or hurt?

To solve problems, first the problems must be recognized:

(1) Taxation: We now have in effect a full-flowered Communist type—a progressively graduated confiscatory redistribution of private property which dampens the desire and ability to save and invest.

(2) The Congress: Delegation of authority to other branches of Government continues, mainly to the executive, the administrative branch.

(3) The Executive: Increasing administrative and executive responsibilities create a man-killing job, terrifically expands administrative personnel, and results in inefficient administration of laws.

(4) The Supreme Court: The Court frequently and erroneously interprets the "intent" of Congress (which Congress then fails to correct) and "reinterprets" the Constitution.

(5) The budget system: The huge growth of Federal Government buries from congressional prying eyes agencies "padding" monetary needs in order to offset anticipated cuts, thus perpetuating growth of the bureaucracy.

(6) The civil service: (a twofold problem): The well-entrenched bureaucracy nurtures: (a) Some (many?) Government workers intent mainly, if not only, in self-advancement to a higher rating; and (b) Those who distort administration directives to conform to their own political beliefs.

(7) Secrecy: Confidential information, vital to the U.S. defense effort, when denied Congressmen, upsets the entire system of a representative form of government, a modern dilemma.

(8) Security: We must ferret out "subversives" in a free and complacent society, yet without character damage of the innocent, another dilemma.

(9) Foreign affairs: The conduct of the United States, a sovereign Federal Government of 48 States, (now 50) in world leadership is a balance between "isolationism" and "one-worldism," posing difficult questions of constitutionality in our action.

(10) Foreign aid: The waste, the payment of others' debts and taxes, the subsidizing of socialistic and communistic governments, the failure to convey U.S. ideas by dollars—all remind us this problem can bankrupt us.

(11) Trade: A quandry, lower tariff barriers for free trade, building business and friendship abroad, yet protect domestic U.S. industry with high wage rates which cannot compete with other nations' lower production costs.

(12) Labor: The monopolistic power of labor unions, the dictatorial power of union leaders; the replacement of collective bargaining by legislative fiat, the violence and property damage in strikes and picketing, and the loss of individual protection and freedom—these could ultimately destroy our society.

(13) Socialism—U.S. style: (a) Federal public housing (political housing): Costly to the taxpayer, kills incentive, favoritism (who gets housing or not); (b) Aid to education: Federal aid is followed by Federal control—of teachers, what is taught, and who gets the money (see current bill). (c) Government loans: Favors a select few, at the expense of all taxpayers, competes with and defeats private business, just a few of its many ill effects. (d) Public power development: Again, all pay for the benefit of a few, while private power does a more economical job, arranges its own financing and pays taxes. States rights and free enterprise take a shellacking. (e) Federal reclamation: This program reclaims land (while we're retiring land in the soil bank) through unsound business methods, an unfair burden to the taxpayers. (f) Grants-in-aid: Taxpayers' money from pocket to Washington and back to the State and locality is a form of Federal bribery in exchange for States rights, often abetted by the States themselves (it would be comical if not so dangerous). (g) Agriculture: The farm price supports, controls, and surplus stockpiles hurt both farmer (loses independence) and consumer who pays twice (taxes and at store). Offered as alleged corrective legislation, they further upset the free market and are self-defeating.

Other basic problems: (1) Minority pressure groups: Loss of the viewpoint of the overall national good in favor of special self-interest programs, coupled with the threat of giving or withholding votes in the next election for elected officials, can ultimately bankrupt us financially and morally. (2) Republicans versus Democrats: With liberals and conservatives in each party, party programs are often not clear-cut, real alternative solutions to problems are not presented, instead only different degrees of the same philosophy.

The greatest problem, then and now, is the world war of the Communists against the free nations. In this war we, the free nations, are losing through subversion and infiltration. The United Nations continues to undermine the free nations and the United States, their leader. Militarily, our continuing problem is our failure to recognize that the all-important underlying factor of U.S. strength is our free enterprise economy, any weakening of which weakens our military posture.

The answer to all our problems lies in our own hands—to be solved through knowledge, self-discipline, and courage.

NEWSLETTER INDEX, 1961

For your convenience, in the event you would like to keep a permanent file of my weekly Washington Report, this index is included with the final newsletter for this year. The reports will be issued again when Congress reconvenes.

January 7, 1961. 87th Congress convenes—legislative program.

January 14, 1961. State of the Union message—analysis.

January 20, 1961. Budget message—economic report.

January 28, 1961. Rules Committee change.

February 4, 1961. President Kennedy state of the Union message—analysis.

February 11, 1961. Further Presidential messages discussed.

February 18, 1961. Individual freedom in our society.

February 25, 1961. Unemployment compensation—aid to dependent children.

March 4, 1961. Criticism of unemployment compensation bill.

March 11, 1961. Third supplemental appropriation—Ways and Means Committee schedule.

March 18, 1961. Highway program.

March 25, 1961. New Frontier legislative program.

April 1, 1961. Depressed areas redevelopment bill.

April 15, 1961. Dallas Federal building correspondence.
April 22, 1961. Omnibus judgeship bill.
April 29, 1961. Six hundred million dollars aid for Latin America.
May 6, 1961. First 100 days of Kennedy administration.
May 13, 1961. Toward dictatorship.
May 20, 1961. Freedom endangered by fear.
May 27, 1961. Cuban fiasco.
June 3, 1961. Cuban tractor deal. Senator TOWER reception.
June 10, 1961. Extension Korean war excise taxes.
June 17, 1961. Public Works defeats Federal building. TOWER sworn in.
June 24, 1961. The Housing Act of 1961.
July 1, 1961. Floor debate on Federal building—defense appropriation.
July 8, 1961. Concerns of the Nation on Independence Day.
July 15, 1961. WALTER JUDD against Communist appeasement.
July 22, 1961. New Frontier increasing cost of Government.
July 29, 1961. The Berlin Crisis—President's address.
August 5, 1961. A correct military and economic policy.
August 12, 1961. Policy to defeat communism.
August 19, 1961. Foreign aid.
August 26, 1961. Suicide, not defeat—primer of self-destruction.
September 2, 1961. The enemy without and within the United States.
September 9, 1961. Foreign aid appropriation.
September 16, 1961. Peace Corps approved.
September 22, 1961. Socialism—U.S. style—unsolved problems.

Goals of the New Frontier—Juvenile Delinquency Prevention

EXTENSION OF REMARKS
OF
HON. EDITH GREEN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mrs. GREEN of Oregon. Mr. Speaker, for quite a few years the Congress has been studying, investigating, and viewing with alarm a steady increase in delinquency among our Nation's young people. This year, under the forceful leadership of President Kennedy, the Congress at last has taken action toward checking this disturbing upward trend in juvenile delinquency.

The act passed by the Democratic 87th Congress will provide Federal assistance and leadership in the fight not only against delinquency by juveniles but offenses committed by older youths. The emphasis in this act is prevention—combating the conditions which turn our youths into paths of delinquency. But, Mr. Speaker, the act also will provide assistance in developing ways to control the spread of delinquency and youthful offenses which have occurred.

In recommending this legislation to the Congress on May 11, 1961, President Kennedy described with great clarity the effects of delinquency:

Juvenile delinquency and youth offenses diminish the strength and the vitality of our Nation; they present serious problems to all the communities affected; and they leave indelible impressions upon the people involved which often cause continuing problems.

The President, in his May 11 letter, set the goals for this new program when he said:

By means of the proposed legislation, the Federal Government will be able to provide assistance to those dedicated persons in local communities throughout the Nation who are striving in many ways to create the social conditions that will insure the growth of a skilled and resourceful population of young men and women who are firm in character and committed to the development of a democratic way of life.

Mr. Speaker, the legislation which the Democratic 87th Congress has passed will provide Federal assistance for projects demonstrating new ways and techniques to prevent and control juvenile delinquency and youth offenses and for training of personnel in this field. The steadily gaining delinquency statistics over the past 12 years is clear demonstration that new methods must be found to reclaim our disturbed, and disturbing, young people. The testimony from agencies, organizations, and officials dealing with these youths all points to an urgent need for more trained personnel to assist them.

The President was not content merely to recommend legislation to assist in combating juvenile delinquency and youth offenses. He has, by Executive order, directed the Attorney General, the Secretary of Health, Education, and Welfare, and the Secretary of Labor to coordinate their efforts in the development of a program of Federal leadership to assist the States and local communities in their efforts to reduce juvenile delinquency.

Mr. Speaker, under the leadership of a Democratic administration and with the assistance of legislation passed by a Democratic Congress, the Nation may now move forward in a concentrated attack upon the longstanding juvenile delinquency problem.

Stockpiling and a Quota Needed for Iron Ore

EXTENSION OF REMARKS
OF
HON. JOHN B. BENNETT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, September 22, 1961

Mr. BENNETT of Michigan. Mr. Speaker, under leave to extend my remarks, I include a copy of my letter to President Kennedy concerning the serious situation in the domestic iron mining industry, particularly in Michigan and Minnesota:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 22, 1961.
THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This letter concerns a very serious situation which I feel deserves your personal attention.

The domestic iron mining industry is in critical condition at the present time. You should be advised of recent developments which may have a disastrous effect on our national security as well as the health of our domestic economy. In my district in northern Michigan, where an important part of the Nation's iron ore has been produced during the last century, there has been a drastic curtailment in the exploration, production and development of high-grade ores in underground mines. If the trend continues, this great industry will soon be extinct.

The domestic iron mining industry is suffering acutely from the effects of excessive foreign imports. Iron ore imports rose from 9 million tons in 1952 to 36 million tons in 1955. During the same period, domestic production of iron ore was decreasing from 98 million long tons in 1952 to 59 million long tons in 1959. This tremendous increase in imports is the main cause of the curtailment and shutdown of domestic iron mines. Our miners are unemployed and our communities are distressed because of the impact of imported ores. This fact was recognized in a study by the U.S. Department of the Interior in a report entitled, "Mineral Facts and Problems, 1960 Edition," which states in part:

"The trend from domestic to foreign iron-ore supply over the last 10 years, if continued, will deprive the United States of a substantial part of its basic income from iron-ore mining and will eventually put the Nation in the position of having to depend on oversea deposits for most of its iron ore. Therefore, devising ways to modify the trend and assure that the Nation's future iron-ore supply will come principally from domestic sources, and also to assure that iron will be available to supply our expanding industry when and where it is needed, presents the principal problem in iron ore."

Today iron mine shutdowns have reached catastrophic proportions and unless some action is taken to keep them in production, their output of this critical metal may be permanently lost to the Nation's economy. The loss of important sources of domestic iron ore is an unfortunate circumstance at any time, but particularly so at this critical juncture when our national safety is in jeopardy.

If the deep iron mines in Michigan and Minnesota remain closed and are permitted to fill with water, they will be forever lost for all practical purposes. Once filled with water, it would take several years and millions of dollars to bring a mine back in production. We learned through bitter and tragic experience in World War II that we could not rely upon foreign countries to supply our needs for critical and strategic minerals and metals. For identical reasons, we cannot depend upon foreign sources in the event of another conflict.

In the interest of keeping our reserves of iron ore intact and available in time of national emergency, I respectively request that you take the following courses of action:

1. Authorize Government purchases and stockpiling of iron ore from producing mines at prices which will permit their continued operation, in cases where such mines would otherwise be closed and filled with water and thus lost permanently to our economy. Congress has delegated the President authority to take this action under the stockpiling provisions of the Defense Production Act of 1950.

2. Authorize the imposition of a reasonable quota on the importation of iron ore from foreign countries under the provisions of section 7 of the Trade Agreements Extension Act of 1955.

A stockpiling program of iron ore would preserve the status quo and assure the Government an adequate supply of this important mineral resource. The long range solution to the preservation of our iron mining industry lies in the curtailment of excessive imports.

Several years ago, former President Eisenhower under authority above cited, caused quota restrictions to be imposed on the importation of crude oil. This quota has been continued during your administration. No doubt it is fully justified and necessary to protect the domestic oil industry. In a memorandum to the President dated April 23, 1957, the Director of the Office of Civil and Defense Mobilization stated:

"The investigation clearly established that the rate of imports could reach a point at which the incentive for exploration and development in this country would be so reduced as to make us dependent upon oversea oil supplies to meet our national energy requirement."

and further,

"I have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security."

The tremendous increase in imports of iron ore since 1952 is having the same disastrous effect upon the domestic iron mining industry that the importation of foreign oil had upon the domestic oil industry.

I am sure you will agree that iron ore and oil are vital natural resources equally important so far as our national security is concerned. The evidence is overwhelming that the domestic iron ore industry is languishing and dying as a result of the foreign imports. The evil effects of foreign imports are more devastating in the case of iron ore than in the case of crude oil. For these reasons, I urge you to give this country's iron ore industry the same quota protection that is being accorded the domestic oil industry.

Respectively yours,

JOHN B. BENNETT.

Address by the Honorable Douglas Dillon, Secretary of the Treasury, at the Vienna Monetary Meetings

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. MULTER. Mr. Speaker, the following address was given by the Honorable Douglas Dillon before the annual meetings of the Boards of Governors of the International Bank for Reconstruction and Development and the International Monetary Fund in Vienna on September 20, 1961. I cannot stress too greatly the importance of these meetings to the economic well-being of our Nation and its economic relationship with the rest of the free world.

We have every right to be proud of our distinguished Secretary. His remarks indicate his extensive knowledge of the international situation and how to present the American viewpoint in such a way as to induce the utmost cooperation. His attendance at the formal meetings was only a small part of the tremendous load which he undertook and performed so well. Almost every minute of the day outside of the formal meetings was devoted to meeting with important representatives of the various particiapting countries.

The good will thus created is immeasurable.

The address follows:

First, let me say how delighted I am to be once again in the gracious and storied city of Vienna. Since my last visit a little more than a year ago, I have seen fresh evidences of growth and change—change that reflects the industry, the imagination, and the initiative of the Austrian people. The stability of the Austrian Government in postwar years—the extent of Austria's remarkable economic resurgence—the unswerving devotion of the Austrian people to democratic principles—all are features of modern Austria that command our respect. This small nation—this revered cradle of thought and culture—this courageous outpost on the frontiers of freedom—has aroused the admiration of freemen everywhere. On behalf of my Government—on behalf of the President of the United States, who recalls with pleasure the warm hospitality he received here last June—I wish to say that we consider Vienna to be a most auspicious setting for the important work upon which we are embarked.

During the past year the International Monetary Fund, under the distinguished leadership of Per Jacobsson, has again demonstrated its vital importance to world monetary stability and econommic growth.

The role of the Fund is being further enhanced at this meeting where we have the privilege of welcoming to our deliberations 10 new countries—the largest increase in a single year's operations since the Fund's inception. It is a particular pleasure for me to welcome to our midst our good friends from Cyprus, Laos, Liberia, Nepal, New Zealand, Nigeria, Portugal, Senegal, Sierra Leone, and Togo.

Since we met a year ago in Washington, $2.4 billion has been drawn from the Fund. A major part of that was the recent drawing by the United Kingdom, but 21 other member countries made drawings totaling more than $900 million. There are also 20 standby arrangements in effect, with unused drawing rights totaling $1.2 billion.

Fund assistance in the past year has both strengthened the structure of currency convertibility in the industrialized countries and helped many of the developing countries to adopt or maintain programs of financial and monetary stabilization. The Fund has come to occupy a central position in international monetary affairs—a role I am confident will be of ever-increasing importa ce to all our member countries in the years ahead.

A few years ago, almost all drawings from the Fund were in dollars. Since the advent of currency convertibility in Western Europe, however, the Fund has made great progress in using a larger number of the currencies it holds, thus increasing the percentage of drawings in currencies other than U.S. dollars. During the past year, 11 different currencies were drawn from the Fund, and two-thirds of the total drawings were in currencies other than the dollar. This is an encouraging development. It has made a reality of the original concept of the Fund as a reserve pool of many currencies for the use of members.

Last year the Fund's advisory activities continued on a broad scale. Wherever member countries have sought to deal effectively with financial instability—by strengthening their fiscal resources, by controlling money and credit, or by otherwise improving their financial institutions—they have been able to rely on the staff of the Fund for expert and objective advice.

The stabilization programs many members of the Fund have worked out and put into operation—usually with Fund advice—have at times been criticized on the ground that they have supposedly imposed a choice between stagnation and economic growth. I do not believe that this is a correct appraisal of the role played by financial stabilization in economic development. I agree with the opinion expressed by Mr. Jacobsson in his brilliant opening statement: that the aim of a well-designed stabilization program is to eliminate inflation, not only as a source of balance of payments disequilibrium, but also as an obstacle to economic growth. Financial stability can thus assist economic growth which, together with social progress, must be the major objective of development policy.

Of course, financial stability cannot of itself cure all the problems of economic growth that beset the developing countries. Effective development planning, basic internal reforms, and adequate capital from both external and internal sources—all are necessary. This is well recognized by the Fund, which is, as it should be, the partner of economic development institutions, national and international, in coordinated efforts to increase the flow of external assistance and to help the developing countries make the best use of their own domestic resources.

I turn now to the economy of the United States and the status of our international balance of payments.

The recovery of the U.S. economy, following the mildest of our postwar recessions, is well underway and moving strongly. The low point in economic activity was reached in the first quarter of this year. In the second quarter, major economic indicators recorded new highs. Gross national product, personal income, and personal consumption expenditures all reached fresh peaks in the April–June period. Total industrial production recorded a new high in July and again in August. We estimate that gross national product—which jumped from an annual rate of just over $500 billion at the beginning of the year to $516 billion in the second quarter—will reach approximately $540 billion during the fourth quarter. The course of our economic recovery has been particularly encouraging since prices have remained stable. Hence, almost the entire rise in our gross national product has been real. Moreover, our increased economic activity has not been accompanied by speculative buying or abnormal buildup of inventories.

During the past year the monetary and fiscal policies of the United States have been directed at limiting the extent of the decline in economic activity and at strengthening the forces of recovery. Prompt recognition by our monetary authorities of the impending downturn brought a quick shift of policy from monetary restraint to ease. As early as June of last year, the Federal Reserve relaxed credit restrictions by reducing discount rates and lowering the reserve requirements of commercial banks. Federal Reserve purchases of Government securities provided additional bank reserves to combat recession and finance expansion. Reflecting this Federal Reserve policy, total loans and investments of commercial banks have expanded by 7 percent, or $14 billion, during the past 12 months. This large increase provided a major force which softened the strains of recession and stimulated recovery.

On the fiscal side, increased unemployment benefits and other Government outlays associated with the recession—in conjunction with reduced income tax collections—have operated as in previous recessions to provide an automatic supporting influence. Largely as a result of these built-in stabilizers the total value of all goods and services produced during the economic downturn never fell appreciably below the corresponding quarter of the previous year.

As I noted earlier, we are especially encouraged that our recovery and our attainment of record new levels of production have been accompanied by price stability. Our index of wholesale prices has remained for 3 years at virtually the same level. Retail commodity prices have been stable while the overall index of consumer prices has increased by less than 1 percent since last October.

The business outlook for the United States during the coming year is very promising. Excessive stocks have been liquidated. As a result of rising production and sales, inventories have once more begun to increase moderately but they are not high in relation to either present or prospective needs. Consumers have reduced their debt and built up their savings, thus strengthening the outlook for retail trade. Net financial savings of individuals rose by $7.7 billion in the first half of 1961 on top of a $10 billion rise in 1960. In contrast to 1958–59, interest rates have remained remarkably constant during the initial recovery period.

We anticipate further vigorous growth. The substantial room in our economy for further expansion should avert any inflationary pressures that might otherwise develop. For we have no shortage of productive resources, nearly all of our industries are operating well below capacity, and the labor supply is ample. Continued rises in output should materially assist us in solving the persisting problem of relatively high unemployment. Nevertheless, we are developing worker retraining programs designed to attack this problem directly.

Federal budget expenditures remain well within our capacity. In fact, the deficit for fiscal year 1961 and the projected deficit for 1962 are together much smaller than the deficits during the last comparable recession and recovery in 1958–59. After taking into account all presently scheduled expenditures, including the substantially increased outlays for defense requested by President Kennedy in July, our estimates point to a deficit this year (fiscal 1962) that will amount to about half the deficit for fiscal 1959. In addition, our gross national product will run some 17 percent higher than in fiscal year 1959, and our tax revenues will be about 21 percent greater. Hence, the economic impact of the current deficit will be considerably less than half that of the 1959 deficit.

The deficits in fiscal 1961 and 1962 are essentially a reflection of the short fall of revenues resulting from the recent recession. This is a characteristic of our tax system, because it is heavily dependent upon direct taxation of personal and business income. For the same reason we may expect sharp increases in revenues as business improves and the economy grows. The calendar year 1962 gives every promise of being a very good year for business, and since our revenues are based upon earnings of the previous year, we can confidently look forward to a substantial increase in our income during the fiscal year 1963, which begins next July 1. Fiscal 1963 will be closely comparable in the business cycle to fiscal 1960, when Federal revenues jumped $10 billion over the preceding year. Hence, unless a need arises for further increases in defense outlays, the balanced budget which President Kennedy is determined to submit next January can be achieved without any increase in taxes. However, should additional defense expenditures become necessary, the President has stated clearly and unequivocally that he is prepared to request additional taxes should they be required to balance the budget.

I would like to emphasize the firmness of our decision to balance our budget in fiscal 1963. Indeed, had it not been for the increase in international tensions over Berlin, which forced us to increase our defense expenditures substantially above the levels previously planned, we could have looked forward confidently to a substantial budgetary surplus in fiscal 1963. We are resolute in our determination to maintain both a sound and an expanding economy so that the United States may play its full part in the defense and the development of the free world and, at the same time, meet the requirements of an increasing population at home.

I am glad to be able to report that the U.S. balance of payments has developed in a much more satisfactory manner this year than in 1960. The marked improvement in our merchandise account during 1960 continued into 1961 and the large speculative outflows of short-term capital, which swelled the volume of our outpayments in the second half of 1960, have ceased. Our merchandise trade surplus in 1960 amounted to $4.7 billion, whereas in 1959 it had been less than $1 billion. In the first half of 1961 our trade surplus was running at a seasonally adjusted annual rate of $6 billion.

These developments are reflected both in our "basic" position (comprising all of our recorded transactions exclusive of U.S. private short-term capital outflow) and in our overall payments position. In 1960 the basic deficit amounted to $1.9 billion, compared with $4.3 billion in 1959 and $3.6 billion in 1958. In the first half of 1961, the basic position continued the substantial improvement shown in 1960 and, without counting special prepayments of $650 million on U.S. Government loans, was almost exactly in balance.

Our overall deficit, which is measured by decreases in U.S. holdings of gold and convertible currencies plus increases in foreign liquid holdings of U.S. dollars—which together amounted to about $4 billion in both 1959 and 1960—was running at a seasonally adjusted annual rate somewhat under $1.7 billion in the first half of 1961. The figure of $1.7 billion also does not count as a receipt the special debt prepayments of $650 million. While this indicates the continuation of substantial short-term capital outflows, these movements have represented, for the most part, a substantial enlargement of the financing of world trade by U.S. banking institutions and have not been speculative in character.

These are encouraging developments. But they do not mean that the United States can relax its efforts to achieve a satisfactory and durable equilibrium in its balance of payments. We must have a large and growing export surplus of goods and services to pay for military expenditures abroad which we incur for the defense of the free world. We must have it for both that portion of our foreign aid program that is not covered by procurement in the United States and for our continuing large outflow of long-term private development capital.

The improvement in our trade surplus so far this year cannot be expected to continue in the months ahead, since it was accomplished more through a decrease in imports than through an increase in exports. And now, as the U.S. economy moves toward reasonably full employment of resources, we must look to a corresponding expansion of our imports. Indeed, they have already started to grow. While this tends to sharpen our payments problem, it also leads to larger world trade and greater prosperity for our trading partners.

Accordingly, we must continue to make intensive efforts to expand our exports. This means for us, as it does for any nation, that we must constantly improve the productivity on which the ability of our producers to compete in world markets is based. It also requires that we prevent increases in money costs from canceling out improvements in productivity. At the same time, our producers must search out export opportunities with energy and imagination. The domestic market of the United States is a very large one and many of our producers have traditionally thought almost exclusively in terms of that market, rather than of opportunities overseas. We believe this orientation can and must be shifted, for there are surely thousands of our producers who can be more successful in the export field than they have been in the past. It is for this reason that our Government is devoting considerable effort to bringing market opportunities abroad to the attention of our business community.

We are well aware that the position of the dollar as a strong reserve currency depends upon our success in maintaining a reasonable equilibrium over the years in our balance of payments. This we are determined to do. As we succeed, the upward trend in the accumulation of gold and dollars by other countries taken together will necessarily be slowed. The elimination of current payments imbalances can, of course, be greatly facilitated by the cooperation of surplus countries in pursuing liberal trade policies, in increasing long-term development assistance, and in sharing expenditures for the common defense in accordance with their capabilities.

During the past year, as Mr. Jacobsson has reminded us, there has been active discussion and examination in governmental circles, among economists, and in the financial press, of the adequacy of existing international monetary arrangements. These discussions have been very helpful. Mr. Jacobsson has now proposed that each of the principal industrial countries commit itself to lend its currency to the Fund up to a stated amount. I strongly agree that an arrangement of this sort should be worked out to insure the Fund access to the additional amounts that would be needed should balance-of-payments pressures involving these countries ever impair or threaten to impair the smooth functioning of the world payments system.

At the same time, for its regular requirements, the Fund can, and should be expected to, borrow from one or another of the participating countries under article VII whenever its supply of any of these particular currencies becomes low. It would also appear reasonable to consider the possibility that such loans be credited against any commitment which the lending country may have undertaken as its part of the multilateral arrangement. These special bilateral borrowings would thus replenish the Fund's supply of particular currencies in strong demand and, in this way, would help to avoid undue drains on its gold reserve.

I have no fixed opinions on the details of the multilateral borrowing arrangement. I am confident—on the basis of the encouraging views I have heard expressed in the past few days—that practical means can be found to give effect to the agreement in principle which so evidently exists. There are four important aspects which I do wish to emphasize:

First, the aggregate amount the participating countries should look forward to committing to the project should be large enough to add decisively to the Fund's capacity to play its essential role.

Second, to be effective, the additional resources must be promptly available in case of need.

Third, safeguards will be required to insure that there will be effective consultation between the Fund and the lenders, and that the Fund will only actually borrow under the commitment arrangements after taking full account of the current reserve position of the lending country. In addition, each country which actually lends to the Fund should, in case the need develops, be able automatically to obtain repayment from the Fund.

Fourth, I concur in Mr. Jacobsson's judgment that there must be no weakening of the policies that have guided the Fund in the use of its resources; nor should the new arrangements change in any way the existing rights and duties of members of the Fund, both as drawers of currencies and as providers of currencies.

This is an important project. The Fund should push ahead promptly in its current consultations with the prospective lending

countries in order that the Executive Board may carry the project to completion so that the participating countries may obtain the necessary legislative authority from their parliaments early next year. With this done, the monetary system of the free world will be substantially strengthened. For the Fund will then clearly be in a position to meet the changing needs of the new world of convertible currencies.

Speaking for my country, I want to say that the United States regards the work in which we are engaged here in Vienna as having a direct and important bearing upon the future course of free world growth and progress. I have confidence in the ultimate outcome of our deliberations because I have confidence in the vitality of the free economies upon which the work of the Fund is founded. Our mutual goal is a world of expanding opportunities for every human being to pursue his legitimate aspirations in peace and freedom. The International Monetary Fund is playing an important role in helping us to achieve it.

Arms Control Act of 1961

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 22, 1961

Mr. TOLL. Mr. Speaker, late on Tuesday afternoon, September 19, it was necessary for me to leave Washington to observe the high holiday of Yom Kippur. Therefore, I missed the vote on H.R. 9118, the Arms Control Act of 1961, which took place that evening.

Because of my deep-rooted interest in this legislation, I very much regretted the fact that I could not be present for the vote. While I had every confidence the measure would pass, I arranged before leaving Washington for a live pair to record my support of it.

In the opening month of the 87th Congress I introduced H.R. 3351, providing for the establishment of a National Peace Agency. Later, after a conference at the White House with President Kennedy and his special adviser on disarmament, John J. McCloy, and other colleagues of the Congress, I introduced H.R. 7966, to establish a U.S. Disarmament Agency for World Peace and Security. On August 10, 1961, I was pleased to receive the following letter from the Honorable John J. McCloy concerning the matter:

THE WHITE HOUSE,
Washington, August 10, 1961.

The Honorable HERMAN TOLL,
House of Representatives.

DEAR MR. TOLL: As you may know, I just returned a few days ago from Moscow where I spent 2 weeks of discussions with the Soviets preparatory to the resumption of multilateral disarmament negotiations.

I am somewhat delayed, therefore, in sending you this note of thanks for your cosponsorship of the bill to establish a U.S. Disarmament Agency for World Peace and Security. It is very encouraging to me to know of your interest in this vital subject and your willingness to cosponsor legislation affecting it. I believe it is extremely important that the Congress enact the bill this session for it is essential that we prepare ourselves to deal with disarmament problems of the future in an efficient and expeditious manner.

I am hopeful that I shall have an opportunity to discuss this matter further with you. In the meantime, if there is any information I or any member of my staff can furnish you about aspects of the legislation or issues involved in formulating U.S. disarmament proposals, we shall be pleased to do so.

Sincerely,

JOHN J. MCCLOY.

The bill, known as the Arms Control Act of 1961, H.R. 9118, which was passed by the House of Representatives, has the same objectives as the two bills referred to above, which I introduced.

The Berlin situation has taken attention away from the significant action of the present Congress in the quest for peace. President Kennedy, in urging the passage of legislation to establish a disarmament agency, said:

A disarmament program must take into account the national security, our foreign policy, the relationships of this country to international peacekeeping agencies, including the United Nations, and our domestic, economic, and other policies. It should drive toward the creation of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life.

Certainly the establishment of the Arms Control Agency is a big step in the right direction. I sincerely hope that sufficient money is appropriated to make the Agency effective. It could mean the difference between war and peace.

HOUSE OF REPRESENTATIVES

SATURDAY, SEPTEMBER 23, 1961

(Legislative day of Friday, September 22, 1961)

The recess having expired, the House was called to order by the Speaker pro tempore at 10 o'clock a.m.

The SPEAKER pro tempore. Without objection, the Chaplain will offer the prayer.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Genesis 31: 49: *The Lord watch between thee and me, when we are absent one from another.*

O Thou God of all majesty, in these closing days of the 87th Congress, we are again turning to Thee in prayer for Thou art the strength and support of the faithful in every generation.

We are rendering unto Thee our gratitude for the high and holy privilege we have had walking and working together as colleagues and comrades in the service of our God, our country, and humanity.

Bestow upon us all the benediction of Thy peace and the diadem of Thy praise, "Well done, thou good and faithful servant."

Give Thy special blessing to our beloved Speaker, whom we are daily remembering in prayer, beseeching Thee to grant unto him Thy healing ministry and the manifestations of Thy grace.

May the Lord bless us and keep us; may the Lord make His face to shine upon us, and be gracious unto us; may the Lord lift upon us the light of His countenance and give us peace. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes; and

H. Con. Res. 389. Concurrent resolution endorsing the World Economic Progress Exposition.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 521. An act for the relief of Charles J. Utterback.

The message also announced that the Senate agrees to the amendments of the House numbered 1, 2, 5, and 6 to the concurrent resolution (S. Con. Res. 31) entitled "Concurrent resolution relating to certain aliens."

The message also announced that the Senate disagrees to the amendments of the House numbered 3 and 4 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4750) entitled "An act to amend section 6(a) of the Virgin Islands Corporation Act."

CALL OF THE HOUSE

Mr. ANDERSEN of Minnesota. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 224]

Abernethy	Bromwell	Dent
Adair	Buckley	Devine
Alford	Burke, Ky.	Diggs
Alger	Byrnes, Wis.	Dingell
Anfuso	Cahill	Dominick
Ashley	Carey	Dooley
Barry	Cederberg	Feighan
Bass, N.H.	Celler	Findley
Bass, Tenn.	Chiperfield	Fino
Becker	Collier	Frazier
Bell	Colmer	Glenn
Bennett, Mich.	Cooley	Goodell
Berry	Corbett	Gray
Blatnik	Corman	Green, Oreg.
Blitch	Curtis, Mo.	Griffin
Boggs	Daniels	Griffiths
Bolton	Davis, Tenn.	Hagan, Ga.

Hall	McDowell	Rodino
Halpern	McIntire	Roosevelt
Hansen	McSween	Rostenkowski
Harrison, Va.	McVey	St. George
Harvey, Ind.	Macdonald	Santangelo
Harvey, Mich.	MacGregor	Saund
Hays	Martin, Mass.	Schenck
Herlong	Martin, Nebr.	Shelley
Hiestand	Meader	Short
Hoeven	Michel	Siler
Hoffman, Mich.	Miller, N.Y.	Sisk
Holifield	Montoya	Smith, Calif.
Holtzman	Morrison	Smith, Va.
Horan	Moss	Sullivan
Hull	Moulder	Teague, Calif.
Johnson, Wis.	Multer	Thompson, La.
Jones, Mo.	Nelsen	Tollefson
Karth	Norblad	Tuck
Kearns	Osmers	Tupper
Keith	Pelly	Van Pelt
Kelly	Pilcher	Vinson
Keogh	Pillion	Wallhauser
Kilburn	Pirnie	Weaver
Kilday	Poage	Westland
Kowalski	Powell	Wharton
Kyl	Quie	Williams
Landrum	Rabaut	Wright
Lankford	Rains	Young
Libonati	Reifel	Younger
Lindsay	Reuss	Zelenko
Loser	Riehlman	
McDonough	Riley	

The SPEAKER pro tempore. On this rollcall 289 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATION BILL

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, I wish to say again, as I did on Thursday, that it is not the foreign aid appropriation bill that is holding up adjournment. The public works appropriations bill is only now being considered by the Senate. The final supplemental appropriation bill is yet to be considered by the Senate. However, Mr. Speaker, the aggregate of funds involved in these three appropriation bills amounts to approximately $9 billion. Therefore, it is certainly going to take some time—and the American public would expect us to take some time—to iron out the differences between the House and Senate bills in conference. However, I want the Members of the House to know that it is not the bill that I have the honor of handling, as chairman of the Foreign Operations Appropriations Subcommittee, that is holding up adjournment. As soon as the conferees for the other body can arrange for another conference session, I can assure the membership of this body that the conferees on the part of the House are ready to meet with them and try to sustain as nearly as possible the position of the House in this matter. The Members may be certain that we will not succumb to pressure, nor will we capitulate to unreasonable demands. What we will do is to continue to negotiate in good faith toward reaching a compromise that is as sound and sensible as, in the circumstances, we can make it.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I am delighted to yield to the distinguished minority leader.

Mr. HALLECK. Do I understand from what the gentleman has said that if these other matters could be disposed of during the day the gentleman could give us some reasonable assurance that the mutual security appropriation bill which the gentleman is handling could likewise be disposed of today?

Mr. PASSMAN. I can assure the gentleman that the House conferees are ready to go to conference any minute that the conferees in the other body are ready to see us. I certainly hope that we can reach an agreement without unnecessarily continued prolonged debate and negotiations.

NO SINE DIE ADJOURNMENT

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, to say that this 1st session of the 87th Congress has been highly eventful during the past 9 months, is a gross understatement.

Since Congress convened last January we have seen a new and youthful President inaugurated; historical space flights by American and Russian astronauts; tragic American defeats in Cuba, Laos, Vietnam, and Vienna; and at this very moment we are witnessing a crisis in Berlin and the resumption of nuclear tests, all caused by the Soviets.

During the next 3 months even greater and more serious and more significant events will likely occur. America may be faced with new, and even more serious national and international events.

If we, the Congress, adjourn within the next few days we will be turning over to this new young President the decision as to when our affairs become serious enough to warrant the calling of a special session.

Mr. Speaker, I have confidence in our new President, but I am not sure that we, the Members of Congress, should be so confident of his judgment and his ability on international and foreign affairs that we relax, adjourn, and go home and turn all the affairs of state over to just one man.

Where, during the past 8 months since January 20, has the President exhibited such ability in handling our foreign affairs that it would cause us to feel safe in going home and leaving everything in his hands? Certainly not in Cuba.

Mr. Speaker, this session of the Congress has been delayed and dragged out, purposely, because of the world crisis. We have had short day sessions lasting only an hour or two on many occasions; we have met on only two Saturdays during the entire session. All this, in order to stay in session during this critical period of our history. Yet now, with the world situation in a more serious state, in a more critical state, than perhaps it has ever been, we make haste to quit and go home. I, for one, Mr. Speaker, believe that it is a mistake to adjourn under these circumstances. I would suggest instead that we recess subject to the call of the leadership of both parties.

CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (S. Con. Res. 31) relating to certain aliens, with House amendments thereto and recede from House amendments Nos. 3 and 4.

The Clerk read the title of the concurrent resolution.

The Clerk read House amendments Nos. 3 and 4, as follows:

Page 3, strike out line 9.
Page 4, strike out line 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the bill that has been kicking around for quite awhile?

Mr. WALTER. This is a different bill. This is a resolution authorizing the adjustment of status and the House was hesitant about two cases until we received a report from one of the agencies.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I move that the House recede from its amendments Nos. 3 and 4.

The motion was agreed to.

A motion to reconsider was laid on the table.

TOP-LEVEL POSITIONS IN THE GOVERNMENT

Mr. JAMES C. DAVIS. Mr. Speaker, I call up the conference report on the bill (H.R. 7377) to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1261)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An Act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and

on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—POSITIONS IN TOP GRADES OF CLASSIFICATION ACT OF 1949

"Congressional findings and declaration of policy with respect to top grades of Classification Act of 1949

"SEC. 101. (a) The Congress hereby finds that—

"(1) the public interest requires that effective limitations and controls be established and maintained with respect to the allocation of positions—whether by law or by administrative action—to grades 16, 17, and 18 of the Classification Act of 1949—the so-called top grades below the Federal executive level in the Government service—in order to prevent the unwarranted allocation of positions to such grades and to promote efficiency and economy in the operation of the Government;

"(2) one of the principal purposes of the Classification Act of 1949, as originally enacted and as amended from time to time, was, and continues to be, the establishment and maintenance, by specific provisions of such Act, of a coordinated and comprehensive authority and control over the allocation of positions to these top grades of such Act;

"(3) under the rules of the Senate and the rules of the House of Representatives, as applicable, and the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives are vested with exclusive legislative jurisdiction, and charged with the duty of exercising legislative oversight and supervision, with respect to all matters within the purview of the Classification Act of 1949 and the administration thereof, including the allocation of positions to these top grades of such Act;

"(4) this legislative authority, duty, and jurisdiction of such committees, and the orderly and established legislative processes of the Congress generally in this respect, are being undermined by the increasing practice, resulting from certain solicitations from individual departments and agencies in the executive branch and elsewhere, of allocating additional numbers of positions to such top grades by means of appropriation Acts and other laws and reorganization plans (other than the Classification Act of 1949) which disregard the numerical limitations or the standards and procedures, or both, with respect to the allocation of positions to such grades;

"(5) at the present time, therefore, the pertinent provisions of the Classification Act of 1949 do not reflect, even by approximation, the existing state of the law with respect to the total number of positions which may be allocated to the top grades of such Act; and

"(6) this state of affairs subverts and undermines the object and purpose of the Classification Act of 1949 with respect to the allocation of positions to such top grades of such Act.

"(b) It is, therefore, hereby declared to be the sense of the Congress—

"(1) that the matter of requesting the allocation of additional numbers of positions to the top grades of the Classification Act of 1949, whether by groups of positions or on an individual basis, is properly within the jurisdiction of those standing committees of the Senate and House of Representatives having jurisdiction over the Classification Act of 1949 in accordance with orderly and established legislative processes—the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives;

"(2) that the Director of the Bureau of the Budget, the United States Civil Service Commission, and other authority designated by the President exercise to the fullest extent the authority and responsibility of disapproving requests of the departments and agencies in the executive branch for individual exceptions (to be attained through the enactment of laws outside the jurisdiction of the committees above referred to) from the numerical limitations or the standards and procedures, or both, imposed by the Classification Act of 1949 with respect to the allocation of positions to the top grades of such Act; and

"(3) that, if need should develop for increasing such numerical limitations or waiving such standards or procedures, or both, in any case or cases, the matter should be presented promptly to the Congress in a manner consistent with the legislative authority, duty, responsibility, and jurisdiction of the respective Committees on Post Office and Civil Service of the Senate and House of Representatives.

"Increase in number of authorized top grade positions under Classification Act of 1949

"SEC. 102. (a) Subsection (b) of section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), relating to the maximum number of positions authorized at any one time for grades 16, 17, and 18 of the General Schedule of such Act, is amended to read as follows:

"'(b) Subject to subsections (c), (d), (e), (f), (g), and (j) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum numbers of positions (not to exceed an aggregate of nineteen hundred and eighty-nine) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority—

"'(1) not to exceed 25 per centum of such aggregate number may be placed in grade 17 and not to exceed 10 per centum of such aggregate number may be placed in grade 18;

"'(2) fifty of such positions shall be available only for allocation, with the approval of the President, for agencies or functions created after the date of enactment of this subparagraph;

"'(3) fourteen of such positions shall be available only for allocation to the United States Arms Control and Disarmament Agency;

"'(4) six of such positions shall be available only for allocation to the Immigration and Naturalization Service of the Department of Justice; and

"'(5) four of such positions shall be available only for allocation to the Federal Home Loan Bank Board.'

"(b) Subsection (j) of such section 505, as amended (5 U.S.C. 1105(j)), relating to positions authorized for the Department of Defense in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, is amended by striking out 'three hundred seventy-two positions' and inserting in lieu thereof 'four hundred seven positions.'

(c) Such section 505, as amended, is amended by adding at the end thereof the following new subsection:

"'(m) In any case in which, during the Eighty-seventh Congress, provisions are included in any Act of Congress (other than those contained in this Act) which authorize any agency of the Government to place additional positions in grade 16, 17, or 18 of the General Schedule, the Commission is authorized and directed to withdraw from such agency the allotments of a number of positions (equal to the number of such additional positions authorized under such Act of Congress) made by the Commission for such agency out of the number of positions authorized by subsection (b) of this section, to the extent possible in the light of the number of positions so alloted to such agency and in the light of the number of such additional positions authorized under such Act of Congress.'

"Conforming changes in existing law

"SEC. 103. The following provisions of law are hereby repealed:

"(1) Subsections (f), (k), and (l) of section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105 (f), (k), and (l)), authorizing five positions, two hundred and sixty positions, and twenty-five positions in grades 16, 17, and 18 of the General Schedule of such Act for the National Security Council, the Department of the Treasury, and the Interstate Commerce Commission, respectively.

"(2) Sections 202(b) and 302(j) of the Federal Aviation Act of 1958 (72 Stat. 742 and 747; 49 U.S.C. 1322(b) and 1343(h)), authorizing eight positions and seventy positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 for the Civil Aeronautics Board and the Federal Aviation Agency, respectively.

"(3) The last sentence of section 5(a) of the Small Business Act (72 Stat. 385; 15 U.S.C. 634(a)), authorizing fifteen positions in grades 16, 17, and 18 of such General Schedule for the Small Business Administration.

"(4) Section 205(a)(11) of the National Capital Transportation Act of 1960 (74 Stat. 543; Public Law 86-669), authorizing five positions in grades 16, 17, and 18 of such General Schedule for the National Capital Transportation Agency.

"(5) The proviso in the paragraph under the heading 'FEDERAL POWER COMMISSION' and under the subheading 'SALARIES AND EXPENSES' in title I of the Independent Offices Appropriation Act, 1961 (74 Stat. 429; Public Law 86-626), authorizing six positions in grades 16, 17, and 18 of such General Schedule for the Federal Power Commission.

"(6) The proviso in the paragraph under the heading 'CIVIL AERONAUTICS BOARD' and under the subheading 'SALARIES AND EXPENSES' in title III of the Department of Commerce and Related Agencies Appropriation Act, 1959 (72 Stat. 237; 49 U.S.C. 1322, note), authorizing ten positions in such grades 16, 17, and 18 for the Civil Aeronautics Board.

"(7) Subsection (b) of the first section of the Act of September 23, 1959 (73 Stat. 700; 5 U.S.C. 1105, note; Public Law 86-377), containing certain provisions with respect to positions in such grades 16, 17, and 18 in the Department of Defense, which reads as follows:

"'(b) The total number of positions authorized by section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105 (b)), to be placed in grades 16, 17, and 18 of the General Schedule of such Act at any time shall be deemed to have been reduced by the number of positions in such grades allocated to the Department of Defense immediately prior to the date of enactment of this Act. The respective number of positions authorized by such section 505(b) to be placed in grades 17 and 18 of such schedule at any one time shall be deemed to have been reduced by the respective number of positions in such grades allocated to the Department of Defense immediately prior to the date of enactment of this Act.'

"(8) That part of the first sentence of section 601 of the Supplemental Defense Appro-

priation Act, 1958 (72 Stat. 8; 10 U.S.C. 1581, note) authorizing the Secretary of Defense to place ten positions in such grades 16, 17, and 18, which reads as follows: ', and to place ten positions in grades 16, 17, or 18 of the General Schedule, in accordance with the procedures prescribed in the Classification Act of 1949, as amended'.

"(9) The last paragraph under the heading 'GENERAL SERVICES ADMINISTRATION' in title I of the Independent Offices Appropriation Act, 1957 (70 Stat. 345; Public Law 623, Eighty-fourth Congress), authorizing ten positions in grade 16 of the General Schedule of the Classification Act of 1949 for the General Services Administration.

"(10) That part of the second sentence of section 3 of Reorganization Plan Numbered 1 of 1958, effective July 1, 1958 (72 Stat. 1800; 23 F.R. 4991), authorizing not to exceed ten positions of regional director of the regional offices of the Office of Civil and Defense Mobilization to receive compensation under the Classification Act of 1949 without regard to the numerical limitations on positions in section 505 of such Act, which reads as follows: 'except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105)'.

"(11) The paragraph under the heading 'COMMODITY CREDIT CORPORATION' in chapter I of the Supplemental Appropriation Act, 1956 (69 Stat. 451; 15 U.S.C. 714h, note), authorizing the position of sales manager in the Commodity Credit Corporation to be placed in grade 17 of the General Schedule of the Classification Act of 1949.

"(12) Section 302 of the Act of July 31, 1956 (70 Stat. 743; 5 U.S.C. 517c), authorizing three positions of Deputy Administrator of the Agricultural Research Service, Department of Agriculture, to be placed in grade 18 of such General Schedule.

"(13) That part of the first paragraph of section 205 of the Public Works Appropriation Act, 1958 (71 Stat. 423; Public Law 85–167), which reads as follows: 'the position of Administrator of the Southeastern Power Administration shall be in grade GS–18 of the Classification Act of 1949, as amended, but without regard to the numerical limitation contained in section 505 of said Act;'.

"(14) That part of the sixth sentence of section 3(a) of the Fish and Wildlife Act of 1956 (70 Stat. 1120; 16 U.S.C. 742b(a)), authorizing the position of Director of the Bureau of Commercial Fisheries, and of Director of the Bureau of Sport Fisheries and Wildlife, United States Fish and Wildlife Service, Department of the Interior, to be placed in grade 17 of the General Schedule of the Classification Act of 1949, which reads: 'at Grades GS–17 each'.

"(15) The second proviso in the paragraph under the heading 'Civil Aeronautics Administration' and under the subheading 'Operation and regulation' in title I of the Department of Commerce and Related Agencies Appropriation Act, 1959 (72 Stat. 228; 49 U.S.C. 1343, note), authorizing ten positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949.

"Savings provisions

"SEC. 104. (a) The changes in existing law made by sections 102 and 103 of this title shall not affect any position existing immediately prior to the effective date of such changes in existing law, the compensation attached to such position, and any incumbent thereof, his appointment thereto, and his entitlement to receive the compensation attached thereto, until appropriate action is taken in accordance with this title.

"(b) Positions in grades 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such effective date, in their respective grades, until appropriate action is taken under section 505 of the Classification Act of 1949 as in effect on and after such effective date.

"TITLE II—SCIENTIFIC AND PROFESSIONAL POSITIONS AND POSITIONS OF A SECURITY NATURE

"Increase in number of positions of a security nature in the National Security Agency under the Act of May 29, 1959

"SEC. 201. Section 2 of the Act of May 29, 1959 (73 Stat. 63; Public Law 86–36), authorizing the Secretary of Defense to establish positions in the National Security Agency, is amended by striking out 'Not more than fifty such officers and employees shall be paid basic compensation at rates equal to rates of basic compensation contained in grades 16, 17, and 18 of such General Schedule.' and inserting in lieu thereof the following: 'Not more than sixty-five such officers and employees shall be paid basic compensation at rates equal to rates of basic compensation contained in grades 16, 17, and 18 of such General Schedule.'.

"Increase in number of scientific and professional positions under the Act of August 1, 1947 (Public Law 313, Eightieth Congress)

"SEC. 202. The Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended (5 U.S.C. 1161–1163), is amended to read as follows:

"'That (a) the Secretary of the Interior is authorized to establish and fix the compensation for not more than eight scientific or professional positions in the Department of the Interior, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"'(b) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than twenty scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"'(c) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than thirteen scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"'(d) The Secretary of Commerce is authorized to establish and fix the compensation for not more than thirty scientific or professional positions in the Department of Commerce, of which not less than five shall be for the United States Patent Office in its examining and related activities, each such position being established to effectuate those research and development functions of such department which require the services of specially qualified personnel.

"'(e) The Postmaster General is authorized to establish and fix the compensation for not more than three scientific or professional positions in the Post Office Department, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"'(f) The Director of the United States Arms Control Agency is authorized to establish and fix the compensation for not more than fourteen scientific or professional positions in the United States Arms Control Agency, each such position being established to effectuate those research and development functions of such agency which require the services of specially qualified personnel.

"'SEC. 2 (a) Positions created pursuant to this Act shall be included in the competitive civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proposed appointee's qualifications by the United States Civil Service Commission or such officers and agents as the Commission may designate for this purpose.

"'(b) The rates of compensation for positions established pursuant to the provisions of this Act shall not be less than $12,500 per annum nor more than $19,000 per annum and shall be subject to the approval of the United States Civil Service Commission.

"'(c) In any case in which, subsequent to February 1, 1958, provisions are included in a general appropriation Act authorizing an agency of the Government referred to in this Act to establish and fix the compensation of scientific or professional positions similar to those authorized by this Act, the number of such position authorized by this Act shall, unless otherwise expressly provided, be deemed to have been reduced by the number of positions authorized by the provisions of such appropriation Act.

"'SEC. 3. The head of each department or agency authorized to establish and fix the compensation of positions under this Act shall submit to the Congress, not later than December 31 of each year, a report setting forth the number of positions established pursuant to this Act in his department or agency during that calendar year, and the name, rate of compensation, and description of the qualifications of each incumbent, together with a statement of the functions performed by each. In any instance in which any such department or agency head may consider full public report on these items detrimental to the national security, such department or agency head is authorized to omit such items from his annual report and, in lieu thereof, to present such information in executive sessions of such committees of the Senate and House of Representatives as the presiding officers of those bodies shall designate.'

"Increase in number of scientific and professional positions in Department of Defense under section 1581(a) of title 10, United States Code

"SEC. 203. Section 1581(a) of title 10 of the United States Code, authorizing the Secretary of Defense to establish not more than four hundred fifty scientific and professional positions in the Department of Defense, is amended by striking out 'four hundred fifty civilian positions' and inserting in lieu thereof 'five hundred thirty civilian positions'.

"Increase in number of scientific and professional positions in the National Security Agency under the Act of May 29, 1959

"SEC. 204. Section 4 of the Act of May 29, 1959 (73 Stat. 63; Public Law 86–36), authorizing the Secretary of Defense to establish not more than fifty scientific and professional positions in the National Security Agency, is amended by striking out 'fifty civilian positions' and inserting in lieu thereof 'sixty civilian positions'.

"Increase in number of scientific and professional positions in the Federal Aviation Agency under section 302(h) of the Federal Aviation Act of 1958

"SEC. 205. (a) Section 302(h) of the Federal Aviation Act of 1958 (72 Stat. 746; 49 U.S.C. 1343(f)), authorizing the Administrator of the Federal Aviation Agency to establish not more than fifteen scientific and professional positions in the Federal Aviation Agency, is amended by striking out 'fifteen positions' and inserting in lieu thereof 'twenty positions'.

"(b) Section 302(f) of the Federal Aviation Act of 1958 (72 Stat. 746; 49 U.S.C.

1343(d)), which provides for not to exceed ten positions in the Federal Aviation Agency at rates of annual compensation of not to exceed $19,500, is amended by striking out 'ten positions' and inserting in lieu thereof 'twenty-three positions'.

"Increase in number of scientific, engineering, and administrative positions in the National Aeronautics and Space Administration under section 203(b)(2) of the National Aeronautics and Space Act of 1958

"SEC. 206. (a) Section 203(b)(2) of the National Aeronautics and Space Act of 1958 (72 Stat. 429; 42 U.S.C. 2473(b)(2)), authorizing the Administrator of the National Aeronautics and Space Administration to establish not more than two hundred and ninety scientific, engineering, and administrative positions in the National Aeronautics and Space Administration, is amended by striking out 'thirteen' and inserting in lieu thereof 'thirty', and by striking out 'two hundred and ninety' and inserting in lieu thereof 'four hundred and twenty-five (of which not to exceed three hundred and fifty-five may be filled prior to March 1, 1962 and not to exceed three hundred and ninety may be filled prior to July 1, 1962)'.

"(b)(1) The Administrator of the National Aeronautics and Space Administration shall submit to the Congress not later than forty-five days after the close of each fiscal year a report which sets forth, as of the close of such fiscal year—

"(A) the number of positions established under section 203(b)(2) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(2));

"(B) the name, rate of compensation, and description of the qualifications of each incumbent of each position established under such section 203(b)(2), together with the position title and a statement of the duties and responsibilities performed by each such incumbent;

"(C) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the five-year period immediately preceding the date of appointment of such incumbent to such position; and

"(D) such other information as the Administrator may deem appropriate or which may be required by the Congress or a committee thereof.

Nothing contained in this subsection shall require the resubmission of any information required under subparagraphs (B) and (C) of this subsection which has been reported pursuant to this subsection and remains unchanged.

"(2) In any instance in which the Administrator may find full public disclosure of any or all of the matter covered by paragraph (1) of this subsection to be detrimental to the national security, the Administrator is authorized—

"(A) to omit in such report those matters with respect to which full public disclosure is found to be detrimental to the national security;

"(B) to inform the Congress of such omission; and

"(C) at the request of any congressional committee to which such report is referred, to present all information concerning such matters.

"Increase in number of employees of National Aeronautics and Space Council under section 201(f) of the National Aeronautics and Space Act of 1958

"SEC. 207. Section 201(f) of the National Aeronautics and Space Act of 1958 (72 Stat. 428; 42 U.S.C. 2471(f)), authorizing the executive secretary of the National Aeronautics and Space Council to employ not to exceed three persons at rates of annual compensation of not to exceed $19,000, is amended by striking out 'three' and inserting in lieu thereof 'seven'.

"TITLE III—REALINEMENT OF COMPENSATION OF CERTAIN POSITIONS UNDER THE CLASSIFICATION ACT OF 1949 AND THE FEDERAL EXECUTIVE PAY ACT OF 1956

"Removal of certain positions from the purview of the Federal Executive Pay Act of 1956

"SEC. 301. Section 107(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2206(a)), providing annual compensation of $17,500 for certain positions, is amended by striking out the following paragraphs:

"'(2) Administrator, Bonneville Power Administration.';

"'(3) Administrator, Farmers' Home Administration.';

"'(4) Administrator, Soil Conservation Service, Department of Agriculture.';

"'(9) Chief Forester of the Forest Service, Department of Agriculture.';

"'(10) Chief of Staff of the Joint Committee on Internal Revenue Taxation.';

"'(11) Commissioner of Customs.';

"'(12) Commissioner, Federal Supply Service, General Services Administration.';

"'(14) Commissioner of Narcotics.';

"'(15) Commissioner, Public Buildings Service.';

"'(17) Commissioner of Reclamation.';

"'(22) Manager, Federal Crop Insurance Corporation, Department of Agriculture.'; and

"'(23) Director of Coal Research, Department of the Interior.'.

"Conforming changes in existing law

"SEC. 302. (a) The proviso contained in the first sentence of section 5(d) of the Farm Credit Act of 1953, as amended (73 Stat. 387; 12 U.S.C. 636d(d)), providing annual compensation of $17,500 for not more than three positions of deputy governor in the Farm Credit Administration, is amended to read as follows: ': *Provided*, That the salary of not more than three positions of deputy governor each shall be fixed by the Board at a rate not exceeding the maximum scheduled rate of the General Schedule of the Classification Act of 1949, as amended'.

"(b)(1) There is hereby repealed the second sentence of section 4201 of title 18 of the United States Code, providing annual compensation of $17,500 for each member of the Board of Parole in the Department of Justice, which reads as follows: 'The annual rate of basic compensation of each member of the Board shall be $17,500.'.

"(2) The section heading of such section 4201 is amended by striking out '; salaries'.

"(3) The table of contents of chapter 311 of such title 18 is amended by striking out "'4201. Board of Parole; members; salaries.' and inserting in lieu thereof

"'4201. Board of Parole; members.'.

"(c) Notwithstanding any other provision of law, the rate of gross annual compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be an amount which is equal to $17,500, as increased in the manner provided by section 4(r) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 209; Public Law 85-462) and section 117(g) of the Federal Employees Salary Increase Act of 1960 (Part B of the Act of July 1, 1960; 74 Stat. 304; Public Law 86-568).

"(d) On and after the effective date of this subsection, section 116(a) of the Federal Employees Salary Increase Act of 1960 (Part B of the Act of July 1, 1960; 74 Stat. 303; Public Law 86-568) shall not be applicable with respect to the Deputy Director of the Administrative Office of the United States Courts.

"(e)(1) Section 106(b) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(b)), is amended by striking out

"'(1) Architect of the Capitol.'.

"(2) Section 107(a) of such Act, as amended (5 U.S.C. 2206(a)), is amended by striking out

"'(5) Assistant Architect of the Capitol.'.

"Readjustment of certain pay levels of the Federal Executive Pay Act of 1956

"SEC. 303. (a) Clause (4) of section 104(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2203(a)), is amended to read as follows:

"'(4) Administrator of the Small Business Administration.'

"(b) Clause (5) of section 106(a) of such Act (5 U.S.C. 2205(b)(5)) is repealed.

"(c) Section 106(b) of such Act is amended by adding at the end thereof the following:

"'(17) Administrator, Farmers Home Administration.

"'(18) Administrator, Soil Conservation Service, Department of Agriculture.

"'(19) Chief Forester of the Forest Service, Department of Agriculture.

"'(20) Commissioner of Customs.

"'(21) Manager, Federal Crop Insurance Corporation, Department of Agriculture.

"'(22) Deputy Administrator, Small Business Administration (4).

"'(23) Commissioner of the Indian Claims Commission (3).'

"(d) Section 106(c) of such Act (5 U.S.C. 2205(c)), providing annual compensation of $18,000 for the Commissioners of the Indian Claims Commission, is hereby repealed.

"(e) Section 107(a) of such Act (5 U.S.C. 2206(a)), providing annual compensation of $17,500 for certain positions, is amended by striking out '$17,500' and inserting in lieu thereof '$18,500'.

"(f) Section 107(b) of such Act (5 U.S.C. 2206(b)), providing annual compensation of $17,000 for certain positions, is hereby repealed.

"(g) Section 106(a) of such Act (5 U.S.C. 2205(a)), providing annual compensation of $20,000 for certain positions, is amended by inserting

"'(48) General Counsel, United States Arms Control and Disarmament Agency.

"'(49) Public Affairs Advisor, United States Arms Control and Disarmament Agency.'

immediately following

"'(47) Commissioner of Education.'.

"(h) Section 105 of title 3 of the United States Code, providing for the compensation of certain assistants to the President, is amended by striking out '$17,500' and inserting in lieu thereof '$18,500'.

"Savings provisions

"SEC. 304. Except as provided by subsections (a), (c), (d), and (e), of section 302 of this title, each position specifically referred to in or covered by any amendment made by sections 301 and 302 of this title shall be placed in the appropriate grade of the General Schedule of the Classification Act of 1949, as amended, in accordance with the provisions of such Act. The incumbent of each such position immediately prior to the effective date of this section shall continue to receive the rate of basic compensation which he was receiving immediately prior to such effective date until he leaves such position or until he is entitled to receive compensation at a higher rate in accordance with law. When such incumbent leaves such position, the rate of basic compensation of each subsequent appointee to such position shall be determined in accordance with the Classification Act of 1949, as amended.

"Effective date

"SEC. 305. The foregoing provisions of this title (except section 303(g)) shall become effective at the beginning of the first pay period which begins on or after the sixtieth day following the date of enactment of this Act.

"TITLE IV—POSITIONS IN TOP SALARY LEVELS IN THE POSTAL FIELD SERVICE

"Increase in number of authorized top salary level positions in the postal field service

"SEC. 401. Section 3301 of title 39, United States Code, relating to the maximum number of positions authorized at any one time for salary levels 17, 18, 19, and 20 in the postal field service, is amended by adding at the end thereof the following new sentence: 'In addition to the number of positions prescribed by subparagraphs (2) to (5), inclusive, of this section, the Postmaster General is authorized to assign a total of not more than forty positions among salary levels 17, 18, 19, and 20 as he may determine.'."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows: In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes".

And the Senate agree to the same.

TOM MURRAY,
JAMES C. DAVIS,
THADDEUS J. DULSKI,
DAVID N. HENDERSON,
Managers on the Part of the House.

OLIN D. JOHNSTON,
MIKE MONRONEY,
RALPH W. YARBOROUGH,
B. EVERETT JORDAN,
JENNINGS RANDOLPH,
FRANK CARLSON,
HIRAM L. FONG,
J. CALEB BOGGS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

Positions in top grade of Classification Act of 1949 and related positions.

Title I and section 201 of title II of the House bill relate to positions in the top grades of the Classification Act of 1949, as amended, and comparable positions.

Both the House bill and the Senate amendment amended (1) section 505 of the Classification Act of 1949, relating to the maximum number of positions which may be allocated to grades 16, 17, and 18 of the General Schedule of such act—the so-called top grades—and (2) the act of May 29, 1959 (73 Stat 63), relating to positions at comparable salary levels for the National Security Agency of the Department of Defense.

The House bill provided for increases in the numbers of positions in grades GS–16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and comparable positions, as follows:

For the United States Civil Service Commission, for allocation pursuant to section 505(b) of such act, an increase of 370 such positions;

For the Department of Defense, an increase of 40 in the number of positions authorized by section 505(j) of such act;

For the National Security Agency of the Department of Defense, an increase of 20 in the number of positions authorized by the act of May 29, 1959 (73 Stat. 63) to be compensated at rates equal to the rates for such grades GS–16, 17, and 18;

For the Federal Home Loan Bank Board, an increase of 4 in the numbers of such positions presently allocated to the Board by the United States Civil Service Commission, and

For the United States Arms Control and Disarmament Agency, when created, 14 such positions.

The Senate amendment provided for increases in the numbers of positions in grades GS–16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and comparable positions, as follows:

For the United States Civil Service Commission, for allocation pursuant to section 505 (b) of such Act, an increase of 419 such positions, of which 100 were subject to allocation only by the President of the United States;

For the Department of Defense, an increase of 28 in the number of such positions authorized by section 505(j) of such Act;

For the National Security Agency of the Department of Defense, an increase of 12 in the number of positions authorized by the Act of May 29, 1959 (73 Stat. 63) to be compensated at rates equal to the rates for such grades GS–16, 17, and 18; and

For the Immigration and Naturalization Service of the Department of Justice, 6 positions in such grade GS–16.

The conference agreement authorizes an aggregate of 480 additional positions in grades GS–16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended. Such aggregate number of additional positions comprises an increase of 430 in the number of positions authorized for allocation by the United States Civil Service Commission by section 505(b) of such act, of which increase 50 may be allocated only upon approval of the President and for agencies or functions created after the effective date of this agreement, 14 may be allocated only to the United States Arms Control and Disarmament Agency when created, 4 may be allocated only to the Federal Home Loan Bank Board, and 6 may be allocated only to the Immigration and Naturalization Service of the Department of Justice;

35 additional positions in such grades in the Department of Defense; and

15 additional such positions in the National Security Agency of the Department of Defense.

Section 102(c) of the House bill added subsections (m) and (n) to section 505 of the Classification Act of 1949 which provided 4 positions in grades 16, 17, and 18 for the Federal Home Loan Bank Board and fourteen positions in such grades for the new United States Arms Control and Disarmament Agency. These positions were to be in addition to the maximum aggregate number of such positions authorized by section 505(b) of the Classification Act of 1949.

The conference substitute eliminates the proposed new subsections (m) and (n), relating to the Federal Home Loan Bank Board and the United States Arms Control and Disarmament Agency, but adds subparagraphs (3) and (5) to section 505(b) of the Classification Act of 1949, which, in effect, earmark or set aside (within the maximum aggregate number of top grade positions rather than in addition thereto) 4 positions for allocation to the top grades of the Classification Act of 1949 by the civil service commissioners only to the Federal Home Loan Bank Board and fourteen positions for allocation to such grades by such commissioners only to the United States Arms Control and Disarmament Agency.

In addition, the conference substitute earmarks in like manner six positions for the Immigration and Naturalization Service of the Department of Justice. These positions were not specifically allocated in this manner by the House bill.

The Senate amendment proposed to amend section 505(b) of the Classification Act of 1949 to provide for an additional 100 top grade positions to be so classified upon a determination of the existence of a need for such positions by the President of the United States. The House bill, as introduced, contained a comparable provision which was not contained in the House bill as reported and as passed the House.

Section 102(a) of the conference substitute, in lieu of this so-called "Presidential pool," adds subparagraph (2) to section 505(b) of the Classification Act of 1949 which, in effect, provides that fifty of the number of top grade positions provided for by such section 505(b) shall be available only for allocation, with the approval of the President, for agencies or functions created after the date of enactment of the new subparagraph (2).

In addition, the Senate amendment contained the following sublimitations (not contained in the House bill) on the number of positions which may be placed in such grades, as follows: in grade 17, not to exceed 357 positions; in grade 18, not to exceed 160 positions.

Section 102(a) of the conference substitute adds subparagraph (1) to section 505(b) of the Classification Act of 1949 which provides percentage (instead of numerical) sublimitations to the effect that not to exceed 25 percent of the maximum aggregate number of positions which may be placed in the top grades of such Act may be placed in grade 17 and not to exceed 10 percent of such maximum number may be placed in grade 18.

SCIENTIFIC AND PROFESSIONAL POSITIONS AND POSITIONS OF A SECURITY NATURE

Title II of the House bill relates to scientific and professional positions and positions of a security nature.

Section 201 of the House bill, relating to certain positions in the National Security Agency for which rates of compensation shall be equal to rates of basic compensation for grades GS–16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and the conference agreement with respect to such positions in the National Security Agency, are discussed above under the heading "Positions In Top Grades Of Classification Act Of 1949 And Related Positions."

Section 202 of the House bill increased the numbers of scientific and professional positions authorized by the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended (5 U.S.C. 1161–1163), for the Department of Defense by 85 new positions; for the Federal Aviation Agency by 10 new positions; and for the National Aeronautics and Space Agency by 65 new positions. The rates of compensation for all such positions were to be not less than $12,500 nor more than $19,000 per annum, except that with respect to such new positions for the Federal Aviation Agency (identified as "administrative and managerial") the maximum rate of compensation was not to exceed $19,500 per annum.

The Senate amendment provided for 75 such new positions for the Department of Defense, 15 such new positions for the Federal Aviation Agency, 135 such new positions for the National Aeronautics and Space Agency, and 4 such new positions (not provided for in the House bill) for the National Aeronautics and Space Council.

The conference agreement provides for 80 such new positions for the Department of Defense, 13 such new positions for the Federal Aviation Agency, and 4 such new positions for the National Aeronautics and Space Council. The conference agreement also provides, with respect to the National Aeronautics and Space Agency, for the establishment of 65 such new positions on or before March 1, 1962; the establishment of 35 additional such new positions during the period beginning March 1, 1962, and ending June 30, 1962; and the establishment of 35 additional such new positions on or after July 1, 1962. Thus, the conference agreement will make available to the National Aeronautics and Space Agency an aggregate of 135 such new positions, of which 65 will be available before March 1, 1962, 100 will be available thereafter but before July 1, 1962, and the entire number of 135 will be available on and after July 1, 1962.

The salary range for all such new scientific and professional positions will be from $12,500 to $19,000 per annum, except that (1) the maximum salary for the 13 new positions provided for the Federal Aviation Agency will be $19,500—the maximum rate presently in effect for the 10 existing positions of the same grades previously authorized for the Federal Aviation Agency—and (2) a maximum salary of $21,000 per annum is authorized for not to exceed 17 of such new positions authorized for the National Aeronautics and Space Agency.

Section 3(a)(5) of the Senate amendment added a new subsection (j) to the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), which authorized the Librarian of Congress to establish not more than four scientific or professional positions in the Library of Congress for research purposes. The House bill contained no such provision. The committee of conferees has eliminated these positions for the Library of Congress from the conference substitute. The matter of those additional positions for the Library of Congress will be given consideration in the future by the respective Committees on Post Office and Civil Service of the Senate and House of Representatives upon appropriate demonstration of a need therefor.

A comparative summary of the provisions of the House bill, the Senate amendment, and the conference agreement with respect to scientific and professional positions follows:

Agency	House passed	Senate passed	Conference
1. Department of the Interior	3	3	3
2. Department of Agriculture	5	3	5
3. Department of Health, Education, and Welfare	3	3	3
4. Department of Commerce	5	3	5
5. Post Office Department	3	3	3
6. Department of Defense	85	75	80
7. National Security Agency	10	10	10
8. Federal Aviation Agency:			
(a) Professional, $19,500	10	15	13
(b) Scientific, $19,000	5	5	5
9. National Aeronautics and Space Agency	65	135	[1] 135
10. Library of Congress	0	4	0
11. U.S. Arms Control Agency	14	0	14
12. National Aeronautics and Space Council	0	4	4

[1] Of this number 17 can be paid up to $21,000 per year, making a total of 30 who can be paid at this rate. This Agency is authorized 65 immediately upon passage of this legislation, 35 more by Mar. 1, 1962, and the remaining 35 on and after July 1, 1962.

REALINEMENT OF EXECUTIVE POSITIONS

Title III of the House bill removed 20 positions from the purview of section 107(a) of the Federal Executive Pay Act of 1956 and such positions, as a result, were to be within the purview of section 505 of the Classification Act of 1949, as amended, relating to positions in grades GS–16, –17, and –18 of the General Schedule of such Act. Title III increased the rates of compensation prescribed for 2 positions in section 106 (a) of the Federal Executive Pay Act of 1956 from $18,000 to $18,500; for 8 positions in section 107 (a) of such Act from $17,500 to $18,500; and for 4 positions in section 107 (b) of such Act from $17,000 to $18,000. Title III also added, in section 106 (a) of such Act, 2 additional positions for the United States Arms Control and Disarmament Agency, when created, at the $20,000 rate of compensation prescribed in such section.

The Senate amendment removed no positions from the Federal Executive Pay Act of 1956. The Senate amendment, however, transferred 5 such positions from section 107(a) to section 106(b) of such Act, increasing the salaries of such positions from $17,500 to $19,000; transferred 1 position from section 106(a) to section 104(a) of such Act, increasing the salary from $20,000 to $21,000; transferred 4 positions from section 107(b) to section 106(b) of such Act, increasing the salaries from $17,000 to $19,000; and transferred 3 positions from section 106(c) to section 106(b) of such Act, increasing the salaries of 2 such positions from $18,000 to $19,000 and the salary of the third such position from $18,500 to $19,500;

The conference agreement adopts the provisions of Title III of the House bill with respect to 15 of the 20 positions which such title removed from section 107(a) of the Federal Executive Pay Act of 1956 and adopts the provisions of the Senate amendment with respect to the transfer of the remaining 5 of such 20 positions from such section 107(a) to section 106(b) of such Act. The conference agreement adopts the provisions of Title III of the House bill with respect to increases in rates of compensation for 8 positions in section 107(a) of such Act and with respect to the creation of 2 additional positions in section 106(a) of such Act of the United States Arms Control and Disarmament Agency. The conference agreement adopts the provisions of the Senate amendment with respect to the transfer of 1 position from section 106(a) to section 104(a) of such Act, with respect to the transfer of 4 positions from section 107(b) to section 106(b) of such Act, and with respect to the transfer of 3 positions from section 106(c) to section 106(b) of such Act.

Sections 302 (f) and (g) of the House bill amended section 202(e) of the Legislative Reorganization Act of 1946 and clause 28(c) of rule XI of the Rules of the House of Representatives to provide that the compensation of the professional and clerical staff members of the standing committees of the House of Representatives may be fixed at a rate not in excess of the maximum rate authorized by the Classification Act of 1949, as amended. The Senate amendment contained no such provision. The conference substitute eliminates these provisions of the House bill.

The committee of conference emphasizes that the elimination of these provisions is not intended to constitute a rejection of the objectives of these provisions on the merits. The committee recognizes the necessity of a joint meeting of representatives of the Committees on Post Office and Civil Service of the Senate and House for the further consideration of this matter in the interest of uniformity of treatment with respect to such committee employees in the House and Senate and in order to insure comparability of talent and pay between the two Houses of Congress with respect to such employees.

With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

TOM MURRAY,
JAMES C. DAVIS,
THADDEUS J. DULSKI,
DAVID N. HENDERSON,
Managers on the Part of the House.

Mr. JAMES C. DAVIS. Mr. Speaker, this conference report and the statement which has just been read give the salient facts as to the action of the conferees.

The conference committee in the final analysis have allowed 406 new supergrade positions for control by the Civil Service Commission in addition to those already in existence. That number of 406 was arrived at in this way. The number in the House bill for the Commission was 370. The number provided in the Senate bill was 319 plus 100 additional positions to be allotted to the President to be used as he might see fit. The conferees agreed with reference to the 100 which were to be allotted under the Senate bill to the President to reduce that number to 50, and further restricted it with the provision they would be allotted to the Civil Service Commission to be used only to perform new functions or fill supervisory positions in new agencies. Also, they should not be used or allotted by the Civil Service Commission except with the approval of the President. That was the disposition of that particular phase of the bill.

Six positions are allotted to the Immigration and Naturalization Service, 4 to the Federal Home Loan Bank Board, 14 to the U.S. Arms Control Agency, 35 to the Department of Defense, and 15 to the National Security Agency.

The bill also included a number of positions of the scientific and professional type, and in the windup 3 of these were allotted to the Department of the Interior, 5 to the Department of Agriculture, 3 to the Department of Health, Education, and Welfare, 5 to the Department of Commerce, 3 to the Post Office Department, 80 to the Defense Department, 10 to the National Security Agency, and 13 to the Federal Aviation Agency.

Five scientific positions to the Federal Aviation Agency.

One hundred and thirty-five positions to the National Aeronautics and Space Agency.

They were to be spaced out in this way:

Sixty-five of them are immediately available.

Thirty-five are to be available in March 1962.

The other 35 are to be available on and after July 1, 1962.

The Senate bill contained four of these positions for the Library of Congress, but the conferees ruled them out and none were allowed in the final analysis to the Library of Congress for the rea-

son, it was felt insufficient justification was made for these positions.

Fourteen of these positions go to the U.S. Arms Control Agency and four positions go to the National Aeronautics and Space Council.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Ohio.

Mr. BOW. Can the gentleman advise the House as to the increase in the number of supergrades allowed as compared to the bill as it left the House? How many more positions are there as compared to the number provided in the House bill?

Mr. JAMES C. DAVIS. The additional number of supergrades under the control of the Civil Service Commission now in the bill, as compared to the bill when it left the House, is the difference between 370 and 406, which would make it 36 positions.

Mr. BOW. That is, 36 positions under the civil service. Are there any other additional employees in the total bill? I would like to know how many more supergrades you have in total throughout the entire bill over and above what was in the bill when it passed the House.

Mr. JAMES C. DAVIS. There are 50 additional supergrade positions in addition to those in the bill when it left the House, consisting of 35 positions to the Department of Defense and 15 positions to the National Security Agency.

Mr. BOW. These are additions?

Mr. JAMES C. DAVIS. These are supergrade positions. I believe that is the information that the gentleman is asking for.

Mr. BOW. What I am trying to get out, I am saying to the gentleman from Georgia is the number of positions that the bill provided for as it passed the House and the additional positions contained in the bill now in all categories in the bill.

Mr. JAMES C. DAVIS. I am glad to say to the gentleman from Ohio that the number in the pool allotted to the Civil Service Commission in addition to the House passed number amounts to 36 positions.

There were also 50 more, as I stated, going to the Department of Defense and to the National Security Agency.

Mr. BOW. That would be a total of 86 additional positions over and above the number of positions that were included in the House bill; am I correct in that?

May I suggest to the gentleman we have the figure of 50; then under the National Security Agency we have 15; and 36 positions in the pool—that would make a total of 101 positions over and above the number of positions provided in the bill, as it passed the House; am I correct in that figure?

Mr. JAMES C. DAVIS. Does the gentleman have this mimeographed sheet from which I have been trying to give the gentleman this information? This mimeographed sheet is headed "Supergrade and Scientific Type Positions."

Mr. BOW. I will say to the gentleman I do not have it.

Mr. JAMES C. DAVIS. I will see that the gentleman has one.

Mr. BOW. I thank the gentleman. I think it is important that we know the increase over the number provided in the House bill.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. I want to thank the gentleman for the way in which he has handled this report. We who are concerned with the National Scientific and Space Agency felt that these positions were necessary and should be made available immediately. I understand that was taken into consideration and we were given the positions we wanted. I appreciate the consideration the gentleman gave the Agency.

Mr. JAMES C. DAVIS. I will say to the gentleman from California that we discussed those positions in considerable detail. We regard them as being of great importance; and as I outlined in my previous statement the number requested was granted.

Mr. FULTON. If the gentleman will yield, may I as a member of the Science and Astronautics Committee thank the gentleman and his colleagues for their consideration. I believe in this time of crisis the National Astronautics and Space Agency is very vital to our security. We do need these positions in this Agency.

Mr. JAMES C. DAVIS. The conferees were of the same opinion as the gentleman has just stated.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. FRELINGHUYSEN. I wish to ask a question with respect to the Arms Control Agency. Is it correct that there is a total of 30 positions?

Mr. JAMES C. DAVIS. That is correct. There are 14 of the supergrade positions, 14 of the scientific type, and 2 in the Federal Executive Pay Act.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. ANDERSEN of Minnesota. How many overall new supergrade positions are provided in legislation we have adopted this year, including this before us?

Mr. JAMES C. DAVIS. The total in this bill is 480.

Mr. ANDERSEN of Minnesota. Additional new supergrades.

Mr. JAMES C. DAVIS. In this bill, yes.

Mr. ANDERSEN of Minnesota. May I ask the gentleman if we in any way have recommended to the executive department that they offset the cost of this proposed action by doing away with some nonessential jobs? Has the gentleman made any recommendation to the administration in that respect?

Mr. JAMES C. DAVIS. We have in many instances made such recommendations. There are no such recommendations in this conference report; but, as the gentleman probably knows, the Manpower Utilization Subcommittee has had many hearings this year and likewise last year on the question of supergrades and positions generally. It is customary in the hearings before that subcommittee for the heads of agencies who appeared before us to be admonished constantly as to the need for the efficient utilization of these positions by not wasting them.

Mr. ANDERSEN of Minnesota. In other words, there has been no recommendation whatsoever toward eliminating nonessential jobs in order to take care of these supergrades, moneywise.

Mr. JAMES C. DAVIS. There is nothing in this report; but, as I stated previously, we are constantly reminding the heads of departments and agencies that this is a necessary step to take.

Mr. ANDERSEN of Minnesota. I am sure the gentleman is concerned about the fact that we are going to go at least $7 billion in the red in 1962, is he not?

Mr. JAMES C. DAVIS. I surely am.

Mr. ANDERSEN of Minnesota. I know from the gentleman's past record that he is concerned.

I recall back in 1947 when the then President Truman vetoed the tax reduction bill in which we made a $6,800 million gift to the taxpayers, rather than apply same on the national debt. I and one other, the late Mr. Hull, of Wisconsin, were the only Republicans to support Mr. Truman in that veto. Our two votes were the deciding votes. Consequently we made a temporary reduction of $6,800 million in the then national debt.

I am disturbed about our fiscal responsibility, I might say to the gentleman from Georgia. That is why I am asking this question. I think it would be much better were we to take a recess rather than adjourn sine die.

I thank the gentleman for yielding to me. I want to serve notice here that it is my intention, whether we have a quorum or not, to force a vote on the adjournment resolution if it calls for an adjournment sine die rather than a recess subject to return at the call of the Speaker.

Mr. JAMES C. DAVIS. I would like to say in response to the observation of the gentleman that the number of supergrades requested in the legislation now before us was considerably reduced from the original request of the administration.

Mr. ANDERSEN of Minnesota. I do not impugn to the gentleman anything other than a strong sense of fiscal responsibility. I commend the gentleman for his past record.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Speaker, I have served on the committee with the gentleman from Georgia. There is not a harder working member of the Committee on Post Office and Civil Service than the gentleman from Georgia. He has tried hard to keep these supergrades down. Personally, I am against supergrades. I do not think they belong in our classified employees setup. A lot of people say that we need them to bring some professional brainpower into the

Government. The fact is that the majority of these jobs are handpicked for employees already in the classified civil service, and it simply gives them an increase in salary. So with these supergrades, what we are doing is taking care of our present employees. This is simply an increase in the salary schedule. The rank-and-file workers are left out in the cold by the Congress. We ought to realize that is what we are doing by paying these higher salaries in a majority of cases to people who are already employees of the Federal Government and are already receiving rather fancy salaries in the higher brackets.

I thank the gentleman for yielding.

Mr. JAMES C. DAVIS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, I take this time to state as one of the conferees for the House that I declined to sign the conference report, and I would like to address myself very briefly to the reasons for that action.

Mr. Speaker, it has been my privilege for 7 years to serve on the Manpower Utilization Subcommittee with the gentleman from Georgia [Mr. DAVIS]. I hold him in the highest regard. I know of his devotion to the purposes of trying to keep some restraint on the personnel of the Federal Government, particularly these higher levels.

The facts of the matter are that we did not come out of this conference very well. As I compute the figures, based on recapitulation just handed to us, and this is in answer to the gentleman from Ohio [Mr. BOW], we went in with a House total of supergrades and scientific types of positions of 696.

Mr. Speaker, the bill in the other body called for 728. The conference report, if my arithmetic is anywhere near accurate, calls for a total of 790. I do not regard that as a distinct victory for the House conferees. Not only with respect to that, but with respect to one particular item I respectfully declined to sign the conference report, as did the gentleman from Iowa [Mr. GROSS]. That was in the handling of the scientific type allocations for the National Aeronautics and Space Agency.

Mr. Speaker, the House proposal was for 65 additional supergrade positions for science. The other body proposed 135, with a stipulation that of this number 17 could be paid up to $21,000 a year. The proposal was made that the 65 be granted as of the enactment of the bill and that 35 more be granted as of March 1st and the final 35 be granted as of July 1st.

We made what we thought was a very modest suggestion. By "we" I mean the gentleman from Iowa [Mr. GROSS], and I. We made the suggestion that the final 35 not be approved at this time but be subject to review at the next session, and the decision then made as to whether they should be granted. We were told in effect that we would lose the space race to Russia, and other dire and terrible things would happen if they did not have everything they asked for and have it on the basis of its being approved now, even though the effective dates were to be spaced.

Mr. Speaker, I simply could not go along with that.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JOHANSEN. I am glad to yield to the gentleman from Ohio.

Mr. BOW. The thing that disturbs me about legislation of this kind is the fact that this bill came before the House under suspension of the House rules. The House had no opportunity at all to work its will on this bill. Then, it goes to conference and comes back loaded with a lot more positions and increases in the total amount involved, which affects the budget of this country. I think this is the reason why the bill should not have come in here under suspension of the rules. I feel that the House should have an opportunity to work its will on legislation of this kind.

Mr. JOHANSEN. I want to say to the gentleman that I voted for the bill when it came before the House because I felt that it was at least in the nature of a vaccination against removal of all controls on supergrades. I thought on that basis it was justified as a protective and precautionary measure. Apparently the vaccination did not take.

Mr. Speaker, it is my intention to vote against the conference report.

Mr. SCRANTON. Mr. Speaker, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from New York.

Mr. SCRANTON. In this group that has been set aside as a pool by the Civil Service Commission, is it very clear to the gentleman from Michigan [Mr. JOHANSEN], and the other members of the committee precisely where these people are going to be used, or was it just thought that they were essential for the operation of the Government.

Mr. JOHANSEN. If my recollection is correct, it is discretionary. The chairman, I hope, will correct me if I am wrong. It is discretion given to the Civil Service Commission on the showing of justification. There is discretion there. Fifty of these may be used for new functions or new agencies, if approved specifically by the President.

Mr. Speaker, we have preserved some degree of flexibility in that particular. We much preferred having this so-called Civil Service Commission pool than having what the other body referred to as a Presidential pool.

Mr. JAMES C. DAVIS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, when this bill was before the House I made it plain that I supported it with great reluctance. I supported the bill because, as the gentleman from Michigan [Mr. JOHANSEN] has well stated, I felt that we ought to try to devise some means of controlling these superduper grade positions, and this appeared to be the only avenue.

I was one of the conferees. I, too, refused to sign the conference report. One of the main reasons was the allocation of 135 supergrades and scientific and professional positions to the National Aeronautics and Space Administration. I was willing to compromise, as was the gentleman from Michigan [Mr. JOHANSEN]. We were willing to enter into what we contended was a reasonable compromise but that was not acceptable. As my colleague from Michigan has stated, the conference report provides for 65, as the House voted, plus 35 on March 1 next year, plus another 35 on July 1 next year. In addition to that, 17 of these people will receive salaries of $21,000 a year, for the first time. That makes a total of 30 individuals in NASA who will be paid $21,000 per year and this is exclusive of the top layer of officials in this agency.

So, Mr. Speaker, I cannot support this conference report giving as it does 135, or 70 more of these high-salaried positions than the House provided, to the National Aeronautics and Space Administration, when the testimony of Mr. Webb, Director of that agency, was to the effect that 50 percent of the jobs which were sought would be used for promotions, not for the recruitment of new personnel—for promotions of those already in the agency.

Mr. Speaker, this bill was more than rich when it left the House in providing increased salaries. The conference report is not a compromise; it is another abdication of the position of the House of Representatives and I will, without hesitation, vote against it as I did in the conference with Members of the other body.

Mr. JAMES C. DAVIS. Mr. Speaker, the distinguished gentleman from Michigan [Mr. JOHANSEN] and the distinguished gentleman from Iowa [Mr. GROSS] are two of the most valued members of the House Post Office and Civil Service Committee, and of the Subcommittee on Manpower Utilization. As they stated, they declined to sign the conference report for reasons which they deemed sufficient. It was a matter of regret to me, of course, that these two distinguished and valued members of the subcommittee and of the conference committee did not see fit to sign the conference report. Their principal objections, as I understood it, grew out of the number of positions allotted to the NASA—135, which were spaced out, 65 positions available now, 35 on March 1 and 35 on July 1.

I was inclined, when the matter was first broached in the discussion before the conference committee, to take the same position. We reached the point in that discussion where it was stated, and I think very accurately so, that inasmuch as the rockets which will be developed by this agency will be of the nature to carry atomic warheads and weapons, and that it is conceded by some—although it is not my statement and I hope it is not correct—that we are behind the Russians in the development of rockets and rocket thrust, it was urgently recommended to us by the committee of which the gentleman from California [Mr. MILLER] is chairman, which committee has jurisdiction of NASA legislation, as well as by members of that committee, that the NASA already has

made arrangements to employ most of these 135 scientists and supergrade personnel to fill these positions. And they represented to us most urgently that that program would be delayed and hampered unless the total number of the 135 positions were provided for in this legislation. They pointed out that they cannot go out in a day and employ people to fill positions of this kind. They must look for them, they must search them out, they must have their security vouched for by the FBI, they must take all those precautions. The program must be planned a considerable time in advance in order for it to function effectively.

I felt that inasmuch as the Communists have made so much progress in the development of rockets and increased rocket thrust, if the program is to be hampered and delayed I did not want the responsibility to rest on my shoulders. For that reason, I changed my attitude, and went along and signed the majority report.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am one of the senior members of the Science and Astronautics Committee. I have consulted with Mr. James E. Webb, head of the National Aeronautics and Space Administration, and have gone into these matters elsewhere. We on the Republican side of the Committee on Science and Astronautics feels that 70 additional positions of a scientific nature are necessary.

It should be pointed out that while this is a peacetime agency, nevertheless it has cognizance of the big booster program that is vital to the security of the United States of America. I would recommend to the House that it consider these jobs as necessary because we are going to be spending $20 billion on the so-called Moon program. That means first the Mercury program, then the intermediate programs, which I will not go into, and then ending up where three men will be able in a capsule to navigate in space.

Whoever in the world gets complete control of space with orbiting vehicles going at 18,000 miles per hour from 90 to 350 miles above the Earth's surface can within 15 minutes destroy any city or military area in the world. We should remember that.

When we hear criticism of a trip to the Moon, we should remember that we have to get these maneuverable space vehicles. That is as much for defense as anything else. I assure the House that these 70 positions are necessary. I congratulate the gentleman from Georgia and his committee again on taking this step. In the long run it will be an economy-minded approach to the problem. I assure the gentlemen on the Republican side of the Committee on Post Office and Civil Service that we on the Science and Astronautics Committee are taking responsibility. We have followed it closely and will do so in the future.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. ANDERSEN of Minnesota), there were—ayes 98, noes 25.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ALBERT). Evidently, no quorum is present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 229, nays 71, not voting 135, as follows:

[Roll No. 225]

YEAS—229

Addabbo	Gallagher	Montoya
Addonizio	Garmatz	Moorhead, Pa.
Albert	Gary	Morgan
Alexander	Gavin	Morris
Andrews	Giaimo	Morse
Arends	Gilbert	Mosher
Aspinall	Granahan	Murphy
Auchincloss	Grant	Murray
Avery	Gray	Natcher
Ayres	Green, Pa.	Nix
Bailey	Gubser	Norrell
Baker	Hagan, Ga.	O'Brien, Ill.
Baldwin	Hagen, Calif.	O'Brien, N.Y.
Barrett	Halleck	O'Hara, Ill.
Bates	Harding	O'Hara, Mich.
Battin	Hardy	Olsen
Beckworth	Harris	O'Neill
Bennett, Fla.	Healey	Ostertag
Blatnik	Hechler	Patman
Boland	Hemphill	Perkins
Bolling	Henderson	Peterson
Bolton	Holifield	Pfost
Bonner	Holland	Philbin
Boykin	Hosmer	Pike
Brademas	Huddleston	Price
Breeding	Ichord, Mo.	Pucinski
Brewster	Ikard, Tex.	Randall
Brooks	Inouye	Rhodes, Pa.
Broomfield	Jarman	Rivers, Alaska
Broyhill	Jennings	Rivers, S.C.
Burke, Mass.	Joelson	Roberts
Byrne, Pa.	Johnson, Calif.	Robison
Cahill	Johnson, Md.	Rogers, Colo.
Cannon	Jones, Ala.	Rogers, Tex.
Casey	Judd	Rooney
Chelf	Karsten	Roudebush
Chenoweth	Kastenmeier	Roush
Clark	Kearns	Rutherford
Coad	Kee	Ryan
Cohelan	Kilgore	St. Germain
Conte	King, Calif.	Saylor
Cook	King, Utah	Schneebeli
Cramer	Kirwan	Schweiker
Curtin	Kluczynski	Scott
Curtis, Mass.	Kornegay	Seely-Brown
Daddario	Kowalski	Selden
Dague	Kunkel	Sheppard
Davis, James C.	Lane	Shipley
	Lankford	Sibal
Davis, John W.	Latta	Sikes
Dawson	Lennon	Sisk
Delaney	Lesinski	Slack
Denton	McCormack	Smith, Iowa
Dingell	McCulloch	Smith, Miss.
Donohue	McDowell	Spence
Downing	McFall	Springer
Doyle	McMillan	Staggers
Dulski	Mack	Steed
Dwyer	Madden	Stephens
Edmondson	Magnuson	Stratton
Elliott	Mahon	Stubblefield
Everett	Mailliard	Teague, Tex.
Fallon	Mathias	Thomas
Farbstein	May	Thompson, La.
Fenton	Merrow	Thompson, N.J.
Finnegan	Miller, Clem.	Thompson, Tex.
Flood	Miller, George P.	Thomson, Wis.
Flynt		Thornberry
Fogarty	Milliken	Toll
Forrester	Mills	Trimble
Frelinghuysen	Minshall	Udall, Morris K.
Friedel	Moeller	Ullman
Fulton	Monagan	Vanik
Van Zandt	Whitener	Willis
Walter	Whitten	Wilson, Calif.
Watts	Wickersham	Yates
Weis	Widnall	Zablocki

NAYS—71

Abbitt	Durno	Moore
Andersen, Minn.	Ellsworth	Morehead, Ohio
Anderson, Ill.	Fisher	Nygaard
Ashbrook	Ford	O'Konski
Ashmore	Fountain	Passman
Beermann	Gathings	Poff
Belcher	Goodling	Ray
Betts	Gross	Reece
Bow	Haley	Rhodes, Ariz.
Bray	Harrison, Wyo.	Rogers, Fla.
Bromwell	Harsha	Rousselot
Brown	Hoffman, Ill.	Schadeberg
Bruce	Jensen	Scherer
Burleson	Johansen	Scranton
Chamberlain	Jonas	Shriver
Church	King, N.Y.	Taber
Clancy	Kitchin	Taylor
Cunningham	Knox	Tuck
Derounian	Laird	Utt
Derwinski	Langen	Whalley
Dole	Lipscomb	Wilson, Ind.
Dominick	McVey	Winstead
Dorn	Marshall	
Dowdy	Mason	
	Matthews	

NOT VOTING—135

Abernethy	Griffin	Norblad
Adair	Griffiths	Osmers
Alford	Hall	Pelly
Alger	Halpern	Pilcher
Anfuso	Hansen	Pillion
Ashley	Harrison, Va.	Pirnie
Baring	Harvey, Ind	Poage
Barry	Harvey, Mich.	Powell
Bass, N.H.	Hays	Quie
Bass, Tenn.	Hébert	Rabaut
Becker	Herlong	Rains
Bell	Hiestand	Reifel
Bennett, Mich.	Hoeven	Reuss
Berry	Hoffman, Mich.	Riehlman
Blitch	Holtzman	Riley
Boggs	Horan	Rodino
Buckley	Hull	Roosevelt
Burke, Ky.	Johnson, Wis.	Rostenkowski
Byrnes, Wis.	Jones, Mo.	St. George
Carey	Karth	Santangelo
Cederberg	Keith	Saund
Celler	Kelly	Schenck
Chiperfield	Keogh	Schwengel
Collier	Kilburn	Shelley
Colmer	Kilday	Short
Cooley	Kyl	Siler
Corbett	Landrum	Smith, Calif.
Corman	Libonati	Smith, Va.
Curtis, Mo.	Lindsay	Stafford
Daniels	Loser	Sullivan
Davis, Tenn.	McDonough	Teague, Calif.
Dent	McIntire	Tollefson
Devine	McSween	Tupper
Diggs	Macdonald	Van Pelt
Dooley	MacGregor	Vinson
Evins	Martin, Mass.	Walihauser
Fascell	Martin, Nebr.	Weaver
Feighan	Meader	Westland
Findley	Michel	Wharton
Fino	Miller, N.Y.	Williams
Frazier	Morrison	Wright
Garland	Moss	Young
Glenn	Moulder	Younger
Goodell	Multer	Zelenko
Green, Oreg.	Nelsen	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Morrison for, with Mr. Byrnes of Wisconsin against.

Mr. Loser for, with Mr. Hall against.

Mr. Keogh for, with Mr. Nelson against.

Mr. Bass of New Hampshire for, with Mr. Harrison of Virginia, against.

Mr. Barry for, with Mr. Kilburn against.

Mr. Feighan for, with Mrs. St. George against.

Mr. Buckley for, with Mr. Berry of South Dakota against.

Mr. Davis of Tennessee for, with Mr. Martin of Nebraska against.

Mr. Miller of New York for, with Mr. Williams against.

Mrs. Hansen for, with Mr. Michel against.

Mrs. Griffiths for, with Mr. Devine against.
Mr. Cooley for, with Mr. Alford against.
Mr. Celler for, with Mr. Wright against.
Mrs. Green for, with Mr. Alger against.

Until further notice:

Mr. Holtzman with Mr. Harvey of Indiana.
Mr. McSween with Mr. Martin of Massachusetts.
Mr. Burke with Mr. Horan.
Mr. Smith of Virginia with Mr. Schwengel.
Mr. Abernethy with Mr. McDonough.
Mr. Diggs with Mr. Reifel.
Mr. Pilcher with Mr. Weaver.
Mr. Moss with Mr. Adair.
Mr. Colmer with Mr. Short.
Mr. Dent with Mr. Younger.
Mr. Frazier with Mr. Keith.
Mr. Hays with Mr. Glenn.
Mr. Macdonald with Mr. Meader.
Mr. Hull with Mr. Hiestand.
Mr. Karth with Mr. Pirnie.
Mr. Poage with Mr. Schenck.
Mr. Santangelo with Mr. Teague of California.
Mr. Vinson with Mr. Curtis of Missouri.
Mr. Riley with Mr. Becker.
Mr. Landrum with Mr. Dooley.
Mr. Bass of Tennessee with Mr. Collier.
Mr. Shelley with Mr. Garland.
Mr. Anfuso with Mr. Hoffman of Michigan.
Mr. Fascell with Mr. Siler.
Mr. Hébert with Mr. Tupper.
Mr. Kilday with Mr. Pillion.
Mrs. Sullivan with Mr. Westland.
Mr. Herlong with Mr. Findley.
Mr. Roosevelt with Mr. Bell.
Mr. Boggs with Mr. Fino.
Mr. Zelenko with Mr. MacGregor.
Mr. Moulder with Mr. Kyl.
Mr. Johnson of Wisconsin with Mr. Chiperfield.
Mr. Baring with Mr. Goodell.
Mr. Daniels with Mr. Hoeven.
Mr. Carey with Mr. Lindsay.
Mr. Young with Mr. Griffin.
Mr. Multer with Mr. Corbett.
Mr. Saund with Mr. Wharton.
Mr. Powell with Mr. Smith of California.
Mr. Blitch with Mr. Tollefson.
Mr. Evins with Mr. Wallhauser.
Mr. Rodino with Mr. Osmers.
Mr. Libonati with Mr. McIntire.
Mr. Rabaut with Mr. Norblad.
Mr. Kelly with Mr. Stafford.
Mr. Reuss with Mr. Pelly.
Mr. Rains with Mr. Harvey of Michigan.
Mr. Rostenkowski with Mr. Quie.
Mr. Reuss with Mr. Riehlman.

Mr. TAYLOR changed his vote from "yea" to "nay."

The vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

CORRECTIONS IN ENROLLMENT OF H.R. 7377

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 399) to make certain corrections in the enrollment of the bill (H.R. 7377).

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, I do this simply for the purpose of informing the House that it is not my intention to force any more rollcalls except on a resolution to adjourn sine die, if such a resolution is offered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 7377), to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes, the Clerk of the House is authorized and directed to make the following corrections:

In section 102(a), strike out "ten" and insert in lieu thereof "twelve".

In section 202, strike out "United States Arms Control Agency" and insert in lieu thereof "United States Arms Control and Disarmament Agency".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGES FROM THE SENATE

A further message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) entitled "An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2010) entitled "An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes."

The message also announced that the Senate further insists upon its amendments to the bill (H.R. 258) entitled "An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes."

The message also announced that the Senate agrees to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. MORSE, and Mr. PROUTY to be the conferees on the part of the Senate.

ARMS CONTROL ACT

Mr. MORGAN submitted the following conference report and statement on the bill (H.R. 9118) to establish a U.S. Arms Control Agency:

CONFERENCE REPORT (H. REPT. No. 1263)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9118) to establish a United States Arms Control Agency, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—SHORT TITLE, PURPOSE, AND DEFINITIONS

"Short title

"SECTION 1. This Act may be cited as the 'Arms Control and Disarmament Act'.

"Purpose

"SEC. 2. An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully. It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

"Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole. The formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security can best be insured by a central organization charged by statute with primary responsibility for this field. This organization must have such a position within the Government that it can provide the President, the Secretary of State, other officials of the executive branch, and the Congress with recommendations concerning United States arms control and disarmament policy, and can assess the effect of these recommendations upon our foreign policies, our national security policies, and our economy.

"This organization must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic arms control and disarmament policy must be based. It must be able to carry out the following primary functions:

"(a) The conduct, support, and coordination of research for arms control and disarmament policy formulation;

"(b) The preparation for and management of United States participation in international negotiations in the arms control and disarmament field;

"(c) The dissemination and coordination of public information concerning arms control and disarmament; and

"(d) The preparation for, operation of, or as appropriate, direction of United States participation in such control systems as may become part of United States arms control and disarmament activities.

"Definitions

"SEC. 3. As used in this Act—

"(a) The terms 'arms control' and 'disarmament' mean the identification, verification, inspection, limitation, control, reduction, or elimination, of armed forces and armaments of all kinds under international

agreement including the necessary steps taken under such an agreement to establish an effective system of international control, or to create and strengthen international organizations for the maintenance of peace.

"(b) The term 'Government agency' means any executive department, commission, agency, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of Government.

"(c) The term 'Agency' means the United States Arms Control and Disarmament Agency.

"TITLE II—ORGANIZATION

"United States Arms Control and Disarmament Agency

"SEC. 21. There is hereby established an agency to be known as the 'United States Arms Control and Disarmament Agency'.

"Director

"SEC. 22. The Agency shall be headed by a Director, who shall serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters. In carrying out his duties under this Act the Director shall, under the direction of the Secretary of State, have primary responsibility within the Government for arms control and disarmament matters, as defined in this Act. He shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $22,500 per annum.

"Deputy Director

"SEC. 23. A Deputy Director of the Agency shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $21,500 per annum. The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe. He shall act for, and exercise the powers of, the Director during his absence or disability or during a vacancy in said office.

"Assistant Directors

"SEC. 24. Not to exceed four Assistant Directors may be appointed by the President, by and with the advice and consent of the Senate. They shall receive compensation at the rate of $20,000 per annum. They shall perform such duties and exercise such powers as the Director may prescribe.

"Bureaus, offices, and divisions

"SEC. 25. The Director, under the direction of the Secretary of State, may establish within the Agency such bureaus, offices, and divisions as he may determine to be necessary to discharge his responsibilities under this Act, including, but not limited to, an Office of the General Counsel.

"General Advisory Committee

"SEC. 26. The President, by and with the advice and consent of the Senate, may appoint a General Advisory Committee of not to exceed fifteen members to advise the Director on arms control and disarmament policy and activities. The President shall designate one of the members as Chairman. The members of the Committee may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act. The Committee shall meet at least twice each year. It shall from time to time advise the President, the Secretary of State, and the Disarmament Director respecting matters affecting arms control, disarmament, and world peace.

"TITLE III—FUNCTIONS

"Research

"SEC. 31. The Director is authorized and directed to exercise his powers in such manner as to insure the acquisition of a fund of theoretical and practical knowledge concerning disarmament. To this end, the Director is authorized and directed, under the direction of the President, (1) to insure the conduct of research, development, and other studies in the field of arms control and disarmament; (2) to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies in the field of arms control and disarmament by private or public institutions or persons; and (3) to coordinate the research, development, and other studies conducted in the field of arms control and disarmament by or for other Government agencies in accordance with procedures established under section 35 of this Act. In carrying out his responsibilities under this Act, the Director shall, to the maximum extent feasible, make full use of available facilities, Government and private. The authority of the Director with respect to research, development, and other studies shall be limited to participation in the following insofar as they relate to arms control and disarmament:

"(a) the detection, identification, inspection, monitoring, limitation, reduction, control, and elimination of armed forces and armaments, including thermonuclear, nuclear, missile, conventional, bacteriological, chemical, and radiological weapons;

"(b) the techniques and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear, and other weapons;

"(c) the analysis of national budgets, levels of industrial production, and economic indicators to determine the amounts spent by various countries for armaments;

"(d) the control, reduction, and elimination of armed forces and armaments in space, in areas on and beneath the earth's surface, and in the underwater regions;

"(e) the structure and operation of international control and other organizations useful for arms control and disarmament;

"(f) the training of scientists, technicians, and other personnel for manning the control systems which may be created by international arms control and disarmament agreements;

"(g) the reduction and elimination of the danger of war resulting from accident, miscalculation, or possible surprise attack, including (but not limited to) improvements in the methods of communications between nations;

"(h) the economic and political consequences of arms control and disarmament, including the problems of readjustment arising in industry and the reallocation of national resources;

"(i) the arms control and disarmament implications of foreign and national security policies of the United States with a view to a better understanding of the significance of such policies for the achievement of arms control and disarmament;

"(j) the national security and foreign policy implications of arms control and disarmament proposals with a view to a better understanding of the effect of such proposals upon national security and foreign policy;

"(k) methods for the maintenance of peace and security during different stages of arms control and disarmament;

"(l) the scientific, economic, political, legal, social, psychological, military, and technological factors related to the prevention of war with a view to a better understanding of how the basic structure of a lasting peace may be established;

"(m) such related problems as the Director may determine to be in need of research, development, or study in order to carry out the provisions of this Act.

"Patents

"SEC. 32. All research within the United States contracted for, sponsored, cosponsored, or authorized under authority of this Act, shall be provided for in such manner that all information as to uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Director may find to be necessary in the public interest) be available to the general public. This subsection shall not be so construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder.

"Policy formulation

"SEC. 33. The Director is authorized and directed to prepare for the President, the Secretary of State, and the heads of such other Government agencies, as the President may determine, recommendations concerning United States arms control and disarmament policy: *Provided, however,* That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States.

"Negotiations and related functions

"SEC. 34. Under the direction of the Secretary of State—

"(a) the Director, for the purpose of conducting negotiations concerning arms control and disarmament or for the purpose of exercising any other authority given him by this Act, may (1) consult and communicate with or direct the consultation and communication with representatives of other nations or of international organizations and (2) communicate in the name of the Secretary with diplomatic representatives of the United States in this country and abroad.

"(b) the Director shall perform functions pursuant to section 2(c) of Reorganization Plan 8 of 1953 with respect to providing to the United States Information Agency official United States positions and policy on arms control and disarmament matters for dissemination abroad.

"(c) the Director is authorized (1) to formulate plans and make preparations for the establishment, operation, and funding of inspection and control systems which may become part of the United States arms control and disarmament activities, and (2) as authorized by law, to put into effect, direct, or otherwise assume United States responsibility for such systems.

"Coordination

"SEC. 35. The President is authorized to establish procedures to (1) assure cooperation, consultation, and a continuing exchange of information between the Agency and the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration and other affected Government agencies, in all significant aspects of United States arms control and disarmament policy and related matters, including current and prospective policies, plans, and programs, (2) resolve differences of opinion between the Director and such other agencies which cannot be resolved through consultation, and (3) provide for presentation to the President of recommendations of the Director with respect to such differences, when such differences involve major matters of policy and cannot be resolved through consultation.

"TITLE IV—GENERAL PROVISIONS

"General authority

"SEC. 41. In the performance of his functions, the Director is authorized to—

"(a) utilize or employ the services, personnel, equipment, or facilities of any other

Government agency, with the consent of the agency concerned, to perform such functions on behalf of the Agency as may appear desirable. It is the intent of this section that the Director rely upon the Department of State for general administrative services in the United States and abroad to the extent agreed upon between the Secretary of State and the Director. Any Government agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Director, without reimbursement, supplies and equipment other than administrative supplies or equipment. Transfer or receipt of excess property shall be in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended;

"(b) appoint officers and employees, including attorneys, for the Agency in accordance with the civil service laws and fix their compensation in accordance with the Classification Act of 1949, as amended;

"(c) enter into agreements with other Government agencies, including the military departments through the Secretary of Defense, under which officers or employees of such agencies may be detailed to the Agency for the performance of service pursuant to this Act without prejudice to the status or advancement of such officers or employees within their own agencies;

"(d) procure services of experts and consultants or organizations thereof, including stenographic reporting services, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed $100 per diem for individuals, and to pay in connection therewith travel expenses of individuals, including transportation and per diem in lieu of subsistence while away from their homes or regular places of business, as authorized by section 5 of said Act, as amended (5 U.S.C. 73b–2): *Provided,* That no such individual shall be employed for more than one hundred days in any fiscal year unless the President certifies that employment of such individual in excess of such number of days is necessary in the national interest: *And provided further,* That such contracts may be renewed annually;

"(e) employ individuals of outstanding ability without compensation in accordance with the provisions of section 710(b) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160), and regulations issued thereunder;

"(f) establish advisory boards to advise with and make recommendations to the Director on United States arms control and disarmament policy and activities. The members of such boards may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act;

"(g) delegate, as appropriate, to the Deputy Director or other officers of the Agency, any authority conferred upon the Director by the provisions of this Act; and

"(h) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary or desirable to the exercise of any authority conferred upon the Director by the provisions of this Act.

"Foreign Service Reserve and Staff officers

"SEC. 42. The Secretary of State may authorize the Director to exercise, with respect to Foreign Service Reserve officers and Foreign Service Staff officers and employees appointed or employed for the Agency, the following authority: (1) The authority available to the Secretary of State under the Foreign Service Act of 1946, as amended, (2) the authority available to the Secretary under any other provision of law pertaining specifically, or generally applicable, to such officers or employees, and (3) the authority of the Board of Foreign Service pursuant to the Foreign Service Act of 1946, as amended.

"Contracts or expenditures

"SEC. 43. The President may, in advance, exempt actions of the Director from the provisions of law relating to contracts or expenditures of Government funds whenever he determines that such action is essential in the interest of United States arms control and disarmament and security policy.

"Conflict of interest and dual compensation laws

"SEC. 44. The members of the General Advisory Committee created by section 26 of this Act, and the members of the advisory boards, the consultants, and the individuals of outstanding ability employed without compensation, all of which are provided in section 41 of this Act, may serve as such without regard to the provisions of section 281, 283, 284, or 1914 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U.S.C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of individuals, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States Government, except insofar as such provisions of law may prohibit any such individual from receiving compensation from a source other than a nonprofit educational institution in respect of any particular matter in which the Agency is directly interested. Nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 13 of the Civil Service Retirement Act (5 U.S.C. 2263), section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

"Security requirements

"SEC. 45. (a) The Director shall establish such security and loyalty requirements, restrictions, and safeguards as he deems necessary in the interest of the national security and to carry out the provisions of this Act. The Director shall arrange with the Civil Service Commission for the conduct of full-field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors, and their officers and employees, actual or prospective. In the event the investigation discloses information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Federal Bureau of Investigation for a full-field investigation. The final results of all such investigations shall be turned over to the Director for final determination. No person shall be permitted to enter on duty as such an officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to have access to any classified information, until he shall have been investigated in accordance with this subsection and the report of such investigations made to the Director, and the Director shall have determined that such person is not a security risk or of doubtful loyalty. Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purposes shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the Government agency or agencies having the highest security restrictions with respect to persons in such category.

"(b) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee, or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to Restricted Data by the Atomic Energy Commission under section 2165 of title 42, to permit the Director or any officer, employee, consultant, person detailed from other Government agencies, member of the General Advisory Committee or of an advisory board established pursuant to section 41(f), contractor, subcontractor, prospective contractor, or prospective subcontractor, or officer or employee of such contractor, subcontractor, prospective contractor, or prospective subcontractor, to have access to Restricted Data which is required in the performance of his duties and so certified by the Director, but only if (1) the Atomic Energy Commission has determined, in accordance with the established personnel security procedures and standards of the Commission, that permitting such individual to have access to such Restricted Data will not endanger the common defense and security, and (2) the Atomic Energy Commission finds that the established personnel and other security procedures and standards of the Agency are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 2165 of title 42, including those for interim clearance in subsection (b) thereof. Any individual granted access to such Restricted Data pursuant to this subsection may exchange such data with any individual who (A) is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the Armed Forces, or an officer or employee of the National Aeronautics and Space Administration, or a contractor or subcontractor of any such department, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and (B) has been authorized to have access to Restricted Data under the provisions of sections 2163 or 2455 of title 42.

"Comptroller General audit

"SEC. 46. No moneys appropriated for the purposes of this Act shall be available for payment under any contract with the Director, negotiated without advertising, except contracts with any foreign government, international organization or any agency thereof, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts: *Provided, however,* That no moneys so appropriated shall be available for payment under such contract which includes any provisions precluding an audit by the General Accounting Office of any transaction under such contract: *And provided further,* That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Director and the General Accounting Office.

"Transfer of activities and facilities to Agency

"SEC. 47. (a) The United States Disarmament Administration, together with its records, property, personnel, and funds, is hereby transferred to the Agency. The appropriations and unexpended balances of appropriations transferred pursuant to this subsection shall be available for expendi-

ture for any and all objects of expenditure authorized by this Act, without regard to the requirements of apportionment under section 665 of title 31.

"(b) The President, by Executive order, may transfer to the Director any activities or facilities of any Government agency which relate primarily to arms control and disarmament. In connection with any such transfer, the President may under this section or other applicable authority, provide for appropriate transfers of records, property, civilian personnel, and funds. No transfer shall be made under this subsection until (1) a full and complete report concerning the nature and effect of such proposed transfer has been transmitted by the President to the Congress, and (2) the first period of sixty calendar days of regular session of the Congress following the date of receipt of such report by the Congress has expired without adoption by either House of the Congress of a resolution stating that such House does not favor such transfer. The procedures prescribed in title II of the Reorganization Act of 1949 shall apply to any such resolution.

"Use of funds

"SEC. 48. Appropriations made to the Director for the purposes of this Act, and transfers of funds to him by other Government agencies for such purposes, shall be available to him to exercise any authority granted him by this Act, including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111); purchase or hire of one passenger motor vehicle for the official use of the Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code; entertainment and official courtesies to the extent authorized by appropriation; expenditures for training and study, expenditures in connection with participation in international conferences for the purposes of this Act; and expenses in connection with travel of personnel outside the United States, including transportation expenses of dependents, household goods, and personal effects, and expenses authorized by the Foreign Service Act of 1946, as amended, not otherwise provided for.

"Appropriation

"SEC. 49. (a) There are hereby authorized to be appropriated not to exceed $10,000,000 to remain available until expended, to carry out the purposes of this Act.

"(b) Funds appropriated pursuant to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure in accordance with authority granted in this Act, or under authority governing the activities of the agencies to which such funds are allocated or transferred.

"Report to Congress

"SEC. 50. The Director shall submit to the President, for transmittal to the Congress, not later than January 31 of each year, a report concerning activities of the Agency."

And the Senate agree to the same.

Amend the title to read as follows: "An Act to establish a United States Arms Control and Disarmament Agency".

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
FRANCES P. BOLTON,
WALTER H. JUDD,
Managers on the Part of the House.

J. W. FULBRIGHT,
JOHN SPARKMAN,
HUBERT H. HUMPHREY,
STUART SYMINGTON,
ALEXANDER WILEY,
BOURKE B. HICKENLOOPER,
Managers on the Part of the Senate.

CVII——1323

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9118) to establish a United States Arms Control Agency submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The Senate also amended the title of the bill. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the differences are noted below:

SHORT TITLE (SEC. 1)

The House bill carried the short title "Arms Control Act." The Senate amendment contained the short title "Arms Control and Disarmament Act for World Peace and Security."

The committee of conference accepted the House language with an amendment so that the short title reads "Arms Control and Disarmament Act", and made a conforming change in the long title of the bill. The sequence of the words in the title indicates that arms control is the first step toward the ultimate objective of disarmament.

PURPOSE (SEC. 2)

The statements of purpose contained in the House bill and Senate amendment were similar in most respects.

The Senate amendment, however, contained the sentence "Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole."

The House did not contain such a statement.

The managers on the part of the House accepted the inclusion of this sentence in the statement of purpose as amplifying and clarifying the purpose of the House bill.

DEFINITIONS (SEC. 3)

Subsection 3(a) of the House bill defined the term "disarmament."

Subsection 3(a) of the Senate amendment provided a definition of the phrase "arms control and disarmament."

The managers on the part of the House broadened the definition contained in the House bill to include the term "arms control" as well as "disarmament." In all other respects the definition contained in the House bill was retained.

UNITED STATES ARMS CONTROL AGENCY (SEC. 21)

The House bill (sec. 21) provided for the establishment of the "United States Arms Control Agency."

The Senate amendment provided for the establishment within the Department of State of an agency to be known as the "United States Arms Control and Disarmament Agency for World Peace and Security."

The committee of conference accepted the House language with an amendment designating the Agency as the "United States Arms Control and Disarmament Agency" to conform to the title of the act as agreed to by the committee of conference.

DIRECTOR (SEC. 22)

The House bill provided for the establishment of a United States Arms Control Agency under a Director with independent status in important respects but having a special and close relationship to the Secretary of State.

The Senate amendment authorized the establishment of a United States Arms Control and Disarmament Agency for World Peace and Security to be under the direction of an Under Secretary of State under the supervision and direction of the Secretary of State.

The committee of conference agreed to a compromise, revising the first two sentences of section 22 defining the status of the Director as follows:

"The Agency shall be headed by a Director, who shall serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters. In carrying out his duties under this Act the Director shall, under the direction of the Secretary of State, have primary responsibility within the Government for arms control and disarmament matters as defined in this Act."

In accepting this language, the managers on the part of the House believe that they have retained the essential aspects of the House bill that the Director of the Agency be assured of direct access to the President when necessary and that he have sufficient authority and independence to deal directly with other agencies, such as the Department of Defense and the Atomic Energy Commission, on matters not falling within the competence of the Department of State.

BUREAUS, OFFICES, AND DIVISIONS (SEC. 25)

The House bill authorized the Director to establish within the Agency such bureaus, offices, and divisions as he determined to be necessary, including, but not limited to, an Office of the General Counsel.

The Senate amendment (sec. 25) gave comparable authority to the Director with the requirement that it be exercised under the supervision and direction of the Secretary of State and that only "program and staff" bureaus, offices, and divisions could be established. The Senate provision also made reference to an Office of Public Affairs in addition to the Office of the General Counsel.

The committee of conference agreed to the House language with an amendment requiring that the authority of the Director under this section be exercised "under the direction of the Secretary of State."

PATENTS (SEC. 32)

Both the House bill and the Senate amendment included provisions (sec. 32) intended to prevent the commercial exploitation of inventions resulting from research financed by the American taxpayer. The provision in the House bill was based on the patent provision in the National Science Foundation Act and the provision in the Senate amendment was similar to the patent provision of the Saline Water Conversion Program Act.

The managers on the part of the House accepted a compromise following more precisely the language of the Saline Water Conversion Program Act, except that the words "as to" were inserted to make clear that information as to uses, products, processes, patents, and other developments was required to be made available to the general public rather than that the uses, products, processes, patents, and other developments would themselves be made available to the general public.

The language agreed to by the committee of conference should protect the public interest in patents resulting from research financed under this program while protecting a contractor's rights to background information, processes, and similar data obtained by the expenditure of the contractor's own funds.

POLICY FORMULATION (SEC. 33)

The House bill (sec. 33) authorized and directed the Director of the Agency to prepare for the President, the Secretary of State, and the heads of other Government agencies recommendations concerning U.S. disarmament policy. It also contained a proviso stating:

"Provided, however, That no action shall be taken under this or any other law that will obligate the United States to disarm

or to reduce or to limit the armed forces or armaments of the United States except pursuant to the treaty making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States."

The Senate amendment assigned to the Director similar responsibility with the requirement that the Director exercise such responsibility under the supervision and direction of the Secretary of State. It did not include language similar to the proviso contained in the House bill.

The committee of conference accepted the provisions of the House bill. The managers on the part of the Senate accepted the proviso with the understanding that its language does not interfere in any way with the President's authority to control the size of U.S. Armed Forces under existing law.

The managers on the part of the House concurred in this interpretation of the proviso.

NEGOTIATIONS AND RELATED FUNCTIONS (SEC. 34)

Section 34 of the House bill provided that negotiations and related functions would be under the direction of the President and the Secretary of State. The Senate amendment referred only to the Secretary of State. The first two functions listed in section 34 of the House bill are traditionally under the Secretary of State who acts under the direction of the President. The managers on the part of the House therefore accepted the language of the Senate amendment.

COORDINATION (SEC. 35)

The House bill and the Senate amendment contained provisions relating to procedures for coordinating the Agency with other governmental departments and agencies which were identical, except that the House bill made reference to "differences of opinion between the Director" and other agencies while the Senate amendment referred to "differences of opinion between the Department of State" and other agencies.

In view of the compromise agreed to with respect to the relationship of the Director of the Agency to the Secretary of State and to the President (sec. 22) the committee of conference accepted the reference to the Director contained in the House bill and added a third clause to section 35, authorized the President to establish procedures by which the Director of the Agency may go direct to the President when differences on important policy matters arise among agencies.

It was the understanding of the committee of conference that these procedures would provide that whenever the Director of the Agency might have occasion to go direct to the President, the heads of other departments and agencies concerned would have knowledge of the occasion and an opportunity to present their views on the issue involved.

SECURITY REQUIREMENTS (SEC. 45)

Section 45 of the House bill and section 44 of the Senate amendment provided for security procedures applicable to all employees of the Agency. In the House bill the Director was given responsibility to establish the necessary security and loyalty requirements. The Federal Bureau of Investigation was made responsible for the conduct of full field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors and their officers and employees, actual or prospective. It further provided that the FBI report would indicate if any investigation disclosed "that the person investigated may be or may become a security risk, or may be of doubtful loyalty."

The Senate amendment conferred responsibility upon the Agency for security requirements. Any derogatory information developed would be turned over to the Office of Security of the Department of State for final determination.

The managers on the part of the House accepted the Senate amendment with amendments which substituted "Director" for "Agency" and made the initial conduct of the full field investigation the responsibility of the Civil Service Commission. Should this investigation disclose information which indicates that the person may be or may become a security risk or may be of doubtful loyalty, the report of the Civil Service Commission will then be turned over to the Federal Bureau of Investigation for a final full field investigation.

The committee of conference agreed that the initial investigation should be performed by the Civil Service Commission and that the facilities of the Federal Bureau of Investigation would be used only when information was disclosed indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty. Further, the committee of conference recognized that the Federal Bureau of Investigation should not be required to evaluate the facts disclosed by its investigation. This determination is the responsibility of the Director. The amended language establishes procedures similar to those provided in the Atomic Energy Act for the investigation of employees and other persons connected with the Agency.

The requirement in the House that all reports shall be turned over to the Director for final determination was deleted since the same section already required that no person shall be permitted to perform services or have access to classified information until he shall have been investigated, the report turned over to the Director, and the Director "shall have determined that such person is not a security risk or of doubtful loyalty."

The committee of conference also agreed to delete the phrase "to perform any services under the contract or" which appeared in the sentence beginning "No person * * *". The committee of conference recognized the rigidity of the requirement and agreed to its deletion. This phrase would have required a full field investigation of contractor officers or employees even on a contract which involved no classified information whatever. These investigations frequently cost as much as $800 per individual and take from 2 to 9 months to complete. Thus, an unclassified $5,000 contract involving the incidental services of perhaps a dozen people over a 2-month period might cost an additional $2,400 and be delayed for perhaps 9 months.

TRANSFER OF ACTIVITIES AND FACILITIES TO AGENCY (SEC. 47(b))

The Senate amendment contained authorization for the President by Executive order to transfer any "activities" or "facilities" of any Government agency which relates primarily to disarmament.

The House bill contained similar authority respecting the transfer of "activities" but did not specify "facilities."

The managers on the part of the House accepted the Senate language in recognition that the President may wish to transfer "facilities" to the new Agency at some future date.

The committee of conference believes that adequate protection against abuse is contained elsewhere in the section since the facility would have to relate primarily "to arms control or disarmament" and also either House of Congress could prevent the transfer by resolution.

The title was amended to include the word "facility" in order to conform to provisions of the section.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
FRANCES P. BOLTON,
WALTER H. JUDD,
Managers on the Part of the House.

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 9118) to establish a U.S. Arms Control Agency, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

Mr. MORGAN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Arms Control Agency bill passed by the House differed from the bill approved by the Senate in two major respects. The first and most important was that the House bill provided for the establishment of what should be most accurately described as an independent agency with a special relationship to the Department of State, while the Senate bill placed the new Agency within the Department of State and made its Director an Under Secretary of State. The other major difference was that the name given the new Agency in the House bill was the "U.S. Arms Control Agency" and the name given to the new Agency in the Senate bill was the "U.S. Arms Control and Disarmament Agency for World Peace and Security."

The managers on the part of the House were able to retain the basic concepts contained in the House bill with respect to keeping the new Agency outside the Department of State and giving its Director direct access to the President when necessary. Certain revisions of language were agreed to to clarify the relationship of the Director of the Agency to the Secretary of State and to the President, but the bill which we bring back from conference does not make the Agency a part of the State Department nor does it provide for a Director who is an Under Secretary of State.

With respect to the name of the new Agency and the title of the bill, we had to agree to a compromise and accepted the name "U.S. Arms Control and Disarmament Agency." The words "for World Peace and Security" contained in the Senate title were eliminated. In my judgment this is a reasonable compromise, and in view of the legislative history, there can be no doubt that it is the understanding of the Congress that the inclusion of the term "Disarmament" in the title does not indicate that the United States contemplates unilateral disarmament or that we have any intention of throwing away our arms in the face of the current threat to our security.

The agreement of the committee of conference to the establishment of the

new Agency outside the Department of State resulted in the acceptance by the committee of conference of most of the provisions of the House bill since these provisions had been written to apply to an agency with a separate existence, not part of a larger department or agency.

The managers on the part of the House agreed to compromise language relating to patents. The patent provision contained in the House bill followed closely the language of the National Science Foundation Act relating to patents. The patent language in the Senate bill was based on the patent provision contained in the Saline Water Conversion Act. After long discussion, the committee of conference accepted a compromise following more precisely the language of the Saline Water Conversion Act, except that the words "as to" were inserted to make clear that information as to uses, products, processes, patents, and other developments was required to be made available to the general public rather than that the uses, products, processes, patents, and other developments would themselves be made available to the general public.

The managers on the part of the House believe that the language agreed to should protect the public interest in patents resulting from research financed under this program while protecting a contractor's rights to background information, processes, and similar data obtained by the expenditure of the contractor's own funds.

The provision of the House bill relating to security requirements placed a greater burden on the Federal Bureau of Investigation than the Bureau was willing to accept, and the managers on the part of the House were persuaded by the FBI to require FBI investigations only in the case of individuals concerning whom investigations conducted by the Civil Service Commission indicated may be or may become a security risk, or may be of doubtful loyalty.

The managers on the part of the House also agreed to the elimination of language requiring the FBI to perform the function of evaluation of the reports on its investigations.

A phrase requiring full investigations of persons performing services under contract even when such persons do not have access to any classified information was also deleted.

The other changes in the House bill which were agreed to were in the nature of clarifying and conforming changes and did not involve significant modification of the bill as it passed the House.

The managers on the part of the House vigorously defended the House position in conference and have brought back a bill which does not represent any major concession on the part of the House. I urge the approval of the conference report.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Is it my understanding that the so-called Fountain amendment which was adopted on the floor of the House is retained in the bill?

Mr. MORGAN. The Fountain amendment to section 33, which I believe is what the gentleman is referring to, was retained in the conference. It is exactly the wording of the amendment offered by the gentleman from North Carolina.

Mr. SEELY-BROWN. I congratulate the conference committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. So now despite all the fine words we heard during general debate on the floor of the House with respect to this new Agency being known only as the Arms Control Agency, the word "Disarmament" is now in the title; is that correct?

Mr. MORGAN. The word "Disarmament" has been added to the title. The gentleman knows the word "Disarmament" was included in the House bill and was defined in the House bill.

Mr. GROSS. The gentleman from Iowa, of course, is aware that the word "Disarmament" was used very sparingly in the body of the House bill, but it was deliberately held out of the title in the House bill as the hearings indicated it would be. May I ask the gentleman how does it happen that this capitulation came about and the word "Disarmament" was slipped into the title after all the arguments we heard against the use of the word?

Mr. MORGAN. The House conferees had to compromise on some things. The words "for World Peace and Security" were eliminated from the Senate title. All of the House title is retained in the title of the bill while some of the Senate title was stricken out. I believe this is a fair compromise.

Mr. GROSS. There are now 30 supergrade and scientific and professional jobs allotted to the new Agency, as I understand, instead of the 45 contained in the bill originally?

Mr. MORGAN. There are 30 supergrade positions for the Agency provided in the supergrade bill which the House just approved. There are none in this bill.

Mr. GROSS. Is there any change in the provision for hiring an unlimited number of $100-per-day consultants?

Mr. MORGAN. No.

Mr. GROSS. There is no change in that at all?

Mr. MORGAN. The gentleman is correct; there is no change. The provisions dealing with consultants were not in conference.

Mr. GROSS. That is unlimited in the bill?

Mr. MORGAN. That was not in conference. The same language was contained in both bills.

Mr. GROSS. And there is no change so far as the advisory committee is concerned or the advisory board; is that correct?

Mr. MORGAN. That was not in conference.

Mr. GROSS. I thank the gentleman and express my personal opinion that the bill is as unnecessary and as bad as ever.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to my colleague, the gentleman from Pennsylvania.

Mr. KUNKEL. I did not quite understand what the gentleman said about the saline water part of the bill. What does that refer to?

Mr. MORGAN. We accepted the saline water patent provisions with certain modifications.

Mr. KUNKEL. I thank the gentleman.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I want to congratulate the chairman of the committee and the members of the conference committee on the part of the House for having retained in the bill the amendment which I offered to section 33. Since this bill was passed, apparently, there is still some misunderstanding throughout the country as to just what this bill does. So those who have not had an opportunity to read the report of the conference and the amendment, which was offered, I would like to take this time to read again the amendment which the conferees were able to sustain in the conference committee. The amendment is as follows:

Provided, however, That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States except pursuant to the treatymaking power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States.

Mr. Speaker, again, I want to congratulate the conferees and state I think this was a necessary amendment and I believe when the people who are concerned about this legislation realize it is in the bill that they will be satisfied.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, this conference report retains the substance of the House arms control bill in every essential respect. The only major change is in the name. It proved necessary for the majority of the House conferees to yield in part on the title of the bill and the title of the Agency. The House conferees accepted one-half of the Senate language, to include the word "Disarmament" in the title—as of course the word appeared and was defined in both bills. I opposed that change in title because the most urgent thing about this action at this time is to make sure that it is not misunderstood by anyone as meaning the United States is adopting a weaker position in its defenses. We must not permit this to be misunderstood. First, by our own people, and many of them are confused and disturbed, as their letters show. Second, by our friends, perhaps causing some to doubt our steadfastness, as evil rumors are suggesting today in Berlin. Third, by our enemy. If Mr. Khrushchev were

to distort this bill and the name "Disarmament" into meaning the United States is in any sense weakening its military strength under his terroristic pressures, it would encourage him to be more aggressive and perhaps overreach himself. It would be tragic beyond words should our desire, our zeal for peace and reduction of arms lead us to invite the very war we are trying so earnestly to prevent.

This is the one danger in the bill and we ought to make every effort to try to get the Agency called by some other name than just the "Disarmament Agency."

It is now entitled the "Arms Control and Disarmament Agency." That sequence makes clear, we understand, that only after effective agreements on arms control can there be disarmament. But the name is too long for common usage. Perhaps we should name it right now, in the regular alphabetical way, ACADA. ACADA is short for Arms Control and Disarmament Agency. Someone said to me that the letters contain ADA, Americans for Democratic Action. I replied that the name also includes ACA, Americans for Constitutional Action. The conservatives and liberals are both in one title, all Americans united in the common search for world peace and security. I hope some such name or handle will be adopted for this Agency from the beginning so it does not become known worldwide as the U.S. Disarmament Agency and be susceptible to misinterpretation. Everybody here wants disarmament—under conditions that will give greater, not less security. As the bill plainly says, the purpose of ACADA is to formulate and implement arms control policy "in a manner which will promote the national security."

Mr. Speaker, on the whole this is a good conference report. I think it is a measure which can promote our national security by emphasizing our desire and our will to achieve world security looking toward ultimate world disarmament.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, I once again rise in opposition to this legislation as reported back from the conference committee not only for the six reasons that I outlined when it was before the House on September 19, but for other reasons which I think should now be abundantly clear.

During the time that the proposed Disarmament Agency was under discussion here in the House, we were told by Member after Member who was advocating passage of this legislation that the new agency would not indulge in the risk of disarming our Nation at this very critical time in our history and that its primary purpose would be to effect arms control, not immediate disarmament. Yet, we see as this legislation comes back to us from the conference committee that this purpose has in effect been abandoned because the new agency will now be called the U.S. Arms Control and Disarmament Agency. Of course, I believe this is really a form of dreamy thinking because the subject of disarmament is intricately woven into the legislation.

I say the Communist conspiracy will now indulge in a propaganda effort to show that the United States is planning to weaken its position militarily because we have enlarged and created this kind of an agency. The psychological effect of this legislation, I believe, will gradually have a devastating effect on our allies who expect us to maintain a military posture of rigorous strength. Of course, we intend to maintain a rigorous military posture, but this will not be the item that will be played up by the Russians.

I sincerely believe we have made a grave error in judgment by giving such a grand play to this kind of research and negotiation within our Federal Government at this particular time. For the following reasons I now find myself in even greater opposition to this legislation than I was when it came before the House, September 19:

First. On further study of this legislation, I have come to the conclusion that it merely establishes another heavy layer of bureaucracy in a very critical area of policymaking. Knowing the competition for power that exists within the bureaucracy, I have no doubt that this Agency will be subject to political maneuvers to gain policy decision advantage over and above the military branch of our Government.

Second. We cannot fail to overlook the negotiation section of the legislation which gives too much authority under the definition of disarmament to the Director to negotiate away piecemeal our military sovereignty to international agencies and then come to the U.S. Congress for concurrence after the loss of a given amount of sovereignty is well established.

Third. The psychological advantage mentioned above will accrue to the Communist orbit. I do not intend to infer that our Government is incapable of taking the psychological offensive by the distribution of information about this Agency. However, it is well to remember that we have failed in the past to cut through the mesmeric propaganda on the subject of peace and disarmament which the Russians have utilized while bolstering their military might. This so-called great psychological strike for "peace and disarmament" will, I believe, be twisted to our disadvantage by the diabolical techniques the Russians use to show that we are growing weak and in effect capitulating to their desire that we—not they—disarm. Our true allies who need our military protection will consider disarmament a grave mistake.

Fourth. I believe that when most of the Members of this House return to their districts to talk with their constituents, they will find a sense of disappointment that we have yielded to the pressures of what seemed to be a humane and just cause, but what truly will be interpreted throughout the world by our genuine friends as a sign of letting our guard down.

Fifth. The creation of this new Agency was totally unnecessary in view of the fact that we have already had a section of the State Department doing a vast amount of research in this field for several years at a cost of about a million dollars per year. The question that is asked by many American people is: Just how much research can you do on disarmament? It really is not as technical or scientific as we are told. To disarm means to cut down on armaments and armed forces held in reserve or ready to go into action. This kind of preparation for disarming does not really require that much research and development. We unfortunately were able to disarm extremely rapidly after World War II without any scientific research. When the time comes for our country to disarm because the world has been made a safe place in which all freedom-loving people can live, it will not be necessary to do a vast amount of scientific research to reduce our Military Establishment to a mere police force. With international Communist gangsterism on the rise this is an improper time to hand the Soviets such a propaganda victory as I sincerely believe we are doing with the passage of this legislation.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, when we had this legislation before us a few days ago I voted for it reluctantly. Of course we should always work toward the noble goal of arms control but I did question the need for the legislation because the executive branch already has such an activity going on through the State Department. It seemed to me this bill was just a duplication of what is now being done and would add another huge bureaucracy. In other words we do not and should not close our eyes to the importance of always working for the control of arms in the hope that some day we can live in peace and without fear of destruction. Furthermore, I voted for the bill originally because I suspected the Communist world would be given some kind of a propaganda victory to use against us if it did not pass. Frankly, I felt it would have been better if the legislation had never been presented in the first place.

Mr. Speaker, after careful study and thought I am now of the opinion that I must vote against the conference report. I plan to do so because a major change has been made in the bill by the conference committee. The conference changed the title of the House bill from the "Arms Control Act" to the title "Arms Control and Disarmament Act." This seemed to me to be a very serious mistake. Regardless of the language contained in the bill itself this legislation will now be commonly called a "disarmament act." I recall that a great deal of debate took place on the floor of the

House when the original bill was before us relative to the importance of the title of the bill. It was determined that the title "Arms Control Act" was the proper one. Now it contains the word "Disarmament." We all favor the control of arms and for worldwide disarmament sometime in the future but certainly now is not the time, the world situation being what it is, to give the impression to the American people and the free world that we want to disarm right now. This will certainly be the impression they will receive. This will, without a question, cause the free world to feel that we have lost our will to stand up to the Russians and that we are ready to "throw in the sponge." That is what concerns me. We cannot afford to give any such impression to the rest of the world. We cannot afford to give such an impression to the Communists. Then there is the problem of the so-called neutrals. They seem to be wishy-washy now and regardless of all the money we have given them still will not commit themselves to our side. I do not have any doubts that they, or some of them, will move more and more into the Soviet camp if they get the impression that we are now going to disarm instead of fighting, if need be, for the principles in which we believe. So, Mr. Speaker, I have reluctantly concluded that the bad features of this conference report outweigh any possible good and am deeply disappointed that the House conferees agreed to insert the word "Disarmament" in the title. I think this will do great damage to the cause of the free world who look to us for bold leadership in this time of international crisis. I thank the distinguished chairman of the Foreign Affairs Committee for yielding to me.

Mr. LAIRD. Mr. Speaker, for many years I have felt that emphasis should have been given by our Government and all the governments of the world to adequate arms control. Nevertheless, proper timing is of prime importance. This is particularly true when one realizes that the legislation which we are acting upon today establishes a new agency under the control and direction of the Secretary of State when the State Department already has a division operating in the identical area of arms control.

This month is not the time to place special emphasis on a new Disarmament Agency. At the present time we are engaged in an international crisis which has caused the President on Tuesday of this week to call into active service Wisconsin's 32d Division of the National Guard. One of the reasons given for this call to active duty has been the psychological impact it will have on world opinion. The President in his statements has told the world our country means business in the defense of Berlin.

On Tuesday of this week, I was in my congressional district and it was most difficult to explain to the people I represent why on the very day the 32d Division of the National Guard of Wisconsin was being called into active service, the U.S. Congress was concerning itself with the creation of a new Disarmament Agency. People at home were confused as to why the right hand of this administration did not know what the left hand was doing. I do believe in view of the present international situation it would be advisable for us to postpone final consideration of this bill until the 2d session of the 87th Congress.

Mr. BRADEMAS. Mr. Speaker, the creation of a U.S. Disarmament Agency, approved finally by Congress today, should enable the United States to do a more effective job of considering proposals for arms control than has heretofore been the case.

It is particularly encouraging that the bill received such strong bipartisan support.

At this point in the RECORD, I should like to include an excellent editorial concerning the new Agency published in the September 22, 1961, issue of the La Porte Herald-Argus which is published in La Porte, Ind.:

DISARMAMENT AGENCY

Washington will house before long a new U.S. Disarmament Agency, to be known as the U.S. Disarmament Agency for World Peace and Security with semi-independent status. It was a Kennedy administration proposal, but it had the endorsement of former President Eisenhower and of many Republican leaders.

There seems to be a considerable volume of misunderstanding as to what the Agency is to do. Why should the United States in a critical time with more armaments being made, with draft calls higher, and with the whole military effort moving at a stronger pace create a Disarmament Agency?

The answer is that the United States must assume, if the world is to be saved at all, that some form of nuclear control is inevitable and that disarmament before many years will be a serious consideration by all nations. And the American Government must be prepared to offer intelligent disarmament plans which would be enforcible and which would assure our security. To be able to offer these plans, there must be diligent and far-reaching scientific study and research.

The Agency is not for the purpose of disarming the United States, unilaterally or any other way, at this time or at any period in the foreseeable future, but it is to accumulate a broad store of scientific knowledge useful in the building of a safe nuclear control and disarmament program at some future time.

During the lengthy nuclear test ban talks at Geneva, which ended recently with no tangible results, the U.S. delegates found themselves lacking in adequate knowledge on nuclear testing. Some advice from consulting scientists was conflicting and uncertain. It will be the new Agency's task to put scientists to work to learn all they can about weapons and testing.

At present there is a section in the State Department with 55 persons employed dealing with disarmament problems. The new Agency will have a $6 million budget the first year and will employ 240 persons to start. It will be free to work objectively and scientifically on the total problems of disarmament against the day when this Nation will confront other nations around the conference table, all with the common aim of making the world safe from devastation by nuclear fission or even mightier powers.

Creation of the Disarmament Agency, begotten as it was by bipartisan support and not as strictly a Democratic measure, should make it possible for the United States to assume before long an even stronger position in the power struggle which now requires so much of our resources and attention.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 253, nays 50, not voting 132, as follows:

[Roll No. 226]

YEAS—253

Addabbo	Elliott	Lennon
Addonizio	Everett	Lesinski
Albert	Fallon	McCormack
Alexander	Farbstein	McCulloch
Andersen, Minn.	Fenton	McDowell
	Finnegan	McFall
Andrews	Fisher	McMillan
Arends	Flood	Mack
Ashley	Flynt	Madden
Aspinall	Fogarty	Magnuson
Avery	Ford	Mahon
Ayres	Forrester	Mailliard
Bailey	Fountain	Marshall
Baker	Frelinghuysen	Mathias
Baldwin	Friedel	Matthews
Baring	Fulton	May
Barrett	Gallagher	Merrow
Barry	Garmatz	Miller, Clem.
Bates	Gary	Miller, George P.
Beckworth	Giaimo	
Belcher	Gilbert	Milliken
Bennett, Fla.	Granahan	Mills
Betts	Grant	Minshall
Blatnik	Gray	Moeller
Boland	Green, Oreg.	Monagan
Bolling	Green, Pa.	Montoya
Bolton	Gubser	Moore
Bonner	Hagan, Ga.	Moorehead, Ohio
Bow	Hagen, Calif.	
Boykin	Halleck	Moorhead, Pa.
Brademas	Harding	Morgan
Bray	Hardy	Morris
Breeding	Harris	Morse
Brewster	Harrison, Wyo.	Mosher
Bromwell	Harsha	Murphy
Brooks	Healey	Murray
Broomfield	Hechler	Natcher
Brown	Hemphill	Nix
Broyhill	Henderson	Nygaard
Burke, Mass.	Holland	O'Brien, Ill.
Byrne, Pa.	Hosmer	O'Brien, N.Y.
Cahill	Huddleston	O'Hara, Ill.
Cannon	Ichord, Mo.	O'Hara, Mich.
Chamberlain	Ikard, Tex.	Olsen
Chelf	Inouye	O'Neill
Chenoweth	Jarman	Ostertag
Church	Jennings	Passman
Clancy	Joelson	Patman
Clark	Johnson, Calif.	Perkins
Coad	Johnson, Md.	Peterson
Cohelan	Jonas	Pfost
Conte	Jones, Ala.	Philbin
Cook	Judd	Pike
Cramer	Karsten	Poff
Curtin	Kastenmeier	Price
Curtis, Mass.	Kearns	Pucinski
Daddario	Kee	Randall
Dague	Kilgore	Reece
Davis, John W.	King, Calif.	Rhodes, Pa.
Dawson	King, Utah	Rivers, Alaska
Delaney	Kirwan	Roberts
Denton	Kitchin	Robison
Derwinski	Kluczynski	Rogers, Colo.
Dingell	Knox	Rogers, Fla.
Donohue	Kornegay	Rogers, Tex.
Downing	Kowalski	Rooney
Doyle	Kunkel	Roush
Dulski	Lane	Ryan
Durno	Langen	St. Germain
Dwyer	Lankford	Schneebeli
Edmondson	Latta	Schweiker

Schwengel	Staggers	Vanik
Scott	Steed	Van Zandt
Scranton	Stephens	Walter
Seely-Brown	Stratton	Watts
Selden	Stubblefield	Weis
Shipley	Taylor	Whalley
Shriver	Thomas	Whitener
Sibal	Thompson, N.J.	Whitten
Sikes	Thompson, Tex.	Wickersham
Sisk	Thomson, Wis.	Widnall
Slack	Thornberry	Willis
Smith, Iowa	Toll	Yates
Smith, Miss.	Trimble	Zablocki
Spence	Udall, Morris K.	
Springer	Ullman	

NAYS—50

Abbitt	Dowdy	Ray
Anderson, Ill.	Gathings	Rhodes, Ariz.
Ashbrook	Gavin	Rivers, S.C.
Ashmore	Goodling	Roudebush
Auchincloss	Gross	Rousselot
Battin	Haley	Rutherford
Beermann	Hoffman, Ill.	Saylor
Bruce	Jensen	Schadeberg
Burleson	Johansen	Scherer
Casey	King, N.Y.	Sheppard
Cunningham	Laird	Taber
Davis, James C.	Lipscomb	Teague, Tex.
	McVey	Tuck
Derounian	Mason	Utt
Dole	Meader	Wilson, Calif.
Dominick	Norrell	Wilson, Ind.
Dorn	O'Konski	Winstead

NOT VOTING—132

Abernethy	Hall	Osmers
Adair	Halpern	Pelly
Alford	Hansen	Pilcher
Alger	Harrison, Va.	Pillion
Anfuso	Harvey, Ind.	Pirnie
Bass, N.H.	Harvey, Mich.	Poage
Bass, Tenn.	Hays	Powell
Becker	Hébert	Quie
Bell	Herlong	Rabaut
Bennett, Mich.	Hiestand	Rains
Berry	Hoeven	Reifel
Blitch	Hoffman, Mich.	Reuss
Boggs	Holifield	Riehlman
Buckley	Holtzman	Riley
Burke, Ky.	Horan	Rodino
Byrnes, Wis.	Hull	Roosevelt
Carey	Johnson, Wis.	Rostenkowski
Cederberg	Jones, Mo.	St. George
Celler	Karth	Santangelo
Chiperfield	Keith	Saund
Collier	Kelly	Schenck
Colmer	Keogh	Shelley
Cooley	Kilburn	Short
Corbett	Kilday	Siler
Corman	Kyl	Smith, Va.
Curtis, Mo.	Landrum	Smith, Calif.
Daniels	Libonati	Stafford
Davis, Tenn.	Lindsay	Sullivan
Dent	Loser	Teague, Calif.
Devine	McDonough	Thompson, La.
Diggs	McIntire	Tollefson
Dooley	McSween	Tupper
Ellsworth	Macdonald	Van Pelt
Evins	MacGregor	Vinson
Fascell	Martin, Mass.	Wallhauser
Feighan	Martin, Nebr.	Weaver
Findley	Michel	Westland
Fino	Miller, N.Y.	Wharton
Frazier	Morrison	Williams
Garland	Moss	Wright
Glenn	Moulder	Young
Goodell	Multer	Younger
Griffin	Nelsen	Zelenko
Griffiths	Norblad	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Roosevelt for, with Mr. Bell against.
Mr. Byrnes for, with Mr. Hébert against.
Mr. Celler for, with Mr. Hall against.
Mr. Ellsworth for, with Mr. Alford against.
Mr. Nelsen for, with Mr. Williams against.
Mr. MacGregor for, with Mr. Riley against.
Mr. Stafford for, with Mr. Hoffman of Michigan against.
Mr. Keogh for, with Mr. Van Pelt against.
Mr. Davis of Tennessee for, with Mr. Kilburn against.
Mr. Buckley for, with Mrs. St. George against.
Mr. Evins for, with Mr. Hoeven against.
Mr. Miller of New York for, with Mr. Alger against.

Until further notice:

Mr. Anfuso with Mr. Berry.
Mr. McSween with Mr. Bass of New Hampshire.
Mr. Johnson of Wisconsin with Mr. Corbett.
Mr. Fascell with Mr. Glenn.
Mr. Multer of New York with Mr. Siler.
Mr. Colmer with Mr. Younger.
Mr. Landrum with Mr. Harvey of Indiana.
Mr. Holtzman with Mr. Griffin.
Mr. Morrison with Mr. Kyl.
Mrs. Griffiths with Mr. Hiestand.
Mr. Poage with Mr. Goodell.
Mr. Frazier with Mr. Adair.
Mr. Hull with Mr. Halpern.
Mrs. Sullivan with Mr. Becker.
Mr. Bass of Tennessee with Mr. Harvey of Michigan.
Mr. Diggs with Mr. McDonough.
Mrs. Hansen with Mr. Reifel.
Mr. Rabaut with Mr. Pirnie.
Mr. Jones of Missouri with Mr. Lindsay.
Mr. Santangelo with Mr. Cederberg.
Mrs. Blitch with Mr. Devine.
Mr. Harrison of Virginia with Mr. Horan.
Mr. Libonati with Mr. McIntire.
Mr. Holifield with Mr. Riehlman.
Mr. Shelley with Mr. Martin of Massachusetts.
Mr. Moulder of Missouri with Mr. Weaver.
Mr. Feighan with Mr. Tollefson.
Mr. Rains with Mr. Norblad.
Mr. Hays with Mr. Michel.
Mr. Reuss with Mr. Schenck.
Mr. Carey with Mr. Martin of Nebraska.
Mr. Powell with Mr. Westland.
Mr. Moss with Mr. Chiperfield.
Mr. Kilday with Mr. Short.
Mr. Herlong with Mr. Curtis of Missouri.
Mr. Pilcher with Mr. Collier.
Mr. Saund with Mr. Findley.
Mr. Rostenkowski with Mr. Wharton.
Mr. Macdonald with Mr. Osmers.
Mr. Loser with Mr. Quie.
Mrs. Kelly with Mr. Fino.
Mr. Rodino with Mr. Wallhauser.
Mr. Burke of Kentucky with Mr. Pillion.
Mr. Boggs with Mr. Pelly.
Mr. Abernethy with Mr. Tupper.
Mr. Dent with Mr. Smith of California.
Mr. Cooley with Mr. Garland.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

"MAN OF AMERICAN MINING IN 1960": TACONITE LEADER IN MINNESOTA

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

TACONITE: HARDER THAN GRANITE

Mr. BLATNIK. Mr. Speaker, magnetic taconite is a hard rock, harder than granite, throughout which lie scattered, and stubbornly embedded, small particles of black, magnetic iron ore of high-grade quality.

DAVIS SEPARATION PROCESS

Back in the thirties, as director of the Minnesota Mines Experiment Station at the University of Minnesota, my good friend of many years, Prof. E. W. Davis, developed a process of crushing and grinding this hard rock into a powder as fine as talcum powder, in order to release these black specks of magnetic ore. Magnets would then pick up the black magnetic iron ore, leaving the powdered silica to be washed away as waste. Three tons of this hard rock have to be blasted, cracked up, crushed, then ground to a fine powder in order to produce 1 ton of high-grade, premium product iron ore; the remaining 2 tons of silica powder is washed away as waste.

With this breakthrough, Professor Davis established convincingly not only the technical, but also the economic feasibility of a process which was to revolutionize the iron ore industry in northeastern Minnesota. This new concept was entirely different from the old, familiar mining of iron ore bodies found in their natural state; it literally converted mining into a manufacturing process, making high-grade iron ore out of a heretofore relatively worthless hard rock bearing scattered particles of iron ore.

This hard rock, taconite, exists in tremendous quantities—running into several billions of tons, throughout northeastern Minnesota, as well as northern Wisconsin and Michigan.

MINNESOTA TACONITE TAX LAW OF 1941

However, before the required large amounts of venture capital could be induced to invest in this new, expensive and complicated process, this new concept with its application of new technology required correspondingly new State iron ore tax legislation.

In the Minnesota State Legislature in 1941, I authored in the State Senate, and was joined by my close friends and colleagues in the House, State Representatives Thomas D. Vukelich and J. William Huhtala, the Minnesota taconite tax law of 1941.

However, by December of that year came Pearl Harbor and we were in World War II. This, then, pushed aside any further interest and activity in taconite for the duration. However, during the war years, the heavy record-breaking drain on the high-grade direct-shipment ores of the Lake Superior region, and especially from northeastern Minnesota's iron ranges, actually set the stage for the subsequent much earlier need for taconite plants in the postwar years.

LARGE INVESTMENT REQUIRED

Following the war, several mining companies, being left with limited or practically no remaining high-grade direct-shipment ore reserves, concluded that taconite production was the answer for their and the area's future. However, the amount of capital required was so large that no one company could undertake such a venture alone; several had to band together to form one large enterprise. The first one so formed was the Reserve Mining Co. Even then, its financial resources were so limited that most of the capital required had to be borrowed from outside eastern financial and insurance interests, in order to build the one large taconite plant required. Unlike the mining of open-pit high-grade ores, where it was possible to start production on a more limited scale, with a much more limited investment, and then gradually build up and increase the facilities and output, taconite, instead, required the complete construction of a

gigantic plant before one pound of high-grade concentrate could be produced. The eastern financial interests were therefore too skeptical of tying up so large an investment in a long-range operation which they felt was not yet too well proven and was too speculative and uncertain.

So, the 5 years, 1946 and into 1950, were spent in a fruitless, discouraging, and frustrating attempt to obtain such a loan, in spite of the fact that these few mining engineers and production men were confident that taconite production could be made commercially feasible and operate successfully on a long-term basis.

FEDERAL LEGISLATION ASSISTS

In Washington, from 1948 and into 1950, I sought in Congress to amend the RFC Act to authorize that Government agency to make such large and long-term—30-year—loans; and we finally began to make good progress.

However, in mid-1950, came another war, the tragic Korean war. To step up our country's defense production for that emergency, Congress passed the Defense Production Act of 1950, and I was successful in getting taconite included in the provisions of that act. Shortly thereafter, the eastern insurance interests agreed to make the loans required by those companies anxious to get into taconite production, and in 1952 Reserve Mining Co. got underway.

FIRST COMMERCIAL TACONITE PLANT

In September of 1956, 5 years ago this month, the first commercial taconite plant on Minnesota's famed Mesabi Iron Range was completed by the newly formed Reserve Mining Co., owned by Republic Steel Corp. and Armco Steel Corp. This gigantic $200 million taconite installation consisted of two parts: The mining and crushing operation at Babbitt, Minn., on the northeastern end of the Mesabi Iron Range; and the pulverizing, milling, concentrating, and pelletizing plant at Silver Bay, on the famed North Shore of Lake Superior. The Silver Bay plant, a spectacular sight, was most appropriately named the "E. W. Davis Works," in honor of the developer of the process.

ROBERT J. LINNEY

Joining the newly formed Reserve Mining Co. in 1950 was a young, able, energetic, hard-driving engineer named Robert J. Linney, who previously had held important engineering and managerial positions with the Republic Steel Corp. Bob Linney was literally born into the field of sintering and magnetic iron ore processing, for his father was a pioneer in successfully developing earlier processes in the Adirondack mining operation in upper New York State.

As a young lad, under his father's tutelage, Bob Linney worked his way up from the bottom in the difficult, tedious, painstaking trial and error method of experimentation, research, and development which finally resulted in a successful smooth, continuous-flow process.

As an interesting human-interest sidelight, from one whose special interest is in winter sports; during those early years, Bob Linney and his brother took time out from a very heavy work schedule under the watchful eye of a strict disciplinarian and a demanding father for a special project of their own; they designed and constructed their own bobsled with special cast-iron runners, and became so skillful in this dangerous but exciting sport that they were selected to represent the United States at the winter Olympics held in Switzerland in the late thirties.

As manager of operations and vice president of Reserve Mining Co., Bob Linney headed a small team of topnotch engineers, who with remarkable ingenuity and perseverance hammered out the bugs and bottlenecks which were constantly resulting in breakdowns at strategic points, before they finally accomplished their objective of a smooth-functioning continuous-flow process out of this gigantic operation which required such a precise degree of synchronization and coordination.

EXPANSION AT RESERVE

Robert J. Linney was subsequently made president of the Reserve Mining Co. Their initial operation not only exceeded their earlier expectations and estimates, but the taconite pellets became such a highly desirable feed for the blast furnaces that in spite of the competition from foreign high-grade ores, Reserve Mining is so confident of the superiority of their product, and confident in the public support they have received from the citizens and legislators of that area, that they are now well underway with an additional $120 million expansion of their plant, which will almost double their present capacity, with a final plant that will represent an incredible capital investment of almost one-third of a billion dollars.

OTHER TACONITE OPERATIONS

A second gigantic taconite operation by Erie Mining Co., managed by Pickands Mather & Co., with major interests owned by Bethlehem Steel Corp., and Youngstown Sheet & Tube Co., is also now in full operation in this same general area, with its tremendous capital investment of about or over $300 million. It is my earnest and confident hope that in the near future additional taconite plants will be built on the Mesabi Range proper, to replace the rapidly dwindling reserves of high-grade direct-shipment ores. Research work with a semi-commercial or pilot plant on nonmagnetic or "semitaconite" is already underway in eastern Itasca County by M. A. Hanna Co., and this process holds great promise for that part of the iron range. Ogelby & Norton Co., who were the original managers for Reserve Mining Co. during its first years, is at present itself surveying and seriously considering the feasibility of constructing a smaller type taconite plant in the Eveleth-Gilbert area, on the eastern part of the Mesabi Range proper.

CENTRAL PLANT COULD STABILIZE MESABI

One large taconite plant located near the center of the Mesabi Range, in the Mt. Iron area, would stabilize the employment and economic situation for the central strip of the range extending from Hibbing easterly to Virginia and Eveleth, an area where unemployment, now in its fourth consecutive year, is most severe and distressful.

Modern, dual-lane, express highways are now under construction linking Hibbing and Chisholm on the west, and Eveleth and Virginia on the east. The then Minnesota's Gov. Orville Freeman, now a distinguished member of the President's Cabinet, and I initiated these projects 5 years ago, as 50 percent of the project costs come from Federal funds, and the State provides the other 50 percent. Upon their completion I shall then advocate and push for an expressway linking Chisholm with Virginia, so we will then have an expressway right across the range.

With a large taconite plant in the Mt. Iron area, workers could continue to live in their present communities, their children would continue to go to their long-established schools, yet the expressway would enable workers to drive to work at Mt. Iron from their respective communities in times ranging from 10 to 20 minutes. I confidently envisage, before too long a time, a "strip community" extending along most of the Iron Range, just as the huge metropolitan centers out East are already growing in elongated manner along the south-north superhighways to form an almost continuous metropolitan corridor extending from south of Washington, D.C., and running northward through New York City and into Boston.

FURTHER TECHNOLOGICAL ADVANCE POSSIBLE

We are currently getting underway further research and surveys on the technical and economic feasibility of utilizing other new technological processes for the large amount of off-grade ores on the Vermillion, the Mesabi, and the manganiferous ores of the Cuyuna Ranges; 500 million tons of these off-grade ores are already in stockpiles on the ground, with an estimated billion tons still in the ground. Some form of direct reduction, sintering, or briquetting could well provide the answer to another technological "breakthrough" which would further advance the area's economic posture, as did taconite. I am confident that a sustained and continuous all-out concentrated effort, as earlier applied to the stubborn taconite, can result in further technological advance and economic improvement through the commercial utilization of these ores.

YEAR ROUND EMPLOYMENT

Not only did taconite create new jobs by the thousands, but to me, the big economic significance is that taconite means year-round work, in contrast to the substantial seasonal decline in employment which characterized and plagued our area every winter of every year.

So, Mr. Speaker, with the existing taconite plants, now Reserve's further expansion, and with the additional plants I am confident shall come—all of these will not only make secure and insure the long-term economic stability and sound, healthy growth of that dynamic Iron Range area, but in the broader terms of our national interest and of our national defense, it shall make certain that the major source of high-grade, premium quality iron ore shall continue to be, for years to come, within the continental

borders of the United States, and primarily as in the past, from the Lake Superior district, in the heart of the North American Continent, farthest away from possible attack from the oceans to the east and to the west.

LINNEY SELECTED "MAN OF AMERICAN MINING"

Now, Mr. Speaker, I think it fitting and proper that on this fifth anniversary of Minnesota's first taconite plant, that, not only should this summary account of the industry's background be made, but that specific reference should be made that last January, Robert J. Linney, president of the Reserve Mining Co., was named "Man of American Mining in 1960," with an award made at the annual dinner of the American Institute of Mining, Metallurgical & Petroleum Engineers, Minnesota Section, in Duluth, Minn.

The American Mining Industry & Mining World magazine sponsors this highly coveted award annually, selecting the top man in the field of mining in the entire country.

The award cited Linney's "leadership in design, construction, and operation of taconite mining and milling facilities," and recognized Mr. Linney's "drive and determination which have been a major factor in the commercial production of taconite pellets."

The citation further said the mining industry of America "pays tribute to him for the many contributions he has made to the continuous expansion of production in this new mining frontier."

Mr. Speaker, under unanimous consent, I include an address by America's outstanding mining production engineer, Mr. Robert J. Linney, president, Reserve Mining Co., Silver Bay, Minn.

"TACONITE EXPANSION—ITS ECONOMIC SIGNIFICANCE"

(Robert J. Linney, president, Reserve Mining Co., Silver Bay, Minn.)

What is the real worth of a business to a community or a State?

Too often, I think we are inclined to value a business only in terms of its payrolls, its product or its profits.

There are other factors, equally important from the public's standpoint, and I have been asked to discuss these today—particularly as they exist in the new taconite industry—and in relation to Reserve Mining Co.'s current expansion program. First, I believe it would be helpful to you if I briefly review Reserve's present facilities and situation.

PRESENT FACILITIES

Altogether—including the two complete, new towns built for families of employees, and including powerplant, dock, and harbor—Reserve's facilities represent a total capital investment of about $190 million. Our initial program called for the production of 3,750,000 tons of pellets per year. This goal was not only reached, but was exceeded in our first full year of operation. You are aware that the operation was the first of its kind on a commercial basis. Naturally there was a great deal to be learned. As is the case with every new, large industrial plant, of course, everything did not go smoothly. We had bugs to iron out—changes and adjustments to make—before we had the smooth-working operation of which we are so proud today.

I am happy to say Reserve did learn a great deal. While the plant came up to expectations, our people were not satisfied to drift along. A research program was begun to see if improvements could be made not only in quality, but also in production. In addition to the many meetings that are held in an organization of this kind, a weekly meeting was set up and held by Reserve's staff every Monday morning. The entire time, at least 2 hours, in each meeting was devoted to discussing ways and means of improving quality and production. Along with this, a committee composed of blast furnace operators from the two companies which own Reserve—Armco Steel Corp. and Republic Steel Corp.—together with Reserve's operators, was organized to discuss blast furnace problems and how they could be minimized by pellet quality.

As a result of all this, and the addition of only a relatively small amount of equipment, the Reserve operation is now producing at the rate of 6 million gross tons of pellets per year. Remember, the original designed capacity was 3,750,000 tons per year. Along with this, the physical quality which has become so important to blast furnace operators in recent years has been improved by over 100 percent.

EXPANSION PROGRAM

We expect our current expansion program to cost about $120 million. This will make our total capital investment, when construction is completed in 1963, approximately $310 million. It's all private capital * * * there's not a dime of Government money involved. Most of it was borrowed from life insurance companies with the rest coming from Armco and Republic.

Construction work on our present expansion program is moving ahead rapidly. About 1,400 construction workers are already on the job and before long, there will be as many as 2,500 men at work for the various contractors.

RESERVE EMPLOYMENT

Permanent employment at Reserve, presently about 2,200, will increase to about 3,000 as the result of expanded operations. This does not include construction workers, of course. From 400 to 500 of the new jobs will be located in Babbitt, and between 300 and 400 of these new jobs will be in Silver Bay. All of these, of course, will be year-round jobs, as Reserve operates 24 hours a day all year round. The only portion of our operations that is halted by winter is our shiploading. We stockpile all the pellets we make during the months when the lakes are frozen over.

COMMUNITY EXPANSION

The program for financing and constructing additional homes and shopping center facilities in the two new taconite-built towns is underway, but the millions to be spent in further expansion and development of these villages are not included in the $120 million capital investment figure I cited as representing the current industrial expansion program.

A private builder has started building the new homes already. He will sell them to the men Reserve will be employing when the new mine and plant facilities are ready for operation. Initially, about 300 new homes will be constructed in Babbitt and approximately 200 more in Silver Bay. All of these new houses will have three bedrooms and some are designed so that additional living space can be easily prepared by the owner, if he's at all handy with tools.

Babbitt's present population is about 3,000 and Silver Bay's approximately 4,000. Ours are young people, for the most part, and the ratio of children per family is one of the highest in the Nation, I'm told.

Both villages are incorporated today, and virtually all houses originally built by the company have been sold to employees. The shopping centers, too, are now privately owned.

Before I proceed, let me call to your attention that I was invited to speak about Reserve's expansion and its economic significance to our State and this area. While I have been, and will be speaking about Reserve, you will understand that much of what I say might also be said of Erie Mining Co. at Hoyt Lakes and Taconite Harbor, and of the Oliver Mining Division's smaller taconite operations in Mountain Iron and Virginia. In addition, as I'm sure you know, both Oliver and the M. A. Hanna Co. are doing valuable work aimed at solving the problems connected with possible large-scale semitaconite operations. I'm sure everyone in the State is greatly interested in seeing all of these go ahead, as well as Reserve's current expansion program.

You may have noticed that I have used the word "current" or "present" expansion program whenever I speak of it. That is because Reserve is planning and preparing for more expansion programs to come—when conditions warrant. Concrete evidence of this lies in the fact that virtually every facility and major unit being expanded in the current expansion program will have capacities which will permit going substantially beyond the 9-million-ton-per-year figure, or the basic work is being performed in a way that future expansion will not cause disruption of production.

We are doing this because we hope to keep right on growing right here in Minnesota.

ECONOMIC SIGNIFICANCE OF EXPANSION

Now, what is the economic significance of Reserve's expansion program to this area and the State of Minnesota, over and beyond the jobs created by our actual mining and processing?

Everyone recognizes that when new industrial jobs are created, there is a net addition to the income flow in the area. New payroll dollars roll into the cash registers of the merchants and into the coffers of banks. Reserve's purchases and the purchases of Reserve's employees snowball importantly. This applies not only to large suppliers, but to small ones, as well.

For example, suppose Reserve wants some forms printed and orders the work from a Duluth printshop. The printer recognizes that it is taconite that brought him this business. Chances are, though, that the salesman who sells paper—or ink—to the printer doesn't realize that he sold the paper because of taconite. Certainly, the gasoline station that fills the gas tank of the paper salesman's auto doesn't realize he made the sale because of taconite.

There is a never-ending flow of benefits. Reserve, the printer, the paper salesman, the gasoline station operator—they all pay wages, they all pay taxes, and they all buy autos and groceries and clothes.

All of us recognize that industrial expansion results in a healthy expansion of an area's economy, but just how much is a tough question. Supposedly, I am a mining engineer, not a statistician nor an economist. Accordingly, it would be foolish for me to propose my own ideas for measurement. I might be like a man who sets out to measure the rate of the growth of tides. If he starts his measurement with the crest of a wave and ends up measuring at the bottom of a trough, he can conclude that the tide is going out.

EFFECTS OF NEW INDUSTRIAL PAYROLL

However, a number of expert and competent attempts have been made to measure the effects on an area of a new industrial payroll. Exact measurement is not possible, of course, because of the complex simultaneous influences that are at work. Generally speaking, each of these studies has arrived at substantially the same statistical conclusions.

The most conservative and most thorough study that has come to my attention was sponsored by the U.S. Chamber of Commerce in Washington, D.C. The work was done about 5 years ago by economists and statisticians of the Economic Research Depart-

ment, based on an analysis made of nine sample counties, located in nine different States.

It says, quote, "What 100 new factory workers meant to their community: 296 more people; 112 more households; 51 more schoolchildren; $590,000 more personal income per year; $270,000 more bank deposits; 107 more passenger cars registered; 174 more workers employed; 4 more retail establishments; $360,000 more retail sales per year."

The study, in booklet form, contains many more figures and details, but I will not take time to read them to you. I would like to apply this yardstick to Reserve's situation.

WHAT 3,000 RESERVE JOBS MEAN TO AREA

Reserve Mining Co.'s present employment plus the employment we will add to our payroll on a year-round basis when our expansion program is completed will total approximately 3,000. According to this study by the U.S. Chamber of Commerce, here's what those 3,000 Reserve jobs mean to our State and area: 8,980 more people—wives and children making up the bulk of the difference, of course; 3,360 more households; $17,700,000 more personal income per year; $8,100,000 more bank deposits—in Silver Bay, Babbitt, Duluth, and wherever these people bank; 3,210 more passenger cars registered; a total of 5,220 workers employed—these are Reserve employees plus the doctors, teachers, grocers, paper salesmen, and all the rest; 120 more retail establishments; $10,800,000 more retail sales per year.

Naturally, this isn't instantaneous—the growth would come gradually. It would take place in Babbitt, Silver Bay, Duluth, and everywhere in the region where the supplementary jobs resulting from Reserve employment are located.

These examples give us an idea of how important 3,000 new industrial jobs can be. It doesn't matter whether they are Reserve jobs, or Erie jobs, or any other new industrial employment.

DOLLARS COME FROM OUTSIDE

And bear in mind that every ton of Reserve's product is sold outside the State. We're not recirculating Minnesota dollars—every dollar we receive, every dollar we pay out in payrolls, for supplies, equipment, taxes, and other expenditures, comes from outside the State of Minnesota.

BASIS FOR EXPANSION

When the Minnesota Legislature was framing the State income tax law, I am told that they gave special consideration to companies that manufactured their product in Minnesota and sold it outside the State. A formula was devised for allocating net income to the State. It was designed to encourage the location of such corporations in Minnesota and to encourage their expansion. Many people talk as if the taconite industry was the only industry encouraged to locate and expand in Minnesota by favorable tax legislation. They forget that one reason for the expansion in Minnesota of some of its leading manufacturing companies, whose names are known all over the Nation, was the income tax treatment given in recognition of the fact that employment was more important than a greedy tax policy.

You can imagine what would happen to the prospects of any future expansion of these nationally known manufacturers of which we are so proud if the State, in an attempt to get more taxes, should reverse that policy. There would be an exodus; any thoughts of expansion of those industries would go out the window.

The same thing is true with respect to the taconite industry. Reserve made its investment in Minnesota and is now making its expansion, relying upon a solemn pledge by the State that it would not be subjected to the heavy taxes under which the iron mining industry has been laboring. If there should be a change in that policy—or even a substantial threat of a change—any future thought of expanding would be forgotten. We hope to keep right on growing—right here in Minnesota. We hope to keep growing—but whether we can do this depends, to a large extent, upon our belief in the continued protection of the taconite industry against oppressive taxation.

You may wonder why Reserve feels confident enough to go ahead with its present expansion program, while other large companies—interested in Minnesota taconite and desirous of building plants here—hesitate. I cannot give you all the answers for those companies. I can point out, however, that Reserve has been peculiarly fortunate in that it was investing in a new area. It was not moving into a host of local tax controversies, such as have confronted other companies. It has had to build new communities at heavy expense. However, those communities are of a size and nature appropriate to Reserve's operations. We are not faced with a threat of a shifting of heavy present local taxes of communities with large populations onto our taconite plant as other sources of tax revenues diminish. We did not have the feeling of being a traditional target at which all taxing bodies might shoot.

As our problem was different, so was our answer. But I can join with others in saying that nothing is more important to the future of northeastern Minnesota—insofar as that future depends, as it does, upon taconite—than the confidence of steel companies that huge investments in plants and facilities will be protected.

STATE AND LOCAL TAXES CONTRIBUTIONS

Let's look at Reserve's operation from another angle. Reserve's facilities are located in regions which previously had very few people—less than one person per square mile. The region produced little tax revenue for the local and State taxing districts because much of the area was owned by the State or Federal Government and the rest was relatively idle and not productive. The two areas probably were a drain on the public treasuries, rather than contributing in a positive way.

And what is the situation today? Reserve itself has been paying approximately $2 million each year in State and local taxes, and for 1960 this tax bill may go close to $2,500,000. Here is a listing of Reserve's estimated Minnesota State and local tax bills for 1960, not including any State employment taxes and, of course, not including Federal taxes.

Reserve Mining Co., summary of Minnesota taxes

	1960 estimate	Total through 1960
Taconite tax	$320,000	$1,475,000
Taconite railroad tax	400,000	1,640,000
Occupation and royalty taxes	540,000	1,377,000
Special school tax	1,055,000	4,018,000
Ad valorem (property) tax	50,000	1,082,000
Mortgage registry tax		214,500
Total	2,365,000	9,806,500

Many people, no doubt, assume that taconite companies pay only the taconite tax. They do not know that our other Minnesota State and local taxes for 1960 will run seven times as much as the taconite tax alone, and as our scale of operation increases and our operating margins improve, our taxes will probably increase in a corresponding degree.

Reserve has been in operation for only 5 years, and instead of paying practically no tax—as some might assume; indeed as some people have stated—Reserve's total State and local taxes paid in Minnesota, including our 1960 taxes, amount to almost $10 million.

As a matter of fact, we believe that Reserve Mining Co. pays the biggest State and local tax bill of any company in the State of Minnesota—except for utilities, railroads, and several iron ore mining companies, of course. The significance of this comes to me when I think of some of the big manufacturing companies which are located in the State of Minnesota. Known worldwide, employing up to six times as many people in the State as Reserve employs, old established companies, yet none of them pays as big a State and local tax bill as Reserve Mining Co.

Believe it or not, on the $100 million we will be borrowing from the insurance companies—borrowing, not lending—we will have to pay in Minnesota, $150,000 mortgage registry tax. We paid $214,000 mortgage registry tax on our original mortgage.

In addition to these direct taxes, Reserve has already had a very substantial expense in improvements ordinarily taken care of by taxes or special assessments. In the villages of Silver Bay and Babbitt, the streets, water systems, sewers and sewage disposal plants were all paid for in full by Reserve at a cost running into millions. When the houses and lots were sold to employees, the purchase price of these, as a general proposition, was about 30 percent less than the cost of the improvements and building.

EMPLOYEES ARE TAXPAYERS

Reserve employees are taxpayers, too, as are the merchants and all others who serve them. We estimate that Reserve employees alone have been paying about one-fourth of a million dollars each year in State income tax.

The areas of Babbitt and Silver Bay produced little or no taxes; then taconite facilities were built; now the areas are important sources of tax revenues for our State, counties, villages and school districts.

INVESTMENT PER EMPLOYEE

Some time ago, we conducted an informal survey which I think will be of interest to you. We wrote to the treasurers of various companies in the State. The companies were selected at random. One flour and milling company, one knitting mill, one large manufacturer, one meatpacker, a resort—in fact, we wrote to every different kind of business concern we could think of.

We asked the treasurer of each of these companies if he would give us two figures; his company's capital investment within the State per Minnesota employee, and we asked how much his company's State and local tax bill per Minnesota employee was. We promised them we would not reveal the names of their companies, but would identify them only as to their type of business.

The figures for a manufacturing concern, for example, represent just one manufacturing company in Minnesota, not the average for all, and not necessarily the largest or the smallest. Excluding the other mining companies, utilities and railroads, the replies we received stacked up this way: The investment per employee in Reserve Mining Co. was the highest on the list—about $83,000. The next highest was paper milling, but the figure was only one-fourth of Reserve Mining Co.'s and all of the rest were smaller. The list included the following categories listed alphabetically:

Auto sales and service, dairy products, drycleaning and laundry, flour and milling, foundry, metal works, knitting mill, manufacturer, meatpacker, office equipment and supplies, papermill, retail grocery, rubber parts manufacturing, large resort, wholesale hardware, and wholesale food.

Here are the results of the other question—where we asked these same companies to let us know what their company's Minnesota State and local tax bill was, per Minnesota employee. Again, Reserve topped the list with a State and local tax total per employee of $805. Papermills were second at

$525, and all of the rest were lower. The categories were the same as those which I just listed.

Beginning back in 1941 with the passage of the taconite tax law, much special legislation has been enacted for taconite. It was designed to attract this new industry and to establish conditions which would encourage its growth and help it in one of the toughest competitive battles American business knows today.

If the stockholders of Reserve had not put their faith in Minnesota's assurance of fair tax treatment of taconite operations, there wouldn't have been any investment in Reserve's operation; Silver Bay and Babbitt would never have come into existence.

TAXES AND PAYROLLS

The people and their elected representatives were willing—eager—to enact this enabling legislation because they recognized the importance of payrolls. They were willing to trade taxes for payrolls. From what I have told you, I'm sure you'll agree they made a mistake. A glorious mistake. They got the payrolls and they got taxes, too.

Don't misunderstand me. Reserve is not demanding that its taxes be reduced. We believe we have received fair and understanding treatment from the State. Reserve has been comparatively free from both State and local controversies over tax and legislative matters. But we do want to dispel any notion that taconite is getting a free ride. Nothing could be further from the truth. Reserve is paying its way.

If you are not already overwhelmed with figures, perhaps you'll forgive me if I make quick mention of a few more: Our fixed charges each year on our present operations—before this expansion program—amount to some $20 million. In addition, Reserve is spending each year: $15 million for payrolls; $80,000 for office supplies; $1,750,000 for explosives; $2,500,000 for repair parts; $1,500,000 for coal; $70,000 for oxygen; $750,000 for extra electricity—in addition to what we produce ourselves; $100,000 for calcium chloride; $3 million for fuel oil; all of these are annual costs.

I apologize for throwing so many figures at you, but I did not want you to hear only half of the story. Too many people in Minnesota believe taconite's contribution to the State and area lies in its payroll. That is a half-truth. Half-truths are like half-bricks—you can throw 'em a lot farther. I wanted to throw both halves of the brick.

I hope you have a better understanding, now, of our expansion program and taconite's significance to our State and area.

It is a striking illustration of what benefits can flow from intelligent encouragement of industry.

Thank you.

AMENDING VIRGIN ISLANDS CORPORATION ACT

Mr. O'BRIEN of New York. Mr. Speaker, I call up the conference report on the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1260)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figure "$16,000,000" on line 7, insert "$15,000,000"; and the Senate agree to the same.

LEO W. O'BRIEN,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOHN KYL,
Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOHN A. CARROLL,
HENRY C. DWORSHAK,
THOMAS H. KUCHEL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

When the House considered H.R. 4750, it concluded that a $2,500,000 increase in the borrowing authority of the Virgin Islands Corporation for the purchase of one 5,000-kilowatt diesel generator for use in its electric system was warranted. The Senate concluded that the increase should be $5,000,000 for two generators.

After consideration of this matter, the Members appointed to represent the two Houses in conference decided to recommend a $4,000,000 increase. This amount, plus the uncommitted portion of VICORP's present borrowing authority, will, it is believed, be sufficient to take care of the electric needs of both St. Croix and St. Thomas for several years. It is believed, moreover, that there will probably be some saving if both diesel generators are ordered at the same time.

Concern was expressed by members of the conference committee over the length of the leadtime which representatives of VICORP and the Interior Department had estimated would be needed for procurement of the generators. It was therefore the consensus of the conferees that VICORP should proceed to prepare its specifications and ask for bids immediately, that it should report to the two Committees on Interior and Insular Affairs not later than January 31, 1962, on the bids that have been received and precisely when and where the generators are to be installed, and that it should not go beyond the stage of receiving and evaluating bids until a reasonable time for consideration of this report has elapsed.

LEO W. O'BRIEN,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOHN KYL,
Managers on the Part of the House.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RELIEF OF STATE OF LOUISIANA

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2396) for the relief of the State of Louisiana, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States hereby waives any and all rights it has or may have with respect to claiming a violation on the part of the State of Louisiana for failure to comply with a restriction in a deed of conveyance dated September 30, 1920, from the Rockefeller Foundation to the State of Louisiana, limiting the purposes for which income from leases on mineral lands included within the lands conveyed by such deed may be used, if the violation occurs solely as the result of the State of Louisiana apportioning and using 10 per centum of such income in accordance with article 4, section 2 of the constitution of such State, as in effect on the date of enactment of this Act, such restriction having been specifically included in the terms of such deed and all rights of the grantor under such deed having been assigned to the United States by the Rockefeller Foundation.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF OBSOLETE VESSELS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1728) to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 510 of the Merchant Marine Act, 1936 (46 U.S.C. 1160), is amended by:

(1) Striking the present subsection (b) and inserting in lieu thereof the following:

"(b) In order to promote the construction of new, safe, and efficient vessels to carry the domestic and foreign waterborne commerce of the United States, the Commission is authorized, subject to the provisions of this section, to acquire any obsolete vessel in exchange for an allowance of credit. The obsolete vessel shall be acquired by the Commission, if the owner so requests, either at the time the owner contracts for the construction or purchase of a new vessel within five days of the actual date of delivery of the new vessel to the owner. The amount of the allowance shall be determined at the time of the acquisition of the obsolete vessel by the Commission. In the event the obsolete vessel is acquired by the Commission at the time the owner contracts for the construction or purchase of the new vessel, the allowance shall not be paid to the owner of the obsolete vessel, but shall be applied upon the purchase price of a new vessel. In the case of a new vessel constructed under the provisions of this Act, such allowance

may, under such terms and conditions as the Commission may prescribe, be applied upon the cash payments required under this Act. In case the new vessel is not constructed under the provisions of this Act, the allowance shall, upon acquisition of the obsolete vessel by the Commission, be paid, for the account of the owner, to the shipbuilder constructing such new vessel. In the event that title to the obsolete vessel is acquired by the Commission at the time of delivery of the new vessel, the allowance shall be deposited in the owner's capital reserve fund. This subsection shall apply to obsolete vessels exchanged for new vessels hereafter contracted to be built, or eligible for such exchange but not exchanged in connection with a contract for new vessels executed prior to October 1, 1960."

(2) Striking the present subsection (d) and inserting in lieu thereof the following:

"(d) The allowance for an obsolete vessel shall be the fair and reasonable value of such vessel as determined by the Commission. In making such determination the Commission shall consider: (1) the scrap value of the obsolete vessel both in American and foreign markets, (2) the depreciated value based on a twenty or twenty-five year life, whichever is applicable to the obsolete vessel, and (3) the market value thereof for operation in the world trade or in the foreign or domestic trade of the United States. In the event the obsolete vessel is acquired by the Commission at the time the owner contracts for the construction of the new vessel, and the owner uses such vessel during the period of construction of the new vessel, the allowance shall be reduced by an amount representing the fair value of such use. The rate for the use of the obsolete vessel shall be fixed by the Commission for the entire period of such use at the time of execution of the contract for the construction of the new vessel."

With the following amendment:

Page 2, line 7, after the word "date" insert the word "or".

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND ON ARMS CONTROL AGENCY BILL

Mr. LAIRD. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks just prior to the adoption of the conference report on the arms control bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION

Mr. HUDDLESTON submitted the following conference report and statement on the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended:

CONFERENCE REPORT (H. REPT. NO. 1264)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, having met, after full and free conference, have been unable to agree.

GEORGE HUDDLESTON, Jr.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.

WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, report that the conferees have been unable to agree.

GEORGE HUDDLESTON, Jr.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.

RELIEF OF THE STATE OF NEW HAMPSHIRE

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1942) for the relief of the State of New Hampshire.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, this bill has not been on the Private Calendar?

Mr. LANE. No; this bill has been on the Consent Calendar; it is a public bill.

Mr. GROSS. Will the gentleman give us a brief explanation of what the bill seeks to do?

Mr. LANE. I shall be pleased to.

The bill, S. 1942, would make it possible to pay the State of New Hampshire $65,049.93 in settlement of its claims against the United States for reimbursement for amounts it was forced to pay in satisfaction of judgments rendered against it based upon property damage caused by the crash of an aircraft owned by the United States and operated by a member of the New Hampshire Air National Guard while on active duty on a training mission. The crash occurred on July 18, 1957, at Worcester, Mass. The airplane was a complete loss and both the pilot and his observer were killed. Seven homes were damaged as the result of the crash and the resulting fire. The damage amounted to about $75,000 to $100,000.

Since a number of the claims based upon this crash exceeded the $1,000 limit set by the law authorizing payment of claims arising from such training activities, special legislation was introduced to remove that limit and permit settlement of the claims. However, the Senate Judiciary Committee amended the bill to exclude insurance subrogation claims, and the bill was enacted including that amendment. All of the property damage claims presented were settled under the authority of the special act, but any portion of those claims covered by insurance was disallowed under the authority of the exclusion in that act. The total of the subrogated claims presented which the Air Force would have paid, except for the statute's prohibition, was $65,049.93. This, of course, resulted in the actions against the State and the judgments with which this bill is concerned since the subrogee insurance companies brought suits against the State of New Hampshire in State courts. Judgments were obtained against the State in the total amount of $72,645.77.

The amount stated in the bill, $65,049.93, is the amount of such judgments less an amount fixed as interest.

This is an instance where the Congress granted authority to settle claims arising out of an air crash by passing the legislation which became Public Law 85-760.

Actually, it was not intended that the State would be required to pay as it ultimately was required to do, but rather the exclusion was to apply to payments made by insurance companies in accordance with the terms of their various policies. The resultant liability asserted against the State of New Hampshire was therefore a result not fully understood at the time of the original enactment. That law was enacted because it was recognized that the United States had a moral obligation to extend relief in the cases of losses resulting from the crash. The same considerations apply in extending relief in this instance to the State of New Hampshire.

Mr. GROSS. Has this bill been on the Consent Calendar during this session of Congress?

Mr. LANE. Yes, it has been on the Consent Calendar.

Mr. GROSS. Has it been objected to?

Mr. LANE. It has never been called up on the calendar.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of New Hampshire the sum of $65,049.93. The payment of such sum shall be in full satisfaction of all claims of the State of New Hampshire against the United States on account of judgments rendered against such State in connection with property damage caused by the crash of an aircraft which was owned by the United States and was, at the time of such crash (July 18, 1957), being operated by a member of the New Hampshire Air National Guard while on an active duty for training mission authorized by the National Guard Bureau, Department of Defense: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING THE TRADE AGREEMENTS ACT

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, I have introduced in the House, H.R. 8850, a bill to adjust conditions of competition between domestic and foreign industries by amending the Trade Agreements Act.

As we all know, the Congress next year will be compelled to consider the question of renewing or failing to renew the reciprocal trade law. The consideration of this problem will provide one of the most controversial areas in the second session of the 87th Congress.

It will be controversial because so many American citizens, both managers and workers, believe that their businesses have been unduly and unreasonably injured by the increasing volume of noncompetitive imports.

This is not only a difficult question—it is a delicate one. The reason is that it is obvious that in today's world, we can no longer build around the United States a Chinese wall of tariffs and exclusionary restrictions. We wish to trade freely with nations which are allied with us in the struggle against communism and these nations can resist communization and the impulse to engage in war for markets and natural resources only if they have strong economies.

On the other hand, it is clear that each industry has a point of no return beyond which it cannot be forced without loss of jobs and loss of essential financial resources that are necessary for growth and expansion. This point of no return may vary from industry to industry, but it certainly exists.

I believe that the time has come for us to take a long, hard look at our tariff arrangements. Now, I do not for a moment believe that we can return to the late nineties. On the other hand, I do feel that we must consider the inroads which unfettered imports have made upon so many of our industries with consequent loss of jobs, taxes, and community support. And, may I emphasize at this point that it is not only the fact of the importation that is harmful; it is the introduction of articles which compete, to a large degree, in quality and which are produced at wage rates and under conditions which are only a fraction of the cost of production in the United States that is injurious. Many an American industry in this situation competes with one hand tied behind its back.

H.R. 8850 proposes to change the present tariff laws.

To begin with, it would codify and unify all existing provisions of law. In addition, it would limit the increases which could be made in any rate of duty. It would also limit any decreases in such rates.

It provides a liberalized standard for finding injury to domestic industry and would make remedial action mandatory upon recommendation of the Tariff Commission unless there were an affirmative determination by the President to the contrary, together with congressional approval thereon.

These are the main provisions of my bill and I believe that they will provide a basis of discussion for the Ways and Means Committee which will have charge of this type of legislation.

I wish to emphasize that I do not have a doctrinaire approach to the solution of this problem and I believe that one of the reasons why we have come to a critical point in this area is the failure of the trade liberals to admit that there were any faults whatsoever in the present system.

If we can look at each case as it arises, however, and grant effective relief where relief is warranted, while withholding it where the public interest makes it undesirable, I believe that we will advance our foreign relations while protecting the domestic economy.

I have filed this bill in the interest of contributing to the discussion which is certain to come and which will be vitally important to the country. I hope that this bill will contribute to this discussion points of importance which will have a substantial effect in bringing about the necessary improvement of our international trade laws.

Following is the text of H.R. 8850:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trade Agreements Act of 1961".

SEC. 2. FINDINGS AND POLICY.—(a) The Congress finds that—

(i) The maintenance of a strong and expanding economy in the United States is a basic essential to the maintenance of the national defense and the protection and welfare of the allies of the United States among the free nations of the world.

(ii) the Trade Agreements Act of 1934 and the several Trade Agreements Extension Acts were enacted for the purpose of expanding foreign markets for United States products by regulating admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production in a manner to make available foreign markets to those branches of American production which require and are capable of developing such outlets, all to the ultimate end of strengthening the domestic economy.

(iii) profound changes have taken place in the international competitive standing of United States producers in the period since the enactment of the Trade Agreements Act of 1934, and particularly in the past ten years. Among other things, foreign aid and other programs of the United States have artificially stimulated production in foreign countries, have provided them with American know-how and equipment and in some cases with supplies and raw materials at no cost or at far less than the cost to American producers of such know-how, equipment, supplies, and materials. In considerable part as a result of these programs, foreign natural resources have been developed, foreign products have been improved and productivity of foreign labor has been substantially increased.

(iv) notwithstanding the increased efficiency and productivity of foreign extractive and manufacturing operations, the standard of living in most countries exporting to the United States has continued substantially below the standard prevailing in the United States and foreign wage rates and working conditions are generally below the minimums fixed by the laws of the United States and the several States, and far below those actually prevailing in practically all United States industries.

(v) the United States has moved from a position of a leading export nation in a number of items that are mass produced and are the output of our most advanced industries technologically, which reflects a serious loss of technological leadership by the United States to other countries that enjoy a wage differential. The decline of industries whose products or technological skills are essential to an adequate national defense pose a grave threat to the national security.

(vi) as a result of these developments the soundness of the entire domestic economy is seriously threatened. As foreign competition captures progressively larger shares of the United States market for numerous products, there is created a grave threat to the survival of some of our industries, the maintenance of the United States scale of wages and the enjoyment of the United States standard of living.

(vii) present laws with respect to entry into foreign trade agreements with foreign governments and modification of customs treatment of imported products are inadequate to prevent or remedy the injury to domestic industry found herein to have occurred and to be threatened.

(b) It is declared to be the policy of Congress to promote the foreign trade of the United States on a fair competitive basis, so as to encourage mutually beneficial trade in a manner which appropriately recognizes the interests of domestic industry primarily dependent on the home market as well as those of industries seeking export opportunities, and that to that end the tariff treatment of foreign articles shall be adjusted from time to time as hereinafter provided.

SEC. 3. FOREIGN TRADE AGREEMENTS.—(a) The authority of the President to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), shall terminate on the close of June 30, 1962. The provisions of said section shall remain in effect to the extent necessary to effectuate any trade agreements entered into prior to that date.

(b)(1) On and after July 1, 1962, the President, whenever he finds as a fact that modification of existing duties or other import restrictions of the United States or any foreign country is necessary to promote the objectives set forth in section 2 of this Act, is authorized from time to time—

(A) to enter into foreign trade agreements with foreign governments or instrumentalities thereof;

(B) to proclaim such modification of duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements entered into pursuant to this subsection as are required or appropriate to carry out such foreign trade agreements.

(2) No proclamation pursuant to subparagraph (1)(B) of this subsection shall be made—

(A) increasing any rate of duty above the highest of the following rates:

(i) the rate 50 per centum above the rate existing on July 1, 1934; except that a specific rate of duty existing on July 1, 1934, may be converted to its ad valorem equivalent based on the value of imports of the article concerned during the calendar year 1934 (determined in the same manner as provided in subparagraph (b)(ii)) and the proclamation may provide an ad valorem rate of duty not in excess of 50 per centum above

such ad valorem equivalent: *Provided*, That if imports of the article in the calendar year 1934 were insufficient to provide a basis for determining import value, then import value in the nearest calendar year in which there were imports sufficient to establish an import value shall be used.

(ii) the minimum rate permitted by subparagraph (C) of this paragraph.

(B) Decreasing any rate of duty below the lowest of the following rates:

(i) the rate which would result from decreasing the rate existing on July 1, 1962, by 10 per centum of such rate.

(ii) in the case of any article subject to an ad valorem rate of duty above 50 per centum (or a combination of ad valorem rates aggregating not more than 50 per centum), the rate of 50 per centum ad valorem (or a combination of ad valorem rates aggregating 50 per centum). In the case of any article subject to a specific rate of duty (or a combination of rates including a specific rate) the ad valorem equivalent of which has been determined by the President to have been above 50 per centum during a period determined by the President to be a representative period, the rate 50 per centum ad valorem or the rate (or a combination of rates), however stated, the ad valorem equivalent of which the President determines would have been 50 per centum during such period. The standards of valuation contained in section 402 or 402a of the Tariff Act of 1930 (19 U.S.C. 1401a or 1402) (as in effect, with respect to the article concerned, during the representative period) shall be utilized by the President, to the maximum extent he finds such utilization practicable, in making the determinations under the preceding sentence.

(C) Establishing or continuing in effect (either by specific provision or by failure to make such provision) any rate of duty or other import restriction which is less than the rate or other restriction found by the United States Tariff Commission in a report to the President, pursuant to section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1360), to be necessary to prevent or avoid injury or threat of injury to the domestic industry producing like or directly competitive articles.

(c) Subject to the provisions of section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362), reductions in duties and other import restrictions proclaimed pursuant to this section shall apply to articles the growth, produce, or manufacture of—

(1) the foreign country or foreign countries with which the foreign trade agreement providing for such duties and other import restrictions was concluded;

(2) other foreign countries with which foreign trade agreements were negotiated simultaneously with or subsequent to the agreement providing for such duties and other import restrictions, which foreign trade agreements in consideration of concessions granted to the United States therein provide for application of the concessions granted by the United States in such other agreement.

The President, as soon as practicable but in no event later than June 30, 1964, shall take such action as may be necessary to bring trade agreements heretofore entered into under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), into conformity with the policy established in this subparagraph.

(d) The President may at any time terminate, in whole or in part, any proclamation made pursuant to this section: *Provided*, That no proclamation shall be terminated in part where the effect of such partial termination is to avoid the requirements of subparagraph (2)(C) of subsection (b) of this section or of section 7 of this Act.

(e) Paragraph 1 of subsection (c) of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), is amended to read as follows:

"As used in this section, the term 'duties and other import restrictions' includes (A) rate and form of import duties and classification of articles and (B) quotas and other limitations, prohibitions, charges, and exactions other than duties, imposed on imports or imposed for the regulaion of imports."

(f) Subsections (c), (e), and (f) of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), subsection (b) of section 2 of the Trade Agreements Act of 1934, as amended (19 U.S.C. 1352), and subsection (a) of section 2 of the Trade Agreements Extension Act of 1954, as amended (19 U.S.C. 1352a), shall be applicable to all actions taken and matters arising under this section.

SEC. 4. PERIL POINT.—Section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1360), is hereby amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) Before entering into negotiations concerning any proposed foreign trade agreement under section 3 of the Trade Agreements Act of 1961, the President shall furnish the United States Tariff Commission (hereinafter in this Act referred to as the 'Commission') with a list of all articles imported into the United States to be considered for possible modification of duties and other import restrictions, imposition of additional import restrictions, or continuance of existing customs or excise treatment. Upon receipt of such list the Commission shall make an investigation and report to the President the findings of the Commission with respect to each such article as to (1) the limit to which such modification, imposition, or continuance may be extended in order to carry out the purpose of such section 3 without causing or threatening injury to the domestic industry producing like or directly competitive articles; and (2) if increases in duties or additional import restrictions are required to avoid injury or threatened injury to the domestic industry producing like or directly competitive articles the minimum increases in duties or additional import restrictions required. Such report shall be made by the Commission to the President not later than six months after the receipt of such list by the Commission. No such foreign trade agreement shall be entered into until the Commission has made its report to the President or until the expiration of the six months' period."

(2) Subsection (b) is amended by striking out the words "upon which a tariff concession has been granted" and the word "serious" in the second sentence of paragraph (1) and the word "serious" in the second sentence of paragraph (2).

SEC. 5. SUSPENSION OR WITHDRAWAL OF CONCESSIONS FROM COMMUNIST AREAS.—Section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362), shall be applicable to trade agreements entered into under section 3 of this Act.

SEC. 6. ESCAPE CLAUSE FOR EXISTING AND FUTURE AGREEMENTS.—Section 6 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1363), is hereby amended to read as follows:

"SEC. 6. (a) No reduction in any rate of duty, or binding of any existing customs or excise treatment, or other concession proclaimed under section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), or under section 3 of the Trade Agreements Act of 1961 shall be permitted to continue in effect when the product on which the concession has been granted is as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products.

"(b) The President as soon as practicable but in no event later than June 30, 1964, shall take such action as may be necessary to bring trade agreements heretofore entered into under section 350 of the Tariff Act of 1930, as amended, into conformity with the policy established in subsection (a) of this section."

SEC. 7. ADJUSTMENT OF IMPORT DUTIES AND QUOTAS.—(a) Upon the request of the President, upon resolution of either House of Congress, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon application of any interested party (including any organization or group of employees), the United States Tariff Commission shall promptly make an investigation and make a report thereon not later than six months after application is made to determine whether any product is being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products.

In the course of any such investigation, whenever it finds evidence of injury or threat of injury or whenever so directed by resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, the Tariff Commission shall hold hearings giving reasonable public notice thereof and shall afford reasonable opportunity for interested parties to be present, to produce evidence, and to be heard at such hearings.

Should the Tariff Commission find as the result of its investigation and hearings that a product is being imported into the United States in such quantities or under such circumstances as to cause or threaten injury to the domestic industry producing like or directly competitive products, then it shall further determine what modifications of the existing customs treatment of such product are necessary to prevent or remedy such injury or threat of injury. Such modifications may include withdrawal, modification, or suspension of concessions granted under any trade agreement, imposition of new duties or increase in existing duties, or establishment of quotas in amounts and for periods specified, or any combination thereof, in each case to the full extent determined by the Tariff Commission to be necessary without regard to limitations imposed by any other provision of law.

(b) In arriving at a determination in the foregoing procedure, the Tariff Commission shall consider as evidence of injury or threat of injury any of the following: A decline in the volume of sales of the domestic products; or a decline in prices or profits or wage rates or working hours of take-home pay in the domestic industry involved, in each case either actual or relative to the trend in domestic industries producing articles of the same general class; or a small proportion of the domestic consumption supplied by the domestic producers; or a higher or growing inventory among domestic producers; or a curtailment of investment for equipment, facilities, exploration, research, and development in the domestic industry; or an unfair competitive advantage to the imported product over the domestic products by reason of the difference in the wages and hours in effect in the foreign industry producing the imported product, and the minimum wage and maximum hours in the domestic industry producing the products or

by reason of a difference in other costs of production; or a difference between the average landed cost of the imported product and the average price at which the domestic products were sold at wholesale in principal markets in the United States.

(c) The Commission may make a finding of injury or threat of injury on the basis of any one or more of the factors specified in subsection (b). Without limiting the generality of the foregoing, a finding by the Commission in any such proceeding—

(A) that the proportion of the United States market for a product which is being supplied by imports has increased significantly over the proportion of such market supplied by imports in the appropriate base period fixed in accordance with subsection (e); or

(B) that United States prices for an imported product or like or directly competitive domestic products have declined significantly and that the profits of a substantial number of domestic producers upon sale of such like or directly competitive products have declined significantly; or

(C) that United States prices for an imported product or like or directly competitive domestic products have declined significantly in relation to the prices of other products of the same general class as shown by an appropriate United States price index selected by the Commission, and that the profits of a substantial number of United States producers upon sale of such like or directly competitive products have declined significantly; or

(D) that prevailing wage rates or average take-home pay in the domestic industry producing products like or directly competitive with an imported product have declined relative to prevailing wage rates or average take-home pay in industries producing other articles of the same general class;

shall be deemed to establish injury or threatened injury to the domestic industry involved requiring a modification of tariff treatment as provided in this section unless the record of the investigation and hearings shall clearly establish and the Commission shall affirmatively find that imports were not a factor contributing to the conditions so found to exist.

(d)(1) The Tariff Commission shall immediately make public its report, including any dissenting or separate findings, and shall cause a summary thereof to be published in the Federal Register and shall transmit a copy of the report to the President and to the Committee on Ways and Means of the House and the Committee on Finance of the Senate.

(2) The modification of existing tariff treatment found by the Tariff Commission to be necessary shall be proclaimed by the President, effective upon a date to be specified in his proclamation, which shall be issued promptly after expiration of the period for congressional action as provided in this paragraph 2, unless—

(A) within sixty days following transmittal of the Tariff Commission report to the President, the President submits a report to the Committee on Ways and Means of the House and the Committee on Finance of the Senate stating that he does not approve the proposed modification in tariff treatment, his reasons for withholding his approval, and what, if any, modification of existing tariff treatment he proposes to proclaim in lieu of that recommended by the Commission, and within sixty days thereafter either House of Congress by resolution adopted by the yeas and nays by a majority vote of such House approves the President's proposed modification or retention of existing tariff treatment, or

(B) within sixty days following transmittal of the Tariff Commission report either House of Congress, by resolution, adopted as provided in clause (A), determines that the modification in existing tariff treatment recommended by the Tariff Commission shall not be made effective.

If, pursuant to paragraph (A), the President is authorized to proclaim the modification of tariff treatment proposed by him, he shall immediately make the proclamation so authorized.

For purposes of clauses (A) and (B), in the computation of the sixty-day periods for congressional action there shall be excluded the days on which either House is not in session because of an adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

(e) The appropriate base period referred to in subsection (c) shall be the period of three consecutive years during the ten years preceding the year in which the report of an investigation is made in which the ratio of imports of the product subject to investigation to domestic consumption of such product and like or directly competitive domestic products was the lowest: *Provided*, That any year or years at the commencement of such ten-year period, not to exceed four years, in which there were no imports of such product shall be excluded: *And provided further*, That the Commission may exclude from the base period not more than two years if it finds with respect to each year excluded that the volume of imports of the foreign product, the volume of sales of like or directly competitive domestic products or the volume of domestic consumption of such products was so substantially increased or decreased by specified abnormal factors of a nonrecurring nature that the inclusion of such year in the base period would be grossly unfair.

(f)(1) As used in this Act the terms "domestic industry producing like or directly competitive products" and "domestic industry producing like or directly competitive articles" mean that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing like or directly competitive products or articles in commercial quantities. In applying the preceding sentence the Commission shall distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles referred to in such sentence from the operations of such organizations involving other products or articles, using to the extent necessary for such purpose reasonable estimates and assumptions. The Commission may also consider as such a domestic industry for the purposes of this Act a segment of an industry situated in a geographical area within the United States if the injurious effect of the imported article is confined to the segment of such industry in such area.

(2) There shall be deemed to be a "threat of injury" or "threatened injury" within the meaning of this Act if there is a reasonable probability of injury, even though such injury is not so imminent as to be almost certain to occur.

(g) The provisions of this section shall apply to investigations for which request or application is made after the effective date of this Act, and to investigations heretofore commenced under section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1364), in which hearings before the Commission have not been completed on the effective date of this Act. In any investigation pending at the effective date of this Act to which this section becomes applicable, the Commission shall permit such amendments to the application and provide such opportunity to produce further evidence and be heard as may be appropriate in view of the applicability of this section. The time for completing the Commission's report in any such proceeding shall be extended for such period, not exceeding three months, as the Commission shall find to be necessary.

SEC. 8. ORGANIZATION OF THE TARIFF COMMISSION—EFFECT OF EQUALLY DIVIDED VOTE.—Paragraph 1 of subsection (d) of section 330 of the Tariff Act of 1930, as amended (19 U.S.C. 1330), is amended to read as follows:

"(d)(1) Whenever, in any case calling for findings of the Commission in connection with any authority conferred upon the President by law to make changes in import restrictions, a majority of the Commissioners voting are unable to agree upon findings or recommendations, the findings (and recommendations, if any) unanimously agreed upon by one-half of the number of Commissioners voting may be considered by the President as the findings and recommendations of the Commission: *Provided*, That if the Commissioners voting are divided into two equal groups each of which is unanimously agreed upon findings (and recommendations, if any), the President shall consider as the findings (and recommendations, if any) of the Commission the findings (and recommendations, if any) which provide the basis for or recommend greater relief to the domestic industry or industries involved. In any case of a divided vote referred to in this paragraph the Commission shall transmit to the President the findings (and recommendations, if any) of each group within the Commission with respect to the matter in question."

SEC. 9. INVESTIGATIONS AND RECOMMENDATIONS BY THE TARIFF COMMISSION.—Subsection (g) of section 332 of the Tariff Act of 1930, as amended (19 U.S.C. 1332), is hereby amended to read as follows:

"The commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command, and shall report to Congress on the first Monday of December of each year a statement of the methods adopted and all expenses incurred, and a summary of all reports made during the year. The commission shall make such investigations and reports as may be requested by the President or by either of said committees or by either branch of the Congress, including the recommendations or views of the commission or its members on appropriate modification of duties and other import restrictions and other matters of customs and tariff policy, either general or specific, as may be specified in the request for the investigation or report."

WNEW PERFORMS ANOTHER PUBLIC SERVICE

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I wish to compliment WNEW of New York for presenting on September 1 a special radio program called "Disarmament Profile." I particularly want to compliment Lee Hanna, the producer of this show, for presenting a well-balanced, compassionate documentary about this crucial problem.

The program presented the background and the compelling necessity of disarmament negotiations. The "Disarmament Profile" included taped reports from Bernard Baruch, Prime Minister Nehru, Ambassador Wadsworth, and Disarmament Adviser John McCloy. The WNEW documentary also included

Soviet radio broadcasts and speeches of Khrushchev in an effort to present both sides of the question.

At a time when there are many who are discouraged, disillusioned, and disappointed with disarmament negotiations, it is worth repeating the last comment on the program as a sober reminder of the stakes involved in this issue:

> The United States has made a final, honest effort to reach agreement with the Russians on a test-ban treaty. The Geneva talks have been suspended and the issue will now go to the United Nations beginning in New York September 19, an institution that has had a notable absence of success in trying to stop the arms race. Instead of disarming, instead of turning weapons into plows and using atomic energy for peace, the world is rearming. Unless wisdom can prevail, the ultimate result is bound to be war—and this war might very well be the last.

AMENDING THE INTERNAL REVENUE CODE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I have today introduced, for consideration at the next session of Congress beginning in January 1962, a bill to implement a recommendation of the Advisory Commission on Intergovernmental Relations that the Internal Revenue Service be authorized to perform statistical and other services for State governments on a reimbursement basis.

The proposed legislation provides for the retention by the Internal Revenue Service of moneys received in payment for special statistical studies and compilations and certain other services. It would amend the Internal Revenue Code by adding a new section 7515 entitled "Special Statistical Studies, Compilations, and Other Services on Request," and by adding new subsections (c) and (d) to section 7809, relating to deposit of collections.

Requests received from State officials and other responsible persons and organizations outside the Federal Government for special statistical tabulations and studies have been denied because the Service would not be able to utilize the payments made for such requested work. The purpose of the proposed legislation is to provide exceptions to the general rule in section 7809(a) of the code which requires that collections of whatever nature received or collected by authority of any internal revenue law shall be paid daily into the Treasury of the United States as internal revenue collections without any abatement or deduction on account of salary, compensation, fees, costs, charges, expenses, or claims of any description.

Proposed subsection (c) of section 7809 provides that any fees received pursuant to subsection (a)(3) of section 6103, relating to publicity of returns and lists of taxpayers, shall be deposited in a separate account from which reimbursement may be made to the appropriations which bore the expenses in connection with the services rendered. The proposed legislation would make no change in existing law relating to publicity of returns or in respect of the amount of the fees for furnishing copies of returns or related services.

Proposed subsection (d) of section 7809 provides that all moneys received in payment for work or services performed pursuant to section 7515 shall be deposited in a separate account which may be used to reimburse appropriations which bore all or part of such costs, or to refund excess sums when necessary.

Although proposed subsections (c) and (d) provide exceptions to the general rule contained in section 7809(a), such subsections expressly restrict the use of the funds to which they have application to the purposes prescribed therein.

The primary purposes of proposed section 7515 are to identify the source of the moneys in respect of which proposed subsection (d) of section 7809 would have application, and to provide that the special statistical studies and compilations would be made at costs. Proposed section 7515, in carrying out its primary purposes, would expressly authorize the Secretary or his delegate, within his discretion, to perform special statistical studies and compilations upon the written request of "any person, any State, or any political subdivision thereof, or any instrumentality of either of the foregoing, or any department or agency of the Federal Government." The special studies and compilations would be prepared from data obtained from returns, declarations, statements, or other documents required by the Code or regulations thereunder or from the records established or maintained in connection with the administration and enforcement of internal revenue laws. The proposed section also provides that any such statistical project may be carried on jointly with the party requesting such project, and that transcripts of such special studies and compilations may be furnished to any party enumerated in the section. However, the section expressly provides that the studies and compilations shall be undertaken, and the transcripts shall be furnished, only upon payment, by the party or parties making the request, of the cost of the work or services performed for such party or parties.

As previously indicated, the determination of whether a particular study and compilation would be undertaken would be within the discretion of the Secretary or his delegate. However, any such study and compilation would be subject to all existing provisions of law and regulations relating to unauthorized disclosure of information. Special studies and compilations would be scheduled so as to supplement the work performed in the service centers during their offpeak periods.

The proposed legislation is neither new nor novel in character. Similar authority in respect of the retention and use of moneys received for work or services rendered has heretofore been granted to the Bureau of the Census—13 U.S.C. 8—the Department of Labor—29 U.S.C. 9, 9a—and the Department of Health, Education, and Welfare—42 U.S.C. 1306 (b)

PARLIAMENTARY INQUIRY

Mr. AVERY. Mr. Speaker, would it be in order to inquire if the Chair is able to advise the Members at this time of what they might anticipate as the program for the rest of the day?

The SPEAKER pro tempore. The Chair may say that after the special orders it is the intention to stand in recess until later in the day. The Chair wishes he could give more information than that but it is impossible at this time.

Mr. AVERY. I appreciate the information.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, with reference to the printing of committee activity reports for the session, as vice chairman of the Joint Committee on Printing, I wish to remind the chairmen of all committees that the Joint Committee on Printing has very properly ruled that the printing of such reports, both as committee prints and in the RECORD, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD, since the Government Printing Office will be directed not to print them both ways.

THE NEED FOR ENACTMENT OF FEDERAL AID HIGHWAY REFORM ACT OF 1961—THE FLORIDA RECORD—(PART II)

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, this is a continuation of a documentation of the need for enactment of H.R. 9353 or similar reforms in our highway program. (A copy of the bill will be found at the close of the remarks.)

The Special House Subcommittee on the Federal-Aid Highway Program, of which I am the ranking Republican member, held public hearings in December of 1960 and in March of this year, involving my own State of Florida.

The December hearings disclosed that over the years certain construction companies under contract to build roads for the State have made regular, secret payments in cash and other things of value to about 20 State engineers who were then under a duty to supervise the contractors' compliance with the specifications in the contracts. The hearings in March revealed equally reprehensible practices in connection with the State's disposition of assets belonging to the taxpayers on the rights-of-way. The record clearly evidences a serious breakdown in both private and public morality, callous disregard for the public interest, lax law enforcement, and official waste and blunders which have added untold millions of dollars onto the Federal-aid highway program and therefore onto the already weary backs of the taxpayers of both the State and Nation.

I. THE "PAYOLA" HEARINGS

The chairman of the subcommittee summed up the evidence and the sentiment of many members, myself included, when, at the conclusion of the December hearings, he observed that—page 446:

The Chair has a concluding statement to read. During 6 days of hearings the members of this subcommittee have listened to testimony with most disturbing implications.

We have seen spread on the record before this subcommittee the admission that many Florida State Road Department engineers accepted thousands of dollars, in one form or another, from contractors whose work they were supposed to be supervising.

These contractors have admitted that they paid out this money, either through the devious method of sending specified weekly sums in unmarked envelopes through the mail, or by making loans they had good reason to believe would never be repaid, or by the purchase of a wide variety of items which later were given to State personnel.

This subcommittee has been told that these practices have been prevalent for years, and one contractor testified that such practices have snowballed from what they used to be.

The State road department employees who received this money insisted uniformly that the tender by the contractors, and the acceptance by them, in no way influenced their judgment in the conduct of their daily duties.

The various contractors who testified here maintained uniformly that the disbursements in this fashion were not for the purpose of inducing State employees to approve substandard construction but were intended, instead, to expedite the progress of the work.

The Chair finds it difficult in the light of all the testimony to believe that the conditions prevailed without involvement of a quid pro quo, whatever its nature might have been.

As the Chair observed during the course of the hearings, the relationship shown to have existed between the State employees and the contractors appears to be rooted in a gray area, and is susceptible of several interpretations.

One interpretation suggests that some State employees came perilously close to the possibility of extortion. Still another interpretation which the record might well sustain is the possibility that the contractors may have approached the stage of bribery or attempted bribery.

Viewed in the most charitable light, the testimony readily supports the conclusion that the gratuities, no matter what form they might have assumed, put the State employees definitely under obligation to the contractors. Conversely, any demand by the State employees for money, either as a gift or loan, placed a contractor in the position of being reluctant to refuse for fear that such refusal would promote complications during the progress of the project.

Various members of the subcommittee, including the Chair, during the course of the hearings, have expressed the opinion for the record that these practices are reprehensible, that they cannot be condoned, and that they must be stopped.

When these practices were first exposed by a State legislative committee, the State roads department discharged the guilty employees and suspended the contractors from bidding on further State contracts. However, this action was forthcoming only because of embarrassing publicity and aroused public opinon, not because of any fundamental question of ethics and morality. In fact, this misconduct was later condoned on March 11, 1961, when Governor Bryant reinstated or offered to reinstate 14 of the employees, and lifted the suspension of the contractors. Our record shows that one contractor alone had made 580 separate payments totaling $23,325, from January 1957 to October 1960, to 16 supervisory officials of the State (hearings on December 8, 1960, p. 316).

It is also an interesting fact that since January 1, 1956, one of the principal offending contractors has been awarded $26,249,271.80 prime contracts with Florida and, according to a report in the Tampa Tribune on October 28, 1960, supported the Governor with both money and manpower. It is further reported that, over the years, Florida road contractors have become politically powerful through generous political contributions, estimated to be $100,000 in a Governor's race with strong candidates; and that Collins spent more than $300,000 on his successful 1956 Democratic primary campaign, while Carlton and Bryant spent about $700,000 last year. Financing elections out of Federal and State funds is a favorite gimmick of the political pork barrelers who always make a beeline for the public works trough.

FLORIDA POLITICS—CAMPAIGN CONTRIBUTIONS BOLSTER STRENGTH OF ROAD CONTRACTORS

(By Martin Waldron)

Road contractors in Florida in the past dozen years have become politically powerful—mainly through campaign donations.

In each Governor's election, they pour tens of thousands of dollars into the campaign.

Cone Brothers Contracting Co. of Tampa, currently under hot fire from the State road department and the legislature's roads committee, has been a minor contributor to political races. The company itself hasn't, but the people who own it have. In the Democratic primary earlier this year, they backed Governor-nominee Farris Bryant.

However, their donations were quite modest, about $1,000, as compared to some of the sums contractors usually can be counted on for.

The owners of Brinson-Allen Construction Co., another Tampa concern, poured many thousands into the unsuccessful campaign of Senator Doyle Carlton, Jr., who ran against Bryant.

Another ready political contributor has been Herbert Wolfe, of St. Augustine.

No one has made a complete check as to how much money contractors can be counted on for in an election, but it easily would run to $100,000 in a Governor's race with several strong candidates.

COLLINS WOULD LIMIT CONTRIBUTORS

Gov. LeRoy Collins, who had some road contractor support in his races for Governor in 1954 and 1956, said at a press conference this week that it might be a good idea to prohibit campaign contributions from anyone doing substantial business with the State.

Not just road contractors, but including them, Collins said.

The Governor, who apparently has retired from active politics, said he hadn't thought the idea through, but offhand would think it had considerable merit.

"We have come to be spending entirely too much in our political campaigns in Florida," Collins said. "We spent too much in my own, and a great deal more was spent in those that have occurred since then."

Collins spent something over $300,000 in 1956 when he won the Democratic nomination in the first primary.

In the Democratic primary this year, both Carlton and Bryant spent about $700,000.

"Payola" is a charitable way to describe these payoffs to the State employees. They are payoffs and, in my opinion, violate the criminal laws of Florida. Whether or not they were corruptly given or received, they constitute unauthorized compensation paid to State officials to do or not to do their duty—see section 838.06 of the Florida statutes. The attorney general has so ruled. But thus far only a few of the employees have been indicted, only then after publicity built the necessary fire and to date these cases have been set aside by the lower court.

However, it is a travesty that the statute does not extend to the bribegivers as well as to those who take them. The guilt of the payor is no less clear and no less offensive. Accordingly, the State legislature should speedily close this loophole which it refused to do in the 1961 session after these facts became known by making it a crime for anyone to give or offer to give such tainted money.

II. THE MARCH HEARINGS

This series of hearings examined the practices and procedures followed by Florida in disposing of assets on rights-of-way, a substantial cost factor on Federal-aid projects. According to a cost analysis prepared by the Bureau of Public Roads, which forms a part of the record of the subcommittee, Florida leads six other Southern States compared in cost per mile for acquiring both urban and rural rights-of-way. This important document is reproduced below:

EXHIBIT No. 1

OCTOBER 23, 1959.

Interstate right-of-way: Comparison by State of reported total cost per mile.

From: Division engineer.

To: Rex S. Anderson, regional engineer, Atlanta, Ga.

Following is a comparison by State, based on data from the quarterly interstate right-of-way reports, of the average total cost per mile of right-of-way actually acquired or acquisition accomplished in the period July 1956 to October 1959.

We forward this summary for your review and information, recognizing the comparison is not conclusive due to the possible noncomparability of lands and improve-

ments in instances, and to the fact that ultimate costs of tracts pending in court are indefinite at this writing:

URBAN LOCATION

Cost per mile:	
1. Mississippi	$146,936
2. North Carolina	210,300
3. South Carolina	221,600
4. Alabama	387,542
5. Georgia	476,252
6. Tennessee	559,673
7. Florida	1,546,254

RURAL LOCATION

Cost per mile:	
1. Alabama	$17,447
2. Mississippi	22,480
3. South Carolina	29,629
4. North Carolina	35,120
5. Tennessee	63,564
6. Georgia	67,355
7. Florida	89,216
Comparison of total mileage acquired:	*Miles*
1. South Carolina	264.5
2. Alabama	215.0
3. Mississippi	207.9
4. North Carolina	199.9
5. Tennessee	158.62
6. Georgia	135.8
7. Florida	83.0

It will be noted that the cost per mile for urban location in Florida is more than 10 times higher than Mississippi, the lowest of the other 6 States, and almost 3 times as much as Tennessee, the next highest. Also, as to rural location, the per mile cost in Florida is $89,216 as compared with $67,355 in Georgia, the next highest, and $17,447 in Alabama, the lowest. Florida, on the other hand, has acquired less mileage than any of the other States compared.

I completely agree with the chairman of the subcommittee, who concluded at the conclusion of 7 days of hearings:

There has been testimony that the Federal investment in rights-of-way for the Interstate System already is in excess of $1.5 billion and this is roughly about 20 percent of what eventually will be spent. In fact, the testimony here indicates very strongly that the total outlay for rights-of-way alone can be expected to run in excess of $7 billion.

This subcommittee has been concerned here with the lack of measures in the State of Florida to realize as much as possible from the disposition of buildings and other improvements which came into possession of the State as the result of right-of-way acquisition.

The Chair observed when these hearings began that Congress had the right to expect coordinated planning by the States and the U.S. Bureau of Public Roads consistent with sound business principles to insure that there would be proper disposition of these improvements within the framework of reasonable and realistic time schedules. The Chair also said that "prudent business practice dictates that a conscientious effort be made to realize the maximum return possible" from the disposition of these improvements as an appreciable offset to the complete expense.

The testimony we have received here gives rise to highly disturbing and, in many aspects, shocking and grave implications.

The evidence appears overwhelming that there was a sustained and, in all too many respects, shameful disregard for the public interest and the proper protection and conservation of public funds.

The record before us, it seems to me, fully supports a conclusion that the negligence exposed is traceable directly to top level policy for acceleration of highway construction in terms that could only serve to breed operations under "crash program" conditions which commonly are attended by mismanagement and waste.

Congress never intended, when it authorized the building of the Interstate System and the 90-percent Federal contribution toward the total cost, that there should be any departure from the accepted principles of roadbuilding or full value to the highway users for every dollar spent.

Florida was in the forefront of those States which believed that early development of the urban portions of the Interstate System was of utmost importance. The Chair is of the opinion that this was a laudable objective, particularly in the light of the testimony that, while urban construction represented only about 10 percent of the 1,141 miles of Interstate within Florida, it was expected to carry 50 percent of the anticipated traffic. The Chair believes it was cogent reasoning to expect that delay in right-of-way acquisition for the urban portions of the system might see these costs eventually doubled or tripled.

But the beneficial effect of this otherwise sound thinking has been, to a large degree, vitiated by the evidence of mismanagement and waste.

The record before us permits indulgence only in the subtle distinction of the difference between what is too little and what is not enough.

The testimony clearly shows there was not enough leadtime to allow for orderly acquisition of properties, the disposition thereof, and the clearance of the right-of-way in the manner which would allow the contractor to perform expeditiously and satisfactorily.

There is ample testimony in the record before us that is indicative of: Too little time for proper negotiations with the affected property owners; too little acquisition before acceptance of bids and the awarding of contracts; too little protection against vandalism; too little time for orderly disposition, either by sale or salvage, of the buildings and improvements the State has taken over; too little time for the removal of buildings; too little recognition of the potential for recovery; and too little attention to the mandates in both Federal and State procedures which clearly were not followed.

We have dealt in these hearings with a situation where there has been a dissipation of an asset value running into considerable sums of money. Projecting the Florida experience into a national situation where some 500,000 to 600,000 parcels still remain to be acquired, and a great many of these in urban sections, the implications are ominous unless immediate and affirmative action is taken to plug a leak which will literally drain away hundreds of millions of dollars that otherwise should go into highway construction.

The Chair accordingly puts the Bureau of Public Roads and the States on notice that this subcommittee, which reports to Congress, expects such action will be taken forthwith.

That concludes the statement.

Mr. CRAMER. Mr. Chairman, I have a few comments I would like to make.

Mr. BLATNIK. Mr. CRAMER.

Mr. CRAMER. At the outset I, too, would like to join in the commendation of the staff. They have done a very exemplary job and I have had the privilege of not only working with them during the hearings, but of discussing some matters at the time they made a number of visits to Florida. I think they have done a very fine job and I wish to join the chairman in his commendation of them, and the fine work they have done, just as they have done in other hearings which we have previously held.

Also, I would like to join in many of the remarks made by the chairman. As a representative of the State of Florida, I am interested in some broader implications as well, as they relate to other highway matters which were brought to the attention of this subcommittee.

I think it is very clear that the practices and procedures followed by the State of Florida with regard to the disposition of assets on the rights-of-way leave much to be desired. I think it is equally clear that, inasmuch as the Federal Government participates to the extent of 90 percent on these interstate projects, the American taxpayers are not getting their full dollar's worth of value for every tax dollar expended. While there are a number of reasons, I will cite some of the most obvious.

Many of these assets are worth considerable amounts of money which should be reflected in the bids by the prime contractors. But time after time these contractors have stated that they were afraid a minus bid on these items would result in a disqualification of their bids.

This has been disputed by several of the representatives of the State of Florida who have said that minus bids had never been submitted by the prime contractors, and have suggested that if such bids had been made they would have been accepted.

But it's very strange to me that this matter has not been made the subject of the precise regulations which would instruct contractors that they could submit minus bids, and, in effect, pay the State for the true value of these improvements. The chief counsel of the board of road commissioners stated that he would use his influence to see that this is done and I shall await with interest this long-needed reform. Again, I must express my utter amazement that this has not been done years ago.

I think another prime cause of this loss of value to the State, and, therefore, to the Federal Government, is to be found in what I have called the hydraheaded property management division which was formed to handle this problem in an expeditious and efficient manner. Here we have a situation where this agency has three heads, none of which knows what the other is doing. I simply cannot comprehend why the State of Florida has not put all of the right-of-way in charge of a single responsible head. According to the record, such a reform has been repeatedly requested and recommended by the State highway attorney and the Bureau of Public Roads.

Speaking for myself, at least, I am persuaded that the planning and execution thereof, as it relates to the Interstate System, lack continuity and long-range planning because it has become snarled by politics and changes in the makeup of the board of road commissioners. Apparently with each change in its membership there is a change in policy and emphasis.

Now, let me comment on some of the specific practices disclosed here. In the case of Dolfi it is clear that he was using his influence with contractors under his supervision to obtain "payola" in the form of improvements for his own use at less than the value the contractors themselves placed on these improvements. Under these circumstances, I think it is very difficult for a contractor to say "No." Dolfi was engaged in an obvious conflict of interest, and I think that he came very near to violating the Florida statute. Moreover, he admitted that he was not candid when he testified before the Kelly committee about these transactions, and stated in effect that he would like to get out of the mess he found himself in. This, I submit, he did.

I am greatly disturbed at the prospect of such a man being rehired by the State of Florida and placed in a position of trust. I do not know how anyone could have confidence in him. And, I am greatly disturbed that the present chairman of the roads board has stated, according to Dolfi, that the question of his reinstatement would be decided

after this present series of hearings is concluded.

And, in the case of the two city commissioners, their conduct, while not unlawful, is open to questions. These city commissioners were doing business with a contractor who did business with the city under their jurisdiction of public works. You will recall that one of these two gentlemen was able to bid successfully sight unseen with the prime contractor for the 135 improvements, and in at least 1 case, 1 of them got a promise even before the prime contractor had submitted the bid. Here again it would be hard for a prime contractor doing business with the city to say "No," with the city commissioners making demands. This activity may not be illegal—it probably isn't—but it obviously is an unwholesome practice.

The evidence also has been that the new Florida roads board has considered changing the route of the extension of the Sunshine State Parkway, presently planned through Jacksonville as a toll road north of its present terminus at Fort Pierce. Discussions are now underway relative to rerouting the parkway from Orlando through Ocala and Gainesville, connecting with Interstate System 75. The possibility of constructing an 85-mile section along No. 75 as a toll road, rather than using interstate funds, is in the planning stages, according to the Bureau of Public Roads' division engineer, Peterson. This necessarily introduces uncertainties into the future construction schedule of No. 75, as well as the turnpike which accentuates the already prevalent lack of advanced planning and procedures for awarding construction contracts in Florida.

Peterson testified that it would result in a possible loss of Federal funds allocable to these 85 miles eliminated from the Interstate System, a loss estimated to be about $50 million; and also might change the scheduling of Interstate 95 from Fort Pierce to Daytona Beach.

In conclusion, I am not happy with what is happening in Florida. These practices are wrong in some instances, slipshod in others, and, I think, are adding perhaps hundreds of thousands of dollars—if not millions—to the cost of the Interstate System and onto the taxpayers' backs.

Mr. Chairman, I suggest and I am hopeful that these hearings will result not only in the State of Florida, but in other States where similar practices exist, in assistance in bringing about corrective measures. As I see it, that is the broad result, and it is the purpose and the hope we have on this committee, that other States having similar problems will make use of these hearings and that out of these hearings, and perhaps particularly out of testimony such as Mr. Balfour's, they will find a way of plugging some of these loopholes in the future.

III. DUVAL ENGINEERING AND CONTRACTING CO. FROM JACKSONVILLE, FLA.

Our subcommittee is at present conducting an investigation of the Duval Co. which will probably result in a public hearing early in the next session of Congress. As I have noted in several speeches on the floor of the House, this company and some of its top management have earned a very bad reputation in Florida because there is evidence that over the years they have systematically defrauded both the State of Florida and the Federal Government by shortloading on asphalt. Two of this company's supervisors were convicted in Federal court early this year of defrauding the Navy, and investigations by both the State roads board and the State legislative committee have demonstrated that this shortloading has occurred on State highway projects, some of which have been Federal aid projects. In addition to our own investigation, this company is now under investigation by the Department of Justice, the Department of the Navy, and the Army Corps of Engineers. Furthermore, there is a civil suit for damages and fraud penalties now pending in Federal court, growing out of the fraud perpetrated on the Navy.

Following the hearings before the State legislative committee, which showed that the Duval Co. had bribed State highway officials and shortloaded on asphalt delivered to State highway projects, the State roads board suspended this company from the list of eligible bidders. The State roads board conducted its own investigation which resulted in a written report dated May 1, 1961.

I have a copy of this report and other available evidence shows that the old Duval Co. has been systematically short loading on asphalt delivered to local, State, and Federal projects over a period of 10 years. Recently, the Duval Co. was sold and, upon making restitution to the State of $17,285 for overcharges, the Governor and his State road board, over my objection, reinstated the Duval Co. "just to clear the record." This restitution of a token amount does not clear the record at all. Admittedly, this overcharge related to only three projects in the year 1957, while the record shows that this company has short loaded on at least nine identified projects over a period of 10 years. This fact is shown by the State road board's own investigation and indeed when the old company was suspended from the bid list, the State road board chairman announced publicly that his investigation had disclosed that the practice of short loading was "systematic, deliberate, and intentional on State jobs over a period of several years."

Both the Governor of Florida and the chairman of the State road board have denied that the chairman made any such statement and have accused me of misstating the facts in an attempt to extricate themselves from an embarrassing situation. If the chairman was misquoted, it was the press, not I, which misquoted him. This quote is taken from the St. Petersburg Times, dated March 22, 1961, and I wish to insert this article entitled "Duval Firm Defrauded State, Phillips Charges," at this point:

DUVAL FIRM DEFRAUDED STATE, PHILLIPS CHARGES

TALLAHASSEE.—State road board chairman, John Phillips, said yesterday he will recommend immediate suspension of Duval Engineering and Contracting Co. of Jacksonville on charges the State has been "deliberately defrauded" by supervisory employees of the firm.

Phillips said he will ask the State road board to take action at its meeting here Thursday to drop the company from the list of eligible bidders on State projects, pending a full investigation.

Phillips said his investigators have been checking allegations of fraudulent conduct by supervisory employees of the firm for a week, with the assistance of the State auditor and the roads committee.

The investigation is not complete in every detail and will be continued, he said, but a review of what has been turned up "leads to the conclusion that the State has been deliberately defrauded by supervisory employees of this firm."

Two of the company's employees, Phillips said, were convicted in the U.S. district court in Jacksonville, January 26, on a charge of conspiring to defraud the Federal Government on asphalt-concrete deliveries to the Mayport Naval Base.

Phillips said evidence at the trial showed conclusively that many trucks of asphalt were loaded with only 14 tons, whereas the Government was charged for a full load of 16 tons.

The Kelly committee said it has evidence that the firm also charged the State for asphalt and other materials not used on highway projects, including the big Jacksonville expressway.

Phillips said the State started its investigation following the Federal trial and found out that this practice of short-loading was "systematic, deliberate, and intentional on State jobs over a period of several years."

The taxpayers of Florida have every right to ask what sort of a deal has been made to reinstate a company under such a cloud of suspicion and which, in fact, presumably does not even exist. This matter was discussed at a press conference held by the Governor on August 17, 1961, and a transcript of that exchange makes interesting reading. I quote relevant portions of it below:

PARR. On the general subject of roads, would Mr. CRAMER'S recent statements regarding the Duval Engineering & Contracting Co. bring any change in the plans of the road department for reinstatement of that company?

GOVERNOR. Well, of course, I haven't kept up with all of his statements, but none that I know of have made any difference to me.

PARR. Why are they being reinstated? The company, as I understand it, is now out of business and what purpose is served by reinstating a company that has gone out of business and will no longer be bidding?

GOVERNOR. Or you might put the shoe on the other foot. We have got $17,000 out of them. What harm is being done by reinstating a defunct organization? In other words, I don't see any harm that is being done and we received a settlement of some $17,000—to me that is good business.

RAKER. Governor, can we go back to Duval for a moment?

GOVERNOR. Of course.

RAKER. Is there any possibility that the sale of that firm and putting it back in business were tied together by the people who bought it? In other words, did they buy Duval contingent upon its being restored to the bid list for the State?

GOVERNOR. No; because Duval will never be bidding with the State, Duval will never do business with the State. Now the company that bought Duval without its officers can do, if it qualified in other respects, business with the State. But Duval itself and its officers will never—never is a long time—for 3½ years, will not do business with the State.

GILLESPY. Then putting Duval back on the bid list, or reinstating it, will in no way, shape, or form affect this new company?

GOVERNOR. That is correct, none at all.

THURSTON. Am I correct that the Wright Engineering Co. is already established as a qualified bidder?

GOVERNOR. R. H. Wright?

THURSTON. R. H. Wright. Wright-Duval Engineering Co. would be able to go ahead without any further——

GOVERNOR. I have not checked this myself, but I think R. H. Wright is an established bidder. You may recall that they were in trouble in the Dade County area, but by the

time of the investigation they had completely sold out and all their officers gone and new people in. That's my recollection of that particular situation. Now what the status of Wright-Duval is, or the legality is, or what their status is so far as bidding is concerned, I have no idea at the time. I just don't know.

THURSTON. At the present time the officers of both companies are not the officers who were involved in the earlier difficulties?

GOVERNOR. That is my understanding and assurance.

It is to be noted here that the Governor states that the officers of the new company—the Wright-Duval Co.—are not the officers who were involved in the earlier difficulties and yet the letter in possession of the State road department at the time, addressed to the chairman, Mr. John Phillips, and signed by Mr. L. E. Davis on behalf of that company, advised the State that Mr. B. E. Ellis, who was formerly president of Duval Engineering & Contracting Co., continues as president of Duval-Wright Engineering Co. The only other officer of Duval Engineering & Contracting Co. who has been named to official capacity with R. H. Wright, Inc., is Mr. Charles D. Edwards, who has been named as assistant secretary for purposes of executing papers in Jacksonville—Mr. Alexander Brest, who was formerly treasurer of Duval Engineering & Contracting Co. has been retained as a consultant for a period of 5 years under an employment contract.

Upon the purchase of Duval Engineering & Contracting Co. by Houdaille Industries, Inc., the latter's president, Mr. Ralph F. Peo, wrote me advising me of the purchase and I replied as follows:

SEPTEMBER 21, 1961.

MR. RALPH F. PEO,
President, Houdaille Industries, Inc., Buffalo, N.Y.

DEAR MR. PEO: I must apologize for the tardy acknowledgment of your letter dated August 18, 1961. The reason for the delay is that your letter was mailed to my Tampa office, which has only recently forwarded it here to me in Washington.

You are undoubtedly aware that I have been pretty critical of the old Duval Co. and its management and have not hesitated to express my views publicly on the floor of the House. I have felt fully justified in doing so and indeed I believe it has been my duty to the citizens and taxpayers of the State of Florida whom I am privileged to represent in Congress.

The old Duval Co. and some of its top management have earned a very bad reputation in Florida because of the fact that the evidence has demonstrated a perniciousness over the years to shortchange both the State of Florida and the Federal Government by short loading on asphalt. Two of this company's supervisors were convicted in Federal court of defrauding the Navy at Mayport and investigations by both the State roads board and the State legislative committee have demonstrated that this short loading has occurred over the years on State highway projects, some of which have been Federal-aid projects. At present, the old Duval Co. and Mr. Alex Brest are under investigation by the Special House Subcommittee on the Federal-Aid Highway Program, of which I am ranking minority member, by the Department of Justice, the Department of the Navy, and the Army Corps of Engineers. Moreover, there is a civil suit for damages and fraud penalties now pending in Federal court, growing out of the fraud perpetrated on the Federal Government at the Mayport base. Fairly recently Mr. Brest admitted that the company had overcharged the State of Florida more than $17,000 and made restitution. All in all, this record hardly commends itself as one to inspire trust or confidence.

I know nothing of your company, which has purchased the assets of the old Duval Co., but by public reputation it is a very good one indeed. However, I will be less than candid if I did not tell you that I am concerned when I read in the press that the new Duval-Wright Co. is retaining the same personnel, including Mr. Brest, and I have heard that the latter may be named secretary-treasurer and will be a director of the parent corporation, R. H. Wright & Sons, Co., of Fort Lauderdale. This may only be a rumor but I would appreciate your confirming or denying it. It would also be of great benefit to our subcommittee if you would be so kind as to advise me on the exact details of your contract for the services of Mr. Brest and the conditions under which you purchased the old Duval Co. If you see fit to do so, it would be most helpful if you would send me copies of these contracts, which I will then turn over to the staff of our subcommittee which is now preparing the Duval matter for public hearings sometime this fall.

I agree with and appreciate your complimentary remarks about my State of Florida and its bright business prospects for the future. I sincerely hope and trust that your confidence in the State will not be misplaced and that your operations there will be mutually beneficial for both your company and the citizens of Florida. I will be most happy to have you visit me in either my Washington or Tampa office and I shall look forward with pleasure to meeting and chatting with you at any time.

Sincerely,

WILLIAM C. CRAMER,
Member of Congress, First District of Florida.

AUGUST 18, 1961.

Hon. WILLIAM C. CRAMER,
Tampa, Fla.

DEAR MR. CRAMER: The contents of this letter may be already known to you, and if so I apologize for asking you to take the time to read it.

Our corporation has made a number of investments in Florida, has recently expanded those investments and we have in mind yet further industrial expansion if the atmosphere is friendly and conducive to normal profits which we must have for our shareholders before we spend our money.

Some 2 years ago we purchased the R. H. Wright & Son Co. assets in Fort Lauderdale and organized a company to continue and expand that business called R. H. Wright, Inc. Although Florida's economic climate has been very bad for the last 8 or 10 months and as a result we have taken very material losses, we are continuing to push that company and feel sure that it will be successful. Without the financial resources Houdaille was able to supply, and has supplied, this company might not have survived. We have faith in Florida's future and have backed our faith with our money to take over those assets.

Very recently, a month ago, we bought the assets of the Duval Engineering & Contracting Co. in Jacksonville and have established a new company, the Duval-Wright Engineering Co., a division of our Fort Lauderdale corporation, to manage and operate that company. We are convinced that under the new ownership Duval-Wright can render a very real public service in the area of its operations and earn and deserve public recognition of that service. One of my sound and experienced associates is there helping to get that program underway.

Of course, with all of the Florida operations (some eight to date) I have kept in touch with the newspapers and have been interested in the constructive program that you have been driving on in that State. I surmise that has been completed by now and I suspect the results have been good enough so that you feel very satisfied as a result of your efforts.

We hope to have the understanding and cooperation of persons like yourself who are exerting their influence for the long-range welfare of Florida. Our investments there to date are a sufficient indication of our own interest.

I hope it will be my opportunity either in Washington or in Florida to see you but in the meantime I wanted you to know our corporate name as well as my own and to know what we have done and are planning to do.

Very sincerely yours,

RALPH F. PEO.

Some time ago, following our two series of hearings involving Duval and other contractors in Florida who have been engaged in "payola" and other improper practices, I requested the Federal Bureau of Public Roads to advise me of what administrative action the Bureau had taken in view of our hearings. On August 11, 1961, the Federal Highway Administration, Mr. Rex Whitton, sent me a letter which, in material part, is as follows:

FLORIDA

The unauthorized cash payments to Florida Road Department engineers by highway contractors and the actions which have been taken by the State as to the contractors and the employees have been reviewed by Public Roads. As the unauthorized payments were disclosed, the State road board suspended the employees and advised them of their right of appeal under the Florida merit system regulations. The State road board suspended the certificate of qualification of each of the contractors involved in the payments. This was tantamount to a debarment action. Subsequently, some of the suspended employees were returned to duty, by the State road board, generally with a reduction in rank and salary. Those who were returned to duty were placed in a probationary status for 1 year and were assigned under the close supervision of experienced and dependable supervisors. The State subsequently agreed at the request of this Bureau that none of such employees will be assigned to Federal-aid work.

We have been informed that the contractors, whose certificates of qualification were suspended, petitioned the State road board for reinstatement, and that, after a review of each case, action determined to be appropriate was taken by the State road board.

Pending completion of tests and examination of the projects involved, sufficient moneys have been withheld to assure there will be no loss of Federal funds. Also, Public Roads concurrence in awards of contracts to these contractors was withheld for varying periods.

The attorney general of Florida did advise it was his view that the acceptance of cash payments by a State road department engineer from a highway contractor, whose performance under a construction contract with the State road department is under the supervision of the engineer, would be construed by a court of competent jurisdiction as being sufficient to come within the prohibition of Florida Statutes 838.06 and 836.07.

In April 1961, a Hillsborough County grand jury received testimony from about 30 witnesses relative to highway contractors making cash payments to State engineers. Indictments were filed charging five former State road department engineers with receiving cash from a contractor, in violation

of the statute (838.06). No indictments charging the contractors were returned by the grand jury. In an interim report, the grand jury stated in part:

"We find that there has existed a practice of road contractors giving gifts, money, and other things of value to State road department personnel who were charged with the duties of supervising the construction of Public Roads' projects.

"We strongly condemn this practice and regret that this reprehensible conduct is not prohibited by existing State law, therefore we recommend as follows:

"That the legislature enact a law making it unlawful for any person to give or pay to any public officer, agent, servant or employee any reward, compensation or other remuneration other than those provided by law."

Your question regarding action taken by the Senate and Public Roads to bar contractors who make such payments to State employees from the award of future Federal-aid contracts in Florida or any other State, has been answered, in part, above. Pending completion of investigations by the State and by Public Roads, the State was advised that Public Roads would not concur in awards to the contractors involved. Subsequent to completion of tests and the reinstatement of the contractors by the State, we advised the State that Public Roads would concur in awards to these contractors. At the present time the contractors are engaged in work on Federal-aid projects and will be permitted to bid on future projects under procedures and requirements designed to protect fully the Federal interests.

The Department of Justice is currently considering the allegations concerning the contractors and State engineers in the Tampa area.

In our letter dated April 25, 1961, to you, we identified 15 Federal-aid projects for which Duval Engineering & Construction Co. had furnished asphaltic or other bituminous materials. Final payments had not been made on 11 of these contracts. On May 9, 1961, the chairman, State road board, was notified that pending completion of investigation by the State road department and full review of the findings by Public Roads no further payments would be made on the 11 projects. Subsequently, it was ascertained that Duval Engineering & Construction Co. held subcontracts on 3 additional Federal-aid projects, but had supplied material on only one of them (I–10–5(9) 344). By letter dated June 20, 1961, the chairman, State road board, was advised that Federal funds would be withheld on the one project, and if the Duval Co. performed work on the other two projects (I–10–5(12)336 and I–10–5(10)341), Federal funds would be withheld from these projects.

Investigators assigned to the State road board interviewed witnesses and inquired into the allegations concerning Duval Engineering & Construction Co. The report of this investigation has been furnished to us. Records of the Duval Co. and other data obtained during this investigation were furnished to the technical staff of the State road department for analysis and determination of quantities and quality of materials furnished to Federal-aid projects. Tests and measurements of the projects will be made to the extent determined to be necessary to assure that each project was is substantial compliance with the plans and specifications of the contracts. The review and evaluation of the information developed is in process, but has not been completed.

IV. RECOMMENDATIONS

The highway program has long been a political football in the one-party State of Florida where the Democratic primary for Governor is tantamount to election. Every 4 years, this primary resembles a public auction as the various candidates seek to outbid each other with extravagant promises of highway millenniums and a grab bag of other public works goodies—paid for by the taxpayers, of course. The big road contractors, suppliers, and other assorted "interests" join in the fray with hosannas for their favorities and generous political contributions—strategically placed on all, as a hedge. And when the victor has been safely installed in the Governor's mansion, one of his first chores is to settle a stack of political I O U's which the "interests" soon present for payment. Some of these tabs are called in by choice appointments to the Florida State Roads Board, which controls and dominates the politically responsive State road department.

The new administration, including the political roads board, then proceeds to redeem the Governor's campaign promises by a record of furious highway construction, the most visual proof of "progress." The immediate victim is the public as the planning, if any, of the last administration is repudiated and highly technical, engineering decisions are made, not by competent, professional personnel in the road department, but by incompetent politicians. This road to "progress" is paved with a long succession of "goofs" and blunders which have cost the taxpayers dearly. A few examples taken from the record will demonstrate the point:

First. Although, under an amendment to section 108 of the Highway Act of 1956, which I sponsored, right-of-way can be acquired 7 years in advance of construction, the past administrations have ignored this opportunity for sane, long-range planning which would permit adequate time between acquisition and construction and therefore time for the State to realize the fair market value of the valuable assets belonging to the public. Instead, "crash" construction programs have been instituted with the result that the State regards these assets as "nuisances" and even pays the prime contractor to take them. These valuable improvements are then, as our hearings demonstrate, reaped as windfall profits by speculators or used by the prime contractors as payola to grease the palms of such public officials as city commissioners and Dolphi, a State supervisory engineer. It is estimated that this "progress" has cost the taxpayers hundreds of thousands of dollars, maybe millions.

Second. From May 17, 1957, to October 23, 1958, the Collins administration paid fees totaling $6,456,101 to engineering consultant firms for designing work estimated to cost $192,869,260 which would be for some projects 6 years in advance of available construction funds. In the opinion of the Bureau of Public Roads, the Florida highway staff was then adequate to do most of this work. Nonetheless, this $6.4 million was hurriedly spent and ultimately a good portion was wasted when the present administration, under Governor Bryant, largely modified the planning of his predecessor by shifting emphasis of the program from the Collins approach of giving urban links priority and by changing plans and locations.

Third. The Florida State Roads Department is the beneficiary of built-in "snafus" which practically guarantee confusion and negate sound, long-range planning. The functional "dis" organizational chart of this department, which includes the properties management division, is right out of a Rube Goldberg cartoon.

The agency of properties management was set up specifically to conserve and dispose of the State's assets on the rights-of-way with the conspicuous lack of success which made our hearings necessary. This is small wonder; it can only be described as a "hydra-headed thing," neither of which knows what the other is doing. Instead of the right-of-way function properly being subordinate to engineering, under a single authority, there are three separate divisions of the right-of-way department. The cost of this lack of coordination in acquiring and disposing of assets is reckoned in millions of dollars. This has been somewhat reorganized since our hearings.

Time and space do not permit a complete catalog of what is wrong in Florida. However, the record is clear that a number of reforms are long overdue. Some of the remedies lie in the legislative field, both Federal and State; others require nothing more than a return to honesty and public morality. I, therefore, have introduced H.R. 9353 and on the State level advocate:

First. Politics in the Florida State Road Department must be removed and continuity of both policy and personnel observed. To this end, no more than two of the five members of the Florida State Road Board should be subject to appointment by, and during, any administration and a professional highway administrator free from political pressures and changes of Governors every 4 years should be authorized and employed. The professional staff of the Florida State Road Department, now overworked and underpaid, should be purged of all deadwood and almstakers, set up on realistic pay scales and job designations, then insulated from politics by a merit system with an adequate and realistic pay scale.

Second. The Rube Goldberg Florida State Road Department has been partially reorganized so that all functions, including that of properties management, are coordinated and responsible to a single authority. Other reorganizations at State and district levels are needed.

Recognizing that there is a limit to the funds allocable to acquiring rights-of-way, I urge the Florida Legislature to take the next logical step and create a right-of-way protection fund patterned after the one used successfully by California. State funds, such as retirement or veterans' reserves which otherwise lie fallow or draw nominal interest, can thus be effectively used to acquire advance right-of-way in emergencies such as threatened subdivision. This fund is a revolving fund and moneys

spent to acquire right-of-way are later replaced when regular highway funds, including the Federal-aid share, are apportioned.

In the case of California, the State fund, created by the legislature with $30 million in nonhighway moneys, has permitted the State to acquire right-of-way 5 to 10 years in advance of construction in order to head off costly subdivision and improvements being added to the eventual cost of taking. This has also allowed its property management division to dispose of assets at their fair market values by sale, lease, auction, rehabilitation, and so forth. Since the passage of the 1956 act, the Federal Government has reimbursed California $193,877,830 for right-of-way, and the State, due to its prudent disposal of assets, has given the Federal Government a credit of $11 million, a 6 percent return in excess of gross profits above expenses. And California still has the $30 million fund intact.

Third. The extraordinarily high cost of acquiring right-of-way in Florida is due, in part, to the pernicious practice of permitting the State negotiator to offer the property owner as much as 5 percent above the fair market value determined by the State and the law which allows the court to tax attorneys' fees to the State in condemnation cases. Both are open invitations to litigation and unfair to all the taxpayers which comprise the entire State; both should be abandoned.

Fourth. As I have noted above, it is a violation under the statute already on the books for State employees to take unauthorized compensation and a few have been indicted. The law should be amended to include the giver as well and the receiver and vigorously prosecute against both.

There is a lesson in this record which had better be understood and remembered by those of us who cherish States rights and individual liberty: Government control and individual freedom are inherent enemies. The history of freedom is the history of man's resistance to the bounties and excesses of his own government. And that government must be feared most of all when its purposes are beneficent as Federal aid to highways or what have you.

The specious doctrine of Federal aid as the only answer to many problems is the greatest myth ever bought and paid for by a credulous Nation. We forget that the Federal Government's only source of income is the taxes it extracts from the earnings of the citizen. We forget that it cannot give the citizens anything it has not first taken from them, less the cost of maintaining the bureaucratic planners which comprise it. And with the passage of each new law and the extraction of each new dollar in revenue comes a corresponding diminution in human liberty, for example, the taxpayer's right to spend his own earnings as he pleases.

We must never forget that the power to tax is the power to destroy freedom and once freedom is extracted from the people, it, unlike some of the funds, is almost never returned. These dynamics are well understood by the paternalistic planners of the "left-liberal establishment" who, in the words of a very wise former Republican President, "have learned to light the magic fires of Federal credit." He remembers, while they forget, that the same flames that warm can also consume the liberties of man.

Whether highways, education, this or that, there can be no Federal aid without Federal control. This can be set down as immutable law. You can believe the Supreme Court when it recently reaffirmed that it goes without saying that the Federal Government can regulate what it subsidizes; and I, as a Member of Congress, when I say that I could not in good conscience vote to spend Federal tax moneys without assurances they will be spent wisely, honestly, and well. Thus I have introduced H.R. 9353 to assure honesty and dollar value in our highway program. Text of bill follows these words.

Let us therefore strip the sackcloth and ashes from the loins of those who propose pious disclaimers in the law that no Federal controls are sought or intended. Let the citizen honestly acknowledge the harsh truth that he cannot have one without the other. When any new grant-in-aid program is proposed, the voter must decide, not whether it includes controls, for it does, but whether the loss of freedom is too dear a price to pay for the benefits. And, where, as here, standards are present, State responsibility must be met to prevent total destruction of States rights not yet surrendered or the sure upshot will be taking over more of those rights and powers—and some Members of Congress during all these hearings have been hinting at federalizing inspections, controls, and administration by duplicating State actions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal-Aid Highway Reform Act of 1961".

SEC. 101. Section 611 of chapter 29 of title 18 of the United States Code is amended to read as follows:

"§ 611. Contributions by firms or individuals contracting with the United States and with the States on Federal-aid highway projects.

"(A) Whoever, entering into any contract with the United States or any department or agency thereof, either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof, or selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly makes any contribution of money or any other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(B) Whoever, entering into any contract with any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, except for a lawful contract of employment as an employee thereof, either for the rendition of personal or other services or furnishing any material, supplies, or equipment to any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, if payment for the performance of such contract or payment for such material, supplies, or equipment is to be made in whole or in part from funds appropriated by the Congress for carrying out the provisions of title 23 of the United States Code attributable to Federal-aid highways, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, or equipment, directly or indirectly, knowingly makes any contribution of money or any other thing of value, or promises expressingly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any poltical purpose or use; or

"Whoever knowingly solicits any such contribution from any such person or firm, for any such purpose during any such period—

"shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 102. The analysis reference to section 611 at the beginning of chapter 29 of title 18 of the United States Code is amended as follows:

"611. Contributions by firms or individuals contracting with the United States and with the States on Federal-aid highway projects."

TITLE II

SEC. 201. Following chapter 41 of title 18, United States Code, a new chapter will be added as follows:

"Chapter 42—Federal-aid highways

"Sec.

"891. Kickbacks and other unauthorized compensation.

"892. Conflicts of interest.

"§ 891. Kickbacks and other unauthorized compensation.

"Whoever, during the period of negotiation, awarding, or performance of any contract with any State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, except for a lawful contract of employment as an employee thereof, either for the rendition of any personal or other service, or for the sale, furnishing, or rental of any material, supplies, or equipment, or for the selling, taking, or otherwise acquiring of any land or building, if such contract is in connection with any Federal-aid project within the provisions of title 23, United States Code, pays or delivers or offers or agrees to pay or deliver, directly or indirectly, any unauthorized money or anything of value to any officer or employee of such State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, charged with and under a duty of negotiating, awarding, or supervising or passing upon the performance of such contract, or appraising or otherwise determining the value of such land or building; or

"Any such officer or employee who solicits or receives or accepts, or agrees to receive or accept, directly or indirectly, such money or anything of value—

shall be guilty of a misdemeanor and be subjected to a fine of not more than $10,000 or to imprisonment for not more than one year, or both.

"§ 892. Conflicts of interest.

"No officer or employee of a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, who is

authorized in his official capacity to negotiate, make, accept, or approve, or to take any part in negotiating, making, accepting, or approving any contract or subcontract in connection with a Federal-aid project within the provisions of title 23, United States Code, shall have, directly or indirectly, any financial or other personal interest in any such contract.

"No engineer, attorney, appraiser, negotiator, inspector, or other person performing services for a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, in connection with a Federal-aid project within the provisions of title 23, United States Code, shall have, directly or indirectly, a financial or other personal interest, other than his employment or retention by a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, in any such contract or subcontract in connection with such project.

"No officer or employee or other person retained by a State (or department, agency, commission, board, or political subdivision thereof), municipality, or other local governmental body, shall have, directly or indirectly, any financial or other interest in any real property acquired for a Federal-aid project within the provisions of title 23, United States Code, unless such interest is openly disclosed upon the public records of the State highway department and of such other governmental instrumentality, and such officer, employee, or person has not participated in such acquisition for and in behalf of the State.

"Whoever willfully violates the provisions of this section shall be subject to a fine of not more than $10,000 and to imprisonment for not more than one year, or both."

TITLE III

SEC. 301. Section 1020 of chapter 47 of title 18 United States Code is amended to read as follows:

"§ 1020. False statements in connection with highway projects.

"Whoever, being an officer, agent, or employee of the United States, or of any State or territory or political subdivision thereof, or whoever, whether a person, association, firm, or corporation, knowingly makes or causes to be made any false statement, false representation, or false report as to the character, quality, quantity, value, or cost of the material or equipment used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction of any highway or related project submitted for approval to the Secretary of Commerce; or

"Whoever knowingly makes or causes to be made any false statement, false representation, false report, or false claim with respect to the character, quality, quantity, value, or cost of any work performed or to be performed, or materials or equipment furnished or to be furnished, or any property acquired, disposed of, or administered or to be acquired, disposed of, or administered, in connection with the construction of any highway or related project approved by the Secretary of Commerce; or

"Whoever knowingly makes or causes to be made any false statement or false representation as to a material fact in any statement, certificate, or report submitted pursuant to the provisions of title 23, United States Code—

"shall be fined not more than $10,000 or imprisoned not more than five years, or both."

SEC. 302. The analysis reference to section 1020 at the beginning of section 47 of title 18 of the United States Code is amended as follows:

"§ 1020. False statements in connection with highway projects."

CONGRATULATIONS TO MAJORITY LEADER JOHN W. McCORMACK ON HIS HAPPY ANNIVERSARY

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we congratulate you upon the anniversary of that proud and eventful day in your life when you were first elected as majority leader by your Democratic colleagues of the House. On September 26, 1940, you were chosen for this responsible position as our Nation edged closer and closer toward its inevitable involvement in World War II. You came to this task well prepared by many years of training and experience as a Member.

Although I was a State senator in Massachusetts at the time, it seemed to me that President Roosevelt, seeing the shape of things to come, let it be known that he wanted the legislative skill and vigilance and courage of JOHN McCORMACK for the key position of majority leader. To strengthen our Nation for the crucial test of its principles, its will, and its resources that began less than 15 months later.

Seldom in the history of this House has the floor leader of the majority party been called upon to assume such burdens and with such general confidence in his ability to succeed. Those who placed this trust in him knew that JOHN McCORMACK was never a man to drift with the tide, or to postpone difficult decisions.

With faith in what he believes, and with wholehearted determination to give his best for his country, JOHN McCORMACK pleaded, persuaded, cajoled and led the House to go forward in building the legislative program that has lifted the United States from the end of the depression to its present position of prosperity and power. When others held back in doubt or fear before the challenge, it was JOHN McCORMACK who battled for the ideas and the implementing legislation that would never let the Members forget their obligations as pioneers of our free society.

Our country has been fortunate during the past two decades during which it became the leader of the free world and the hope of mankind that the legislative responsibilities of this House were in the hands of Speaker SAM RAYBURN and Majority Leader McCORMACK.

Thanks to their experience, wisdom, vision, and drive, the U.S. House of Representatives has compiled a record of accomplishment for progress that is one of the most constructive in our Nation's history.

JOHN McCORMACK's career is devoted entirely to his duties as a leader of this House in which he has such pride and faith.

On the 21st anniversary of the day when he first became majority leader, we pause to praise his distinguished service to the United States and all of its people, and to anticipate the higher recognition and honor that a grateful Nation will confer upon him in the future.

GENERAL LEAVE TO EXTEND

Mr. LANE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and ask unanimous consent that all Members may have the same privilege.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am very proud today to extend my heartiest congratulations to my distinguished and beloved friend, the gentleman from Massachusetts, Speaker pro tempore and majority leader, JOHN W. McCORMACK, upon the occasion of the 21st anniversary of his leadership in our great House of Representatives. Nothing that I might say could possibly present an adequate portrayal of the contributions of this great American who is a truly eminent statesman of wide renown.

His devoted, effective service of many years is so well known to Members of this House, to the people of his great district, the Nation, and indeed the world, that I feel a sense of real humility that anything I might say concerning the historical, monumental work of this great American would be like carrying coals to Newcastle.

The career of JOHN W. McCORMACK is in truth a great saga of the most progressive, as well as the most troublous and restive of the unprecedented and fabulous era in which we live. JOHN McCORMACK is made of precious stuff. He is endowed with great gifts and priceless talents and by virtue of outstanding ability, lofty character, industry, resourcefulness, and hard, unceasing work, he has risen to the topmost rank in the greatest legislative body in the world and in the public affairs of the Nation.

He has been a great and inspiring leader, responsible for steering through the Congress in war and peace some of the most epochmaking legislation in the long, glorious history of the Nation, the trusted confidant and adviser of Presidents, loyal friend and counselor and invaluable helpmate of our great, illustrious Speaker, the gentleman from Texas, SAM RAYBURN. Unswerving in purpose, vigorous of action, undaunted of spirit, humane of impulse, broad, tolerant, and generous in nature, JOHN McCORMACK has carved for himself an enviable niche in American parliamentary history, and has won the admiration, devotion, and affection of his colleagues and a secure place in the hearts of his fellow Americans.

He has served the House and his country with superb and tireless devotion. He has given of himself, his energies, and his great talents with a willingness, enthusiasm, and unselfish spirit that indelibly mark him as the great patriot that he is.

I am highly privileged indeed to pay him my humble but heartfelt tribute for his many years of service, his outstanding and brilliant leadership, his memorable achievements, and for the humane qualities, persevering loyalty and warm, vibrant friendships that have endeared him to all those who have ever served with him and all those who know him.

There may be many reasons, to be sure, for the memorable achievements and accomplishments of this great American statesman and leader. They are too numerous to mention here. But I would be most remiss if I did not allude to his gracious, charming helpmate, his devoted and beloved wife, Harriet McCormack, who has been not only his constant companion but his most trusted confidant and most valuable adviser.

That there are other and greater honors and public responsibilities in store for JOHN MCCORMACK is obvious, and I wish him and his dear wife, Harriet, many more years of affectionate comradeship, every measure of success and happiness in the future, and an abundance of all those graces which come from the Divine Maker. May they have many very happy returns of this noteworthy day.

Mr. HERLONG. Mr. Speaker, I want to associate myself with my colleagues in congratulating JOHN MCCORMACK on his coming of age as majority leader. Whether or not I can match the eloquence of the tributes which have been tendered to him, I yield to no one in my admiration of him as a statesman and as a man.

During the 13 years that I have been privileged to serve in this House, JOHN MCCORMACK's ability as a leader has commanded my respect, while his uniform kindness and fairness have commanded my personal regard for him.

To his party, to the House of Representatives, and to the Nation, JOHN MCCORMACK has rendered service far and above the call of duty.

I am happy to have this opportunity to express my appreciation for his leadership in the past, and my continued confidence in his leadership in the future in whatever capacity where he may be called upon to serve.

Mr. KEOGH. Mr. Speaker, it is with a feeling of deep personal pleasure that I associate myself with the remarks of the gentleman from Oklahoma and my other colleagues in tribute to our beloved Acting Speaker, JOHN MCCORMACK.

In my opinion JOHN MCCORMACK is the personification of the ideal Member of Congress and leader of his party in this body. He possesses to a most unusually high degree all the qualifications required for his position—and these qualities have long been recognized, in particular, by Members on both sides of the aisle and by officials in the executive branch as well as by the press and the general public. His patriotism of the highest order; his unassailable integrity; his complete devotion to his tasks; and his incomparable gentleness; these have each been noted and have been the subject of the unusual accolades of his fellow Members. To my mind they can all be summed up in one word—a word that sometimes is used simply as a title, losing its real significance, but that eminently fits and describes JOHN MCCORMACK—"honorable."

He is honorable in every sense of the word. He, by his life, personifies the virtue, and we, by our tributes, accord him the honor that the virtue demands.

Twenty-one years ago it was my privilege to cast my vote for JOHN MCCORMACK as the majority leader in this body, and ever since I have had innumerable occasions to be glad on that account. I venture to say that the recognition accorded to him here today is but a slight semblance of that which will be given to him by history for generations to come when tranquillity is restored to the world and the happenings of the past 21 years can be viewed in calm perspective.

The words of Alexander Pope are peculiarly descriptive of our beloved and respected colleague:

Statesman—
Yet friend of truth; of soul sincere,
In action faithful, and in honor clear,
Who broke no promise,
Serv'd no private end,
Who gain'd no title,
And who lost no friend.

Mr. Speaker, may I join with my colleagues in wishing for JOHN MCCORMACK everything that is good and in hoping that we shall have the good fortune of having him with us for many more years to come.

ADDITIONAL TAX EXEMPTION FOR POLIO VICTIMS

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, we recently introduced what we thought was a very worthy bill, H.R. 9160, to provide an additional income tax exemption for a taxpayer or spouse who is a victim of chronic respiratory polio.

A constituent of ours living in Johnson County, Mo., who may prefer to remain anonymous, called the need for this legislation to our attention.

These victims are occupants of iron lungs or their equivalents. Before 1950 few of them survived. Since then, antibiotics and improvements in respiratory equipment have saved most of them and promised longevity.

However, this group needs special consideration, similar to the aid to the blind. They are young, energetic, and healthy but are unable to move. Generally, they must be fed, bathed, dressed, wheeled, or carried. Therefore, they require attendant care.

Their continuing survival involves financial needs. Most of them are young adults; too old for aid to dependent children; too young to have worked long enough to benefit from social security for the disabled; too young to have been drafted and eligible for veteran benefits; not indigent enough to qualify for aid to permanently and totally disabled. Many are young mothers with two or three children. The children try to help with the cooking and chores and do what they can to care for them, but the children must attend school and they are too young to assume full responsibility. Not many young husbands can afford to hire full-time help, and oftentimes they try to hold two jobs as well as act as attendants in the home. This leaves the victims in constant fear of being trapped by fire or electrical failure and in ever-present dread of choking.

Suggestions have been made that the solution is to separate the family, but a paralyzed mother can still function as a mother, wife, and homemaker—if she has a housekeeper-attendant.

Our correspondent from the Fourth Missouri District is one of these victims being about 35 years of age with two minor children, a son and daughter. She is completely paralyzed except for the use of her right hand. She considers herself fortunate because she can breathe on her own part of the day. Her husband has one full-time job, one part-time job, and does extra work at various odd jobs. He cares for her at night, being up two or three times each night, which while a labor of love, can subtract from his energy to earn the livelihood.

This last summer, our constituent's children did the housework with a neighbor coming in to care for her. With school starting, she can afford only half-day work but that leaves her alone the other half of the day.

The subject of our bill inquired of us as to why the chronic respiratory polios could not enjoy the same extra income tax deduction as provided the blind who can hold jobs and care for themselves.

We feel she presented a good question, and we have been glad to introduce this legislation in the hope that the additional tax benefit will be of help to these cases and will assist them to afford full-time care for themselves and at least the necessities for their families. We hope the Ways and Means Committee will consider this legislation next session and that it will be reported favorably and subsequently receive the support of the membership of the House.

CORPORATE OFFICERS: A NEW PRIVILEGED GROUP UNDER THE ANTITRUST LAWS ACCORDING TO TWO RECENT FEDERAL COURT DECISIONS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, two Federal courts have in recent days struck upon a novel, and manifestly unjustifiable interpretation of Federal antitrust law. The result is to make corporate officers a privileged group, who can wantonly violate the Sherman Act and yet avoid paying the full penalty that Congress has prescribed. Let me illustrate the point: If two individual

businessmen conspire to fix prices or rig bids or divide territories and are found to violate the Sherman Act, they are subject to a maximum fine of $50,000 in addition to not more than a year's imprisonment. The same is also true of a partner who conspires on behalf of his business with a partner or representative of some other business.

But according to these recent cases, United States against National Dairies, decided in Kansas City, and United States against A. P. Woodson Co., in a ruling made on September 21, 1961, by the Federal district court sitting here in the District of Columbia, corporate officers who engage in such patently unlawful kinds of behavior are not subject to the same treatment. They are given the advantage of a strange interpretation of the law which has the effect of subjecting them to a maximum fine of only $5,000. The result is that where the individual businessman or the partner violate the Sherman Act, they can be assessed a properly heavy fine of up to 10 times as much as can be levied upon a corporate officials who engages in precisely the same sort of behavior on behalf of his firm.

How did this anomalous situation come about?

What is involved, according to these two court decisions, is an alleged conflict between section 1 of the Sherman Act and section 14 of the Clayton Act. Section 1, it will be recalled, declares illegal all restraints of trade, and makes "every person" who makes any contract or engages in any conduct that constitutes a restraint of trade guilty of a misdemeanor. And Congress, in 1955, made any such criminal subject to a maximum fine of $50,000. We deemed it necessary to increase the fine to that amount in order to deter violation and to make the wrongdoer account, in what is usually just a small way, for his flagrant disregard of our laws.

Section 14, part of the Clayton Act adopted in 1914, represented an effort on the part of the Congress to clarify the antitrust law as respects corporate officers who authorize unlawful conduct, but who do not actually engage in the forbidden behavior itself. Specifically this section provides that "whenever a corporation shall violate any of the penal provisions of the antitrust laws, such violation shall be deemed to be also that of the individual directors, officers, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting in whole or in part, such violation, and such violation shall be deemed a misdemeanor"—subject to a maximum fine of $5,000.

It is evident that in adopting section 14 Congress sought simply to extend the reach of the antitrust laws to reach those corporate officers who authorize improper conduct, but who do not personally participate. Certainly it was not designed to change the clear applicability of section 1 of the Sherman Act to those persons, human or otherwise, who, regardless of their status, conspire to restrain trade.

Yet in these two ill-considered rulings the courts have seriously misread the law and in the process have conferred a special status exclusively on corporate officers. No one other than such officers may flagrantly abuse the Sherman Act without running the risk of being compelled to pay a substantial fine of $50,000. But corporate officers are accorded a unique status; they are allowed to disregard one of our most important pieces of legislation—at a maximum price of only one-tenth that which can be imposed on other persons who engage in exactly the same kind of illegal conduct.

The interpretation of the law reflected in these cases must be promptly corrected. It is my understanding that the Department of Justice is considering taking the National Dairies case on appeal to the Supreme Court this fall. I certainly urge that this be done for these rulings are plainly wrong. They are unjust and inequitable. If allowed to stand they will complicate further the whole problem of antitrust enforcement.

WHO MADE THE WORLD WAR II DECISION NOT TO DRIVE FOR BERLIN?—A LOOK AT THE HISTORICAL RECORD

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, so much has been said here in recent days with respect to the decision of the Western Powers in World War II not to try to beat the Russians to Berlin, that I believe Members may find it helpful to read for themselves the actual Department of the Army history of these events.

It will be recalled that the gentleman from Wisconsin [Mr. LAIRD] on September 7, in his remarks which appear on page 18590 of the RECORD, took issue with a statement appearing in State Department Publication 7257, dated August 1961, entitled "Background, Berlin—1961." The passage referred to by the gentleman from Wisconsin was as follows:

> The Western armies could have captured Berlin or at least joined in capturing it. But the Supreme Allied Commander, General Eisenhower, believed that they could be more usefully employed against the major German forces elsewhere. As a result, the Soviets captured Berlin.

The gentleman from Wisconsin termed this passage a "deliberate misrepresentation of the background on the Berlin situation" and a complete fabrication of the facts." He went on to say:

> Mr. Speaker, the records issued in the State Department and in the Department of Defense completely disprove this statement. The decision on not sending American forces into Berlin was made at the highest level and not by the commander in the field.

Subsequently, on September 18, the gentleman from Wisconsin [Mr. LAIRD] again discussed this matter under a special order in remarks which begin on page 20118 of the CONGRESSIONAL RECORD, and in the course of these he included a letter from General Eisenhower himself, dated September 12, 1961.

Mr. Speaker, intrigued with this discussion, I have had occasion in the past few days to undertake to find the relevant documents or historical material relating to the decision referred to in the State Department publication and in the remarks of the gentleman from Wisconsin.

I believe my colleagues who have the time may find it of interest to read the official historical record on the important decision to which the gentleman from Wisconsin has twice drawn the attention of the House.

Under leave to extend my remarks I include excerpts from "The Supreme Command" by Forrest C. Pogue, one of a series of volumes in the official Army history of its operations in the European theater during World War II published under the general title "U.S. Army in World War II, European Theater of Operations."

I include also excerpts from an article from the April 1952 issue of World Politics by the same Army historian, Forrest C. Pogue, entitled, "Why Eisenhower's Forces Stopped at the Elbe."

> CHAPTER XXIII. THE DRIVE TO THE ELBE
>
> The battle for the Ruhr, however great the number of men involved, was but an episode in the campaigns of April which saw most of western and central Germany overrun and occupied by Allied forces. In less time than it took to bring resistance to an end in the pocket, elements of one army reached the Elbe, and others were within a few days of a junction with the Russians and entry into Czechoslovakia and Austria. As victory appeared only a few weeks away, the tactical considerations of the battle for Germany began to recede and political factors to take their place. But, ironically, the very period in which political guidance was perhaps the most needed was the one in which only the field commander could exercise real control. The British Chiefs of Staff tried doggedly to inject a note of political realism into the situation, but found that remote control of a battlefield stretching from the North Sea to the Italian Alps was well-nigh impossible, especially when the U.S. President and the U.S. Chiefs of Staff preferred to leave the final stages of the battle in the hands of the Supreme Commander.
>
> SHALL IT BE BERLIN?
>
> In no respect was the difference in British and United States viewpoints more clearly shown than in the case of Berlin. The Supreme Commander in mid-September had looked on the German capital as his ultimate objective, but by late March he had decided to direct his main drive toward Leipzig instead to link up with the Russians. This decision displeased the British because it meant the abandonment of Berlin as the objective and minimized the 21st Army Group's share in the offensive. It was made more unpalatable when on March 28 General Eisenhower asked the Allied military missions in Moscow to inform Marshal Stalin of his change in plans. The British Chiefs of Staff felt that the Supreme Commander, in informing the Russians directly of his decision, had not only made a political mistake but had also exceeded his powers. They promptly proposed that the Allied missions in Moscow be told to hold up delivery of later amplifications of SHAEF plans. If the Russians had already received these plans, the British said, they should be asked to delay their answer until

the Combined Chiefs of Staff could discuss the matter.[1]

Sharply rejecting the British proposal as one that would discredit or at least lower the prestige of a highly successful commander in the field, the U.S. Chiefs of Staff said that any modification in the initial communication should be made, if at all, by the Supreme Commander, whose proposals they found to be in line with agreed-on strategy and with his initial directive. In what might be interpreted as a dig at the strategic views of the British Chiefs of Staff and Field Marshal Montgomery, they pointed to the battle in the Rhineland as a vindication of the Supreme Commander's military judgment. There, while the northern drive was making good, the secondary drive, which General Eisenhower had insisted on against British opposition, had achieved an outstanding success and had made it possible for the northern group of armies to accelerate its drive across the north German plain. The U.S. Chiefs were willing to ask the Supreme Commander for an amplification of his plan and for a delay of further messages to Moscow until he had heard from the Combined Chiefs of Staff, but they indicated that any change in their view that his ideas were sound was unlikely. Rather, they believed that the battle for Germany had reached the point "where the commander in the field is the best judge of the measures which offer the earliest prospects of destroying the German armies or their power to resist." [2]

The British were dismayed by the U.S. Chiefs' reaction. The Prime Minister assured both President Roosevelt and General Eisenhower that the British had no intention of disparaging or lowering the prestige of the Supreme Commander, and that their reaction had been prompted by their concern over plans and procedures which apparently left the fortunes of a million British troops to be settled without reference to British authority.[3] He added that he felt the U.S. Chiefs of Staff had done less than justice to British efforts in the war. The British had suffered severe losses in holding the hinge of the attacks at both Caen and Wesel, but because of the nature of their task they had not shown the spectacular gains made by the U.S. forces. He favored an advance to the Elbe at the highest speed, but hoped that the shift in direction would not destroy the weight and momentum of Montgomery's drive and leave the British forces in an almost static condition along the Elbe when and if they reached it.

Turning now from Eisenhower's plans as they affected the 21st Army group, the Prime Minister spoke of the political factors involved in a failure to drive to Berlin. He declared:

"Having dealt with and I trust disposed of these misunderstandings between the truest friends and comrades that ever fought side by side as allies, I venture to put to you a few considerations upon the merits of the changes in our original plans now desired by General Eisenhower. * * * I say quite frankly that Berlin remains of high strategic importance. Nothing will exert psychological effect of despair upon all German forces of resistance equal to that of the fall of Berlin. It will be the supreme signal of defeat to the German people. On the other hand, if left to itself to maintain a siege by the Russians among its ruins and as long as the German flag flies there, it will animate the resistance of all Germans under arms.

"There is moreover another aspect which it is proper for you and me to consider. The Russian armies will no doubt overrun all Austria and enter Vienna. If they also take Berlin, will not their impression that they have been the overwhelming contributor to our common victory be unduly imprinted in their minds, and may this not lead them into a mood which will raise grave and formidable difficulties in the future? I therefore consider that from a political standpoint we should march as far east into Germany as possible and that should Berlin be in our grasp we should certainly take it. This also appears sound on military grounds.[4]"

Both the President and the Supreme Commander denied any American intent to underestimate British contributions to the campaigns in northwest Europe. Mr. Roosevelt explained that the U.S. insistence on upholding the Supreme Commander was an enunciation of a well-known military principle rather than an anti-British reaction. The unfortunate impression that the U.S. Chiefs had reflected on the performances of the 21st Army Group arose, he thought, from the U.S. Chiefs' failure to stress factors such as military obstacles and the strength and quality of opposing forces which had contributed to the difficulties facing Field Marshal Montgomery's forces. The President said he could not see that the Supreme Commander's plans involved any far-reaching change from the plan approved at Malta. He expressed regret that the Prime Minister should have been worried by the phrasing of a formal paper, but regretted even more that "at the moment of a great victory we should become involved in such unfortunate reactions." [5]

General Eisenhower, "disturbed, if not hurt" at the suggestion that he had any thought of relegating the British forces to a restricted sphere, assured the Prime Minister that "nothing is further from my mind and I think my record over 2½ years of commanding Allied forces should eliminate any such idea." The current offensive had been selected as the one which would contribute most effectively to the disintegration of the remaining enemy forces and the German power to resist. Once the Allies reached the Elbe, he thought it probable that U.S. forces would be shifted to Field Marshal Montgomery, who would then be sent across the river in the north and to a line reaching at least to Lubeck on the Baltic coast. If German opposition crumbled progressively, there seemed to be little difference between gaining the central position and crossing the Elbe. If resistance stiffened, however, it was vital for the Allies not to be dispersed. Inasmuch as British and Canadian forces were to advance in exactly the same zones that had been planned by Field Marshal Montgomery, Eisenhower saw no reason why the role, actions, or prestige of those forces should be materially decreased by the shift of the 9th Army from Montgomery's to Bradley's command. The maximum extent to which the plans might be affected was in a possible short delay in making a powerful thrust across the Elbe. As for the drive to Berlin, the Supreme Commander made no promises. If it could be brought into the Allied orbit, he declared, honors would be equally shared between the British and U.S. forces.[6]

Although his suggested plan for Field Marshal Montgomery to retain the 9th Army and to march to the Elbe and then to Berlin had not been accepted, Mr. Churchill said that changes in the earlier strategy were fewer than he had initially believed. He assured the President that relations with General Eisenhower were still of the most friendly nature and concluded with what he described as one of his few Latin quotations: "Amantium irae amoris integratio est." The War Department promptly turned this happy token of restored good relations into English—"Lovers quarrels are a part of love"—and sent it to General Eisenhower.[7]

Mr. Churchill's words ended the discussion over the 21st Army Group's part contributions to Allied victory and its role in future campaigns, but did not dispose of the question of Berlin and the relations of the Western Allies with the U.S.S.R. Made suspicious by the alacrity with which Marshal Stalin agreed to General Eisenhower's decision to drive for Leipzig instead of Berlin, and by Russian agreement that Berlin was no longer of strategic importance, the British Chiefs of Staff urged that this phase of the Supreme Commander's program be reconsidered. Since they felt that it was primarily a matter more of political than of military importance, they asked that the Combined Chiefs of Staff remind the Supreme Commander of the desirability of taking Berlin. Apparently wishing to avoid any further communications to Moscow on the subject before the Combined Chiefs could pass on it, the British also asked that a proper procedure for communicating with the U.S.S.R. be laid down for SHAEF. They stressed that proper channels for dealing with the Russians were from heads of states to heads of states, and from high command to high command, and they indicated their belief that sufficient time existed for normal channels to be used.[8]

The U.S. Chiefs of Staff pointed to the 8 days which had been consumed in discussions over General Eisenhower's announcement of plans on March 28 as evidence that committee action could not effectively deal with operational matters at the speed they were then developing. "As the situation stands today," they declared, "the center is a pocket, the right is rapidly moving and the left is making progress. Overnight, this situation may change. Even now air forces are overlapping in their offensive against the enemy. Only Eisenhower is in a position to know how to fight his battle, and to exploit to the full the changing situation." Nor were they disturbed by General Eisenhower's failure to send his plans to Marshal Stalin through the Combined Chiefs of Staff. His message to the Red leader had gone to him as head of the Soviet armed forces and not as head of the state and, therefore, was not outside normal channels. While it was true that he could have dealt instead with the Red army chief of staff, experience had shown that any attempt to get decisions on a level lower than Stalin's met interminable

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[1] Eisenhower to Mil Mission Moscow, SCAF 252, March 28, 1944, SHAEF SGS 373.5 bomb line, liaison, and coordination of fronts, I: Memo by Br. COS (Plan of Campaign in Western Europe), CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D. Eisenhower to Prime Minister, FWD 18334, Mar. 30, 1945; Prime Minister to Eisenhower, 2072, Mar. 31, 1945. Both in Eisenhower personal file.

[2] Memo by JCS, CCS 805/2, Mar. 30, 1945, 384 Europe (Aug. 5, 1943), sec. 1–D.

[3] Churchill to Eisenhower, 2072, Mar. 31, 1945; Churchill to Eisenhower, 2096, Apr. 2, 1945. Both in Eisenhower personal file. Churchill to Roosevelt, 931, Apr. 1, 1945, enclosure to CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

[4] Churchill to Roosevelt, 931, Apr. 1, 1945, enclosure to CCS 805, Mar. 29, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

[5] Draft of message, President to Prime Minister (with notation "Dispatched as is per White House"), in reply to message of Apr. 1, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

[6] Eisenhower to Churchill, FWD 18428, Apr. 1, 1945, Eisenhower personal file.

[7] Churchill to Roosevelt, 933, Apr. 5, 1945; Marshall to Eisenhower, W–64244, Apr. 6, 1945, Eisenhower personal file.

[8] Memo by representatives of Br. COS, CCS 805/4, Apr. 4, 1945, and enclosure A, Mil. Mission Moscow to WD (Mcg, Stalin to Eisenhower), MX–23588, Apr. 1, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

and unacceptable delays. Instead of agreeing to bar direct dealings with the Russians, the U.S. Chiefs of Staff proposed that the Supreme Commander be authorized to communicate directly with the Soviet military authority on all matters requiring coordination of Russian and Allied operations.[9]

On the broader political question of getting to Berlin before the Russians, the U.S. Chiefs of Staff reacted as they had done formerly in regard to proposals of Balkan operations. Their view was that the business of the Armed Forces was to get the war ended as soon as possible and not to worry about the matter of prestige which would come from entering a particular capital. Militarily there was the strongest basis for such a view. At the time, when it appeared clear that the U.S. forces could not possibly outrace the Russians for the German capital, when it was already known that the Russian occupation would reach far west of the Elbe and that anything taken by the Allies east of that river would have to be evacuated,[10] when the Allies still faced a strong foe in the Pacific against whom it was then supposed that Russian help would be needed, there was little disposition on the part of the U.S. Chiefs of Staff to push to Berlin. The President, who at Yalta had made concessions in various parts of the world to the Russians apparently to insure their aid against Japan, would probably not have agreed with the U.S. Chiefs had they taken the opposite view. It is not clear whether the matter was ever presented to Mr. Roosevelt, who was then at Warm Springs, Ga., where he was to die in less than a week. The U.S. Chiefs of Staff in a statement of their views which may have reflected the President's thinking, said, "Such psychological and political advantages as would result from the possible capture of Berlin ahead of the Russians should not override the imperative military consideration, which in our opinion is the destruction and dismemberment of the German armed forces." [11]

General Eisenhower had discussed the military considerations involved in the drive to Berlin with General Bradley shortly after the Allies had crossed the Rhine. Impressed by the fact that nearly 200 miles separated the Allied bridgehead from the Elbe, and that 50 miles of lowlands, covered by streams, lakes, and canals, separated the Elbe from Berlin, the 12th Army Group commander had said that it might cost 100,000 casualties to break through from the Elbe to Berlin. Viewing Berlin as a political prize only, and not wishing to take a U.S. Army from his front in order to reinforce a drive by Field Marshal Montgomery to reach Berlin, he said that the estimated casualties were "a pretty stiff price to pay for a prestige objective, especially when we've got to fall back and let the other fellow take over." [12]

The Supreme Allied Commander informed the Combined Chiefs of Staff on April 7 of his reluctance to make Berlin a major objective now that it had lost much of its military importance. It was much more important, he felt, to divide the enemy west of the Elbe by making a central thrust to Leipzig, and to establish the Allied left flank on the Baltic coast near Luebeck to prevent Russian occupation of Schleswig-Holstein. His indication of willingness in the case of Luebeck to carry on an operation to forestall the Russians did not mean that he was weakening on his decision as to Berlin. He said that, if after the taking of Leipzig it appeared that he could push on to Berlin at low cost, he was willing to do so. "But," he added:

"I regard it as militarily unsound at this stage of the proceedings to make Berlin a major objective, particularly in view of the fact that it is only 35 miles from the Russian lines. I am the first to admit that a war is waged in pursuance of political aims, and if the Combined Chiefs of Staff should decide that the Allied effort to take Berlin outweighs purely military considerations in this theater, I would cheerfully readjust my plans and my thinking so as to carry out such an operation." [13]

Admiral Leahy has written that there is no evidence in his notes that the Combined Chiefs of Staff ever took up the question of the move on Berlin, and there seems to be little doubt that the decision was left by them to the Supreme Commander.[14] Despite the feeling of the British, the way had been left open to a purely military decision on Berlin. That decision was made clear by the Supreme Commander on April 8 when Field Marshal Montgomery requested 10 U.S. divisions for a main thrust toward Luebeck and Berlin. Betraying a note of impatience, General Eisenhower declared: "You must not lose sight of the fact that during the advance to Leipzig you have the role of protecting Bradley's northern flank. It is not his role to protect your southern flank. My directive is quite clear on this point. Naturally, if Bradley is delayed, and you feel strong enough to push out ahead of him in the advance to the Elbe, this will be to the good." Agreeing that the push to Luebeck and Kiel should be made after the Elbe had been reached, he asked how many U.S. divisions Montgomery would need for that operation omitting Danish operations and the push to Berlin. Of the taking of the German capital the Supreme Commander said: "As regards Berlin I am quite ready to admit that it has political and psychological significance but of far greater importance will be the location of the remaining German forces in relation to Berlin. It is on them that I am going to concentrate my attention. Naturally, if I get an opportunity to capture Berlin cheaply, I will take it." [15]

The Berlin question was raised once more before the Russians captured the city. On that occasion, a U.S. commander, General Simpson, having reached the Elbe, suggested that he be permitted to go to the German capital. The Supreme Commander instead ordered that he hold on the Elbe while turning his units northward in the direction of Luebeck and southward toward the national redoubt area. In informing the War Department of this action, General Eisenhower said that not only were those objectives vastly more important than Berlin but that no plan for an immediate effort against Berlin "would be foolish in view of the relative situation of the Russians and ourselves. * * * While it is true we have seized a small bridgehead over the Elbe, it must be remembered that only our spearheads are up to that river; our center of gravity is well back of there."

WHY EISENHOWER'S FORCES STOPPED AT THE ELBE [1]

(By Forrest G. Pogue)

On April 12, 1945, the day of President Roosevelt's death and 18 days before the Russians took Berlin, American forces crossed the Elbe near Magdeburg, some 50 miles from the German capital. A second bridgehead was established across the Elbe on the 13th. On the following day, a German counterattack forced U.S. units to withdraw from their northern brideghead while retaining the one in the south. These elements were ordered to hold in place, and other units arriving at the Elbe were turned toward

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[9] Memo by JCS, CCS 805/5, Apr. 6, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D, General Eisenhower was informed of this memorandum and of the British note which prompted it in Marshall to Eisenhower, W–64349, Apr. 6, 1945, Eisenhower personal file. SHAEF G–3 Division said on April 11, 1945, that the cable constituted authority for the Supreme Commander to communicate directly with the Soviet high command. The secretary of the general staff thought that sufficient authority had already been granted in the Combined Chiefs of Staff cable of December authorizing the Supreme Commander to send representatives to Stalin (CCS to SHAEF, FACS 118, Dec. 26, 1944, OPD cbl files [TS]). To make certain that no objection would be made on political grounds, SHAEF section chiefs were instructed to send all cables in future to the Soviet high command and not directly to Marshal Stalin. Nevins to DAC G–3, Apr. 11, 1945; Nevins to DAC G–3, Apr. 12, 1945; DAC G–3 to sec. chiefs, Apr. 15, 1945. All in SHAEF G–3 321.3–1 correspondence and communication with the Russians.

[10] This did not apply to Berlin, which was to be held jointly by the Western Allies and the Russians. It is questionable that the knowledge of the zones constituted the main factor in SHAEF's thinking at the time. General Eisenhower wrote in 1948:

"I already knew of the Allied political agreements that divided Germany into post-hostilities occupational zones. * * *

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"The future division of Germany did not influence our military plans for the final conquest of the country. Military plans, I believe, should be devised with the single aim of speeding victory; by later adjustment troops of the several nations could be concentrated into their own national sectors." Crusade in Europe, p. 396. See also below, pp. 463–466.

[11] Memo by JCS, CCS 805/5, Apr. 6, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

[12] Bradley, "A Soldier's Story," pp. 535–536. In a significant statement, General Bradley says of this reaction: "Had Eisenhower even contemplated sending Montgomery ahead to Berlin, he would have had to reinforce that British flank with not less than one American Army. I could see no political advantage accruing from the capture of Berlin that would offset the need for quick destruction of the German Army on our front. As soldiers we looked naively on the British inclination to complicate the war with political foresight and nonmilitary objectives."

[13] Eisenhower to Marshall, FWD 18710, Apr. 7, 1945, Eisenhower personal file. Many of the points were stated in an earlier message, Eisenhower to Marshall, SHAEF 260, Mar. 31, 1945, ABC 384 Europe (Aug. 5, 1943), sec. 1–D.

[14] Leahy, "I Was There," p. 351. General Eisenhower in a letter to the author, Feb. 20, 1952, said, "So far as my memory serves, I believe it is correct that the Apr. 7 message was not answered by the Combined Chiefs of Staff."

[15] Montgomery to Eisenhower, M–568, Apr. 6, 1945; Eisenhower to Montgomery, Apr. 8, 1945. Both in Eisenhower personal file. Field Marshal Montgomery replied: "It is quite clear to me what you want. I will crack along the north flank 100 percent and will do all I can to draw the enemy forces away from the main effort being made by Bradley." Montgomery to Eisenhower, M–1070, Eisenhower personal file.

[1] This paper was delivered in substantially the same form before a session of the American Historical Association in New York on Dec. 28, 1951. It is based on two chapters in the Supreme Command, a study of the high-level command of Allied forces in northwest Europe, 1944–45, which is scheduled to appear in 1952 or early part 1953 as a part of the U.S. Army in World War II series now being published by the Department of the Army. The author has had access to minutes of the Combined Chiefs of Staff and Joint Chiefs of Staff Conference, War Department and SHAEF files, and personal papers of General Eisenhower.

objectives south and north along the west bank of the river. On May 5, a week before the Russians entered Prague, the 3d U.S. Army had advance spearheads inside the Czechoslovak frontiers and, on the day the war ended, General Patton was in a position to send aid to the Czechoslovak capital. Despite the pleas of Czechoslovak leaders in Prague and London, these units were not sent forward.

Many observers pondering these facts have concluded that only a political decision, perhaps one made some weeks before, could have halted General Eisenhower's forces at the Elbe. As a result, a theory has been developed to the effect that President Roosevelt promised Berlin and Prague to the Russians at Yalta and that General Eisenhower fulfilled a political bargain by stopping his armies at the Elbe. Preparing their coup in Czechoslovakia after the war, Communist propagandists changed this story and insisted that the 3d Army was deliberately held outside Prague in the hope that the Germans would destroy the leftwing leaders in the city.

In contradiction to this theory, the following statements may be made at the outset: (1) the printed minutes of the conference at Yalta reveal no trade on Berlin and Prague; (2) Admiral Leahy, through whom directions were usually sent from the President to General Marshall and commanders in the field, says that his notes fail to show that the matter ever came before the Combined Chiefs of Staff—a statement which the minutes of the Combined Chiefs of Staff appear to substantiate; (3) there is no evidence in the cable logs or correspondence files of the War Department or of SHAEF that any political directive was ever issued on these matters to General Eisenhower (indeed, as we shall see, there is definite evidence to the contrary); and (4) Generals Eisenhower and Bradley both indicate in their memoirs that the decision to stop at the Elbe was based on military and not political grounds.[2]

A careful examination of the military steps leading to the decisions that governed Eisenhower's action will strengthen the view that while the Supreme Commander was aware of the importance of political considerations in military activities, he halted his troops short of Berlin and Prague for military reasons only.

THE SITUATION IN THE SPRING OF 1945

It is important to remember that prior to the first of April 1945—the time at which General Eisenhower decided definitely to stop west of the Elbe—the zones of occupation in Germany and the occupation sectors in Berlin had been agreed upon by the political and military leaders of the United States, Great Britain, and the U.S.S.R. These zones had been laid down along lines suggested by the British in a draft of January 1944; Prague was not included in the agreement; nothing was said about Berlin being reserved to the Russians; and there was the assumption in some military circles that Russia could have received a larger zone had she demanded it.[3]

At the time of the Crimean Conference in early February 1945, when plans for the final defeat of Germany were being discussed, no military man in the West could have been blamed had he believed that Prague, Berlin, and even cities west of the Elbe might fall to the Red Army. The Allied forces, which were just recovering from the Ardennes counteroffensive, were not only still west of the Rhine in early February, but in the area north of the Ardennes still faced a stiff fight in the flooded Roer Valley. There were disquieting reports that the Germans were preparing a mountain redoubt in southern Germany and western Austria, from which they would harry the Allies and carry out a last-ditch fight for perhaps many months to come. This was a particularly unpleasant prospect for the United States, which wanted to end the war quickly in Germany in order to send men and supplies from the European Theater to General MacArthur in the Pacific. U.S. public opinion—far more interested in ending the war and returning to normal than in making political arrangements for the future, especially arrangements considered to be more to the interest of Great Britain and France than to us—would scarcely have backed any action which required new commitments in Europe, particularly east of the Elbe. Furthermore, U.S. commanders throughout the war had followed a policy of staying clear of political commitments as far as possible. As students of the strategic debates between the British and United States Chiefs of Staff know, the U.S. military leaders insisted on those military actions which would end the war quickly and at the least cost in men. General Eisenhower, schooled in a military tradition which taught commanders to stay clear of political decisions and keep their eyes on the military road to victory, believed that the U.S. Chiefs of Staff wanted him to avoid political commitments if they meant the prolongation of the war.[4]

BERLIN

With this background in mind, it is possible to examine more clearly the decision as to Berlin. That city was listed as the ultimate goal of the Western Powers by SHAEF in a pre-D-Day plan of May 1944.[5] In mid-September 1944, while holding that Berlin was "the main prize," General Eisenhower said that allied strategy would have to be coordinated with that of the Russians. He thought that should the Red forces "beat us to Berlin," the British forces ought to be pushed northward to take the Hanover area and the Hamburg group of ports, and that General Bradley's forces should seize part or all of the Leipzig-Dresden area, "depending upon the progress of the Russian advance."[6] In the next 2 months, as Field Marshal Montgomery pressed repeatedly for a single Allied thrust to Berlin, northeastward from the Rhine, General Eisenhower made it clear that he was more interested in the Ruhr than Berlin. Germany, he believed, had two hearts: one industrial (the Ruhr), and the other political (Berlin). He wished to attack the Ruhr, for if the industrial heart stopped, the political heart would also die.[7]

In March 1945, just after the Rhine had been crossed in force, General Eisenhower again considered the question of Berlin and discussed the situation with his chief U.S. subordinate, General Bradley. The latter has summarized the situation graphically in "A Soldier's Story." Nearly 200 miles separated Montgomery's Rhine bridgehead from the Elbe. Meanwhile, Marshal Zhukov had nearly a million men on the Oder with some elements within 30 or 40 miles of the German capital. Even if the Allies reached the Elbe before Zhukov crossed the Oder, the British and United States forces would still have to cross 50 miles of lowlands marked by lakes, streams, and canals to get to Berlin. When asked by General Eisenhower for an opinion, General Bradley estimated that a breakthrough from the Elbe would cost 100,000 casualties. "A pretty stiff price to pay for a prestige objective," he told the Supreme Commander. And, remembering that the Allies had already agreed that the Russian occupation zone would run within 100 miles of the Rhine, he added, "Especially when we've got to fall back and let the other fellow take over." He says candidly:

"I could see no political advantage accruing from the capture of Berlin that would offset the need for quick destruction of the German Army on our front. As soldiers we looked naively on this British inclination [the desire to go on to Berlin] to complicate the war with political foresight and nonmilitary objectives."[8]

With these recommendations in mind and the fear that the enemy might successfully establish his redoubt, General Eisenhower concluded near the end of March that he should push his main force from the Kassel-Frankfurt area to the Elbe, split the German forces, cut off Berlin from the national redoubt area, and then turn his forces directly to the north and to the south. This latter maneuver he had suggested in September 1944, to enable him to seize ports on the North Sea and the Baltic and to clean up forces in the area to the south before the enemy could assemble a force there. He asked that the Russians be told that he would stop on the Elbe for the time being so that they would know how to fit their plans into his.[9]

The British Chiefs of Staff protested strongly against these proposals. They were apparently influenced in some degree by Field Marshal Montgomery's plan for driving across the north German plain and making a quick thrust to Berlin. The main drive was to be made by his 21st Army Group and by one U.S. army under his control. General Eisenhower opposed leaving the rest of his forces relatively idle while this project was in progress. He decided that the main drive should start instead from the center of his line, thus giving the principal role in the offensive to Generals Bradley, Hodges, and Patton.[10]

The British Chiefs of Staff held that General Eisenhower's new proposal went contrary to his previous assurances that the main battle would be fought in the north, that it relegated their forces to a secondary position, and that it failed to seize Berlin—an

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[2] Dwight D. Eisenhower, in "Crusade in Europe" (New York, 1949, p. 396), says: "This future division of Germany [into post-hostilities occupation zones] did not influence our military plans for the final conquest of the country. Military plans, I believed, should be devised with the single aim of speeding victory; by later adjustment troops of the several nations could be concentrated into their own national sectors." See also, ibid., pp. 396–403; and Omar N. Bradley, "A Soldier's Story," New York 1951, pp. 531–537.

[3] Philip E. Mosely, adviser to the U.S. delegation to the European Advisory Commission in London which drew up the boundaries, has written an authoritative article on the subject: "The Occupation of Germany: New Light on How the Zones Were Drawn," Foreign Affairs, XXVIII, No. 4 (July 1950), pp. 580–604.

[4] Eisenhower, op. cit., p. 396.

[5] SHAEF planning staff draft of post Neptune course of action after capture of the lodgment area, main objectives and axes of advances, I, May 3, 1944, SHAEF SGS Post Overlord Planning 381, I.

[6] Eisenhower to Bradley, Montgomery, and Devers, Sept. 15, 1944, SHAEF SGS Post Overlord Planning 381, I.

[7] This view was expressed in several letters of the period, but the particular figure of speech was that of Lt. Gen. Walter Bedell Smith, who used it in explaining SHAEF's policy (interview with General Smith by author, Nov. 1, 1951).

[8] Bradley, op. cit., pp. 531–537, 544.

[9] Eisenhower to Military Mission Moscow, Personal to Marshal Stalin, SCAF–252, Mar. 28, 1945, SHAEF SGS Bombline, Liaison, and Coordination of Fronts 373.5 I.

[10] The British reactions were indicated in Marshall to Eisenhower, W–60507, Mar. 29, 1945, Eisenhower personal file. The Prime Minister's reactions and those of General Eisenhower are given in Eisenhower to Marshall, FWD–18345, Mar. 30, 1945, Eisenhower personal file.

important political prize. They were particularly worried because General Eisenhower had notified Marshal Stalin that the Allies proposed to stop at the Elbe. They went so far as to tell the Allied representatives in Moscow not to deliver later amplifications of the message to Stalin until they had a chance to discuss the matter further.[11]

In their reply, the U.S. Chiefs of Staff strongly backed the Supreme Commander's strategy and his right to communicate with the Russian military chief. They held that, in the existing fluid state of the battle, he was the only person in a position to judge what measures were best for destroying the German armies and their will to resist. They thought it unsound to turn the battle into the area north of the Ruhr, the one region where the Germans had appeared to be successful in resisting the Allies.[12]

Mr. Churchill, not convinced by these arguments, took up the matter with President Roosevelt on April 3, pointing out that Berlin was still of great psychological importance to the enemy and that loss of the city would be the signal of defeat for the Germans. Moreover, he added, there was a political question to consider. The Russians were already in a position to overrun Austria and take Vienna. He asked: "If they also take Berlin, will not their impression that they have been the overwhelming contributor to the common victory be unduly imprinted in their minds, and may this not lead them into a mood which will raise grave and formidable difficulties in the future? [13]

The President made no mention in his reply of the political issues involved in the question. Unlike his habit on other occasions, such as in the controversy over the landings in southern France when he had continued to remind the Prime Minister and General Eisenhower of promises made to the Russians, he mentioned no similar considerations now. Instead, he noted that Eisenhower's plans to turn forces north and south of the Elbe were in accord with earlier Allied strategic decisions reached before Yalta. He regretted that "at the moment of a great victory we should become involved in such unfortunate reactions." The fact that he made no effort to clinch his arguments with a reference to any promises to the Russians must be taken as significant evidence that neither he nor the Prime Minister had made any agreements at Yalta.[14]

The British Chiefs of Staff, more alert to the political implications of the decision than were the U.S. Chiefs, again urged that General Eisenhower be directed to take Berlin. Again the U.S. Chiefs of Staff held that the commander in the field should make the decisions on the basis of what was best for military victory. They said that Berlin would probably be within the center of impact of his main thrust, "but it is emphasized that the destruction of the German armed forces is more important than any political or phychological advantages which might be derived from possible capture of the German capital ahead of the Russians." They proposed that the Supreme Commander be authorized to communicate directly with the Soviet authority on matters requiring coordination of military efforts.[15]

On April 7, General Eisenhower defended his views in a message to the Combined Chiefs of Staff. He said he was reluctant to make Berlin a major objective since it had lost much of its former importance; it was in ruins and much of the governmental personnel had left the city. His chief interest at the moment was in dividing the enemy forces by a thurst to the Elbe near Leipzig and by establishing the Allied left flank on the Baltic coast near Luebeck. His only political reaction was shown in his statement that this push to the Baltic would prevent the Red Army from occupying any part of the Danish Peninsula. If after accomplishing these aims it was possible to take Berlin, well and good. He then made it quite clear that he was working on the basis of military objectives, but was willing to consider political factors in his decisions. He declared:

"But I regard it as militarily unsound at this stage of the proceedings to make Berlin a major objective, particularly in view of the fact that it is only 35 miles from the Russian lines. I am the first to admit that a war is waged in pursuance of political aims, and if the Combined Chiefs of Staff should decide that the Allied effort to take Berlin outweighs purely military considerations in this theater, I would cheerfully readjust my plans and my thinking so as to carry out such an operation." [16]

Shortly thereafter, when Montgomery pressed the need of a strong drive in the north which would require placing U.S. forces under his command, Eisenhower said:

"As regards Berlin, I am quite ready to admit that it has political and psychological significance, but of far greater importance will be the location of the remaining German forces in relation to Berlin. It is on them that I am going to concentrate my attention. Naturally, if I can get an opportunity to take Berlin cheaply, I shall take it." [17]

A few days later, shortly after President Truman had taken office, the question of policy toward Germany was again raised by the British. In a discussion of the zones of occupation, the new President declared that "the tactical deployment of American troops in Germany is a military one," and suggested that certain latitude and discretion be given the Supreme Commander. Admiral Leahy adds, in reporting this fact:

"He [Eisenhower] made a military decision in the field to rest on the Elbe, to which he knew he would have to withdraw anyway as soon as the German resistance collapsed. My notes do not show that the matter came before the Combined Chiefs of Staff. The Russians, after overcoming savage street-by-street resistance, announced the complete capture of Berlin on May 2, 1945." [18]

FEDERAL AVIATION SERVICE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, for the information of the Members, I am today, at the request of the Administrator of the Federal Aviation Agency, introducing a bill to establish a Federal Aviation Service within the Federal Aviation Agency to provide air traffic control and other essential services in time of war or emergency involving national defense. In view of the fact that this involves other of the major committees of the House and other services I make this announcement in order that we may work on this problem during the adjournment of Congress.

The need and the purpose of the legislation are outlined in a letter that I shall insert in the RECORD as part of my remarks.

(The matter referred to follows:)

FEDERAL AVIATION AGENCY,
Washington, D.C., September 20, 1961.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: In accordance with section 302(g) of the Federal Aviation Act of 1958, I submit herewith for the consideration of the Congress a report, with recommendations for legislation, on personnel problems inherent in the functions of the Federal Aviation Agency. The Bureau of the Budget advises that enactment of legislation along the lines of the draft bill attached to the report would be consistent with the objectives of the administration.

The Federal Aviation Act contemplates the transfer of military air traffic control and air navigation facilities to the FAA in the interest of establishing an integrated system serving the needs of civil and military aviation. This report sets forth the personnel management legislation the Federal Aviation Agency has under consideration to help it man the common system and operate these military facilities in support of national defense requirements. With the recommended legislation FAA can provide a more responsive, dedicated, career work force and can better realize the full advantages of a common system.

In brief, the proposed legislation would establish a Federal Aviation Service (FAS). This Service would be basically civilian in character. However, in time of war or emergency involving national defense, the President could place in the Service in a military status. In addition, when deemed necessary in the interest of national defense by the Secretary of Defense, the FAA Administrator would be authorized to place selected members and selected elements of the service in a military status. The Service would include only those FAA employees essential to performance of the Agency's national defense mission in peace and war who voluntarily accept FAS membership. When placed in military status, FAS members would be subject to the Uniform Code of Military Justice, thus assuring their availability and responsiveness to meet defense needs. I am pleased to report that the Department of Defense is in full agreement with the fundamental aspects of the FAS proposal.

The eventual transfer of numerous facilities dispersed throughout the world involving many thousands of employees, is a matter of tremendous complexity. The consolidation will, therefore, require several years for its accomplishment and will be undertaken only in accordance with detailed plans worked out in cooperation with the Department of Defense. The agreement reached by the FAA with the Department of Defense on the basic features of the personnel legislation will make it possible to proceed with detailed management studies covering all aspects of the changeover, including such matters as specific numbers of personnel involved, equipment needs, housing requirements overseas, the need for additional employee incentives and benefits, and determination of the full extent of manpower savings to the Government. As these studies are completed, I shall submit such

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[11] Marshall to Eisenhower, W–61337, Mar. 31, 1945, Eisenhower personal file.

[12] Ibid.

[13] For a similar view and for General Eisenhower's reactions, see Eisenhower, op. cit., p. 399.

[14] Draft of message for the President to the Prime Minister (with notation "dispatched as is per White House") in reply to message of Apr. 1, 1945. Operations Division (War Department) files ABC–384 Europe (Aug. 5, 1943), sec. 1–d.

[15] Paraphrase of U.S. views given in Marshall to Eisenhower, W–64349, Apr. 6, 1945, Eisenhower personal file.

[16] Eisenhower to Marshall, FWD–18710, Apr. 7, 1945, Eisenhower personal file.

[17] Eisenhower to Montgomery, Apr. 8, 1945, Eisenhower personal file.

[18] William D. Leahy, "I Was There," New York, 1950, pp. 350–351.

further reports and legislative recommendations as are found necessary and desirable.

Meanwhile, various elements of the FAS legislative proposal are subject to further executive branch consideration. The draft bill submitted with this report provides the basic legislative structure for the establishment of the Federal Aviation Service. Additional matters are under review; as the review progresses I may submit further proposals for consideration as amendments to the present draft bill.

I urge the early and favorable consideration of the proposed legislation by the Congress as a major step forward in increasing the efficiency of the Nation's air traffic control system.

Respectfully

N. E. HALABY, *Administrator.*

Mr. HARRIS. Mr. Speaker, also it might be of interest to Members of the House to know that later in the day I shall undertake to advise the House of the action that has been taken within the last year or so to improve procedures of the major regulatory agencies of the Government. I shall bring up to date what has happened in the field of legislation, by reorganization and also the action taken by the various major regulatory agencies within their agencies in helping to improve their services and the administration of the law; and to report to the House what I think is a very fine job that is being done by all of these agencies at this time.

I thought the Members might be interested in the report to which I invite attention of all Members, as well as others interested.

REPORT ON THE 87TH CONGRESS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 30 minutes.

Mr. VANIK. Mr. Speaker, the first session of the 87th Congress, now approaching its close, responded substantially to the leadership of President Kennedy and his "New Frontier" administration. It failed the President only on his hopes for long-term foreign aid financing and his proposals for a far-reaching school program. In practically every other area, the President got what he wanted after the customary deliberations of the legislative bodies. This support of Congress manifested the growing support which the President was receiving throughout the land. Unlike the preceding Congress which suffered 44 vetoes, the output of the 87th Congress was not slashed by presidential vetoes. It was obvious that the President and the Congress were working more closely together. As a result, the net legislative gains were far more substantial. National problems were more readily met. America was moving forward.

The cooperation of Congress was not accidental. In previous administrations, a working coalition between conservative Democrats and the Republican minority combined to develop control over the legislative output. The Rules Committee of the House of Representatives was controlled in the same way and threatened the entire Kennedy program. The Democratic leadership, sensing this threat to the vital Kennedy program, decided to eliminate the Rules Committee legislative roadblock. On January 31, the House, by a five-vote margin, voted to enlarge the Rules Committee and the House was permitted to work its will.

There are those who may argue that this parliamentary change did not clear the entire program, but if the Rules Committee power had not been assailed, the New Frontier would have suffered a legislative ambush.

FOREIGN AFFAIRS—THE STRUGGLE AGAINST ISOLATIONISM

The succession of failures of American diplomacy during the past 8 years continued into the new administration. In foreign affairs the course had long been charted and the President had to master the controls of the ship of state before he could guide it. The complex superbureaucratic administration of the State Department presented no simple problem. Before we realized we were underway, we were caught in the shoals of the Cuban fiasco.

Cuba was used by the Communists as a feint to divert the United States while the real target was Berlin. Immediately after meeting President Kennedy in Vienna, Khrushchev lost no time in announcing his long-planned intentions of forcing America to negotiate with his East German puppets on future rights in Berlin. Meanwhile, the United Nations organization was plagued with a succession of Communist-inspired problems in Viet Nam, Laos, Algeria, and Africa. A measle-rash of trouble spots broke out all around the globe. Adenauer's leadership of West Germany weakened with his age while Dag Hammarskjold gave his life in the cause of peace. Meanwhile, Premier Khrushchev brought out his bombs and fired them one by one in what some experts called a "deliberate effort to contaminate the atmosphere to a degree that would prohibit any other nation's testing without causing grave damage to human life as well as plant life." Meanwhile, Khrushchev's bomb tests were spreading poisonous contamination over all the rest of the world—while the so-called uncommitted nations were urging America to give up on Berlin.

From all indications, things would get worse before they could change for the better. Without Dag Hammarskjold in the Secretariat, the United Nations was weakened until a new helmsman could take control. Further Communist penetration could dilute the framework of the United Nations. The Communist bloc is almost ready to shove Red China into the club. Then great domestic pressures will be generated in the United States to disassociate from the organization which we created. America would be urged on a foolhardy course of separation and isolation from the troubles of the world. That would set the stage for a Red takeover.

President Kennedy seeks to keep the United States as the forceful guide in the family of nations. Meaningful foreign aid is the vehicle for bettering the plight of man throughout the world. The American people owe their President a chance to see if he can readjust the program to world betterment and the spread of a just democracy.

If we are to return to our almost forgotten former position of world leadership, we must reaffirm our devotion toward world peace, make manifest our concern for the underprivileged, the suppressed, the neglected, the forgotten who constitute most of the people of the world. As we help them to the fruits and seeds of freedom and democracy we will increase the world yield of good and betterment.

THE STATE OF THE NATION

On September 21, just before Congress adjourned, I attended a breakfast at the White House at which President Kennedy explained that of the $5.9 billion extra spending on his budget, 68 percent or $4 billion was allocated for national security and space; $0.9 billion for anti-recession measures of which one-half would be repaid through unemployment taxes; $1 billion for other essential operations of which one-half would be repaid through social security taxes. The actual Treasury losses would result from increased costs of aid for dependent children, the urban renewal program and agriculture.

He pointed out that the gross national product was up to approximately $525 billion, industrial production was almost $113 billion, corporate profits before taxes almost $45 billion, while personal income soared to over $420 billion. He pointed out that farm income was up for the first time to $12.8 billion and that the gold outflow was reversed for the first time since 1955. These indications of recovery from the recession were accomplished without raising the cost of living which showed consumer prices up only two-tenths of 1 percent in the first 6 months of his administration.

The President pointed with pride to the industrial peace that prevailed throughout the Nation. Less than one-eighth of 1 percent of productive time was lost in labor-management disputes.

"BEEFING UP" DEFENSE

With the Soviet effort to make our atmosphere dangerously "uranious" and with their progress in space flight, America was driven to the necessity of "beefing up" its defenses. To meet the threat to security, the President promptly called up Reserves to strengthen manpower and asked Congress for additional funds and Congress responded.

Congress appropriated $47.6 billion for national defense, $2.5 billion for atomic energy—related to defense, $5 billion for veterans' services, and about $4 billion for foreign aid. The sums to be spent for national security, therefore, total in excess of $60 billion. It becomes readily apparent, therefore, that 70 cents of every Federal tax dollar is being spent to provide what appears necessary to achieve a basic minimum level of national security.

It is regrettable that world conditions compel this otherwise needless expenditure, but there can be no price tag on freedom. We must face up to the cost of whatever is necessary to preserve our way of life on this planet.

While we undertake these necessary steps in the national defense, we must

pray that wisdom will circumvent the loss of life, property, and liberty which is the toll of war. Beyond that, we must take steps to safeguard our people from the ravages of hydrogen holocaust. There is no doubt that millions of lives can be spared if proper use is made of fallout shelters and other lifesaving devices.

In this connection, I have urged Department of Defense officials to investigate the adaptability of the Cleveland Underground Exhibition Hall as a fallout shelter. It would be a tragic dereliction of public responsibility if this new $12 million structure did not incorporate essential requirements for the protection of the civilian population.

SOCIAL SECURITY

Since 1955, I have urged the enactment of legislation to reduce the retirement age for men from age 65 to 62. Accelerated retirement is one of the most successful answers to the problem of automation. Every time a man can afford to retire in dignity, his retirement creates a job opportunity for a younger worker coming along.

One of the great achievements of this session of Congress came about in the enactment of legislation which makes it possible now for a man to retire at age 62 and receive 80 percent of the benefits which would accrue to him at age 65. It is expected that almost 2 million men will soon take advantage of this "job creating" legislation.

The Congress also increased minimum social security benefits from $33 per month to $40 per month. The law also provides a 10-percent increase in the benefits of aged widows under the program. Under the new law, an aged widow will receive a benefit equal to 82½ percent of what her husband received, or would have received if he had lived. In addition, the law was also amended to provide that people who receive social security benefits and work will have less benefits withheld—a slight recognition of the fact that social security benefits alone are not ample to sustain retired citizens in dignity.

When Congress meets in January, one of the first items on the agenda will be the extension of social security to provide medical and health insurance. The "doctors' lobby" succeeded this year in delaying this necessary and inevitable program. Furthermore, it was extremely difficult to combine this program with the proposals for accelerated retirement for men. Although the medical and health needs of our senior citizens are compounding at a frightful pace, legislative changes are a slow process.

In my district, I am particularly aware of the tremendous need for health and medical care for thousands of our senior citizens under the social security program. I am pledged to act with every strength at my command to vigorously support this vital program in 1962.

TEMPORARY UNEMPLOYMENT INSURANCE EXTENSION

The unemployment problem of over 6 million unemployed inherited by the Kennedy administration was a "No. 1 target" of the new Congress. In record time, Congress passed and placed on the President's desk the "Temporary Unemployment Compensation Act of 1961," which President Kennedy signed on March 24, 1961. Within days, benefits began to flow to unemployed workers whose unemployment benefits were exhausted after June 30, 1960. Desperate unemployed workers in Ohio were given benefits for an additional 13 weeks. Homes were saved and family life was preserved. In January, almost 13,000 Ohioans had exhausted their benefit rights. By the end of March, almost 40,000 Ohioans faced this dilemma. As a result of this vital legislation, thousands of Ohio homes were spared by this act of "national humanity"—which almost came too late.

As a companion measure to extended unemployment compensation, the Congress passed laws providing aid to the dependent children of unemployed parents. Under this program, Ohio was allocated almost $29 million to distribute with its own funds for needy children of the unemployed. Without this help, the machinery of Cleveland's relief services, as well as those throughout the State, would have collapsed under the pressure of the hungry and discouraged unemployed.

This law provided a dramatic humanitarian advance in seeking to provide the needy children of unemployed workers with at least the same benefits provided children of abandoning or deserting parents. This legislation served to preserve family life because it curtailed the practice of unemployed fathers "running away" from their families in order to make them eligible for welfare benefits.

MINIMUM WAGE INCREASE

The economic front of the Nation was strengthened by an increase in the minimum wage for some 25 million workers to $1.25 per hour in two stages: $1.15 per hour in the first 2 years, $1.25 per hour in the third year.

In addition, coverage was extended to 3,600,000 newly covered people on a step-by-step basis, so that in 4 years their hourly minimum wage will be increased to $1.25. This additional coverage went into effect September 3 of this year.

Although this legislation does not have an immediate effect upon most workers in the Cleveland area who receive wages substantially above the minimum, it does serve to raise wage rates in communities which industrially compete with Cleveland on the basis of cheap labor. As the minimum wage is increased, it reduces the incentives to plant migration or runaway to the cheap labor areas of the South. Local industries as well as workers benefit by the narrowing of the gap in minimum wage standards.

The increased minimum wages principally affect the South, reducing industrial competition with the North, while at the same time giving the southern worker more wages with which to purchase housing, higher education, and a better life. Ultimately this program will result in tax savings to the entire country, reducing the need for Federal subsidies in the South.

HOUSING

This Congress enacted one of the most comprehensive housing bills in the past 12 years. I was pleased to be called to the White House on June 30 to be present when President Kennedy signed this bill into law. He then presented me with one of the pens with which he signed his name.

Under this new housing bill, Federal housing loans were extended to a maximum of 35 years for new housing, 30 years for older housing, and 40 years for displaced families. Down-payments were reduced to 3 percent of the first $15,000 of appraised value, 10 percent of the appraised value between $15,000 and $20,000, and 25 percent of the appraised value above $20,000.

Urban renewal received a $2 billion allocation to carry on the program of rebuilding the central cities of America. Cleveland has already received $4⅓ million in Federal funds for urban renewal grants and $26.3 million in loans and is already scheduled to receive an additional $18⅓ million in urban renewal grants and an additional $18 million in loans on projects already programed.

As a result of the urban renewal program, several huge projects will soon be constructed in Cleveland including apartments and a new office building in the Erieview project. Several other groups, such as the Four Freedoms Group of organized labor, are contemplating the construction of cooperative apartments for retired workers. Efforts will be renewed to obtain FHA approval of a large apartment at East 21st and Euclid. In addition, Cleveland has several projects underway to provide housing for the elderly under the Federal housing program.

Although the dream of a decent home for every citizen is far off, progress is being made through Federal programs and a high degree of local effort.

DEFENSE EDUCATION ACT

I was pleased to support a 2-year extension of the National Defense Education Act. This law is vital to our community because it makes Federal funds available for college loans. More and more young people in our community are able to complete their education through this loan program in which the Federal Government provides 90 percent of the funds. Any student seeking a college loan must apply to the college of his choice since this program is administered by the individual college.

HANNA CASE

On May 17, I told the House about a fantastic deal involving the Hanna Co. and other corporations which had been headed by George M. Humphrey, first Secretary of the Treasury under the Eisenhower administration. In my speech, I disclosed how the Hanna companies parlayed a $440,000 investment into a $50 million profit—much of it tax free—at practically no risk.

My research traced the activities of the Hanna companies through the development of a nickel mine in Oregon, developed at public expense, and a guaranteed contract for $111 million for the smelted metal, far above market prices. Under the contracts the Government, first,

guaranteed financing of the development of the mine at a cost of $3.8 million; second, used public money to build a $22.8 million smelter; third, advanced $3.7 million working capital; and fourth, gave the Hanna combine an option to buy the plant at salvage value at the completion of the contracts—although the plant would have a usable life of 20 to 30 years.

The shocking thing about the contract was a contract provision which insured secrecy of its terms. In my speech I stated that, "Private enterprise is wonderful when the Government puts you into business, guarantees a fat profit, and then provides a clear title to the property the Government has built. It could be that Hanna provided the know-how. Hanna sure did—the know-how to milk the taxpayers."

Subsequently, the General Accounting Office rebuked the previous administration on this unique contract and recommended legislative changes to prohibit a repetition of the Hanna fiasco. I have sponsored legislation to put an end to this kind of business and hope Congress will pass upon it during the next session.

TANK PLANT REOPENED

One of my happiest days occurred on September 14 when the Department of Defense announced that large production contracts for the T–114 armored personnel carrier and the T–195 and the T–196 self-propelled howitzers would be carried out in the Cleveland Tank Plant. On September 18, I was pleased to announce the possibility of the establishment of another production line of the M–113 airborne tank at the Cleveland Ordnance Tank Plant.

For years I have advocated the use of the tank plant for defense production. In the autumn of 1959, I began extensive research on bidding techniques which discriminated against publicly owned production plants like the Cleveland Tank Plant, which was built and tooled at a cost to the taxpayers in excess of $32 million. In the meanwhile, plush contracts were being diverted to California plants which were already receiving over one-fifth of the defense expenditures of the Nation.

In the summer of 1960, I brought the matter of "rigged contracting" to the attention of the Armed Services Investigating Committee, which, after extensive hearings, completely sustained my charges. Subsequently, the General Accounting Office prepared a comprehensive criticism of costly procurement practices which failed to use publicly owned facilities like the Cleveland Ordnance Tank Plant. On March 8, I organized a "Pentagon" conference with Defense Secretary McNamara on the future use of the tank plant. He quickly recognized the special unemployment problem confronting Cleveland because of heavy reliance on steel and the automobile production industry. He indicated that Cleveland deserved special consideration.

While I engaged in a bitter effort to reopen the Cleveland Tank Plant and bring thousands of new jobs to the city, the Cleveland Chamber of Commerce was recommending that the huge plant be sold and used as a storage-warehouse for imported merchandise.

The reopening of the tank plant will ultimately result in 5,000 to 6,000 permanent jobs in the plant alone. Subcontracts will spread throughout northern Ohio to favorably affect almost 30,000 additional workers. The reopening of this plant may of itself remove from Cleveland the unhappy stigma of being an area of substantial labor surplus. New industries will enter the Cleveland market. Established industries will "firm up" in their productive capacity and employment outlook. Cleveland will again move forward as it should—as a dynamic center of American research and production. I am glad I could help in this vital cause.

FEDERAL FACILITIES

In September, the new $23 million Brecksville Hospital, with its 994 beds in 16 major buildings, was dedicated as one of the finest veterans' facilities in America. When it is fully occupied, a total of 1,350 Clevelanders will be employed there and at the nearby VA tuberculosis hospital in Broadview Heights. Meanwhile, construction should soon appear above ground on the Wade Park Veterans Hospital which will have 800 beds at an approximate cost of $18,500,000. The Wade Park Hospital will be for medical, general, and surgical cases.

The construction of these hospital facilities will do more than provide needed services to veterans in northern Ohio—they will provide research and training facilities for the entire medical community. In addition, thousands of Clevelanders will find permanent employment in these facilities.

Construction will soon commence on a 30-story, $47 million Federal building on the armory site on Cleveland's mall. The progress on this proposal is remarkable since I initiated the project in the winter of last year. This new Federal building will not only consolidate Federal functions from 33 scattered locations, but it will also provide space for new Federal agencies. During this session of Congress, I spoke on several occasions in support of proposals to relocate Federal offices outside the congested Washington area. Just recently, I urged the Internal Revenue Service to relocate the data-processing center in Cleveland. The availability of Federal office space will facilitate the movement of other Federal activities to Cleveland.

In order to insure stronger community life in Cleveland, it is highly important to develop a payroll base not entirely dependent upon industrial production. Such diversification will serve to cushion the problem of periodic recession and unemployment in the steel and automobile industries which have had a disastrous effect upon our city's economy.

In addition to these projects, I appeared before committees to urge appropriations to improve the port of Cleveland. Congress appropriated almost $1 million this year to improve the Cleveland harbor breakwalls, channels, and bridges. An engineering survey was also authorized to determine the feasibility of the Tinkers Creek Dam in the Bedford Metropolitan Park. In addition to eliminating flood conditions on the Cuyahoga River, this dam would provide a 140-acre lake for public fishing, swimming, and recreation.

GAS RATES

Cleveland is currently engaged in an effort to resist increased gas rates which persist in a steady pattern upward. While Cleveland enjoys gas rates which compare quite favorably with those around the country—my Washington experience indicates heating costs are twice as high for less living space than I have in Cleveland—with milder temperatures—we must fight to preserve this advantage. Much of the price increase we have suffered in gas prices has resulted from policies in Washington which constantly favor the gas industry. It now appears that the oil and gas industry still has powerful influence.

On September 20, I made a speech attacking the Chairman of the Federal Power Commission, Joseph C. Swidler, for his announcement of policies which would establish a field price for natural gas. This would permit the rigging of gas prices at the wellhead 1,500 miles away from the consumer, who would be helplessly stuck with the bill. The profit windfalls to the big oil and gas producers would be tremendous—all at the expense of consumers who would helplessly face a bill they could not fight or argue about. I hope that pressures will be generated to force the Federal Power Commission to back away from this giveaway.

AIR POLLUTION

In January, I appeared before the city council of Cleveland and protested the authority granted the steel mills of the Cuyahoga Valley to use the forced-oxygen process in steelmaking. The red dust pouring over southeast Cleveland was needless and was causing extensive damage to life and property—Cleveland's homemade version of fallout. Subsequently, I urged the Federal Division of Air Pollution to monitor the Cleveland problem.

Later I took the floor to vigorously support a tripling of the Federal expenditures for air pollution research and control.

Later this year, or early in 1962, I expect to bring the House Subcommittee on Air Pollution to Cleveland to determine whether Cleveland's steelmakers are attempting to keep their promise of pollution control of the filthy contaminants forced into the atmosphere in the oxygen steelmaking process.

CLEVELAND'S RAPID TRANSIT

As a member of the House Banking Committee subcommittee, I participated in hearings last June on the problem of mass transit. Keeping in mind the Cleveland problem, I emphasized the need of spreading mass transit help throughout the country.

On August 18, I supported Cleveland's pleas for a mass transit grant in the sum of $7 million to complete the airport rapid extension. I urged Dr. Robert Weaver, head of the Housing and Home Finance Agency to authorize this grant because it would permit Cleveland

to become the first major American city to make a direct link between air travel and a surface rapid transit system. Cleveland will undoubtedly receive Federal help in solving its mass transportation problem—but it will take work—much more work for the city officials and the Congressmen.

With the reopening of the Cadillac Tank Plant, the airport rapid transit is even more important as a transportation link for the thousands of employees who will work at the plant.

NEW APPOINTMENTS

It was with mixed emotions earlier this year that I "lost" my able Washington office assistant, Gene Krizek. Gene was chosen by the Kennedy administration to head up the Special Liaison Office of the Department of State. His new work keeps him "jumping" between the White House and the State Department.

I was proud also to participate in the appointment of Merle McCurdy, the "public defender," as District Attorney for the Northern District of Ohio. He is eminently qualified and should establish one of the finest records in America.

The appointment of assistant county prosecutor Bernard J. Stuplinski, of Newburgh Heights, as first assistant district attorney was also a great recognition for the 21st district.

WHEN CONGRESS ADJOURNS

When Congress adjourns, I shall be available almost daily at my Cleveland office, 506 Federal Building, on Cleveland's Public Square. The telephone number is CH 1-7900. My staff and I will be available to meet constituents and carefully consider any special problem or matter relating to the Federal Government. I will try to personally meet everyone who calls. One of the most important functions of a Congressman is to personally discuss the effect Federal laws have upon the citizen, as well as the needs for new legislation. It is from these discussions that I can learn the effectiveness of Federal laws and their administration.

It is also my intention to attend public meetings in various parts of my congressional district to personally discuss legislative matters at a time and place convenient to my constituents. If I am to legislate wisely, I must keep in close touch with my community in order to understand its problems and explain what I must do as a legislator.

MASTER INSTITUTE OF UNITED ARTS, INC.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 30 minutes.

Mr. RYAN. Mr. Speaker, before the adjournment of this session of the 87th Congress, I wish to anticipate the 40th anniversary of one of the most unique museums and centers of artistic endeavor in our Nation—the Master Institute of United Arts, Inc., located at 310 Riverside Drive in New York City. On the eve of this anniversary, which will be celebrated in 1962, I also want to pay tribute to the director, Mrs. Nettie S. Horch, whose charm and devotion to the arts pervade the institute, and to Louis L. Horch and their children, Oriole H. Farb and Frank Horch. The community is indebted to this public-spirited family not only for their contribution to our cultural uplifting but also for their good neighbor policy which has reversed the tide of urban obsolescence and deterioration. Later I shall discuss more fully this good neighbor policy.

AN OASIS OF CULTURE

From the moment of its founding to the present day, this museum has expressed a new purpose and attitude. It has believed in new methods of bringing cultural opportunities to all citizens and has enriched the lives of the people generally. It has not served a limited group.

Experience has proved that those connected with the Master Institute of United Arts have striven to utilize means of active interpretation of subjects by exhibits, by lectures and gallery talks, by classes, and a wholehearted sharing in community betterment.

Founded in 1922, to further all branches of the fine arts, the institute offers a class and private instruction for adults and children under a distinguished faculty, and presents series of lectures, recitals, operas, and dramas.

The Riverside Museum, a unit of the Master Institute, arranges and presents group exhibitions by contemporary artists in its spacious galleries. The exhibitions are given monthly from October to June, daily and Sundays from 1 to 5 o'clock in the afternoon, and are open to the public. Outstanding artists currently exhibiting in the museum conduct forums and discussions on various phases of the arts.

The Master Institute Building, a 29-story modern structure, is situated on one of the beauty spots of Riverside Drive in New York City. It was erected in 1929 and has always had as a basic purpose the expansion of the educational program. The erection of the building marked a new step in adult education by combining living quarters and cultural activities under the same roof. The building is an architectural landmark of New York—the first to use corner windows.

The present director of the institute is Mrs. Nettie S. Horch. To quote an article from the West Side Profile of November 1960, will emphasize my feeling for this institution and its director:

> The Master Institute of United Arts adds an air of distinction to our West Side. This oasis of culture overlooks picturesque Riverside Drive near 103d Street.
>
> Concentrated under its roof is a wealth of varied entertainment. A satisfied reflection of accomplishment is revealed in this modern center and continually expanding efforts are being made to enhance its offerings. It is one of many worthwhile attractions dotting an impressive area.

The Master Theater, in the building, affords splendid opportunities for students of opera, music, dance, and drama for expression in public of their creative efforts. The theater proper has a seating capacity of 286 and is fully equipped.

It should be emphasized that the institute is a nonprofit organization, and its income from the living quarters in the building goes toward the maintenance of the museum and its adult education facilities.

The Master Institute of United Arts is a prime example of how valuable art institutes and galleries in the United States have proved in building our civilization. In general, collections must be established to be enjoyed, even by their possessors. They represent the concrete efforts of devoted patrons to share their discoveries with their fellow citizens. The art of collection has been well developed at the institute, and all its benefactors have joined hands to give us an outstanding artistic heritage. Public access to stored riches has been generously provided. Ideals of democracy unquestionably have reacted strongly at the institute where the educational value is paramount.

It has been said that museums are education. With this statement, as applied to the institute, I wholeheartedly agree. Museums and galleries exist only to further education; they can be neither provided, maintained, nor utilized without education. And, Mr. Speaker, education is the preparation for living—living the good and complete life.

During the 1920's and the serious depression which followed in the wake of those years the Master Institute offered its light as a beacon to those who labored for new world progress.

It is more than significant that during the 1930's reports of all branches of the institute revealed vast progress in all directions. The students of all its classes remained vividly interested. Their discussions continued to be animated and profound. The atmosphere of beauty in the institute was a constant source of inspiration.

During these years much of the culture in our way of life of necessity was deserted for the breadlines. The institute remained a beacon to a way of life which enriched all those who came in contact with its many facets. Through the generosity of friends, the Master Institute was enabled to present scholarships in its department for the blind, etching department, a scholarship in the name of Deems Taylor, the violin department, and one to a South American student. Areas covered were piano, violin, cello, voice, harmony, music appreciation, composition, counterpoint, orchestration, pedagogy, dancing, dramatic expression, painting, etching, sculpture.

In November 1939, the late Sol Bloom, of New York, who formerly represented the congressional district which I now have the honor to serve, on the floor of the House, paid tribute to the promotion of the cultural arts in New York City and the exhibitions in the Riverside Museum, Master Institute of United Arts, Inc. I would like to recall some of Congressman Bloom's remarks, which are as applicable today as when he spoke in 1939:

> The Riverside Museum has become a vital part of the city's educational and cultural life. It affords the 200,000 permanent resi-

dents of the neighborhood, the students of Columbia College, Barnard College, Teachers College, New York University, and the thousands of visitors to Riverside Drive an exceptional opportunity for the study and appreciation of contemporary American and European art as well as ancient examples of the Far Eastern culture.

It is the only museum of its kind on the upper West Side of Manhattan and supplements the permanent collections of the American Museum of Natural History at 79th Street, the New York Historical Society at 77th Street, the Museum of the American Indian at 105th Street, and the Cloisters branch of the Metropolitan Museum of Art at 190th Street.

The principal and primary purpose of the Riverside Museum is to encourage contemporary American art and its artists by holding large and important exhibitions representative of the various trends in painting and sculpture throughout the country, as well as to import representative collections of merit from Europe, Asia, and the Latin American Republics. It is the intention of the trustees to augment the permanent collection of the museum with acquisitions of outstanding excellence in the departments of painting, sculpture, and the graphic arts.

It is indeed gratifying to realize that in these troubled times there is an institution that not only serves the cultural needs of the community but endeavors to promote international good will through its diversified program of activities.

INTERNATIONAL EXHIBITIONS

The museum has given as many exhibitions as any museum in the country. It has been made available, always at a no-cost basis, to groups who otherwise could not exhibit. For example, in the 1920's it was the only museum which exhibited abstract art.

The museum is the first to present a comprehensive showing of Puerto Rican art. Mr. and Mrs. Horch personally selected an exhibition of paintings, woodcuts, and ceramics done by the artists of Puerto Rico. It was presented in 1957 to show the cultural activities of the Puerto Rican people, and 11 artists were invited to visit New York City.

In 1958 it had an exhibition of Lithuanian art, and one of the sponsors of this exhibition was the then Senator John F. Kennedy. Stuart Preston, art critic for the New York Times, in the issue of September 7, 1958, had this to say about the Riverside Museum exhibition of Lithuanian art:

This year's art season is getting off to an unusual start. Customarily, its arrival, right after Labor Day, is heralded by a flutter of group shows. But for some reason that traditional order of procedure has been set aside. Most galleries are still closed. The single other major event of the week takes place at the Riverside Museum, where the first Lithuanian international art exhibition gathers together work in various mediums by contemporary Lithuanian artists, both here and abroad.

Its breeding ground, having been swallowed up by the Soviet Union, Lithuanian art is an art of exile which, as the Riverside Museum's exhibition demonstrates, still manages to cling, consciously nostalgic or not, to its roots. Most of the artists represented here studied either in France or in this country but, on the whole, their work has a flavor that can only be considered national. This flavor, a literary one, takes the form of a poetic apprehension of human and nonhuman forces. It turns away from abstraction to illustrate, humorously or unhappily, the world and its ways, and always with a certain sense of uneasiness. In these respects one must remember that the two best known Lithuanian-born artists are Soutine and Ben Shahn.

Lithuanian artists appear to be particularly strong as printmakers and the graphic arts make up the best single department in the present show.

Another example of art from another country was the exhibition of Ein Hod artists—now a leading Israel art movement—consisting of paintings and graphics of the Ein Hod artists' village in Israel. The vision and dedicated efforts of its founder, Marcel Janco, transformed a deserted village into a vital art colony. Ein Hod, situated in the Carmel Hills, overlooking the sea, is a self-governing, integrated village where approximately 70 artists of different backgrounds live and work.

Mrs. Nettie S. Horch, director of Riverside Museum, selected the exhibit of Ein Hod works during a visit to Israel, in collaboration with a jury from the village. The exhibition at Riverside Museum represented the best examples by the younger Israel artists who are creating their own art medium and expression out of their experience in that dynamic, new democracy.

Another example of the museum's contribution to international good will was its exhibit in 1940 of a Latin American Exhibition of Fine Arts. President Franklin D. Roosevelt wholeheartedly supported this exhibit and said the following in the museum catalog:

All cultural efforts to promote the mutual understanding of the Americas have my interest and hearty support.

It is appropriate to say a further word about some of the other aspects of the institute. For example, the theater has made possible numerous community meetings. Also it has made possible many fine cultural events. Various national groups have presented programs of their native dances and songs.

ADULT EDUCATION

One of the most impressive aspects of the institute is its excellent adult education program. Classes in the arts, dancing, singing, painting—all conducted at nominal cost—and lectures open to the public give to the participants remarkable avenues of education.

The emphasis upon adult education, from the roots of culture of the institute, is of tremendous benefit to humanity. The attendance has been large, but has by no means been beyond the capacity of the splendid staff and the facilities of the museum to handle. The subject matter of the lectures, the seminars, the forums, the concerts, and the entire school department is completely planned and skillfully presented. The general lecture program is well developed. The resources of the museum give the visual side of the educational work meaningful stature.

The educational relationship that exists between the museum and the public differs from that of other institutions. It is national for the museum to carry out education through participation by adults in cultural activities. The concept of self-organizing groups using the facilities and the contributions of the fine staff give fundamental character to the school department and to the adult education department of the institute.

I would like to emphasize that the Master Institute is recognized by the Board of Regents of New York State and has been given an absolute charter. It is one of the very few private institutions to have such a charter.

COMMUNITY RENEWAL

A rather unusual chapter in the history of the Master Institute might bear the title of "Community Renewal," and the simple facts of this fascinating story follow.

During the past few years the Master Institute has played a vital role in the rehabilitation of its neighborhood. By 1959 urban blight had spread to the museum's front door. Many deteriorated dwellings were to be found within a few blocks. At that time, as Democratic leader of the area, I was vitally interested in stemming the spread of slums and, along with the Riverside Democrats, had been urging the city of New York to initiate a pilot neighborhood conservation project on 103d Street. We were told that the city would provide a variety of special services if funds for a staff and site office could be raised.

To the everlasting gratitude of the neighborhood Louis L. Horch, a man of vision and compassionate understanding of the needs of the community, offered to help. The city's first experimental neighborhood conservation program—the Bloomingdale conservation project—was born. It was approximately 2 years ago that Louis L. Horch became its first chairman, to be later succeeded by his son, Frank Horch.

The Master Institute generously put up the sum of $20,000 to staff the neighborhood conservation program, which was founded on the principle of close cooperation by city agencies and community groups in the rehabilitation of slum buildings through code enforcement and other means. The city took over some of the most deteriorated buildings, and social services were made available to the community. In addition to its initial contribution of $20,000, the institute gave an additional $25,000 and, at the same time, made its facilities available to the entire program.

This community project speaks for itself in no uncertain terms. Its accomplishments are a tribute to the Master Institute and the Horch family—good neighbors all.

OFFICIAL RECOGNITION

In October 1957, the Riverside Museum and its director for the past 20 years, Mrs. Nettie S. Horch, were honored by the city of New York. At a testimonial meeting at the museum the educational aid to the mayor of New York City presented a scroll which cited Mrs. Horch and the museum for their "cooperation with artists' associations, their encouragement of our American artists, and their aid in the cultural education of our citizens without cost to the city."

As the 40th anniversary of this unusual institution approaches, it is a pleasure for me to recount the past history and accomplishments of the Master

Institute of United Arts. I am sure that the plans envisioned for the future will meet with even greater success under the continued guidance of Mrs. Nettie S. Horch.

PROGRESS REPORT ON THE OPERATION AND ADMINISTRATION OF MAJOR FEDERAL REGULATORY AGENCIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arkansas [Mr. HARRIS] is recognized for 30 minutes.

Mr. HARRIS. Mr. Speaker, it is my privilege and I feel my responsibility to bring to the House a progress report on the operation and the administration of the laws provided by this Congress for the major Federal regulatory agencies.

Mr. Speaker, it will be recalled that some year or more ago when the Committee on Interstate and Foreign Commerce brought to this House the first major legislation as a result of the activities of our study previous to that time, I advised the House something of the recommendations which we had made and something of the consideration that had been given toward improving the processes of the major regulatory agencies that so vitally affect the economy and the welfare of all the people of the United States. I therefore decided to take this time to give this report.

I am gratified to be able to report to the House that the momentum toward regulatory agency reform has continued unabated during the first session of this Congress. I want to take this opportunity to discuss many of the improvements that have been made recently in the operations of the major regulatory agencies administering statutes under the jurisdiction of the Committee on Interstate and Foreign Commerce. The committee is charged by the Legislative Reorganization Act with exercising continuous watchfulness over the execution of various laws within its jurisdiction by the Civil Aeronautics Board, Federal Aviation Agency, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, and Securities and Exchange Commission.

The Members of the House are well aware of the importance to our economy and well-being of our people of effective regulation of certain vital industries. We are also keenly aware of the great public concern that has been generated in recent years by congressional investigations, private studies, and by such significant messages as President Kennedy's special message on regulatory agencies.

The last year or so has been more fruitful than any period of recent memory in putting into effect many of the recommendations that have been made as the result of hard and careful study of the strengths and weaknesses of the agencies. Not only has legislation been enacted in this session of Congress and the last, to provide for greater efficiency and more rapid dispatch of agency business, but the agencies, on their own initiative, have taken important action to achieve these goals where such action was within their statutory powers.

At this appropriate time I want to outline for you the more noteworthy of the changes that have been made. Before I begin to consider each agency in turn, I would like to make a few more general comments.

Early in the present session of Congress, the Committee on Interstate and Foreign Commerce established the Special Subcommittee on Regulatory Agencies pursuant to a recommendation in the final report of the Special Subcommittee on Legislative Oversight submitted to the House on January 3, 1961. Generally, the purposes of the subcommittee are to keep itself informed as to current and future agency problems, to maintain continuing liaison with the respective agencies, and to make studies and recommendations to the parent committee respecting improvements in agency operations.

At this point I should like to mention the Communications Act amendments which became effective in the last session of Congress. These amendments are a direct outgrowth of hearings and recommendations of the Legislative Oversight Subcommittee, and they make several vital changes in the Communications Act of 1934. Among these are: First, prohibition of deceptive practices with respect to quiz shows and other purportedly intellectual contests; second, strengthening of the disclosure provisions of the act to combat the "payola" problem; third, abolition of the honorarium provision which, the committee believed, put Commissioners in an untenable conflict-of-interest position; fourth, granting to the Commission authority to issue broadcast station licenses for terms of less than 3 years where appropriate; fifth, the requirement that licensees give local notice of the filing of their applications for renewal and that local hearings on the application may be required where the Commission deems appropriate; and finally, sixth, a strengthening of the Commission's authority to prohibit payoffs among license applicants unless specified criteria are met.

To return to the present session of Congress, on April 13, 1961, President Kennedy submitted to the Congress his special message on regulatory agencies, setting forth, among other things, his intention to transmit to the Congress certain reorganization plans pursuant to the procedures established under the Reorganization Act of 1949, as extended in the present session. In April and May, reorganization plans affecting the SEC, FCC, CAB, and FTC were transmitted to Congress.

Much of the attention of the new subcommittee and of the parent committee has been devoted to consideration of these plans and how they would affect the agencies concerned.

You will recall that Reorganization Plan No. 2, with respect to the FCC, was defeated in this House with the passage of a resolution of disapproval on June 15.

You will recall that plan No. 1, dealing with the SEC, was defeated in the same way in the other body on June 21.

The reorganization plans for the CAB and FTC were allowed to become effective and became effective on July 3 and July 9, respectively.

While the Subcommittee on Regulatory Agencies determined that Reorganization Plan No. 2, the FCC plan, was in certain respects defective, it was my belief and that of other Members of the House that the important objectives of the plan should be embodied in legislation. Accordingly, from May until late in August the parent committee and the Regulatory Agencies Subcommittee and their staffs worked in collaboration with the FCC to devise legislation that would achieve the basic aims of plan No. 2 while eliminating those features of the plan found objectionable. Similar work was done in the other body, and a bill to facilitate the prompt and orderly conduct of the business of the FCC became law as Public Law 87–192 on August 31, 1961.

I want to emphasize that this legislation went beyond the scope and purposes of Reorganization Plan No. 2. It made basic changes, which I shall mention in more detail later, in the manner in which the Commission functions in cases of adjudication.

While no reorganization plan dealing with the ICC has been transmitted to the Congress, we have enacted legislation, signed by the President on September 14, just last week, which provides the capstone for that Commission's program of delegation of functions to employee boards. I shall have more to say about this new act when I discuss the ICC's recent activities.

The other body has passed a bill, S. 2135, which would add flexibility to the operations of the SEC comparable to that which was sought in the defeated reorganization plan. That bill has very recently been referred to our committee.

Despite the fact that there have been differences between the Congress and the President on individual reorganization plans, there is, I think, considerable agreement about the evils to be remedied and the administrative and regulatory goals to be achieved. Differences over methods should not be allowed to obscure the fact that both the Congress and the Executive have certain responsibilities with respect to the operations of these independent regulatory agencies. As the final report of the Legislative Oversight Subcommittee—House Report No. 2238, 86th Congress, 2d session, 1960—stated:

> It is recognized that effective reform of the administrative process requires teamwork between the Executive and Congress. In a time when united national effort is needed more than ever before in our history to improve the efficiency of our constitutional system of Government, it would be tragic to have a conflict develop between the Executive and Congress over the question of which branch has supreme control over the Federal agencies. In this field it must be recognized that the agencies exercise powers delegated to them by Congress and that Congress has the constitutional responsibility of supervising and overseeing their operations. It must also be recognized that the Executive has the constitutional responsibility of seeing to the faithful performance of the laws, including the laws creating and defining the activities of the agencies. Morevoer, the President has the power of appointment and budget control. Enlightened self-interest

requires that these legislative and executive powers and responsibilities not be exercised as though they are in watertight compartments. Each impinges upon the other and an accommodation must be made whereby the executive and legislative powers are harmoniously exercised in the same direction; namely, the just, speedy, and efficient administration of the law for the benefit of the national public interest.

Throughout the period I have been discussing, there has been liaison between interested committees of Congress, the executive branch, and the agencies.

We have tried to keep our eyes on the important goals to be reached.

We have tried to avoid being bogged down over petty disagreements as to method. I believe that the results of this spirit of accommodation and teamwork have been, on the whole, impressive, and I hope that we can continue to exercise our respective responsibilities in accomplishing the large volume of yet unfinished business in this field.

I now want to proceed to a more specific discussion of some of the actual changes made by the agencies themselves.

In its report to the 85th Congress dated January 3, 1959, the Special Subcommittee on Legislative Oversight recommended that each agency designate individual commissioners to assume responsibility for the preparation of the decisions or opinions of the agency. Some agencies, including the Federal Trade Commission, have traditionally followed this practice. Most of the agencies with which we have been concerned, however, had adopted the so-called institutional decision whereby decisions were issued in the name of the agency as a whole. The committee felt that the mediocre and inconsistent decisions all too common in some agencies were traceable to this diffusion of responsibility. The committee believed that a sense of personal responsibility for decisions on the part of agency members would go a long way toward correcting that defect. I might add that many other students of the administrative process have agreed with the subcommittee's views in this respect.

It is gratifying, therefore, to report that of the six major Commissions with which we are concerned, only one to date has not yet adopted the practice of individual Commissioner responsibility for preparation of Commission decisions—at least in major contested cases. The exception is the Federal Communications Commission, and I am advised that that Commission has the matter under study and may well adopt this salutary reform in the near future.

The second principal type of reform which has taken place in recent months, and this is a type of reform strongly recommended by President Kennedy in his message of April 13, is the relief of agency members from concern with minor, relatively unimportant matters so that they may direct their time and energies to matters of major importance. There is no reason why agency members, appointed by the President and confirmed by the Senate, should be buried under a mass of detailed work of a minor nature which can be done just as effectively and without sacrificing fairness by smaller units of subordinates within the agencies.

The reorganization plans and legislation aimed at accomplishing similar purposes embody the principle of authorizing agencies to delegate certain of their functions to panels of agency members, individual members, or responsible staff personnel.

It is of course possible that some of these new procedures may not work out as well as is now hoped, but the system of delegation, surrounded with adequate safeguards, seems to me preferable to the alternative of adding to the size of an agency every time its workload shows a significant increase. Our booming population, the rapidity of technological advance, and many other factors have added dramatically to the workload of our major regulatory agencies. It is up to the Congress and the Executive—through its budget control—as well as to the agencies themselves to insure that the resulting delays do not end in a complete breakdown of the regulatory process. Accordingly, our committee has given the foregoing reforms our support.

On June 6, 7, 8, and 9, 1961, the Committee on Interstate and Foreign Commerce held hearings on H.R. 14, a bill to promote the efficient, fair, and independent operation of the CAB, FCC, FPC, FTC, ICC, and SEC. H.R. 14 is ultimately an outgrowth of a recommendation in the final report of the Subcommittee on Legislative Oversight. A substantially identical bill—H.R. 12731—had been reported favorably by the full committee in the 86th Congress but no further action was taken on it.

I want now to mention certain additional steps that have been taken, mostly by the agencies themselves, toward greater managerial efficiency.

CIVIL AERONAUTICS BOARD

The Civil Aeronautics Board, pursuant to authority granted it by Reorganization Plan No. 3, is now in the process of preparing regulations looking toward delegation of certain Board work in nonhearing matters and in certain hearing matters in the economic and safety fields.

In addition, under its existing statutory authority, the Board has strengthened the role of the Executive Director in improving procedures and expediting the Board's work.

It has created a new Planning Office under the Executive Director to aid in developing substantive and procedural policy.

It has established two new bureaus: a Bureau of Economic Regulation and a Bureau of International Affairs, to replace the Bureau of Air Operations. The aim here is to achieve more effective regulation in certain areas of growing importance—for example, commercial rate matters, licensing and carrier agreement activities, and negotiation of bilateral air agreements.

I have already mentioned the adoption by the Board of the practice of assigning opinion writing responsibility to individual Board members.

In addition, the Board has set up a Procedures Committee consisting of the Chief of the Bureau of Economic Regulation, the General Counsel, the Chief Hearing Examiner, and the Chief of the Bureau of Enforcement.

The Board has supervised the establishment of a Practitioners' Advisory Committee composed of practitioners representing every type of interest affected by the Board. The Procedures Committee and the Practitioners' Advisory Committee are currently working together to reexamine Board procedures and to explore possible improvements.

The Board has established an Office of Community Relations whose purpose is to provide greater informality in relations between the Board and communities served by regulated carriers with a view toward better service.

Finally, the Board has directed the preparation of a monthly internal management report for the purpose of keeping itself informed of the exact status of pending business and thus of more efficiently attacking its workload.

FEDERAL AVIATION AGENCY

Some time ago the Administrator of the Federal Aviation Agency arranged for a special task force to conduct a study of the Agency's regulatory and enforcement activities and to make recommendations to the Administrator for improvement of the Agency's organization and procedures. The report of this group is expected within the next few weeks.

With respect to the problem of tall antenna towers concerning which there was some conflict between the FAA and the Federal Communications Commission, it is gratifying to know that these two agencies have reached an agreement on measures to insure coordination of their respective statutory responsibilities in this area. This is an excellent example of the progress which can be made as a result of cooperative effort.

In addition, the Administrator has recently announced that the Agency's safety rules, many of them inherited from earlier agencies and many of them out of date, will be simplified and codified. Obsolete rules will be eliminated and the Agency's intention is to write the new rules in language which can be understood by those affected. I hope the Agency will be able to achieve these aims. If so, other agencies could well profit by the example.

FEDERAL COMMUNICATIONS COMMISSION

As I mentioned earlier, Public Law 87–192, a bill to facilitate the prompt and orderly conduct of the business of the Federal Communications Commission, became effective August 31, 1961. It amends the Communications Act of 1934 to permit the Commission to delegate certain review functions to a panel of Commissioners, an individual Commissioner, or a three-man employee board. Further review by the Commission is made discretionary. It is believed that these changes in the act will not only expedite the handling of the Commission's tremendous workload but will enable the Commissioners to devote much more of their time to matters of major importance, such as the spectrum allocation problem and the establishment of a communications satellite system.

Another amendment will enable the Commission's Office of Opinions and Review to make recommendations to the Commission on pending matters, thus removing a statutory inhibition which had proved wasteful and inefficient.

Still another amendment will permit the Commission to avail itself of the services of trained personnel in the Office of General Counsel and the Office of Chief Engineer in cases where such personnel have not engaged in prosecuting or investigating functions. The new act thus repeals certain of the restrictive 1952 amendments to the Communications Act and returns the FCC to the standards of the Administrative Procedure Act which governs all other agencies.

The Commission is proceeding cautiously in exercising the new authority given it by these amendments.

I believe that this authority will prove to be extremely helpful in improving both the efficiency and the quality of the Commission's work.

FEDERAL POWER COMMISSION

I have alluded to the fact that the Federal Power Commission is one of the agencies which this year adopted the practice of assigning to individual Commissioners the responsibility for the preparation of Commission opinions in major contested cases.

Recently the Commission made a number of significant organizational changes. It transferred all electric rate regulatory functions from the former Bureau of Rates and Gas Certificates to the Bureau of Power, and it changed the designation of the Bureau of Rates and Gas Certificates to the Bureau of Natural Gas. Thus all natural gas regulatory functions have been separated from all electric regulatory functions. The Commission will now be able through the new Bureau of Natural Gas to give its undivided attention to dealing with the mounting backlog of natural gas pipeline and independent producer rate filings and rate cases. In the electrical field the combination of all electric power regulatory functions under one bureau should facilitate program planning and control.

These kinds of changes are long overdue and have been recommended time and again.

In addition, the Commission has redesignated the Office of Chief Accountant as the Office of Accounting and Finance and transferred the functions relating to power reports to the Bureau of Power, where in my opinion they properly belong.

Finally, the Commission has established a separate Office of Economics, reporting directly to the Commission. This Office was formerly a division of the old Office of Chief Accountant. My understanding is that its functions will take on new importance, and I might add that there is no small need for accurate information as to the economic effects of regulation in the electrical industry and particularly in the rapidly growing natural gas industry.

FEDERAL TRADE COMMISSION

Reorganization Plan No. 4, affecting the Federal Trade Commission, became effective on July 9, 1961. At the present time the Commission is studying ways and means in which the authority granted by the reorganization plan can most effectively be used to carry out the purposes of that plan.

Prior to the taking effect of the plan, however, the Commission made extensive internal changes which, it is believed, will be useful not only in speeding up the Commission's activities but in making the work of the Commission's staff more effective and responsible.

The FTC has abolished the old Bureaus of Investigation and Litigation. In their stead it has substituted a bureau to handle antimerger and other restraint-of-trade matters and a bureau to handle false advertising and other deceptive practice matters. As of this change, a single senior attorney will be responsible for the processing of each case from its inception through its conclusion. Formerly, cases at the Commission were bounced from the Bureau of Investigation to the Bureau of Litigation and handled by individuals in those respective bureaus. It is the Commission's hope that having the same individual ride herd on a case from the beginning will go far to cut down the time required for dockets to work their way through the Commission.

The Commission has also created a bureau to supervise the activities of field investigators located in the Commission's 10 field offices.

A separate bureau has been created to police the textile and fur labeling statutes.

Still another new bureau has been organized within the Office of General Counsel to negotiate consent orders, a function which had previously been performed by the Office of Hearing Examiners. It is anticipated that this transfer of functions will enable examiners to devote more of their time to the hearing of cases and to the preparation of decisions.

INTERSTATE COMMERCE COMMISSION

The Interstate Commerce Commission since the beginning of this year has moved dramatically to increase the efficiency with which it disposes of its enormous workload.

Review by the full Commission is now limited to: First, matters of "general transportation importance"; second, proceedings in which a division of the Commission reverses or modifies an examiner's recommended report; and third, proceedings in which a division makes the initial decision.

It has reduced its paperwork burden by reducing, from 15 to 7, the number of copies of most petitions required to be filed.

It has added to the 4 employee boards existing at the beginning of this year 12 new employee boards. The Commission estimates that these boards will be able to handle some 28,000 nonhearing matters a year. These matters include carrier consolidations, issuance of securities, construction of railroad lines, safety devices, and many others.

The Commission has reduced the number of its divisions from 4 to 3.

Many important executive and administrative duties, including appointment and supervision of most personnel, assignment of personnel to various tasks, and expenditure of funds, have been delegated by the Commission to the Chairman.

An office of Vice Chairman has been created to assist the Chairman in the performance of his duties. The Commission has delegated to the Vice Chairman the authority and duty to institute investigations.

The Director of the Bureau of Inquiry and Compliance has been granted by the Commission broad authority to institute civil injunction proceedings involving rail, motor, and water carriers, oil pipelines, and freight forwarders. It is believed that the Commission's enforcement and compliance responsibilities will be carried out much more effectively in this way.

Finally, the ICC has joined most of the other agencies in assigning responsibility for preparation of opinions to individual Commissioners.

In addition to the employee boards for nonhearing cases that have been established by the Commission under its existing authority, the Commission sought additional legislation to enable it to create employee boards to review exceptions to the recommended reports of examiners in cases where hearings have been held. The Interstate Commerce Act until this month required that such exceptions be considered by a division of Commissioners. On September 14, 1961, Public Law 87–247 was signed by the President. This is the legislation I referred to earlier. The new act is an amendment to section 17 of the Interstate Commerce Act and authorizes the Commission to create employee boards to review exceptions. The Commission estimates that with this new authority 3 Commissioners will be relieved of the work of reviewing some 1,600 hearing cases a year and will thereby be able to devote a greater portion of their time to more important matters.

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission is another of those which earlier this year adopted the practice of assigning responsibility for preparation of opinions to individual Commissioners.

It s my understanding that the Commission is studying a recommendation contained in the report of Booz, Allen & Hamilton, management consultants, that it lodge the present enforcement and compliance functions of the Division of Trading and Exchanges and the Division of Corporate Regulation in two new bodies—an Enforcement Division and a Compliance Division.

I have already referred to the legislation now pending in Congress which would authorize the SEC to delegate certain of its functions in much the same manner contemplated by Reorganization Plan No. 1 which was defeated in the other body.

Also worthy of mention is the forthcoming investigation of the Nation's security exchanges and over-the-counter markets which has recently been authorized by Congress. In view of the

importance to our free economy of these delicate financial institutions, it is imperative that the investigation be conducted not only with thoroughness but with intelligence and scrupulous fairness. The committee will be taking an active interest in that investigation.

CONCLUSION

The encouraging developments just outlined have involved primarily the organizational and procedural aspects of the regulatory agencies. As I have suggested, much still remains to be done in those areas. It is obviously desirable that the agencies function as efficiently and effectively as possible.

But we must not forget that procedural and organizational issues are closely intertwined with matters of substance. We must not lose sight of what the agencies must do, in our efforts to improve how they do it.

The Subcommittee on Legislative Oversight was created for the purpose of informing the Congress and the agencies of the need for corrective action with respect to the laws and their enforcement. The apathetic, indifferent manner in which certain laws had been administered by some agencies is now a matter of record. Following any such period of ferment and upheaval must come a period of relative calm—a time for taking stock, a time to consider new approaches and to chart new courses of action. The past few months have been such a period.

As chairman of the Committee on Interstate and Foreign Commerce and of the Special Subcommittee on Regulatory Agencies, I pledge to this House that our efforts to bring about further improvements, not only in organization and procedure of these agencies but in the substance of economic regulation, will be carried forward in the months and years to come. To illustrate from one field only, the regulation of broadcasting, the committee will have for its consideration in the next session such thorny problems as the VHF–UHF deintermixture and clear channel problems, network regulation, and control of trafficking in broadcast station licenses.

The committee also has before it for consideration in the next session a number of measures designed to cope with our national transportation crisis. Congress long ago assumed responsibility for the development, coordination, and preservation of a national transportation system by water, by highway, by rail, and by other means. No Member of the House needs to be reminded of the essential importance of finding solutions to the bewildering array of problems confronting our railroads, air carriers, motor carriers, and other modes of transportation. Studies have been completed or are now in progress by other committees of Congress, the Department of Commerce, industry groups, and others. The Committee on Interstate and Foreign Commerce intends to do its full share in the great cooperative effort to make our transportation system one of which Americans can be proud.

I am pleased to have been able to report to you the encouraging progress that has been made with respect to these Federal regulatory agencies. But while we may take great satisfaction in the advances of the past few months, we must always remember that our job is never done. As a wise man said long ago: "The day is short and the task is great. It is not incumbent upon thee to complete the whole work, but neither art thou free to neglect it."

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois, a member of the committee, who has done such a magnificent job with us on the committee in this field.

Mr. MACK. Mr. Speaker, I would like to take this opportunity to commend the distinguished chairman of the Committee on Interstate and Foreign Commerce on the work he has done and especially on the outstanding work he has done with the regulatory agencies.

I have been a member of the Interstate and Foreign Commerce Committee for 10 years. In my opinion the legislative accomplishments this year were greater than any other year since I have been a member of that committee.

Mr. Speaker, I think the work that the Legislative Oversight Committee did under the leadership of the distinguished chairman contributed much to the operation of our regulatory Commissions. As a result of this investigation the operation of these Commissions have been greatly improved.

Mr. Speaker, now the work that the chairman is doing to further improve the operation of these Commissions is something that needs to be done. It is a thankless task. I want to say again, Mr. Speaker, that the chairman of the Interstate and Foreign Commerce Committee is doing an outstanding job as chairman of the Legislative Oversight Committee.

Mr. HARRIS. I thank the gentleman, and I want to thank him and all other members of the committee for the cooperation and splendid work that has been done in this field, and I am very glad to say that we have done some things that were needed. Our objective was to find inadequacies in the law and see how we might improve and strengthen these agencies. We have done a great deal in this field, and they have done a lot. Everyone is bending their efforts to the job to be done. I am very pleased with the results that have been accomplished thus far; the administration of these laws by all of the agencies is being carried out now, quite effectively and the efforts are being made to really do a tremendous job for the people, as they were supposed to do under the law.

DR. FRANK L. BOYDEN, OF DEERFIELD ACADEMY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 30 minutes.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Massachusetts [Mr. MCCORMACK] be given permission to revise and extend his remarks immediately following my discussion here.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Speaker, I am deeply grateful for this opportunity to pay tribute to my close friend and much-admired constituent, Dr. Frank L. Boyden, of Deerfield Academy. My association with Dr. Boyden over the past years has more than confirmed to me the excellent reputation he enjoys not only in New England, but throughout the educational world. For 60 years, the respected headmaster of Deerfield Academy has worked unrelentingly on a most dynamic research project. A citation presented to the headmaster by Yale University on the occasion of his being awarded an honorary degree aptly described this project as "research into the hearts and minds of youth."

To be sure, few educators in the Nation today are able to look back on such an accomplished, event-filled career as can Dr. Frank Boyden. It is no wonder that the much-traveled author, John Gunther, chose his friend, Deerfield's headmaster, as "The Most Unforgettable Character I've Met" in his contribution to that popular Reader's Digest feature in 1951.

When this native of our State came to Deerfield from Amherst College in 1902, he little knew what a significant part he was to play in the education of boys from all parts of the world in the years ahead. Actually, his explicit intention was a 2-year teaching position at Deerfield simply to earn enough money to enter law school and eventually to seek a political career. This 2-year sojourn, however, was to extend into a lifelong career building what is now one of America's great independent preparatory schools. At the time of his arriving, Frank Boyden served as principal and only faculty member for the entire enrollment of 14 students in an already outdated structure. The school was a 4-year "academy" founded by the community's citizens in 1797, and it had fallen into considerable disrepair. There was only one building and half of that served as the village library. Then, as if to insure that the new headmaster of Deerfield Academy would really earn his salary, the conscientious Deerfield citizens also made him the town librarian.

Two years after his coming, the new headmaster, in need of a teacher, reluctantly hired a recent Smith College graduate on a temporary basis. Several years later he married the new teacher, Helen Childs Boyden, who, to this day, contributes significantly to the life of the academy as the peerless teacher of mathematics and chemistry.

Even from the beginning, Frank Boyden showed the same zeal and persistency which are still so much a part of his life. From the start he assumed an enthusiastic interest in the school and the area he came to serve. Through his efforts the school became a focal point of many of the activities in the Deerfield area. In the early days, he even went by horse

and buggy to visit the people on their farms and in the villages—driven forward by a vital belief that every child should have a high school education. The people soon learned of Dr. Boyden's talented ways with young men, and parents in communities beyond the immediate area began to send their sons to board at Deerfield. At first, the boys lived with the Boyden family. Eventually, they were able to build a dormitory to accommodate 35, and there was very little trouble in filling it.

Perhaps one of the most characteristic and revealing incidents in Dr. Boyden's long life of service to Deerfield occurred back during the depression days. Once he and the trustees of the academy had released some loyal supporters from pledges to help build new buildings. But some of the uncollected money had already been spent on the building program, and it was then necessary to seek a bank loan. As John Gunther told the story:

> Mr. Boyden drove to a nearby bank. The banker was even more frugal a Yankee than Boyden himself. He said, "You can have 5 minutes. But before you start, let me say that I will not, under any circumstances, lend money to the school."
>
> Boyden, who is one of the mildest yet most persuasive men alive, replied, "You should be asking me to take your money."
>
> "Why?"
>
> "Because what my school stands for is what you stand for. Higher education in America has become seriously infected with a lot of ideas that you consider unsound. Why not invest in a preparatory school that has taught and will always teach the primary American virtues—individual initiative, individual responsibility, duty to the community, honest citizenship? I guess my 5 minutes are about up. Thank you very much."

The loan, needless to say, was approved.

I think probably one of the most surprising aspects of Frank Boyden's personality to those who meet him for the first time is his refusal to rely on a strictly "what's old is what's best for the boys" approach. Even at the age of 82, he is very definitely in touch with the new needs of a new world for youth. In the dynamic process of education, the headmaster is keenly aware of the greatly increased complexity and accompanying demands for a broad curriculum and up-to-date equipment. Dr. Boyden, by the way, is also a firm believer in extracurricular activities for the optimum development of well-rounded men, himself during his career, having served as head coach of the football team, the basketball team, and the baseball team.

Many, many honors have come to this distinguished educator. In addition to his 18 honorary degrees, he significantly holds the highest award of the Sportsmen's Brotherhood, as well as the Silver Buffalo of the Boy Scouts of America and the Distinguished Public Service Award of the U.S. Navy.

Today the seal of Deerfield Academy beneath the historic John Williams door, is the motto: "Be worthy of your heritage." And this, surely, is no small order for the entering freshman. The same kind of stamina and courage which mark the spirit of Dr. Boyden and the history of the academy are characteristic of the people of this town. From the days of the first settlers in 1669, the citizens of Deerfield have shown an unusual ability to overcome difficulties in their efforts for a better community. As it was once observed:

> All America is in this extraordinary village, with its courageous, bloodstained history. It is a spirit born in the hearts of those first pioneers, forged at Bloody Brook, tempered during the massacre of 1704, and baptized in the American Revolution.

That surely is a vital part of the heritage of the Deerfield Academy.

There is so much that one could say in a speech about Frank Boyden, Deerfield Academy, and the town and people of Deerfield. Least of all are we at a loss for praiseworthy events in the life of Headmaster Boyden. Perhaps the spirit behind those events was most eloquently described as "a reverence for the things in life that are really important, a zealous interest in the education of boys, and an intuitive understanding of their hearts." Or, as the townspeople once expressed it in presenting a wedding gift to Frank and Helen Boyden:

> Much as we appreciate your service as the head of our school, you are still dearer to us because you are an upright, judicious, fearless, and patriotic citizen whose example and influence is always present to raise us above sectional prejudice, and to unite us in a broadminded endeavor to work for the good of the whole town.

And that quality in the person of Dr. Frank Boyden has decidedly not changed. Rather it has grown and developed until his reputation stands far beyond the limits of our own community, linking the name of Deerfield with the finest kind of secondary education available in the Nation today. He numbers among his friends the great and the near great, the rich and the poor. His influence is felt as a trustee of some 20 schools and colleges; indeed, he is presently serving as president of the board of trustees of our own University of Massachusetts. His insight and excellence have been recognized to the extent that Presidents Franklin Roosevelt, Harry Truman, and Dwight Eisenhower have appointed him to serve in ways affecting the welfare of the Nation at large.

From an enrollment of 14 under Frank L. Boyden, Deerfield Academy has grown and prospered to a total enrollment of over 500 young men—each of them still within the close personal range of the headmaster's individual attention and keen practical wisdom. The loyalty and success of Deerfield alumni are legendary in the educational world. Today, more than 20 schools are presided over by men trained under Frank Boyden. The philosophy of this unusual man cannot be contained in a textbook on educational methods. Rather, it is a working philosophy which reaches beyond the confines of words and definitions. Among educators, he is known as the headmasters' headmaster, and rare is that member of the teaching profession who would not welcome the opportunity to work under him. Here, indeed, is a teacher who "affects eternity; he can never tell where his influence stops"—Henry Adams.

Mr. DADDARIO. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am delighted to yield to the gentleman from Connecticut.

Mr. DADDARIO. Mr. Speaker, I would like to associate myself with the gentleman from Massachusetts in the remarks he is making on Dr. Boyden and Deerfield Academy. This is a school which has contributed a great deal to the New England community. I have had associations with many of the boys who have graduated from it. In fact, I roomed at college at Wesleyan with a boy, Richard Bagg, who came to Wesleyan from Deerfield Academy together with two other boys, George Strobridge and Arthur Clothier, all three of whom remain constantly in my mind because they were outstanding products of this school. All three of them contributed to Deerfield Academy and also to Wesleyan University, where they showed outstanding traits of character. All three of them went into the service and all were killed in the cause of their country.

They were outstanding boys, the kind of boys who were prepared for the battle of life. So it is with so many others who have gone to Deerfield, have gone to universities mostly in the New England area, and have contributed to the communities and their country. Many of them, as in the case of these three, even sacrificed to the ultimate for the good of their country.

This is a great school. The fact that the gentleman is mentioning it here today is very worthy of the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman from Connecticut. I am sure Dr. Boyden joins me in appreciation of those fine remarks.

Mr. RAY. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. RAY. I have two boys who graduated from Deerfield. I heartily endorse all that the gentleman has said.

Mr. CONTE. I thank the gentleman very much.

THE TREND TOWARD MOBOCRACY

The SPEAKER pro tempore (Mr. BOLAND). Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, we are about to adjourn this session of the Congress at a time when the entire world is in a state of turmoil, reminding us of the days immediately preceding World War II. The issues of this second half of the 20th century, confronting the Nation and the world, are so vast and so complex that they challenge the minds of men for understanding. It is for this reason I have taken this opportunity today to discuss with my colleagues an alarming growth and tendency in our own Nation and, yes, even in the world—an alarming trend toward, for the lack of a better word, mobocracy—government by mob rule. I think, as we prepare to adjourn and as we recognize the fact that there will be great problems confronting our Nation in the next 3 or 4 or 5 months that this subject, perhaps, needs

greater discussion because it would, indeed, be tragic if in the face of the complex structure of things confronting us today, our people were to fail to understand the depth of the problems and tried instead to follow a path of expediency, a path of impatience, and a path of mob rule. We are living in an era that tests the strength and courage of our Republic. We will need from our people a depth of understanding unparalleled in the history of this Nation. In recent years we have had many examples in this country of mobocracy. Frequently, we think of mob rule, and associate it primarily with matters of race conflicts and disturbances. Of course, we all recall the tragedy of Little Rock. But, actually, as we look across the length and breadth of this country, we see the impatience of people in conforming with the inherent, basic, and fundamental concepts of an orderly society and instead taking the law into their own hands in many instances and areas. Not too long ago, we witnessed the spectacle of a large group of people throwing rocks, eggs, and vegetables at a responsible member of government in the city of Philadelphia when the mayor of that city proposed a new source of revenue by a tax or license fee for automobile parking in certain of the city's streets at night. Now I do not know whether there was any merit to this idea nor do I care at this time to go into the merits of that question. But here we saw a group of some 2,000 people refusing to listen to a responsible member of government explain his program. Instead the police had to try to restore order in this assembly. Here, indeed, was a clear example of the impatience of people in recognizing the inherent fundamentals of a democratic system—the right to disagree but at the same time along with it, the obligation to disagree in an orderly manner.

Earlier, Mr. Speaker, we saw the assault upon the House Committee on Un-American Activities in San Francisco when that committee went there to hold hearings on the mounting increase in the distribution of Communist-sponsored mail in this country. We saw how those hearings were disrupted by mob rule, and we saw how the police had to come in and try to restore order.

Again, Mr. Speaker, for the purpose of this conversation, I do not intend to go into the merits of whether the House Committee on Un-American Activities was holding proper hearings or whether those hearings were justified. Certainly, this is a committee of the Congress of the United States.

It has a right to conduct its hearings in order to be better prepared to propose legislation to Congress; but the important thing is that here again we saw a demonstration of mob rule.

We have seen these demonstrations all over the country in various forms. This sort of mob rule manifests itself in many ways. Right now, for instance, all over this country we are receiving mail from people who are demanding that we impeach Supreme Court Justice Earl Warren; and, again, I do not question the fact that these people may in their own minds believe that the Supreme Court Justice has conducted himself in an improper way—I could not support that theory—but again we see here the people being stirred up by making false issues, stating false facts to a great extent and being urged to participate in processes other than those that are proclaimed in our Constitution.

We see right now in these days an avalanche of mail coming in to Congress urging the Congress not to adjourn but rather to recess, and telling us that if we adjourn, this administration is going to turn the country over to the Communists and fantastic things along similar lines. Again we see here a manifestation of mob hysteria, of getting the people stirred up on issues that really are not so.

The point I am trying to make here today is that we Americans perhaps ought to take a closer look at our Bill of Rights, a closer look at our Constitution, and try and obtain a better understanding of what has distinguished our social order, the United States, from all other social orders in the world today. I recall the ancient Locrians were the first ones to give meaning to freedom of speech, but at a price that I am sure most of us would consider vastly too high; they would permit any citizen to speak on any subject he wanted to, but first they would place a noose around his neck, and if the crowd did not agree with what he said, he was promptly hanged. I am sure that this is not the type of democracy, this not the type of republic that we Americans want.

We have seen mob violence, for instance, instigated either by employers or unions on the picket line in labor disputes. Here again, is a manifestation of emotions of people who do not understand the depth and complexities of the democratic process which has preserved for this Nation a greater degree of freedom, a greater degree of dignity, than any other nation in the world today.

I think we should understand that there must be disagreement. The very vitality of democracy lies in that. The strength of a democracy lies in the fact that people may agree with the majority or disagree with that majority. But this must be done within a set of ground rules laid down by our Founding Fathers many years ago which guarantee respect for our individual views and further guarantee—a social order that gives every single individual in this country the right to disagree.

I think we should understand in these critical times when great issues confront us that there will be those who for various reasons will try to shake the faith and confidence of our people in their Government. It is not important at this time whether the Democratic Party or the Republican Party is in control of our Nation; the important thing is that it is a government duly elected by the people of this country. This Government undoubtedly will do things which will succeed and others that may well fail.

We Americans must try to understand that we have a government which is trying to chart a course for the American people, which will preserve not only freedom for this country but will also restore the hope of freedom to those who must now live under tyranny.

I have said repeatedly, I have tried to tell my own constituents, and I shall try to tell them again during the recess, that while there should be disagreement, that we do want them to give voice to their disagreement, this disagreement should be manifested in an orderly manner. Our people should understand today that we are locked in perhaps the most deadly struggle that civilization has ever seen between those on our side who would preserve the dignity of man and those within the Communist orbit who would destroy it.

There is no question in my mind that international Communists will resort to every trick available to man to win their point. I hope that in analyzing the shortcomings of our Government, in analyzing the shortcomings of any administration, be it this one or the previous one, we will do this in a manner that will indeed strengthen the fibers of America and not weaken them.

I think perhaps the oldest trick of the despot has been to divide and confuse. We saw Hitler select the Jewish people of Germany as his target and make them his scapegoat. We saw the frenzy he was able to arouse in the German people against the Jews, promising greater, bigger, and better things once the Jews had been eliminated. We saw in Germany the democratic institutions, we saw the constitution, we saw the courts, we saw the press, we saw the labor unions of that nation taken over by Hitler's storm troopers until finally he had the whole country responding to his every command. It was only because the German people permitted themselves to be blinded by this type of emotional appeal against the Jews that Hitler was able to gain absolute power.

We saw the same thing in Russia when Stalin took over, and after confusing and dividing the people, ordered great purges of the courts, the military, and the people themselves of that country. We recall how Stalin made the Ukrainians his scapegoat and ordered mass executions. Here again we saw a great despot using mob rule to confuse the people of Russia and move in with his Communist dictatorship.

I am sure many people in this country who take an opposing view do so with a complete depth of sincerity and understanding. There is no question in my mind that those who belong to the John Birch Society, to cite just one example, are as sincere as any American in this country. This is what they believe. They have a right to believe these things. My only hope is that once they have reached an agreement on what they themselves believe, they will manifest these agreements and these beliefs in an orderly process consistent with our Constitution and our Bill of Rights. I am mindful that not always is a community or a nation willing to accept dissenting views which may very well lead people to be disillusioned in the democratic processes. Too often those who find themselves impatient with the democratic process turn to mob rule, unmindful that they are only then fanning

the ever-hungry appetite of those who would try to destroy us.

It is for this reason I hope that we Americans will understand our system of government. This great democracy that has survived for 185 years is undoubtedly the most complicated concept of government ever conceived by man. We need look no further than this Chamber for proof of what I have said. This Congress hopes to reach adjournment tonight, yet because within the democratic processes of our Republic there are Members in this Chamber who are exercising their rights, we may have to delay the adjournment of this Congress.

This, of course, we may not like. We may not agree with it, but certainly we respect the fact that this is an inherent part of our democratic process. I do not think that we want to change it. I think that we Americans should recognize the fact that while we are the youngest of the major powers in the world today, we are indeed an infant when we consider the long history of Germany, the long history of England, the long history of France, Italy, Poland, the Scandinavian countries and, yes, Russia itself. We are indeed the youngest major power in the world today. Yet we have survived, and the fundamental concepts which have been written into the Constitution of this country have survived longer than any of those countries. We are, in fact, the oldest country today in preserving the fundamental concept of government simply because we have so scrupulously adhered to the basic constitutional concepts written into the philosophy of this Government. We have protected the rights guaranteed in that Constitution. Nothing moves slower than the democratic process. Yet it moves slowly in an atmosphere of 20th-century impatience. I say that when the day comes when we start looking for expediency to deal with problems, we will have weakened the fibers of this democracy, just as every other nation in this world has weakened its fibers when it turned to expediency. Our Constitution guarantees that our fundamental concept of government shall not ricochet with every shift in public opinion.

Mr. Speaker, I say that the Constitution is a great document. We are making tremendous progress in the field of civil rights, and we will make even greater progress in this field in the future, simply because we are getting Americans to recognize the fact that in this country we respect every American's equal right to opportunity and hold him equal in the face of the law. We will make greater progress. However, we are making this progress through the courts, through judicial review. I think those people who have put up this fight for greater recognition of civil rights deserve the commendation of this entire country. They have conducted themselves in an orderly manner in turning to their courts and Constitution for the answer; turning to the courts and Constitution for relief. We may not agree with the Supreme Court. I must say that there are many decisions that I personally do not agree on with the Supreme Court. But I accept the Court's decisions as the rule of this land. We have set up the Supreme Court to be the referee in these disputes of the Nation. It is only when we try to circumvent the Supreme Court, when we try to circumvent local authority, when we try to circumvent the laws and take the law into our own hands in a democracy that we indeed weaken the structure of our country.

Mr. Speaker, I say that there are difficult times ahead of us. We are going to have to be alert, as Americans, to the great treachery of international communism. There is no question in my mind they are going to do everything they can to disrupt the normal operation of this country wherever they can, to divide the people of this country whenever they can.

Mr. Speaker, I think it behooves the American citizen when a new idea is proposed to him, when a great campaign is made to either impeach a Supreme Court Justice or prevent Congress from adjourning or any other of these movements, I think that the American people would be wise to say, No. 1, who are the people behind the movement? What are their motives? Why do they want to do this? If they are satisfied that these people honestly believe in these things, then I think they should use every legal means to make their views known. I think this is the exercise of their rights as Americans and as individuals.

On the other hand, I do not think they should permit themselves to be easily misled, because then they become easy prey for those who would inspire mob rule.

I hope the day will never come when the American people will be compelled to march in a single cadence like the people of the Soviet Union. I hope the day will never come when the people of this country will not be permitted to exercise their right to a dissenting view, to exercise their right to be different, to exercise their right to disagree. But I also hope the day will never come when the impatience, when the slow-moving pace of our democratic process, will overwhelm the people and they will try to find more expedient ways of giving meaning to their views by mob rule or other violent changes.

This is the great challenge in America. We are living in an era that tries the imagination of men. I receive many letters from my constituents, well-meaning letters I am sure, saying the world is moving so fast, it is becoming vastly complicated, there are so many problems, that the average American is beginning to grope seriously for answers, and it is becoming more and more difficult to understand the great problems of the world. But here is the challenge of democracy.

The question is, Will the American people as individuals be able to understand these great problems and manifest their ideas through the proper channels of their elected officials, their courts, and their Government? Or, are they going to abandon this responsibility as American citizens to the small handful of opinionmakers who, for reasons known best to themselves, will try, perhaps, to change the course of this country?

I say that the American people today are faced with a challenge never before faced by a people, because we are a free nation. Certainly the people of the Soviet Union, of Poland, of Rumania, of Yugoslavia, of all the other Communist-controlled countries do not have that problem because the state makes all the decisions for them. The despots in the Kremlin make the decisions for them. But, in our Republic, under our democratic form of government, we look to our people for guidance, because our strength stems from those people. It will then be the responsibility of the people to review the issues before us very carefully; to see what are the basic issues between East and West; to try and understand the attitude of our President when he tries to meet the great challenge of today. No man has ever had a tougher assignment, here in the middle of the 20th century, when nuclear war faces us every day. I think the American people must get behind this President of the United States and understand that no man has tried to deal with this vast problem in a more determined manner. Yes, it is easy enough to sit back and say we ought to get tougher, we ought to do this, we ought to do that. But I wonder if these people stop to consider what are the consequences. I think President Kennedy has made it manifestly clear to the Soviet Union that we are not retreating from our position. He has made it manifestly clear that we are going to remain in Berlin. He has made it manifestly clear that we are going to stand firm on the principles of freedom that we so dearly hold in this country. And I think President Kennedy has made it eminently clear to the Soviet Union that if there is any disruption of peace, the Kremlin will not only have to take the full blame but suffer the full consequences.

The American public must understand this. This is the great challenge. The American people are going to have to go beyond the news that is too often slanted to reflect the political, partisan views of the publisher. They are going to have to be beyond the analyses prepared too often by prejudiced columnists. They are going to have to use their own best initiative to get what information they can from every possible source they can, not relying only on any one particular source.

I read in Time magazine the other day an article about how the Cuban fiasco occurred. I was proud to hear President Kennedy say that of all the versions of the Cuban incident this particular analysis which appeared in Time magazine was perhaps the most incorrect. Yet how many Americans who undoubtedly have read this one article have drawn their conclusions on the basis of this single article, erroneous as it may be. This is the challenge of America. This is the challenge of 180 million American individuals.

I think that the greatest mistake any American can make is to be beguiled or influenced by any one source, by any one person. Only when Americans will

take the trouble to look behind the scenes, only when they will take the trouble to look at the other side of the coin, only when they will take the trouble to listen to the rebuttal of those who disagree will they be able to draw a conclusion, a fair conclusion, and one that can then be reflected here in this great legislative body of the United States.

I become very concerned when I receive letters from citizens, well meaning as they are, and there is no question in my mind that they are well meaning, who so readily accept extreme views of one side or another. When I receive letters from people telling me that if we adjourn Congress, the President will turn the country over to the Communists, it becomes obvious to me these people are being badly misled by someone with a very narrow mind, someone who has never read the Constitution. Yet, these people obviously are easily misled and become almost panic stricken by false prophets. It is obvious that these well-meaning Americans have taken the trouble to hear only one side of the issue. If they would take the trouble to use their libraries, to use all of the resources available to them, I think they would be able to find that this sort of extreme talk is completely fantastic and impossible. Yet this is what is happening all over the country, and this is why it is so easy in various areas of our country for well-meaning citizens to join mob rule, to be stampeded into action which does not serve the best interest of Americans.

For this reason it is my hope that in these difficult times we are going to study all the issues. Emerson once said that whoever would be a man must first be a nonconformist. The strength of our Republic lies in the fact that we as Americans are all nonconformists. There is nothing that we pride ourselves on more than our right to our own opinion. The question is, how often do we see well-meaning Americans forfeiting this right, being easily misled, being easily stampeded by those who may have ulterior, selfish, narrow, and purely partisan motives of their own.

I hope our American people remain nonconformists. I hope our American people will continue to exercise their right to disagree and be different. But I hope that when they make that decision they will look upon the Bill of Rights, they will read the Constitution, they will understand this vast complexity of our democratic process, and then adapt themselves accordingly and manifest their dissenting views through the orderly process of our Constitution and Bill of Rights. I certainly urge all Americans at this particular time when the world is becoming so complex to calmly and dispassionately evaluate the situation. It is my hope that our citizens will in ever-increasing numbers participate in the debate of what can be done today to meet the Soviet challenge, but I hope that they will conduct this debate in an orderly, constitutional manner. Only then are we strengthening the fibers of democracy. Only then can we look confidently to the fact that when Mr. Khrushchev predicts that our grandchildren will live under communism, we can confidently predict his prophesy will fall of its own deceit.

I have faith in this Constitution. I have faith in the democratic processes of this Nation. I have faith that the American people are going to take the trouble to learn the complex structure of the world situation today, and then in a dignified, orderly manner manifest their views to their respective Representatives. Great civilizations have fallen to mob rule. It appears to me, that every American who is dedicated to democracy, must view with disgust and repugnance any resort to mobocracy.

FOXY BETANCOURT

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from California [Mr. ROUSSELOT] is recognized for 1 hour.

Mr. ROUSSELOT. Mr. Speaker, the United States, in its Latin American policies, has repeated so many blunders and costly mistakes that the American public has reached a state of numbness.

We have failed in Cuba, both in backing the Castro agrarian reform with all our encouragement in 1958 and 1959, and then by failing incompetently to crush him when we backed the invasion of 1961. We have blundered miserably in the Dominican Republic, where we have cast off our one dependable anti-Communist friend. We have just seen our $2 billion bet on Janio Quadros in Brazil explode in our faces when Quadros turned over the country to Joao Goulart. Goulart continually has had a Communist background. In addition, our country stood idly by while Cheddi Jagan, a man of extensive Communist orientation, was elected to head the so-called parliamentary government of British Guiana. The World Bank, in which our tax funds have gone to insure its stability, approved a loan to the Jagan government on June 23 of this year, prior to the election. Because Mr. Jagan was then in control of the government machinery, this loan bolstered his ability to be reelected 2 months later on August 21. There have been other actions in Latin America by our country that have advanced the cause of the Communists in that hemisphere. These acts were not the responsibility of just a Republican or Democratic adminstration. Both political parties have controlled the executive branch during the time of these unfortunate instances and must equally be held accountable. I wish to make it plain that this is not a partisan pronouncement that I am making today.

It would seem that we could find no more blunders to commit in Latin America to top these fearful bungles. But we have. We are now anchoring a major part of our Caribbean defense policy upon a cagey man who has been shown, by a great deal of evidence, to be a consistent supporter of Communist objects and ideology. I refer to Romulo Betancourt, President of Venezuela. Not only are we playing ball with Betancourt in our cold war strategy, we even helped to elect him. At the election of December 7, 1958, when he was chosen, word was discreetly leaked out of the American Embassy at Caracas that the United States favored Betancourt.

Actually, the whole buildup of Betancourt as an anti-Communist force in the Caribbean has been a hoax of such absurdity as to cast serious doubts upon the perceptive abilities of the Washington notables who have fallen for it. It is as if the United States should suddenly seize upon the unregenerated Alger Hiss as the spearhead of our American fight against communism. And yet the State Department and the glib exprofessors who have fastened themselves upon the administration's Latin American policies as a sort of pretorian guard have accepted this Betancourt hoax, hook, line, and sinker. Governor Muñoz-Marín of Puerto Rico, who is a sort of Gray Eminence of the Kennedy Latin American establishment, praises Betancourt long and fulsomely. Adolf A. Berle, Jr., whom the President appointed to head his task force in Latin America, leads the Betancourt cheering squad. Adlai Stevenson is a trusting admirer although the wavering vote of the Venezuelan Ambassador in the United Nations on issues important to the United States should put him on his guard.

Little wonder, with such court advisors, that Betancourt's shaky Venezuelan regime has become insolent with self-importance in its dealings with Washington. The latest exhibition of Betancourt gall was the announcement by his minister of finance, Tomas Enrique Carrillo Batalla, and reaffirmed by Carrillo Batalla's successor, Andres German Otero, that the Betancourt government wants $900 million in foreign loans to prop up the staggering finances of his country. Betancourt expects to get most of this money from U.S. sources.

Why rich Venezuela needs this loan is another and stupefying story which I am going to come to later in these remarks. Senor Carrillo Batalla says confidently that he hopes to get a major portion of this sum from the United States. The New York Times, which consistently gives the news breaks to Betancourt, reports that, "Venezuela's sources said that the expectation of such massive U.S. aid in the form of development loans was a key component of Carrillo Batalla's program for pulling the country out of its worsening depression."

Will Betancourt's Venezuela get this money? In view of the apparently incurable belief of our State Department in the ideology of the political left, my guess is that it will get a large part of it from the U.S. Government.

And when we give Betancourt our money, we may just as well face the fact that it will not be used for the benefit of the Venezuelan people. It will be used, true to the Betancourt tradition, to undermine capitalist institutions in Venezuela and to prepare the way for a Communist or Marxist Venezuela. It will be a subsidy for a Venezuelan social revolution or agrarian land reform.

If this statement seems too sweeping, let me focus your attention upon some facts about this man Betancourt which should give the American people a

second view. The facts pinpoint Betancourt as a lifelong supporter of Communist objectives and ideology. Betancourt's so-called breaks with Communist objectives have been hollow gestures.

The deep shame of our policy of pro-Betancourtism is that it is not something which has been forced upon us; our Latin American policymakers literally pursued Betancourt to force favors upon him. For the promise to support American policies in the Caribbean, the Venezuelan Socialist has exacted a humiliating price from the United States.

Betancourt's first demand was that we end our long alliance with the Dominican Republic. Trujillo's little nation, whatever mental reservations Americans might have about its denial of civil liberties, was America's most potent friend in the Caribbean area. Under Generalissimo Rafael Trujillo, the Republic gave 100-percent support to the United States in all security situations. Trujillo's excellently trained army was the one existent military force in the Caribbean which could be depended upon to checkmate Fidel Castro. To cast off such a proven friend at a time when Castroism was threatening the whole American position would be an act of such foolhardiness as to seem unthinkable even to certain persons in the State Department.

But at the behest of Betancourt, the United States did that very thing. At the San José Conference of September 1960, Betancourt presented the proposition that the United States could only have Venezuela's support in Pan America decisions if it imposed sanctions against the Dominican Republic. To the eternal shame of our State Department, it yielded to this insolent political blackmail. Our delegates at San José, led by our State Department and Charles Bohlen, voted to cast the Dominican Republic out of the family of Latin American nations, and to make it a pariah.

And then a curious thing happened. Betancourt had promised that if we met his wishes in the Dominican matter, he would back the United States in a strong OAS declaration against Castro. But no sooner had we kept our part of the unsavory deal than Betancourt welshed on his pledge. He joined in a move to pass a weak, anti-Communist declaration which studiously refrained from citing Castro by name. Did the U.S. delegates slap Betancourt down for this breach of faith? They did not. With almost masochistic humility, Assistant Secretary of State Thomas Mann issued a statement hailing the conference for its achievements.

Little wonder that Betancourt made up his mind that the United States was a pushover. When the Kennedy administration was inaugurated, he made his next demand. The United States should meet his wishes in the appointment of the new American Ambassador to Venezuela. His choice fell upon Teodoro Moscoso, an assistant of Governor Muñoz-Marín in Puerto Rico. During his exile from Venezuela after 1948, Betancourt had for some time been the guest of Muñoz-Marín in San Juan. He had become intimate with Moscoso. When Chester Bowles OK'd the appointment for President Kennedy, Betancourt had an American Ambassador who would let him write his own ticket. It was particularly stressed, in announcing Moscoso's appointment, that he would be able to work closely with Betancourt in matters of American aid.

"The third pound of flesh" which Betancourt has demanded from the United States was the extradition to Venezuela of his principal political opponent, former President Perez Jimenez, now a political refugee in the United States. Betancourt well realizes that if he can get Perez Jimenez under lock and key in one of his notorious political prisons, the backbone of the conservative, anti-Communist Venezuelan opposition to his rule will be broken.

Perez Jimenez has been under constant harassment and legal persecution in Miami. The whole operation has been vengefully conducted by Manuel Arizteguieta, Betancourt's Consul General in Miami. In the course of the action, the former Venezuelan President, who was honored and decorated with the Order of Merit by President Eisenhower on July 4, 1954, has been forced to make more than 20 humiliating court appearances to defend himself. His home has been surrounded by U.S. immigration officers and also by border patrolmen, as though he were a common criminal. He has been placed under $100,000 bail. Betancourt is determined to get Perez Jimenez into his clutches and the weak attitude of many U.S. officials gives him good reason for believing that he will win his third demand.

In return for such shameful American toadyism toward Betancourt, what has he delivered to us in turn? His support in the United Nations and the OAS has been wavering and undependable. He has declined to back up the United States in breaking off diplomatic relations with Castro's Cuba. Although he has not yet actually expropriated American property—remember he is still playing the role of an anti-Communist—he has made it so uncomfortable for private enterprise that there has been a flight abroad of over $1 billion of capital during Betancourt's 2½ years.

American oil companies, which have played such an outstanding role in developing Venezuela and in paying the lion's share of the taxes, have been confronted by the sinister apparition of a new socialist government oil monopoly which is now entering the business of producing and marketing oil. Betancourt himself, in his writings, has frankly declared that the nationalization of the oil industry is his ultimate goal. As long ago as 1932, in one of the letters to his Communist followers in Venezuela, which I shall describe a little later in this speech, he made the revealing statement:

> It is necessary for us to fully realize that our greatest enemy will be the Yankee oilman * * * it is indispensable for us to give very special attention to this aspect of the struggle.

The whole record of our relations with this equivocal man has been a sad story of U.S. loss and Betancourt gain.

Is it not about time that we should ask ourselves the question: Who is this Romulo Betancourt who has become such a trusted figure in U.S. hemispheric planning?

First of all, the fact must be faced that he is a former functionary of the Communist International and is still working consistently for Communist ends. As a young man, he was an ardent colleague of Gustavo Machado, who is now the official Communist Party boss in Venezuela and a member of the Venezuela Senate. Three times Betancourt has been exiled from Venezuela for Communist activity, first under President Gomez in 1928, again under President Lopez Conteras in 1936—Betancourt evaded this banishment by going underground and remaining in Venezuela—and again in 1948 by the junta which overthrew the leftist government of President Gallegos.

During his first exile, he went to Costa Rica where, with Manuel Mora, he founded the Communist Party of Costa Rica. For 5 years, from 1930 to 1935, he was the official head of the Costa Rica Communist Party, working with the Communist apparatus in Latin America.

It was while he was in Costa Rica that he worked out "the two-faced" strategy for winning Venezuela for communism without using the Communist name, which has been his lifelong preoccupation. The one mistake which he has made in his supercareful career was to describe this strategy on paper and to send it to his disciples in Venezuela in the form of letters. These letters stand over Betancourt's head like a sword of Damocles. They provide the incontestable proof that Betancourt's present impersonation as the head of the Accion Democratica government, and his present pose as a liberal anti-Communist, are all a part of a shrewdly conceived Communist plan which he formulated and put on paper while in Costa Rica in the early thirties. Every action of his subsequent career has been undeviatingly consistent with this plan.

What are these letters? In 1932, Betancourt had three close disciples in the Venezuela Communist underground. They were C. C. Valmore Rodriguez, Ricardo Montilla, and Raul Leoni. All three of these intimates have followed Betancourt through every twist and turn of his subsequent career. Two of them are now top members with Betancourt in the hierarchy which controls the Accion Democratica government. His letters were addressed to these three disciples.

Probably these letters would never have come to light and Betancourt could have gotten away with his impersonation had it not been for a strange twist of circumstances. One of the recipients, active in the Communist underground in the city of Barranquilla, Colombia, defaulted on his rent at his hotel. His baggage was seized and the full Betancourt correspondence was discovered. President Lopez Contreras ordered an

investigation. Later, the Venezuela Government reproduced all the letters in a red book. I have glanced through a copy of this book, of which only a few copies are now in existence. Also a memorandum was submitted in 1936 by the U.S. military attaché to the State Department. The military attaché describes in the memorandum the circumstances under which the letters came into Government hands and vouches for their authenticity. The memorandum should be in the State Department files. A further corroboration was provided by former President Lopez Contreras in a book which he published in 1955 and in which he again reproduced the letters.

Let me quote from some of the letters.

The full Betancourt plan, which is still the compass of his audacious policies, is outlined in one letter to Valmore Rodriguez dated January 27, 1932. Betancourt wrote:

In Europe, the peasants and laborers have reached a stage of political intelligence which allows them to act as government functionaries. But in Latin America the peasants and laborers haven't that level of intelligence. Therefore, a Marxist party founded on that basis is doomed. The party has to form a high general staff to direct, and that high-level staff should be formed by us because I am confident that we will not allow a deviation until we, with our high intellectuality, will determine the right time has come to make the left turn to the extreme leftwing and ultimately to communism. I derive this from the writings of Lenin who said: "The party shall follow the leader's path." How about it, little brothers? Are you of the same opinion as I?

Notice that Betancourt outlines three stages in his strategy to win Venezuela to communism. Only in the third stage will he unmask and proclaim his ultimate goal of communism. With his Accion Democratica regime he is now in his second stage.

Betancourt developed his strategy even more explicitly in another letter written in August 1932, and also addressed to Valmore Rodriguez:

This group would work to strengthen itself theoretically, to spread revolutionary propaganda within Venezuela, to recruit sympathizers with our line within and outside the country, and once having returned to the country, to constitute the initial nucleus of a revolutionary party, a united front of the exploited classes and which would be exclusively controlled by us, by a general staff of the struggle—more explicitly, by Communists who will prevent opportunistic deviations of the organization. This would impose a double task to legally agitate the masses, taking advantage of those honeymoon periods with the democratic liberties which almost always follow the overthrow of dictatorships, and to propose at the same time the insurrection, since the Peruvian experience is too significant for us to trust in the possible results of an electoral solution.

In this letter, we will note, Betancourt, who is hailed by so many American liberals as the apostle of "democracy' in Latin America, openly expresses his contempt for "electoral solutions." Remember, this is the real Betancourt, writing to his Communist comrades.

Betancourt explained his strategy of working for communism while disavowing the Communist name, in a letter addressed to all three of his disciples on January 27, 1932.

We already know how those people fear the aforesaid little word [communism]. And with vaseline we may be able to insert into the people all of Marx and all of Lenin, the most vehement hatred of private property, the most intense and active desire to do away with the capitalistic regime without ever having to use this word which smells of sulfur—communism.

He repeated his proposal of Communist incognito in a later passage:

In case there is any misunderstanding, let me point out to you here, publicly and openly, that I have been called a Communist. But I think we should act in a little more foxy way at this time to win what we need—the contact with the Venezuelan masses inside Venezuela.

What a self-revelation of the real Betancourt is provided by these signed letters: What a perfect nickname he has invited for himself—"Foxy Betancourt." As we follow the apparently contradictory and tortuous twists and turns of his subsequent career in Venezuela politics, we find that these letters supply us with almost a perfect chart to explain his conduct. Under all the impersonations which he has used during the intervening quarter of a century, one star has guided him at all times. That star has been his determination to make Venezuela a Communist nation.

It will be asked, What was the reaction of the Communist International to this unorthodox proposal of the young Betancourt to work for Communist aims, while denying the Communist name? As a matter of fact, Betancourt was simply carrying out, in this thinking, the accepted united-front strategy of world communism during that period. He wrote these letters at a time when the Communist International, under the leadership of Georgi Dimitrov, was introducing, in many countries, the policy of working under non-Communist names, of forming fellow traveler organizations, of inducing deceived non-Communists to work unwittingly for Communist ends. Probably these letters reached the notice of Betancourt's superiors in the Communist International. We shall never know the private meetings and agreements with the Communist International which Betancourt made at that time. This we do know.

Some time in 1935, Betancourt dropped his card-carrying membership in the Communist Party. Today, Betancourt and his American admirers throw a halo around this act and picture it as a sincere turning of the young man away from Moscow. Betancourt, when he reassures his liberal friends, tries to convey the impression that he lost faith in communism at this time.

Actually what had happened was that President Gomez had died and the way was now clear for Betancourt to return to Venezuela from exile and to begin trying out his "communism without the Communist name" plan. If further confirmation is needed, the New York Communist Daily Worker, in its issue of October 28, 1945, unintentionally gave away the show. It wrote: "He was not expelled." Anyone at all conversant with the inner policies of international communism knows that a man who, like Betancourt, had risen to the rank of national party leader—in Costa Rica—is never allowed to resign. For disciplinary purposes he is either expelled or else permitted quietly to drop out to be reassigned by his party superiors to some new and important nonparty post where he can work for communism under another name. The latter was undoubtedly the case with Betancourt. As far as I can determine, he never actually left communism even though, for expedient reasons, he has often put on the mask of "anticommunism."

That he was carrying out his new assignment is shown by what he next did. He returned to Venezuela, gathered around him his three Communist disciples, Valmore Rodriguez, Leoni, and Montilla, and formed a new party. This was named ORVE. It did not last long. In 1936, the Betancourt letters were discovered and in the following investigation, President Lopez Contreras illegalized ORVE. Betancourt went underground. From his place of hiding, he formed a new party, the Partido Democratico Nacional. But this also was short lived. The Venezuelan laws at that time illegalized any party in which Communists held executive positions. When it was proved in court that Betancourt and his comrades were Communists with party records, the Partido Democratico Nacional was outlawed. Betancourt, with the same elements, then formed the Accion Democratica, which is his present party. President Medina permitted the party to function openly and Betancourt came out into the open from the underground. Using the ideas described in his letters, he began to attain a mass following. By this time, he had publicly dropped his Communist terminology completely—he had become an apostle of "democracy."

Then Betancourt had a great break. In 1945, a group of military officers overthrew the Medina regime. Inexperienced in government, they turned to Betancourt's Accion Democratica and made it their political arm. A revolutionary junta of seven was selected and Betancourt was made president of the junta. He was now, to all practical effects, the ruler of Venezuela. Leoni was made a member of the junta. Valmore Rodriguez was made Minister of the Interior with authority over the police power. Montilla was made Minister of Agriculture, where he could carry out Betancourt's demagogic land reform ideas. Leoni was made Minister of Labor. Later, the novelist, Gallegos, was selected by Betancourt as the front for the regime and he was chosen President of Venezuela. Under Gallegos, Valmore Rodriguez was made President of the Congress, which made him the second man in the Government.

The inefficiency and corruption of the regime which sheltered itself under the great name of Gallegos became so flagrant that, on November 24, 1948, an uprising of military officers, including Marcos Perez Jimenez, overthrew the

Gallegos-Betancourt regime. Betancourt and his faithful three went into exile. The Accion Democratica and the Communist Party were both outlawed.

There followed, for Betancourt, 9½ years of wandering. Much of his time was spent in Puerto Rico. Through Munoz-Marín's sponsorship he was inducted into the ultraliberal Socialist coterie in New York. The friendships which he made among these New York liberals led to his eager acceptance as a "non-Communist" by the liberals in both the Eisenhower and Kennedy administrations. It explains the extremely favorable press that he has received in his present and second round as President. Socialists and leftists are chronic logrollers.

The events of his second Presidency have been intertwined with the career of Fidel Castro. Since the popular belief has been diffused that Betancourt is on our side in the fight against Castroism, let us analyze the Betancourt-Castro relationship. It is true that Betancourt is publicly anti-Castro. But it must be remembered that Castro would not be in power in Cuba today were it not for the help of Betancourt. The relationship between the two men has been that of teacher and disciple. As long ago as 1948, Betancourt intervened and saved Castro's life when the latter was in danger of death in Bogotá for his active participation in the bloody Communist riots. Betancourt certainly knew at the time that Castro was a Communist for both the Colombia police and the American FBI had documentary material in their files proving Castro's communism. Nevertheless, Betancourt threw the mantle of his protection around Castro and saved him to become the "Communist midwife of Cuba."

When Castro was struggling for power in Oriente Province in 1958, it was Betancourt's Accion Democratica which gave him his principal support. Accion Democratica instituted a national "Give a bolívar to Castro" drive. It drenched Cuba with pro-Castro broadcasts over its party broadcasting station in Venezuela. A continuous supply of his guerrilla forces was carried on by airlift and by sea from Betancourt agencies in Venezuela. Huge sums were raised in Venezuela for Castro's war chest.

With this background, it may naturally be asked why are Betancourt and Castro now at outs? Why do Castro followers fight Betancourt politically in Venezuela? The explanation is simple. Betancourt and Castro have parted company in respect to their rival programs to bring about communism in Latin America. Betancourt is still wedded to the "foxy" strategy. He believes he can sneak communism into power by fooling the liberals into helping him. For that reason he puts on a masquerade of anticommunism. Castro, on the other hand, is seeking to bring communism through terrorism. Moscow sits back complacently and lets both of them try their techniques. Whichever one is proven right, Moscow will be the certain winner.

But let us go back to the $900 million of foreign money which Finance Minister Carrillo Batalla asked for, and which Venezuela is now insistently requesting. How has it happened that rich Venezuela, under Betancourt, has come so quickly to financial straits requiring such lavish foreign assistance? Or, to put this question in another way, what kind of a risk for American money is Betancourt's Accion Democratica Venezuela?

To answer this question we must bear in mind that the leftist groups which overthrew the government of President Marcos Perez Pimenez in January 1958 inherted a Venezuela which was at the peak of solvency. Perez Jimenez, although it is not the Socialist habit to revile him in order to exalt Betancourt, was a man of engineering vision who proved to be probably the most constructive ruler of Venezuela in modern times. His 9-year dominance in Venezuela saw that richly endowed country blossom like a veritable rose. Of course there was uneven distribution of wealth. We hear a lot of talk about the poverty in Venezuela. But there is poverty everywhere, if we hunt for it statistically, even in prosperous United States. The fact remains that at the end of Perez Jimenez' rule, Venezuela enjoyed the highest per capita income of any nation in Latin America.

Perez Jimenez' achievement in Venezuela was so outstanding that President Eisenhower, on July 4, 1954, conferred the Order of Merit upon him, with a citation praising his achievements "before and after becoming President."

Now let us see how the pro-Betancourt history-revisioners are distorting the truth about the past in order to sell Betancourt to the American people. Listen to this editorial in the New York Times, which faithfully reflects the pro-Betancourt bias. Speaking of Betancourt's financial difficulties, the Times says:

> The economy of his country is in bad shape because of the extravagance and heavy indebtedness of the dictator, Gen. Perez Jimenez.

If there was heavy indebtedness under Perez Jimenez, certainly the accurate economists of the First National City Bank of New York did not discover it. In the official report on Venezuela, issued in June 1957, a little over a year before Perez Jimenez' political demise, the First National City Bank stated:

> External debt, other than the small Export-Import Bank loans, was liquidated a long time ago. Internal debt, consisting chiefly of Government-guaranteed obligations of various autonomous organizations is relatively modest.

Whom should we believe on the subject of Perez Jimenez' "extravagance," the special pleaders of the editorial department of the New York Times—pro-Castroite Herbert L. Matthews is a member of the editorial board—or the objective economists of the First National City Bank.

But let us look upon some statistics which will highlight the desperate misrepresentation which Betancourt's "liberal" friends are committing in order to blacken the name of the anti-Communist government which preceded him in Venezuela.

The New York Times and other "liberal" writers have frequently declared that the reason why Betancourt is running a deficit and must have U.S. aid is because Perez Jimenez, in his extravagance, left a huge internal debt which Betancourt has been trying to pay off.

Official statistics show that this is a misstatement.

At the end of 1957, on the eve of Perez Jimenez' departure, the Treasury of Venezuela had a surplus of 2,384 million bolívares. This was the nest egg which Larrazabel and Betancourt inherited when they came to power. Against this huge surplus, there was outstanding virtually no foreign debt and a domestic debt of only 1 billion bolívares.

In 3 years Betancourt has succeeded in squandering all this inherited surplus and 5 billion bolívares more which his regime has raised through taxation. And although Perez Jimenez literally rebuilt the country out of his national revenues in an extraordinary public works program and still was able to accumulate a surplus, the whole public works program has been at a virtual standstill during the 3 years of leftist government. At the end of the 3 years a surplus of 2,384 million bolívares has been converted into a deficit which, by Finance Minister Carrillo Batalla's own admission, aggregated 1,876 million bolívares at the end of 1960. And it is now worse.

Where then has the money gone?

The public reports of Betancourt's government agencies are not very revealing, but this much is on the record.

The largest part of this money has been squandered by Betancourt in a far-flung program of corruption of the Venezuela electorate. During Perez Jimenez' last year, one of his political opponents tried to make a case against him by charging that there were 15,000 unemployed in Venezuela. Within 3 months after his departure the 45,000 workers who had been employed on public works had been laid off and total unemployment had soared to 100,000. To placate these unemployed and to win their support for the new leftist regime, a so-called emergency program was instituted, and unemployed were put on the Government payroll to receive 10 bolívares a day with no work required. Farm laborers from all over the country flocked to Caracas to qualify for this no-work money, and they became political adherents of the ruling party. This giant Venezuelan WPA program cost the national treasury the sum of approximately 1 billion bolívares.

The situation became so scandalous that Betancourt later ended the emergency policy. But he followed it by something worse. He issued an order to all the Government departments and the Government-owned agencies to "absorb" these unemployed—in short, to give them permanent Government jobs doing nominal work. So the Government is still supporting this vast boondoggling army of Betancourt voters. So scandalous is the situation of overstaffed Government agencies that the administrator of the publicly owned Venezuelan monopoly acknowledged that he could easily

eliminate 75 percent of his working force and run the telephone services more efficiently.

The political corruption of the Government agencies has become so shameful that Betancourt parcels out fixed quotas of jobs under the Government to each of the political parties which are supporting him in his coalition. Venezuela is still a rich country but no nation could remain solvent when the national treasury is being used almost without restraint in a wholesale corruption of the electorate.

In all the vague talk about what Betancourt is doing to democratize Venezuela and to "build a middle class"—Betancourt's own favorite phrase—the unhappy truth is concealed that in 3 short years, Betancourt has succeeded in turning self-respecting Venezuela into a huge poorhouse. And now it is proposed by our liberal friends that we should start pouring American millions down this Government's bottomless pit.

But there are some truth-facing men in the State Department who are painfully aware of the ruinous trends of Betancourt's rule. A confidential report, calling attention to the danger of pouring out more American economic aid to shore up Betancourt's sinking Venezuela was prepared for Ambassador Moscoso by three members of the Caracas Embassy staff—John M. Gates, Jr., First Secretary, Dr. Irving Trager, labor attaché, and Robert Cox. The memorandum, after pointing out the financial irregularity and political favoritism which pervades the Betancourt regime, used these warning words:

> All the plans and programs that might be formulated * * * and the economic development of Venezuela, either by the Government, by private capital, or by American technicians would have to be put into operation through the prevailing bureaucracy. But as long as the public administration of the country is characterized by ineptitude, indifference, the practice of favoritism in the handing out of Government jobs, the thefts, the duplication of jobs, and the erection of private empires, it would practically be impossible to have any dynamic projects or efficient followthrough by the Government. (This is a retranslation from the Che Guevara's Spanish version recently presented in Punta del Este.)

Since this report blasts some of the basic assumptions which have been used by Washington higher-ups to sell the $20 billion Latin American development program, we would probably never have heard of this memorandum were it not for Che Guevara, Castro's No. 2 man. The memorandum was in the portfolio of Ambassador Moscoso and was left in his parked car when he visited the University of Caracas on June 14, 1961. While Moscoso was in the university, a gang of Communist Castro students attacked and burned the car. The Americans assumed that the portfolio had been consumed with the car but later, at the Punta del Este Conference, Che Guevara produced the document and read it to the delegates as a proof of U.S. interference in Latin American affairs. The State Department thereupon acknowledged the document.

What has happened to one courageous man who worked on the preparation of this report, knowing full well that it would be unwelcome to his superiors?

Perhaps it was a coincidence, but it is interesting to know that John M. Gates, Jr., was recalled to Washington subsequent to the issuance of this report and a new First Secretary appointed.

Apparently, there are people in the State Department who do not want the hard truth to be revealed when it touches one of their "sacred cows" like Betancourt.

Government statistics of total public spending will give us a frame of reference to envisage the vast increase in Venezuela spendings under Betancourt in comparison with those under Perez Jimenez. For the 9 years of Perez Jimenez' rule, 1948 to 1957, inclusive, total Government expenditures were 18 billion bolívares, on an average of 3 billion bolívares a year. In return for this, Venezuela has gained through completed public works projects which Perez Jimenez inaugurated. Against this we have the fact that in the 3 years of Larrazabel and Betancourt rule, 1958 to 1960, inclusive, Government expenditures were 21 billion bolívares, or an average of 7 billion bolívares a year. For this, Venezuela has practically no public works completions to show—only a dismal slide of the nation into the first approaches of a Socialist-Communist quagmire.

When Betancourt talks about his desire to build a middle class, the uninformed foreigner takes him at his word. The truth is he is rapidly destroying the former Venezuelan middle class and preparing the population for a potential Communist takeover. To cite a few industries which were thriving before 1958, let me list a few examples. More than 50 percent of the small businesses in Venezuela have been wiped out under Betancourt. Virtually all importing business has disappeared as a result of the drop in the value of the bolivar. Ninety percent of the insurance companies have gone into bankruptcy. The construction business, once Venezuela's second industry, has now come almost completely to a standstill. The building supply industries dependent upon it have ceased operation or failed. In place of the new buildings which were formerly springing up all over Caracas, the monument to Betancourt rule is the so-called hunger belt of huts which have risen like a ring around the city on the cleared land of Perez Jimenez' discontinued public work projects. The inhabitants of this hunger belt, as Betancourt well knows, will be ready tinder for the coming Venezuelan Communist revolution.

In the propaganda of his American admirers, Betancourt is always praised for bringing civil liberties to Venezuela. But has he? As I speak these words, rigid restraints are in effect in Venezuela against freedom of assemblage and freedom of press. It should be noted, in passing, that none of the top Communists, such as Gustavo Machado, have ever been imprisoned under these regulations. The principal target of Betancourt's Accion Democratica police state are the Venezuela conservatives. Betancourt's praisers point with pride to the new constitution which he has promulgated proclaiming civil liberties, but they have overlooked the fact that none of these constitutional protections will apply to the thousands of cases of the anti-Communist supporters of Perez Jimenez which are now pending. In Venezuelan law there is a legal status known as transitory disposition for unresolved legal actions. The case of imprisonment and confiscation of the political enemies of Betancourt, even after the announcement of the new constitution, are, by special legislation which Betancourt has passed, kept in transitory disposition, outside the constitutional civil liberties provisions.

Today, several times as many people are in exile from Venezuela as during the days of the dictatorship of Perez Jimenez. When the offer was made to pay the travel expenses of those who had fled Venezuela under Perez Jimenez in 1958, the total number who accepted was just 200. This is a fair measure of the number of actual exiles at that time. Today, under Betancourt, over 3,000 conservative Venezuelans are in exile in the United States, in Europe, and in the Americas. Sad to relate, they constitute the flower of the anti-Communists of Venezuela. In addition, three whole jails for political prisoners in Venezuela are crammed with Perez Jimenez supporters—the Planta, the Casa Gris, and the El Dorado. Civil liberties are only meaningful when they are available for one's political opponents. Under Betancourt, civil liberties in Venezuela stop when they are invoked on behalf of the genuine anti-Communists who once supported Perez Jimenez.

And so we come to our $64 question: Is Betancourt pro-Communist? I think the preceding has shown he is following a policy in Venezuela which is as surely calculated to bring communism to that unfortunate country as anything which could be done by an outright Communist. Indeed, Betancourt is more dangerous, because, with his "liberal" mask, he is able to deceive the United States into accepting him as an ally and a beneficiary. To use his own 1932 words, he is still acting "foxy." He is still bringing communism by "vaseline."

But the final and indisputable indication that he is craftily carrying out the long-range Communist plan which he described in his letters of 1932 is the fact that the same Communist comrades whom he then hailed as his general staff are still with him in the Accion Democratica and holding high office in the Venezuelan Government.

Raul Leoni is today the President of the Venezuelan Congress. Under the Constitution of Venezuela, he will succeed Betancourt in case of death or resignation.

Riccardo Montilla stands at Betancourt's righthand as the Political Adviser to the President.

C. C. Valmore Rodriques is now dead, or else we would probably see his name high in the present Betancourt hierarchy.

Three of the quadrumvirate of general staffers who banded themselves together fanatically in 1932 to win Venezuela for communism are today ruling Venezuela in the name of the Accion

Democratica which our misguided American liberals are hailing as the hope of democracy in Venezuela.

Betancourt has been too clever to draw attention to himself by putting known Communists in his Cabinet. Instead, his old Communist henchmen are ensconced inconspicuously in No. 2 and No. 3 posts. In these positions they can influence policy without becoming targets. Some of them sit in the Congress and Senate. Some of them are key figures in the controlling officialdom of the labor unions. Some of them are administrators of the so-called agricultural reform agencies where they are able to cement the rural voters to the Accion Democratica political machine. A master in the art of the masquerade, Betancourt conducts a government so carefully camouflaged that it impresses foreign observers as being "liberal" and "anti-Communist." But the Communist overall control is never relaxed by Betancourt, Leoni, and Montilla who know the directions in which they are moving.

However, Communists have been placed in some of the key positions of the Government outside Cabinet rank. One of these posts is the ambassadorship to the United States. The deluded support of American liberals is so important a factor in Betancourt's continuance in power that the Washington post has been given to a man who shares Betancourt's Communist confidence. This man is Jose Antonio Mayobre, present Ambassador to the United States. Mayobre, after a lifetime in the Venezuela Communist underground, went to Moscow and studied in the Communist training schools. Up until 5 years ago, he was still active in open Communist work.

Another post is the Venezuelan ambassadorship to UNESCO. This post is held by Mariano Picon Salas, a pro-Communist. Another pro-Communist who stands at Betancourt's right hand is Carlos D'Ascoli, who is the economic adviser to the President.

And still another pro-Communist, Rafael Medina Febres, holds a position corresponding to the Under Secretary of State in the United States. Medina Febres in 1932 was another member of the Betancourt—Leoni-Montilla group who received the famous letters which I have quoted in the preceding. These are all pro-Communists who stand strictly outside Machado's official Communist Party, with which Betancourt has no public relations. To maintain the pose, Machado's party and the Accion Democratica even engage in public controversies and unimportant Machado Communists are occasionally arrested, although the top Communist leaders are never molested.

It is a staged spectacle carefully designed to fool Americans. That it has succeeded in its purposes is shown by the obsequiousness with which some of our State Department policymakers, both in this and in the preceding administration, have treated Betancourt. When the history of this unhappy period is written, one of its supreme ironies will be the fact that the deluded United States picked out the most clever proponent of the Communist ideology in Venezuela to lock the Caribbean gate against communism.

Will the United States awake in time?" It must awake, or the Caribbean area may become the graveyard of our freedom in this hemisphere. We are moving in that catastrophic direction by rapid steps. It is now 11 o'clock in our struggle with Khrushchev for Latin America. Let us not wait until midnight.

COMMITTEE ON HOUSE ADMINISTRATION—REPORT ON CONTINGENT FUND OF THE HOUSE

The SPEAKER pro tempore (Mr. McCORMACK). The Chair recognizes the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, I offer a resolution (H. Res. 476) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 476

Resolved, That, until otherwise, provided by law, the Committee on House Administration shall have exclusive responsibility for prescribing the form of, and having printed, the portion of the report of the Clerk of the House under section 60 of the Revised Statutes (2 U.S.C. 102) dealing with the contingent fund of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, I reserve the right to object.

Mr. LIPSCOMB. Mr. Speaker, if the gentleman will yield, this resolution has been cleared with the leadership on this side of the House and we have no objection to it.

Mr. GROSS. Mr. Speaker, I would like to know the meaning of this resolution.

Mr. BURLESON. This is a resolution that will clarify the situation as to the responsibility for prescribing the form of and for printing that portion of the report of the Clerk of the House dealing with the contingent fund of the House. The appropriation act passed by the House last year provided that all expenditures from the contingency fund of the House should be published in a document. In years past, when the Clerk of the House made this report to the Speaker, the report was ordered to be printed. In recent years that practice has not been followed and, of course, it is up to the Speaker of the House to do so. In the bill last year, to which I referred, there was a provision which stated that the report should be printed, but it is somewhat vague as to whose responsibility it is. We think it is the responsibility of the House Committee on Administration—as a matter of fact, we know it is the responsibility of the committee. But the authority was not spelled out in that bill, which was passed last year, and the pending resolution spells it out; in other words, that the Committee on House Administration should prepare and have printed and make it a public document all expenditures from the contingency fund of the House of Representatives.

Mr. GROSS. And this in no way alters the mandatory provision of having the report printed?

Mr. BURLESON. The law now requires that the report should be printed. We are dealing here simply with the matter of who has the responsibility of preparing the report and having it printed as a public document. This resolution is for the purpose of clarifying the matter in that respect.

Mr. GROSS. If I may ask the gentleman from Texas one further question. Does this deal with the report that has been for so long on the Speaker's desk this year?

Mr. BURLESON. I do not know to which report the gentleman refers.

Mr. GROSS. There was one report which I understood was on the Speaker's desk for a good many weeks, if not for several months, in this session of the Congress. It was a report dealing with expenditures. Perhaps it was the report of expenditures on travel, I cannot now recall the exact nature of it.

Mr. BURLESON. The gentleman probably has reference to the fiscal years 1958, 1959, and 1960 which were not included under the law but which the Committee on House Administration by resolution did have printed for the reason that under the requirements of law we do have it printed. Then in the fiscal year 1961, the law requires that it be printed for that year and all subsequent years. If I may repeat, what this resolution does is to clarify the authority as to the responsibility because the Committee on House Administration does have that responsibility.

Mr. GROSS. With the assurance of the gentleman that this will result in the report being printed and made available to whoever wants to see it, I have no objection.

Mr. BURLESON. May I state to my colleague that that is already being done. This is just a matter of who has the responsibility for doing it in the future. All we are asking here is to clarify the situation as to the responsibility for performing this function.

Mr. GROSS. Mr. Speaker, I thank the gentleman and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE PUBLIC WORKS APPROPRIATION BILL

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, in a few minutes, a conference with the Senate

on the public works appropriation bill will be requested.

I am the top minority member of the Subcommittee on Public Works of the Appropriations Committee, and hence will be a member of that conference.

I note in reading the Senate bill that they have increased the House bill for public works appropriations for fiscal 1962 to the tune of $278,225,500. Some 30 items have been either increased or added to the House bill. This, of course, follows their regular procedure year after year. The House committee sits in hearings for months listening to Members of Congress, to the agencies' budget request involved in public works, and to outside witnesses, who generally number around a thousand, and we finally write a bill, then bring it to the floor where we generally have almost unanimous approval by the House of Representatives, because we have been fair with every section of the country; and provided in the bill items and projects as we honestly feel are justified, but we have never gone overboard in spending the taxpayers' money whether the items or projects are reimbursable or not—then we learn always that the other body has taken little account of all the things we have struggled with and brought to the House floor and passed, as I say by an almost unanimous vote of the Members of the House, but invariably the other body increases the bill by hundreds of millions, which is discouraging to not only the members of the House committee, but also to most of the American taxpayers.

Mr. Speaker, I yield back the balance of my time.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HAYDEN, Mr. RUSSELL, Mr. MCCLELLAN, Mr. ROBERTSON, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. KERR, Mr. PASTORE, Mr. DWORSHAK, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mrs. SMITH of Maine to be the conferees on part of the Senate.

PUBLIC WORKS APPROPRIATION BILL SENT TO CONFERENCE

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

The Chair hears none and appoints the following conferees: Messrs. CANNON, KIRWAN, FOGARTY, JENSEN, and TABER.

RECESS

The SPEAKER pro tempore. The House will stand in recess subject to call of the Chair.

The bells will be rung 15 minutes before the House reconvenes.

(Thereupon, at 2 o'clock p.m. the House stood in recess subject to call of the Chair.)

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore at 4 o'clock and 27 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 399. Concurrent resolution to make certain corrections in the enrollment of the bill H.R. 7377.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) entitled "An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) entitled "An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes."

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. If it is a proper parliamentary inquiry—what was it that was messaged over from the other body?

The SPEAKER pro tempore. The Chair was just going to recognize the gentleman from Oklahoma [Mr. ALBERT] to make a statement.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, the message was starting new business without finishing old business. As I understand it was a resolution setting the date for the convening of the 2d session of the 87th Congress.

Mr. HALLECK. What date does the resolution fix?

Mr. ALBERT. I think it is the 10th. The resolution will have to speak for itself—yes, it is the 10th of January.

While we are on this subject if the gentleman will yield further——

Mr. HALLECK. I yield.

Mr. ALBERT. It is common knowledge now, of course, the other body has entered an order to meet on Monday. It has not yet finished legislative business which must be considered by the House. We therefore find it expedient to adjourn the House until Monday next.

I would like to advise the Members that we plan to adjourn until 12 o'clock on Monday next. It is urgent that Members remain in Washington and that we expect business beyond Monday next. We hope the Members will arrange their plans accordingly.

Mr. HALLECK. As I see it, there will be very little business on Monday. If there is some business after that time, it will be necessary for us to have a quorum here. I must say, as I have listened to the Members, it is with deep regret they have learned we cannot adjourn tonight because personal plans are being interfered with and official business that Members have in their districts is being interfered with. It is just too bad that we have not been able to adjourn tonight. I agree with the majority leader it is a matter not within the control of the leadership of this body. That is probably all that can be said about that.

Mr. ARENDS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ARENDS. Is it against the rules of the House for a Member of the House to say anything derogatory about any

Member or collectively about the Members of the other body?

The SPEAKER pro tempore. The Chair would not pass directly on that parliamentary inquiry, and strongly suggests that not be done.

BERLIN PROBLEM

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, I am delighted to have an opportunity to participate in this important discussion on the critical Berlin problem. As many of my colleagues know, ever since I came to Congress I have maintained and regularly called attention to the fact that the key source of friction between the Communists and the free world is a divided Germany and in particular, the isolated city of West Berlin.

Mr. Speaker, I do not need to emphasize the dimensions of this problem to my distinguished colleagues. Not since the beginning of the cold war, in fact, have we been confronted with such an explosive and dangerous situation as we now face over the tragically divided German city.

The Berlin situation is obviously a far-reaching and highly complex matter. Questions such as Soviet motivations and intentions, Western principles and policies, and the subject matter of negotiations need to be raised and explored.

In this respect I am pleased to call my colleague's attention to a thought-provoking analysis of the Berlin problem prepared by one of my constituents, the distinguished professor of political science at the University of California—Berkeley—Dr. Paul Seabury.

Among other things, Professor Seabury correctly points out:

> In Berlin we are reminded of the twofold danger which will be with us for a long time: the danger of totalitarianism to human freedom, and the danger of thermonuclear war to human life. Preoccupied with one, we could fall victim to the other, [and] we must always bear this difficulty in mind.

Professor Seabury has also made the very important point that, "dangerous as this present crisis may be, we still should try to define and assert its temporal and spatial dimensions and limitations. The freedom of West Berlin, as President Kennedy has said, is not negotiable; it is a central part of the freedom of the whole Western World. In seeking to defend this freedom, however, we must not reduce the whole range of our foreign policies to the particular issue at stake here. Rather than Berlinize our foreign policy, we should seek to invest Berlin with those broader meanings which have imbued our foreign policy over the past decade: our concern for peace and freedom; our concern for a better life for all men."

Mr. Speaker, I do not agree with some of the specific points discussed by Professor Seabury. Notwithstanding, this is an informed and timely memorandum and deserves the study of all Members of Congress.

MEMORANDUM ON BERLIN

In Berlin, we are reminded of the twofold danger which will be with us for a very long time: the danger of totalitarianism to human freedom, and the danger of thermonuclear war to human life. Preoccupied with one, we could fall victim to the other; we must always bear this difficulty in mind; but we must also bear in mind that even in our choice, we are not free to "choose"; our opponents in this confrontation, who have taken the initiative of unilateral force, have not abandoned that initiative; and it is this seizure of initiative in force which now severely limits our own freedom to choose, to think rationally about an enduring accord in central Europe, and to speculate about its contents.

Dangerous as this present crisis may be, we still should try to define and assert its temporal and spatial dimensions and limitations. The freedom of West Berlin, as President Kennedy has said, is not negotiable; it is a central part of the freedom of the whole Western World. In seeking to defend this freedom, however, we must not "reduce" the whole range of our foreign policies to the particular issues at stake here. Rather than "Berlinize" our foreign policy, we should seek to invest Berlin with those broader meanings which have imbued our foreign policy over the past decade: our concern for peace and freedom; our concern for a better life for all men. (It would be foolhardy and shortsighted, for instance, to demand of all nations in the non-Communist world, that our aid to them, our assistance in their long-range programs for human betterment, be now, suddenly, made contingent upon acceptance of the specific policies in Berlin which we—and our Western allies—deem essential. Our concern with the grave military threat now posed by Soviet blusterings and symbolic acts, ought not to dim our concern, or paralyze our efforts, to achieve one of our most basic aims: a world without war.)

The example we now set to others, in this crisis, will test the style we must henceforward display—seeing, even in crisis, the deep value of the steadfast insistence upon principles and actions consonant with peace and freedom. It would not be weakness now to continue to speak and act "beyond Berlin," beyond that hoped-for point in time when war could have been avoided, and European freedom once again preserved. By our initiatives for peace now, even by our unilateral actions in areas far removed from Berlin, we may, in a sense, "transcend Berlin." Transcending it, we might even deflect our opponents' eyes, in some measure, from their fixation on this grievous threat to war. Until negotiations commence, our own freedom of initiative in Berlin itself is severely limited; we are pressed hard, and the pressure may well increase; if there, in this limited context, our actions may seemingly be limited to defensive responses to the gnawings of Soviet and East German actions, we should not abandon our own nonmilitary actions and initiatives; we should, if for that reason alone, augment our own initiatives for peace, freedom and human decency elsewhere.

Soviet actions underscore once more the absence of a political settlement and order in central Europe; but they underscore also some of the chief reasons why no such order has been possible of diplomatic achievement since World War II. Without such a settlement, we face constant prospects of war. With a Soviet-dictated settlement, imposed by threats and unilateral actions, international peace would be equally endangered; for the symbolic implications of a Western "retreat from Berlin" would be too great, however shrouded in statesmanlike rhetoric, to go unnoticed by the whole world. Unlike Quemoy and Matsu in the Far East, Berlin is not merely (or even chiefly) a military outpost of America and an unpopular ally; it is, and long has been, a symbolic outpost of the whole Western World.

What is important, in thinking about Berlin, is to assume that whatever we wish in the way of a settlement is one which can enhance central European stability, by giving promise of some permanence. We cannot permit our concern for peace in 1961 to cloud our real concern for permanent and enduring peace. We cannot be panicked into a fragile settlement which, prompted by our fear for immediate war, only increases grave misgivings for any permanent solution. While we cannot despair of negotiation, we should despair of negotiations having, as issue, seeds of new and even greater difficulties than the ones that prompted this present crisis. We confess defeat if we negotiate merely to buy time for peace.

SOVIET INTENTIONS AND COMPULSIONS

The Soviet state is a closed totalitarian system. We cannot see much, we are bereft of the kinds of knowledge about intentions, needs and compulsions which, even in the best of circumstances in a free society, are hard come by. We work from inference and from scanty facts at hand. Yet no approach to the Berlin problem can begin without inquiring into these intentions and compulsions: what is wanted, and why. Any great event or crisis gathers into itself many motives. What are the chief ones, on the Soviet side? Which ones must we bear in mind when formulating our own proposals for action and for negotiation? Which ones can we regard as legitimate intentions—that is, in accord with their own professed concern for peaceful coexistence? Which ones can we not?

One thing only can we be certain of: that the Russians have found the existing status quo evidently intolerable, and have decided to use force, if necessary, to make us acknowledge the intolerableness also.

Another thing surely we must be certain of: There is no simple objective, no simple "overriding" explanation of Soviet behavior.

Beyond this, we must engage in an act of imagination and intuition.

Surely, if we take the short view, the Russians on August 13 provoked the crisis by taking a surprising step—closing the sector lines—because of a serious threat to the East German regime—the threat of mass exodus. There can be little doubt that this action was pressed upon them strongly by the DDR, and by Ulbricht (after all, one cannot stand idly by and watch one's own population file out of the auditorium during such beautiful music). That there was necessity and compulsion behind this particular act is important to bear in mind. But one can be misled by this. The East German exodus was occurring because of prior Soviet and DDR actions; people were getting out because they wanted to "get out in time," because the border, the escape hatch, was likely to be closed when Khrushchev got his "peace treaty," which—he had announced this spring—he would get under any circumstances by Christmas. It is not, then, into the compulsions to freeze off East Berlin that we must inquire, but about the compulsions to force the "little" issue of Berlin, and the larger issue, of Germany, to a crisis point for "final settlement."

There are three things which might be borne in mind as sources of Soviet intentions:

First, supposed Soviet concern over a rearmed Germany in central Europe, particularly a West Germany armed with nuclear weapons.

Second, Soviet concern to demonstrate, within its own orbit, to its allies (notably China), and its own people, that its waxing power and prestige were to be employed for the expansion of the Communist world. (This internal matter, rather than dangers of a mythical "generals' coup," could indeed be serious, and has been suggested by some students of Soviet politics. These point to the growing concern of Soviet leaders with widespread cynicism in Russia about the regime, growing indifference to its claims and pretensions; increasing evidence of difficulties in labor-management problems; widespread defiance of authority, etc.) It is important, when discussing these things, to bear in mind the needs of Soviet Communist leadership, as distinct from the needs of Russia itself; and there can be no doubt that the highly charged debate between Khrushchev and Chinese Communist leaders, concerning strategy and tactics, is both an infraparty debate and a debate deeply concerned with the future of the Communist movement, not with that of Russia, or the Soviet people.

Third, Soviet concern with the legitimizing of the broader order of central Europe, which, if kept permanently "illegitimate," presents continuous dangers of recurrences of Budapests and Leipzigs.

Fourth, there is the contextual concidence of the present crisis, with a supposed Soviet exuberance concerning its superiority in weapons, and, conversely, American inferiority.

Finally, there can be little doubt of the seriousness, to the Russians, of a constantly malingering East German regime. It is an embarrassment; it is a constant reminder to Western Europeans of the shabbier sides of Stalinism; it is inherently unstable; and it is despised. Yet its importance within the Soviet orbit is considerable. Its highly industrialized economy is a prized possession, an indispensable element woven into the whole economy of the Soviet orbit. As its political weakness has increased, so also have Soviet compulsions to have it legitimized and internationally baptized. Only then, when recognized and accepted by other States, could a certain internal stability be wrought out of popular hopelessness and resignation. As an outpost of communism in the West, it is hard to imagine even the hardiest of Soviet leaders ever permitting a new political order in which domestic protest and expression of popular will could further humiliate the Russians. If its regime were in any way popular; if one could count upon its gradual rise in popular esteem, the recognition matter, and a peace treaty, might not be so urgent. However, nothing has been done—no change of despised leadership, for instance—to change the appearance of this regime to the people of Germany; and for this failure in political judgment and action the Russians should hold themselves accountable. As it is, they have chosen to do nothing about it. Perhaps their options are not large. In any event, it is clear: they are no longer interested in unification, even as a propaganda device.

WESTERN INTENTIONS AND POLICIES

Any Western (read American) policies in this crisis should commence by recognizing the two levels at which policy must work: the negotiatory level, with its promise of possible agreements with the Soviet; and the level of unilateral action, to meet Soviet initiatives before serious negotiation commences. On both of these levels, however, certain basic principles ought to be respected:

1. Western Berlin, its territory, population, and government, must continue to be regarded, and respected, as a symbolic component of the Western World. On this matter there could be no compromise—nor is there today among the people of West Berlin, Germany, or Western Europe, any doubt about it. A Berlin settlement which compromised this principle would precipitate a psychological disaster in Western Europe, seriously endangering the entire structure of Western political, cultural, and economic unity. Such a disaster itself would gravely endanger world peace; and it behooves the Soviet leaders to recognize this.

2. An essential element in the maintenance of a free West Berlin is, and should continue to be, the rights of free access to Berlin from the Western World as they now exist; these include the rights of access to Berlin of citizens of the Bundesrepublik, as well as elements of Western military garrisons. Air corridor rights of access apply to such commercial vehicles as now enjoy such rights; and neither Soviet nor DDR authorities may interfere with the passengers or materiel. Existing land corridor links between Berlin and the West also constitute rights. While the Soviet Union may choose to delegate, to DDR authorities, its own control and inspection rights as have existed in "common law" over the past 16 years, it cannot thereby abrogate its own responsibility to see that existing rights and obligations remain observed.

3. In maintaining the symbolic value of Berlin to the Western community, the presence in West Berlin of allied garrisons (French, British, American) remains essential. Such garrisons, and those of the Soviet Union and the East German regime as are present in Berlin, could well be supplemented by a U.N. "presence," possibly in the form of supplementary sector-boundary police, inspection teams, etc., to assist in the maintenance of tranquility in the city. A U.N. presence, however, cannot be regarded as a substitute for the existing Western presence.

These positions, though necessary, are not sufficient. For while in negotiation we should seek final, explicit Soviet guarantees of them, we must also seek to broaden the sphere of negotiations; we must put the "little Berlin" problem into the necessary context of a "large central Europe" one. What elements might enter a Western position here?

Here, we might bear in mind once more the obvious, basic, local source of tension and aggravation in central Europe: the absence of international legitimization of the existing order of things. This problem transcends in seriousness and complexity the dangers arising from confrontation and proximity of Soviet and Western military forces in central Europe. Indeed, we might say that, were an international political settlement in central Europe possible, the problem of disposition of existing military forces in the area, while of some importance, would become secondary. Proximity of military forces—particularly of Soviet and American ones—in itself cannot be regarded as a principal source of tension in Europe; indeed, such proximity in the past 15 years has ironically been one element of central European stability, since it has diminished also the implicit dangers coming from leaving the matter of a German settlement to Germans themselves. Both the West and Russia have been conscious of this, as have many thoughtful Germans themselves; no one wants a Korean-type war in Europe; and for this reason we should not idly toy with proposals for some hypothetical and nebulous U.N. police force in central Europe as substitute for what we now have. The dangers of accidental war from spontaneous revolt, insurrection, and civil war are too great to be left to Germans themselves, and/or to U.N. forces of unknown composition, which could not act decisively (as did Western and Soviet authorities, at the time of the Budapest crisis in 1956). Above all, we must recognize, when speaking of "disengagement," that NATO-Warsaw Pact proximity alone does not constitute danger. In a sense, every spot on the globe is proximate to another. Symmetrical reduction of forces in central Europe, and the creation of "atom-free zones" can thus only be meaningful in the context of broader, more general reduction of forces, and, conceivably, of general and universal disarmament.

What elements of "illegitimacy" in central Europe might constitute subjects of negotiation? The following come to mind:

1. A German frontier settlement: We should now be prepared to admit the "finality" of the existing de facto eastern frontiers of Germany. This means, chiefly, the Oder-Neisse line, now separating East Germany from Poland. It means, however, also more than that—for recognition of this would in part allay Soviet and Eastern European concern for a hypothetical German "revanchism," a source of constant worry and political hypochondria in Eastern Europe, which would continue even (or even more) if the Soviet Union were not there at all. Such explicit Western recognition of the eastern frontiers, by allaying such Eastern fears and suspicions, could conceivably contribute to a further lessening of political tensions in Germany's eastern neighbors (notably Poland), and conceivably also lessen the tight military alliance which now binds together the Eastern satellites and Russia. Finally, it could conceivably also diminish, within Germany, the influence of those political forces among the expellees and others, who continue to vainly preach the recovery of lost provinces.

2. A nuclear-free zone in central Europe: On this, we should not deceive ourselves: a nuclear-free zone in and of itself can be a chimera in a world where nuclear weapons are speedily diffusing themselves, and where means of delivery of such weapons is lessening the need for local weapons. Still, the creation of such a zone—encompassing large areas, say, of West Germany and East Germany, plus its near neighbors, Poland and Czechoslovakia—has some merits. For one thing, it could mean a lessening of local fears of a Germany armed and equipped with atomic bombs. But this would require, also explicit assurances—if not international agreement—that West Germans and other central European states themselves would not possess, in their own control and ownership, nuclear weapons of any kind. Realistically, for the time being, we should, however, bear in mind the Western need for German-based NATO forces equipped with nuclear weapons; but this on condition that the ultimate decision to employ them should lie with the United States.

3. A United Nations presence in central Europe. Here again, concern for peace should not cause us to misconstrue the effectiveness of the U.N. in a great-power crisis. Proposals to substitute U.N. forces for existing military forces of the NATO and Warsaw Pact countries in central Europe tend to overlook the serious difficulties inherent in the U.N., which greatly mitigate its ability to act in times of crisis. U.N. forces could be, under existing circumstances, little more than national contingents of political states; and the temper of vacillation, neutralism, and fear displayed by many U.N. members today does not bode well for the creation of a military force which could effectively maintain the peace. Realistically, we must also acknowledge that the Russians would reject any U.N. force in East Germany, which could not wholly cooperate in maintaining the fragile tyranny of Grotewohl. It is difficult to imagine the composition of such a force, unless composed of Soviet and Soviet-satellite troops, or the Chinese. Moreover, Soviet proposals to greatly weaken the Secretariat of the U.N. complicate this matter even more. Still, there can be no doubt that a supplementary U.N. presence in central Europe, in Berlin in particular, could serve an important function—particularly if this

function were defined after the fashion of U.N. truce teams employed by the United Nations in the Middle East after the Arab-Israeli war of 1948. Again, it should be borne in mind that what is essential in a central European settlement is not only force and authority to prevent war from being instigated by Americans or Russians, but force and authority to prevent the outbreak of civil disturbances and interzonal conflict.

4. Recognizing the East German regime. Are there circumstances where the Western Powers could do this? There can be little doubt that, aside from the Hungarian regime, the East German Government today is the most hated government in the whole Communist world. Here, in contrast to developments in nearly every other satellite state, remains a regime still associated with the worst, most iniquitous features of Stalinism. So outrageous is this condition that it is known that on occasions the Russians have mildly endeavored to mitigate its excesses and to make possible the escape to the West of its enemies. The Russians have, however, borne a heavy responsibility for its characteristics. The events of the past weeks have shown further evidence of the lengths to which this regime would go to enforce by violence its control. If there were evidence in the past that the Russians would admit a process of liberalization to take place here, which necessarily would involve the removal of Ulbricht and his cadres, we could contemplate some utility in recognizing the regime.

At this juncture, it is worth inquiring whether recognition of Eastern Germany, if linked to certain other specific conditions, would be worth the try. These conditions should be stringent; and among them surely should be the condition that the freedom of Berlin (as stated above) be explicitly guaranteed in treaty; that rights of access into Eastern Berlin, as prevailing before August 13, be restored as before. Surely other conditions could be attached (notably, perhaps, a Western land corridor), pertaining to a broader German settlement, but we cannot here deal with such particulars. Above all, it should be seen to that an East German Government, as a condition of its recognition, undergo some internal transformation; that the Russians evince a willingness to mitigate its most evil features. Recognition in and of itself—it should be stressed—could not enhance the reputation of the DDR in the West; and there is little that could formally be done to guarantee internationally any improvement in its internal conditions.

5. Interim measures. The foregoing proposals should not blind us to the great dangers of war which the world faces in Germany. It should not be idly thought that reasonableness in the West alone can create a climate within which serious negotiations can proceed, or within which the serious misbehavior of the Russians can be tempered. Above all, we ought to bear in mind that no "package" of Western proposals can be publicly assembled, and displayed, in advance of serious negotiations. Still, we ought seriously to consider certain interim attitudes and stances which the United States should display, pending serious negotiations:

First, at this moment of crisis American policy should not reduce all matters of East-West relations, and all matters of its own relations with the unalined block of states, to the Berlin crisis. We should not cripple existing policies by tying them to this crisis. In particular, our own policies with respect to international control of weapons, and disarmament, should not be made hapless subjects of Berlin. Also, and equally important, we should not subject our foreign aid program to the Berlin crisis. Foreign aid, as it has developed over the past 10 years, serves many complex and important purposes; and now, in crisis, to make receipt of aid contingent upon support of American policies in Germany can create deep and serious difficulties for us within the underdeveloped world.

Second, by unilateral initiative elsewhere, we should enlarge the image of our own peaceful intentions in world politics. This can be done without vacillation of purpose on Berlin; and should be done, as index of our hopes and aspirations for a better world. A broad range of American initiatives in a wide variety of fields—the international control of nuclear energy; and enlargement of American economic aid programs; enlargement of American support for existing international agencies for economic development—might be included in such initiatives. One important type of initiative, of considerable importance in the wake of Soviet test resumptions, would be a congressional resolution (analogous to the Vandenberg resolution during World War II) conferring broad powers on the President to conclude fundamental executive agreements on arms control, and endorsing administration policies concerned with inspection and control. There are many others which could be considered, including proposals for enlargement of Soviet-American cultural contacts. Response in kind to Soviet threats may be sometimes necessary, but should not be a general rule—notably in the field of nuclear weapons.

PASSING TO THE OFFENSIVE

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. LAIRD] may extend his remarks at this point in the RECORD in two instances.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. LAIRD. Mr. Speaker, last June at Seattle University Dr. Charles Malik, a professor at American University in Washington and former President of the General Assembly of the United Nations, delivered the commencement address to Seattle University's graduating class. The subject of Professor Malik's address was timely in June and has been increasing in importance and relevance ever since. The address, entitled "Passing to the Offensive," deals with the complexion of the free world and is an indictment of the West's present attitude toward the insidious machinations of the Communist endeavor.

I heartily commend Professor Malik's effort and genius in presenting in an enviable manner this difficult topic and I request unanimous consent that his remarks be inserted in the RECORD at the conclusion of my remarks.

Mr. Speaker, we have been on the defensive for many years now. We have allowed the Communists to make a mockery of our institutions, our beliefs and our system. We have been apologizing for our practices, our profits and our way of life. In Dr. Malik's words:

Morally and spiritually the Communists put you and me on the defensive; they talk in terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitation," "means of production"—all purely economic, purely materialistic terms.

And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned by the people, and that, as to profits, everybody now shares in them.

Dr. Malik is, of course, right. We have been apologizing to the Communists and our voices have had a ring of feebleness and a sickly note of timidity. If we do not believe in our system, if we must continually go on the defensive, if we cannot face up to the Communist challenge and assert our pride in our heritage, our Nation, and our system, if we must grovel and whine, defend and apologize, why, then we deserve what the Communists have in store for us and we will have only ourselves to thank for whatever becomes our lot.

Dr. Malik says:

There are people and forces inside and outside the Western World whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the soft-headed, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must therefore be mounted on this front.

We are running out of second chances. We can mount an offensive geared to bring freedom to the Hungarys, the Laoses, the Cubas, the East Berlins if we can find again the character and the courage and the firmness that make America the world leader it is today. If we heed Dr. Malik's advice and the advice of the many level-headed, clear thinkers in our midst and change our fumbling, groping tactics, then we will win the cold war.

The address follows:

PASSING TO THE OFFENSIVE

(By Dr. Charles Malik)

I

Those who have known in their lives and in their traditions the dignity of man and his freedom, those who for centuries have believed in, and have flourished on the basis of, the inviolability of the human person, have tended to be too much on the defensive. Often they have talked and acted as though they were in the wrong. A certain fright and timidity, nay a certain false modesty, has assailed them. Even if at times they find themselves apologizing for some shameful fact—and shame and apology could be signs of spiritual strength—they nevertheless appear to forget that in every sphere of life the offensive, if genuinely and rightly mounted, is the best means of self-defense. Nothing I believe is more needed today than for those who know and believe in God, truth, man, and freedom, to pass to the offensive.

There are five fronts in which it is necessary today to pass to the offensive. I may entitle these fronts the front of communism, the front of neutralism, the front of those who are engaged in undermining the unity of the Western World, the front of materialism, and the front of what I would term the least common denominator. The center of the first two fronts lies outside the Western World, the center of the last two fronts lies inside the Western World, and the center of the third front exists at once inside and outside.

II

Morally and spiritually the Communists put you and me on the defensive; they make us feel guilty, and we supinely accept the terms of their debate. They talk in

terms of "capitalism," "imperialism," "colonialism," "monopolies," "profits," "exploitation," "means of production"—all purely economic, purely materialistic terms. And how do we engage ourselves in debate with them? We usually answer that the exploiting capitalism of the 19th century no longer exists, that imperialism has been liquidated, that monopolies are now owned by the people, and that, as to profits, everybody now shares in them. It is evident that there is about this response a pathetic air of apology, a ring of feebleness, a sickly note of timidity, and those who make it clearly suffer from a guilty conscience. When we thus accept to be drawn into debate with the Communists on their own terms we confirm them in the feeling that they were right; it is as though we were telling them, "You are right in your attack; we are sorry for our past ways; but behold, we have now corrected them."

This will not do. The Communists should be answered, not apologetically, not as though they were right, but in terms taking them completely off their guard. They should be answered in human, moral, and spiritual terms.

After saying two or at most three sentences on economic and social questions, or perhaps even before saying them, we should be in a moral-existential position ourselves to turn to these men and say to them:

What about freedom of thought and inquiry in your realm? Can people seek the truth really freely? Can they really dissent? Can they really question your fundamental presuppositions?

What about freedom of conscience and religion? Do you Communists go to church? Do you fall on your knees and pray? And why do you persecute those who do?

What about human rights and fundamental freedoms? Which of these rights are really enjoyed by your people?

Tell us please, what is the object of your ultimate worship? Is it the theory of dialectical materialism? Is it atoms in motion? Is it force and revolution? Is it the satisfaction of your bodily and mental desires? Is it the Communist Party? Is it Marx and Lenin? And if they say it is Marx and Lenin, then we should be able to quote them some 50 statements by these men on moral and spiritual matters that would put them morally completely on the defensive.

What about the unity and the continuity of the tradition? Why is your movement an absolute break in that unity and that continuity?

Is there any free criticism of the government in your realm? Have your people ever been given a genuine free political choice?

What about your iron dictatorship? What about your police state?

What about the minority rule under which all Communist states languish?

What about the fact that, far from ever being chosen by the people, communism was always imposed by force by a handful of men?

What about the methods of subversion all over the world in which every dark trick of deceit and destruction is used?

What about the camps of forced labor?

What about Hungary, what about Tibet, what about the Chinese communes?

And since you always love to repeat that you are working day and night to "bury" us and that our children shall all be Communists, then let us assure you that in this you are completely mistaken, and that we are working day and night to liberate your people from your yoke, so that the day will come, and we trust soon, when the very names of Marx and Lenin shall be forgotten.

It is most important that the Communists be put on the defensive. It is most important that the total arsenal of political, moral, and spiritual values be brought to bear upon this struggle. Naturally, if we do not believe in the primacy of these political, personal, moral, and spiritual values, we will not bring them up at all, or we will bring them up with our tongue in our cheek. But to keep on talking only in their materialistic terms, to accept timidly their universe of discourse, to be constantly on the defensive vis-a-vis their onslaught, is already to have been vanquished by them.

One is not seeking to win a game of words and arguments: it is history and destiny that are at stake. I would certainly settle for losing the argument of words provided I win the contest of history. The pathos of the situation today is that the argument reflects the contest. It is most important therefore to develop and execute policies and actions that will put the Communists and their friends historically on the defensive. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, must therefore pass to the offensive, not only of thought and conviction, but of that real, decisive, historical action which shall cause the Communists to take to their heels.

III

The neutralist front is becoming more and more significant. Those who, for whatever reason, wish to remain outside the gigantic world struggle between communism and freedom have every right to expect the rest of the world to respect their freedom.

As a matter of fact, real neutralism, implying real freedom of choice and real independence of judgment, is a triumph for the idea of freedom. The free world can only welcome it.

But a neutralist, rightly asking that his will be respected, has no right himself to impose his will on others. By his own logic, he must not object if others choose not to be neutral in this great struggle. Himself refusing to take a stand, the neutralist must respect those who do. A neutralist who is all the time working to extend the domain of neutralism, especially if this extension happens to be at the expense of only one side, is obviously not neutral.

Nor will one who really wishes to—and can—stay outside the struggle, play one side against the other. A neutralist in that case identifies his interests with the division of the world. He flourishes so long as there is tension; as soon as tension relaxes, he ceases to reap much value from his neutralism. Below a certain degree of tension, and above a certain degree of tension when the pressure increases considerably on the neutralist to take a stand, neutralism ceases to be profitable. A neutralist, beginning by wanting to serve peace and understanding, could easily develop vested interests in the absence of peace and the absence of understanding.

Then there is a neutralism that is, in fact, a Communist front. In a life-or-death struggle this kind of neutralism cannot be tolerated.

Policies at the United Nations; policies at home; fundamental pronouncements; the tenor of the press; international political, economic, and military arrangements; the whole political, spiritual, and ideological orientation of the nation—all these things can serve as tests to distinguish the genuine from the false type of neutralism.

One sometimes gathers the impression that the West is on the defensive with respect even to the neutralist world. Therefore, the needed offensive here is simply to welcome and support the neutralism that is genuine; to be so strong and self-confident that one will not fall for the neutralism that is a fake; and to measure neutralism always by the radical historic struggle whose issue will determine the fate of everybody, neutralist and nonneutralist alike. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, must, while fully respecting the freedom of the true neutralist, nevertheless feel that in fighting for freedom, truth, and man, they are really assuming responsibility, not only for themselves, but for the ultimate interests of the neutralist nation itself.

IV

There are people and forces, inside and outside the Western World, whose effect is to undermine whatever unity there is in that world. I am not thinking of the Communists whose very purpose is to conspire in that direction. I am thinking of the softheaded, the duped, the tired, the frightened, the sentimental, the superficial, the unauthentic, and the perfectly innocent who mean well. If these people have their way, freedom will finally fall by sheer division and default. An offensive must, therefore, be mounted on this front.

England cannot be separated from Europe. Therefore, a determined effort must be made to heal the breach between the so-called inner six and outer seven.

France is an integral pillar of the West, and Western civilization is unthinkable apart from French culture. Therefore, France does not deserve an unequal treatment, and every force that tends to weaken or embitter or humiliate France must be resisted.

Germany must not be so slighted and intrigued against as to begin to think of neutralism as an alternative. Therefore, Berlin must not be abandoned, and those who desire a weak Germany must not prevail.

North Africa must be saved from chaos and bitterness. Therefore, the Algerians problem must be settled soon, with a view to developing a north Africa that is positive, cooperative, and friendly to the West.

Japan is vital to every balance in the Far East. Therefore, relations with Japan should be deepened further, in the service of freedom and man.

Latin America must not be allowed to drift toward neutralism and anti-Americanism. Therefore, far-reaching measures must be devised and prosecuted with a view to cleaning up the Western Hemisphere of the Communist virus and promoting the friendliest relations between Latin and Anglo-Saxon on the basis of their common civilization.

The United States cannot go it alone in the modern world. Therefore, isolationism, in all its subtle shades, should not have the last word, and America should embark on a bold, new policy of developing still more intimate relations with all her friends.

The impression is often gathered that, owing to national jealousies and conflicting national interests, the West is hopelessly divided in itself. A vigorous offensive for unity must, therefore, be mounted. For what is at stake today is not this or that nation, but the entirety of Western civilization, with its marvelous traditions of man, of freedom, of truth, and of God. Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth must, therefore, sink all their national differences in the interest of their one common civilization, which is not so mortally threatened and so dangerously undermined.

V

I include many things under the front of materialism. Besides softness and the life of ease, besides the quest after money and material gain, besides the all-consuming passion after economic security, besides greed and covetousness, and besides trusting only our senses and what they deliver, besides these things I include the fundamental spiritual attitude which denies real order in the nature of things, which denies that there is a real objective higher and a real objective lower, which instead derives the higher integrally from the lower, which obliterates the dimension of rank, excellence,

quality, depth, and which, therefore, knows no rest, no grace, and no ultimate peace.

But there is a higher and a lower in the nature of things. An animal is higher than a stone and a man is higher than an animal. And in man his moment of understanding is higher than his moment of bodily desire, and perhaps his love is even higher than his understanding.

Nothing is more needed today than a mighty spiritual offensive which will put the material in its place and restore to the spiritual its original primacy and preeminence. The mind that understands and creates, the spirit that suffers and sacrifices and loves and is at peace with itself, the fellowship of the pure and free and transparent, the joy of conversation and reason and sharing, the soul that rejoices in beauty and grace and being, the good will that is full of light and positive intent, God, the absolute mind, absolute spirit, absolute love, absolute reason, absolute grace, absolute goodness, absolute being—these things come first, and everything else second. Man, it seems, can never learn this lesson; he must always invert the right order of values and put the lower things first. That is why God had to shock him out of his senses by dying for him on a cross, in order that at least while He remains hanging on the cross, man has no choice but to see that God comes first. All the gadgets, all the machines, all the economic security in the world, all the titillations of our senses, all the hungers of our body, are nothing compared to these things. And these things have a being and an efficacy and an origin completely independent of all matter, all body, all machines, all security, and all hungers of our nature.

This does not mean that I scorn or spurn or sneer at the wonderful products of industry. On the contrary, I look upon science and industry as among the most important benefactors of mankind, and upon their products as among the greatest monuments of the creative mind and spirit of man. And if I can afford it, and if I am not engaged in some mortifying exercise for the sake of something higher, I will always buy the best car, go to the best doctor, drink the finest wine, live in the finest house, and sleep on the most comfortable bed. And, what is more, I will always wish and work, not only for me to enjoy these marvelous products of industry, but also for others to enjoy them. The concept of economic and social justice is an absolutely valid concept. But he who does not know how man may become so ensnared and infatuated by these things as to lose the original, sharp edge of his soul, has still much to learn.

Those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, cannot allow the creative sources of their being to be sapped by softness and materialism. Nor can they rise to the historic demands of the hour, in meeting the challenge of communism, in helping the noncommitted world, and in effecting the needed Western unity, except on the basis of the primacy of the mind and spirit. They must therefore rebel against the tyranny of the lower and reinstall the higher on its legitimate throne.

VI

The question of the least common denominator is the distressing phenomenon of people without an enduring backbone. Because diverse points of view in this age are mingling and challenging each other on every turn, people with a weak backbone soon take on the color of those who surround them. This is very reminiscent of the parable of the sower in the Gospel where the seed has fallen among thorns, the thorns being the other points of view which so confuse us as to depress the truth to the least denominator common to all.

Let a Jew be present in a company of Christians, and the name of Christ can no longer be mentioned. Let a Catholic be present in a company of Protestants—or conversely—and the question of the church is automatically muffled. Let a Molsem, or a Buddhist or a Hindu be present in a company of Christians, and soon you hear the statement that all religions are alike.

Let an atheist associate with people with faith, and soon the conversation turns to some political gossip or to social progress and the wonders of science. Let a man from Asia or Africa meet people from the West, and soon all that is important is technical assistance and the problems of development. Let a Communist meet a man from the free world, and soon the atmosphere is one of class struggle and pure economics.

Men of real backbone will never betray their fundamental convictions. They will never allow other points of view to dull or flatten their soul. They will at least remain silent, and silence often speaks a volume of words.

It is possible to be polite, without ever abandoning your convictions; it is possible not to offend, while absolutely remaining loyal to the best and deepest you know; it is possible to be understanding and helpful, without deluding others that you are one of them; it is possible to cooperate with others, while remaining firm in the truth as God gives you to see the truth; it is possible to sacrifice yourself for them, without asking or expecting anything in return.

In this age of softness, appeasement and compromise, it is most essential that we pass to the offensive of holding fast to the deepest we know. The dimension of depth must be reopened with all its wonders. There is no excuse to live on the surface while the mysterious depths are beckoning us all the time. Who will remain the same man once he has really gone through the Book of Job or the Psalms of David or the Epistles of Paul or the wonderful liturgy of Chrysostom or the incredible sufferings of Teresa or the unbelievable torments of Dostoyevsky? Once these mysterious heights are revealed, and with them and through them the infinite compassion and understanding and mercy of God, who can any longer live in the plains? In these matters what is possible is also necessary. Nothing is more tragic than if those who believe in man and his freedom, who know truth, and who trust in God, the guarantee of all freedom and all truth, should, in the intensity of the challenge, forget their principles or water down their beliefs. When the soul thus loses its integrity, none can respect it any more. Nor can it in the end respect itself.

The law of freedom does not require that all points of view should merge into a blur. All that is necessary is an order of mutual respect. Above all change and accommodation one point of view should remain immovable and grounded as on a rock. When the darkness lifts, that which is held by the rock will lift all men unto itself. And its immovability will itself cause the darkness to lift.

VII

The present moment in history requires, more than any other moment in the past, that those who know and believe in man, freedom, truth and God, pass to the offensive on every front. The Communists must be put on the defensive by shifting the grounds of the battle from the economic and material to the moral and spiritual. The neutralism of the neutralists must not be allowed to weaken freedom and promote communism. Whatever the national sacrifices, the unity of the West must be strengthened fivefold. The primacy of the spiritual must be affirmed over all that is material, primitive, elemental. Those who know and believe in the truth must remain firm as a rock in their belief, whatever their association and whatever their trials.

To those of you who have completed their intellectual and spiritual preparation and are now leaving these halls of learning, this is my special message:

Live in this age—neither in the past nor in the dreams of your imagination. Understand that the battle which is now raging is perhaps the most decisive in history. Understand that the forces of darkness are joining hands on every side against all that is truth and God and light. Enter into the battle with all your enthusiasm and all your heart. Realize what an infinite honor it is to be living and engaged in the battle today. Never allow the enemy to put you on the defensive. Pass to the offensive on every front. In your own lives trust God despite all your frailties. He will save you in the end. You have seen great visions and you have dreamed great dreams. I beg you to remain faithful to the deepest you have known. In its own day it will lead you to the rock of certainty that can never be moved.

And when you have run your course, and you are about to receive the prize, may it be said of you that you overcame the powers of darkness, and may your heart then, in profound gratitude, reflect something of the humility that was Christ's, and of the joy of His victory over the world.

RESIGNATION OF HON. RAY M. GIDNEY

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, a rather interesting event took place the other day which was politely recorded in semiabbreviated stories in the Washington press and other sections of the country. I refer to the purging by the administration of Comptroller of the Currency, Ray M. Gidney, who under direct White House or, more properly, Justice Department pressure will resign November 15.

The whole resignation procedure was subject to a great deal of confusion in that the White House had submitted the nomination of a replacement to the Senate before Mr. Gidney actually resigned. This was explained as a technical error, which proves if nothing else that the White House is not infallible.

However, Mr. Speaker, the important issue is that Mr. Gidney, a Republican, had the audacity to approve bank mergers opposed by the Justice Department, headed by one of the President's little brothers, Bobby—oops—I should say the Honorable Robert F. Kennedy.

The moral of the story is, "If you disagree with Bobby, you get the ax."

Coming as I do from Chicago, I have observed at firsthand the brutal dictatorial performance of Mayor Daley's Democrat machine. It is obvious that Bobby Kennedy and company operate in the same ruthless fashion. Democrat "birds of a feather flock together," and evidently perform alike.

I call this to the attention of the Members of the House as we witness another example where in a supposedly semi-independent agency a dedicated, inde-

pendent-thinking official is being eliminated by the administration and the petty tyranny of the New Frontier is advanced another step.

I would assume, since the duties of the Comptroller of the Currency consist of general supervision of the operation of national banks, mergers will now be approved or disapproved entirely by the Justice Department.

PARLIAMENTARY INQUIRY

Mr. KUNKEL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KUNKEL. Mr. Speaker, do all Members have permission after adjournment to extend their remarks in the RECORD, or do we have to obtain specific permission before adjournment?

The SPEAKER pro tempore. The Chair will state to the gentleman that that order is usually made just prior to the sine die resolution. Those matters will be taken care of at that time.

SUCCESSOR TO GIDNEY TO MAKE FULL DISCLOSURES ON BANK MERGERS

Mr. EVERETT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am very encouraged to read in the September 22 issue of the American Banker that James J. Saxon, the newly appointed Comptroller of the Currency, is to make a major change in the operations of that Office; namely, to make a full disclosure not only of decisions made by the agency in regard to bank mergers, but also to release the data used in reaching such decisions. This is in sharp contrast to the past operations of the Comptroller and also of the Federal Reserve and the Federal Deposit Insurance Corporation.

According to the American Banker, Mr. Saxon feels the public has a right to know what is behind bank supervisory matters when he takes office; bank mergers and consolidations probably will be viewed openly with records maintained of all discussions and hearings.

The American Banker also notes:

Mr. Saxon, as a member of the three-man board of the Federal Deposit Insurance Corporation can exert disclosure influence there. Although not a member of the Federal Reserve Board the influence of the oldest bank supervisory agency could influence there the release of more information on the voting of Reserve Governors on mergers, bank holding company operations and related matters, observers indicate.

I should like to include the full article appearing in the American Banker in the RECORD; and following it I should like to include another article from the September 20 American Banker reporting a speech by Morris Schapiro, president, M. A. Schapiro, Inc., New York City brokers and bank-stock dealers, in which Mr. Schapiro says:

If banks continue to merge, we are going to increase concentration in the big cities and that is not what we want.

PUBLIC DISCLOSURE OF MERGER FACTS SEEN SAXON PLAN TO SUCCEED GIDNEY AS COMPTROLLER OF THE CURRENCY

WASHINGTON.—The appointment of James J. Saxon as Comptroller of the Currency to succeed Ray M. Gidney, due to become official on November 15, is expected to result in one major change in the operations of that Government agency—a full disclosure not only of decisions reached by that agency, but also of the reasons behind decisions and of the data used to reach conclusions.

This has been indicated by Mr. Saxon in a talk with the American Banker. He said he believes in full disclosure to the public of all data entering merger and consolidation approvals. He added he feels the public has the right to know what is behind bank supervisory matters, and indicated when he takes office bank mergers and consolidations probably will be viewed openly, with records maintained of all discussions and hearings.

His appointment as Comptroller is expected to be made by President John F. Kennedy on November 15, the date on which Ray M. Gidney's resignation, submitted Wednesday, will take effect.

The President announced late Wednesday he would name Mr. Saxon to an interim appointment, with official confirmation by the U.S. Senate waiting that body's convening in January.

Mr. Saxon had been a staff member of the Comptroller's office for many years and a special assistant to Treasury Secretary John W. Snyder, himself a former bank examiner, handling public relations.

Mr. Saxon, as a member of the three-man board of the Federal Deposit Insurance Corporation, can exert disclosure influence there. Although not a member of the Federal Reserve Board the influence of the oldest bank supervisory agency could influence there the release of more information on the voting of Reserve Governors on mergers, bank holding company operations, and related matters, observers indicate.

As a lawyer, who served in the office of the General Counsel of the Treasury Department and also as a special assistant to the General Counsel, as well as assistant general counsel in the Washington office of the American Bankers Association, he will be able to argue at the Justice Department on matters having to do with possible violations of the antitrust laws.

The American Banker predicted his choice early this year. The announcement of his selection on Wednesday turned out to be a comedy of crossed wires, which the Treasury said was due to a "clerical error."

The sequence of events began with a White House announcement of the President's "expectation of naming Mr. Saxon Comptroller of the Currency." However, it was immediately learned that Ray M. Gidney had not been informed.

Hearing about Mr. Saxon's selection, Mr. Gidney returned to his office and dated his resignation September 20 effective November 15, 1961. While the President has withdrawn the name of Mr. Saxon he is expected to give him a recess appointment. It appears that he had hoped to secure Senate confirmation by the earlier announcement before this Congress adjourned.

Mr. Gidney's term as Comptroller does not end legally until 1963. He is now on his second term. The selection of a Comptroller, according to early Government records, was designed to lap over from one administration to another so as to take the Office out of politics, when a new administration takes over.

However, in the long history of the Office, no Comptroller has succeeded in remaining in that Office when there was a change in the politics of the administration. The most recent instance was Preston Delano, who served the longest of any Comptroller. When the Republicans came into power the pressure on Mr. Delano was heavy and he bowed to it. Mr. Gidney took over the Office and is now himself a casualty of tradition.

The pressure on Mr. Gidney's office has been heavy due to his approval of many bank mergers.

Mr. Gidney has spent his life in banking, taking the Office of Comptroller of the Currency upon retirement from the Federal Reserve Bank of Cleveland.

He has operated a tight office. Mr. Saxon will inherit a loyal staff with the minimum of frictions and problems.

Mr. Gidney has been well liked by bankers and his banker callers have been many.

At the last session of the Stonier Graduate School of Banking he was cited for his accomplishments, for the "soundness of his judgment which few could emulate but all would admire." Mason W. Gross, president of Rutgers University, conferred on him the degree of doctor of laws.

Mr. Saxon is a graduate of St. Johns College and Georgetown Law School. He is a member of the District and Illinois bar. He left the ABA to accept the attorneyship of the First National Bank, Chicago, at the invitation of Homer J. Livingston, then president and now chairman of the bank.

He served as secretary and associate counsel to the Advisory Committee of the U.S. Senate Banking and Currency Committee for the study of Federal statutes governing financial institutions and credit.

At the time of his selection he was secretary of the First Capital Corp. of Chicago, a wholly owned affiliate of the First National.

"Jim" Saxon, as he is known by his intimates, is considered a friend and admirer of Ray M. Gidney, whom he will succeed. It is known that he did not campaign for the assignment of Comptroller of the Currency but was urged to take it.

There appears to be little likelihood of any major changes in the staff of the Comptroller's office.

BANK GROWTH WITHOUT ANTITRUST VIOLATIONS GOAL OF U.S. MERGER SUITS, SCHAPIRO DECLARES

PHILADELPHIA.—Justice Department attempts to halt bank mergers in various parts of the country may have another aspect than just harassment of banks, declared Morris Schapiro, president, M. A. Schapiro, Inc., New York City brokers and bank stock dealers, in addressing the eighth annual correspondent bank meeting of the First Pennsylvania Banking & Trust Co. at the Sheraton Hotel here yesterday.

Mr. Schapiro, a surprise speaker, said the main point in the Department of Justice's activities seemed to him to be how to help the banks grow and yet avoid infringing the antitrust laws.

"If banks continue to merge," Mr. Schapiro said, "we are going to increase concentration in the big cities and that is not what we want.

"I believe the Department of Justice's efforts and position will result in the greatest structural changes in banking, changes that will enable the banks to expand and yet will result in lower concentration ratios."

Mr. Schapiro declared that regardless of what action might be taken the banking business per se will never become obsolete.

William F. Kelly, president of First Pennsylvania, in discussing the question of competition, declared that it must be attacked on a frontal basis, not by merging.

"We must learn that growth by marrying the guy next door is not our goal. We must

expand by meeting competition from savings and loan associations, insurance companies, credit unions, and other similar groups. We must move our services out, expand them, and sell them to the people. This is our opportunity for growth," he said.

Mr. Kelly said he did not anticipate any great improvement in the general economy until toward the end of the year. He expected an increase in commercial loans beginning about the middle of the last quarter because of the need to care for new defense programs, the accumulation of inventory during the last 6 months and plans for plant building.

Consumer loans he did not expect to show much improvement, but "cash installment loans, beginning shortly before the start of the Christmas season may show marked gains," he said. He pointed out that there has been a marked trend toward cash borrowing rather than consumer loans, because many customers prefer to make their own deals with retailers.

"The year 1962 will be one of normal economic recovery from a moderate recession, and not a boom year," Dr. Pierre Rinfret, vice president and director of the economic division of Lionel D. Edie & Co., Inc., New York, said here.

Speaking on the subject, "1962: Recovery of Growth?" to more than 700 bankers attending the meeting, at the Sheraton Hotel, he warned against overoptimism in forecasting and analyzing business.

"People today are vying with each other on how high they can get their numbers," Dr. Rinfret said, "I call this a game of 'statistical one-upmanship'."

He added: "Those who are expecting a tremendous boom in capital expenditures, a key area of economic activity, are going to be mistaken; 1962 will see modest advances over 1961 with many new records established, but to expect a superboom is an error."

Dr. Rinfret was the only guest speaker on the day-long program, which was planned by Joseph J. Evans, vice president, First Pennsylvania's correspondent bank division.

Automation, consumer credit and term loans to small business were the subjects of three seminars conducted during the morning.

In introducing the topic, "Problems of Automation," Alfred C. Graff, senior vice president in charge of the bank's operations, told the group that almost 500,000 of First Pennsylvania's accounts are now being handled by its electronic data processing system.

To enable the benefits, both direct and indirect, of automation to be felt throughout the banking industry, he urged the banker guests, who have not done so, to provide their customers with checks predesigned to accommodate the required magnetic ink coding.

The requirements, operating problems, customer and employee indoctrination, and the future of automation were discussed respectively by John William Hulton, vice president and director of First Pennsylvania's operations research program; Joseph A. Perret, assistant vice president, and Donald R. Patterson and Charles J. Regler, both assistant treasurers.

Rudolph A. Biborosch, vice president, retail banking department, was the leader of the consumer credit clinic, also held before noon. First Pennsylvania officers, experienced in installment lending, who participated in this question-and-answer session, were John M. Johnston, Jr., vice president, and Chester L. Cobb, Otis F. Figgs, Thomas P. Rogers, all assistant vice presidents.

TERM LOANS DISCUSSED

The third morning seminar was on term loans to small business. John A. Eiseman and Norman F. S. Russell, Jr., both vice presidents in First Pennsylvania's commercial department, and Carl H. Johnson, assistant vice president, retail banking department, covered the inauguration, operation and success of this lending function at First Pennsylvania.

In 1950 First Pennsylvania realized the need for introducing this service to accommodate the small businessman. Though offered initially as a public service and, also, for the purpose of answering the criticism that equity financing of this type was not being provided by banks, First Pennsylvania has had great success in this lending operation, the officials said.

Of the 8,106 loans, totaling almost $50 million made in the 11-year period, only 25 loans, amounting to $34,500, have been charged off.

Today the bank is lending $11 million on a term basis to 1,765 small businesses. "We feel that this program has been a good thing for our bank and our community," Mr. Russell remarked, "and naturally are interested in seeing it spread to other banks."

After luncheon, William F. Kelly and William B. Walker, First Pennsylvania's president and executive vice president, respectively, informally discussed management considerations.

In presenting the topic "Commercial Loan Administration," William P. Davis III, senior vice president, commercial department, mentioned the change over the last 10 years in the ratio of bank loans to deposits.

In 1950, banks in the Third Federal Reserve District loaned 31 percent of their deposit liability compared to 57 percent in 1961. Ten years ago 34 percent of these banks' loan portfolios were composed of commercial loans and 16 percent were consumer loans. Today 32 percent is represented by commercial loans and 29 percent is in consumer lending, he said.

Vaughn R. Jackson, vice president, commercial department, spoke on "Making the Loan," and James F. Bodine, also a commercial department vice president, discussed "Loan Supervision."

Anthony G. Felix, Jr., vice president and secretary of First Pennsylvania, discussed selected legal problems in commercial lending. Certain aspects of loans, secured by judgments, term loans and participations, including an important statutory change, were covered by Mr. Felix. He also reminded the banker guests of the importance of refiling financing statements under the Uniform Commercial Code.

SUPPLEMENTAL APPROPRIATIONS

Mr. BOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, there is great disappointment in the House about our not adjourning tonight, but it may not be too disappointing to the taxpayers of the Nation. It will give the House a good opportunity to check over the supplemental bill that has been reported out in the other body. The other body has increased the supplemental appropriations over and above that which came from the House by $487 million. There have been items put into the supplemental bill in the other body that have been denied already by this House. There are some items that have been put in the supplemental in the other body that were taken out in conference between the two bodies and put back in.

Mr. Speaker, I think perhaps that although we are all disappointed, the taxpayers may get a break, because this is going to give us an opportunity to take a good, long, hard look at this important supplemental bill.

ESTABLISHMENT OF ADVISORY COMMITTEE ON KING AND SILVER SALMON

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. CLEM MILLER] is recognized for 30 minutes.

Mr. CLEM MILLER. Mr. Speaker, I have introduced for reference to the Committee on Merchant Marine and Fisheries a bill to provide for the establishment of an advisory committee on king and silver salmon.

This bill is directed to the problems that have brought about a critical decline in one of the Nation's most important fishery resources—the Pacific king and silver salmon.

About 100 years ago a fishery was founded upon the king salmon resource in the Sacramento River to provide food for California's gold miners. From this humble beginning the salmon fishery spread northward to Oregon, Washington, British Columbia, and Alaska to become, along with lumber and mining, the economic base of the entire North Pacific region.

Following the king, sometimes known as the Chinook or Tyee, other species of salmon entered the fishery. These included the silver or Coho, the sockeye or red, the humpback or pink, and the chum.

The sockeye, humpback and chum, taken almost exclusively now by purse seines and gill nets, constitute the basis for the extensive canned salmon industry. The native habitat of these three species, lying generally in the northern Pacific regions, has been less affected by encroaching civilization than have kings and silvers which range much farther south along the more densely populated Pacific coast. In addition, conservation measures by the Federal and State Governments in cooperation with Canada have maintained these species at reasonably high levels.

Unfortunately, the same is not true of king and silver salmon, from which come our highly prized salmon steaks and smoked salmon and which is the base for one of our great sports fisheries.

Salmon is king of the sport fishes from Seattle to San Francisco. Given a chance, it will continue to reign and grow in importance as a greater and greater percentage of people in a larger and larger population spend more and more of their time in ocean fishing. This means more boats, motors, fishing tackle, fuel, gear, hotels and motels, camping equipment, restaurants and resorts.

Mr. George Difani, secretary of the California Wildlife Federation, an affiliate of the National Wildlife Federation, estimates that California sport fishermen now spend in excess of $140 million annually. A substantial part of this is spent in pursuit of salmon.

There is no way to assess the therapeutic value, the rehabilitative effects of this fine outdoor recreation.

Similarly it is difficult to say what an important protein food, based on a renewable resource that needs only rehabilitation and protection to continue its contribution to our national wealth, is worth. The value of the boats and plant equipment can be reckoned in the hundreds of millions of dollars. The wages and profits in this industry likewise reach significant figures.

Man has dealt harshly with kings and silvers. First, the miners dredging the gravel from their natural spawning beds and dumping mud and silt into the creeks and rivers took an enormous toll. Then came irrigated agriculture and the development of the great western valleys whose thirst consumed entire rivers. Irrigation dams blocked the upward migration of the spawning salmon and the rivers downstream were pumped dry. Farther north, along the California, Oregon, and Washington coasts, lumbering was also taking its toll. Clear-cut hillsides eroded into the streams, smothering the eggs and fingerlings; summertime flows were sharply reduced; water temperatures rose; streams were choked with logs and debris, creating impassable jams. Many of these watersheds have now been logged for the second time, some for the third. Many streams are now barren, the productive capacity of almost all have been sharply reduced.

The great hydroelectric dams of the Columbia Basin—and on the other rivers in Washington, Oregon, and California—have cut off forever much of the spawning grounds of the king salmon. On the Sacramento River alone, which ranks with the Columbia as the most important producer of king salmon, more than 95 percent of the spawning area has been lost. Additional dams are proposed that would all but eliminate the Sacramento king salmon, which perhaps accounts for 75 percent of the catch off the California coast.

The Federal responsibility to mitigate or compensate for direct damage to fisheries caused by Federal projects has long been recognized. Our Federal fish hatcheries and fish ladders are examples of this. But this useful work has proved insufficient; the species continue to decline.

This fact was strikingly pointed out by 24 of the west coast's leading fishery experts at the Conference on Northern California Fisheries Problems on November 15, 1959, at San Rafael, Calif.

These witnesses, representing the Federal agencies plus the States of Washington, Oregon, Idaho, and California, commercial and sports fishing interests, enunciated the problems. Their testimony is included in House Document No. 370, 86th Congress, 2d session.

There are two other Federal responsibilities which have not always been recognized. This conference record emphasizes the urgency of implementing two recent Federal statutes by which Congress spelled out these responsibilities: Public Law 86–359 (73 Stat. 642), and Public Law 85–624 (16 U.S.C. 661, et seq.) which is the 1958 amendment to the Fish and Wildlife Coordination Act of 1934.

Public Law 86–359 authorized and directed the Secretary of the Interior to conduct and coordinate basic research on the migratory marine species of sport fish—which includes salmon.

The 1958 amendment to the Coordination Act authorized Federal agencies planning water development projects to provide for enhancement of fish and wildlife. Previously they had specific authority to provide only for mitigation or replacement of direct loss.

The record of the San Rafael conference shows the following consensus:

First. The Federal Government has a well-established responsibility for basic research having broad application to fishery resources. The reasons are obvious. The unanswered "why" questions in this field are regional and national in character—and, in the case of the salmon, even international. The State agencies' facilities and funds are necessarily too limited to do the job in most cases. The States have their hands full in fulfilling their responsibilities to manage their fish and game and to conduct applied research applying to their own special problems.

Second. The Federal Government also has a responsibility to provide the leadership and coordination and encouragement in both research and good conservation practices.

Third. In regard to the Pacific coast's deteriorating salmon-steelhead fisheries, a real problem of great magnitude exists.

Fourth. Basic research is the key to this problem. There is vital need now for an expanded program of basic biological research on these species, especially on all phases of propagation, natural and artificial; manipulation of streamflows to create effective spawning and survival environments, diseases, nutrition, improvement of hatchery techniques, and related questions.

Fifth. Time is of the essence. As one conference participant emphasized:

> With the virtually exploding population and development of this area—the Pacific coast—time is running very short. It will be of little avail if we do too little too late. We may find that we have no fishery resource to protect.

There is a widespread understanding and acceptance of this Federal responsibility among the States and the sports and commercial interests. Mr. William Warne, then director of the California Department of Fish and Game, in testifying at the San Rafael conference said:

> As I see it, Federal responsibility in this area is of several kinds, most obvious is in the case of Federal water, flood control and navigation projects wherein the National Government is obligated to protect and maintain the fisheries.
>
> Another Federal responsibility, not always recognized, is to conduct, or at least finance, the basic research on the interstate resources.
>
> A third countrywide responsibility is the compilation, publication and dissemination of information on fishery research and conservation. Room for improvement exists in this field.
>
> Fourth is the seldom mentioned but sorely needed responsibility to provide leadership and coordination—not the assertive, dominating taking over of all the glory, but the everyday friendly guidance and cooperation that calls for so much skill and patience.

The responsibility for the conduct of foreign affairs and the vesting of the treaty-making power at the Federal level places a fifth, and at times a dominating responsibility on the National Government, especially in connection with some of our fishery resources, such as the salmon.

The Federal Government as represented by the Fish and Wildlife Service could do everyone a great service and save us all a lot of time and money by entering into a planned program of basic salmon research. We all need basic answers on the dynamics of the salmon, what makes abundance fluctuate so widely? What are the relative effects of different forces and conditions causing mortality? What stages in its life history is the salmon most vulnerable? What is the salmon's reaction to changes in its environment? What are the factors that limit salmon abundance? How best can artificial propagation contribute to increasing salmon production?

With the Federal Government obtaining answers of this kind, and disseminating the information to the conservation agencies, the States will be able to concentrate their efforts on applying the knowledge to local problems. Instead of picking away at the fringes and having to spend money and effort on piecemeal basic and applied research, the States could do a lot better job of salmon conservation.

Mr. Richard Croker, chief, Marine Resources Branch of the California Department of Fish and Game and chairman of the Pacific Marine Fisheries Commission, is recognized as one of the world's foremost authorities on salmonoid fishes. Mr. Croker had this to say at the San Rafael conference:

> Generally speaking, conservation for these marine species consists of research to establish their abundance and potential yield, enactment and enforcement of necessary regulations, and a close watch on fluctuations due to natural and fishing pressures.
>
> This is not sufficient for the anadromous species. Encompassed in the salmon and steelhead we have all the accelerating bad effects of a burgeoning population on both the fish and their environment.
>
> Annually, more people fish for salmon in more rivers and out of more ports. The same people and their friends create more pollution, divert more water for irrigation, use more gravel for construction, build more dams for electric power, straighten more rivers to prevent floods, and use more water in their homes.
>
> This all adds up to a greater harvest of fish accompanied by a lessening of amount and quality of spawning area. Unchecked, this trend can lead only to disaster.
>
> Commercial salmon catches off the California coast dropped from a record high of 10,300,000 pounds in 1956 to 5,100,000 pounds in 1957, and a miserable 3,700,000 in 1958.
>
> Salmon is interstate; in fact, international. The fish don't know boundaries. Fish produced in the Sacramento River, for example, are taken as far as Canada, and in large numbers in Oregon and Washington. Just the reverse is true for the Columbia River, and so they are taken as far south as California. So, there has to be cooperation.

Mr. Ray E. Welsh, president of Salmon Unlimited of California, an organization of sport and commercial fishermen, told the conference:

> We have found a decided difference in policy between branches of State government, branches of Federal Government, and

between Federal and State agencies. These should all be resolved into one uniform basic policy, and Salmon Unlimited is working toward this end.

While we recognize that the problem exists and in many instances what must be done, the plain fact of the matter is that we are not doing nearly enough—our inaction is almost certainly dooming this resource.

Mr. Joseph T. Barnaby, Chief, Division of Sports Fisheries, Bureau of Sports Fisheries and Wildlife, U.S. Fish and Wildlife Service, Portland, had this to say at the conference:

In brief, then, there is a real need for:

(1) Further research on all phases of salmon and trout propagation, both natural and artificial, as well as on fish-protected devices.

(2) A marked expansion of our Fishery Management Service's activities.

(3) An increased tempo in our basinwide approach to studies of water-developed programs.

(4) A carefully considered and conservative expansion in the Federal program of artificial propagation of salmon and trout.

Mr. Barnaby, in answer to the question of how many biologists were on duty on the west coast for the new Federal Fishery Management Services, said there were only two for the States of Montana, Idaho, Nevada, California, Oregon, and Washington, and that "as a very minimum in this region we would like to have about 10 personnel, and that would be a minimum."

There are those who tell me that an advisory committee would be a duplication, that the Pacific Marine Fisheries Commission is doing this job. I think not. The record is clear. The job has not been done, is not being done, and is not likely to be done.

This is in no sense a criticism of the PMFC. It is a splendid organization and is doing a fine job for which it was established by the States of Oregon, Washington, and California 13 years ago. It is, however, a purely advisory body composed of representatives of the governments of the three compact States operating with a minimum staff on a minimum budget concerning itself with all aspects of the west coast fishery—with crab and shrimp, sole, cod, tuna, and a host of other fishes. The fact that its membership must, in the first instance, deal with the problems and pressures of their separate States often preclude it from taking the bold action that will be necessary to save this salmon resource. It does not seem likely that it will or can give the kind of attention necessary to bring about the conservation and enhancement of the salmon resource.

The certain need for immediate action seems apparent. Not so certain however is just what should be done, in what priority, and by whom. Differences of opinion appear to exist here. This is why we need an advisory body—accepted by both State and Federal agencies—that will devote its entire time and energies to the problems of the salmon resource, that will give the continuing attention, that will tell Congress and the States what should and must be done—not from the narrow parochial view of the sportsman, the commercial fisherman or the packer or an elected or an appointive official buffeted between the forces of conservation and greed. We need to know what is best for the resource.

We are agreed that the resource is worth saving. Now let us save it.

FROM THIS NETTLE, DANGER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Minnesota [Mr. JUDD], is recognized for 30 minutes.

Mr. JUDD. Mr. Speaker, so long as the West fails to make a "hard" response to the aggressions of the Soviet Union, so long as it reacts in a mild, not to say terrified, way, the Communists will continue to probe and push us further and further toward either war or surrender. In the process, they will come perilously close to precipitating war by mischance, perhaps through a border incident, by miscalculation, or by the process of escalating the prestige factor—where both parties find themselves so far involved that neither can afford to back down. That is the danger of the sort of "brinksmanship" which Khrushchev is now practicing.

It is far better to lay it on the line, now, plainly telling Khrushchev what the consequences will be from his actions, instead of reacting over the sealing-off of the jailhouse gates of East Berlin with a rather flabby protest, containing no actual reprisal, whatever; not even threat of reprisal.

I must agree with Senator DODD who recently, in a speech in the Senate, outlined what should have been done immediately in response to the cutting of Berlin in two. He proposed:

First. The organization of a massive airlift to Berlin of thousands of journalists from all over the world to see this thing for themselves and to write about it.

Second. The immediate suspension of all shipments of machine-tool and chemical-processing equipment to the Soviet bloc.

Third. The recall of our ambassadors from the satellite countries for an indefinite period, coupled with a warning that further complicity in the Kremlin's aggressions will result in further diplomatic sanctions.

Fourth. A raising of the issue in the United Nations, along with an inquiry into the reasons for the massive flight of refugees from East Germany and the setting up of a commission for examining the question of self-determination for the German people. Surely the newly emergent countries which insist so strongly on their own self-determination would join the West in agreeing that self-determination is a principle which should apply universally rather than in spots and patches.

Although nothing resembling these actions were taken at the time, it is still not too late to take them.

The immediate result of Khrushchev's getting away with sealing off half of Berlin from the other half, was for him to try other moves, in the familiar pattern of communism's famous "salami-slicing" technique. Before August 13 there were 80 different places on the borders between East and West Berlin where people could cross over. Immediately this was cut down to 12, with all egress barred to East Germans. Then Khrushchev cut the number of checkpoints down to seven, only one of which could be used for the passage of Allied personnel—imagine that—a slight pause to see how we would take that and then—when nothing happened—he caused the East Berlin commandant to insist that all persons in the West sector stand back 100 meters from the "Concrete Curtain."

Thank God we did not accede to that. If we had, Khrushchev would have immediately thought—and with justification—that we were so spineless that he could try anything, almost, and get away with it.

We are actively engaged in a war of nerves, or of nerve, with Khrushchev. He has deliberately set a collision course with the West to test our nerve. He expects our nerve to fail at the last moment and for us to give way.

I believe this is a miscalculation, however fateful and possibly fatal; but it must be admitted we have given him justification for it, by our failure in other tests to make strong, vigorous, prompt response. In two critical tests just before this, he observed that we did not defend either our own national interest or our international obligations—promises we had made. I refer, of course, to Cuba and to Laos. Our submission to the entirely illegal action of cutting Berlin into two cities—not to speak of the barbarous inhumanity of it—our hesitation, unreadiness and indecision, our unwillingness to take any strong stance, the bumbling statements of some of our officials, the extreme terror shown by editorials in some of our leading newspapers over anything which might displease Khrushchev, the very fact that we are the seekers of a meeting now—in fact, the humble petitioners for it—all suggest to Khrushchev—and others—that we apparently have been so softened up that we are almost ready for the kill.

In a very special sense, we not only owe it to ourselves and our allies, but to our enemy to make it unmistakably plain what our intentions are and to advertise those intentions by actions, not words, so that he will not be misled, in the end. Both the Kaiser and Hitler had the idea that we were so soft and decadent that we would not go to war. A too-soft and timid policy now with Khrushchev inevitably gives him the same idea.

As David Lawrence said in a recent editorial: "Wars come from timorousness, and not from resoluteness."

We owe it to ourselves, our allies, the whole of the civilized world, in fact—as well as to the enemy—to demonstrate that we are not terrified to the point of being unable to react vigorously and decisively, that our hands are not tied by our allies, and that certain further actions by the Soviet Union or its satellites will be met by certain definite actions by us and that, while these actions will be short of atomic war, they will be extremely disagreeable to the Soviet bloc.

The primary assumption behind a so-called hard policy toward Khrushchev is that he does not want to precipitate nuclear warfare any more than we do and that if he were utterly convinced that such a war was bound to develop he would avoid the issue. What he does want most avidly is the fruit of a consummate political-warfare victory; and he thinks he sees it almost within reach, without too much cost to communism. It is up to us to convince him by a series of projected actions, not mere words of protest or threats, that we will fight all out if he forces us to—that his contemplated moves in producing that fight will be much too costly for him.

So, what kind of projected actions should we take to make sure that Khrushchev will get the message, loud and clear, that we really do mean business over Berlin, a place which is so critical and crucial now for us that it is not merely the freedom of the people of Berlin but the freedom of Europe, and even of the whole world, which hang on what happens there.

Khrushchev has presented the West with challenge, in the Toynbeean sense. What of our response, in a way which can give hope of diverting nuclear warfare?

May I suggest a series of proposals which will come well within the area demarked by the President in his July 25 speech when he called for a buildup of our conventional forces for the long term to meet Soviet aggression anywhere in the world and laid down this specification: "We intend to have a wider choice than between humiliation or all-out nuclear action."

What I propose is well short of all-out nuclear action, and will, I believe, save us from more of the humiliation we have recently suffered.

I propose a series of phased retaliations which, if outlined plainly to Mr. Khrushchev beforehand, could have the most salutary effect upon his thinking.

The Western occupation powers should outline now the steps they will take in retaliation, if the Soviet Union should carry out its repeated threat to sign a separate peace with East Germany, by which it seeks unilaterally to end their rights in Berlin. These are some of the steps:

First. All joint agreements entered into by any of the Western occupation powers with the Soviet Union toward the close of World War II will be considered at an end. This would mean that the status quo of East Berlin and East Germany and the special powers we have recognized the Soviet Union to have in those areas would go by the board and have no more binding effect upon us. The same would be true of the special powers exercised by the Soviet Union in all the satellite countries of Europe. This would wipe out, so far as the West is concerned, any legitimacy of the provisional boundaries established in Eastern Europe, frontiers which Khrushchev has long sought to nail down in permanent, legal, recognized form.

Thus, Khrushchev would find himself in a worse, rather than a better, position to get what he calls "acceptance of the historic changes." What he means by this phrase is the legitimization of all the grabs the Soviet Union has made of Eastern European lands and people. Not only has he worked hard and long to have these grabs accepted and regularized for the purposes of real estate, but he wants the people of these countries to feel the hopelessness of their position, the uselessness of resistance. What he wants most of all is to convince them that the West has finally abandoned them to the Soviet Union.

So, since the last thing that Khrushchev wants is to have the "historic changes" loosened, rather than nailed down, such a clear statement of our purposes would make him think twice.

Second. All pending negotiations on disarmament and related matters will immediately be brought to an end.

Third. In the second phase, the Allied Powers will break all diplomatic relations with the Soviet Union and its satellites, sending home all their missions.

Fourth. The third phase will be imposition of a "quarantine," or economic sanctions, on all commerce with the Soviet Union and it satellites, just as an embargo is threatened by the Communists against Berlin. This would include all transactions.

I firmly believe that the explicit and public outlining, in advance, of such steps which the Allied Powers would surely take would give most serious pause to the Soviet Union in its course. It could deter Khrushchev from signing the peace treaty with East Germany, and defer the crisis over Berlin for an indefinite period.

Who could deny that these steps, all intermediary between, and offering a wider choice than "humiliation" and "all-out nuclear action," would more effectively open Khrushchev's eyes to our determination than just the steps outlined by the President in his July 25 address to the Nation or his warnings about Berlin since.

And who would be so self-assured as to say that we do not need to make the message of our determination as strong and explicit as possible, in the face of Khrushchev's confident pushing ahead?

In the event that the steps outlined above were not sufficient to deter Khrushchev from signing a separate treaty with East Germany, a thing which Walter Ulbricht says would be the prelude to the imposition of blockades on the access routes to Berlin from the West, we would not find we had used up all our "ammunition."

After K. signs with East Germany but before the imposition of any blockade of Berlin, we could and should take the following steps:

First. We should declare that all "actions by proxy" of a satellite state would be henceforth regarded by us as the actions of the Soviet Union, just as a principal is held responsible for the acts of his agent. We have, for too long a time, permitted to go unchallenged this business of the Soviet Union acting by proxy behind a fake legalistic shield. It must now expect to face the penalties for its own acts, however disguised as the acts of others.

Second. We should state that any hostile act of blockading Berlin would engender counteractions of blockade by us. For instance, we would institute naval blockade of the Baltic, Black, and Mediterranean Seas against Soviet and satellite vessels. Surely, what is fair for one side is fair for the other. No longer should one side have a "privileged sanctuary" to take offensive action, without expecting to be met by action in kind.

One of Khrushchev's wiliest schemes, in regard to blockading Berlin is to try to put the onus on the West for making the first application of force, or for firing the first shot.

But, with counterblockade of three seas, the Soviet leaders would be hard pressed either to "holler uncle" first or fire the first shot to break our blockade. As chess players, the men of the Kremlin would hardly want to trade the queen of their own isolation for the pawn of Berlin's isolation.

It will be said at once that many of these things I have suggested run the risk of war. Of course. But not to do them runs greater risk of war. I submit that, unless we are willing to risk war to uphold the whole freedom of the West and to forestall surrender, we have lost the war at the very beginning. There is no way to escape the risk of war entirely. The question is which courses offer least risk—and greatest hope.

To allow the Soviet Union to advance, step by step in their nibbling technique, involves greater risk of war than trying to stop them where they are. To what can a do-nothing ineffective temporizing policy lead except a final showdown under least advantageous conditions?

A doctor faces the same sort of problem in a cancer case when the patient says "No—let's wait awhile." But to "wait and see" in dealing with a malignantly spreading process is not "playing safe," as it may seem; it is the most dangerous course one can follow. The temporizing, the putting off of the evil day while the cancer spreads, makes the operation all the more dangerous, when it comes, and frequently hopeless.

The risk of war could be somewhat cut down by adopting, ourselves, some "salami-slicing" techniques. Instead of threatening to clamp blockades on all three seas, at once, we might do it one after the other.

Yet another variation would be to declare our intention to seize a Soviet tanker on the high seas for every convoy harassed or halted on the roads in and out of Berlin.

For that matter, we could well show our increased and increasing firmness by establishing a "Pacific blockade" around the Soviet Union's new satellite, Cuba, halting all Communist-flag vessels.

And a salutary action we should certainly take in southeast Asia, at the first sign of the breaking down of the cease-fire in Laos, would be to correct our position of weakness in that area, the picture of supineness we have given the world, after bold words by the President.

We should go into Laos with air support and guerrilla warfare instructors, while calling on the Asian SEATO powers for ground forces which some of them offered many months ago. We can and should maintain these forces by air.

The situation there is by no means hopeless if we have the will.

Such a move as this would yield a double benefit; not only would it restore confidence in us as a dependable ally in southeast Asia and encourage other countries there to continue resistance, but it would have considerable bearing on Berlin. It would advertise to Khrushchev that the whole political climate of Washington had changed.

I hope that, in making these strictures, I do not give the impression that I disapprove of the President's television address on July 25. On the contrary, I approve 100 percent—as far as it went. I particularly applaud his offer to negotiate all those problems about Berlin which are negotiable—that is to say, those things which do not violate first principles.

Splendid, too, was the way the President pressed the matter of a settlement of the problems of West and East Berlin, as well as West and East Germany, by plebiscites. This initiative should constantly be pressed. For it conclusively demonstrates to the world that it is the Soviet Union—not the West—which is keeping the German nation apart, keeping the sore of Berlin open, and maintaining the "abnormal" situation about which Khrushchev tries to appear so upset.

While the President's program does not go far enough to have maximum effect on Khrushchev, the very speed and unanimity of Congress in passing the requested program had a potential all its own to impress any knowledgeable beholder. This speed and unanimity put the stamp of approval by the American people on the President's words: "We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force."

There are domestic aspects of the President's TV address which should have their repercussions in Moscow, for better, for worse; for harder, for softer.

It is obvious that the President wanted to alert the country to the seriousness of the situation, that Berlin is the great testing place of Western courage and will, without causing a war scare of panic proportions. The President has the task not only of convincing Khrushchev that we are adamant about the continued freedom of the people of West Berlin, but he has the job of convincing the American people that we are truly getting into a situation from which there may be no exit but war.

I am not sure that the American people got the message any better than Khrushchev. The chief effects on this side of the water seemed to be to send the stock market up and to inundate draft boards with inquiries by individuals as to their status. Otherwise, we seem to be free to go on our normal way, fat and irresponsible, uncalled to sacrifice or to greatness.

Just as there is no call for general mobilization there is no declaration of national emergency. While it was admitted that the newly outlined program will cost $3.2 billion in its first year, no effort was made to have the American people realize this fact in the tangible form of increased taxes, or reduction of other expenditures for projects that are good but not absolutely necessary.

While the President asked that waste and extravagance be held down, he specifically asked Congress not to touch his own peacetime, long-term spending program.

One thing which a nation—even so rich a nation as the United States—should not try to do is to carry on business as usual if we wish our enemy to believe we are serious about facing up to this crisis. We say it may soon erupt into war, but we do not act as if we believed it. If guns are being called for, are we to expect no slightest sacrifice in butter?

It is most unfortunate that the President did not call for at least some modification of his long-term programs for peacetime. For this is not peacetime. He left it up to Congress to resist, unled and unaided by the administration, the business-as-usual syndrome. This is either a real emergency we are facing or it is not. How the administration looks on it, in all its aspects, will not be lost on Mr. Khrushchev.

Among the other legislation which should be sent to the Hill at the earliest moment, if the President is to convince the American people or any other interested parties that he means business, is a request to enact a standby War Powers Act. I called for this in June. And here we are about to adjourn at the end of September. The President should have in his desk a standby act that the world knows he can use to put our country instantly upon a wartime economy, should the Kremlin attack. Without such action by the Congress, the Kremlin gang can tip each other the broad wink whenever they hear our President talk tough.

It is not because I want such drastic measures that I advocate their enactment, but precisely because I do not want them. To show that we mean business is the best way to deter Khrushchev from actions which would require actually putting these measures into effect, instead of having them on a standby basis.

On this matter of toughness, there are too many Americans, apparently, who are oppressed by the fear that something we do, or even say, will suddenly enrage Khrushchev—whom they regard as a sort of madman—and atom bombs will begin to fall.

To those I would say this: Nothing we can do or say will make Khrushchev either more or less implacably determined to bury us just as soon as he thinks the time is ripe so that he can move with comparative safety. I would even say this, in a figurative sense, that when Mr. K. took off his shoe and waved it at the U.N. Assembly, a delegate from the free world might have taken it away from him and banged him over the head with it, without danger of war.

Because, while Khrushchev's first impulse would have been one of astonished anger, his second and controlling thought would more probably have been cautionary: "What makes these people so bold? They must have something we don't know about."

Two tangential problems arise. The first is about our allies. It may very well be that they will not want to go along with us on a "hard" attitude toward the Soviet Union's expansionism. In such case, even if we convince Mr. Khrushchev that our own intentions are fixed and unalterable to accept war rather than surrender the freedom of West Berlin, the men in the Kremlin would tend to feel that we would be restrained by our allies, particularly the British.

President Kennedy, just recently and with a wry expression, quoted Napoleon to the effect that he owed his successes to the fact that he was always opposed by an alliance. As though to illustrate the point, just as Mr. Kennedy was calling for increasing our own Military Establishment, the British Government announced its intention of cutting back on military expenditures. The timing could not have been more closely calculated to muffle the desired total impact of the President's speech.

Of course, for some time now, the British have been having trouble with a large and vociferous wing of the Labor Party which is so surrender-minded, already, that it calls on the West to disarm, unilaterally, without even requiring any disarmament moves from the Soviet Union. It may be that the Soviet rulers are counting on these people as important "reserves" on their side during the present tension.

I am at a loss how to disabuse the mind of Khrushchev that he should not depend too utterly on these people who live in a cloud-cuckooland all their own. How much effect they can have on the British Government I do not know. But I do know, as a matter of history, that when the chips are finally down, the British people are found on the frontlines of liberty.

We might cut across this whole problem of allies by telling them and Mr. Khrushchev that we are sure other nations will join in defense of Berlin, but whether they do or not will not alter our intentions. We will resist alone, if necessary, at moments and places and by methods of our own choosing.

The other tangential problem is about allies of another sort. These are perhaps our best allies of all, the millions behind the Iron Curtain, particularly those in the satellite countries of Eastern Europe. We owe it to them, if these steps I have outlined are taken, to warn them over the heads of the Kremlin not to do anything premature. Only in the event of the start of actual hostilities should their undergrounds start active measures, those acts of sabotage and disruption of communications and other steps available to a resistance movement, which will weaken their oppressors and help earn for themselves their liberation. Some terrified editors to the contrary, we have a right to urge these undergrounds to work for and hold themselves in readiness for that day.

At base, the whole problem of defeating the thrust for Berlin comes down to one of nerve. If we suffer a failure of nerve, we are gone. There is no substitute for raw courage in a situation of

this kind. We must make it our precept: "From this nettle, danger, we pluck this flower, safety." And the touchstone is courage.

Another precept we must hold to comes from the Bible: "For if the trumpet give an uncertain sound, who shall prepare himself to the battle?"

We are now in a situation which calls for the trumpet of leadership to give forth no further uncertain sounds. The summons it will speak to the American people must be loud and clear. The warning it sounds to the enemy camp must be unmistakable.

In dealing with dictators it has ever been the vice of the West that its responses have been "too little and too late."

Let us not add "too soft" to the list.

Mr. Speaker, what I have just spoken to you is an article written in June with the thought it might be useful in one of our national magazines. Things were changing so rapidly on the international scene that most editors hesitated to accept something that they thought might be outdated in 2 or 3 weeks. I brought the article up to date after President Kennedy's address to the Nation on July 25. No better luck. I modified it further after the coup in East Berlin. The essential proposals remain sound and solid, I believe, and will continue to do so. The more the superficial things change, or seem to change, the more the basic factors remain the same. One by one they are being suggested also by others.

It is still not too late, Mr. Speaker, to pluck from this nettle of danger our safety, our life as a free Nation and people.

LET'S LOOK AT THE REPUBLICAN RECORD WITH REGARD TO THE FINE ARTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Delaware [Mr. McDOWELL], is recognized for 30 minutes.

Mr. McDOWELL. Mr. Speaker, in her column in the October 1961 issue of McCall's magazine, Mrs. Clare Boothe Luce writes that:

> Our Government does less toward the support of art and culture than any civilized nation. In fact, almost nothing. Soviet Russia spends a great deal on cultural programs, and all the free nations of Europe subsidize, to some extent, their art and artists. To win the cold war, we must gain ascendency over the minds of men. We have sorely neglected the role a Nation's art and culture play in accomplishing this. We have impressed people by our intellectual attainments, material possessions (including armaments), and power. But it is only through a Nation's arts and literature that other nations discover it has a soul.
>
> Although we have created a great political and economic democracy, we have not yet created a great cultural democracy—a democracy that vigorously, consciously, and purposefully helps bring the enduring values of the arts into our own daily lives as well as to the peoples of other lands. I think, however, that the United States is on the eve of a tremendous and fruitful cultural explosion, which could be triggered by Government recognition and support of the performing and other arts.
>
> Congressmen have been battling public apathy (and private pressures), ever since I can remember, in an effort to provide Federal encouragement to cultural activities. A great deal of legislation has been introduced in Congress toward this important goal. In his 1955 state of the Union message, President Eisenhower said, "The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities." He proposed a permanent Federal Advisory Commission, under the Department of Health, Education, and Welfare. The proposal passed the Senate but was too late for action in the House."

This editorial by the brilliant and distinguished Mrs. Luce comes at an especially interesting time. Just this week, on Thursday, after a debate on Wednesday, the House voted 173 to 166 against enacting into law the Federal Advisory Council on the Arts which, as Mrs. Luce points out, was recommended first by President Eisenhower in his 1955 message on the state of the Union.

It is extremely interesting that the bulk of the opposition to this bill was provided by Members of General Eisenhower's own party, while the major support for it came from the Democratic Members of the Congress.

The crucial vote against the bill to establish the Federal Advisory Council on the Arts was cast by the minority leader, the gentleman from Indiana [Mr. HALLECK], who was personally chosen and was handpicked by President Eisenhower in the leadership contest with the gentleman from Massachusetts [Mr. MARTIN].

After all of the excellent national publicity which President Eisenhower received for his sponsorship of this particular legislation to advance the fine arts during his two terms in the Presidential office, and, indeed, that he is still getting, witness Mrs. Luce's article in McCall's to which I have referred, it might be thought by some hardy souls concerned with the arts that the Republican Party was rendering only lipservice to the arts.

It may be recalled that it was due to President Eisenhower's sponsorship of legislation to establish a Federal Advisory Council on the Arts that the cultural leaders of the country formed the Committee of the Arts and Sciences for Eisenhower—CASE—in the fall of 1956 to insure his reelection. The Case committee was very persuasive and extremely effective.

In view of the Republican performance on Wednesday and Thursday of this week in opposing the Federal Advisory Council on the Arts, and in making the major contribution to its defeat it may well be that the cultural leaders of our country should now review this performance and make a critical analysis of why it is that the Republican leaders talk one way and vote another.

Perhaps Mrs. Clare Boothe Luce herself could lead in making this analysis.

It is long overdue because all of the Republican leaders are guilty of misleading the people with regard to their devotion to the fine arts.

During the Presidential campaign last fall you will recall that the then Vice President, Richard M. Nixon, wrote a letter which was published in the Saturday Review of October 29, 1960, in which he declared:

> In my opinion, it would be better, at this time to appoint an Advisory Council on the Arts, composed of the best qualified Americans in all the cultural fields, than a Secretary of Culture. In this way, the views of a large number of competent professionals in the several arts could be heard nationally. This Council should make recommendations to the President and Congress as to the best line of Federal action in support of artistic endeavor. It might also be helpful in suggesting steps by which State and local governments might stimulate private cultural activities.
>
> Legislation to create such a council has been introduced in Congress with broad bipartisan backing. I support this idea, and will work for its passage.

In Equity magazine, published by Actors' Equity Association, again during last fall's Presidential campaign, Vice President Nixon reiterated the Republican Party's support of President Eisenhower's proposed Federal Advisory Council on the Arts.

The Actors' Equity Association is headed by the great actor, Ralph Bellamy, and Helen Hayes is one of its most distinguished members. This major cultural organization is affiliated with the AFL–CIO.

Vice President Nixon told its members that—

> I wholeheartedly support the objective of stimulating the advancement of the performing arts and promoting increased public appreciation of their important role in our national life.
>
> I think that a good first step toward meeting that objective would be a proposal by this administration to create a Federal Advisory Council on the Arts within the Department of Health, Education, and Welfare.
>
> The Council would explore all aspects of the question—including the proper function of the Federal Government in cultural development—and make recommendations as to the best methods by which we can encourage activity in the performance and appreciation of the arts as well as fostering participation in them.
>
> It seems to me that laying this groundwork is necessary before we go on to consider specific proposals such as the establishment of an independent U.S. Art Foundation to undertake operating programs, as provided in the Javits-Clark bill.
>
> Once we develop the basic guidelines, we can then study alternative programs, and choose the one that will effectively promote the full development of our performing arts.

This, then, was the cultural program with which the Republican Party went to the country, and for which it obtained more than 30 million votes.

It is high time that the cultural leaders of the Nation, particularly Clare Boothe Luce, Helen Hayes, Howard Hanson, and those who were instrumental in setting up the Committee of the Arts and Sciences for Eisenhower—CASE—in 1956 and Celebrities for Nixon in 1960, examined the Republican Party's voting record with regard to the fine arts, and not just stop with an examination of what the Republican Party's candidates for President and Vice President say about the arts.

To paraphrase the immortal words of Al Smith, "Let them look at the record"

for it is, indeed, performance, and not lipservice that counts.

If they will look at the record on the Federal Advisory Council on the Arts they cannot fail to take notice of the determined and courageous way in which our distinguished and brilliant colleague from New Jersey [Mr. THOMPSON] has fought for this proposal since 1955 when it was first proposed by former President Eisenhower.

Under his leadership it has been the Democrats in the Congress who have consistently and capably fought for the establishment of the Federal Advisory Council on the Arts.

I know that the Democratic Members of the Congress will continue to work for the establishment of the Federal Advisory Council on the Arts. It is particularly important at this time for the Senate to take this legislation up and hold hearings on it, and pass it there. With the help of the Nation's cultural leaders and President Kennedy, whose interest in the fine arts is well known, this legislation could be enacted into law early in the next session.

There is no reason why, after the vote this week, our cultural leaders should not be discerning as to which Members of the Congress, and which political party, is really serious and honest in their statements and actions in support of the arts and which Members of the Congress and which political party is not.

In her article in McCall's magazine, to which I have been referring, Mrs. Luce calls for support of the National Cultural Center, and I should like to note that the legislation to establish this long-needed cultural facility was sponsored by our colleague from New Jersey [Mr. THOMPSON] and by the distinguished chairman of the Foreign Relations Committee of the Senate, Senator J. W. FULBRIGHT. Both are Democrats.

Mrs. Luce writes in her McCall's article that "the money for erecting the center was supposed to be privately raised in the next 5 years. I suspect that without Government help this project will never materialize."

I think it would be readily apparent to almost everyone, including Mrs. Luce, that since more than $100 million has been raised from private sources, and in particular from the Ford and Rockefeller Foundations, for New York City's Lincoln Center of the Performing Arts during the past 3 years that it is possible to raise whatever sums are necessary to build the National Cultural Center in Washington, D.C.

It is necessary, however, to appoint to the board of trustees of the National Cultural Center men and women as capable as those who are heading up the Lincoln Center of the Performing Arts.

I would like to urge at this time that Mrs. Clare Boothe Luce would be, for a number of reasons, an ideal person to be a member of the board of trustees of the National Cultural Center, not the least of which is her position within the Republican Party. She undoubtedly would, as a member of the board of trustees of the National Cultural Center, be in a position to begin to match Republican performance with Republican promises.

As for the Democrats, I would urge at this time the appointment of Mrs. Thomas Bayard of the great Du Pont family of Delaware, as a member of the board of trustees of the National Cultural Center.

With appointments such as these the National Cultural Center could soon become a living thing, and make its contribution to the advancement of our Nation's cultural life.

I include, as part of my remarks, the article by Mrs. Clare Boothe Luce from McCall's magazine for October 1961, which I have quoted:

A MONTHLY COMMENTARY BY CLARE BOOTHE LUCE

Should our Government subsidize the arts, as governments of so many other countries do? I believe it should. Our Government does less toward the support of art and culture than any civilized nation. In fact, almost nothing. Soviet Russia spends a great deal on cultural programs, and all the free nations of Europe subsidize to some extent, their art and artists. To win the cold war, we must gain ascendancy over the minds of men. We have sorely neglected the role a nation's art and culture play in accomplishing this. We have impressed people by our intellectual attainments, material possessions (including armaments), and power. But it is only through a nation's arts and literature that other nations discover it has a soul.

Although we have created a great political and economic democracy, we have not yet created a great cultural democracy—a democracy that vigorously, consciously, and purposefully helps bring the enduring values of the arts into our own daily lives as well as to the peoples of other lands. I think, however, that the United States is on the eve of a tremendous and fruitful cultural explosion, which could be triggered by Government recognition and support of the performing and other arts.

Congressmen have been battling public apathy (and private pressures) ever since I can remember, in an effort to provide Federal encouragement to cultural activities. A great deal of legislation has been introduced in Congress toward this important goal. In his 1955 state of the Union message, President Eisenhower said, "The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities." He proposed a permanent Federal advisory commission, under the Department of Health, Education, and Welfare. The proposal passed the Senate but was too late for action in the House. During this administration, there were legislative proposals for the creation of a Department of Fine Arts, to be headed by a man of Cabinet rank, for an Assistant Secretary of State for Cultural Affairs, for a Federal Advisory Council on the Fine Arts. All these proposals died in committee.

In 1959, Senator JACOB JAVITS, of New York, introduced bill S. 1250, which called for the establishment of a U.S. Art Foundation and requested Government subsidies for the various arts—music, dance, theater, poetry, and opera. This bill did not emerge from committee in the last 1960 session of Congress, and it did not emerge in the first session of Congress this year.

In August of 1958, Congress appropriated 10 acres of land in Washington, on the Potomac near the Lincoln Memorial, for a National Cultural Center. The design, drawn by famed architect Edward D. Stone, calls for a multipurpose structure, to be used as opera house, concert hall, theater, auditorium, exhibition hall, and so on. But the money for erecting the center was supposed to be privately raised in the next 5 years. I suspect that without Government help this project will never materialize.

The prevailing estimate of President Kennedy is that he is an intellectual and a man of culture. It is to be hoped, then, that he may be able to move the Congress, which his party now controls, to back bill S. 1250 and the cultural center, or otherwise find a modus operandi for helping realize our great cultural potential.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Messrs. ANFUSO, RODINO, DANIELS, FASCELL, DENT, SANTANGELO, MACDONALD, and HALPERN (at the request of Mr. MCCORMACK) on account of official business, Presidential appointees attending Italian Centennial, in Italy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CLEM MILLER, for 30 minutes, today.

Mr. ROUSSELOT (at the request of Mrs. MAY), for 1 hour, today.

Mr. JUDD, for 30 minutes, today, and to revise and extend his remarks.

Mr. MCDOWELL, for 30 minutes, today, to revise and extend his remarks, and include extraneous matter.

Mr. CANNON, for 30 minutes, on Monday, September 25, and 30 minutes, on Tuesday, September 26.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ZABLOCKI in two instances and to include extraneous matter.

Mr. ROUSH.

Mr. HECHLER in two instances and to include extraneous matter.

Mr. MACGREGOR (at the request of Mr. LANGEN) in two instances and to include extraneous matter.

Mr. JENSEN and to include a copy of a bill.

Mr. GEORGE P. MILLER.

(The following Members (at the request of Mrs. MAY) and to include extraneous matter:)

Mr. AYRES.

Mr. HARSHA.

Mr. MOORE in two instances.

Mr. SCHERER.

Mr. DOLE.

(The following Members (at the request of Mr. EVERETT) and to include extraneous matter:)

Mr. MOORHEAD of Pennsylvania.

Mr. GIAIMO, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $182.25.

Mr. GILBERT.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 521. An act for the relief of Charles J. Utterback; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 3587. An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 8383. An act to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8652. An act relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations; and

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes; and

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on September 22, 1961 present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 115. An act for the allocation of costs on the Wapato-Satus unit of the Wapato Indian irrigation project;

H.R. 470. An act to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4682. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 5490. An act to provide for more effective participation in the Reserve components of the Armed Forces, and for other purposes;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7726. An act to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens;

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; and

H.J. Res. 569. Joint resolution to waive certain provisions of the Atomic Energy Act of 1954 so as to permit the agreement for cooperation between the United States and France to be made immediately effective.

ADJOURNMENT

Mr. EVERETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p.m.), the House adjourned until Monday, September 25, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1343. A letter from the Acting Secretary of the Interior, relative to an adequate soil survey and land classification of the lands to be benefited by the Sly Park unit, Central Valley project, California, was completed as a part of the investigations required in the formulation of a plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1344. A letter from the Administrator, Veterans' Administration, transmitting a report of the tort claims paid by the Veterans' Administration during the fiscal year ending June 30, 1961, pursuant to Public Law 601, 79th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1262. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. MORGAN: Committee of conference. H.R. 9118. A bill to establish a U.S. Arms Control Agency (Rept. No. 1263). Ordered to be printed.

Mr. HUDDLESTON: Committee of conference. H.R. 5968. A bill to amend the District of Columbia Unemployment Compensation Act, as amended (Rept. No. 1264). Ordered to be printed.

Mr. MILLS: Committee on Ways and Means. H.R. 8952. A bill to amend the Internal Revenue Code of 1954 with respect to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes; with amendment (Rept. No. 1265). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DERWINSKI:

H.R. 9411. A bill to deny the use of the U.S. postal service for the carriage of Communist political propaganda; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY:

H.R. 9412. A bill authorizing the change in name of the Beardstown, Ill., flood control project, to the Sid Simpson-Beardstown flood control project; to the Committee on Public Works.

By Mr. FOUNTAIN:

H.R. 9413. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. GREEN of Pennsylvania:

H.R. 9414. A bill to amend the Tariff Act of 1930 to provide that imported electron microscopes shall be subject to the regular customs duty regardless of the nature of the institution or organization importing them; to the Committee on Ways and Means.

By Mr. HARRIS:

H.R. 9415. A bill to add a new title XVI to the Federal Aviation Act of 1958, in order to provide for a Federal Aviation Service for air traffic control and other essential services and to provide for the availability and responsiveness of that service in time of war or emergency involving national defense, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 9416. A bill to increase the equipment maintenance allowance for rural carriers; to the Committee on Post Office and Civil Service.

H.R. 9417. A bill to impose an additional duty on strawberries and strawberry products; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 9418. A bill to establish a new program of loans to be made from a revolving fund by the Housing and Home Finance Administrator to assist in the provision and rehabilitation of housing for middle-income families; to the Committee on Banking and Currency.

H.R. 9419. A bill to amend the Internal Revenue Code of 1954 to require the owner of an apartment building or other multifamily structure to establish and utilize a repair, replacement, and maintenance reserve as a condition of the allowance of a depreciation deduction with respect to such structure; to the Committee on Ways and Means.

By Mrs. CHURCH:

H.R. 9420. A bill to authorize the Secretary of the Navy to sell water from the U.S. Naval Air Station, Glenview, Ill., to supply the Glenbrook South High School, Glenview, Ill.; to the Committee on Armed Services.

By Mr. DONOHUE:

H.R. 9421. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for one-half of the expenses incurred by him in the construction of a civil defense shelter of approved type and design; to the Committee on Ways and Means.

By Mrs. DWYER:

H.R. 9422. A bill to amend the National Housing Act to provide specific authority for the insurance by the Federal Housing Administration, under its home improvement loan programs, of loans for the construction of civil defense shelters; to the Committee on Banking and Currency.

H.R. 9423. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses incurred by him in the construction of a civil defense shelter of approved type and design; to the Committee on Ways and Means.

By Mr. FOGARTY:

H.R. 9424. A bill to amend title II of the Social Security Act to provide that the child of an insured individual may receive child's insurance benefits even though he has attained age 18 if he is under 21 and is a full-time student attending a college or university; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H.R. 9425. A bill to amend paragraph 757 of the Tariff Act of 1930 with respect to brazil nuts; to the Committee on Ways and Means.

By Mr. GUBSER:

H.R. 9426. A bill to provide for the termination of programs of price support for agricultural commodities by December 31, 1966; to the Committee on Agriculture.

H.R. 9427. A bill to provide for the denial of passports to persons knowingly engaged in activities intended to further the international Communist movement; to the Committee on Foreign Affairs.

H.R. 9428. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war; to the Committee on Un-American Activities.

By Mr. HARRIS:

H.J. Res. 586. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

H.J. Res. 587. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MOORE:

H.J. Res. 588. Joint resolution to create a Federal Commission on the Construction of School Fallout Shelters; to the Committee on Education and Labor.

By Mr. WHALLEY:

H. Con. Res. 400. Concurrent resolution requesting the President to set aside and proclaim a National Country Music Week; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOW:

H.R. 9429. A bill for the relief of Edward R. Place; to the Committee on the Judiciary.

H.R. 9430. A bill for the relief of Basilio King; to the Committee on the Judiciary.

By Mr. BROYHILL:

H.R. 9431. A bill for the relief of Ourania Hondros; to the Committee on the Judiciary.

H.R. 9432. A bill for the relief of Wilfredo Spatenka; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 9433. A bill for the relief of Alajandro B. Catli; to the Committee on the Judiciary.

By Mr. CLEM MILLER:

H.R. 9434. A bill for the relief of Richard W. Hoffman; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 9435. A bill for the relief of Mrs. Marianna Martino Paviglianiti; to the Committee on the Judiciary.

SENATE

SATURDAY, SEPTEMBER 23, 1961

The Senate met at 9 o'clock a.m., and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of the ages, whose help we seek for today's duties, it undergirds us with confidence to know that to every scene life brings, our strength depends, not just on our frail hold of Thee, but on Thy mighty grasp of us, for Thou seekest us with patient, haunting pursuit.

Confront us, we pray, with the solemn reality that in the last resort, everything depends on the faith that our own life, all its difficulties and problems of our own life, its self-denials, its triumphs and failures, all have a place in the final mosaic of Thy great plan and that even in the experiences that disturb us most, love almighty is in control and there is a hand that guides.

In that sure confidence send us forth into the uncertain days ahead with the triumphant assurance the Lord is our light and our salvation; though an host encamp against us our hearts shall not fear; though war should rise against us even then will we be confident. Guide us, O Thou great Jehovah, that we may be the dedicated messengers of peace.

Grant us peace with freedom and justice in our time, O Lord.

We bring our prayer in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, September 22, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 2147. An act for the relief of Kenneth Stultz;

H.R. 2969. An act for the relief of Gene H. King;

H.R. 3487. An act for the relief of Louis C. Wheeler;

H.R. 3710. An act for the relief of Giles L. Matthews;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 5139. An act for the relief of Helena M. Grover;

H.R. 5181. An act to amend Private Law 85–699;

H.R. 6938. An act for the relief of Dr. Robert E. Hiller;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund;

H.R. 8100. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund;

H.R. 8204. An act for the relief of Mr. and Mrs. Harley Brewer;

H.R. 8269. An act for the relief of Dr. Walter H. Duisberg;

H.R. 8325. An act for the relief of Harrison Thomas Harper;

H.R. 8779. An act for the relief of George B. Olmstead; and

H.R. 8798. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 2147. An act for the relief of Kenneth Stultz;

H.R. 2969. An act for the relief of Gene H. King;

H.R. 3487. An act for the relief of Louis C. Wheeler;

H.R. 3710. An act for the relief of Giles L. Matthews;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 5181. An act to amend Private Law 85–699;

H.R. 6938. An act for the relief of Dr. Robert E. Hiller;

H.R. 8204. An act for the relief of Mr. and Mrs. Harley Brewer;

H.R. 8269. An act for the relief of Dr. Walter H. Duisberg;

H.R. 8325. An act for the relief of Harrison Thomas Harper; and

H.R. 8779. An act for the relief of George B. Olmstead; to the Committee on the Judiciary.

H.R. 5139. An act for the relief of Helena M. Grover; to the Committee on Finance.

H.R. 8100. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the General Supply Fund; and

H.R. 8798. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended; to the Committee on Government Operations.

MEXICAN FARM LABOR PROGRAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the

Senate to the bill (H.R. 2010) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time to be allocated under the unanimous-consent agreement entered into yesterday be in charge of the Senator in charge of the conference report [Mr. JORDAN] and the Senator from Wisconsin [Mr. PROXMIRE], each of whom will have half of the time.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. I wish that one of the two Senators would allow me one-half minute at some time during the hour, in order to make a unanimous-consent request about another matter.

Mr. JORDAN. Mr. President, I yield now to the Senator from Wisconsin, if he wishes to proceed.

Mr. PROXMIRE. I shall take part of my time now, but I should like to conclude at the end of the time for debate, since I am in opposition to the conference report.

Mr. President, at this time I yield myself 10 minutes.

The VICE PRESIDENT. The Senator from Wisconsin is recognized for 10 minutes.

Mr. PROXMIRE. Mr. President, we have completed nearly 2 days of debate on the conference report on H.R. 2010.

The motion to table the conference report and to take up the problem again early in the next session failed by a small margin.

This morning we shall vote either to accept or to reject the report. If it is rejected, there will be a motion to send the measure back to conference and a chance to include the McCarthy amendment, which was approved on the floor of the Senate when we considered the bill. I support this action.

The distinguished Senator from North Carolina [Mr. JORDAN], who is in charge of the conference report, has told us frankly of the principal problem. He said:

> The conferees on the part of the Senate did speak in behalf of the Senator's amendment. There was considerable discussion in favor of it. The House conferees absolutely would not take any of it. They did recede on several points. However, they said, "This is it, or there will be no migratory labor bill this year, because we are not giving in on this point, and we will not yield on it on the House floor, either."

The issue is not whether the will of the Senate or the will of the House should prevail. The issue is whether the Senate version is a better and more equitable measure than that approved by the House and the conference.

In my judgment it is.

The Senate version with the McCarthy amendment is a very moderate and reasonable proposal. It represents only the minimum of what the Secretary of Labor and the administration had asked in order to administer this program responsibly.

The administration proposals were cut down and compromised by the Senate committee before the bill was reported on the floor.

Secretary Goldberg had asked for authority to limit the number of braceros who could be assigend to any one employer, when this is necessary to assure active competition for jobs. He did so because there are crops and areas where the percentage of Mexican workers is so high that there is no effective way to determine the prevailing wage. This amendment was given up.

The Secretary also asked for an important amendment which would have required employers who obtain Mexican workers to offer and to pay domestic workers benefits reasonably comparable to those offered braceros.

Under the international agreement with Mexico, Mexican nationals coming to work in our country are guaranteed a number of benefits which domestic migratory workers usually do not enjoy.

First. Mexicans are guaranteed work for three-fourths of the contract period.

Second. Mexicans are given free subsistence when underemployed.

Third. Mexicans are provided with free housing.

Fourth. Mexicans are provided free medical care for on-the-job injuries.

Fifth. Basic transportation costs are provided free for Mexicans.

Sixth. Mexicans are guaranteed the right to adjust grievances through their own representatives and government officials.

Seventh. Mexicans are provided nonoccupational health and accident insurance at reasonable costs.

Eighth. Mexicans are guaranteed a wage of at least 50 cents per hour.

This amendment, which would have provided domestic workers employed by a grower also using Mexican nationals comparable benefits, was given up. A modified version of it offered by the Senator from New York [Mr. KEATING] was defeated on the floor.

The third major amendment requested by Secretary Goldberg would require growers to offer Mexicans the average hourly farm wage in the State or the Nation, whichever is the lesser, in steps of 10 cents per year. This amendment was modified by Senator MCCARTHY, when he offered it on the floor so as to provide that growers must offer Mexicans 90 percent of the average hourly farm wage of the State or Nation, whichever is the lower.

The McCarthy amendment was carried on the floor, but was eliminated in the conference.

It is true that two minor amendments were retained: one, prohibiting braceros to operate self-propelled planting, cultivating, and harvesting machinery; and the other, limiting them to work of a seasonal or temporary nature. But the major amendments—those which would provide some safeguard for domestic workers and prevent adverse effect on their wages, job opportunities, and conditions of work—are gone.

I believe the conference report should be rejected and the conferees should be instructed to insist on the wage amendment.

In commenting on the action of the Senate Committee on Agriculture in reporting H.R. 2010 without the wage amendment, Secretary Goldberg stated:

> This provision is the keystone of the administration's reform requests.

I should like to read a paragraph from the Secretary's letter on this point:

> We do not believe that the bill as reported by the committee reaches the basic problems which stem from the large-scale use of Mexican workers, that is, the adverse impact that their employment has on wages, conditions of employment, and employment opportunities of our own workers. The committee's failure to accept your amendment which would require growers using Mexican labor to pay them the average farm wage of their particular State or of the Nation, whichever is lower, is much to be regretted. This provision is the keystone of the administration's reform requests. As you know, the effect of the Mexican program in many areas has been to place a ceiling on the wages offered to U.S. workers, at the wage level at which Mexican workers are made available. Where an ample supply of workers (Mexicans) are available at 50 cents per hour, for instance, employers do not voluntarily offer to pay higher wages. The consequence of this system is that it has established a wage ceiling for U.S. workers often at only 50 cents per hour. In many areas using a significant number of Mexican workers this wage ceiling has remained frozen at this level for 10 years, as the direct result of the Mexican labor program. This is the fundamental vice of the present Mexican labor program and the committee bill, H.R. 2010, does nothing to correct it.

Mr. President, yesterday it was pointed out that in area after area farm wages have increased over the last 10 years, but that wherever braceros are used there is a consistent pattern for farm wages to remain stationary, or in many cases to decline.

The conference report eliminates the keystone provision that would have improved braceros minimum wages and lessened the punishing competition of low wage Mexicans with American citizens who do migratory labor. For that reason I recommend that the report be rejected, and that the bill be sent to a further conference.

Incidentally, Mr. President, in view of the statement of the administration that the law should not be extended unless significant reforms are made, it seems to me the President is in a position where he may have no choice except to veto this measure if it is passed in its present form.

There is general agreement that the economic and social problems of migratory workers are among the worst of any group in the Nation. Their serious and difficult problems have been increased by the operation of the Mexican farm-labor program. So approximately 550,000 domestic migratory workers and their families—some 2 million persons, in all—have had to compete, as regards jobs and wages, with from 300,000 to 400,000 Mexican nationals. That makes no sense. Unemployment is very serious on the farms; there are 1,400,000 farmworkers out of work. Mr. President, of all the times for us to proceed to extend the program of importing Mexican braceros to compete with domestic migratory workers, it seems to me this is the very worst.

Mr. President, I reserve the remainder of the time under my control.

Mr. JORDAN. Mr. President, in the beginning, I wish to state that when the Mexican farm labor bill came up in the Committee on Agriculture and Forestry, it was the same bill which was reported and passed by the House, an extension of Public Law 78, which has been on the books for a number of years. The House had passed the bill before it came to the Senate Agriculture and Forestry Committee in just exactly the same form in which it had been reported by the House, leaving the law as it is now on the books, with the exception that the law was extended for 2 years.

I may say at this time that this is a committee bill. I did not originate the bill. It came before the committee and was referred to the subcommittee of which I was chairman, and we held hearings on it. We felt the bill did not go far enough, and should be revised to make it more restrictive and give more protection, not particularly to migratory laborers from Mexico, but to American laborers.

We held hearings for a number of hours on it, and heard a good deal of testimony. The committee finally agreed on a bill which we thought was all we could get the House to take, because the bill had passed the House by a good majority, and it had said it was all the House was going to take. We do not always have to accept such statements on the part of the House, but we consulted with many Members of the House, agricultural workers, and persons representing agricultural agencies all over the country, in an effort to work out something we thought we could pass and get the House to accept.

Every person in every segment of the agricultural economy with whom I discussed this issue, where Mexican migratory labor is used, said it was absolutely imperative that the program not end on December 31. They said it would be a calamity for the farm industry, in areas where a large number of braceros are used, to let the program die, because, if it were not renewed until January, as has been proposed here, the Mexican nationals would have to be sent to Mexico. That is expensive. Then they would have to be returned after the law was enacted in whatever form it was enacted.

In addition to that, large farmers, as well as small farmers, have to make arrangements to finance their future crops. When they go to banks, or whatever lending agencies they use, to arrange financing, one of the first things the borrowers have to show the lenders is that they can get sufficient help to plant, harvest, and dispose of the crops. Without that assurance this fall, it will be difficult for the farmers to finance their crops.

As I stated before, this program does not affect my State. It affects very few of the Southern States. Most of the migratory labor from Mexico is used in California, Texas, Arizona, Arkansas, New Mexico, Michigan, and other States which produce large fruit and vegetable crops.

There has been a great deal of talk about cotton planting. I wish to inform the Senate that cotton planting has virtually ceased to be a hand crop. Virtually all of the large farming operations, particularly in Texas, California, and Arizona, where the major portion of the cotton in that area of the United States is grown, use machines to pick cotton. Practically none of it is picked by hand any more.

Also, sprayers are used to get rid of weeds. There is little hand weeding done, what we call chopping. Power sprayers are used to get rid of weeds. So there is very little hand labor used in cotton farming there.

I am told that Americans just are not available to do the stoop labor involved in fruit and vegetable crops. Farmers tell me they would prefer to have American workers, but they simply cannot get enough domestic labor to harvest and handle the crops.

The law extended by the bill involved in the conference report, on which the Senate will soon vote, provides that the migratory domestic laborer must be offered wages comparable to those paid braceros, and the agreement with Mexico provides that braceros must be paid wages comparable to those paid to domestic migratory workers. Those two categories are made equal. That will continue to be the situation.

Nobody has greater sympathy for the migratory American workers than the members of the Agriculture Committee or the conference committee, but we do not think defeating the bill would improve their situation. The testimony I heard was that no employer of labor would want to pay the cost of bringing workers in from Mexico if American workers were available. In addition to the transportation costs, the farmer must pay for insurance and meet other special requirements of the program.

Much has been said about the difference in coverage for the Mexican as compared with the American migratory worker. There is a difference. The difference is that the migratory American workers usually go to the farms with their families. A great many do. Some use trailers. Some use cars. Some come from the neighborhood. Some come from the next county. Some come from out of the State.

Mexicans are brought into this country under contracts, and they have to perform a certain amount of work, stay at a certain place, and work so many hours or days, or be returned to Mexico. Contracts are not made with American migratory workers, because they are free to come and go as they please, and work as many or as few hours as they please. So it would be difficult to make the same arrangements for American migratory workers as are made for Mexican migratory workers.

Another factor is that the Mexican migratory workers who come into this country are single persons and all are male. They are put in dormitories, which can house a great number of them. State laws protect them. The same State laws that protect Mexican migratory workers protect American migratory workers as to housing, sanitation, and so forth. The farmers in the States that use large numbers of Mexican migratory workers, follow the State laws. I am certain of that.

The sole interest of the Committee on Agriculture and Forestry, of which I am a member, was to bring out a bill we thought would improve the old situation, the Mexican migratory labor law, Public Law 78, make it more restrictive, make it a better law, protect the American worker to a greater extent, and at the same time provide for bringing in seasonal workers under the program covered by the bill. The bill specifically states that only seasonal workers are covered. The bill provides that the migratory workers must not operate power-driven machinery, which the old law did not spell out. There were several other provisions in the bill which improved the old law.

We did not think the House would accept the McCarthy amendment. Quite a little has been said about the length of time the conferees used to try to bring this bill back to the Senate. I point out that the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], was on the conference. Mr. OLIN JOHNSTON, the Senator from South Carolina, was on the conference. Mr. SPESSARD HOLLAND, the Senator from Florida, was on the committee. I was on the committee. Mr. GEORGE AIKEN, the Senator from Vermont, was on the committee. Mr. MILTON YOUNG, the Senator from North Dakota, was on the committee. Mr. BOURKE HICKENLOOPER, the Senator from Iowa, was on the committee. Those men sincerely tried to bring back the very best bill they could.

We held out for everything the House would accept. We did not see any reason for sitting across the table, talking to each other, one side saying "No," the other side saying "Yes," and the first side saying "No," and so forth. When it became apparent the House conferees absolutely would not accept the McCarthy amendment, we got them to take everything they would and brought the bill back to the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JORDAN. I yield to my distinguished friend from Florida.

Mr. HOLLAND. Is it not a fact that the McCarthy amendment passed the Senate with a majority of only one?

Mr. JORDAN. The Senator is correct. That was the final vote relative to the McCarthy amendment.

Mr. HOLLAND. Is it not a fact also that the House committee had refused to put a similar provision in the bill, and that the effort to put a similar provision in the bill in the House failed dismally, without even a close vote or anything of the sort?

Mr. JORDAN. That was what we understood, even before we went into the conference.

Mr. HOLLAND. Is it not true also that most of the conferees of the Senate have no direct or personal interest, so far as their States are concerned, in the problem?

The Senator from Louisiana [Mr. ELLENDER] the Senator from South Carolina [Mr. JOHNSTON], the Senator from Florida, who is speaking, the Senator from North Carolina, the distinguished chairman of the subcommittee [Mr. JORDAN], and, on the other side of the aisle the Senator from Vermont [Mr. AIKEN], at least, have no connection whatever with the Mexican problem insofar as their own areas are concerned. Is that not correct?

Mr. JORDAN. I believe the Senator from North Dakota [Mr. YOUNG] comes from a State which uses very few, if any, Mexican workers.

Mr. HOLLAND. I was going to conclude with another suggestion. Is it not true that the two other Senators in the conference, the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from North Dakota [Mr. YOUNG], have only a most remote interest in the problem, in that only a few of the Mexican workers ever get to their States?

Mr. JORDAN. The Senator is correct. As the Senator from Florida knows, the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from North Dakota [Mr. YOUNG] both objected to the form of the provision about the operation of machinery. They worked out an agreement, which was finally accepted by both sides and included in the bill we brought back to the Senate, to make more restrictive the language as to the use of machinery. They said there was some abuse, with Mexicans using power-driven machinery, whereas American labor could be hired, at a much better wage, for that type of work.

Mr. HOLLAND. Is it not true that the Senator from North Dakota [Mr. YOUNG] very specifically took the position in the committee and also in the conference that whenever there was any job which required skilled labor, such as the operation of a complicated or dangerous machine, the position ought to be filled by an American laborer, since there always is an opportunity to obtain American labor to handle the equipment; and that the Mexican labor should not be permitted to handle it both for that reason and because of the general lack of skill of Mexican workers in such matters?

Mr. JORDAN. The Senator is correct. I thank the Senator.

Mr. HOLLAND. I thank the Senator from North Carolina.

Mr. JORDAN. Mr. President, how much time do I have remaining?

The VICE PRESIDENT. The Senator has 15 minutes remaining.

Mr. PROXMIRE. Mr. President, I yield myself 5 additional minutes.

The VICE PRESIDENT. The Senator from Wisconsin is recognized for 5 minutes.

Mr. PROXMIRE. Mr. President, if the extension of the law is delayed—if the passage of the bill is delayed until January—there will be, in our judgment, a negligible effect upon the farmers. There will be a negligible effect upon the farm economy. That is not merely an assertion on the part of the proponents of the McCarthy amendment on the Senate floor, but it is based upon a very careful study by the Secretary of Labor.

Public Law 78 was enacted in 1951 to ease a temporary labor shortage. There was a labor shortage. Now there are over 1 million agricultural workers out of work. There is heavy unemployment in the agricultural sector of our economy. Obviously, the need to alleviate a labor shortage has passed.

The law has been extended four times. Now the Congress is asked to extend it for another 2 years, without any substantial reform, and despite testimony concerning its adverse effect.

According to official Government figures the Mexican farm labor program is used by only about 50,000 growers, fewer than 2 percent of American farmers. In 1960, about 70 percent of the braceros were used by the growers in two States, Texas and California. Five other States employ 3,000 or more Mexican workers.

Mr. President, during the 10-year history of the Mexican labor program, it has expanded rapidly. Fewer than 200,000 were under contract in 1951 and 1952, but by 1956 the number had risen to 445,197. Employment continued above 430,000 annually through 1959. In 1960 the number dropped to 315,846 largely because of the increased mechanization of cotton production. During this same period of a steady increase and expansion in the bracero program, the total number of U.S. workers employed on farms steadily declined. That number was 9.5 million in 1951, and dropped to 7 million in 1960. Unemployment and underemployment developed as a serious rural problem.

During the 10-year history of Public Law 78 the wages paid to domestic agricultural workers for activities in which the Mexican workers have also been employed have generally remained low. While the average farm wage rose 46 percent from 1947 to 1949, the 1960 average daily wage for migratory workers actually showed a decline for such workers. The average was $6.90 in 1952, $6.40 in 1954, $8.05 in 1956, $6.45 in 1957, and $6 in 1959.

The Senate wage amendment is a very moderate provision. If it were functioning this year it would mean that the lowest wage permitted to be paid to Mexican workers in the principal States which would use them would be as follows—I ask Senators to pay attention to the moderation of the minimum which could be paid to Mexican workers—Texas, 70 cents an hour; California, 87 cents an hour; Arkansas, 65 cents an hour; Arizona, 87 cents an hour; New Mexico, 76 cents an hour; Michigan, 87 cents an hour.

Mr. President, the distinguished Senator from North Carolina has said, "This program does not affect us." I should like to say that it does affect the State of North Carolina. The program certainly affects the State of North Carolina and a number of other States which do not employ bracero labor. It affects them because, as I showed last night, in the case of lettuce, in the case of strawberries, and in the case of tomatoes, what has happened is that the bracero labor is used to produce these products at a far lower cost under conditions which, in my judgment, amount to unfair competition in the western part of our country, and therefore the prices have declined in the eastern part of our country, so the farmers of Georgia, the farmers of North Carolina, and the farmers of South Carolina have suffered.

The fact is that the spring lettuce crop is grown now in Arizona and California largely with foreign labor. The lettuce crop in North Carolina, South Carolina, and Georgia is produced with domestic labor. Over the past 6 years, production in the Western States has risen, while production in the Eastern States has dropped. There has been a clear downward drift in the average price for both the eastern and western crops. The average price per hundredweight for eastern lettuce has declined 35 percent to $3.88 for 1959 and 1960, and the corresponding price for western lettuce went down 15 percent to $3.50. Precisely the same pattern has developed for strawberry and tomato farmers—massive bracero competition, lower prices, and curtailed production for domestic farmers.

The VICE PRESIDENT. The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

The VICE PRESIDENT. The proponents have 15 minutes remaining and the opponents have 16 minutes remaining.

Does any Senator yield time?

Mr. JORDAN. I yield to the distinguished Senator from Florida.

The VICE PRESIDENT. How much time does the Senator yield?

Mr. HOLLAND. May I have 4 minutes?

The VICE PRESIDENT. Does the Senator from North Carolina yield 4 minutes to the Senator from Florida?

Mr. JORDAN. I yield 4 minutes to the distinguished Senator from Florida.

The VICE PRESIDENT. The Senator from Florida is recognized for 4 minutes.

Mr. HOLLAND. Mr. President, I ask for the attention of the distinguished Senator from Wisconsin.

My friend from Wisconsin reiterates the fact that there is no labor shortage. He could not be more wrong than in that assertion. Very briefly, I wish to state the facts. The mere restatement of his position by the Senator from Wisconsin time after time after time during the debate does not make it so. The best refutation of that fact is that in my own State, in which relatively high agricultural labor rates are paid—$1.29 is shown to be the average per hour for the citrus industry and better than $1 per hour in the vegetable industries—the Secretary of Labor requires the State to maintain recruiting offices and to make very active recruiting efforts—which is true also of other States—as a condition to his ever certifying that there is a shortage, so that labor may be obtained from the Bahamas, the Barbados, and Jamaica.

Every year, after we have made an exhaustive effort to recruit domestic labor, under paying conditions that are much better than the ones the Senator

from Wisconsin has been discussing, and with living conditions that are much better than the ones about which the Senator has been talking, we have found ourselves unable to obtain an adequate supply of domestic labor to do the class of work required, which is largely field stoop labor.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HOLLAND. I will be happy to yield in a moment.

The plain fact is that every Secretary of Labor, since my knowledge of this problem began approximately 20 years ago, has been extremely reluctant to certify that we could get this offshore labor. The Secretaries have required us to go to lengths that I have sometimes thought were unusual before they were willing to make such a certificate. But every year they have had to come to the conclusion that, in spite of our best efforts and in spite of offers made which certainly exceeded any of the figures in all conditions of work which the Senator has talked about, we were unable to get domestic labor to supply our needs, and are from year to year unable to get it.

Whereupon all the Secretaries of Labor, from the beginning of the program down to Secretary Mitchell, who most recently was Secretary of Labor, have had to certify that there was a shortage and that we could get so many thousands of laborers who would be brought in from the British West Indies. I do not see how the Senator can possibly avoid the conclusion that there is a demonstrated shortage of the type of labor about which we have been speaking.

I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I ask the Senator from Florida how many braceros are employed in Florida. The Senator from Florida has told us over and over again that no braceros are employed in Florida. The program we are talking about is the bracero program. We are not talking about the importation of foreign labor from Barbados or other areas. We are talking about Mexico.

Mr. HOLLAND. The Senator from Wisconsin is correct. We do not employ one bracero. But we employ domestic labor from the United States in much greater number than those about whom the Senator has been talking. That domestic labor comes from exactly the same source of supply that the domestic labor that goes into the Southwest comes from. I say that it is demonstrated beyond any peradventure of a doubt—and I do not see how the Senator can cavil about it—that there is a shortage of the class of labor about which we have been talking. There had to be demonstrated such a shortage year after year before we could bring in, as we have brought in every year now for 20 years, sizable numbers of laborers from the West Indies.

Mr. PROXMIRE. Mr. President, will the Senator yield at this point?

The VICE PRESIDENT. Does the Senator from Florida yield and, if so, to whom?

Mr. HOLLAND. I yield to the Senator from Wisconsin, if I may have additional time.

Mr. JORDAN. I yield 2 additional minutes to the Senator from Florida.

Mr. PROXMIRE. The position on my side of this case is that there is a shortage of labor when wages are very low. What we are trying to do is to provide, through the McCarthy amendment, a minimum wage for the braceros in Texas of 70 cents and in California 87 cents, but in no case more than 87 cents per hour. That is what we are trying to do. If wages are higher in Florida, God bless you. But that is totally irrelevant. It has nothing to do with areas that do employ braceros.

Mr. HOLLAND. The Senator from Florida has cited the fact, and it is a fact, that Florida employers pay rates well above those cited by the Senator regarding some domestic labor supply sources. The point the Senator from Florida is making is that since there is a demonstrated domestic farm labor shortage even with those better working conditions and better wages, there is also at least as much of a shortage where conditions and wages are not as good. How the Senator can possibly bring his mind to come to the conclusion that there is not a demonstrated shortage of labor under those conditions which have been shown to exist year after year, I do not see.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. JORDAN. Mr. President, I yield myself 3 minutes.

I am thoroughly in sympathy with higher wage scales not only for domestic labor, but also migratory labor.

But the facts are, as shown by the Department of Agriculture, that in California, where the second highest number of braceros are hired, the rate last year was $1.25 an hour, which is 10 cents above the present national minimum wage which was approved by the Senate.

I am not saying that the wage is adequite, or anything about it. But the amount paid is still greater than the amount provided by the minimum wage law for those covered by it. In the State of Washington the rate is $1.30 an hour. In the State of Michigan the rate is $1.08 an hour. In Illinois I understand the rate is $1.12 an hour. I do not think the wage scale has a great deal to do with the problem in the States of California, Michigan, and Washington. If there were sufficient domestic workers available, and they could be attracted through those wages, employers would not pay the expense of bringing Mexicans from Mexico to their farms in order to work.

In reply to the contention that if the program should expire it would make very little difference, I wish to point out that, according to Department of Labor statistics presented at the hearings on the bill, 65,000 Mexican workers were employed in January of last year. In February there were 60,000. In March there were 60,000, and in April 70,000 were employed.

It is true that in January, February, and March not as many workers are employed as in the middle of the season. But 65,000 are a good many workers. They evidently were needed or they would not have been brought in.

The bill provides that no farmer can get any Mexican labor until he has proved to the satisfaction of the Secretary of Labor that he cannot secure domestic labor. The plan operates entirely at the discretion of the Secretary of Labor, and it is up to him to determine whether the Mexican labor is needed or not needed.

The law provides also that reasonable efforts must be made, through the employment offices and all the facilities that have been set up, to attract and employ American labor before any braceros can be certified.

I know that the program is not perfect, but it is the best we can get to improve what has been done over a number of years. Perhaps in future years the program can be improved further. Perhaps at some time we shall not need to bring Mexican labor into our country. I do not know. I hope that the time will come when we shall not have to do so. I hope that our domestic workers can be used and can remain at home.

One other point I wish to mention is that Mexican labor is used only seasonally, usually during the short periods of harvest.

On page 7 of the hearings it is pointed out that, without the Mexican laborers, domestic migrancy is increased in the areas in which the seasonable crops are planted. There is a short period of time that it takes to raise the crop—say 3 or 4 months. Then the crop is completed. After the crop is completed, there is nothing further for the workers to do for 6 months, and so they move. A certain amount of labor, it was pointed out, can live in the area the year round in order to do the necessary plowing, planting, irrigation, or other operation. There is work the year round for a reasonably large group of people. But when the seasonal crop comes in, additional people are needed to move in, and some remain 2 weeks, some a week, and some a month. They are not in the area for any protracted period of time. For example, as the season changes in California, the workers move from the South, where it is warm, to the North. California is a State of great length. Week after week the workers move as the harvest moves.

The same process takes place in the planting of wheat. Such labor used to be employed in the harvest of wheat, but it is seldom used in the wheatfields any more because the operations are all done by machinery, and few workers are needed.

Mr. President, I yield 2 minutes to the distinguished Senator from California [Mr. KUCHEL], in which States a great many braceros are employed.

Mr. KUCHEL. I thank the Senator.

Mr. President, the Senator from Wisconsin has asked us to put this conference report down the drain. I suggest that if we follow the Senator from Wisconsin, we shall inevitably put down the drain also many, many small American farmers as well.

For 10 years the Government of the United States and the Government of

Mexico have had an agreement on a source of temporary additional farm labor.

That agreement provides for the temporary use by American agriculture of Mexican nationals in those instances, and only in those instances, when the Secretary of Labor in the Government of the United States determines that there is not available American domestic labor to aid the farmer in harvesting his crops.

It has been blithely suggested in the debate that we ought really to have thrown this conference report over until next year, because it would not matter to have the law expire, as it will on December 31. Take it up next year, some say. For the RECORD I wish to tell my colleagues in the Senate that we have a winter growing season in California and elsewhere in our country. In parts of my State we harvest lettuce between December and April, of a total value of about $25 million. We have a great orange crop. A substantial portion of it is harvested in the winter.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. JORDAN. I yield 1 more minute to the Senator from California.

Mr. KUCHEL. We harvest lemons in the winter. We harvest cauliflower in the winter. We harvest grapefruit and cantaloups in the winter. We harvest carrots and tomatoes in the winter. I submit to my colleagues in the Senate that this supplemental labor legislation is necessary. It is a program which ought to be approved by the Senate today. It is a program which, if it is not approved, will sound the economic death knell to many small farmers in America, who will be unable to find, anywhere, people to help them at harvesttime.

I said the other day, and I repeat now, that there ought to be a national minimum wage for agriculture. Incidentally, that is the official position of the Republican Party in my State. It ought to be set by the Congress. Congress did not do it when we had wage legislation before us. No one on the floor of the Senate rose and offered an amendment to provide for a national minimum wage for agriculture.

The VICE PRESIDENT. The time of the Senator has again expired.

Mr. JORDAN. I yield 30 seconds to the Senator from California.

Mr. KUCHEL. It is alleged by those who oppose the conference report that we ought to provide that the Secretary of Labor shall determine a national minimum wage for Mexican nationals. That argument, engaged in by those who oppose the conference report, is specious. The Senate in 20 minutes from now ought overwhelmingly to approve the conference report. We owe no less to the American farmer.

Mr. ERVIN. Mr. President, will my colleague from North Carolina yield me 30 seconds?

The VICE PRESIDENT. All time of the Senator from North Carolina has expired.

Mr. PROXMIRE. Mr. President, I yield myself 1 minute to answer the Senator from Florida [Mr. HOLLAND]. The fact is that if we pay 35 or 50 or 65 or 70 cents an hour, we are bound to have a shortage of labor. However, if we pay enough, we can get Americans to do any kind of job. Americans do the toughest kind of work. They work in the coal mines and in the steel mills. They work as sandhogs, and they will work at almost any kind of labor provided they are paid properly.

If there is a simple truism in classic economics, it is the law of supply and demand; that if it is impossible to get enough workers at a certain wage, that wage must be raised. My position is that we can solve the shortage of domestic labor at a time when we have 1,400,000 people out of work. It can be solved by paying a decent wage, sufficiently high to secure these workers.

Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the conference report virtually abandons any effort to protect the most exploited group of workers in the United States, namely, the migratory workers. These are admittedly the most poorly paid, the most poorly housed, the most socially ill-treated class in America. One reason—but not the only reason—for the very bad conditions which prevail among this class of workers is the fact that the labor market for migratory workers is overflooded by the annual importation of approximately a half million migratory workers from outside the Nation, of whom the Mexican workers, under Public Law 78, form approximately two-thirds.

These poor people come into the country. They can be hired for low wages. Public Law 78 makes some slight effort at protection by fixing their minimum wage at 50 cents an hour, but that is very inadequate. As the labor supply of Mexican migrants increases, the entire wage level of the migratory workers goes down. This is one of the reasons why these people are in so bad a plight.

Always there is heard the piteous plea about the small farmer and that has been raised in this debate. It is not the small farmers who hire these migratory workers. They are hired on the big ranches, in the big plants at times, and the big vegetable growers.

Of course, the State of Texas is the largest user of migratory labor. California, Arkansas, and certain Southern and Southwestern States are also big users.

What we are trying to do is turn down the conference report and then, if that is done, as we hope it will be done, to pass another resolution creating another conference committee and instructing them to ask for a new conference, and to defend the McCarthy amendment in so doing. The McCarthy amendment is a very simple amendment. It provides that the Mexican labor brought into this country shall receive 90 percent of the wages paid unskilled labor either in the Nation or in the area, whichever is lower. It is not a blow at Mexican labor—Mexican labor is permitted to come in—but Mexican labor is not permitted to drag American labor down to the low standard of living of Mexico, but, rather, to raise the Mexican labor to the level of the American standard.

A nation can largely be judged by the attitude it takes toward the least fortunate. We are perfectly aware that the migratory workers have very little political power. They do not acquire residence eligibility. They move about so constantly that they are voteless. The migratory laborers imported from Mexico are also entirely voteless. They do not have political power. It is sometimes thought, therefore, that their needs and interests need not be paid attention to.

The American way of life at its best has never been purely materialistic. There has always been an element of idealism in American life. I do not believe we should reverse that tendency now. The Senate—and, I am frank to say, my party—will in part be judged by the coming vote on the conference report.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. PROXMIRE. I yield 30 additional seconds to the Senator from Illinois.

Mr. DOUGLAS. During the last election the Mexican-Americans formed "Viva Jack" clubs, which gave great support to our President in the Southwest, and in California, and in my State of Illinois. They did so under the impression that the Democratic Party would protect the interests of their people. If the power structure of the Senate turns its back upon these people and upon the pledges which were made to them, it will be a sad day for them, for the Nation, and for the party to which I am proud to belong.

Mr. PROXMIRE. Mr. President, I yield 1 minute to the distinguished Senator from Oregon.

Mr. MORSE. Mr. President, I completely associate myself with the arguments of the distinguished Senator from Illinois [Mr. DOUGLAS], the distinguished Senator from Wisconsin [Mr. PROXMIRE], and the distinguished Senator from New York [Mr. KEATING].

As I said last night, if the conference report is rejected, I shall then move that the conferees be sent back to conference with instructions to have the McCarthy amendment included.

I wish to buttress what the Senator from Illinois has just said. I made the statement in my major argument last night. On June 13 of this year, the administration spokesman, the Secretary of Labor, Mr. Goldberg, testified on this subject. He said that Public Law 78 needs to be amended to clear it of its abuses in its present form. It is a strike-busting law; and this administration is against strike busting in any field, particularly in the field of the most exploited group of workers in this country—the itinerant workers.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the distinguished Senator from New York.

Mr. KEATING. Mr. President, in the light of the remarks just made by the Senator from Oregon, I think we can say that the chips will be down on this vote.

This will be the only opportunity for the Senate to reiterate its action in voting for the McCarthy amendment. This will be a key vote. There will be no further opportunity to support the McCarthy amendment unless the conference report is rejected.

The other body seems to be perfectly willing to reject a conference report to which the Senate has agreed; so we need have no hesitation in this case because of any feeling about the other body.

As regards the McCarthy amendment, we are only talking about those areas where Mexican workers are employed. The fact-finding body includes one of our distinguished former colleagues, Senator Thye, of Minnesota, an able man, but one who has never been charged with being a flaming liberal. He and the other distinguished members of the study group have shown there are indications that there is employer preference for Mexicans over domestic workers. Therefore, their report went on to say, domestic workers have been migrating to other areas of employment. The fact is that the low labor rate which is paid to Mexican workers depresses the rates for domestic workers and has caused much of this movement.

There is deep-seated concern in this country among church groups and others. They have expressed a deep-seated concern about the plight of the migrant workers. These migrant workers are the successors of the "Okies"; they are the men, women, and children who travel in dirty buses to live in rundown camps; who do the hard work of harvesting America's food and fiber. That is what the film "Harvest of Shame" related to. More than anything else, the availability of Mexican labor since 1951 has made it tough for the American migrants to live decently.

The farm labor market is glutted. This captive labor force has depressed wages in a number of key areas throughout the Nation. It has resulted in building up our farm surpluses in some crops. It has hurt farmers in areas in which basic minimal protection and assistance is provided to farmworkers by the payment of a living wage.

We who favor the proposal of the distinguished Senator from Minnesota [Mr. MCCARTHY] and are concerned about this situation are not asking for any sweeping Federal powers to deal with the dilemma. We do not even ask for an end to the use of the braceros. If proper protection were afforded American workers, the junior Senator from New York would have no objection to voting for the program.

All we say, first, is: Do not bring in the Mexicans unless there is a true need for them. Second, do not bring in the Mexicans merely to take the jobs of American citizens and to depress wages and working conditions in the United States. That is exactly what has been taking place. Many braceros, who work in various parts of the country, particularly in California, already receive more than 90 percent of the national average wage.

The McCarthy amendment is our only way to improve the bill. It is not a radical amendment; it simply affords a little protection to American citizens at a time when unemployment in the United States is already high.

I hope the conference report will be rejected.

Mr. PROXMIRE. Mr. President, I yield myself the remainder of my time.

What the proponents of the McCarthy amendment are asking is simply that the conference report be rejected, so that the conferees can be instructed to return to conference and demand the inclusion of the McCarthy amendment. We do not ask that the program go down the drain. We are asking for the kind of reform which the administration has said is necessary if the program is to warrant continuation.

It has been documented, by the hour, that this program without reform can only hurt the migratory workers and can only hurt the great majority of American farmers.

Only one farm organization favors the continuation of the program in substantially this form. The Grange opposes this program without substantial and significant reform and improvement. The Farmers' Union, an organization traditionally representative of farmers, recognizes that this program has hit and hurt the American farmer.

In the production of lettuce, strawberries, and tomatoes, in area after area, the family farmer who does not employ braceros has found his prices going down and his market diminishing, and his income dropping because of the high bracero competition. There is no question about it.

The argument has been made, over and over again, that there are not enough American workers available, and that the Secretary of Labor must certify that there is a shortage of labor before the braceros can come in. The fact is that the big producers are able to control the situation with regard to labor by keeping wages down. But if wages are adequate and the workers are paid enough, the producers can get American workers.

It has been said that if the program is not extended in its present form, we will have the wetback problem again. The outstanding authority on immigration is the Commissioner of Immigration, appointed by President Eisenhower, and reappointed by President Kennedy. He has said, in a letter to the Senator from Minnesota [Mr. MCCARTHY], that the bracero program did not retard wetbacks; it did not have any effect on wetbacks. Not a scintilla of justification has been offered for the oft-repeated contention that the alternative to this program is the influx of thousands of illegal Mexican aliens.

It has been argued that this program is necessary in order to protect Mexicans and to assist Mexico. If it is necessary to assist Mexico, it should be done in the way we are assisting other countries through the foreign aid program, which is imposed on all American people, not on the backs of farmworkers and small farmers.

If it is to protect Mexicans, then the McCarthy amendment increasing Mexican minimum wage should be adopted.

To sum up, the fact is that so far as the workers in the United States are concerned, the farmworkers, the most depressed, with the lowest income, the most exploited people in our economy, so far as the 98 percent of farmers who do not employ braceros are concerned, and so far as the taxpayers, who will suffer from a surplus of agricultural production, and so far as the public interest is concerned in any humane consideration, it seems to me that the very least the Senate can do is to reject the conference report and support the Morse motion, which will be to instruct the Senate conferees to return to conference and insist on the inclusion of the McCarthy amendment.

Mr. President, I ask unanimous consent that excerpts from a pamphlet prepared by the Catholic Council on Working Life relating to the bracero program, from a Grinnell College study entitled "Migrating Workers in America"; from the final report of the Oregon Bureau of Labor; an article from the Sunday, July 16, 1961, New York Times, entitled "Arkansas Field Pay Falls to 30 Cents an Hour"; a letter from Congressman COHELAN printed in the May 21, 1961, Washington Post; and an editorial from the New York Times, entitled "Labor From Mexico," be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM "TOWARD A NATIONAL POLICY FOR MIGRANT LABOR"

A SPECIAL PRIVILEGE

Further handicapping any movement to stabilize migrant workers is a special privilege enjoyed by employers, particularly those in Texas, California, Arizona, New Mexico, and Arkansas. In these States the hiring of farmworkers does not operate under normal labor market conditions. Through a program begun during a World War II shortage of farm labor and continued under U.S. Public Law 78, the U.S. Government has brought in an increasing number of foreign workers to fill the growers' demand for labor from 200,000 in 1951 to 450,000 in 1959. The Government acts as a recruiting agency and a hiring hall.

Because of this ready supply of cheap labor, farmers and growers possess minimum economic compulsion to improve working and living conditions or to provide steady work in order to attract workers. During a labor shortage in industry, for example, employers bid against each other for available workers by offering better working conditions and wages. But in agriculture, as long as Mexican nationals are available to labor at wages and working conditions which domestic workers are unwilling to accept, the economic pressure to raise migrant standards is practically nonexistent. Farm wage statistics support this dismal economic diagnosis.

Msgr. George G. Higgins, director of the Social Action Department of the National Catholic Welfare Conference, said that "studies of the Bureau of Employment Security show that wage rates in crops for which Mexicans are employed do not move upward at a rate corresponding with the general trends in farm wage rates.

"THE BRACERO PROGRAM

"Between 1953 and 1958, the hourly farm wage rate in the United States increased 14 percent, according to the Department of Agriculture. An examination of wage sur-

veys made by State agencies in areas using Mexican nationals showed that the average rate paid to domestic workers in these areas remained unchanged or decreased in three-fifths of the cases.

"During the past decade the wage differential between agriculture and industry has been widening steadily, and it may be inferred that the use of foreign workers in agriculture is partly responsible." Monsignor Higgins was a member of a special four-man committee, appointed by the U.S. Secretary of Labor, to study the impact of the bracero program upon the U.S. economy and its workers.

Secretary of Labor Mitchell argued in the same vein: "We are told that competitive forces do not operate in an economy where an employer can create a false labor shortage by offering unacceptable wages, and then receive foreign workers to bring in his crops. As long as the working of supply and demand can be nullified by artificial wage rates that induce artificial labor shortages which are remedied by the use of foreign workers, we can expect a continuation of low wage levels."

Mitchell's position was supported by a California grower, Frederick S. Van Dyke, who owns a 900-acre farm in San Joaquin County: "In the urban fringes of Stockton, I found hundreds of permanent residents of my country who had at one time picked tomatoes. How could I continue to believe 'Americans won't pick tomatoes.' I had to face the question, 'Why are most of these people no longer picking tomatoes?' The answer came back to me very clearly: tomato picking wages are set at a level at which most braceros can survive but most domestic workers cannot. Upon further reflection, it seemed to me very clear that the principal reason tomato picking wages were low was that tomatoes were being overproduced; and the principal reason tomatoes were being overproduced was that we growers had an oversupply of cheap labor placed on our doorsteps by the U.S. Government, under Public Law 78."

NO DECREASE IN MIGRANTS

The unbalancing effect of the foreign labor program upon the supply and demand for farm labor is evident in farm population statistics. During the last 2 decades, while general farm population declined about 30 percent and the number of hired workers declined 23 percent, the number of farm migrants, including foreign workers, remained the same at 1 million. However, had there been a normal farm labor market in operation during these 20 years, the size of the migrant army would have shrunk considerably. Instead, the 500,000 Americans who did leave the migrant labor stream were simply replaced by 500,000 workers from abroad.

In the big bracero-using States, if the present trend is left undisturbed, more foreign workers and fewer domestics, with perhaps the exception of Puerto Ricans, will be employed. And as mechanized agriculture marches forward, all of these workers will be employed for even shorter periods of the year.

In other States where braceros are not a major factor, and where the number of the migrant farmworkers has declined over the past 20 years, more normal family and working conditions have developed. The experience of southwestern Michigan's fruit growing counties is typical. Thousands of migrant families have settled there, taking jobs as cannery or factory workers, highway and railroad maintenance men, cemetery employees, deliverymen, domestics, and seasonal farmworkers. Without implying that all their problems have been solved, it can be said that their children now attend school regularly, and their families have a stable place which they can call home.

NEED FOR A NEW NATIONAL POLICY

At the present time congressional policy toward Public Law 78 is largely determined by Washington's powerful farm lobby, which is primarily concerned with guaranteeing growers an adequate supply of labor at the right time. The farm lobby's position is dominant simply because there is no national policy which, on the one hand, would give domestic migrants the opportunity to enjoy normal family life and to obtain wages, hours, and working conditions as close as possible to those in industry and which, on the other hand, would ease the worries of growers and canners for reliable and experienced workers. If such a national policy were developed and implemented, the pressure for importing farmworkers from abroad would fade.

EXCERPTS FROM "MIGRATORY AGRICULTURAL WORKERS IN THE UNITED STATES"

Public Law 78 is intended to assure a farm labor supply for peak seasonal needs and also to protect domestic workers from the adverse effects of competition with foreign labor. In practice, it appears from data from numerous sources that the second purpose is too often sacrificed to the first. Those persons seeking workers have tremendously more influence with Employment Service personnel than do those seeking work. The 50-cent-per-hour minimum stipulated for braceros, with no minimum for domestic workers, short-tethers domestics' wages to that figure wherever the bracero supply is abundant, and indirectly also in areas more distant from Mexico. The authors feel that the second purpose of Public Law 78 needs more influence with Employment Service protection in terms of working and living conditions similar to those given to foreign workers should be offered to domestics. The annual worker plan should be extended to assure maximum employment opportunities to domestic workers and to decrease the paper labor shortages which reportedly bring many Mexican nationals into the United States each year.

Americans operating family-size farms need to be made aware of their competitive position in relation to the large growers who employ great amounts of low-cost labor, both domestic and foreign. Growers employing migrants should be informed of the benefits to themselves of crop diversification, both in terms of the distribution of crop risks and of maintaining a stable labor supply. Encouragement should also be given to the growers to utilize their organizations more for purposes of produce marketing agreements and less for delaying the improvement of the migrants' situation. Obviously a humanitarian appeal alone will not suffice; the advantages of having available ambitious, healthy, self-respecting workers must be emphasized.

EXCERPTS FROM REPORT OF OREGON BUREAU OF LABOR

THE QUESTION OF MEXICAN NATIONALS

The legislative interim committee in its report of October 15, 1958, summarized the Oregon experience that year in the use of the Mexican nationals under a treaty contract with the Republic of Mexico:

"It was hoped Oregon would not need Mexican nationals in 1958. This was not possible. The interim committee, in its Medford hearing, received a detailed report of the decision to bring in Mexican nationals to help with the 1958 pear harvest. This is the only region using Mexican nationals in Oregon in 1958. The considerable efforts of the Employment Service to secure an adequate labor supply of domestic workers failed to produce the needed stable working force. Of the many persons referred to the Medford area by the Employment Service, many proved to be very irresponsible and did not report for work or did not stay on the job. The housing is predominantly for single men, which limited the attractiveness of the pear harvest for family groups. Also, some migrants do not like to work in the tree fruit. As a result of the labor shortage, 199 Mexican nationals were brought in. The cost of each national averages $80 to $100 for the pear grower, which the grower seems willing to pay. Thus, in Jackson County the 40 farm operators who control more than 8,000 acres, or about 57 percent of Oregon's $19 million pear crop, had established good housing for single men but had not established enough family housing facilities nor satisfactory recruiting patterns to harvest their crop without foreign labor in 1958."

This is the essential outline of the Oregon situation. We have already commented on the unfair competition of Mexican nationals in holding down farm wages all over the country—a situation in which all the farmer needs to do to ease a shortage of labor is to import more workers instead of letting wages rise and conditions improve to the point that more domestic labor is available.

Without getting into the international complications, nor commenting on whether or not the contract with the Republic of Mexico should or should not be renewed, it does not appear reasonable for one of the highest farm-wage States in the country to have to import Mexican nationals.

With reference to Medford's recruiting problem, other areas which formerly depended upon Mexican nationals have solved their recruiting problems sufficiently to get their crops harvested by domestic labor. If Medford cannot do it, then the reason appears to lie in the type of housing the community has available or the lack of spirit and imagination in recruiting, or both.

Here are some pertinent questions to be asked fruitgrowers of Jackson County when they maintain that they cannot get adequate qualified people. These questions might be asked all farmers who use foreign labor:

1. What planning has the pear industry done to make the expedient of using foreign workers unnecessary in the near future?

2. Reports indicate that the migrants who travel in family groups are more reliable than the migrants who travel as singles. The reports also indicate the same is true of the crews who work under crew leaders. If this is the situation, what has the Jackson County area done to recruit and attract this type of worker?

3. What programs have been developed by the growers and the community to make the area attractive to the domestic migrant (re social welfare, recreation, community attitude of welcome, church and school programs, etc.)?

4. If wages are insufficient to attract farmworkers, notwithstanding any other handicaps, is a change indicated? If inflexibility in prices is responsible for inflexibility in wages, what suggestions does the industry have for breaking the wage-price stranglehold on their economy, so that neither the worker nor the farmer need suffer an unfair standard of living?

INTERVIEWS WITH THE NATIONALS

As a point of interest, we talked to a number of the Mexican nationals in the Medford (Jackson County) area to find out what they thought of their work, their opportunities, and their background. The following is a brief résumé of that survey:

Results of the tallying from questions on a special supplement migrant interview form for the nationals at Medford. Total of 74 interviews, with 10 questions each.

1. What part of Mexico did you travel from?

Jalisco (southeast Mexico)	51
Zacatecas (northeast Mexico)	10
Michoacan (west Mexico)	10

Tabasco (south Mexico)	3
Guanajato (central Mexico)	1
2. Are you married, single, divorced or widowed?	
Married	56
Single	18
Divorced	0
Widowed	0
3. How many people do you support on your salary?	
Two answered	11
Four answered	10
Four answered	9
Seven answered	8
Eleven answered	7
Thirteen answered	6
Nine answered	5
Fifteen answered	4
Three answered	3
Six answered	2
Average	5
4. Do you prefer to work in the State of Oregon? All "Yes".	
Reasons:	
Because of salary	61
Because of housing	10
Because nice people to work with	3
5. Do you intend to return to Oregon on your own?	
Yes	71
Do not know	3
6. If you have such intentions, do you propose to return through California, Arizona, or Texas?	
California	35
Arizona	31
Texas	5
Did not answer	3
7. Have you worked before as a bracero in this country? If so, in what State?	
Yes	73
California	40
Arizona	16
Texas	11
New Mexico	4
Montana	2
No	1
8. About how much money do you expect to save this season?	
Did not know	1
0	11
$50	1
$75	1
$100	23
$125	9
$150	17
$180	2
$200	11
$225	1
Average: $134.	
9. How do you rate this labor camp in relation to other camps you have stayed in in other parts of the country?	
Better	52
Small difference	18
Did not answer	4

10. About how much do you save a week and how much do you make a week?

Average saving $30 from a salary of $62.

(In Oregon for only a few weeks.)

(1) All the nationals indicated they liked the work basically because of the money they were making.

(2) Some indicated that they work an average of 9 hours a day, Saturdays included.

(3) They all wanted to return to Oregon.

(4) There were some complaints as to the food. They felt it was not substantial in quantity and they could not get used to sandwiches for luncheon. The medical officer in charge of health at the camp confirmed that the most common physical complaint was stomach disorders, probably due to the change in diet.

(5) A few nationals made comments on the lack of freedom of movement after working hours. The camp was provided with guards and the camp entrance with a gate. No one was allowed in or out of camp without a permit. The workers were taken into town in groups to a few selected stores to buy needed clothing.

GENERAL COMMENT ON AGRICULTURAL SITUATION

The agricultural industry has demanded that Government supply more workers to meet labor shortages, instead of improving wages and conditions to attract more workers.

By being overanxious to supply foreign workers to the Nation's large farms, we have restrained basic economic forces to the detriment of the wages and conditions for domestic labor. The program has become a vampire bat feasting at the expense of our migrant and seasonal farmworkers.

The Nation must work itself out of this situation carefully, responsibly and gradually in order not to do an injustice to either our workers or our economy. Even while avoiding irreparable harm to the agricultural industry, however, there must still be sufficient pressure maintained on the industry to cause it to more energentically seek answers to the problems of its employees. The situation in California, Texas and Arizona, where thousands of Mexican nationals are used, is vastly more serious than in Oregon where only a few hundred are used. The Medford area in Oregon, which is the only area using nationals, must not escape the pressure on the total situation, however.

[From the New York Times, July 16, 1961]

ARKANSAS FIELD PAY FALLS TO 30 CENTS AN HOUR

(By Donald Janson)

HEAPER, ARK., JULY 13.—John Morrison, 38-year-old migrant laborer from southeastern Missouri, dropped his hoe after 10 hours of chopping cotton on the J. E. Pollard farm here yesterday and collected $3 for another day's work.

"Some places around here in eastern Arkansas are paying only $2," the ex-soldier said. "Who can support a family by chopping cotton? We're leaving tonight for Michigan to see if we can find work in the cherry orchards."

His wife and their flushed 11-year-old daughter, who had weeded cotton under the hot sun all day alongside them, piled into their 1946 Buick along with the Morrisons' 8-month-old baby and 9-year-old daughter.

The Missourian is one of nearly half a million American farm laborers who migrate each year to earn a living.

They come to Arkansas to thin and weed cotton in May, June, and July, only if they can find no other work. The prevailing wage rates posted in employment offices in the area, range from 30 cents an hour in some counties to 50 cents in others. Actual pay during most of the chopping season has been 30 cents this year.

MIGRANT FAMILIES COMPETE

The migrant families compete for these jobs with sharecroppers living on the cotton plantations, with field hands living in nearby small towns and urban centers such as Memphis, and with Mexican nationals brought in when there is a labor "shortage."

Because of the seasonal nature of the work, cottongrowers need greatly fluctuating numbers of workers during the chopping season and for harvesting in August and September. Many more choppers are needed, for example, in June than in July. Thousands can be recruited in "day-haul" buses from Memphis.

Mexicans have been imported under contract for the last decade to insure a stable labor force throughout Arkansas' delta land. The program stems from labor shortages that existed in World War II.

Eastern Arkansas growers hired 31,300 braceros last year, more than any State except Texas and California. They paid them the legal minimum of 50 cents an hour for chopping cotton.

The House of Representatives recently passed a 2-year extension of the bracero law, which expires December 31. It permits importation of Mexicans only to relieve farm labor shortages.

The bill is now before the Senate Agricultural Committee. The administration is seeking to amend the law to limit imported labor sufficiently to assure active competition for domestic workers. Secretary of Labor Arthur J. Goldberg believes the importation program is at least partly responsible for keeping domestic wages in the cottonfields at near-starvation levels.

GOLDBERG GIVES VIEWS

"The nature and size of the Mexican labor program substantially interferes with the normal operations of the law of supply and demand in the labor market," he testified before a Senate subcommittee. "The inexorable result is to stabilize or depress the wages of our own farmworkers in areas where Mexican braceros are employed."

The "adverse effect" charge was restated in Memphis today by Frank E. Johnson, Assistant Director of the Department of Labor's Bureau of Employment Security. He was in Memphis to meet with Arkansas and Tennessee employment service officials to see if the situation could be improved. Opponents of the Mexican labor program contend that cottongrowers are deliberately using it to keep domestic pay low.

About 315,000 Mexicans were brought to the United States last year. More were used in the cotton fields than for any other crop. Less than 2 percent of the Nation's 4 million farms use braceros and most of the users are large operators.

Cotton growers and other users of Mexicans vigorously oppose any change in the present law. One administration-backed proposal would provide that employers using Mexicans must pay them the statewide or national average rate for hourly paid farm labor, whichever is less, with a maximum increase in any one year of 10 cents an hour. The Arkansas statewide average, among the lowest in the Nation, is 73 cents an hour.

The effect would be to bring domestic rates up accordingly.

BUSINESS LOSSES FEARED

"We just couldn't do it and stay in business," said James F. Reeves, Jr., manager of the 11,000-acre Kuhn Cotton Plantation near here.

He cited the high cost of machinery and the unreliability of the weather in producing a crop. Workers, on the other hand, expressed doubt that the plantation would go into the red if they were paid more than the current 30 cents an hour.

Whether or not the Mexican program is amended, the Department of Labor intends to insist on wages for dometic cotton choppers that match the 50 cents minimum guaranteed Mexican workers.

The law authorizing importation of braceros provided that employers first make "reasonable" efforts to attract domestic workers at "comparable" wages.

An interpretation of this provision issued in May by Mr. Goldberg's office defined the domestic workers as able-bodied persons 14 years of age or over with the skill to do the job concerned. Cotton chopping is unskilled labor.

Mr. Johnson said he had come to Memphis to make it clear that this ruling would be enforced next year. But Arkansans were not convinced.

"It's a nonenforcible regulation," James L. Bland, administrator of the Arkansas Department of Labor's Employment Security Division, said in an interview. "We can't tell a man what he must pay."

Most growers prefer Mexican to American labor, he said, because only able-bodied

adult males in fine physical condition are imported. Crews assembled locally include old men, women and children.

A survey made by Mr. Bland's office showed that only 24 percent of the workers recruited in the Memphis day-haul operation were 18- to 45-year-old men who could keep up with Mexicans in weeding cotton.

"The Americans willing to do this stoop labor for 30 cents an hour are the dregs of humanity," said Lloyd E. Curtis, manager of the State Employment Service Office for Crittenden County in west Memphis. He said they included derelicts as well as women and children.

FEW SEEK FIELDWORK

He remarked that, although unemployment was high in Arkansas and Memphis and all claimants for unemployment insurance were offered cotton-chopping jobs, few would take work in the fields. Those who do go, he said, are agricultural workers not covered by unemployment insurance, laborers who depend entirely on fieldwork and odd jobs for a living.

"You can't afford to pay for something you don't get," Mr. Reeves said. "You can't pay a $3 worker $5 a day and stay in business very long. It would benefit us to expand the Mexican program and eliminate the day-haul."

Opponents of the present bracero program contend that growers would get a better job from domestic workers if pay and working conditions were improved.

They cite California, where wages paid by users of Mexicans rose to $1 an hour last year in some crops.

This helped to attract a domestic farm labor force that State officials called the best in years. Peak employment of braceros dropped by about 10,000.

PRACTICE IN OTHER STATES

Other States, including Washington and Oregon, that formerly relied heavily on braceros, no longer use them, having found they could attract all the farm labor they needed by offering better wages and employment conditions for domestic workers.

Robert E. Brewington, a cottongrower here, stopped using Mexicans 2 years ago. He said that with adequate supervision domestic crews performed well.

Nor has he been troubled with shortages of labor for his 680-acre farm.

"I can always get enough day-haul labor anytime I want it," he said.

Mr. Bland expressed the viewpoint that if wages were raised to 50 cents an hour farmers would have to be selective in hiring domestics and "we would create a great deal more unemployment and have to have more Mexicans."

[From the Washington Post, May 21, 1961]

THE BRACEROS PROBLEM

In his letter of May 15, my distinguished colleague, CHARLES TEAGUE, of the 13th California District, defended the Mexican farm labor importation program as an anti-wetback measure and a boon to the small farmers of the United States. He declared, further, that the amendments to the program proposed by the Kennedy administration—amendments designed to protect American farmworkers from unfair competition due to the mass importation of Mexican labor—are unnecessary.

Mr. TEAGUE represents a California district where braceros (imported Mexican nationals) are used in great numbers.

Although the Mexican farm labor program was not intended to displace domestic workers or to depress their wages, these results in fact have occurred. Department of Labor studies demonstrate conclusively that wages in the majority of areas where Mexican farm laborers are employed have not kept pace with the rise of farm wages nationally. In 1960 while over 300,000 Mexicans were imported into this country to work in the fields of California, Texas, New Mexico, and Arkansas, thousands of American farmworkers took to the road hunting jobs which would pay a living wage.

Furthermore, there is a basic inconsistency in the fact that the imported Mexican farmworkers are guaranteed wages and working conditions which our own farmworkers are not receiving.

Mr. TEAGUE attempts to justify the program on the basis that it is an antiwetback measure. He states that if the program were terminated, Mexican workers would enter the country illegally and be employed on American farms. This is more of a threat than an argument. Mr. TEAGUE's growers are telling the U.S. Government that if it reduces the number of braceros available for work on U.S. farms, they will hire Mexicans who enter the country illegally. Turning logic upside down, Mr. TEAGUE says that the best way to cure the wetback problem is to legalize the wetbacks.

I believe that if the Immigration and Naturalization Service is not adequate to the task of policing the Mexican border, it should be strengthened. I believe further, that if growers, or any other employers, presume to break our Nation's immigration laws by harboring and trafficking in "wetbacks," they should be punished under the provisions of the Wetback Control Act of 1952.

Mr. TEAGUE also contends that Public Law 78 is of inestimable help to the small farmer; indeed that many small farmers would be forced out of business if the program were terminated. On this question I would like to quote from a speech made in the House of Representatives by Representative MERWIN COAD, Democrat, of Iowa, on May 3:

"The bracero program may be of short-run value to those small growers who use Mexican labor. It is questionable, however, whether the program is beneficial in the long run to these growers. Considerable evidence has been accumulated which shows that the availability of Mexican labor causes overproduction and a resulting decline in the prices these small growers receive for their products. The large grower who is able to increase his acreage—usually at the expense of the small grower who has been forced out of business—is not affected by this decline in prices.

I am certain that Mr. TEAGUE is aware of the fact that the bracero program is of no benefit whatsoever to those small farmers who hire no labor at all (54 percent), and to those farmers who hire domestic labor exclusively (over 40 percent). Less than 2 percent of all American farmers hire Mexican labor. No doubt there are some small growers among this 2 percent but compared to the vast majority of growers who do not use foreign labor, they constitute a minuscule minority.

Finally, I would like to correct one statement made by Mr. TEAGUE. In the last paragraph of his letter he stated: "You will note the Department of Labor agrees that the legislation should be extended for 2 years."

On April 24, Secretary of Labor Goldberg, speaking for the administration, said: "It is extremely important that the administration's position be understood: We are against any extension of Public Law 78 without reform."

It would be well for the proponents of Public Law 78 to consider all the ramifications of Mr. Goldberg's statement, and all aspects of this program.

JEFFERY COHELAN,
Representative, Seventh District, California.

[From the New York Times, May 3, 1961]

LABOR FROM MEXICO

The time has come for the Federal Government to stop fostering the use of cheap foreign labor to the detriment of American workers. We refer to the program by which Mexican laborers are allowed to come into this country every year on a temporary basis to harvest the crops, mostly in the Far West and Southwest. These Government-authorized invasions, over 300,000 strong last year, have an adverse effect on the wages, working conditions, and employment opportunities of domestic farmworkers.

Public Law 78, which permits these incursions, expires at the end of the year. The Gathings bill (H.R. 2010), now before the House of Representatives, would extend its life as it is for 2 years more. But Representative COAD, of Iowa, has introduced a measure (H.R. 6032), strongly supported by the Kennedy administration, which also provides a 2-year extension, but in contrast to the Gathings bill would give American workers much-needed protection.

It requires that before growers can employ braceros they must offer U.S. workers wages that are at least equivalent to average farm wages in the State or Nation, whichever is the lower. Growers would also have had to make reasonable efforts to attract domestic workers by offering them conditions of employment comparable to those required by the existing law. Mexican workers would be limited to seasonal and temporary manual jobs and their numbers could be limited by the Department of Labor so as to assure active competition among growers for domestic farmworkers.

The House Agriculture Committee has reported favorably on the Gathings bill and the Rules Committee has cleared it for action by the House. It should be killed—unless it is amended along the lines of the Coad bill. Its death would be unlamented except by the large-scale growers. They have used it to obtain an endless supply of seasonal farmhands who work without complaint under conditions far below decent American standards.

Mr. PROXMIRE. Mr. President, I yield the floor.

The VICE PRESIDENT. All time has expired.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the conference report.

Mr. MANSFIELD. Mr. President, on this question have the yeas and nays been requested? If not, I now ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the conference report. All in favor of agreeing to the conference report will vote "yea"; those opposed will vote "nay."

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr BOGGS (when his name was called). On this vote I have a live pair

with the Senator from Illinois [Mr. DIRKSEN]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. DODD (when his name was called). On this vote I have a live pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Michigan [Mr. MCNAMARA], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Alaska [Mr. GRUENING], the Senator from Missouri [Mr. LONG], the Senator from Michigan [Mr. MCNAMARA], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "nay."

On this vote, the Senator from Nevada [Mr. CANNON] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Indiana [Mr. HARTKE]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Indiana would vote "nay."

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Minnesota would vote "nay."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Maryland [Mr. BEALL] and the Senator from Texas [Mr. TOWER] are absent by leave of the Senate to attend the Commonwealth Parliamentary Conference in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate to attend the Interparliamentary Conference in Brussels.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate to attend the Conference of the International Fund and World Bank in Vienna.

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Indiana [Mr. CAPEHART], the Senator from Iowa [Mr. MILLER], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

On this vote, the Senator from Vermont [Mr. AIKEN] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Maryland would vote "nay."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 41, nays 31, as follows:

[No. 218]

YEAS—41

Anderson	Fulbright	McClellan
Bartlett	Goldwater	Mundt
Bennett	Hayden	Robertson
Bible	Hickenlooper	Russell
Byrd, Va.	Hickey	Saltonstall
Carlson	Hill	Smathers
Case, S. Dak.	Holland	Smith, Maine
Cooper	Hruska	Sparkman
Cotton	Johnston	Stennis
Curtis	Jordan	Talmadge
Dworshak	Kefauver	Thurmond
Ellender	Kerr	Wiley
Engle	Kuchel	Williams, Del.
Ervin	Long, La.	

NAYS—31

Byrd, W. Va.	Lausche	Prouty
Carroll	Long, Hawaii	Proxmire
Case, N.J.	Magnuson	Randolph
Douglas	Mansfield	Scott
Fong	McGee	Symington
Gore	Metcalf	Williams, N.J.
Hart	Monroney	Yarborough
Humphrey	Morse	Young, N. Dak.
Jackson	Muskie	Young, Ohio
Javits	Pastore	
Keating	Pell	

NOT VOTING—28

Aiken	Chavez	McNamara
Allott	Church	Miller
Beall	Clark	Morton
Boggs	Dirksen	Moss
Bridges	Dodd	Neuberger
Burdick	Eastland	Schoeppel
Bush	Gruening	Smith, Mass.
Butler	Hartke	Tower
Cannon	Long, Mo.	
Capehart	McCarthy	

So the conference report was agreed to.

Mr. JORDAN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to table.

The motion to lay on the table was agreed to.

WASHINGTON SUNDAY STAR ARTICLE OVERSIMPLIFIES ACCOUNT OF EFFORTS TO RECRUIT MANPOWER FOR APPLE PICKING IN WEST VIRGINIA ORCHARDS

Mr. RANDOLPH subsequently said: Mr. President, in connection with the debate on the Mexican farm labor program, I call attention to an article in the Washington Sunday Star of September 17, 1961, indicating that unemployed persons in West Virginia were not sufficiently responsive to job opportunities in the apple orchards of the State's eastern panhandle section during the current apple-picking season.

Frankly, it is my view that the Star article was an oversimplication which did not reflect in sufficient degree the various elements of the problem involved.

As I understand the situation, the apple-picking recruitment effort was made primarily in southwestern counties of West Virginia where unemployment in that bituminous-coal-producing section of the State has been persistent and chronic. However, this area of West Virginia is the farthest removed from the State's apple-growing region, involving travel of from 225 to 275 miles or more.

There are a number of reasons why efforts to recruit from this section for labor in the apple-growing country during the short picking season could not be expected to be successful.

Foremost is the travel problem, not only from the standpoint of distance but also from the standpoint of resources. Few of the unemployed in the southwestern portion of West Virginia have any resources remaining. Many of them have left home before in search of employment. Most of the older men in the jobless ranks have had totally negative experiences in their visitations elsewhere seeking job opportunities, and I am told of numerous instances wherein they were stranded, totally penniless, away from home.

During the mid-1950's and up to the recession of 1958, a large number of the younger families moved out of southern West Virginia into the industrial areas of the East, Midwest, and Southwest, where employment was obtainable. Then came the 1958 recession. Lacking seniority in their places of employment, a high percentage of these transplanted West Virginians were among the first workers dropped from payrolls. Many of them found it to be necessary to return to West Virginia to be among home folk because they had become impoverished away from home while awaiting reopening of employment opportunities. They remained equally impoverished upon their return to West Virginia, but at least they were among home folk and in nonurban environments familiar to them.

Then, too, Mr. President, there is the consideration of the problem of living away from home during the short apple-picking season. Our unemployed persons in the southern area of West Virginia are not equipped, as are the regular migrant laborers, with house trailers or living facilities built on trucks. In fact,

few of them have any vehicles of any kind in operating condition, and fewer of them have cash to pay for transportation or rents for quarters away from home.

Unemployment compensation was mentioned in the Star article as being a consideration which mitigated against jobless persons accepting apple-picking employment for a short picking season. My view, however, is that this was not a retarding factor in the degree the article indicated. Unemployment security benefit payments for most jobless persons in the region of primary recruitment long since have expired, even under the extended programs authorized by Congress and the State legislature.

What the Star article did not indicate as being a reason why few unemployed persons responded to the apple-picking recruitment campaign is perhaps the principal reason, namely this:

The State of West Virginia has in operation its temporary emergency employment program under which employable individuals who are jobless now are eligible. The State legislature changed the relief eligibility requirements to make employables eligible for participation in this dollar-an-hour work program on cleanup and other local public works programs. Likewise, a Federal-State agreement makes recipients of aid for dependent children eligible to participate in this works program. Therefore, many unemployed—perhaps over 15,000 by now—have this dollar-an-hour work in or near their own communities and prefer it to going more than 200 miles to the low-wage-paying, apple-picking jobs during a short season. The net income from low-paying work at home probably would exceed that net income from an away-from-home apple-picking job.

Also, Mr. President, note the following recent news story from the Charleston (W. Va.) Gazette, which probably is in part an action taken as a consequence of this year's experience.

I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Charleston (W. Va.) Gazette, Sept. 18, 1961]

MIGRATORY LABOR UNIT IS NAMED

Governor Barron has reconstituted the State interdepartmental committee on migratory labor.

The chief purpose of the committee is to coordinate activities of State agencies which relate to the approximately 1,000 migrants who work in West Virginia each year, chiefly in the fruit orchards of the eastern panhandle.

Barron named these State officials to the committee:

Commissioner of Agriculture John T. Johnson, State School Superintendent Rex M. Smith, Director of Employment Security Clement R. Bassett, Health Director N. H. Dyer, Commissioner of Labor Lawrence Barker, State Police Supt. William E. Burchett, Commissioner of Welfare W. Bernard Smith, and Workmen's Compensation Commissioner Cletus B. Hanley.

Barron appointed John Crawford of the department of employment security to be secretary for the committee.

At a recent meeting, the committee named Bassett as chairman and Dyer as vice chairman.

The group discussed a proposed tour next month of the eastern panhandle to observe conditions under which the migrants live and work.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON TRACKING FACILITY SYSTEMS AT WALLOPS STATION, WALLOPS ISLAND, VA.

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on tracking facility systems at Wallops Station, Wallops Island, Va., in the amount of $1,910,000, for the fiscal year 1961, and $4,845,000, for the fiscal year 1962; to the Committee on Aeronautical and Space Sciences.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, SLY PARK UNIT, CENTRAL VALLEY PROJECT, CALIFORNIA

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands to be served by the Sly Park unit, Central Valley project, California (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON TORT CLAIMS PAID BY VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, Washington, D.C., transmitting, pursuant to law, a reeport on tort claims paid by that Administration, during the fiscal year ended June 30, 1961 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. KERR, from the Committee on Public Works, with amendments:

H.R. 8921. An act to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes (Rept. No. 1113).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL (by request):

S. 2621. A bill for the relief of Isabel Loretta Allen; and

S. 2622. A bill for the relief of Michelina Lanni; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 2623. A bill for the relief of Mrs. Louise Sheridan; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 2624. A bill to increase the supply of available investment capital for the financing of sales and rental housing by extending to certain corporate obligations FHA insurance benefits similar to those available for mortgages; to the Committee on Banking and Currency.

By Mr. JAVITS:

S. 2625. A bill to amend the Hospital Survey and Construction Act to prohibit discrimination in any respect whatsoever on account of race, creed, or color in hospital facilities; to the Committee on Labor and Public Welfare.

By Mr. PROXMIRE:

S. 2626. A bill for the relief of Marcelo Peinado; to the Committee on the Judiciary.

By Mr. FONG:

S. 2627. A bill to provide for the approval of a payment in lieu of taxes to be made for the fiscal year ended June 30, 1959, by the Hawaii Housing Authority to the city and county of Honolulu; to the Committee on Government Operations.

By Mr. DIRKSEN:

S. 2628. A bill to change the name of the Beardstown flood control project in the State of Illinois to the Sid Simpson-Beardstown flood control project; and

S. 2629. A bill to amend the River and Harbor Act of 1958 in order to increase the authorization in such act with respect to Sinnissippi Lake, Illinois; to the Committee on Public Works.

By Mr. HUMPHREY (for himself and Mr. DOUGLAS):

S. 2630. A bill to establish a lending program to finance the processing and distribution of agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. MCCLELLAN (for himself, Mr. ERVIN, Mr. CURTIS, Mr. HOLLAND, and Mr. MUNDT):

S. 2631. A bill to prohibit strikes by employees employed in certain strategic defense facilities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. MCCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER (for himself, Mr. DODD, Mr. KUCHEL, Mr. RANDOLPH, Mr. SALTONSTALL, and Mr. SPARKMAN):

S.J. Res. 143. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. DIRKSEN):

S.J. Res. 144. Joint resolution fixing the beginning of the second regular session of the 87th Congress; considered and passed.

(See the remarks of Mr. MANSFIELD when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION

TRAVEL BY LEGISLATIVE AND GOVERNMENT EMPLOYEES ON U.S. AIR FLAG CARRIERS

Mr. MAGNUSON (for himself, Mr. RANDOLPH, and Mr. ENGLE) submitted the following concurrent resolution (S. Con. Res. 53); which was referred to the Committee on Commerce:

Whereas Congress has by statute directed the preferential use of United States-flag merchant vessels in connection with all travel by Government employees; and

Whereas as a matter of general policy the executive branch of the Government has for many years urged the preferential use of United States-air flag carriers by governmental employees and United States governmental departments and agencies have adopted regulations accordingly; and

Whereas the development and preservation of a sound and strong United States Civil

Air Fleet is most vital to the national welfare and interest and its strength and prestige constantly maintained and preserved: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Senate and the House of Representatives that where travel is to be performed by legislative and Government employees that said travel be performed by them on United States-air flag carriers, on space available basis.

RESOLUTION

PRINTING AS A SENATE DOCUMENT A STUDY ENTITLED "THE UNITED STATES SENATE, 1787–1801"

Mr. MAGNUSON submitted a resolution (S. Res. 220) authorizing the printing as a Senate document of the study entitled "The United States Senate, 1787–1801," which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. MAGNUSON, which appears under a separate heading.)

FOOD AND FIBER DEVELOPMENT LOAN ACT

Mr. HUMPHREY. Mr. President, on behalf of myself and the Senator from Illinois [Mr. DOUGLAS], I introduce, for appropriate reference, a bill entitled the "Food and Fiber Development Act" which would provide for the making of long-term loans by the Federal Government to food and fiber development cooperatives engaged in integrated operations from the initial source of supply to ultimate consumption.

This bill is offered as a possible approach to the vexing and very real problem of rising food prices to consumers coupled with declining income to agricultural producers. It would encourage the formation of integrated food and fiber cooperatives made up of both farmers and consumers. It is my conviction that such ventures will have a healthy and stimulating effect on the food industry in our country, encourage competition, offer a yardstick to compare pricing, and result in lower prices paid by consumers and a more equitable portion of the food dollar going to America's farmers.

This bill authorizes the Secretary of Agriculture to make loans to food and fiber development cooperatives in the United States for financing, in whole or in part, the storage, processing, fabrication, packaging, transportation, marketing, and distribution of agricultural commodities.

Such loans shall be for a maximum term of 40 years at a rate of interest equal to the current average yield on all outstanding marketable obligations of the United States, plus one-half of 1 percent per annum to cover administrative cost. Funds for this program are to be appropriated by the Congress in an amount not in excess of $250 million.

AMERICA'S DEMANDS ON AGRICULTURE

Throughout our history the American people have demanded that not only should the Nation's farmers produce an abundance of food and fiber to enable our economy to industrialize, but they should also insure the Nation with the highest standard of living in the world. Translated in more specific terms, this has meant that the American farmers have had to increase continually their productive capacity through research and substantially increased capital investments to provide not only enough food and fiber for a growing population, but also create a multitude of new varieties of commodities for consumer and industrial consumption year in and year out.

No doubt we have more people to feed every year, but agriculture has more than met this challenge. Food production has increased more than enough to take care of both our increased population and the consumer's desire to consume better grades of commodities.

Consumers are getting more of the foods they want. Compared with the 1935–39 period, current per capita consumption of citrus fruits has increased by more than 40 percent; meat consumption by more than 20 percent; milk consumption by more than 14 percent; egg consumption by more than 22 percent; and vegetable consumption by more than 11 percent.

But not only have the American consumers demanded more, they have demanded higher quality than ever before, in more convenient forms and available in fresh forms throughout all seasons of the year. No one can argue that the American farmer has not met this demand too.

In terms of costs the American consumers are spending less of their income for more and better food than they did prior to World War II. In the 1935–39 period food expenditures accounted for about 23 percent of consumer income, whereas currently food expenditures account for substantially less than 20 percent of their income.

The American urban worker enjoys the highest standard of living in the world due in large part to the abundance of our agricultural production and the relatively low prices he has to pay for food and fiber commodities. For example, in the period 1935–39, the food purchasing power of an hour's factory labor would buy: only 7 loaves of bread—now more than 10 loaves; only 2½ pounds of chuck roast—now more than 3 pounds; only 2 dozen eggs—now more than 3 dozen; only 5 quarts of milk—now more than 8 quarts; only 2 dozen oranges—now more than 2½ dozen; only 8 cans of tomatoes—now more than 11½ cans.

To meet this constantly increasing demand and relatively lower and lower cost, the American economy and farmers have had to invest large sums of money in research and capital equipment. The results have been phenomenal. For example, using the post-World War 1 period as a base, crop production per acre has increased more than 50 percent; output per animal—breeding unit—has increased more than 75 percent; and output per man-hour of labor in agriculture has increased upward of 300 percent.

Through the use of modern technology in agriculture, through the willingness of the American farmer to accept the challenge, a better living has been provided for all Americans. No more startling evidence of this use of technology can be presented than by pointing out that in 1850, one farmworker produced farm products for only 4 people using only a minimum of capital equipment mainly in the form of animal power, whereas, today, one farmworker produces all the farm products required for nearly 25 people using thousands of dollars worth of capital equipment. It is this simple fact—simple but all important—that has allowed our economy to release labor and other resources to industrial activities. It is this simple fact which has provided the means whereby our economy has been transformed from an agricultural to an industrial one maintaining the highest standards of living in the world.

The demands on our agricultural economy will continue to increase. We have asked agriculture to be prepared to provide food and fiber by 1975 to take care of an estimated 230 million people. translated in more basic terms—terms the farmer and consumer can understand—this means that by 1975 agriculture must be prepared to supply a 65-percent increase in red meats; a 60-percent increase in fruits and vegetables; a 40-percent increase in milk; and a 30-percent increase in eggs.

This increased demand will be met if the past is any indication of the future. But it can only be met by increasing the knowledge, technical know-how, and capital investment in our agricultural industry. To point up the magnitude of the problem, if we assume that yields in 1975 were the same as in 1956, we would need 200 million more acres of cropland than we now have. But we will not need these increased acres, even assuming they were available, due to the continued research and increased capital inputs in agriculture which will provide the rising productivity needed on farms.

No one should deprecate the huge task that lies ahead for American agriculture, nor should anyone be overly confident that we merely need to sit back and relax and all these things will come to pass. A big task lies ahead in production for the producer of food and fiber who has to provide the kinds and quantities of products consumers and industrial users want in order to provide for an ever-increasing consumption. In addition, a big task lies ahead in marketing to provide the structure between primary production of food and fiber and its ultimate consumption. This involves the whole gamut of the marketing process, from assembling, transporting, storing, processing, wholesaling, and retailing. Nor can this phase of the process be assumed into being either. Study, research, and vast amounts of capital investment must be found in order to continue to distribute high quality foods to more and more consumers. Nor can this process be assumed into being either. In the process we must continue to strive to distribute this vast amount of goods at the lowest possible cost without reducing the

farmer's income below his just and reasonable share.

There is no evidence that the American farmers will not meet the future demands of our Nation. The question is: Can we in the future provide the American family farmer with a decent standard of living and a just reward for his labor while at the same time providing the American consumer with an abundance of agricultural food and fiber at the lowest possible costs?

In 1950, farmers' realized net income, including Government payments, amounted to $13.2 billion. This compared, in 1950, to a total of some $40 billion which consumers spent for food for home consumption. By 1959, realized net farm income had decreased to $11.3 billion for producing about 24 percent more food—than in 1950—that cost consumers for home consumption some $59 billion. In other words, consumers paid $19 billion more and farmers received about $2 billion less for all the food and fiber, plus 24 percent more than was produced in 1950.

But what about subsidies to farmers? Do not these subsidies give the farmers an advantage over nonfarm people? Unfortunately, more heat than light has been thrown on this subject. There is more misunderstanding than understanding of this phase of agriculture than on any other. Misunderstanding has been spread on this subject not only by urban-oriented people and publications, but even by agricultural spokesmen and publication media which presumably represent the rural viewpoint.

Some people argue, with a great deal of strength of their side, including some urban Members of the U.S. Congress, that agriculture and its people have as much right as urban workers to a decent standard of living reflected in adequate levels of real income. Agriculture has as much right to demand a living wage as industrial workers have to a minimum wage, workmen's compensation, unemployment insurance, and social security.

Unfortunately, however, most of the above type programs which almost everyone accepts now as a right of the urban worker, are not available to those who earn their living in agricultural enterprises. When the crop fails there is no unemployment compensation to fill the gap. When a farmer injures himself on the farm there is no workmen's compensation to tide him over until he can work again. The farmer has no minimum wage. He now receives only three-fourths of the minimum wage which is provided for covered workers under minimum wage law.

Certainly it is true that the Federal Government programs which relate to food and agriculture make use of, and tie up substantial sums of money. Let us use, for example, the fiscal year 1959 figures, which as the record shows, tied up more Federal money than in any other year—a record $6.5 billion.

How was this money used? First, direct payments for soil-bank participation, product subsidies, and soil conservation practices amounted to around $1 billion. These funds found their way directly into the pockets of farmers. Also, of this total amount in the Federal agricultural budget was some $3 billion which represents expenditures for commodity price support programs. This money was spent by the Federal Government and in return it received grain and other commodities which it sells. On this investment, the Government is recovering about two-thirds of its cost. During World War II, the Government actually made a small profit on this investment.

Also included in the total $6.5 billion budget is about $3 billion which covers such items as investments in the rural electrification and telephone program which is paid back to the Government with interest; it includes funds to sell products abroad and subsidize sales by private trades and funds to aid our foreign policy under the Public Law 480 program. Further, agriculture budget funds are used for such things as the school lunch program, free commodities to institutions at home and abroad, long-range programs in research, meat inspection, pest control, education and market development, and management of parks and forest resources.

THE PROBLEM IN A WORD

Unfortunately, too many people have the misconception that their cost of living has continued to rise because of the various farm programs. As pointed out previously, this is not the case. In the last 8 years, farm prices have dropped about 17 percent, whereas, retail food prices have gone up about 6 percent.

Farmers argue in large part that the greatest single contributor to the stabilization of the cost-of-living index has been low farm prices. They argue that while the prices of food and fiber products have dropped steadily in recent years, nearly all other costs have risen.

But all these arguments do not mean that farmers and farm leaders are not aware of the fact that the entire farm program as we know it needs overhauling. They are the first to admit it. But they do argue that any program proposed, among other things, must seek to assure that the return to the farmer for his labor and investment must be a just and reasonable return—not one which discriminates against him in favor of other groups.

AN IMPORTANT CONSIDERATION IN THE RETAIL COST OF FOOD

Consumers of farm commodities are rightfully concerned with their rising food bills. If the farmer does not get the increase, they ask, then who does? In 1959, civilian expenditures for farm foods amounted to $58.2 billion, an increase of $18.8 billion over their expenditures in 1947. Part of this increase was due to increased consumption, part due to increased cost. No one can criticize the increased costs involved in increasing the consumption of food, but is there not justified criticism when the costs of the same amount of consumption increases?

While civilian expenditures for farm foods increased between 1947 and 1959 by $18.8 billion, an increase of 48 percent, the farm value of these same commodities increased from $18.7 billion to $19.8 billion, or an increase of only 5.9 percent. Phrased somewhat differently, the farm value of civilian expenditures for farm foods amounted to 47.7 percent in 1947, whereas, in 1959 it amounted to only 34.0 percent.

The difference is accounted for by the fact that over the years consumers have demanded that their farm commodities be processed to a higher and higher degree, and to the fact that costs of processing, transportation, and other factors which are involved in fabricating agricultural commodities from the time they leave the farm until they end up in the home have all increased substantially.

This accounts for the fact that in 1950, the farm food market basket, the retail cost of average quantities of farm foods purchased per urban wage earner, was $940, of which the farm value was $432. The farm retail spread then was $488, or in other words, the farmer's share of the farm food market basket was 50 percent. By 1960, the retail cost of the farm food market basket was $1,052, the farm value only $408; therefore, the farm-retail spread was $644, or the farmer's share only 39 percent.

Certainly, farmers produce the bulk of the Nation's food supply, but numerous other people are engaged in the transportation, processing, packaging, wholesaling, and retailing services that are necessary, by consumer demand, to make food available to consumers.

All of these services cost money, and over the years the costs of the same services have been increasing, to say nothing of the absolute increase in the number of services that consumers have demanded. These facts have long been of concern to farmers, especially when their share of the consumer's food dollar, as pointed out above, has been declining and when consumers at the same time have been complaining about the high cost of food.

A listing of the farmer's share of the retail prices of some of the major food items is revealing:

In 1960, the retail price of beef, U.S. Choice grade, was 80.7 cents, and the farmer's share was 60 percent.

For chickens in 1960, the farmer's share of the retail price was 55 percent.

For eggs, the farmer's share was 67 percent

For milk, the farmer's share was 43 percent.

For fresh fruits and vegetables, the farmer's share was 37 percent in 1960.

For processed fruits and vegetables, the farmer's share was 21 percent.

For bread, the average retail price in 1960 was 20.3 cents per loaf. Of this amount, the farmer received 2.3 cents for his wheat. In other words, the farmer could give away his wheat, and the cost of bread would be decreased by only 10 percent. Or, conversely, if the price of bread were to increase by 2 cents a loaf, and all of the increase were to go to the farmer, it would approximately double his income.

The effect of demanding more and more services and higher and higher levels of processing of food and fiber can be summed up this way: the marketing bill for 1960 for food was almost

$20 billion higher than it was in the period 1947–49. This total amount was divided as follows: one-third went to farmers and two-thirds to the marketing system.

In recent years it has been characteristic for the total marketing bill to increase while prices farmers received for food products decline. These increases have resulted from the fact that there have been increases in the volume of products marketed and in the marketing charges per unit of product sold. All major items, such as corporate profits, labor costs, and transportation costs, have increased in recent years. For example, the total bill for marketing farm food products rose only slightly from 1959 to 1960—from $58.7 billion to $60 billion. However, the cost of labor and other costs per unit of product marketed were more than 30 percent higher in 1959 than in 1947–49. Also, since 1947–49, transportation costs for marketing food products have about doubled, and corporate profits have risen about 50 percent.

But a word of caution is in order. Distributing the consumer's food dollar to the factor shares received by farmers and middlemen seems to suggest that farmers, processors, food transporters, and retailers are all competing for a share of a fixed consumer dollar expenditure. Although in many instances this may be the case, it is not always true. Consumers, for whatever reason, are often willing to pay more for food when it involves some higher order of processing. Therefore, it need not necessarily follow that a reduction in the farmer's percentage of the consumer's food expenditures necessarily means a decline in farm prices or income. The opposite can be true. Namely, added processing of a farm commodity may increase consumer demand for a given farm product.

A STUDY IN CONFLICT

As noted farmers are typically critical of food marketing margins especially when farm prices and income are falling. The middleman, processors, and ultimate retail distributors are quick to argue that their margins are fully justified, and in many instances too low. Consumers characteristically argue that marketing margins are too high.

As an economic matter, it must be argued, assuming an effective demand for the specific marketing function in question, that marketing margins are too high only if the same or a better job could be done for less cost, or if a better job could be done for the same cost.

Many people argue that, put on this basis, marketing costs and margins are too high due to monopolistic practices, administered prices, inefficiency, and so forth. Much time and study have been devoted to the problem by congressional committees, such as the House and Senate Select Committee on Small Business, the Anti-Monopoly Subcommittee of the Senate Judiciary Committee, the Federal Trade Commission, and many private organizations.

Assuming the validity of the charge, that margins are too high due to monopolistic practices of one type or another, due to inefficiency, and so forth, one possible remedial or ameliorative solution might be to explore ideas and practical measures to increase competition in the food processing and distribution fields. Such measures could take the form of more cooperative participation in these areas, greater scrutiny and action by regulatory bodies, more direct marketing on the part of the agricultural producers, and/or direct participation in food retailing by consumer groups.

Charges of excessive margins or inefficiencies which lead to high costs are hard to prove without having standards or yardsticks against which performance can be measured. Arbitrary standards—arbitrary in the sense that the standards chosen or their magnitudes—are unacceptable in that the assumptions dictate the conclusions.

What is needed are actual operating processing and distribution facilities organized and run by farmers and consumers so that by their own experience evidence can be amassed to judge the efficiencies of all enterprises performing processing and distribution functions, and by their competitive nature force marketing margins, assuming they are excessive, down to the point where they represent the return justifiably due to business operating under competitive conditions.

VERTICAL INTEGRATION AND ITS EFFECTS ON AGRICULTURAL PRODUCERS

Vertical integration, defined as "the linking of successive business functions or operations through ownership or contractual arrangements," has been proceeding at an increasingly rapid pace within the food and fiber industry. It has evidenced itself by a sometimes gradual and often rapid dispersion of function from the farm to off-farm business. It has affected agriculture on both sides—in terms of farm supply and equipment purchases and in terms of sale of products. So phenomenal has been this process that currently the farmer is left only the function of providing crops and livestock for market.

Several types of enterprises and legal devices have been developed and used which have resulted in increasing the pace of off-farm vertical integration. As a countervailing force, several other types of activity have been developed in an attempt to counter this movement by creating vehicles to preserve farm functions through establishment of "links" between on-farm and off-farm functions.

Of the several types of "countervailing" vehicles in evidence is the farmer cooperative—perhaps the oldest type of on-farm-off-farm link. Today, some 25 percent of all farm supplies and farm products are handled cooperatively. However, when compared to the total of all off-farm operations included within the "agribusiness" sector of the economy, farmer cooperatives account for probably only 5 percent of this aggregate.

A second type "countervailing" development has been the business-farmer contracts. Such arrangements have been characteristic in the canning industry, where farmers enter into contract to supply a certain quantity and grade of commodity to the canner. This type of arrangement has also been prevalent in the seed industry, and more recently has become characteristic of the turkey and chicken industry. Currently, more than 90 percent of all broilers are grown on this type contractual basis. A discernible move is now in progress under this type of arrangement in the egg production business, hog growing, and cattle feeding.

However, in terms of volume and scope, the business-farmer contract arrangement probably accounts for no more of the total "agribusiness" than does the farmer cooperative arrangement.

Other types of "countervailing" development within agriculture include large-scale farms, business-operated farms, and joint farmer-business ventures which in certain commodities, namely fruits and vegetables, have loomed quite large. Joint farmer-business ventures have gained ground primarily in the cotton, livestock, dairy, and soybean industries.

It is evident that the "countervailing" attempts to tie on-farm and off-farm activities are relatively insignificant when compared to the degree of vertical integration that has taken place in off-farm integration. This particularly has been true of development of chainstore merchandising in the food field where integration has been in two directions: one, vertically to combine the functions of wholesaling, warehousing, financing, transportation, and actual farm commodity production; and two, horizontally to include multiple-unit operations. Also, the processors have been expanding both horizontally as well as vertically to encompass a number of commodities and functions.

The main question concerning farmers and agriculture is what the effect of this trend toward monopolization has been and will be in the future. There is no evidence that this trend has abated. Rather, the evidence all points to its continuation at an accelerated pace. In a generalized sense, there is no doubt that a large integrated firm possesses certain market and bargaining advantages. Not only do these advantages go to the retail side since these large integrated firms possess advantages in terms of market development in terms of quality control, product development, and market promotion and position, which has serious meaning as such control may effect retail prices but, also, such firms amass unto themselves as a product of their integration activities a much stronger bargaining position with respect to basic food and fiber procurement. This bargaining position constituted a weapon, an economic force or device, which could be used to seriously weaken the farmer's relative strength in the bargaining process.

Several summary case studies will indicate the degree to which the bargaining position of agriculture has been adversely affected by vertical integration of off-farm activities.

FOOD RETAIL CHAINS ENGAGED IN MANUFACTURING, PROCESSING, AND RETAILING—THE AGGREGATE PICTURE

In 1958, some 63 chains of food retailers and voluntary cooperative food wholesalers were engaged in food manufacturing operations. These manufacturing and processing operations included the production of bread, coffee, dairy products, margarine, macaroni products, canning, preserving, freezing, meatpacking, poultry, dressing, and the processing of confectionery and related products. These commodities span the whole breadth of basic food commodities purchased by consumers.

The total shipments of specified food products by chain-owned manufacturing establishments in 1958 amounted to $1.3 billion. Bread was one of the most important items involved. It accounted for $368 million of that total, dairy products accounted for $209 million, and meat and poultry products $236 million.

The effect of this continuing concentration and vertical integration has been to seriously reduce the number of firms engaged in the buying of agricultural commodities with whom the many thousands of firms engaged in production, manufacturing, and processing of food commodities must bargain.

All evidence points to the fact that the pace of vertical integration in all major agricultural commodity areas is proceeding at an increasing rate. Although in some minor instances, farmers themselves control the machinery by which this integration has been effected, it appears clear that they control only a small portion when compared to the control exhibited by processors, and food-chain retailers.

Evidence exists which indicates that farmers in general have been hurt, in terms of income, in those instances where integration has taken place and is controlled by "outside interests." From the consumer viewpoint, this theoretically could be condoned, if the effect evidenced itself in the form of lower consumer food prices. But this does not seem to be the case. Rather, whatever cost reductions experienced at the farmer's expense have been retained by the processors and/or retail food chains and not passed on to the consumers either in the form of more services or better products, or the same products and services at reduced costs.

CONCENTRATION ON THE FOOD DISTRIBUTION INDUSTRY AND ITS EFFECT UPON CONSUMERS

A recent study by the Federal Trade Commission indicates that from 1948 through 1958 the chain grocery stores increased their sales by 118 percent, compared with a gain of 60 percent for all other grocery stores and 53 percent for all nonchain grocery stores and specialty food stores combined. During the same period, the chain grocery stores increased their share of total national food sales from 29 to 38 percent and of total grocery store sales from 35 to 43 percent.

This report further revealed that stores selling over $300,000 a year accounted for 38 percent of grocery store sales in 1948 and approximately 70 percent in 1958. During the same period close to 100,000 stores with sales below $300,000 went out of business.

These findings lead the Director of the Bureau of Economics of the Federal Trade Commission to conclude that if the trend toward merger and consolidation continues at this pace, a few colossal chainstore companies will control the great bulk of the retail grocery business of the country.

When the degree of concentration in the processing, manufacturing, transportation, and distribution of the food industry, that phase characterized by vertical integration as discussed above, is added to the concentration that exists on the retail food level, it appears that the major element within the entire food and fiber complex, the farmer, chain grocery store and ultimate consumer, that can and does exert monopoly influence at the expense of the other two elements is the grocery store chain.

Concentration in the corporate chain food retail industry is significant at the national level what with 165 corporate chain food retailers in 1958 accounting for 43 percent of all grocery store sales. And of these corporate giants, aggregate sales for the fiscal year 1958 of 33 of them accounted for approximate 90 percent of the sales of all chains with 11 or more units.

The significance of this continued trend toward concentration for the consumer is found in the fact that a large food retailer with unlimited resources can continue to add to his control of the market by internal growth through expansion of sales and building new stores and other facilities; can buy out competitors; and, can effectively destroy competition through the use of the practice of price discrimination.

In 1959 the National Association of Retail Grocers published the results of a 4-year study on the trend toward centralized power in America's food distribution industry. Among its findings were the following significant facts:

Since 1955, a minimum of 2,657 locally operated food stores have been eliminated by merger acquisitions.

The estimated annual sales volume acquired by these acquisitions is $2.8 billion. This is equal to current total sales of grocery stores in 14 States.

In the majority of instances, it was not old, rundown, and inefficient stores that were bought out, but modern, progressive multistore operations.

The accelerated trend toward mergers raises serious problems for farmers, growers, processors, and manufacturers. These groups are faced with growing power concentrates in retail food distribution which places them at a serious disadvantage in marketing their products.

Significant to the consumers, the study states that, as concentration grows in major markets, retail organizations in control will be able to select by legal means the prevailing methods of competition. This will introduce vast changes in the form competition takes within the retail food industry.

Finally, the study states that our free competitive economy is being threatened by too much concentration in retail food distribution.

CONCLUSION

The weight of evidence seems to indicate that monopolization of the food retailing industry is proceeding at a rapid pace. No case has yet been found where private monopolization has been sought after and engaged in for the benefit of the ultimate consuming public. Certainly, there is no evidence that concentration in the food retailing industry has led as a result to lower food prices.

Granted, in particular instances and localities, below-cost pricing for temporary periods have been encountered. But this practice has been engaged in for the purpose of establishing monopoly control and pricing, and not to benefit the consumer in the long run.

Although, as has been previously pointed out, consumer food prices have risen substantially less than all other major items of purchase in recent years, this constitutes no reason to conclude that food prices cannot still be reduced.

Competition by yardstick example is called for. Consumers, through their own knowledge and experience, must determine for themselves what the lowest possible costs of operations and ultimate retail prices for food commodities can be.

A PROPOSAL

During the past decade the farmer has failed to keep pace with the prosperity of the balance of the American economy while, at the same time, the consuming public has complained of high food prices.

Legislative proposals to raise farm income have met increasing resistance and as a declining number in America, the farmer finds himself being isolated. All too often, agriculture has been thought of as a special group to be economically protected at the expense of the general public.

This problem arises because proposals to raise farm income are not necessarily in agreement with proposals to reduce the price of the goods produced by the farmer. Ways must be found to raise farm income and, at the same time, provide the consumer with some of the benefits of the farmer's great productive capacity.

This task can be accomplished if farmers and consumers were to engage in operations which would integrate food and fiber operations from the initial source of supply to the ultimate consumption.

Farmers today constitute a minority both in terms of legislative and economic power. The unorganized consumer in a real sense also constitutes a legislative and economic minority.

The main hurdle that both farm and consumer groups face in undertaking ventures to raise farm income and hold or reduce consumer prices is one of mobilizing or making available the financial resources on a scale large enough to have meaning. If such funds were to be made available, then, assuming proper utilization, these two groups could provide the competitive means whereby it could conclusively be determined whether or not farmers must exist

at substandard levels and whether or not consumer goods prices are excessive.

It seems apparent that the degree of financial resources involved in such a venture, for a number of reasons, cannot be provided other than through a lending operation conducted by the Federal Government. Certainly, if this proposal were enacted into law, the public, consumers, business, farmers, et cetera, would all have to be assured that no one group would have a preferred status. Yardstick measurements would have to be such that they constitute true yardsticks.

But conceivably, this proposal may constitute the only way in which the American economy can be assured of competition within the consumer goods field, and provide the means whereby farmers can be aided in achieving adequate and just levels of income.

The bill which I introduce today embraces these ideas. I ask unanimous consent that it may be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2630) to establish a lending program to finance the processing and distribution of agricultural commodities, introduced by Mr. HUMPHREY (for himself and Mr. DOUGLAS), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Food and Fiber Development Loan Act."

DECLARATION OF PURPOSE

SEC. 2. The Congress declares that the raising of farm income and the reduction in price of agricultural products to the ultimate consumer are vital to the best interests of the United States; that progress toward both objectives can be made if farmers and consumers engage cooperatively in activities to integrate food and fiber operations from initial source of supply to ultimate consumption; that such cooperative activities can provide the competitive means and yardstick measurements to assure more efficient and less costly operations in the processing and distribution fields; that a prime requisite to these activities is the availability of adequate financial resources; and that the Federal Government should help make such resources available at reasonable rates and with fairness to all interested groups.

PURPOSE OF LOANS

SEC. 3. The Secretary is authorized to make loans to food and fiber development cooperatives in the United States and in Puerto Rico and the Virgin Islands for the purpose of financing, in whole or in part, the storage, processing, fabrication, packaging, transportation, marketing, and distribution of agricultural commodities, including, but not limited to, (1) the acquisition, construction, improvement, expansion, and operation of facilities, including land, (2) the purchase, manufacture and sale of supplies, commodities, and equipment, and (3) the purchase and sale of services.

TERMS OF LOANS

SEC. 4. Loans under this Act shall be made on such terms and conditions as the Secretary shall determine, subject to the following restrictions and limitations:

(a) No loan shall be made unless it is determined by the Secretary that the borrower will be able to repay the loan within the time agreed upon and that the security for the loan is reasonably adequate to protect the United States against loss;

(b) No loan, including extensions thereof, shall be made for a period exceeding forty years;

(c) Such loan shall bear interest at a rate equal to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury as provided in section 8(d) of this Act, plus one-half of 1 per centum per annum to cover administrative expenses and to provide for losses on loans under this Act; and

(d) No loan shall be made for financing projects or activities prohibited by the laws of the State in which the project or activity would be located.

AUTHORITY TO DEFER PAYMENTS

SEC. 5. The Secretary is authorized to defer the accrual of interest, and extend the time of payment of interest and principal, on any loans made pursuant to this Act, but for periods not in excess of five years.

POWERS OF THE SECRETARY

SEC. 6. In performing his duties under this Act, the Secretary may:

(a) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(b) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans made under this Act, and collect or compromise all obligations assigned to or held by him in connection with the payment of such loans until such time as such obligations may be referred to the Attorney General for collection;

(c) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to, or otherwise acquired by, him in connection with the payment of loans made under this Act;

(d) pursue to final collection, by way of compromise or other administrative action, prior to reference to the Attorney General, all claims against third parties assigned to the Secretary in connection with loans made under this Act. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Secretary. The power to convey and to execute, in the name of the Secretary, deeds of conveyance, deeds of release, assignments, and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein acquired by the Sercetary pursuant to the provisions of this Act may be exercised by the Secretary or by any officer or agent appointed by him for that purpose without the execution of any express delegation of power or power of attorney;

(e) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in this Act; and

(f) make such rules, regulations and procedures as he may deem appropriate in carrying out the provisions of this Act.

TAX LIENS

SEC. 7. Any interest held by the Secretary in property, as security for a loan, shall be subordinated to any lien on such property for taxes due on the property to a State, or political subdivision thereof, in any case where such lien would, under applicable State law, be superior to such interest if such interest were held by any party other than the United States.

REVOLVING FUND FOR LOANS

SEC. 8. (a) There is hereby established in the Treasury of the United States a revolving fund (hereinafter referred to as the "fund") which shall be made available to the Secretary for the purpose of making loans under this Act and for the payment of all obligations and expenditures arising therefrom.

(b) When requested by the Secretary, advances shall be made to the fund from the appropriations made therefor. There is hereby authorized to be appropriated for the purpose of making advances to the fund, without fiscal year limitation, an amount not exceeding $250,000,000.

(c) Receipts arising from loans made under this Act shall be credited to the fund. Any moneys in the fund determined by the Secretary to be in excess of current needs shall be credited to the appropriation from which advanced to be held for future advances to the fund.

(d) With respect to all advances made to the fund pursuant to subsection (a) of this section, there shall be paid into miscellaneous receipts of the Treasury at the close of each fiscal year interest at rates which shall be determined by the Secretary of the Treasury, but such rates shall not be greater than the current average yield on all outstanding marketable obligations of the United States as of the last day of the month preceding the month in which the advances are made.

(e) In the performance of and with respect to the functions, powers, and duties vested in him under this Act, the Secretary shall—

(1) prepare annually and submit a budget program in accordance with the provisions of sections 102, 103, and 104 of the Government Corporation Control Act, as amended; and

(2) determine the character of and the necessity for obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations.

DEFINITIONS

SEC. 9. As used in this Act:

(a) The term "Secretary" means the Secretary of Agriculture.

(b) The term "food and fiber development cooperative" means a nonprofit corporation, organized under the laws of any State of the United States or Puerto Rico or the Virgin Islands, and owned or controlled by farmers, ranchers, consumers, representatives of farmers, ranchers or consumers, or any combination of the foregoing, provided that no part of the net earnings thereof inures to the benefit of any Member, shareholder or other person.

PROHIBITION OF STRIKES BY EMPLOYEES EMPLOYED IN CERTAIN STRATEGIC DEFENSE FACILITIES

Mr. McCLELLAN. Mr. President, on behalf of myself, and Senators ERVIN, CURTIS, HOLLAND, and MUNDT, I introduce a bill for appropriate reference. The purpose of this bill is to prohibit strikes by employees employed in certain strategic defense facilities including intercontinental ballistic missile bases.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD, and lie on the desk until the adjournment of this session of the 87th Congress so that other Senators who so desire shall have the opportunity to join as cosponsors of the measure.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from Arkansas.

The bill (S. 2631) to prohibit strikes by employees employed in certain strategic defense facilities, introduced by Mr. MCCLELLAN (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. As used in this Act—

(1) The term "strategic defense facility" means any facility, institution, or establishment engaged in, or a purpose of which is to engage in, the designing, development, production, testing, firing, or launching of munitions, weapons, missiles, space vehicles, or any part, product, or material essential to such designing, development, production, testing, firing, or launching.

(2) The term "strike" means any organized or concerted cessation, interruption, or slowdown of work as a result of a labor dispute or of the expiration or absence of a collective bargaining contract.

(3) The term "labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

PROHIBITION OF STRIKES

SEC. 2. It shall be unlawful for any person employed at a strategic defense facility to engage or participate in a strike, or for any labor organization or other person to coerce, instigate, induce, conspire with, or encourage any person so employed to engage in a strike.

SETTLEMENT OF DISPUTES

SEC. 3. (a) Upon notice to the Secretary of Defense by any party to a labor dispute involving employees employed at a strategic defense facility, alleging that a labor dispute exists and that the parties have been unable to reach a settlement of the dispute by other means available to them, the Secretary, if he has reasonable grounds to believe that such allegations are true, shall appoint an emergency board for the purposes of such dispute.

(b) An emergency board under this section shall consist of one public member appointed by the Secretary of Defense, and one member designated in writing by each of the parties to the dispute. If either party to the dispute shall fail or refuse to designate its member within one week after appointment of the public member, the Secretary shall appoint such member in the same manner as the public member is appointed. Each member of the emergency board named by the parties to the dispute shall be compensated by the party naming him. Any member appointed by the Secretary shall be paid reasonable compensation for his services in an amount to be fixed by the Secretary, and shall be reimbursed for his necessary traveling expenses and expenses actually incurred for subsistence while serving as a member. When a board appointed under this section has been dissolved, its records shall be transferred to the Director of the Federal Mediation and Conciliation Service.

(c) An emergency board shall have power to sit and act at any place within the United States and to conduct such hearings as it may deem necessary or proper to ascertain the facts with respect to the causes and circumstances of the dispute. For the purpose of any hearing or inquiry conducted by any such board, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (15 U.S.C. 45, 50), are hereby made applicable to the powers and duties of such board.

(d) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organization of employees or in any employer involved in the dispute.

(e) An emergency board appointed under this section shall promptly hold hearings at which the parties to the dispute shall have an opportunity to be present, either personally or by counsel, and to present such oral and documentary evidence as the emergency board shall deem relevant to the issue or issues in controversy. The emergency board shall make written findings of fact and, within sixty days following the date of its appointment, shall promulgate an order adjudicating the issue or issues in dispute. For the purpose of such findings and order an emergency board shall consider only, and be bound only, by the evidence submitted on the record.

(f) In any case in which a valid contract is in effect defining the rights, duties, and liabilities of the parties with respect to any matter in dispute, the emergency board shall have power only to determine the proper interpretation and application of the contract provisions which are involved. Where wage rates and other conditions of employment under a proposed new or proposed amended contract are in dispute, the emergency board shall establish rates of pay and conditions of employment which are fair and equitable to the parties. No order of the emergency board relating to wages or rates of pay shall be retroactive to a date before the date of the termination of any contract which may have existed between the parties. An order of an emergency board shall become binding upon and shall control the relationship between the parties for a period of one year except to the extent modified by mutual consent or agreement of the parties.

ENFORCEMENT PROVISIONS

SEC. 4. The district courts of the United States shall have power, upon petition of the Attorney General, to issue injunctions, restraining orders, or other appropriate process, (1) to enjoin violations of section 2, or (2) to compel compliance with the provisions of any order of an emergency board under section 3. In granting such relief, the jurisdiction of the court shall not be limited by the provisions of sections 6 and 20 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (15 U.S.C. 17, and 29 U.S.C. 52), or the provisions of the Act entitled "An Act to amend the Judicial Code, to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (29 U.S.C. 101–115).

LISTING OF STRATEGIC DEFENSE FACILITIES

SEC. 5. The Secretary of Defense shall prepare and cause to be published in the Federal Register a list, and any necessary revisions thereof, of strategic defense facilities for the purposes of this Act. In any case in which, for security or other reasons, any strategic defense facility is not included on such list, and a labor dispute occurs or threatens to occur at such facility, the Secretary shall notify the parties to such dispute or threatened dispute that such facility is a strategic defense facility for the purposes of this Act.

SAVING PROVISION

SEC. 6. Nothing in this Act shall be construed to require an individual to render labor or service without his consent, nor shall the quitting of his labor by an individual employee be considered for the purposes of this Act to be a strike.

Mr. MCCLELLAN. Mr. President, for the information of my colleagues in the Senate and others who may be interested I have prepared a concise analysis of this bill and ask unanimous consent that such analysis be printed in the RECORD at this point as a part of my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS

The proposed bill is designed to eliminate strikes at certain types of defense facilities of primary importance to the national defense effort and the national security.

I. DEFINITIONS

Section 1 contains the definitions of the three key terms in the bill and these definitions, in effect, mark the scope of the bill's coverage.

Thus the bill applies only to "strikes" and "labor disputes" at "strategic defense facilities" and these three terms are defined as follows:

1. A "strategic defense facility" is any establishment, private, or governmental, one purpose of which is to engage in designing, developing, producing, testing, firing, or launching any weapon, munitions, missiles, or space vehicles or of any part or material essential to such activities.

2. A "strike" is any concerted stoppage, interruption or slow-down of work resulting from a labor dispute.

3. A "labor dispute" is any controversy concerning the terms or conditions of employment, or concerning the representation of persons in negotiating or seeking to negotiate such terms or conditions, even if the parties to the dispute do not stand in the relationship of employer and employees. This definition is identical with that in both the Wagner Act and Taft-Hartley Act, and remains unchanged under the Landrum-Griffin Act.

II. PROHIBITION OF STRIKES

Section 2 makes it unlawful for any person employed at a "strategic defense facility" as defined above to engage or participate in a strike, or for any labor union or anyone else to coerce, instigate, induce, conspire with, or encourage any person so employed to engage in a strike.

This prohibition is not limited to work stoppages or slow-downs by "employees" as that term is defined in the Taft-Hartley Act. It applies to the much broader category of "persons" which includes all individuals or groups who are employees in the dictionary sense of the term. Thus, supervisory or confidential employees who are not employees under Taft-Hartley are also covered by the prohibitions of the bill. However, they are covered only if they are employed at a "strategic defense facility" as defined above, and hence persons employed at establishments producing supplies and materials for the armed services that are not munitions, weapons, missiles, space vehicles,

or any component thereof, are not covered. Examples would be such items of supply as military uniforms, rations, footwear, transport vehicles, etc.

The important aspect of section 2 is that the prohibition against strikes resulting from labor disputes in strategic defense facilities is absolute, alternative procedures for settling the dispute being provided in section 3.

III. SETTLEMENT OF DISPUTES

Section 3(a) provides that if any party to a labor dispute at a strategic defense facility notifies the Secretary of Defense that the parties have been unable to settle a labor dispute by any of the means available to them, the Secretary, if he has reason to believe this to be true, shall appoint an emergency board to settle the dispute.

Section 3(b) provides that such board shall consist of one member appointed by the Secretary and one by each of the parties, and if any party fails to designate a board member, the Secretary shall designate him. Each member shall be paid by those appointing him.

Section 3(c) provides that the board may conduct hearings anywhere in the United States and shall have the same subpena powers as the Federal Trade Commission.

Section 3(d) provides for a separate board for each dispute and permits the selection only of board members who have no pecuniary or other interest in either the employer or union involved in the dispute.

Section 3(e) provides for hearings before the board at which the parties submit their evidence on the issues deemed relevant by the board. The board is required to make written findings of fact, and within 60 days after its appointment, the board must issue an order disposing of the issues in dispute. Such order must be based exclusively on evidence in the record made before the board.

Section 3(f) provides that where a valid contract defining the rights and duties of the parties exists, the board's power is limited solely to deciding the proper interpretation and application of the contract provisions involved. Where wage rates and other conditions of employment under a proposed new or a proposed modified contract are in dispute, the board shall establish rates of pay and conditions of employment which are fair and equitable to the parties, but no board order relating to rates of pay shall be retroactive to a date prior to the termination date of any valid contract between the parties which contains provisions establishing wages or pay rates. Any board order shall bind the parties for 1 year unless modified by mutual consent of the parties.

IV. ENFORCEMENT PROVISIONS

Section 4 empowers the Federal district courts, on petition by the Attorney General, to issue injunctions, restraining orders or other appropriate measures (1) to enjoin strikes in strategic defense facilities declared unlawful by section 2, or (2) to compel compliance with any order of an emergency board issued pursuant to section 3. Such restraining orders, injunctions, and other court measures are not limited by the restrictions imposed on Federal court action by the provisions of the Clayton Act and the Norris-LaGuardia Act.

V. LISTING OF STRATEGIC DEFENSE FACILITIES

Section 5 requires the Secretary of Defense to prepare a list of strategic defense facilities to which the provisions of the bill would apply, and to have the list published in the Federal Register together with any necessary changes therein. If for any reason such as security, it is deemed necessary not to include a strategic defense facility in such a published list, and a labor dispute threatens to occur at such facility, the Secretary shall notify the parties to the dispute that such facility is a strategic defense facility and that the provisions of the bill are applicable.

VI. SAVING PROVISION

Section 6 provides that for the purposes of the bill no individual shall be required to perform work or render services involuntarily, and that no individual quitting of work shall be considered to be a strike.

Mr. McCLELLAN. Mr. President, I am well aware that following disclosures before the Senate Permanent Subcommittee on Investigations in April and May of this year of strikes, work stoppages, and other abuses at missile bases throughout this country, the President of the United States by Executive order dated May 26, 1961, established a Missile Sites Labor Commission for the purpose of ending work stoppages in these vital areas of defense and to assure the uninterrupted and economical operation of these programs.

On July 28, 1961, I placed in the RECORD a copy of a letter dated July 15, 1961, from the Secretary of Labor Arthur J. Goldberg, to the President, outlining the excellent accomplishments of the Commission in the brief period of a month and one-half. I commended President Kennedy and the Secretary of Labor on the floor of the Senate for the accomplishments of that Commission. At this time I should like to repeat my commendations.

However, Mr. President, as you know, the success of the Missile Sites Labor Commission has in the past and will in the future, depend entirely upon the voluntary cooperation of both labor and management.

There is a serious question whether continuous voluntary action can be expected.

Mr. President, I would like to call to your attention that within these past few days, despite the no-strike pledge given by the unions to the President, members of the Iron Workers Union, joined by members of certain other unions, conducted a wild-cat strike at the Titan intercontinental ballistic missile installation, Lowry Air Force Base, Colo., resulting in the loss of some 744 man-days of labor, before it was tentatively settled.

In connection with this strike, editorials appeared in the September 12, 1961, edition of the Denver Post and the September 18, 1961, edition of the Philadelphia Inquirer. I ask unanimous consent that these editorials be printed in full at this point as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Denver Post, Sept. 12, 1961]

TITAN STRIKE A NATIONAL DISSERVICE

Wildcat strikers who walked off the job Friday and Monday at two Titan missile base launching sites southeast of Denver did their country a disservice—and were well on the way to giving their unions a black eye.

According to reports, the workers now are back on the job.

But the strike did halt work at one site and slowed it at the other.

For purposes of this editorial we're going to discount one report floating around—that a good many of the 155 men off work Monday simply wanted an excuse to come to Denver to see the American Legion parade.

But the main reason given, after the strike started Friday, wasn't much better.

The claim was that six fencebuilders at one of the sites were not being paid minimum scale for their crafts and that they were being denied fringe benefits given other workmen at the six Titan sites.

The public, generally, is aware that there are two sides to a dispute and that workers often have real grievances. But this small incident seems scarcely a valid excuse for shutting down a defense-vital construction project at time of national peril.

It seems especially ridiculous when a Federal committee, set up for just this sort of dispute, already had taken the first step toward making a settlement.

Union officials, themselves, had appealed to the workers not to strike pending arbitration.

The committee is President Kennedy's recently created Missile Sites Labor Commission, set up in the wake of public outcry over labor-management waste and mismanagement at many missile bases during the last 2 years.

The President's Commission is charged with just one duty: arbitrating a fair settlement and returning construction to full speed as quickly as possible.

Because of this, it is difficult to find valid reason for the construction workers' walkout.

If their desire was to dramatize their cause, they certainly did so—but hardly in a way that will gain them public support or confidence.

The realities of international tension are entirely too grim to permit the luxury of missle site walkouts.

[From the Philadelphia Inquirer, Sept. 18, 1961]

MISSILE-BASE STRIKES AGAINST THE NATION

Labor Secretary Goldberg has acted in the interests of national security in urging an immediate end to work stoppages at missile sites under construction in Colorado.

The outrageous delays in building the launching bases for intercontinental ballistic missiles in the Denver area are painfully similar to the long series of strikes that have hindered missile and space projects at Cape Canaveral in Florida.

Three wildcat walkouts in Colorado within the past week are a national disgrace. Union jurisdictional squabbles and quarreling over the use of nonunion labor are understandably important to the persons involved but surely these disputes can be settled by collective bargaining, mediation or arbitration without interrupting work on urgent defense projects.

With the international horizon growing darker under gathering clouds of crises, with Americans answering the call to military service to strengthen the Nation in an emergency, with taxpayers bearing the load of record-breaking defense budgets, the unmitigated nerve of those Colorado strikers is enough to make one's blood come nearly to a boil.

Is this an emergency or isn't it? Is the danger real or not? Are missiles important to U.S. security or aren't they?

The administration in Washington already has answered these questions in the affirmative. It's time, then, for a tough crackdown on irresponsible elements, whether in the ranks of labor or management, whether associated with the Government or private enterprise, who believe they can slow down vital defense projects at will and with impunity.

Mr. McCLELLAN. Mr. President, I have been further advised that commencement of certain construction work

on the Minuteman project at Ellsworth Air Force Base, S. Dak., was delayed a month, that is, from August 24 to September 20, as a result of a dispute over wage rates.

Mr. President, I feel most strongly, in this hour of national peril and at a time when we are engaged in a desperate struggle against totalitarian communism, that this Government should not be required to depend solely upon voluntary cooperation between labor and management to assure the uninterrupted progress of our missile and space programs. Such assurances, as we note from what I have just stated, are not wholly reliable. This Government clearly has the right to protect itself by appropriate legislation which would prohibit any delay whatsoever in programs upon which our very existence as a nation depends. It is inconceivable that Congress would not enact such legislation.

Mr. President, this measure which prohibits strikes or other work stoppages at missile sites and other defense facilities, provides for compulsory arbitration to settle labor disputes. Under the circumstances, I do not feel that this measure, if enacted, would work an injustice on either labor or management. Certainly contracting with the Government or working under a contract with the Government is a privilege, not a right. It is difficult for me to see how labor or management can raise any substantial objections to this measure since, in effect, it would merely require by law that which they claim to have voluntarily agreed to do.

I would like to remind those individuals who have indulged in the recent wildcat strike that their working on Government projects is a privilege—and should be regarded as a high privilege in times of crisis and great danger to our country. It is a privilege that should be eagerly sought by any American concerned with the safety of his country and its citizens. Certainly the national security should be considered above what are often jurisdictional disputes and other petty complaints of union members, many times so petty as to be ludicrous, were it not for the danger it imposes in delaying our vital defense and preparedness programs.

Conceivably, Mr. President, revisions or changes in language of the bill as proposed may be required. I urge my colleagues to scrutinize it carefully. I do not believe I can overemphasize its importance. I submit this measure should be enacted into law early in the next session of the Congress.

TO PRINT AS SENATE DOCUMENT A STUDY ENTITLED "THE UNITED STATES SENATE, 1787–1801"

Mr. MAGNUSON. Mr. President, I submit a resolution and ask for its proper reference. The resolution would provide that there be printed as a Senate document a study entitled "The United States Senate, 1787–1801." The study was compiled as a doctorial dissertation by Roy Swanstrom of Seattle Pacific College. The Director of the Legislative Reference Service of the Library of Congress has this to say about it. He said:

> We have examined his manuscript with much interest and find it a well documented history of the U.S. Senate during its first 14 years. A careful search of the published records of Congress disclose no similar previous publication dealing exclusively with the history of the Senate during that early period.

Mr. President, for that reason I am suggesting that it be published as a Senate document.

I thank the Senator from Oklahoma.

Mr. KERR. I thank the Senator from Washington for introducing such a resolution. I believe it establishes a precedent. It now being 160 years since the beginning of the period about which the Senator asks to have the history of the Senate as written, published, it might be 160 years from now before the history of the present operations of the Senate would be written. I do not know for whose benefit that history would be, but I think the Senator's request is very timely, appropriate, and a good example to have set.

I am sure that it was from no lack of confidence on the part of the Senator from Washington that if the history of the present Senate were written at a sooner time, it would in any way impair the glitter and the glory of his reputation or that of other Senators.

Mr. MAGNUSON. I thank the Senator from Oklahoma.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 220) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document the study entitled "The United States Senate, 1787–1801," compiled as a doctorial dissertation by Roy Swanstrom, Seattle Pacific College.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DISTRIBUTION OF STOCK—AMENDMENTS

Mr. DOUGLAS submitted amendments, intended to be proposed by him to the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution, which were ordered to lie on the table and to be printed.

AUTHORITY FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORTS SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Committee on Government Operations, on its own behalf or on behalf of its subcommittees, be authorized to file reports with the Secretary of the Senate during the adjournment sine die of the 87th Congress, 1st session, and that they be printed.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED FRANKLIN DELANO ROOSEVELT MEMORIAL NATIONAL PARK—ADDITIONAL COSPONSORS OF BILL

Mr. DOUGLAS. Mr. President, on August 31, I introduced S. 2501, a bill to establish the Franklin Delano Roosevelt Memorial National Park. I ask unanimous consent that the junior Senator from Rhode Island [Mr. PELL] be listed as an additional cosponsor of the bill and that his name be added at the next printing of the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED AMERICAN NEGRO EMANCIPATION CENTENNIAL COMMISSION—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Mr. DOUGLAS. Mr. President, on September 15, I introduced Senate Joint Resolution 138 to create the American Negro Emancipation Centennial Commission. I ask unanimous consent that the senior and junior Senators from New York [Mr. JAVITS and Mr. KEATING] be listed as additional cosponsors of this resolution and that their names may be added at the next printing of the joint resolution.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF FEDERAL RESERVE ACT—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of September 19, 1961, the name of Mr. WILEY was added as an additional cosponsor of the bill (S. 2577) to amend the Federal Reserve Act, and for other purposes, introduced by Mr. CLARK on September 19, 1961.

PUBLIC WORKS APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the unfinished business, H.R. 9076, be laid before the Senate and made the pending business.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, for the fiscal year ending June 30, 1962, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

ORDER OF BUSINESS

Mr. SYMINGTON. Mr. President——

The VICE PRESIDENT. The Senator from Missouri is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly, with the understanding that he will not lose his right to the floor?

Mr. SYMINGTON. I yield to the majority leader.

The VICE PRESIDENT. The Senator from Missouri yields to the Senator from Montana.

COMMITTEE MEETING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate District Committee be permitted to sit during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session for the purpose of considering nominations on the Executive Calendar.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance:

John C. Schweers, of South Carolina, to be collector of customs for customs collection district numbered 16, with headquarters at Charleston, S.C.

By Mr. BIBLE, from the Committee on the District of Columbia:

Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia.

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

Thirteen postmaster nominations.

By Mr. JOHNSTON, from the Committee on the Judiciary:

A. Roy Ashley, of South Carolina, to be U.S. marshal for the western district of South Carolina; and

John A. Rowland, of South Carolina, to be U.S. marshal for the eastern district of South Carolina.

The VICE PRESIDENT. The clerk will state the first nomination on the Executive Calendar.

AGENCY FOR INTERNATIONAL DEVELOPMENT

The legislative clerk read the nomination of Fowler Hamilton, of Connecticut, to be Administrator of the Agency for International Development.

Mr. JAVITS. Mr. President, I wish to say one word about the Administrator.

Mr. SYMINGTON. Mr. President——

Mr. JAVITS. Mr. President, I wish to be recognized on the nomination.

Mr. MANSFIELD. Mr. President, may I say to my colleagues, with all deference, that if there are any remarks I hope they will be brief, because I hold the floor only under the sufferance of the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I believe I have the floor.

Mr. JAVITS. I assure my colleague I shall take only 15 seconds.

Mr. SYMINGTON. I am glad to yield 15 seconds to the distinguished Senator from New York, provided I do not lose my right to the floor.

Mr. JAVITS. Fowler Hamilton is a friend of mine of many years standing. He is not of my political party, but I express deep gratification that so close a friend should attain so high eminence. I wish him every good fortune in his new endeavors.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The legislative clerk read the nomination of Joseph A. Curnane, of Massachusetts, to be Comptroller of Customs with headquarters at Boston, Mass.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk proceeded to read sundry nominations of persons to be collectors of customs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations of persons to be collectors of customs may be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of persons to be collectors of customs are confirmed en bloc.

DIRECTOR OF THE MINT

The legislative clerk read the nomination of Eva B. Adams, of Nevada, to be Director of the Mint.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Wade Hampton McCree, to be U.S. district judge for the eastern district of Michigan.

Mr. HART. Mr. President, we are in the very closing hours of this session of Congress, and each minute is of greatest value. For this reason I would ask that we pause in our course much more briefly than the significance of the occasion normally would warrant.

I am grateful that I have been permitted to report favorably the nomination of Wade H. McCree, Jr., to the Federal district court for the eastern district of Michigan, and I believe the Senate has acted most wisely in confirming this nomination.

Born in Des Moines, Iowa, in 1920, Wade McCree was graduated from Fisk University and Harvard Law School. After serving as a captain in the U.S. Army in World War II, he engaged in the practice of law in the city of Detroit. By appointment of Gov. G. Mennen Williams, he became the commissioner of the Michigan Workmen's Compensation Commission. In 1954 Wade McCree was appointed by Governor Williams, a judge of the circuit court of the county of Wayne, the court of general jurisdiction for the city of Detroit and its suburbs. Twice thereafter he has been reelected to that office. On the last occasion the poll of the members of the Detroit Bar Association established him as their No. 2 choice among the more than 30 who were on the final ballot. He was second to the executive judge of that court.

He has demonstrated his qualifications and temperament, and now as he joins the Federal judiciary we can with complete confidence predict that he will enrich the law. I am glad that this recognition has been given one who so fully merits it and I wish him well in the years ahead.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. ATTORNEY

The legislative clerk read the nomination of Thomas L. Robinson, of Tennessee, to be U.S. attorney for the western district of Tennessee, for the term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The legislative clerk read the nomination of Joseph M. F. Ryan, Jr., of Maryland, to be associate judge of the municipal court for the District of Columbia, domestic relations branch, for the term of 10 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. MARSHAL

The legislative clerk read the nomination of Thomas M. Dugan, of New York, to be U.S. marshal for the eastern dis-

trict of New York for the term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. CIRCUIT JUDGES

The legislative clerk read the nomination of J. Spencer Bell to be U.S. circuit judge for the Fourth Circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Luther M. Swygert to be U.S. circuit judge for the seventh circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of persons to be postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations of persons to be postmasters may be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of persons to be postmasters are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

CONFIRMATION OF JUDGE JOSEPH M. F. RYAN, JR.

Mr. KEATING subsequently said: Mr. President, the confirmation of Judge Ryan earlier today is a matter of great satisfaction to me. I had an opportunity to make the acquaintance of Judge Ryan when he was serving in the Department of Justice. He is a very dedicated and scholarly person who possesses all the qualities needed to be a good judge. His service in the municipal court since his appointment by President Eisenhower has fulfilled the high expectations of all those who know Judge Ryan. The administration's support of his confirmation reflects very good judgment and I am delighted to have this opportunity to speak in his behalf.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I thank the Senator from Missouri for his courtesy.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. SYMINGTON. Mr. President, I yield 1 minute to the Senator from North Carolina provided I do not lose my right to the floor by so doing.

The VICE PRESIDENT. The Chair will obtain order. Senators will take their seats. Then the unanimous-consent request will be put.

Is there objection to the Senator from Missouri yielding to the Senator from North Carolina, with the understanding that the Senator from Missouri will not lose his right to the floor thereby?

The Chair hears none, and it is so ordered.

ZEBULON BAIRD VANCE

Mr. ERVIN. Mr. President, the New York Times of July 9, 1961, carried an article entitled "North Carolina Salutes a Native Son." In this article the author discusses the restoration of the birthplace of Zebulon Baird Vance. Zeb Vance, as he was known affectionately, was one of the most colorful figures in 19th century American public life. He served his State and Nation well in a number of capacities and strove to give constructive leadership during perilous times; he served as Governor of North Carolina during its period of greatest difficulty and served with distinction as a Member of this body.

In restoring his birthplace, the people of North Carolina have done honor once again to one of the States most beloved sons. Earlier, the people of our State indicated their esteem for Zebulon Baird Vance when they voted to place a statue of him in the Statuary Hall in this Capitol Building; one of two North Carolinians so honored.

I am delighted that the New York Times in its article appropriately made reference to the statesmanship of Zebulon Baird Vance. I ask unanimous consent that this article concerning an illustrious late Senator be published in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 9, 1961.]

NORTH CAROLINA SALUTES A NATIVE SON

(By Wilma Dykeman)

ASHEVILLE, N.C.—Summertime visitors to the colorful vacationland surrounding this resort city in western North Carolina will find a new attraction here this year, the restored log-cabin birthplace of one of the South's most picturesque political figures, Zebulon Baird Vance.

Recently dedicated and opened to the public on a valley site just off the Blue Ridge Parkway north of Asheville, the restored birthplace of the nationally acclaimed orator who was Governor of North Carolina during the Civil War is faithful in every detail to the original structure built 166 years ago.

The cost of the restoration, almost $30,000, doubtless would have staggered Col. David Vance, the Governor's grandfather, who built the first house. One of the most striking aspects of the place, as the public sees it today, is that it stands as testimony to the self-sufficiency that characterized pioneer life in these mountains. Money was always scarce, and folks lived by the saying: "Make it make do, or do without."

The house the first Vances built was both sturdy and somewhat spacious for its time. The exterior walls of yellow pine were cut with broadax and foot adz, and the logs of the restored cabin were cut with these same handtools wielded by mountain craftsmen, who have retained the old skills.

Clay chinking between the logs adds a touch of umber earth color to the building. The stark lines of the ordinary hillman's cabin are broken in this case by the two stories of the main dwelling joined by the single-story kitchen wing. Between living room and kitchen stands the original chimney, one of the most distinctive and interesting features of the house.

AROUND THE FIREPLACE

Around the great fireplace in the kitchen, 10 feet wide, and around the smaller one in the sitting room, much of the family life was centered. The fireplace was the place for cooking, the source of heat in winter and for light in the evening.

Around the hearth the old men reminisced of war against the British Redcoats, and babies were rocked to sleep in their wooden cradles. The women carded and spun and quilted and the children studied their "letters and numbers." Much of the rich diversity of these family activities is reflected in the collection of authentic furnishings on view in the cabin. These range from a dulcimer, for music-making on long winter evenings, to the whisky jug that provided another sort of entertainment.

One bedroom is downstairs; two small bedrooms are reached by a staircase so narrow and steep it might suggest these upper rooms were to be used by the smaller, more agile children. These bedrooms are furnished with the solid walnut and cherry furniture common to the times when the abundant forests of the southern Appalachians often were considered more of a hardship than a valuable resource.

In the yard just behind the cabin is a restored smokehouse, where, in the days before home freezers and supermarkets, a year's supply of meat might be cured and stored. A little farther along the path, beneath a cluster of tall trees, is a clear spring and a sturdy springhouse. Along a wide trough in the springhouse, a cold, fresh stream of water runs constantly, and there the pioneers kept crocks of milk and containers of sweet, fresh-churned butter. On the shelf along the opposite wall, they kept milk buckets and strainers and churn jars for soured milk and buttermilk.

COOL AND PEACEFUL

This is a cool, peaceful spot, and the carefully constructed stone wall cupping the pure water as it flows from the earth suggests that the spring was the basic factor that often determined the location of a settler's cabin.

Another factor influencing old Colonel Vance in selecting this site, and one which visitors today will readily appreciate, may have been its scenic beauty. The Vance birthplace is in Reems Creek Valley, a beautiful little farming valley in a region noted for scenic views. Around the creek-bottom farm, with a few level acres of fertile land along the stream and a few more acres of pasture land, rolling hills give way to green mountain ranges.

The horizon on all sides is pierced by the peaks of the North Carolina Blue Ridge, and a visitor will readily understand why the man who grew up here and became Governor of North Carolina and a U.S. Senator always remained at heart a mountaineer.

MUSEUM AND BARN

The Vance restoration project, when completed, will consist of much more than an interesting pioneer mountain home. It will also include a barn, corncrib, springhouse, smokehouse, loomhouse, slaves' quarters, and a memorial museum, to cost some $42,000.

The restoration will serve as a tribute to the Vance family. Three of the Vance men who lived here were U.S. Congressmen, and four served their country in major wars.

During the Revolution, old Colonel Vance was with Washington at Valley Forge, and other Vances fought in the War of 1812 and the Civil War.

Before being elected as Civil War Governor of North Carolina in 1862, Zeb Vance was a lawyer in Asheville, a State legislator in Raleigh, a Congressman in Washington and a colonel in the Confederate Army. During these various careers he became famous for his spontaneous, often ribald, humor.

Vance was no slave to consistency. He married twice, a Presbyterian first and then a Catholic. At one time he ran for office as a Whig, then as a Democrat. An ardent Union man, he joined in secession. Later as a U.S. Senator, when a series of massacres of the Jews in Russia aroused world horror, Vance delivered a stirring tribute to the Jewish people.

In 1927 the Order of B'nai B'rith memorialized Vance, and when his birthplace here was dedicated recently, local B'nai B'rith members conducted a centennial memorial service in Asheville at the Vance Monument, a granite shaft that has stood in the town square since 1897.

Vance was renowned as a public speaker, During the Civil War, Gen. Robert E. Lee once said that Vance's oratory was worth 5,000 soldiers. After the war, he undertook to use this gift for friendship rather than hostility, and he spoke throughout the North, returning to Washington again as a Senator, where he died in 1893. When a statue of him by Gutzon Borglum was placed in Statuary Hall in Washington, a speaker said that Zeb Vance's "public life more nearly represented the mind and heart of North Carolina than that of any man living or dead."

VISITING HOURS

The Vance cabin will be open during the summer and fall from 9 a.m. to 5 p.m. Tuesday through Friday, and from 2 to 5 p.m. Saturday and Sunday. Admission is 25 cents for adults and 10 cents for children. The Vance Memorial is a nonprofit educational project conducted by the North Carolina Department of Archives and History, the Western North Carolina Historical Association and other organizations in this area.

The site may be reached by following U.S. 23 north for 7 miles from the center of Asheville to the black-and-silver State historical marker, "Zebulon B. Vance." The motorist should turn right on the highway for 6 miles up Reems Creek Valley.

The birthplace also may be reached from the Blue Ridge Parkway. At mile 375.5 the parkway traveler turns north into State Route 694. After 1,000 yards, he turns right into the Ox Creek Road, which leads down into the valley and about 5 miles to the Vance farm. A scenic round trip can be made by driving from Asheville up Reems Creek Valley and then from the restoration site on up Ox Creek Road to the Blue Ridge Parkway and back to town.

THE AMERICAN BATTLE MONUMENTS COMMISSION

Mr. ERVIN. Mr. President, the American Battle Monuments Commission was created by an act of Congress approved March 4, 1923. It is responsible for the construction and permanent maintenance of military cemeteries and memorials built by the U.S. Government on foreign soil as well as for certain monuments on American soil.

After World War I the American Battle Monuments Commission erected a memorial chapel in each of the 8 military cemeteries already established in Europe as well as 11 monuments and 2 bronze tablets on the battlefields. At the end of World War II, 14 sites in foreign countries were selected as permanent cemeteries which are now under the jurisdiction of the Commission. In each there is a memorial to commemorate the services and sacrifices of the men of the American armed services who fought in the respective regions. A white marble headstone marks each of the graves in both World War I and World War II cemeteries. On the walls of the memorial in each of these cemeteries are inscribed the names of the missing who, in that region, gave their lives in the service of their country, but whose remains were never recovered or identified, including those buried or lost at sea. A small nondenominational chapel forms part of each cemetery memorial.

Some of America's most distinguished leaders have served on the Commission.

On August 23, 1961, President Kennedy named T. Harry Gatton, of North Carolina, to the American Battle Monuments Commission. He is the first North Carolinian to serve on the Commission.

This appointment was a most suitable one in all respects. Harry Gatton is a profound student of military history, specializing in that of the War Between the States. One of his hobbies is visiting the battlefields of that great struggle. Harry Gatton was born on March 10, 1918, near Harmony, Iredell County, N.C., the son of Thomas Lee and Freddie Cornelia Moore Gatton.

He was educated in the public schools of Iredell County and was graduated from the University of North Carolina, Chapel Hill, with an A.B. degree in political science. He was named to the Golden Fleece at the university, the highest campus honorary organization.

During World War II he served in the Navy and is at present an officer in the U.S. Naval Reserve.

He was a reporter on the Statesville Daily Record immediately prior to and immediately after World War II and in 1946, helped to organize and became managing director of the Statesville Broadcasting Co. In 1951 he became radio manager of the U.S. Savings Bonds Division of the Department of the Treasury, resigning in 1953 to become administrative assistant to former Senator ALTON A. LENNON of North Carolina.

Harry Gatton served as my secretary from 1954 until 1960, when he resigned to become executive director of the North Carolina Bankers Association with headquarters in Raleigh, N.C. He is also editor and manager of the association's magazine, the Tarheel Banker.

I will always be grateful to Harry for the invaluable service he rendered North Carolina and me while he was my secretary. No Senator ever had a more efficient and loyal secretary.

Among the civic offices he has held was the presidency of the Junior Chamber of Commerce of Statesville. He was a member of the board of directors of the chamber of commerce of that city. In 1947, he was named by the General Assembly of North Carolina to the Statesville Civil Service Commission.

Active in the Methodist Church, he has been a church school official and teacher, a member of the board of stewards, and lay speaker.

He has been a lifelong Democrat, director of organization of the Young Democratic Clubs of North Carolina, delegate to numerous State Democratic conventions; alternate delegate to the Democratic National Convention in Chicago in 1956; president of the North Carolina Democratic Club of Washington, D.C., 1958–59.

He is a member of the general alumni association of the University of North Carolina, a Mason, member of the American Legion, Rotary, the North Carolina Literary and Historical Society, the Civil War Round Table of the District of Columbia, the board of trustees of the School of Banking of the South, Louisiana State University, Baton Rouge, and registrar-treasurer of the Carolinas Bankers Conference, University of North Carolina, Chapel Hill. He is the author of numerous newspaper and magazine articles. He is married to the former Mary Gordon of Detroit, Mich.

ORDER OF BUSINESS

Mr. SYMINGTON. Mr. President, I yield 1 minute to the Senator from South Carolina [Mr. JOHNSTON] provided I do not lose my right to the floor thereby.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri to yield to the Senator from South Carolina for 1 minute without losing his right to the floor?

The Chair hears none, and it is so ordered.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—CONFERENCE REPORT

Mr. JOHNSTON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 739) to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Sept. 22, 1961, p. 20822, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from South Carolina yield for a question?

The VICE PRESIDENT. Does the Senator yield?

Mr. JOHNSTON. I yield.

Mr. WILLIAMS of Delaware. Did the conferees strike from the bill those pro-

visions which would have substantially increased the retirement benefits for Members of Congress and their employees, the provisions to which I and the Senator from Ohio objected a couple of weeks ago?

Mr. JOHNSTON. Sections 6 and 7 of the House bill relating to retirement benefits for Members and their employees were stricken from the bill.

Mr. WILLIAMS of Delaware. They were stricken from the bill?

Mr. JOHNSTON. In the conference, yes.

Mr. WILLIAMS of Delaware. I thank the Senator.

Mr. JOHNSTON. Mr. President, I ask unanimous consent to have printed in the RECORD an analysis of the conference agreement on S. 739.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF CONFERENCE AGREEMENT ON S. 739

S. 739 as passed in the Senate provided an appropriate method for determining an equitable rate of interest on money borrowed by the U.S. Treasury from the civil service retirement and disability fund. Under the Senate-passed bill, the new formula would apply only to future investments. Special issues presently held by the fund would be allowed to mature gradually over a 15-year period. Under this formula, the retirement fund would benefit to the extent of some $9 million additional interest the first year and a cumulative like amount in each succeeding year over a span of 15 years at which time the total increase in interest payments to the fund would amount to some $130 to $140 million annually.

As amended by the House, the Treasury would be required to convert present issues to new issues under the newly prescribed formula on or before January 1, 1962. Under the House provision, the retirement fund would receive the maximum benefit of the new formula immediately rather than having it spread over a 15-year period as would be done under the Senate version.

The conference agreement allows the conversion to take place over a 10-year period.

Sections 2 and 3 amend the Civil Service Retirement Act as it relates to the crediting of service rendered by agriculture stabilization and conservation county committee employees.

These employees were brought under the Civil Service Act last year. The act, however, contained two restrictive provisions which differ from the law applicable to other service creditable under the Retirement Act.

First, the amendment enacted last year provided that prior service in order to be creditable must be applied for, verified, and covered by a deposit to the retirement fund including interest before July 10, 1962.

Second, only service performed by any such employee on and after February 29, 1936, the date of enactment of the soil conservation and domestic allotment was made creditable.

The pending bill removes both these restrictions.

In the first instance, service creditable under the act could be applied for, verified, and purchased by deposit up to the time of retirement or if not covered by a deposit the employee could take a reduced annuity on the same basis as any other employee under the act in similar circumstances.

In the second instance, the bill credits employees for past service from May 12, 1933, the date of enactment of the original Agricultural Adjustment Act.

Section 4 corrects certain minor inequities which have arisen in connection with the administration of the disability provisions of the Retirement Act.

This section amends the disability provisions of the Retirement Act in two minor respects:

1. It permits restoration to the disability-retirement roll of an annuitant who suffers recurrence of the original disability after having recovered, the recurrence happening when he is not on the Federal payroll.

2. It permits restoration to the disability-retirement roll of an annuitant who was removed because his earning capacity was restored for a period sufficient to cause his removal, but who subsequently lost the earning capacity and is again disabled.

The bill would thus entitle the disability annuitant to annuity protection in case the original disability returns, even though the annuity is suspended during a period of apparent recovery. The bill would also encourage disability annuitants to undertake gainful activities by removing the cause to fear that if they again lose their income-producing capacity they would be left without disability protection.

Section 5 of the bill corrects a minor oversight in the Civil Service Retirement Act relating to reemployed annuitants. Under section 13(b) of the act, an employee involuntarily retired who is reemployed full time for 5 years or more has the option upon his second retirement of having his annuity benefits computed under the law then in effect with his aggregate service credited in his final computation. When this proviso for crediting of aggregate service for 5 years of reemployment was written into law, it was inadvertently not made applicable to employees involuntarily retired. The result is unfair discrimination against such persons. This discrimination is removed by section 5 of the bill. The Civil Service Commission, in recommending this section of the bill, indicated that only a few cases are involved and that the cost of this corrective amendment will be inconsequential. Letter from Civil Service Commission and the Bureau of the Budget attached.

Section 6 removes the requirement in existing law that a congressional employee must retire directly from the legislative service in order to receive benefit of the computation factor applicable to such service. The effect of this change is to permit credit for such service to follow the employee in the event he transfers to another branch of the Federal Government. This is in keeping with a similar provision now applicable to member service.

Section 7 is the usual authorization required in all bills which amend civil service retirement benefits.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The conference report was agreed to.

THE POTENTIAL IMPORTANCE OF FISH FLOUR

Mr. SALTONSTALL. Mr. President, will the Senator yield 1 minute?

Mr. SYMINGTON. I yield 1 minute to the Senator from Massachusetts, without losing my right to the floor.

Mr. SALTONSTALL. Mr. President, food for peace is one of the noblest concepts that our Government has devised, and that our people have supported.

It is the parable of the Good Samaritan in a 20th century setting. Our country does not view world misery, and then merely pass by on the other side. We make an effort to share our bounty with those nations and those people less fortunate than ourselves.

Particularly, Mr. President, we are ready to share our food abundance. Our President has called this a food for peace program, and he has staffed this new agency with Mr. George McGovern as Director, and Mr. James W. Symington as Deputy Director.

Not only is this new agency making a great effort to move our grain surplus, but it has shown rare imagination in supporting such new food products as fish flour, processed from the food abundance of the sea around us.

Mr. President, last night at an FAO International Conference on Fish in Nutrition, Mr. McGovern made a speech of great significance. It deserves the thoughtful attention of each one of us, and widespread reading throughout the country, And it deserves the understanding attention of the Food and Drug Administration here in Washington.

This great conclave has put the stamp of scientific approval on fish flour. No longer can there be any reasonable doubt about its value and usefulness as a supplement in human food. It is harmless, say the scientists; it is highly nutritious. It is very inexpensive.

I congratulate Mr. McGovern upon his courageous leadership on this issue. I commend his speech to the attention of the Senate and the country.

Also, Mr. President, I call the attention of the Senate to the message of the President of the United States, John F. Kennedy, to this Conference. It shows the same kind of interest in the progress of the fishing industry, which he demonstrated in this body when he joined with me in sponsoring the Saltonstall-Kennedy Act for fisheries research.

I request, Mr. President, that the President's statement and Mr. McGovern's speech be printed in the RECORD at the conclusion of my remarks.

There being no objection, the statement and address were ordered to be printed in the RECORD, as follows:

STATEMENT TO THE FAO INTERNATIONAL CONFERENCE ON FISH IN NUTRITION

THE WHITE HOUSE,
Washington, D.C.

The U.S. Government sends its greetings to the International Conference on Fish and Nutrition. I personally join the people of the United States in welcoming your Conference, and people everywhere in wishing it well. Sponsored by the Food and Agriculture Organization, this Conference is an example of scientists working together on urgent technical problems to the benefit of the developing countries.

I believe as you do that a first responsibility of the human race is to see that its members have enough to eat. It will take every resource that man can muster to bring an end to hunger and malnutrition. Our hopes, of course, begin with peace, for only in peace can we move forward. But, with peace we must have the kind of international cooperation—the mutual involvement and pooling of knowledge, that brings you together for this meeting.

Nutritional problems are not peculiar to countries where food is scarce. Protein malnutrition is, in fact, a serious disease affecting nearly two-thirds of the world's population. There is, therefore, an urgent need for the exploitation of what is probably the major untapped source of food,

products from the seas and inland waters. Science, technology and administration must be mobilized and hurled with full force against man's old enemies—hunger, poverty, and disease.

Your part in the task that lies ahead, like that of other dedicated people in commerce and laboratories, in factories, farms, and fishing boats is to recreate the miracle of the loaves and the fishes, a miracle no less spiritual for being scientific.

JOHN F. KENNEDY.

THE SEA AND NEW HORIZONS FOR PEACE

(Remarks of George McGovern, Director, Food for Peace, at the North American Night Banquet for delegates to the FAO International Conference on Fish in Nutrition, Sheraton Park Hotel, Washington, D.C., Friday, September 22, 1961)

Thank you, Mr. Chairman.

A fish out of water is in no worse position, I think, than a strictly amateur angler from South Dakota brought to gaff by the world's most distinguished fishermen. For one thing the fish is not ordinarily called upon to make a speech. So you will bear with me, I am sure, if I appear at times to be at sea. Frankly, however, I welcome this brief voyage with you because I know that President Kennedy, a Navy man, desires in every way possible to correlate the food for peace program with imaginative, new developments that promise relief from hunger—from malnutrition—from disease. And we certainly are aware of the immense promise in the fathomless oceans and in the working genius of man to make that promise come true. It will not surprise you to learn that prominent Members of the Congress, several Ambassadors and numerous members of the executive departments have relayed to my office their desire for greater use of fish foods in a world dangerously short of protein. We are anxious to discuss all such efforts to bring relief to the world's hungry.

It might be useful however at this time to give a little of the background of Food for Peace itself, lest the impression be gained that the initials stand simply for Fish for Peace.

Food for Peace is not a political slogan, nor a partisan idea. It is an American idea and you might say an early American idea. Some of you may remember the response of the United States to the plight of 7 million Belgians in the First World War, and millions more throughout famine-struck Europe and Russia following that struggle. Over $5 billion of foodstuffs were shipped through the American Relief Commission created in World War I. History was repeated in the wake of chaos and famine following the Second World War. Then in 1954 Congress, conscious of the prodigious increase in agricultural production, and conscious, too, of the right and wisdom of applying it to aid the world's hungry, enacted legislation to meet this challenge—Public Law 480. It is officially entitled the Agricultural Trade Development and Assistance Act, and with many subsequent amendments, it is the principal legislative basis today for the food for peace program. With over 3 billion bushels of wheat and feed grains in Government storage at the present time one can appreciate the emphasis placed on finding constructive ways to incorporate such abundance in a worldwide food assistance program. In addition to wheat, corn, rice, and sorghums, substantial quantities of milk, and vegetable fats and oils, and occasionally beans, butter, and cheese have made up the so-called Food for Peace "grocery list." According to the terms of the various agreements reached, these food items are either sold for local currencies in countries lacking dollar reserves with the proceeds for the most part being ploughed back into the receiving country's economy—or they may be granted in the case of natural disaster or other emergency—or they may serve as partial wage payments to laborers working on basic projects such as roads, cisterns, wells, and housing. They may also be barter transactions or long-term dollar obligations.

Each agreement is tailored to the needs and economic development of the nations served, and an important caveat is that the transactions not interfere with local production or existing agricultural trade arrangements.

The Food for Peace Office was created by President Kennedy because of his keen interest in seeing our food abundance used more effectively. In the President's words we must make a maximum effort to narrow the gap between abundance here at home and near starvation abroad. I must say, I can think of no more inviting source of better nutrition for the world's hungry than fish. I understand from a recent report that there could be an annual harvest of 10,000 pounds of fish per acre—per cubic acre I imagine unless we are considering only flat fish—compared to, for example, 190 pounds of beef. I take it this abundance can be counted on for some time to come. My friend, Secretary of the Interior Stewart Udall, has assured me that he will conduct his desalinization projects in such a fashion as not to disturb the legitimate rights of fish and of the fisheries industries in their sea water. In fact, I do not foresee any cutbacks in sea acreage until the sea bank plan, which may go into effect around the year 2061, and which will involve credits for fishermen for the fish they don't catch. For the present your industry is in the fortunate position of attempting to expand. You are expanding—in research as well as production. I have studied reports from various sources which underscore the tremendous protein possibilities in the fish-rich waters that lap at the coasts of countries crippled by kwashiakyor and other evidences of protein deficiency. I would spare you needless recapitulation of ground you have most certainly covered in this respect. Suffice it to say I have been advised by nutritionists that the wonders of medicine are helpless to change the twisted face of an underdeveloped society until a food intake minimal in quantity and quality is established. This process must begin with the weaned child—not just the schoolchild—for the 3 or 4 years of deprivation he might undergo before his first school lunch can warp both mind and body for life. Both inland and coastal nations wracked by such misery might well turn to the sea, not for solace but for sustenance.

And if in the green ocean depths from whence sprang the very origins of life there lies a treasure, it behooves all of us here to work together to bring it up and open it for the good of mankind. And what is the key? Cooperation and imagination. We must not let this treasure become wedged among the corals of bureaucracy or to be buried beneath the silt of our neglect.

We are told, for example, that a fish flour which derives from the processing and treatment of whole fish without the prior clinical removal of certain organs, is adulterated. What does that mean? If the final product is unclean or otherwise unfit for human consumption due to the presence of harmful substances, then, indeed, it is adulterated. But if it has been purged by heat and chemical washing of any such impurities, then it is no more adulterated than pigs feet, or liver, or brains, or tripe, or tongue—which has been properly prepared. I do not hold with those who apply the guilt-by-association technique in discouraging new food recommendations. I might add it would cut out a good many, if not all, old foods. We may drink the water of the sea itself—desalinized and otherwise purified—although a millenium of whole fish have spawned, swum, and died there. What I mean to say is that to condemn fish flour because of a purely esthetic evaluation based on an overly sensitive contemplation of its origins is the wrong kind of imagination. Viewed against the pitiful backdrop of the world's crippled children, any decision to curb the production of a healthful product which has a protein content of over 80 percent is not sound. Let's be sure of our facts, yes, but when we are sure of them let's not be inhibited by our bad dreams. For my part I have recently enjoyed a whole meal—from soup to dessert—with fish flour in every dish. It was delicious.

I would go further now to state that where there is in each country an awesome responsibility to push ahead with ocean research and its translation into food production—there is a corollary responsibility—to share the information. Speaking as Director of Food for Peace—and I think echoing the sentiments of leaders of world organizations fighting hunger—such as my friend, Dr. B. R. Sen, of the U.N.'s Food and Agriculture Organization, I would hope that those in the business of any new food supplement production would sacrifice short-term commercial advantage, and pool their resources and resourcefulness for the future of all the world's children. Such a sharing of information would serve to break more quickly the provincial barriers of thought and lethargy that inhibit today's programs. It would be a mighty tide that would sweep aside the flotsam and jetsam of old ideas. We cannot forget that most of the world's millions are still stranded on an island of hunger.

If those doughty British navigators Gilbert and Sullivan were here tonight they might sing to you:

"Come friends who plow the sea
Truce to competition
Let's all fight malnutrition
Let's vary secrecy
With a sense of urgency!"

Thank you.

THE ADMINISTRATION'S POSITION—BERLIN AND NATIONAL DEFENSE

Mr. SYMINGTON. Mr. President, on Thursday, the able and respected senior Senator from Maine [Mrs. SMITH] delivered a long, thoughtful, and obviously deeply felt speech on the defense policies of the United States and the crisis in Berlin. Having served with her for many years and respecting her sincerity, without reservation, I know her remarks grew out of a genuine concern for the future of the free world and the United States.

There could be no argument with her statement that "the primary determinant for overall military advantage today is the capacity for total nuclear war." On this, all responsible military authorities agree.

But I cannot agree with the able Senator's contention that the buildup of conventional military forces is indicative of weakness; nor with her implication that our development of nuclear weapons, strategic or tactical, has suffered because of this buildup.

The latter implication, if taken seriously by our adversaries, might lead to an extension of the very kind of thinking deplored by Senator SMITH; and the actions of this administration demonstrate that this implication cannot hold up against the record.

Following such a position to conclusion might lead one to believe that our nuclear deterrent capacity would be

strengthened by abolishing the Marine Corps.

President Kennedy's first amendment to the 1962 defense budget dealt primarily with measures designed to strengthen and protect our nuclear strike force. It is a fact that almost two-thirds of the additional funds requested were for the types of forces required for nuclear warfare.

These recommendations, since approved by the Congress, included:

First. A 50-percent increase in the Polaris submarine force, to be achieved by the end of 1964.

Second. A 50-percent increase in the portion of the strategic bomber force on a 15-minute ground alert.

Third. A 100-percent increase in our capacity to produce Minuteman missiles against the day when that capacity might be needed.

At that time, also, provision was made to improve this Nation's command and control system; to enhance the capability of our air defense system so as to survive a missile attack; and to expand the programs for developing an active defense against ballistic missile attack.

In addition, the need to face civil defense problems more realistically was met in the President's July amendments to the budget. This was done by transferring the responsibility for shelter and warning to the Department of Defense; and also by requesting substantial funds for the civil defense program.

The record shows that, in the past administration, there was little in the way of a real civil defense program; and the very fact this administration is taking this problem most seriously indicates in itself a willingness to utilize nuclear weapons, if necessary.

These amendments, recommended in July, also include funds to permit the retention of six B–47 bomber wings that had been scheduled to be phased out by the end of the current fiscal year.

Gen. L. L. Lemnitzer, Chairman of the Joint Chiefs of Staff, in testimony, April 18, before the subcommittee of the Senate Appropriations Committee, said:

> We must maintain strategic nuclear forces which are clearly credible in the eyes of the entire world. This involves insuring the invulnerability of our strategic strike forces through hardening, dispersal, and mobility, and by maintaining a diversity of nuclear-strike-capable forces.

The adequacy and effectiveness of our nuclear arsenal was attested to by Assistant Secretary of Defense, Paul Nitze, who, in an address before the Association of the U.S. Army 2 weeks ago, said:

> The number of nuclear delivery vehicles of all types which the United States possesses provides the flexibility for virtually all modes and levels of warfare.

In these statements there is no sign, nor even a hint, of abandonment of a policy of reliance upon nuclear weapons as the ultimate deterrent.

Nor is there an indication of any lack of will to use these nuclear weapons.

On the contrary, although greater emphasis has now been placed upon modernizing and renewing the effectiveness of our conventional forces, this has been accompanied by a concurrent heavy strengthening of our nuclear strike force.

Senator SMITH is very properly concerned about the grave danger we face today. In her concern she brings up certain specters.

One of these is what she terms "limited deterrence."

At first that term seems to be related to the possibility of self-imposed restrictions on the use of tactical nuclear weapons.

Now as all Senators are well aware, war plans are perhaps our most closely guarded secrets. Fortunately for this discussion, however, our position on the use of tactical nuclear weapons has been presented in explicit fashion by Secretary McNamara, in testimony before the Senate Armed Services Committee, when he said:

> Even in limited war situations we should not preclude the use of tactical nuclear weapons, for no one can foresee how such situations might develop.

My colleague is troubled because our major efforts and investments are directed mainly toward increases in conventional forces.

But far more money is being requested for nuclear forces this year than was requested last year—actually some $2 billion additional has been requested, as against what was asked for by the previous administration.

Secretary McNamara continued:

> What is being proposed at this time is not a reversal of our existing national policy but an increase in our nonnuclear capabilities to provide a greater degree of versatility to our limited war forces.

General Lemnitzer made the same point in his testimony before the Senate, when he said:

> Our Armed Forces must be capable of effective action in support of the full range of possible political decisions requiring the use of force. To do so we must be prepared to fight in either a nuclear or a nonnuclear environment.

The able Senator fears that we may fail to deter the Soviets by offering to fight on their terms because we are fearful of provoking them by indicating beyond all doubt that we will fight, if fight we must, on our terms.

But only recently Secretary Nitze said:

> In meeting the Berlin—or other Communist challenges, general nuclear war should not be our only recourse. But let me be very clear: We must first have nuclear striking power before our other capacities to meet these challenges can be effective. Thus, one of the first tasks to which this administration addressed itself was the strengthening of our nuclear deterrent capabilities both for the immediate future and for the long-range future.
>
> The increases in conventional capability will strengthen, and not weaken, our policy of deterring war. For the ability to commit forces in the intermediate range makes more credible to the U.S.S.R. the certain prospect that we will back our nonnuclear forces by the use of our strategic capabilities should that be necessary.

Surely, as President Kennedy has so well said, there must be some additional course between humiliation and nuclear response.

Senator SMITH cites, as examples of correct action, our interventions in Berlin in 1948–49, our defense of Formosa, and our landing in Lebanon in 1958. These examples, in our opinion, underscore the vital importance of more adequate conventional weapons.

The Berlin blockade was broken, not by brandishing our nuclear power, but by a conventional airlift.

Formosa was protected by the powerful, but conventional, 7th Fleet.

And Lebanon was straightened out by conventionally armed ground forces—forces which had deliberately left behind them their tactical nuclear weapons.

These were instances when American strength and American will were complemented by American wisdom in choosing military tactics tailored to specific situations.

Similarly, the forces of freedom now advancing in Vietnam would find their cause little helped by tactical nuclear weapons.

It is clear that the primary objective of our military policy is to maintain a strategic striking force capable of prevailing over an enemy's forces, under any and all circumstances. But we must also have the kinds of forces appropriate to deal with any aspect of the military threat.

If our national policy of deterring all forms of military aggression is to be really credible, we must have a wide range of alternative military capabilities.

The policy of massive retaliation—only one capacity, nuclear retaliation—was announced in 1954. It promptly ran into such heavy opposition on all sides that it was soon withdrawn voluntarily by the previous administration.

In testimony before the Senate last April 18, Secretary McNamara stated:

> We must continue to provide for the forces required to deter an all-out nuclear war. Only behind the shield of such forces can the free world hope to cope successfully with lesser military aggressions. But, having provided for these essential forces, we want to see to it that this Nation, in cooperation with its friends and allies abroad, has the kinds of forces needed to discourage more limited military adventures by the enemies of freedom.
>
> As recent events have again demonstrated, these adventures may range from guerrilla and subversive activities involving small scattered bands of men to organized aggression involving sizable regular military forces. Our limited war forces should be properly deployed, properly trained, and properly equipped to deal with the entire spectrum of such actions.

On July 26, before the same committee, the Secretary stated:

> We feel very strongly that the U.S. Defense Establishment must have a greater degree of flexibility in responding to particular situations. We need to expand the range of military alternatives available to the President in meeting the kind of situation which may confront us in maintaining our position in Berlin.
>
> I want to make clear, however, that this does not mean we are lessening the effectiveness of our tactical nuclear capabilities. * * * What we are proposing now is not only the strengthening of our nuclear capabilities; but also, an increase in our nonnuclear capabilities so as to provide a still greater degree of versatility to our defense forces.

In other words, President Kennedy is attempting to achieve rapidly a military posture which can be adapted to meet any sudden changes in the international situation.

Again, however, far from shifting away from nuclear power, present policy is to place billions of dollars more into that power.

The Senator from Maine rightly believes that we must stand firm in Berlin, and quotes President Kennedy:

> We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force.

But then she goes on to conclude that Khrushchev might decide, based on the record of Laos and Cuba, that we may be less determined about Berlin than the President's statements would indicate.

Berlin is different; different from Cuba or Laos, or Lebanon or Formosa. As an administration spokesman said recently:

> Any interference with our essential rights in Berlin must be viewed by us as the straw that breaks the camel's back.

Perhaps the most significant part of the address of Senator SMITH was her asking of the question:

> What has happened that permits Khrushchev to act as he does?

The Senator then gives her opinions; and they are interesting and thought provoking.

In effect, I have been answering a comparable question on the floor of this body for 9 years.

I first asked why Mr. Stalin acted the way he did. And then why Mr. Malenkov so acted. And then Mr. Bulganin.

Finally, when Mr. Khrushchev emerged, I asked the reason for his actions.

And over the months and years I have presented the same answer; namely, the reason we face steadily increasing Communist aggression is because, comfortable and complacent with our way of life, we did not realize how necessary it was to make the sacrifices necessary to maintain freedom.

Because the Soviet leaders have placed far more of their national product into military effort they have drawn up by us in relative strength.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. LAUSCHE. The point the Senator is making is undeniably pertinent. My question is, What are we doing now toward making sacrifices and toward changing the normal order of things to meet this tremendous power of the Soviet Union?

Mr. SYMINGTON. I answer the able Senator from Ohio in this way. When you figure in everything—impacted educational areas for example—just under or just over 80 percent of our tax dollar; that is, 80 cents of each tax dollar, is expended for past, present, or possible future war. That leaves 20 cents. Around this 20 cents we can discuss additional sacrifice, unless we want to discuss additional taxes. It is now predicted that the profits of the next quarter of this year will be the highest profits in the history of the United States, $26 billion after taxes. Therefore, we are today participating in the most prosperous economy any country has ever had in its history. For that reason I am surprised by the constant direct and indirect attacks against this administration on the ground the administration is against business.

Profits in the second quarter of this year were far greater than those of the first quarter. The latter was, of course, an inheritance. Profits in the third quarter are estimated to be the greatest in history.

As we know, there are little profits in recessions, less profits, if any, in depressions, and no profits under socialism. That is one reason why I regret implications on this floor, and in political talks outside, that we are in any way in a welfare state with reference to our domestic programs.

The more that the Senator from Ohio, if I may respectfully say so, and the Senator from Missouri, and all public servants, do their best between now and the time we return, to present the truth about the current danger, the better it will be. If that involves further sacrifices, I am of course in favor of those sacrifices.

Mr. LAUSCHE. I like to approach the problem from the standpoint of the gross national product. In 1959 the gross national product of the Soviets was $175 billion.

One hundred billion dollars of that went into defense and heavy goods; only $75 million went into the consumer market.

In the same year, our gross national product was $440 billion; $300 billion went for consumer goods.

What bothers me is that we all talk about sacrifices; we talk about determining what we can do for our country, not what our country can do for us. Frankly, I do not know of a single thing which the Senate has done this year that is an abandonment of its normal course. There has been not one item with which we have dealt differently this year than we did in preceding years.

Mr. SYMINGTON. One thing we have done differently this year as against preceding years has been to appropriate $6 billion more for national security. I know the Senator from Ohio does not consider $6 billion a negligible figure. If so I am surprised. He is one person who is really a watchdog over the taxpayers' money.

Mr. LAUSCHE. If the Senator is surprised at what I have said, I am surprised to say that I am surprised at his reasoning. I voted for increased funds for defense. I recognize that that has been done. But we have saddled future generations for the payment of the debt in the identical manner that in the past we have done so. There has been no willingness to absorb the cost now. We are doing it by deficit operations. That is why I say there is no difference, in any manner whatsoever, in the programs which we have followed.

Mr. SYMINGTON. Turning anything as big as the Department of Defense is like trying to turn an elephant with one's little finger. But a very real start has been made.

I am impressed with the efforts to date made by President Kennedy. These efforts have been expressed practically in the tremendous additional requests made of Congress, which we have approved.

As to financing, in our system, the capitalistic system, as we all know, taxes come only from income, including profits. I hope the just-expressed, somewhat pessimistic thinking of the distinguished Senator from Ohio will be somewhat nullified by the profits now being achieved by American business today—the greatest profits in the history of any country in the world.

Mr. PASTORE. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield to the able Senator from Rhode Island.

Mr. PASTORE. When we consider that out of the tax dollar 20 cents goes for domestic programs, we should realize what we have done at this session of Congress. We have helped the underdeveloped areas, those which have been depressed because of unemployment; we have expanded the housing program; we have expanded the highway program; we have done all the things which will stabilize the economy of America and at the same time increase its assets.

Mr. SYMINGTON. The Senator from Rhode Island is entirely correct. Once there was a taxicab company which was interested in not spending money, and thereby showing more profit, it did not maintain its cabs. After 3 or 4 excellent years, the company suddenly found itself bankrupt.

Mr. SPARKMAN. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield to the able Senator from Alabama.

Mr. SPARKMAN. In that connection, is it not important for us to remember, too, that President Kennedy has definitely promised the country that he will present a balanced budget next year when he delivers his message to the Congress?

Mr. SYMINGTON. The Senator from Alabama, with his usual foresight, is correct. I may say also to those who worry about the economy that, for the first time in many years, gold is no longer leaving the United States.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the able Senator from Louisiana.

Mr. LONG of Louisiana. As much as we are interested in having a strong defense, is it not also true that if we are successful in avoiding a third world war, or a war of nuclear extermination, a contest will still exist between the United States and the Soviet Union to see which nation and which form of government can more adequately meet the needs and demands of its people, and that we must not lose that struggle either?

Mr. SYMINGTON. There is no question about that. Many people believe—I am not one of them, because I do not wish to be the richest man in the graveyard—that the economy is at least as

important as our physical security. Therefore, it has always been a source of interest to me that some who are worried about the future of the economy nevertheless appear excessively worried about taking steps to shore up the economy in such ways as those mentioned by the Senator from Rhode Island and the Senator from Alabama.

Mr. LAUSCHE. Mr. President, will the Senator yield for a further observation?

Mr. SYMINGTON. Mr. President, I have almost finished my address, the purpose of which was to answer a thought-provoking address by the able senior Senator from Maine [Mrs. SMITH], which would seem to have had as its basis the fact that, because we were building conventional arms, we were planning to neglect, or to make the world believe we would not utilize, our nuclear arms. That was the reason for this talk.

Now the discussion has turned to the economy. I have one problem. It is this. The distinguished senior Senator from Louisiana [Mr. ELLENDER], perhaps the most gracious Member of this body, yielded to me at this time to enable me to make this talk. I am becoming a bit apprehensive, because his patience, which is extraordinary, nevertheless may be running out.

Mr. ELLENDER. Mr. President, I may say to the Senator from Missouri that I am enjoying the discussion very much; but, as all Senators know, we are making a strenuous effort to adjourn, perhaps tomorrow. I should like to have the measure passed, so that it can go to conference with the House; then perhaps we may bring back a report some time this afternoon, if possible, and be able to go home tomorrow or early Monday morning.

Mr. SYMINGTON. Mr. President, considering those observations on the part of the distinguished Senator from Louisiana, does the Senator from Ohio still wish me to yield?

Mr. LAUSCHE. I should like to say one thing more. In the last week there was a conference in Vienna. At that conference there was a discussion about the International Monetary Fund. The United States was asking for a special dispensation, believing that trouble lies ahead in connection with the flow of gold. The German financiers said we should discipline our own economy. The French financiers said we had better put our own house in order. The fear is that through artificial methods used to stop the outflow of gold, there is hanging over us now the danger of a rush outflow.

Mr. SYMINGTON. I thank the Senator from Ohio for his contribution.

Mr. President, because the Soviet leaders have placed far more of their national product into military effort, they have drawn up by us in relative strength.

We now know their strength could have only been further enhanced by the long test moratorium on nuclear weapons, established back in 1958, and openly violated many times during recent days by Mr. Khrushchev.

In conclusion, let me present that during recent months all elements of our national defense structure have been increased—our nuclear forces, our conventional forces, and our civil defense.

President Kennedy has made it very clear that the freedom of West Berlin is not negotiable.

If Mr. Khrushchev does not believe his statement, in his disbelief lies the greatest danger to world peace.

AMENDMENT OF DISTRICT OF COLUMBIA SALES TAX ACT

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 258.

The PRESIDING OFFICER (Mr. METCALF in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. MORSE, and Mr. PROUTY conferees on the part of the Senate.

Mr. LAUSCHE. Mr. President, will the Senator from Nevada identify the bill?

Mr. BIBLE. It is H.R. 258, the District of Columbia sales tax bill.

PROTECTION OF CONSUMERS OF ARTICLES COMPOSED IN WHOLE OR IN PART OF GOLD OR SILVER IN CERTAIN CASES

Mr. PASTORE. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 1186.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1186) to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes, which were, on page 2, lines 5 and 6, strike out "association—" and insert "association, being a manufacturer or dealer subject to the first section of this Act—"; on page 2, lines 9 and 10, strike out "within the United States or any of its possessions" and insert "in any State"; on page 2, lines 15 and 16, strike out "the United States or any of its possessions" and insert "any State"; on page 2, line 21, strike out "manufactured and"; on page 2, line 22, after "imported" insert "after"; on page 3, line 1, strike out all after "State" down through and including "Columbia," in line 2; on page 3, line 3, strike out all after "State," down through and including "commerce," in line 4; on page 3, line 5, after "State" insert "to any other State"; on page 3, strike out lines 6 through 9, inclusive, and insert "shall—", and on page 4, line 5, strike out "stamp." " and insert "stamp. For the purposes of this subsection, the term 'State' includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia." ".

Mr. PASTORE. Mr. President, the House has made a number of amendments of a perfecting nature. I move that the Senate concur therein.

The motion was agreed to.

PUBLIC WORKS APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, for the fiscal year ending June 30, 1962, and for other purposes.

Mr. ELLENDER. Mr. President, I regret that the public works appropriation bill is being considered at the tail end of the session.

I do not have a great deal to say about the bill. The report on it has been on the desks of Senators for a few days, and, I believe, has been studied.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc; that the bill as thus amended be regarded, for purposes of amendment, as original text; and that no point of order shall be considered to have been waived by reason of agreement to this request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. JAVITS. As the Senator from Louisiana knows, there has been considerable concern in New York State about the Seneca Nation and the use of the lands for the so-called Kinzua Dam. I notice with much interest that the report deals with that question, and relates specifically to the statement of the President that he will do everything he can to be of aid to the Seneca Nation.

As the Senator from Louisiana knows, my colleague [Mr. KEATING] and I are concerned, because of the great deal of concern which has been expressed in New York State on this subject; and both of us have spoken about this matter before.

As we understand—and I should like to have confirmation of this by the distinguished Senator from Louisiana—the Corps of Engineers will be held rather strictly to the statement made by the committee that it will require the corps to be prepared to report on the results of its studies and on the progress it has made in regard to the Seneca Nation's problem, as outlined in the President's letter, and that that matter will be considered by the committee at the very latest when the corps' representatives

appear in support of the 1963 appropriations for the dam.

Mr. ELLENDER. Of course the answer is in the affirmative.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD excerpts from the committee report on pages 22 and 23.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

ALLEGHENY RIVER RESERVOIR, PA.

The committee recommends $15 million, the budget estimate, for continuation of the Allegheny River Reservoir. It is convinced that the best plan presented for the development of the water resources of the Allegheny River Basin is the authorized project.

The committee is deeply concerned that the Seneca Nation be given the utmost consideration and that all possibilities be explored for the amelioration of the difficulties and hardships which the construction of the reservoir will impose upon its members.

The President has recently written the Seneca Nation, informing them that he had directed the departments and agencies of the Federal Government to take every action within their authority to assist the Seneca Nation and its members who must be relocated in adjusting to the new situation. Included in the items he directed the executive departments and agencies to consider are (1) the possibility of the Federal Government securing a tract of land suitable for tribal purposes and uses contiguous to the remaining Seneca lands in exchange for the area to be flooded; (2) a careful review of the recreation potential resulting from construction of the reservoir, and the manner in which the Seneca Nation could share in the benefits from development of this potential; (3) a determination of whether any special damages will be sustained because of the substantial portion of the total Seneca lands to be taken; and (4) special attention and assistance to those members of the Seneca Nation required to move from their present homes by way of counseling, guidance, and other related means.

The committee desires that the Corps of Engineers be prepared to report on the results of its studies or other progress made thereon when it appears before the committee in support of the 1963 appropriations.

Mr. ELLENDER. Mr. President, the Senator from New York will notice that in the last full paragraph of the excerpt from the report, the following appears:

The committee desires that the Corps of Engineers be prepared to report on the results of its studies or other progress made thereon when it appears before the committee in support of the 1963 appropriations.

I express the hope that in the meantime all the studies will be made and the committee will have the benefit of the report.

As the Senator from New York knows, this matter has been pending before the committee for about 4 years, and has been postponed from year to year in order to provide an opportunity to the Seneca Nation to have an adjudication of the matter by the Supreme Court. As the Senator from New York knows, that was done.

It is very regrettable that part of this land will be taken from the Seneca Indians; but, as I have said on several occasions, it is my considered judgment that in the long run the Seneca Nation will no doubt benefit from this development, because it will create in that area a lake which no doubt will become the center of a resort area; and if arrangements can be made—and I believe they can be—whereby they will participate in that development, they could have a source of income from all those recreational facilities, and great benefits will flow to them.

In any event, it has been the feeling of the committee that we do not want the Seneca Nation to lose anything. But, as I have said, I am sure that in the long run they will benefit from the construction of this project.

Mr. JAVITS. Mr. President, I deeply appreciate and know the sincerity of the Senator's expression. I am trying to nail down the matter, so that hope may be realized in fact, because I feel, as do many others in New York, that the United States is under a real moral responsibility to make amends to the Seneca Nation, in view of the original treaty.

That moral feeling and that human feeling persist. My point is that it is one thing to have that written down, and another thing to have a deep purpose to see that it is actually done.

From the Senator's remarks, which are very gratifying, I gather that that deep purpose accompanies his explanation and expression of hope. Is that correct?

Mr. ELLENDER. Yes, that is correct.

Mr. KEATING. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. KEATING. Mr. President, I was saddened to learn that the Appropriations Committee has seen fit to maintain, without conditions, a $15 million appropriation for the Allegheny River Reservoir, commonly known as the Kinzua Dam.

Members of this body are not unfamiliar with the Kinzua Dam. They have heard its merits debated many times. They know of the deep injustice that its construction will entail. I have called attention to this injustice on more than one occasion, as has the senior Senator from New York.

This appropriation removes the last hope that the U.S. Government will stand by its treaty commitments to the Seneca Indians. Once this $15 million is granted, the bulldozers will roll, the ancestral land of the Senecas will be destroyed, the floodwaters will pour in over territory that was granted to the Indians "forever."

I feel it is my obligation to remind the Senate once more of this violation of the solemn promise of the Government of the United States.

This is, of course, a matter of great concern to the people of the southwestern part of New York, who have been quite upset over what they look upon as improper treatment of the Indians. They have tried to find other ways to solve the flood control problem in Pennsylvania. At the Senecas' own expense an alternate plan was drawn up; reputable engineers attest that it may do the job better, but without inundating the Indians' lands. The Senecas ask only that the alternate plan and the Kinzua plan be subjected to an impartial comparison; and if the Kinzua plan is found to be better, I understand that the Indians will give up their rights. They do not insist that under no circumstances shall their lands be flooded. They merely ask that that not be done unnecessarily. To my mind, that is a noble offer.

Mr. President, I wish to read into the RECORD one sentence from title XXV, section 71, of the United States Code:

No Indian nation or tribe within the territory of the United States shall be acknowledged or recognized as an independent nation, tribe, or power with whom the United States may contract by treaty; but—

And this is the solemn law of this Nation—

no obligation of any treaty lawfully made and ratified with any such Indian nation or tribe prior to March 3, 1871, shall be invalidated or impaired.

That is the issue upon which we stand in connection with Berlin and the German nation; and it seems to me that no less should we live up to that obligation when we are dealing with the Seneca Nation.

Finally, let me say a word about the letters and the telephone calls that I have received during the last few weeks on this matter from all over the United States. I found these messages most heartening, not because they supported me, or even primarily because they supported the Indians, but because they revealed that there are still many Americans who are capable of responding with indignation to injustice, even though this injustice may in no way affect their personal lives. Why all this concern about Indians, one might ask, when we are faced with so many serious problems in so many far corners of the world? This question affects only a few thousand persons, at the most. The dam that is to be built will benefit millions.

The answer is that we are concerned about the Seneca Indians in western New York because in the United States we are concerned about justice to the individual. We do not think in terms of masses. That is the way of thinking of another ideology and another way of life. We think in terms of the fundamental rights of individual human beings. I am glad that Americans think that way. I am glad that all over this country there are persons who get angry when they read that a handful of Indians are to be driven from their ancestral homeland. If we should lose this capacity for moral indignation, then it would not matter what happens in Berlin, or in the Middle East, or in the Far East, or at the United Nations. I am proud that there are still Americans who believe that moral responsibility is more important than material progress. So long as there are Americans who feel that way, the United States will continue to be the hope of the world.

I recognize the problems the committee has faced, and the great pressures for the development of this land, and the great need for flood control in the Allegheny Valley, primarily in Pennsylvania. But I hope that as the Corps of Engineers reports on the results of its studies, the Seneca Nation will have—and I know it will—the sympathetic consideration of this committee, and

that the committee will be very cognizant of the sound law put on the statute books, which never has been altered—namely, that we are going to respect the treaties into which we have entered with Indian tribes or nations.

I thank the Senator from Louisiana for yielding.

Mr. ELLENDER. I thank the Senator from New York. As he knows, the studies to which he has referred have been considered by the Corps of Engineers. Of course, the Supreme Court has passed upon the legal issues involved, and no construction was undertaken by the Engineers until those questions were settled.

If the Senator will refer to the language I had placed in the report, he will note that the President has taken an interest in the problem. It was stated in the President's letter to the Seneca Nation that he had directed the departments and agencies of the Federal Government to study the problem, and I quote:

> Included in the items he directed the executive departments and agencies to consider are (1) the possibility of the Federal Government securing a tract of land suitable for tribal purposes and uses contiguous to the remaining Seneca lands in exchange for the area to be flooded; (2) a careful review of the recreation potential resulting from construction of the reservoir, and the manner in which the Seneca Nation could share in the benefits from development of this potential.

Since the legal issues have been settled and since the questions to which the Senator has referred have been settled, the Corps of Engineers will go along with that program. It is hoped that due and adequate consideration will be given to the Seneca Nation, in line with the suggestions called for in the report.

As I previously stated to the Senator from New York [Mr. JAVITS], when the committee takes up the public works bill next year, we shall in detail go into the reports that will be forthcoming as a result of the studies to be made in the meantime.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. DOUGLAS. Prefatory to the questions which I shall ask the Senator from Louisiana, I wish to say I appreciate the inclusion of an item in the appropriation of $7,700,000 to assist in relocating bridges over the Calumet-Sag Canal. This is badly needed. It was omitted by the House. I feel greatly obliged to the Senator from Louisiana for including that item.

I should like, however, to address an inquiry about levee unit No. 5 on the Wabash River. That item appears on page 9 of the report. Forty-nine thousand dollars is provided for planning money.

The Senator from Louisiana will remember the discussion in which we have engaged over this proposal nearly every year. In its original form, it was to be a levee only on the Indiana side of the Wabash River. The net result would be that, while it would protect the low-lying lands on the Indiana side of the Wabash River, which is the boundary between Illinois and Indiana, it would throw the water over on the Illinois side. Therefore, the people in Mount Carmel, Ill., and communities and farm areas south of Mount Carmel have properly been greatly distressed over these plans. I may say that when we actually proceed to construction and if the levee is to be only on the Indiana side, the Senator from Illinois will be compelled to make very strenuous opposition.

Am I however to understand that the appropriation language for planning is sufficiently broad so that the Army Engineers will be instructed to study the possibility of parallel levees on the Illinois side, and will not be restricted merely to preparing construction plans for a levee on the Indiana side?

Mr. ELLENDER. That was the promise I made when the question came up last year. The plan now contemplates that the $49,000 which the Senator mentioned will just about provide for completion of the planning of levee No. 5 on the Indiana side. The Corps of Engineers have sufficient funds to complete their survey report on the flood problem at Mount Carmel.

Mr. DOUGLAS. But nothing on the Illinois side?

Mr. ELLENDER. There is a survey now in process, and the authorization will have to be made after the corps has completed its report. I can give assurance to the Senator from Illinois that, insofar as I am concerned, speaking for myself—I can see the problem of the distinguished Senator from Illinois—the committee will make every effort, to provide equal protection for Mount Carmel, provided we get cooperation from the people of Mount Carmel, as the people on the Indiana side have cooperated. If this is accomplished, I can assure you that the levees built on the Indiana side will not be so constructed as to do harm on the Illinois side. If the people of Mount Carmel act promptly their protective works can be so that both projects can be built at the same time.

Mr. DOUGLAS. I am glad to get that assurance. The people of Illinois are not asking for any special favors. They are merely asking that when the levees are built they shall be on both sides of the river. We are not trying to get protection for Illinois at the expense of Indiana, but we do not believe that Indiana should get protection at our expense. And we believe Illinois farmlands should be protected and not merely Mount Carmel.

Mr. ELLENDER. For the information of the Senator from Illinois, the State of Louisiana was confronted with that same situation several years ago. Representative Will Whittington, of Mississippi, was chairman of the Flood Control Committee, and he was very active, of course, on behalf of Mississippi. One day Louisiana woke up to find that the levees constructed on the Mississippi side were 3 feet higher than the levees constructed on the Louisiana side, so that if there was a flood, instead of the water overflowing into Mississippi, it would flood Louisiana. So I am sympathetic with the problem faced by the Senator from Illinois.

Mr. DOUGLAS. I appreciate the comments of the Senator from Louisiana. We have already suffered at the hands of Indiana, because higher up on the Wabash there are levees on the Indiana side at Vincennes, but none on the Illinois side, with the result that the Indiana side is protected and we are not. We have endured having this water thrown upon us once. We must ask to be protected this time.

Mr. ELLENDER. In order to get the work done at the same time, in the same year, so that neither side will suffer, we shall have to have the cooperation of the people in Mount Carmel to provide the rights-of-way to the same extent that there is cooperation on the Indiana side.

Mr. DOUGLAS. I feel quite confident that will be done for the farmlands south of Mount Carmel as well as for Mount Carmel.

Mr. ELLENDER. I am sure the Senator from Illinois would not object if the committee saw fit to provide money to build a levee which would not harm the people at Mount Carmel. As the Senator knows two other rivers besides the Wabash are involved in the protection of levee unit No. 5. The levee system on the Indiana side would be about 45 miles long, as I understand. I am certain that in determining the order of construction of the various units of this project, every opportunity will be given to the people of Illinois to provide rights-of-way, and plans will be drafted so that the two projects can proceed hand-in-hand, together.

Mr. DOUGLAS. I thank the Senator.

Mr. ELLENDER. That is what I am very hopeful will be done.

Mr. DOUGLAS. If that intention is carried out, I am sure it will be very satisfactory.

Mr. ELLENDER. Mr. President, in connection with my remarks, I ask unanimous consent that there be incorporated in the RECORD the part of the report including the bottom paragraph on page 21 and the first three paragraphs on page 22.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

LEVEE UNIT NO. 5

The committee is very sympathetic to the early construction of local protection works for levee unit No. 5. Since the corps testified that it did not have a construction capability, the committee has approved the budget estimate of $49,000 for planning and desires that the plans be advanced sufficiently in fiscal year 1962 to permit a construction capability in fiscal year 1963.

The committee is informed that the fieldwork on the survey report at Mount Carmel has been completed and the report is scheduled for submission to the division engineer this fall. Such a schedule should permit the local interests at Mount Carmel to indicate whether or not they desire to furnish the requirements of local cooperation for flood protection works at that locality. In the event local interests at Mount Carmel agree to furnish the requirements of local cooperation, it is expected that authorization of any work recommended for that locality could be included in the next omnibus

authorization bill. If the project is authorized, the committee will give careful consideration to the appropriation of planning money for that project next year. The committee notes that under present conditions, flooding would occur at levee unit No. 5 at the 20-foot stage on the Mount Carmel gage, whereas flooding does not occur at Mount Carmel until the gage reaches 27 feet.

In view of the fact that the length of the levee for unit No. 5 is 45.2 miles long, of which 20.7 miles are along the Patoka and Black Rivers, the committee believes that construction could start along the Patoka and Black Rivers in fiscal year 1963 without endangering the flood heights at Mount Carmel during the period required for the preparation of detailed plans after authorization of the Mount Carmel project.

In the event local interests at Mount Carmel do not desire to participate in a flood protection project, the committee feels it can no longer deny flood protection to levee unit No. 5.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I shall be glad to yield, though I have not started my statement.

Mr. GOLDWATER. I shall be glad to wait. I thought the Senator was engaging in colloquy with other Senators.

Mr. ELLENDER. I have not yet started the statement I desire to make.

Mr. GOLDWATER. I shall be glad to wait until the Senator has concluded his statement.

Mr. ELLENDER. Mr. President, as is customary, the Subcommittee on Public Works divided itself into three subcommittees for the consideration of the pending bill. The portion of the public works appropriation bill dealing with reclamation and the power marketing agencies of the Department of the Interior was handled by my good and able friend, the distinguished senior Senator from Arizona [Mr. HAYDEN], who is also the chairman of the Committee on Appropriations. The portion of the bill covering the Atomic Energy Commission and the Tennessee Valley Authority was handled by my good friend, the distinguished senior Senator from Alabama [Mr. HILL]. I handled the portion of the bill dealing with the civil functions of the Department of the Army.

The hearings on this bill started on May 2 and continued through September 15. The subcommittee held 43 sessions for the purpose of taking testimony, and 4 executive sessions for the purpose of marking up the bill. The subcommittee heard 1,384 witnesses, which included representatives of various organizations; 1,048 of the witnesses appeared before the subcommittee dealing with civil functions; all but 32 of the remaining witnesses appeared before the subcommittee headed by the Senator from Arizona. The hearings comprise 4 volumes, which contain 4,158 pages of testimony.

Mr. President, with respect to title I, before marking up the civil functions portion of this bill I reviewed every project that was presented to the subcommittee, budgeted or unbudgeted. I went through every single request made for planning or construction. After all the requests were made, I called the engineers back to obtain their views on the projects presented to the subcommittee. The purpose was to find out whether all the requests which were made by outside witnesses could be handled economically by the Corps of Engineers and whether the corps had the capability to undertake the projects submitted for consideration.

In order to balance the bill, and in order to take care of worthy areas not previously included in the bill, I recommended to the subcommittee the inclusion of a number of projects that had been requested by witnesses from all over the country, and by Members of both the Senate and the House of Representatives. I hope that the Senate will agree to the recommendations of the Committee on Appropriations and that it will be possible to retain the majority of the projects in the conference with the House.

The House committee added 10 unbudgeted construction projects, and 10 unbudgeted planning items. The House sent us a bill which on its face was under the budget, but in order to attain that goal the House reduced or eliminated funds requested in the budget amounting to $45,719,000, including the deletion of three new construction starts.

The three new construction starts which were put in the bill by the administration and deleted by the House were the Jackson lock and dam in Alabama; the Noyo River and Harbor, in California; and the channel to Viola, in Texas. The committee restored two of the projects, the Jackson lock and dam and the channel to Viola, Tex. The Noyo River and Harbor project in California, was left out by the committee for the reason that the Engineers testified that this project should be reauthorized.

The largest single item in the reductions made by the House was a reduction in the estimate for slippage and savings from $50 million to $34,400,000. The committee was requested to restore $35,960,000 of the House reduction. During the hearings the Engineers offered reductions in the budget estimates of $12,310,000. The House committee reduced the budget estimates by $10,060,000 as a result of the testimony presented. The Senate committee recommends a reduction of the remaining $2,250,000 allowed by the House which the corps does not require in fiscal year 1962.

Restoration of budget estimates accounts for $35,960,000 of the Senate increase of $54,878,000 for "Construction, general"—I invite attention to this—of which $34,400,000 is the reduction for savings and slippage. Based on past experience on large construction projects, the Corps of Engineers finds that it is safe to underfinance these projects by about 6.5 percent. These slippages result, for example, where because of bad weather or for other reasons, a contractor may not be able to do all of the work on schedule. The House further underfinanced the program by an additional $34,400,000, which has the effect of reducing all appropriations on every project by a proportionate amount which may average about another 4.5 percent, or a total reduction of about 11 percent.

The House committee provided for 10 new construction starts which involve a future commitment of $166,854,000. The 17 additional new construction starts recommended by the Senate involve a future commitment of $170,253,000. The bill as reported to the Senate, therefore, represents a future commitment above the budget recommendation of $337,107,000. The bill as reported, including 49 of the 50 new starts recommended by the President for construction, involves a future commitment equivalent to about 1 year's construction at the present rate of appropriations.

Mr. President, I wish to highly compliment the White House and the Bureau of the Budget for including in the bill new starts. It will be recalled that we had a "no new start" program which was begun several years ago. If the policy in effect had been maintained there is no doubt in my mind that the work of the Engineers soon would have dried up. The Congress saw fit, in the past 4 or 5 years, to include quite a few unbudgeted items, both in the construction and planning field, which kept the Engineers busy, which projects were very useful in helping to protect and preserve our precious topsoil and water resources.

Except for the fact that for the past several years the Congress has added unbudgeted new starts, the construction program of the Corps of Engineers would have dried up.

The pending bill is a fair bill that deserves the support of the Senate and of the Congress.

Mr. President, the bill as reported to the Senate amounts to $3.940,926,880. It is under the budget estimates by $59,861,120, and exceeds the amount recommended by the House by $278,225,500, of which $205,960,000 is for plant acquisition and construction for the Atomic Energy Commission. This item was not considered by the House because the authorization had not been enacted by the Congress at the time the bill was considered in the House.

Mr. President, I have concluded my preliminary remarks.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ELLENDER. I am glad to yield for any questions that may be asked, and I shall try to answer them.

Mr. GOLDWATER. I invite the attention of the distinguished Senator from Louisiana to page 41 of the report on the bill. Under the Tennessee Valley Authority the following appears:

> The committee agrees with the House in providing the full amount of the amended budget estimate of $38,203,000 for the Tennessee Valley Authority, including the reconstruction work required at the Wheeler Dam lock.

Does the Senator recall testimony and arguments as to why the money was needed to reconstruct the Wheeler Dam lock?

Mr. ELLENDER. I yield to the distinguished Senator from Alabama to answer the question.

Mr. HILL. Mr. President, the appropriation was necessary because of a most unfortunate incident. The walls had

caved in, so to speak. The lock and dam were built by the Engineers a number of years ago. I am sure that they did the best possible job at that time. We now have a committee trying to investigate what caused the walls to fall and slide as they did, but they did so, and they constitute a very great impediment to navigation. The walls must be rebuilt.

Mr. GOLDWATER. How much of the $38 million provided for the Tennessee Valley Authority would be allocated for the Wheeler Dam construction?

Mr. HILL. Approximately $8.5 million, contained in two supplemental requests approved by the House, being one for $1.5 million and one for $7 million.

Mr. GOLDWATER. Was there any indication during the testimony that the dam failed because of inexcusable ignorance in engineering?

Mr. HILL. There was no testimony to that effect. As I have said, the dam was built many years ago by the Army Engineers. I am certain from the testimony that there was no failure on the part of the Engineers or anyone else to do a good and workmanlike job.

Mr. GOLDWATER. Mr. President, I do not wish to prolong the discussion. I realize that there is no chance of striking the amount from the bill, or I would attempt to amend it. However, I have made a study of this particular failure. I think it was ignorance in engineering that caused the failure. I do not think the Federal Government should be asked to pay for the mistakes of people who do not understand the structure of the ground where they are building projects.

In order that the proceedings may not be delayed, I ask unanimous consent that a paper that I have prepared on this subject be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

The Tennessee Valley Authority has submitted a supplemental appropriation request for $7 million for what it calls rehabilitation of a navigation lock at Wheeler Dam on the Tennessee River. From what I understand, the $7 million is just a starter for the total cost of this so-called rehabilitation job.

If there ever was a misrepresentation, the word "rehabilitation" is it. It is not rehabilitation at all; it is for rebuilding a lock that failed due to inexcusable ignorance in engineering. The lock that failed is an old lock built back during World War I. TVA decided that the lock was too small to handle present-day barge traffic, which, by the way, is mostly TVA traffic, so it got an appropriation to build a new lock—of course the money comes from tax funds. This new lock is going to cost at least $16 million according to present estimates, which are probably low. The new lock is scheduled for completion in January 1963. This so-called rehabilitation job would be completed in June 1962, which means the old lock is being repaired at a cost of $7 million, plus I do not know how much more, to serve some barge shippers for a period of 6 months, after which time, it will only be used for auxiliary purposes.

I want to bring to your attention for just a minute my information as to why the old lock failed. The lock is founded on a limestone formation which is evidently laminated with clay seams in between the various strata. Excavation for the new lock was alongside and not far removed from the old lock. When excavation for the new lock cut below the strata upon which the foundation for the old lock was landed there was slippage on the clay seam and a part of one side of the old lock slid into the excavation for the new lock. This could all have been prevented by proper exploration work and by keying together of the various strata of limestone.

The result is a failure caused by irresponsible engineering. I suppose the engineering and excavation was being done by TVA as they have done most of their work by force account. Now they want the American taxpayer to spend hard-earned tax dollars to pay for this inexcusable negligence in engineering and construction. And for what? Just so some barge shippers can continue to enjoy some Government-subsidized waterway facilities in competition with the railroads.

I further understand that since failure of the lock TVA has constructed some conveyors and pipelines to transfer cargo from barges below the locks to barges above the locks. All of which I assume has been done at taxpayers' expense. I do not know what kind of weasel words or flimsy excuses TVA will try to employ to wiggle out of this mistake, but I am sure they will make an effort.

Now, Mr. President, there is an interesting sidelight to this whole situation. The Southern Railroad has applied to the ICC for lower shipment rates on grain from the Midwest into the Southeast. This rate reduction is due mainly to the development of lightweight, high-capacity, aluminum freight cars. The Southern Governors' Conference and the Southeastern Association of Railroad and Utilities Commissioners urge approval of the proposal. They also urged that the rate be made applicable to the Central of Georgia, the Atlantic Coast Line, and the Seaboard Airline Railroads. The lower rates are considered beneficial to the entire Southeast.

Major opposition to the proposal comes from the TVA, from bargeline operators, and from Midwest milling interests. TVA claims that the bargelines could not compete with the reduced rates.

Mr. D. W. Brosnan, executive vice president of Southern Railway, states that TVA's assumption that the grain rate reductions are designed to destroy common carrier barge transportation "has no basis whatsoever in fact."

Mr. Walter R. McDonald, Georgia Public Service Commission member, has labeled "sheer prattle" TVA's allegation that the railroads would again raise the rates when competition is destroyed. He pointed out that TVA has no responsibility as to rates.

Brosnan also said that "if the unregulated barges which now move the major part of this grain cannot meet our new rates, it is due to the fact that through improvements in our technology we can now furnish cheaper transportation. They should get busy and improve their own technology as we had to do. If the TVA has spent $200 million of Federal funds to provide a navigable channel, that expenditure should not serve to bar the development of other cheaper and more versatile means of transport."

Freight rates should not be artificially maintained at pegged rates merely to perpetuate obsolescent facilities, whether they be air, highway, pipeline, rail, or water.

It seems to me that TVA is getting a little bit out of character when it objects to the lowering of rates on anything. It is all right when it chisels on taxes, interest, writeoffs, etc., to lower power rates—but when a truly free enterprise operation comes along and proposes lower rates than bargelines that it has been mothering, then it raises a howl to high heaven.

The other day I made a speech on TVA's phony announcement of a rate reduction. Now here we have another phony. Through ignorance in engineering and construction they destroy Government property and come running back to the Federal Treasury as if it was a bottomless well to get more millions of tax dollars to cover up their mistakes. What is the benefit of this to the American public? We talk about the sick condition of our railroads, but when they come up with technological advancements that might improve their financial position by picking up a little additional revenue we turn them down in order to save the face of a parasite that has been milking the American public for the past 26-odd years.

I am not against barge transportation. I think it is fine that we have our inland waterways. Transportation is essential to our commerce whether it is by water, rail, truck, or air, but each type of transportation should stand on its own feet. If it does not, we are going to end up with Government owning and running our transportation.

There is not much secret to the fact that most water transportation on the Tennessee River is for the benefit of TVA hauling coal for its steamplants or construction material. Now it makes a colossal mistake in engineering and construction and thinks all it has to do is run back to the American taxpayer to bail it out. If it had contracted its engineering and construction work out to responsible private concerns as other Government agencies do, the chances are that the present lock failure would never have occurred and, if it had, others and not the taxpayers would have to make it good.

How long are we going to let this Federal agency, the TVA, go along duping the American public? I think we should turn down this application for appropriations to repair the old lock. The benefit-cost ratio for the new lock is stated to be a ridiculous 10.9 to 1. If the benefit to shippers is so tremendous that it pays back $10.90 for each dollar spent, then it would seem reasonable for the Government to charge tolls for use of the lock to defray at least a part of the taxpayers' cost of constructing it. Furthermore, it seems to be ridiculous that we should ever consider spending so many millions of dollars in tax funds to facilitate barge transportation on the Tennessee River for a few months. It would probably cost much less for the Government to pay the total cost of transportation during this short interval of time rather than spending all of this money rebuilding the lock.

Faced with the tremendous deficit we now have, Mr. President, I must say it is high time we start giving a little more attention to some of these ridiculous extravagances. TVA is no sacred cow as far as I am concerned. It is an unfortunate socialist adventure which although apparently surrounded with a halo has been a drain on the American taxpayer for lo these many years. I was interested in some remarks in a newsletter sent out on August 4, 1961, by the distinguished Senator from Maryland, Mr. BEALL. He was discussing the fact that instead of the present administration reducing the number of Government employees, as was promised, it is adding more employees by the thousands. He said:

"Some of this vast Federal Government employment is hard to understand. For example, the TVA, which operates primarily in and for the States of Tennessee, Alabama, Mississippi, and Kentucky has employees in 16 other States and the District of Columbia. We are perplexed about the need for TVA employees in far-off California. The tentacles of the Federal octopus reach into every nook and cranny of our very existence."

Mr. President, that is something we can be concerned about. I knew this socialistic octopus had a deathlike grip on the

area it serves and that it dictated the economy of that area. I knew it had ambitions to expand further into the States surrounding Tennessee, but I did not know it had spread its tentacles, with its propaganda machine, into 16 other States and as far west as California.

I am sure what I have said will be characterized as a reactionary's attack on this "living and breathing" example of "partnership" in "free enterprise." I am sure that once again I will be accused of playing the same old tired tune. But someone must try to keep the public informed about this fraudulent assault on its tax dollars. We hear charges and countercharges about TVA and its operations. I think the time is long overdue for subjecting this Federal agency to a complete and impartial investigation and let the chips fall where they may. If, after such an investigation, we find it has been a self-supporting venture in a free enterprise partnership and the boon to the American economy that is claimed for it, then I will be glad to praise rather than criticize it in the future.

My criticism of TVA is not directed at the people in the area it serves. I know a great many of them and know them to be great Americans. I believe they are perfectly willing to carry their own weight in the American economy. Of course, the people have been brainwashed by TVA for years. I am sure they have been subjected to bribes and threats. That is what we get into whenever we have all-powerful agency of Government dictating the economy of an area. I do not blame the people for enjoying the low-cost subsidized Federal power they have been getting for many years; people from any other section of the country would probably accept the same gifts if forced upon them by the Federal Government. But the fact that they would accept them does not necessarily make it seem right even to the recipients of the benefits. The ones to blame for this situation are ourselves right here in the Congress for permitting these abuses to exist. If we do not stop such things now, the situation will get progressively worse. You cannot, in a free society, maintain inequities in one section of our country as against another. Unless we stop abuses of our economy we are all going to end up under the domination of the bureaucrats, and then for all intents and purposes we will be under a totalitarian government.

There appeared in the Washington Post of August 21, 1961, an article entitled "District of Columbia Per Capita Income Second Highest in Nation." An interesting feature of this article is the last paragraph which reads:

"The lowest per-person incomes were in Alabama, $1,462, Kentucky, $1,543, and Tennessee, $1,545."

The above three States are the ones in which TVA has had the greatest influence in economy—States in which the Government through TVA and the Atomic Energy Commission has spent billions of tax dollars.

I want to again tell my friends in these States, when you become beholden unto government for your economic progress you seem to lose a part of that initiative and independence which under our free enterprise system has brought such great prosperity to our country.

Mr. President, I want to call your attention to another article which appeared in Coalfield Progress on July 27, 1961. It is entitled "TVA Group Says: Only Loophole Is Act of Congress."

It appears that the Chairman of the TVA Board presided over a meeting between TVA and some representatives from Wise and Lee Counties and the city of Norton, Va. According to the newspaper account TVA officials told the delegation from Virginia that their only "loophole" in getting TVA power into the area is by an act of Congress; that such an act is not out of the realm of possibility. They told the group that for the amount of money they would save in power rates, the venture is worth working for.

The local group was told that under TVA, they would realize an approximate saving of $600,000 in business and residential power rates.

In discussing the possibility of changing the law, by an act of Congress, General Vogel said: "We're using your water (southwest Virginia is in the TVA watershed) to help produce power, and you're not getting any of the benefits. That's a strong moral point."

Old Dominion Power Co. has been negotiating some franchise renewals in the territory it has been serving for many years. When one of the TVA official's advice was asked about the franchise proposals, he is reported to have answered, "If you sign the franchise, you'll lock the door."

I cited this last newspaper report to dispel any idea we might have that we had settled the TVA question when we passed the revenue bond amendment to the TVA Act in 1959, in which amendment we attempted to set up a territorial limitation. We are going to have this Federal power octopus instigating demands for its services outside of its present area from now on. The bureaucrats will never be satisfied until their tentacles are spread to every nook and cranny of this country.

Mr. ELLENDER. The lock and dam served a very useful purpose for many years. I believe that all normal precautions were taken.

Mr. GOLDWATER. If the lock was badly needed to provide for navigation, I cannot understand why a fee has not been charged for the use of the lock. I think its main purpose is to provide transportation for coal barges that are needed to provide coal to run the steamplants of the TVA. I do not think the locks have anything to do with navigation control other than to control the navigation of the barges.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HILL. The Tennessee Valley Authority came into being in 1933, approximately 28 years ago. The lock had been built by the Army Engineers prior to that time. It had been in use for many years.

Mr. GOLDWATER. I understand that it was built during World War I, or immediately after World War I. Many locks built at that time are still in service.

Mr. HILL. It was built about that time, which, as the Senator knows, was over 40 years ago.

Mr. ELLENDER. Locks and dams are supposed to have a lifespan of about 50 years. I believe it did pretty well.

Mr. GOLDWATER. Locks and dams of that type are supposed to last longer than that. Many locks up and down the Mississippi River and other rivers have been in service a long time. I think that when the committee goes into this subject, it will find that what I have said is substantially true. I hope that in the future the people of our country will not be asked to pay for mistakes made by agencies of the Government.

Mr. CARLSON. Mr. President, I appreciate this opportunity again to express my appreciation to the chairman of the committee for the excellent report he has made, particularly so far as the Missouri River Basin is concerned. The committee, and the chairman personally, are familiar with our problems and projects. We are indebted to him particularly for an item of $400,000 for construction that was placed in the bill with respect to the Glen Elder project. For years the stream has been subject to recurring floods. Surveys have been completed, and the detailed planning money is available. I again wish to tell the chairman that we appreciate very much his consideration of those projects.

Mr. ELLENDER. As I said in the beginning of my statement, the committee was desirous of accommodating the entire country in our efforts to balance the budget, so that all worthy projects submitted could be considered. If Senators will study the committee report, they will see that that thought is reflected in the projects which we include for construction and planning.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. Mr. President, once again, as I seem to do every year, I express the thanks of my colleague [Mr. METCALF], who is the Acting President pro tempore today, and myself for the consideration shown to the State of Montana, especially for the continuation of the activities on the Missouri River in the area of Fort Benton, and also for the allocation of $192,000 for roads to be built in conjunction with the building of the Yellowtail Dam in the Big Horn country of southeastern Montana.

I would be remiss to myself, my State, and my colleague if I did not take this occasion to express my thanks and gratitude for what the senior Senator from Louisiana has done in this respect. Once again he has helped Montana considerably, and we appreciate it.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. It was a great privilege for me to serve on the subcommittee dealing with the public works appropriation for rivers and harbors and flood control. Once again, as in previous years, I was impressed by the great knowledge which the chairman of this subcommittee has of river projects throughout the entire Nation. Coming from the legislative Committee on Public Works, it is both gratifying and inspiring to see the detailed knowledge which the chairman, the distinguished Senator from Louisiana [Mr. ELLENDER] has of projects in every State in the Union. I consider it a high honor to serve on the Appropriations Subcommittee as the ex officio member from Public Works. I wish the RECORD to show my appreciation of the intelligent and hard work given so loyally and unselfishly by the Senator from Louisiana.

His statement of the number of days of hearings and the approximately 1,300 witnesses that came before the committee was factual but eloquent testimony of his devotion to his task. He is a great public servant.

Mr. ELLENDER. I thank my good friend from South Dakota.

Mr. MAGNUSON. Mr. President, through the Committee on Public Works, I wish to make a brief statement on one of the Bureau of Reclamation items.

I read from the report:

Colorado River storage project, transmission division: The committee has approved the full request for funds for the transmission division, Upper Colorado River Basin fund, with the definite understanding that funds are to be used only for the following transmission lines: (a) Flaming Gorge-Oak Creek transmission lines and substations; (b) Glen Canyon-Curecanti-Poncha transmission lines and substations; (c) Gunnison-Blue Mesa-Curecanti-Montrose transmission lines and substations. With respect to any other lines, it is the desire of the committee that the Bureau of Reclamation and the utility companies in the area concerned enter into wheeling agreements to the advantage of the Federal Government and the preferred customers for the transmission of power from the upper Colorado River project.

The committee, therefore, directs the Secretary of the Interior and the Bureau of Reclamation to exhaust every possible effort to obtain proper wheeling agreements to accomplish the purposes of these lines, and to report back to the Senate and House Appropriations Committees no later than February 15, 1962, on the progress made in negotiating such contracts. In view of the schedule for completion of power facilities in the Colorado project, the period specified for negotiation of wheeling contracts will not in any way delay the marketing of power. The committee knows of no valid reasons why agreements cannot be obtained in this area similar to those that have proved so satisfactory to the Federal Government and its customers in the Southeastern and Southwestern Power Administrations.

There was considerable discussion in committee about this part of the report, and I wish to make some legislative history on it. Of course, it is an old story to the Senator from Washington. It has been going on for years in connection with any effort to build public transmission lines to distribute hydropower, not only to preference customers, but also in many instances to private utilities for marketing. It is the same old story. We have had it before the committee year after year in connection with transmission lines all over the country.

However, there was considerable discussion in committee, and finally the committee took a vote as to whether the language should go into the bill. As I recall, the vote—and I will check the RECORD to see if this is accurate—the vote was 12 to 10 to put this language in the bill.

The Senator from Washington voted "No," as he has on many occasions when the same subjects came before our committee in connection with other places, because he has found that if we continue to delay and delay, we fail to add anything to the major effort in the development of our natural resources, and hydropower, and the transmission of the power to the people. In every case—and this is no exception—I have found that even though a wheeling agreement may look pretty good on its face, in every case we find that it adds to the cost of the power, not only to the preferred customers, but also to the private utilities at the other end, which have to market the power ultimately to the consumer.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I will yield in a moment, after I have finished my statement. For 2 years, according to the best information I can get, an effort has been made to negotiate wheeling agreements. Two years have dragged by. In the meantime, we are building the dam and getting ready for this great project in this area, as it spills down into the southeastern part, from the dams, into New Mexico and Kansas, Nebraska, and all the other States. For 2 years efforts have been made to obtain a decent wheeling agreement, which happened perhaps to be a little different from what is usually obtained, but which would be the best. Studies have been going on for a long time.

The former Secretary of the Interior, Mr. Seaton, made a study of the proposals that were made in the past 2 years and turned them all down as not being desirable.

This is bad language. I know what is underneath all of this. We all know that it is the age-old controversy about transmission lines as they relate to Federal projects in the distribution of power in the interest of the consumer.

There are some wheeling agreements. I went through the whole question of wheeling agreements with Southeastern Power, with respect to power from the Oklahoma projects into Texas. I have gone through it in my part of the country, in the Pacific Northwest. I believe this kind of language is bad, because, in the second place, because the Department of the Interior can come to the committee at any time with an agreement if it looks good. I do not think it is needed in the bill, but it is there. These projects drag on and on, and we do not get them done. The people do not get the benefits.

I wanted to make this legislative history. I know that many Senators on both sides of the aisle feel keenly about this subject. I wanted to make the legislative history so it would be in the RECORD and so that it will be understood why certain language is in the bill.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield for a question.

Mr. ROBERTSON. How much would the transmission lines cost if the Federal Government had to build them?

Mr. MAGNUSON. The total cost of the lines would be $176 million. That would be the total cost.

Mr. ROBERTSON. Some years ago the junior Senator from Virginia prepared an article which was published in the Reader's Digest, quoting figures which show that the Federal Government has returned to the entire area of the country west of the Mississippi River more than the total taxes that were collected from that part of the Nation. The Senator from Virginia has been supporting his distinguished colleague. He wants to develop the industrial resources, and he knows that hundreds of millions of dollars have been invested in the Senator's State and throughout that area. The Senator voted to give private utilities an opportunity to try to work out a wheeling agreement. If they could do so we might be scraping the bottom of the Treasury barrel without adding $176 million for transmission lines. It cannot be denied that the transmission lines would add something.

The REA's do not pay the taxes the power companies can pay. The REA's do not have to make returns, as the private companies do. Of course, wheeling may be a little more if we do not include the cost of the taxes and the dividends. We are facing a fiscal problem, and it is prudent not to spend money for the development in the area that is not necessary.

Mr. MAGNUSON. I appreciate the argument of the Senator from Virginia. I do not recall that I read his article in the Reader's Digest, but I would like to read it.

Mr. ROBERTSON. The Senator does not have to read it. I put it in the CONGRESSIONAL RECORD.

Mr. MAGNUSON. Oh, yes, I do. The Senator from Virginia is my adviser on fiscal matters in this body. These programs have been argued on both sides for a long time. This is an old story.

This has nothing in particular to do with taxes. I suppose in the big Bonneville Authority, which gives cheap hydropower to five States, we have spent probably $200 million over this period of time for transmission lines, and perhaps more. However, I also point out to my friend from Virginia that we pay back to the Treasury every dime with 3 percent interest.

I point out to my friend from Virginia that we are 7 years ahead in the schedule, and a part of the transmission lines is a part of the plant. There is argument to be made on both sides. I wanted to make the record for the Senate. We discussed this language and voted 12 to 10 to put it in the bill. The Senator from Washington voted no, because he disagrees with the premise of the Senator from Virginia and with his good friend from Florida, Mr. HOLLAND. This is nothing new. This should not be any surprise to them. We have disagreed on this issue for many years. Even before the two Senators from Virginia and the Senator from Florida were here, I was disagreeing over in the House on the same subject. This is an old fight. But I wanted to call it to the attention of the Senate. I wanted to call attention to the fact that this language is in the bill, after serious discussion in the committee, and after a vote of 12 to 10. I disagreed with that language. It is bad language. I have always thought so, and I still think so.

Mr. HOLLAND. I do not believe the Senator from Washington has mentioned one of the items which always impresses the Senator from Florida when this annual debate comes on, an item which I think is a very important one to mention for the RECORD; namely, that there are many instances in which the building of public transmission lines would duplicate private transmission lines already existing, and from which wheeling could take place. In its vote—and the Senator from Florida voted

with the majority of the committee, as the Senator from Washington has already indicated—the committee recognized this difference between transmission lines, because it stated that there are three transmission lines where there would be no duplication and where new construction is needed, and as to which the committee directed that the money appropriated by this bill should immediately be spent, or spent as soon as it can be economically done.

However, we did insist that the possibility of saving duplication be recognized, and that further negotiations take place with the utility companies as to the use of their lines. I do not believe the distinguished Senator from Washington would want two lines built, one private and one public, if one will suffice and if one already exists. That is the real question involved.

Since the Senator from Florida came to the Senate, we have reached the stage where there have been important developments of public power from public dams in the southeastern area, in what is called the Southeastern Power Administration. The Senator will recall that we did almost the same thing as to the building of transmission lines there, and we found that wheeling arrangements could be negotiated. They were negotiated and were put into effect and are efficiently serving, without the necessity of building highly expensive additional transmission lines, as was suggested by the ardent advocates of public power, of whom the distinguished Senator from Washington is one.

We called attention to the fact that in the case of the Southeastern Power Administration it was definitely shown that savings could be made through this method; that private industry could still be kept in existence; that taxes could continue to be paid; and that the public could be well served.

In the case of power which is manufactured at Jim Woodruff Dam, which is a part of the Southeastern area involved, it was found that even the power itself could not be supplied to preferred customers—the REA and municipalities—as cheaply as those customers could get it from the hydroelectric sources which were farther north. So the Alabama preferred customers and the Georgia preferred customers waived their right to have any of the power from Jim Woodruff Dam; and it is all moving to various preferred customers in the State of Florida under wheeling arrangements with public utility companies.

Thus circumstances change cases; and the majority of the Committee on Appropriations, as the Senator from Washington has properly and accurately stated, found that there is the possibility of, first, economy; and second, keeping private utilities in business. That is something which should be further explored.

I do not believe the distinguished Senator from Washington wishes to duplicate the private installations which are already in force, or to make less economical the whole power structure by having duplicate transmission facilities, costing, as I recall, up to $200 million in the particular venture which is here suggested. For the whole structure, the whole grid, I am told the cost would be $42 million.

Mr. MAGNUSON. That sum would be expended over a period of time.

Mr. HOLLAND. That is correct; it is not to be done at this particular time.

I was with the majority, so I think I am speaking accurately for them. We felt that there was a possibility of saving money and a possibility of preserving the private enterprise concept, which we believe means something to our Nation. We felt that that objective ought to be pursued a little further.

Mr. MAGNUSON. Mr. President, the Senator from Florida seems to want to put me in the position of saying that I would not like to see duplicate transmission lines built. I do not want to be placed in that position, because I have seen the time when it was necessary to build duplicating lines; otherwise the power revenues and cost of supplying power to the consumer would have been double what it is now. It has turned out that the supplying of power over both kinds of lines has been useful.

This argument began when the building of public dams was started. It began when the private utilities—and they have their reasons for the position they take; I do not argue the sincerity of their position—became interested when the Federal Government began to build dams for the production of power for the benefit of the public. The question then was, How far should the Government go to get the power to the consumer?

If the private utilities had had their way in my part of the country—and I can speak of that area from experience—they would have had the Federal Government build the dams, and then they would have come up to the bus bar and controlled the use of power. This was our fear. That fear has been removed, and we are getting along well out there now because we have built our own transmission lines. The whole purpose of having the Federal Government build dams was to provide cheap power to the consumer. That is all this proposal amounts to. The question is, How far shall the Federal Government go to achieve the purpose of the original investment, the public investment, in the dam?

Mr. HOLLAND. Is it not true that the great transmission grid of which the Senator speaks, throughout the Columbia River Basin area, is partly served by the publicly constructed transmission line, and partly by private lines, and that it has been found that it is to the best interest of the consumers when the two systems work together on an economical basis?

Mr. MAGNUSON. There is a little different situation in that instance, because the private utilities have their own sources of hydrosupply; the cities and municipalities have theirs; and the Federal Government operates its own dams. The three systems work very well together. But in every case, the Federal Government has built its own transmission lines from the dams in order to see that the original purpose of the dam is served.

The private utilities have built their transmission lines from those dams. The cities, too, have their transmission lines. In many cases they go beyond the city limits. The three systems have been put together for the purpose of distribution, but each controls its own power—the private utilities, the Federal dams and the cities—to see that it is used properly and distributed cheaply, by perhaps building its transmission lines to a place where it wishes to join with the other two systems. But they never lose control of the distribution of their power.

The original amendment proposed set the date as May 15. The original proposal in the committee reduced the time and moved it up to February 15.

Mr. HOLLAND. The Senator from Florida suggested that.

Mr. MAGNUSON. Mr. President, I yield the floor.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. CARROLL. Mr. President, will the Senator from New York yield to enable me to conduct a brief colloquy with the Senator from Washington on this subject?

Mr. JAVITS. Mr. President, I yield to the Senator from Colorado provided I do not lose my right to the floor.

Mr. CARROLL. I commend the Senator from Washington for making a clear legislative history. In my view, his remarks contain much wisdom.

When the House of Representatives passed upon this measure, there was no limitation on the use of the transmission line funds by the Bureau of Reclamation.

I commend the Committee on Appropriations for providing this money. However, I believe it is a very unsound tactic to attempt to handcuff the Bureau of Reclamation, which will eventually enter into negotiations with the private power utilities, on wheeling power on peripheral lines beyond the backbone lines.

I leave the answer to the more experienced Members of this body, but I believe that for 30 years the Federal water projects have had authorized Federal construction of backbone transmission lines. What is proposed in this instance is not new. There will eventually be wheeling contracts with the private utilities; but at this time we must not weaken the bargaining power of the Bureau of Reclamation. That is why I hope that when the Senate conferees meet in conference with the conferees from the other body, this portion of the report on page 35 will be negated.

The construction of the lines by the Bureau of Reclamation is an economy measure, and I am sure this is an objective of interest to all of us. Construction of the lines by the Federal Government means savings for the Upper Colorado River Basin fund; it means more money available for western water projects and less money that will have to be appropriated by the Congress for this

purpose. The basin fund income is from power revenues.

Thus, I wish to associate myself with the remarks of the able Senator from Washington.

Let me state that the able Senator from New Mexico, the chairman of the Committee on Interior and Insular Affairs, has devoted months studying this issue with representatives of the private utilities, the Bureau of Reclamation, and the committee. We met, under Senator ANDERSON'S leadership, on July 21 and we listened all day to the proposals of the private utilities and to the proposals of the Bureau of Reclamation.

There has been a shifting and a changing of estimates, both as to what is called the Federal system and as to what is called the combination system. Today we are about to appropriate $13 million for lines. But this is not the end of the appropriation. The total cost is going to be over $170 million for powerlines. There will be many opportunities to study this question later.

But the chief point I make—I wish to emphasize now—is that in the months ahead the Bureau of Reclamation will have to sit down with the five private power parties, as it has been doing for 30 years, to negotiate certain interconnections and subsidiary lines and wheeling contracts. I repeat it is bad business judgment; it is not logical to tie the Bureau's hands and make it bargain from a position of weakness.

Mr. BENNETT. Mr. President——

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield on the same terms to the distinguished Senator from Utah, and then to the distinguished Senator from Idaho.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. I yield now to the Senator from Utah [Mr. BENNETT].

Mr. BENNETT. Mr. President, on several occasions in the past I have told the Senate how important the Colorado River storage project is to the State of Utah. As my colleagues know, I devoted much time and effort working for passage of the original authorization for the project. It is something that is close to my heart because of what it means in terms of irrigation and water benefits to the people of my State. And, Mr. President, let us not forget that the Colorado project is an irrigation and water project, and it should remain an irrigation and water project.

During the past few months we have seen an emotional fight develop over the question of who should build some transmission lines to market the incidental power from this project. This fight has reached the point where it is doing great harm to the Colorado project and, in fact, to all reclamation because it forces reclamation to take a back seat to power.

The Senate Appropriations Committee, with its long experience and judgment in these matters introduced wisdom into this heated question.

Mr. President, I know how the people of my State feel about this issue. A few days ago I inserted in the RECORD a long list of organizations—labor, professional, business, and citizen—all of whom are opposed to the Federal Government building the transmission lines at the Colorado project. Let me assure you that the vast majority of my people believe that industry should be allowed to do this job, and certainly they should be allowed a fair opportunity to negotiate. I agree with my distinguished colleague, the junior Senator from Utah, in his remarks before the Senate Appropriations Subcommittee on Public Works when he said:

> I concur with the suggestions made by the Senator from Colorado that the reasonable and fair thing to do is to provide the funds for the Bureau of Reclamation to build the tie lines, and then if there is negotiation further to go on, it can be had.

Mr. President, the people of Utah are not antibusiness, they are not antifree enterprise. In fact, they have considerable regard for their business institutions and strongly favor the free enterprise system.

The action of the Appropriations Committee means simply that the door is not slammed shut to negotiations between the Bureau of Reclamation and the five companies who have offered to wheel power from the Colorado project. During this transmission line controversy I am convinced that the electric companies have not been given a fair opportunity for sound, constructive negotiations with the Bureau of Reclamation. I fear that during the headlong rush for greater development of federalized power that we have witnessed recently, sound business judgment has suffered. The action of the Senate committee has reminded us that we have historically resolved these transmission line controversies in a manner fair to all parties—to the Federal Government, to the preference customers, to the investor-owned industry, and most significantly to the people. I agree with the Senator from Arkansas, Senator MCCLELLAN, that the current problem is another in which we should knock some heads together, so to speak, in order to obtain the best possible solution. It is my conviction that the language in the committee report will do exactly this.

I would remind my colleagues that the committee action is precisely the policy the Congress has followed over the years to resolve this kind of problem. This policy of cooperation between the Federal Government and investor-owned utilities is exemplified in the Flood Control Act of 1944. It has been eminently successful in the Southwest Power Administration area. As a matter of fact, in approving appropriations for fiscal year 1952, the Appropriations Committee said, and I quote the following from the language of the report:

> In the judgment of the committee, fair and reasonable offers should be made by the public utility companies in the areas concerned for the wheeling of power from the Buggs Island and the Clark Hill Dams to preferred customers of the Government under section 5 of the 1944 Flood Control Act, and likewise in the judgment of the committee when fair and reasonable offers are made by the public utility companies such offers should be accepted by the Secretary of the Interior as the distributor of public power under section 5.

Again for fiscal 1953 the same situation arose and the Secretary of the Interior was directed in similar language to negotiate wheeling contracts with companies in the Southeast Power Administration area.

In each this has resulted in excellent contracts for cooperation, and we can expect the same results here.

The result of the policy I described has produced tremendous savings to taxpayers of this country. The Senate has a responsibility to make sure that public money is spent wisely and not wasted on unnecessary ventures detrimental to the welfare of the country. It is up to us to make sure that justice is done in this case. We must not permit the door to be closed on negotiations which can save the Federal Government hundreds of millions of dollars and provide a greater service toward sound reclamation.

We may make a serious mistake, impossible to correct, and lose a great deal if we do not provide the opportunity for such negotiations. The power consumers and the reclamation project cannot possibly lose; they can only gain from the type of face-to-face negotiations the committee is calling for here. This, to me, is the minimum that we can do to protect the interest of the people and see that justice is done.

I ask unanimous consent to have printed at this point in the RECORD a statement on the economic comparison of the modified all-Federal transmission system with the cost under the private utilities wheeling proposal.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ECONOMIC COMPARISON OF THE MODIFIED ALL-FEDERAL TRANSMISSION SYSTEM WITH THE COST UNDER THE PRIVATE UTILITIES WHEELING PROPOSAL

Over a 50-year payout period, the wheeling costs are estimated to be $339 million. These wheeling costs cover all the utilities' charges for providing the additional transmission lines capacity and other facilities needed to deliver Colorado River storage project power to the preference customers. As the utilities now have or must provide transmission lines and other facilities for future load growth on their system, additional transmission capacity is now available and can or will be made available at a lower incremental cost than the cost of providing specific new all-Federal lines for preference customers service alone.

ADDED TAXPAYER INVESTMENT UNDER THE ALL-FEDERAL PROPOSAL

It is estimated that the all-Federal transmission system will cost at least $135 million more in Federal funds than would be the case under the wheeling proposal.

INTEREST

Interest during construction would add $4 million to the Federal investment. Interest on the $139 million investment would, over a 50-year period, amount to $186 million.

ADDED OPERATION AND MAINTENANCE COST

Operation and maintenance cost would be $103 million greater on the all-Federal system than under the utilities' wheeling proposal.

POWER LOSSES UNDER THE ALL-FEDERAL SYSTEM

When electric power is transmitted from the point of generation to the consumer,

there is a certain amount of power lost in the process. Using network system analyzers and electric computers, the relative losses on the all-Federal transmission system and under the wheeling proposal can be determined. Studies in this regard show the losses under the all-Federal system would be 48,000 kilowatts more than under the utilities' wheeling proposal. This loss in Federal revenues would amount to $55 million over a 50-year period.

The above Federal cost and revenue losses total $483 million, or $144 million more than the wheeling costs, over the 50-year payout period.

FEDERAL AND STATE INCOME TAX LOSS

In addition, Federal income taxes amounting to $61 million over the 50-year period would be forgone, as would $107 million in State and local taxes.

EARLIER REPAYMENT UNDER THE UTILITY PROPOSAL

With the same unit charge for power, the net revenues under the wheeling proposal would provide for earlier repayment of the irrigation investments and would save the taxpayers an estimated $68 million in interest costs since such interest is not charged against the irrigation projects. It would pay out the project 7 years sooner than the all-Federal proposal, thus providing necessary funds earlier for more irrigation assistance.

ADVANTAGE ALL TOLD OF PRIVATE UTILITIES PROPOSAL

All told, the economic advantage of the utilities' proposal amounts to $380 million over a 50-year period: $273 million would benefit the Nation's taxpayers and $107 million would go to State and local treasuries for schools, roads, and so forth.

Mr. BENNETT. Mr. President, I also ask unanimous consent to have two editorials in regard to this matter printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, Sept. 22, 1961]

BOON TO TAXPAYER

Action of the Senate Appropriations Committee on the upper Colorado River storage project transmission lines issue, while surprising, is very welcome. That the more public power minded Senate committee should question the all-Federal proposal indicates that the proposal is indeed subject to serious challenge.

The Senate committee did not reject the all-Federal plan advocated by the U.S. Bureau of Reclamation out of hand. But it did direct the Bureau and Secretary of Interior Udall to exhaust every possible effort to reach agreement with private utilities to wheel power and thus avoid duplicating transmission lines.

It directed that a report on such negotiations be made to Congress not later than February 15, 1962, and that meanwhile none of the money appropriated for Federal transmission lines be spent except on three designated routes which all have agreed should be federally constructed.

It was reported after the close House vote for the all-Federal system that some friends of western reclamation were fearful the fight might, in the long run, injure the reclamation cause. For that reason there was then talk of another look to see if a satisfactory arrangement for a combination of Federal and private lines could not still be worked out.

The Tribune favors such a combination of Federal and private transmission lines. After carefully study we are convinced this would assure scheduled payout on the project plus irrigation assistance, guarantee preference customers their promised 6-mill rate on power, and save money for State and Federal taxpayers.

We think the Senate Appropriations Committee has taken a sound approach in line with suggestions made after the close House vote. We hope and believe the true friends of western reclamation will support it both on the Senate floor and in Senate-House conferences.

[From the Deseret News and Salt Lake City Telegram, Sept. 22, 1961]

TIME TO STUDY POWER

As a letter on this page illustrates, the cost figures presented so far on each side of the fight to build Upper Colorado River project transmission lines are so far apart they hardly seem to be referring to the same project.

Memory doesn't recall a case in which it has seemed so hard to make meaningful comparisons. Yet meaningful comparisons must be made upon which to base an intelligent decision as to whether the Federal Government or private industry should build the transmission lines.

This is why the action of the Senate Appropriations Committee this week made such good sense and should be upheld by the Senate.

The committee approved public powerline funds as had the House, but recommended that none be spent on certain parts of the system until further efforts have been made to reach agreements advantageous to both the Government and industry. Its report called on the Bureau of Reclamation to negotiate with the private power interests and report back by February 15 on workable wheeling arrangements.

Next year's Congress could then make a final decision and the work could go forward.

This course seems eminently wise. The financial burden imposed on the Upper Colorado River Basin for repayment of the huge construction costs demands the most efficient possible marketing of the power developed. Moreover the continued growth and vitality of the free enterprise system of America demands that Government not usurp areas of responsibility that private industry could handle equally well.

The next decision will be up to the Senate itself; it will come at almost any hour.

The climate is better now than ever before for intelligent compromise that will preserve basic American qualities and give the consumer and the taxpayer the best possible deal. The Senate should certainly follow the lead of its Appropriations Committee and leave room and time for the spirit of compromise to work.

Mr. CARROLL. Mr. President, the public works appropriations bill before us today contains many items in it of interest to the State of Colorado. I support the bill, although I have reservations about some of the language in the committee report.

TRINIDAD DAM

I am especially pleased to see that the Senate committee has concurred with the President's request for planning money for the Trinidad Reservoir on the Purgatoire River in Las Animas County, Colo.

I have appealed many times to the Corps of Engineers and the congressional committees to speed up work on this project. To date the Federal Government has expended funds on survey and construction planning amounting to $353,000. The Corps of Engineers has estimated that it will need a total of about $750,000 in planning funds.

This year, in this bill, we are giving the corps $200,000, which means we are still short about $200,000 in planning money. This amount, I am assured, will be provided next year, following which the project will be ready for construction.

One of the big obstacles in the path of the construction of this $20 million project is the need for water users and members in the local conservancy district to perfect their repayment commitments toward the project.

I am told that encouraging progress is being made toward accomplishing the repayment agreements. The $200,000 we are appropriating here today will bring us close to completing the necessary surveys, planning, and design. I am hopeful that next year the committee will be considering construction money for this project.

The Trinidad Dam was authorized in Public Law 500 of the 85th Congress. The Senate passed that authorization on June 18, 1958. At that time I was a member of the Senate Public Works Committee and it was our Senate bill 3910, with the Trinidad Dam in it, which was signed into law.

It is now over 3 years since we authorized this project and I hope that by this time next year we will be "turning dirt" on the construction of the dam.

The history of disastrous flooding on the Purgatoire River goes back to records of 1866. There were major floods in 1883 and 1886. On September 30, 1904, a flood at the city of Trinidad measured 45,400 cubic feet per second. On April 23, 1942, the discharge rate of a flood in the city of Trinidad measured 35,000 cubic feet per second.

The last major flood was on May 18–19, 1955. It inundated 40 blocks of the city of Trinidad; sent 1,000 persons fleeing from their homes and caused $5 million in damage. The Army Engineers have estimated that a repetition of the 1904 flood today would cause $9 million in damages.

Mr. President, this combination flood control-irrigation project is critically needed in this economically depressed area. I am pleased to vote for $200,000 in planning funds for this project, but I hope that the planning moves swiftly in cooperation with the development of the conservancy district and that we can furnish construction funds for this project next year.

The construction of this needed project would be quadruply beneficial to the region. It would provide vital flood protection; supplemental irrigation water for farmlands; new recreation facilities to attract tourists; and it would bring $21 million into a depressed economy.

I hope the Corps of Engineers and the Bureau of Reclamation will give this project high priority on their planning schedules.

BUREAU OF RECLAMATION

Mr. President, the total funds appropriated to the Department of Interior affecting the State of Colorado in this bill is $10,897,167.

The Colorado water projects under construction and the amounts appropriated are as follows:

Curecanti	$5,229,000
Paonia	330,000
Florida	2,777,000
Smith Fork	2,027,000
Collbran	534,167

I support the committee action in awarding these amounts. They will permit our Colorado projects to move ahead at a steady pace.

TRANSMISSION LINES

Mr. President, I do not concur with the committee's language inserted on page 36 of the report, entitled "Colorado River Storage Project, Transmission Division." This language, while not reflecting anything in the bill itself on the item of $13,673,000 for Federal construction of backbone transmission lines, attempts to restrain the use of portions of that $13 million. I think this is an unwise tactic. I do not think this report language is in the best interest of the Upper Colorado River Basin fund.

Mr. President, my own firm feelings on the transmission line issue were expressed in my testimony before the committee and are printed in the hearings. I see no need to repeat them at this time.

It is my strong hope, therefore, Mr. President, that the House-Senate conferees will negate this Senate committee language by indicating in a conference report that the remarks in the Senate report do not represent the will or intentions of the Congress.

Mr. President, I ask unanimous consent that a statement I made in support of Federal transmission lines before the Senate Appropriations Committee on September 15, 1961, be included in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF FEDERAL TRANSMISSION LINES BY SENATOR JOHN A. CARROLL, BEFORE THE SENATE APPROPRIATIONS COMMITTEE, SEPTEMBER 15, 1961

Mr. Chairman, I support wholeheartedly, in the bill you are considering this morning, the appropriation of $13,673,000 for Federal construction of the backbone transmission lines in the Colorado River storage project.

After full and careful study of the effect of every transmission line proposal on the Upper Colorado River Basin fund, I am convinced that the Federal system is the soundest way to proceed.

Mr. Chairman, to my mind there is one overriding, controlling factor in this controversy, which has waxed so hot these past few months. I stated this in the special roundtable hearing with private utility and Government witnesses called on July 21 by the chairman of the Senate Interior Committee, Senator CLINTON ANDERSON, and I state it again today.

The issue before the Congress is: What transmission system will return the most dollars to the basin fund to build water projects in Colorado, New Mexico, Wyoming, Utah, and Arizona.

Using the most conservative figures, our Colorado Water Board experts have persuasively demonstrated that if the Federal Government builds the backbone powerlines the basin fund will benefit through the year 2049 by $117 million more than if the lines were privately built and amortized through wheeling charges.

Each year after 2049 the fund would receive $4.8 million more under federally built lines.

In the July 21 roundtable session, I called on the Bureau of Reclamation to furnish our committee with an analysis of benefits to the basin fund of various transmission systems. The Bureau submitted figures less conservative than those I just gave you. They said by the year 2049 the basin fund would benefit by $274 million more than under the investor-owned utility proposal.

The technical findings of both the Colorado Water Board and the Bureau of Reclamation must be given weighty consideration because they bear on a more basic issue.

Mr. Chairman, I think we should all remind ourselves that the whole basic purpose of this Colorado River storage project is not to generate electric power in the West. It is to develop a series of vital water supply projects in the West.

These projects are to be financed largely by revenues put into a basin fund, collected from consumers of electricity generated by falling water within the whole project. Eleven of these participating water projects have already been authorized by Congress for construction. Twenty-four more projects have been authorized for planning. And there will be more.

All of these projects depend for their payout on power revenues from the main steam generating plants at Glen Canyon, Curecanti and Flaming Gorge. What goes into the basin fund determines what water projects we can build and pay for.

These projects are already moving ahead, Mr. Chairman. In the bill before you today, for my State of Colorado alone, there are appropriations for four participating projects: Paonia, Florida, Smith Fork, and Silt. Seventy percent of all the Colorado River water rises in the State of Colorado.

This, combined with the fact that Colorado is entitled to 46 percent of the revenues in the basin fund, gives us an uncommonly high stake in the decisions of the Congress on this issue. And we have this stake in the issue regardless of where the powerlines are being built.

It is our money that is affected, even though the lines in controversy may be in other States. We want all the revenue we can get to develop our water storage projects.

According to the best engineering studies, Colorado benefits most from the federally built system.

And I point out, Mr. Chairman, lest anyone think this is a new and unusual approach by the Congress to power transmission: every multiple-purpose water project authorized by the Congress in the past 30 years has had Federal transmission lines to load centers authorized, providing existing and available lines were not already in place. In this case, existing and available backbone lines are not in place. These lines we are considering today were authorized in the 1956 Colorado River Storage Act.

We are now merely funding that authorization. Actually the most expensive backbone lines, which will be the least valuable in terms of power revenue returns, are already under construction by the Bureau of Reclamation. They were funded last year. There was no controversy over construction of those lines.

Mr. Chairman, I conclude my remarks this morning by calling to the attention of the committee the position of the President of the United States on this issue. On Tuesday of this week, September 12, the President said:

"In order to insure that the Federal investment in these projects will benefit the general public and insure that the generated power will be delivered to points where both public and private agencies are able, realistically, to purchase and distribute this power, Federal transmission lines are necessary."

Mr. Chairman, I hope your committee will sustain the action taken by the House this week in voting funds for Federal construction of the Colorado River Storage Act backbone transmission lines.

Mr. CARROLL. Mr. President, the basic question before us is this: If the Bureau of Reclamation and the private utilities fail to reach an agreement before February 15, may the Bureau then proceed to build the lines with the money we appropriate today? After carefully reading the language in the report, I take the position that they can. However, I still think the statement is most unwise. I hope the Senate will accept the version of the bill as passed by the House and reject the language in the committee report.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point three lists of groups in Colorado who have communicated with me expressing their support of an all-Federal transmission line system.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

COLORADO MUNICIPALITIES SUPPORTING ALL-FEDERAL TRANSMISSION LINES

Akron: Myrtle M. Sahaible, mayor (resolution).

Colorado Springs: Will Henderson, mayor (resolution).

Cortez: Paul Marsell, mayor (resolution).

Craig: Hugh Jones, mayor (telegram).

Fort Morgan: Thomas Ferguson, mayor (letter).

Gunnison: James Dunn, mayor (resolution).

Julesburg: Victor R. Meline, mayor (resolution).

Lamar: C. O. Bowman, mayor (resolution).

Longmont: Albert Will, mayor (resolution).

Loveland: Robert L. Hipps, mayor (resolution, telegram, and letter).

Moffat County: Board of Commissioners, Sam Steele, chairman (telegram).

Otis: James Lee, mayor (letter).

Steamboat Springs: Dr. George Orrel, mayor (2 telegrams).

Trinidad: James Griffin, mayor (resolution).

Yuma: Russell L. Parrish, mayor (resolution).

COLORADO ASSOCIATIONS AND ORGANIZATIONS SUPPORTING ALL-FEDERAL TRANSMISSION LINES

Colorado Association of Municipal Utilities, L. K. Christolear (telegram).

Colorado Water Conservation Board (resolution).

Craig Chamber of Commerce, Ersel Deacons, president (telegram).

Dolores River Project Association, Jack Vinger, president (letter).

La Junta: KKBZ, Charles Logas (radio editorial).

Steamboat Springs Chamber of Commerce, Ray Sieverding, president (telegram).

Steamboat Springs Lions Club, Bill Luby, president (telegram).

Trinidad Power & Light Department, Vail Shumaker, superintendent (letter).

Trinidad Utilities Commission, John Hawton, chairman (resolution).

COLORADO RURAL ELECTRIC COOPS SUPPORTING ALL-FEDERAL TRANSMISSION LINES

Colorado River Basin Consumers Power, Inc., Harvey F. McPhail, director (letter).

Colorado-Ute Electric Association, Inc., C. C. McAfee, president (letter).

Delta-Montrose Rural Power Lines Association, John Burritt, secretary-treasurer (resolution).

Empire Electric Association Inc., I. W. Patterson, manager (resolution and two letters).

Grand Valley Rural Power Lines, Inc., Neal Johnson, President (resolution and letter).

Holy Cross Electric Association Inc., Mela Cerise, president (letter).

K C Electric Association, John E. Rose, manager (telegram).

Moon Lake Electric Association, Inc., Marion Ross, president (letter and resolution).

Morgan County Rural Electric Association, Marion Wilson, manager (letter and resolution).

Mountain Parks Electric Inc., Francis Murphy, president (telegram, letter, and resolution).

National Rural Electric Cooperative Association (resolution).

Poudre Valley Rural Electrification Association, board of directors (telegram).

San Luis Valley Rural Electric Cooperative, Inc., Ray Villyard, manager (resolution).

Southeast Colorado Power Association, Bernard Dorenkamp, secretary-treasurer (resolution).

Tri-State Generation & Transmission Association, Inc., Wendell Garwood, manager (letter and resolution).

Union Rural Electric Association, Inc., R. L. Arnold, manager (letter and resolution).

White River Electric Association, Inc., Roger M. Purdy, manager (letter and resolution).

Yampa Valley Electric Association, Otto Gumprecht, president (telegram).

Y-W Electric Association, Inc., C. L. Wilkins, manager (letter and resolution).

Mr. JAVITS. Mr. President, I yield now to the Senator from Idaho.

Mr. DWORSHAK. Mr. President, I regret to find myself in disagreement with the Senator from Washington, with whom I have had the pleasure of cooperating for many years and in helping to develop the valuable water resources of the Columbia River Basin. While the Senator was speaking, I wanted him to yield—instead, he yielded the floor—in order that I might point out that in the operations of the huge water-resource developments of the Columbia Basin we have the Bonneville Power Administration, and also the Bureau of Reclamation, on the fringe of that development, distributing power which is generated at the Federal plants. It is significant that over the years we have had full coordination and full utilization of the power resources of the Columbia Basin with fairness to the private utilities which have cooperated and to the public utility districts in the lower basin which have distributed power, and also through all the Federal agencies, particularly the Bonneville Power Administration.

In the Columbia River Basin we have a model operation, the Northwest Power Pool, to show that it is feasible and beneficial to all involved, including the taxpayers of the Nation, as well as the consumers of power, to have this cooperation. If we have that kind of system in the Columbia Basin, I think we can also have it in the Colorado Basin and in the Missouri Basin. On many occasions during the committee deliberations I have pointed out that in the vast water-resource developments of the Columbia Basin it is noteworthy that there is no public power versus private power controversy in marketing power, because there is cooperation, and also because it is known that the private utilities and the public agencies can work toward a common goal and common objective.

Mr. President, as we see what has been done in the Columbia Basin and in the Missouri Basin and, to a lesser extent, in the Central Valley of California, and, as already pointed out, in the Southwestern Power area and in the Southeastern Power Administration, I think there is little, if any, justification for now taking the position that, with this language included, the Appropriations Committee has relinquished any of its authority.

I should point out the specific statement on page 36 of the committee report:

> The committee, therefore, directs the Secretary of the Interior and the Bureau of Reclamation to exhaust every possible effort to obtain proper wheeling agreements to accomplish the purposes of these lines, and to report back to the Senate and House Appropriations Committees no later than February 15, 1962, on the progress made in negotiating such contracts.

It is not true that the Federal agency, through the Bureau of Reclamation, has surrendered any of its bargaining authority. The language I have read very clearly shows that neither the private utilities nor the Federal agencies will be the one to make the final determination, because the report is to be submitted to the Appropriations Committee of both the Senate and the House of Representatives; and, if I correctly understand the English language, that statement means that the final determination will be made by the legislative branch of the Government.

I wish to take issue with Senators who prefer to place full, unlimited authority in any of the Federal agencies and to relinquish and delegate the authority of the legislative branch in dealing with vital policymaking issues, such as this one, as involved in the language of this report.

In conclusion, I wish to say that I have confidence in the Senate Appropriations Committee, of which I have been a member for many years, and also in the House Appropriations Committee, on which I also once served, and I know it has outstanding members.

Notwithstanding the unfortunate issues involved in the public power versus private power controversy, I have confidence that from this negotiation will come a long-range transmission system for marketing the power generated in the Colorado Basin that will give fair treatment to the utilities, will give full recognition to the responsibilities of the Bureau of Reclamation, and, more important than that, will bring the best possible service to the consumers of power in the Colorado Basin, at the lowest cost to the American taxpayers.

Mr. JAVITS. Mr. President, if there is no objection, I should like to yield 3 minutes to the Senator from Arkansas [Mr. MCCLELLAN], and then yield 1 minute to the Senator from Colorado. I ask unanimous consent that I may do so.

Mr. ANDERSON. Mr. President, may I inquire if the Senator from New York intends to farm out the floor other than for a minute?

Mr. JAVITS. I am trying to be courteous. If the Senator has objection, I will not yield.

Mr. ANDERSON. No. I express the hope that we may have more than 1 minute when it comes to our time to speak.

Mr. JAVITS. I have about 10 minutes of business, and no more. I am merely being courteous to other colleagues.

I yield to the Senator from Arkansas [Mr. MCCLELLAN] with the understanding I do not lose the floor.

Mr. MCCLELLAN. I thank the Senator for yielding to me, because apparently what we are doing is making legislative history in connection with the appropriation bill.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement I had prepared for us, if necessary, in the discussion of the language before the Appropriations Committee. I am sure I used some of the statement at the time I presented the matter for the committee's consideration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MCCLELLAN

I would like to make some remarks in support of the language I am proposing to have inserted in the committee report.

Let me say, first, that the problem we face in this particular instance is the type of problem which has confronted the Senate—in fact the Congress—many times in the past. I believe there is general agreement among us that we have done a fairly successful job of resolving these differences in the past. In fact, I think we have evolved a pretty good formula for just this kind of a problem. It is a formula which gives due recognition to the existence of investor-owned and Federal power systems in this country. It is a formula which is built on the basic objective of obtaining the maximum utilization of both systems with the least possible harm to either, and for the best interests of the consumer.

We have successfully in the past developed the means whereby Federal and investor-owned power have worked together in specific instances. Look at the Southwestern Power Administration, the Southeastern Power Administration, and many other areas around the country where this has been done. Sometimes there has had to be a little concession from one side, sometimes from the other side. But in the end they sat down around the table and worked out contracts which have resulted in the most good, the most benefits for all concerned. The Federal Government has saved money, I believe the investor-owned companies may have saved money, and certainly the consumers—whether they be preference customers or others, have not lost in these arrangements.

Here, now, we have the same kind of situation. I am saying let us make absolutely sure that we are getting the full benefit of all the available facilities. Let us be absolutely sure that the parties involved in this issue have had every opportunity to sit around the table and do some real hard

bargaining, some good horse trading. I, for one, am not convinced that all the possibilities of this situation have been exhausted. I am not convinced that the Department has pursued all of the possibilities to develop the full potential of the advantages it might gain from some hardheaded discussions with the companies in the Colorado project area. Let us crack some heads together, so to speak, so that the Government will not have to spend hundreds of millions of dollars if private enterprise can and will do so on a fair and equitable basis.

My language is designed to make sure that this whole issue is explored to the utmost. Let the companies have their day in court. Let them put on the table the best possible offers they can make. Let the Federal Government people do the same. Let the two parties work together and see what they can come up with that will be best for irrigators, power consumers, and the taxpayer. I am convinced that when they do we will find that we can save money and yet end up with a better arrangement than anything that has now been proposed. This sort of spirit would save us a lot of headaches and maybe keep us from making some mistakes that we might otherwise make. This is what my language is designed to insure.

Mr. McCLELLAN. We are not establishing a precedent. We are actually following precedent in this matter.

For that reason, I ask unanimous consent to have printed in the RECORD quotations as follows:

Interior Department appropriations, fiscal 1951, Senate Appropriations Committee report, Senate Report No. 661, 81st Congress, 1st session, page 4.

Interior Department appropriations, fiscal 1952, Senate Appropriations Committee report, Senate Report No. 499, 82d Congress, 1st session, page 4.

Interior Department appropriations, fiscal 1953, Senate Appropriations Committee report, Senate Report No. 1803, 82d Congress, 2d session, page 2.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

Interior Department appropriations, fiscal 1950, Senate Appropriations Committee report, Senate Report No. 661, 81st Congress, 1st session, page 4: "These companies have also advised the committee that they will supply all the electric energy which may be required by the Government, in addition to that produced by the Government at its hydroelectric plants, for the service of preferred customers of the Government. The compensation for such transmission and additional energy to be in conformance with the principles found in the contract between the Southwestern Power Administration and the Texas Power & Light Co.

"The committee directs that the Administrator of the Southwestern Power Administration report to the Senate and House Appropriation Committees by January 1, 1950, on progress made on entering into contracts with private power companies in the area where the Southwestern Power Administration operates."

Interior Department appropriations, fiscal 1952, Senate Appropriations Committee report, Senate Report No. 499, 82d Congress, 1st session, page 4: "The committee has approved the two foregoing items with the definite understanding that the funds recommended therefor are not to be used if the Southeastern Power Administration and the public utility companies in the areas concerned can enter into wheeling agreements for the transmission of power from the Buggs Island Dam to Kinston, N.C., and for the transmission of power from the Clark Hill Dam to Greenwood, S.C.

"Considerable progress has been made in the last few years in the negotiation of wheeling agreements in other areas of the United States, and the committee knows of no valid reasons why similar agreements cannot be obtained in the southeastern area of the United States.

"The committee, therefore, directs the Southeastern Power Administration and the Secretary of the Interior to exhaust every possible effort to obtain proper wheeling agreements before utilizing the funds recommended for the above-mentioned facilities. It is the hope of the committee that it will not be found necessary to use these funds. In the judgment of the committee, fair and reasonable offers should be made by the public utility companies in the areas concerned for the wheeling of power from the Buggs Island and the Clark Hill Dams to preferred customers of the Government under section 5 of the 1944 Flood Control Act, and likewise in the judgment of the committee when fair and reasonable offers are made by the public utility companies such offers should be accepted by the Secretary of the Interior as the distributor of public power under section 5."

Interior Department appropriation, fiscal 1953, Senate Appropriations Committee report, Senate Report No. 1803, 82d Congress, 2d session, page 2: "Language has been added to the bill that would require further negotiations before any part of the funds appropriated for 1953 or of the unobligated funds appropriated in 1952 may be used for construction of transmission lines and related facilities. The language would also require the Secretary of the Interior to advise the Congress that further negotiations with the power companies in the area have failed to produce substantially the same type of contracts which have been executed in other power areas for the transmission of electric power and energy from Government-owned projects to preferred customers before any funds may be expended. The language referred to is as follows: ': *Provided*, That no part of the funds appropriated by this paragraph or any part of the unobligated balance appropriated under this heading in the Interior Department Appropriation Act for 1952 shall be available for the construction of transmission lines and related facilities in the Southeastern Power area until (1) a contract with the affected power companies in the area of substantially the type which has heretofore been executed in other power areas for transmission of electric power and energy from Government owned projects to preferred customers has been executed, or the said companies have refused to execute such contracts, and (2) the Secretary of the Interior has so informed the Congress.' "

Mr. McCLELLAN. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks an announcement from the office of the Department of the Interior of September 18, 1961, entitled "Cooperative Effort Called for in Interconnection and Pooling of Power Resources."

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

COOPERATIVE EFFORT CALLED FOR IN INTERCONNECTION AND POOLING OF POWER RESOURCES

Secretary of the Interior Stewart L. Udall expressed the hope today that a 10-year program of transmission line construction announced by the Edison Electric Institute will open the way for a cooperative planning effort of interconnecting and pooling facilities of public systems with those of private industry.

"I am encouraged to learn of these new plans for pooling and interconnection of the Nation's power company systems," Secretary Udall said. "Since President Kennedy issued his message on natural resources in February of this year, there has been an increasing awareness on the part of the entire utility industry of the need to make optimum use of the Nation's electric power facilities.

"It is timely that both public and private sectors in the power field are looking beyond mere interconnection of lines and are considering the mutual advantages of extra-high voltage transmission. Many countries in Western Europe have already proved the mutual benefits attainable by such cooperation.

"The logical next step is a cooperative industry-governmental effort to plan for the full utilization of the present and future facilities of private industry, consumer-owned utilities and the Federal Government. These public agencies represent nearly 25 percent of the Nation's electric power industry. Such a move would be in the interest of sound, complete, overall planning. Wherever practicable, these major lines should be operated on a common carrier basis.

"In recognition of the Department's responsibilities in power interconnections and pooling, I appointed a committee in April of this year to join with representatives of the Edison Electric Institute to study these possibilities with special attention to the economics and the advantages of extra-high voltage transmission. I am hopeful that this committee can now be activated fully and assume its responsibility in this important field of resource planning.

"It is our intention to examine the proposals of the Edison Electric Institute to ascertain areas where full interconnection and pooling of the output of both private and public generating plants will serve the national interest.

"Until we have had an opportunity to review the plan in more detail, it is impossible for us to comment more specifically on the lines that are proposed."

Mr. JAVITS. Mr. President, I notice the Senator from New Mexico on his feet. If he wishes me to yield to him, I shall be glad to do so. I have no desire to hold the floor. I shall be through in about 10 minutes.

Mr. ANDERSON. Will the Senator yield for a couple of minutes?

Mr. JAVITS. Yes, if I may have unanimous consent to have the same understanding.

The PRESIDING OFFICER. Without objection, under those conditions, the Senator from New Mexico is recognized.

Mr. ANDERSON. Mr. President, I wanted this statement to appear somewhat in context with the questions raised in connection with this matter. Actually, from the standpoint of those who are interested in the construction of the Government lines, it appeared the Appropriations Committee added language where nobody could do anything about getting rid of it. If the opponents of Government lines had approached the question as the House did, they would have tried to tie it down. That is what the opponents in the House did, and it was promptly rejected by the House. This is put in the Senate report where nobody can attack it. We think that is unusual procedure and an unusual report.

This matter is not new in the Interior Department, nor to people familiar with it. This matter was presented to the Eisenhower administration by the Congress, with the request that that administration study it and decide what ought to be done. Our former colleague, the former Senator from Nebraska, who was then Secretary of the Interior, Mr. Seaton, made a careful study of the matter. After a long study, he decided the Government lines should be built. Who is ready to criticize what he did? He did the best he knew how. He was a very intelligent man.

Then the matter was referred to the Secretary of the Interior in the Kennedy administration. Again a study was made. Again the same decision was reached. Now the Congress says: "We hope you will restudy it and report to the committee."

I want to tell the Senator from Colorado that if by the 15th day of February no wheeling contracts are entered into, of course the Secretary of the Interior may proceed. This language does not hold him. If the opponents of the Federal line wanted to do so, they would have put the language in the legislation, and not in the report. After the Secretary tries to negotiate contracts and finds himself unable to do so, he will see that he can proceed with the contracts, as he should do.

ELIMINATION OF SEGREGATION AND DISCRIMINATION IN HOSPITALS

Mr. JAVITS. Mr. President, I should like to call the attention of the Senate to an anachronism in the Hill-Burton Act. I ask unanimous consent that I may send to the desk and introduce a bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2625) to amend the Hospital Survey and Construction Act to prohibit discrimination in any respect whatsoever on account of race, creed, or color in hospital facilities, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I refer to a situation which perpetuates in the Hill-Burton Hospital Construction Act the principle of separate but equal facilities, which principle has been stricken down by the Supreme Court in the school desegregation cases.

Section 622(f) of the Hill-Burton Act expressly provides that separate but equal facilities shall satisfy the mandate of the law. It just seems to me out of the question that we can allow any such provision to continue to exist in our law at this time.

In addition, I wish to call attention to the pattern of discrimination and segregation in hospitals and in opportunities of Negro physicians which characterize the whole hospital, interns, and special training situation in medicine.

Nothing could be more pernicious than racial discrimination and segregation in the life-and-death medical field. Yet the existence in our country of racial discrimination in hospitals against Negro physicians and Negro patients is so clear as to demonstrate the urgent need for some corrective legislation and for government at all levels and medical societies to extend themselves to correct these injustices.

As one step in this effort, I am introducing the bill to amend the Hill-Burton Hospital Construction Act of 1946 to bar Federal funds to hospitals which maintain segregated facilities. I believe this step is necessary to make clear that the Federal Government does not endorse racial segregation in hospitals, and I am hopeful for action by Congress early in the next session. The Hill-Burton Act still permits "separate but equal facilities" for whites and Negroes—a principle that was struck down as to public schools by the Supreme Court in 1954.

The pattern of discrimination and segregation in hospitals, medical societies and medical schools has been researched for some time now by my office. I would like to outline this problem in these fields as it exists today throughout the United States.

HOSPITAL SEGREGATION

Discrimination against Negro patients varies in degree throughout the United States. There are still far too many hospitals which bar Negro patients altogether; and there are still many hospitals which, although admitting Negro patients, keep them segregated within the hospital.

Negro hospitals are generally overcrowded, poorly equipped and inadequately manned. Many of them are "hand-me-downs" delivered by the white community after a new hospital has been constructed.

The "separate but equal" system in hospitals has spawned the same evils that exist in other areas of our society where it may be found. As Dr. Edward C. Mazique of the Medico-Chirurgical Society of the District of Columbia has stated, the system is unduly wasteful, expensive, and has meant second-class treatment for many Negro Americans. The system has relegated Negro patients to basement and attic wards and in the halls of some hospitals. Severe overcrowding is a rule common in institutions maintaining separate facilities. Often when Negro wards are filled, no additional Negro patients are admitted even though there may be empty beds elsewhere in the hospital.

Although the U.S. Government has ordered complete integration of all Veterans' Administration hospitals, it still supports segregation through the Hill-Burton law. Under this act, Federal funds were used to construct or modernize 90 segregated hospitals. The Hill-Burton Act—Hospital Survey and Construction Act of 1946—provides allotments to States for assistance in modernizing and constructing hospitals. The States must submit their plans to the Surgeon General, who is authorized to issue general regulations. Section 622(f) states:

> Such regulation may require that before approval of any application for a hospital or addition to a hospital is recommended by a State agency, assurance shall be received by the State from the applicant that (1) such hospital or addition to a hospital will be made available to all persons residing in the territorial area of the applicant, without discrimination on account of race, creed, or color, but an exception shall be made in cases where separate hospital facilities are provided for separate population groups, if the plan makes equitable provision on the basis of need for facilities and services of like quality for each such group.

My bill would delete the underlined clause and thus outlaw "separate but equal" facilities. I would also substitute "shall" for "may" in the first sentence to make assurances of nondiscrimination mandatory instead of optional.

NEGRO PHYSICIANS

Although American Negroes make up about 10 percent of the national population, Negro doctors comprise only about 2 percent of the total number of physicians in the United States. Put another away, while there is a ratio of one physician for every 770 persons in the United States, there is a ratio of one Negro physician for every 5,000 nonwhites.

Dr. Robert Jason, Dean of Howard University's College of Medicine, in stressing the shortage of qualified Negro physicians, has pointed out that the small additions made to the ranks of Negro doctors yearly serve only to fill the gaps created by the attrition of the years, but fail to meet the demand for new personnel created by an ever-expanding population.

Progress toward integration of Negro physicians on the staffs of the Nation's hospitals has been extremely slow. Many qualified Negroes have been refused hospital staff appointments, not due to any lack of ability or preparation, but simply because of the existence of a studied, systematic discriminatory program of exclusion.

The increasing complexity of medical care in recent decades has tended to make physicians more and more dependent upon hospital service. Inability to secure an adequate staff appointment may seriously restrict a Negro physician's professional career.

Testimony at the National Conference on Hospital Integration sponsored by the National Medical Association and the National Association for the Advancement of Colored People has indicated that discrimination in hospital staff appointments is prevalent, not only in all-white hospitals, but in hospitals which maintain segregated facilities for whites and nonwhites, and even in some hospitals which maintain integrated patient policies.

MEDICAL SOCIETIES

Although Negro physicians are admitted to most State and county medical societies, there are still some areas of the country where they are denied membership in these organizations. Because admission to a medical society is often a prerequisite to securing a hospital staff appointment, failure to obtain membership has acted as a further bar to Negro physicians.

There is a need for responsible leadership from the American Medical Asso-

ciation and its member societies to solve this problem.

In 1950 and again in 1952, the house of delegates of the AMA adopted a resolution which recommended "that constituent and component societies having restrictive membership provisions based on race, study this question with a view to taking such steps as they may select to eliminate such restrictive provisions."

But the AMA has disapproved resolutions, proposed by the New York Medical Society, that would have recommended a change in the AMA constitution to provide that no component society "shall exclude any qualified physician from its membership by reason of race, creed, or color."

In 1957, the Hawaii Society recommended elimination of the requirement of medical society membership for hospital staff appointments, but the AMA house of delegates rejected a resolution to that effect on the grounds that it was up to individual hospitals to determine whether they wish to make membership in a medical society a prerequisite to staff privileges.

The restrictions maintained against Negro physicians in the fields of staff appointments and membership in affiliated medical societies have contributed to the problem of specialist training for Negroes. There are today approximately 381 certified Negro specialists in the United States. While this represents a significant increase over past years, it remains an extremely small group compared to the total of 60,644 specialists in the entire Nation.

EDUCATION

There have been some advances in the field of medical school admissions for Negroes, but the situation is still far from satisfactory. Of the 6,785 medical school graduates in June 1961, in the United States, only 190 were Negroes and all but 53 of these were graduated from the two traditionally Negro medical schools, Howard University in Washington, D.C., and Meharry Medical College in Nashville, Tenn.

Before 1948, no medical schools in the South, other than Howard and Meharry, admitted Negro students. Since 1948, 18 Southern medical schools have opened their doors to Negroes; but as of June 1961, the following Southern medical schools are reportedly still closed to Negroes, according to the Journal of the National Medical Association: Medical College of South Carolina, University of Georgia, Emory University, University of Alabama, University of Mississippi, University of Louisiana, Tulane University, Baylor University, University of Tennessee, Vanderbilt University, and Bowman Gray Medical College.

Of course, the road to medical school begins with solid primary, secondary and college training. As long as segregation remains at those levels, the Negro will be at a disadvantage. Dr. W. Montague Cobb, head of the Department of Anatomy of Howard University, has pointed out that "inadequacies of preparation from the kindergarten up are the principal handicaps" which Negroes have to overcome. With the educational standards of the typical Negro college below those of the white college, only a small percentage of Negro students enrolled in premedical courses are able to meet the rigorous entrance requirements of medical training schools.

At the earliest opportunity in the next session, I shall do my utmost, both in committee and on the Senate floor, to see that the amendment to the Hill-Burton Act to remove this anachronism from the law is passed by the Senate.

ROCKEFELLER PROCLAMATION—AMERICAN INDIAN DAY IN NEW YORK

Mr. JAVITS. Mr. President, Governor Rockefeller, of New York, has issued a proclamation making today, September 23, American Indian Day in New York State. Senate Joint Resolution 84, which would establish American Indian Day in the United States on the fourth Friday of each September, passed the Senate recently and is now pending in the House of Representatives, Committee on the Judiciary. I hope very much that favorable action will be given to this resolution so that we may celebrate American Indian Day nationally at this time next year and the entire Nation can honor the American Indian as we should.

I ask unanimous consent that the Governor's proclamation be printed herewith.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

The American Indian has added greatly to the life and culture of our Nation. The people of New York are particularly proud of the Indian tribes in the Empire State, which have added so much to our history and development.

Our Indian neighbors, whom we cherish as fellow citizens of the highest order, are proud, among other things, of their war record, as they have every right to be. They have fought, on land and on sea and in the air, through all our battles for freedom, not only with unshakeable courage but also outstanding skill. In peacetime they yield to no other group in their conscientiousness, industry, and respect for the rights of others.

It is fitting that we set aside a day in every year to focus the attention of the public on the cultural, social, and educational growth of the American Indian. Let it remind us to accord the American Indian the respect and equality, and dignity to which he is beyond all question entitled.

Now, therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim September 23, 1961, as American Indian Day in New York State.

Given under my hand and the privy seal of the State at the capitol in the city of Albany this 18th day of September in the year of our Lord 1961.

NELSON A. ROCKEFELLER.

By the Governor:

WILLIAM J. RONAN,
Secretary to the Governor.

NATIONAL DEFENSE POLICY

Mrs. SMITH of Maine. Mr. President, I am delighted by the statement of the senior Senator from Missouri [Mr. SYMINGTON], who apparently spoke in the capacity of spokesman for the President in answering my remarks, and whose statement apparently is a clear and unequivocal message to Khrushchev that the United States will not limit itself to conventional weapons but will use nuclear tactical weapons whenever and wherever it is deemed necessary to defend the peace of the world and the security of our country.

If my address accomplished nothing else, it has produced such a strong assurance from the distinguished Senate spokesman for the Kennedy administration on our national defense policy. It is a glimmer of hope for the beginning of a nuclear credibility, which has too long been tragically absent.

Mr. President, I shall reply in greater detail later to the remarks of the senior Senator from Missouri.

PUBLIC WORKS APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, for the fiscal year ending June 30, 1962, and for other purposes.

Mr. MUNDT. Mr. President, I offer the amendment which is at the desk, for myself and my colleague [Mr. CASE].

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 4, line 21, after the colon it is proposed to insert the following:

Provided further, That appropriations under this head shall be available to the Chief of Engineers for the purposes authorized by Sec. 6 of the Flood Control Act of 1946, as amended by the Civil Functions Appropriations Act of 1949.

Mr. MUNDT. Mr. President, I shall take very little time on the amendment. This problem was discussed by our committee. It was suggested to the Corps of Engineers that the Corps should take the necessary corrective steps or make recommendations for meeting the peculiar school problem existing primarily in the Oahe Dam area of South Dakota. The Government has a specific responsibility here and it should be met by those responsible. I believe our amendment will positively do the job.

I have discussed the amendment with the chairman of the committee and other committee members. The chairman has agreed to accept the amendment. I see no reason to belabor the record with further argument if there are no questions to be answered. This simply reaffirms a specific provision adopted by Congress in 1949.

Mr. ELLENDER. Mr. President, the amendment was considered by the committee. At the time the committee considered the bill, at that time it was thought the Engineers had the authority to use funds from the Oahe appropriation to assist the schools affected by this project. Yesterday we were notified that because of a new law recently passed by Congress, the Engineers will be unable to utilize the funds appropriated to the

Oahe project, unless this amendment is placed in the bill. I have no objection to the amendment.

Mr. MUNDT. The Senator is exactly correct. This amendment will end all doubt and confusion on this matter. It gives specific instructions to the Corps of Engineers.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

ACTIVITIES OF THE SENATE FINANCE COMMITTEE DURING THE 1ST SESSION OF THE 87TH CONGRESS

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD a reply I have made to the distinguished majority leader, who requested of me a statement of the activities of the Finance Committee during the current session; together with a summary of the measures acted upon by the committee.

There being no objection, the letter and summary were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
September 22, 1961.

The Honorable MIKE MANSFIELD,
Majority Leader, U.S. Senate,
Washington, D.C.

DEAR SENATOR: In compliance with your request of September 13, attached you will find a listing of the work that has been completed by the Senate Finance Committee during the 1st session of the 87th Congress.

As to the future, it is expected that we shall have a very full schedule inasmuch as the Trade Agreements Act expires in June, as well as the Sugar Act; the President's tax program will be taken up, and the subject of tariff reclassification will be before us.

With kindest regards, I am,

Faithfully yours,

HARRY F. BYRD,
Chairman.

REVENUE

H.R. 4363: Broadens the study of State taxation of interstate commerce required by Public Law 86–272 to include all matters pertaining to such taxation. The study under Public Law 86–272 was limited to State taxation of income from interstate commerce. Public Law 87–17 (Apr. 7, 1961).

H.R. 5189: Exempts foreign central banks of issue from U.S. tax on income from obligations of the United States, except for the extent that such obligations are held for commercial banking purposes and not for central banking purposes. An amendment added to this bill by the committee provides a special period within which spouses in community property States may consent to certain elections made under the Internal Revenue Code by the other spouse. Public Law 87–29 (May 4, 1961).

H.J. Res. 437: Extends from June 30, 1961, to January 31, 1962, the time within which the Joint Committee on Internal Revenue Taxation is to file a report on renegotiation of Government contracts. This extension was necessary because the new administration had not been in office long enough to formulate its policies under the renegotiation laws. Public Law 87–55 (June 21, 1961).

H.R. 311: Authorizes the Federal Government to accept gifts for the purpose of reducing the public debt of the United States. The bill creates a special account on the books of the Treasury to which such gifts will be credited. Public Law 87–58 (June 27, 1961).

H.R. 1877: Provided for exemption of a pension trust from the date which it was established under a collective bargaining agreement. This not only permits the income from such trust to be exempt from tax, but permits employer contributions to the trust to be deductible. The committee added two provisions to the bill. The first extends for 2 years the period within which certain stock life insurance companies may make deductible distributions to shareholders in pursuance of a plan of mutualization. The second provides a reduced tariff for hair of the cashmere goat. A Senate floor amendment exempts a second pension trust from income tax from the date of its creation under an agreement with union representatives. Public Law 87–59 (June 27, 1961).

H.R. 6713: Increases certain excise taxes, continues certain increases already provided for, and diverts to the highway trust fund a greater portion of excise tax on trucks, buses, etc., beginning in 1962. This retains the highway program on a pay-as-you-go basis. Public Law 87–61 (June 29, 1961).

H.R. 7677: Provides for a temporary increase in the public debt limit of $13 billion for the fiscal year ending June 30, 1962. The permanent debt limit is $285 billion. Public Law 87–69 (June 30, 1961).

H.R. 7446: Extends for 1 year, until June 30, 1962, existing corporate income tax rates and certain excise tax rates. Public Law 87–72 (June 30, 1961).

H.R. 929: Provides that the prepaid dues of certain nonstock membership organizations may be reported for tax purposes ratably over the period of membership. Public Law 87–109 (July 26, 1961).

H.R. 2244: Would extend the extra 10-percent deduction for charitable contributions to certain foundations which are required to distribute their net income to churches, schools or hospitals and which can distribute corpus (if it makes such distributions) only to the same organizations. A committee amendment would extend the extra 10-percent deduction to foundations organized to receive, hold and invest funds for the benefit of a State college or university. (Awaiting Senate consideration.)

H.R. 2585: Permits successor employers who acquired another business within the first 20 weeks of a calendar year to receive credit for State unemployment taxes paid by his predecessor. A committee amendment eliminated retroactive application of the bill. An amendment added by the committee would provide for a legislative settlement as to the proper allowance for depletion for clay and shale used prior to 1961 in the refractory industries. (Awaiting signature of President.)

H.R. 4317: Provides a system of survivor annuities for survivors of Tax Court judges which are substantially identical to benefits provided survivors of Federal judges under existing law. A provision added by the committee makes it clear that public school teachers are entitled to the same exclusion from gross income for amounts contributed by their employer toward an annuity contract as existing law allows private school teachers. (Awaiting signature of President.)

H.R. 7057: Would provide for a legislative settlement as to the proper allowance for depletion for clay and shale used prior to 1961 in the production of brick, tile, sewer pipe, flowerpots, and kindred products. A committee amendment limited the basis upon which depletion is computed to 50 percent of the value of the manufactured products but not more than $12.50 times the number of tons of raw clay or shale used in manufacturing the products. (Awaiting signature of President.)

H.R. 10: Would permit self-employed individuals to be covered by qualified employee pension plans and to make deductible contributions by a self-employed person of up to 10 percent of his earned income or $2,500, whichever is the lesser, but would limit the amount of this contribution which would be deductible. (Awaiting Senate action.)

H.R. 8847: Provides that a distribution of stock made pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and provides that the amount of such a distribution made to a corporation shall be the fair market value of the distribution. (Awaiting Senate action.)

H.R. 8876: Provides for a system of taxpayer account numbers, which will enable the Internal Revenue Service to utilize automatic data processing equipment in processing tax returns. (Awaiting Senate action.)

H.R. 8652: Provides an additional 5-year carryover period for losses incurred in 1953 and 1954 by local transit companies in converting from streetcar to bus service. (Awaiting signature of President.)

Tax provisions contained in Peace Corps bill (H.R. 7500) provides for the tax treatment of Peace Corps volunteers and volunteer leaders, including withholding from termination payments for income and social security tax purposes. (Awaiting signature of President.)

Tax provisions contained in Mutual Educational and Cultural Exchange Act of 1961 (S. 1154) provides more favorable income tax treatment for nonresident alien individuals who are temporarily in this country under an exchange program. (Awaiting House action.)

TARIFF

H.R. 5463: Extended the termination date of the Sugar Act from March 31, 1961 to June 30, 1962, and continued the authority of the President until that time to determine notwithstanding any other provision of the act the quota for Cuba. In addition the new law provides that any amount of the reduction in the Cuban quota which under the formula set forth in the law would be purchased from any country with which the United States is not in diplomatic relations need not be purchased, and provides that if additional amounts of sugar are required over the amounts directly provided for in the formula the President, in purchasing such amounts, shall give special consideration to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities. Public Law 87–15 (Mar. 31, 1961).

H.R. 4940: Would limit imports of certain Philippine tobaccos that may be charged to the U.S. duty-free quota, to those tobacco exports licensed by the Philippine Government for charge against the quota. Public Law 87–47 (June 16, 1961).

H.R. 3385: Transfers from the dutiable list to the free list of the Tariff Act, certain apparatus utilizing radioactive substances in medical diagnosis or therapeutic treatment and electron microscopes used in scientific research. Public Law 87–95 (July 20, 1961).

H.R. 4591: Continues the suspension of duties on metal scrap until the close of June 30, 1962. Public Law 87–110 (July 26, 1961).

H.R. 6611: Provides a temporary reduction from $500 to $100 in the amount of purchases abroad that a returning resident of the United States may bring back into this country free of duty. (Residents returning from the Virgin Islands allowed to bring back $200 in purchases. This proposal was recommended by the President as a part of a program to counter our unfavorable balance of payments.) Public Law 87–132 (Aug. 10, 1961).

H.R. 5852: Provides for the free importation of one towing carriage and appurtenances imported for the use of the University

of Michigan. Amendment added to increase from $10 to $100 the duty-free allowance on gifts brought into this country by visitors. (Awaiting signature of President.)

S. Res. 206: Instructs the U.S. Tariff Commission to bring up to date the studies on fluorspar, lead and zinc, and mercury, and to institute new studies on manganese, cobalt, and beryllium. (Awaiting Senate action.)

UNEMPLOYMENT COMPENSATION AND SOCIAL SECURITY

H.R. 4884: Increase in Federal matching for medical payments in old-age assistance: As to vendor payments (payments directly to the suppliers of medical services) Federal participation in State expenditures was increased from $12 to $15 above the regular matching maximum. Effective for calendar quarters beginning July 1, 1961, and thereafter.

Aid to dependent children program

Unemployed parents: For a 14-month period (May 1, 1961, through June 30, 1962), would allow Federal matching as to payments to children in need by reason of the unemployment of the parent. Would require what a State plan includes provisions to assure that assistance is not provided if, and for as long as, the unemployed parent refuses without good cause to accept employment in which he is able to engage.

Foster home care: Effective for a 14-month period (May 1, 1961, through June 30, 1962), would allow Federal matching as to children placed in certain foster homes when a court of competent jurisdiction finds that the child was not receiving proper care and protection in his own home, and gives responsibility to the State agency to place him in a foster family home.

Unsuitable home statute: Provides that until September 1, 1962, that any action taken pursuant to a State statute, which requires that aid be denied to a child because of conditions in the home where he resides, would not be a basis for withholding Federal payments to the State.

Training grants for public welfare personnel: Extends existing authority for grants to June 30, 1963, and removes the State matching requirement of 20 percent so as to make it a provision financed solely by Federal funds. Public Law 87-31 (May 8, 1961).

H.R. 4806: Unemployment compensation—The Temporary Extended Unemployment Compensation Act of 1961: Provides additional unemployment compensation payments to workers who remain out of work after they have exhausted their benefits under State and Federal unemployment compensation laws. Applies to workers who have exhausted their benefits between June 30, 1960, and April 1, 1962, but those who establish their entitlement by April 1, 1962, may continue to draw benefits for weeks they are unemployed up to July 1, 1962. A worker is granted extended unemployment compensation equal in amount to his benefits for half the number of weeks of his basic entitlement, within certain limits. These limits are that no worker may receive extended benefits for more than (1) 13 weeks, or (2) if he has received more than 26 weeks of basic benefits his combined (basic and extended) benefits may not exceed 39 weeks. In those States where benefits are paid for over 26 weeks the State is reimbursed for payments to a worker in excess of 26 weeks and the worker is granted extended benefits within the combined limit of 39 weeks.

Also provides a limitation on amount of benefits which provides for a reduction in extended unemployment benefits of a worker equal to any amount he is being paid under a pension or retirement annuity contributed to by a base period employer of the worker. This means that a reduction is made if both types of payments (retirement and unemployment) arise by reason of service for the same employer. This reduction does not apply where the payment is made by reason of disability or in the case of old-age and survivors insurance benefits under the Social Security Act.

Benefits are financed by a temporary increase of 0.4 of 1 percent in the unemployment tax (3.1 to 3.5 percent) paid by employers for wages paid during 1962 and 1963, in effect increasing the net Federal tax to 0.8 percent of payroll during these 2 years. Public Law 87-6 (Mar. 24, 1961).

H.R. 6027: Social Security Amendments of 1961.

Old-age, survivors, and disability insurance

Increases aged widows benefits from 75 percent to 82½ percent of deceased husband's benefit.

Increases minimum benefit from $33 a month to $40 a month.

Allows men to draw reduced benefits at age 62 in the same manner as previously provided for women.

Liberalizes fully insured status requirement so that a person must have 1 quarter of coverage for each 4 quarters (a year) elapsing after 1950 (previously 1 quarter required for each 3 quarters elapsing).

Liberalizes income limitation so that $1 in benefits will be withheld for each $2 of earnings between $1,200 and $1,700 (previously $1 withheld for every $2 of earnings between $1,200 and $1,500).

Benefit increases effective for month of August 1961, and financed by one-eighth of 1 percent increase in tax rate for both employee and employer (three-sixteenths of 1 percent for the self-employed) beginning in 1962.

Other changes gave workers with prolonged disability additional time to file applications to preserve their benefit rights, facilitates the coverage of employees of State and local governments, and gives the survivors of certain deceased ministers an opportunity to elect coverage.

Public assistance

Increase in Federal matching for the needy, aged, blind, and disabled: Effective October 1, 1961, through June 30, 1962, for old-age assistance, aid to the blind, and aid to the totally and permanently disabled, Federal matching at the 80-percent level will apply to the first $31 per month of the average payment rather than the first $30 under existing law. Likewise, the overall average matching maximum is raised from $65 to $66. Federal matching on this portion ($32 to $66) of the average payment varies according to a State's per capita income from 50 percent to 65 percent.

Assistance to U.S. citizens returned from foreign countries: For a period of 1 year, beginning July 1, 1961, authorizes the expenditure of Federal funds for the temporary assistance of U.S. citizens without available resources who have returned, or been brought back, to this country because of illness, destitution, or because of war, threat of war, invasion, or similar crisis. The program will be generally administered by the Department of Health, Education, and Welfare, but the Department of State will identify the returning nationals. Reimbursement will be required of the citizens receiving such assistance, except for those classes of cases stipulated in regulations of the Secretary of Health, Education, and Welfare. Public Law 87-64 (June 30, 1961).

Veterans

H.R. 866: Requires that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals. Public Law 87-97 (July 20, 1961).

H.R. 7148: Provides that if a veteran dies at a Veterans' Administration facility in any State, including territories, District of Columbia, Commonwealth of Puerto Rico, and the Canal Zone, the remains may be transported to the place of burial in any State or the Canal Zone. Public Law 87-99 (July 21, 1961).

H.R. 2953: Authorizes the tacking of two or more separate periods of service during more than one period of war in satisfying the 90 days' service requirement for payment of non-service-connected death pension. Public Law 87-101 (July 21, 1961).

H.R. 6269: Provides that in all cases whenever a veteran is discharged or released from active duty he shall be deemed to continue on such duty during the period of time immediately following the date of such discharge or release required for him to proceed to his home by the most direct route and, in any event, until midnight of the date of such discharge or release. Public Law 87-102 (July 21, 1961).

H.R. 845: Increases the special pension payable to Congressional Medal of Honor holders to $100 per month. Public Law 87-138 (Aug. 14, 1961).

H.R. 4539: Authorizes the payment of dividends averaging from $100 to $150 on certain national service life insurance which has been converted or exchanged for new insurance. Public Law 87-223 (Sept. 14, 1961).

H.R. 856: Permits the conversion or exchange of policies of national service life insurance to a new modified life plan. Amendments added to increase service-connected disability compensation to veterans of all wars and peacetime service rated between 10 and 100 percent or who are entitled to receive compensation at one of the statutory award rates on sliding scale consistent with degree of disability and reopen national service life insurance for period of 2 years. (Awaiting House action.)

H.R. 1098: Provides that a flag shall be furnished to drape the casket of each deceased veteran of Mexican border service. Public Law 87-240 (Sept. 14, 1961).

H.R. 8414: Clarifies the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property. (Awaiting signature of President.)

H.R. 6969: Adjust the dependency and indemnity compensation rates so that benefits for certain widows of veterans whose deaths are due to service connection will not be less generous than benefits payable to widows of veterans whose deaths were nonservice connected. (Awaiting signature of President.)

H.R. 879: Increases service-connected disability compensation to veterans of all wars and peacetime service rated between 10 and 100 percent or who are entitled to receive compensation at one of the statutory award rates on sliding scale consistent with degree of disability and amendment to reopen national service life insurance for period of 2 years. (Same as amendments added to H.R. 856.) (Awaiting House action.)

ACCOMPLISHMENTS OF SENATE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

Mr. KERR. Mr. President, I would like to have unanimous consent to have printed in the RECORD at this time a short summary of the accomplishments of the Senate Committee on Aeronautical and Space Sciences during the present session.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

ACCOMPLISHMENTS

The first major task of the committee this session was the consideration of the authorization request for the National Aeronautics and Space Administration for fiscal year 1962

(H.R. 6874). This task was complicated by the fact that the original request forwarded in January was the request of the former administration. In March there was an additional request submitted and then after review and analysis by the Space Council another request was submitted so that several sets of hearings were necessitated before the measure was finally passed. The final full amount requested by the President for an accelerated space program was approved and subsequently became Public Law 87–98.

The second major task of the committee had to do with the President's request to alter the composition of the National Aeronautics and Space Council and to make the Vice President its chairman. This measure (H.R. 6169) was considered favorably by the committee and subsequently became Public Law 87–26.

On August 28, 1961, the administration requested additional authority by NASA for land acquisition at Cape Canaveral, Fla., required for additional launching sites. This measure (S. 2481) was favorably reported by the committee, passed by the Senate and is pending in the House at the present time.

Executive appointments of James E. Webb to be Administrator of NASA, and Dr. Edward C. Welsh to be executive secretary of the Space Council, were submitted by the administration, approved by the committee and confirmed by the Senate.

S. 1857, which would make certain changes to the National Aeronautics and Space Act of 1958, was submitted by the administration. Hearings have been held by the committee on this measure, but no action has been taken at the present time.

The committee intends to hold hearings throughout the rest of the year on certain aspects of the space program. Tentatively scheduled at present during the period of adjournment are hearings on the Saturn program in October. Other aspects of the space program including meteorological, communications, and biomedical programs of NASA will be considered at a later date. The committee staff is actively engaged in a number of studies (some with the assistance of the Legislative Reference Service, Library of Congress) in various areas of interest to the committee and the public.

These studies will be utilized as the basis of staff reports and as background material for the subsequent hearings to be held by the committee.

PENDING FOR SECOND SESSION

Only two measures remain on the committee calendar for possible action in the second session: (1) S. 1857, mentioned above, and (2) Senate Resolution 210, to establish an International Space Year and Agency, which has been referred to interested agencies for comment.

LEGISLATIVE ACTIVITIES OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the RECORD a brief statement on the legislative activities of the Committee on Banking and Currency. This includes a list of 15 bills which have become public law, 3 more which are before the President for signature, and 7 bills reported by the committee which have passed the Senate but which have not yet been acted on by the House. The committee also held hearings on 19 nominations, all of which were confirmed by the Senate.

In addition, this list includes a number of items which I anticipate the committee will be concerned with in the 2d session of the 87th Congress. These include a number of statutes which expire shortly, and also a number of bills on which some action appears likely. Of course, this latter list is not all inclusive. Many other bills are pending before the committee and others will be introduced during this session or the next session which will also be considered by the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGISLATIVE ACTIVITIES COMMITTEE ON BANKING AND CURRENCY (87TH CONG., 1ST SESS.)

BILLS ENACTED INTO LAW

Area redevelopment

Public Law 87–27 established the Area Redevelopment Administration in the Department of Commerce and authorized a 4-year program of $300 million in loans and $94 million in grants for industrial plants and public facilities in economically distressed areas.

Housing

Public Law 87–38 increased by $1 billion the mortgage insurance authorization of FHA.

Public Law 87–64 extended direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975, and authorized an additional $1.2 billion for the direct loan program through fiscal 1967.

Public Law 87–70 provided among other things for new experimental programs for moderate income sales and rental housing; established new mortgage insurance programs for experimental housing and for home improvements and rehabilitation with loans up to $10,000 and up to 20 years; authorized over $2 billion for urban renewal and planning, $1.2 billion for college housing loans, $75 million for mass transportation systems and $450 million for loans on other public facilities, and $50 million for open space grants; made available $1.5 billion for FNMA special assistance mortgage purchases; included a reauthorization for about 100,000 public housing units; liberalized terms of FHA section 203 sales housing; and extended FHA general insurance authorization to October 1965 while removing dollar ceilings.

Small Business Act

Public Law 87–198 increased by $20 million the amount available to SBA for regular business loans.

H.R. 8762 (S. 836), the Small Business Act Amendments of 1961, increases SBA's revolving fund by $105 million, establishes a new small business subcontracting program and contains other amendments to the Small Business Act. The conference report is awaiting the President's signature.

Small Business Investment Act

S. 902 increases the SBA funds available through subordinated debentures to small business investment companies from $150,000 to $400,000; increases the limit on investments by commercial banks in SBIC's from 1 percent of the bank's capital and surplus to 2 percent; places a limit of $4 million on an SBA loan to an SBIC; places a limit of $500,000 on an SBIC investment in a small business without SBA approval; increases the loan limitation to State and local development companies from $250,000 to $350,000 and the maximum loan maturity from 10 to 25 years; and provides additional investigation and compliance powers for the SBA. The conference report is awaiting the President's signature.

Export-Import Bank

S. 2325 clarifies the authority of the Export-Import Bank to guarantee and insure export credits up to $1 billion and provides for a 25-percent reserve for this program. The Senate accepted the House amendments to the bill which is before the President for his signature.

Federal Savings and Loan Insurance Corporation

Public Law 87–210 provided for prepayment of premiums to FSLIC and reduced purchases of shares of Federal home loan banks.

Directors of Federal home loan banks

Public Law 87–211 simplified and improved the election of directors of Federal home loan banks.

SEC study and investigation

Public Law 87–196 authorized the SEC to conduct a study of the securities markets.

Old series currency adjustment

Public Law 87–66 authorized adjusting the Treasury's accounts with respect to old series currency and writing off lost currency.

Council of Economic Advisers

Public Law 87–49 removed the statutory ceiling of $345,000 on salaries and expenses for the Council of Economic Advisers.

Federal Facilities Corporation

Public Law 87–190 abolished the Federal Facilities Corporation and transferred its remaining powers for liquidation purposes to the General Services Administration.

Medals

Public Law 87–21 authorized medals in commemoration of the 250th Anniversary of Mobile, Ala.

Public Law 87–39 authorized duplicates of the Robert Frost Medal.

Public Law 87–42 authorized a medal for Dr. Thomas Anthony Dooley III.

Public Law 87–43 authorized a galvano to commemorate the golden anniversary of naval aviation.

BILLS PASSED BY THE SENATE BUT NOT YET ENACTED INTO LAW

Federal Reserve branch bank buildings

S. 1005 would remove the present statutory limitation on the construction of Federal Reserve branch bank buildings and would give the Federal Reserve Board authority to approve such construction. Passed the Senate August 23, 1961.

Dormant accounts

S. 1486 would authorize the Comptroller of the Currency to impose reasonable maximum service charges on dormant accounts in national banks. Passed the Senate August 21, 1961.

National bank branches in foreign countries

S. 1771 would authorize branches of national banks in foreign countries to exercise the powers of local banks, subject to regulations of the Federal Reserve Board. Passed the Senate August 21, 1961.

Bureau of the Mint

S. 2130 would bring up to date certain statutes applicable to the Bureau of the Mint and would enable the San Francisco office to operate as an assay office. Passed the Senate August 21, 1961.

Delegation of SEC functions

S. 2135 would authorize the SEC to delegate certain of its functions to its members or employees, subject to certain appeal provisions. It was introduced after the defeat of reorganization plan No. 1 of 1961 and was designed to eliminate the unnecessary delegation proposed in that plan and to provide proper appeal procedures. Passed the Senate September 1, 1961.

Indian tribes

S. 2454 would make Indian tribes eligible for assistance under the public facility loan

program in title II of the housing amendments of 1955. Passed the Senate August 29, 1961.

Medal for Bob Hope

S.J. Res. 88 would authorize a medal for Bob Hope. Passed the Senate May 26, 1961.

NOMINATIONS

The committee held hearings and reported favorably on 19 nominations, all of which were confirmed by the Senate.

PROSPECTIVE LEGISLATIVE ACTIVITIES COMMITTEE ON BANKING AND CURRENCY (87TH CONG., 2D SESS.)

DEFENSE PRODUCTION ACT

As amended in 1960 by Public Law 86–560, the Defense Production Act will expire June 30, 1962. It appears probable that an extension will be considered.

EXPORT CONTROL ACT

As amended in 1960 by Public Law 86–464, the Export Control Act of 1949 will expire June 30, 1962. It appears probable that an extension will be considered.

EXPORT-IMPORT BANK ACT

As amended in 1957 by Public Law 85–55, the authority of the Export-Import Bank will terminate June 30, 1963. S. 2325, 87th Congress, 1st session, as passed by the Senate, would have extended this date to June 30, 1968. However, the House deleted the provision and the Senate concurred in the amended bill. Consideration will undoubtedly be given in 1962 to extension of the Export-Import Bank Act.

FEDERAL RESERVE DIRECT PURCHASES

As amended in 1960 by Public Law 86–567, the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury under section 14(b) of the Federal Reserve Act will expire June 30, 1962. It appears probable that an extension will be considered.

SEC LEGISLATION

In 1960 the Senate passed bills extensively amending the Securities Act of 1933 and the Securities Exchange Act of 1934. These bills did not become law. The newly appointed SEC Commissioners have not presented a new legislative program. It appears probable that, either as the result of the survey and investigation authorized by Public Law 87–196 or otherwise, the new members of the SEC will recommend amendments to the statutes under the jurisdiction of SEC.

COMMISSION ON MONEY AND CREDIT

The Commission on Money and Credit made numerous legislative recommendations which would fall under the jurisdiction of this committee. Consideration of legislative proposals to carry out some of these recommendations appears probable.

DISCLOSURE OF FINANCIAL CHARGES

Hearings have been held by the Production and Stabilization Subcommittee on S. 1740. Further hearings and additional consideration of this bill may be expected next year.

SECONDARY MARKET FOR INDUSTRIAL MORTGAGES

Hearings were held by the Production and Stabilization Subcommittee on S. 1212, a bill to establish a Government corporation to provide a secondary market for industrial mortgages on property in economically depressed areas. It is possible that further hearings on this bill or further consideration may take place in 1962.

HOUSING FOR DOMESTIC FARM LABOR

Hearings were held by the Subommittee on Housing on S. 1249, a bill to assist in the provision of housing for domestic farm labor. It is possible that further hearings on this bill or further consideration may take place in 1962.

SMALL BUSINESS ADMINISTRATION

The Small Business Act Amendments of 1961 provided funds estimated to be sufficient for fiscal year 1962. Additional funds may be needed for later years.

MASS TRANSPORTATION

In the course of consideration of the Housing Act of 1961, the President advised that he would make additional recommendations with respect to mass transportation on the basis of a study of the subject which was then underway. These recommendations are expected to be received in 1962 and presumably will call for further legislation.

The committee has before it a large number of bills on which no hearings have been held. In addition, others bills are being introduced from time to time. Undoubtedly, many of these will become the subject of hearings and other consideration. The fact that these other bills have not been included in the list of prospective legislative activities should not be taken to imply that the above list is comprehensive or definitive.

FOURTH ANNUAL AMERICAN YOUTH FOOT CARE WEEK

Mr. JOHNSTON. Mr. President, I would like to call attention to the fourth annual American Youth Foot Care Week, sponsored by the American Foot Health Foundation, which will be observed throughout the Nation October 16 through 23. These days will be set aside to emphasize the importance of foot care and proper foot health habits to youth as well as parents and teachers.

Despite the advances of modern science in the care of the human body, there has been a failure to maintain an adequate degree of foot health for the Nation. It is astonishing that 78 percent of America's 60 million children returned to school this fall on feet seriously in need of proper medical care. This is a problem which concerns us all, and these figures merely serve to emphasize the deplorable situation. Records compiled from the foot health foundation's pilot studies of 1,000 children disclosed that most of these foot ailments could have been prevented with the proper care.

I hope that my fellow colleagues will join with me in attempting to inform our citizens of this serious problem.

To illustrate the significance and vital need for continuous care of the feet of our young children, I ask that quotations from a statement by Dr. Sidney Hirschberg, of New York City, president of the Foot Health Foundation, and the associate director of the foundation, Dr. H. A. McAnnich, of Spartanburg, S.C., be placed in the RECORD at this point along with my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

American Youth Foot Care Week is a significant part of a continuing national information program to focus the attention of both parents and youth on the importance of proper foot care as a fundamental requirement for the maintenance of overall physical, mental, and emotional good health and fitness.

Pilot studies by the American Foot Health Foundation have shown that the feet of more than 37 million American children are unfit. These children are the businessmen, workers and the soldiers of tomorrow.

Education in proper foot health habits and awareness of the importance of a healthy pair of feet to the overall health of the child is being emphasized by the American Foot Health Foundation in cooperation with the 500 foot doctors of the Nation, the American Podiatry Association, along with other medical specialities, physical educational groups, health organizations and various civic or community associations.

The American Foot Health Foundation is pledged to alert the country to the urgent need for healthier feet and more adequate foot health habits for the youth of the Nation.

DISMISSAL OF LETTER CARRIER W. W. LAW, SAVANNAH, GA.

Mr. CASE of New Jersey. Mr. President, the circumstances surrounding the recent dismissal of Mr. W. W. Law, a letter carrier in Savannah, Ga., give rise to grave questions concerning the conduct of the Post Office Department in this case.

I ask unanimous consent to have inserted at this point in the RECORD my letter of September 15 and its enclosure to the Postmaster General, the Postmaster General's reply to me of September 19, the letter of September 22 to the Postmaster General from Mr. Clarence Mitchell, director of the Washington bureau of the NAACP, and my letter of September 23 to the Postmaster General.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

SEPTEMBER 15, 1961.

The Honorable J. EDWARD DAY,
Postmaster General,
Washington, D.C.

DEAR MR. DAY: It has come to my attention that Mr. W. W. Law, a letter carrier in Savannah, Ga., has, effective today, been dismissed from the postal service, under circumstances which raise grave questions as to the propriety of this action.

Mr. Law is a local, State, and National officer of the NAACP. He has long been active in campaigns to register Negro voters and to bring about the desegregation of public eating places in Savannah.

I am advised that last year the Post Office Department was asked to investigate Mr. Law's activities in connection with his efforts to increase the registration of Negro voters in Savannah and that the Department at that time found no warrant for action.

If the information I have received is complete, it would appear that the reasons currently given for today's dismissal of Mr. Law are trivial indeed and would not justify the drastic action which the Department has taken.

I am attaching a news release of today's date by the NAACP setting forth a resolution by that organization's board of directors protesting the discharge of Mr. Law and giving the text of a telegram dated September 12 sent by Bishop Stephen G. Spottswood, chairman of the NAACP national board of directors, to President Kennedy protesting the dismissal.

The circumstances strongly suggest a campaign of persecution of Mr. Law for his activity on behalf of the right to vote and other civil rights in the South. They suggest also that the Department, wittingly or not, has permitted itself to be an instrument in such persecution.

This situation has, I believe, the most serious implications, and I request an immediate report on the circumstances leading to Mr. Law's dismissal.

Very truly yours,

CLIFFORD P. CASE,
U.S. Senator.

KENNEDY ASKED TO REINSTATE DISMISSED LETTER CARRIER

NEW YORK, September 15, 1961.—The National Association for the Advancement of Colored People has called upon President John F. Kennedy to rescind the dismissal of Westley W. Law from his job as a letter carrier in the Savannah, Ga., post office on September 8.

In a telegram to the President, dated September 12, Bishop Stephen G. Spottswood, chairman of the NAACP's national board of directors, cited a board resolution protesting the firing and charged that Mr. Law, president of the association's Georgia organization and the Savannah branch, had been dismissed on trumped-up charges.

The real reason for the dismissal, the NAACP leader told the White House, was Mr. Law's role in the struggle for civil rights in Georgia and particularly his leadership of a successful 15-month campaign to withhold patronage from local merchants because of the shabby treatment accorded Negro customers and the refusal to lift barriers at lunch counters and to employ Negro citizens in any except the most menial categories.

The full text of Bishop Spottswood's telegram to President Kennedy follows:

"In a resolution adopted unanimously at its regular meeting September 11, the board of directors of the National Association for the Advancement of Colored People voiced vigorous and emphatic prctest against the dismissal on trumped-up charges of Westley W. Law from his post as letter carrier in the Savannah, Ga., post office on September 8, 1961.

"Mr. Law is a member of our board of directors and is also president of the Georgia State organization of the NAACP and of its Savannah unit. In the latter capacity he has directed for 15 months a campaign to withhold patronage from local merchants because of the shabby treatment accorded Negro customers and the refusal to lift barriers at lunch counters and to employ Negro citizens in any except the most menial categories.

"In an agreement reached July 6, 1961, the Savannah merchants changed their policies and the withholding campaign was relaxed, but hardly had the reports of a settlement been published before officials in the Savannah post office began a campaign to dismiss Law. This shameful effort, pledged in advance to a white citizens council audience by a campaigning Georgia Congressman, received the support of persons in the Postmaster General's office in Washington.

"There was a lull in activity after NAACP protests were filed in late July, but it now appears that the Postmaster General's office has been won over to supporting the head-chopping plan of the Georgians. Negro citizens have suffered savage economic reprisals in the Southern States during the past 7 years because they have campaigned to enjoy their constitutional rights, but it has remained for a department in the executive branch of the Kennedy administration to permit the employment of the might of the U.S. Government in such mean endeavors. If the Government is to become a partner in economic reprisal against a Government employee who exercises his right as a citizen to seek the redress of notorious grievances suffered by his racial group then we have come, as a Nation, to a low estate, indeed.

"Our board of directors respectfully but most firmly urges immediate action on the administrative level to rescind the dismissal and to order a complete and detailed inquiry with a view to determining the steps to be taken against those responsible for this injustice."

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., September 19, 1961.

Hon. CLIFFORD P. CASE,
U.S. Senate, Washington, D.C.

DEAR SENATOR: I have your letter of September 15, about the case of W. W. Law, a Savannah, Ga., letter carrier. The disciplinary action against Mr. Law is being conducted in accordance with established Department procedures. He has a right to an appeal and has indicated that he is going to take advantage of that right.

The Department's procedures provide for his appeal to be heard by a three-man board. One member will be chosen by Mr. Law, a second by the regional director and the third will be chosen jointly by the other two members. The hearing will be held in a location of Mr. Law's choosing.

Should Mr. Law be dissatisfied with the outcome of the hearing, our procedures then permit him to appeal directly to the Department in Washington.

The charges against him were based upon a full investigation by our postal inspectors. The charges against him have nothing whatever to do with his NAACP activity. However, I think it should be clear to all that the fact that he is a leader in the NAACP does not make him immune from normal and ordinary Department disciplinary procedures. We have hundreds of disciplinary cases in various stages of consideration and appeal at all times in view of the large number of employees in this Department. I am sure you will agree that it would not be proper to practice reverse discrimination by exempting a particular individual from full investigation and consideration of substantial charges against him.

During the pendency of cases of this kind, it is not considered good practice or fair for the Department to publicize the details of the charges. Without in any way prejudging the charges or any facts which may be in dispute, I can assure you that the nature of the charges and the manner in which they were investigated precludes any possibility that they were trivial or improperly motivated.

Very truly yours,

J. EDWARD DAY,
Postmaster General.

SEPTEMBER 22, 1961.

Hon. J. EDWARD DAY,
Post Office Department,
Washington, D.C.

DEAR MR. DAY: I have seen your letter of September 19, 1961, addressed to Senator CLIFFORD P. CASE, in response to his inquiry on the case of Mr. W. W. Law, of Savannah, Ga.

In a statement dated September 15, 1961, the NAACP charged that Mr. Law was the victim of discrimination because of his activity in civil rights matters. Nothing in your reply of September 19 refutes this charge. In addition, the cavalier statement that the fact that Mr. Law "is a leader in the NAACP does not make him immune from normal and ordinary Department disciplinary procedures" gives the impression that you are either unaware of the operations of the segregationists in the South or willfully ignoring such operations. Personally, I am strongly inclined to the latter belief because of the way that the Department has handled this case to date.

The Savannah Daily News of April 9, 1960, quotes Representative G. ELLIOTT HAGAN, who was then a potential candidate for Congress as saying in reference to Mr. Law: "If I was a Member of Congress, there is one particular NAACP bigwig right here in Savannah who would cease to work for the U.S. Post Office Department." He made this promise at a meeting of the Chatham White Citizens Council. After he became a Member of Congress, Mr. HAGAN used his position in the House Civil Service Committee to present charges against Mr. Law through Mr. Charles Johnson, staff director of the committee.

Usually the members of this committee are concerned with protecting the rights of postal employees. In this instance a committee member has gone out of his way and has used a staff person to insure that a campaign pledge which he made to the prosegregation White Citizens Council in Georgia would be kept with the help of the U.S. Post Office Department.

In the course of my personal inquiries and discussions of this matter with the parties concerned, I have learned that a member of your official family promised Representative HAGAN that Mr. Law would be fired. I am also advised that this same official told a postal employee who was assigned to investigate alleged charges against Mr. Law "I want that man fired." The promise to Representative HAGAN that Mr. Law would be dismissed and the gentle admonition given to the person assigned to investigate the charges against Mr. Law were made at a time when a so-called investigation was underway through the Postal Inspection Service.

Viewed in this factual setting, it would seem that you are determined to disregard circumstances that penalize Mr. Law because he is actively working to encourage colored citizens to enjoy their full constitutional rights in the State of Georgia. Thus, in my opinion, you have become a kind of partner in the system that grants special privileges to those who wish to wreak economic reprisals on pro-civil-rights colored citizens who are employed in the Federal Government.

In addition to the foregoing, the Post Office Department has not acted in good faith on this matter. On July 25, 1961, I met with Mr. James K. Sullivan, special assistant for employee relations, who advised me that the charges against Mr. Law would be brought to Washington and would be reviewed before any disciplinary action would be taken against him. He also advised me, as Mr. Law's representative in this matter, I would have an opportunity to discuss the charges and the Department's investigation before any action was taken to dispose of the charges. As Postmaster General, you made a similar statement in response to a query from the press when you visited Atlanta, Ga., on August 17, 1961. According to a story in the Savannah Daily News of August 17, 1961, you told the press in Atlanta "The charges would be presented to Law, who in turn could reply. This information would then be sent from the Savannah postmaster to the regional office, and then to Washington. If disciplinary action is taken in Washington, Law can appeal to the Civil Service Commission and could take that decision to court. It will be some time before any disposition is made, he added."

Instead of bringing the results of the investigation to Washington the Post Office Department summarily dismissed Mr. Law in a letter dated September 8, 1961, without a hearing. Your letter of September 19, to Senator CASE, states that the Department's procedures provide for Mr. Law's appeal to be heard by a three-man board. Nothing was said about the appeal procedure to the Postmaster General in the letter of a dismissal to Mr. Law, dated September 8, 1961, from the regional office of the Post Office Department. When I asked postal officials why the letter of September 8, 1961, from the regional office did not advise him of his right to appeal to the Postmaster General, I was told, as a postal employee, Mr. Law was pre-

sumed to know that he had a right to appeal to the Postmaster General.

It would seem to me that the Postmaster General should be deeply ashamed that this kind of disgraceful happening has soiled the record of a Government agency which he heads. It is extremely regrettable, but your letter of September 19 will be a great comfort to the enemies of fairplay and constitutional rights for all Americans.

Needless to say, I am prepared to identify, at an appropriate time, the member of your official family who promised that Mr. Law would be fired. I have already indicated the name of this person to postal officials and have offered to repeat any statement in his presence if they doubted my words. The offer was not accepted.

Sincerely yours,

CLARENCE MITCHELL,
Director, Washington Bureau.

U.S. SENATE,
Washington, D.C., September 23, 1961.

The Honorable J. EDWARD DAY,
Postmaster General,
Washington, D.C.

DEAR MR. DAY: Mr. Clarence Mitchell, director of the Washington bureau of the NAACP, has sent me a copy of a letter he wrote to you and released to the press on September 22. Mr. Mitchell's letter was written after he had seen the letter in regard to the case of Mr. W. W. Law, of Savannah, Ga., which you wrote to me on September 19 and released to the press.

Mr. Mitchell is a person of absolute integrity.

Mr. Mitchell would not state that a member of your official family promised a Member of Congress that Mr. Law would be fired unless he believed, and had good reason to believe, that to be true.

Mr. Mitchell would not state that this same official of your Department later told a postal employee assigned to investigate the alleged charges against Mr. Law that he wanted Mr. Law fired unless Mr. Mitchell believed, and had good reason to believe, that also to be true.

This is a shocking situation. I am sure it will receive your immediate personal attention, and I shall appreciate your advising me of the results of your investigation.

Very truly yours,

CLIFFORD P. CASE,
U.S. Senator.

TRIBUTE TO THE MEMORY OF FRIDTJOF NANSEN

Mr. PELL. Mr. President, this year marks the centenary of Fridtjof Nansen's birth.

Some national world leaders have been notorious for creating conditions that have caused people to flee from their own countries. Currently Dictators Khrushchev and Castro have the unenviable distinction of being outstanding in this respect.

Fortunately for the human race there are also great world figures of another stamp. Fridtjof Nansen, born a century ago on October 10, demonstrated what one man could do—if he had the heart, compassion and will—to alleviate the tragedy of millions of uprooted and destitute peoples. Prisoners of war, victims of famine, refugees of all races—none left him unmoved or unresponsive.

From his youth Nansen excelled at everything he attempted. As an athlete, he repeatedly won championships in the winter sports of his native Norway. As a scientist, he made valuable contributions to the knowledge in his field. As a patriot, he was respected and heeded by his countrymen. As an explorer, he achieved international renown for expeditions into Greenland and around the North Pole.

But it is as a world statesman and particularly as a humanitarian that Nansen is best remembered—for the monumental labors which crowned the last 10 years of his life.

Nansen once wrote:

> I see valleys and mountains, woods and green meadows, fields where the golden grain stands ready to be cut. This glorious land is mine. I want to live, to give it of my best powers which I feel are still lying unused, waiting for an opportunity. I see farther ahead a new world to be built, and I want to build it.

World War I and its aftermath left, indeed, a new world to be built. Hundreds of thousands of prisoners of war were missing. The Russian revolution drove other hundreds of thousands to flee their native land. The eddying conflicts which followed the great holocaust drove swarms of other refugees—into Greece, into Syria, and other areas.

Dr. Nansen's vision had always extended beyond his native Norway. When the newly constituted League of Nations Council had to decide what to do about prisoners of war, it turned naturally toward this statesman from a small and neutral country. And its trust was not misplaced. In the face of seemingly insuperable difficulties, fruit of the hatreds generated by the war, Dr. Nansen succeeded in repatriating over 400,000 soldiers from 37 nations.

But his work did not stop there. Twin catastrophies struck at Russia—revolution and drought. Hundreds of thousands of refugees fled from the Red terror into surrounding countries. Dr. Nansen was confronted with the thorny problem that many of the refugees did not have passports. Consequently, they could not leave the countries in which they sought refuge. Nansen showed his ingenuity by getting the governments involved to permit him to issue these hapless refugees papers on behalf of the League of Nations, which enabled them to travel outside their country of asylum. Thus, the famous Nansen passport was born. At first only a few countries recognized the Nansen passport but eventually 50 countries accepted it.

Dr. Nansen also labored unceasingly on behalf of the 33 million inhabitants of the Ukraine and the Volga Valley who faced starvation from a parched soil. Inside and outside of the League of Nations, Dr. Nansen fought to save the lives of these helpless human beings, just as he labored later for other thousands of Armenians and Greeks, driven from their homes by the whiplash of war.

It was said of Nansen, upon his death, that no single human being had ever, by his own efforts, so astoundingly reduced the sum of suffering in a war-shocked world. In doing so, he became one of the great heroes of all time, whose memory blesses mankind.

Mr. President, it is indeed fitting that we take this occasion to pay tribute to the memory of Fridtjof Nansen who did so much for refugees. Concurrently we must not lose sight that today millions of refugees throughout the world still await resettlement and that our country has an obligation to assume its fair share of the effort required.

FEDERAL TRANSMISSION SYSTEM FOR COLORADO RIVER STORAGE PROJECT

Mr. KEFAUVER. Mr. President, since the House action approving funds for an all-Federal transmission system for the Colorado River storage project, suggestions were made by the utilities, and subsequently adopted by the Senate Appropriations Committee, to the effect that language be put in the Senate committee report authorizing the Secretary of the Interior to negotiate with the private utilities about wheeling contracts.

Two questions have arisen: First, Would such a provision weaken the negotiating position of the Bureau of Reclamation; and second, Is the utility wheeling proposal sufficiently meritorious to warrant any such consideration?

Question No. 1: I suggest direct reference be made to the testimony of the Senator from Colorado [Mr. CARROLL] for a full and complete answer to the first question.

The Senator from Colorado [Mr. CARROLL], in his testimony before the subcommittee, warned the committee of this very danger. He clearly pointed out that the Congress at this late date should do nothing which would place the Bureau of Reclamation in a position of weakness in future negotiations with the utilities. He said that, once having been authorized to proceed and once having had funds approved, the Bureau could negotiate with the utilities from a "position of strength"—rather than from the weak position which would result from further delay, lack of funds, and congressional directives as to how to proceed. The utilities have already had 6 years to come up with their "best offer," and during the last 2 years construction of vital transmission lines have been held up pending consideration of utility offers. Time has now become critical and the success of the project cannot be threatened with further delays.

Question No. 2: The utilities, in persuading the Appropriations Committee to give them more time to negotiate, had in mind their last so-called proposal. This last offer was not made to the Bureau of Reclamation but to the Upper Colorado River Commission, a group composed of representatives of each of the upper basin States plus a representative of the United States. In the resolution purporting to endorse this new offer, the Commission, after many "whereas" clauses—purported to endorse private construction of the transmission lines "provided that the Congress determines that under such proposal the project repayment and consumer power rates are not adversely affected when compared

with other methods of energy transmission."

This proviso puts the problem back on the doorstep of Congress—calling for further study, further delay, and thus a further chance to stop construction by the Bureau of Reclamation.

This subject was briefly but well covered in the testimony of Harvey McPhail, before the Senate subcommittee, beginning on page 8 of his prepared statement. He analyzed the so-called new offer in this way:

> Based upon what we have seen and heard about these proposals, they are of such indefinite and nonfirm variety as not to warrant serious consideration. They apparently indicate that after 50 years the wheeling charges would be limited to ad valorem taxes, operation, maintenance, and replacement. Now the utilities propose woodpole construction as compared to the steel construction proposed by the Bureau. Due to the wood-pole lines of the utilities, it is more than likely that after 50 years, when their useful life has probably already expired, the costs would be increased rather than lowered. Particularly maintenance, except emergency maintenance, could be deferred in the late years of the original period with the burden of replacement and maintenance let go until the cost-plus aspects of the second period are effective.
>
> The $146 million figure appears only in Denver news stories. Governor Clyde of Utah in the Salt Lake Tribune is reported to fix the alleged saving at $150 million. We understand the proposals do not attempt to place any dollar value on the purported savings.

For some time, people who wish to avoid a clear-cut fight over the issue have hoped for a compromise solution which would satisfy all parties and the Congress.

This so-called endorsement by the Upper Colorado River Commission is now being talked about by the utilities as the "compromise solution" to the problem. This is intended to appeal to those who have received strong pressures from friends and constituents on both sides of the issue.

The compromise does not purport to alter or improve the utility proposal during the first 50 years—or the amortization period. Consequently during this important initial period—that is, important to this generation—unless the studies of the Bureau, the preference customers and the Colorado Water Conservation Board are to be completely disregarded, either consumers power rates must be raised or irrigation assistance reduced.

It would be no compromise for the Government. The Bureau of Reclamation has determined that the private utility construction would result in a shortage of $254 million to the basin fund. Even assuming that the new offer would save $150 million as contended by Governor Clyde—it would still leave the basin fund short by the difference of $104 million. According to the study made by the preference customer group, the net shortage would still be $346 million.

Further question has been directed toward the action and conduct of this Commission by the recent demand of Representative JOHN MOSS that the pertinent records of the Commission relating to this endorsement be produced for examination by his Committee on Government Operations.

CONCLUSIONS

First. Further delay or further directives to the Bureau of Reclamation to negotiate will weaken the future negotiating position of the Bureau—as per statement of the Senator from Colorado [Mr. CARROLL].

Second. The new utility proposal to reduce charges after 50 years is not meritorious, would not reduce charges in this latter period of the project, and was made as a last-minute proposal—to a commission having no jurisdiction or authority—for purposes of further delay and further confusion.

Third. The Commissioner of Reclamation has already agreed to make mutually advantageous arrangements with the utilities. He said in his testimony before the Senate subcommittee:

> Mr. Chairman, I am willing and anxious to work out with these private utilities to our mutual advantage arrangements to share equitably in benefits that can accrue from interconnection of their thermal with our hydro systems. But I strongly oppose any plan under which these benefits would be given away.

Fourth. A firm decision to appropriate the necessary funds without restriction for fiscal year 1962 construction will not prevent or interfere with negotiations which are mutually beneficial to the United States and the utilities.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. Mr. President, I agreed to yield to the Senator from Arizona [Mr. GOLDWATER]. I yield to him.

HISTORIC AND CURRENT FEDERAL ROLE IN EDUCATION

Mr. GOLDWATER. Mr. President, several weeks ago, the senior Senator from Oregon [Mr. MORSE], who is the chairman of the Subcommittee on Education of the Senate Labor Committee, requested the Legislative Reference Service to prepare for the subcommittee a report on the Historic and Current Federal Role in Education.

When the report was completed, the senior Senator from Oregon, at a meeting of the full committee, asked that the report be published by the Labor Committee as a committee print. It was my understanding that copies of the print were intended to be distributed among high school students participating in the 1961–62 national high school debates on the topic, "What Should Be the Role of the Federal Government in Education."

Since I had not seen this report prior to the committee meeting, I asked that publication be held up for several days to afford me an opportunity to examine the report, and if necessary, to attach my comments to it. My examination revealed that the report was not the accurate, objective study it professed to be, but was, in effect, an indirect argument in favor of Federal aid to education containing a good many inaccuracies and distortions.

Mr. President, I thereupon prepared my own critical comments on the report and asked that in the interest of accuracy and fairness, these comments be included, together with the report, in the committee print to be published. Inasmuch as many copies of the print are intended to go to members of the general public in connection with a nongovernmentally sponsored debate on so controversial a subject as Federal aid to education, it seemed to me necessary to protect the public against misleading and inaccurate material bearing the stamp of approval of agencies and officials of the Federal Government.

It has been brought to my attention that the sponsors of the committee print upon careful reexamination, have themselves found some serious errors in the report and have decided to correct them. Thus, in order to bolster the case for Federal aid to education by an appeal to the views of the Founding Fathers, the report states that Thomas Jefferson in 1806, while President of the United States, "made statements specifically or by inference supporting the view that the general welfare clause—of the Constitution—sanctioned Federal promotion of education." The fact, originally omitted by the report, is that Jefferson in 1806, while suggesting that some of the Treasury surplus might be applied to public education, added:

> I suppose an amendment to the Constitution by consent of the States, necessary, because the objects now recommended are not among those enumerated in the Constitution, and to which it permits the public moneys to be applied.

This is one of the errors which I point out in my critical comments and which I understand is being corrected in the report along with several others.

But, Mr. President, only a few of these misleading inaccuracies are being corrected. Others will remain to mislead the public, particularly those young people who will participate in the forthcoming debate around the country on Federal aid to education and their audiences who listen to the debates. It seems to me inescapable that fairness to them would require the inclusion of my comments in the committee print. Mr. President, this having been denied, I have no other recourse save to bring the matter to the attention of the Senate, and the public.

I ask unanimous consent that there be printed in the RECORD at this point in my remarks my complete comments on the report entitled "The Historic and Current Federal Role in Education."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR BARRY GOLDWATER ON THE REPORT ENTITLED "THE HISTORIC AND CURRENT FEDERAL ROLE IN EDUCATION"

I regret that the report, "The Historic and Current Federal Role in Education," is not, as it purports to be, a historical and objective description but rather a propaganda document which tries to create the impression that the principle of Federal aid to education has long been established, is deeply embedded, and dates back to the days of—and even prior to—the U.S. Constitution. If its claims were true, why did the floor leader for the administration's school aid

program, the senior Senator from Oregon, state in his TV debate with the Senators from Ohio [Mr. LAUSCHE] and New York [Mr. KEATING] on May 14, 1961: "* * * The main thing is to get the principle of Federal aid to education on the books and that's what we're going to try to do"? Why did he, a few days later, implore the Members of the Senate to establish and approve the principle of Federal aid to education when that principle had, allegedly, been recognized from the early days of the Republic? The Senator from Oregon said on May 22, 1961: "Once we place on the statute books the principle of general Federal aid to education, we shall be able to protect minority rights in this country much more rapidly than I think is implied and envisioned by the Senator from Iowa." And, "I think that failure would be most unfortunate, because our real need, in my judgment, is to get the principle of Federal aid to elementary and secondary education on the statute books of this country." [1]

If Federal aid to education has been a time-hallowed practice, why did the Senator from Oregon when addressing a special legislative conference at the National Education Association on August 21, 1961, again stress the importance of getting the principle of Federal aid on the statute books and declare "that both President Kennedy and Secretary Ribicoff want this principle written into law"? [2]

Does this eagerness to obtain recognition for the principle of Federal aid to education not suggest that the authors of the proposal plans know full well that their adoption would introduce an entirely new element into the American scene and that it would decisively change the rules which have guided public policy for education since the inception of the Republic? If Federal support of education has been a practice for almost 200 years, as this report asserts, why is it still the most controversial and hard-fought issue on the domestic scene? If it were true that the Federal Government is now supporting education to the tune of several billion dollars a year, and has been engaged in this practice for almost two centuries, why should there be so much dissension over some new programs which, in terms of magnitude, are far smaller, if there were not a principle involved that is dear to the hearts of many—I believe most—Americans? I mean the principle that education is, by Constitution, tradition, and conviction, a responsibility to the parents, States, and communities. The consistent refusal of Congress to yield to the century-long campaign for Federal school aid is a living testimony that there is far more at stake than the expenditure of a few hundred million dollars.

It is unfortunate that this report, by selecting isolated facts and presenting them incompletely, gives an untrue and misleading picture of American history. It is simply not true that the framers of the Constitution "left to the future" the administration of education (p. 4 of report). The 10th amendment provides, as the framers had clearly intended, that the powers not delegated to the United States nor prohibited to the States are reserved to the States and the people. This was not a new principle but the spelling out of the consensus among the Founders. Since the Constitution does not mention education, and since the State constitutions declare public education to be a State responsibility there can be little doubt of where, constitutionally, powers and responsibilities in education rest.

It is a distortion of history and outright slander to say that "some of the men who framed the Constitution were the products of the old aristocratic doctrine of education, considering it to be mainly for the leaders and people who could afford it" (p. 4), and that "throughout the colonial period in America and for some time after the adoption of the Federal Constitution education was almost universally regarded as chiefly a responsibility of parents and of the churches" (p. 3). A correct description was given in 1956 by the (then) research director of the National Education Association, Frank W. Hubbard:

"The Founding Fathers and many public leaders of the first two decades of the 19th century contended vigorously and successfully for certain principles: (1) that our form of government could not be successful without an educated citizenry; (2) that education was necessarily a function of government (that is, it is the business of the people as a whole); and (3) that public education (like all other public services) could not be satisfactory in quality and generally available unless supported by public revenues." [3]

The (then) executive secretary of the National Education Association, Willard Givens, stated:

"The concept of free public schools for all children began in the colonies of the New World. The ideal of universal education was established by the time of the American Revolution." [4]

The fact is that Thomas Jefferson submitted a bill to establish a general system of free public schools at the first session of the Virginia Legislature after the Declaration of Independence.[5] The concept of universal public education goes back much further, to an act of the Massachusetts Bay Colony, commonly known as "Ye Olde Deluder Satan" law of 1647. The Massachusetts State Constitution, adopted in 1780 (the oldest still in force)—7 years before the drafting of the United States Constitution—prescribed that "it shall be the duty of Legislatures and Magistrates, in all future periods of this Commonwealth, to cherish the interests of literature and the sciences, and all seminars of them, especially the university at Cambridge, public schools and grammar schools in the towns. * * *" [6] The other 49 State constitutions similarly establish State responsibility for public education.

That the Founding Fathers believed in a system of public education, but not at the Federal level, is proven by the admonition to the settlers and governments of the new territories and States, incorporated in the Northwest Ordinance: "* * * Art. 3d. Religion, morality, and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged." This was adopted by Congress on July 13, 1787, while the Constitutional Convention was drafting the new Constitution which, as is well known, does not refer to education at all.

The report contradicts itself when on one hand it asserts that the Founding Fathers viewed schools only as an activity of churches and individual parents (pp. 3–4) and on the other hand claims that "from the time of its inception the Federal Government has provided lands, funds, and other resources to aid the States and territories in establishing, conducting, and financing education" (p. 13).

An impartial study of the debates and writings preceding and during the Constitutional Convention and of the discussions leading to the adoption of the Constitution and the Bill of Rights demonstrate beyond doubt that public education was intended to be left with the States. In a report prepared under the auspices of the Commission on Financing Higher Education it was stated correctly that "The notion that education should be a function of the new National Government rather than the States would have been received with alarm in 1787." [7]

When the report states (p. 4) that "In 1806 [Thomas Jefferson] proposed use of the tariff on imports for 'public improvement', including the support of education" and claims that he "made statements specifically or by inference supporting the view that the general welfare clause sanctioned Federal financial promotion of education" it is grossly misleading. The fact is that Jefferson in his sixth annual message, on December 2, 1806, suggested that some of the surplus which he expected to accumulate in the Treasury might be applied to public education and public improvements and added: "I suppose an amendment to the Constitution by consent of the States, necessary, because the objects now recommended, are not among those enumerated in the Constitution, and to which it permits the public moneys to be applied." [8] Could there be a clearer proof that Jefferson believed the expenditure of Federal funds for education to be prohibited by the Constitution? No constitutional amendment to extend Federal powers or responsibilities into education has ever been considered. If proposed, it would be overwhelmingly rejected.

COMMISSION FINDINGS MISREPRESENTED

The report relates correctly (p. 35) that President Truman's Commission on Higher Education (1946–48) proposed Federal aid but though it elsewhere (p. 15) refers to the subsequent Commission on Financing Higher Education, it forgets to mention that that Commission strongly recommended against it.

The report (pp. 36–37) refers to the Commission on Intergovernmental Relations (1953–55) but does not present the Commission's relevant conclusion:

"The Commission recommends that responsibility for providing general public education continue to rest squarely upon the States and their political subdivisions * * *. The Commission does not recommend a general program of Federal financial assistance to the States, believing that the States have the capacity to meet their educational requirements." [9]

The Commission added that temporary financial assistance for school construction was justifiable upon a clear factual finding "that one or more States do not have sufficient tax resources to support an adequate school system." However, neither the Commission nor any of its committees made such a finding that would have justified even a temporary program of construction aid to one or a few low-income States.

It is most significant that the report omits any reference to the "Study Committee Report on Federal Responsibility in the Field of Education" to the Commission on Intergovernmental Relations, which was the one official study directed toward the specific problem with which the report purports to deal. The reason is obvious: the Study Committee report, a thorough and painstaking

[1] CONGRESSIONAL RECORD, May 22, 1961, pp. 8527 and 8533.

[2] NEA, Division of Federal Relations, Special Report, Aug. 25, 1961.

[3] Collier's Encyclopedia Reports on the White House Conference Education, 1956, p. 239.

[4] Willard Givins, "Schools for Our Times," Annual Report of the NEA, 1950–51, p. 2.

[5] Saul K. Padover, "The Complete Jefferson," Duell, Sloan & Pearce, Inc., New York, 1943, p. 1048.

[6] The Constitution of the Commonwealth of Massachusetts, ch. V. sec. 11.

[7] Richard G. Axt, "The Federal Government and Financing Higher Education," published for the Commission on Financing Higher Education by the Columbia University Press, New York, 1952, p. 21.

[8] Saul K. Padover, op. cit., pp. 425–426.

[9] The Commission on Intergovernmental Relations, "A Report to the President," Washington, 1955, p. 194.

exploration of the underlying issues and the educational and fiscal situation, arrived at the conclusion that Federal aid to education is unnecessary and undesirable. It said (pp. 7–8):

"Every American child has the right to an adequate educational opportunity. That opportunity can be provided by local communities and States more satisfactorily and equitably than by the Federal Government. School boards, in cooperation with State legislatures, are in a better position to determine the adequacy of their schools than Congress or any other agency of the Federal Government. The Federal Government could not achieve universal educational opportunity by appropriating money to the States to be distributed at their discretion. Federal action could bring about universal educational opportunity only if grants-in-aid were conditioned upon control of distribution of both State and Federal funds. Such control is contrary to the established principle of State and local school control and probably unacceptable to the States. * * * Research does not sustain the contention that Federal funds are essential to support the elementary and secondary school system. All economic resources in the United States, all wealth and income, are within the borders of the 48 States and subject to their taxing powers. There is no magic in the U.S. Treasury. Federal support for education can come, in the last analysis, only from the same basic resources which are available to States and local governments. * * * Schools have been a State and local responsibility by longstanding and firmly embedded tradition. They should so remain. We have not been able to find a State which cannot afford to make more money available to its schools or which is economically unable to support an adequate school system."

The report (pp. 37–38) refers to the recommendation of the participants in the White House Conference on Education (1956–57) that the Federal Government should increase its financial participation in public education and that an "overwhelming majority" approved Federal funds for school construction. By a process of selective vision it manages to overlook the Conference finding, "No State represented has a demonstrated financial incapacity to build the schools it will need during the next 5 years," and the recommendation of the Committee for the White House Conference on Education in its final report to the President (p. 59) "that the Federal Government provide school building aid to the States and territories on a short-time emergency basis."

The restriction to a "short-time emergency" basis clearly indicates the conclusion that public education is a State and local responsibility in which the Federal Government should intervene only if an emergency arises, and for a limited time and not on a permanent or general basis.

REWRITING AMERICAN HISTORY

I could go on and demonstrate how the report, page by page, is trying to rewrite American history and attempts to picture Federal aid to education as an established fact rather than a hoped for goal. But this would largely repeat the conclusions which can be reached from the examples I have already cited. Some of us feel—and I certainly do—that the Federal Government has gone too far in extending its activities and others may feel that it has not gone far enough. But regardless of what we believe ought to be done or has been done, it is wrong to present numerous activities of the Federal Government as having been established for the purpose of aiding education, as the report does, when in fact they were enacted in order to advance other purposes or activities.

The report says (p. 43):

"If a broad definition is given to the term 'educational' it may be said that practically all of the departments and independent agencies of the Federal Government are carrying out an extensive educational program."

If such a broad definition is given to education, virtually any activity may be called education. It just depends on how one understands that term. Many Federal agencies are engaged in what is officially labeled "public information activities" which is, in fact, propaganda to sell a vast expansion of their programs to Congress. The public is paying for being brainwashed by programs which are classified as public education.

The report uses the word "education" so loosely as to include dozens of activities totaling several billions of dollars annually under Federal educational programs. I would like to review just a few of them.

The armed services and many civilian agencies operate training programs for those who are preparing for or engaged in their service. So, incidentally, are many private businesses. This may or may not be called education. But it is preposterous to list these services as proof for the extensiveness of Federal educational activities and to label their cost "Federal support of education." The report so labels even the appropriation for books in the Library of Congress.

THE EARLY LAND GRANTS WERE NOT AID TO EDUCATION

The report revives (pp. 13–14) the long-refuted myth that the early land grants established a precedent for Federal support of education. The fact is that the grants of lands for school purposes involved only a small part—about 8 percent—of the vast acreage which the Federal Government granted to various beneficiaries for the purpose of promoting the settlement and development of the lands west of the Appalachian Mountains.

Since there has been much deliberately created misunderstanding of the purpose of the land grants, I feel it best to cite their history, from Roger A. Freeman's book, "Taxes for the Schools" (Washington, The Institute for Social Science Research, 1960, pp. 40–42):

"The United States owned no land after the Revolutionary War. The 13 States held all nonappropriated lands, including claims to mostly unsettled areas west of the Appalachian Mountains. Jefferson and others were trying to devise means of attracting pioneers to move west and settle the virgin lands.[10] The Continental Congress on October 10, 1780, passed a resolution calling on the States to donate their western lands to the Confederation.[11] Seven of the original 13 States which owned western lands (New York, Virginia, North Carolina, South Carolina, Georgia, Massachusetts, and Connecticut) ceded between 1781 and 1802 about 268 million acres.[12] Congress considered numerous plans of inducing families to migrate to lands which were then hard of access, dangerous, and of doubtful value. Repeated attempts to sell land brought few buyers. 'There simply was no real market for Federal lands in this period.'[13] Congress gradually learned a lesson it has applied many times since: The sure way to find a taker where there is no buyer is the grant or giveaway. On May 20, 1785, it adopted 'An ordinance for ascertaining the mode of disposing of lands in the Western territory.' The act provided among other things: 'There shall be reserved the lot No. 16 of every township, for the maintenance of public schools, within the same township.'

"Under this provision, which was later expanded, 77.5 million acres were eventually granted to the States for public school purposes. Altogether, under various laws, the Federal Government granted more than a billion acres for educational, homestead, railroad, and other purposes.

"Disposal of Federal lands

	Million acres
Homesteads	285
States for school and other purposes	185
Railroad construction	131
Military bounties and private claims	95
Timber and stone grants	35
Cash and miscellaneous	300
Total	[1] 1,031

"[1] Ibid., p. 93.

"Neither railroads nor homesteaders nor other beneficiaries who in the aggregate received 92 percent of all Federal land grants ever claimed that the grants established a precedent for continued support from the Federal Government. Some authors, however, have asserted that such precedent was established in the case of the schools.

"The areas in which school land grants were made available contained barely 1.5 percent of the American people in 1800. All but a tiny fraction of the more than a million American children lived in the Original Thirteen States and five others (Kentucky, Tennessee, Maine, Texas, and Vermont) which received no school lands. Educational institutions in those 18 States were few and far between and not many of the children were attending school regularly for an extended time.

"We may ask: If promotion or support of education was the impelling motive for the school land grants, why was not some provision made for the areas where virtually all American children lived and needed an education? Is it possible that Congress deemed worthy of consideration only the educational needs of the children whose parents, it was hoped, would move to the wilderness areas and form towns and villages?

"H. C. Taylor remarked correctly:

" 'There seems to have been no clear consciousness on the part of the committee or of Congress of the full significance of this educational provision. Apparently, it was viewed only as a selling point for the disposal of the western lands in compact settlements. The thought of laying a permanent foundation for a public school system seems not to have entered into the discussion of the matter.'[14]

"The more closely we study the history of the early land grants the more obvious it becomes that they were intended to induce migration to, occupation and cultivation of the Indian lands rather than to support education. The Study Committee on Federal Responsibility in the Field of Education of the U.S. Commission on Intergovernmental Relations found: 'The major purpose of the grants was to promote the settlement of the newly opened lands in the West.'[15] This should settle, once and for all, one aspect of the dispute over Federal activity and responsibility in education: They do not go back to the early days of the Constitution."

[10] Benjamin Horace Hibbard, "A History of Public Land Policies," Macmillan, New York, 1924, pp. 2–5.

[11] Journal of Congress, VI, pp. 146–147.

[12] They comprise largely the present States of Ohio, Michigan, Indiana, Wisconsin, Illinois, and parts of Minnesota, Alabama, Mississippi, and Tennessee.

[13] Marion Clawson, "Uncle Sam's Acres," Dodd, Meade, & Co., New York, 1951, p. 46.

[14] H. C. Taylor, "The Educational Significance of the Early Federal Land Ordinances," New York, 1922, p. 13.

[15] Commission on Intergovernmental Relations, "A Study Committee Report on Federal Responsibility in the Field of Education," 1955, p. 43.

OTHER GRANTS DO NOT SET A PRECEDENT FOR FEDERAL AID TO EDUCATION

It would require too much time and space for me to rebut in detail each assertion in the report that a Federal activity which is in some manner related to or affects education was enacted for the purpose of promoting education and set a precedent for further expansion in that direction. The various programs and their origin are discussed in the earlier cited book by Roger A. Freeman, "Taxes for the Schools" (pp. 45–52), and may be reviewed there.

To cite just a few examples: The veterans' program was enacted not for the purpose of aiding education but as a bonus-in-kind in recognition of the services rendered by the men and women in our Armed Forces; the school lunch program was started during the depression days to dispose of agricultural surpluses and to feed hungry children; the impacted areas program intends to reimburse communities for the tax loss incurred by the exemption of property that would be taxable if it had not been taken off the rolls by the Federal Government; etc.

The Morrill Act on land-grant colleges was vetoed by President James Buchanan on February 24, 1859, in a message which declared that "Congress does not possess the power to appropriate money in the Treasury raised by taxes on the people of the United States, for the purpose of educating the people of the respective States." [36]

The bill was resubmitted and passed during the Civil War. One historian reported:

"The congressional debate * * * made little mention of the educational provisions of the bill, except to declare education outside the Federal purview." [37]

In summary it is unfortunate that this report, instead of giving a factual and impartial description of "The Historic and Current Federal Role in Education," slants history and attempts to give the reader the picture of a Federal Government which bears a constitutional and traditional responsibility for the support of education, which has been engaged in providing such support from its inception, and which now supplies a material share of the educational funds. The truth is that public education is a responsibility of the States, that the Federal Government has entered certain peripheral areas, and initiated such action usually during a war emergency and for defense purposes and with the intent that this be a temporary expediency. Some of these activities were continued beyond the time when they could be justified. But it should be stated unequivocally—as the report does not—that up to this time public education in the United States has been regarded a responsibility of the States and their political subdivisions and outside the Federal realm. I, for one, hope that this will so remain.

PUBLIC WORKS APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, for the fiscal year ending June 30, 1962, and for other purposes.

Mr. MUNDT. Mr. President, I am prepared now to yield to the distinguished chairman of the committee for the purpose of an interrogation by the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President, I appeared before the committee and made certain recommendations concerning several items. I should like to question the Senator from Louisiana concerning the status of those items in the appropriation bill.

I suggested that a study should be made of sedimentation and floods in the Cuyahoga River Valley. Is that item included in the bill?

Mr. ELLENDER. It was included in the bill as passed by the House.

Mr. LAUSCHE. And the item has not been disturbed by the Senate.

Mr. ELLENDER. The Senator is correct.

Mr. LAUSCHE. Second, I ask the Senator with respect to the East Fork project, on the Little Miami River.

Mr. ELLENDER. That item is included in the bill for planning.

Mr. LAUSCHE. For planning?

Mr. ELLENDER. The Senator is correct.

Mr. LAUSCHE. Finally, I ask the Senator about the item with respect to Caesar Creek in Warren County.

Mr. ELLENDER. The subcommittee found that the House had placed that item in for a survey, when, in fact, it should have been put in for planning. What the committee did was to transfer it from a survey to planning.

Mr. LAUSCHE. Finally, I refer to the Toledo Harbor project. Has that project been covered substantially as suggested in my letter?

Mr. ELLENDER. Yes, that was an amount also allowed by the House.

Mr. LAUSCHE. I thank the Senator.

Mr. WILLIAMS of Delaware. Mr. President, paragraph 2 of rule XVI of the Senate rules reads as follows:

The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

Mr. President, I wish to direct a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS of Delaware. Am I correct in my understanding that when proposed legislation is included in an appropriation bill a point of order may be made, if the Senator so determines, against only the section itself, thereby not having any effect on the general bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS of Delaware. Am I not also correct in my understanding that a point of order may be made at the discretion of the Senator making such a point of order against the entire bill, thereby sending the bill back to the committee?

THE PRESIDING OFFICER. It is the understanding of the Chair, after consultation with the Parliamentarian, that a point of order may be made against the bill. If the point of order is sustained, the bill will be recommitted to the Committee on Appropriations.

Mr. WILLIAMS of Delaware. Mr. President, on page 18 of the bill, beginning at line 4 and extending through line 8, there appears the following language:

After October 1, 1961, the position of the Administrator of the Bonneville Power Administration shall have the same annual rate of compensation as that provided for positions listed in section 2205(b) of title V, United States Code, so long as held by the present incumbent.

The provision I have read has every appearance of being proposed legislation. Without regard to the merit of the proposal, I do not think that is a proper way to legislate and to raise the salary of any individual. I think the subject should be dealt with more directly by a vote of the Senate. Therefore I make a point of order against that section only. May I have a ruling on the point of order?

The PRESIDING OFFICER. Does the Senator from Washington desire to be heard on the point of order?

Mr. MAGNUSON. Mr. President, I do not wish to be heard on the point of order. I suggest, however, that obviously a point of order lies against the amendment. I have at the desk a motion to suspend the rules, which I expect to call up.

Mr. WILLIAMS of Delaware. I appreciate that, Mr. President. However, I felt it would be more proper to have the subject considered by an affirmative vote of the Senate. Therefore I insist on my point of order.

The PRESIDING OFFICER. The Chair is of the opinion that the point of order is well taken, and it is sustained.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. The Chair having sustained the point of order, is a motion now in order for me to call up my motion?

The PRESIDING OFFICER. When the Senator from Washington can obtain recognition, he may call up his notice of a motion to suspend the rule.

Mr. MAGNUSON. At any time?

The PRESIDING OFFICER. At any time.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment 9–20–61.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, line 22, after the word "work", insert the following: ": *Provided further*, That funds herein appropriated shall be available for expenditure, in addition to funds

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[36] James D. Richardson, "A Compilation of the Messages and Papers of the Presidents," Bureau of National Literature, New York, 1897, vol. VII, p. 3078. This veto message of President Buchanan contains many statements which apply with equal force today and should be carefully studied. It was reprinted in the hearings of the Subcommittee on Education, Committee on Labor and Public Welfare, U.S. Senate, Public School Assistance Act of 1961, pp. 631–636.

[37] Gordon C. Lee, "The Struggle for Federal Aid," Bureau Publications, Teachers College, Columbia University, New York, 1949, p. 16.

heretofore made available for the Garrison Dam project on the Missouri River, for cooperation with the North Dakota State Conservation Commission to the extent of one-half the cost of the replenishing and freshening Lake Wildwood, North Dakota, which has been interfered with by the construction of the Garrison Dam and Reservoir on the Missouri River".

Mr. YOUNG of North Dakota. Mr. President, as stated in the amendment, Wildwood Lake is near to the Garrison Dam and Reservoir. It used to receive its water from the floodwaters of the Missouri River. Since the construction of the dam, the floodwaters have been controlled. The lake no longer receives floodwaters and is drying up. It was a lake used by a great many people, including the Boy Scouts. We believe there is some responsibility in the Federal Government for replenishing and freshening the lake. The State of North Dakota is willing to pay half the cost. The total cost would be $70,000. The total obligation of the Federal Government would be only $35,000. I have discussed the amendment in committee. I ask the chairman if he is willing to accept it.

Mr. ELLENDER. This matter was discussed in committee, and I suggested to the Senator that he might offer the amendment to the Senate. I can see no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. YOUNG of North Dakota. I ask unanimous consent to have inserted in the RECORD, as a part of my remarks, the testimony of General Cassidy of the Corps of Army Engineers and the testimony of Mr. Milo W. Hoisveen, State engineer of North Dakota.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator ELLENDER. There is nothing in the budget, and local interests have requested $35,000 for construction. What is your capability on this project?

General CASSIDY. Mr. Chairman, the Corps of Engineers has neither the authority nor the funds to participate in this proposal. The North Dakota State Conservation Commission desires that we participate up to one-half of the cost of replenishing and freshening Lake Wildwood. That commission would like the corps to participate the same as we did in the McCook Lake rehabilitation project. As you may recall, authority for the corps participation in the McCook Lake rehabilitation was contained in the 1956 Public Works Appropriation Act, which also provided the necessary funds. The act directed that the work be done in cooperation with the State of South Dakota, with the proviso that the State bear one-half the cost. If the Congress were to direct us to participate in this project, of course we would.

Corps of Engineers---------- page 968

Senator YOUNG. I have a statement I would like to make with respect to the Lake Wildwood project, and after I read it, I would like you to supply the appropriate information for the record.

General SHULER. All right, sir.

Senator YOUNG. Considerable interest has been expressed to me in the restoration of Lake Wildwood, a small body of water 9 miles south of Washburn, N. Dak., and near the Missouri River. This lake was originally flushed and replenished by overflows from the Missouri River. During this period, this became a very popular recreation area. In fact, the Boy Scouts maintained a very nice summer camp there.

With the advent of Garrison Dam and the resulting control of the flows of the Missouri River, it has been impossible to keep the water in this lake clean and fresh. It no longer has any use as a recreation area and the Boy Scout camp has had to be abandoned.

The North Dakota State Water Conservation Commission has made some rather detailed surveys of this area and has devised a plan of replenishing and freshening up this lake. They estimate that this would cost approximately $70,000 and their proposal is that 50 percent, or not to exceed $35,000 of this cost be borne by the Federal Government and the balance by local and State agencies, with the construction to be done by the State water conservation commission.

This is quite similar to the project approved in 1956 in South Dakota. The project to which I refer was McCook Lake in Union County, S. Dak. The situation was almost identical there with the situation at Lake Wildwood.

Now, my concern is, Has the Corps of Engineers looked into this problem at all?

General SHULER. I am informed, sir, that we probably have not. I will certainly supply the correct answer to that for the record.

Senator YOUNG. Would you?

General SHULER. All right, sir.

(The information requested follows:)

"The corps has not made an investigation of possible improvement at Wildwood Lake since it has neither the authority nor funds to do so. Apparently the problem which exists at Wildwood Lake is somewhat similar to the problem which existed at McCook Lake in the mid-1950's. However, the McCook Lake rehabilitation involved dredging rather than replenishing and freshening as suggested for Wildwood Lake by the North Dakota State Water Conservation Commission. Authority for the corps participation in the McCook Lake rehabilitation was contained in the 1956 Public Works Appropriation Act which also provided the funds therefor. There was no investigation and no report by the corps on the McCook Lake problem. The act directed that the work be done in cooperation with the State of South Dakota with the proviso that the State bear one-half the cost.

Milo W. Hoisveen---------- page 2537

"In 1954 a most eventful occasion took place. The closure was made on Garrison Dam, one of the largest dams and reservoirs on the main stream of the Missouri. Flood control was one of the many benefits afforded the downstream residents. However, flood control meant that the Missouri was tamed and would no longer overflow its banks. With flood control accomplished, Wildwood Lake is denied its only source of replenishment. The lake level since Garrison Dam closure has rapidly dropped and its value as a resort has also depreciated. The Boy Scout camp has been abandoned and the cottages are in a state of disrepair. Some loyal proponents continue to attempt to restore its level through pumping water from the Missouri. This is an expensive endeavor and although this work has been cooperatively undertaken with the North Dakota State Water Conservation Commission at a cost of approximately $2,500 annually, indications are that this effort will soon be discontinued.

"The North Dakota State Water Conservation Commission has studied a more practical means of restoring and maintaining the lake. This can be accomplished by diverting water from Painted Woods Lake, a shallow mud-bottom lake, which receives its water supply from Painted Woods Creek.

"Cost estimate for the restoration proposal

Mobilization	$1,000
Spillway construction of outlet of Painted Woods Lake (lump sum)	32,500
Spillway construction at outlet of Wildwood Lake (lump sum)	13,000
Painted Woods Lake to Wildwood Lake diversion structure	5,000
Diversion ditch excavation (16,000 cubic yards at 25 cents per cubic yard)	4,000
Drop structure into Wildwood Lake	2,400
Section line crossing	2,100
Engineering	5,000
Contingencies	5,000
Total	70,000

"The elimination of Wildwood Lake as a resort area with its subsequent depreciation of property, both public and private, is an unpredicted negation resulting from Garrison Dam. Certainly with its evident decline now traceable to the Missouri River Basin project its restoration should be achieved as a cooperative venture between the local and Federal governments on a 50–50 basis."

Mr. MORSE. Mr. President, once again I wish to thank the chairman of the Appropriations Committee and the chairman of the Public Works Appropriations Subcommittee, for their fine recognition of the needs of the State of Oregon in the field of public works appropriations.

I commend them both for approving the budget requests on highly important flood control and multipurpose projects, such as John Day, Cougar, Green Peter, and Fall Creek Dams.

We are most grateful for their support of the budget requests on jetty rehabilitation work at Coos Bay, Suislaw Harbor, Umpqua River, and the Columbia River mouth. These funds are essential to the economic development of those harbor areas.

They have done a great service for the Tillamook Bay area, and for the entire State of Oregon, in initiating an item of $40,000 for preconstruction planning on the Tillamook—Garibaldi—north jetty.

This is a great step forward in the improvement program for Tillamook Bay. The repair of the Garibaldi jetty, and the further work on the bay, as envisaged in the current survey of the bay, will prove to be of enormous benefit to the economy of the area, to the State of Oregon, and the Nation. I hope that they will stand firm in supporting this item in conference.

Two Oregon flood control surveys are of primary importance to the Willamette Valley area, and it is my hope that they will be given special consideration by our Senate conferees when H.R. 9076 is considered in conference. I have reference to the Thomas Creek, Oregon survey, for which the Corps of Engineers have advised they could use $10,000 in fiscal 1962. Also, the corps tells me they could use an additional $10,000 for the Calapooya River survey, making the total for fiscal 1962, $30,000. I hope the conferees will approve these surveys, because the flood damage in the

area, which I have personally observed, has been enormous in recent months.

Mr. President, in fact, recently I went out to Oregon, accompanied by representatives of the Corps of Army Engineers, and local groups who were very much concerned about the flood damage. There is no doubt about the fact that the money we are requesting is sorely needed in order to stop—not only rehabilitate, but stop—future flood losses.

Again I wish to say to the Senator from Louisiana that I deeply appreciate the support that has been given to Oregon public works in connection with the report the Senator is now making to the Senate.

I have one question I would like to address to the Senator from Louisiana.

On page 3 of the report, under the heading "Rivers and harbors and flood control," there appears the subhead "General investigation," and under that there are listed appropriations, 1961, $12,023,000; budget estimate, 1962, $13,400,000; House allowance, $14,356,000; committee recommendation, $16,479,000.

Mr. President, I should like to ask the Senator if I am correct that under the heading of "General investigations," such small surveys as the Thomas Creek survey to which I have referred, in which there is a need for an additional $10,000, and the Calapooya River survey, for which there is also a need for additional money could be allocated out of this amount of money that is carried under the heading "General Investigations" if the Corps of Army Engineers, in evaluating all the other needs and all the other requests, came to the conclusion that this survey money could be best spent, for example, on Thomas Creek.

Mr. ELLENDER. The Senator is correct. We followed the usual procedure of providing a lump sum. It will be up to the Engineers to apportion that money. I believe that there will be sufficient money to take care of the projects to which the Senator has referred.

Mr. MORSE. As the Senator well knows, interested constituents get in touch with their Senators and express concern because some particular survey is not mentioned by name in connection with the committee's report. I wished the record to show whether I will be correct when I say to my constituents that I made my appeal for the money needed for Calapooya and Thomas Creek, but that if it happens that a particular survey of this small amount is not specifically mentioned, it does not follow that all chance of getting the money for it is lost for the next fiscal year. As the Senator from Louisiana has pointed out, after this fund for general investigations is agreed upon, the chairman of the committee intends to make suggestions to the Army Engineers, and the Corps of Army Engineers in its discretion decides how the money is going to be distributed among the so-called smaller survey projects.

Mr. ELLENDER. The Senator is absolutely correct. In order to fortify that statement I would refer the Senator and his constituents to look at the sideslips which the committee used in marking up the bill. They will note that all the surveys to which he referred are named in those sideslips and are eligible for selection from the $16,479,000 provided for general investigations.

Mr. MORSE. I thank the Senator from Louisiana. I want him to know that I have said in all parts of Oregon that two of our most understanding but impartial friends in the Senate are the chairman of the full committee, the distinguished Senator from Arizona [Mr. HAYDEN] and the chairman of the subcommittee, the distinguished senior Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. I thank the Senator from Oregon.

Mr. DWORSHAK. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, line 15, after the word "nonreimbursable," it is proposed to add the following:

Provided further, That not to exceed $435,000 shall be available toward investigation and the emergency rehabilitation of the Dalton Gardens, Avondale, and Hayden Lake unit, Rathdrum Prairie irrigation projects, Idaho, to be effective only upon approval by the President of H.R. 4458, 87th Congress.

Mr. DWORSHAK. Mr. President, H.R. 4458, a bill to authorize rehabilitation and replacement of facilities for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts, was passed by the House on August 7 and by the Senate on September 11. The bill is now before the President for approval. Since the proposed legislation was favorably reported on by the Department of the Interior on June 6, 1961, and the legislation, except for minor revisions made by the House Interior Committee, is consistent with the Department's proposal, I am confident that President Kennedy will approve H.R. 4458.

Because of the emergency nature of this work, it is most important that the Appropriation Act for fiscal year 1962 authorize the use of funds in the amount of $435,000 for start of the rehabilitation work for the three districts. Funds for fiscal year 1962 were not requested by the Department originally because of the absence of the authorizing legislation. Approval of the President of H.R. 4458 will remedy this technical deficiency, and Congress therefore should make funds available this year to start the rehabilitation and repair work.

Mr. HAYDEN. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 17, line 2, it is proposed to insert the following:

After October 1, 1961, the position of Administrator, Bonneville Power Administration, shall have the same annual rate of compensation as that provided for positions listed in section 2205(b) of title 5, United States Code, so long as held by the present incumbent.

The PRESIDING OFFICER. The Chair is advised that the Senator from Washington cannot offer an identical amendment which was refused on a point of order, but must offer the motion previously entered to suspend the rule.

Mr. MAGNUSON. Mr. President, I move to suspend the rule.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington to suspend the rule. [Putting the question.]

Two-thirds of the Senators having voted in the affirmative, the rule is suspended.

Mr. MAGNUSON. I now offer my amendment.

The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

RESEARCH IN CLOUD SEEDING

Mr. CASE of South Dakota. Mr. President, the approval given in the committee report for the Bureau of Reclamation to use $100,000 of its water supply research funds for field experiments in cloud modification may well be the most important and far-reaching in results of any funds carried in this bill. The language to which I refer appears at page 28 of the report dealing with the Bureau of Reclamation and reads as follows:

The committee recommends allowance of $100,000 to be used for research on increasing rainfall by cloud seeding. This amount would be utilized in cooperation with the National Science Foundation and the Weather Bureau which are expected to contribute funds and participate in this research.

Mr. President, no one knows better than I the skepticism which research in weather control and cloud modification still meets in many quarters. We have come a long way, however, since S. 285 of the 83d Congress became law and established the Advisory Committee on Weather Control in 1953, its extension in 1956 and the follow-on measure, S. 86 of the 85th Congress, approved July 11, 1958, which placed the responsibility for launching a research program with the National Science Foundation.

At this point, Mr. President, I ask permission to insert the identification data on these measures:

There being no objection, the data were ordered to be printed in the RECORD, as follows:

LEGISLATION ON WEATHER MODIFICATION

S. 285 (1953), 83d Congress: Advisory Committee on Weather Modification, by Senator CASE of South Dakota, and others. Passed Senate June 8, 1953. Passed House July 31, 1953. Approved August 13, 1953 (Public Law 256).

S. 2913 (1956), 84th Congress: Extend Advisory Committee on Weather Control, by Senator CASE of South Dakota and others. Passed Senate April 30, 1956. Passed House July 2, 1956. Approved July 9, 1956 (Public Law 664).

S. 86 (1957–58), 85th Congress: Cloud Modification Research Act of 1957 by Senator

CASE of South Dakota and others. Passed Senate August 5, 1957. Passed House (amended) June 19, 1958. Senate agrees July 1, 1958. Approved July 11, 1958 (Public Law 85-510).

Mr. CASE of South Dakota. Mr. President, this step today providing funds for the Bureau of Reclamation to work cooperatively with the National Science Foundation and the Weather Bureau in some practical cloud-seeding experimentation is a logical one in pursuing the expanding knowledge of the laws of the universe as God unfolds them to mankind.

The earmarking of these funds in the allocations to the Bureau of Reclamation follows the request which I made to the committee and I wish to express my appreciation to the distinguished chairman of the committee, the senior Senator from Arizona [Mr. HAYDEN], and to the distinguished ranking minority member, my colleague, the senior Senator from South Dakota [Mr. MUNDT], for the favorable consideration given to the request and to the Bureau of Reclamation for its support of the proposal.

Incidentally, Mr. President, Mr. Floyd Dominy, Commissioner of Reclamation, and Mr. William Palmer, the Assistant Commissioner, well realize what increased rainfall can do to enhance the water supply of projects in which the United States participates. I have noted with interest that the distinguished Senator from Minnesota, the assistant majority leader [Mr. HUMPHREY] recently spoke at length under the heading "The United States Must Expand Its Weather Research," and made particular reference to the program now being undertaken by the National Center for Atmospheric Research in Boulder, Colo., with the cooperation of the National Science Foundation under the authority of the 1958 act. This center is directed by Dr. Walter Orr Roberts, an eminent scientist, who is endeavoring to determine the effect of electricity in the coalescence of the minute moisture particles that comprise a cloud.

And 2 days ago in the Washington Evening Star, Thomas R. Henry, the Star's science editor, devoted his column to an interesting review of an experiment in Illinois in this field conducted under the sponsorship of the National Science Foundation. Because of its general interest, I ask unanimous consent that this article may appear in the RECORD following my remarks.

The Senator from Minnesota also included with his remarks a very interesting review of the activities of the Weather Bureau in this field of weather modification. I urge all interested in this subject to read it at page 20402 of the RECORD for September 20, 1961.

The statement prepared by the Weather Bureau reflects its traditional conservatism and but acknowledges that "weather modification reached widespread attention among the public some 12 years ago" and points to the limited funds which it has had for basic research.

In this connection, Mr. President, the seeding of Hurricane Esther and checking of results by scientists of the U.S. Weather Bureau is of great interest and tremendous importance. I ask permission to insert at this point the UPI story of this epochal event.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MIAMI.—Weather scientists studied a mass of tape-recorded instrument readings and other data today to determine the full effects of their chemical seeding experiment on Hurricane Esther.

Silver iodide crystals were distributed inside the huge hurricane Saturday and Sunday while Esther was several hundred miles off Puerto Rico and before it was a serious threat to the U.S. coastline.

R. H. Simpson, deputy director of meteorological research for the U.S. Weather Bureau, said the main purpose of the experiment was to confirm that silver iodide, sprayed in the upper levels of the storm like smoke, would convert moisture to ice.

"This happened," said Cecil Gentry, director of the Weather Bureau's hurricane research project here, "we know that. But we still have to go over all the data we have thoroughly to determine how much moisture was converted and just what the temperature changes were," he said.

Simpson said the experiment was preliminary and not intended to produce major changes in the hurricane's characteristics or course.

"We don't know enough about this to attempt that sort of operation," Gentry said.

Mr. CASE of South Dakota. Mr. President, as one who has been pushing legislation and endeavoring to stimulate interest in this field for these 12 years, I welcome the growing awareness of the importance of the possibilities that atmospheric research, both basic and applied, can yield results that are beyond the ability of anyone to predict today.

In a field which touches the lives of everyone and affects the conditions of every activity on this planet, it is to be expected that some false starts will be made. Trial and error have been the tale in much of man's progress. The problem is to get accurate records of what is done and under what conditions and with what results. If that is done, the day will come when man will chalk up another epochal achievement in the improvement of his environment, the more accurate forecasting of weather and possibly its modification and limited control.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Wiring Sky May Regulate Weather," written by Thomas R. Henry and published in the Washington Evening Star of September 21, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WIRING SKY MAY REGULATE WEATHER

(By Thomas R. Henry)

Wiring the sky for electricity promises to be one way of making weather to order.

A crucial experiment is described in a National Science Foundation report. It was carried out in central Illinois by Drs. Bernard Vonnegut and Charles Moore.

A stainless steel wire, suspended about 30 feet above the ground for 4 miles, was charged to a potential of 10,000 volts. This charged wire ionized—split off electrons from atoms—particles in the air surrounding and blowing past the wire. As a result the air was given a space charge of about 1,000 times normal.

The object of the experiment was to check a hypothesis that clouds become electrified as a result of the space charge in the air beneath them.

MAY BE RAINMAKERS

"Meteorologists believe," says the report, "that electrical factors in clouds may play a large part in the formation and release of heavy rain. This summer work in Illinois showed that the experimental approach was a good, workable one.

"With observations taken from light aircraft it was established definitely that the space charge introduced was rising to cloud levels and being swept up into the clouds. It remains for further experiments to show what physical effects this artificial electrification has on the subsequent development of the cloud and its precipitation process.

"An important finding was that the 4-mile-long wire, the space-charge source, was much too small and that the clouds were not absorbing as much charge as desirable. As a result of the limited but promising success a more extensive experiment is planned for this year."

SEEDING OF CLOUDS

Seeding clouds—that is, filling them with minute solid particles of some kind around which water droplets will form from gaseous water vapor—remains probably the most promising means of artificial rainmaking.

Several crucial experiments now are underway under auspices of the National Science Foundation, according to a report on possible manmade weather modification, just issued by the Foundation at the University of Arizona, located in an area which suffers badly most years from lack of rain, a carefully designed research effort has been conducted during the first three summers of a five-summer project. It is designed to determine whether seeding clouds from airplanes with particles of silver iodide can modify the cumulus clouds which form over the dry Santa Catalina Mountains in the southeastern part of the State.

The indications, says the report, are that the seeding has produced some important effects, such as larger thunderstorms, more lightning strokes, and the initiation of rain in clouds which would not have precipitated naturally. It is emphasized, however, that as yet the results are quite tentative. It remains to be proved that the rain would not have come anyway, with the seeding only an incidental factor.

OTHER TESTS

One crucial check on this is being carried out in a Foundation-sponsored experiment in southern Missouri by Drs. Horace R. Byers and Roscoe R. Braham of the University of Chicago. Clouds are being seeded by means of air-carried silver iodide generators and the effects determined by investigating physical changes in the clouds themselves rather than by the frequency and amount of rain which falls after the seeding. Radar, cloud cameras, and specially instrumented aircraft are used in the research. For comparison purposes similar observations and measurements are made on clouds over the area during days when there has been no seeding.

At the University of Vermont Dr. R. J. Howard is investigating ways in which water droplets form in clouds without any particles of any kind around which the water vapor can condense.

"Careful cooling of saturated air (in the laboratory)," says the report, "causes the production of supersaturated vapor and further cooling results finally in the formation of water droplets even in the absence of

ions, dust particles, or other condensation nuclei to which the water molecules normally would attach themselves. The early stages of this transition are not well understood.

"Dr. Howard will produce supersaturated vapors under an infrared spectrometer to study the coalescence of water molecules leading to the growth of visible droplets."

Mr. GOLDWATER. Mr. President, on January 30 of this year I addressed my colleagues here in this Chamber expressing my serious concern over the nomination of Mr. Kenneth Holum as Assistant Secretary of Interior. At that time I pointed out that all of the appointments made by the Kennedy administration to offices that would be concerned with electric power were known advocates of Federal power. Other appointments since that time also have been doctrinaire public power men.

In my remarks I said:

I cannot help wondering what the new administration has in mind so far as our electric utility industry is concerned.

Well, I no longer have to wonder. The picture is now crystal clear. The plan is for greatly expanding Federal power; for the Federal Government assuming a utility responsibility to supply the total power needs of preference customers; and for construction of a national Federal power network.

The Colorado River storage project all-Federal transmission lines are a good example of this administration's plans. The all-Federal system is a big step toward the nationwide Federal power grid. The blind determination of the Interior Department to build the all-Federal lines indicates the philosophy of the agency since, in my opinion, the determination was not made as a result of either sound engineering or economics. The Bureau of Reclamation has never made an effort to sit around the table and really negotiate with the five electric companies serving the area. When the companies pointed out discrepancies in the Bureau findings, the Bureau people waved them aside as inconsequential even though they amounted to many millions of dollars. I am satisfied that the Bureau started out with a predetermined position—all-Federal construction—and confined their efforts to defending that position.

Much has been made over the fact that ex-Secretary Fred Seaton approved an all-Federal construction plan. The fact that he did approve some plan does not make it right. But in this connection I want to remind you of two things: First, the present Commissioner of Reclamation, who is crusading with almost unprecedented vigor for Federal construction, is the same man who was advising Secretary Seaton; second, the Bureau's present plans for construction have changed materially since Secretary Seaton left office.

Another point the advocates of Federal construction attempt to make is that two independent engineers called in as consultants by the Bureau approved the Bureau's analysis. The best answer to that assumption was given on the floor of the other body on September 7, 1961, by the senior Republican member of the House Committee on Interior and Insular Affairs, the distinguished gentleman from Pennsylvania, Mr. SAYLOR. His answer to this claim starts on page 18600 of the RECORD. If any of my colleagues still believe those engineers approved the Bureau's analysis, I invite you to read the gentleman's remarks. It would be a good statement for all of those interested in true western reclamation to read, anyway.

Aside from the fact that I do not believe in unnecessary Federal expenditures or in the Federal Government spending money on things that can be equally well or better provided by private capital, I have a further interest in these transmission lines—my sincere interest in reclamation.

The taxpayers of this country have been very generous in financing Federal reclamation projects in our arid Western States. But the western people themselves have also been very industrious in reclaiming arid lands by use of individual initiative and private capital. As a matter of comparison, in 1959 the Bureau had provided full irrigation for 3.4 million acres and supplemental irrigation for 3.7 million acres. But there were 33.2 million acres under irrigation in the 17 Western States. So the Bureau has provided only about 10 percent of the total irrigation and assisted in an additional 11 percent. Others, mostly private initiative, to date have done the larger part of reclaiming lands by irrigation. I do not intend to detract from the good work done by the Bureau, but rather to put in the proper perspective and give credit where it is due to the accomplishments of individual initiative in a free society.

There is still a need for a real Bureau of Reclamation. Lands that could be most economically reclaimed have been reclaimed so private initiative is now limited in what it can do, on its own, in the future. There is a great deal of additional reclamation work that needs to be done if our Western States are to continue to prosper. We are going to need some additional Federal assistance to continue our irrigation programs. I believe our friends from other States will continue helping us if they are satisfied that our primary objective is the irrigation of arid lands. I am seriously concerned, however, about their future attitude if they realize that a large amount of the appropriations are going for the promotion of Federal power for a preferred few or that we are asking others to do for us things that we are perfectly capable of doing for ourselves. The gentleman from Pennsylvania [Mr. SAYLOR], whose position is very influential in making such decisions in the other body, has given us of the West a fair warning and I think it behooves us to heed it.

We must realize the Federal Treasury is not a bottomless well from which we can draw any amount of money at any time without wrecking our economy. There are many public works that need to be done in this country, including reclamation. There will be a limited amount of money available for this purpose, and we in the West cannot expect more than our share. If we are going to spend this money on unnecessary power facilities, we are not going to have it for necessary irrigation.

I am not saying that no power facilities should ever be built or that the sale of electric power from Federal facilities should not be used to aid irrigation. I think it should. I am saying, however, that we cannot expect taxpayers from other sections of the country to finance power facilities, for the sake of power, that do not contribute to irrigation. That is why I opposed Federal construction of a hydroelectric development at Hells Canyon. That is a power project—not reclamation. That is the reason I oppose construction of the all-Federal transmission lines for the Upper Colorado River storage project or any other Federal project where this job can be done by other than Federal funds.

I have made a very careful study of these Colorado River project lines because of their tremendous importance to my State. From my study I am satisfied of the following facts:

First. The Bureau has never made an effort to negotiate with the five electric companies.

Second. The so-called yardstick system against which the Bureau compared the companies' offer is not the same system the Bureau proposes building now and, therefore, the comparison was not a fair one.

Third. Former Secretary Seaton never had an opportunity to pass on the plan as now proposed by the Bureau of Reclamation.

Fourth. The independent engineers employed by the Bureau had neither the time nor the information to make a complete analysis of the Bureau's findings but even so their findings fell far short of being in complete agreement with the Bureau's.

Fifth. The companies have made a firm offer to enter into wheeling contracts with the Government.

Sixth. We know how much it would cost to transmit the power under the companies' offer but cannot be sure under an all-Federal system because Federal costs are based on a system not yet constructed and the Bureau's estimates of cost have been increasing.

Seventh. The cost of power to the Government's customers would be at least as low under the companies' proposal as under an all-Federal system.

Eighth. The companies' proposal would provide a more stable system and a greater degree of reliability.

Ninth. The companies' proposal would save an immediate expenditure of $136 million of tax funds.

Tenth. The companies' proposal would make more money available and in a much shorter time to aid irrigation.

Eleventh. The companies proposal would make well over $200 million available in Federal, State and local taxes.

Twelfth. There would be a better chance of having the Government's investment in the upper Colorado River project repaid under the combination plan than under the all-Federal plan because the Government would have less money invested.

If my findings are correct, and I believe they are, there is no earthly reason why the Government and the companies should not reach a mutually advantageous agreement for transmitting this power to the Government's customers. As I said before, I do not believe the Bureau has made a straightforward appraisal of the companies' offer nor have they diligently tried to negotiate wheeling agreements. The Bureau should not be permitted to spend any money on these controversial lines until after every effort has been made to work out an agreement.

It would be no departure from congressional policy to deny construction of Federal lines where wheeling arrangements could be worked out; in fact, to the contrary, it would be following long-established congressional policy. It was done in the Southeast, in the Southwest, and in California. Wheeling arrangements in those areas have been very satisfactory to all parties concerned and have saved the Government the unnecessary expenditure of millions of tax dollars. Secretary of the Interior Udall, in a press release of September 18, 1961, expressed the hope for a cooperative planning effort of interconnecting and pooling facilities of public systems with those of private industry. It seems to me that this upper Colorado River storage project would be an excellent place to start.

Mr. President, at the start of my remarks I referred to the plans of this administration for greatly expanding Federal power. I am deeply concerned about these developments. I am even more concerned about the manner in which the administration is setting about imposing Federal power on the country. It is doing this in such a way that few people understand the full implication of what is going on. One morning they will wake up—as the citizens in British Columbia did—and find that the investor-owned electric power industry is in the hands of the Government. Now this is a major policy decision—the type of decision that has to be made periodically in the course of history. In our democratic American society it is completely alien that we should sneak this thing over on the American people without any say from them whether this is what they want.

It has been our custom on major policy decisions to debate them, explore them, think and argue about them, refine them, and eventually come up with something in which the Nation as a whole has participated. We are not doing this in the power business and I think it is time we did. Let us get this thing out into the open. Let us find out if the American people want their power industry socialized. Let us tell them what it will cost. Let us tell them what it will mean in terms of lost taxes, lost liberty, lost incentive. Let us stop this underhanded way of trying to entrench Federal power so that the outcome is a foregone conclusion. And, after we have aired this subject, if the American people then decide they do not want free enterprise in the power business, well, then, so be it.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "United States Moves To Federalize Power," published in the magazine Nation's Business for September of 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES MOVES TO FEDERALIZE POWER—PRIVATE COMPANIES THREATENED BY GIANT NETWORK OF GOVERNMENT LINES

The aggressive expansion of federally owned and federally financed power projects proposed by the Kennedy administration means further encroachment by the Central Government into business.

The new role of the Federal Government is in sharp contrast to the Eisenhower administration's partnership program with the private investor-owned electric power industry.

The latest developments are important to all taxpayers because they demonstrate the tendency for Federal programs to mushroom over the years.

The point at issue no longer simply involves the possibility of the Federal Government or local political subdivisions getting more and more into the electric utility business.

It now involves the future course of Central Government in promoting a national system of transmission lines, constructing generating capacity for its own sake rather than as a byproduct of dams built for flood control and irrigation, and developing nuclear powerplants.

There will be no single legislative or administrative effort to federalize the power industry. Instead there will be a series of steps, which individually may not appear to be a serious threat to the industry.

The dream of spanning the United States with Federal power dates back to the early 1920's, when the Public Ownership League drew up a plan for a "nationwide hydroelectric and superpower system to be publicly owned and operated for the public service at cost." The Public Ownership League is now defunct, but its ideas still live in the minds of public power enthusiasts.

In his special message on natural resources, President John F. Kennedy laid the groundwork for a national grid dominated by Federal transmission lines. He said:

"I have directed the Secretary of the Interior to develop plans for the early interconnection of areas served by that Department's marketing agencies with adequate common carrier transmission lines; to plan for further national cooperative pooling of electric power, both public and private; and to enlarge such pooling as now exists."

Plans already are underway for connectin Federal power systems into a huge grid covering the western two-thirds of the United States.

Although administration officials say that there are no plans now to tie in the eastern part of the country, many people, among them Representative BEN F. JENSEN, of Iowa, ranking Republican on the House Subcommittee on Public Works Appropriations, believe that a nationwide grid is the eventual goal of Federal power advocates.

"They are determined to get control of enough power in America to drive the private utilities out of business," Representative JENSEN says. "If they get their tie-ins, they'll establish a subsidized rate so low that private companies won't be able to compete.

"Private utilities are paying more than $2 billion in local, State, and Federal taxes each year on their revenues.

"Federal power systems pay no taxes and figure their rates after taking allowances for flood control, aid to navigation, irrigation of Indian lands, recreation, and the like off their costs."

Many businessmen, particularly those in investor-owned electric companies, share Representative JENSEN's fear that the result of the steps ordered by President Kennedy will be a Federal power monopoly. The Edison Electric Institute, at its annual meeting, viewed the threat of Government ownership, whether by intervention or outright competition, as the principal danger that is now faced by investor-owned electric utilities.

TWO GRIDS EXIST

Private utility spokesmen point out that two power grids already span the country. East of the Rocky Mountains the Federal regional systems, private companies, Rural Electrification Administration cooperatives, State and local utilities work together in an informal organization which permits them to shift power from one region to another as need requires. A similar system operates west of the Rockies and the two are joined by a single connection.

Interior Department officials say that the interties within these grids are not heavy enough to carry the loads which will be required, so Federal connections may be necessary. The utilities reply that large loads can be transmitted where the need exists and higher voltage lines will be added where they become necessary.

Utility companies believe that continued expansion of the Federal transmission system will enable more and more users to obtain their power from Federal projects at subsidized rates, gradually forcing investor-owned utilities out of business.

Whatever mandate the Kennedy administration feels it has to move forward rapidly in the power field is a cloudy one. The 1960 Democratic platform promised to "foster the development of efficient regional giant power systems from all sources, including water, tidal, and nuclear power, to supply low-cost electricity to all retail electric systems, public, private, and cooperative."

Support of Federal power traditionally has been regarded as the key to political victory in the Western States, particularly in the Pacific Northwest. The West had voted Democratic from 1932 until the Eisenhower landslides. In 1948 Harry Truman carried 13 of the 17 Western States.

When the votes in 1960 were counted, however, the Democratic Party had won only Texas, New Mexico, and Nevada in the West. Even the predominantly public-power States of Nebraska and Tennessee went Republican.

WESTERN GRID

The base for Federal expansion is formed by five agencies which build water control and power projects and market the power produced. Four of these are in the Department of the Interior: the Bonneville Power Administration in the Pacific Northwest, the Southwestern Power Administration, the Southeastern Power Administration and the Bureau of Reclamation, which handles Federal power in the Missouri River Basin and the remainder of the 17 Western States.

The Tennessee Valley Authority is a separate Federal body. All of these except the Southeastern Power Administration own and operate transmission lines.

Several months ago Secretary of the Interior Stewart L. Udall appointed a five-man committee to study the feasibility of stringing a 1,000-mile, high-voltage transmission line to carry surplus power from the Bonneville Administration to southern California. An interim report favored the proposal, and the final report is due November 1.

Bonneville has been operating in the red and such a line would enable it to market its excess power and improve its balance sheet. It could also become the first in a series of Federal interties in the Western States.

Further interties would be included in the transmission system which the Bureau of Reclamation wants to build in the upper Colorado River storage project, a Federal water control and power complex under construction in Colorado, Wyoming, Utah, Arizona, and New Mexico. Plans call for the project to be tied in with the Missouri River Basin, the Parker-Davis-Hoover Dam system in southern Nevada, and the Rio Grande project in New Mexico. This system could be in operation by 1964.

The battlelines are drawn now between utility companies and the Bureau of Reclamation over the Bureau's plan to install an all-Federal transmission system in the upper Colorado River storage project. An estimated $187 million worth of lines would be strung between the power-producing dams in the project and from the dams to the Government's customers, as well as interconnections between this power system and others.

Five utility companies in the area have joined forces in offering their transmission facilities, at economical rates, to the Bureau in a plan which they say would save taxpayers $134 million.

The Interior Department has rejected their offer. Former Secretary of the Interior Fred A. Seaton first approved the all-Federal system and Secretary Udall has reaffirmed the decision.

The private companies charge that the Government decision to duplicate their lines is aimed at making the project "part of a giant Federal transmission grid desired by public power proponents to interconnect Federal and other public power projects across the United States."

The Interior Department has also proposed a 2-year, $600,000 study of other interties. These would include possible connections between Bonneville and the Missouri River Basin, southern California and the Parker-Davis-Hoover system, and the Missouri River Basin and the Southwestern Power Administration.

EASTERN TIES

No studies have been announced on tying TVA and the Southeastern Power Administration to the regional power systems of the West, but observers feel that this would be a probable next step in implementing the President's directive.

The Southeastern Administration has no Federal transmission lines; private utilities carry the power generated at Federal dams. The Interior Department has no present plans for building its own lines there, according to Kenneth Holum, Assistant Secretary of the Interior for Water and Power. He adds, however: "I don't want to close the door on the possibility, if lines become needed to market our power."

Extending a national grid into the northeastern and New England States at present would require the cooperation of private, municipal, and State power producers. There are no Federal projects in this heavily industrialized area.

A northern anchor to a grid might be provided by the proposed Passamaquoddy project in northern Maine, which would generate power by tidal action. A joint U.S.-Canadian commission recently recommended against the project on the grounds that it would be uneconomical. President Kennedy, however, has asked the Interior Department to reinvestigate the plan's feasibility, although it has been studied for years.

Other sections of a grid in this area could be provided by the Power Authority of the State of New York and by the system which will be built by Hoosier Cooperative Energy, Inc., of Osgood, Ind. Two months ago the largest loan in REA history, more than $60 million, was awarded to the cooperative to build a 198,000-kilowatt generating plant and 1,552 miles of transmission lines.

POWER NO LONGER BYPRODUCT

In addition to plans to extend Federal transmission lines into a huge grid, the threat of growing monopoly by the Central Government is given impetus by the new Interior Department policy of producing power for its own sake.

In the past, except in the TVA area, the Federal Government generally has produced power only as a byproduct of dams constructed for flood control, navigation, and reclamation. First claim on purchase of power generated is given to certain preference customers, which include REA cooperatives, municipal power companies, and public utility districts.

Interior Department officials now claim a responsibility to supply all future power needs of their preference customers where possible. Policy in the Department is moving away from the concept of producing power only as a byproduct.

This new concept forms part of the Government's argument for constructing the proposed Burns Creek Dam on the upper Snake River in southeastern Idaho (see "U.S. Bids for More of Business' Customers," Nation's Business, June 1961).

NUCLEAR POWER

Further Federal intrusion into the private sphere is threatened by plans of the Atomic Energy Commission to add a $95 million, 800,000-kilowatt steam-electric generating facility to the plutonium production reactor being built at Hanford, Wash. The power would be marketed by the Bonneville Power Administration.

Administration officials assert that building the power generator will prevent the heat produced by the reactor from being wasted. Opponents point out, however, that the additional energy will simply be added to the surplus already existing in the Bonneville system and would support arguments favoring interties with southern California and the Missouri River Basin.

This has been confirmed by Secretary Udall, who told a press conference: "The availability of 600,000 kilowatts of Hanford power would make some type of intertie almost essential."

The Hanford facility also would establish two precedents:

It would be the first substantial Federal nuclear generation of electricity for sale since Congress authorized the partnership approach to developing nuclear power in 1954. This raises the basic question of whether the Atomic Energy Commission is to join the Interior Department as a major producer of federally generated power.

It would be the only Federal facility outside the TVA area which generates electricity by the use of steam. All other Federal electricity is produced by waterpower at multipurpose dams. The trend in the Interior Department toward producing power for its own sake could result in further Government plants producing electricity by steam, using either nuclear or conventional fuels, in competition with private utilities.

REA COOPERATIVES

Liberalization of Department of Agriculture loan criteria for REA cooperatives provides another key to the new administration's power policy. Forty-two of the REA's 990 active borrowers now operate their own generating plants. The remainder buy their power from Federal projects and private companies.

The number of cooperatives with their own plants may show a rapid rise, however, because of broader loan criteria. In the past, a number of distributing cooperatives could combine and obtain an REA loan to build their own generating plant if they could not obtain power from an existing source or if they were forced to pay a so-called excessive rate.

Now REA has added a third criteria: A loan will be made if it is found that the individual cooperatives cannot stay in business without building their own generating plant.

In addition, Administrator Norman M. Clapp says REA will explore with other Government agencies methods of setting up interregional transmission ties so that surplus power in one area can be shared with areas of power shortage.

"These backbone Federal interties could well be the first important step toward a concept that has excited the enthusiasm of some Americans—the indignation of others—for a number of years," Mr. Clapp says. "I refer to the idea of giant power, which envisions interconnecting all of the power pools in the Nation with giant transmission lines."

Action taken during the coming decade will be crucial in determining whether this country's power system will become a Government monopoly.

Mr. CASE of New Jersey. Mr. President, the public works appropriations bill now before us includes funds for one item on which I feel constrained to comment for it is a deeply troubling matter. I refer to the appropriation of $15 million to continue work on the Allegheny River Reservoir, listed on page 16 of the Appropriations Committee's report. This is the so-called Kinzua Dam project which, if carried through, will inundate some 9,000 acres of land belonging in perpetuity to the Seneca Indians by our treaty of 1794 with them.

This matter is of continuing concern to many of our country's most thoughtful citizens, as Members of the Senate are aware from their mail. I have on three occasions in the past 3 months inserted in the CONGRESSIONAL RECORD expressions of press opinion favoring a reconsideration of this matter. I have repeatedly expressed my own opinion about the responsibility of Congress here. Before proceeding with the unilateral abrogation of a treaty, I believe we should at the very least be in a position to assure such concerned citizens that we have actively, adequately, and impartially explored every reasonable alternative to the Kinzua Dam project, fully aware of the great moral issues and the implications for our foreign relations in the unilateral abrogation of a treaty.

Unfortunately, Congress is in no position to give any such assurance. It is not the function of the Public Works Subcommittees of the Appropriations Committees in either House, nor of the Corps of Engineers which makes recommendations on projects of this type, to weigh the significance of a treaty abrogation. It is not their function to point out the relationship of this project to our national objective of strengthening the rule of law in the world. It is not their function to explore the effect of a current treaty violation by this country at a time when we are seeking to obtain observance of our own treaty rights in Berlin. It is therefore no criticism of any of these bodies to point out that none of the Appropriations Committees' reports to either the House or the Senate have, to the best of my knowledge, ever mentioned the treaty violation.

Yet careful consideration of this matter is clearly a responsibility of Congress

as a whole and more particularly of the Senate, because of its special responsibility with regard to treaties and foreign relations. Somehow, Mr. President, our legislative machinery has not yet worked in a manner to permit us to give any assurance of the full consideration which this matter merits.

It is very clear that the administration intends to proceed with this project. It cannot offer the Senecas the assurance that this particular project is necessary, because all the alternatives to it have not been explored. The administration can offer the Senecas only sympathetic assistance with the problems it will cause them.

In the light of the administration's present determination to proceed, it would be only a futile gesture to seek on the floor of the Senate at this time to block the current appropriations bill or this provision. But I do wish to emphasize, Mr. President, that Congress has a continuing responsibility in this matter, and to express the hope that Congress will yet meet that responsibility.

Mr. BENNETT. Mr. President, I rise to commend the Senate Appropriations Committee for the outstanding job done by its members and staff in reporting the public works appropriations bill for fiscal year 1962. The work in connection with reporting such a broad, complicated piece of legislation is time consuming and demanding.

I particularly wish to express my appreciation for the favorable manner with which the committee acted upon my requests both with respect to Utah projects and the upper Colorado River project. Specifically, the committee is to be commended for adding $500,000 to the House-passed bill to start construction of the Emery County reclamation project, for adding $100,000 to accelerate the planning of the key central Utah project, for including $122,000 to make an additional loan to the Haights Creek Irrigation Co. under the Small Projects Act, and for adding $173,000 to eradicate trash fish from the Green River and its tributaries above the Flaming Gorge Dam.

It was my privilege to appear before the Senate Appropriations Committee in support of all of these items which are of great importance to the areas concerned. The President's budget included no new reclamation starts and there has not been even one reclamation project authorized by Congress this year. Therefore, we in Utah were particularly pleased to have funds appropriated for the Emery County project, giving us a new start in Utah, and a vitally needed one.

The added $100,000 to accelerate the planning of the central Utah project will save a full year's time in the completion of definite plans. They will now be completed by June of 1964, 1 year earlier than otherwise would have been possible. This project is the key to the future growth of 14 Utah counties which have all undergone a serious drought over the past 2 years or more. Likewise, the fish eradication project is urgently needed as a conservation measure and in order to insure good fishing when water is backed up behind the Flaming Gorge Dam.

My testimony was not confined to recommendations calling for spending increases in Utah. In fact, the cuts I recommended were many times larger than the increases. The cuts requested were $10 million for the unneeded and wasteful dams at Rainbow Bridge National Monument. The second recommended reduction was $4,200,000 from the upper Colorado River transmission line budget. Thus the reductions I recommended exceeded the increases by almost $12 million. The committee was wise to delete the $10 million Rainbow Bridge boondoggle and for adding $240,000 to construct boat and landing facilities for access to this long-neglected national monument.

With respect to the transmission lines the committee took a statesmanlike approach in urging further study.

The amounts recommended by the committee for the upper Colorado project should adequately meet the needs for efficient development of the Flaming Gorge and Glen Canyon Dams and the Vernal unit of the central Utah project, although it is possible that a problem may arise in connection with the Glen Canyon project late next spring. But this can be remedied at that time. Similarly the appropriations for the Weber River and Provo River projects are adequate.

It is my understanding that the Senate appropriations bill contains a sufficient increase over the House passed bill so that $30 000 can be allocated for a vitally needed flood control investigation on Willow Creek, a tributary of the Price River. Also, I am hopeful that an additional $25,000 can be added from the increase to the $75,000 appropriated for preconstruction planning on the Little Dell Dam and Reservoir to be located in Parleys Canyon east of Salt Lake City. The $50,000 for advanced planning on the Weber flood control project should be adequate. This will help to implement the authorization bill which I successfully steered through Congress several years ago.

Once again I wish to commend the committee, its distinguished chairman [Mr. HAYDEN], and to particularly thank my good friend, the senior Senator from Idaho [Mr. DWORSHAK] who has done and continues to do so much for the West.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed for a third reading, and the bill to be read a third time.

The bill (H.R. 9076) was read the third time, and passed.

Mr. ELLENDER. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. METCALF in the chair) appointed Mr. ELLENDER, Mr. HAYDEN, Mr. RUSSELL, Mr. MCCLELLAN, Mr. ROBERTSON, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. KERR, Mr. PASTORE, Mr. DWORSHAK, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mrs. SMITH of Maine conferees on the part of the Senate.

DISPOSAL OF LAND BY POSTMASTER GENERAL

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 1079, H.R. 7890.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 7890) to authorize the Postmaster General to dispose of certain land and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

The bill (H.R. 7890) was ordered to a third reading, was read the third time, and passed.

FURTHER STUDIES BY TARIFF COMMISSION ON LEAD, ZINC, AND OTHER MINERALS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1084, Senate Resolution 206.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 206) directing the Tariff Commission to make further studies on lead, zinc, and certain other minerals and report to the Senate thereon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on Finance, with amendments, on page 2, line 4, after the word "zinc", to insert "mercury,"; in line 5, after the word "before", to strike out "January 31, 1962" and insert "May 15, 1962"; in line 7, after the word "cobalt", to strike out "mercury,"; in line 8, after the word "than", to strike out "March 15, 1962" and insert "August 31, 1962"; in line 13, after the word "production", to strike out "comparative costs of domestic and foreign production, including labor costs,", and on page 3, line 5, after the word "zinc", to insert "mercury"; so as to make the resolution read:

Resolved, That the United States Tariff Commission is hereby directed, pursuant to section 332 of the Tariff Act of 1930, to make further studies and bring up to date the reports on lead, zinc, mercury, and fluorspar and to report to the Congress on or before May 15, 1962, and to conduct investigations of conditions in the industries producing manganese, cobalt, and beryllium and report to Congress not later than August 31, 1962.

The supplemental reports and new report shall include a summary of the facts obtained in the investigation including a de-

scription of the domestic industry, domestic production, foreign production, imports, consumption, channels and methods of distribution, United States exports, and other factors affecting the competition between domestic and imported products. In the course of the investigations, the Commission shall hold hearings, giving adequate opportunity to interested parties to appear and be heard, except that in the case of lead, zinc, mercury, and fluorspar where reports are being brought up to date, the matter of further hearings shall be left to the discretion of the Tariff Commission.

Mr. MANSFIELD. Mr. President, I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 206) was agreed to.

The preamble was amended so as to read:

Whereas, pursuant to a resolution of the Senate Committee on Finance, dated August 14, 1954, the United States Tariff Commission made an investigation under section 332 of the Tariff Act of 1930, of the domestic fluorspar industry and submitted a report of the results thereof to the said committee on June 6, 1955, and the Senate of the United States subsequently on August 21, 1959, by S. Res. 163, directed the United States Tariff Commission to bring up to date said report and to submit its findings not later than February 21, 1960; and

Whereas, pursuant to a resolution of the United States Senate adopted August 21, 1959, the United States Tariff Commission was directed to make a supplemental investigation of conditions in the lead and zinc industry and to bring up to date its report on lead and zinc which had previously been made on April 19, 1954; and

Whereas, pursuant to a resolution of the Senate Committee on Finance, date March 17, 1958, the United States Tariff Commission made an investigation under section 332 of the Tariff Act of 1930, of the domestic mercury (quicksilver) industry and submitted a report of the results thereof to the said committee on December 1, 1958; and

Whereas the industries producing manganese, cobalt, and beryllium are becoming more and more distressed and such distress could have an effect on our national security: Now, therefore, be it

The preamble was agreed to.

FIREPROOF ANNEX BUILDING FOR GOVERNMENT PRINTING OFFICE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1085, H.R. 3019.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 3019) to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

The bill (H.R. 3019) was ordered to a third reading, was read the third time, and passed.

ADDITIONAL FUNDS FOR COMMITTEE ON ARMED SERVICES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1087, Senate Resolution 215.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 215) to provide additional funds for the Committee on Armed Services.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The resolution (S. Res. 215) was considered and agreed to, as follows:

Resolved, That S. Res. 43, agreed to January 31, 1961, authorizing a study by the Committee on Armed Services on various areas of national defense, is amended on page 3, line 10, by striking "$190,000," and inserting in lieu thereof "$220,000."

ADDITIONAL COPIES OF HEARINGS "DEFENSE SECRETARY McNAMARA ON SENATE RESOLUTION 191"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1088, Senate Resolution 216.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 216) to print additional copies of hearings entitled "Defense Secretary McNamara on Senate Resolution 191."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The resolution (S. Res. 216) was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Senate Committee on Armed Services twenty-five hundred additional copies of its hearing entitled "Defense Secretary McNamara on S. Res. 191", dated September 6 and 7, 1961.

PRINT "THE COMMUNIST PARTY LINE" AS SENATE DOCUMENT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1089, Senate Resolution 218.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 218) to print "The Communist Party Line" as a Senate document.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The resolution (S. Res. 218) was considered and agreed to, as follows:

Resolved, That the document entitled "The Communist Party Line", prepared by J. Edgar Hoover for the Senate Internal Security Subcommittee, be printed as a Senate document and that fifty thousand additional copies be printed for the use of the Committee on the Judiciary and that one hundred and three thousand additional copies be printed for the use of the Senate.

FREEPORT HARBOR PROJECT, TEXAS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1090, H.R. 8320.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 8320) to amend the Freeport Harbor project, Texas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

The bill (H.R. 8320) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I now understand that Calendar No. 1090 (H.R. 8320) has not been cleared and that the report is not yet available. I ask unanimous consent that the Senate reconsider the vote by which the bill was passed and that the bill be restored to the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the motion to reconsider is agreed to.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1080, H.R. 8847.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, at the appropriate time I expect to make a unanimous-consent request that the supplemental appropriation bill, Calendar 1091, H.R. 9169, be laid before the Senate for consideration, and that the pending business be laid aside. However, certain Senators wish to be notified, and that request will not be made until they have been notified.

Furthermore, in view of the fact that the distinguished Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance, wishes to make the opening remarks on the bill, but is not now present, I should like to propound a unanimous-consent request to this effect: That the Senate stand in recess until 1:45 p.m.

Mr. WILLIAMS of Delaware. Mr. President, I do not believe there will be too much discussion of the bill. We could have the third reading of the bill.

Mr. MANSFIELD. I am sure the Senator is correct. Frankly, I have no feeling about it one way or the other, but I am thinking of the interest of other Senators.

Mr. WILLIAMS of Delaware. I am sure the chairman would be willing to waive his remarks if we could proceed now.

Mr. MANSFIELD. I am told that his remarks are important.

Mr. President, I ask unanimous consent that the Senate stand in recess until 1:45 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

At 12 o'clock and 59 minutes p.m. the Senate took a recess until 1:45 o'clock p.m. of the same day.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer (Mr. METCALF in the chair).

DISTRIBUTIONS OF STOCK PURSUANT TO ORDERS ENFORCING THE ANTITRUST LAWS

Mr. BYRD of Virginia obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is the intention of the joint leadership to request, some time this afternoon, when interested Members of the Senate are on the floor, unanimous consent to take up the supplemental appropriation bill. As the Senate knows, the bill was reported yesterday, and any Member of the Senate can raise an objection to considering it before Tuesday. I hope some accommodation can be reached whereby it will be possible later this afternoon to lay aside the pending business and turn to the consideration of that appropriation bill.

Furthermore, some time this afternoon, it is the intention of the leadership to bring up the three treaties on the calendar, which were reported unanimously by the Foreign Relations Committee, and to which, I understand, there is no objection. I hope that we will be able to get one yea and nay vote to cover all three treaties.

Mr. PASTORE. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. PASTORE. Has the majority leader any idea at this time just about when he will ascertain whether or not we can obtain unanimous consent for the consideration of the supplemental appropriation bill?

The reason why I bring up the point at this time is that if the rule is insisted upon and we have to put over consideration of the bill until next Tuesday, there is no sense in staying here until late this evening. If we are to come back next week, we should get out of here the early part of the afternoon and go home, where we belong, and take a good rest after this arduous week.

If there is to be consideration of the bill today, I am sure we are all willing to stay as long as we must in the hope that we might adjourn sine die.

Mr. MANSFIELD. My own personal view is 100 percent in accord with the view of the Senator from Rhode Island. If we can finish consideration of all the legislation now pending, or which we shall take up, during this evening and even up to 8 o'clock tomorrow morning, and then adjourn sine die, I am willing to stay here that long.

However, if there is no reasonable chance of finishing within that time, then it is the intention of the leadership to consider adjourning around 8 o'clock this evening, at the latest, I would say tentatively, until 12 o'clock noon next Monday, if we have to come in, and then operate on decent hours from that time forward.

However, I am hopeful, and feel quite certain, that the Senators who have expressed a legitimate interest in the supplemental appropriation bill will cooperate, if in their opinion it is at all possible, and if the objections and considerations they have in mind are met.

Mr. PASTORE. Did I understand the majority leader to say that he would not know until 8 o'clock tonight?

Mr. MANSFIELD. I would hope that with respect to the supplemental bill we would know before that time. However, I must go by guess and by grab, and I cannot state definitely at this time.

ESTABLISHMENT OF DATE OF 2D SESSION OF 87TH CONGRESS

Mr. MANSFIELD. Mr. President, at this time I send a joint resolution to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the joint resolution (S.J. Res. 144), as follows:

Resolved by the Senate and House of Representatives of United States of America in Congress assembled, That the second regular session of the Eighty-seventh Congress shall begin at noon on Wednesday, January 10, 1962.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the resolution was considered, ordered to be engrossed for a third reading, was read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes.

The message also announced that the House had receded from its amendments Nos. 3 and 4 to the concurrent resolution (S. Con. Res. 31) relating to certain aliens.

SUPPLEMENTAL APPROPRIATIONS, 1962

Mr. ROBERTSON. Mr. President, I have recently been named a conferee on the public works appropriations bill. I am also interested in the supplemental appropriation bill. I have a brief statement which I should like to make on that bill, and I want to make it now, since I cannot be here later in the afternoon, because I assume the conferees will be in session for some hours on the public works appropriations bill. I would like to make my brief statement now in connection with the supplemental appropriation bill, with the understanding that it will appear in the RECORD either before or after my colleague's statement on the Du Pont bill. Will my senior colleague yield for that purpose?

Mr. BYRD of Virginia. I yield.

ICC GUARANTEED LOANS TO THE NEW HAVEN RAILROAD

Mr. ROBERTSON. Mr. President, the railroads have served this Nation well but it is no secret that the railroad industry faces serious problems. I have previously called the attention of the Senate to figures prepared by the Association of American Railroads indicating that the net income of the Nation's class I railroads was only $17 million during the first 5 months of this year, compared with $195 million in the same period last year and $234 million for the first 5 months of 1959.

This is not a healthy condition. The Congress and the executive agencies with responsibilities in the transportation field must give careful consideration to the steps necessary to create an economic climate in which the entire railroad industry can contribute in the future to the Nation's welfare as it has in the past.

Serious consideration must be given to the fact that some of our railroads are now in receivership, some face bankruptcy, and few are making a satisfactory profit on their investment.

The problems involved are many and complex. We know, for instance, that the operating expenses of all of the railroads have been increased greatly by the practice known as featherbedding. We know that freight traffic has been diverted from the railroads to trucks that operate on public highways, and that individuals who once rode the trains now travel on the public highways by bus and automobile or in airplanes that receive considerable financial assistance from

the Federal Government. We know also that it is common practice for the physical assets of the railroads to be assessed for taxation at a rate higher than that applicable to the general public. Again, a few railroads have suffered financial adversity because of poor or unethical management.

There are so many factors involved in the continuing financial difficulties of the railroads that I am sure that the recommendation of the Interstate Commerce Commission for direct subsidies to the railroads at the expense of the general taxpayer will be an inadequate answer.

However, if the Congress is to be asked to start appropriating millions to subsidize the railroads, and if the subsidy program is to be administered by the Interstate Commerce Commission, it will pay us to take a look at how the ICC has been administering the present subsidy program; namely, the making of loan guarantees to railroads which are in financial difficulty but which claim an ability to repay.

In the pending appropriation bill the Congress has been called upon to make good on $14.7 million in defaulted loans that were guaranteed for the New York, New Haven & Hartford Railroad by the Government under section 503 of the Interstate Commerce Act. Under this act, the ICC is required to find that the prospective earning power of the railroad and the security pledged, if any, furnishes a reasonable assurance of the railroad's ability to repay the loan. In refusing to make that appropriation the House committee said:

> The committee has not made a final recommendation on the budget request for $14,700,000 to honor guarantees on loans made by certain banks to the New York, New Haven & Hartford Railroad. These loans are now in default and the committee realizes that the debt will have to be paid. The law authorizes $500 million back-door spending for loan guarantees to railroads for equipment and improvements. The members of the Interstate Commerce Commission who presented the case to the committee were of the opinion the loans when made were good; but the committee is of the opinion it was highly doubtful from the facts available or presented to the ICC if the loans were consistent with good business judgment. These were repayable business loans and not subsidies. The committee failure to make recommendation to the House that the loans be repaid at this time is to point up to the ICC the need of giving more consideration to these back-door spending loans in the future.

It seems to me that the repayment ability of any railroad that has not made a profit since 1956 should be questioned, but there is an even more serious question of the ability of the New Haven Railroad to repay a loan following the deferred maintenance and personal profiteering policies that were carried out by its former president, Patrick B. McGinnis, and his associates, prior to 1956.

Any discussion of the New Haven problem should start with the milking by McGinnis of a small Virginia railway named Norfolk Southern of which he was chairman of the board.

Everything that I shall say in this speech about McGinnis comes from the files of the ICC, which knew his record with the Norfolk Southern, his record with the New Haven, and his record of speculation with the Boston & Maine before it guaranteed a $6 million loan for that company.

At the Norfolk Southern Railway, when McGinnis was chairman of the board, he inaugurated the practice of holding meetings of the company's executive committee and the boards of the five subsidiary companies on the same day to pay fees for each meeting. McGinnis and three of his associates each received $700 in fees on five separate occasions in 1951 when concurrent board meetings were held.

There appeared to be no limit to which McGinnis would go to get an extra dollar from the railroad. On one occasion, he and two other directors each collected three separate fees of $100, or a total of $300 each, for attending three meetings on the same day for the railroad's Virginia Beach Real Estate Committee. The meetings were held in a Washington hotel probably because the Virginia Beach property over which the committee had jurisdiction had been ordered sold a month before that last roundup which cost the little railroad company $900.

Subsidiary companies proved very valuable to McGinnis and his friends. They produced for both generous fees for attendance at meetings and salaries.

For instance, the Euclid Development Corp. was organized with funds of the Norfolk Southern Railway and, since it never engaged in any income-producing activities, the ICC concluded its principal beneficiaries were the officers and directors of the railroad who collected fees for attending its meetings.

Shortly after McGinnis took over at Norfolk Southern, salaries were authorized for officers of two subsidiary warehouse companies amounting to a total of $39,000, of which McGinnis received $10,000. Yet the two companies together had gross receipts of only $30,775 annually, and the railroad was required to advance funds for these salary payments, which salaries continued even after the warehouse of one subsidiary was destroyed by fire. The funds advanced by the railroad were used by the other subsidiary to buy stock in the McGinnis Industrial Center, Inc., as well as for the payment of salaries.

Although McGinnis did not devote his full time to the railroad, and engaged in many other business activities at the same time, his expenses charged to the railroad amounted to $32,250 in 1951. His expenses had steadily increased from $4,415 in 1948 to $14,841 in 1949, to $22,674 in 1950, to $32,250 in 1951. The Interstate Commerce Commission found that the failure of the management to comply with the reasonable requirements of ICC regulations for factual details and reasonable explanations in connection with expenditures and requests for funds, in amounts shown by the record, was tantamount to gross maladministration on the part of the boards of directors of the railway and a subsidiary bus company. The ICC reported that it would not have been possible for the accounting department to make required distinctions for expenditures which McGinnis called extraordinary, miscellaneous, and special without further explanation.

Perhaps I should mention that the president of the Norfolk Southern who served under McGinnis could not account for unexplained and undetailed expenses of some $23,000 in each of the years 1950 and 1951. When McGinnis was cross-examined by ICC he could not explain or furnish any specific details with regard to these expenses.

Salaries, bonuses, and fees paid by the railroad and its subsidiaries to general officers and directors amounted to $59,190 in 1946, the last full year before the McGinnis regime. By 1951 that figure had been increased 517 percent to $365,454.

As can be seen, McGinnis and his associates, most of whom had other business interests in addition to the railroad, operated the Norfolk Southern in a manner generally suitable to their own purposes. In addition to the fees for meetings, generous expense accounts and the apparent use of railroad funds for investment in other businesses, the McGinnis group received increasingly high compensation.

Gross revenue of the Norfolk Southern in 1951 was $11.6 million and the average compensation of presidents of railroads in that class was $31,478. The president of the Norfolk Southern received a total of $66,500. As chairman of the board, McGinnis received $51,500. According to ICC, only one other railroad in the $10 million to $25 million class compensated its board chairman, and he received $22,915.

After McGinnis had about exhausted opportunities to obtain personal advantage for himself and his associates at the Norfolk Southern Railway, he took over control of the New Haven Railroad in 1954. As one might have expected from his prior record, he contributed materially to its downfall.

He began his association with the New Haven in the autumn of 1947, when he assisted in a successful proxy fight for its control. Earlier in that same year, McGinnis and his cohorts had obtained control of the Norfolk Southern Railway, which they used in such a manner that the ICC initiated a full-scale investigation of their practices, from which I have quoted.

McGinnis took over the presidency of the New Haven in 1954 by ousting the son of the man with whom he had worked to gain control in 1947. He resigned that post early in 1956 amid a widespread public protest over the railroad's service. He is now president of the Boston & Maine Railroad, which Commissioner Tuggle, of the ICC, described just last month in testimony before the House Appropriations Committee as one of the Nation's "sick" railroads. I have seen press reports indicating that McGinnis' practices with that railroad are being investigated now by the New Hampshire Public Utilities Commission.

Having been a member, as I have said, of the group that gained control of the New Haven in 1947, and having served

as its president from 1954 to 1956, McGinnis must be included in what the ICC described in its March 31, 1961, report as "a detailed recitation of blunder, extravagance, inefficiency, and errors of omission on the part of various persons who, from 1952 to date, have occupied positions of trust and authority in the New Haven Railroad."

The ICC reports that McGinnis was president of the New Haven Railroad when there were not only serious errors of judgment but questionable actions motivated by selfish gain. These questionable actions included reckless speculation in New Haven securities; the initiation of policies of deferred maintenance for the purpose of inflating earnings; policies resulting in the loss of competent personnel; and the ill-advised purchase of three lightweight trains and other equipment which could not be operated successfully on the New Haven's line.

The pattern of salary increases and the expenditure of large sums for expenses at the Norfolk Southern was followed by McGinnis and his associates at the New Haven. In the year 1953 the highest salary at the New Haven Railroad was $37,500. In April 1954, McGinnis became president of the New Haven at an annual salary of $50,000, but he was placed on the payroll of two wholly owned motor carrier affiliates, which produced, when combined with his presidential salary, annual compensation of about $100,000 by the end of 1955—all at the expense of the railroad.

While McGinnis was president of the New Haven that railroad entered into several security transactions which were described by ICC as an "irresponsible action in matters affecting the railroad's financial condition and in utter disregard of the public faith and trust reposed in this important public utility." The New Haven management induced certain stock brokers and others to purchase large blocks of New Haven securities at no risk to themselves and at a guaranteed profit.

One such agreement was signed on November 10, 1955, between the New Haven and the Union Securities Corp. for itself and other security dealers under which the railroad was to buy back stock for above the market price and far above what the holders had paid. Fortunately, this transaction was blocked by court action, for it would have required a cash outlay by the railroad of over $9 million had it been allowed.

To make the New Haven's earnings appear more favorable, McGinnis followed a policy of deferred maintenance on railroad equipment, cutting expenditures for this purpose to 80 percent of the 1951 level. Since funds were available in 1954–55 for proper maintenance, the ICC observed that "this penny-wise pound-foolish policy was designed to make the railroad's earnings appear more favorable than they actually were. The policy facilitated speculation in securities but service to shippers and passengers progressively deteriorated."

McGinnis resigned from the New Haven, as I have stated, in the wake of widespread protests over service breakdowns. He left his successors to cope with increasingly serious maintenance problems and, by mid-1960, the New Haven's deferred maintenance bill was estimated at $42 million, excluding property to be replaced.

While neglecting existing equipment, McGinnis displayed what has been described by the ICC and Connecticut investigators as "a unique bent for experimentation" with new equipment, which had the effect of depleting cash reserves and building up fixed charges. For instance, he spent more than $5 million on three lightweight trains, two of which were placed in the locomotive graveyard almost immediately. And the third was not used for the purpose for which it was bought.

As we know, McGinnis has been president of the Boston & Maine Railroad since his departure from the New Haven in 1956. At one time McGinnis entertained hopes of heading both the New Haven and the Boston & Maine Railroads and, in April 1955, he asked the ICC to approve such an arrangement. When this scheme was opposed by the Delaware & Hudson Railroad, the ICC was asked to approve an agreement between the three railroads under which the two railroads McGinnis sought to control, or controlled, agreed to limit themselves in the solicitation of certain traffic they were free to seek. In return the Delaware & Hudson was to drop its opposition to McGinnis' personal desires.

This plan fell through. McGinnis resigned from the New Haven, leaving Boston Lawyer George P. Alpert, who had served as a member of the New Haven's board during the McGinnis regime, at the helm. Alpert promptly upped his salary to $60,000 per year for 5 years after which he was to retire on a salary of $25,000 per year for 10 years.

The ICC knew all of this. They knew how McGinnis operated. They knew of Alpert's mistakes and his inability to reverse the New Haven's decline. Not a penny of net revenue did the New Haven earn after 1956.

With facts such as these at hand, I am astounded that any Government agency would guarantee the repayment of $14.7 million in loans under the circumstances set forth coupled with the fact that this railroad still owed the Government most of the $16 million previously borrowed under another act when these loans were guaranteed. The Chairman of the ICC told the House Appropriations Committee that the New Haven "is a very essential service and it has to be preserved somehow by somebody."

I submit that to date that "somebody" has been the U.S. Government, and that the funds have been obtained under an act that was never intended as a give-away program for the relief of railroads which have been subjected to this type of mismanagement.

After the ICC determined that the New Haven had to be saved from bankruptcy at all costs, it placed heavy reliance on assurances that the States involved would develop—belatedly as it was—a $13.7 million assistance program, more than half of which was to come from sources other than the States. The Congress was expected to provide $3 million by repealing the transportation tax; the railroad was expected to provide $3 million more by unspecified economies and wage reductions, and the commuters were expected to put up $1.5 million more in the form of fare increases. All four States served by the railroad promised to help but the net result was only $6.25 million in tax relief and maintenance assistance. This has been described as temporary relief and the restrictions in at least one State have caused the ICC to comment on the ineffectiveness of the legislation. And yet, the ICC guaranteed loans of $14.7 million and stopped only when the commercial banks said they wouldn't participate further, Government guarantee or not.

The point I wish to emphasize, regardless of the final disposition of the $14.7 million item in the pending bill requested by the ICC, is that the Congress, under no circumstances, should provide any new plan of subsidies to railroads that would be administered by the ICC unless there is positive assurance that the program will be handled with greater respect for the taxpayers' money than was shown by the ICC in the case of the New Haven Railroad.

CONFIRMATION OF JOHN C. SCHWEERS TO BE COLLECTOR OF CUSTOMS AT CHARLESTON, S.C.

Mr. BYRD of Virginia. Mr. President, as in executive session, I ask that the nomination of John C. Schweers, of South Carolina, to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S.C., be confirmed. The nomination was referred to the Committee on Finance, and it has been approved by both Senators from South Carolina.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of John C. Schweers, of South Carolina, to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S.C.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BYRD of Virginia. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation of the nomination.

CONFIRMATION OF NOMINATIONS OF POSTMASTERS

Mr. JOHNSTON of South Carolina. Mr. President, the Committee on Post Office and Civil Service reported favorably today the nomination of 13 postmasters. I ask unanimous consent that, as in executive session, the nominations be confirmed en bloc.

The PRESIDING OFFICER. As in executive session, the nominations will be considered en bloc, and they are confirmed en bloc.

The President will be notified forthwith of the confirmation of the nominations.

The nominations of postmasters confirmed are as follows:

CALIFORNIA

Kenneth E. Francis, Oakland.

FLORIDA

W. Joel Beckham, Ocala.

NORTH CAROLINA

Irene S. Coffey, Blowing Rock.

OKLAHOMA

Charles O. Blew, Cherokee.

SOUTH CAROLINA

John C. Wells, Bennettsville.

SOUTH DAKOTA

Gregory F. Walsh, Beresford.
Glen E. Trier, Spearfish.

TEXAS

A. Fred England, Commerce.
Wayne C. Donaldson, Fairfield.
A. Neal Brown, Richland.
Clifford L. Hudgin, Welch.

VIRGINIA

Arleigh P. Surface, Selma.

WEST VIRGINIA

Lon L. Lewis, West Hamlin.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. BYRD of Virginia. Mr. President, H.R. 8847 provides for tax treatment of certain distributions of stock which a corporation is required to make because of the antitrust laws. The bill is necessary because of the unusual situation that has developed in the case of Du Pont, the very large chemical company.

The United States has been engaged in extensive antitrust litigation with Du-Pont. In the course of this litigation, the Supreme Court decided on May 22 of this year that the Du Pont Co. must get rid of—divest itself of—the 23 percent of the stock of General Motors owned by it—63 million shares. This decision is based on the belief that the ownership of this stock may tend to limit competition in automotive paints and similar products manufactured and sold by Du Pont.

It should be observed that in many—perhaps most—cases in which one corporation controls another in violation of the antitrust laws, the controlled corporation is more than 80-percent owned. Therefore, in a great many of these cases if it is necessary for antitrust purposes to distribute the stock of the controlled corporation, this can be done without tax consequences to the shareholders because of section 355 of the Internal Revenue Code. In general, that section permits the tax free distribution of the stock of an 80-percent owned subsidiary if parent and subsidiary have each been engaged in the active conduct of a trade or business for more than 5 years.

However, since Du Pont owns only 23 percent of the stock of General Motors, a distribution of this stock would not be tax free under section 355. Also, such a distribution would not be a partial liquidation—because there is no "contraction" of the business. Therefore, on a distribution of the General Motors stock, the individual shareholders of Du Pont would pay a tax on ordinary dividend income to the full extent of the fair market value of the stock received. Thus, if all the General Motors stock were to be distributed, under existing law each individual shareholder of Du Pont would have approximately $62 of ordinary income per share of Du Pont. This is because about 1⅓ shares of General Motors would be distributed for each share of Du Pont. The tax on this would, of course, be so high that the shareholder would in effect be losing a substantial part of his investment in Du Pont.

It should also be pointed out that the involuntary realization of such a large amount of income by individual Du Pont shareholders might well require them to sell some of the General Motors stock received, in order to obtain funds to pay the tax on this dividend. It was pointed out to the committee at the hearings that this would cause a large increase in the market supply of General Motors stock and would have a serious depressing effect on the value of that stock. This would, of course, be to the detriment of the General Motors shareholders who are not in any way involved in the violation of the antitrust laws. The hearings also brought out that the method of taxation proposed by the bill will greatly lessen the market impact of the distribution.

The bill provides for a "return of capital" treatment for individual shareholders in an enforced antitrust distribution. Under its provisions the fair market value of the so-called "divested stock" received by individual shareholders would be treated as a return of the capital invested by them in the Du Pont stock. Thus, an individual shareholder who receives the General Motors stock will have no immediate tax to pay unless the fair market value of the stock he receives exceeds his investment in the Du Pont stock. If there is any such excess, it will be currently taxable in the same manner as a gain from the sale or exchange of the stock. To illustrate, if an individual owns a single share of Du Pont which cost him $100 and he received $60 worth of General Motors stock, he will owe no tax at the time of this receipt but his basis for the Du Pont share will be reduced to $40—$100 minus $60. On the other hand, if the Du Pont share cost this individual $40, then on receipt of $60 worth of General Motors stock, his entire $40 basis would be used up and he would have a gain of $20—$60 minus $40. Since in recent years the market price of the Du Pont stock has been high, in general, only shareholders who acquired the Du Pont stock before 1950 will pay any tax. As a result, a large fraction of the recipients of the General Motors stock will not be under any pressure to sell this stock so that the depressing effect on the market will be minimized.

It must be emphasized that the bill will not result in the escape from tax of any appreciation in the Du Pont stock. This is because the basis of the Du Pont stock will be reduced by the fair market value of the General Motors stock received. Thus, whatever unrealized appreciation there is in the Du Pont stock will result in a gain on the later sale of that stock in the same manner and to the same extent as if there had been no distribution of the General Motors stock.

The individual shareholders of Christiana Securities Corp.—a party to the antitrust litigation—will also be treated in the same manner as the individual shareholders of Du Pont if Christiana should be ordered by a court to distribute any General Motors stock. Christiana owns about one-third of the Du Pont stock and thus, it may receive up to 20 million shares of General Motors stock if Du Pont should be required to distribuate all of that stock. However, it should be made plain that the amendments made by the bill are not intended in any way as an expression of an opinion that any particular method of divestiture of General Motors stock by Du Pont or by Christiana is appropriate. It is contemplated by your committee that all issues as to the methods of divestiture shall be judicially determined solely with reference to the antitrust principles announced by the Supreme Court in the Du Pont case.

Since Christiana is a party to the suit and since its shareholders may have special tax benefits available to them, the bill taxes Christiana in a special manner in the receipt by it of General Motors stock from Du Pont. The receipt of such stock as a dividend will accordingly be taxed on its fair market value—approximately $45 a share—and not at its basis—approximately $2 a share—as would be the case under existing law.

The bill does not change the method of taxation on the receipt of an intercorporate dividend by any corporation that is not a party to the suit.

The bill as drawn applies only to the shareholders of Du Pont, to Christiana, and to the shareholders of Christiana. The Treasury Department and the Department of Justice have not yet determined what tax relief, if any, is appropriate in antitrust cases in general. For this reason, both Departments indicated that they would oppose a more general bill at the present time, but that they would not object to a bill dealing only with the problems arising out of the Du Pont case. Accordingly, both Departments do not object to the present bill.

I would add that the bill (H.R. 8847) was approved practically unanimously by both the Ways and Means Committee of the House of Representatives and by the House itself.

It was reported favorably by the Senate Finance Committee by a vote of 14 to 2.

REVENUE FACTS

First. This bill as it is will yield $233 million in revenue. Moreover, if the court orders Christiana to sell its General Motors stock, this sum will be increased by $184 million; that is, to a total amount of $417 million. On the other hand, if the court orders Christiana to distribute its stock to its shareholders, the revenue will be increased by $136 million, so that the total will be $369 million. These estimates are based upon General Motors selling at $45 a share. Recent figures indicate that this stock is selling around $48 a share, so that on this basis the estimate will be higher. The question of whether Christiana should be forced to sell or distribute to its shareholders the General Motors stock it receives from Du Pont under the divestiture proceedings is a matter of judicial determination. The court must determine whether such sale or distribution is necessary to prevent violation of the antitrust laws.

Second. The complaint has been made that Christiana is not being taxed heavily enough. However, it should be pointed out that under this bill the additional tax to Christiana upon receipt of General Motors stock computed on the $45 market value of the stock received will amount to approximately $60 million. The entire fair market value of $45 would go into dividend income and there would be a dividend received deduction of 85 percent. The tax per share would therefore amount to 52 percent of $6.75, or $3.51. On the other hand, if this bill were not enacted into law, only 30 cents per share would be subject to the full corporate rate instead of $6.75 per share under the bill. The tax under existing law would be 16 cents per share—52 percent of 30 cents—to Christiana, although General Motors stock had a fair market value of $45. The total tax to Christiana upon the receipt of General Motors stock under existing law will be $2,880,000. The net savings to Christiana on the receipt of the General Motors stock if this bill were not enacted will amount to approximately $60 million.

Mr. President, before I conclude, I feel compelled to present the case of a majority of the Senate Finance Committee with respect to the minority views filed by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Tennessee [Mr. GORE], and now before the Senate. It is with deep regret that I feel compelled to make the statement I am about to make.

In the minority views it is stated:

> In the years we (Senators DOUGLAS and GORE) have served on the Finance Committee, we have never known the committee to hold an evening meeting. This year, however, members were notified at 3 minutes of 7 p.m. on September 20 that an executive session to consider this bill would be held at 8 p.m. We doubt very much—

Mr. President, I wish the Senate to consider that statement. I do not think that in my long experience here, such language in criticism of action by a majority of the committee has ever before been embodied in minority views—

> that such swift action would be taken on a proposal to close a tax loophole or to give tax relief to the millions of people in this country who pay ordinary income tax and who are not in a position to take advantage of the numerous loopholes in the tax laws.

In my judgment, that questions the integrity of the Finance Committee.

I quote further:

> The Congress is therefore giving priority, both for tax relief and in the speed of its procedures, to a group whose need is not yet known and who, in any case, would have a very low priority for such relief compared with the ordinary taxpayer, in the light of the burdens which he must bear.

That is the end of the quotation from that part of the minority views.

Mr. President, my comment—and I make it as chairman of the Senate Finance Committee—is as follows:

I say, that, whether intentional or not, the two Senators who signed the minority views have created the impression, by innuendo and insinuation, that the Senate Finance Committee had acted "with haste" to give preference to legislation applying to one segment of taxpayers, and expressing the belief that no such quick action would have been given to other segments of taxpayers. I merely want to comment at this point that I regard the statement in the minority views, whether intentional or not, to be untruthful and a personal reflection upon the chairman of the Senate Finance Committee and the 13 other members thereof who voted to report favorably H.R. 8847.

Please understand that I am not discussing the merits of the legislation.

I cannot fail to express my surprise that the distinguished Senator from Tennessee would sign a report criticizing the Senate Finance Committee for holding an evening meeting when it was the action of the Senator from Tennessee that made necessary that meeting in the closing hours of the session in order to obtain consideration of four important House bills and two important nominations. This does not concern the Du Pont bill alone, because there were three other important bills and two nominations before the Finance Committee.

What are the facts?

On the morning of September 20 the committee was in session beginning at 10 a.m., considering various matters, as I have mentioned, two nominations and four House-passed bills. An agenda had been submitted to each of the 17 members in advance.

At 5 minutes to 12 on that day, without previous notice, Senator GORE advised me he was leaving the committee to go to the Senate in order to object to the Senate Finance Committee meeting while the Senate was in session. Shortly thereafter the committee was notified by the Senate to adjourn, as the rules require that committee meetings cannot be held without unanimous consent during the time the Senate is in session.

I recognize that requirement in the rules. I am speaking of the criticism that has come upon the committee because of the evening session, and I am stating the reasons for it.

It is customary for Senate committees to meet when the Senate is in session after obtaining the consent of the Senate, especially near the end of the session.

When I informed the members of the committee of the action taken by the Senator from Tennessee, all members present requested the chairman to call a meeting within 1 hour after the Senate adjourned.

The Senate remained in session until 6:47. Acting upon the direction of a substantial majority of the Finance Committee, I had the staff notify all members at 7 o'clock that the business interrupted by the objection of the Senator from Tennessee at noon that day would be resumed at a meeting called for 8 p.m. in the Senate Finance Committee room to act upon four important bills pending and two important nominations.

A clear majority of the committee assembled at that hour. So, the Senator from Tennessee was directly and solely responsible for the evening meeting which he and the Senator from Illinois now have criticized and condemned.

Previously, the Senator from Tennessee had advised the chairman and the other members of the Senate Finance Committee that he would prevent the Senate from voting on H.R. 8847 during this session. I assume that compelling the Senate Finance Committee to adjourn was a part of his campaign to prevent this legislation from coming to a vote.

In the consideration of H.R. 8847 and all other legislation before the Senate Finance Committee, I have been most meticulous to give every possible consideration, within my prerogatives as chairman, to all members, regardless of whether or not I agreed with the position of any member with respect to legislation before the committee.

I recall that a few days ago a suggestion was proposed to attach H.R. 8847 as a rider on another bill. I was strongly opposed to this suggestion.

The Senator from Tennessee consulted the chairman, stating that it was necessary for him to go abroad to fill a mission assigned him as chairman of a delegation. He asked me if I could assure him that H.R. 8847 would not be taken up in his absence as a rider to another bill. I told him I would give him that assurance, as far as I could control it, and that no action would be taken by the committee until the House of Representatives had passed H.R. 8847 and it had come to the Senate Finance Committee in due course. I further advised him that I would keep him informed as to developments in the matter during his absence from the country, and this I did.

The statement in the minority report which I have quoted is to me clearly an effort to make it appear that the 13 members of the Senate Finance Committee who voted in favor of H.R. 8847 did so in a fashion that gives to this legislation a special privilege in the way of hasty action and a privilege that would not have been accorded to other tax bills that would close "numerous loopholes in the tax laws."

I read from that statement again:

> We doubt very much that swift action—

Which was brought about by the distinguished Senator from Tennessee's protesting and registering a protest against the committee's meeting during the session of the Senate. We know that committees meet while the Senate is in session. During the 29 years I have been a Member of the Senate I have never known that a member of the Finance Committee would deliberately go to the Senate floor and prevent the Finance Committee from considering bills before it. Let me read that statement:

> We doubt very much that such swift action would be taken on a proposal to close a tax loophole or to give tax relief to the millions of people in this country who pay ordinary income tax and who are not in a position to take advantage of the numerous loopholes in the tax laws.

Mr. President, I am a man who calls a spade a spade. If I have something to say, I say it outright. This statement, by innuendo, is an attack on the Senate Finance Committee, and it is with regret that I am compelled to make this statement, but I do it with all the vigor of which I am capable, because the two Senators, the Senator from Illinois and the Senator from Tennessee, have been my friends. Yet I cannot permit these minority views to be made a part of the permanent record of the Congress without an explanation from me.

I say the statement which I have quoted is inaccurate in fact, as well as misleading, because in the same night session, legislation was approved by the Finance Committee, by reporting H.R. 8876, amending the Internal Revenue Code to permit the use of identifying numbers for the 80-odd million taxpayers.

This legislation, the Treasury testified, would result in closing loopholes so that those who are now avoiding the payment of taxes would be compelled to pay by operating this new number system through computing machines. The tax revenue, the Treasury testified, would be increased by $5 billion from those who now are not paying their full share of the taxes by reason of the new system which the bill authorized and which was one of the bills under consideration when the distinguished Senator from Tennessee protested against the meeting of the Senate Finance Committee.

This is the biggest loophole-closing bill, if the Treasury is correct, which has ever been presented to the Congress, yet the report says hasty action would not have been taken for any bills to close loopholes, but only, by implication, for bills to give tax relief to other elements of our society.

In conclusion, Mr. President, it has been my great privilege to serve on the Senate Committee on Finance for 29 years. I am very proud of that. My service began under Senator Pat Harrison, one of the most able men I have ever known. I then served under Senator Millikin, an able, splendid, and wonderful man. I then served for a long period of time under Senator George.

I can say with the utmost sincerity that throughout that long period this committee has been prompted by the sincere desire and purpose to so report legislation as to spread equally the terrible burden of taxation and without special privileges to any class.

The Senate Finance Committee of today has preserved the high standards of the past. I pray and hope that all through the years it will do so.

Mr. GORE and other Senators addressed the Chair.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator yield; and, if so, to whom?

Mr. GORE. Mr. President, I rise to a point of personal privilege.

Mr. BYRD of Virginia. I yield to the Senator from Tennessee.

Mr. GORE. I desired the floor in my own right, on a matter of personal privilege.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. GORE. Mr. President, I rise to a point of personal privilege.

The PRESIDING OFFICER. The Senator from Virginia would have to yield the floor before the Senator could do so.

Mr. BENNETT. Mr. President, will the Senator yield to me?

Mr. BYRD of Virginia. Mr. President, is it possible for the Senator to take the floor from me on a point of personal privilege?

Mr. GORE. No; I do not wish to do so.

The PRESIDING OFFICER. The Senator from Virginia has the floor.

Mr. BYRD of Virginia. I yield to the Senator from Tennessee.

Mr. GORE. I thank the distinguished Senator. As soon as he finishes yielding I shall seek the floor on a point of personal privilege, but before doing so I wish to relate that as soon as I learned the distinguished senior Senator from Virginia, able chairman of the Senate Committee on Finance, felt personally aggrieved by the minority report, I was sorely troubled. I went directly to his office and told him that I was deeply grieved if the minority report had occasioned hurt to him. He told me that it had. I then assured him I had no intent to cast personal reflection upon him whatsoever.

The distinguished senior Senator from Illinois can speak for himself.

I wish to say to the distinguished chairman that no chairman has ever been and no chairman could ever be more fair to me or more generous to me in committee work than he has been. When I have asked him to hold hearings on bills I have introduced he has done so. He has accorded to me many courtesies. For this I am grateful.

I not only hold him in high esteem, but also have genuine personal affection for him.

With that statement I shall not ask the Senator to yield further, but when he has completed I shall speak briefly to the point further.

Mr. BENNETT and Mr. DOUGLAS addressed the Chair.

Mr. BYRD of Virginia. I yield to the Senator from Utah.

Mr. DOUGLAS. Mr. President, will the Senator yield on a point of personal privilege?

Mr. BENNETT. I shall be happy to step aside, so that the Senator from Illinois may speak, if the Senator from Virginia yields to him.

Mr. BYRD of Virginia. I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I wish to say that I take full, equal, and perhaps even greater responsibility for these sentences, along with the Senator from Tennessee.

We certainly did not intend the remarks to reflect personally upon the chairman. I am very sorry he feels this was a personal reflection upon him. It certainly was not intended.

While the Senator from Virginia and I have differed on many matters of policy, he has been scrupulously fair and courteous toward me in the conduct of his work as chairman, and I say that with all sincerity. We were criticizing the practice of the committee as a collective whole.

While I do not wish to anticipate unduly what the Senator from Tennessee will say later, I think it is true that in recent years—since I have been on the committee, as indeed was true before I became a member of the committee—the Senate has been faced, toward the end of the session, with a series of tax bills to give relief to specific individuals or companies, which came to the Senate from the House after very limited debate, and upon which the committee was asked to act, sometimes in executive session, without a hearing, speedily.

Then the Senate would be confronted with the measures at a time when Senators were ill informed and when there was general anxiety to go home.

I have felt that that procedure was wrong, and that there should be thorough consideration of such bills.

As I understand the situation, on Tuesday night the House passed the pending bill in a somewhat amended form. The committee held its meeting on Wednesday morning, and spent the time in open session on the lead and zinc bill. I understood the chairman to adjourn the meeting, saying it was recessed to meet at the call of the Chair. I do not know what meeting of the committee was held authorizing the chairman to hold the session 1 hour after the adjournment of the Senate.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. BYRD of Virginia. There was no formal discussion, because the committee had to adjourn. The Senator said I recessed the committee.

Mr. DOUGLAS. Yes.

Mr. BYRD of Virginia. I adjourned the committee by force of the fact that the Senate told me to adjourn it by reason of the rules, whereby one objection would prevent any meeting. If the Senator had remained at the meeting, he would have heard all the other members speak, during the recess which was forced, urging me to have a meeting that afternoon, if it were possible to do it after the conclusion of the Senate session.

Mr. DOUGLAS. I thought the proceedings of the committee had been completed with adjournment, when the chairman announced the committee would meet subject to his call.

That is all I knew about it. It was never hinted to me that we meet in the evening. I had finished signing my mail at 3 or 4 minutes before 7 o'clock in the evening, and I was about to go home when the telephone rang. We were told that a meeting had been called for 8 o'clock. I canceled my evening plans in order to stay, and we immediately tried to find the Senator from Tennessee [Mr. GORE], who has made a special study of the bill. We telephoned all over the city, trying to find him, and we were unable to find him.

At 8 o'clock the committee convened. Despite the efforts to find the Senator from Tennessee [Mr. GORE], we were not able to reach him until approximately 10:30 o'clock in the evening.

Mr. BYRD of Virginia. Mr. President, will the Senator yield again?

Mr. DOUGLAS. Certainly.

Mr. BYRD of Virginia. His staff was informed. Two members of his staff were informed.

Mr. DOUGLAS. I am sure that is true, but they could not find the Senator.

Mr. BYRD of Virginia. The Senator from Illinois was present. Other Senators were present. I do not know where the Senator from Tennessee [Mr. GORE] was. Every effort was made to get in touch with him 3 minutes after the Senate adjourned, and it then became possible for a meeting to be held.

Mr. DOUGLAS. I am simply saying I felt the meeting was called in haste, that for so important a measure as this it was important for the Senator from Tennessee to be present, and that we should have had a more thorough discussion of the measure. Hundreds of thousands—indeed millions—of dollars are involved in this measure. I hope we may have a very thorough discussion of the pros and cons.

While the Senate Committee on Finance and the Senate have in past years pushed through a series of special tax bills which, in my judgment, have been largely loophole opening bills, it has been very difficult to obtain consideration for loophole-closing bills. The Senator from Tennessee [Mr. GORE] and I have tried again and again to have hearings held on various loophole-closing proposals. The chairman was kind enough to agree to hearings on the stock option proposals of the Senator from Tennessee, but I think those have been the only such hearings held.

I had hoped that we might have hearings on the tightening of expense accounts, on the repeal of the dividend credit, on the withholding provisions with respect to dividends and interest, on foreign tax credits, and a whole series of measures embodied in the administration's proposals. The technical ground on which consideration of such measures has been turned down has been that they have not passed the House Ways and Means Committee. Sometimes, however, that principle has been breached, and when it has been, I have always congratulated the chairman on his willingness to have the Senate proceed independently.

I have no criticism of the chairman, either as a man or as a friend. But I do have criticism of the procedure of the Committee on Finance, and on this section of the report I shall stand, even though I regret that it has given pain to the chairman, whom I hold in high esteem.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I shall yield in a moment. However, I would first like to ask the Senator from Illinois whether he would agree with the following statement:

> We doubt very much that such swift action would be taken on a proposal to close a loophole.

Mr. DOUGLAS. Yes. I wrote that.

Mr. BYRD of Virginia. So that the Senator from Illinois approves of the sentence?

Mr. DOUGLAS. I would not have made that statement if I did not believe it.

Mr. BYRD of Virginia. I believe it is a reflection upon the Senator from Virginia.

Before I yield to the Senator from Utah, I repeat that there was a loophole bill before the committee. It was passed. The Treasury has told me it is the largest loophole-closing bill that has ever been proposed. Yet the report states that the Senator doubts very much that such swift action would be taken on a proposal to close a loophole.

The Treasury was in constant communication with the chairman in order to have passed the numbers bill, in which there was a loophole closing. As I understand, the machines have already been purchased, and if the bill had not been passed at this session of Congress, not only a great loss in the payment of expense would have resulted, but also a great loss of revenue through taxes.

I yield to the Senator from Utah.

Mr. BENNETT. Mr. President, during the morning hour the chairman, in explaining what happened in the committee, began his recitation of what happened at 5 minutes of 12.

Particularly in view of what we have just heard from our colleague from Illinois, I think the Senate would be interested in knowing what happened between 10 o'clock and 5 minutes to 12.

We had before us consideration of a nomination for collector of customs. The senior Senator from California [Mr. KUCHEL] appeared as a witness. His testimony did not take very much time.

We then went on to hear testimony on the lead and zinc bill. There were three witnesses. The first witness represented the State Department. After some preliminary examination, the Senator from Illinois took up questioning of the witness and questioned him until well after 12 o'clock. In order to lengthen his questioning, he had the witness read figure after figure from a variety of tables of import figures, all of which could have been handed over the ledge to him, and the witness could have been questioned about the figures. But instead of doing so, we all sat there for a considerable time—all the time between the time that the Senator from Illinois started to question until it was too late to hold any executive session—while the Senator from Illinois laboriously recorded in pencil the figures that were quoted to him by the witness.

If the Senator from Illinois and the Senator from Tennessee had been concerned with getting the work done during the regular working hours of the Senate, we could have gone through with the program for which I thought I was attending the session; namely, a brief hearing, more or less pro forma, with plenty of time to go into executive session. But we were kept there by the Senator from Illinois until the Senator from Tennessee could go to the floor of the Senate and prevent us from meeting again.

Under those circumstances, it seems to the Senator from Utah that we had no choice, in doing our work in considering and reporting the numbers bill as well as the so-called Du Pont bill, but to go back to work after we were free from the interdiction put on us by the two Senators who signed the minority views.

I for one join my chairman in feeling that those Senators, inadvertently, perhaps, have questioned the integrity of their colleagues on that committee, without realizing the scope of the work we did that night, and without realizing, perhaps, that they themselves had put us in the position where we either had to work that night or force the Treasury to go for another year with idle machines which they have set up to expedite the handling of tax returns.

I thank the Senator.

Mr. CURTIS. Mr. President, will the distinguished Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. CURTIS. The people whom the junior Senator from Nebraska has the honor to represent in part are the finest and dearest people anywhere, but they are people of modest income. I truly believe that they have no better friend in government anywhere than the distinguished chairman of the Committee on Finance, the Senator from Virginia [Mr. BYRD]. The Senator from Virginia has a long record of consistency. Not only is his record unmatched, but no one comes even close to it, in maintaining the solvency of this Republic, maintaining the value of money, our insurance policies, and so on.

Chairman BYRD has a long record that cannot be disputed in standing for a fair application of our tax laws.

The rank-and-file people who must work for their money and pay taxes have no better friend anywhere than the Senator from Virginia [Mr. BYRD]. The implication that he would call a meeting at a time and under circumstances that were suspicious to render special tax treatment to rich people is not only a shame and a disservice to the distinguished chairman of our committee, but it is also a disservice to this Republic, because it misleads the people.

On the very night the bill was approved, as the Senator from Virginia has said, the committee closed one of the biggest loopholes that could be closed by using modern machines, by means of which, through a number system, various cross-checks can be made. The Treasury estimates that the bill approved that night will recoup $5 billion in revenue which now escapes taxation.

That is the biggest loophole. If this Congress were to confiscate all the income of the wealthy, the proceeds would not run this Government for more than a few days. It is the rank and file of the people who pay the great amount of taxes, and those few individuals who escape taxes, who do not report their income, add to those burdens.

The minority views did not disclose that other business was transacted that night. That makes them deceptive. The minority views do not disclose that this loophole was closed, that this numbers bill was adopted.

The minority views criticize the fact that we waited on the House. There is a bit of constitutional ground for it. But even at that, the minority views did not disclose that we did hold a hearing on the matter of stock options, and that the Ways and Means Committee had never held one. We have heard soft words about no intent to impugn the motives of either the committee or of the distinguished chairman. I submit that it is an axiom of law that an individual intends the ordinary results of his own acts or his own words.

I commend the distinguished chairman of the Committee on Finance for his long record of service to Americans yet unborn, who will be concerned about the financial solvency of this Republic and affected by it. I commend him for his service to the rank and file of taxpayers, for always standing firm for the fairest distribution of a burden that can be made.

I have no interest in the Du Pont bill. The people I represent have very little interest in it. However, we do have an interest in not seeing Congress or a committee or a chairman of a committee maligned. We do have an interest in not seeing a public image created of representative government that causes men and women everywhere to lose faith in it.

I can express the hope—I cannot compel it—that the two distinguished Senators who signed the minority report might ask that it be withdrawn.

Mr. WILLIAMS of Delaware addressed the Chair.

Mr BYRD of Virginia. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. After the Senator from Virginia has finished his remarks, I would appreciate being recognized.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. GORE. Mr. President, I rise to a point of personal privilege.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. I should like first to state to the Senate the reasons why I entered an objection to a meeting of the Committee on Finance, of which I am a member, at 2:30 o'clock in the afternoon while the Senate was in session. I had three reasons.

First, I had carefully prepared, and felt it my duty to state to the Senate, the reasons why I felt the enactment of the Du Pont tax relief bill at this time would be premature, inadvisable, and even improper. I set out these reasons at some length. The trial judge had not yet rendered his judgment. The Supreme Court had remanded the case to the district court in Chicago with instructions to consider Du Pont's proposed judgment, and then to consider whatever amendments or counterproposal might be offered by the Government; and then to enter an appropriate order to implement the decision of the Supreme Court.

The court has now heard counsel for Du Pont. The proposals of Du Pont have been served on the Government. The Government attorneys are to appear before the court and present the Government's plan for implementing the decision of the Supreme Court on October 2.

Thus we find that this litigation, which started in 1949 during the administration of former President Truman, was dismissed by the district court during the Eisenhower administration, was appealed by the administration of former President Eisenhower, and which is now prosecuted by the Kennedy administration—after being prosecuted by three administrations, is now in the final stages of litigation. It is now proposed that the Congress rush in with a bill interjecting the legislative branch into this problem, indelicately, at this time. That was the reason why I have felt so strongly that Congress should not consider the bill at this time. I felt I owed it to the Senate to explain that view. It took approximately 45 or 50 minutes to state the case, even though I stated it as concisely as I could. The calendar did not appear to be heavy that day. It appeared to me that I might be speaking at the time the committee of which I am a member might be acting on the bill that I was trying to stop.

I thought that was a sufficient reason. However, there was another reason. I am the chairman of the Subcommittee on International Cooperation of the Joint Committee on Atomic Energy. I had submitted in the Senate on behalf of the administration a resolution approving the agreement between the United States and France for the exchange of nuclear weapons information. It was scheduled to come up that afternoon. I felt some responsibility. I needed to be on the floor of the Senate.

I thought I had ample justification, for that reason, also, to interpose an objection. I am not the only Senator who has objected to his committee meeting when he had duties on the floor. Only yesterday the distinguished senior Senator from Ohio [Mr. LAUSCHE], in the Committee on Foreign Relations, in my presence—and I do not criticize him for it—interposed an objection to the committee sitting to consider a resolution involving the World's Fair while the Senate was in session. This is not unusual.

Even though I should be without these two good and sufficient reasons—and a Senator needs no reason to use the rules of the Senate in pursuance of his responsibility—there was a third reason. I wanted to stop the enactment of the Du Pont tax bill wherever I could; in committee, if possible; if not there, in the policy committee, if possible; if not there, on the floor of the Senate, if possible. So I interposed an objection.

Since the distinguished senior Senator from Utah [Mr. BENNETT], has referred to the lead and zinc bill, and has attached to me some responsibility concerning it, I must say that I sat in that committee meeting from 10 o'clock until 5 minutes to 12. I had a number of questions to ask. Why would I have a number of questions? Perhaps it will come as a surprise to the Senate, since it is a fairly recent development, that Tennessee is now the most important lead and zinc producing State in the Union, particularly with respect to the production of zinc.

As 12 o'clock approached, I went to the chairman. I told him I had a number of questions to ask on the lead and zinc bill and that I hoped he could continue the hearing the next morning, so that I could make inquiries about the bill. Although I would not trust my memory too well on this, I thought he indicated he would possibly continue the hearing. I will leave that point indefinite. In any event, he said he planned to call a meeting of the committee at 2:30 on the Du Pont tax bill.

I said:

Mr. Chairman, I shall have to object.

There was nothing unpleasant about that. In fact, there has never been anything unpleasant between us. We are neighbors and friends; and it is not merely rhetoric when I say I have a deep affection for the senior Senator from Virginia. I know perfectly well that the feeling is mutual.

Mr. BYRD of Virginia. It is reciprocated.

Mr. GORE. I know it is, and I appreciate it. I thank the Senator from Virginia.

Mr. President, I wish to come to the report. First let me read from the report, lest it appear that some heinous crime has been done. Before doing so, I acknowledge that one person can read a sentence and get one meaning, and another can read a different meaning into the sentence which the other would not. But let me read some sentences, and see what Senators think of them.

In the years we have served on the Finance Committee, we have never known the committee to hold an evening meeting.

The committee may have done so. I do not think I have ever attended one. I have been advised that one was held on the sugar bill last year, but I was not here. I do not recall one. My memory may be incorrect. I may have attended one. I have doubt about one occasion. I remember we met in the Old Supreme Court Chamber a year or two ago on a savings bond bill. I do not recall whether that was in the evening or not.

At any rate, as of now, I do not know that I have ever attended an evening

meeting. That is a statement of fact, so far as I am concerned. Are we accusing someone of a lack of integrity when we say we have not known of a meeting at night?

I read the next sentence:

This year, however, Members were notified at 3 minutes of 7 p.m. on September 20 that an executive session to consider this bill would be held at 8 p.m.

I must confess that I accept the word of the senior Senator from Illinois on that. He said that was when he was notified. I received no notice at all. I do not make any complaint about that. When I obtained recognition to make a brief speech, the distinguished majority leader came by my desk and asked me if I would move to adjourn the Senate when I finished. I said I would. As I recall, I spoke about 45 minutes. When I had concluded, I moved that the Senate adjourn until 12 o'clock noon on the following day. The motion was agreed to.

There was no need of my tarrying here after the Senate had adjourned. I walked out the door with my close friend, the able junior Senator from Oklahoma [Mr. MONRONEY]. We walked downstairs, boarded the flat-wheeled transport, and rode over to the Senate Office Building.

I went to the gymnasium. I found the door locked. I later learned that the distinguished chairman was in there. [Laughter.]

I am sure he was not hiding from me. Actually, the rule is that the door is to be locked at 6:30 p.m. I was disappointed, because I wanted to enjoy a little recreation—to swim. But finding the door closed, I walked out of the building at Delaware Avenue and C Street and started to flag a taxi, but another colleague came along, the distinguished senior Senator from Missouri [Mr. SYMINGTON], in a more expensive car than I can own. He was in the company of a mutual friend, Mr. Frank McKinney, former chairman of the Democratic National Committee.

I rode with those gentlemen to the Metropolitan Club, and they invited me to join with them in the participation of some recreation which I shall not describe further.

Later I went to my apartment. I knew my young son was in the apartment, waiting for me. The door was open. I did not stop by the desk of my apartment house. I found out later that Senator BYRD himself had left a call.

My young daughter, having an interest in life and what goes on in Washington in the evening, came in about 11 o'clock. She brought up the call from Senator BYRD which had been left in the box.

Mr. Jack Lynch, my assistant, reached me on the telephone about 9:30 and said the Committee on Finance was meeting. I am sorry I missed the meeting. I am sure I could have kept the Du Pont bill from being approved—for a few moments.

Mr. President, I shall read the next and last sentence which is complained of:

We doubt very much—

I must confess I am afflicted with a lot of doubts about many things, but this sentence reads:

We doubt very much that such swift action—

What swift action? I think that needs a little description. The Du Pont tax relief bill passed the House of Representatives in the evening hours of the day before. I do not make any criticism of that. The Senate often passes bills in the evening hours.

However, the bill which was passed was a complete substitute for the bill which had been previously reported, and on which the committee report had been written and submitted to the House. There was no report before the House on the bill which was passed.

The Committee on Finance was called upon the very next day to report the bill. I shall not describe that as unseemly haste, but I must confess that I have never been able to get a loophole closed quite so rapidly. However, we expressed doubt that such rapid action would be taken on bills to close tax loopholes. Other persons may not share that doubt. That is my personal view and personal conviction. I confess that this is not the first time such a situation has arisen, nor am I the first person, in connection with these hotly contested issues, to resort to the lusty language of politics.

This is not the first time, either, that the Senate Finance Committee or that the U.S. Senate has had a complicated tax bill before it in the closing days of the session. We had one in 1958. Furthermore, although I am not frequently in the majority of the Finance Committee, yet now and then the chairman of the committee is in the minority, and now and then he and I vote together.

I wish to read what the distinguished chairman said about the committee in 1958. I have expressed some doubt in this case, but I submit that the chairman left no room for doubt then. I shall read from the CONGRESSIONAL RECORD, volume 104, part 13, page 16855, and I cite this only to show that frequently when we are in hot contention in regard to issues we think fundamental and important, we state our views strongly—perhaps sometimes overly strongly. That debate was on the so-called Schenley liquor tax bill, which Senators will recall. I read now from the CONGRESSIONAL RECORD, volume 104, part 13, page 16855, from the statement made by the Senator from Virginia [Mr. BYRD]:

As a member of the Finance Committee for 25 years, I can remember that on a number of occasions efforts have been made to change the law. But never before has the effort been made to change it so as to postpone payment of the tax for 20 years. In the past, the efforts were to change it to 10 years or 12 years. But now the effort is to change it to 20 years. Frankly, I have never seen the pressure for a change in this law reach the extremes taken this time.

When Senators search for the reasons, they will find that certain distillers gambled on the Korean war situation. That was admitted before our committee. Certain distillers stocked up with large quantities of liquor, in expectation that grain and other ingredients would become scarce—for they thought that a world war would result at that time, and that, in that situation, they would reap a huge profit.

Mr. President, if a world war had then resulted, they probably would have made a huge profit. However, the situation which they anticipated did not develop. Therefore, they lost their gamble, and now they want the Congress to bail them out.

Mr. President, listen to this:

I am not willing to vote for tax relief for any whisky distillers, when we are denying tax relief to other taxpayers.

Mr. President, I submit that the distinguished chairman then made affirmatively the same points about the committee that the senior Senator from Illinois [Mr. DOUGLAS] and I did by expressing some doubt.

Despite this, Mr. President, I believe in the traditions of the Senate. When a Senator's feelings are injured, when he feels aggrieved, he is entitled to rise and to force his colleague to take his seat. The camaraderie, the personal equation, between Members of the Senate is one of the distinguishing features of this body. Our rules and our comity distinguish us from parliamentary bodies in which there are fist fights and brawls on the floor of the parliamentary body.

Therefore, Mr. President, I close by again expressing the deepest of regret that our distinguished chairman felt aggrieved by the language used, and I assure him once more that I had no intention to hurt him, and I should like very much to clasp hands with my friend and state that I apologize. Mr. President, I do so at this time.

Mr. DOUGLAS. Mr. President, I want to shake his hand also.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1942. An act for the relief of the State of New Hampshire; and

S. 2396. An act for the relief of the State of Louisiana.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4750) to amend section 6(a) of the Virgin Islands Corporation Act.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KIRWAN, Mr. FOGARTY, Mr. JENSEN, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the

committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9118) to establish a U.S. Arms Control Agency.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 399) to make certain corrections in the enrollment of the bill (H.R. 7377), in which it requested the concurrence of the Senate.

INCREASE IN LIMIT OF TOP GRADE POSITIONS UNDER CLASSIFICATION ACT OF 1949—CONFERENCE REPORT

Mr. JOHNSTON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7377) to increase the limitation on the number of top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON. Mr. President, the House has already agreed to the report, and it was signed by all eight of the conferees. It does practically what the Senate voted, with a very slight exception.

Mr. President, the conference agreement on H.R. 7377, a bill to provide additional supergrade and scientific-type positions, was reached in a spirit of harmony. The problems involved were many and somewhat complex, but each one was resolved in a very satisfactory manner. This was possible only because of the fine spirit of cooperation and understanding that prevailed all around the conference table.

The final agreement produced what is in my opinion a fair and equitable measure and fully in accord with the demonstrated needs of the administration to enable it to carry out its many important programs.

I am happy to report that the Senate's position with respect to the National Aeronautics and Space Agency was upheld in full. I am confident this will be gratifying to the many Senators who expressed themselves on this matter when the bill was before the Senate a few days ago.

Also, the conference agreement provides for the establishment of a small pool of positions to be available for use on determination of their need by the President. This was another point on which the Senate expressed itself rather strongly.

Finally, the agreement gives effect to the Senate's position with respect to a number of jobs of particular interest to a number of my colleagues.

I appreciate the support that was given to me by the Senate conferees without whose assistance this agreement would not have been possible. Also, I wish to commend the conferees on the part of the House for their sympathetic consideration to the views of the Senate.

The conference agreement requires that one item be explained in some detail. I wish to do that at this time.

The House version provides that the compensation of the professional staff members of the standing committees of the House may be fixed at a rate not in excess of the maximum rate authorized by the Classification Act.

There was no similar provision in the Senate version.

The conference was sympathetic to the problem involved, and expressed the view that employees in the legislative branch are entitled to the same compensation as their counterparts in the executive branch.

However, the language could not be added in conference to accomplish this objective on the Senate side. So in order to maintain balance between the House and the Senate, the provision relating to House employees was deleted, with the understanding that the matter would be considered jointly by the House and Senate Committees on Post Office and Civil Service immediately after the Congress convenes in January.

I make this statement so that our employees will understand fully the situation that exists and will appreciate that deletion of the provision as it related to employees of the House was made without prejudice to the merits of the matter.

In summary, the conference agreement on H.R. 7377 authorizes the establishment of 465 additional supergrade-type positions and 280 additional scientific-type positions.

The conferees earmarked certain of these supergrade positions for particular agencies. Immigration and Naturalization is given six positions, in addition to any such supergrade positions that they now have by specific authority or which have been allocated to them out of the total available to the Civil Service Commission. The Federal Home Loan Bank Board is given four positions in addition to those allocated to them out of the total available to the Civil Service Commission.

It also authorizes the placing of 40 additional positions in levels 17, 18, 19, and 20 of the postal field schedule.

Mr. CARLSON. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON. I yield.

Mr. CARLSON. I wish to point out that the report contains a statement of policy in regard to the hiring and selection of persons to serve in the supergrades. In the past few years there has grown up a tendency for the executive branch of the Government to try to establish supergrade positions through legislation handled other than through the Senate Committee on Post Office and Civil Service and the House Committee on Post Office and Civil Service. This statement of policy appears on page 2 of the House version of the bill, beginning with line 6, and continues down through line 14 on page 5. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the excerpt from the bill was ordered to be printed in the RECORD, as follows:

SEC. 101. (a) The Congress hereby finds that—

(1) the public interest requires that effective limitations and controls be established and maintained with respect to the allocation of positions—whether by law or by administrative action—to grades 16, 17, and 18 of the Classification Act of 1949—the so-called top grades below the Federal executive level in the Government service—in order to prevent the unwarranted allocation of positions to such grades and to promote efficiency and economy in the operation of the Government;

(2) one of the principal purposes of the Classification Act of 1949, as originally enacted and as amended from time to time, was, and continues to be, the establishment and maintenance, by specific provisions of such Act, of a coordinated and comprehensive authority and control over the allocation of positions to these top grades of such Act;

(3) under the rules of the Senate and the rules of the House of Representatives, as applicable, and the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives are vested with exclusive legislative jurisdiction, and charged with the duty of exercising legislative oversight and supervision, with respect to all matters within the purview of the Classification Act of 1949 and the administration thereof, including the allocation of positions to these top grades of such Act;

(4) this legislative authority, duty, and jurisdiction of such committees, and the orderly and established legislative processes of the Congress generally in this respect, are being undermined by the increasing practice, resulting from certain solicitations from individual departments and agencies in the executive branch and elsewhere, of allocating additional numbers of positions to such top grades by means of appropriation Acts and other laws and reorganization plans (other than the Classification Act of 1949) which disregard the numerical limitations or the standards and procedures, or both, with respect to the allocation of positions to such grades;

(5) at the present time, therefore, the pertinent provisions of the Classification Act of 1949 do not reflect, even by approximation, the existing state of the law with respect to the total number of positions which may be allocated to the top grades of such Act; and

(6) this state of affairs subverts and undermines the object and purpose of the Classification Act of 1949 with respect to the allocation of positions to such top grades of such Act.

(b) It is, therefore, hereby declared to be the sense of the Congress—

(1) that the matter of requesting the allocation of additional numbers of positions to the top grades of the Classification Act of 1949, whether by groups of positions or on an individual basis, is properly within the jurisdiction of those standing committees of the Senate and House of Representatives having jurisdiction over the Classification Act of 1949 in accordance with orderly and established legislative processes—the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and

Civil Service of the House of Representatives;

(2) that the Director of the Bureau of the Budget, the United States Civil Service Commission, and other authority designated by the President exercise to the fullest extent the authority and responsibility of disapproving requests of the departments and agencies in the executive branch for individual exceptions (to be attained through the enactment of laws outside the jurisdiction of the committees above referred to) from the numerical limitations or the standards and procedures, or both, imposed by the Classification Act of 1949 with respect to the allocation of positions to the top grades of such Act; and

(3) that, if need should develop for increasing such numerical limitations or waiving such standards or procedures, or both, in any case or cases, the matter should be presented promptly to the Congress in a manner consistent with the legislative authority, duty, responsibility, and jurisdiction of the respective Committees on Post Office and Civil Service of the Senate and House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. JOHNSTON. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. BIBLE. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, there is at the desk House Concurrent Resolution 399 which deals with this measure. The concurrent resolution makes a slight correction in the figures for the total amounts. I ask that the Chair lay the concurrent resolution before the Senate at this time.

The PRESIDING OFFICER laid before the Senate the concurrent resolution (H. Con. Res. 399), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 7377), to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes, the Clerk of the House is authorized and directed to make the following corrections:

In section 102(a), strike out "10" and insert in lieu thereof "12".

In section 202, strike out "United States Arms Control Agency" and insert in lieu thereof "United States Arms Control and Disarmament Agency".

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 399) was agreed to.

AMENDMENT OF DISTRICT OF COLUMBIA SALES TAX ACT—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report, as follows:

CONFERENCE REPORT (H. REPT. NO. 1253)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

"SEC. 101. (a) Section 125 of the District of Columbia Sales Tax Act (D.C. Code 47–2602) is amended by striking out '2 per centum' and by inserting in lieu thereof '3 per centum'.

"(b) Subsection (a) of section 127 of such Act (D.C. Code 47–2604(a)) is amended to read as follows:

"'(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section.'

"SEC. 102. Section 212 of the District of Columbia Use Tax Act (D.C. Code 47–2702) is amended by striking out '2 per centum' and inserting in lieu thereof '3 per centum'.

"SEC. 103. The amendments made by the first two sections of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act. From and after the effective date of such amendments, all references in the District of Columbia Use Tax Act to sections 125 and 127 of the District of Columbia Sales Tax Act shall be deemed to be references to such sections 125 and 127 as amended by the first section of this title.

"TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

"SEC. 201. Paragraph (1) of subsection 7(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (61 Stat. 353; sec. 47–1586f(a)(1), D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'(1) Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this article for the filing of such return.'

"SEC. 202. The provisions of this title shall be applicable to the taxable years beginning after December 31, 1960.

"TITLE III—REAL ESTATE DEED RECORDATION TAX ACT

"SEC. 301. DEFINITIONS.—When used in this title, unless otherwise required by the context—

"(a) The word 'District' means the District of Columbia.

"(b) The word 'Commissioners' means the Commissioners of the District of Columbia, or their duly authorized agents or representatives.

"(c) The word 'deed' means any document, instrument, or writing (other than a will and other than a lease), regardless of where made, executed, or delivered whereby any real property in the District of Columbia, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

"(d) The words 'real property' mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

"(e) The word 'consideration', except as otherwise provided in section 304 of this title, means the price or amount actually paid, or required to be paid, for real property including any mortgages, liens, or encumbrances thereon.

"(f) The word 'person' means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

"(g) The word 'deficiency' as used in this title means the amount or amounts by which the tax imposed by this title as determined by the Commissioners exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

"(h) The word 'taxpayer' means any person required by this title to pay a tax, or file a return.

"SEC. 302. EXEMPTIONS.—The following deeds shall be exempt from the tax imposed by this title:

"1. Deeds recorded prior to the effective date of the enactment of this title.

"2. Deeds to property acquired by the United States of America or the District of Columbia.

"3. Deeds to property acquired by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under the Act of December 24, 1942 (Public Law 846, Seventy-seventh Congress, chapter 826, second session), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under said Act: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"4. Deeds to property acquired by an institution, organization, corporation, or association entitled to exemption from real property taxation by special Act of Congress, which property was acquired solely for a purpose of purposes for which such special exemption was granted: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"5. Deeds which secure a debt or other obligation.

"6. Deeds which, without additional consideration, confirm, correct, modify, or supplement a deed previously recorded.

"7. Deeds between husband and wife, or parent and child, without actual consideration therefor.

"8. Tax deeds.

"9. Deeds of release of property which is security for a debt or other obligation.

"SEC. 303. IMPOSITION OF TAX.—(a) There is hereby imposed on each deed at the time it is submitted to the Commission for recordation a tax at the rate of one-half of 1 per centum of the consideration for such deed: *Provided*, That in any case where application of the rate of tax to the consideration for a deed results in a total tax of less than $1 the tax shall be $1.

"(b) Each such deed shall be accompanied by a return under oath in such form as the Commissioners may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Commissioners may require.

"(c) The parties to a deed which is submitted to the Commissioners for recordation shall be jointly and severally liable for payment of the taxes imposed by the section: *Provided*, That neither the United States nor the District of Columbia shall be subject to such liability.

"(d) The Commissioners are authorized—

"(1) to prescribe by regulation for reasonable extensions of time for the filing of the return required by subsection (b) of this section; and

"(2) to waive as to any party to a deed the requirement for the filing of a return by such party whenever it shall be determined by the Commissioners that a return cannot be filed: *Provided*, That any waiver granted by the Commissioners to a party shall not, unless specifically authorized, be deemed to be a waiver as to any other party. Any waiver made pursuant to this subsection shall not affect the requirements of subsection (c) of this section.

"SEC. 304. ABSENCE OF CONSIDERATION.—Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Commissioners shall require. Whenever, in the opinion of the Commissioners, a return does not contain sufficient information as to the fair market value of such real property, the Commissioners are authorized to make a determination thereof from the best information available.

"SEC. 305. INVESTIGATION BY COMMISSIONERS.—The Commissioners, for the purpose of ascertaining the correctness of any returns, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Commissioners promulgated hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title, or the consideration for any deed upon which a tax is imposed, are authorized to examine any books, papers, records, or memorandums of any person bearing upon such matters and may summon any person to appear and produce books, records, papers, or memorandums pertaining thereto and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided then, and in that event, the Commissioners may report that fact to the United States District Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court. Any person in custody or control of any books, papers, records, or memorandums bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Commissioners or any person designated by them of any such books, papers, records, or memorandums, or who shall obstruct or hinder the Commissioners or any person designated by them in the examination of any books, papers, records, or memorandums, shall upon conviction thereof be subject to the penalties provided in this title.

"SEC. 306. RECORDATION.—Except as otherwise provided in this title, no deed shall be recorded by the Commissioners until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

"SEC. 307. PRESUMPTIONS AND BURDEN OF PROOF.—For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all deeds are taxable and the burden shall be upon the taxpayer to show that a deed is exempt from tax.

"SEC. 308. DEFICIENCIES IN TAX.—(a) If a deficiency in tax is determined by the Commissioners, the person liable for the payment thereof shall be notified by registered or certified mail of said determination which shall include a statement of taxes due and given a period of not less than thirty days after such notice is sent in which to file a protest with the Commissioners and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty-day period, the deficiency as determined by the Commissioners shall be final. If a protest is filed within said period of thirty days, opportunity for hearing thereon shall be granted by the Commissioners, and a final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

"(b) Any deficiency in tax which has become final in accordance with the provisions of subsection (a) of this section shall, if no protest is filed, be due and payable within ten days after the expiration of the thirty-day period provided in subsection (a) of this section or, if a protest is filed, shall be due and payable within ten days after notice of the final decision of the Commissioners upon such protest is sent to the person liable for payment of the deficiency.

"SEC. 309. PENALTIES AND INTEREST.—(a) In case of any failure to make and file a correct return as required by this title within the time prescribed by this title or prescribed by the Commissioners in pursuance of this title, 5 per centum of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed 25 per centum in the aggregate, except that when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the Commissioners may in their discretion waive, in whole or in part, the addition to the tax provided by this subsection.

"(b) The amount added to any tax under subsection (a) of this section shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of neglect.

"(c) Interest upon the amount finally determined as a deficiency shall be assessed at the same time as the deficiency, and shall be collected as a part of the tax, at the rate of one-half of 1 per centum per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is assessed.

"(d) If the time for payment of any part of a deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one-half of 1 per centum per month or portion of a month for the period of the extension. If a part of the deficiency the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at the rate of one-half of 1 per centum per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

"(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

"(f) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid.

"(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsections (c), (e), or (f) is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one-half of 1 per centum per month or portion of a month from the date when such unpaid amount was due until it is paid.

"(h) The Commissioners are authorized at the request of the taxpayer to extend the time for payment by the taxpayer of the amount of the tax imposed by this title, whether determined as a deficiency or otherwise, for a period not to exceed six months from the date prescribed for the payment of such tax.

"SEC. 310. COMPROMISE AND SETTLEMENT.—(a) Whenever in the opinion of the Commissioners there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Commissioners may compromise such tax.

"(b) The Commissioners are authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Commissioners and the taxpayer involved, or his authorized agent or representative, shall be final and conclusive and—except upon a showing of fraud, malfeasance, or misrepresentation of a material fact—the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

"(c) Any person who, in connection with any compromise under this section or offer of such compromise or in connection with any written agreement under this section or offer to enter into any such agreement, conceals from any officer or employee of the District of Columbia any material fact relating to the tax imposed by this title; destroys, mutilates, or falsifies any books, documents, or record; or makes under oath any false statements relating to the tax imposed by this title shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the municipal court of the District of Columbia, in the name of the District of Columbia, on information by the

Corporation Counsel of the District of Columbia or any of his assistants.

"SEC. 311. COMPROMISE OF PENALTIES AND ADJUSTMENT OF INTEREST.—The Commissioners shall have the power for cause shown to compromise any penalty which may be imposed under the provisions of this title. The Commissioners may adjust any interest, where, in their opinion, the facts in the case warrant such action.

"SEC. 312. LIMITATIONS.—(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three years after the deed is recorded by the Commissioners and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

"(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

"(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Commissioners and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

"(f) The running of the period of limitations provided in this section on the making of assessments, or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Commissioners are prohibited from making the assessment or from collecting said tax, and for ninety days thereafter: *Provided*, That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding and for ninety days after the decision of the court shall have become final or, if the proceeding shall have been dismissed or otherwise disposed of, for a period of ninety days after such dismissal or other disposition.

"SEC. 313. ADMINISTRATION OF OATHS.—The Commissioners are authorized to administer oaths and affidavits in relation to any matter or proceeding conducted by them in the exercise of their powers and duties under this title.

"SEC. 314. APPEAL.—(a) Any person aggrieved by any assessment of a deficiency in tax finally determined by the Commissioners under the provisions of section 308 of this title may appeal to the District of Columbia Tax Court in the same manner and to the same extent as set forth in sections 3, 4, 7, 8, 9, 10, 11, and 12 of title IX of the Act entitled 'An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes', approved May 16, 1938, as amended and as the same may hereinafter be amended.

"(b) The remedy provided in subsection (a) of this section shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law but no suit by the taxpayer for the recovery of any part of the tax imposed shall be instituted or maintained in any court if the taxpayer has elected to file an appeal with respect to such tax, or any part thereof, in accordance with the provisions of subsection (a) of this section.

"SEC. 315. REFUNDS AND COLLECTION.—The provisions of section 14 of title IX of the District of Columbia Revenue Act of 1937, as added by the Act of May 16, 1938, and as amended by the Act of July 26, 1939, and as added by section 4 of the Act of July 10, 1952, and the provisions of section 1601 and section 1602 of title XVI of the District of Columbia Public Works Act of 1954 shall be applicable to the tax imposed by this title.

"SEC. 316. STAMPS.—The Commissioners are authorized to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as they may deem necessary and proper for the administration of this title.

"SEC. 317. PROMULGATION OF RULES AND REGULATIONS.—The Commissioners are hereby authorized to prescribe such rules and regulations as they may deem necessary to carry out the purposes of this title.

"SEC. 318. ABATEMENT.—The Commissioners are authorized to abate the unpaid portion of any tax due under the provisions of this title, or any liability in respect thereof, if the Commissioners determine under rule or regulation prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

"SEC. 319. ELIMINATION OF FRACTIONAL STAMPS OR DEVICES.—For the purpose of avoiding, in the case of any stamps or devices employed pursuant to authority of this title, the issuance of stamps or the employment of devices representing fractional parts of $1, the Commissioners are authorized, in their discretion, to limit the denominations of such stamps or devices to amounts representing $1 or multiples of $1, and to prescribe further that where part of the tax due is a fraction of $1, the tax paid shall be paid to the nearest dollar.

"SEC. 320. GENERAL CRIMINAL PENALTY.—Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be subject to a fine of not more than $1,000, or to imprisonment of not more than one year, or to both such fine and imprisonment. Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States attorney in and for the District of Columbia, or any of his assistants.

"SEC. 321. CRIMINAL PENALTY AS TO STAMPS.—(1) Any person who, with intent to defraud, alters, forges, makes or counterfeits any stamp, or other device prescribed under authority of this title for the collection or payment of any tax imposed by this title, or sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, or other device, or makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, or other device; or

"(2) Fraudulently cuts, tears, or removes from any deed, parchment, paper, instrument, writing, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title; or

"(3) Fraudulently uses, joins, fixes, or places to, with, or upon any deed, parchment, paper, instrument, writing, or article, upon which a tax is imposed by this title,

"(a) any adhesive stamp, or the impression of any stamp, die, plate, or other article, which has been cut, torn, or removed from any other deed, parchment, paper, instrument, writing, or article upon which any tax is imposed by this title; or

"(b) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or

"(c) any forged or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article; or

"(4)(a) willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used; or

"(b) knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

"(c) knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any deed, parchment, paper, instrument, writing, package, or article;

shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than 3 years, or both.

"SEC. 322. DISPOSITION OF FUNDS.—All moneys collected under this title shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

"SEC. 323. SEPARABILITY CLAUSE.—If any provision of this title, or the application thereof to any person or circumstances, is held invalid the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 324. APPROPRIATIONS.—There are hereby authorized to be appropriated such amounts as may be necessary for the carrying out of the provisions of this title, including the use of stamps or other devices for evidencing payment of the tax imposed by this title.

"SEC. 325. EFFECTIVE DATE.—The provisions of this title shall take effect on the first day of the first month which begins on or after the sixtieth day after the enactment of this Act.

"SEC. 326. SHORT TITLE.—This title may be cited as the 'District of Columbia Real Estate Deed Recordation Tax Act'.

"TITLE IV—AMENDMENTS TO WATER RENT RATES AND SANITARY SEWER SERVICE CHARGES

"SEC. 401. Section 101 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 101; sec. 43–1520c, D.C. Code, 1951 ed.) is amended by inserting the subsection designation '(a)' immediately after 'SEC. 101', and by adding to such section the following subsection:

"'(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioners are authorized, in their discretion, to increase the rates charged by the District for water and water services furnished by the District water supply system: *Provided*, That no such increase shall exceed 25 per centum of the rate or rates in effect on January 1, 1961.'

"SEC. 402. Section 207 of title II of such Act (sec. 43–1606, D.C. Code, 1951 ed.) is amended by striking '60 per centum' wherever it occurs in such section and in each such instance inserting in lieu thereof '75 per centum'.

"SEC. 403. Section 208 of title II of such Act (sec. 43–1607, D.C. Code, 1951 ed.) is amended by adding thereto the following new subsection:

"'(c) If at any time, or from time to time, the Commissioners shall change the established sanitary sewer service charge, the sanitary sewer service charge for any period

beginning prior to any such change and ending thereafter shall be prorated on a monthly basis, in accordance with the established charges prevailing in the respective periods.'

"SEC. 404. The provisions of this title shall become effective on the first day of the third month which begins after the date of enactment of this Act."

"TITLE V—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

"SEC. 501. Section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows:

" 'SEC. 7. All fees and other moneys collected under this Act, including all fees collected pursuant to section 11 of the Act entitled "An Act making appropriations to the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes", approved April 4, 1938 (District of Columbia Code, sec. 40–616), and the Act entitled "An Act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center", approved June 6, 1940 (54 Stat. 241), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account within the highway fund established in the first section of the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (District of Columbia Code, sec. 47–1901). Moneys deposited in such special account shall be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this Act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this Act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment.'

"SEC. 502. The first sentence of section 8 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows: 'The Commissioners shall include in their annual budget such amounts as may be required from the highway fund established in the first section of the Act of April 23, 1924, for the purpose of carrying out the provisions of this Act.'

"SEC. 503. The District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended by renumbering section 10 thereof as section 11 and by inserting immediately following section 9 the following new section:

" 'SEC. 10. Notwithstanding any provision of this Act, no real property shall be acquired under the authority of this Act for use as a parking facility on or after the date of enactment of this section, and the Commissioners and the agency are authorized to operate and maintain only those parking facilities which have been established prior to the date of enactment of this section. No such existing parking facility shall be expanded or otherwise altered except to the extent as may be necessary to permit its continued operation in the same manner as it was being operated immediately before the date of enactment of this section. This section shall not apply to (1) any parking facility which is limited to use by officers and employees of the Governments of the United States or of the District of Columbia by reason of their employment by any such Government, (2) any fringe parking facility, and (3) any parking facility located on property of the District of Columbia beneath any elevated portion of a public highway.'

"SEC. 504. All fees and other moneys which have been deposited in the special account of the Treasury of the United States before the date of enactment of this title to the credit of the District of Columbia in accordance with section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 are hereby transferred to the special account established in the highway fund by the amendment made to section 7 of such Motor Vehicle Parking Act of 1942 by section 501 of this title, and such funds shall be available for the purposes provided in such amendment to such section 7.

"TITLE VI—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

"SEC. 601. Section 9(8) of the Act of September 30, 1950 (20 U.S.C. 244(8)), is amended by inserting 'the District of Columbia,' after 'Guam,'."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

ALAN BIBLE,
WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

JOHN L. MCMILLAN,
JOEL T. BROYHILL,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, I move that the report be agreed to.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 1728) to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessels, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes;

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California;

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 3587. An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 8383. An act to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8652. An act relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations; and

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such distribution made to a corporation shall be the fair market value of the distribution.

Mr. WILLIAMS of Delaware. Mr. President, I wish to address myself to the merits of the pending measure. But, first, I should like to make a few remarks in connection with what has been interpreted as an attack on the chairman of the committee as well as on the majority of the membership of the Finance Committee as set forth in the minority views. It has been my privilege to serve on the Finance Committee with the Senator from Virginia as the chairman, and I have never worked with a more honorable man or one who has the welfare of the taxpayers more at heart than he. There is no man in the Senate who would be more determined not to approve any tax bill which was not fair to the American people as a whole. He certainly has nothing to apologize for in the manner in which he conducted consideration of this bill.

I wish to say to the Senator from Tennessee, who stated that there had been undue haste in bringing this bill up, that I am in agreement with the statement that some bills which were brought up are not to the benefit of the taxpayers. One bill which was reported by the Finance Committee on the same evening provided a subsidy for the lead and zinc industry, which I do not think was of benefit to the taxpayers. I opposed that bill. I opposed it on the floor. Yet the Senator from Tennessee saw nothing wrong with that bill, nor did he object to unanimous consent to consider that bill before it was even put on the Senate Calendar. That procedure was waived for the benefit of enacting a bill desired by the State of Tennessee.

I do not criticize that action. I had an opportunity to oppose the bill and

lost, and I abide by the decision of the committee and the Senate.

All that I ask the Senator from Tennessee is that he advance his arguments for or against the bill and then let the Senate decide.

Let us vote on this proposal and either accept it or reject it at this Congress.

The Senator from Tennessee objected because the House acted on H.R. 8847 only after 15 minutes' consideration. The bill came out of the Ways and Means Committee of the House with an overwhelming vote. The rule provided 1 hour's debate. After 15 minutes no one wanted to speak. They yielded back the remainder of their time and passed the bill.

As to the reason why the bill is before us at this late date—and I regret it was not before us earlier—I did what I could to expedite the bill; but, as the chairman of the committee pointed out, the Senator from Tennessee was planning a little junket in Europe and he did not want the bill taken up until he came back. The reason why we did not press action was that the chairman had promised the Senator from Tennessee a chance to get back from Europe. There has not been an effort to run around the Senator from Tennessee, nor to preclude him from his right to offer any amendment he wishes to offer.

If this bill cannot stand on its own merits let it fall.

The Senator from Virginia and I, as well as other members of the committee including the Senator from Illinois and the Senator from Tennessee last year opposed a bill dealing with the same subject matter. That bill in my opinion then, and in my opinion now, was not equitable. I said then that I would oppose it, and that I would oppose that same formula this year. I have done so. But now we do have before us a bill that in my opinion will give equitable relief.

The bill before us today provides revenues for the U.S. Government six times the amount that would have been provided in the bill we opposed last year. Had we wanted to give unwarranted benefits to somebody we would have supported the bill last year. We have tried to work out a bill which we could present as fair and equitable.

The bill before us today was approved by the Treasury Department; it is in agreement with recommendations of the Department of Justice. There are features in the bill which I would prefer being different, particularly references to title II. I would prefer the provisions of title II to be extended beyond corporations involved in antitrust divestiture. The bill of the Senator from Utah [Mr. BENNETT], which I supported, did so provide.

I also feel the bill should be general legislation, instead of a private bill. It was general legislation when it was introduced, and the representatives of the Treasury Department told our committee and the Ways and Means Committee they preferred general legislation.

Why was it changed to a private bill? Because the Department of Justice insisted it be confined to a private bill. Ordinarily, the Finance Committee and the Ways and Means Committee do not give priority to suggestions of the Department of Justice over those of the Treasury Department. Why did we do it in this instance? We were realistic. We felt the bill had to comply with the recommendations of the Justice Department as well as with those of the Treasury Department.

This bill before us has been approved downtown by the Treasury Department and the Justice Department. The Treasury Department has stated they would have no objection to this bill becoming law; and after the inclusion of the amendments in the House which were recommended by the Justice Department, they have concurred in the statement that they have no objection if Congress sees fit to enact the bill. I think the RECORD should be clear on those facts.

I regret very much the threat of the Senator from Tennessee, or any other Senator, that he is going to filibuster the bill. I suppose I have opposed as many bills as any other Senator on the floor of the Senate, but I have at no time in my 15 years, nor will I during the remainder of my service here, ever try to block a vote from being taken on a measure which I oppose. I will insist on my right as a Member of the Senate to oppose and express my opposition, but if I cannot convince a majority of the Senate to go with me I am willing to take my defeat. At no time have I ever tried to push further than that. That is all that I have asked in consideration of this bill—just to get a vote.

I recognize that chances of enacting this legislation if we adjourn today are negligible. I recognize that likelihood in the light of the threat which the Senator from Tennessee has made. I accept that threat and regret it; however, I assure him I will not retaliate, nor will I ever similarly block consideration of a bill which he is for and I against.

I could object to the consideration of the supplemental appropriation bill, and the Senate would have to go over to next week, but I will not. I so promised the Senator from Montana this morning.

The public works appropriation bill, considered earlier today, would have been subject to a point of order. The Chair confirmed that fact. I did not raise that point. Had I done so the bill would have been sent back to committee and it would not have been reported until Monday; we would have been here until Wednesday or Thursday.

I told the Senator from Tennessee in the corridor earlier today he could rest assured I would not object to a single request of the majority leader in his desire to expedite adjournment tonight even though this cooperation definitely means that there will be no chance for passing this bill at this session in the face of his threatened filibuster. I made the statement earlier today to the Senator from Tennessee, and I repeat it here publicly. I make that promise notwithstanding the fact that I am tempted in the face of the threat of the Senator from Tennessee and knowing full well his plane is warmed up and he is all prepared to go off on another junket tomorrow.

I want a vote on this bill at this session of Congress, but I do not want to obtain this vote by holding a threat over anyone.

LEGISLATIVE SESSION—ORDER FOR ADJOURNMENT TO MONDAY

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Illinois.

Mr. DIRKSEN. This might be an excellent opportunity to get the atmosphere clarified and ascertain what will happen today and whether or not we shall be here late tonight, or run into Sunday morning, or come back on Monday. I thought this was a most appropriate time, in view of the remarks of the Senator from Delaware, to propound this inquiry to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns this afternoon or tonight, it adjourn to meet at 12 o'clock Monday.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. It is anticipated that we shall adjourn somewhere around 7 o'clock. We shall come in at 12 o'clock Monday. We shall conduct our business on a reasonable-hour basis, and we will see to it that none of our Members who are in ill health or in age advanced are put under any kind of duress whatsoever. I speak for the minority leader and myself. We have all the time in the world. We can stay in session until next January 10. I think the Senate ought to know what the procedure is.

So far as the supplemental appropriation bill is concerned, if possible, we will take it up Monday. If not Monday, then Tuesday. Today, if the Senate is willing to do it, we will take up three treaties. If not, we will take them up Monday, or Tuesday, or Wednesday.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. I heard no objection to the request of the majority leader. Is that correct?

The PRESIDING OFFICER. The order was entered.

Mr. WILLIAMS of Delaware. Mr. President, I did not know the majority leader was going to make that statement. I thought he was going to propound a unanimous-consent request to consider the supplemental appropriation bill this afternoon. In order that the RECORD may be clear—and I am sure the majority leader will confirm this—I had given the Senator my assurance some time ago there would be no objection on my part to his request.

Mr. MANSFIELD. Mr. President, the Senator is absolutely correct. I corroborate every word.

Mr. WILLIAMS of Delaware. I did not make that statement because of hav-

ing had advance knowledge that the Senator had decided to go over; however in the light of the fact that there are many important bills before the Senate, I am glad the Senate is going over.

I now hope we can have a discussion of the bill and that those who oppose it can state their opposition.

I respect and defend the right of any Senator to object to or to oppose any bill. Last year I opposed a bill dealing with this subject, and I would resent having anyone say I did not have a right to oppose that bill.

However, there comes a time when the Senate should act. Those who oppose the legislation should present their opposition and their arguments. Then the Senate should be allowed to vote.

I shall present today why I think it is very important that the Senate should take action before this Congress adjourns, and I shall outline why I believe that this is a fair and equitable bill.

Mr. MORSE. Mr. President, will the Senator yield with the understanding that he will not lose his right to the floor?

Mr. WILLIAMS of Delaware. May I ask the Senator, for what purpose?

Mr. MORSE. I have a few things to insert in the RECORD.

Mr. WILLIAMS of Delaware. Mr. President, I shall be very brief. I would like to cooperate with the Senator from Oregon, but I wish to complete my remarks, if I may.

Mr. MORSE. It will not take me a minute.

Mr. WILLIAMS of Delaware. I yield to the Senator.

Mr. MORSE. I wish to say that I am so pleased by the announcement of the majority leader that I should like to have the page boy take over a rose to him, for which I no longer have any need, in view of the announcement. [Laughter.]

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. WILLIAMS of Delaware. Mr. President, I do not think I shall require more than a few minutes. I wish to complete my remarks.

As I stated before, this bill has the approval of the Justice Department and of the Treasury Department. It has been passed by the House of Representatives.

The bill was reported by our committee by a vote of 14 to 2.

Mr. HICKENLOOPER. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WILLIAMS of Delaware. I wish to discuss some of the language in the minority views. In doing so, I fully recognize and appreciate the position of those who wrote the minority views. I wish to explain why I disagree with them.

I quote from the minority views:

> In the absence of a final court order, we are legislating in a partial vacuum. The tax and other consequences of the Du Pont divestiture of General Motors stock will not be known until there is a final court order, presumably late this fall or early next year.

Mr. President, the fact is there has been a final court order.

I used the same argument last year. I said that we should wait because at that time the Du Pont Co. had asked permission of the court to satisfy the decree by divesting itself of its voting rights, rather than its stock. The court has since passed down a final decree and said it would insist upon a complete divestiture.

The argument that we wait is no longer valid.

The court gave the company 60 days in which to file a plan of divestiture. This divestiture is called for in 10 years under the decree of the Supreme Court.

After the filing of the plan—and it had to be filed September 2—the Department of Justice is to be given 30 additional days to review the plan, either to approve the plan or to suggest an alternative plan. That must be submitted to the court by the 2d of October. Sixty days thereafter, under the direction of the Supreme Court, the court is supposed to pass down a final decree. That will be December 2. The distribution would begin in 90 days.

It is therefore important that the bill be passed at this session because neither the court which is to make the determination nor the company which is submitting a plan can intelligently act in the light of pending legislation. The only way a plan can be submitted is on the assumption that there will be no legislation enacted by the Congress, that the divestiture will be under existing law. Therefore, the plan which is to be considered will embrace the 10-year distribution period.

I have talked with Mr. Knight, the General Counsel of the Treasury Department. He has conferred with the Justice Department and others. While the Departments do not say that the Congress should or should not enact the bill, Mr. Knight did say he thought it would be very helpful if the Congress acted first in order that the court and the company would know the rules under which they are to operate.

The reason for this is that under this bill approved by the Justice Department and the Treasury Department, concurred in by the company, it has been agreed that if the bill is enacted the company can divest itself within 3 years of its stock.

If the bill is not enacted 10 years will be needed. The parties involved should know what Congress is going to do.

I think the Treasury Department in all of its recommendations is as apt to be accurate as is the Senator from Tennessee, although again I say the Senator has a perfect right to present his case. But let him present his case to see how the Senate feels about it.

There is one other point. There has been reference to the bill as being a tax bill for the benefit of the rich.

I should like to quote further from the minority views.

> In the case of divestiture to corporations, if the divestiture is treated as an intercorporate dividend the tax is very low (i.e., 52 percent of 15 percent, or 7.8 percent), but if the divestiture is treated as a return of capital the tax is relatively high. Thus, in the case of divestiture to corporations, this bill chooses the method by which a lower tax is paid and treats the divestiture as a dividend.

I continue to read:

> Christiana owns 29 percent of the Du Pont stock. The Du Pont family, very broadly defined, comprises some 250 individuals, who own about 69 percent of Christiana common stock, or 9,180,000 shares of the 13,248,640 shares of Christiana which are outstanding. While only a small number of these people have any direct business connection with either Du Pont or with Christiana Securities Co., it is true that if Christiana is not required to divest itself of the General Motors stock it will receive from Du Pont, the favorable tax consequences we have mentioned would accrue to these individuals in proportion to their holdings in Christiana.
>
> The Congress is therefore giving priority, both for tax relief and in the speed of its procedures, to a group whose need is not yet known and who, in any case, would have a very low priority for such relief compared with the ordinary taxpayer, in the light of the burdens which he must bear.

Mr. President, that allegation is not true. After I make my statement if either the Senator from Tennessee or the Senator from Illinois wishes to take exception I shall yield so that the Senator may state otherwise.

The fact is this: Whether the bill is defeated or passed will in no way affect the court decision as to whether Christiana will ultimately be forced to divest itself of its General Motors stock. The Supreme Court decree said that the Du Pont Co. had to distribute its holdings, which means that Christiana will receive the General Motors stock as dividends on its Du Pont stock. Whether it is divested thereafter or whether it will be sold or retained is a determination to be made by the Court.

We shall not affect that situation either by the enactment of the bill or the failure to do so. We only provide a formula of taxing these stock dividends should Christiana be forced to distribute them.

If the bill is defeated, as the Senator from Tennessee and the Senator from Illinois would like, the tax which Christiana under existing law will pay upon receipt of its dividend of General Motors stock which is worth about $800 million will be $3 million or $3¼ million.

I repeat—under existing law Christiana will pay approximately $3¼ million. Under this bill that tax liability will be increased to about $65 million.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I will yield in a moment.

Mr. DOUGLAS. The Senator said he would yield.

Mr. WILLIAMS of Delaware. I yield, if the Senator wishes to take exception.

Mr. DOUGLAS. I merely say, that was the proposal last year.

Mr. WILLIAMS of Delaware. Mr. President, I would yield to the Senator in order for him to take exception.

This was my proposal last year, and it is the proposal in this bill before us today.

My statement is that under existing law, assuming the Senate takes no action whatever and the Court decision goes through as proposed Christiana will pay a tax of between $3 million and $3¼ million.

Under this bill the corporation tax on Christiana is increased to $65 million. Yet, under this bill the tax liability for the stockholders in general is lower. How can that be called a special privilege bill?

If any Senator wishes to take exception to my statement, I yield for that purpose.

Mr. DOUGLAS. Mr. President, the Senator has made a statement——

Mr. WILLIAMS of Delaware. Mr. President, I am not yielding the floor.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. DOUGLAS. Mr. President, will the Senator yield for a statement with the understanding that he does not lose his right to the floor?

Mr. WILLIAMS of Delaware. I yield to the Senator from Illinois at this point.

Mr. KERR. Mr. President, I shall object to the procedure unless Senators talk loudly enough so that they can be heard.

Mr. HICKENLOOPER. Mr. President, I join in the objection. These confidential colloquies across the desk are difficult to hear.

Mr. KERR. Mr. President, I cannot tell whether I ought to be amused or angered.

Mr. DOUGLAS. I hope that the Senator from Oklahoma [Mr. KERR] and the Senator from Iowa [Mr. HICKENLOOPER] will forgive me if I use a somewhat louder tone of voice.

Mr. HICKENLOOPER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. I suggest that the Senator from Illinois observe the rule and speak from his desk. If he does so, I believe he will speak loudly enough so that the Senator from Delaware will hear and we shall all be able to hear him.

Mr. DOUGLAS. I am glad to do so.

Mr. WILLIAMS of Delaware. Mr. President, I will continue. Under existing law, under the law as it will be if the bill is defeated, Christiana Corp., being a corporation, under the Court decision, would pay a tax of around $3 million to $3¼ million.

If the bill before us today is enacted as it is before the Senate and as it has been approved by the Department of the Treasury and the Department of Justice, Christiana Corp.'s tax will be increased from $3¼ million to $65 million, an increase of over 2,000 percent in the tax on this one corporation.

When the Senator from Illinois and the Senator from Tennessee try to defeat the bill, they are in effect trying to save a tax increase on Christiana of $62 million. If either Senator wishes to deny that statement, I will yield for that purpose. But I wish the Senators to say yes or no.

Mr. DOUGLAS. Mr. President, the Senator from Delaware has said that if I thought his statement was not completely accurate, he would be glad to yield either to me or to the Senator from Tennessee. I hope I do not offend the sensibilities of the Senator from Iowa if I now ask the privilege of replying to the Senator from Delaware to the point he has made.

Mr. WILLIAMS of Delaware. I will yield for a comment, but I would appreciate it if the Senator from Illinois would omit the preliminaries and confirm or deny the statement if he wishes to do so.

Mr. DOUGLAS. The Senator has made a very complicated statement, to which I should like to reply.

Mr. WILLIAMS of Delaware. Mr. President, I will not yield for any complicated answers. I shall quote from the bill. What I am saying is that under existing law, under the law as it would be if the bill is defeated, Christiana Corp. would pay a corporation tax of 52 percent on 15 percent of $2.09 a share.

The reason for that statement is that under existing law the corporation will take the stock dividend into its account and value it at the base cost to Du Pont, which is approximately $2.09 a share. It can use the cost to the company making the distribution and still get the 85 percent intercorporate credit, which means that the company would only pay 52 percent tax on 15 percent of $2.09, or about 16 cents per share.

Under the bill the company would pay 52 percent of 15 percent of the full market value, or $48 based upon today's market, which figures to about $3.70. If this bill is defeated, they will pay a tax of only 52 percent on 15 percent of $2.09, which means that they would pay 16 cents a share. The Senator from Tennessee and the Senator from Illinois, who are trying to defeat the proposed correction in the law, would reduce the tax liability by $62 million. With this situation, how can any Senator say it is a giveaway for the rich?

I wish the record to show that what they are trying to do is to save one corporation $62 million.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Illinois if he will confine himself to a simple statement of the fact that he either agrees or disagrees, and if he disagrees to point out wherein he disagrees.

Mr. DOUGLAS. The Senator from Illinois, considering the sensibilities of my friend, went over close to him in order to listen to the Senator from Delaware, because along with the many virtues that the Senator from Delaware has, he does not generally speak in a loud tone of voice or in a slow manner. So it is necessary to get close to him in order to understand what he has to say.

I went over near the Senator from Delaware so that I could pay close attention to what he said. That is why I was at the desk where I was sitting. I am now back at my own desk. I hope my voice can be heard.

Mr. President, neither the Senator from Tennessee nor the Senator from Illinois seeks to defeat the Du Pont bill as such. We are trying to get a bill which would be fair to the main mass of American taxpayers. We believe, and we will argue the point——

Mr. WILLIAMS of Delaware. Mr. President, I want to yield to the Senator from Illinois for a reply to my question but not for a speech. He can make a speech on his own time. I do not question for one moment—and I have so stated—the good intentions of the Senator from Illinois or his ability to offer perfecting amendments to the bill. I recognize that he has a perfect right to advance his arguments. I am not questioning that point. I am merely making a statement that the bill which was approved by the committee, and the bill which has been condemned by the Senator from Illinois and the Senator from Tennessee as being a rich man's "gimmick," would actually raise the tax liability for this particular group.

Mr. DOUGLAS. Mr. President, I must protest at that statement. That is not what we are trying to do.

Mr. WILLIAMS of Delaware. Mr. President, I will continue with my remarks. The Senator from Illinois can continue his discussion at his own discretion. I will quote again.

The record shows throughout that is the law as interpreted today. There is no question about it. Continuing reading from the report:

> Christiana owns 29 percent of the Du Pont stock. The Du Pont family, very broadly defined, comprises some 250 individuals, who own about 69 percent of Christiana common stock, or 9,180,000 shares of the 13,248,640 shares of Christiana which are outstanding. While only a small number of these people have any direct business connection with either Du Pont or with Christiana Securities Co., it is true that if Christiana is not required to divest itself of the General Motors stock it will receive from Du Pont, the favorable tax consequences we have mentioned would accrue to these individuals in proportion to their holdings in Christiana.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. In just a moment. The reference to the 250 individuals was put in the report and, by indirection, they are held up as being a group that would receive some special treatment. That is not true.

I insisted on this provision regarding Christiana Securities Corp. being in the bill last year. I said that it would have to be a part of any bill that I would support because I think the provision is a fair one. The Senator from Illinois and the Senator from Tennessee both supported the provision last year. I believe that fact should be pointed out. But why do they condemn it now?

Mr. DOUGLAS. We were opposed to the 16-cent tax, and we still are.

Mr. WILLIAMS of Delaware. That is correct. The Senator supported the position of correcting the measure. I wish the Senator would support the bill

which contains the correction now, but instead he is opposing it.

Nevertheless the 250 individuals are held up in the minority views, by indirection, as being a group that will receive favored treatment. The minority views show them as owning 70 percent of Christiana stock, I think in all fairness the RECORD should show that if the bill were passed, the 250 individuals instead of getting favored treatment would through their corporation be paying about $42 million in higher taxes than they would under existing law. They would be paying 70 percent of the $62 million increase for Christiana. Yet they have endorsed this bill because the overall provisions of the bill do give the necessary tax relief for the other stockholders of the Du Pont Co., and they realize that the bill cannot get Treasury approval without the provision.

Rather than criticizing them for this decision they should be complimented.

Under the bill what do we propose for individual stockholders? What is the formula? We outlined the correction we have made for the corporations. Under the bill we propose that every individual stockholder of the Du Pont Co., or any other company which is named in the Court order, can take such stock, appraise it at its market value on the date of receipt, and then, to the extent that the market value of the stock dividend exceeds his original investment in Du Pont stock, pay capital gains on the difference.

As defined in the bill it would bring $350 million revenue.

There is a precedent for this formula. We already have in our existing code a provision relating to rights-of-way for power companies. For example, with two families on farms. One might pay $10,000 for his farm, the other, $5,000.

The power lines go through the farms, and the power companies take a 99-year lease on the right-of-way. They pay each farmer $6,000 for the right-of-way. One farmer reduces the cost of his farm from $10,000 to $4,000 for future tax purposes. He has no tax. The other farmer, who has a $5,000 cost, reduces the cost of his farm to zero for future tax purposes if it is sold, and he pays a capital gains tax on the extra $1,000.

That is exactly the formula which we put in the bill for the tax liability of individual stockholders. It is the formula which the Treasury Department thought was equitable. The Department of Justice is not opposed to it. It has been approved up to this point in Congress.

I make that statement with full respect for anyone who has a different opinion or a different formula. I am glad to defend that formula because it gives to the small stockholders of these companies the largest relief.

What is the result? The Du Pont Co. has, altogether, about 210,000 stockholders. Under the pending bill 173,000 of those stockholders, each holding less than a hundred shares, will pay less tax than they would pay under the bills which have been proposed heretofore. The remaining stockholders, mostly holding stock at lower cost, would pay a capital gains tax to the extent their dividends exceed their basis cost. I cite the following explanation and analysis:

Section 1 of the bill would amend the code to provide that a distribution of stock to an individual pursuant to an antitrust order is not treated as a dividend distribution but is treated instead as a return of capital. Accordingly, if the stock received in such a distribution is worth less than the basis of the underlying stock with respect to which the distribution is made, the basis of the underlying stock is simply reduced by the amount of the distribution. On the other hand, if the value of the stock distributed exceeds the basis of the underlying stock, the excess is recognized as gain and the basis of the underlying stock is reduced to zero. This may be illustrated by two simple examples:

Example 1: An individual—shareholder A—owns a single share of the stock of Du Pont which has a basis to him of $100. In a distribution pursuant to the terms of an antitrust order he receives 1⅓ shares of General Motors stock worth $60. Because of the distribution his basis for the Du Pont stock—$100—is reduced by the fair market value of the General Motors stock received—$60—so that after the distribution his basis for the Du Pont stock is $40—$100 minus $60. In this instance the stockholder would owe no tax upon receipt of his stock dividend, but if he later sells the Du Pont stock, of course, his gain is computed using the remaining $40 basis for that stock.

Example 2: An individual—shareholder B—owns a single share of Du Pont stock having an adjusted basis to him of $40. In a distribution pursuant to the terms of an antitrust order, he receives 1⅓ shares of General Motors stock worth $60. Since the fair market value of the distribution received is more than his entire basis, all of his basis is wiped out by the distribution and the amount in excess of basis is recognized as a gain. Accordingly, he will have a gain of $20—$60 minus $40—because of the distribution, and his basis for the Du Pont stock after the distribution will be zero. In this instance the stockholder would owe a capital gains tax on the $20, and if he later sells the Du Pont stock, of course, his gain will be computed using a basis of zero.

Since section 1 of the bill provides that the distributions within its terms are to be treated as a return of capital, it is necessary to prevent such distributions from diminishing the earnings and profits of the distributing corporation. Accordingly, under the first section of the bill, the earnings and profits would not be affected by the distributions described.

The first section of the bill does not apply to corporations which are entitled to a deduction for dividends received. However, this section provides that all distributions to corporations which are within its terms—that is, corporations not entitled to the deduction—will be taken into account at fair market value, without regard to the provisions of section 301.

The revenue estimate which was supplied is that, if enacted, this bill would bring in about $350 million. Broken down, it amounts to $64 million from the Christiana Corp.—which, by the way, is $61 or $62 million over and above what it would pay under existing law; $136 million which would be paid by the Christiana stockholders if distributed under a court order; and $150 million from the Du Pont stockholders as a result of the capital gains tax which will be levied against the individual stockholders on distribution. That is a total of $350 million.

In support of this estimate, I quote from the hearings at pages 12 to 13:

The CHAIRMAN. Does the Treasury agree with the estimates of the Du Pont Co. that there will be $350 million additional revenue under the Boggs bill?

Mr. KNIGHT. The Treasury agrees that if the stock is distributed as Du Pont has assumed in this plan they presented to us, under the Boggs bill, that their estimates of revenue would be correct, based on their assumptions.

Therefore there is no quarrel with the fact that this bill would provide $350 million of revenue. How much will be collected if this bill is not enacted? The company has submitted a plan to the court whereby it will distribute the stock under certain conditions over a 10-year period. That plan is as follows:

First, it would offer to exchange General Motors shares for Du Pont common at a ratio which would provide a premium to the exchanging stockholders.

Second, a separate offer to exchange General Motors shares for Du Pont preferred, at a ratio in which the market value of General Motors stock would equal the call price of the preferred.

Third, a distribution of a portion of General Motors shares in lieu of cash dividends.

Fourth, a sale of the General Motors shares remaining after the foregoing transactions had taken place. That is estimated to be about 37 million shares.

Under this plan the estimated revenue that would be produced would be about $330 million.

I quote from page 13 of the committee hearings to support this estimate:

Senator WILLIAMS. Does the Treasury Department agree with the estimate of $330 million that would be paid under existing law as the result of the first plan which they presented to the Ways and Means Committee?

Mr. KNIGHT. Again, on the basis of their assumptions, their mathematics, and interpretation of the law, it was correct.

The reason this calculation is based on assumption is that all these plans are subject to approval by the court.

The question might be asked, If the company can get rid of its stock for $330 million under existing law, why should it endorse a plan which would amount to $350 million? The answer is that the plan which it has offered would entail a 10-year distribution, and what is more important is the fact that they would be forced under this plan to sell approximately 35 to 40 million shares on the market—3½ to 4 million shares a year—and it is fearful of the depressing effect it would have on the market.

The average annual trading on the New York Stock Exchange over the past few years has been about 9 million shares.

To increase this supply by 50 percent not only could prove disastrous to the market of General Motors but would be reflected by all securities.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. Now that the Senator is discussing the plan of divestiture which Du Pont proposed before the committee, to which no reference was made in the report of the committee, I ask if he will be so kind as to turn to page 79 of the printed record of the hearings, the third paragraph on that page, where Mr. Greenewalt testified:

> Under present law, then, tax revenues under the combination of methods of divestiture which now appears most favorable would total about $330 million.

Will the Senator tell the Senate who would pay the $330 million under present law and the present plan of Du Pont for divestiture to which he refers in that sentence?

Mr. WILLIAMS of Delaware. Under the $330 million plan, a portion of it would be paid directly by the stockholders as individual stockholders. Part of it would be paid by the company in the sale of 37 million shares in the open market. That would be paid by the Du Pont Co. as a corporation; but what is the difference? Who owns the corporation and who suffers? The stockholders.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. What portion of the $330 million would the Du Pont Co. pay, and what portion would the individual stockholders pay?

Mr. WILLIAMS of Delaware. I do not have those figures readily available. I can get them and supply them for the RECORD. There would be a capital gains tax on 35 to 40 million shares which are sold. These assumptions must be projected on what the market would be. However, I believe the figures are in the report. I do not have them readily available.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. Under the plan presented to the committee by Mr. Greenewalt, under present law, would the individual stockholders pay any more tax than they would now if they received the same amount in cash dividends?

Mr. WILLIAMS of Delaware. I did not hear the Senator's question.

Mr. GORE. If the Senator will turn to page 78——

Mr. WILLIAMS of Delaware. I did not quite follow the Senator's question.

Mr. GORE. If the Senator would prefer to finish his statement——

Mr. WILLIAMS of Delaware. No; I simply did not understand the Senator's question.

Mr. GORE. I think this is a very important point.

I regret to say that no reference to revenue lost to or gained by the Government can be found in the report of the committee.

Mr. WILLIAMS of Delaware. But it is in the hearings, both in reference to the Treasury Department and the Department of Justice. It appears throughout the hearings. The report cannot include the full hearings.

Mr. GORE. I know. That is why I am trying to bring out the facts. If Senators wish to do so, they can find on pages 77, 78, and 79 of the hearings the plan of divestiture which the Du Pont Co. now proposes—the court permitting. Under this plan Mr. Greenewalt says:

> There would be no additional revenue to the Treasury because stockholders would be paying no more than the tax they now pay on the cash dividends.

That is step No. 1, the distribution of 15 million shares to stockholders over a period of years in lieu of cash dividends.

Mr. WILLIAMS of Delaware. I understand what the Senator is driving at.

Mr. GORE. I hope the Senator will let me drive at it a little further, because this is the point on which the committee report is completely silent. The bill is described as one for the relief of Du Pont stockholders; yet we learn from the language of Mr. Greenewalt himself that the Du Pont Co., under present law, on the plan he proposes, would pay only $330 million in taxes, whereas in the very next sentence, with respect to the bill which the Senator from Delaware supports, we find the statement:

> A distribution under H.R. 8847 would yield tax revenues of about $350 million.

Of this amount the Du Pont Co. would not pay $1.

Mr. WILLIAMS of Delaware. The difference between the position of the Senator from Tennessee and the position of the Senator from Delaware is this: The Senator from Tennessee takes the position that if the Du Pont Co. sells its stock in the open market and as a corporation pays a capital gains tax to the Treasury, the transaction will not cost the stockholders anything. I fail to follow that reasoning.

Mr. GORE. It is not a difference of opinion; it is a difference of facts. There are certain facts which the report of the majority of the committee overlooks. Will the Senator from Delaware cite one reference to revenue in the committee report?

Mr. WILLIAMS of Delaware. I suggest that the Senator from Tennessee read the hearings. A copy is on his desk. All the information is available to him.

Had the Senator from Tennessee cooperated, he could have helped to write the majority report.

The difference between the position of the Senator from Tennessee and my position is that he feels it would not cost the stockholders anything if the company has to pay the taxes.

By that line of reasoning, suppose the company sells all of its 63 million shares. Does that mean it would cost the stockholders nothing? That is absurd; any corporation tax affects the stockholders.

The Senator from Tennessee is a businessman. He operates a feed business in Tennessee. I operate one in Delaware. Our businesses are corporations. The corporations which we own pay taxes. Would anyone contend that if the corporation tax were raised from 52 percent to 60 percent or to 70 percent, we, as the owners of the companies, would not care because based on the arguments of the Senator from Tennessee it would not cost us anything? How absurd can we get?

The stockholders own the Du Pont Co. What is the difference whether the tax is paid at the company level or at the stockholder level? It is paid. I appreciate the fact that the Senator from Tennessee may differ with that reasoning and believe that the company should pay the tax direct. I appreciate his position, but if he really has confidence in his argument, let him offer his amendments, so that they may be voted up or down. I am not trying to say that I, and I alone, am right. I hope neither of us will put himself in the position of assuming that he may not at times be mistaken. I am willing to debate the question and let it be decided by the Senate. My position is that if the company sells stock in the name of the stockholders, to the extent that the tax is paid, there is an effect on the stockholders.

Mr. President, commenting further on the point raised by the Senator from Tennessee—namely, why not let the existing law stand as it is and let the company sell the stock—I should like to point out that the matter is not that simple. There is the question of the reaction on the stock market in that case.

As evidence of the effect of the Court decision and congressional actions on the stock market as we debate this question I should like to read excerpts from articles published in leading financial papers. The articles deal with the effect on the stock market of the Supreme Court's decision and the debate in Congress both for and against these measures. This is one of the main arguments why it is important for Congress to reach a decision quickly. Let us not turn the stock market into a speculators' paradise by providing situations enabling speculators to guess what Congress will do in regard to this matter.

I read first from the Wall Street Journal of May 23, 1961:

> Stock prices ended with a decline yesterday reversing a morning advance, after the Supreme Court ruled that Du Pont must get rid of its 63 million shares of General Motors over a 10-year period.
>
> Sharp moves in Du Pont and General Motors stocks accounted for much of the wide fluctuations in the Dow-Jones industrial average from hour to hour yesterday. The selling in these two issues during the afternoon, however, spread throughout the general market late in the day.
>
> Du Pont common opened at 223, 3 points above Friday's close, and worked up to a 1961 high of 229½ by 12:20 p.m., apparently in anticipation of a Supreme Court decision that would have allowed the company to divest only its voting rights to GM stock. When the Supreme Court ruling that Du Pont must totally surrender its GM shares was published, Du Pont stock quickly sank from 229½ to 212.

I read now from the Louisville (Ky.) Times of May 29:

Du Pont and General Motors were affected last week by a Supreme Court decision that Du Pont must divest itself of the 63 million GM shares it owns. That action caused Du Pont to drop from 220 to 210 and GM to fall from 48¾ to 44¾ last week.

Mr. President, perhaps many Senators do not realize the delicacy of the stock market. But a 10-point drop in the market quotation of the Du Pont stock, with its 45 million shares outstanding, would result in a $450 million depreciation; and a 4-point drop in the market quotation of General Motors stock would result in a drop of nearly $1 billion. Certainly such changes do have a serious effect on those who may be forced to sell the stock at that time, and at the same time there is a definite effect on the general economy of the country.

Furthermore, these declines in the market will have a serious effect on the general revenue of the U.S. Government. This point cannot be overemphasized.

Mr. President, I read from other newspaper accounts:

[From the Wall Street Journal, June 9]

General Motors, the second most active stock, advanced 1⅝ to 46⅝ on volume of 64,300 shares, and Du Pont climbed 2⅜ to 218⅝ in less active trading. Security analysts said the strength in both was due to talk about tax relief for Du Pont divestiture of GM stock.

And on July 15, from the Associated Press:

The stock market rebounded sharply Friday recovering some of this week's sharp losses. Perhaps the most heartening news was that proposals are being studied in Washington to ease the tax bite on the scheduled divestiture by Du Pont of its 63 million shares of General Motors. The U.S. Supreme Court decision this year that Du Pont must rid itself of this stock—worth in the neighborhood of $3 billion—was a blow to the market. Prospects of easing this situation, therefore, were mightily encouraging. Du Pont advanced 5¾ to 221.

[From the Associated Press, July 19]

A highlight of the session was an early 7-point rise by Du Pont. The stock held a closing gain of only 1¾. A favorable response was evoked by news that legislation had been introduced to give a tax break to shareholders who would receive the 63 million shares of General Motors owned by Du Pont pursant to the Supreme Court order that this GM stock must be distributed. At the same time Du Pont's 3 months' earnings were described yesterday as showing less of a decline than anticipated.

Mr. President, I have before me a whole series of such articles. Whenever a speech on this subject is made on the floor of the Senate the market quotation of the stock may fluctuate between $3 and $5 a share. After the House passed the bill the other evening the stock advanced $4.50 the following day; and when the Finance Committee acted the stock market quotation on the stock advanced again. When the Senator from Tennessee threatened to make his filibuster to block action on the bill at this session the stock market declined.

In order to keep the Members of Congress or the executive branch from being subject to the suspicion that they may be manipulating the stock markets let us vote the bill either up or down before this session of Congress adjourns. Let the Court, the company officials, and the Treasury Department know what will be the law under which they will have to submit or approve a plan by December 2.

I repeat—the General Counsel of the Treasury Department, Mr. Knight, yesterday afternoon said he certainly hoped Congress would decide this question at this session. It is my understanding that the Department of Justice feels likewise although they were not suggesting what position Congress should take—for that is for Congress to decide. It is agreed that it is important that the decision be made in advance of December 2, not next January. That point cannot be overemphasized; it completely refutes the argument for delay that is being advanced by the Senator from Tennessee.

Mr. President, I wish to conclude my remarks at this time, because the Senator from Oklahoma desires to speak on this same question.

I shall ask unanimous consent that the remainder of the excerpts from financial papers concerning the manner in which the markets have been influenced by reports of court actions and the various decisions which have been made in the Congress throughout the preceding months be printed in the RECORD.

These articles further emphasize how important it is that Congress take affirmative action at this time. This is important to protect not only the stockholders, but also the securities market generally. I hope, now that it has been decided that Congress will remain here next week, that we can make a final decision on this matter.

In the testimony given before the committee it was pointed out that the total trading of General Motors stock in preceding years has been approximately 9 million shares annually. If the company is forced to adopt a plan under which it will throw from 3 million to 6 million extra shares on the market annually for the next 10 years it will certainly disrupt the market. Why should the stockholders of General Motors who are in no way involved in this case, be penalized by having the value of their securities destroyed?

Why should the stockholders of the Du Pont Co., whom the court itself described as innocent victims, be penalized?

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the Associated Press, July 20]

Du Pont, which has been up or down recently depending on the latest report from Washington about how the tax question will be handled in its spinoff of 63 million shares of General Motors, fell more than 2 points. The newest report was that the Justice Department doesn't like the idea of easing the tax bite on shareholders.

[From the Associated Press, July 25]

Du Pont kept more than a point of an early gain exceeding 2 points as it responded to news that the U.S. Treasury has agreed to go along with a bill to give a tax break to Du Pont shareholders in the spinoff of General Motors stock owned by the chemical giant. GM, which was off fractionally at the start, recovered, rising three-eighths to 46½ on successive blocks of 3,000 and 2,000 shares.

[From the Associated Press, Aug. 2]

Du Pont jumped 6¾. Strength in Du Pont was attributed in some quarters to belief a favorable announcement may be forthcoming regarding the chemical firm's forced spinoff of its huge block of General Motors shares.

[From the New York Herald Tribune, Aug. 4]

Du Pont jumped 6¼ in a stronger chemical group, apparently still reflecting Street hopes that legislation may be pushed through easing the tax bite on stockholders who receive the GM shares it must get rid of.

[From the Associated Press, Aug. 15]

Du Pont had a mild sinking spell, dropping more than two points amid renewed publicity concerning possible means of disposing of its huge holdings of General Motors as ordered by the U.S. Supreme Court.

[From the Associated Press, Aug. 31]

A jump of 5¼ by Du Pont followed a published report that favorable committee action was expected on a bill to ease the tax bite in future distribution of Du Pont's huge holdings of General Motors stock.

[From the New York Herald Tribune, Sept. 2]

Du Pont fell 3½. The company filed a proposed judgment in Chicago providing for divestiture of its 63 million shares of General Motors stock by distribution to stockholders or such other means as it may select. The House Ways and Means Committee is considering a bill that would ease the tax impact on shareholder distributions. The company has said that unless such a bill is approved a stockholder distribution would not be made. Yesterday's decline was said to reflect fears over the outcome of congressional action.

[From the Wall Street Journal, Sept. 8]

A jump of 3¾ in Du Pont was solely responsible for the rise in industrials. House Ways and Means Committee approval of a bill that would ease the tax impact on Du Pont shareholders of any distribution to them of the company's General Motors stock was credited with the pronounced strength in the issue.

[From the Associated Press, Sept. 15]

Du Pont fell back again amid belief there may be no legislation in this session to ease the tax bite on shareholders from distribution of GM stock.

[From the Associated Press, Sept. 20]

Du Pont spurted more than 4 points on news that the House had adopted a bill which would give tax relief to Du Pont stockholders in the future distribution of Du Pont's holdings of General Motors.

[From the Associated Press, Sept. 22]

The stock market slipped a little lower in moderately active trading early today. A 2-point drop by Union Carbide and a fall of more than a point by Du Pont were conspicuous. Overnight news that a filibuster is being planned against the bill to provide tax relief for Du Pont's shareholders when that company's holdings of General Motors stock are distributed was a discouraging element.

Mr. SYMINGTON. Mr. President, I rise in support of the provisions of H.R. 8847. It is my belief that this proposed legislation should be enacted, and should be enacted at this time.

Many letters from people in my State who are small holders of stock in the companies in question, and also from people who are interested in trusts, many

of them small trusts, state the tax provisions of this order for divestiture constitute an arbitrary appropriation of their property. There has been an expressed belief on the part of some that this administration is opposed to business. This administration is not opposed to business, and the record so proves.

I believe the proposed legislation would be further proof of that fact, if passed. Therefore, as mentioned, I hope the proposed legislation will become law at this session.

Mr. KERR. I thank the majority leader. I shall not ask for a yea-and-nay vote, either in support of what I have to say about the minority views or what I have to say in favor of the bill.

CONSERVATION OF MIGRATORY WATERFOWL BY ACQUISITION OF WETLANDS—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MAGNUSON. I was hoping that this afternoon I could bring up a conference report. I have checked with the leadership on both sides. The conference report is on the so-called migratory waterfowl by acquisition of wet lands bill. For the information of any Senator that has any opposition or anything to say about the conference report, I announce to the Senate that I intend to do so. We will bring it up this afternoon.

Mr. KERR. How long does the Senator anticipate consideration of the conference report will require?

Mr. MAGNUSON. I do not need more than 2 minutes.

Mr. KERR. Mr. President, I yield 2 minutes to the Senator from Washington, without losing my right to the floor.

Mr. MAGNUSON. I thank the Senator from Oklahoma.

Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of September 25, 1961, p. 21184, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement of the conferees explaining what the conference arrived at. The report was unanimously agreed to.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 1 of the House bill provided for authorization of appropriations of not to exceed $150 million for the 10-year period beginning with fiscal year 1962 for the acquisition of wet lands and other waterfowl habitat. Seventy-five percent of such funds, after the 10-year period, were to be repaid to the Government out of the proceeds of the migratory bird conservation stamps.

The Senate bill reduced the time limit to 5 years and the authorization to $50 million, with a provision that 90 percent be repaid out of migratory bird conservation funds. In addition, the Senate bill provided that land acquisitions could be made in States only with the approval of the Governor or appropriate agencies of the States.

The Senate accepted the House provision for 75-percent repayment and the House accepted the Senate provision with respect to the necessity for State approval prior to land acquisition.

With respect to the fund authorization, it was the sense of the conference that the authorization should be for a 7-year period in the amount of $105 million.

HERBERT C. BONNER,
GEORGE P. MILLER,
JOHN D. DINGELL,
THOMAS M. PELLY,
ROBERT P. ELLSWORTH,
Managers on the Part of the House.

ARMS CONTROL AND DISARMAMENT ACT—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9118) to establish a U.S. Arms Control and Disarmament Agency. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SPARKMAN. Mr. President, I rise to discuss the conference report on H.R. 9118, the Arms Control and Disarmament Act. The report was unanimously agreed to by the conferees on the part of the Senate. As is the case with all conference reports, it represents a compromise between the views of the Senate and House conferees.

The great majority of changes were minor drafting changes and do not warrant taking the time of the Senate to explain in detail. I might mention that the conferees agreed to call the Agency the U.S. Arms Control and Disarmament Agency and the act itself the Arms Control and Disarmament Act. Throughout the bill, references to "disarmament" are preceded by the words "arms control" as proposed by the senior Senator from South Dakota [Mr. CASE] and the junior Senator from Iowa [Mr. MILLER].

The highly technical patent provision—section 32—was rewritten by the conferees. The language agreed to is based upon the language now in the act expanding and extending the saline water conversion program, which was agreed to by both the Senate and the House last week.

The difference between the two bills that kept the conferees in session for almost a day and a half was the one involving the position of the new agency within the executive branch. The Senate will recall that the bill as reported from the Committee on Foreign Relations provided that the Agency be established within the Department of State, under the supervision and direction of the Secretary of State. The House version provided for a separate agency. The language worked out by the conferees will, I believe, be satisfactory to the Senate. Although it is no longer specified that the Agency shall be established within the Department of State, the Secretary of State is given direction over the activities of the Agency. Section 22 states that the Agency shall be headed by a Director "who shall serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters." The Secretary of State is mentioned deliberately ahead of the President to establish the line of authority which is intended to run through, and not around, the Secretary of State to the President. The next sentence in that section reads as follows:

In carrying out his duties under this Act the Director shall, under the direction of the Secretary of State, have primary responsibility within the Government for arms control and disarmament matters, as defined in the act.

The managers on the part of the Senate attach great weight to the phrase "under the direction of the Secretary of State." These words are meant to insure against any usurpation of the powers and responsibilities of the Secretary of State in the field of arms control and disarmament.

Further on, in section 25, it is again provided that only "under the direction of the Secretary of State" may the Director establish bureaus, offices, and so forth. Again, in section 34(a) the direction of the Secretary of State is required for the negotiation of agreements and communication with representatives of other nations and international organizations. In section 41(a) the intent is expressed that "the Director rely

upon the Department of State for general administrative services in the United States and abroad to the extent agreed upon between the Secretary of State and the Director."

It is the opinion of the conferees on the part of the Senate that the sum of these provisions will assure adequate and responsible control over the Agency in those fields which affect the foreign relations of the United States.

I want to mention one provision of the House bill that the Senate conferees agreed to. It is the proviso to the section 33, which concerns policy formulations, and reads as follows:

> That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty-making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States.

This language did not appear in the Senate bill because it was implicitly assumed that such was the case in any event. The House conferees, however, believed that it was useful to spell this assumption out, and we agreed.

In closing, I want to repeat that this bill is not all that the Senate conferees could wish. But I want to remind my colleagues that we can amend the law next year or the year after, if the Agency develops and carries on its functions in a way that was not contemplated at this time. I also want to remind the Senate of the testimony of the Honorable Robert Lovett before the committee when he discussed possible areas of conflict in the field of research. He said:

> I would assume that the problem would probably take care of itself with respect to Government agencies where the strong instinct of self-preservation among those currently in existence would, I think, act as an adequate instrument to stimulate discussion.

I believe "discussion" would certainly be stimulated if the Arms Control and Disarmament Agency should attempt to invade or take over the legitimate functions and activities of other Government agencies.

Mr. President, I urge the Senate to adopt the conference report on H.R. 9118.

Mr. President, the language of the patent section—section 32—in S. 2180 was added to the Senate bill by the Foreign Relations Committee on a motion by the junior Senator from Louisiana [Mr. LONG]. It was substantially the same as that included in a number of recent bills which contain research provisions, such as the Coal Research Act, the Marine Sciences and Research Act, the Helium Gas Act, and the Saline Water Conversion Act. All but one of these acts have been passed by both Houses.

The House language is based on the National Science Foundation Act and is generally more favorable to private contractors and potential private patent holders than the Senate version. The House conferees insisted on their language. The executive branch also preferred the House version and averred that the requirements of the Senate version "may be so strict as to inhibit research in this field." The executive branch stated:

> The Senate version would require a research contractor to disclose unpatented background information developed before entering into a contract with the Agency whenever such disclosure was necessary in order to place information resulting from the contract in the public domain. The work under the contract may quite frequently be so closely related to the contractor's business secrets that disclosure of all work under the contract would reveal those secrets. If so, the Agency might be unable to secure the contractor's services even though it was the company with the greatest experience in the field.

In order to resolve the differences between the conferees, it was proposed that they agree to substitute for both versions the language contained in the saline water conversion bill which was signed yesterday by the President. That language reads as follows:

> All research within the United States, contracted for, sponsored, cosponsored, or authorized under the authority of this act, shall be provided for in such manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any as the * * * Director may find to be necessary in the interest of national defense) be available to the general public. This subsection shall not be so construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder.

To meet the argument of the House conferees that this language was still too restrictive, the Senate conferees agreed to two modifications. The first consisted of inserting the words "as to" before the word "uses," so as to require that "all information as to uses, products, processes, and patents, be available to the general public." The second modification occurs in the parenthetical phrase which permits the Director to make exceptions that he may find to be necessary "in the interest of national defense." The conferees substituted the words "public interest" for "interest in the national defense."

Inasmuch as the saline water conversion bill was one of the acts that, according to the junior Senator from Louisiana, formed the basis of the Senate language, the Senate conferees were of the opinion that the compromise would be agreeable to the original sponsor of the provision.

There was a substantial difference between the Senate and the House on the language of the patent provision. We retained the Senate language, but made two very slight changes. They were slight as far as number of words were concerned, but were patterned largely on the language contained in the Saline Water Conversion Act.

I may say that in this session, through efforts largely of the Senator from Louisiana [Mr. LONG], this provision has been written into law in four different statutes, and this is the fifth. The Senate has agreed to all of them.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. Along with the Senator from Alabama, I wish to say that the provision on patents in this particular conference report was a compromise provision. In my mind, it is not all we should have or all we should have wanted. We did the best we could in the light of the position of the other body, and I have assured the Senator from Louisiana that in the coming year I will join him in any effort he makes to protect the public interest in matters of patents where public funds are used for the purpose of scientific development and exploration. I believe that was the purpose of the amendment as it was in the act originally passed by the Senate. That is the purpose of the Senator from Louisiana, and it is this purpose with which I find myself in agreement.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. I wonder if I correctly understood the Senator to say that we arrived at this conclusion in the light provided by the other body.

Mr. HUMPHREY. No; I said in light of the position taken by the other body.

Mr. KERR. I thank the Senator.

Mr. HUMPHREY. I am delighted to have the help of the Senator from Oklahoma, who provides light many times.

Mr. SPARKMAN. Mr. President, I wish to add a word to what has been said. The Senator from Louisiana could not be present at this time. He is greatly interested in this matter. He is concerned that perhaps the wording we have added weakened the provision as he offered it in the Foreign Relations Committee and as it was agreed to on the part of the Senate. Personally, I did not feel it has the same effect the Senator from Louisiana felt it had. The big difference between the House and the Senate was how much of the knowledge or information obtained by a private individual in connection with inventions or patents that may have been developed while he was employed by the Government had to be divulged to the other side. I felt the language we adopted provided full and fair consideration. However, the Senator from Louisiana does not feel that way. I have assured him, as has the Senator from Minnesota, as has the chairman of the Foreign Relations Committee, Mr. FULBRIGHT, who, unfortunately, had to leave before we took up the conference report, that if the language proves to weaken the provision, we shall certainly join with the Senator from Louisiana at the first opportunity in an effort to get the language restored in such a way that it will do the job intended.

We did not retain the Agency completely within the Department of State, as the Senate had it; nor did we retain it as a completely independent agency, as the House had it. We did give it autonomy and a high degree of independence. We gave the Director the right to report directly to the President and made him the principal adviser to

the President on arms control and disarmament matters; but, likewise, placed the Agency under the direction and supervision of the Secretary of State, because of its implications in foreign policy.

I believe we worked out a very good solution, and I hope the Senate will approve the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. HUMPHREY subsequently said: Mr. President, earlier today the Senate acted on the conference report relating to the establishment of the U.S. Arms Control and Disarmament Agency. The adoption of the conference report is a significant development in the strengthening of our national security machinery. I must say that the establishment of a disarmament agency has been very close to my heart. It is something to which I have devoted much work.

I feel that by the establishment of an Arms Control and Disarmament Agency we actually fortify our national security and improve the development of our foreign policy, and I am confident that we shall thus improve our position at the negotiating table.

It is quite obvious that disarmament will be a subject of discussion for years to come. In fact, I imagine that the President of the United States in his address to the United Nations the coming Monday will stress the proposals of our Government in the field of disarmament and arms control. I hope he will make a very broad and sweeping presentation which will represent a ray of hope for a troubled world.

I wish to make a suggestion which I hope President Kennedy will accept, and I make the suggestion in a spirit of helpfulness and friendship: I propose that the President sign the Arms Control and Disarmament Agency bill at the United Nations, just prior to or following his address at United Nations. We are the first nation on the face of the earth to have such an agency dedicated to the methodical, constructive pursuit of peace with justice and freedom. President Kennedy has taken the lead in this area; and certainly what the world needs today more than anything else is a thoughtful statesman who pursues carefully, patiently, and courageously the peace the world so desperately needs.

Mr. President, when I speak of peace, do not mean peace with appeasement, nor do I mean peace by retreat or peace by renunciation of principles and ideals. Rather, I mean the peace that comes by standing by principles, purposes, and the ideals of the people.

Therefore I hope President Kennedy will find it possible to sign this important bill, which now has become a part of the legal structure of our country—the Arms Control and Disarmament Agency bill—at the United Nations, on Monday, as a demonstration of our faith in the purposes of our country.

Mr. President, the conference report includes the changes made as a result of the work done by the conferees for the two Houses. It is my view that the Agency now to be established will be able to perform its functions well. As the Senator from Alabama [Mr. SPARKMAN] pointed out, it is to be an autonomous agency under the direction of the Secretary of State, so that there will be no deviation from the policy of our Government in the field of foreign relations, as laid down by the President and the Secretary of State. The Director of the new Agency will be the principal adviser to the Secretary of State and the President on matters relating to disarmament. The Director and the Agency will be able to engage in the necessary research required for an effective program in the field of disarmament.

Mr. President, in connection with these matters, I wish to call the attention of the Senate to a number of articles and editorials which have been published recently. They indicate that all is not black or evil or hopeless.

The Minnneapolis Morning Tribune published an editorial entitled "Neutrals Want Controls." With all the discussion over the neutral nations' meeting at Belgrade, and with all of our disappointment over some of the utterances made there by the leaders, one development went unnoticed—a development which I think rather significant and good. In that connection, I read from the editorial:

> But it is significant that the neutrals did not reflect the Soviet line with respect to disarmament—in which they included the "total prohibition of the production, possession, and utilization of nuclear and thermonuclear arms." Instead, they took the western position.
>
> Thus the conference participants, after using the Soviet recommendation for "general and complete disarmament," urged in their final report that such disarmament "be guaranteed by an effective system of inspection and control * * *"
>
> This point has been the major stumbling block in all western discussions with the Soviet Union over disarmament and nuclear testing. The Soviet Union has insisted that disarmament come first and that inspection and control come later, if at all.
>
> Now that the Soviet Union is filling the atmosphere with radioactive fallout—it now has detonated nine nuclear devices in its current series of tests—it is apparent why the Soviets so strongly opposed proposals for inspection and control in any disarmament agreement.

Mr. President, I ask unanimous consent that the entire editorial be printed at this point in the RECORD. The editorial stresses a point which has gone unnoticed, but which should have been recognized by observers at the conference.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEUTRALS WANT CONTROLS

The neutral nations which met in Belgrade last week and then sent emissaries to Moscow and Washington did not even mention the Soviet Union's resumption of nuclear testing in their final conference communique. This omission quite properly has been sharply criticized in the West.

But it is significant that the neutrals did not reflect the Soviet line with respect to disarmament—in which they included the total prohibition of the production, possession and utilization of nuclear and thermonuclear arms. Instead, they took the Western position.

Thus the conference participants, after using the Soviet recommendation for general and complete disarmament, urged in their final report that such disarmament be guaranteed by an effective system of inspection and control.

This point has been the major stumbling block in all Western discussions with the Soviet Union over disarmament and nuclear testing. The Soviet Union has insisted that disarmament come first and that inspection and control come later, if at all.

Now that the Soviet Union is filling the atmosphere with radioactive fallout—it now has detonated nine nuclear devices in its current series of tests—it is apparent why the Soviets so strongly opposed proposals for inspection and control in any disarmament agreement.

It is because any country, even the Soviet Union, requires weeks and sometimes months in order to prepare for nuclear testing. Thus the Soviet Union opposed inspection and controls during the Geneva discussions of a nuclear test ban because the Soviets at the very time were preparing for new tests and they knew that any inspection teams would have discovered those preparations.

The course of events has demonstrated the wisdom of the Western and American policy of insisting on inspection and control. While it is only a small straw in the wind, it is significant that on this point at least the neutrals backed the Western position.

These comments are not meant to soften the criticism of the general pro-Soviet position taken by the neutrals in both their final communique and the speeches of many of the pro-Soviet leaders. But the West still was not completely blanked at Belgrade, as the neutrals' recommendation on the inspection and controls issue clearly shows.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, an article entitled "United States-Red Arms Accord Held a Hopeful Sign." The article was published in the Washington Evening Star of September 21.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES-RED ARMS ACCORD HELD A HOPEFUL SIGN

UNITED NATIONS, N.Y., September 21.—The Soviet Union's agreement on a set of principles to guide disarmament negotiations was regarded with cautious hope here today as a possible sign of a break in the hard line of Kremlin foreign policy.

The United States and the Soviet Union yesterday announced agreement on a set of eight principles for general disarmament but reported to the United Nations General Assembly they had been unable to agree on the composition of a negotiating body.

Both looked to the General Assembly to work out the forum in which the disarmament principles could be applied.

The principles call for abolition of all weapons of mass destruction and disbanding of armed forces.

OFFSETS CRITICISM

It also called for building up a U.N. military force, described as an "international peace force" as provided in the U.N. Charter. The United States has backed creation of a strong U.N. military force in former years. Russia has advocated this idea on occasion, but has refused to cooperate in setting up or using such a force.

One Canadian authority judged the unexpected Soviet agreement as intended to offset criticism at the United Nations for the Kremlin's resumption of nuclear tests.

U.S. officials regarded the mere willingness of the Soviet Union to agree with the United States on anything, rather than the substance of the agreement, as the most significant development.

There was some anticipation of a gradual easing of tensions over Berlin, probably after the Communist Party Congress in Moscow in the second half of October.

U.S. diplomats were not ready to dance in the streets, however, over the slight Kremlin shift, since Russia has not relented on its "troika" or three-bloc formula for composing the disarmament negotiating body.

Soviet Deputy Foreign Minister Valerian Zorin, who conducted three sets of talks with President Kennedy's disarmament adviser, John J. McCloy, started and ended with the same position on the makeup of the Disarmament Commission.

RESISTED BY M'CLOY

The negotiations should be conducted, he said, by 15 nations, 5 each from the West, the Soviet bloc, and the uncommitted powers Mr. McCloy stoutly resisted this variation on the troika but could not get Mr. Zorin to agree to any one of four alternatives he proposed.

The 10-nation committee which met last year could be reconvened, Mr. McCloy suggested; or the 10-nation group could be augmented with three presiding officials from uncommitted nations; or a 20-nation committee could be chosen; or the entire membership of the United Nations General Assembly could sit as a Disarmament Commission.

Mr. Zorin rejected each of these proposals.

In the discussion on principles to guide disarmament negotiations, Russia in the end dropped its insistence that general and complete disarmament be completed in 4 years. Since this was obviously impractical, the omission was considered only a minor concession.

The Russians did permit more explicit language about inspection at all stages of the general disarmament program than they had been willing to allow previously.

American officials were suspicious of this change, however, because it contrasted so sharply with Soviet policy in rejecting meaningful inspection for a nuclear test ban treaty.

While Mr. Zorin was ready to renounce the veto in the general principles, for instance, the Soviet Union had held onto the veto in the test ban negotiations.

Russia accepted this language in the set of principles.

"All disarmament measures should be implemented from beginning to end under such strict and effective international control as would provide firm assurance that all parties are honoring their obligations. During and after the implementation of general and complete disarmament, the most thorough control should be exercised, the nature and extent of such control depending on the requirements for verification of the disarmament measures being carried out in each stage.

"To implement control over and inspection of disarmament, an international disarmament organization including all parties to the agreement should be created within the framework of the United Nations. This international disarmament organization and its inspectors should be assured of unrestricted access without veto to all places as necessary for the purpose of effective verification."

AGREE ON LIMITS

The United States accepted the Soviet proposal that time limits be set on the various stages of disarmament, but no limits, in terms of years, were set.

"The disarmament program should be implemented in an agreed sequence, by stages, until it is completed, with each measure and stage carried out within specified time limits," the joint statement said.

"Transition to a subsequent stage in the process of disarmament should take place upon a review of the implementation of measures included in the preceding stage and upon a decision that all such measures have been implemented and verified, and that any additional verification arrangements required for measures in the next stage are, when appropriate, ready to operate."

American officials were confident that this procedure of verification would consume much more than the 4 years the Soviet Union originally proposed as the time limit for the completion of the entire program of general and complete disarmament.

The United States also accepted the idea that a way would be found, eventually, to check on hidden stocks of nuclear weapons.

Mr. HUMPHREY. Mr. President, very little was said about the agreement on general principles recently arrived at between representatives of the United States and the Soviet Union to guide disarmament negotiations. I regret that so little is said about such matters—not that there is an immediate prospect of success, but because they represent some achievements, little though they be, and they give some ray of hope to the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Stevenson Voices Faith of United States in Soundness of U.N.'s Policies." The article was written by Sam Pope Brewer, and was published in the New York Times of September 18.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STEVENSON VOICES FAITH OF UNITED STATES IN SOUNDNESS OF U.N.'S POLICIES

(By Sam Pope Brewer)

Adlai E. Stevenson affirmed yesterday the U.S. confidence that the United Nations could defeat Soviet attacks on its present structure and policies.

"We believe the United Nations can and will keep on standing fast against the attacks from Moscow," Mr. Stevenson said, "until it is obvious that those attacks have defeated their own purpose and are given up."

Mr. Stevenson cited the Congo operation as a case that would go down in history to the credit of the United Nations, in spite of widespread current criticism. He said the Congo action might mark "the beginning of a new era in the endless efforts of the community of nations to keep the peace."

As permanent U.S. representatives at the United Nations, Mr. Stevenson spoke at a reception by the American Association for the United Nations to the U.S. delegation for the 16th General Assembly, opening tomorrow. More than 2,000 persons crowded the Waldorf-Astoria Hotel grand ballroom to hear him.

Mr. Stevenson pledged the U.S. support to the United Nations "through fair weather and foul." He expressed confidence that "the law-abiding nations" would win out.

THE FUTURE FOR PEOPLE

He cited a remark made by Sir Winston Churchill during World War II that "the little people will have won the war, and it will be their right to say what the future will be."

Mentioning that the organization had doubled its membership, chiefly through the liberation of former subject peoples, Mr. Stevenson mentioned that about one-third of the world's little people still "have no right to say what the future will be for the world or for themselves."

He said United Nations had stood up for the little people in Greece—in the conflict with the Communists—and in Korea, besides accepting new nations into its ranks.

Calling the action in the Congo this new lease on life for the United Nations, Mr. Stevenson said it "is apparently not welcome in Moscow."

"And so," Mr. Stevenson said, "we have had Mr. Khrushchev's attacks on the United Nations, which are still going on, and his attempts through the troika device, through introducing the veto into the Secretariat, to dominate the Organization and bend it to his wishes."

Harlan Cleveland, Assistant Secretary of State for International Organizational Affairs, also spoke to the meeting of the Congo situation as "the most dramatic illustration" of the United Nations power for peace.

Mr. Stevenson appeared later on the National Broadcasting Co.'s television program "Meet the Press" in a discussion of United Nations problems.

BERLIN A LIKELY ASSEMBLY ISSUE

He described the Berlin crisis as alarming and said: "I suspect that if it continues to be an acute threat to the peace, as it most certainly is, some members of the United Nations will bring it up."

The questions of divided Germany and divided Berlin have not yet been proposed for the agenda of this session of the General Assembly.

Asked why it had not been brought up already, Mr. Stevenson said, "I suppose the reason it has not come before the United Nations is that little can be done except to call on the parties to negotiate."

The issues really involved, he said, are "the sanctity of international treaties, the self-determination of peoples, and the integrity of the pledged words."

On the question of admitting Communist China to the United Nations, Mr. Stevenson said he had never favored such admission but had always believed that sooner or later the matter would have to be faced and discussed.

Mr. HUMPHREY. Mr. President, I call attention to the fact that the United Nations now finds itself under immediate attack, and it is important that we fortify the United Nations in every way possible.

Again, I predict that the President of the United States will champion the cause of the United Nations in the speech he will make at the United Nations. That will be a great day for our country, because we shall be on the right side, and we have an eloquent, articulate, and intelligent spokesman who will carry our message to the peoples of the world.

Mr. President, I call the attention of the Senate to an article entitled "U.N. Short of Funds as Nations Fail To Pay." I call particular attention to this article, which deals with the problems of the United Nations with its finances, simply because here, again, we find another area of weakness in the U.N. structure which I think our leadership can help correct. I am not arguing that our country pick up the bill, for we already pay a heavy share of the cost of the United Nations. I merely ask that we take the leadership in having nations, which have so much to gain from active, effective work by the United Nations, pay their fair share.

Mr. President, I ask unanimous consent that this article and also an editorial entitled "Appeal to World Law,"

published on September 16 in the Washing Post, be printed at this point in the RECORD.

There being no objection, the article and the editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, Sept. 20, 1961]

U.N. SHORT OF FUNDS AS NATIONS FAIL TO PAY

UNITED NATIONS, N.Y., September 20.—The crisis of the United Nations is not only one of men but also one of money.

The prophecy of the late Secretary General Dag Hammarskjold was that the organization will be "virtually without funds" by the end of this month.

The trouble is that too many U.N. members have not paid their shares of the cost of running the U.N. forces in the Middle East and the Congo.

The General Assembly must deal with the financial crisis in its 16th annual session—which is also confronted with a U.N. military-political crisis in the Congo.

PROPOSED APPROPRIATION

Mr. Hammarskjold had made his prophecy in advance of the session as he proposed that the assembly appropriate $73,533,500 as the regular U.N. budget for 1962, compared with the $72,969,300 appropriated for this year.

But they were called on to pay more than twice that for the U.N. military operations—$18,989,898 for the U.N. Emergency Force in the Middle East for all 1961, and $148,500,000 for the U.N. force in the Congo from July 1960 through 1961.

The latest accounts show that by the end of last month, they had paid only 32 percent of what they owed to keep up the Middle East force and only 60 percent of what they owed to keep the Congo force—though they had put in 67 percent of their dues for the regular budget.

In his budget proposals, Mr. Hammarskjold warned that unless there was more financial support by early next year, it would be impossible to keep the two forces going "even on a reduced scale."

He foresaw that the United Nations would be almost out of cash by September 30 and would have to start borrowing again from special trust funds, as it has a few times in the last year.

He said that unless the Assembly found some way of getting governments to pay up, the United Nations could anticipate cash deficits of $40 million by December 31 and up to $90 million by June 30.

For this year, only 25 of the 99 U.N. member countries have paid anything toward the Congo force and only 21 have paid anything toward the Middle East force.

Seventy-four have never paid a cent toward the Congo operation and 37 have never paid a cent toward the Middle East in all the years those establishments have existed.

Among those that have never paid anything toward either force are the whole nine-nation Soviet bloc, Jordan, Libya, Saudi Arabia, Sudan, the United Arab Republic, and Yemen; Argentina, Bolivia, and Paraguay; Greece and Spain, and Ethiopia.

The United States pays roughly a third of the cost of keeping up each force. In addition, it is voluntarily contributing more than $15 million toward the Congo military operation.

[From the Washington Post, Sept. 16, 1961]

APPEAL TO WORLD LAW

Charles S. Rhyne, former president of the American Bar Association, has gone a step further than President Kennedy in suggesting that some aspects of the Berlin controversy be laid before the World Court. In his statement of July 25, Mr. Kennedy said: "If anyone doubts the legality of our rights in Berlin, we are ready to have it submitted to international adjudication." Mr. Rhyne, in his address to the Federal Bar Association, suggested that the legal issues involving Berlin should go via the U.N. to the World Court for an advisory opinion.

It would be naive to suppose that the complex and far-reaching Berlin issue could be disposed of by referring it to the World Court in the same way that some domestic controversies are disposed of in the courts of the land. Some phases of the dispute do not lend themselves to legal adjudication. With Premier Khrushchev in his present mood of defying world opinion right and left, moreover, there is no reasonable probability that he would accept a verdict by the World Court or even so much as acknowledge its jurisdiction.

The adjudication of specific legal issues can nevertheless be useful in focusing world opinion and in aiding ultimate solutions. Mr. Rhyne suggested very specifically that the United States ask for a court decree that the "Khrushchev wall" should be torn down. Moscow's contempt for any such decision may be taken for granted. Yet in the minds of millions of people it would confirm the illegality of the arbitrary step that Khrushchev has taken in Berlin and thus make it more difficult for him to maintain this illegal coup for any length of time.

It is of great importance that the United States continue to manifest its interest in the development of world law and international machinery of justice. Unfortunately, this facet of American policy, which has had the support of all our Presidents since Woodrow Wilson, is gravely undermined by the Connally amendment to the Senate's ratification of the World Court statute. This shortsighted reservation makes the United States the judge of whether cases involving itself shall go before the World Court and thereby confers similar self-judging rights on other countries that we may wish to bring into court. It will have to be removed before the United States can hope to make effective use of world law as an alternative to force.

AMENDMENT OF SHIPPING ACT, TO PROVIDE FOR OPERATION OF STEAMSHIP CONFERENCES—CONFERENCE REPORT

Mr. ENGLE. Mr. President, I ask unanimous consent that I may present a privileged matter, a conference report on H.R. 6775 without the Senator from Delaware losing his right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ENGLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of Sept. 21, 1961, pp. 20538–20540, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. KEFAUVER. Mr. President, I would like to have a quorum call.

Mr. WILLIAMS of Delaware. Mr. President, if it is going to necessitate a quorum call, I wonder if the Senator from California will withhold his request, because I expect to yield the floor in from 3 to 5 minutes.

Mr. ENGLE. The junior Senator from California is not asking for a quorum call. May I ask the Senator if I may make my opening statement, which is very brief, so that we may get it underway? Then I understand the Senator from Tennessee wants to discuss the conference report.

The PRESIDING OFFICER. Does the Senator from Delaware yield for that purpose?

Mr. WILLIAMS of Delaware. Mr. President, I promised to yield to the Senator from California. I will not yield for full consideration of the conference report at this time, because I want to speak on the pending matter. If it is going to involve full discussion, I would rather not yield at this time.

Mr. ENGLE. Will the Senator yield for the purpose of my making an opening statement on the conference report? Then if the Senator from Tennessee insists on a quorum call before further action, we can proceed from that point.

Mr. KEFAUVER. Mr. President, it seems to me the opening statement and the discussion ought to come together. I do not want to take much time, but I will take 25 or 30 minutes.

Mr. ENGLE. My opening statement is a very brief one.

The PRESIDING OFFICER. It is understood, then, that the Senator from Delaware yields to the Senator from California for the purpose of his making a statement.

Mr. WILLIAMS of Delaware. Following which I will regain the floor.

Mr. ENGLE. Mr. President, the unanimous report of the House and Senate conferees on H.R. 6775 should be accepted by the Senate.

As the statement of the managers on the part of the House makes clear, the bill, as agreed upon by the conferees, conforms with the Senate approach in major respects. The conferees, who conferred for 2 days on this bill, discussed and debated at length every provision of any consequence.

Most of the conference amendments are self-explanatory. Therefore, I will comment only very briefly on a few.

First, we have reinserted the provision that dual-rate contracts must "not require the contract shipper to divert shipment of goods from natural routings not served by the carrier or conference of carriers where direct carriage is available." We did this to make it clear in the statute that no dual-rate contract may require contract shippers to divert shipments for their normal or usual routings not served by the dual-rate carrier or conference but otherwise regularly served directly.

Second, we agreed to the deletion of the phrase "except in case of war or other force majeure" because it was redundant. Such occurrences are always beyond the control of the contracting parties and therefore may not impose upon them

obligations which they did not intend to assume when they made their contract.

Third, the conferees broadened a Senate provision, making it read:

> The Commission shall disapprove any rate or charge filed by a common carrier by water in the foreign commerce of the United States or conference of carriers, which, after hearing, it finds to be so unreasonably high or low as to be detrimental to the commerce of the United States.

However, in doing this we do not authorize the Commission to sit in judgment of the day-to-day level or reasonableness of ocean common carrier or conference freight rates, but merely make it clear that the Commission must disapprove any common carrier or conference freight rate so irrationally high or low as to be detrimental to our foreign commerce.

In closing, Mr. President, the bill in substance adopted in the conference committee had the unanimous support of the Committee on Commerce of this body. The conference report was a unanimous report signed by all conferees in both parties of both the House and the Senate. I hope on that basis we shall have a very rapid acceptance of the conference report by the Senate.

I thank my colleague for giving me this opportunity to present the report at this time. I understand my friend from Tennessee wishes to speak at some length.

Mr. SYMINGTON and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. WILLIAMS of Delaware. Mr. President, if the Senator from Tennessee wishes to speak at length, I do not care to yield for an extended period of time. I suggest that there be no action on the conference report at this time.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

Mr. WILLIAMS of Delaware. The Senator will have an opportunity to speak on the conference report, because I wish to yield only briefly to the Senator from Missouri. I understand the Senator from Oklahoma [Mr. KERR] wishes to speak on the bill before the Senate.

I suggest that there be no action on the conference report at this time. I promised to yield to the Senator from Missouri for a brief statement. Following that, I shall complete my remarks.

Mr. KEFAUVER. Mr. President, what is before the Senate?

Mr. WILLIAMS of Delaware. The conference report is before the Senate, and will remain there until the Senator from Tennessee has an opportunity to speak.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry. Will the conference report not be voted on until there is opportunity for discussion?

The PRESIDING OFFICER. The question is on agreeing to the conference report, but the Senator from Delaware has the floor.

Mr. WILLIAMS of Delaware. I assure the Senator from Tennessee that a quorum call will be made after we have completed our remarks and prior to action on the conference report, if he wishes assurance the conference report will not be agreed to in his absence.

Mr. President, I ask that the interruptions likewise may be printed following my remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. KERR. Mr. President, I regret the language of the minority views on H.R. 8847, to which reference has been made. I do not regret it by reason of any application of those views to the Senator from Oklahoma. To me they provided a stimulant, and a source of some zest, because they laid down a challenge from the Senator from Tennessee and the Senator from Illinois, two of the greatest senatorial gladiators of the century, which, so far as the Senator from Oklahoma is concerned, he is happy to accept.

In these little jousts that we have—and I have had many with those two great debaters—I have always given quarter. I have never asked it. That will be the attitude of the Senator from Oklahoma with reference to the present debate. But there are some of the finest men I know, including the Senator from Illinois and the Senator from Tennessee, on the Committee on Finance, with reference to whom I deeply regret some of the insinuations, some of the innuendoes, and some of the actual statements in the report.

The report states:

> The haste with which the Congress is acting on this matter is not only unseemly and likely to be conducive of poor legislation, but also ill advised and unnecessary.

I know the ability of my great friends from Illinois and Tennessee to use eloquent language—words that sound good from the standpoint of their impact on one's ears. But I went to the dictionary to look up the word "unseemly." I find that it means "not seemly, unbecoming, indecent."

I regretted to see my good friends use the term.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KERR. For a question?

Mr. DOUGLAS. Yes.

Mr. KERR. I yield.

Mr. DOUGLAS. Would the Senator from Oklahoma be willing to pay his money and take his choice of those definitions?

Mr. KERR. Any transfer of money as between the Senator from Oklahoma and the Senator from Illinois would have to be one that I would realize would have to be able to stand the closest of scrutiny. I know the deepseated convictions he has about anyone paying him or giving him money. I know he would not accept it unless he earned it as compensation. He has made clear on many occasions that no Senator should ever receive a gift of a value greater than $2.50.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. DOUGLAS. I never imposed that law on anyone else. I merely observe it myself.

Mr. KERR. I understand. I thought the Senator was speaking for himself when he mentioned my paying him money.

Mr. DOUGLAS. Paying money to choose the particular adjective among those the Senator read.

Mr. KERR. I ask the Senator to speak for himself. If he did not desire me to pay the money to him, to whom did he want me to pay it?

Mr. DOUGLAS. I admit I do not have the affluent resources of the Senator from Oklahoma, who counts his riches in the millions and the tens of millions.

Mr. KERR. The Senator from Oklahoma has never limited the gifts of those charitably inclined to a sum not exceeding $2.50.

Mr. DOUGLAS. The Senator is in good form.

Mr. KERR. I do not believe that these two fine gentlemen really meant to indicate that this action of the Finance Committee was indecent.

Mr. DOUGLAS. No; we did not say illegal. We said unseemly.

Mr. KERR. Neither did I say illegal. Whence cometh this fleeing from your own words? The Senator from Illinois arose a while ago, when it was intimated that the great Senator from Tennessee might have had a part in writing the minority views, and said, "The language is mine." He is the one who said it. He has his name on it. This reminds me of a story.

Mr. DOUGLAS. Mr. President——

Mr. KERR. I wish the Senator would let me tell a little story. When the great Truman was the candidate for Vice President, as was the custom in those days he had a special car on the train. One night he went back to the car to go to bed. The covers were turned back on the bed in the berth. That fine gentleman from Missouri looked at the bed and saw a dark object moving on it.

He called the porter who was in charge of the car and he said to him. "Young man, what is that?"

He said, "Senator, you know what that is? That's a bedbug."

Senator Truman said, "That's what I thought it was, but," he said, "I didn't know the Pullman Co. had any."

The porter, in indignation, said, "We don't, Senator. That one don't belong to us. If it did, it would have our name on it." [Laughter.]

So the language to which the Senator from Oklahoma has referred is the language of the Senator from Illinois. It has his name on it. He rose on the floor of the Senate a little while ago, and I thought in a manner a little ungenerous. I know how tenderly the Senator from Tennessee regards the minority views. I noticed that the name of the Senator from Illinois appears first. I do not know whether it was a typographical error, or whether they arrived at the order of the names by drawing straws, or whether the Senator from Illinois had insisted upon it as a matter of right. However, I believe it was a little ungenerous to the Senator from Tennessee to intimate that he had not had any part in the drafting of this document.

Mr. DOUGLAS. Since the Senator has raised the point, I think the Senator from Tennessee can speak for himself.

Mr. KERR. Not while the Senator from Illinois and I have the floor.

Mr. DOUGLAS. I want to make it perfectly clear that I have equal responsibility with the Senator from Tennessee. It so happens that this particular phrase is my language. I do not hide behind anonymity. I take full responsibility for it. I stand by it. If the Senator from Oklahoma wishes to engage in debate on it, I can prove it.

Mr. KERR. I am not denying that the Senator wrote it. He said it was his language. I am not denying that he wrote it.

Mr. DOUGLAS. The Senator from Oklahoma is indicting himself. This is his confession.

Mr. KERR. I would like to say to the great Senator from Illinois that there is a great difference between a confession and an indictment. I make no confession and no indictment. I only said that I regretted that the Senator from Illinois, if he is the author of the word "unseemly," which the dictionary defines as "indecent," used that word with reference to the fine gentleman on the Committee on Finance of the Senate. It really gives me some concern about the exposure that the Senator from Illinois forces upon himself by associating with them, because it is said that water seeks its own level, and it might not be inaccurate to intimate that the same is true of human beings. So if there was indecency, who knows but what the Senator from Illinois might have been talking of himself. I hope not. If he were talking of the Senator from Oklahoma, it delights me to hear it, because some of the happiest moments of my life have been spent in debate with the great Senator from Illinois.

I cherish the opportunity. He is a man of such lucidity, such articulateness, such brilliance, such perseverance. But as I read the minority views further, the more deeply I regret that he would use the language he does about the great Senator from Virginia, the chairman of the committee, and the entire list of its membership, save only the Senator from Oklahoma.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. DOUGLAS. The Senator from Illinois and the Senator from Indiana have made perfectly clear that there was——

Mr. KERR. The Senator from Indiana?

Mr. DOUGLAS. The Senator from Tennessee.

Mr. KERR. Oh, the Senator from Tennessee. I beg the Senator's pardon.

Mr. DOUGLAS. We made it abundantly clear that we do not question and have not questioned the integrity of the Senator from Virginia. But we do most strenuously criticize the action of the Finance Committee of which the Senator from Oklahoma is so powerful a member.

Mr. KERR. I thank the Senator. Would that he would come to Oklahoma and utter those words.

Mr. DOUGLAS. I shall be glad to do so, and others in addition.

Mr. KERR. Oh, I would like to look over that addition.

Mr. DOUGLAS. It would be well for the Senator if he did.

Mr. KERR. I would want to look over the addition before I invited him to come; nor would I seek to censor it. Were he so to do, I would want it to be clear that he was there on his own initiative, and not on my invitation.

Mr. DOUGLAS. I would come at my own expense.

Mr. KERR. I cannot ask that of the Senator. Why should I put that burden upon my friend, who has made so many remarks about what the Senator from Oklahoma has and he does not have? If the Senator would come to Oklahoma, I would pay his expenses. Let the RECORD so show.

They talk about this bill being reported by the Finance Committee at a night session. What they say about this night session is very critical, and with some intimations. I believe they say in the minority views—I hope the Senator will help me find the place in the minority views where they say this. They say they had never known of a night session of the Finance Committee. I believe that is in the minority views; is it not?

Mr. GORE. I will help the Senator find it.

Mr. KERR. I thank the Senator. I want him to delay his apology to me. He made it to the Senator from Virginia too quickly. I do not want him to apologize to me until we get through with this debate. They say in the minority views: "We have never known the committee to hold an evening meeting."

I have been on the committee a few years longer than they have, and I must say that the Finance Committee has held many evening meetings. I believe last year the Finance Committee held an evening meeting or two on the sugar legislation. I am quite positive it did. I am of the opinion that the Senator from Illinois might have been present.

Mr. DOUGLAS. No; I was not, sir.

Mr. KERR. The Senator is always very punctual.

Mr. DOUGLAS. It so happened that I was running for reelection at that time, and I was in the State of Illinois.

Mr. KERR. Then the Senator's failure to attend to his responsibilities as a member of the committee is understood and excused.

Mr. DOUGLAS. I thank the Senator from Oklahoma.

Mr. KERR. But the Senator from Tennessee—was he a candidate last year? I believe not. I remember when we had many evening sessions on the Reciprocal Trade Agreements Act. It got to the point where it was a matter of strained relationship among the members of the committee as to who should preside until midnight while certain people testified before the committee.

The Committee on Finance has held many meetings into the evening. But here is a peculiar thing about this particular night meeting. It would not have been necessary to have a night meeting had it not been for the action of the Senator from Tennessee. We were getting along just fine. A little filibuster by the Senator from Illinois was taking place, which I enjoyed. I admired the technique with which he conducted it.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. DOUGLAS. I hold in my hand the transcript of the hearings. They indicate that the Senator from Oklahoma and the Senator from New Mexico took 36 pages of the record; the Senator from Illinois took 26 pages of the record.

Mr. KERR. Then the Senator from Illinois took a little more than either the Senator from New Mexico or I took.

Mr. DOUGLAS. No, I do not think I took as much as the Senator from Oklahoma.

Mr. KERR. If the Senator from Oklahoma and the Senator from New Mexico took 36 pages, that would be an average of 18 pages apiece. The Senator from Illinois says he used 26 pages.

Mr. DOUGLAS. That is not necessarily divided evenly.

Mr. KERR. I am sure that if there are any disadvantages in it to the Senator from Oklahoma, the Senator from Illinois would not have overlooked calling our attention to it.

Mr. DOUGLAS. No; I observe strict and impartial judgment.

Mr. KERR. The meeting of the Committee on Finance was called for the consideration of certain matters, including the Du Pont bill. The ability of the committee to consider that bill was prevented by extended questioning, of which the Senator from Illinois did more than any other Senator.

Mr. DOUGLAS. Was that improper?

Mr. KERR. Not at all. That was not improper. Neither was the night meeting improper. I am accusing no one of impropriety. I simply say that I regret that other Senators have accused members of the Committee on Finance of impropriety.

About 5 minutes of 12, the Senator from Tennessee rose and left the room. It was whispered about that he was going to the Senate floor to object to the Committee on Finance meeting that afternoon while the Senate was in session.

I am sure that they now understand that the statement indicating that the Committee on Finance had never had an evening meeting is in error. But the Senator from Tennessee made that statement.

In my opinion, that was the first time in the history of the committee, so far as I am concerned, or so far as I know, when a member of the committee objected to the committee sitting and holding a meeting while the Senate was in session. But that was not improper. The Senator had a right to do it. Of course, I had an idea why he was doing it. I have no better friend in the Senate than the distinguished junior Senator from Tennessee, nor one whom I cherish more as a personal friend. The fact that we disagree does not in any way affect my high respect and deep esteem for him, nor my recognition of his great ability. So far as I know, if he has ever done anything improper, neither he nor I was aware of it. I know I was not. But he did tell me confidentially that we were not going to get to vote on the bill at this session. He told that to the chairman of the committee, so the chairman of the committee told me. At least one other member of the committee received that information from the Senator from Tennessee. That was not improper. I thought it was very kind and generous of him to advise us what his purpose was. So I was not surprised when he came to the Senate and objected to our meeting that afternoon.

We read in Holy Writ of one who fashioned a bear trap and got himself caught in it.

When the committee was prevented from meeting that afternoon, it then, in the exercise of a devotion to duty or the response to the challenge or as a tactic—call it what you will—decided to meet as soon as the Senate adjourned. What surprised me was that the one who took the means of preventing the holding of a meeting that afternoon should be outraged that the committee held a meeting as soon as it could do so after the Senate had adjourned, and would refer to the committee's action as unseemingly or indecent.

The Senator from Oklahoma had tried for some time to get the bill before the committee as an amendment to pending proposed legislation. The great chairman of the committee, out of the generosity of his heart and the recognition of a request from the Senator from Tennessee, said:

> Senator GORE is against this bill. He is away on an important mission in the service of his country. I have assured him that we will not take this matter up in his absence.

I asked the chairman, "For whom did you speak?"

He replied, "I spoke for myself and for anybody else on the committee I can get to agree with me."

Recognizing the position and influence of the chairman, and being also affected by the deep affection I have for the Senator from Tennessee, I did not press the matter. Days went by when, otherwise, the committee could have considered the bill. We did not do it, out of the deference of the chairman of the committee to the Senator from Tennessee, out of the deference of the Senator from Oklahoma to the influence and power of the chairman of the committee, and the deference of the Senator from Oklahoma for the Senator from Tennessee.

With respect to the haste with which Congress has acted, the proposed legislation has been before the Senate for 3 years, that I know of. It was before the Committee on Finance, in one form or another, for the entire years of 1959 and 1960 and has been the subject of discussion throughout much of 1961.

The Department of Justice has been consulted with respect to the bill. Its representatives have testified on all sides of the bill and on most of the sides of several amendments of the bill. The Treasury Department also has been consulted about the bill. The meeting of the Committee on Finance was not secret; the Treasury Department representatives were there.

The House Committee on Ways and Means considered the proposed legislation and reported a bill which was placed on the House Calendar. Finding that the bill did not conform with the wishes of the Department of Justice and the Treasury Department, the Committee on Ways and Means asked that the bill be returned to the committee. That was done; and then, in conjunction with representatives of the Department of Justice and the Treasury, the subcommittee rewrote the bill and sent it to the full committee where it was acted upon and reported to the House by a vote of 20 to 3.

The bill then came to the Senate and was referred to the Committee on Finance and the committee, at one time or another, spent weeks in contemplation of it and—who knows?—they may even have studied it. By a vote of 12 to 2—that is, by a vote of 12 to 1—the bill was reported to the Committee on Finance. The record was kept open, so that any Senator who wished to vote against the bill could do so; and the Senator from Tennessee, I understand, voted against it. There were only 2 votes, out of 17, against the bill.

As I examine the minority views, I find some difficulty in rationalizing and harmonizing the language.

On one page the minority views state:

> As matters now stand, this bill is for the relief of the Du Pont Co.

On another page I find that the minority views state:

> The priority for tax relief for the shareholders of General Motors and Du Pont, in view of the numerous tax loopholes and gross inequities in the present tax law, is about as low as for any group in the country.

Those two statements might seem to be inconsistent—one states that the bill is for the benefit of the group of stockholders; the other statement is that the bill is for the benefit of the Du Pont Co. Of course, one cannot disassociate a company from its stockholders; but under no stretch of the imagination can I harmonize the statement that the bill is for the benefit of the Du Pont Co., on the one hand, with the statement that the bill is for the benefit of the shareholders of General Motors Corp., on the other. I do not believe that both statements can be correct.

The Senator from Delaware has explained what the bill does. I shall state how well the bill treats the Christiana Corp. If the court order for divestiture were carried out, and if the Du Pont Co. were to distribute its holding of General Motors stock to its stockholders, that would cost Christiana Corp. about $3,225,000. If the provisions of the bill were carried out, it would cost the Christiana Corp. about $65 million, to begin with, and it would still be in the clutches of the court. In that case the Department of Justice is asking for a court order to compel Christiana to sell the General Motors stock immediately upon receiving it from the Du Pont Co. If that were done, after having paid $65 million to receive it, Christiana would have to pay 25 percent of what it sold it for, above $2 a share. Let me ask the Senator from Delaware how many shares they own.

Mr. WILLIAMS of Delaware. If they have to sell it, I think it will cost them about $129 million.

Mr. KERR. If they had 20 million shares and sold them for $45 a share, that would be $900 million; and they would have a cost of about $40 million, and would have to pay 25 percent of $880 million out of the tax. I should like to have someone figure out for me how—if under present law the most they could be compelled to pay would be $3,225,000—how, by the wildest stretch of the imagination, could the bill be construed as being for the relief of the Christiana Corp. if we enact a law which will cost them $65 million to begin with, and with the potential decree of the court, if it decides as the Department of Justice wants it to decide, such that they would have to pay another $190 million?

Another peculiarity about the provisions of the bill is that there are thousands of corporations in the United States that own stock in other corporations, and which in the regular course of business each year receive dividends in the form of stock of the corporation in which they own stock and the stockholder, on the one hand, receives a stock certificate in another company as a dividend. Under existing law that kind of dividend costs the company not to exceed 52 percent of 15 percent of what the share of stock transferred to it cost the company which does the transferring.

Under this bill, one company—and only one—would be denied the benefit of those provisions of existing law, and would have to pay a tax, not on 15 percent of what the transferred stock cost the company transferring it, but on 15 percent of the value of the stock when transferred.

This bill, which is alleged to be for the benefit of the Christiana Corp., would single out that company, and it alone, from among the thousands of corporations in the United States, and would compel it to pay a tax on the basis of the dividend when valued at the market value of the stock, instead of the cost of

the stock to the company doing the transferring.

Let us see about the individual stockholders. If this bill is enacted, the stockholders who will pay most of the tax will be those who have owned their Du Pont stock since before 1949; and the earlier they acquired it prior to that year the greater will be the tax they owe.

Mr. SYMINGTON. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Oklahoma yield to the Senator from Missouri?

Mr. KERR. I yield.

Mr. SYMINGTON. On the basis of taxation, on which the able Senator from Oklahoma is a great authority, in effect is not this a capital levy?

Mr. KERR. That provision of the law with reference to the individual stockholders of Du Pont would be on the basis of a capital levy; yes.

Mr. SYMINGTON. I thank the Senator from Oklahoma.

Mr. KERR. If I owned 10 shares of Du Pont Co. stock—which I do not—it represents the ownership of 10 times 1⅓ shares of General Motors stock. The U.S. Supreme Court has stated that Du Pont must get rid of that stock. Du Pont does not want to sell it, but it has to. As a stockholder in Du Pont, any American has the beneficial right in a certain number of shares of General Motors stock. By order of the court, Du Pont would, let us say, pass those shares of General Motors stock to its stockholders; and then the individual stockholder would have the same 10 shares of Du Pont which he formerly held and would have, in addition, 13 shares of General Motors stock. So, in reality, he would have two pieces of paper, although of no more value than the one piece he formerly held. The two pieces of paper would represent the identical value, insofar as General Motors stock and Du Pont Co. stock were concerned, as the one piece the stockholder formerly had; and he would be in that position by virtue of the order of a court of his country which is supposed to protect his rights. Yet if it were done under existing law, the Du Pont stockholder would have to pay income tax as though he had received in cash a dividend equal to the value of the 13 shares of General Motors stock, whereas in reality, after having received it, he had no greater asset than he had before he received it. That is what is called confiscation.

Under the terms of this bill—since the Court is compelling the divestiture by Du Pont of its General Motors stock—if it is passed out to the individual stockholders, the individual stockholder first will credit his cost for his Du Pont stock against the value of the General Motors stock he receives by reason of owning the Du Pont Co. stock.

If the value of the General Motors stock he receives exceeds the cost of his Du Pont stock, he must pay a capital gains tax on the difference. If the value of the General Motors stock he receives is less than what he paid for his Du Pont stock, he owes no immediate tax, but the base of his Du Pont stock is accordingly decreased.

Let us say he paid $75 for a share of Du Pont stock. He receives General Motors stock worth $60. His cost base in the cost of the Du Pont stock is reduced $15, instead of being the $75 he paid for it. He owes no tax at the moment, but when he sells the Du Pont stock, he owes a capital gains tax on the money received less $15, instead of on the $75.

Mr. President, who owns Du Pont stock today at the lowest cost? It is the members of the Du Pont family, whom it has been said here this bill is to relieve. Yet they are the ones who will have to pay the tax. I would say the average cost of Du Pont stock is $2 a share. They receive $60 of the General Motors stock for each share of Du Pont stock they own. They will owe a 25 percent capital gains tax, plus a State tax, on the difference. So, in reality, if this bill is passed, the groups who will pay the most by reason of its passage are, first, the Christiana Corp., the majority of which is owned by members of the Du Pont family; and, second, the Du Ponts and their folks who own Du Pont stock at the lowest cost.

But even there, Mr. President, should we deny them justice because of the name that they bear? The bill before the Senate is here because of a necessity created by a decision of the Supreme Court of the United States. The bill has been approved by 20 out of 23 members of the House Ways and Means Committee, by almost a unanimous vote of the House of Representatives, by every member of the Senate Finance Committee but 2, by the Justice Department of the U.S. Government, which, as far as I know, for the first time this year has been accused of trying to give special relief to a few. That is what the accusation of the Senator from Illinois and the Senator from Tennessee amounts to, because the bill as written is in accordance with the recommendations of the Justice Department. It is approved by the Treasury Department of this administration. So they stand accused by the Senator from Tennessee and the Senator from Illinois of favoring tax relief for the few.

Mr. President, it does not add up. As I said a moment ago, the bill has been approved overwhelmingly by the Ways and Means Committee of the House of Representatives, by the Senate Finance Committee, by the Justice Department, and by the Treasury Department. Yet the action approved by that group is indicted by these minority views as being tax relief for the few, as being unseemly, hasty, and improper.

Mr. DOUGLAS. Ill advised.

Mr. KERR. Ill advised—which is in addition to, and not in lieu of, the other criticisms outlined and quoted by the Senator from Oklahoma.

Mr. DOUGLAS. The Senator is correct.

Mr. KERR. As I said a while ago, I thought it was proper that the Senator from Tennessee apologize to the chairman of the Finance Committee. I seek no apology for what may be cast upon me as a member of the Finance Committee. I do not expect it, and I prefer not to be shocked or surprised by receiving it, but I would think it proper that an apology by the Senator from Illinois be received by the chairman and every member of the committee save only the Senator from Oklahoma.

DISTRICT OF COLUMBIA ELECTION LAWS—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KERR. I yield to the majority leader.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. I yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) to amend the act of August 12, 1955, relating to elections in the District of Columbia. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

CONFERENCE REPORT (H. REPT. NO. 1266)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) to amend the Act of August 12, 1955, relating to elections in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Act entitled 'An Act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes', approved August 12, 1955 (69 Stat. 699; title I, ch. 11, D.C. Code, 1951 ed.), is amended as follows:

"(1) The first section is amended by inserting after the word 'That' the words 'in the District of Columbia electors of President and Vice President of the United States and'.

"(2) Section 3 of such Act of August 12, 1955 (D.C. Code, sec. 1–1103), is amended by inserting at the end thereof the following new sentence: 'The said Commissioners shall from time to time designate the Chairman of the Board.'

"(3) Paragraph (1) of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is amended by striking out 'permanent'.

"(4) Paragraph 3 of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is amended to read as follows:

"'(3) provide for recording and counting votes by means of ballots or machines or both and not less than five days before each election held pursuant to this Act, publish in one or more newspapers of general circulation in the District a copy of the official ballot to be used in any such election;'.

"(5) Section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is further amended (A) by striking from the first sentence of subsection (b) 'The Board, and persons authorized by it' and inserting in lieu thereof 'Each member of the Board and persons authorized by the Board', and by striking the period at the end of subsection

(c) thereof and inserting in lieu thereof the following: ', including, a regulation permitting persons not absent from the District but who are physically unable to appear personally at an official registration place, to register in the manner prescribed in such regulation for the purpose of voting in any election held pursuant to this Act.'

"(6) Paragraphs (6) and (7) of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105) are hereby renumbered as paragraphs (7) and (8) respectively, and a new paragraph inserted immediately after paragraph (5) as follows:

"'(6) Develop and administer procedures for absentee registration for and voting in any election held under this Act by any person included within the categories referred to in paragraphs (1), (2), (3), or (4) of section 101 of the Federal Voting Assistance Act of 1955 (69 Stat. 584).'

"(7) Section 6 of such Act of August 12, 1955 (D.C. Code, sec. 1–1106), is amended by adding at the end thereof the following new subsection:

"'(c) Subject to the approval of the Commissioners of the District of Columbia, the Board is authorized to adopt and use a seal.'

"(8) Subsection (a) of section 7 of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended to read as follows:

"'(a) A person shall be entitled to vote in an election in the District of Columbia only if he is a qualified elector, and except as provided in subsection (e) of this section, he registers in the District during the year in which such election is to be held.'

"(9) Paragraphs (2) and (3) of section 7(b) of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), are hereby amended to read as follows:

"'(2) he executes a registration affidavit by signature or mark (unless prevented by physical disability) on the form prescribed by the Board pursuant to subsection (c) showing that he meets each of the requirements specified in section 2(2) for a qualified elector or qualifies under procedures established by the Board under paragraph (6) of subsection (a) of section 5 of this Act, and, if he desires to vote in a party election, such form shall show his political party affiliation.'

"(10) Section 7(c) of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended by striking '(b)(3)' and inserting in lieu thereof '(b)(2)'.

"(11) The first sentence of subsection (d) of section 7 of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended to read as follows: 'The registry shall be open from January 1 until forty-five days before the first Tuesday following the first Monday in November during each presidential election year except the forty-five day period which ends on the first Tuesday in May, and except as provided by the Board in the case of a special election. The Board may close the registry on Saturdays, Sundays and holidays.'

"(12) So much of subsection (a) of section 8 of such Act of August 12, 1955 (D.C. Code, sec. 1–1108), as precedes clause (1) is amended to read as follows:

"'(a) Candidates for office participating in an election of the officials referred to in clauses (1), (2), and (3) of the first section of this Act and of officials designated pursuant to clause (4) of such section shall be the persons registered under section 7 of this Act who have been nominated for such office by a petition—'.

"(13) Section 8 of such Act of August 12, 1955 (D.C. Code, sec. 1–1108), is further amended by adding at the end thereof the following new subsections:

"'(d) Each political party who has had its candidate elected as President of the United States after January 1, 1950, shall be entitled to nominate candidates for presidential electors. The executive committee of the organization recognized by the national committee of each such party as the official organization of that party in the District of Columbia shall nominate by appropriate means the presidential electors for that party. Nominations shall be made by message to the Board of Elections on or before September 1 next preceding a presidential election.

"'(e) The names of the candidates of each political party for President and Vice President shall be placed on the ballot under the title and device, if any, of that party as designated by the duly authorized committee of the organization recognized by the national committee of that party as the official organization of that party in the District. The form of the ballot shall be determined by the Board. The position on the ballot of names of candidates for President and Vice President shall be determined by lot. The names of persons nominated as candidates for electors of President and Vice President shall not appear on the ballot.

"'(f) A political party which does not qualify under subsection (d) of this section may have the names of its candidates for President and Vice President of the United States printed on the general election ballot provided a petition nominating the appropriate number of candidates for presidential electors signed by at least 5 per centum of registered qualified electors of the District of Columbia, as of July 1 of the year in which the election is to be held is presented to the Board on or before August 15 preceding the date of the presidential election.

"'(g) No person may be elected to the office of elector of President and Vice President pursuant to this Act unless (1) he is a registered voter in the District and (2) he has been a bona fide resident of the District for a period of three years immediately preceding the date of the presidential election. Each person elected as elector of President and Vice President shall, in the presence of the Board, take an oath or solemnly affirm that he will vote for the candidates of the party he has been nominated to represent, and it shall be his duty to vote in such manner in the electoral college.'

"(14) Subsection (a) of section 9 is amended by striking the second sentence.

"(15) Subsection (b) of section 9 is amended by striking 'ballot' and inserting in lieu thereof 'vote' in the first sentence thereof and by inserting at the end thereof the following new sentence: 'The Board shall by regulation permit voting for electors of President and Vice President by any registered elector who is absent from the District or who, because of his physical condition, is unable to vote in person at the polling place in his voting precinct on election day'.

"(16) Subsection (e) of section 9 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended by striking 'municipal court of the District' and inserting in lieu thereof 'municipal court for the District'.

"(17) Subsection (g) of section 9 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended to read as follows:

"'(g) No person shall vote more than once in an election held by a political party other than that of which he has declared himself a member.'

"(18) Subsection (a) of section 10 of such Act of August 12, 1955 (D.C. Code, sec. 1–1110), is amended by inserting '(1)' immediately after '(a)', and by adding at the end of such subsection the following:

"'(2) The electors of President and Vice President of the United States shall be elected on the Tuesday next after the first Monday in November in every fourth year succeeding every election of a President and Vice President of the United States. Polls shall be open from 8 o'clock antemeridian to 8 o'clock postmeridian on election day. Each vote cast for a candidate for President or Vice President whose name appears on the general election ballot shall be counted as a vote cast for the candidates for presidential electors of the party supporting such presidential and vice presidential candidate. Candidates receiving the highest number of votes in such election shall be declared the winners, except that in the case of a tie it shall be resolved in the same manner as is provided in subsection (c) of this section.'

"(19) Subsection (b) of section 10 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended by striking 'said election' and inserting in lieu thereof 'such elections'.

"(20) Section (d) of section 10 is amended by striking 'dies' and inserting in lieu thereof 'dies, resigns, or becomes unable to serve', and by striking 'local committee' and inserting in lieu thereof 'party committee: *Provided*, That such successor shall have the qualifications required by this Act for such office'.

"(21) Subsection (b) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by inserting after the words 'a candidate for' the words 'elector of President and Vice President,'.

"(22) Subsection (d) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by striking 'any national committeeman' and inserting in lieu thereof 'any elector, national committeeman'.

"(23) Subsection (e) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by striking from the first sentence thereof 'the election' and inserting in lieu thereof 'an election'.

"(24) Section 14 of such Act of August 12, 1955 (D.C. Code, sec. 1–1114), is amended (A) by striking from the first sentence thereof 'if employed in the counting of votes in such elections' and inserting in lieu thereof 'if employed in the counting of votes in any election held pursuant to this Act knowingly'; (B) by inserting the word 'knowingly' immediately before the words 'make any expenditure'.

"(25) The title of such Act of August 12, 1955 (D.C. Code), is amended to read as follows: 'An Act to regulate the election in the District of Columbia of electors of President and Vice President of the United States and of delegates representing the District of Columbia to national political conventions, and for other purposes.'

"(26) Clause (A) of paragraph 2 of section 2 of such Act is amended to read as follows: '(A) who does not claim voting residence or right to vote in any State or Territory; and who, for the purpose of voting in an election under this Act, has resided in the District continuously since the beginning of the one-year period ending on the day of such election;'.

"SEC. 2. (a) Chapter 1 of title 3 of the United States Code is amended by adding at the end thereof the following new section:

"'§ 21. Definitions

"'As used in this chapter the term—

"'(a) "State" includes the District of Columbia.

"'(b) "executives of each State" includes the Board of Commissioners of the District of Columbia.'

"(b) The table of contents of chapter 1 of title 3 of the United States Code is amended by adding at the end thereof the following:

"'21. Definitions.'

"(c) For the purposes of the Federal Voting Assistance Act of 1955 (69 Stat. 584) the word 'State' shall be deemed to include the District of Columbia.

"SEC. 3. The second paragraph of section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (sec. 25–107, D.C. Code, 1951 ed.), is amended by inserting after the first sentence the following

new sentence: 'Notwithstanding any other provision of this Act, the Commissioners shall not authorize the sale by any licensee, other than the holder of a retailer's license, class E, of any beverages on the day of the presidential election in the District of Columbia during the hours when the polls are open, and any such sales are hereby prohibited.'"

And the Senate agree to the same.

ALAN BIBLE,
WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.
JAMES C. DAVIS,
JOHN DOWDY,
BASIL WHITENER,
JOEL T. BROYHILL,
W. H. HARSHA, Jr.,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, the conferees have submitted a unanimous report, and I believe this bill satisfies the obligation imposed on the Congress by the 23d amendment to the Constitution of the United States, granting to the citizens of the District of Columbia the right to vote for President and Vice President of the United States.

Basically, this bill sets the voting age at 21 years old and voting residence requirements at 1 year. The conferees agreed to permit absentee voting in all elections. However, absentee registration will not be permitted except by physically incapacitated persons. The conferees further agreed to exclude the names of the electors on the ballot and to permit only the names of the presidential and vice-presidential candidates. Likewise, it was agreed that a duty would be imposed on a person chosen as an elector to vote in the electoral college for the candidate of the political party which he represents.

The Senate conferees receded to the House on the amendment accepted on the Senate floor last week, and authored by the junior Senator from Iowa [Mr. MILLER].

As I said during the course of the floor debate, I thought the amendment had real merit, but it had not had the benefit of hearings before our committee or on the House side. I have indicated we will have some hearings on this matter.

This amendment would have permitted any person entitled to vote in his home State, and otherwise qualified under the terms of the District of Columbia voting laws, to vote for President and Vice President here, if such person possessed a certificate from his home State stating his eligibility to vote at the time of his departure from his home State.

Mr. President, I believe the conferees, the Senate, and this committee have done their work well. In 1964, for the first time, the Capital City of this great Nation will see its residents vote for President and Vice President. I have every hope that the Congress will enact this bill into law before adjournment, and this prospect seems brighter every day.

I believe that this bill pursues a policy not inconsistent with the voting procedures already tested in most of the States. I further believe that those States which ratified the 23d amendment will be proud of the job that the Congress has done in this most important area of granting long-overdue voting privileges to residents of Washington, D.C.

Mr. President, I move that the Senate agree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DUAL RATE SHIPPING—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Monday next, beginning at 3 o'clock, 1 hour be allotted to consideration of the conference report on the dual-rate bill, half the time to be under the control of the Senator from Tennessee [Mr. KEFAUVER] and half of the time to be under the control of the Senator from California [Mr. ENGLE], the vote to be taken at 4 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That on Monday, September 25, 1961, at the hour of 3 p.m., the Senate resume the consideration of the conference report on H.R. 6775, the so-called dual-rate shipping bill; that debate thereon be limited to 1 hour, to be equally divided and controlled by Mr. ENGLE and Mr. KEFAUVER; and that at the end of said period the Senate proceed to vote on the question of agreeing to the said report.

SEPTEMBER 23, 1961.

Mr. MANSFIELD. Mr. President, I announce to the Senate that insofar as the leadership knows there will be no yea-and-nay votes this evening. That assurance has already been given to some Senators. They have acted on it. I hope the Senate will support me in what I have said.

CONFIRMATION OF NOMINATIONS OF U.S. MARSHALS

Mr. JOHNSTON. I send to the desk the nominations of two marshals for South Carolina, which were reported favorably from the Committee on the Judiciary, and ask unanimous consent that, as in executive session, the nominations be considered.

The PRESIDING OFFICER. Is there objection? Without objection, as in executive session, the nominations will be considered.

The legislative clerk read the nomination of John S. Rowland, of South Carolina, to be U.S. marshal for the eastern district of South Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of A. Roy Ashley, of South Carolina, to be U.S. marshal for the western district of South Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be notified forthwith of the nominations confirmed.

FREEPORT HARBOR PROJECT, TEXAS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate lay aside temporarily the pending business and proceed to the consideration of Calendar No. 1090, H.R. 8320, a bill which was passed earlier this afternoon, but which was reconsidered at my request, because no report was available.

Mr. DOUGLAS. Mr. President, is the Senator proposing to lay aside the Du Pont bill?

Mr. MANSFIELD. To lay it aside only temporarily, but bring it up again.

Mr. GORE. Mr. President, reserving the right to object, did I correctly notice undue emphasis on the word "temporarily"?

Mr. MANSFIELD. Yes. It was to emphasize to the two Senators who have an extraordinary interest in the bill that it was going to be back before the Senate immediately.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8320) to amend the Freeport Harbor project, Texas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section:

SEC. 3. Section 206 of the Independent Offices Appropriation Act, 1944 (5 U.S.C. 16a), is amended by inserting "(a)" after "Sec. 206" and by adding at the end thereof the following new subsection:

"(b) In all cases in which under the Constitution or laws of the United States oaths are authorized or required to be administered, such oaths may be administered by the Vice President of the United States.".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, this amendment has been cleared with the minority leadership. I urge that the bill be passed, as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read as a third time.

The bill (H.R. 8320) was read the third time, and passed.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is H.R. 8847, the Du Pont bill.

Mr. DOUGLAS. Mr. President, I rise to comment on the speech of the Senator from Oklahoma and to discuss the bill which is under consideration.

The Senator from Oklahoma and I have clashed on many occasions in the more than 13 years we have been in the U.S. Senate together.

We clashed on the famous gas bill, when the Senator from Oklahoma was seeking to remove the interstate transportation of gas from Federal regulation, a situation in which some $600 million a year and capital values amounting to between $10 and $20 billion were at stake.

We clashed on the question of offshore oil.

We have clashed on various tax proposals which I have regarded as opening loopholes in our tax structure to benefit certain favored groups.

And, of course, we have clashed most conspicuously on the 27½-percent depletion allowance for oil and gas.

I regard the Senator from Oklahoma as probably having the highest IQ in the Senate. I suppose if we were all given intelligence tests the Senator from Oklahoma would easily top the list.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. GORE. Where would the Senator from Oklahoma be on the list if it were a matter of calculation of economic and monetary factors?

Mr. DOUGLAS. He would be so far ahead of the rest of the Senate in his abilities in this respect that everyone else would be an "also ran."

The Senator from Oklahoma, to whom I have said I would reply, is also a master of debate. He combines the qualities of evangelism and cross-examination, and he is a master of both subtle and perhaps unintended brutal insult.

I have wondered many times how I should deal with the Senator from Oklahoma. At times I have tried to turn the other cheek, and it has not seemed to be the way to deal with the Senator from Oklahoma. At times I have tried to give blow for blow, and to answer one blow with another. I must confess that though on those occasions I have tried, I have never been able to compete with the Senator from Oklahoma. After I have indulged in such pastimes, I have been left with a bad taste in my mouth, and I have felt this was not the way for us to conduct debate.

So I resolved this evening that I would oppose my patience to his fury and meet with a quietness of spirit the tyranny and rage which I had anticipated.

I was somewhat disappointed, though pleasantly disappointed, by the behavior of the Senator from Oklahoma. The old-time fire was largely lost. The capacity for needling references was muted. For the Senator from Oklahoma, he stayed somewhat near the argument. He did not indulge, as he customarily does, in those magnificent irrelevancies well designed to captivate an audience and deceive the unthinking.

So, Mr. President, I shall have the very humble task of trying to inject a little realism and a little arithmetic into this clouded subject.

It is important to know the arithmetic of this problem, because this is what lies at the base. The truth is that the Du Pont Co. bought control of General Motors in approximately 1919. It took the company away from the famous William C. Durant, who had somewhat mismanaged the company. At the time it purchased the equivalent of what is today more than 63 million shares of General Motors stock. The price which it paid according to the testimony of Mr. Greenewalt, the president of Du Pont, was $2.10 a share.

If one looks at the stock exchange quotations for yesterday, as published in this morning's New York Times or New York Herald Tribune, one finds the market value of General Motors stock listed as $48.62. That was the closing quotation of yesterday.

The stock to which I refer was purchased at $2.10, and is now worth $48.62. The increase in value was $46.50 on 63 million-plus shares of stock. If one takes out a pencil and works on the problem, one finds there has been an increase of value of between $2.9 billion and $3 billion.

The Supreme Court has ordered Du Pont to divest itself of this stock, though the precise manner in which the divestiture is to occur has not been stated. The question is, At what rate should these accruals in value be taxed?

Mr. GORE. And to whom?

Mr. DOUGLAS. And to whom.

If the accruals were to be taxed as ordinary income the tax would be somewhere between $1 billion and $1½ billion. I wish to make it perfectly clear that I am not advocating that plan. I think it would be too rigorous and too severe.

Contrary to the charges which have sometimes been leveled against us, I am not certain that any of us has advocated that plan, but we did oppose most strenuously the proposal which was advocated last year by the Du Pont Co. and which was injected into the proceedings of the Senate Finance Committee by the then junior Senator from Delaware. That proposal, in effect, was that the shares of stock should be taxed at the rate for intercorporate dividends, namely, 52 percent of 15 percent of original cost, or at 7.8 percent of original cost. Since the original cost was approximately $2.10, this would have resulted in a tax of approximately 16 cents a share on stock which had then appreciated about $43 a share and which now has appreciated $46.50 a share.

The proposal was advanced very strenuously, not only by the then junior Senator from Delaware, but also by the senior Senator from Oklahoma. A very strenuous battle was waged inside the Finance Committee on it. I am very happy that the great Senator from Tennessee [Mr. GORE] and I stood together in opposition to the low tax on the accretion of millions, which we regarded as unconscionable. By the narrow margin of one vote we won.

While I discuss that proceeding I pay tribute to the senior Senator from Delaware [Mr. WILLIAMS]. The Senator from Delaware [Mr. WILLIAMS] and the Senator from Tennessee [Mr. GORE] and I differ as to the nature of the bill before us today, but though the Senator from Delaware comes from the State of Delaware, and though the Du Pont Co. is by all odds the most powerful economic force in the State of Delaware, so that sometimes indeed Delaware is said to be a fief of the Du Pont Co, the Senator from Delaware voted with the Senator from Tennessee and with the Senator from Illinois against the unconscionable bill of last year which provided that these huge gains would almost escape taxation.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. GORE. I think the Senator would want to include also the distinguished chairman of the committee.

Mr. DOUGLAS. The Senator is correct. I paid tribute to those gentlemen at the time. I paid tribute to them publicly and privately. I am very glad that we succeeded in defeating the bill.

Personally, I think that the truth and the proper policy lies somewhere between taxing the gains as ordinary income and taxing them at the intercorporate dividend rate. While I have something of an open mind on the subject, I tend to lean in the direction of treating the gains as capital gains. If this procedure is carried out, it would yield to the Treasury somewhere between $500 million and perhaps $700 million in revenue. In effect, these sums would be the capital gains tax on what have been increases in the value of the capital invested and held. Those gains will be realized upon the divestiture of stock.

I shall outline my argument only briefly. Next week it will be developed in greater detail. There are many features of the proposal about which we are extremely uncertain. We do not yet know what the decision of the court in Chicago will be, what form the divestiture will take, and, depending on the form of that divestiture, if we pass the bill, the level of taxes and the determination as to who will pay the taxes may vary greatly.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield.

Mr. DOUGLAS. The Senator from Delaware was not in the Chamber when

I paid tribute to him for his action of last year.

I yield.

Mr. WILLIAMS of Delaware. I thank the Senator. I think the Senator from Illinois knows that with reference to certain changes, particularly in title II, the Senator from Illinois and I were in complete agreement. I appreciate the position of the Senator from Illinois. He would prefer to wait until December, after the last decree has been entered. But yet, after talking with Mr. Knight of the Department of the Treasury and others, I am convinced that the Court could more intelligently make a decision as to what the final decree should be if it knew what the tax law would be.

For example, under the Supreme Court decision the distribution formula can be arranged over a 10-year period, whereas if we act on this bill, with the approval of the Department of Justice, the divestiture period would be shortened from the 10-year period authorized by the Supreme Court to 3 years. They will not need the full 10 years if we pass this bill, whereas if we do not pass the bill the company would more than likely need the full 10-year period.

How can the Court reach its decision on a plan in the absence of knowing what action Congress will take?

Besides, we can reach that decision just as well now as in January, perhaps better.

Mr. DOUGLAS. The Court should decide the question of divestiture on antitrust grounds. It should not decide the case on tax grounds. I think we should await the decision and then find out what the various tax possibilities will be and shape our tax policy accordingly.

In my judgment—if we should pass the bill before us—and I think we can prove what I am about to say—a great tax advantage would be given to the Du Pont Co., to Christiana, and to certain groups if the Court should decide in a different way, and it will therefore force the injection of tax considerations into a question which should be antitrust in character.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield further?

Mr. DOUGLAS. The Senator from Delaware did not like to yield to me, but I shall be glad to yield to him.

Mr. WILLIAMS of Delaware. The Senator said he thought we should wait for the Court's decision on the divestiture. The decision has been made.

Mr. DOUGLAS. The form of the divestiture has not yet been decided. That is the point.

Mr. WILLIAMS of Delaware. Not the form, but the fact that divestiture must take place is contained in the final decree. The plan of divestiture can best be decided after Congress has made its decision.

Mr. DOUGLAS. But it makes a great deal of difference as to the form that the decree will take.

Mr. WILLIAMS of Delaware. The Senator is correct. That is why we should act first and not be in a position next January of having to try to reverse a court-approved plan.

Mr. DOUGLAS. Last year the Du Pont Co. representatives said that they and their stockholders would be compelled to pay something like $1 billion if the amount in question were to be taxed as ordinary income. They therefore advanced their proposal as an alternative.

The Senator from Delaware knows, as shown by the testimony on pages 77, 78, and 79 of the hearings, that the president of the Du Pont Co., Mr. Greenewalt—a very able and fine man—described the various steps which would have to be taken under existing law to avoid a tax of $1 billion. He said that under his proposed plan he estimated the tax would be $330 million at the outside, but it might be reduced to as low as $130 million.

The point I would like to make is that with everything left open, if we should pass the bill, we might get a final decree from the Court which would greatly and unduly limit the amount of taxes which the American Government would receive.

I am not opposed to the Du Pont Co. I have no prejudice against them. I am not trying to be punitive toward them, nor is the Senator from Tennessee. We merely say that the company should not be given favored treatment.

So far as I am concerned, the most rational course of taxation would seem to be to treat all of these gains as capital gains, and subject to capital gains taxes, which would bring in, as I have said, somewhere between $500 million and $750 million, and yet it would be fair to all concerned.

Mr. WILLIAMS of Delaware. Will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS of Delaware. I appreciate the Senator's position. Not for one moment do I question his sincerity in making the proposal even though I differ with his reasoning.

The point I make, however, is that I think the Senate should discuss these proposals, debate them, and then vote in order to settle the issue one way or the other. I am not for one moment suggesting that a single Senator should vote for the bill if he does not think that it is right. I opposed a bill on this subject last year that I did not think was right. I would do so again if I did not agree with the bill.

What I suggest is that we bring the measure to a vote while we are here, have the bill before us, and let the Senate itself decide on the merits of the proposal advanced by the Senator from Illinois and some of us who are supporting it.

I merely ask the Senator from Illinois, with whom I have agreed on many proposals before our committee as he well knows, to consider this point. I think there comes a time when a proposal should be voted up or down. We should let the company and its stockholders know that we will either pass or we will not pass the measure. Then the court and the company can make plans accordingly.

All that I am asking of the Senator from Illinois and the Senator from Tennessee is that they let the Senate decide on the merits of our arguments.

Why should they be afraid of a decision by the majority vote?

Mr. DOUGLAS. The Senator from Delaware moves back and forth on the proposal. First, he discussed the merits of the present bill. Now he merely says that we should vote on the bill. I am ready to vote on the bill, but I think the public should understand it first. The proposed legislation is so complicated that it needs a discussion in depth and breadth as well as in length.

If I may go back to the point which I was discussing, I ask Senators to turn to pages 78 and 79 of the hearings. They will find the testimony of the very able president of Du Pont, Mr. Greenewalt, as to the methods by which the Du Pont Co. believed they could reduce the tax liability under present law.

First, they could pay out in the form of General Motors stock something on the order of 25 percent of their regular cash dividends. In this event there would be no tax liability on that part of the divestiture. Then they could substitute General Motors stock in lieu of the cash dividend. In this event no tax would be paid.

In the second place, they could exchange General Motors shares for shares of Du Pont common and preferred, which then could be retired. In this event no tax would be paid. They estimated that they could dispose of as many as 10 million General Motors shares through essentially tax-free exchanges. That would be the equivalent of about 16 percent of the total of the Du Pont holdings of General Motors.

Then they said they could dispose of as many as 25 million shares of General Motors by methods which would produce no additional tax revenue. This would be a legal tax avoidance.

If we are correct in these estimates, there would still be left 35 million shares which the company would have to sell within a 10-year period.

Various issues are left open. There is no hard and fast requirement upon the court that it should approve these methods in the proportions, at least, in which they are advanced. The court might well decide that more than 25 percent of General Motors stock could be used in lieu of a cash dividend. The court might well decide that more than 10 million General Motors shares could be exchanged for shares of Du Pont common. In this event the tax liability would diminish.

Then there is the question of whether Christiana would be compelled to divest itself of the shares of General Motors stock which it holds.

In response to a question which I addressed to the president of Du Pont, Mr. Greenewalt, he stated first that Christiana is largely a family-held holding company. He did not like to have the phrase "family-held company" used. However, 69 percent of the stock of Christiana Co. is owned by the members of the Du Pont family, broadly defined—first cousins, second cousins,

third cousins, and so on. So we can say, roughly, that Christiana owns 29 percent of the Du Pont shares, and these 250 people own 69 percent of the 29 percent, or, roughly, they own 21 percent of Du Pont.

This is a very important issue.

If Christiana distributes its portion of General Motors stock to its stockholders, the stockholders will pay capital gains tax on the difference between the original cost and the present value, or will pay roughly 25 percent on a capital gain of $46.50, or, roughly, $11.50 a share.

I happen to believe that that on the whole is the correct method.

Suppose, however, that they do not distribute it. Suppose the court permits them not to distribute it. Then, under the pending bill they would pay more than they would have paid under the terrible bill of last year, because now they would pay 52 percent of the 15 percent of the present market value of the stock ($48.50), or 7.8 percent of $48.50, which woud be somewhere between $3.50 a share and $4 a share. That is better than 16 cents a share.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. But that is not the full capital gain. That is the point. I yield to the Senator from Tennessee.

Mr. GORE. But there are other corporate owners. One insurance company, for example, shows in its portfolio that it owns 5,400 shares. According to the estimates, they have a realizable profit on the order of $200,000. Under the pending bill, which is advanced in the name of widows and orphans, this insurance company would pay 16 cents a share in taxes.

Mr. DOUGLAS. The Senator from Tennessee has put his finger on a very vital lack in the bill; namely, that while the rule of 52 percent of 15 percent of the current value is applied in the case of Christiana, with other corporations which own stock in Du Pont, the old rule of 52 percent of 15 percent of the original cost applies.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. DOUGLAS. I will yield in a moment. The corporations that got in on the ground floor, so to speak, at, let us say, $2.10 a share, or got into Du Pont early, when the value was low, would be taxed at 52 percent of 15 percent of the original cost, which might be as low as 16 cents a share.

So these other corporations are in the same position now as everybody else would have been under the bill of last year. These other corporations, as I understand it, own approximately 6 percent of Du Pont stock, Christiana, owning 29 percent and individuals, trusts, and others own the remaining 65 percent.

However, I believe there are many loopholes in the bill. One of them is this other corporation feature, although in the aggregate it may not be as large as some of the other loopholes about which I have been hinting.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS of Delaware. The Senator is correct in his analysis of the application of title 2 as it would affect Christiana by requiring them to pay approximately $3.50 a share, whereas other corporations receiving General Motors stock under this same forced distribution order would only pay 16 cents a share .

Mr. DOUGLAS. I am glad the Senator admits it.

Mr. WILLIAMS of Delaware. The bill I introduced corrected that point.

Mr. DOUGLAS. The present bill does not.

Mr. WILLIAMS of Delaware. The bill I introduced would correct it.

Mr. DOUGLAS. The present bill would not, however.

Mr. WILLIAMS of Delaware. I will tell the Senator why it has been changed. It was on the recommendation and the insistence of the Department of Justice that title 2 was redrafted to confine itself to Christiana only, instead of applying to all corporations receiving stock from Du Pont under this divestiture.

I agree it is unfair. I told the Department of Justice I would only go along with the bill if that were all we could get. But if that is what is bothering the Senator from Illinois, we can soon get together. I have taken the position from the beginning that it should extend to all corporations equally. If the Senator wishes to offer an amendment in that connection, I will support it. I have not changed my position from the beginning. I am not quarreling with his position here now. It is consistent with the position we both took last year.

Christiana should not be singled out for special treatment or for unduly harsh treatment. Personally, I think all corporations are entitled to equal treatment.

I emphasize that the language of the bill as it was introduced and approved first by the Committee on Ways and Means did so provide.

It was changed to limit this provision of title II to Christiana only upon the insistence of the Justice Department and over my opposition.

It is unfair to Christiana. It is unfair to the Government, and I will support the Senator from Illinois in correcting the bill.

Mr. DOUGLAS. Mr. President, I am glad the Senator from Delaware has made this statement. It indicates that a discussion of the bill can be constructive. The vital criticism which the Senator from Tennessee and the Senator from Illinois were planning to offer has been granted immediately by the distinguished Senator from Delaware. I hope we can correct this situation. However, I remind the Senator from Delaware that this is only one of the many defects in the bill. A thorough discussion will bring out others.

I am confident that the Senator from Delaware, with his characteristic honesty, will come to admit the other factors. He is stubborn, but he is honest.

Mr. WILLIAMS of Delaware. I was far ahead of the Senator. I have long advocated this proposal. I hope the Senator will use his persuasive argument upon the Department of Justice which insists that it wants that provision. I would support this change, but I would not withdraw my support of the bill if there were a failure to get such expansion. I do not believe the 29 percent owned by Christiana should be taxed at any higher rate than the 6 percent owned by the other corporations.

All that I am asking is that we work together, get the best bill possible, but settle the argument before we go home.

Mr. DOUGLAS. Mr. President, I appreciate the statement of the Senator from Delaware. I think it indicates that the bill needs to be scrutinized very carefully. I think the accretions in value should be treated as capital gains, no matter to whom they are distributed—and this is fair treatment—instead of singling out some for 52 percent or 15 percent of the current value, or 52 percent or 15 percent of the original cost, or making possible tax-free transfers or distributing stocks in lieu of cash dividends, and creating many other loopholes. We find new ones every half day. I think these changes need to be considered very carefully. Therefore, I felt that the committee acted with undue and unseemly haste.

While I regret having hurt the feelings of the chairman, I withdraw nothing of my criticism of the action of the committee. We are now forced to bring to the floor of the Senate issues which should have been thoroughly discussed in the Committee on Finance itself.

Mr. GORE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. GORE. We are severely handicapped in the consideration of the bill because we can have no reliable estimates of revenue loss. It is true that the Treasury can make certain assumptions on the part of the Du Pont Co., as it has. The Treasury has made estimates based upon several different assumptions, with variables and probabilities. But we do not know what plan of divestiture will be followed until the judgment of the court is rendered.

Mr. DOUGLAS. That is correct.

Mr. GORE. Du Pont may assume that the court would permit a certain plan, and it has presented to the court a petition or recommendation for a certain plan of divestiture. However, the Government has not been heard. The Government may suggest amendments or changes or an entirely different plan. Indeed, the Court itself may not grant Du Pont's plan. The court may order a plan of divestiture of its own, as directed by the Supreme Court, to implement the decision of the Supreme Court.

I have not yet undertaken to discuss the merits or demerits of the bill. I have thus far asked what are, I suppose, some critical questions, and I have answered some questions. But in the main I have confined my remarks to what I regard as the prematurity, the inadvisability, if not the impropriety, of the proposed legislation at this time, before we know the nature of the conditions for which it is proposed to provide relief.

Mr. DOUGLAS. I thoroughly agree with the Senator from Tennessee. I take it he is saying, in effect: Let the court decide on antitrust grounds what form of divestiture it will order. Then let Congress consider a tax bill tailored to the particular type of divestiture which is ordered.

After the Court's order has been entered and has become final, I am perfectly willing to consider whatever equities or inequities there may be or may appear to be. If Congress wishes to consider general law, that might be in a little different category; but as of now, the Senate has before it a private tax bill for the relief of Du Pont.

We have developed some of the issues which are at stake. I hope Members of Congress, members of the press, and citizens generally, will read the debate over the weekend, and that we may return on Monday prepared to discuss the bill in detail and consider some amendments.

I send to the desk several amendments to the bill and ask that they be printed, and that other Senators who may wish to join me in offering the amendments may do so on Monday.

The PRESIDING OFFICER. The amendments will be printed and will be on the desk.

Mr. DOUGLAS. Mr. President, this is also an opportune time for us to consider the closing of loopholes in the tax structure, not merely to try to consider defects in the present bill. We should attempt to correct the defects in the tax structure itself.

BUSINESS IS HAVING UNPRECEDENTED PROSPERITY UNDER THE KENNEDY ADMINISTRATION

Mr. SYMINGTON. Mr. President, I wish to make a brief statement in connection with the constructive attitude of this administration toward business.

A recent magazine article implies, if it does not actually assert, that this administration is "antibusiness."

As a former businessman, as I see it, there is a realistic way to obtain an accurate answer. If administration policies are cutting down profits, they are hurting business. If profits are rising, could there be much serious ground for complaint? That position oversimplifies it; but is useful in cutting through to the core of the issue. Therefore, let us see just how business stands, profitwise.

According to the latest figures available, corporate profits in the second quarter of this year are running at an annual rate of $22.8 billion, after taxes. This is an increase of $2.8 billion over the low that prevailed in the first quarter, at the time this administration took office.

The hard facts of dollars and cents, therefore, prove that the policies of President Kennedy have helped business pull up and out of recession.

Furthermore, there is every indication that profits will continue to rise, in line with the continued vigorous recovery of production and economic activity generally.

For the second quarter, our gross national product was at an alltime high average of $516 billion; and Secretary Hodges expects it to run at an average of $526 billion for the third quarter, a remarkable rise from the first-quarter low of less than $500 billion.

The Secretary of Commerce also estimates that this total output of goods and services will rise to $540 billion by the end of 1961—and at this level corporate profits are estimated to reach an alltime high of $26 billion; again, after taxes.

This will top, by $1.8 billion, or more than 7 percent, the previous peak of $24.2 billion reached in the first quarter of 1960 during the previous administration.

Let those who carp about Democratic policies remember there are less profits in recessions, little, or no profits in depressions, and no profits whatever under socialism.

Personally, and again speaking as a businessman, I prefer an administration that gives me an opportunity to earn greater profits.

ACTIVITIES OF THE COMMITTEE ON THE JUDICIARY, 1ST SESSION, 87TH CONGRESS

Mr. MANSFIELD. Mr. President, on behalf of the chairman of the Committee on the Judiciary, Senator EASTLAND, I submit to the Senate a report of that committee during the 1st session of the 87th Congress.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ACTIVITIES OF THE COMMITTEE ON THE JUDICIARY

A total of 1,496 bills and resolutions and 226 nominations have been referred to the Judiciary Committee through September 21, 1961.

Each bill and resolution is carefully considered by the committee before it is reported or postponed. In many cases, public hearings are conducted. In the case of the Attorney General's program to curb organized crime and racketeering, the Attorney General and others appeared and supported the passage of seven bills, S. 1653, S. 1654, S. 1655, S. 1656, S. 1657, S. 1658, and S. 1665. All were reported by the committee and three have become public laws. They are as follows:

S. 1656, to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information. (Now Public Law 87-216.)

S. 1657, to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia. (Now Public Law 87-218.)

S. 1653, to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises. (Now Public Law 87-228.)

The bill S. 912, referred to as the omnibus judgeship bill, was referred to the Judiciary Committee February 13, 1961. On May 19, 1961, the bill was approved by the President and became Public Law 87-36. This legislation provided for the appointment of 63 new positions as U.S. district judges and 10 new positions on the U.S. circuit court of appeals. Thirty-one nominees were submitted for new positions for U.S. district judgeships created under Public Law 87-36 and of this number 30 have been reported to and confirmed by the Senate.

Eight nominees were submitted for new positions for U.S. circuit judgeships created under Public Law 87-36 and of this number, four have been reported and confirmed by the Senate.

Other bills pertaining to the judiciary and reported by the committee are as follows:

S. 1488, to amend section 508 of title 28, United States Code, relating to attorneys' salaries.

S. 1899, to increase the fees of jury commissioners in the U.S. district courts.

H.R. 176, to amend section 331 of title 28, United States Code, so as to provide for representation on the Judicial Conference of the United States. (Now Public Law 87-253.)

H.R. 5255, to clarify the status of circuit and district judges retired from regular active service.

H.R. 5656, to provide for reasonable notice of applications to the U.S. courts of appeals for interlocutory relief against the orders of certain administrative agencies. (Now Public Law 87-225.)

H.R. 6690, to amend section 332 of title 18, United States Code, in order to provide for the inclusion of a district judge or judges on the judicial council of each circuit.

H.R. 6835, to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements. (Now Public Law 87-187.)

H.R. 7038, to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit. (Now Public Law 87-189.)

During the 21 meetings of the committee, this session, 302 private immigration bills were reported to the Senate. On July 27, 1961, the committee reported the bill S. 2237, to permit the entry of certain eligible alien orphans.

This bill, as finally reported by a conference committee and agreed to by the House of Representatives and the Senate, incorporated into permanent law provisions relating to the entry of eligible alien orphans. The new provisions are based upon a study of the operation of this adoption program under the previous several temporary enactments, and are felt to be in the best interests of both the prospective adoptive parents and to the alien children themselves.

Provision was made for the establishment of forms of the judicial review of exclusion and deportation orders issued by the Attorney General, proceeding precisely as is contemplated by the Administrative Procedure Act. Enactment of this provision has been urged by the present administration, as well as by the past administration.

Consistent with the policy of the Congress in preserving the basic family unit in connection with immigraton proposals, this bill grants nonquota status to certain close relatives of U.S. citizens and lawful permanent residents, who are the beneficiaries of approved petitions filed in their behalf with the Attorney General prior to July 1, 1961. It is estimated that this will result in reuniting approximately 18,000 family units.

The bill recognized the honorable military service of those aliens who served during the period of the Korean conflict, by extending to them the same naturalization benefits as presently enjoyed by veterans of World War I and World War II.

The remaining provisions of the bill are technical in nature and will result generally in more flexible and improved administration of the Immigration and Nationality Act.

Of a total of 226 nominations received by the committee, 210 have been reported to and confined by the Senate. Sixteen nom-

inations are pending at this time. The breakdown is as follows:

One nominee for Attorney General received and confirmed.

One nominee for Deputy Attorney General received and confirmed.

Eight nominees for Assistant Attorneys General received. Seven confirmed and one name was withdrawn.

One nominee for Solicitor General received and confirmed.

Thirteen nominees were submitted for U.S. circuit judgeships, of which eight were for new positions created under Public Law 87–36 and of this number four have been confirmed. Five nominees were submitted by the President for vacancies on the circuit court prior to enactment of Public Law 87–36, all of these nominees have been reported to and confirmed by the Senate.

Fifty nominees were submitted for U.S. district judgeships, of which 31 were for new positions created under Public Law 87–36. Of this number 30 have been confirmed. Nineteen nominees were submitted by the President for vacancies on the district courts existing prior to enactment of Public Law 87–36, of which 18 have been reported to and confirmed by the Senate.

Seventy-seven nominees for U.S. attorneys received of which 72 have been confirmed.

Sixty-five nominees for U.S. marshals received of which 61 have been confirmed.

Three nominees for Foreign Claims Settlement received and confirmed.

Three nominees for Commission on Civil Rights received and confirmed.

Four nominees for Patent Office received and confirmed.

Total nominations received, 226; total nominations confirmed, 210; nominations pending, 16.

During the 21 meetings of the main committee, the following number and category of bills and resolutions were reported: 302 private immigration bills; 84 private claims bills, 73 general legislation bills, 15 money resolutions for subcommittees, 10 annual reports submitted by subcommittees, and 2 special subcommittee reports, the "Drug Industry and Insurance Report," as prepared by the Antitrust and Monopoly Sucommittee.

AUTHORIZATION FOR INSERTIONS IN RECORD FOLLOWING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

JIMMY McHUGH, DISTINGUISHED COMPOSER MEMBER OF THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS, AND PUBLISHERS, HONORS FIRST LADY AT WASHINGTON DINNER

Mr. BIBLE. Mr. President, recently at the American Legion dinner honoring the Congress of the United States, an excellent program was presented in which the First Lady, Mrs. John F. Kennedy, was honored with the premiere of a song entitled "The First Lady Waltz." This song, dedicated to Mrs. Kennedy, was written by two distinguished members of the American Society of Composers, Authors, and Publishers—ASCAP—Mr. Jimmy McHugh and Mr. Ned Washington. The song was highly acclaimed by the 2,500 people attending this dinner, and has received much favorable comment and been widely performed over radio and television since its introduction at that dinner.

Jimmy McHugh, well known to Members of Congress, is a native of Boston, Mass., and has written hundreds of songs familiar to the American public. Among them are: "I Can't Give You Anything But Love, Baby," "I'm in the Mood for Love," "It's a Most Unusual Day," and "Comin' in on a Wing and a Prayer." He was awarded the Presidential Certificate of Merit for meritorious conduct in aid of the war effort, and raised $28 million in 1 night during the 1945 War Bond Aquacade. He is also founder of the Jimmy McHugh Charities, Inc., and president of the Jimmy McHugh Polio Foundation in Los Angeles, Calif.

Ned Washington, lyricist, was born in Scranton, Pa. Writer of motion picture scores, and many songs including "When You Wish Upon a Star"—Academy Award 1940—and "Do Not Forsake Me, Oh My Darling" from "High Noon," which won the Academy Award in 1952.

THE NEED FOR A CONSUMER COUNSEL

Mr. HART. Mr. President, these are vexing and troublesome times. Intolerable tensions assault our nerves, and a mankind which yearns for solutions has contrived to create the means for destroying itself without being able to create the means for controlling the instruments of that awful destruction.

Mortal danger, our constant companion, has compelled the expenditure of almost uncountable billions of the Public Treasury. Yet our massive efforts have not made possible an honorable surcease in our ills or the world's ills. I point this out, not because I would be content with any less effort, any less determination, or any less dedication to the cause of liberty; I point it out because I am deeply disturbed by the inattention to solvable problems which is the current byproduct of our overwhelming attention to the thus far insoluble problem of helping to assure for all mankind a peaceful world in which God's children can flourish in dignity, with liberty and with an avenue of escape from the wretched and degrading personal poverty which afflicts two-thirds of mankind.

Thus, although the implacable threats of the free world's adversary have not struck down the people of West Berlin, those threats have already struck down the proposal that this country, the mightiest and the wealthiest on the globe, raise through its Federal Government a fraction of 1 percent of our yearly income for the education of our children. I submit that this was a blow we did not have to sustain; we bore it or rather the schoolchildren of this Nation bore it because our attention was diverted. And so also with the suggestion that the cost of medical care for the aged be insured against through the social security system, again an advance which could have been made but was not because the effort required to achieve it was consumed in cold war endeavors.

Now this long session is drawing to its end, and I do not suggest for a moment that in our weariness we renew discussion of past differences, past proposals, and past commitments. I would like to discuss a modest proposal which can be put into effect promptly, which requires no significant expenditure, and which will be a mechanism for actually achieving solutions to problems which actually afflict us.

What I have in mind is the immediate creation in the Office of the President of the United States of the position of Consumer Counsel. This is not a new idea. It has been ably championed for years by my distinguished colleague from Tennessee [Mr. KEFAUVER]. My party has endorsed the proposal, and I am not aware that any political party opposes it. No reason occurs to me why we should not now have a Presidential Consumer Counsel, except for the obvious reason, the thoroughly understandable reason, that no man who bears the awesome burden of the Presidency can attend to everything at once. I ask only that this proposal be allowed soon to rise to the top of domestic things to do. When it gets to the top it will sell itself.

I raise this subject not just out of happenstance. Earlier this year I conducted 3 days of hearings on the subject of packaging and labeling consumer food products. In the months ahead the Antitrust and Monopoly Subcommittee will be continuing its investigation of trade practices affecting consumers, their motivation and their fund of information when making purchases. What we will find and what we will recommend to this body cannot be told now, but I have already heard enough and learned enough to know that the consumers of the United States need a permanent, official, dedicated ear and voice at the seat of Government.

Our hearings were not concerned with the outrageous and obvious violations of law. There will always be some scoundrels in the marketplace, and their activities are already forbidden. What we were interested in informing ourselves about were the slick, trick packaging and labeling practices which violate no present law but which offend the conscience and deprive the buyer of a chance to make an intelligent choice between competing products.

We heard about almonette cookies without almonds, butter cookies minus butter, chicken noodle soup in a 1-to-1 ratio—one chicken to one carload of noodles.

We heard about the "hungry" 15-ounce pint and the "stingy" 30-ounce quart, and their brothers in sin, the "giant half quart"—a pint if you please—and the "jumbo quart" which turns out be a quart adorned only with an adjective and not an extra measure.

One of our witnesses, Marya Mannes, had this to say:

And what's the matter with simple sizes, like a pint or two pints or a quart or two quarts? I'll tell you what's the matter. They're too easy to figure. You might know what you were getting. And that goes for the "economy size" too. What economy? If you stop to figure it out half the time the price per unit remains exactly the same regardless of size, and you save nothing.

The hearings evoked a figurative torrent of rage and frustration on the part of witnesses and letterwriters alike, rage at being gulled, frustration because in a jampacked supermarket aisle there is almost no defense against the uninformative blandishments of the slack-filled package, the "10 cents off special" with no way to find out what the 10 cents is off, the packager who prints weights and measures in yellow on a yellow background or even literally inside the package, the fellow who markets his product in lots of 13⅔ ounces and defies you to compare his price with the fellow who puts out his goods in 11⅘ ounce sizes, and all the rest of the clever, clever devices to make it impossible for the shopper to tell exactly what she is getting, how much she is really getting and how much it costs per unit and in comparison with competitive products.

One of our witnesses—and I must say he had real courage of conviction, because his viewpoint was a lonely one—thought that the solution for the problems I have described is to have an annual Honesty Week, a 7-day period during which retailers would give prizes or refunds to any consumer who could show an item that was not properly labeled. The idea of one Honesty Week a year is just about as unappealing in its implications as the idea of one Traffic Safety Day or one Brotherhood Week.

What is wanted here is not some Madison Avenue device to wake up consumers. We've already got too much Madison Avenue, and this was one of the main points brought out in the hearings. What we need is an antidote to Madison Avenue, and one of the best would be a powerful voice in the Government to speak out for the consumer, and to rally the forces for fairness, honest measure, full packages, informative labels, and good quality in return for good money. Most producers, most packagers, most retailers support all these things; they are not at war with the consumer, but bad practices drive out the good, and the conscientious merchandiser has no defense against his conscienceless competitor but to follow suit. I want him to have a better alternative and his customers a better break. One way to bring this about is to appoint a Presidential Consumer Counsel and tell him to get to work, for there is great work to be done.

HEARING ON PACKAGING AND LABELING PRACTICES

The hearings recently held by the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary on the subject of packaging and labeling of food and other consumer products are of interest to Members of Congress and the readers of this RECORD. I would like to provide a summary of points made during the hearings, since the subject is clearly one to which we must give continuing attention.

At the opening of the hearings I said:

We are not proposing to determine whether any large stones are being thrown at the free enterprise system. What we intend to inspect is whether the system is suffering because every day millions of grains of sand are being thrown in the consumers' eyes.

By the time the hearings were adjourned, it was clear that the sand was stirring into a full blown storm.

Senator NEUBERGER, distinguished champion of the consumer, and our first witness, stated:

A large number of people have been sufficiently aroused by questionable practices in the field of labeling and packaging to write me of their concern and tell me of examples wherein they feel there is fraud or an attempt to deceive. I know that some of these practices have gradually crept into our businesses in the spirit of competition, but the industry has a responsibility to the buyer. If it fails to accept that responsibility, the Government must strengthen its directives in this area.

She was followed by Dr. Persia Campbell, one of the Nation's leading consumer economists, who told us:

Sizes and shapes, colors and materials, pictures and symbols are intended to carry a message to the consumer-buyer, a persuasive message. There is evidence that in many cases this message has the capacity to deceive. That this situation is growing worse as the packaging revolution develops is emphasized in reports over recent years of Federal, State, and local regulatory authorities.

We were reminded that it is not a problem of domestic economy alone when Dr. Campbell said:

We hold the image of our economic system up to the world and invite all to come and observe it—particular practices, though individually not of major importance, may have the capacity in the aggregate to besmirch the image in which we collectively take pride, though at times an uneasy pride.

This was only a beginning. Marya Mannes, writer, social critic, and housewife, succinctly put the hearings in proper perspective saying:

But it isn't just a question of applesauce, it's a question of morality.

She continued:

Without trust, a civilized society cannot endure. When the people who are too smart to be good fool the people who are too good to be smart, then society begins to crumble. I think this is what is happening now and I believe it must be stopped before our integrity as Americans is chiseled away as fast as our dollars are.

Little deceptions of single consumers can add up to a mighty deception of a whole people. We hear day in and day out of the revolutions that are sweeping the world. I think we are ripe for one here. And when you hear the testimony that follows in this chamber, I believe you will think we are ripe for one too—a revolution of the American consumer against the manipulation of his mind and money by practices of packaging and labeling that empty his purse and his market basket while he is looking the other way.

Her prediction was borne out. Dr. Colston Warne, president of Consumers Union, struck hard at the effect misleading packaging practices have on the efficient and ethical producer. Particularly he emphasized the practice of "packaging to price" which Dr. Campbell had alluded to previously as "hidden inflation." He said:

On the basis of the letters we have received at Consumers Union, I think it is fair to say that the present resentment over this practice of "packing to price" lies in the fact that it appears to be an underhanded move on the part of many packagers.

The package size remains the same, sometimes it is even enlarged, when the contents drop but the price does not.

And in more cases than not, the net weight declaration is put in smaller type and in a less likely corner of the package so that only a diligent search will reveal what has happened.

Obviously the consumer who does not know how much he is getting in a given package cannot by the exercise of his sovereignty reward the more efficient producer.

And this is how bad packaging drives out the good.

The consumer who unwittingly rewards the less efficient penalizes the more efficient; thus a chain of contents-filching gets underway.

The drop from 16 ounces to 15 leads to a drop from 15 to 13 and so on, to an almost endless pilfering.

Then, speaking as a State weight and measure official, J. Lyle Littlefield, chief of the foods and standards division of the Michigan Department of Agriculture, criticized sharply a rash practice he described as deceptive, illustrating his points with specific examples from his own experience.

He scored misleading terms and package sizes not indicative of quantity, saying:

Small, medium, and large are becoming things of the past. The standard units of weights and measures are being warped beyond recognition. They are being camouflaged by descriptive terms which tend to deceive, mislead, and distort the actual meaning of true weight and measure. They want the consumer to believe that my pound is bigger than your pound and that my quart is a full quart and yours is not.

The ordinary buyer is guided to a considerable degree by a visual appraisal of size by comparative dimensions of a package. Manufacturers appear to be capitalizing on this knowledge of consumers' purchasing habits by utilizing containers which apparently enhance the size and hence, the value of the container. Buying by container size the consumer feels she is getting the most of a product. However, a small package right beside it may hold more product at a cheaper cost per unit.

This decisive role of the package, or "silent salesman," was illustrated by a packaging consultant, Thomas P. Wharton, who stated:

In the furor and speed with which housewives now do their shopping, with the thousands of packages that must be glanced through before one is picked up, I believe it has been proven that 80 percent of buying is done by impulse. It is not enough in my opinion that somewhere on the package in small letters the weight of the contents is shown. While existing regulations requiring a statement as to the weight of the contents can be substantially improved, the inclusion of weight marking should not be a license to permit the manufacturer to cheat

the customer by manipulating the size, weight, and shape of the package.

This was substantiated by a comprehensive exhibit of products by Mrs. Sarah Newman of the National Consumers League. These exhibits made manifestly clear what other witnesses had talked about, for these "silent salesmen" were their own witnesses for a score of the complained of practices. These included:

Packaging to price. (The device of dropping net weight contents without notice, often with a new package appearing much larger than the old although it contains less.)

Concealing net weight and content.

Misleading quantity designation. (This includes such terms as "jumbo half quart" for the old fashioned "pint" and meaningless adjectives such as "super," "giant," "king size," and "economy size" which may vary from package to package of the same product without relation to its actual content.)

Packaging in odd sizes. (This includes, particularly, the practice of using fractional weights which makes it so very difficult to compare prices.)

Packaging in oversized containers.

Using misleading art on packages.

Misrepresenting the package contents on the label. (One example, the "chicken noodle soup with the ratio one to one" (one chicken to one carload of noodles) or "serves four" for contents that would leave two ordinary persons still hungry.)

Economy size packages that are not economical.

As if these practices did not make the shoppers' job difficult enough, Dr. Wayles Browne, Jr., staff economist, introduced tables to demonstrate the almost impossible task of the consumer in trying to compare prices in today's marketplace in order to make the most efficient use of household money. I ask unanimous consent that these tables be inserted at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Selected detergents

[Ounces per package]

Size	Brand							Spread
	1	2	3	4	5	6	7	
Regular		19		24½	20½		20	5½
Large	19¾		21¾			20		2
Giant	50	49	53½	50½	50½	49¼	49¼	4½
King			92			83¾	83¾	8¾
Jumbo	160	157		157				3
Home laundry	257	320		320		257	257	63

Source: Data on packages, June 1961.

Calculations necessary to compare prices of a single brand of detergent, June 1961

Given				Required	
Size	Pound	Ounce	Price	Ounces	Price per ounce
					Cents
Large	1	4	$0.33	20	1.650
Giant	3	1¼	.79	49¼	1.604
King	5	3¾	1.31	83¾	1.564
Home laundry	16	1	3.99	257	1.553

Method of calculation—King size

16 ounces
×5 pounces

80 ounces
+3.75

83.75

$.01564+ = Price per ounce

$1.3100000
−8375

47250
−41875

53750
−50250

35000
−33500

1500 Remainder

Source: Prices in 3 Washington, D.C., supermarkets for brand Z on June 24, 1961.

Mr. HART. Mr. President, computing the per ounce price of one size of one brand of detergent proved, as you can see, a formidable task. He said a slide rule was not enough, adding:

It happened the day we started to do this, we had a salesman for a calculating machine, a $1,000 machine. We said, "Can you simplify this calculation so you go direct from this price to the price per ounce without having to clear the machine and start over halfway through?" He could not figure out a way to do it.

I add this because some have said the consensus "need only compare the figures." Easier said than done.

Much has been written about the so-called "hidden persuaders." Dr. Ernest Dichter, president of the Institute for Motivational Research, was invited to explain the importance of the psychologists in persuading the consumer to buy one product or another. Dr. Dichter asserted that the consumer does not make a rational choice either in his purchases or in the political arena. He stated that consumer choices are made largely for emotional reasons; that studies show consumers will not read labels no matter how big the type is made, except possibly for the proof of whisky bottles.

Emphatically, but uneasily, I told Dr. Dichter I could not accept this. Press comments and correspondence received from throughout the coutry after these hearings tends to dispute Dr. Dichter's theory. Typical of the press comment is the editorial in the Alexandria (Va.) Gazette. It said:

The Senate Antitrust Subcommittee which is looking into phony packaging has stirred up a nest of irate consumers. Their anger, steadily rising as testimony sheds light on sly deception and outright dishonesty in the packaging of numerous food products, seems likely to prod Congress into corrective action.

The mere fact that some packaging more or less subtly misrepresents the nature or amount of the contents is no surprise to anyone who has done any grocery shopping. Most purchasers have been stung painfully enough, on occasion, so that they are aware of the problem.

Few consumers, however, have until recently had any idea how widespread and diversified phony packaging had become. Instances cited at Senate hearings have been a revelation to them. They have learned about slack-filling of detergent and cereal boxes, about thick glass hiding the fact that a bottle contains less than another of the same apparent size, about the use of larger containers to make the unwary consumer think the contents had been increased—and so on and on. It is no wonder that consumers are becoming more and more irritated.

Realization that this sort of consumer reaction is mighty poor business may even seep through the skulls of businessmen who have been responsible for sharp practices of this kind. It may dawn on them that when consumers understand how they have been deceived the deceiving firm may be penalized by loss of goodwill costing far more than was gained through tricky packaging.

The UPI reported:

The grocery cart is being used to take shoppers for a ride. Consumers Union protests that it has received more complaints on packaging in the last 25 years than on any other subject.

Typical of the hundreds of letters, almost unanimously in support of the investigation, are these three:

From a housewife in Decatur, Ind.:

I am glad someone in Washington has finally come to the rescue of the millions of housewives who haven't majored in higher mathematics in high school or college. To get in the know we would have to spend 8-hour days figuring up contents in packages and cans for a week's grocery shopping.

From a pensioner in Chicago, Ill.:

As a pensioner, who must subsist on $84 per month (and there is an army of us), my interest is a little more than academic in, let's say, the conventional 1-pound can of hash, which supplies me with two meals, when to my dismay I find it to contain only 15 ounces or less.

From a college graduate with a degree in home economics from Connecticut:

I hold a bachelor of science degree in home economics with a foods and nutrition major from the University of Connecticut. I have done graduate work in institutional administration at Michigan State University, and for several years I have been managing a food service operation that serves about 600 meals daily for which I have had to purchase thousands of dollars worth of food monthly. Theoretically, with this background I should be able to do a better than average job of grocery shopping for my family. But none of this training or experience seems to be of much help to me when I attempt to figure out in a crowded supermarket if 3½ ounces at 43 cents is a better buy than 2¾ ounces at 37 cents (provided of course that I was even able to find the weight where it was hidden on the box.

Just what does all this mean? It means that consumers are concerned. They have been simmering for a long time, but appear to be nearing the boiling point. It also means that there is a need for a change in policy by many producers; change needed by millions of housewives who must shop within the limits of the family budget. It is needed by the producer who plays fair but is hurt by his competitor who does not.

It is needed for the proper functioning of our competitive system, whose boast is that merit and efficiency—not guile—will win out in the marketplace.

If a large group of our citizens bear the uneasy feeling that they are the victims of ingenious deception whenever they go out to restock the family pantry, how strongly committed will they feel toward a system that ignores their plight? How secure is the free competition system if it breeds cynicism and mistrust in those whose needs it must satisfy?

There are encouraging signs that as the result of the inquiry, industry is taking a hard look at its own practices. The Cereal Institute, representing most major breakfast food producers, established a committee to study problems brought to light by the hearings and make appropriate recommendations. The Packaging Institute, representing most of the major producers involved, has instituted a similar industrywide committee under the chairmanship of Lloyd Stouffer, editor of Modern Packaging magazine. The Produce Packers Association has established a trade practices committee to conduct self-appraisal of industry packaging standards. The National Canners Association has urged all members to review product filling operations and make changes where necessary. I am glad to see the stepped-up program of the Food and Drug Administration to assure compliance with present deceptive package regulations.

The subject matter is as vast as the packaging industry which will soon reach the $20 billion mark and is still growing. The health and progress of the Nation's economy are involved. Therefore, we intend to proceed thoroughly to explore the subject and then determine whether present legislation is capable of dealing with the criticisms and abuses. If not, how best can we deal with these complex problems without interfering with the flexibility in merchandising necessary to a competitive system?

We owe no less to our consumers, our producers, and the competitive vitality of our Nation than to do just that, and I thank the distinguished members of the Antitrust and Monopoly Subcommittee, and most especially its able chairman, Senator KEFAUVER, for enabling me to undertake this effort.

OPPOSITION TO INCREASE IN NUMBER OF GOVERNMENT PRINTING OFFICE APPRENTICES

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram I have received from Mr. James K. Langan, operations director, Government Employees Council, AFL–CIO.

I agree with Mr. Langan, and recommend that S. 2488 be modified accordingly.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *September 7, 1961.*

Senator WAYNE MORSE,
Washington, D.C.:

The Government Employees Council wish to register vigorous objection to S. 2488, bill to increase Government Printing Office apprentices from 200 currently to 600. Bill introduced August 13, Rules Committee favorably reporting amending to 400. Proposal not justified, will cause needless additional expense. Earnestly request your disapproval.

JAMES K. LANGAN.

REPEAL OF CONNALLY AMENDMENT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD two resolutions I have received from the Baker District Pomona Grange No. 24 of Baker, Oreg.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas Senator MORSE and others have introduced a measure to repeal the Connally amendment, limiting jurisdiction of the World Court; and

Whereas the Connally amendment is a monstrosity which prevents a World Court of Justice from deciding which are problems of international importance: Now, therefore, be it

Resolved, That Baker District Pomona Grange, assembled at Medical Springs, September 9, 1961, go on record as favoring repeal of the Connally amendment and commending Senator MORSE, the Oregon State Bar Association, and American Bar Association for their support.

NADIE STRAYER,
Master.
EDITH MORIN,
Secretary.

Whereas Congress has been under pressure of private power and eastern coal interests in opposing the sensible utilization of energy generated at Hanford: Now, therefore, be it

Resolved, That Baker District Pomona Grange, assembled at Medical Springs Grange this 9th day of September 1961, go on record in favor of construction of a plant for full utilization of the power potential at Hanford; and be it further

Resolved, That a copy of this resolution be sent to the Oregon State Grange, Congressman AL ULLMAN, and Senators MORSE and NEUBERGER.

NADIE STRAYER,
Master.
EDITH MORIN,
Secretary.

STRIKEBREAKING ACTIVITIES

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution from the Oregon Machinists Council, from Ralph Kaufman, secretary.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas United Aircraft Corp. is attempting to bill the Navy Department for the costs they incurred in strikebreaking activities during 1960; and

Whereas this amounts to approximately $8 million in excess costs as a result of United Aircraft Corp.'s management open shop policy which they are attempting to pass on to the U.S. taxpayers; and

Whereas these excess costs were the result of excessive overtime, recruiting, training and work spoilage, caused by company strikebreakers: Now, therefore, be it

Resolved, That the Oregon Machinists Council notify the Oregon congressional delegation of this attempt by United Aircraft Corp. to further burden the taxpayers of America to pay their strikebreaking activities; and be it further

Resolved, That our Congressmen and Senators be asked to join with and assist Congressman KOWALSKI, of Connecticut, in preventing this shocking abuse of taxpayers' money.

CANADA AND THE ORGANIZATION OF AMERICAN STATES

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Why Canada Should Join OAS," written by Charles Lynch and published in the Province, Vancouver, British Columbia, of September 16.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY CANADA SHOULD JOIN OAS

(By Charles Lynch)

OTTAWA.—Canada should join the Organization of American States at once, and any failure to do so will not only place us in default on our moral obligations, but may harm our economic prospects.

This is my firm conviction after a tour of Latin America, including attendance at the Inter-American Economic Conference at Punta del Este, Uruguay.

Canada's adherence to OAS not only is wanted by the other members, it is needed.

It is needed by the Latin American countries who respect and admire the Canadian way of life and the Canadian method of government, not to mention our Government's methods of dealing with other governments.

It is needed even more by the United States, the leader of the Western World, Canada's closest friend and ally, and our biggest trading partner.

What's happening in Latin America is that the United States is hollering to us for help—help that it is within our power to give. To deny it would be a direct slap in the face of President Kennedy.

Here are some of the pros and cons, the pros coming first because that is where I think they belong.

There is a risk that Latin America may turn its back on Western democracy. The United States is trying to keep this from happening. In this circumstance, we cannot sit by and do nothing.

The Latin Americans, to a man, want us in—and a continued "no" to their almost imploring invitations must produce a negative reaction on their part, now that events are moving so swiftly. We cannot count on a continuation of our present popularity if we stay out.

If President Kennedy's Alliance for Progress bears fruit—and all Canadians must hope that it will—it will mean increased prosperity throughout the hemisphere. This means increased opportunity for export trade, a fact which has been amply noted by the Canadian Government. But if we refuse to participate in the Alliance, we must expect to find trade doors closed to us later on.

The time to get in on the ground floor is now. More so than in Africa and Asia, there is reason to believe that money and effort invested now will come back a hundredfold in terms of future trade with the nations of Latin America.

If one of the goals of our foreign policy is to keep communism at bay, it is indefensible to channel the whole of our foreign-aid program to southeast Asia and Africa, and to pay no heed whatever to the needs of the Latin American nations. How can we be as concerned as we are about communism in southeast Asia and Africa, and be

indifferent to the threat it poses in our own hemisphere?

Canada's adherence to OAS would strengthen her hand in dealings with the United States, and would give her renewed significance in other organizations, including the United Nations, NATO, and the Commonwealth.

If the Commonwealth lives, it is Canada's duty as the leading American member to establish close relations with the other nations of the Americas. If the Commonwealth falls into decline, Canada will face an agonizing political and trade reappraisal that might force OAS membership upon her on a panic basis. Better on all counts to do it with good grace now, so we do not risk having to come later on our hands and knees.

Geography makes us part of the Western Hemisphere, however much a succession of Canadian Governments may have ruled to the contrary.

History also makes us part of the hemisphere, made up as it is of nations inhabited originally by Indians, colonized by European powers looking for economic gains, followed by an evolution into independence. In most cases that evolution was achieved with more violence and less success than our own—but in the case of Brazil, far and away the biggest of the Latin American nations, the parallel is not unflattering to them or to ourselves.

Together we make up the area known as the New World, which is both a place and a state of mind. Geographically and psychologically, Canada belongs.

Before getting to the cons, which I propose to deal with as quickly as possible, there is one thing that should be noted.

The thoughtful reader will have observed that many of the points listed above can be met without actually joining the OAS. We could choose to stay outside the Organization and strive for closer bilateral relationships with individual Latin American nations of our own choosing, thus taking the cream and leaving the skim.

I am convinced that despite its attractions, this won't work.

Canada might make some friendships, but she would also make some enemies, and complications would quickly multiply.

The channels that now exist through OAS and the Alliance for Progress are vital ones that lead in the right directions—Canada can use them without risk to her reputation for honor, integrity, and all things bright and beautiful.

Now for the cons.

Canada, if she joins OAS now, would seem to be responding too promptly to President Kennedy's challenge, and would appear to be a mere lackey of the United States.

This is the basic argument for delay being used currently in Government circles. Talks with dozens of Latin Americans of high and low estate have convinced me it has no validity whatsoever. They expect us to be friendly disposed toward the United States, but they do not hold it against us—if anything, they think the more of us for it. We have demonstrated an independent policy line often enough for them to respect us for it, and to expect us to continue in the same vein.

Canada, if she joins OAS, would become involved in an interminable series of internal Latin American "squabbles" that could do us no good, and might do us harm.

This has to be admitted as a possibility. But the nature of things is such that we are going to be involved in "squabbles" anyway, whether we belong to OAS or not. Inside OAS, we might be able to spot trouble coming and do something to avert it through our genius for compromise, which is unique in the hemisphere.

Joining OAS would create new problems in our relationship with the United States, since the other nations would expect us to side with them against the United States, or vice versa.

The fact is that staying outside OAS is likely to create new problems with the United States, since Kennedy has already invited us to marry in, for better or for worse. We face pained surprise and perhaps hostility from both the United States and the other American Republics if we stay out much longer.

Joining OAS would jeopardize our Commonwealth relationships.

This is simply not true, as any responsible Briton, Australian, New Zealander, or Indian will tell you. They cannot understand why we do not join, and they wish we would. There are good reasons why we should do so ahead of Cheddi Jagan's British Guiana, which plans to join as soon as possible.

We can't afford it.

This is Finance Minister Fleming's argument, and it is shared in part by some officials of the Department of External Affairs who would rather see us stay out than to try to join on the cheap, claiming membership but accepting none of the responsibilities of a highly developed nation.

In response I would simply reiterate the argument that in the case of Latin America, we could invest $75 million in the Inter-American Development Bank, match our Colombo Plan effort with $50 million in aid money for Latin America, and contribute technical aid to the Alliance for Progress without going to the dogs.

All of which sounds like a tall order, especially when what we are looking for is trade prospects, not aid prospects. But if we meet this tall incoming order now, we can look forward to some tall outgoing orders later on.

Otherwise, in my view, we can forget about Latin America as a developing market for Canadian products, because our traders will not be welcome there.

And should the Alliance for Progress fail, and communism take over in the rest of the Americas as it has in Cuba, a full share of the blame and the consequences will be ours.

COMMUNIST CHINA'S A-BOMB PROGRAM

Mr. MORSE. Mr. President, the September 18 issue of the New Leader contains an article entitled "Communist China's A-Bomb Program," by Gordon H. Evans, who is described as a free-lance writer who specializes in international and military affairs.

The tenor of this article is to the effect that Red China is making such strides in science and engineering that she may well enter the circle of nuclear nations with a missile capacity much sooner than we expected.

I call attention, too, to the writer's statement:

The central thrust of Communist China's new scientific renaissance is in education. The expansion of its educational system has been breathtaking: Between 1950–55 China's student population increased by 300 percent. By 1962 it will total 850,000, a very large proportion of which will be in engineering and physical sciences. During the period 1957–62 Peking will graduate about 190,000 new engineers and 35,000 new scientists. Approximately 38 percent of all college-level students in China are being trained as engineers, as against 30 percent in the Soviet Union, and next year the annual number of engineering graduates may approach the level of 40,000 to 45,000 currently being graduated in the United States. Dr. Wang Chi-hsiang, and Ameircan-trained chemist who returned to China and later escaped, has observed: "Everything they are doing now is aimed at one thing—to beat the United States, and in the end to destroy it."

I ask unanimous consent to have this entire article printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMMUNIST CHINA'S A-BOMB PROGRAM

(By Gordon Heyd Evans)

"China does not own atomic weapons," said Foreign Minister Ch'en Yi in May 1958, shortly before the second Quemoy crisis, "but we shall have them in the future." A month later, Communist China's first nuclear reactor and cyclotron, both built with the aid of the Soviet Union, went into operation at Peiping.

Since 1958, a number of the world's leading Communists have referred to Peiping's atomic program. In February 1960, while in Oslo, Soviet Deputy Premier Anastas Mikoyan suggested that if nuclear tests were not outlawed, China would soon have atomic weapons. Shortly afterward, during a visit to Burma, Premier Chou En-lai let slip that Peiping expected to build nuclear-powered submarines by 1965. And, more recently, allied diplomats reported that President Liu Shao-chi boasted to the Moscow conclave of the 81 Communist parties last November that Peiping would soon become a nuclear power.

What progress have the Chinese made in military atomic power during the past 3 years? Peiping's atomic program is, of course, cloaked in secrecy, and much of what we know—or can surmise—comes from indirect sources. Nevertheless, certain basic facts are clear:

China has large deposits of uranium and thorium. Uranium—probably in large quantities—has been mined and reduced for several years in Sinkiang and other regions for shipment to the Soviet Union. The extraction and processing facilities for natural uranium have thus already been set up. Exploration, mining and reduction-plant construction, which hampered both the American and Soviet programs, will not seriously hold back China.

It is likely that China has at least four large nuclear reactors. Indian and Japanese sources say they are located at Sian on the Wei River, Chungking on the Yellow River, Peiping, and somewhere in Manchuria. At the November Moscow meeting, Liu Shao-chi supposedly claimed that these reactors can be used for either peaceful or weapons purposes. Apparently, therefore, China intends to make plutonium on a large scale, if it is not doing so already.

Many experts believe that there have been several atomic explosions in China within the last 6 years. A nuclear blast was reported in Sinkiang in 1955, Japanese sources spoke of a small blast in the summer of 1959 near Lanchow, a rapidly growing city in the northwest which seems to be the heart of China's nuclear and missile programs.

The initial Chinese atomic tests were probably made with Soviet weapons. Since Peiping has undoubtedly put heavy pressure on the U.S.S.R. to share its nuclear technology, Moscow may have offered a few demonstration explosions—without revealing the highly complex detail which must be mastered before weapons can be produced. It is possible, however, that China extracted enough plutonium from its new reactors to make the 1959 device itself. In fact, China's first atomic bomb may already have been tested.

There is some evidence that Peiping has also entered the nuclear arms race via separation of uranium isotopes. Each of the

atomic powers (including France) has found it necessary to begin large-scale production of U-235 by the so-called gaseous diffusion process. Diffusion plants, with their high initial costs, require huge amounts of electric power to operate. Interestingly, since 1958 mainland China has pushed hard to increase its electric generating capacity, and it has complained bitterly about Soviet tardiness in supplying turbogenerators for a major hydroelectric project.

The Chinese are very probably building intercontinental ballistic missiles (ICBM's) and intermediate range ballistic missiles (IRBM's). A launching site has apparently been established at Lanchow and large sums are reportedly being spent on missile development. For this Peiping has the services of Dr. Hsue-shen Tsien, one of the world's outstanding jet-propulsion scientists. An adviser to the U.S. Air Force during World War I, he also held a key research post at the California Institute of Technology, and may well be playing the catalytic role of a Robert Oppenheimer or a Wernher von Braun in the Chinese rocket effort.

No Chinese missile tests have been detected in the West—or, at least, none have been reported. But a chain of launching pads, pointed toward Formosa; has been constructed along the South China coast. The authoritative Times of India says a similar chain of pads (presumably for medium-range rockets) has been set up along the Tibet-Nepal border, facing India. Well-informed observers in Japan expect Peiping to start testing missiles on an expanding scale in 1962, at about the same time that nuclear testing is begun.

China places great emphasis on science, especially the disciplines related to modern armaments. Reviewing Chinese scientific progress during the 10 years following the liberation in the November 1959 issue of Scientia Sinica (Chinese Science), Du Ruensheng, Deputy Secretary of the Academy of Sciences, revealed that China plans to forge ahead in certain new techniques and important borderline sciences, such as nuclear technique, computing technique, semiconductors, radio-electronics, automation, chemical physics, biophysics, etc. As might be expected, it is precisely in nuclear physics that some of the greatest effort is being made.

In 1955, when the Chinese Government selected 10 major areas for rapid scientific growth, nuclear physics headed the list. Over a dozen Chinese universities now offer programs in the field. At the pinnacle of the Chinese research hierarchy is a new University of Science and Technology, founded in 1958 at Peiping, whose departments include nuclear physics, nuclear engineering, radioactive chemistry, and automation.

In addition, at least 950 Chinese have been trained in nuclear physics at Dubna, near Moscow, where the Russians apparently have isolated them from their own nuclear weapons projects. The Dubna center is one of the world's outstanding institutions for study and research in theoretical atomic physics. One-third of the published monographs originating at Dubna are by Chinese authors.

China had very few nuclear physicists—or any kind of physicists—when the Communists took power. During the last decade the number of graduating physicists was 500 percent greater than that of the highest previous period. Recently, too, the names of several internationally known Chinese nuclear physicists, who were trained in the great universities of the West and were once regular contributors to international scientific journals, have disappeared from the physicists' literature. Indications are that they are heavily engaged in secret weapons development.

How long will it take the Chinese to equal the West in modern science? According to Prof. Robert T. Beyer of Brown University, "they are making extraordinary efforts to compete * * * physics in China today is comparable to physics in the Soviet Union in the 1930's. In a time interval no longer than that required by the Russians, we can expect that physics in modern China will be comparable in its achievement with its Soviet and Western counterparts."

The Chinese are making a special effort to develop first-class technical facilities. In 1958, they had over 800 scientific and technical research institutes, staffed by 32,000 research workers. Western visitors report that much of the research equipment is of high quality. The latest Soviet and Western technical books and periodicals are available, and over 450 scientific journals are now published on the mainland, a fivefold increase in 5 years.

The central thrust of Communist China's new scientific renaissance is in education. The expansion of its educational system has been breathtaking: Between 1950–55 China's student population increased by 300 percent. By 1962 it will total 850,000, a very large proportion of which will be in engineering and physical sciences. During the period of 1957–62 Peiping will graduate about 190,000 new engineers and 35,000 new scientists. Approximately 38 percent of all college-level students in China are being trained as engineers, as against 30 percent in the Soviet Union, and next year the annual number of engineering graduates may approach the level of 40,000–45,000 currently being graduated in the United States. Dr. Wang Chi-hsiang, an American-trained chemist who returned to China and later escaped, has observed: "Everything they are doing now is aimed at one thing—to beat the United States, and in the end to destroy it."

We should not exaggerate China's dependence on Soviet Russia, particularly in the area of nuclear energy. Moscow has apparently been reluctant to give Peiping access to military atomic technology. The U.S.S.R. was not willing to assist China in building a reactor until years after the first Russian atomic pile was critical, and 9 years after the Communists came to power on the mainland. The recent outbreak of ideological differences over the Leninist interpretation of war will probably strengthen the Soviet Union's determination to withhold nuclear weapons technology from its Chinese allies.

While Moscow's scientific help could greatly speed up Peiping's domestic weapons program, the Chinese can undoubtedly make steady headway on their own. Two circumstances are in their favor: First, a totalitarian country can concentrate resources to a degree unthinkable in a liberal democracy; it can draft the best brains in the service of the state; it can requisition scarce materials and earmark foreign exchange to buy equipment abroad. In addition, key projects can be pressed ahead at the expense of the public welfare. The same concentration of resources at the expense of the consumer sector made possible the impressive present-day Soviet armed forces.

Second, there is what might be called the "leapfrog principle." A nation emerging from technological backwardness can make surprisingly rapid strides by imitation, even in the area of advanced weaponry. A great deal of information about how a given system is developed filters out through the best security. Moreover, a latecomer such as China need not pass through all the experiments and intermediate stages of a weapon's system, but can proceed directly to the final product. This leapfrogging is made possible because of the successive developments in weaponry are often not closely interconnected. The technology of piston-driven bombers, for example, is very different from the technology of ICBM's. Peiping can ignore the stage of building airfleets and pass directly to making the latest ICBM missiles.

Old stereotypes die hard. The United States has an image of a backward China, unable to seriously challenge any advanced Western country in modern industry or science. (Not many years ago we had virtually the same image of Soviet Russia.) But in predicting the accomplishments of an extremist group of men the balanced view is almost certain to be the wrong one.

The Chinese do not take a balanced, reasonable view of the rate of progress they can achieve; neither should we in appraising them. It has become a commonplace among many observers that China will be able to build a few atomic bombs over the next decade or so, and will be able to threaten Hong Kong, Japan, Formosa and perhaps even America's Far Eastern bases. But the balanced view of China's potential holds that there is a wide gap between possessing a few atomic bombs and having a large supply of multimegaton weapons available for distant delivery. According to this outlook, Peiping will not acquire impressive atomic capabilities of a worldwide nature for some time.

There are good reasons to deeply distrust this comfortable estimate. Even given temporary setbacks—such as China is now experiencing in agriculture—a determined government can push ahead rapidly to major nuclear status in a surprisingly short period. The counterexamples of Great Britain and France's atomic programs are hardly comparable: In the late 1940's and early fifties both these powers were safe behind the shield of the American deterrent, and hence were under no special pressure to build a nuclear strike force of their own at high speed. London and Paris could adopt a leisurely pace with their atomic programs, but China cannot take its time, or at least its leaders believe it cannot.

China's strategic position and ambitions dictate that it must eventually develop more than local atomic power. Before Peiping can engage in large-scale expansion in Asia it must be able to deter the United States by a direct threat to our national homeland. A limited capacity to strike at our allies and outposts in the Pacific and along the mainland fringe is not sufficient. Peiping may well believe that, should it embark on large military campaigns in the Far East, Washington might not be deterred from attacking China proper unless there was a counter-threat of Chinese attack on the American Continent.

The next 10 years may see mainland China emerge as a major atomic power in its own right, a nation with hydrogen bombs and ballistic missiles. Unless communism in China collapses under some terrible Biblical succession of famines—an event which may occur, but upon which we cannot count—this day may arrive sooner than most people think. When it does, the United States will have to play its diplomatic cards with the greatest skill, or we may find ourselves dragged into the most disastrous war in our history.

LABOR DAY ADDRESS BY ARNOLD S. ZANDER, PRESIDENT, AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES

Mr. MORSE. Mr. President, on September 4, Mr. Arnold Zander, president of the American Federation of State, County, and Municipal Employees, delivered a Labor Day address in Boston, Mass. I ask unanimous consent to have

the text of his remarks appear here in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LABOR DAY ADDRESS BY ARNOLD S. ZANDER

I am happy to be here in Boston on this memorable occasion marking the 79th anniversary of Labor Day, and happy to share the platform with Ted Kennedy.

The Kennedy name was well known to the American trade union movement through the dedicated efforts of John F. Kennedy in behalf of our cause long before he traveled to the White House. As President of the United States, he has continued to understand and support the projects in which we believe.

This is labor's special day when we honor organized labor for its major accomplishments throughout the years. They did not come easily, but, I am sure you will agree, the efforts to achieve them have been worth while.

For the growth of the American trade union movement has enabled us to strengthen our democratic society and has established organized labor as an integral part of the daily lives of all Americans.

In our own union, the American Federation of State, County & Municipal Employees, we have scored great gains that have not only benefited our members but society as a whole, and the whole fabric of democracy throughout the world.

Our program of social legislation includes the establishment of civil service where it does not exist and the improvement of it where it does, the establishment and improvement of pension systems, the extension of social security coverage to State and local government employees, urban redevelopment and the construction of relocation housing, health programs like the Philadelphia AFL medical center, the President's program for health insurance under social security.

We can be proud that the American trade union movement has secured new gains in these very recent times: a minimum wage bill that will help to raise the standard of living of American workers; an omnibus housing bill to help provide decent homes; an increase in social security benefits and wider coverage; and some inroads in the alarming unemployment rate.

We can be proud of these important gains during this year of 1961, and grateful that this administration recognizes the need to move forward in many of the fields which have remained static too long. But we cannot be complacent. For the very measures for which we stand, for which we fight, and in which we believe, are the strongest weapons in our arsenal in the fight for peace.

The American trade union movement is not concerned alone with wages and hours and conditions of employment. We are deeply concerned with democracy and freedom, with security, and peace with justice.

Today our country—and President Kennedy, the man who leads it—face one of the most critical periods in our history. We have had a crisis in nearby Cuba, in far-off Laos, and now face a crucial test in Berlin. We face the horrible threat of nuclear holocaust. We see new revolutions in Asia, in Africa, and in our own hemisphere in Latin America.

These are the potentially explosive world crises that demand constant attention; sometimes immediate action; sometimes immediate aid. These are the frightening events that occupy our leadership and the minds of the American people through the banner headlines in the Nation's press. These are the mountainous and seemingly insurmountable problems upon which our very survival may depend.

But there are little hills that can be scaled, there are smaller roads that can be opened that can help clear the way toward the solution of these major problems, or at best, prevent them from becoming larger.

Today I want to talk about just one of those roads because I sincerely believe that it is a road that can be opened to freedom if we act now, or it can be blocked by communism if we neglect to act.

The road of which I speak is in Panama, where Castro's Communist agitators are bending every effort to capitalize on the low standard of living, the substandard housing, the lack of health protection, and all of the other ills which are the concomitant of marginal existence.

I have chosen to speak of this road today for two reasons: First, because it is a road that can lead right into the heart of democracy in this hemisphere and the Communists have started their march; and, second, because it is a road which our union, the American Federation of State, County & Municipal Employees, I believe, can open wide to democratic principles.

Moreover, it is the road which acts as a natural bridge between the United States and our neighbors to the south in Latin America, where already we have seen the strong arm of Communist doctrine uncomfortably close to our very shores.

There is in Panama a magnificent opportunity to establish a beachhead of democracy that can prove to our Latin American neighbors that we believe in the dignity of the individual; and that we believe that the war against poverty and disease, against illiteracy and degradation, is an important battle in our fight for peace.

Our union of State and local government employees, some 5 years ago, got by merger two local unions in the Panama Canal Zone. The membership of one of these unions consists of non-U.S.-citizen employees of the Panama Canal Company; the other, of non-U.S.-citizen employees of the Panama Canal Zone Government and other national establishments in Panama.

These workers include Panamanians, Nicaraguans, Costa Ricans. There are also nationals from Colombia, from Venezuela, from Ecuador. They constitute one-sixth of the total work force of the Republic of Panama.

In the daytime, they work for our Government in the Canal Zone. At nighttime they go back to the slums of the cities of Panama, which is the only shelter—the only life available to them. Their living conditions in Panama City and Colon, the two principal cities of the Republic, are indescribable.

Boston has its slum area, as has our Nation's Capital where I live, as well as some of our major cities throughout our own country. But progress is being made through urban redevelopment; through better housing and through other social legislation to eradicate these blights.

But in Panama, where the living conditions are far and away beyond the lowest level of anything I have ever seen in my wide travels, there is no visible sign of improvement.

Ironically enough, these workers to whom I refer, are paid more than most workers of Panama. But their plight is the same as the poorer paid, or even the unemployed, simply because there are no facilities through which they can improve themselves and their living conditions. There is no housing available to them, even though they can afford to pay for housing. There is no program of adult education, no recreation, no active, organized and practical program whereby these people can help themselves to a better life.

I have been in contact with these workers for some time. I have talked to them, outlining a program of activities that includes housing, health, recreation, adult education, and cooperatives to replace the commissary privileges which have been denied them.

Their response was enthusiastic; their cause inspiring. So I presented to our Government in Washington a practical plan to help these people help themselves achieve their goals. It is a plan that calls for our Government, by way of the Panama Canal Company, employer of these workers, to demonstrate our belief in the collective bargaining process and our belief in the just and wholesome returns that can assuredly result.

The plan calls for the voluntary deduction of union dues from Panama Canal Company payrolls at the request of the workers who choose to join the union. This simple and voluntary measure would enable the union to undertake a broad program of activities for thousands of workers; would help us to improve the cities and the lives of the people living in them.

That plan was proposed to our Government in 1957.

During the years of frustration that followed, as we continued our efforts, we watched our country's image slowly but surely tarnish in the eyes of the workers in Panama. More recently, we have heard the Castro agitators hawking the virtues of Communism and cleverly promising to fulfill the desires of these forgotten people.

While we all thoroughly recognize the mighty burdens of this administration in international relations around the world, and thoroughly recognize President Kennedy's tireless efforts in his endeavor to achieve peace with justice, I am appealing today for understanding and support in behalf of our union's Panama project. I am appealing because I believe that in Panama we can demonstrate not only to the workers of Panama, but to the entire Western Hemisphere, that we recognize that the goals we seek as Americans are universal goals of all freedom-loving people and that we can and will help the less fortunate peoples to help themselves to achieve them.

The proposal to stabilize our union in Panama has the support of the President of Panama, Roberto F. Chiari, the Panamanian Ambassador to the United States, A. G. Arango, and of leading Members of the U.S. Congress.

It is our hope that the President of the United States, despite his tremendous burdens, will listen to our appeal and will exert the leadership of the highest office in the land to help carry it forward in the interests of democratic progress.

UTILITY PROBLEMS IN UNDERDEVELOPED AREAS

Mr. MORSE. Mr. President, the Public Power bulletin for September 1961, contains an article by Alex Radin, general manager of the American Public Power Association, describing the recent conference in Mexico City on electric power in Latin America.

I ask unanimous consent to have this article appear here in the CONGRESSIONAL RECORD.

I especially recommend it to U.S. diplomats and aid officials whose duties relate to the economic development of Latin America.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POWER FOR LATIN AMERICA—CONFERENCE CONSIDERS UTILITY PROBLEMS IN UNDERDEVELOPED AREAS

(By Alex Radin)

(Mr. Radin was a participant in the Latin American electric power seminar held last month in Mexico City. The seminar was held under the joint auspices of the United

Nations Economic Commission for Latin America and other U.N. agencies, with the collaboration of the Government of the United Mexican States.)

Scarcely a week before the opening of the Punte del Este Conference in Uruguay, almost 300 representatives of electric utilities and other power organizations from practically all the Latin American countries, as well as representatives of countries in North America, Europe and Asia, met in Mexico City to attend a Latin American electric power seminar.

The two conferences were not unrelated in their ultimate goals. The Punte del Este Conference had as its primary objective the formulation of a dramatic and bold plan to implement the alliance for progress program for economic development of Latin America.

The purpose of the Latin American electric power seminar was to bring together officials of electric utilities, both public and private, of the Latin American countries, together with other experts in this field, to discuss some of the fundamental financial, management, and organizational problems facing the electric utilities of Latin America.

ELECTRICITY TERMED ECONOMIC CATALYST

The relationship between the Punte del Este and the Mexico City conferences was perhaps best highlighted in the provisional report published at the conclusion of the 12-day seminar. Said the report:

"The economy of the entire world is expanding. The rapid rate of growth characterizing the developed areas, unless it is surpassed by that of the countries in process of development, will make 'the rich richer and the poor poorer,' in the relative sense of the expression.

"Latin America, with various levels of living in the different countries of the area, constitutes, as a whole, an underdeveloped continent. In order to better its lot, a considerable internal effort is necessary, to which, it is hoped, the economically more prosperous countries and the international development organizations will contribute."

The report then added that electricity is a "catalyst capable of accelerating general development, and especially industrial development, to such great velocity that, in time, the enormous lag of the underdeveloped areas can be made up."

In emphasizing the importance of electric power in raising the level of economic activity in Latin America, the provisional report of the seminar was reflecting the views of many of those who spoke at the Mexico City Conference.

At the opening session, Adolfo Dorfman, Director of the Energy and Water Resources Program of the U.N. Economic Commission for Latin America, and director of the seminar, pointed out that energy problems "constitute a fundamental obstacle to the economic development of Latin America."

If electric power is an indicator of the level of economic activity and the well-being of a country or an area, the figures for per capita production of electricity show why Latin America is today so desperately in need of economic assistance. According to a report prepared for the conference by the U.N. Economic Commission for Latin America, the per capita production of electricity in Latin America in 1959 was only 316 kilowatt-hours. This compared with 1,554 kilowatt-hours in Western Europe, 1,192 kilowatt-hours in Eastern Europe, 4,489 kilowatt-hours in the United States, and 1,836 kilowatt-hours in other developed countries of the world. The per capita production of electric power in Latin America in 1959 was just about one-half that of the world average of 723 kilowatt-hours.

In order to tackle some of the pressing problems facing the development of electric power in Latin America, the ECLA staff assembled, in preparation for the seminar, a foot-high group of papers on a wide variety of subjects. Included in this mass of papers, which was distributed in advance of the Conference, was a paper prepared by the APPA staff, at the request of ECLA, on the subject, "Forecasting Future Electric Power Requirements" (Public Power, November 1960, p. 35).

None of these papers, however, was presented at the conference. Instead, a detailed agenda was prepared, and those participating in the Conference were invited to comment on the items of the agenda. Simultaneous translation was provided in English and Spanish.

Latin Americans are hardly noted for the brevity of their comments; in fact, they seem to relish the opportunity of talking. Thus, it is not simple in this single article to attempt to summarize both the papers and the oral comments given during the course of this 12-day Conference. However, here are some of the highlights which impressed this participant:

During the early stage of the Conference, there was considerable discussion on the subject of the public versus private power question, although much of this discussion was carried on by the representatives from the United States.

It was my impression that the public versus private power issue stirs up considerably less emotionalism among power officials in Latin America than it does in the United States. For one thing, there has been an increasing trend toward public power in Latin America in recent years, and at the present time about 60 percent of the generation of power in Latin America now comes from public enterprises. A substantial amount of this power, however, is sold at wholesale to private power companies.

It is hazardous to generalize, but it was my impression that many of the Latin American countries have found, through experience, that the private power companies—many if not most of them financed by foreign capital—could not provide adequately for the power requirements of their respective countries, and, therefore, they were forced to turn to public agencies to supply their needs for electric power.

Thus, the support or acceptance for public power in many of the Latin American countries does not stem from any doctrinaire ideas about the desirability of public as opposed to private power, but because it is generally recognized that public investments in the power sector of the economy are absolutely essential in order to fulfill requirements for electric energy.

It was also my observation that most of the public electric systems in Latin America are not particularly interested, at the present time, in buying out the private power companies. Faced with limited financial resources, the public enterprises feel they should use their capital to build new generating capacity and new transmission and distribution facilities which will meet some of the presently unmet needs.

One of the principal and most effective spokesmen in favor of public power was the chairman of the Conference, Manuel Moreno Torres, Director General of the Comision Federal de Electricidad of Mexico, the organization which directs Mexico's nationalized power system.

In a rather impassioned speech, Mr. Moreno told of the steps which led to the nationalization of the electric industry in Mexico. He said that the private companies in Mexico were unable to provide the desired rate of expansion; they did not provide electric service for those of lower income levels their high rates resulted in low consumption of electric power; the profits received from the foreign capital invested in the system were taken out of the country; and inadequate attention was given to the development of the country's natural resources (for example, thermal plants frequently were built in areas where hydro resources were available.

Consequently, he said, Mexico undertook the nationalization of the electric industry and placed this service in the hands of the people, so that it could be used to raise the standard of living.

TVA EXPERIENCE DISCUSSED

A considerable amount of the debate on public versus private power centered about the Tennessee Valley Authority and the applicability of the TVA principle to other countries.

About 2 days after the opening of the seminar, James Watson, Director of the Power Marketing Division of TVA, made a rather comprehensive statement about the TVA experience.

Mr. Watson placed particular emphasis on the importance of management's attitude toward load development and retail rates. "Management," he said, "should set certain goals for the consumption of electric power, and should devise its policies to achieve those goals, rather than forecast demand strictly on the basis of historical records.

"In general," Mr. Watson said, "there was more danger in underestimating demand than in overestimating it.

"What you are selling is service, not capacity, and you cannot sell capacity that is not built," Mr. Watson said.

He also pointed to the important relationship between low rates and high use of electric power. "The only way an electric utility can have low rates is to have high use," he said.

Mr. Watson's position was quickly challenged by Alfred Matter, of the International Bank for Reconstruction and Development (the World Bank). Mr. Matter said that the International Bank has found no substitute for a careful projection of demand based on the demand of the various classes of customers, and that if an excess of electric power capacity were built, it would have to be done at the expense of other sectors of the economy.

He said the TVA experience was not necessarily applicable to underdeveloped areas for these reasons:

1. Even in 1933, the Tennessee Valley could not be considered an underdeveloped area.

2. TVA was started in a country with unlimited financial resources from the Government and private sources. (This statement came as a great shock to the TVA representatives present, who have a vivid recollection of the hard battles TVA has fought for its appropriations from Congress.)

3. The demand for electric power by TVA has been heavily conditioned by the demands of the Atomic Energy Commission and other Government agencies.

Mr. Matter's statement set off some rather heated rejoinders by myself, R. A. Kampmeier, Assistant Manager of TVA power, and Morgan Dubrow, head of the Washington, D.C., office of the Bonneville Power Administration.

I began the series of replies by saying that I did not know how Mr. Matter defined an "underdeveloped area," but that I had lived in the Tennessee Valley before TVA was created, and the conditions there certainly impressed me as being underdeveloped. I described the widespread unemployment, the low-income levels, the lack of job opportunities.

As for Mr. Matter's statement to the effect that an abundance of low-cost power did not necessarily create a demand for power, I cited the creation of TVA and the building of Grand Coulee Dam as examples of the fact that the availability of large supplies of low-cost power did result in a demand for such power. Grand Coulee, I pointed out, was built in an area where it was claimed that the only possible users of the power would be the jackrabbits, and if the philosophy propounded by Mr. Matter had prevailed, Grand Coulee would never have been

built. Likewise, I said, representatives of the private power companies had testified before Congress that there was no market for TVA power, but TVA was built anyhow, and the demand for the power developed quickly.

Mr. Kampmeier pointed out, too, that the TVA representatives did not contend that the TVA pattern should be adopted as such by any country. Obviously, it was not possible to cure any underdeveloped country's ills merely by adopting the TVA Act. However Mr. Kampmeier pointed out that the success of the TVA program undoubtedly contained some lessons which would be valuable to other countries.

Without derogating the Tennessee Valley in any way, Mr. Kampmeter pointed out that the economic conditions in the valley, prior to the creation of TVA, were as bad, if not more so, than those that exist today in many underdeveloped countries. The valley's economy depended on one crop, the cash income of farmers averaged less than $100 per family, the per capita personal income in the valley was only about $168 per year (as compared with about $450 per year in Mexico at the present time), and 95 percent of the rural people were without electric service.

Mr. Kampmeier also presented figures to show that even without the Government's requirements, the area had experienced a tremendous increase in demand for power since TVA was created, and today residential usage is more than twice that of the national average.

The arguments about TVA continued for another day or more, with charges about TVA's costs, etc., being made by Edwin Vennard, managing director of the Edison Electric Institute.

SOVIET DELEGATE CITES GOALS

A mild flurry was also created by the presentation of a paper by N. M. Chuprakov, of the Ministry of Power Piant Construction of the Soviet Union. Mr. Chuprakov told of the progress the Russians had made in their power program since the revolution, and described their present construction of hydroelectric and thermal generating stations and extra-high-voltage transmission lines.

With regard to nuclear power, he said that the first nuclear power station in the world (5,000 kilowatts) was put in service in the Soviet Union in 1954, and that in 1959 the first 100,000-kilowatt unit was put into operation at a nuclear power station. "At present," he added, "two more power stations are being constructed, which have a total design capacity of about 1 million kilowatts."

Mr. Chuprakov undoubtedly was taking cognizance of the critical importance of low interest rates and availability of capital in the construction of power facilities in Latin America when, at the outset of his speech, he described the aid which the Soviet Union had given to other countries for power facilities. The most attractive bait he dangled before the group was the statement that such credits are given by the Soviet Union in the form of long-term loans bearing 2.5 to 3 percent interest rates.

He concluded by saying that the Soviet Union had set its goal to reach and then overtake the United States of America in the period 1970–80 at first with respect to the consumption of electric power in industry, then with respect to total power generation and finally with respect to the power generated per capita.

"In the coming 15 to 20 years the largest [as to total length of lines] and most powerful consolidated system in the world will be formed on the entire vast territory of the Soviet Union which surpasses the territory of all countries in Latin America by 1.1 times," Mr. Chuprakov declared.

To accent these claims the Russian delegation later showed a movie which pictured the kilowatt race between the Soviet Union and other countries by depicting a race between trains. One by one, the Russian train passed the trains of other countries, and at the conclusion of the movie the Soviet train was seen going ahead of the U.S. train.

The Russians claim that they will surpass the United States in power production was challenged by Mr. Vennard.

Mr. Vennard said that the private utility industry is giving increasing attention to power pooling (he did not claim, as does one of the private utilities' recent ads, that they had invented power pooling). "Through the utility power pooling efforts, the private companies hoped to be able to cut reserves to 12 to 15 percent," Mr. Vennard said, "thereby effecting considerable savings in plant investment."

He painted an optimistic picture of atomic power development, claiming that "it now appears that economic and competitive nuclear power will become available in the high-cost fuel areas within the next 5 years or so."

During the course of the 12-day seminar, many subjects were covered in detail, including: electric power development in Latin America and its main problems; evaluation of demand and its bearing on economic development; capital requirements and methods of financing; economic criteria for selecting possible alternatives in the development of electric systems; hydroelectric resources, their measurement and utilization; nuclear power and its possibilities in Latin America; economic utilization of fuels; the electric equipment industry in Latin America; and legal and institutional problems of the electricity industry in Latin America.

FINANCING IS CENTRAL PROBLEM

But of all the subjects discussed at the conference, it seemed to this participant that the central problem was one of financing the expansion of power capacity that will be needed if the Latin American countries are to bridge the gap between their present supplies of electricity and those of the more developed countries of the world.

To do this will mean stepping up electric power production from the 62 billion kilowatt-hours recorded in Latin America in 1959 to some 200 billion kilowatt-hours by the end of this decade. Such an expansion program will require that installed capacity be practically tripled—from 16 million to 46 million kilowatts.

To accomplish such an expansion in the next 10 years will require a gross investment estimated at some $13 billion, which will represent between 7 and 9 percent of total investment. This relative share is substantially larger than that of the past decade, when, generally speaking, it did not rise above 5 percent.

Although there was considerable discussion at the seminar as to the importance of providing a substantial part (perhaps as much as 50 percent) of the required capital from self-financing (that is, through earnings of the utilities), it was obvious that there will be a serious need for capital from international agencies and from lending programs of the United States. Some participants also felt that there were very real possibilities of obtaining some of the funds from private investors in the United States.

As a participant in an international conference for the first time, it is perhaps presumptuous of this writer to attempt a critical appraisal of such a conference, particularly with respect to the U.S. role in such a meeting. However, the problems of U.S. relations with the Latin American countries have assumed such prominence that I nevertheless feel constrained to make a few general observations, for whatever they may be worth:

SEVERAL U.S. AGENCIES NOT REPRESENTED

1. Considering the fact that (a) electric power is one of the most important elements in raising the economic levels in Latin America, and (b) financing in turn is perhaps the key to power developments in Latin America, I was somewhat appalled by the fact that our two principal lending agencies—the Development Loan Fund and the International Cooperation Administration—were not represented at the conference. I pointed out this fact, early in the conference, to an official of our Embassy in Mexico City, but he could not have seemed to care less.

2. Not a single U.S. power or resources development agency was represented by the head of the agency. Although there were many able representatives of Government agencies in attendance at the conference, they could not, in most cases, speak with complete authority on the many policy questions which were discussed at the seminar.

The lack of such a high Government official was particularly noticeable at the first plenary session of the conference, when the only statements made by U.S. representatives were those presented by Mr. Vennard and this participant. Neither of us, of course, could represent the official U.S. position on power issues.

3. The rural electrification program of the United States perhaps has more to offer the Latin American countries than any other aspect of our power and natural resources program; yet, no representative of REA was in attendance at the conference.

4. There were no central objectives or coordinated plans by the U.S. delegates. It is true that this was not a negotiating session, Nevertheless, the conference was a unique opportunity to present a unified picture of the U.S. activities in a field of activity that is of critical importance in Latin America.

It would seem to this observer that if the goals of the Punte del Este Conference are to be achieved, more attention also will have to be given to the substance of conferences such as the Latin American electric power seminar at Mexico City.

NEGOTIATIONS ON BERLIN AND RELATED MATTERS

Mr. HUMPHREY. Mr. President, this session of Congress is on the eve of adjourning until January. We need little reminding that while Congress is in adjournment, the probability is that the U.S. Government and the Allied Governments will begin substantive negotiations with the Soviet Union on the subject of Berlin and related matters. It is important, as we leave Washington to return to our constituents, that we understand the purposes of any such negotiations, the definition of the term "negotiation," and the necessary mechanics of a successful negotiation which can produce an honorable and equitable agreement.

I am sure that we all agree with the hope expressed by our President that the Berlin situation can be settled by peaceful means.

I digress to point out that the Holy Father, Pope John, also appealed to the leaders of the world for negotiations that are meaningful—not merely negotiations, but negotiations that are meaningful and just and that lend themselves to adjudication in the unbelievable difficulties that confront the nations of the world. I only wish each one of our leaders would embrace these calls by such responsible spiritual leaders for the type of negotiations that can lead to an honorable peace.

It is the responsibility of all the governments concerned to explore every avenue toward a peaceful settlement with honor—and I emphasize the words "with honor."

From the very outset, we must have clearly in mind—and we must make it equally clear to the Soviets through our unity on these matters—that there are certain vital matters on which we must insist—vital matters that affect our national security and the lives of our people and of our allies. For example, we shall certainly not yield the right of 2 million West Berliners to live in freedom and to choose their own way of life; nor the right of the United States and our allies to have free access to, and to maintain a presence in, West Berlin, and there are other vital interests upon which we must insist.

I digress to note that there has been some comment in the press to the effect that we may have changed our attitude or policy on this question. There is no change. The statement made today from official sources has been quite clear that the United States of America has a commitment to Berlin, that we are going to insist on our right to access, that we have no intention to yield on points of vital interest to us.

But we must also clearly understand—and I believe that we have a deep obligation to the citizens whom we represent here in the Congress to aid them in understanding—that peaceful settlements, honorable settlements, can be achieved only through negotiation.

This past week, Secretary of State Rusk has been holding preliminary talks with Soviet Foreign Minister Gromyko, to ascertain whether it will be possible to negotiate about Berlin, central Europe, and related matters.

I must say that the prospects do not look very good insofar as meaningful negotiations are concerned, but I commend our Secretary of State and the President for being willing to pursue this matter in such a sincere and conscientious manner.

All of us have had enough experience with negotiations to know that they are a process of give and take; that without a willingness to give and take on both sides—and I emphasize "both sides"—efforts to find a mutually advantageous solution by negotiation are futile. We have quite rightly objected to the attitude thus far displayed by the Soviets that "what's mine is mine and what's yours is negotiable." Clearly, if this is their real state of mind, then negotiations will be fruitless. Any conference between the diplomats of East and West, where the Soviets are adamant, uncompromising, belligerent, and arrogant, is futile and indeed, insulting.

It is this very matter that our Secretary of State is now probing, trying to ascertain whether or not the Soviet Union is genuinely serious about negotiations.

For our part, we must have in mind our objectives—what is truly essential to us in any settlement. If we take the position that every area or item of disagreement, without regard to its importance, affects our vital interests and can therefore be settled only by total Soviet acquiescence, negotiations cannot produce agreement.

The same thing would be true in reverse. If the Soviets insist on every little item without regard to its importance, then negotiations will end up in complete failure.

Both those who sit across the negotiating table from the Russians and, just as important, those of us who remain here at home, must clearly understand that there are differences of degree on every matter on which we and the Russians may disagree. Some are unimportant. Others are of limited importance. But others affect our vital interests and those of our allies. These matters of vital interest must be protected. We must not and will not bargain away the rights of other people.

Our negotiators must be instructed as to which matters are vital, which are only important, and which are of lesser significance. Our negotiators must be prepared and careful. We—the Soviet Union and the West—must all understand the give-and-take nature inherent in negotiations. Obviously, we and our allies will not be party to a negotiation that is all "give" and no "take." The Soviets must understand that we will not "appease" or "retreat."

Talk of "weaknesses" or "appeasement" to describe a genuine meaningful negotiation, in which concessions are made in return for concessions advantageous to us, would be mischievous folly. Neither the President nor any responsible officer of this Government has any intention of agreeing to anything which will adversely affect our national security. But to remain adamant on points which do not affect our vital interests, when a concession on such a point could promote constructive negotiations, would be irresponsible.

In other words, there must be some degree of flexibility. Otherwise, the alternative is nuclear war.

Those who may find themselves, during the next 3 months, facing the Soviets across the bargaining table, will have complex, intricate problems to contend with. Any good negotiator knows that he has to have some maneuvering room. We Members of Congress can help our negotiators by recognizing that there must be a give and take if agreement is to be secured. We can help them and help our country by bearing in mind that those who represent us at the bargaining table are, like us, citizens of this Republic who are just as devoted as we to fostering and protecting our Nation's interest—in other words, they are patriots. And we will help them and help our country by scrutinizing whatever settlement may emerge from any negotiations about Berlin not blindly against the standard of whether we agreed with the Soviets on this point or that, but against the standard of whether the overall interests of the United States and our allies were advanced or injured by the net result of the negotiations.

The stakes here are high. Just as we must be willing to face up to the possibility of war over those issues that affect our vital interests, so must we be certain that we do not set off a global war over less important issues that are not vital. The fate of civilization hangs in the balance. Rhetoric, emotionalism, breast beating will not substitute for cold courage and sober, hard thought as we steer the difficult course on what we hope and pray will be a peaceful but honorable resolution of the Berlin situation and the other problems related to this crucial area and critical situation.

Mr. President, I ask unanimous consent that the letter of President Kennedy to the Indonesian President, Mr. Sukarno, and the President of Mali, emissaries of the Belgrade Conference on nonalined nations, be printed in the RECORD at this point. I want this letter to follow my statement because the President of the United States, recognizing the importance of honorable negotiations, has made it quite clear, as the letter to the Belgrade emissaries reveals, that we will not negotiate under threats.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 16, 1961]

KENNEDY LETTER TO BELGRADE PARLEY EMISSARIES

(NOTE.—The text of President Kennedy's letter to Indonesian President Sukarno and Mali President Modibo Keita, emissaries of the Belgrade Conference of the nonalined nations:)

DEAR MR. PRESIDENT: I have studied with care the message from the Conference of nonalined nations which you were good enough to present in person.

The U.S. Government is aware that the nonalined powers assembled at Belgrade represent an important segment of world opinion, and, especially, that their peoples share with ours the vital stake in the maintenance of the peace. In our continuing deliberations within the U.S. Government and with our allies, we will give the message from the Conference most careful consideration.

As regards the proposal that I enter into direct negotiations with Premier Khrushchev, we are prepared to use existing and appropriate channels to establish the possibility of surmounting the present impasse.

It has been and continues to be our policy to seek to settle our problems with others by peaceful means. We have not attempted to create crises, and we believe it is incumbent upon all responsible governments to explore all possible avenues, including negotiations at the highest levels, for mutually acceptable solutions of current international problems. However, unless such negotiations are carefully prepared beforehand, they risk failure and may lead to deterioration of the situation.

We therefore feel that at a time of great tension it is particularly necessary that negotiations of the kind proposed by the Belgrade Conference not only have careful preparation, but also a reasonable chance of success.

The Foreign Ministers of the Western Powers are meeting in Washington tomorrow [the letter was dated September 13]. Next week the Secretary of State will head the U.S. delegation to the General Assembly of the United Nations. We understand that [Russian] Foreign Minister Gromyko will also be present. This will provide an opportunity for serious talks about Germany and other problems if the Soviet side proves willing.

The channels of diplomacy are open for the exploration of constructive steps toward a reduction of tension. Other means are available when they can serve a useful purpose. Meanwhile, it is clearly of the utmost importance that there be no unilateral acts

which will make peaceful progress impossible.

Given a realistic approach and a sincere desire on the other side as well as ours to reach a mutual acceptable solution, we see no reason why eventual negotiations should not be successful in coping with the present crisis. However, we do not intend to enter into negotiations under ultimata or threats. It is also clear that we do not propose to discuss abdication of our responsibility or renunciation of the modalities for carrying out those responsibilities.

Nevertheless, we believe it possible to find a solution which can accommodate vital interests on both sides of the crisis.

The United States has carefully noted the statements in the Belgrade declaration recognizing that the Berlin and German situations are of vital importance to future developments in international relations. It has consistently been, and will continue to be, our policy to settle differences with realism and responsibility. We would note that this crisis has been initiated by Soviet, not by American, action.

We endorse the declaration's reference to the rights of all nations to unity, self-determination, and independence, and its condemnation of intimidation, intervention, and interference in the exercise of the right of self-determination. We presume that these principles apply equally to the people of Germany and Berlin.

Our policies in this area have sought to respect these principles. We have absolutely no intention of resorting to force or threats of force to solve the Berlin and Germany problems, but we are determined to honor our commitments and are prepared to meet force with force if it is used against us.

While the United States and its allies are all agreed there must be negotiations on the problem, the Soviet Union must give indication of a readiness to engage in discussion based on mutual respect. The only condition it has yet exhibited any willingness to consider are conditions which involved the surrender of Western rights.

The United States continues to believe that conclusion of an adequately controlled test ban agreement is a matter of greatest urgency. We wish to reaffirm, however, our belief that test ban negotiations should be resumed separately from negotiations on general and complete disarmament.

The Soviet resumption of atmospheric testing has increased the urgency which attaches to the signature of a complete treaty test ban. Complex negotiation on general disarmament should not be permitted to delay the achievement of this significant step forward.

I would emphasize again my regret that the Soviet Union has rejected the offer of the United Kingdom and the United States Government to halt atmospheric tests creating fallout.

Only after a searching review of vital U.S. security interests and after the utmost provocation did we announce our intent to resume underground tests. The nonalined nations may be assured of our continued willingness to negotiate an effective treaty; but, meanwhile, the national security interests of our country and of our allies in the free world must be protected.

The United States looks forward to full consideration of the test ban issue in the forthcoming United Nations General Assembly, which we hope will move the Soviet Union to abandon its opposition to effective controls and toward acceptance of a test ban agreement.

The United States is pleased to note that the participants in the recent Conference in Belgrade mentioned the importance of an effective system of inspection and control. This is the crux of the matter. It is clear from U.S. proposals in the nuclear test negotiations that the United States contemplates inspection and control procedures in the disarmament field in which the nonalined countries, as well as others, would participate.

For some months, the United States has been conducting an intensive study of the problem of general disarmament, which resulted in a request to Congress to create a disarmament agency. The study has also resulted in the development of a comprehensive plan for general and complete disarmament, which is in the final stage of preparations for public presentation.

This plan provides for a program which will insure that the disarmament is general and complete; that war is no longer an instrument for settling international disputes; and that disarmament is accompanied by the creation of reliable procedures for peaceful settlement of disputes and maintenance of peace in accordance with the principles of the United Nations Charter.

The American commitment to these objectives goes deep. Our colleagues in the world community will not find us fainthearted in this cause.

Talks between the United States and the Soviet Union resumed September 6 in New York in a further effort to bring the two sides closer together and to work out a satisfactory disarmament forum. The proposals put forth by the United States by these talks provides for participation of nonalined countries in future broad disarmament negotiations.

They also provide for negotiations under the auspices of the United Nations if the Soviet Union will agree. The United States believes the General Assembly will have an opportunity to go into the matter since a Committee of the Whole exists in the form of the Disarmament Commission, which can be convened at any time.

In conclusion, let me say, Mr. President, that we found elements in the message and in the declaration which reflected a genuine desire to bring about a relaxation of tensions and which, if applied in a truly neutral and objective manner, could be of positive benefit in easing world tensions.

We respect, as always, the desire of other nations to remain nonalined. We understand with sympathy and share their passion for peace. We are, as always, prepared to cooperate with all initiatives to bring about an improvement in the world situation. We look forward to continued friendly relations with the governments and peoples participating in the Belgrade meeting.

Mr. HUMPHREY. The headline on the Washington Evening Star for September 15, giving the text of President Kennedy's letter to the Presidents of Mali and Indonesia, is "Kennedy Rules Out Talks Under Threats."

This man who is our President is a brave man. He has unbelievable burdens these days, and problems of such immense proportions it is almost beyond human capacity to face up to them and to resolve them.

I plead that we who have lesser burdens should permit the President of the United States at least some room for maneuver, some room for flexibility, so that he can bring to bear the great talents which he demonstrated in this body and which he is demonstrating as President—the talents of political understanding and political leadership, the talents of statesmanship and diplomacy—so that this world may be spared a terrible war and at the same time so that the United States and her allies may be able to maintain an honorable position of strength and sustain the institutions of freedom in our country and in other parts of the world.

We are building strength for this Nation. We are strengthening our Armed Forces. We are strengthening our economy.

The crisis over Berlin has brought the leaders of other nations to an understanding of the awful power which the Soviet Union exercises today, and of its aggressive design. I believe there is a reawakening in the world of what the totalitarian dictators seek to do.

If we can sustain ourselves and our allies, if we can maintain our position and at the same time seek an honorable and peaceful resolution of the difficulties we face, time is on our side. Time is on our side because with leadership time becomes an asset. Without leadership time becomes a burden.

The President of the United States, though relatively young in years, has an insight into these problems as we know. I wish to give him every opportunity, as my President, as the President of this great Nation, and as the leader of the free world, to utilize the great talents of political competence and insight and political skill which are so much a part of his life and of his public record.

ADJOURNMENT UNTIL MONDAY NEXT

Mr. HUMPHREY. Mr. President, if there is no other business to come before the Senate, I move, pursuant to the order previously entered, that the Senate stand in adjournment until 12 o'clock noon on Monday.

The motion was agreed to; and (at 6 o'clock and 23 minutes p.m.) the Senate adjourned, pursuant to the order previously entered, until Monday, September 25, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate September 23, 1961:

POST OFFICE DEPARTMENT

The following-named persons to be members of the Advisory Board for the Post Office Department:

Carl Murphy, of Maryland.
Charles H. Earl, of Arkansas.
Paul Perocchi, of Massachusetts.
Robert MacNeal, of Pennsylvania.
James Francis Reilly, of the District of Columbia.
William C. Doherty, of Maryland.

U.S. CIRCUIT JUDGES

Thurgood Marshall, of New York, to be U.S. circuit judge for the second circuit. (A new position.)

Paul R. Hays, of New York, to be U.S. circuit judge for the second circuit. (A new position.)

U.S. DISTRICT JUDGES

John Weld Peck, of Ohio, to be U.S. district judge for the southern district of Ohio. (A new position.)

Frederick A. Daugherty, of Oklahoma, to be U.S. district judge for the northern, eastern, and western districts of Oklahoma. (A new position.)

Ben C. Green, of Ohio, to be U.S. district judge for the northern district of Ohio. (A new position.)

Dudley B. Bonsal, of New York, to be U.S. district judge for the southern district of New York. (A new position.)

Irving Ben Cooper, of New York, to be U.S. district judge for the southern district of New York. (A new position.)

Talbot Smith, of Michigan, to be U.S. district judge for the eastern district of Michigan. (A new position.)

Wilfred Feinberg, of New York, to be U.S. district judge for the southern district of New York. (A new position.)

Clarence W. Allgood, of Alabama, to be U.S. district judge for the northern district of Alabama. (A new position.)

CONFIRMATIONS

Executive nominations confirmed by the Senate September 23, 1961:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Fowler Hamilton, of Connecticut, to be Administrator of the Agency for International Development.

COMPTROLLER OF CUSTOMS

Joseph A. Curnane, of Massachusetts, to be comptroller of customs with headquarters at Boston, Mass.

COLLECTORS OF CUSTOMS

Robert M. Fortson, of Indiana, to be collector of customs for customs collection district No. 40, with headquarters at Indianapolis, Ind.

Tennent L. Griffin, of Mobile, Ala., to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala.

Roy L. Peterson, of Washington, to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash.

DIRECTOR OF THE MINT

Eva B. Adams, of Nevada, to be Director of the Mint.

U.S. DISTRICT JUDGE

Wade Hampton McCree, Jr., of Michigan, to be U.S. district judge for the eastern district of Michigan.

U.S. ATTORNEY

Thomas L. Robinson, of Tennessee, to be U.S. attorney for the western district of Tennessee for the term of 4 years.

MUNICIPAL COURT FOR DISTRICT OF COLUMBIA

Joseph M. F. Ryan, Jr., of Maryland, to be associate judge of the municipal court for the District of Columbia, domestic relations branch, for the term of 10 years.

U.S. MARSHAL

Thomas M. Dugan, of New York, to be U.S. marshal for the eastern district of New York for the term of 4 years.

U.S. CIRCUIT JUDGES

J. Spencer Bell, of North Carolina, to be U.S. circuit judge for the fourth circuit.

Luther M. Swygert, of Indiana, to be U.S. circuit judge for the seventh circuit.

POSTMASTERS

CALIFORNIA

Minnie P. Lynn, Rio Oso.
Rose E. Tacherra, Bolinas.
Rosalind M. Marshall, Hoopa.
Katherine L. Coe, Loomis.
Harry M. Overly, Novato.
Ralph S. Colonell, San Diego.
Richard Manfredi, Sanger.
Henry Heynen, Sausalito.
Frank Ledesma, Soledad.
Venore M. Deisman, Strathmore.

CONNECTICUT

Stanley B. Gregory, Cannondale.

GEORGIA

Guy D. McKinney, Ball Ground.
Charles A. Smith, Chamblee.
J. Stacy Roberts, Elberton.
Ferrell E. Carter, Pearson.

ILLINOIS

Eileen Hanson, Cameron.

KENTUCKY

Irene P. Mullins, Cromona.

MARYLAND

Kate C. Grimes, Riva.

MINNESOTA

Lloyd G. Hanson, Bellingham.
Leonard A. Campe, Fairmont.
Marion E. Mayheu, Ironton.
Burton R. Thomas, Lake Crystal.
Albert J. Theismann, Wabasha.
Richard A. Nelson, Warroad.

NORTH CAROLINA

Horace C. McSwain, Boiling Springs.
Irene E. Israel, McCain.
R. Woodrow Rader, Newton.
A. Dewey Waters, Jr., Roanoke Rapids.

OHIO

Vernon Jeffers, Beallsville.
Hugh T. Albright, Dayton.
Eugene H. Schmersal, Delphos.
Lavern W. Zwick, Plain City.
Kenneth W. Bodey, St. Paris.

PUERTO RICO

Olga Arrillaga de Stella, Anasco.
Andres Velazquez Morales, Rincon.

SOUTH CAROLINA

Richard H. Rice, Bamberg.
Lewis G. Leverett, Langley.
Laura W. Rearden, Montmorenci.
Vanetha S. Matthews, Norway.

TENNESSEE

Norman L. Thomas, Trade.
Michael F. Scharbat, Millington.
Martha A. Robertson, Speedwell.

VERMONT

William J. Harrington, Windsor.

VIRGINIA

J. Moeton Agnor, Fairfield.
William H. Ireland, Herndon.
Howell C. Franklin, McLean.
Hugh F. Burke, Vienna.

WEST VIRGINIA

Mildred W. Dunn, Peterstown.

WYOMING

George D. Holden, Cokeville.
Frank E. Myers, Worland.

COLLECTOR OF CUSTOMS

John C. Schweers, of South Carolina, to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S.C.

U.S. MARSHALS

A. Roy Ashley, of South Carolina, to be U.S. marshal for the western district of South Carolina for the term of 4 years, vice M. Frank Reid, deceased.

John A. Rowland, of South Carolina, to be U.S. marshal for the eastern district of South Carolina for the term of 4 years, vice Dallas A. Gardner, Jr.

POSTMASTERS

CALIFORNIA

Kenneth E. Francis, Oakland.

FLORIDA

W. Joel Beckham, Ocala.

NORTH CAROLINA

Irene S. Coffey, Blowing Rock.

OKLAHOMA

Charles O. Blew, Cherokee.

SOUTH CAROLINA

John C. Wells, Bennettsville.

SOUTH DAKOTA

Gregory F. Walsh, Beresford.
Glen E. Trier, Spearfish.

TEXAS

A. Fred England, Commerce.
Wayne C. Donaldson, Fairfield.
A. Neal Brown, Richland.
Clifford L. Hudgin, Welch.

VIRGINIA

Arleigh P. Surface, Selma.

WEST VIRGINIA

Lon L. Lewis, Jr., West Hamlin.

EXTENSIONS OF REMARKS

A Federal Lottery

EXTENSION OF REMARKS
OF
HON. ROBERT DOLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. DOLE. Mr. Speaker, in the quest for additional sources for raising Federal tax revenue, or as a means of replacing methods now in use, there are some who believe this country should adopt a Federal lottery.

Those who advocate such a system must certainly overlook or ignore the deplorable social and moral degradation which such a plan would surely bring about.

An article in the September 1961 issue of the American Legion magazine giving the views of our colleague, Hon. VERNON W. THOMSON, Representative from Wisconsin on this subject, deserves the attention of all thinking Americans. His article follows:

Should this Nation, the leader of the free world, in order to raise revenue, encourage and appeal to the improvidence of its people? That perhaps is the basic question raised by the introduction in this Congress of H.R. 2007 to provide for Federal lotteries to raise funds, to reduce the national debt and to reduce Federal income taxes. The plan is offered as a recognition of the "American urge to gamble as an instinctive and universal human trait." Perhaps the fallacy of this proposal is expressed in that statement by the author.

Gambling is neither an "instinct" nor a "universal human trait." Gambling is simply a manifestation of man's innate desire to acquire money and property. There are two ways to accomplish this objective: First, by industry, that is, by working, saving, investing and creating; second, sometimes the overwhelming impulse to acquire money impels the individual to embezzle, steal, obtain by fraud or other methods which are reprehensible or illegal.

The desire to acquire money and property is natural and legitimate. The method pursued in the acquisition is the critical test. If the effort is productive of social

wealth and stability for which the industrious are rewarded, it should be encouraged by the public policy of the Government and its people. If it encourages recklessness with people's resources, produces no real wealth, provides a reward without work or industry, sanctions improvidence to the point of poverty and want, social consequences require it be condemned.

A lottery is a manifestation of the less desirable acquisitive methods of man. The social evils created are so widely recognized that all of the States in the Union prohibit lotteries by constitution or statute. Should our Federal Government impose this scheme in opposition to the moral objections raised against it in every State in the Union? Shouldn't this Congress set a standard which would encourage the more noble aspirations of man, rather than establish a standard which is simply a lure to improvidence? Any program which degrades or stultifies the social conscience or idealism of this Government is unworthy of consideration by this Congress or the people.

Arms Control Agency: Not a Sign of Weakness

EXTENSION OF REMARKS
OF
HON. CLARK MacGREGOR
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. MACGREGOR. Mr. Speaker, many of my colleagues and fellow citizens, as I, have served proudly in the defense of the United States during times of war. Some served as I did in the jungles of Burma, others landed on the shores of Normandy, while other Americans marched across the deserts of North Africa. Many of us remember well that fateful December day in Pearl Harbor, while others of us regret the necessity of the atomic destruction of thousands in Nagasaki. We do not cherish these memories nor do we desire more of them in the future.

But our survival dictates that we maintain the most powerful military strength in the world to deter any and all acts of aggression against the United States by those who only respect power. This is why I, as a Congressman, have unceasingly supported every defense request which will maintain our military superiority over Russia. Likewise, this is why I, as a citizen, proudly serve my Nation as a major in the U.S. Army Ready Reserve alongside so many of my fellow Americans. Next month I will be on active duty serving with the U.S. Army forces in Africa and Western Europe and will become even better aware of the job our American boys are doing today around the world in protecting the security of our people.

However, man has never desired war. War brings only despair and destruction. Developments in the 20th century have made thermonuclear warfare the last alternative if one values the survival of mankind. The nuclear holocaust which would result from world war III most certainly would be ruinous to America and much of mankind. The weapons of destruction which exist today in our defense arsenal are capable of inflicting total destruction. Likewise, little defense is now available to us if similar enemy weapons were to be unleashed upon our homes and industries.

In realization of the nightmare of a nuclear war, President Eisenhower carried on an all-out effort to bring permanent peace to this earth. In a variety of ways the President pursued every glimmering of a hope that an honorable and effective arms control pledge could be negotiated with Russia. The world has grown to respect the Christian ideals which symbolize American actions in the quest for peace out of a sincere concern for mankind. Passage of this bill will make clear beyond doubt that it is the Soviet Union and not the United States which is blocking progress toward control of armaments. The recent unilateral resumption of atmospheric nuclear testing by the Russians multiplies the tensions which exist worldwide today and underscores even more dramatically the compelling necessity for arms control.

Some in America contend that it is inconsistent for our country to be on an increasing military preparedness basis while at the same time studying the issues and technical problems involved in eventual arms control. I do not subscribe to such a philosophy. Our Defense Establishment is the world's mightiest and I will do my part in Congress to keep it strong so that we will never be found in a position of "surrender or perish." But arms control, as well as armed might, is a means to this Nation's goals of security and peace. It is the profound hope of the world that our terrifying military might will never have to be used. You and I alike seek peace, not war, and the establishment of an Arms Control Agency would be an important step toward peace. We cannot expect peace if we do not make every effort to achieve it.

I feel that there is a definite need for an Arms Control Agency and I support this legislation which establishes a U.S. Arms Control Agency. It is important that whatever studies and research are conducted on the ultimate possibility of some degree of weapons control be done in coordination with the aims of our foreign policy. In the long run, we can benefit from a system of arms control which would guarantee protection through international control and checks. While on one hand we maintain a first-rate military posture, on the other we must do the proper spadework in order to lay the foundation for an effective arms limitation system.

It seems to me that the establishment of this Agency in the hope for future peace would well be worth the $10 million it will require in contrast to the more than $45 billion being spent on defense. The ratio of these sums is 1 cent in peace for every $45 in defense spending, and I would gladly spend pennies for peace alongside the necessary dollars for defense. It is upon the investment of these pennies today that a peace tomorrow for our children relies. I am hopeful that by coordinating our arms control efforts in this one Agency we may some day soon make a meaningful start on an arms control agreement and come one step closer to our universal desire of "peace on earth, good will toward men."

Review of Activities of Congressman Giaimo in 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. ROBERT N. GIAIMO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. GIAIMO. Mr. Speaker, as the 1st session of the 87th Congress draws to a close, I wish to join with the great number of my colleagues who customarily insert in the RECORD a review of their activities during the congressional session so that my summary will be generally available for the information of my constituents. During the 86th Congress, when I served my freshman term, I innovated periodic reports to the people of my district; these reports were so well received that I am happy to continue the practice.

It is well known that as one continues in Congress, just as it is in other careers, additional experience leads to greater responsibilities. I have been pleased to accept additional committee jobs and responsibilities because I know that each assignment offers new opportunities for serving my district and the Nation. Thus, I am pleased that, in addition to my membership on the Education and Labor Committee, I have been honored this year with an assignment on the House Administration Committee and several active subcommittees of the House, which are cited below.

THE EDUCATION BILLS

When this Congress convened last January, I was again assigned to work with the Subcommittee on Special Education of the Education and Labor Committee where, because of my service during the last Congress, I have become the ranking member of the majority party under the chairman. In this position I had the opportunity to work very closely on the education program which the committee prepared for the House. I am proud of the work of my committee and of the measures it recommended to guarantee our children a school system of quality capable of providing them with the fullest possible preparation to meet the challenge expected in their world of the future.

In his campaign and in his messages to Congress, President Kennedy asked that we greatly increase our investments in the field of education. I am happy to report that my subcommittee worked hard and long to produce legislation that would boost the efforts of our colleges and universities and improve the tried and tested National Defense Education

Act. During the unfortunate illness of our subcommittee chairman, I was honored to serve as acting chairman and thus help coordinate committee work on these programs. In the end, the House Education and Labor Committee, by diligent effort, did produce legislation that in every major respect answered the call of the President, the desires of the American people, and the people of my district, as expressed in the elections last fall.

Because groups that ostensibly supported the President's program chose to place self-interest above national interest and allowed themselves to become the pawns of Republican-southern obstructionists, the House was denied the opportunity to discuss and vote upon the program prepared by my committee after many months of work. The shocking truth is that the House never did reject the President's education program because it never was allowed to vote upon its merits. Late in August, a considerably watered down version of the original committee bill was finally offered for debate. The measure provided $325 million in Federal funds for a 1-year emergency program for construction of public school classrooms in areas that have a demonstrated need; a 1-year extension of grants for schools in nearly 300 areas impacted by Federal installations—that is, areas in which Government activities employing Federal workers have resulted in overcrowded schools—and continuance for 1 year of the NDEA college-student loan program, due to expire next June. I considered this "package" to be a bare minimum and a reasonable approach. However, by a vote of 242 to 169, the House refused to even discuss the bill. Voting to block debate were 62 southerners and 160 Republicans. Voting to at least consider the bill were 163 Democrats and 6 Republicans.

Eventually, the House voted to continue the existing impacted areas and the NDEA programs for 2 years. I voted against this action because:

First. I believe certain aspects of the so-called impacted areas program are nothing more than "pork barrel" legislation.

Second. I wanted to demonstrate against those who misled the public by raising States rights, church-state, and other false constitutional issues, but who then proved themselves insincere by voting their own districts Federal money under the so-called impacted areas bills; evidently they were not afraid of Federal control when it meant money for their own school systems.

Third. I believe both the NDEA and impacted areas program need improvement, and my committee made specific recommendations along this line. After the House refused to debate these proposals, I could not vote to continue these programs with all their faults, especially since the NDEA program has another year to go and plenty of time is available next year to improve on it.

Fourth. The need for general assistance to our school systems was recognized by both the Republican and the Democratic Parties in convention; refusal to even discuss legislation that would meet these needs appeared to me to be an abdication of responsibility, and I voted to protest against it.

I believe we can make no sounder investment than to improve the education of America's youth. Therefore, I shall continue to fight for an adequate education program next year. In this regard, I am pleased to report that I have been asked to serve with a five-man congressional task force charged with the responsibility of preparing a program to help college students and our institutions of higher learning. As you know, tomorrow's world will demand greater numbers of college-trained people; we dare not shortchange America by denying the youth of today the opportunity to explore the limits of their academic potential.

EDUCATION AND THE BATTLE FOR MEN'S MINDS

During my campaign for reelection last year, I described the great importance which I attach to adequately providing for our youth; attention to their schools and the quality of their teachers, as well as guidance to direct their latent talents and skills into constructive activities must be provided by this generation if the next is to be prepared to lead America to greater heights. The youth of any nation is that country's most precious resource. Therefore, although our primary interest is with our schools in America, our Nation, as leader of the free world, must also concern itself with the caliber of training being offered elsewhere. On March 13, President Kennedy announced his famous Alliance for Progress program with Latin America, and in his statement he called for increased cooperation between universities in our country and in the countries south of us. Shortly thereafter, Congressman JOHN BRADEMAS, of Indiana, and I were commissioned to make a study of higher education in Argentina, and to report back to the Education and Labor Committee. We held innumerable conferences with Latin American educators and Government leaders here in Washington, and during a congressional recess last spring, we visited several campuses in Argentina. It was during this visit that I was made the object of a short but bitter pro-Castro, anti-American demonstration. The report of our visit is now available, and I urge any of my readers who is interested in reading it to write to me in Washington; I shall be happy to send him a copy.

The admonition to know thine enemy is a wise one, and one that will be followed by this Congress. As the people of Connecticut's Third District read this report, I will be visiting classrooms in the Soviet Union. Along with the members of my subcommittee, I will be viewing firsthand the facilities of Russian schools, and I shall be meeting with the men and women who are training the Russian adult of tomorrow. I shall report fully on my visit to Russia when I return at the end of October.

THE ECONOMY

The general pickup in the economy from the doldrums in which it languished last year has renewed worldwide confidence in the economic strength of America. However, what has me worried is the fact that the gain in jobs has been moderate despite booming output. With the Reciprocal Trade Act due for extension next year, special interest groups are already busy trying to pin a scapegoat label on our trade program with the free nations of the world. To fully study this matter, a new ad hoc subcommittee has been formed to investigate the impact of imports and exports upon domestic employment. Because of the opportunity it offers for me to inform myself about this issue, I am happy that I was selected to be a member of this study group.

After several months of investigation, I have come to the conclusion that our real problem lies in automation and the lack of an adequate program to cope with it. Foreign nations have consistently bought more goods and services from us than we have imported from them. Therefore, although I wholeheartedly believe that certain improvements must be made in our trade policies to adjust for the changes which have occurred in our own and foreign economies, we cannot arbitrarily shut out the products of other countries without inviting retaliation which, in view of our favorable balance in trade, can only hurt us more than it would help. I am convinced that the best way to better our employment problem is to improve the competitive status of our businesses through various tax reforms and industrial redevelopment programs. I supported the area redevelopment bill proposed by the President after proper safeguards to protect New England industry were written into it, and I am pleased that it was adopted. The House Ways and Means Committee has received President Kennedy's proposals for sweeping tax reforms to encourage expansion of business activity and thus create more jobs; I am confident that this program will be acted upon during the early weeks of the next congressional session.

But since American society is a partnership between government at all levels and individual citizens, President Kennedy's call for economic growth will go unanswered unless our businessmen and our labor force are willing to become more efficient. To help our local businessmen compete, I called a districtwide conference last April to which I invited some of the top Government procurement agents in the Northeast. More than 100 representatives of industry in the district participated in a full day of discussions with Government purchasers. The chamber of commerce in the area cooperated magnificently, and I believe a great deal of valuable information was obtained by those in attendance. Our State leads the Nation in per capita sales to the Federal Government, and I want Connecticut industry to retain its excellent relations with this giant customer. My office staff and I stand ready at all times to provide our local businesses with the information they will need to go after and win Government contracts.

Another growing source of profits and jobs is world trade. In this area, also, I intend to cooperate fully with local busi-

nessmen seeking assistance in obtaining information about oversea markets and international trade fairs. By aggressively seeking out new business and by developing new markets for our products, we can do much to create new jobs in our community.

The fight to improve the competitive position of industry in the Third District takes many forms. Unfair competition from other regions of the country in the form of substandard wages or unjustified subsidized electric power costs also had my attention during the year. I believe passage of the President's minimum wage program will do much to alleviate the former condition, and defeat of a proposal to allow a federally owned nuclear weapons plant to provide cheap electric power in competition with private utilities to the Northwest will permit private industry there to move ahead and satisfy the power needs of that region as it does in New England. I am in great sympathy with employing public power in areas of our country that are depressed and otherwise incapable of encouraging private industry to provide the power at rates necessary to stimulate development of the region. However, no such national interest was demonstrated to me which would justify the attempt made in Congress to put the Federal Government into the power business at Hanford, Wash.

LEGISLATION

During this past year, two measures which I authored and introduced in the House were passed by the Congress. The first measure was the Practical Nurse Training Act extension, which was passed on April 12. This measure extended until 1965 a Federal-State program of training practical nurses; it authorizes $5 million in annual grants to States which match the Federal contribution. With hospitals becoming more overcrowded and medical costs on the increase, the need for well-trained practical nurses to serve in the home and to relieve the registered nurse for more specialized tasks has become increasingly evident. It is my hope that this legislation will help provide a greater reservoir of skilled nurses to improve the quality of our medical care programs.

Of more direct concern to the Third District is the passage of my bill to expand the facilities and activities of the U.S. Fish and Wildlife Service Laboratory at Milford. The scientists working at this Laboratory have made some remarkable discoveries which offer great promise for restoring the once prosperous shellfish industry in Long Island Sound; their work achieved worldwide recognition and may lead to a method of cultivating sea crops as scientifically as we now farm the land. The legislation which I authored provides the Laboratory with $1,325,000 to enlarge its facilities and train commercial shellfish men in the new methods developed by the Milford scientists. This bill was passed by Congress on August 22.

In the table printed below, I have listed the major legislative actions of this session, which I supported in their final form. On February 21, 1961, President Kennedy presented Democratic congressional leaders with a list of 16 priority measures which he hoped could be adopted at the earliest opportunity. Twelve of those 16 have been favorably acted upon; those that have been enacted into law are marked. Several more major legislative items were requested and passed; they also appear on my listing.

Major legislative actions, 87th Cong., 1st sess.

Bill No. and date	Measure
	NATIONAL DEFENSE AND INTERNAL SECURITY
S. 1852, June 21, 1961	Authorizes $12.5 billion additional for fiscal 1962 for construction of aircraft, missiles and naval vessels; continues B–52, B–58 bomber production programs; provides for 2 new nuclear-powered missile frigates; and steps up Polaris submarine production to 29 by 1964, instead of 1967 (Public Law 87–53).
H.R. 5000, June 27, 1961	Authorizes $893.9 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases; provides for 7,000 new housing units (Public Law 87–57).
H.R. 6874 July 21, 1961	Authorizes $1.7 billion for National Aeronautics and Space Administration for fiscal 1962; includes increases for manned-moon-orbiting project and for research on solid and nuclear propellants (Public Law 87–98).
S.J. Res. 120, Aug. 1, 1961	Authorizes the President to call up to 250,000 reservists and National Guardsmen for active duty of not more than 1 year and to extend training periods (Public Law 87–117).
	INTERNATIONAL AFFAIRS
S. 1983, Sept. 4, 1961	Authorizes $4.3 billion program of loans and grants for foreign economic aid and development, military assistance and support, and contributions to international programs; provides borrowing authority for development loans, and a contingency fund for use at President's discretion.
H.R. 6518, May 27, 1961	Effectuates previously authorized Latin-American program (Public Law 86–735) by appropriating $600 million; includes $100 million disaster relief for Chile, $394 million for loans by Inter-American Development Bank, $6 million for social and economic programs of OAS, and $100 million for loans and grants by ICA (Public Law 87–41).
H.J. Res. 384, June 30, 1961	Provides for acceptance by the United States of agreement with France, Netherlands, and the United Kingdom for establishment of the Carribean Organization to promote the progress and development of the area (Public Law 87–73).
S. 1720, July 20, 1961	Extends indefinitely the President's authority to use surplus farm products to aid the people and economy of underdeveloped nations and permits broadened program (Public Law 87–92).
H.R. 6611, Aug. 10, 1961	Reduces from $500 to $100 value of goods returning Americans may bring back duty free from abroad (Public Law 87–132).
S. 610,[1] June 29, 1961	Establishes a U.S. Travel Service in the Department of Commerce to promote and encourage tourist travel from abroad (Public Law 87–63).
Treaty [1]	Executive E—Convention of the Organization for Economic Cooperation and Development, signed at Paris, Dec. 14, 1960, by representatives of the United States, Canada and 18 member countries of the Organization for European Economic Cooperation. (Ratified, Mar. 16, 1961.)
	DOMESTIC LEGISLATION
H.R. 4510,[1] Mar. 22, 1961	Emergency Feed Grain Act: Applicable to 1961 feed grain crop, this law encourages reduction of acreage planted so as to reduce Government-owned surpluses, raise farm income, and assure consumers fair and stable prices for meat, milk, and poultry products (Public Law 87–5).
H.R. 4806,[1] Mar. 24, 1961	Temporary Unemployment Compensation Act: Extends the TUC program through June 30, 1962, providing repayable Federal grants to States to provide 13 weeks additional unemployment compensation benefits to unemployed workers exhausting their benefits. This new law has helped alleviate the severe hardships of unemployed workers and their families during the recession period, and increases purchasing power to stimulate demand during the recession (Public Law 87–6).
S. 153,[1] Apr. 7, 1961	Reorganization Act Extension: Extends until June 1, 1963, the authority granted to the President in the Reorganization Act of 1949 to submit plans to Congress for reorganization of the executive branch (Public Law 87–18).
S. 1,[1] May 1, 1961	Area Redevelopment Act: Twice vetoed by former President Eisenhower, this new program provides $394 million in Federal loans and grants to assist qualifying urban and rural areas suffering from chronic economic distress and substantial and persistent unemployment (Public Law 87–27).
H.R. 3935,[1] May 5, 1961	Fair Labor Standards Amendments: Extends minimum wage coverage under the Fair Labor Standards Act to 3.6 million uncovered workers (mostly in retail trade), the first new coverage approved by Congress since 1938. Raises the minimum wage of workers previously covered to $1.25 an hour in two steps, brings newly covered workers to the new legal minimum within 4 years (Public Law 87–30).
H.R. 4884,[1] May 8, 1961	Aid to dependent children of unemployed parents: Amends Social Security Act to provide Federal matching grants to States through June 3, 1962, to assist dependent children of needy unemployed parents (Public Law 87–31).
S. 912,[1] May 19, 1961	Federal judgeships: Provides for the Presidential appointment of 73 long needed new Federal judgeships (10 circuit; 61 permanent district; 2 temporary district). When filled, they will help expedite the huge backlog of cases now crowding court dockets (Public Law 87–36).
H.R. 6713, June 29, 1961	Federal-Aid Highway Act Amendments: Modifies the Federal-aid highway program, authorizing an additional $11.5 billion to keep construction of the 41,000 mile Interstate System on schedule for completion in 1972, providing a new schedule of highway user taxes (Public Law 87–61).
H.R. 6027,[1] June 30, 1961	Social Security Act Amendments: Liberalizes the Social Security Act to provide $780 million in new or increased benefits during the first 12 months to an estimated 4.4 million persons. Reduced the optional retirement age for men to 62 (with reduced benefits); raised the minimum benefit from $33 to $40 a month; increased widow's benefits by 10 percent; raised the earnings ceiling for retired persons, broadened the insured status requirements, and increased the Federal share of State programs for the needy aged, blind, and disabled (Public Law 87–64).
S. 146, June 30, 1961	Special milk program for children: Extended the special milk program for children until June 30, 1962, and raised the authorization from $95 million to $105 million (Public Law 87–67).
S. 1922, June 30, 1961	Housing Act of 1961: The most comprehensive housing measure passed by Congress in 12 years, this new law provides $4.88 billion in Federal loans and grants to cities, towns, and rural areas for urban renewal, public housing, elderly housing, farm housing, college housing, community facilities, "open space" park and recreation area development in cities, urban mass-transportation systems, home improvement, a housing program for moderate-income families, and liberalizes the FHA home mortgage insurance program. Similar legislation in the last Congress was vetoed by President Eisenhower (Public Law 87–70).

[1] Included in President Kennedy's Feb. 21 16-point list of priority legislation.

Major legislative actions, 87th Cong., 1st sess.—Continued

Bill No. and date	Measure
H.R. 5723, July 6, 1961	Veterans' home loan program extension: Extends the veterans' guaranteed and direct home loan program for World War II veterans until July 25, 1967, and for Korean veterans until February 1, 1975, and provides additional $1.2 billion in authorizations for advances from the Treasury for the VA direct home loan program through fiscal 1967 (Public Law 87-84).
H.R. 6441, July 20, 1961	Water Pollution Control Act Amendments: Broadens and extends the Federal Water Pollution Control Act to June 30, 1967, increasing the existing $50 million annual authorization for Federal matching grants to communities for the construction of waste treatment plants to $80 million in fiscal 1962, $80 million in fiscal 1963 and $100 million each in fiscal 1964 through 1967. Strengthens enforcement and extends jurisdiction of Federal pollution abatement authority to all interstate and navigable waters. A less comprehensive bill was vetoed by President Eisenhower in the last Congress (Public Law 87-88).
S. 706, July 20, 1961	Surplus property disposal: Authorizes State agencies engaged in distribution of Federal surplus property to utilize surplus personal property needed to effectively carry out education, public health, or civil defense programs in the States (Public Law 87-94).
S. 857, Aug. 7, 1961	Cape Code National Seashore: Establishes, within the national park system, the Cape Code (Mass.) National Seashore, the first national park to be established in the United States since 1947. Authorizes $16 million for purchase of lands for the park area (Public Law 87-126).
S. 1643, Aug. 8, 1961	General Farm Act: Extends feed grain program for 1962 crop; liberalizes farm credit programs; establishes wheat program for 1961-62, encouraging acreage reduction; extends and broadens Food for Peace program (Public Law 480); extends National Wool Act, Great Plains conservation program, school milk program, and broadens marketing orders to other commodities (Public Law 87-128).
S. 279, Sept. 11, 1961	Juvenile delinquency control: Authorizes a program of Federal grants to communities and nonprofit agencies of $5 million a year for 4 years to finance projects to combat juvenile delinquency.

[1] Included in President Kennedy's Feb. 21 16-point list of priority legislation.

"Trust": A Program To Employ the Physically Handicapped

EXTENSION OF REMARKS
OF
HON. KEN HECHLER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. HECHLER. Mr. Speaker, I would like to recognize and call attention to an outstanding public service program being provided for the people of West Virginia, southeastern Ohio, and eastern Kentucky by station WSAZ–TV in Huntington, W. Va.

In addition to its regular public service programs, WSAZ–TV has been producing since May 20, 1961, a program called "Trust." This program is unique in that its sole purpose is to help find employment for the physically handicapped people residing in the tristate region.

Primarily, the program is designed to help the handicapped surmount the biggest hurdle—that of getting an interview with a potential employer. A special time was selected—early Saturday afternoon—to try and attract some potential employers who might view the program and see the capabilities of handicapped people. Consciously or not, these employers would have their first interview with handicapped people by means of television. During the program, specially selected handicapped persons appear on the program and discuss their background and the type of work they can perform. Emphasis is placed on the training individuals receive, age, lengthy of unemployment, marital status, salary expected, and when they can report for work.

I want to commend WSAZ–TV for providing a vital link in aiding those who are physically handicapped. This is a wonderful example of the initiative taken by local citizens to carry out President Kennedy's program for employment of the physically handicapped.

"Trust" is written and produced by Mrs. Leda P. Lewis, who has been untiring in her efforts to aid the handicapped. Mrs. Lewis has also been very active in helping to carry out the President's program to combat juvenile delinquency. Along with the members of the West Virginia congressional delegation, I am supporting the nomination of Mrs. Lewis to the President's Commission on Juvenile Delinquency.

For their valuable contribution to the betterment of our community, I salute the personnel of WSAZ–TV for making available this very worthwhile program. I wish to pay a special tribute to Mrs. Leda P. Lewis, writer and producer of "Trust," for contributing unselfishly of her time and talent to help obtain equal opportunities for all, including the physically handicapped.

H.R. 8617, the Philippine War Damage Bill

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD, a statement issued by President Kennedy on September 8, regarding H.R. 8617, the bill to authorize the payment of the balance due on the Philippine war damage claims awards.

I fully share the President's regret that this important legislation has not been approved by the Congress during this current session. I believe that the settlement of this obligation which we have voluntarily assumed has been delayed much too long. I earnestly hope that H.R. 8617 will receive speedy approval when the Congress assembles for the beginning of the second session in January.

The President's statement reads as follows:

STATEMENT BY PRESIDENT KENNEDY ON SEPTEMBER 8, 1961

I regret that the bill, H.R. 8617, to compensate Philippine citizens for World War II damage to their property, has been held over until next year by the House because of the press of other business.

We had hoped that this long-delayed recognition of the stanch contribution of our Philippine allies through the satisfaction of their claims would receive congressional approval this year. However, the administration continues to give wholehearted support to the legislation, and is hopeful that it will be approved by the Congress early in the next session.

Trade Agreements: A Trojan Horse

EXTENSION OF REMARKS
OF
HON. ARCH A. MOORE, JR.
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. MOORE. Mr. Speaker, the time has come for a serious look at our trade agreements legislation and particularly its administration.

I am particularly interested in the defense that our industries and workers have against imports when these threaten our market and our employment.

In recent years there has been a great increase in the competitive impact from abroad, for reasons that are already well known, such as the great industrial buildup abroad, the lower wages prevailing in other parts of the world compared with those of this country and the great increase in foreign productivity. This combination has produced relatively low costs and this in turn has led to ever greater penetration of our home market by foreign goods, particularly manufactured items.

The outlook, I am sorry to say, is not for an improvement in this competitive situation, but the opposite. As foreign productivity rises per man-hour as it is destined to do as more modern machinery replaces outmoded methods of production in the industrial countries, their competition will become sharper. Even if we should hold the wage level in its tracks in this country, the advantages would still lie with the other countries.

Mr. Speaker, let us make no mistake about it: talk about the United States itself joining the European Common Market or setting up a free world Common Market, is not only unrealistic; it flies in the face of economic realities. Nothing would be more surely calculated to upset the economy of this country than such a move, or even a serious entertainment of it.

Our wages would be driven down; the pressure for automation would be so great that hundreds of thousands of workers would be eliminated from their jobs and the country would soon face a disastrous depression.

Yet, Mr. Speaker, right in the face of the worst competitive struggle that this country has ever faced, proposals are made that would expose our economy to a ruthless onslaught of low foreign costs such as we could not meet without cutting our wages in half. Our national income would drop precipitately; our tax-payment to the Federal Government would shrink and we would find more and more of our industries emigrating to foreign shores. The trend is already well established.

Actually what we need is not greater exposure to a kind of competition that would be unlawful if it occurred in this country from domestic sources, because it would be based on wages far below our minimum and because it would involve practices that would reduce competition by running competitors out of business—what we need is not more of this type of foreign competition but an improvement in the domestic long-range outlook so that investment will be attracted into plant expansion, replacement of obsolescent machinery and other capital outlays that will employ more workers.

We do not beget that sort of an outlook when, after having reduced our tariffs, industries that see their domestic market progressively captured by imports, find themselves without a remedy.

What in good sense would induce such industries to expand their manufacturing capacity? Already they have more capacity than is needed to supply the domestic market.

Yet if such expansion is dampened down and discouraged in many industries, who will put to work the additional workers who appear on the scene each year, in the magnitude of about a million? In order to absorb these workers plus most of those who are already unemployed we need a healthy growth of our economy. No one has yet explained how this can be accomplished when industry after industry has become confronted with heavy import competition. Who would be so foolhardy as to expand his plant to manufacture an item when imports are taking an increasing share of the market for it?

Mr. Speaker, this is not all. Some of the previews of tariff and trade policies that are now being shaped indicate that this country will propose across-the-board tariff reductions next year in order to keep us in tune with the Common Market. With this short of prospect staring them in the face, how can we expect our import-vulnerable industries to look with confidence on the future?

These industries are not merely minor industries that we can sacrifice with impunity. Many of them are industries of national standing; and we must not labor under the illusion that industries that have not yet been stricken by imports will forever remain immune. In the past few years we have seen many hitherto import-immune industries come under the hammer. Very few industries can today be sure that they will not soon join the ranks of those that are stricken by import competition.

This is not to say that competition as such is undesirable. In this country of all countries we have taken a number of legislative and administrative steps dating back to 1890, the year of the Sherman Act, designed to assure not only competition but fairness of competition. We have the Clayton Act, the Federal Trade Commission Act, the Robinson-Patman Act, and the wage-and-hour law itself, all enacted for the purpose not only of maintaining competition but of assuring its fairness.

While competition is desirable, its desirability depends on its character. It may be destructive rather than salutary. That is why in the past 70 years we have regulated it.

From the nature of things we cannot legislate for other countries. We cannot pass wage-and-hour legislation for them. We cannot set up minimum wages for them.

All that we can do is to regulate the imports from them as the goods come into this country. We can impose a tariff or an import quota or both. In this way we can create something approaching fairness of competition.

In the past 27 years we have reduced our tariffs by a full 80 percent. The 20 percent that is left is too low to regulate many of our imports. In some instances it becomes necessary to use import quotas to keep imports from taking over the entire domestic market or the greater part of it. In other instances it may be possible to allow a stated volume of imports to come in at a low tariff rate and then putting on a higher rate on all imports above that volume.

What we face today, however, is not simply the question of regulating imports to assure fairness of competition, but a reluctance of the executive branch of the Government to place any restrictions on imports, even when such restrictions are recommended by the Tariff Commission under the escape clause.

It is this reluctance that confronts American industry today as it faces increasingly difficult import competition. If it could be sure of relief when hard pressed by what under domestic conditions could only be described as unfair competition, it could look to the future with confidence. It could expand at least enough to keep pace with rising consumption. Thus it would do its share in employing the jobless and the new workers coming on the scene each year.

In the absence of a remedy the industry is forced to be cautious. Even if its sales are not declining it sees the market increase being absorbed by imports and greatly fears that imports will soon do more than that, as indeed they have in a number of other industries. It will not then expand. It will seek rather to reduce costs. To do so it may let off workers outright or displace them by installing labor-saving machinery. It will not only fail to bear its part of the unemployment load; it will also fail to absorb its share of the new workers. The result will be a double load on other industries to absorb the unemployed and the new workers.

In the past few weeks the Tariff Commission sent four recommendations to the White House proposing an increase in the duty on sheet glass, baseball gloves, ceramic tile, and carpets.

Sheet glass is produced in West Virginia and I know the imports have been working havoc. The Tariff Commission found unanimously that rising imports had caused serious injury to the industry. This was on May 17, 1961. It recommended an increase in the duty. On June 30 the President returned the case to the Tariff Commission for further information. To date the Commission has not concluded the supplemental proceedings.

This was one case in three returned to the Commission. The other two were the cases relating to ceramic tile and baseball gloves.

The President asked for information on the pricing practices of the industries involved, including sheet glass. He also asked for profit relationship to investment in plant; for a report on the effect of domestic technological innovations and automation; and, with respect to sheet glass, information on restrictive sales practices by domestic producers.

Mr. Speaker, let me point out two things:

First. The U.S. Tariff Commission is an agency set up by Congress to perform certain technical and detailed functions for the Congress. It is a bipartisan body, with a set of Commissioners appointed by the President and confirmed by the Senate. The Commission is staffed with experts in the field of tariffs and trade. The personnel is drawn from the civil service register. Presumably the agency is competent in its field.

The Commission holds public hearings and invites all interested parties to appear and give testimony. If rates of duty are changed as a result of its recommendations recourse may be had by dissatisfied or aggrieved parties to the U.S. Customs Court.

Second. The only statute governing the escape clause is found in the Trade Agreements Act of 1951 as amended and extended. This statute lays down the criteria by which injury or threat of injury to a domestic industry is to be judged. There is no other source of criteria. The President cannot create them without amending or enlarging the scope of the clause. Congress alone has this power; and this power can only be exercised through the legislative processes. Some of the President's questions relate to matters that are not found in the criteria of injury.

It seems inappropriate for the President to return cases to the Tariff Commission in any case. He is given 60 days in which to accept or reject the Commission's recommendations; not to return them. If the Commission fails to do its work properly in the judgment of the President he should take appropriate steps to have changes effected, instead of pressing for findings more suitable to his predilections.

Since the Commissioners are his appointees, returning a recommendation for further data smacks of pressure to alter the findings.

Mr. Speaker, there is much else lacking or positively wrong with the administration of the escape clause. Hanging over the whole undertaking like a pall is a stubborn reluctance of the executive branch to carry out the power delegated to it by the Congress. This unwillingness has manifested itself during the 10 years since the escape clause was first enacted by Congress.

The result has been that the chances of relief by an industry that applies to the Tariff Commission under the escape clause are barely better than 1 in 10. This borders on nullification.

This reluctance centers in the State Department and has been evident in the veto by our President of two out of three recommendations for tariff increases sent to them by the Tariff Commission since 1951.

For this there is no justification.

I shall tell you why.

Every member nation of GATT—the General Agreement on Tariffs and Trade—of which there were 22 in the beginning and 39 today, makes tariff reductions on the condition that it has the right to increase any rate on any article if imports increase sufficiently to cause or threaten serious injury to the domestic industry producing the article.

This is clear enough; is it not? Is there anything obscure about it; anything difficult to understand?

The only question remaining to justify such an increase in the tariff then is: Has serious injury occurred or is it threatened?

That is all. If the conditions are fulfilled by the facts, obviously the country has a clear right to restore the old duty in whole or in part.

Why then all the fear that if we raise a tariff under the escape-clause procedure other countries will not like it; they will be moved to retaliation and before long we will find ourselves in a trade war?

These are bugaboos, pure and simple; fabrications of the reluctant dragons, the free-trade philosophers who will move heaven and earth to keep the intent of Congress from being put into effect.

The State Department will undoubtedly continue to advise the President against tariff increases even when all the conditions laid down in the reservation have been met. Mind you, GATT itself has an escape clause.

The Department's reluctance is largely gratuitous and it flows as much from the deep-dyed free-trade leanings of its officials as from any genuine fear of causing ill feelings internationally. If the other countries do not wish to have tariffs increased, here and there, after there have been wholesale reductions they should not agree to a reservation that fully justifies them.

If the State Department is opposed to the escape clause, as its operational actions indicate, it should not go before the House Ways and Means Committee and the Senate Finance Committee and sing its praises, and in fact hold it out as a reason why industry, agriculture, and labor should not be opposed to tariff reductions, since any errors will promptly be corrected.

If the Department does not mean what it says on those occasions; that is, when the Trade Agreements Act is up for extension, it should be reprimanded for its duplicity.

Considering how much is at stake in the industries concerned, such as the glass industry, and what it means to many communities where these industries are located, this is no laughing matter. It is a very serious matter indeed when the State Department testifies to the efficacy of the escape clause before congressional committees in order to help the bill through Congress and then turns around and does all it can to frustrate the positive operation of the clause. This is to trifle with matters that are neither theoretical nor academic, but matters of blood and substance, matters as vital as bread and butter.

Mr. Speaker, I hope that the escape-clause recommendations that the Tariff Commission sends to the President will be accorded the dignity and stature to which they are entitled. Otherwise there will be no other possible conclusion other than to say the delegation of power to the President under the escape clause has broken down and should be withdrawn at the earliest opportune moment.

Federal Employees' Salaries Now Cost Our Taxpayers Over $15 Billion Annually

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. JENSEN. Mr. Speaker, on August 9, last, the gentleman from New York, Congressman TABER, and the gentleman from Florida, Congressman HALEY, joined me in introducing a bill to reduce the number of Federal employees by the painless method of not filling more than one vacancy in four in certain agencies of Government until a reduction in personnel of 10 percent has been effected.

Several other Members have introduced identical bills. If our bill were made law, over a half billion dollars would be saved annually. Congress is now about to adjourn while our bill still rests peacefully in the files of the House Civil Service Committee. Why? Because the spenders in power so demand.

The bill reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to help maintain the financial solvency of the Federal Government and to restrict the number of personnel in all Federal executive agencies and independent agencies except certain defense or other essential agencies or divisions thereof as hereinafter specified, no affected agency shall use any part of any appropriation or authorization presently available or hereafter made available for use in fiscal year 1962 to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1961: *Provided,* That this inhibition shall not apply—

(a) to not exceed 25 per centum of all vacancies;

(b) to positions filled from within the department;

(c) to offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate;

(d) to seasonal and casual workers;

(e) to any employee of: (1) the Defense Department except those engaged in civil works or other nondefense activities; (2) the Internal Revenue Service, the Coast Guard, the Bureau of Narcotics, and the Secret Service of the Treasury Department; (3) the Federal Bureau of Investigation of the Justice Department; (4) the Atomic Energy Commission engaged in defense activities; (5) the National Security Council;

(f) to positions the personnel of which are directly engaged in law enforcement:

Provided further, That with the exception of the agencies and functions listed in (b) through (f) above, not more than 90 per centum of the amounts shown in the fiscal year 1962 budget estimates of each agency for personnel services shall be available for such purpose: *Provided further,* That when for each department or agency the total number of personnel subject to this Act has been reduced to 90 per centum of the total provided for in the budget estimates for such department or agency for fiscal year 1962, this Act may cease to apply: *Provided further,* That the dollar savings resulting from this Act shall not be used for any other purposes but shall be covered into the general fund of the Treasury at the end of fiscal year 1962.

SEC. 2. This Act may be cited as the "Federal Nonessential Personnel Reduction Act of 1962".

Are You Smart Enough To Be a Congressman?

EXTENSION OF REMARKS

OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. SCHERER. Mr. Speaker, the U.S. Information Agency is conducting a survey to determine the proficiency of the Members of Congress in certain languages. Last week each of us received a letter from USIA asking us to provide information with reference to our language skills which would assist USIA in this survey.

I do not know how my colleagues reacted to this inquiry concerning their educational attainments. However, Mr. Speaker, I thought they would be interested in my reply, which follows:

SEPTEMBER 22, 1961.

Dr. DONALD J. IRWIN,
General Counsel and Congressional Liaison, U.S. Information Agency, Washington, D.C.

DEAR MR. IRWIN: I have your letter in which the U.S. Information Agency seeks to determine the proficiency of Members of Congress in certain languages. Will you kindly advise me as to the purpose of this survey? Personally I think Congress should

make a rather penetrating survey of the U.S. Information Agency.

In the meantime, I want to make a little survey of my own.

1. I would like to ask how in the world USIA, whose primary purpose is to sell the United States to other countries, can justify having Ralph K. White as Chief of its Soviet Bloc Division.

2. What justification is there for Mr. White's saying that Soviet aggression in Berlin and around the world originates partly in defensive fear and in a sincere desire (by the Soviets) to stabilize the cold war conflict?

3. What justification is there for White's saying that we are too inclined to look upon the Communist leaders as villains?

4. What justification is there for his saying that we overestimate their evil?

5. What justification is there for his saying that we should not dismiss the words of Soviet leaders as lies because most of the time what they say is close to what they think?

6. What justification is there for White in his recent public statement, leaving the clear implication that the differences in relative moral standing between Soviet Russia and the United States are only of degree and listing our U–2 flights and our attempts to help Cuban freedom fighters as proof that we are not unlike the Reds?

7. Is Dore Schary now employed by the USIA? If so, in what capacity and what are his duties?

8. Is Reed Harris now employed by USIA? If so, in what capacity and what are his duties?

9. Have these two men been recommended or approved either directly or indirectly by Paul Corbin?

10. Have these two men been approved or recommended by the Director of USIA, Edward R. Murrow?

11. How many employees, other than Schary or Harris, have been recommended or approved either directly or indirectly by Paul Corbin and who are they?

Yours very truly,

GORDON H. SCHERER.

The Record of the 87th Congress, 1st Session: Report to the People of the Fourth District of Wisconsin

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. ZABLOCKI. Mr. Speaker, as has been my custom since my first election to Congress, I wish to report to the people of my district on my votes and actions as their Representative during the 1st session of the 87th Congress.

Although I have tried to fulfill my responsibilities to the best of my ability, I know that my work and votes will not satisfy everyone. Nevertheless, I believe that the people of the Fourth District have the right to receive a full accounting of my position and efforts on issues which are of importance to them, and to our entire Nation.

THE FIRST SESSION: AN OVERALL VIEW

The 1st session of the 87th Congress is finally coming to an end. In terms of legislative output, this session broke all records since the early days of the New Deal. For the first time in almost a decade, the Democrats controlled both the Congress and the Presidency, and this teamwork produced many achievements. The bulk of President Kennedy's legislative program was enacted into law. All in all, some 33 major legislative bills were added to our statute books. These and other measures, as well as my position on them, will be summarized in a table which will appear at the end of this report.

It would be impossible to fully review, in this report, all of the measures considered, approved, or rejected during this session. I will, therefore, confine my remarks to major legislation and the main issues.

FIGHTING THE RECESSION

When the 87th Congress met, our country was in an economic slump. Legislative measures designed to combat the recession received first priority. These included, first, temporary extension of unemployment compensation; second, aid to dependent children of the unemployed; third, liberalization of social security benefits, which included proportionately reduced retirement benefits for men at age 62, increased benefits for widows and liberalized disability provisions; fourth, first-to-be-enacted program of aid to chronically depressed areas; and fifth, rapid acceleration of Government procurement and various grants-in-aid programs.

PROMOTING ECONOMIC GROWTH

In addition to measures which tried to alleviate the human hardships caused by economic recession, Congress approved a number of bills intended to stimulate more rapid growth of our national economy.

The comprehensive, long-range Housing Act contained a major program of middle-income housing—low interest, 35-year loans; first private low-income housing—3 percent downpayment; first aid to local mass transit systems; and first protection of open spaces in urban areas.

The 5-year Water Pollution Control Act doubled our effort in this important field. We in Milwaukee have a particular problem with water pollution, and this legislation should be of help to the communities in our metropolitan area.

The Minimum Wage Act raised the floor on hourly wages in interstate commerce to $1.25 and—for the first time since 1938—extended coverage to 3.6 million additional workers.

The Community Health Facilities Act provided aids for nursing homes for the aged, hospital rehabilitation, and community services for the aged.

The Saline Water Act changed piecemeal, year-to-year effort into a $75 million, 6-year program designed to achieve a breakthrough in our efforts to convert sea water into usable, drinkable water.

The omnibus farm bill included provisions for greater utilization of our farm products and some measures to help us overcome the farm surplus problem.

These, of course, are only the major measures which should help to get our national economy "on the move."

PROVIDING FOR THE SECURITY OF OUR NATION

Forceful measures were necessary to meet the threat of continuing Soviet advances in space, and of the worsening international situation.

The 87th Congress, during this session, increased defense appropriations $6 billion above the Eisenhower budget.

The Polaris program was doubled, missile development and production were increased, and our conventional and guerrilla warfare capacity was strengthened.

A massive space program, including the "moon shot" project, was authorized.

And, finally, the President was given authority to recall reservists to active duty, and the first serious civil defense shelter program was initiated.

A NEW APPROACH IN FOREIGN AFFAIRS

When President Kennedy took office on January 20, our foreign affairs were in an unprecedented mess. New leadership and new emphasis in our international undertakings were imperative. President Kennedy brought these, as well as a new spirit, to our continued efforts to attain peace with justice, and freedom, in the world.

With the cooperation of the Congress, the planning of foreign aid projects was placed on a long-term basis, while annual congressional review and control of expenditures were assured.

The emphasis was shifted from military assistance to long-term development loans intended to help the less developed countries become economically viable.

Various independent bureaus were consolidated into a single, overall aid-administering agency.

The Peace Corps was approved and an Arms Control and Disarmament Agency was established.

New concepts of social reform and self-help will be the basis of our aid programs with respect to friendly less-developed nations.

ADMINISTRATION OF JUSTICE AND VARIOUS DOMESTIC PROGRAMS

As I already mentioned, Mr. Speaker, it would be impossible to comment on each and every bill of national importance, approved during this session, without making this report unduly long. The list of such bills, especially of those relating to our domestic affairs, is very long. I believe, however, that a number of them warrant special mention. These include:

Three strong anticrime bills to combat gambling and the transmission of gambling information and paraphernalia in interstate commerce—the first such package to be approved by Congress since 1934;

The first Federal program to aid in solving the problem of juvenile delinquency;

Creation of 73 Federal judgeships, and adoption of the recommendations of the Judicial Conference, to speed up the administration of justice;

Continuation of Government reorganization, with six out of the seven reorganization plans of 1961 being adopted in full or in part;

Extension and expansion of the Federal Aviation and Airport Act;

Amendments to the Interstate Highway Act, to shift greater portion of the cost to users, to restore the self-financing features, and to extend the anti-billboard provisions;

Continuation of the President's Civil Rights Commission for 2 more years;

And many others.

SOME FAILURES—AND SOME UNFINISHED TASKS

The imposing record of the 1st session of the 87th Congress does not change the fact that the administration suffered defeat on some major legislative proposals.

General Federal aid to elementary and secondary education was killed in the House Rules Committee. Personally, I believe that Federal aid for classroom construction should be made available on the basis of need, and without discrimination, to conform with earlier Federal laws providing aid to education.

Tax reform, medical insurance for the aged under social security, creation of a new Department of Urban Affairs, the Manpower Training bill—these and some other measures are still awaiting final disposition.

Strong opposition of the Republican-Dixiecrat coalition to some of these proposals places in doubt their prospects for the future.

It is expected, however, that the Administration will renew its efforts on behalf of these bills when the 2d session of the 87th Congress begins in January 1962.

VOTING RECORD

Mr. Speaker, at this point I would like to place in the CONGRESSIONAL RECORD a table which lists the major legislative bills considered during the 1st session of the 87th Congress, shows my position and vote on each of them, and indicates their present status or disposition:

Voting record of Congressman CLEMENT J. ZABLOCKI, 87th Cong., 1st sess.

Stand	Issue	Status
	INTERNATIONAL AFFAIRS	
Voted for	The $600,000,000 appropriation for the Latin-American development program authorized in 1956	Became law.
Voted for	Resolution urging the Organization of American States to impose sanctions against Cuba	Adopted.
Voted for	Resolution urging the President to establish "University Free Cuba" to aid Cuban refugee students	Adopted.
Voted for	The revised mutual security program, including long-term loans to less-developed nations	Became law.
Sponsored	Legislation establishing the Peace Corps	Became law.
Sponsored	Resolution expressing the sense of the Congress against seating Communist China in the United Nations	Adopted.
Voted for	Aid for resettlement of refugees-escapees from Iron Curtain countries and Cuba	Pending in conference.
Voted for	Resolution calling for establishment of Caribbean Organization to promote development of that area	Adopted.
Sponsored	Legislation to pay the balance outstanding under the Philippine Rehabilitation Act of 1946, as amended	Pending.
Voted for	Extension of the "Food for Peace" program	Became law.
Favored	Legislation to assist U.S. importers and exporters, thereby promoting foreign trade	Approved, Senate.
Voted for	Legislation to authorize guarantees and insurance of certain American business accounts in foreign countries	Became law.
Sponsored	Legislation to establish the Richard E. Byrd Antarctic Commission to coordinate and direct U.S. programs relating to that continent.	Pending.
Sponsored	Legislation to establish a U.S. Academy of Foreign Service	Pending.
Voted for	Amendments to the Immigration and Nationality Act, including permanent authority for admission to United States of orphans for purposes of adoption.	Became law.
	NATIONAL DEFENSE AND INTERNAL SECURITY	
Voted for	Legislation to authorize additional funds for construction of aircraft, missiles, naval vessels, and improvement projects on military bases.	Became law.
Voted for	Increased funds for the National Aeronautics and Space Administration	Became law.
Voted for	Legislation increasing the Armed Forces by 250,000 men and authorizing the President to call up reservists to active duty for not more than 12 months.	Became law.
Voted for	Fiscal year 1962 appropriations for Department of Defense	Became law.
Voted for	Legislation to strengthen the Subversive Activities Control Act and clarify some provisions of the Smith Act	Approved, House.
Voted for	Amendment to the Foreign Agents Registration Act, to include organizations controlled by foreign governments or parties	Became law.
Voted for	Amendment to the Criminal Code to permit prosecution for acts of espionage committed outside U.S. jurisdiction	Became law.
Voted for	Amendment to the Hiss Act denying retirement benefits to Government employees guilty of offenses against national security, and restoring benefits to persons not intended to be affected by the act.	Became law.
Voted for	Assistance to U.S. nationals who may be evacuated from abroad in the event of war or crisis	Became law.
Sponsored	Legislation establishing the U.S. Arms Control and Disarmament Agency to coordinate research and development in this field	Became law.
Sponsored	Resolution to provide for the establishment of a Joint Congressional Committee on Central Intelligence	Pending.
Voted for	Legislation to authorize enlistment in the Army and the Air Force of aliens legally admitted to United States for permanent residence.	Became law.
Voted for	Legislation making "hijacking" of commercial airliners a crime punishable by death	Became law.
	NATIONAL ECONOMY	
Voted for	Aid to chronically distressed areas and establishment of the Area Redevelopment Administration	Became law.
Voted for	Increase in minimum wage to $1.25 an hour and extension of coverage to 3,500,000 additional workers	Became law.
Voted for	Temporary extension of unemployment compensation benefits to unemployed workers (including railroad workers) who exhausted their entitlement to benefits.	Became law.
Voted for	Temporary aid to dependent children of the unemployed	Became law.
Voted for	Additional funds for the completion of the Interstate Highway System on a self-financing basis	Became law.
Voted for	5-year extension of the Federal Airport Act and Federal grants under this program	Became law.
Voted for	Extension of the current 52-percent corporate income tax and certain excise tax rates	Became law.
Voted for	Extension of the temporary limit of $298,000,000,000 on the national debt until June 30, 1962	Became law.
Sponsored	Legislation to repeal the special tax on admissions, refreshments, services, and the like	Pending.
Favored	Legislation to establish a 2-year program for the retraining of unemployed workers to develop new skills	Approved, Senate.
Voted for	Increase in the lending authority of the Small Business Administration to make loans to small-business firms	Became law.
Voted for	Legislation to require public disclosure of identical bids on Government contracts	Approved, House.
Sponsored	Legislation to strengthen antitrust laws to secure equality of opportunity for small business and to prohibit price discrimination	Pending.
Sponsored	Amendment to the Employment Act to reaffirm the continuing responsibility of the Federal Government to promote stability of consumer prices.	Pending.
	SOCIAL SECURITY, HEALTH AND WELFARE	
Voted for	Social Security Act Amendments of 1961	Became law.
Voted for	Omnibus Housing Act of 1961	Became law.
Voted for	Federal grants for training teachers of deaf children	Became law.
Voted for	Federal aid to impacted school districts and an extension of the National Defense Education Act	Became law.
Sponsored	Legislation to provide Federal assistance to the States for construction of school facilities on the basis of need and without discrimination.	Pending.
Opposed	Legislation to provide $325 million for public school construction and teachers' salaries on the basis of a formula using the total population of each State.	Defeated.
Voted for	Program to aid States and cities to combat juvenile delinquency	Became law.
Voted for	Increase in FHA mortgage insurance authority	Became law.
Voted for	Expansion of the school milk program	Became law.
Voted for	Raising the amount of retirement income not subject to personal income tax ($1,200 to $1,524)	Approved, House.
Voted for	Federal grants to States and communities for construction of nursing homes, training of public health personnel, and improvement of services for the aged.	Became law.
Sponsored	Legislation to establish a Youth Conservation Corps	Pending.
Voted for	The Self-Employed Retirement Pension Act	Approved, House.
Sponsored	Legislation to establish a Bureau of Older Persons in the Department of Health, Education, and Welfare	Pending.
Sponsored	Amendment to the Social Security Act to provide that local agencies may distribute aid to dependent children in the form of commodities and require accounting for such assistance.	Pending.
Sponsored	Legislation to prohibit discrimination on account of age in hiring by Government contractors	Pending.

Voting record of Congressman CLEMENT J. ZABLOCKI, 87th Cong., 1st sess.—Continued

Stand	Issue	Status
	GOVERNMENTAL REORGANIZATION	
Voted for	Creation of 73 additional Federal judgeships to meet increasing caseloads	Became law.
Voted for	Increased living expense and mileage allowance for governmental employees traveling on official business	Became law.
Voted for	Voted for legislation making the dissemination of indecent literature illegal	Pending, in conference.
Voted for	Reorganization of the Federal Home Loan Bank Board	Became law.
Favored	Creation of a Department of Urban Affairs and Housing at the Cabinet level	Pending.
Voted for	Legislation to strengthen Federal criminal statutes relating to bribery, graft, and conflict of interests	Approved, House.
Voted for	Legislation to prohibit and fix penalties for transportation of gambling paraphernalia	Became law.
Voted for	Legislation to prohibit and fix penalties for transmission of bets by wire communication	Became law.
Voted for	Legislation to prohibit and fix penalties for interstate or foreign travel, or use of the mails, for the purpose of unlawful activity	Became law.
Voted for	2-year extension of the life of the President's Commission on Civil Rights	Became law.
Sponsored	Amendment to the Constitution relating to the electoral college method of electing the President and the Vice President of the United States.	Pending.
Sponsored	Legislation to provide supervised residence facility for Senate and House pages	Pending.
Sponsored	Legislation to provide a more equitable system for the settlement of disputes, grievances, and complaints in all Federal agencies and departments.	Pending.
Sponsored	Legislation to permit the sale of surplus U.S. property to local and State governments	Pending.
Sponsored	Resolution to create a Joint Congressional Committee on Consumer Interests	Pending.
Favored	Reorganization Plan No. 1, Securities and Exchange Commission	Rejected, Senate.
Favored	Reorganization Plan No. 2, Federal Communications Commission	Rejected, House.
Favored	Reorganization Plan No. 3, Civil Aeronautics Board	Became law.
Favored	Reorganization Plan No. 4, Federal Trade Commission	Became law.
Favored	Reorganization Plan No. 5, National Labor Relations Board	Rejected, House.
Favored	Reorganization Plan No. 6, Federal Home Loan Bank Board	Became law.
Favored	Reorganization Plan No. 7, Federal Maritime Commission	Became law.
	NATURAL RESOURCES AND AGRICULTURE	
Voted for	Expansion of the water pollution control program	Became law.
Voted for	Expanded program for conversion of salt water to fresh water	Became law.
Favored	Creation of a National Kettle Moraine Park	Pending.
Sponsored	Amending Soil Conservation and Domestic Allotment Act to limit financil and technical assistance for the drainage of certain wet lands.	Approved, House.
Voted for	Upper Colorado basin transmission lines	Became law.
Favored	Establishing a national wilderness preservation system	Approved, Senate.
Voted for	Omnibus farm bill	Became law.
Voted for	1-year voluntary cut in acreage and crops of feed grains; price-support payments to participants in various products	Became law.
Voted for	Continuing President's authority to exclude Cuban sugar imports and reallocate its quota	Became law.
Voted for	Use of additional $2 billion in surplus agricultural commodities under the Agricultural Trade Development and Assistance Act	Became law.
Sponsored	National milk sanitation program to bring uniformity in milk health regulations, thereby eliminating discriminatory practices in the sale of milk in interstate commerce.	Pending.
Favored	Authorizing financial assistance for educational opportunities to children of migratory workers	Approved, Senate.
Voted for	Authorizing distribution of feed at reduced price to livestock farmers suffering from drought	Became law.
Voted for	Improving operations and procedures of Farm Credit Administration	Became law.
Voted for	Authority for Secretary of Agriculture to make emergency livestock loans	Became law.
	VETERANS AND SERVICEMEN	
Voted for	Direct home loan program for World War II and Korean war veterans	Became law.
Voted for	Payments of special dividends to eligible policyholders of national service life insurance	Became law.
Voted for	Program of vocational rehabilitation for veterans with service-connected disability serving between World War II and Korean conflict and thereafter.	Approved, House.
Voted for	Increases in rates of compensation for service-connected disability	Approved, House.
Voted for	Veterans Appeal Board to make findings of fact and conclusions of law in each case	Became law.
Voted for	Restoration of rank of general (5 star) to former President Eisenhower	Became law.
Voted for	Study by the Veterans' Administration of problems of elderly, chronically ill, or otherwise handicapped veterans	Approved, House.
Voted for	Amendment and clarification of reemployment provisions of Universal Military Training and Service Act	Became law.
Voted for	Increase in payments to veterans' widows	Became law.

Rollcall record of Congressman CLEMENT J. ZABLOCKI. 87th Cong.. 1st sess.

Total roll and quorum calls	Rollcalls	Not voting	Quorum calls	Absent on quorum calls [1]
231	116	2	115	6

[1] Absence on quorum call does not necessarily mean a legislative day's absence.

Fifth Annual Congressional Tour

EXTENSION OF REMARKS

OF

HON. ARCH A. MOORE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. MOORE. Mr. Speaker, as this session of the Congress draws to a close after we have met 264 days, one of the longest peacetime sessions we have had, we are all looking forward to an opportunity to return to our respective States and visit and talk with the people whom we have the honor to represent in the Congress of the United States.

Mr. Speaker, the First Congressional District of West Virginia is only an hour's time from Washington by air travel. I have returned to my district, even while the Congress is in session, every weekend for the purposes of holding weekly congressional office hours in my district office at Moundsville. This has afforded me the opportunity of working closely with the people of my district, and I have attempted to make myself readily available to them, at any time that they might want to discuss with me matters of importance to their Nation, State, and families. However, as all of my colleagues know, a session of the Congress is very time consuming and this has prevented me from having the opportunity to travel about in my district and State as much as I would like and to talk with persons who have varied interests and difficulties.

Mr. Speaker, ever since coming to the Congress on January 3, 1957, I have made it a practice, following the adjournment of each session of the Congress to undertake an annual tour of my district, which carries me into every community. I have held regular office hours in each community during which time the people might drop in to say "hello" or to inquire of some Federal legislation.

In preparing for these annual visits in each community, I have made arrangements with the various courthouses, post offices and civic buildings for office space where it will be convenient to meet and privately confer with individuals who might want to see me.

I am pleased, Mr. Speaker, to announce the schedule of my fifth annual tour of my district and, in each instance, the time shown is the local time for that particular community:

Tuesday, October 24, 1961, Hancock County: 10 a.m. to 12 noon, courthouse, New Cumberland; 1 to 4:30 p.m., post office building, Weirton.

Wednesday, October 25, 1961, Brooke County: 9:30 a.m. to 12 noon, mayor's office, city building, Follansbee; 1 p.m. to 4:30 p.m., sheriff's office, courthouse, Wellsburg.

Thursday, October 26, 1961, Ohio County: 9:30 a.m. to 4:30 p.m., fourth floor, post office building, Wheeling.

Monday, October 30, 1961, Taylor County: 10 a.m. to 4 p.m., post office building, Grafton.

Tuesday, October 31, 1961, Marion County: 9:30 a.m. to 4:30 p. m., courthouse, Fairmont.

Thursday, November 2, 1961, Wetzel County: 9:30 a.m. to 12 noon, courthouse, New Martinsville; 1:30 to 4 p.m., city hall, Hundred.

Friday, November 3, 1961, Marion County: 9:30 a.m. to 12 noon, post office, Farmington; 1:30 to 4:30 p.m., city hall, Rivesville.

I should like to note, Mr. Speaker, that I have scheduled no courthouse visit for Moundsville, inasmuch as my district office is situated there and is open to the public 6 days a week, and my constituents from that area and the district as a whole are invited to present any matter which they may have, to me personally at any time in my district office.

These visits in the various cities and towns are as informal as we can possibly make them and workers, businessmen, and housewives are urged to drop by the temporary office in their hometown. No appointments are necessary and all persons are welcome to "come as they are."

It is my fond hope that this fifth annual tour of my district will be as successful as it has been in previous years when several hundred people stopped by each day at our office to discuss important matters with me.

As I stated before, I maintain a district office in the Mercantile Bank Building in Moundsville. It is open 6 days a week to serve the residents of the First Congressional District.

If I should be out of the office on official business there is always a competent member of my staff available to answer questions or to assist in every way possible.

I welcome all those who may have a problem of great importance to themselves to meet with me when I am in their community or on this annual congressional tour of our district.

Natural Gas

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. AYRES. Mr. Speaker, Members of this House who have been here several years will recall that on many instances I have brought information to their attention concerning the importance of the distribution of natural gas to our economy.

Not only am I interested in proposed plans to facilitate this distribution and its beneficial effects to the consumer, but I am always intrigued by new proposals that seem to embody several outstanding qualifications.

It has recently been called to my attention that a natural gas pipeline is being proposed to be installed extending from Texas through northern Mexico and into southern California. From all indications, this pipeline will provide millions of homes in southern California with natural gas—and will tap hitherto untouched resources.

I would like to call this project to the attention of the Members of this House. I feel that there are many merits intrinsic in its planning and I trust those that are in a position to make the final decision on this project will consider all of the ramifications in a fair and impartial manner.

This pipeline would stretch 1,600 miles from western Texas through northern Mexico and into southern California. Its purpose is to assure for a generation or more an ample supply of fuel and power to an area fast becoming the Nation's biggest market for natural gas.

The project also seems to have strong overtones that go beyond the theme of satisfying a rapidly expanding requirement for energy fuel. There are the economic, social and political benefits of international cooperation; stabilization of gas prices that have been soaring fantastically, the rewards of increased employment; and, of course, the satisfying of local needs for a steady, uninterrupted supply of industrial power.

From southern Texas, where the pipeline will originate, the proposed route dips south into Mexico and taps a source of gas that is believed to contain the largest volume of uncommitted gas in North America. The pipeline would then proceed 1,200 miles across northern Mexico to the California border and turn north to Los Angeles.

The new line would assure California of sufficient quantities of gas for many years to come. Additionally, it is estimated that it would result in savings of up to $174 million in electric rates over the next 20 years.

California is rapidly becoming the Nation's No. 1 market for natural gas. By the end of 1961, the gas market should total $1 million per day. Within the next 20 years, demand should double. In addition, the costs of natural gas obtained via this route would be stabilized because of the commitment of 20-year service at a firm price.

There is another strong reason for the need for natural gas in southern California. Such a supply would enable electric generating stations to eliminate the burning of fuel oil and thus assist materially in the control of smog.

The service area of the companies participating in this proposed pipeline covers 5 million people. The benefits which will accrue to the consumer are evident.

There is another, highly important aspect to this project; namely, the advantages to Mexico. Completion of the project would immediately offer the opportunity for large-scale industrial development along the northern border area. This project would be the largest single industrial development in the history of Mexico and would be part and parcel of our concerted effort to improve the economy of our allies in Latin America. Mexican authorities have estimated that this project would stabilize Mexican currency for at least 5 years.

Construction of the Mexican portion of the pipeline would augment the announced aims of the United States to work with Latin America. It would also display to the rest of the hemisphere the advantages that can be accomplished when the free enterprise system is put to work for the benefit of both nations.

That need for such a project exists is undeniable. I trust that the authorities will take all factors into consideration in determining the solution to the problem.

It would seem that the many advantages of this proposal far outweight any of its disadvantages.

Paul Ertzinger

EXTENSION OF REMARKS
OF
HON. J. EDWARD ROUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. ROUSH. Mr. Speaker, Paul Ertzinger is a familiar figure on Capitol Hill. For the past 11 years he has been assigned to duties here and with the White House as a special investigator of the Federal Bureau of Investigation.

In his work, he has had personal contact with nearly all of the Senators and Congressmen of this era. He has gained their respect and confidence as an able and efficient public servant. More importantly, his personal charm has won their friendship.

On September 8 of this year, Paul completed 25 years of faithful service with the Bureau. Previous to his work with the FBI he had been in the postal service in my hometown of Huntington, Ind.

On the occasion of his 25th anniversary, Paul was presented with a number of personal messages from those with whom he works. Among those most cherished are letters directed to him by two of his personal friends, one from the recent junior Senator from Massachusetts and another from the recent senior Senator from Texas. As a belated part of the anniversary tribute to this dedicated FBI agent and anticipating his 50th birthday, Tuesday, September 26, I would like to introduce the letters to Paul from the President and the Vice President of the United States on that occasion:

THE WHITE HOUSE,
Washington, September 1, 1961.

Mr. PAUL E. ERTZINGER,
Special Agent, Federal Bureau of Investigation, Department of Justice, Washington, D.C.

DEAR PAUL: I have been glad to learn that on the 8th of September you will observe your 25th year of service with the Federal Bureau of Investigation.

I am personally most pleased to extend my best wishes to you since I have known intimately of your work both while I was in the Congress and here in the White House. You have been most effective in performing

your duties and have been of inestimable help to me and to members of my staff.

I hope that you will have many more years of useful and happy service to your country.

Sincerely,

JOHN KENNEDY.

THE VICE PRESIDENT,
Washington, August 14, 1961.

Mr. PAUL E. ERTZINGER,
Special Agent, Federal Bureau of Investigation, Washington, D.C.

DEAR PAUL: I understand that on September 8, 1961, you will celebrate your 25th anniversary with the Federal Bureau of Investigation and your 11th year on your present assignment to Capitol Hill and the White House.

Congratulations to you on this wonderful record. I know of the exacting efficiency required by the Bureau and it is a testimonial to you that you have been able to meet that high degree of efficiency throughout this long period.

Let me wish for you many more years of service to the Bureau and to the Government and that you will continue to enjoy the friendship and affection of your many friends on Capitol Hill.

Sincerely,

LYNDON B. JOHNSON.

Governor Brown, of California, Appoints Abe Kofman as Highway Commissioner

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EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. GEORGE P. MILLER. Mr. Speaker, Mr. Abe Kofman, newspaper publisher, businessman, and civic leader from my Eighth Congressional District of California has just been appointed to the Highway Commission of the State of California.

Gov. Edmund G. Brown has once again demonstrated the sagacity and political acumen which characterize his appointments to high office in his administration as Governor of California.

Commissioner Kofman typifies the self-made man. He was born in Brockton, Mass., and was raised in a family of modest means. He learned at the early age of 8 what it means to assist his family to make a living by selling newspapers on the streets of Brockton.

Kofman's great interest in civic affairs was also demonstrated early in his life when he served on the Zoning Board of Norwich, Conn., before reaching the age of 30. In 1932 Mr. Kofman was a delegate to the 1932 Connecticut Democratic State Convention which nominated Franklin D. Roosevelt.

Commissioner Kofman has been in business for himself for 42 years. He started a small circulation business at age 16. Three years later he was asked to handle circulation for the Hearst publications in Norwich, Conn. In 1939, he purchased the Times-Star newspaper in Alameda, Calif. In 1950, he purchased the Morning News of San Leandro, Calif. Today, both of these newspapers are fine examples of sound business enterprise and high journalistic standards.

Mr. Kofman has served his community well. He has presided over the Alameda-Contra Costa Counties Jewish Welfare Foundation. He is a 32d degree Mason as well being a member of the Shrine, Elks, Eagles, and a past chancellor in the Knights of Pythias. He is a past president of the Oakland B'nai B'rith. In addition, Mr. Kofman was instrumental in starting the Alameda Community Chest and was quite active in the Red Cross.

The new commissioner's appointment has been greeted with high praise from his local community. The City Council of San Leandro, Calif., cited his dedication to public service in a special resolution which specifically commended Governor Brown for making this selection. The San Leandro Chamber of Commerce also took particular note of Kofman's new position by honoring him with a luncheon. The San Rafael (Calif.) Independent-Journal applauded the new commissioner in an editorial. Besides offering congratulations and best wishes for success, this newspaper pointed out that it was good to have a newspaperman on the commission. It indicated that Kofman, who served as a director of the California Newspaper Publishers Association, has gained a broad view of the whole State and its problems. The editorial further said:

> We'll wager Kofman will tackle the problems of our area without partisan political machinations becoming involved.

Abe Kofman's life to this point has been exemplary of what living as an active citizen in a democracy means. He has become successful under the free enterprise system. He has devoted many long hours in the service of others. He has demonstrated strong convictions and no fear of showing them, because early in the 1960 presidential campaign, his newspaper became one of the first daily papers in the country to endorse John F. Kennedy. I am certain that as Abe Kofman undertakes this new service to his State, he will add additional chapters to a brilliant career. I further believe that his personal philosophy of life is best epitomized in the words of Thomas Jefferson that state:

> If in the course of my life, it has been in any degree useful to the cause of humanity, the fact itself bears its full reward.

What Price Patriotism?

EXTENSION OF REMARKS
OF
HON. WILLIAM H. HARSHA, JR.
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. HARSHA. Mr. Speaker, there has been a great deal printed in recent weeks on the subject of keeping "politics" out of the Defense Department. I agree—politics as such has no place in our national defense but certainly Americanism should be foremost. The examples that are particularly well known and publicized are, of course, the case dealing with Maj. Gen. Edwin A. Walker, the film, "Operation Abolition," and the cancellation of an anti-Communist seminar at Fort Benjamin Harrison, Ind. Now a situation has come to my attention that hits home in my own State of Ohio, specifically in Cincinnati, where the radio and newspaper coverage reaches into my congressional district. Once again, it appears that the muzzle has been put on and another true American is being kept quiet. This is a case where a man has a story to tell, but is not permitted to avail the American people of his firsthand knowledge of Communist brainwashing. Is the Defense Department going to pull the reins on another patriotic citizen?

I would like to call your attention to the following alert and thought-provoking editorial printed in the Cincinnati Enquirer on September 20, 1961:

THE PLAGUE HITS CINCINNATI

Thanks to an exemplary kind of public service by the Taft Broadcasting Co., Greater Cincinnatians several weeks ago were enriched by a series of appearances by Maj. William Mayer of the U.S. Army. Radio station WKRC first carried a recorded speech by Major Mayer in which he provided a scholarly, thoroughly responsible account of the brainwashing of American prisoners in the Korean war by their Chinese Communist captors.

More recently, Major Mayer appeared on WKRC–TV to answer questions raised by his recorded address.

As a further step toward acquainting Greater Cincinnatians with brainwashing techniques, Taft Broadcasting made Major Mayer's original radio presentation available in printed form.

Anyone who heard or saw Major Mayer knows that he is no wild-eyed fanatic, no crank, no crackpot. He is, instead, a solemn, thoroughly informed, articulate young physician whose splendid talents led to his appointment as chief neuropsychiatrist in the Army task force responsible for rehabilitating American prisoners in the Korean war. As the result of his service in that capacity, he knew, perhaps better than any other American, the shortcomings and the inadequacies that converted one-fourth of our Korean war prisoners into collaborators and one-tenth into informers on their fellow prisoners.

Many Cincinnatians were looking forward to hearing and seeing Major Mayer again. For this gallant young American, during his last visit to Cincinnati, agreed to return this fall. Specifically, he enthusiastically accepted invitations to speak at Xavier University and Our Lady of Cincinnati College.

But the other day, Major Mayer notified his local friends that he could not appear—either this fall or at any other time in the foreseeable future.

The muzzle that first wrecked the career of Maj. Gen. Edwin A. Walker, the muzzle that forced the cancellation of an anti-Communist seminar at Fort Benjamin Harrison, Ind., the muzzle that has denied all our military personnel the opportunity to see "Operation Abolition"—this same muzzle has now touched Cincinnati.

When the Defense Department's order against anti-Communist information programs was involving distant points like Fort Harrison and our military posts in Germany, it was an easy thing, perhaps, for many Cincinnatians to shrug their shoulders. It was an easy thing to believe that perhaps Senator J. WILLIAM FULBRIGHT was right in fighting to keep "politics" out of the Army; perhaps the Defense Department was right in its patronizing explanation that General Walker is, after all, something of an "eccentric."

But in the Mayer case, there can be no shrugging. For here was no reckless name-caller; here was no witchhunter; here was no "rightwing radical." Here was a brilliant, dedicated, thoroughly equipped young American with a story that his fellow Americans needed to hear.

That he has now been denied the opportunity to tell that story is an outrage for which "stupid" is too charitable an adjective.

It is inconceivable to me that the Ohio residents or any other citizens of the United States should be deprived of first-hand information on the Communist tactics used to brainwash our own servicemen. Have not the parents of these servicemen the right to know what their boys will be subjected to, particularly in view of the number of Korean war prisoners who were converted into collaborators? This figure is shocking. We should be aware of what they are doing to our youth.

When our boys are asked to fight and the parents realize the risks involved, they know there is a chance that their son might be killed or seriously injured physically, then why should not they be permitted to know that there is also the risk that they will be subjected to brainwashing in an attempt to have them defect to the Communists?

We are all aware of the Communist propaganda gained by an American serviceman defecting, then why should we not know as much as possible about how it is done? Do we not, as Americans, have the right to know? We have the ability to judge for ourselves. As trite as it is, forewarned is to be forearmed.

Every time Khrushchev speaks about the great advances Russia makes in any field, we are all permitted to read and hear about it, and in instances where an American is converted to communism, we are permitted to read and hear about it, then are we to be refused the right to know the basis of the Communist propaganda? Are the vicious methods used by the Communists going to be hidden from us? And how long are the citizens' objections to having these things kept from them going to be ignored?

Will the time come when a true American will be afraid to say anything against communism for fear that he will be reprimanded and termed "eccentric"? What is more American than our servicemen, the representatives we send to defend our country? Will the time come when the people of the United States will be expected to send their sons to fight yet not knowing what they are fighting against or what is confronting them?

I submit that every American must be thoroughly informed and have the opportunity to know who and what our enemy is, and I submit that every citizen has the inherent right as an American to inform his fellowmen of everything that is anti-American regardless of whether he is military or a civilian and without fear of reprisal. The facts should not and must not be kept from our citizens by the Defense Department or any other Government agency.

While we seem to bend over backward to assure the Communists the fullest protection of our Constitution and Bill of Rights, we on the other hand, appear to deny those same privileges and rights to our own citizens. What this country needs in some of its governmental agencies is some good old-fashioned American intestinal fortitude. Why should we fear offending the Communists? Why should not we stand up and point them out for what they are? Why should not we be fully apprised of their unscrupulous methods? What governmental action will now be taken against this patriotic American to assure his silence? What price will he have to pay for his patriotic efforts?

Congressman Gilbert's Annual Report

EXTENSION OF REMARKS

OF

HON. JACOB H. GILBERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. GILBERT. Mr. Speaker, the 1st session of the 87th Congress has attained an outstanding and enviable record of achievement; the list of its major legislative accomplishments is impressive.

This Democratic Congress, with the leadership of a Democratic administration, has passed most of the legislation promised by the Democratic platform of 1960 and requested by the President; this Congress has been more productive than any session since the early New Deal era, in spite of the fact that much of our time had to be devoted to numerous problems inherited from the past 8 years of Republican administration. Once again, we have proved that the Democratic Party has the best interests of the people at heart, for the record shows that for the first time in many years a really serious effort has been made to meet some of the more pressing social problems of our times.

I have conscientiously worked with the President, and at every opportunity have fought for the progressive, liberal program set forth in the Democratic platform. The Congress has been in session for more than 8 months, meaning unremitting hard work, fraught with grave responsibilities. My serious attention has been required not only in matters on the domestic front, but also in international affairs. The ever-darkening world picture, because of increased Soviet threats, has intensified our burdens; one crisis after another has been the order of the day, and the Berlin crisis is now the most serious. The space supremacy race, foreign aid, increased assistance to Latin American countries, Russian resumption of nuclear testing, defense legislation, all weighty problems, had to be considered and effectively met. The following priority legislation has become law.

MINIMUM WAGE INCREASE

Labor Day, 1961, brought pay raises totaling an estimated $536 million to more than 27½ million employees. An additional 3,624,000 coming under the new law will receive a minimum hourly wage of $1 to be increased to $1.14 in 1964 and to $1.25 a year later. Those already covered by Federal wage laws will be raised to $1.15 this year and to $1.25 in 1963.

I would have preferred a direct increase in minimum wage to $1.25 this year, and in January of 1961, I reintroduced my bill which so provided. The bill which was passed represented a compromise, but it was the best we could get. I fought in committee and in the House of Representatives for a direct raise to $1.25. When the bill came before us for consideration, I pointed out that for years there has been overwhelming evidence of the need for strong, equitable, humanitarian, minimum wage legislation, and that necessary amendments to the Fair Labor Standards Act have been long overdue. The new law does provide at least some assistance to our underpaid workers, which they desperately needed in order to exist in view of present alltime high living costs.

INCREASED SOCIAL SECURITY BENEFITS

More than 3.7 million Americans are now receiving bigger social security checks under the new Social Security Act amendments of 1961. One out of every four persons drawing social security received the automatic increase under the liberalized benefits enacted by this session of Congress. The new law also reduced the optional retirement age for men to 62 (with reduced benefits); increased widows' benefits by 10 percent; raised the earnings ceiling for retired persons, increased the Federal share of State programs for the needy aged, blind, and disabled, and liberalized the law in other respects.

During the debate in Congress, I stated:

Although this is a scaled-down version of President Kennedy's plan, it does provide some benefits and is another step forward toward our goal of adequate assistance to our older citizens. In a country as rich as ours, it is a sad commentary upon our Government that the needs of our older citizens have not been provided for more adequately and that their sad plight has been so consistently ignored. Although I am gratified by any increase in benefits under the Social Security Act, I am hopeful that the time is not too far distant when my bill, providing for full benefits, when based upon the attainment of retirement age, to men at age 60 and to women at age 55, will be passed.

My bill also provides for the removal of the limitation upon the amount of outside income which an individual may earn while receiving benefits under the

Social Security Act. I shall continue to press for complete removal of such limitation.

HOUSING ACT OF 1961

This is the most comprehensive housing measure passed by Congress in 12 years. It provides $4.88 billion in Federal loans and grants to cities, towns, and rural areas for urban renewal, public housing, elderly housing, farm housing, college housing, urban mass-transportation systems, home improvement, community facilities, to list some of the benefits provided.

I urged passage of the bill and stated:

I receive many requests daily from my constituents who describe the intolerable housing conditions under which they exist and ask my help in securing decent housing. The unfreezing of the 100,000 units of public housing left in the original 1949 housing authorization would provide a substantial stimulant for the low-rent program which has been sadly neglected during these past years. Although we have tried to meet the needs of the ill-housed among our low-income families, we have seriously neglected another segment of our population—those in the moderate income bracket who earn too much to entitle them to public housing and yet cannot afford privately built, nonassisted housing. I am, therefore, pleased with the broadened FHA section 221 program which provides assistance to low- and moderate-income and displaced families.

Positive action must be taken in all areas to help cities recover their economic stability, improve transportation systems, attract middle- and upper-income residents and business. I am pleased to support this bill which provides so many long-needed benefits; which will help our poorly housed people, and which will rescue our cities from permanent deterioration and give them incentive and help along the positive approaches of urban renewal, rehabilitation and renewed economic growth.

AID TO DEPRESSED AREAS

This legislation set up a $394 million program of loans to depression-burdened communities to establish new industries and create jobs.

I introduced a bill providing for such aid in January of this year, for I have long recognized the dire need for such assistance. As a member of the Committee on Banking and Currency, which held extensive hearings on the bill, I heard the many witnesses who testified before us and pleaded for passage of the legislation. In urging passage of the bill, I stated:

We have had 7 years of diminished economic growth, 3½ years of slack, and 7 months of recession. In these days of crises, we cannot permit further deterioration in our economy; we must take positive and effective steps to stimulate the economy and pave the way for its full capacity performance; we must aim for the highest possible rate of economic growth. Five and a half million unemployed workers live in the 103 designated distressed areas; in New York State there are numerous areas which are in trouble and which are in desperate need of the assistance this legislation would give them.

Many of my constituents are of Puerto Rican background; I am happy that the bill before us would help Puerto Rico, as it meets the bill's requirements as to depressed industrial areas. Much progress is being made in Puerto Rico, and I should like the people there to be encouraged in their efforts to improve their Commonwealth as well as their standards of living.

ADDITIONAL MAJOR DOMESTIC LEGISLATION, DEFENSE AND FOREIGN POLICY LEGISLATION

The Temporary Unemployment Compensation Act provided for repayable Federal grants to States to provide 13 weeks' additional unemployment compensation benefits to unemployed workers exhausting their benefits. This helped alleviate the severe hardships of unemployed workers and their families during the recession period.

The bill providing aid to dependent children of needy unemployed parents was of great help to the children of our Nation who were suffering untold hardships and deprivations. Another law also extends the special milk program for children.

The veterans home loan program was extended; other laws beneficial to our veterans were passed. We passed a bill to assist our farmers.

I also voted for the extension of the Civil Rights Commission; the bill providing for the Peace Corps, an effective step forward in our international relations; the bill to assist our youth and help control juvenile delinquency. I was happy to vote for the longevity pay raise bill to assist our postal workers; I was one of the cosponsors of the arms control-disarmament bill.

We also passed the National Aeronautics and Space Act amendments, a bill providing increased authorization for the food for peace program; funds for inter-American social and economic cooperation program were provided. Numerous defense authorization and appropriations measures as recommended by President Kennedy have also been enacted by the Congress.

Failure to get favorable action on strong, effective civil rights legislation during this session of Congress came as a grave disappointment to me. I urged that the Congress take action and shall continue to press for passage of necessary legislation until every vestige of discrimination has been wiped out. I reintroduced my bills this year which would end present evils now inflicted upon millions because of race, color, creed, or national origin, and which would assure all our citizens of true equality as guaranteed under our Constitution.

I reintroduced my bill providing for health care for the aged under the social security program and urged the committee in charge to vote out the bill. We were not given the opportunity to act on the legislation, and this was most frustrating to me and all those who wished to be helpful to our older citizens. I stated:

Adequate medical care for our older citizens is one of the most critical social and humanitarian problems confronting us, and one which demands necessary, effective, Federal legislation. In my opinion, the best assurance we can have that special medical needs of the aged would be met, is to provide for a practicable plan under our social security system. Hundreds of letters and numerous petitions have been sent me by my constituents, urging Federal action and the social security approach. They contain pitiful statements as to suffering and hardships and inability to provide themselves with the medical care they desperately need. I shall not allow their pleas to go unheeded. The Federal assistance involved is due the workers of our Nation, who have, by their efforts, built our Nation to its present great strength.

Education remains one of the most important of our Nation's domestic problems. It is one which intimately affects the welfare and security of our country, and it greatly affects the lives of a large number of individual Americans. For want of adequate schools and qualified teachers, a segment of American youth is being denied a vital part of its birthright. I exceedingly regret that Congress did not pass a suitable, effective, Federal aid to education bill. The bill which passed, continuing the impacted areas school-aid program and the National Defense Education Act, amounts to only token assistance. I am hopeful that the Congress will meet its responsibility on this vital question early in 1962.

BRONX CONGRESSIONAL OFFICE

Space limitations prevent my discussing all the legislation and questions of importance to my constituents. I have represented them to the best of my ability in Congress; I have been anxious to help them whenever called upon, concerning their personal problems. It has been gratifying to receive letters expressing their confidence in me and assuring me of their continuing support. I assure them that I shall continue my best efforts in their behalf.

I maintain a Bronx congressional office at 1004 East 163d Street, Bronx—telephone Ludlow 9-7280, which is open daily. I invite my constituents to call there and discuss any requests or problems they may have. I am happy to have them write to me at my Washington office. I urge them to call at my Washington office, 1723 New House Office Building, when they visit the Nation's Capital.

A Patent Policy for a Free Enterprise Economy

EXTENSION OF REMARKS

OF

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, one of the basic arguments affecting the American system that has been heard in this Congress is in the field of patents, particularly those developing from research and development sponsored with Government funds.

This question is being examined in connection with the patent provisions of the Space Act by a subcommittee chaired by Congressman DADDARIO.

A recent article appeared in the American Bar Association Journal outlining the terms of a moderate and middle-of-the-road patent policy that would best serve the United States and the public interest. I offer it for the RECORD so that it may be studied by all the Members.

In it, I believe Congressman DADDARIO spells out a moderate approach to this issue which reflects the thinking of himself and others who have carefully examined this issue and one that would be in the best interests of the United States:

A PATENT POLICY FOR A FREE ENTERPRISE ECONOMY

(By EMILIO Q. DADDARIO, Member of Congress, First District, Connecticut)

(The question who should own the patent rights for inventions produced on projects financed by the Federal Government is a vital one to our national economy—especially since the Government is now spending about $9 billion annually on scientific research and development. Congressman DADDARIO favors a flexible position holding for the Government the rights it needs and taking title only when public policy or the national security dictates.)

During the coming fiscal year, the Federal Government will spend an estimated $9 billion in support of scientific research and development. This sum represents approximately 75 percent of all of the research and development that will be performed in the country during that year.

The fact that this tremendous sum is drawn from the taxpayer, together with the fact that the end product of research and development is becoming almost solely governmental in purpose in such spending, poses a dilemma of Government patent policy which is being debated more strenuously this year than ever before.

What equity, it is being asked, does the taxpayer have in the patentable devices that tax-supported research and development have produced, and what rights should be reserved to the scientist or the inventor whose services produced the item?

This is at the heart of the dispute which has now gone on for many years over Government patent policy. Our Constitution asserts that "The Congress shall have power to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive rights to their respective writings and discoveries." In explaining the inclusion of this patent clause, James Madison, writing in the Federalist Papers (No. 43), stated that: "The utility of this power will scarcely be questioned. The copyright of authors has been solemnly judged, in Great Britain, to be a right of common law. The right to useful inventions seems with equal reason to belong to the inventors. The public good fully coincides in both cases with the claims of individuals." I find it hard to understand that Madison's statement, "The public good fully coincides in both cases with the claim of individuals," should be challenged. It seems to me that the arguments supporting the idea that the Government should own patents developed privately are not convincing. I had the occasion to become closely acquainted with this issue in 1959 when a subcommittee of the House Committee on Science and Astronautics was established to consider the patent provisions of the National Aeronautics and Space Act of 1958. The subcommittee, under the able chairmanship of Representative Erwin Mitchell, of Georgia, determined that the original restrictive patent policy contained in the Space Act was added to that act following the close of public hearings and modified in the compromise version adopted in conference. Therefore, the patent policy of the original National Aeronautics and Space Act was included without being subject to hearings, and as a result was not given adequate consideration by Congress.

My own sentiments at the start of the hearings held by the subcommittee were generally in the belief that the Government, by virtue of its financial support, was entitled to the ownership of inventions resulting from that research. During the hearings the National Aeronautics and Space Administration recommended an amendment, supported by most of the 42 witnesses who appeared before the Mitchell subcommittee, which would give the Space Administration in each case the administrative determination as to whether or not it was in the best interest of the Government and the public for the Government to take title to patents arising out of research work funded wholly or partially with Federal funds. As a result of the hearings, the subcommittee agreed that the Government should retain a nonexclusive, royalty-free, nontransferable nonrevocable license for use but that the inventor should retain title to his invention for commercial purposes. The subcommittee also provided a statement of policy as a guideline to the Space Administration for determining what rights the Government should request in patents coming under its purview. The House accepted these recommendations and passed the amendment by a large majority, after full debate.

Unfortunately, this legislation saw no action in the Senate. This resulted both from the press of business and from opposition to its passage created by a small pocket of feeling that a uniform patent policy, in which the Government took title to all inventions, should be considered.

I am now convinced, after 2 years of study, that we have departed from the original constitutional concepts in the statutes affecting patent policy enacted since World War II. Specifically, the present patent policy expressed in the Atomic Energy Act of 1954 and the Space Act of 1958 depart severely from the original concept of private rights and a free enterprise system as far as patents are concerned.

TOO MUCH GOVERNMENT IN MANAGEMENT

We are already leaning too much on Government management. We should not search for a patent policy which would give the Government even more ownership and management which, up to now, have been in the private sector. Such a policy would be inimical to the free enterprise system. We can and must reserve to the individuals and research teams the product of their scientific research while, at the same time, protecting the Government's legitimate interests.

The search for a Governmentwide patent policy has failed thus far to produce results because it has had to grapple with the immense variety of our Government activities today. Each department and agency has its own programs and requirements in contracting for research.

It is interesting to note that industry and the Department of Defense have worked out, as a result of over 20 years of hard give-and-take, a set of regulations on the subject of patent rights which appear in the Armed Services Procurement Regulation. They still are not exactly what the Department of Defense or industry would like them to be, but they represent a workable compromise which reasonably takes care of the needs of both Government and industry. Generally, they provide that the inventor and his assignee retain title to any patents they take out for inventions made in the performance of work under governmental contracts, but subject to a nonexclusive, royalty-free license to the Government, which actually is all the Government needs. This means that the Government is free, under the patents for inventions made under its contracts, to make the developed product itself or to contract with others to do so without royalties, if it does not wish to purchase the product from the inventor.

Doctrinaire opponents of this liberal patent policy start from the premise that monopoly is bad per se. A patent is a monopoly, they reason, and in itself is bad, despite the truth that all monopoly is not bad and that regulated monopoly, including patent monopolies, under modern antitrust legislation, has provided a large part of our economic growth, as in the public utilities, postal services, and communications.

Without some form of protection, it is a business axiom that there is little incentive to develop an invention. It may be argued that if there is a demand for a product, business will invest, produce, and market it. But in the complexities of modern business, this is not the case. Risk capital requires some assurances of its own recovery and a fair margin of profit. The lengthy and costly procedure of developing and marketing a new item demands too much capital investment for it to be risked without some semblance of protection. Today, of every 26 new products offered to the public, only 1 survives as a successful venture. Many companies have gone broke bringing out products which either did not touch the public's fancy or appeared at the wrong time. In addition, new products remain new for a very short time. They are quickly succeeded by products of better design and lower price. There are in the history of the growth of the United States thousands of instances where small companies that have started with just a single patent have grown to employ hundreds and thousands of people. In my congressional district alone, two of the major employers began operations within the last half century with but a single patent. A study by the Federal Reserve Bank of Boston shows that, between the years 1950 and 1955, 85 percent of New England employment gains were traceable to six industries which had allocated the largest amounts of their effort to research and development. In 1955, about one-third of the region's manufacturing employment was dependent on new products introduced in the preceding 10 years.

The free enterprise system assigns great importance to incentive for the individual. The patent clause of the Constitution was intended to grant to the inventor the benefit of his skills, his risks, and his resultant discovery, and to allow him the prospect of reward, so that others might seek to emulate him. It cannot be judged, as many of our opponents of our longstanding patent policies appear to do, on the basis of whether the inventor himself is stimulated to greater scientific effort by Government participation and support.

THE FACTS OF SCIENTIFIC RESEARCH

But it is easy to discuss this in the sense of an individual effort. More difficult are the facts—the facts of scientific research now utilized to produce, in corporate laboratories, innovations. Granted that no

team ever painted Raphael's "Madonna" or could have written "Hamlet." The facts are that teamwork did produce the atomic and hydrogen bombs, using the acquired skills later for the peaceful uses of atomic energy, working and building on the knowledge of the past.

Despite arguments to the contrary, the patent system does encourage rapid growth in economic and scientific activity. By requiring quick registration and disclosure, it allows those who keep abreast of this information and have the imagination and initiative to move on from it, a chance to build newer and better devices.

It has been argued that the opposite is true—that unless the Government obtains title to all inventions under its research contracts, vital scientific information is hushed up and technical progress stifled. The record of American economic growth over 170 years does not support that allegation.

The best and most complete disclosure of data comes from the patent process, and where this works imperfectly, it is largely because of an overburdened Patent Office and the statutory deficiencies of the patent code.

I have already referred to the fact that modern technology requires the assembly of skilled teams to apply their talent and know-how to the solution of extremely difficult problems. These teams do not come together easily; they are assembled at great expense and effort so that a combination of individual skills may be directed to the solution of problems important in the national interest.

When the Government, by contract, directs a company to turn this talent loose on a problem, it is hiring a service. It receives the solution for which it pays; it should not then deny that team or that company the right to use the product of its own skill for commercial purposes. To do so could break up these research and development programs through which many of our new products have been developed. These teams are desperately needed at this time to press forward the frontiers of technology. We must make use of all our talent in the scientific and technological skills. We cannot afford a wasteful process casually moving on from each project as if we had used up a campsite or wilderness without thought of conservation. The process of change, the allure of new fields is erosive enough without having the Government remove the incentive to invent. Consider a system in which Government would own and manage patents. Would it work well under our democratic system?

It would be difficult to prove that this would work well in this country. It didn't following World War I when few of the patents accumulated in the Office of the Alien Property Custodian were developed on a major scale. Considerable discussion was held at that time in order to find a way in which the Government might allow these patents to be used, many of which were valuable. It could exclude everyone, in which case the patent would be worthless, undeveloped. It could grant an exclusive license to one American citizen against all others. This was not workable. The result was that no workable system evolved, and most of these patents languished.

A recent study has shown the dimensions of this problem of Federal patent policy. In 1953, the Government owned outright a total of 4,061 inventions covered by unexpired patents. At this time, it is estimated that the number of active patents owned by the Government amounts to approximately 14,000. This figure is increasing yearly as the Government acquires more patents under its contracts.

WHAT SHOULD THE PATENT POLICY BE?

Let's return to the basic question—what should a Government patent policy hope to accomplish?

Fundamentally, it should encourage full development of the potential of any invention that can be of use to the American people. It should encourage maximum public benefit. It should protect and encourage the initiative and inventive talent that gave rise to the innovation. It should not be inimical to the American free enterprise system which has provided our people with the highest standard of living the world has ever seen.

The Government should stimulate further inventive activity. It should continue to promote full disclosure of inventions. It should maintain a policy which will attract risk capital to develop products for public consumption.

I have introduced H.R. 1934 in the 87th Congress to amend the National Aeronautics and Space Act of 1958 to bring it more in line with these concepts. Basically this represents the position the Mitchell subcommittee reached after its long hearings in 1959—after the first study of the impact of these Space Act provisions on the American space effort.

H.R. 1934 would grant to the Administrator of NASA authority to waive the rights of the United States to any invention produced under contract with his agency, but provides that he retain not less than an irrevocable, nonexclusive, nontransferable, royalty-free license in any event. Such a change would bring the NASA position closer to that of the Department of Defense and mark a step forward toward clearer patent policy in the majority of work done for the Government today.

Further study is planned in the Senate, and probably in the House, where a special subcommittee of which I am chairman will take up the issues affecting the Space Act to explore present circumstances. I am of the opinion that thorny obstacles remain to the creation of a uniform patent policy for 65 Federal agencies with more than 2 million employees. I recognize that any discussion of the Constitution, of business, of monopoly and of free enterprise is likely to be controversial. But I believe that unless incontrovertible reasons otherwise are produced, we should move to restore a measure of patent protection to the individual on whom we rely for the full exercise of his talents and abilities in the national space effort.

My prime concern is that this country develop a program for the space age which will place us in a position of world leadership. To accomplish this end, we must combine all the particular talents and skills which exist in Government and industry. The system under which we live has always worked out when there have not been overburdening restraints. We can, on the one hand, set our sights on high attainment in these matters affecting national security and still develop those byproducts which will increase our standard of living and maintain our financial and economic strength. Placing our past history in present-day perspective, a proper balance in the field of patents would indicate a policy under which the Government would retain those rights it needs for its own best interests. This would allow the private developer to take his chances in developing and offering for sale consumer products in the public marketplaces. Such a policy would provide the necessary stimulus for the advancement of our scientific research and development programs, both public and private. In this way, the results of our research and development would be available to satisfy both Government and public needs.

Politics First in the Department of Agriculture

EXTENSION OF REMARKS

OF

HON. CLARK MacGREGOR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 23, 1961

Mr. MACGREGOR. Mr. Speaker, news has just broken of the release and resignation of Mr. Donald Willette as chairman of the Minnesota Agricultural Stabilization and Conservation Committee.

The following correspondence clearly indicates the nature of the unsavory situation requiring this resignation and provides still another concrete illustration of the "politics first" character of this administration:

SEPTEMBER 11, 1961.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Washington, D.C.

DEAR SECRETARY FREEMAN: I have been informed via reliable sources that Donald Willette, Willette Seed Farms Inc., Delavan, Faribault County, Minn., received through an appeal an increase of 30 acres in the corn base for his farm. Mr. Willette's original base, resulting from actual corn planting history furnished by him, was 219 acres. This, when added to the appeal acres, totals 249 acres. Sixty-four and one-half acres were then diverted under the 1961 feed grain program at respective payment rates of $37.60 and $45.20 per acre for a total approved payment of $2,535. The part of this payment represented by the 30 acres above actual planting history is approximately $1,238.

Mr. Donald Willette is your appointee as State ASC chairman for the State of Minnesota. This is the highest appointive position in the State involving this agency of USDA which is responsible for the administration of the food grain program and numerous other farm programs.

If the committee system is to operate effectively in administering farm programs, high appointive officials cannot take advantage of their position to promote selfish interest and personal gain at the expense of other farmers and the success of these programs. In his appeal Mr. Willette stated that his corn production did not contribute to the surplus because it was largely used for seed. How, then, can he justify a request for additional acres so that his participation in the program will accomplish very little, if any, reduction in corn planting on his farm? In my opinion, this is outright fraud. In this and other counties corn acreage bases for many other farms were arbitrarily reduced below actual history and certainly increases were not made in the same amount or proportion as was done for the Willette farm.

In Faribault County, if each of the 2,303 corn farms had been given a base increase of 30 acres for a total of 69,090 acres, these phantom acres would have exceeded substantially the total intended diverted acreage in the county for the 1961 feed grain program. Available figures indicate a total of 42,217 acres of intended participation in the feed grain program for Faribault County in 1961.

On a State basis, an increase of 30 acres for each of the 126,243 feed grain farmers, for a total of 3,787,290 acres would have been

more than double the total intended participation of 1,586,079 acres in the 1961 feed grain program. The use of inflated acres and the promiscuous handling of appeals for selfish and political reasons destroys the effectiveness of any acreage reduction surplus control program. Certainly, the many thousands of unincorporated family farmers in Minnesota would have a right to protest favorite treatment of the farm belonging to the State ASCS chairman and would have a right to question the double standard in the decisions made on this type of appeal.

I visited the Faribault County office on September 7, 1961, for the intended purpose of reviewing the handling of appeals, and base acreage adjustments, in addition to the documents pertaining to Mr. Willette's participation in the feed grain program. Mr. John Hayes, the county ASCS chairman, refused me access to any of these records, which, I believe, unless regulations have recently changed, are public information. Mr. Hayes stated that even if directed by you, the records concerning Mr. Willette would not be made available to me. However, when he was reminded that he, no doubt, was responsible to some authority, he stated that he would give some consideration to a directive from you to open the records. The other members of the county committee were not in accord with this determination. It is my opinion that there has been collusion between Mr. Hayes and Mr. Willette in obtaining this favored treatment for the State chairman.

I have no personal ax to grind with Mr. Willette. It is disheartening, however, as a farmer and former State administrative officer in this WSDA agency, to observe ineffective administration and selfish personal interests which destroy and doom to failure legislation and farm programs designed to improve the status of our farm people.

I feel sure that you, as Secretary of Agriculture, expect these farm programs to be administered fairly and equitably and that you will not condone the type of action involved in this case as indicated by the above information. I would appreciate being advised of your plans to correct this situation in Minnesota.

Sincerely,

E. J. PERSON,
Executive Secretary, Republican Farm Council.

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., September 20, 1961.

Mr. E. J. PERSON,
Executive Secretary,
Republican State Central Committee,
St. Paul, Minn.

DEAR MR. PERSON: The Secretary's Office referred to my attention your letter of last week relative to the State ASC chairman, Mr. Willette, and his participation in the feed grain program.

This particular transaction has been under investigation by my agency and investigators report to me that there is no evidence of fraud and collusion on the part of Mr. Willette as the State ASC chairman. However, I do feel there is an honest mistake of judgment by the operators of Mr. Willette's farms, and Mr. Willette agrees with that conclusion.

Therefore, Mr. Willette has submitted his resignation as State ASC chairman of Minnesota in order that there will be no misunderstanding on the part of the Department's intentions to administer the feed grain program in a fair and equitable manner to all who participate in it.

Sincerely yours,

HORACE D. GODFREY,
Administrator.

Mr. George Etzell, Minnesota Republican national committeeman, has today called for clear and honest answers from the Department of Agriculture to the following questions:

First. Who filed the Willette appeal for an added 30 acres in the corn base which led to an overpayment of $1,238?

Second. Was the appeal filed in writing and if so by whom was the appeal signed?

Third. Who received the appeal and who passed on the appeal and granted the extra 30 acres in the corn base?

Fourth. What checking procedures or auditing procedures are used to guard against this type of result?

Fifth. How could land with no previous history be granted a corn acreage allotment?

Sixth. Who was the fieldman who Willette said should have caught the violation of Agriculture Department regulations?

Seventh. Why was Mr. Person denied access to the records on September 7, 1961, by Mr. John Hayes, the county ASCS chairman? It is my understanding that these records are open to public inspection. If that is so the fact that Mr. Hayes would refuse to reveal the facts serves to cast a cloud of suspicion over this entire matter.

Surely everyone who is concerned with proper handling of the feed-grain program will be vitally interested in Secretary Freeman's answers.

Getting at the Facts of Food Distribution

EXTENSION OF REMARKS
OF
HON. KEN HECHLER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, September 23, 1961

Mr. HECHLER. Mr. Speaker, there has been a sudden eruption of stories criticizing the distribution of food out of supplies made available to the States by the Federal Government. I am deeply concerned because of the large number of people in West Virginia who receive surplus commodities.

Let us get this thing in perspective.

Undoubtedly, some people will cheat on any program, public or private, that has ever been devised by man. Our newspapers and magazines can perform a useful public service by exposing abuses, by keeping public officials on their toes, by making deliberate wrongdoers aware that they may get caught.

We cannot condone abuses and we must not coast into smug ignorance of the fact that they still exist. On the other hand, we must not injure thousands of deserving citizens.

On September 8, 1961, Life magazine printed an editorial attacking the food distribution program. Life based most of its attack on a story and an editorial which appeared in the Wall Street Journal on August 24, 1961. In attacking the food distribution program, Life magazine ignored its own article of March 10, 1961, entitled "Anguish of Men Without Work."

Life's article of March 10 opened with these words:

The faces of the Nation's jobless last week bespoke individual tragedies that were multiplied by the statistics of unemployment. By now, 5.5 million Americans were out of work. Anxiety, hunger, and hopelessness beset them and their families. They suffered the indignity of being useless and were ashamed at having lost their self-reliance. While the unemployed sought work and help and scraped along with food handouts, the Kennedy administration was pushing an omnibus program to revive the economy.

On the next page of Life magazine was the statement:

The life of the unemployed is a steady downhill slide. While Congress is about to extend unemployment compensation to a maximum of 39 weeks, families receiving it must still deny themselves food, return household goods purchased on credit, do without medical care—and go deeper into debt.

Another two-page layout of pictures in this same issue of Life was headed "Scant Food Handouts to Meet Aching Hungers." The caption under one picture read:

In Portage, Pa., near Johnstown, Steve Alexander, 37, an out-of-work coal miner, draws monthly ration of Government surplus food for his 10 children. Each gets about 1 pound of lard, a half pound of rice, plus dry milk, flour. The caption under another picture said, Pale and expectant, Jonathan Kimback, 6, looks up at surplus food carried by his father in Portage distribution center.

Since Life magazine, in September, put its trust in the Wall Street Journal rather than in its own reporting, it would be interesting to examine the Wall Street Journal article. It is written by Donald A. Moffitt, a staff reporter. The dateline is Corsicana, Tex., county seat of Navarro county.

The Wall Street Journal story said that L. G. Avery, a farm laborer, bluntly informs a visitor who found him whiling away his day in a rocking chair on the porch of his house:

This is one year people ain't going to get the grass hoed out of their cotton, because we ain't going to do it.

That statement became the basis for an editorial in the same issue of the Wall Street Journal, entitled "The Man With the Hoe." And the statement attributed to L. G. Avery was repeated again in the Life magazine editorial. It was quoted in an editorial August 29, in the Marietta, Ga., Daily Journal. And the Memphis Commercial Appeal reprinted the entire article on August 27.

Kenneth A. Douglas, county judge, Navarro County, Tex., says in a letter which has already been reproduced in the RECORD:

I have not as yet been able to find anyone that knows Mr. Avery. He is not on the rolls as a recipient of surplus foods. I do not know to what he was referring when he said, "people ain't going to get the grass hoed out of the cotton because we ain't going to do

it," because the farmers did get the grass out by the farm laborers in this county.

The Wall Street Journal had quoted this same Mr. Douglas as follows:

"We're not trying to be another Newburgh; we're just trying to solve a local problem," says Kenneth A. Douglas, young county judge and chairman of the commissioners' court—the county's chief administrative agency. Mr. Douglas says the county is attempting to reduce future food distributions to about 1,000 persons a month, less than a third of this month's total of eligibles. So far, at least, Federal officials have not protested.

That is what the Wall Street Journal said. And here is what Mr. Douglas says:

I did not say that we are attempting to reduce future food distribution to about 1,000 persons per month. Navarro County voted to remain in the program for the fiscal year, beginning September 1, 1961, and it was necessary that we use some figure, because we are required to pay 30 cents per person per month. We used the figure 1,000 because it was a nice round figure, however, we later cut that figure down to 750 recipients.

The statement that Federal officials have not protested is, in my opinion simply a statement made to make it appear that our Federal officials are trying to tell us in Navarro County how to handle our county's business. I do not think the Federal Government would even think of protesting and what Federal official would make the protest—should one be made?

The Wall Street Journal said:

At last count, 3,367 Navarro County residents—about 10 percent of the population—were collecting free vittles, including such provisions as "Mr. Kennedy's mule" (canned pork and gravy) and "goober grease" (peanut butter.)

Life magazine embellished the account by referring to "canned pork and gravy—called 'Mr. Kennedy's mule' in Corsicana."

Mr. Douglas, on the other hand, has lived in Navarro County all his life and he says:

"Mr. Kennedy's mule" and "goober grease" are words never heard in Navarro County, at least by me, until I read the Wall Street Journal.

Mr. DOUGLAS says the Wall Street Journal story was inaccurate in other details. He comments:

There are more statements untrue in the account in the Journal article than there are true statements.

The Wall Street Journal story datelined Corsicana, Tex., also had this to say:

In Louisiana, where the State welfare department handles the chore of certifying applicants for welfare aid, the department ran out of funds to pay staff members to handle the task after the food giveaway program was expanded. Though $125,000 was budgeted for this purpose in fiscal 1961, the department had to beg $35,000 more from the State's treasury to carry through until July 1. A like total, $160,000, is reserved for certification in fiscal 1962, "but that won't be enough," says a welfare official.

"We feel like we're sitting on a keg of dynamite," says another Louisiana welfare man. "We don't have any control over this program."

One Louisiana official notes that some 200,000 people are getting Federal free food in the State now, compared to only 90,000 a year ago. The commodities are rolling into the State at a three-carloads-a-day clip, and officials reckon even more parishes (counties) would take part in the distribution if there were any more warehouse space.

Mary Evelyn Parker, commissioner of public welfare for the State of Louisiana, made these comments on the Wall Street Journal article:

The participation figures quoted by Mr. Moffit (90,000 last year and 200,000 now) did not originate in this office. Actual records show 105,000 certified on August 19, 1960, and 172,000 on August 18, 1961.

The budget figures quoted also were misleading. It is true that we had to secure an additional $35,000 to complete fiscal 1960–61, but this was due, as much or more so, to budget limitations than to the availability of additional items.

No parish in Louisiana has failed to participate in commodity distribution because of the absence of warehouse space.

The paragraph, "We feel like we're sitting on a keg of dynamite. We don't have any control of this program," was completely erroneous.

The first part of the quote was in reference to an inquiry as to complaints or abuses. (This was what the reporter actually was looking for.) We stated that during the entire time that we had been in the program we had practically no complaints from public officials, grocers, landowners, or anyone else. We then said that the people in Louisiana are very vocal about their welfare program and in the absence of complaints, it was possible we were sitting on a keg of dynamite without knowing it. This was strictly a facetious remark, and should have been interpreted as such.

The second part of the quote on control of the program apparently related to our statement that we did not have the money and staff to make a home visit and contact collateral references on each application. In the absence of such verification, we felt we did not have complete control of eligibility in the urban centers.

You may rest assured that we will not participate in, and assume the responsibility for, any program over which we do not feel we have adequate control.

The Federal Government, the State governments, and many local governments have staffs of trained administrative personnel and investigators checking constantly to discover and to correct abuses in the food distribution program.

It is important to understand the reasons for the food distribution program, and the manner in which it operates.

It begins with the almost miraculous efficiency of American agriculture. This is the one thing in America that the Communist countries envy most of all. They hate to admit that we are ahead of them in anything. But they frankly admit that we are ahead of them in agricultural production, and urge their people to catch up with us.

If our agriculture were as inefficient as agriculture in the U.S.S.R., we would have 60 million more people on farms than we do now. That is one-third of our whole population. Just imagine what it would be like without those 60 million people to help produce other goods and services for defense and civilian consumption. Just imagine the effect on our Armed Forces, and even on our professions and our arts.

This agricultural know-how is the thing nearly all the world, friends or enemies, wants most. And in many nations, American farm products are doing more than American arms to stop the onrush of communism.

It would be inexcusable if we let hungry people in other countries turn to communism if we shut off all food and fiber except what we can produce and sell at a profit. It would be inexcusable if we let thousands of our own people go hungry, or suffer the hidden hunger of malnutrition and meager, unappetizing meals while we ship food to other countries. And we should not expect our farmers to supply this food and fiber for payment far below the earnings of fellow Americans in other lines of work.

We need food reserves as part of our military defense.

We need food reserves for emergency use in natural disasters.

All these are reasons why we have programs to supply food to people in need in many different situations, and must continue to have such programs.

The Federal Government has accepted the responsibility for setting down the general rules under which this food will be made available to State agencies—and for getting the food to those agencies. It is responsible for making sure that the States and communities follow reasonable procedures in administering the programs; and recovering payments from the States for any food proved to be fraudulently used.

But within those limits, it is up to the States to determine the exact rules for eligibility of individuals, to determine what individuals are eligible, to store and distribute the food, require adequate records and to guard against abuses.

This system is in harmony with the traditional division of powers between the Federal Government and the State and local government.

Most Americans believe that the best people to investigate need and determine eligibility and run the program locally and guard against abuses are the local people in a town or country, and in the State.

We must do everything in our power to make sure that all our able-bodied citizens can find employment at wages high enough that they can adequately feed their families without expecting the farmer to donate most of his labor, investment, and managerial skills. That is the ideal in our private enterprise economy.

But those who are not able-bodied and are in need, and those who cannot find employment at a decent wage, must be adequately fed out of our rich abundance of food. We must make sure our food distribution programs are honestly and efficiently administered. We must have a free press to keep us on our toes, and we hope they will make every effort to be accurate and unbiased. And we must learn, calmly and deliberately, to distinguish between the rare incident, the exaggeration or distortion, and the serious abuse.

SENATE

MONDAY, SEPTEMBER 25, 1961

The Senate met at 12 o'clock noon, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Father of our spirits, Thou hast ordained that not in cushioned seats of safety first but in danger, in self-denial and stern conflict, shall we find our strength and our triumph.

Thou hast called Thy servants here who represent the choices and will of a free people to be servants of the Nation in a tense and tortured time, when the earth is plowed with violence, when brave freedom fighters have been met and temporarily subdued by the bayonets and walls of tyrants, and when wars and rumors of war vex the world.

As there is faced here the tangled relationships which tie us to a world which is now a neighborhood, motivated by a love and sympathy that seeketh not its own, may the meditations of our hearts, the convictions of our minds, and the words of our lips, be acceptable in Thy sight, O Lord, our strength and our Redeemer.

We especially plead for Thy guidance in this grim hour when the fluttering flags of the nations, and of the United Nations, mournfully at half-mast, publish the grief of all lovers of a just peace, as at the forum of the nations where critical questions press for solution there is a vacant place against the sky.

We gratefully acknowledge that every free man on earth is indebted to Thy servant, Dag Hammarskjold, every man who yearns to be free, and every slave in a slave nation whose deeper longings he represented. With a sense of bitter loss, just as he seemed so desperately needed, of one who leads us no more, we wistfully say, "Blessed are the peacemakers: for they shall be called the children of God."

We ask it in the name of the Master of all good workmen. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, September 23, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) to amend the act of August 12, 1955, relating to elections in the District of Columbia.

ENROLLED BILLS SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 3019. An act to provide for the construction of the fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes; and

H.R. 9118. An act to establish a U.S. Arms Control and Disarmament Agency.

CALL OF THE CALENDAR DISPENSED WITH

On request of Mr. MANSFIELD, and by unanimous consent, the call of the calendar under rule VIII was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the retraining session of the New York State chapter of the FBI National Academy Associates, commending J. Edgar Hoover for his contribution to the field of professional law enforcement; to the Committee on the Judiciary.

RESOLUTION OF THE BOARD OF COMMISSIONERS OF SURRY COUNTY, N.C.

Mr. ERVIN. Mr. President, on September 5, 1961, the Board of Commissioners of Surry County, N.C., adopted a significant resolution which ought to be made available to all. For this reason, I ask that a copy of this resolution be printed at this point in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF SURRY COUNTY BOARD OF COMMISSIONERS

Mr. Paul D. Melton, clerk to the board, brought to the attention of the board the article, "Has High Court Ruled It Wrong for Nation To Put Trust in God," written by David Lawrence, of the U.S. News & World Report, Washington, D.C., said article having reference to the Supreme Court's decision of June 23, in which it was ruled as being unconstitutional for the Federal Government or any State to require a belief in the existence of God as a qualification for public office.

Mr. Melton pointed out that citizens throughout the Nation are greatly disturbed and concerned about what effect this decision may have upon the minds of our young people; that our people treasure and cherish the heritage which we have received; a veritable land that flowed with milk and honey, a land where freedom of worship, freedom of speech, and the pursuit of happiness have been a reality; a land whose very foundations rest upon a belief and faith in God; a land, where even our money bears the inscription "In God We Trust," signifying as to the belief of our people for all the world to see.

It was further pointed out that one of the prime doctrines of Communist Russia is the denial of God, and that the state is supreme. In a society where the existence of God is denied, human values are disregarded and trampled underfoot. The state is supreme and uses any means, fair or foul, to retain its power and achieve the goals of its power-crazed leaders.

It is with grave apprehension and concern that our people view the recent decision of the Supreme Court. Any action on the part of either the executive, legislative, or judicial branches of our Government, which weakens our faith and belief in God, or tends to support the heathen and communistic doctrines of Russia and Red China is a threat to our way of life and hastens the destruction of our Nation as we know it.

After discussion of the Supreme Court decision of June 23, and the trend of world events which threaten our Nation, Commissioner M. C. Whitener offered the following resolution:

"Whereas it has been brought to the attention of the board of commissioners, that the recent decision of the Supreme Court wherein it was ruled unconstitutional for the Federal Government or any State to require a belief in the existence of God as a qualification for public office; and

"Whereas such decision has caused grave concern and apprehension among our citizens, and to this board; and

"Whereas our citizens are fearful of the consequences of such decision upon the minds of the youth of this Nation, and the possible aid and succor it may afford Communist Russia and Red China in their battle for the minds of men, and the eventual forfeiture of this country by undermining the very foundations of faith and belief in God upon which it was built: Now, therefore, be it

"Resolved by the Surry County Board of Commissioners,

"1. That it is the sincere belief of the board that the decision of the Supreme Court of June 23, wherein it was ruled unconstitutional for the Federal Government or any State to require a belief in the existence of God as a qualification for public office, was not in the best interest of the citizens of this Nation, nor in accord with the traditions and beliefs of our people.

"2. That such decision may well do irreparable damage to the faith and minds of

the young people of our Nation, and become another step toward the loss of our democratic form of government and our way of life.

"3. That such decisions as this will give aid and succor to Communist Russia and Red China, inasmuch as they teach and indoctrinate their people with the idea that there is no God.

"4. We, therefore, in the spirit and tenor of the signers of the Declaration of Independence, being the duly elected county commissioners of the county of Surry, N.C., in regular session assembled, appealing to the Supreme Judge of the world for the rectitude of our intentions, do, in the name, and by authority of the God-fearing people of Surry County, N.C., do hereby humbly protest the ruling of the Supreme Court as being contrary to our traditions and way of life, and respectfully petition our Representatives and Senators in the Congress of the United States to use their talents and influence in combating and bringing to an end such decisions which we believe to be injurious and detrimental to the welfare of our institutions and democratic form of government, which we hold so dear.

"5. That the clerk to the board is instructed to furnish a copy of this resolution to our Members of Congress and to the newspapers of the county."

Commissioner W. H. Hardy seconded the motion and the foreging resolution was unanimously adopted, this the 5th day of September 1961.

PAUL D. MELTON,
Clerk of the Board.

RESOLUTION OF OREGON MACHINISTS' COUNCIL

Mr. MORSE. Mr. President, on Saturday I placed in the CONGRESSIONAL RECORD a copy of a resolution adopted by the Oregon Machinists' Council. I have now received another resolution adopted by the same convention, and I ask unanimous consent that it, too, appear in the RECORD. It was approved on September 9, by the Oregon Machinists' Council.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas millions of Americans are out of work, many of them permanently, due to automation; and

Whereas most of these unemployed men and women are members of organized labor, including thousands of members of the International Association of Machinists; and

Whereas the national economy is not growing rapidly enough to provide enough jobs to give these men and women gainful employment; and

Whereas a shortened workweek without loss of pay would provide more jobs and more purchasing power in the hands of the people, thus spurring the national economy, and bringing full employment: Therefore be it

Resolved, That the Oregon Machinists' Council go on record as approving a change in the Wage and Hour Act to provide for a 30-hour week; and be it further

Resolved, That this resolution be referred to the Washington Machinists Council and the 1961 Western States Conference of Machinists for their similar consideration; and be it finally

Resolved, That the secretary of the Oregon Machinists' Council be directed to send copies of this resolution to the U.S. Senators and Congressmen who represent Oregon in Washington, D.C.

RESOLUTION OF OREGON-CALIFORNIA POTATO COMMITTEE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution of the Oregon-California Potato Committee which administers Marketing Order No. 59, adopted at Redmond, Oreg., on September 20, 1961.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the purpose of Federal potato marketing orders is to increase returns to growers; and

Whereas their principal objective is orderly marketing and creation of a more stabilized market through the application of minimum standards of grade, size, and maturity to potatoes moving to various outlets; and

Whereas the Agricultural Marketing Agreement Act of 1937, as amended, exempts potatoes moving to canning and freezing outlets from any regulations issued under Federal marketing orders; and

Whereas this exemption limits the potato industry through its various potato committees administering potato marketing orders from considering an overall marketing policy covering movement of potatoes to all outlets; and

Whereas potatoes failing to meet minimum standards of quality established for outlets other than canning and freezing, such as culls, are now eligible for shipment to canning and freezing, such results in discrimination between outlets and impairs the ability of the potato industry through a marketing order to accomplish its primary purpose of increasing returns to growers; and

Whereas potato producers in the Oregon-California Potato Committee's production area are striving to expand markets for their potatoes by supplying all new, as well as established outlets, including both fresh and processing, with potatoes of such minimum grade, size, and maturity that will be in the best interest of both growers and processors; and

Whereas when the Agricultural Marketing Agreement Act was enacted in 1937, there was little or no canning and freezing; and

Whereas in the years since 1937 the canned and frozen potato processing industry has substantially increased in volume: Now, therefore, be it

Resolved, That the Oregon-California Potato Committee requests that the Agricultural Marketing Agreement Act of 1937 be amended to delete the present exemption for canned and frozen potato products; and be it further

Resolved, That the Oregon-California Potato Committee earnestly requests the assistance of all other potato marketing order committees, potato grower and shipper associations, other interested potato industry groups, and each State's U.S. Senators and Representatives in the development and passage of the necessary Federal legislation to accomplish the objectives of this resolution.

MERRILL R. WEBB,
Manager.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated September 20, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MONRONEY:

S. 2632. A bill for the relief of Alvin P. Hanes; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 2633. A bill for the relief of Choi Sun Hee; and

S. 2634. A bill for the relief of Lim Soo Sun; to the Committee on the Judiciary.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT OF SUPPLEMENTAL APPROPRIATION BILL, 1962

Mr. HUMPHREY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, the following amendment; namely: On page 7, line 16, strike out "$164,346,000" and insert "$169,346,000."

Mr. HUMPHREY also submitted an amendment, intended to be proposed by him, to House bill 9169, making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT OF CONSTITUTION RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Mr. McGEE. Mr. President, on Friday, September 22, when it appeared the Congress was going to adjourn on Saturday, I introduced Senate Joint Resolution 142, proposing an amendment to the Constitution of the United States relative to equal rights for men and women. I would like to ask unanimous consent that a period of 1 week be allowed for Senators to cosponsor this resolution and have their names added on the next printing of Senate Joint Resolution 142.

The VICE PRESIDENT. Without objection, it is so ordered.

OVERHAULING POLICY MACHINERY

Mr. MANSFIELD. Mr. President, in yesterday's Washington Star appeared an article entitled "A Quiz That Worked—Overhauling Policy Machinery," by David S. Broder. The article has to do with one of the quietest, most effective, and most efficient Members of the Senate, the distinguished junior Senator from Washington [Mr. JACKSON], who for the past several years has

been in charge of a subcommittee which in my opinion has done outstanding work, and has done it without much in the way of publicity, and also was able to do it on a very limited budget.

I ask unanimous consent that the article by Mr. Broder, which deals with the outstanding work done by Senator JACKSON and his subcommittee, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OVERHAULING POLICY MACHINERY

(By David S. Broder)

This is a story about an oddity: A congressional investigation that has been both inconspicuous and influential.

Unlike the Capitol Hill extravaganzas that come readily to mind, this probe produced no klieg-lighted dramas of arrogant villains cringing under an investigating Senator's righteous wrath.

It brought forth no stormy disputes between Democrats and Republicans. Its chairman was not once accused of trampling on the rights of witnesses or leaking confidential documents to the press. He did not use the investigation to build a political career or even a little bureaucratic empire of his own. The staff of the investigation never outgrew a single room.

As for that staff, it was so lacking in the common instinct for self-aggrandizement that it arranged no junkets whatsoever and contrived to spend less than $200,000 of the $260,000 it was given.

All this little investigation did was to provoke a minor revolution in the way the Government of the United States makes its most important decisions.

IMPACT OF CHANGES

The changes in the organization of the upper reaches of the executive branch that have resulted from the recommendations of the Subcommittee on National Policy Machinery of the Senate Government Operations Committee have had and will continue to have a major impact on the course of American affairs.

Among them: The abolition of the post of the assistant to the President; the transformation of the National Security Council from a kind of supercabinet with a large bureaucracy of its own into a personal advisory board to the President; the demise of literally hundreds of interdepartmental and intradepartmental committees; the reorganization of the State Department and the moves to achieve improved coordination between State and Defense; the reincarnation of the Budget Bureau as a prime management tool of the President; and the start of a long overdue reform of the conflict of interest laws.

None of these changes was wrought directly by the subcommittee of which the chairman was Senator HENRY M. JACKSON, of Washington, or its staff, whose key members were J. K. Mansfied, Dorothy Fosdick, and Robert W. Tufts.

Their contribution was to think through the problems and come up with recommendations that proved persuasive to the new President.

The project had its origin in 1958, when Senator JACKSON was preparing his annual speech to the National War College.

"It occurred to me," he recalled last week, "that the men in that college and those of us who went down there to speak all were convinced they knew the answers to our national problems. There was no shortage of men with ideas. So I asked in my speech if there might not be something wrong with our decisionmaking process that kept good ideas from reaching the top."

That question—whether our Government is organized to meet successfully the challenge of the cold war—became the central theme of the investigation.

HUNDREDS INTERVIEWED

In their search for answers, the subcommittee staff spent 6 months in 1959 interviewing hundreds of men who had served or were serving on Presidential staffs, in executive office agencies, or in the top ranks of Defense and State Departments.

Promised anonymity, these men responded with the most candid analysis ever assembled of the functioning of American governments in the period of the cold war. Last year and this, some of them discussed their conclusions in public hearings of the subcommittee.

The records of those hearings have become the basic textbooks for new courses in public administration and political science in more than a score of colleges.

But many other congressional hearings have become campus bestsellers without having much practical effect. That this investigation succeeded in the latter respect seems to have been due to three things.

First was the insistence by all concerned that its work be handled on a rigidly nonpartisan basis. This was a lofty ideal for any election-year probe by a committee of a Democratic Congress involving the quality of decisionmaking in a Republican administration, and it seemed certain to be lost when Senator JACKSON accepted John Kennedy's request to head the Democratic National Committee during the campaign.

CLEAR PRESENTATION

But the Senator protected the integrity of the investigation by ordering the staff to draw up its findings for quick presentation to the President-elect, be he Democrat or Republican, but to publish none of its recommendations before election day. The first report, summarizing the major proposals for overhaul of the executive branch, appeared on November 16, 8 days after the election.

The second reason for the success was the determination to present the results of the inquiry as clearly and succinctly as possible. With its files bulging with weighty testimony on fascinating and far-reaching questions, the staff could easily have been forgiven if it had turned out a series of long reports, displaying its wisdom in leisurely fashion.

Instead, it wrote only 5 reports, the longest of them 10 pages. It took a dozen rewritings to bring them down to that length, but the effort shows in the quality of what remains. For economy of expression, simplicity of statement, and forthrightness, these reports can serve as models to writers of most Federal prose.

For example, the first report dealt in just three sentences with the multitude of arguments for putting in the White House a First Secretary, or Executive Vice President, "as a mediator and judge of the conflicting national security policies advocated by the major departments, the Congress and its committees, and private groups." It said:

"In the American system only one official has the constitutional and political power required to assume that role and to maintain it. That official is the President of the United States. He cannot be relieved of his burdens by supplying him with a deputy to do what only he can do."

READ BY PRESIDENT

The third reason for the remarkable impact of this particular investigation is that, as one staff member put it, Mr. Kennedy and his advisers, "just seemed to like our style of looking at things."

The President-elect read the subcommittee's summary report with great interest and prodded the staff to speed its followup suggestions on the reform of the National Security Council. The first copies of that report were flown to him in Palm Beach. As already noted, he followed the subcommittee's lead in many of the changes he made in the setup of the White House staff and the Executive Office.

The subcommittee's recommendations all stem from a few general precepts. Foremost among them are a suspicion of administrative gimmicks, live supersecretaries or cold war strategy boards, that clog the established line of authority from the President to the department heads; a deep disbelief in the efficacy of committees as decisionmaking or coordinating devices; a reaffirmation of the Secretary of State's right and responsibility to be the President's chief adviser on national security; an insistence that military planning can and must be made consonant with the Nation's foreign policy and that budgetmaking is an exercise in Presidential policy, not just a device for saving money; and finally, a reminder that no government is better than the men it can develop through career service or attract from outside occupations.

In advancing these principles and programs for carrying them out, the Senate Subcommittee on National Policy Machinery has won little publicity but it has proved, once again, that congressional investigations can yield something more than headlines.

SECRETARY OF DEFENSE McNAMARA

Mr. MANSFIELD. Mr. President, in the October 2 edition of U.S. News & World Report, which was issued today, appears an article entitled "McNamara in Control: A Firm Hand at Pentagon."

Secretary McNamara has done an outstanding job in the few months he has been in charge of the most far reaching department of the Government. I believe he is entitled to the thanks of the entire country for the distinguished leadership he has shown, for the understanding he has manifested, and for the knowledge and tolerance which are his hallmarks.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MCNAMARA IN CONTROL: A FIRM HAND AT PENTAGON

(A new kind of Secretary of Defense is in charge at the Pentagon. In 8 months, Robert S. McNamara has taken full and firm control of the effort to prepare the Nation for war, if war must come. Even this soon, Mr. McNamara, toughminded and demanding, has wrought far-reaching changes in the Defense Establishment. In the process, he has made friends—and enemies. He has become a man of controversy, but praise outweighs the criticisms. Here is a summary of Mr. McNamara and his work, drawn from both those who applaud and those who find fault.)

Of all top officials of the Kennedy administration, Robert S. McNamara—whose job in a threatening world is to prepare the Nation for war—appears to be making the strongest imprint.

Mr. McNamara is Secretary of Defense. He runs the Nation's vast Military Establishment. It is agreed that he does just that—runs it—to a greater extent than any of his predecessors.

At Mr. McNamara's disposal is a defense budget of some $47 billion a year. He has a growing payroll of 2.5 million men in uni-

form and 1.2 million in civilian clothing. He came into the Government from a big business, the Ford Motor Co., but his present business is the biggest business of all.

STRONG MAN'S WAY

In 8 months, the Secretary has attained the reputation of being a strong man in full command of the huge Pentagon and its operating arms in the United States and throughout the world. There seems to be no dispute that in this short time Mr. McNamara has established his dominance over the Joint Chiefs of Staff and the military services. He is known to be tough, hard working, demanding, determined to have his own way. At times he is called stubborn.

While highly praised in some quarters for ability and accomplishment, the Defense Secretary is subject to strong criticism in others for what are called his shortcomings. These sources say the Secretary's background in foreign affairs and politics is inadequate. He was criticized as slow to come to the defense of the Joint Chiefs of Staff after the attempted invasion of Cuba. A dispute over censorship in the Armed Forces has led to a backfire in Congress.

Said one of Secretary McNamara's critics: "The Secretary is respected by all because he is tough. He is disliked by some who think he is not a friendly type and because they think that once he has his mind made up he moves too fast and too hard—acting sometimes without a fully balanced knowledge of a situation.

McNamara has emerged, too, as a streamliner in organization, a budget master but not as one with a broad understanding of military strategy and its requirements.

Criticism of the Defense Secretary, however, seems to be sharply limited. For the most part, the reporter, whether talking with military men, officials at the White House, or in other parts of the Government, finds little but praise for a man who obviously is regarded as highly competent.

The observations and reports that follow, all related to Secretary McNamara and the job he is doing, come from many sources in the Pentagon and from officials in Government and industry who deal with the Defense Establishment.

VINSON: "TWO BIG CHANGES"

One man who has kept in close touch with all the Secretaries of Defense is Representative CARL VINSON, Georgia Democrat, the veteran chairman of the House Armed Services Committee. Mr. VINSON had this to say:

"Mr. McNamara has brought about two significant changes in the Department of Defense since taking office.

"First, he has improved the versatility of our defense forces by rejecting the doctrine of sole reliance upon massive retaliation. In other words, by making substantial steps in the direction of improved and more modern conventional forces, he is considerably increasing our ability to respond to a variety of different types of conflict. This, I believe, is one of his most significant contributions to date.

"Secondly, he has quietly, but determinedly, brought about greater unified procurement activities. His latest move is the creation of a Defense Supply Agency which eventually will take over the single-service manager activities and in the future may absorb an inventory of some $20 billion worth of common-use service items. This type of unified procurement may eventually save the taxpayers a very substantial sum of money.

"Mr. McNamara has very wisely refrained from attempting to transfer, reassign, abolish, or consolidate any of the statutory functions, and particularly the combatant functions, of the Armed Forces. I believe he recognizes the danger of unilateral thinking in defense planning. I am also confident that he has full and complete confidence in the Joint Chiefs of Staff and in the Joint Chiefs of Staff system."

AN OFFICER: "RIGHT QUESTIONS"

A high-ranking military officer, a close observer of Mr. McNamara and one usually inclined to be critical of what is done at the Pentagon, has formed a favorable opinion. He summed up his impressions this way:

"McNamara is extremely quick-minded, highly discerning, a patient and attentive listener, and a devastating questioner. He asks lots of questions—the right ones. He looks at things from the standpoint of relative values: How much greater the result will be if more of this, or more of that, is put into a project. He wants progress reports almost immediately after he assigns a project, and an outline of the methods to be used by those making the study. He never lets up.

"If McNamara has made major errors they have been in trying to do too much too quickly—which is understandable, given the pressures that were upon him. At the same time, there have been major achievements.

"McNamara has effected a fairly good-sized revolution in strategic thinking, particularly among the military. He has courageously stood for implementation of the new strategy, and has silenced outward bickering among the services over strategy. Against much opposition, he has moved to reinforce our troops in Europe.

"The Secretary has educated the military to new ways of looking at military problems and shaken them out of a rut.

"There are some things McNamara needs. One of them is greater concentration of the smartest military minds, recalled from the field as needed, to serve on his staff or on an enlarged Joint Staff. He needs more civilians with military backgrounds. He needs increased channels of communication between himself and the military and between key civilians and the military—channels of mutual respect and cooperation.

"One thing he does not need and should rid himself of is some Pentagon civilians who have antimilitary prejudices."

On that point, Hanson W. Baldwin, writing for the New York Times from Augsburg, Germany, reported this:

"Officers here have long been irked, particularly in recent months, by what they regard as interference with the chains of command and functions of command even by low-ranking civil servants in the Pentagon.

"They say that directives from the Pentagon, even in the Berlin crisis, frequently have been conflicting or indecisive, and sometimes, in their opinions, have been inimical to U.S. interests."

PENTAGON: "A LOT TO LEARN"

You also run into criticism in Washington now and then. The following is from a source inside the Pentagon, a source in close touch with Defense:

"McNamara has an open-and-shut mind. He is stubborn. He has a lot to learn about military strategy. I, for one, am not confident that he shapes up well in that important area.

"The Secretary was fresh out of Ford when the Laos crisis arose in the early days of the administration. He had no profound background in world affairs, and even less in the military situation involved. He was a bystander. Kennedy's advice came from his White House circle. The Joint Chiefs were heard, but their counsel, as usual, was divided. The result was a bad decision and a backdown in Laos.

"Next came Cuba. The JCS were blamed for bad advice. No one blamed McNamara. Yet, in truth, it was he who should have taken responsibility for the decisions, as he belatedly did. Again, he was a bystander in a situation where the Defense Secretary should have had sound advice to give and a strong voice in giving it.

"That was a turning point. McNamara suddenly woke up to the fact that being Secretary of Defense involved more than weighing one weapons system against another, or selecting which bases to close.

"On Berlin, McNamara has taken over from the JCS the role of chief Pentagon adviser. He studies JCS recommendations but does not necessarily adopt them.

"Thus, in a position of great importance is a man who lacks the fundamental background for waging a global cold war. It is my understanding that McNamara is uncertain about the military alternatives to be used in various situations. Here again is a man on unsure ground. Knowing the military—what it can and cannot do in given situations—cannot be learned in 8 months.

"McNamara, in short, is far from being a well-rounded Secretary of Defense in the view of a good many people. Needless to say, that's the view of Pentagon military brass, but to some extent it is shared outside the Pentagon."

WHITE HOUSE: "RATES HIGH"

From inside the White House comes this:

"I would rate McNamara as about the strongest man in the Cabinet. In a way, he and the President's brother Bobby, the Attorney General, are much alike. Underneath, they are as tough as nails.

"Secretary McNamara rates high with the President. They see each other personally several times a week, often are in touch by telephone.

"Lots of people who see the President spend a lot of time trying to make a personal impression on him. McNamara is not like that. He is utterly without pomposity, always poised and self-contained. He has a facility for expressing himself clearly and quickly. He gets down to business right away with the President, as with everyone else. He says what he thinks and what he wants, and explains what he proposes to do. The President likes that."

ASSOCIATE: "DEFINITELY IN CHARGE"

One of the Secretary's close civilian associates at the Pentagon gives this picture:

"There has been some criticism among the military men because the Secretary has exploited the powers of his office to the full. He has been making decisions and also has been forcing the military men to make decisions. His relations with the military are better now than they were at first. They are growing accustomed to the driving pressures on both of them.

"After all, remember that this man comes to work at 7 or 7:15 in the morning and doesn't go home until 7, 8, or 9 p.m., or even later.

"In his dealings with the generals, McNamara definitely is in charge. That's the whole problem. He has made decisions and many have received less than what they wanted. These people are disappointed and are inclined to be critical.

"As for what McNamara is trying to do—he is trying to produce the maximum war-making power that is necessary to sustain foreign policy and national security. This has resulted in a change of emphasis. There had existed a marked disparity between the country's nuclear and nonnuclear power. We were left in a position of having to respond to all situations only with nuclear power. But Laos, Vietnam and other trouble spots required a nonnuclear response.

"The first thing the new administration did was to increase the nonnuclear capabilities of the Armed Forces. The increase cost more money because it involved an increase in manpower. The result has been that the President has a wide range of

possible responses. Is all this successful? You can't tell at the end of 8 months, but McNamara feels this is the road to take."

FORMER ASSOCIATE: "TAKE-CHARGE TYPE"

As one of the Secretary's old industrial associates sums him up:

"Bob McNamara is a hard-working and dedicated man with good, broad judgment. He is an intellectual but not a long-hair. He is not theoretical in his approach to problems, but very practical. When the facts are in, he makes decisions quickly.

"McNamara is a take-charge type of guy. He is strong willed in the sense that he is dedicated. He wants to get the job done. He does not try to ram ideas down other people's throats, but he leaves no doubt among his associates that he has gone thoroughly into a subject. The end result of this is an impression of forcefulness. You get a feeling of confidence that he knows what he is talking about or he wouldn't be talking.

"Some people think Bob is cold, but that really isn't true. He is not gregarious, not a back slapper, not a politician. But he does have great sincerity."

FRIEND: "A TALKER"

Another old, personal associate says that Mr. McNamara, in his office, is a man of minimum words, but opens up with his friends and becomes a fascinating conversationalist. This source says that he, Mr. McNamara, and a few others get together from time to time and talk until 2 or 3 a.m.

At these sessions, Mr. McNamara "talks as well as listens." The conversation ranges over a variety of subjects. He is well read, likes to discuss economics, sociology, and philosophy. His favorite recreations are swimming, mountain climbing, and skiing. He swims at a Washington hotel, is not club-minded.

BACKGROUND

Mr. McNamara is 45, an erect 6 feet, weighs 165 pounds. He was born in California and educated there, was a "straight A" student all the way. At the University of California he was elected to Phi Beta Kappa at the end of his second year, an unusual distinction. He went on to the Harvard School of Business Administration, where he also distinguished himself. After a year with an accounting firm, he returned to Harvard as an assistant professor.

With the war, the then Army Air Forces had him help devise a statistical-control system for men, money, and matériel. Later, in uniform, he served in England, India, China, and the Pacific.

After the war, Mr. McNamara and a group of nine others, all associated in the statistical-control system, offered their services as a "package" to several industries. They were hired by the Ford Motor Company, revolutionized its ways of doing business. They acquired the nickname of the "whiz kids."

Mr. McNamara stayed on at Ford, and his rise was steady. Last autumn, he became president of the company, then sacrificed a fortune to become Mr. Kennedy's Secretary of Defense at $25,000 a year.

SECRETARY'S OUTLOOK

Mr. McNamara says he has no regrets. He does not wish he were back in Detroit making automobiles, except that he misses seeing his old friends there.

In the Department, he has brought about some far-reaching changes. He is pleased at what has been accomplished, but is not yet satisfied.

"I am never satisfied," he told a recent interviewer. "Progress is a function of dissatisfaction with the present. I am not fully satisfied, and that's a good position to be in."

In his job, he has two major objectives. The first is to achieve the highest possible level of combat power commensurate with foreign policy objectives. On that there is no money ceiling.

When that level is reached, the second objective comes into play. It is to apply rigid standards of efficiency and economy so combat readiness may be maintained at lowest possible cost.

SINGLE-SERVICE GOAL?

Underneath all this, an old question runs persistently: Is Mr. McNamara heading toward full unification of the Armed Forces—their reorganization as a single service?

Some of his changes have seemed to be in that direction. One official who works closely with the Secretary says:

"The single service isn't in sight now, or at least not in the foreseeable future. At this stage it's more efficient to have separate uniforms and separate training facilities. But there's no question that McNamara is headed toward a more centralized Defense setup. Whether it turns out to be a single service may be a matter of semantics. If war comes, the show will be run by joint commanders in the field and a joint staff on top, with the President and Mr. McNamara giving the orders. And McNamara is a man who does not let up."

While there are differences of opinion over Mr. McNamara—the man, his methods, his objectives—there is agreement that he is a new sort of Secretary of Defense, one who is imbuing his sprawling Department with a sense of urgency and need for action not noticeably present in the past.

BOOK BY GEORGE DIXON—REVIEW BY YMELDA CHAVEZ DIXON

Mr. MANSFIELD. Mr. President, in the Washington Post of yesterday appeared a book review by Ymelda Chavez Dixon, the daughter of our distinguished colleague, the senior Senator from New Mexico [Mr. CHAVEZ]. The review is almost as good as a column by George Dixon; as a matter of fact, in some respects, I think the review is better.

I ask unanimous consent that the review, entitled "Lady Yclept Ymelda a Real George Gal," be printed at this point in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

LADY YCLEPT YMELDA A REAL GEORGE GAL

(Review by Ymelda Chavez Dixon on book entitled "Leaning on a Column," by George Dixon)

A man with the unique name of George (pronounced "Domestic Ogre") wrote this book, and I must say it is hilarious. I must say it because he is my husband.

My prediction is that "Leaning on a Column" will soon be sweeping the country. I sometimes think that's what the author should be doing, too.

I have heard rumors that it is not standard practice to have a book reviewed by the wife of the author. In some cases, I am informed, it is not entrusted to a relative at all. This strikes me as going too far afield because how can anyone outside the family know how much the writer has put into it?

My impartial opinion is that the Washington Post showed remarkable judgment in assigning this review to me, and I will resent bitterly any insinuation that it is a stunt. After all, I am the only one beside the writer who lived with this thing from the day it was conceived.

I know how the author wrote, rewrote, and re-rewrote every line. I read copy on every revision. I could almost recite the entire 215 pages by heart. And yet I can hardly read a page without breaking into laughter.

That's how funny it is.

The title of the book may mislead some readers into thinking it is a collection of George's nationally syndicated newspaper columns. It definitely is not. You won't find one of his columns in it. This is a book with continuity, sequence, and yes—even a plot of sorts.

People are forever asking me if George is as amusing at home as he is on paper. The answer, mercifully, is "No." If he attempted to be, I'd kill him. But he's as uproarious in this, his very first book, as he is in his funniest columns, which I think is saying a lot. In fact I think it's extremely generous of me.

I have my husband's assurance that every word in "Leaning on a Column" is the unadorned truth. I would believe this implicitly, even if the author were a stranger, because the things the writer tells about Washington just couldn't be imagined. The stories George tells of our courtship are enough to make the hair stand on end, but I can testify that they are factual down to the last fantastic detail.

The story he recounts of my most intimate undergarment falling down about my ankles at a White House reception, just as I bent forward to shake hands with the President of the United States, is actually underplayed. There were details left out—because I made him.

There was one line about our early courtship I particularly liked, but it was cut out of the book because the editors insisted on eliminating everything that interfered with a fast and furious pace. The lost line was, "To the surprise of no one in Washington who stayed up late at night, Ymelda and I were finally married."

At the risk of appearing prejudiced, your reviewer urges everybody to buy this book. We can use the money.

LABOR LEADERS LIMIT WORK

Mr. LAUSCHE. Mr. President, I call the attention of the Senate to the cases of Walter Lucki and Walter Fingulin, of Elyria, Ohio. Mr. Lucki and Mr. Fingulin are members of the United Auto Workers Local 971, which has a collective bargaining agreement with an employer there. The collective bargaining agreement provided that if a worker produced more than 100 percent of the standard production agreed upon, the worker would be paid for the extra work.

Mr. Lucki is the father of eight children. Working on a normal basis, producing 100 percent, he would have earned $114 in 1 week. Because of the financial need of his household, Mr. Lucki worked in excess of 100 percent, and thus earned $144 in a week. The officers of the union, in spite of the right of the members of the union to produce in excess of 100 percent, told Mr. Lucki and Mr. Fingulin that they will not be permitted to work to their full capacity, and that if they did, charges would be preferred against them by these union leaders.

Mr. President, here is an example of dictatorship within a union—directing a worker not to do what, as a citizen and under the collective-bargaining agreement, he had a right to do.

The newspapers of Ohio have published the story under the heading of "The Crime of Working."

Mr. President, I merely wish to warn that this type of action does not lend

credit to those who are trying to promote the cause of labor. No citizen, especially under the Constitution, and also when proceeding under rights given by a collective-bargaining agreement, should have his rights denied him by arbitrary dictatorial orders, issued by anyone including labor leaders. This contemplated action by the union leaders against these workers is wrong and deplorable.

BERLIN

Mr. MANSFIELD. Mr. President, on this morning's news ticker appears an item about which I heard discussed over the radio last night. It states:

Senate Democratic Leader MANSFIELD has suggested that limited U.S. recognition of Communist East Germany might be inevitable in negotiations on the Berilin crisis.

MANSFIELD said yesterday there was room for negotiation on Berlin. But he said the Western allies must insist on freedom for West Berliners, access to the city, and the right to keep troops there.

MANSFIELD, who based his views on "what I read, not what I hear," said that de facto (in fact) recognition of East Germany "is being considered at the present time."

Mr. President, while I have not been misquoted, and I must say I never have been misquoted in my 19 years in Congress, nevertheless, it appears to me a wrong interpretation may be placed on what I said, as the story was carried over the airwaves and in the press of the country.

It happened that on Saturday night, at the conclusion of the session, the distinguished minority leader and I went to the studios of ABC and participated in a program known as "Issues and Answers." The reporters at that program were Mr. William McIntyre, ABC Washington commentator, and Peter Clapper, ABC Capitol Hill correspondent. The producer was Peggy Whedon.

I should like to read the parts of the program to which I made reference in these remarks.

Mr. MCINTYRE. Senator DIRKSEN, there have been reports in the last day or two, a great nest of reports that the United States is taking a more elastic position toward Berlin bargaining. How elastic can we get without appeasing?

Senator DIRKSEN replied. I will skip the reply which he made, and come to my answer:

May I say a good many people are pretty free and easy with the use of the word "appeasement." They have their minds made up that that is what should be done, and if anybody deviates from that, why then the term "appeaser" comes quite handy to mind, but I would say as far as Berlin is concerned, there has been, there is, and there will be three factors to keep in mind: One is the continued freedom of the people of West Berlin. Two, our continued rights of maintaining an allied force in that city, and, third, our continued rights of egress and ingress in and out of West Berlin, to West Germany in any direction we desire, either over toward Hamburg or toward West Germany down toward Helmstedt.

Those things are not negotiable, but there are other things in connection with Germany which are negotiable, and undoubtedly Mr. Gromyko and Mr. Rusk are considering those at the present time.

Mr. CLAPPER. What ideas do you have for ending this impasse in Berlin, any new ideas?

Senator MANSFIELD. Well, Pete, I have advanced ideas from time to time. For example, I suggested that all Berlin—not West Berlin—be considered as a free city. What people don't seem to realize is that East Berlin is a part of East Germany, that in East Berlin is Pankow, the capital of East Germany and that was one way of throwing the ball back to Khrushchev and Ulbricht but now you have a wall in between. There was some talk about the U.N. or some of its agencies being moved to West Berlin. There is talk about the recognition of the Oder-Neisse line which today separates present-day Poland from East Germany. There is talk of recognition of—de facto at least of East Germany or continued conversations—or contacts between East and West German Governments. All these things have been talked about. Whether they are being considered I don't know.

Then, later in the program, Mr. Clapper asked this question:

Mr. CLAPPER. Senator MANSFIELD, getting back to the Berlin question, do you think de facto recognition of East Germany is inevitable

Senator MANSFIELD. I wouldn't say it is inevitable, but I would say it might well be inevitable insofar as the fact that from what I read—not from what I hear—that that is being considered at the present time. There is of course as you may well recall, contact—in effect recognition—between West and East Germany because you have economic agreements to the tune of over $300 million a year going between East and West, so while the West Germans won't admit there is an East Germany, nevertheless there is this contact, economically speaking. There are contacts between East and West Berliners. What will happen no one knows, but that is one of the things that is being talked about a good deal at the present time.

Mr. President, it is a pleasure for me to state publicly that this was a most pleasant conversation with the distinguished majority leader, who, in my opinion, showed a type of statesmanship which all the country can applaud. He was most courteous and kind, as always, and he certainly indicated what his views were on the subjects which were discussed. I want to express my pleasure for being accorded the privilege of appearing with him on the program "Issues and Answers," on Sunday, September 24.

I ask unanimous consent that there be printed in the RECORD at this point the transcript of the program "Issues and Answers."

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

ISSUES AND ANSWERS, SUNDAY, SEPTEMBER 24, 1961

Guests: Senator EVERETT MCKINLEY DIRKSEN, Republican, of Illinois, Senate minority leader, and Senator MIKE MANSFIELD, Democrat, of Montana, Senate majority leader.

Panel: William McIntire, ABC Washington commentator, and Peter Clapper, ABC Capitol Hill correspondent.

The ANNOUNCER. From Washington, D.C., the American Broadcasting Co. brings you "Issues and Answers." Senate Majority Leader MIKE MANSFIELD and Senate Minority Leader EVERETT M. DIRKSEN here are the issues.

Mr. CLAPPER. Are you satisfied with the record of the 1st session of the 87th Congress?

Mr. MCINTIRE. How about President Kennedy's performance in his first 8 months of office?

Mr. CLAPPER. What are the prospects for the Kennedy program next year?

Mr. MCINTIRE. Should the United States get tougher with the Soviet Union?

The ANNOUNCER. You have heard the issues. Now for the answers.

From the top legislative spokesmen for the U.S. Senate, Majority Leader MIKE MANSFIELD, Democrat, of Montana, and Minority Leader EVERETT MCKINLEY DIRKSEN, Republican, of Illinois, in their first joint appearance on any network.

To explore the issues, ABC Washington Commentator William McIntire, and with the first question, ABC Capitol Hill Correspondent Peter Clapper.

Mr. CLAPPER. Senator MANSFIELD, as majority leader are you satisfied with the record of the first half of the 87th Congress?

Senator MANSFIELD. Very much. I think we have made a good record. I think we have put into operation at least in the Senate most of the Kennedy program, and I think we have done it with the cooperation of my distinguished colleague, the minority leader, the Senator from Illinois, Mr. DIRKSEN.

Mr. CLAPPER. Do you think the President is satisfied?

Senator MANSFIELD. I think he is well satisfied with what we have done in the Congress as a whole.

Mr. CLAPPER. Senator DIRKSEN, the Republicans claim that out of the 33 so-called major items of legislation that have passed, most of them are just retreads, or have been gutted. Would you go along with this?

Senator DIRKSEN. Well, I think in all fairness, first asserting my affection for the distinguished majority leader who in my judgment has done a great job in the 1st session of the 87th Congress, I think you've got to consider some of the refinements. There are so many things that are agreed upon. I saw this slip recently that was circulated around showing that as distinguished from 11 accomplishments in the Roosevelt administration and 12 in the Eisenhower administration, we have had 33 major achievements in this first session.

I think that is true as a numerical statement, but you have to remember, of course, that so much of it was agreed upon and has been incubated for a long time, and actually was without controversy.

I took a little look at the rollcalls, the recorded calls on these 33 issues, and actually there were only 12 of the 33 on which we had to bother to ask for a recorded vote of the Senate.

I think it indicates that Members on both sides of the aisle are deeply interested in matters of common concern and there has been general agreement on many of the items and that accounts for it. While that sounds like a tremendous claim, I think you always have to remember that so many of these things come out of earlier administrations. The incubation takes a long time before you hatch the chicken. So I suppose when you use the term "retread," it doesn't apply particularly to a chicken, but at least the spade work of a great many years has been done.

Mr. CLAPPER. Well, Senator MANSFIELD, I would like to ask you about foreign aid. Now this is either apparently a victory or a defeat, or perhaps a little of both. The President got what he asked in the power to make promises for long-term aid. He didn't get what he wanted in the way of Treasury borrowing authority. Was this a victory or a defeat?

Senator MANSFIELD. I would say on the whole it was a victory, that the idea which the President wanted to put across was given to him, that he does have the power to program or to plan on a long-term basis. It is

our hope that on this basis that with the new Administrator there will be reforms in the aid program to the extent there will be less waste and inefficiency, less duplication, less overlapping, and more in the way of return for the American dollars expended to help people who need help in this troubled world.

Mr. McINTIRE. Senator MANSFIELD, there remains the feeling that the President has not been entirely successful in translating his personal popularity into legislative results on the very hard issues. How effective has the President been, and would you suggest any means or method by which he might communicate more effectively with the American people?

Senator MANSFIELD. No, I would have no suggestion to make because I think on the whole he has been very successful in his relations with the Congress. After all, he has served 14 years in the House and Senate combined. He is on a first-name basis with most of the Members of both Houses and especially so in the Senate where he served his last 8 years. I think that he has done his best through the TV, the radio, and the press in general to carry his message to the American people. I would suggest that he ought to be given a little more time because the job is new, the job is difficult, and no President in my memory has ever come on to a first year in office with the problems which face President Kennedy at the moment.

Mr. McINTIRE. Senator DIRKSEN, within a segment of that great American population, the American business community, there has been a feeling lately that the present administration might be following a general antibusiness policy. Would you like to comment on that.

Senator DIRKSEN. Oh, yes.

Before you get to that, I hope you don't quite ignore this issue of foreign aid. I have sought always to be helpful in that issue and I think there you've got to make a little refinement of these quantitative analyses of how successful the Congress has been. You have to impose there whether or not the Congress or the President won. I think so far as our approaches are concerned, the Congress won. It left the planning, of course, on a 5-year basis, but it did insist that these proposals where the money was involved come back for annual scrutiny. And that was very definitely a victory for the Congress. That certainly represents my viewpoint, of course. I was glad to see the President have authority to plan in advance. And as a matter of fact, in the controversy between the House and the Senate about the amount of the money that was involved, I sought to be helpful because I think in a perilous and critical period you have to uphold the hand of your President. He is the director of foreign policy. He is the Commander in Chief of the Armed Forces and as a result where international policy is involved we ask only that we be consulted, we have a chance to comment and criticize and thereafter, even though we don't always agree, we close ranks and then support the President because you never must exhibit to the world that there are divided ranks in our country when it comes to an issue of that kind. So I didn't want you to get away from that issue without having at least one word to say about it.

Senator MANSFIELD. And may I say there that the minority leader has been most constructive in what criticism he had to make and most helpful in trying to get all aspects of our foreign policy and defense posture strengthened and put through.

Senator DIRKSEN. There you have another example of an issue that confronts not the Republican Party, not the Democratic Party, it confronts the country. Where survival and all the challenges of security and freedom are involved. There, of course, we think as Americans and think in terms of the common well-being and not in terms of our party. And I must say that I have been in almost complete agreement with my very esteemed friend, the majority leader from Montana on that issue.

Mr. CLAPPER. Senator DIRKSEN, moving on to the next part of Bill's question, Has the administration been antibusiness?

Senator DIRKSEN. Well, I am not sure that I can give you a good answer to that question, because I presume the question comes out of the enhancement of authority in the Attorney General with respect to antitrust cases, and so forth. Now it was only a day or two ago that we conferred upon the Department of Justice additional authority with respect to civil investigations. We had to hedge it about with some protection and it might be argued, of course, that there is a disposition to move more deeply in that field and turn the hand of Government against business. But when you raise that question in its general perspective, it is difficult to make an answer. Now if you were to pick out some individual instances, the chances are I could give you a better answer. And I have had some rather distinct feelings about it. Where, for instance, our Government has moved against people, our own people, by doing business in foreign countries and most of their business abroad, I did not feel that that was a warranted intrusion on the part of the Government.

Mr. CLAPPER. How about the President's letters to the steel companies?

Senator DIRKSEN. Well, of course, we all had our say there. The majority party occupied one afternoon to state its case. We occupied another afternoon to state our case and the only point I made was this, I have no comment as to whether steel prices should go up or whether they should go down. I want to be sure that no kind of price control in a peacetime period, whether it is direct or whether it is psychological in its approaches, ought ever to be imposed, because if you do, you take the first long step on a long journey that might finally be a deep intrusion into the whole free market competitive system of this country.

Mr. CLAPPER. Senator, who would you blame, though, if a round of inflation should follow possible steel price hikes?

Senator DIRKSEN. Well, who shall say what all the contributing factors are with respect to inflation and can you put your finger on any one particular person?

All this eventuates from the fact that on the 1st of October, there will be a wage increase for the steelworkers. Do then the producers of steel have to raise their prices? I went all through the hearings with these steel producers, going into many months of testimony. They think in terms of a 50-year, 100-year objective.

Think, for instance, of United States Steel going into Africa to mine a mountain of ore. It costs $450 million to build the railroads and the docks where the vessels can get that ore to the mills in this country. Whence shall come the money? Do they go into the market and borrow? Do they take part of it from earnings? How shall they get it?

And that is one of those delicate industrial problems that one on the outside cannot so readily answer and certainly I am always having my fingers crossed when a Harvard professor comes up with the answer on that subject, and then I am willing to back off in the corner and take a good long look.

Senator MANSFIELD. May I say I think the President was perfectly within his rights in addressing a personal plea to the heads of the steel companies in this country urging them to give all possible credence to keeping prices down as much as possible, even though, as Senator DIRKSEN has said, come October 1, some raises will go into effect. I think that is part of his responsibility.

And speaking of business in general, I would say that since the beginning of this administration when business was not too good, that there has been a remarkable comeback, not due, of course, by any means to what the administration has done entirely—that was a contributing factor—but a comeback to such an extent that in this present quarter, if my memory serves me correctly, the figures will indicate that American industry is enjoying the highest profits in its history.

Senator DIRKSEN. Let me add a postscript: The majority leader is quite right about the authority of the President to write to the steel producers and suggest to them there will be no price increases. I think the President was not only within his proper jurisdiction but perhaps we can think of it as a duty. The difficulty arose, of course, in the discussions on the Senate floor that I interpreted as threats. When one Senator said there is power in the Federal Trade Commission, there is power in the Department of Justice, there is inherent power in the Presidency. We may go back and reexamine the consent decree in 1921 when it affected the steel people. It seemed something of a veiled threat. That, however, did not involve the President of the United States and I fully concur he was within his rights in addressing himself to the steel producers of the country and they were within their rights in addressing him in all candor in their response.

Mr. McINTIRE. Senator MANSFIELD, there is a feeling some of the really toughest issues this Congress will tackle lie ahead: tax revision, reciprocal trade, medical care, and social security, and that many of these issues involve the citizens' pocketbook.

Do you think it is going to be more difficult or less difficult to get issues of this type through in an election year?

Senator MANSFIELD. I would think more difficult by and large. As far as this year is concerned, we have had in effect a sort of a honeymoon. A new administration, a new Congress, and we have been treated very nicely, but I think beginning next year some of the more difficult problems, some of the real New Frontier problems will begin to emerge and to be considered and I think next year will be extremely difficult in comparison with the one we are just finishing.

Senator DIRKSEN. Well, I could add to that and I think I concur in that view, that a new administration enjoys two things. First, it enjoys a honeymoon. Everybody wants to see a new President succeed—and I do—and I ought to add at this point I think that the President of the United States has served either in the House or Senate with virtually every Member of the leadership on both sides in both bodies. That goes for my esteemed friend from Montana. It goes for myself. I served with the President in the House and in the Senate, and I wish him well. So there is a honeymoon period. And then secondly there is what I am pleased to call a "moneymoon" period. You don't draw the line too finely. When he makes a request, you try to oblige, if he feels it is necessary.

Take for instance in the foreign aid bill. The House sharply cut his contingency fund. I insisted it be restored. I did that for President Eisenhower. I will do it for President Kennedy. How can he foresee all the imponderables all over the world. And for the sake of a few hundred million dollars, you must never tie the hands of the President as the Commander in Chief and the Chief Executive.

But it will be increasingly difficult as we go on because then you will have had an opportunity also to measure the impact of the program and then determine what you do in the interests of a balanced budget and a sound, solvent fiscal program.

Mr. CLAPPER. Senator MANSFIELD, what will the President do next year about general school aid, will he ask for it again?

Senator MANSFIELD. I anticipate in the state of the Union message he will once again state his belief that something should be done in the field of Federal aid for education. He will ask Congress again to take a look at the picture, but I will point out in all honesty that in view of the fact that there have been two 2-year programs for impacted areas and the National Defense Education Act passed this year, that it may be difficult.

However, the Senate did pass a good general aid to education bill this year which provided for school construction and teachers salaries. That bill is still alive. It will be alive all through next year. It is in the House, and if the House desires to take action, I think we could, on that basis, come up with a very good Federal aid to education program and in that way be in accord with what the President wants.

Mr. CLAPPER. Senator MANSFIELD, you will concede that general school aid was the biggest legislative failure Mr. Kennedy had?

Senator MANSFIELD. Not as far as the Senate was concerned, because everything he asked for in the Senate in that field either has come out of committee and is on the calendar or has passed through the Senate and is now in the House for consideration.

Mr. MCINTIRE. Senator DIRKSEN, there have been reports in the last day or two, a great nest of reports, that the United States is taking a more elastic position toward Berlin bargaining. How elastic can we get without appeasing?

Senator DIRKSEN. Well, can you be elastic about rights, fundamental rights that have been contrived either in the form of documents signed long ago, or rights that stem from occupation?—and I suppose you are thinking very particularly about the Berlin situation.

Now let it be said for the minority that we have applauded the President's position, and we have applauded always the firmness, and the firmness of the message that he delivered to the American people. And we will certainly support him, because I go on the theory, of course, that over a long period of years the nibbling process on the part of the Soviet Union has continued and it will continue. And there comes a place where you assert the rights of your country and you say "This is it," and beyond that you cannot negotiate. For after all, How do you negotiate away a right? If you could do it then you can negotiate away the fundamental rights of the American people as individuals, vouchsafed to them and guaranteed to them by the Constitution of the United States.

Mr. MCINTIRE. Provided our vital interests then are maintained in Berlin, you would give the President the benefit of the doubt in negotiating so-called secondary concessions?

Senator DIRKSEN. Always. We are as very much concerned about what war could do to the world as anybody, and we are terribly concerned, of course, in this nuclear age as to the decimation that could take place, but we uphold the hands of the President always when he takes a firm stand and says "This is the position of our country, and beyond this we do not retreat."

Senator MANSFIELD. May I say a good many people are pretty free and easy with the use of the word "appeasement." They have their minds made up that that is what should be done and if anybody deviates from that, why then the terms "appeaser" comes quite handy to mind, but I would stay as far as Berlin is concerned, there has been, there is, and there will be three factors to keep in mind: One is the continued freedom of the people of West Berlin. Two, our continued rights of maintaining an Allied force in that city, and third, our continued rights of egress and ingress in and out of West Berlin, to West Germany in any direction we desire, either over toward Hamburg or toward West Germany down toward Helmstedt.

Those things are not negotiable, but there are other things in connection with Germany which are negotiable, and undoubtedly Mr. Gromyko and Mr. Rusk are considering those at the present time.

Mr. CLAPPER. What ideas do you have for ending this impasse in Berlin, any new ideas?

Senator MANSFIELD. Well Pete, I have advanced ideas from time to time. For example, I suggested that all Berlin—not West Berlin—be considered as a free city. What people don't seem to realize is that East Berlin is a part of East Germany that in East Berlin is Pankow, the capital of East Germany and that was one way of throwing the ball back to Khrushchev and Ulbricht, but now you have a wall in between. There was some talk about the U.N. or some of its agencies being moved to West Berlin. There is talk about the recognition of the Oder-Neisse line which today separates present-day Poland from East Germany. There is talk of recognition of—de facto at least of East Germany or continued conversations—or contacts between East and West German Governments. All these things have been talked about. Whether they are being considered I don't know.

Mr. MCINTIRE. Senator DIRKSEN, do you agree with Senator MANSFIELD's listing of our three vital interests? Do you agree that these other things are negotiable?

Senator DIRKSEN. Generally speaking, I do, except that insofar as our rights of ingress and egress are concerned, where those have been documented and signed, obviously we cannot lose them. We cannot forfeit them without finally cutting off communication.

Now you have to remember this. You have to look down the road a little. The Soviet Union—if they carry out the general attitude once expressed by Peter the Great—thinks nothing of time. A year, 10 years, 25 years, 100 years—is this a program first to detach East Berlin? Secondly, to sweat out West Berlin? Finally, to detach West Germany, or the Federal Republic of West Germany, from the Western World?

They take plenty of time, and, of course, they resort to every psychological advantage that they can develop in that field. And so thinking in that frame, of course, there is coming a time when it is going to have to be stopped. Otherwise what Peter the Great once referred to as a "window on the Baltic," will become a window on the Atlantic, and then they will be looking across the Atlantic at the one great free bastion of civilization, and that is the United States of America. And without others to stand in our place, and with us, how long then can freedom and survival be made to endure?

Mr. MCINTIRE. Senator MANSFIELD, would you comment on that?

Senator MANSFIELD. No, I would say, what Senator DIRKSEN has said has good historical precedent and background. He mentions the fact that Peter the Great used to look upon the Baltic, and that may be in time the modern Russian may look upon a window to the Atlantic and that means he will be looking across a space of water toward us.

The thing we have to remember now is that he will be looking, not visually but through rockets and missiles and it is my understanding that ICBM's, intercontinental ballistic missiles have been developed to the extent they can traverse the Atlantic in a matter of 15 or 20 minutes, because after they reach a certain height they develop a certain speed and if they hit their target, of course then there will be hell to pay.

It is a changed world we live in. President Kennedy is right when he says that the decade of the sixties will be the most dangerous in the history of mankind. Look what has confronted him since he has been in office, and look how hard it is to find the answers to those difficulties.

And may I say that as far as the Republican leadership and the Republicans generally are concerned, they have been most helpful in the support of the President in the field of foreign policy and it is most appreciated.

Mr. CLAPPER. Senator MANSFIELD, getting back to the Berlin question, do you think de facto recognition of East Germany is inevitable?

Senator MANSFIELD. I wouldn't say it is inevitable, but I would say it might well be inevitable insofar as the fact that from what I read—not from what I hear—that that is being considered at the present time. There is, of course, as you may well recall, contact—in effect recognition—between West and East Germany because you have economic agreements to the tune of over $300 million a year going between East and West, so while the West Germans won't admit there is an East Germany, nevertheless there is this contact, economically speaking. There are contacts between East and West Berliners. What will happen no one knows, but that is one of the things that is being talked about a good deal at the present time.

Senator DIRKSEN. You ought to have refined your question a little bit when you talk about recognition. You have to think of the countries that would recognize, if a peace treaty with each other is consummated.

Actually your satellite countries under the domination of the Soviet Union would be quick to sign, but you see the important thing from our standpoint is the attitude of the United States, of France, of the Republic of West Germany, of Great Britain of Italy. And the other countries we are pleased to think of as a part of the great free structure of the Western World.

Mr. MCINTIRE. Well, Senator DIRKSEN, are you then relatively satisfied with the Kennedy administration's handling today of the Berlin crisis?

Senator DIRKSEN. I would say they have been firm, and the President has reasserted over and over again that those rights will be maintained and reasserted it, and that certainly scores in my book.

Mr. CLAPPER. Senator DIRKSEN, I would like to ask you this: If recognition of Red China is voted by the U.N., what action could the United States take?

Senator DIRKSEN. Well, Peter, I wish that issue had been made far more clear than it has been thus far. When you speak of recognition—you see the element of membership is not involved here. There is an entity called China which is a part of the U.N. and actually occupies a place on the Security Council as a permanent member. But this, now, is a question of representation.

Mr CLAPPER. That is what I mean.

Senator DIRKSEN. Which of the two Chinas. And you see that requires no recommendation by the Security Council, as I understand. That is a matter on which the General Assembly will vote. If it does take place, then of course difficulties no end will ensue before we are through with that issue. My own feeling, of course, is abundantly clear.

Mr. CLAPPER. Gentlemen, we have about 1 minute left.

Mr. MCINTIRE. Senator MANSFIELD, what if the United Nations should incorporate the troika principle? What do we do vis-a-vis our relations with the U.N.?

Senator MANSFIELD. Well, I think we ought not to make a decision now. We ought to face up with it. We ought to fight the application of the troika principle.

We ought to come forward with the name of some outstanding world leader who could take over for Dag Hammarskjold and I would suggest offhand that a man like Mr. Nehru, of India would be the type for consideration, and I cannot see the Soviet Union in its advocacy of the troika principle going against a man of the stature of Nehru to head an organization of that kind.

Senator DIRKSEN. Well, let's talk about this solo principle, and substitute solo for troika, one for three, and then we will have what we ought to have in the United Nations.

Senator MANSFIELD. And that is what we believe in.

Mr. CLAPPER. I am sorry I have to interrupt you here, our time is up.

Senator MANSFIELD and Senator DIRKSEN, thank you very much for being with us today on "Issues and Answers."

Senator DIRKSEN. We thank you.

Mr. MANSFIELD. Mr. President, I thank the Senate for its courtesy in allowing me to make this statement.

Mr. DIRKSEN. Mr. President, the majority leader is always objective, always gracious, always fair, and it is a delight to go before a nationwide audience and discuss with him the questions that are addressed to a panel consisting of the majority leader and myself. I thought it was a very fruitful discussion, and it was my delight to participate in it. I salute the majority leader in the same spirit in which he has saluted me. He knows of my affection for him and my recognition of his sense of objectivity and constancy in serving the cause of the Nation at a critical and perilous time.

A HALF CENTURY OF KANSAS JOURNALISM—FRED W. BRINKERHOFF

Mr. CARLSON. Mr. President, this week Kansas is honoring Mr. Fred W. Brinkerhoff, dean of Kansas newspaper editors, for his 50 years of continuous outstanding service as editor of the Pittsburg, Kans., Headlight.

During this half century of Kansas journalism, Mr. Brinkerhoff has averaged writing 100 editorials a month on every conceivable subject, and these editorials have carried great weight and influence on the people, not only in his own community, but all over the State of Kansas.

He is recognized as an outstanding authority on Kansas history, and during this, our centennial year, he has devoted much of his time to lecturing and writing about our great State and its history.

He has received many journalistic awards, both national and State, including the William Allen White Award for Journalistic Merit in 1956.

The people of Kansas are paying this well-deserved tribute to the dean of Kansas journalism, not only because he is a great citizen whose written messages and views have influenced the thinking of the people of our State for these many years, but also because of his untiring devotion to Kansas and Kansas people.

Mr. Lawrence A. Barrett wrote an article entitled "A Half Century of Kansas Journalism," which appeared in a recent issue of the Christian Science Monitor and I ask unanimous consent that it be made a part of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A HALF CENTURY OF KANSAS JOURNALISM

(By Lawrence A. Barrett)

PITTSBURG, KANS.—F. W. Brinkerhoff, dean of Kansas newspaper editors, cannot be accused of being a rolling stone. He is this month celebrating his 50th year of continuous service as editor of the Pittsburg, Kans., Headlight. During that half century he has averaged writing 100 editorials a month on every conceivable subject, many of which have been quoted in papers around the area.

Mr. Brinkerhoff came to Pittsburg on an assignment in 1911, liked the community, was made editor of the Headlight; 16 years later had the editorship of the Pittsburg Sun added to his work; and in 1940 still more work was added when he was made manager and publisher of the two newspapers.

The two papers, one a morning and the other an evening paper, are published in the same plant but with different staffs. Much of the load of all the departments is carried on the shoulders of this native-born, stockily built Kansan.

Less than a dozen issues of the Headlight have gone to the presses without their containing some words written by Mr. Brinkerhoff. Even when he is out of town on business he leaves behind either some typewritten copy or words written in his hard-to-decipher scrawl ready for the next edition. He put in longer hours than any of his staff and usually works 7 days a week with "vacations" almost an unknown word in his vocabulary.

Mr. Brinkerhoff is vice president of the Pittsburg Publishing Co., a vice president and director of the Stauffer chain of newspapers, and is on the board of directors of the Topeka, Kans., Capital. In 1956 he was the recipient of the William Allen White Award for Journalistic Merit. He is past president of the Kansas Associated Press and is past president of the Kansas Historical Society and currently is on the board of directors of the Kansas Centennial Commission.

RECORD OF CONGRESS IN THIS SESSION

Mr. McGEE. Mr. President, I call the attention of the Senate to an article which appeared in yesterday's Washington Post, in the "Outlook" section, entitled "Honeymoon Congress Ran Up a Solid Record," whose author is Robert C. Albright.

The burden of the assessment of the record of this session of Congress which is about to adjourn, is one of tribute to the caliber of the program that we finally carried into law. Proper and appropriate tribute is paid to the leadership of both Houses in cooperative efforts to attain this record. Most important of all, there is a true perspective of the real meaning behind the many new facets of the New Frontier program, now the law of the land, as pointed out in this survey, for despite difficulties in the House of Representatives, and otherwise, speculated upon from time to time, a rather remarkable program, even so, was forthcoming.

I quote from the article:

In many instances, the massive program of domestic measures pushed through represented bills that had passed the Senate in early Congresses and some that had passed both House only to collide with an Eisenhower veto.

Mr. Albright also states:

The overall list can be considered the most formidable that any President in history could point to.

I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HONEYMOON CONGRESS RAN UP A SOLID RECORD

(By Robert C. Albright)

The 1st session of President Kennedy's 87th Congress is completing its honeymoon run and leaving behind it one of the most productive records in history.

In sheer legislative output, President Kennedy's first Congress has confounded the prophets. The results he obtained in 247 days of persistent give-and-take courtship compare favorably with Franklin Roosevelt's 100-day sweep of the field back in 1933.

There are gaping flaws in the analogy, of course. In the great depression of the early 1930's, Mr. Roosevelt had only to ask and Congress complied with his calls for economic remedies. Mr. Kennedy in 1961 has been dealing with a slower paced Senate and an often fickle House, bowing sometimes to the will of a Republican-southern Democratic coalition.

The President is represented as very well pleased with the legislation resulting. But with the paper-thin political division in the House, the wonder is that so much of the New Frontier program survived. The larger marvel is that he got through as many domestic economic measures as he did at a time of world crisis.

UNPRECEDENTED LIAISON

The explanation lies in part in the tremendous reservoir of good will President Kennedy has built up at the Capitol. Never in recent memory has an occupant of the White House maintained closer contact with individual legislators.

He works through the established Democratic leadership at the Capitol with the GOP leadership as well often made privy to his confidences.

Relaxed, pipe-smoking Senate Majority Leader MIKE MANSFIELD, of Montana, does his pitching for him in the Senate. That Chamber gave him nearly everything that he asked. Unofficial scorekeepers say the Senate rates a B-plus on its Kennedy lessons.

Speaker SAM RAYBURN, of Texas, the "Mr. Sam" of song and story, helped the President through many of his legislative battles in the recalcitrant House before RAYBURN came down with lumbago and went home for a rest. As temporary Speaker, Representative JOHN W. MCCORMACK, Democrat, of Massachusetts, fininshed out his stint. In performance, some rate the House only a barely passing C-minus.

How did the President come out of it all with a good program?

Vice President LYDON B. JOHNSON says the key word is "cooperation." He put it this way after the President called in Democratic Senators and thanked them last week:

"I don't know that there has ever been a period of greater cooperation and respect between the leadership and the executive. And that doesn't mean one man has been doing all the thinking."

JOHNSON, whose hard-driving leadership produced legislative miracles in the past, has been staying scrupulously on the legislative sidelines as Vice President. Administration associates say he has been available for ad-

vice at all times however, and he has stepped in on more than one occasion to lend a helping hand. His most recent assist was on the President's hard-pressed foreign aid bill.

TAILORED TO SUIT

The overall program finally emerging from Congress is essentially moderate in nature. Where there were sharply controversial provisions, as in the case of the farm bill, for example, or in that of the so-called back-door Treasury financing of foreign aid, the features were amputated by Congress.

On the comprehensive aid-to-education bill, Mr. Kennedy took a resounding licking when the legislation he had backed so strenuously in the 1960 campaign bogged down in a morass of religious and political feeling in the House.

Medical care for the aged and the Kennedy tax loophole plugging legislation were put over until next session with the administration's assent. The President's manpower retraining bill was stalled in the House Rules Committee and the proposed postal rate increase went over until next session when the House opened the bill to amendments.

But despite the occasional setbacks, 25 or more major bills were enacted. The total climbs higher when measures of less substance, such as the corporate tax rate extension and the debt limit ceiling extension, are included.

As against this showing, President Eisenhower succeeded in getting through only 12 major measures in his first congressional session, including the corporate tax and other extensions. Mr. Roosevelt put through 11 major bills in his first session, all dealing with the domestic economy. The difference was that F.D.R. got through all he wanted in the form he wanted.

FOREIGN AID COUP

One of the outstanding Kennedy achievements was his success in winning a 5-year foreign aid development loan authorization with the right to make commitments in advance of appropriations.

In the process, Mr. Kennedy lost his fight to finance the development loan program by direct borrowing from the Treasury. But the result that he sought was 5-year authority to plan ahead. Aids feel that he never would have won it had he not made his fight for the ill-fated Treasury borrowing concept.

In many instances, the massive program of domestic measures pushed through represented bills that had passed the Senate in earlier Congresses and some that had passed both Houses only to collide with an Eisenhower veto.

The overall list can be considered the most formidable that any President in history could point to. Mr. Kennedy points to it with pride.

It includes the most comprehensive housing bill ever passed; a $1.25 minimum wage law; area redevelopment legislation; social security expansion, including lowering of the male retirement age to 62; extension of the Highway Act with more of the cost shifted to users; temporary unemployment compensation extension; aid to dependent children of unemployed; creation of 72 new judgeships; extension of the Civil Rights Commission; water pollution control; the saline water project; $6 billion for defense buildup; civil defense shelter authority; reservists recall authority; three anticrime bills, and an expanded Federal Aviation and Airport Act.

Providing a distinctly Kennedy flavor were such new idea bills as the Peace Corps and the Disarmament and Arms Control Agency, put through in the closing days. The Latin American aid program and alliance for progress also provided new concepts of social reform and self-help.

Mr. Kennedy put up an intensive fight for his foreign aid new approach and many another of his key programs. But never did he yield to a temptation that comes to every President to go over the head of Congress and take his case directly to the country.

Mr. Kennedy is fully aware that Congress is elected by the people and that one possible way to win legislative victories is to build fires in Members' home districts. But Mr. Kennedy, it is said, felt that this would undermine the congressional confidence in his leadership that every President needs.

Instead of going after Members through the back door, he appealed to them forthrightly. He views the satisfactory program he received as the congressional response.

The odds against Mr. Kennedy having any honeymoon at all were quite high when he took his oath January 20. He had come into office in one of the closest squeaks in history.

In the Senate he had a 65-to-35 majority to lean on, but in the House it was a different story. There, the Democrats had just suffered a 21-seat loss.

Nor did the party-line division show how close the House vote really was. Out of 99 Southern Democrats, there was generally available a hard core of 40 or 45 to vote with the bulk of Minority Leader CHARLES A. HALLECK's House Republicans in a coalition. Sometimes 25 or 30 more Dixie Democrats would swing over. Halleck kept his Republican defections small, generally below 20 or 22.

The touch-and-go House situation was best illustrated by the session-opening test on enlarging the Rules Committee. Although Speaker RAYBURN made the proposed 3 vote enlargement to the committee a matter of personal loyalty to him, and the President actively backed him, RAYBURN emerged with a count of only 217 to 212—a mere 5-vote margin.

Even the three-member enlargement wasn't sufficient to save the administration in the Rules Committee on the school issue, as it turned out. The defection of one Democrat, Representative JAMES J. DELANEY, of New York, gave the coalition all it needed to bottle up the school bill and thus hand the President his worst defeat of the session.

On the House floor, the coalition emerged as a conservative force capable of swinging the House far to the right of the once, but no longer, conservative Senate.

Thus it was remarkable that the administration forces turned back the coalition as regularly as they did. On the omnibus housing bill, for example, the leadership won, 235 to 178. Only 42 southern Democrats defected.

Again, on the depressed areas bill, the administration won, 250 to 177. The Democrats lost only 42 southerners. More surprising, 43 Republicans moved over to the Democratic side.

In the Senate, where the coalition commanded a potential majority of 57 Republicans and southern Democrats, the line crossing worked altogether in reverse. There, Majority Leader MANSFIELD credits a little group of five to a dozen moderate Republicans with rescuing the administration time and again.

There were occasions, however, when GOP leadership cooperation was freely given when needed most, though it was not exposed to public view. President Kennedy had the backing of Senate Republican Leader EVERETT M. DIRKSEN, for example, and often of HALLECK, on the vital decisions affecting West Berlin and other questions of international moment.

Republicans in general, and the national committee in particular, continue to poohpooh the accomplishments of the session, however. The Republican National Committee last week teed off on what it described as a White House memorandum saying that Congress passed 33 major bills, topping F.D.R.'s own record.

The committee said that the estimate is dishonest in that it implies all but 1 of the 33 major bills listed originated with the Kennedy administration. Most are retreads that have been kicking around the Hill for years.

Ironically, one of the most significant facts about the 87th Congress, 1st session, was the apparent lack of public interest in whether it was doing its job well or badly. For the last 8 months the national spotlight, which used to swing about equally between Capitol Hill and the White House, has been fixed unwaveringly on 1600 Pennsylvania Avenue.

Legislators noted the Hill blackout, privately grumbled about it. Overnight reporters found Congress a frequently dull, less interesting place to cover.

The plain fact was that a lot of the oomph had gone out of Congress since those bright moments in the sun, it seems years ago, when five candidates emerged from the Senate to campaign the length and breadth of the land for the Nation's top office. One of those candidates, Mr. Kennedy, now occupies the White House. Another, Vice President JOHNSON, quietly shares the spotlight with him. The rest, for the time being, appear to have lost interest.

Senator BARRY GOLDWATER, Republican, of Arizona, makes an occasional pass at the distant brass ring. But for the most part the Senate, like the House, has become just another more or less prosaic legislative body wondering what it takes to win a headline.

WILEY POST: THE AIRPOWER

Mr. MONRONEY. Mr. President, on October 21 and 22 Oklahoma City will pay honor to one of aviation's great pioneers, Wiley Post.

On those days ceremonies will be held dedicating the improved general aviation airport to be renamed Wiley Post Airport in honor of this distinguished airman who foresaw—and helped to create—many of the miracles of aviation which we enjoy today.

The Wiley Post Airport will house part of the rapidly growing general aviation industry, and scores of private planes will be based there. It is one of the best managed and best equipped airports for general aviation in the Nation.

It is appropriate that this airport bear his name, for Wiley Post was one of those aviation pioneers who worked for and believed in the greatness of general aviation, and his own spectacular flying as a private pilot paved the way for many aviation developments.

While Wiley Post is best known for his two spectacular round-the-world flights in the Lockheed Vega, *Winnie Mae*, which set new records in 1931 and in 1933, latter being a solo flight, he also had a certain feel for the future of aviation.

On completing his recordbreaking solo flight of 15,516 miles in 7 days 18 hours and 49½ minutes to circumnavigate the world, he predicted that all-metal cabin passenger planes flying 800 miles an hour at altitudes of 45,000 feet would come as a matter of course. Today our scheduled jet transports already approach this altitude and this speed.

It has always seemed to me, however, that Wiley Post has never been given the recognition he deserved for pioneering pressurized flight. His early experiments and flights into what in the early

1930's was called the substratosphere first paved the way for this great forward stride in air commerce. He was convinced that planes would use higher altitudes and thereby gain speed and also be relieved of much of the weather disturbances of lower altitude.

With the world-girdling Lockheed Vega, the *Winnie Mae*, he set out to experiment with flight in the substratosphere—altitudes at which only those seeking spectacular altitude records then attempted to use. It was his early work with this plane, his specially rigged Pratt & Whitney engine, and his homemade stratosphere helmet and oxygen supply that led to the pressurized transcontinental planes on today's jet air routes.

Primitive and homemade though his equipment was, he met and conquered many of the problems involved in high altitude flight. He proved that the speed could be increased, that weather problems could be minimized, and that pressurized cabins and supercharged motors would be needed.

In the dedication and renaming of Oklahoma City's general aviation airport to honor Wiley Post, I hope that due credit can be given to this man who envisioned and who helped bring about these great seven-league steps of aviation.

In addition, the renaming of the airport as the Wiley Post Airport will reunite two great Oklahoma names whose association in the field of early day aviation won worldwide interest. Oklahoma City's transport airport was named the Will Rogers Airport many years ago in honor of the great Oklahoma humorist and an early day aviation enthusiast. Now, separated by only a dozen miles, his good friend will be honored and his name engraved on the air navigation maps of the world.

Will Rogers loved to fly, but he preferred to fly whenever possible with Wiley Post. It was on their flight to attempt to lay out an airmail and passenger route between Alaska, Asia, and Europe that a crash on takeoff near Point Barrow brought death to both of these great Oklahomans.

Again it is interesting to note that the route that Post and Rogers sought to lay out is now fast becoming the main transcontinental thoroughfare from Japan and Asia via Anchorage, Alaska, on to Western Europe.

Mr. President, I ask unanimous consent that an article prepared by Clayton Anderson of Oklahoma City, regarding the background and life of Wiley Post, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILEY POST

(Prepared by Clayton Anderson, public relations director, Oklahoma City Chamber of Commerce)

Raised in different sections of Oklahoma at different times, the destinies of Will Rogers and Wiley Post brought them together in 1935 for the final chapter in each brilliant career. Aviation, in its young history, was the catalyst.

Today, aviation has brought them together again. In Oklahoma City, the main airport of Will Rogers has been joined by the secondary airport of Wiley Post. The official dedication will take place in October.

Will Rogers was the pioneer air passenger. He logged thousands of miles once the aviation bug had bitten him. Wiley Post was the pioneer aviator and researcher. His flights and pioneer experiments into space set records for all time.

As a young man, Wiley Post worked in the oilfields of Oklahoma. An accident on the job caused the loss of one eye. This marked the beginning, not the ending, of a brilliant career. He took the compensation received on the accident and invested in aviation. Like other aviators of the time, he took part in some of the barnstorming activities but his heart was set on aviation as a new medium of transportation of men and material. He thought this could be done on a worldwide basis.

The late twenties and early thirties were the pioneer age of aviation as far as transportation over distance was concerned. Airmen all over the world were trying to be first in setting distance records. Newspapers offered awards and many men tried—and many men died.

The fancy of the world was captured in 1927 when American Charles Lindbergh beat all rivals and flew the Atlantic. Next major goal was a flight around the world by one plane.

Oklahoma City Oilman F. C. Hall had a plane built at Union Air Terminal in Los Angeles. It was called the *Winnie Mae* after his daughter. It was a Lockheed Vega with a Pratt & Whitney motor. He asked Wiley Post to fly it in the 1930 Bendix Air Derby, 1,760-mile race from Los Angeles to Chicago. Post won, and America had a new aviation hero. In 1931 Wiley Post, the aviator, joined with Harold Gatty, the navigator, and on June 23 the two took off in the *Winnie Mae* from New York for a flight around the world. They were successful and covered the northern air circumference, a distance of 15,474 miles, in 8 days 15 hours and 51 minutes. The *Winnie Mae* had done it again. Post then bought the plane.

Two years later in 1933, Wiley Post became the first man to fly solo around the world. He left July 15 in the *Winnie Mae* and returned 7 days 18 hours and 49½ minutes later, a distance of 15,516 miles. This was a longer distance and shorter flight time than the one with Gatty.

The world remembers Wiley Post for these flights, but his greatest contributions may have been made in air research and exploration of the stratosphere. Only his untimely end in 1935, at the age of 36, cut short this significant phase of his aviation career. He had an uncanny sense about the future. Most of his predictions proved right.

For example, when he returned to New York City on his second world flight in 1933, the press asked him about the future of aviation. He predicted metal cabin passenger planes flying 800 miles an hour at altitudes of 45,000 feet.

It is interesting to note that in August of this year (1961), 28 years later, a DC–8 jetliner went over 660 miles per hour at an altitude of 40,350 feet. This was the first transport to exceed the speed of sound.

At this same time Post also predicted a device would be invented to keep ice from forming on wings and that in the future, planes would be able to fly anywhere in the world in any kind of weather.

Wiley Post was known for his ability to navigate accurately when instruments failed. Even so, he always carried the latest instruments developed by the Army and industry, many for the first time. His cooperation on testing new equipment was well known.

Following his 1933 flight, Wiley Post decided to devote his time to high altitude research. He prepared man and plane for the rarefied air of the stratosphere.

First he developed a high altitude suit for the pilot. Post's idea was to employ a suit like a diver's which could be blown up with air or oxygen to the required pressure. A rubberized fabric suit was made for him by the Goodrich Tire & Rubber Co. It had an aluminum helmet.

Air would be pumped into the suit from the engine supercharger. At extreme altitudes an oxygen generator would be used to supply oxygen to the suit. A second tube wound around the engine before going into the suit and this provided the heat.

The motor of the plane and several parts had to be covered properly in order to function at height. Post had an altitude of 50,000 to 70,000 feet in mind when he prepared the suit and engine.

The plane was a standard design Lockheed, the *Winnie Mae*. Special gasoline was used to keep from boiling off. His Pratt & Whitney engine was supercharged. Post said the purpose of the high flights was because the speed of planes could be increased at the higher altitudes. He predicted transcontinental and transoceanic flights could be made at half the time by going high and using pressurized engine and cabin.

In the summer of 1934, the altitude record was 47,352 feet. Post wanted to beat this. He tested his suit and plane over Chicago in September of 1934. When he got to 40,000 feet the tubes got pinched on the suit and he came down. With this flight he became optimistic about the speed of the plane at this height and planned to enter air races using the high altitude route.

The first part of December 1934, Post was ready to try again in the *Winnie Mae*. He took off from Bartlesville, Okla., into the stratosphere. When he got to 32,700 feet the automatic release valve stuck on the suit. He decided to continue up and operated the valve by hand. He went to 51,000 feet to set a new world record. This record needed the approval of Washington authorities. The U.S. Bureau of Standards refused to certify his record.

Four days later Post went up again. As he got above 40,000 feet the altimeter froze. He continued to climb. From the top of his flight in eastern Oklahoma he could see Oklahoma City, the Great Salt Plains and other distant points. Because of this, his friends claimed he had gone to 55,000 feet that day.

It is interesting to note that the *Winnie Mae* was built to fly 150 miles per hour. By adding supercharging and flying at 30,000 or more feet, Post got this speed up to 340 miles per hour.

In 1935, Post twice tried to fly the continent in the substratosphere. On his second flight in June of 1935, the Science American magazine reported: "Post's flight again drew the attention of the public, the airplane constructors and mail operators to the possibilities of aviation in the stratosphere."

On this flight Post flew from Los Angeles to Cleveland, a distance of 2,044 miles, in 7 hours and 19 minutes, an unofficial world's record at that time. The flight added new laurels to Post's altitude suit. He tried four times in all, then went looking for a new plane. The famous *Winnie Mae* is now in the Smithsonian Institution.

Two months later Post set out for Alaska and Russia. He planned to lay out an airmail-passenger route between Alaska and Russia. Flying with him as a passenger was Will Rogers. On August 15, 1935, the plane crashed near Barrow, Alaska. The two Oklahomans went to their deaths together and today lie in Oklahoma soil.

Their contributions were so great that the world continues to remember. In Oklahoma City the two are again joined together in the naming of the two major airports. Before his death in 1934, Newsweek magazine said of Post: "Most fliers admit that Wiley Post is one of the world's greatest aviators."

No man did more than Wiley Post in marking out new and untried paths in the air, in breaking down previously admitted limitations, and in researching of the stratosphere. Despite his greatness, the world could have expected even larger accomplishments. His passing was a loss to civilization.

SUPPLEMENTAL APPROPRIATIONS FOR 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate may proceed to the consideration of the supplemental appropriation bill for 1962 today.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana?

Mr. PROUTY. Mr. President, reserving the right to object, I say to my distinguished friend from Montana that as of now I feel compelled to object. I may change my mind, and explain my reasons, later in the afternoon.

Mr. MANSFIELD. Mr. President, the Senator is perfectly within his rights, and those rights will be respected.

PRESIDENT SHOULD VETO MEXICAN LABOR BILL

Mr. PROXMIRE. Mr. President, I call attention to the concluding paragraph in the New York Times editorial appraising this session of Congress:

We regret the passage of the Mexican fair labor bill without adequate minimum wage safeguards. We hope President Kennedy will act appropriately in this manner by vetoing this unwise and unfair piece of legislation.

Mr. President, I wholeheartedly concur in this plea by the New York Times for a veto of the Mexican farm labor bill.

WILLIAM LOEB, PUBLISHER, MANCHESTER UNION LEADER

Mr. DIRKSEN. Mr. President, because of the necessary absence of both Senators from the State of New Hampshire, I ask unanimous consent that an article in the National Review for September 23, 1961, written by Holmes Alexander and William F. Rickenbacker, which concerns William Loeb, publisher of the Union Leader of Manchester, N.H., be printed in the RECORD.

Mr. PROUTY. Mr. President, I had intended to ask consent to place in the RECORD the same article which has been presented by the distinguished minority leader. In view of the fact that he has asked that the article be printed in the RECORD I shall not do so.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SO SHALL YE BE JUDGED

(By Holmes Alexander and William F. Rickenbacker)

Since 1946, William Loeb has been publisher of the Manchester (N.H.) Union Leader, which has prospered under an editorial policy that is not only conservative but also witheringly direct, and honest. William Loeb fears not the mighty, not even when the mighty happens to be a Federal judge on the first circuit court.

Back in 1950, Loeb blasted the Dover group, a collection of prominent Bostonians including Charles Wyzanski, advocating the settlement of the Korean war on the Communists' terms. Not long afterward, Loeb attacked Wyzanski for acting as a character witness for Alger Hiss. In late 1956 and early 1957, Loeb severely criticized Wyzanski, as chairman of the board of overseers of Harvard, for permitting J. Robert Oppenheimer to give the William James lectures. And about the same time, Loeb hit Wyzanski again, for running the same act on a different stage: for Oppenheimer spoke at Exeter, of which Wyzanski was then a trustee.

In the autumn of 1957, Loeb was approached with the proposal that he found a competing newspaper in Haverhill, Mass. In the course of time he did establish the paper, but he ran into the organized opposition of 32 New England newspaper barons, who banded together to run him out of Haverhill. Loeb filed an antitrust suit. A countersuit under the antitrust laws was filed against him. Before long (March 1959) Loeb found himself in court facing his old friend, Judge Charles Wyzanski.

Wyzanski offered to disqualify himself, saying, "I know there has been some Manchester newspaper which has been in the business of attacking me from time to time, and I don't know whether it is the plaintiff or not. I am quite immune from any bias with respect to it because I don't even read this stuff, but I think I ought to say to you that I know that somebody has been doing it, and maybe it is this plaintiff. If this plaintiff regards me as in any way biased, I wish the plaintiff would say so." (Point in rhetoric: Is a man unbiased if he refers to material he hasn't read as "this stuff"?)

Acting with the innate chivalry that is a root of his nature, Loeb grandly declined the judge's offer. The case then proceeded, Wyzanski presiding, until late in 1960. At that point Wyzanski, in connection with another case, undertook a one-man investigation of Massachusetts politics. Issuing regular as well as criminal subpenas, Wyzanski finally caught a big fish: William Callahan, a chairman of the State throughway authority. While Wyzanski was off hunting for evidence of corruption, Loeb's reportorial staff was reminded of an earlier connection between Judge Wyzanski and his present quarry. After considerable research they turned up a story that made banner headlines.

EARLIER HISTORY

Some years earlier, while Callahan had been chairman of the department of public works, the State had seized, exercising the right of eminent domain, some property belonging to Wyzanski and his family. Callahan had got up a board of appraisers and had ruled that landowners could refuse the offer made by the appraisers only by going to court. In practice, anyone actually prepared to go to court received a settlement of about a thousand dollars more than the original appraiser's amount, to avoid the cost of litigation. But there was an exception.

Wyzanski, it appears, complained vociferously that the appraisers hadn't offered him enough. A trial date was set, but then before trial, Wyzanski received a settlement of many thousands of dollars more than the original price. Loeb's reporters could find no other case of a large out-of-court settlement. After the story hit the wire service, Wyzanski flew into court and filed with the clerk a detailed memorandum on his land dealings with the man he had recently subpenaed. The case hallooed across the headlines in Boston, and Loeb's paper, of course, ran a whole series of articles on the situation.

By April of 1961, the odor from Wyzanski's court had reached Washington. Majority Leader JOHN MCCORMACK, of Massachusetts, entered the discussion of Federal judgeships with an interesting anecdote about Wyzanski. "It happens," said MCCORMACK, "that I have a nephew who is attorney general of the Commonwealth of Massachusetts. Not so long ago, a Federal judge in Boston threatened him with contempt of court in the performance of his official duties. * * * I am going to confine myself to this issue alone," said MCCORMACK, "even though there are other instances of Wyzanski's highhandedness. Here is a copy of the Boston Globe of October 19, 1960. It was only 2 weeks before the election—a poor time for any judge to inject himself into the issues of a political campaign—whether he be a Republican or a Democrat. At that time, my nephew was protecting the interests of the cities and towns of the Commonwealth of Massachusetts. This particular judge misconstrued a statement by my nephew and this judge from the bench publicly stated that he might adjudge the attorney general of the Commonwealth of Massachusetts in contempt of court—or words to that effect.

"The judge even went further than that. He even stated from the bench, and I will quote the words directly from the newspaper: 'I am not myself quite aware why the Attorney General of the United States chose to further the ambitions of the attorney general of Massachusetts who is a Democrat.' Can you imagine that? What happened? My nephew and a few other attorneys general representing the attorneys general of the United States some months prior to that had a conference with Assistant Attorney General Bicks. * * * Now let me go a little step further and I will quote from this newspaper article again: 'Any statements issued about this case were no doubt given out for political purposes and whoever issued such a statement may well be in contempt of court.' This is not an isolated case I am talking about."

JUDGE AS POLITICIAN

Congressman BURKE exploded in sympathetic detonation, and described his own victimization at his honor's hand. "He not only injected himself into the affairs of the attorney general of Massachusetts," said BURKE, "but he also injected himself in the congressional fight in my district, tried to smear my good reputation, and made remarks uncalled for, subjected me to a vitriolic attack, and unfair attack that I could not answer. * * *

"This particular judge, time and time again, has threatened attorneys and members of the Massachusetts bar who had the courage to appear before his court, has threatened them with citations of contempt, has impugned their motives, has besmirched their integrity and honesty; and he has developed such a condition that I would say 85 percent of the attorneys, members of the Massachusetts bar, are fearful to appear in his court. * * * When a judge orders the issuance of a criminal summons 4 days before an election, when all the circumstances called for was the issuance of a regular witness summons, and tries to create the impression in the minds of the people of a Congressman's district that the Congressman was a defendant and not a witness, I say that he has abused his authority, he has violated civil rights, he has violated every decent principle that we can have in our courts; he has violated the code of decency of the court. * * * I question his activities that day; the remarks he made from the bench were entirely uncalled for. If ever a judge was subject to censure it was this particular judge, because he abused all the privileges of his position, all the authority vested in him by the U.S. Government when he tried to inject himself into that congressional fight. * * * This judge has acted in the role of a politician trying to influence the

electorate by his intemperate and unfair statements from the bench. His activities on the bench are certainly open to question. The Federal bench is no place for a tyrant or a despot. He is ill mannered, discourteous, uncivil, rude, injudicious, and overbearing. He lacks balance."

EMANUEL CELLER, chairman of the House Judiciary Committee, testified as a character witness in reverse: "Often the overrighteous can do much evil. This particular judge is overly righteous. He is bold, he is brilliant, but most arbitrary. He thinks he is the be-all and end-all of wisdom. His views cannot be questioned. He is sort of a judicial panjandrum and, therefore, never hesitates to act as judge, prosecutor, and jury, all rolled into one. In a trice, he will on occasion convert his court into a U.S. attorney's office, or something not unlike a grand jury. Numerous complaints have reached me as chairman of the Committee on the Judiciary concerning this judge's unusual and untoward conduct."

And CELLER quoted from a decision by the U.S. court of appeals in Boston—a decision that amounts to a formal accusation of misconduct on the part of Judge Wyzanski: "Naturally witnesses can and should be required to explain the words they use. It is hardly necessary, however, to do so with ridicule or caustic criticism, or repeatedly to check a witness' use of words in reasonably common use by reference to the Oxford English Dictionary, or to require strict adherence to the rules of grammar. The bench is not an appropriate rostrum from which to teach the niceties of English grammar and usage. * * * While performance by the trial judge of his function, indeed duty, to see that the truth is elicited ordinarily requires clarifying questions from the bench, and maybe on occasion sharp warnings, it is not his function or duty to take the conduct of a case away from counsel."

After being visited with so voluminous a barrage in the CONGRESSIONAL RECORD, Wyzanski came off his high horse—but just for a moment. He asked Attorney General McCormack, the majority leader's nephew, to attend a public hearing concerning some asphalt companies. At the hearing, Wyzanski actually apologized to McCormack for having threatened him with contempt of court. He also said that in view of the hullaballoo (our word: it's not in the judge's OED) about the asphalt case, he would withdraw from it. But then he went on to express himself in pointed terms about the case of William Loeb from which he announced he would not withdraw.

Loeb's attorneys made a formal motion proposing that Wyzanski withdraw. Wyzanski refused. They went to the court of appeals, but the court upheld Wyzanski, principally on the grounds that he only sounded prejudiced, but wasn't really. At this moment Loeb is trying to get a stay of process from one of the Justices of the Supreme Court.

So here is the great big liberal Charles Wyzanski, conducting his court with a highhandedness which, if it had been Senator McCarthy doing it in his committee room, would have caused Wyzanski to turn off all the lights of Harvard and say, "We've had it," and quietly expire. On top of that, he is determined to judge the man who has now completely exasperated him. "It is just as well that justice is blind," said EMANUEL CELLER in his résumé, "she might not like some of the things done in her name by Judge Wyzanski."

FEED GRAIN PROGRAM GETS A HOLE IN ONE

Mr. KEATING. Mr. President, the Associated Press reports that a golf course in Blair, Nebr., has taken 14 acres out of farmland and used it for fairways. In so doing, the club has qualified for payments under the new emergency feed grain program. The club already has received $228.20.

This new incident is just another in a series of unfortunate events.. The feed grain program has been terrifically expensive, and it has not cut down production, which was what it was intended to do. It has been a miserable failure.

I am happy for the citizens of Blair, Nebr. They will receive what I am sure is welcome Federal assistance to promote outdoor recreation in their community. In fact, I am a little disturbed that the citizens of Blair are going to have to pay out of their own pockets for such things as flags, tees, cups, and markers. Perhaps we should have been a little more farsighted. When we enacted the feed grain program, we might have included a provision for additional payments to see to it that when land is taken out of production there will be no hardship on the golfing public.

If an effort is made to continue the feed grain program next year, and I certainly hope no such effort is made, it would very likely be appropriate for the Congress to devise language to see to it that other sports receive equal treatment.

ANTITRUST LAWS MUST BE FAIRLY ENFORCED

Mr. KEATING. Mr. President, recently two situations have come to my attention which raise some question as to whether the Federal Trade Commission is carrying out its duties in a completely evenhanded manner. In each situation, according to my information, the Commission initiated proceedings against individual members of an industry because of practices which were industrywide in character.

I have always supported vigorous enforcement of the antitrust laws and other unfair trade practice legislation. It is essential to the health and vigor of the economic community to strike down monopolistic and restrictive practices wherever they appear. But fairness is an important ingredient of every governmental action, and it is particularly essential in the enforcement of the antitrust laws to make certain that nothing is ever done unwittingly to impair competition.

Earl Kintner, during his service as Chairman of the FTC, was well aware of these considerations. In a speech to the antitrust law section of the New York State Bar Association in January he made the following observation:

> Also, the Commission has too long lacked another important dimension in any concept of fairness. Under the current program we have taken some steps to prevent the unfairness that results when a single company is singled out for attention in a whole industry that is rife with violations. With the broad powers entrusted to us by the Congress there is no reason why we should not proceed simultaneously on an industrywide front where necessary.

The cases which have come to my attention strongly suggest that former Chairman Kintner's sage advice is not being sufficiently heeded. In each case, the Commission has proceeded against one company even though the charges against that company could be leveled against virtually the whole industry. The Commission can do grave damage to competition by putting one company under restraint while permitting the practices involved to continue unabated in the industry generally. I do not believe that an intelligent antitrust program can be developed on the basis of which file is processed first by the Commission's staff, which is the only justification given for such piecemeal efforts.

I make these observations in a constructive spirit in order to call attention to a tendency which may be developing thoughtlessly to proceed in this inequitable manner. I will refrain from mentioning any names or even suggesting the industries to which this information relates since I do not want ever to influence the Commission's disposition on the merits of any actual case. I have also learned from experience that it is never wise to draw firm conclusions after hearing only one side of an argument. If my information is correct, however, then certainly the Commission should reconsider its enforcement policies in this respect.

AID TO EDUCATION

Mr. KEATING. Mr. President, one of the biggest controversies which the Congress faced this year was over the President's program for Federal aid to education. Although the issue of legislation to put into effect a new and sweeping program of overall aid to primary and secondary schools is dead at the moment, it is going to be a continuing topic for thought, debate, and attention.

I should like to include, following my remarks in the RECORD, an analysis presented in the Tablet, the well-known Catholic weekly newspaper in Brooklyn, by Don Zirkel, the news editor of the Tablet. It is certainly true, as the article points out, that if no legislation assisting private schools is passed, and if no provision is included to permit a court test, then it will be impossible ever to have a Supreme Court determination of the constitutionality of various kinds of Federal aid to private, religiously oriented institutions.

The point that is made about the GI bill of rights, and other scholarships that do not discriminate on the basis of religion is also a valid one that I think deserves much more careful consideration.

Mr. President, I ask unanimous consent to include following my remarks in the RECORD this article by Don Zirkel.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there objection to the request of the Senator from New York?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN FEDERAL AID DEBATE—AN ANSWER TO SENATOR MORSE

(By Don Zirkel)

Although the people he describes as "private school advocates" will find plenty with which to disagree, Senator WAYNE L. MORSE, Democrat, of Oregon, deserves credit for his

attempt to air out the controversy over Federal aid to education.

In an August 22 speech which occupies 33 pages (including reprints of news articles and editorials) in the CONGRESSIONAL RECORD, Senator MORSE discussed the position of the private school advocates and particularly a statement released that day by Cardinal Spellman.

MORAL RIGHT DENIED

The current debate between the cardinal and the Senator began August 14, in Independence Hall, Philadelphia. Mr. MORSE said the private school advocates (and they include highly influential churchmen such as Cardinal Spellman) have no moral right to use whatever political power they may have in an attempt to block passage of a public school bill.

In the cardinal's answer (Tablet, Aug. 26) he said, "Reluctantly I reply to his charges because he singled me out by name among the Catholic leaders whose position he attacked."

He declared, "It is our conviction that the administration's proposal, put into legislative form by Senator MORSE, is actually if not intentionally discriminatory, unwittingly anti-Catholic, and indirectly subversive of all private education."

In his August 22 rebuttal, Senator MORSE began as follows:

"I wish to make it clear that I speak with the greatest of respect when I express sincere differences with His Eminence the cardinal. We are dealing now with a temporal subject. I say, most respectfully, as I would if I were disagreeing with a Protestant clergyman, that when a wearer of the cloth enters the field of temporal issues he should be treated on the same footing with all others."

In the national Federal aid debate, no one—the cardinal least of all—has suggested that his statements be assigned any value not intrinsic to the facts and logic presented. Sincere people on both sides agree the controversy cannot be settled on an emotional, but only on an intellectual, basis.

It is interesting, however, that on August 22 Senator MORSE wanted the cardinal treated as an equal because it is a temporal subject.

That's an improvement. His Eminence made out worse when it was a moral subject, on August 14; at that time the Senator was denying private school advocates the moral right to exercise their citizenship.

FRIEND TURNED AGAINST US?

In answer to Cardinal Spellman's declaration that "it is disappointing that now an old friend has turned against us," Senator MORSE cited his position over the years and asked:

"Does the record that I have thus far disclosed indicate that I am actually, if not intentionally, discriminatory, unwittingly anti-Catholic, and indirectly subversive of all private education?"

That charge was never made, of course. But he was concerned that some might misread the cardinal's statement. Stranger things have happened.

The Senator told the cardinal:

"I want him to know that, in my judgment, he does not have a better friend, as proven by the record, for aid to private schools within the constitutional limits that bind him, than the senior Senator from Oregon."

MORSE SUPPORTS LOANS

Mr. MORSE was sponsor of the amendment to offer construction loans to private schools in the 1960 Federal aid bill. Both the amendment and the bill were defeated.

In an eloquent address on February 4 of that year, he said:

"I feel that I must express a very deep concern over the failure of the bill to consider the needs of all of American education.

"The private schools are in serious financial straits, too, and we must not forget that fact when we deal with proposed legislation to raise and improve education standards in America.

"The problems of the private schools affect the democratic rights of our citizens. For example, the ability of parents to finance the kind of education they wish for their children could be destroyed. In fact, the very existence of nonpublic schools could be destroyed.

"The legislation we enact to aid education, then, should not be punitive nor should it place an intolerable burden upon any group. The legislation we enact should be designed with the needs of all of the schools in mind, public and nonpublic, if we are really to improve our education system.

"The fact is that the nonpublic schools perform a remarkable service to the Nation in the share of the cost of education they bear. Today 15 percent of all the children enrolled in elementary and secondary schools are in private schools.

"I have been heard many times to draw the illustration of what we could expect if by some wave of the hand all the private elementary and secondary schools now in operation could be caused to disappear, so that all the youngsters attending them today were compelled to show up tomorrow morning at the public schools to continue their education.

"To add 5 million more would put an additional burden upon the States, school districts, and the Federal Government that is staggering to the imagination."

During that speech, the Senator inserted in the CONGRESSIONAL RECORD a letter from the Unitarian Fellowship for Social Justice, which opposed the amendment on the grounds that it violated separation of church and state.

It is interesting that he described it as a "group of very sincere and dedicated people." There is no record that he alleged they have no moral right to use their political power, no record that he charged them with causing a potential revival of religious quarrels, no record that he pleaded with them to modify their course; these three steps he reserved for the private school advocates.

CHALLENGE TO CARDINAL

In his latest speech, Mr. MORSE said:

"I particularly call to the attention of the cardinal the position I took on February 4, 1960, and I challenge him to find the slightest deviation in the record of the senior Senator from Oregon in respect to his continued support of a loan bill for private schools."

The challenge is easily answered, not with a slight but with a major deviation.

In 1960, the Senator wanted all American children treated in the same bill. In 1961, he wants the nonpublic school children barred from the major Federal aid bill and treated in a second bill. At this very moment he is supporting a public-schools-only bill although he knows there is no chance for passage of any aid to school in private schools.

It is this second-class treatment in a second bill that private school advocates oppose.

In 1961 they could well adopt Senator MORSE's 1960 statement:

"I feel that I must express a very deep concern over the failure of the bill to consider the needs of all of American education. The legislation we enact should be designed with the needs of all of the schools in mind, public and nonpublic, if we are really to improve our education system."

WHAT ABOUT GRANTS?

But the debate is not merely over loans, as the Senator agrees, but also over grants. He asserts:

"The very emotional, volatile issue in this country in regard to the application of the first amendment of the Constitution to Federal aid to education legislation for private schools will not be settled until there is a final Supreme Court decision on the subject matter."

Before private school advocates maintain that some freedom is being denied them, he says, "we need a Court ruling that grants to private schools, elementary and secondary, are constitutional."

But, without benefit of such a Court ruling he continues: "If what the cardinal means is that I ought to provide for legislation which will give grants for private schools, as S. 1021 provides grants for public schools, my reply to him is, 'The first amendment stands in the way.'"

Obviously, there can be no such Court ruling on the constitutionality of grants unless a bill is passed on which the Court may rule.

Senator MORSE's opposition to such a bill means, in effect, his opposition to a Court ruling on the subject.

Private school advocates have proposed that, if Federal aid is necessary, consideration be given to grants to all American pupils, for application at the school of their choice.

Such legislation has precedent in the GI bill and the scholarships for congressional and Supreme Court pages.

SUGGESTION TO SENATOR

Inasmuch as it could provide the constitutional test Senator MORSE understandably wants, his endorsement of such legislation would prove his claim to the cardinal that "he does not have a better friend, in my judgment, as proven by the record, for aid to private schools within the constitutional limits that bind him, than the senior Senator from Oregon."

WOODROW WILSON FELLOWSHIP—MARIA SODJA

Mr. LAUSCHE. Mr. President, I rise to describe the great achievements which can come through perseverance. Several days ago I wrote a letter to a recipient of a Woodrow Wilson fellowship. The addressee was Maria Sodja of Cleveland, Ohio. She answered my letter of congratulations as follows:

SEPTEMBER 21, 1961.

MY DEAR SENATOR LAUSCHE: Your letter congratulating me on the Woodrow Wilson fellowship has been a great honor and joy to me. I am certainly proud of having been appointed a Woodrow Wilson fellow, and will be most happy if thus I will have a good influence on my fellow students.

I was pleasantly surprised at your observation that I am the only awardee with a Slovene background. It was this personal note, I feel, that invited me to write to you. Not only am I of a Slovene background, but a Slovenian who, with my mother, three brothers and a sister, came to United States 7 years ago, a refugee from Communist Yugoslavia, to be reunited with my father after a 10-year separation. My father, an electro- and hydro-engineer, an editor and a director of Slovenian democratic newspaper in Yugoslavia, had been arrested by Gestapo during the war, and taken to a German concentration camp. After the war he stayed in Austria and worked for the United States, where he arrived 2 years before the rest of the family. Since his arrival he has been employed as an electrician.

Seven years ago none but my father spoke English. Presently we are all U.S. citizens. My youngest brother is senior in high school, one brother is sophomore at Case Institute of Technology, and my sister is a college senior majoring in chemistry. My oldest brother has just departed to Aachen, Germany, as a Fulbright scholar to do graduate work in the field of architectural engineering.

I will spend this academic year at Bryn Mawr Graduate School studying Greek and Latin. The education of us children is certainly enabled by greatest sacrifices of my dear mother and father. It would be difficult to express the deep gratitude we feel toward all who have in any manner assisted us on our way. But I am looking forward to the time when I can utilize the knowledge I will have gained both in my own research and in teaching, and thus extend the good to others.

Pardon me, please, if I have taken freedom in writing to you; I felt encouraged by your attention. If ever chance will bring it that I make your acquaintance, it certainly would be a great honor for me.

Respectfully yours,

MARIA SODJA.

Mr. President, I think in the story told by Maria Sodja we have what is nearly a saga. Seven years ago this family, as refugees from Communist Yugoslavia, came to the United States. Not a single member of the family spoke English. Today the young brother is a senior in high school. One boy is a sophomore at Case Institute of Technology. A sister is in college majoring in chemistry. Her oldest brother has gone to Aachen, Germany, as a Fulbright scholar. The writer of the letter—the girl herself—is studying Greek and Latin at Bryn Mawr Graduate School. It is not monumental and ornamental buildings or the material richness of schools that produce success. What produces success is a determination to study. This family has exhibited what can be done with an effort, and perseverance in the midst of economic difficulties, to achieve an education in the United States.

THE ROLE OF THE DRUG INDUSTRY IN PROTECTING AMERICAN PUBLIC HEALTH

Mr. WILEY. Mr. President, the Antitrust and Monopoly Subcommittee is planning to resume its hearings, dealing with the drug industry, in the next few days. These hearings are designed to evaluate the legislative proposals contained in several bills introduced by the chairman of the subcommittee, the Senator from Tennessee [Mr. KEFAUVER], and others.

The provisions of these bills relate to the question of patents over new drug inventions. These bills deal further with stronger Federal controls over the safety and efficacy of drugs. The subcommittee will hear from representatives of several governmental agencies. The subcommittee will hear also from representatives of the pharmaceutical industry. In examining the need for new legislation I believe that we must fully examine the past record of the drug industry and its role in American health and in the American economy.

Recently, when the Antitrust and Monopoly Subcommittee published its report based on 2 years of hearings into the affairs of the drug industry, I felt it incumbent upon myself to present a factual evaluation of the pros and cons in this area. I believe that in looking into the need for legislative changes, as they may pertain to the drug industry, we must take stock of the economics, the public need, the patent laws, and the antitrust laws which have pertained to this area in years past. We must be careful lest in our zeal for the reform of the drug industry we come up with a remedy which is worse than the disease which it is designed to cure.

I believe that the individual views prepared by me concerning the drug industry raise some of the basic questions applicable to new legislation in this area. Consequently, I ask unanimous consent that my views as they appeared in the drug report be printed in the CONGRESSIONAL RECORD at this point of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DRUG INDUSTRY—INDIVIDUAL VIEWS OF SENATOR ALEXANDER WILEY

After more than 2 years of investigations and hearings, the Senate Antitrust and Monopoly Subcommittee has produced its report on the drug industry. This is part of the series of subcommittee reports dealing with administered prices. It is noteworthy that while the report analyzes most carefully the various aspects and practices of pharmaceutical research, production, promotion, and sales—it nowhere concludes that these practices are in any way in violation of either the letter or the spirit of our antitrust and monopoly laws. Indeed, all of part I of this report—as clearly indicated by its title—deals with "The Reasonableness of Price." Upon reading of the report it becomes evident that the subcommittee's criticisms of the drug industry are leveled not at clearly defined legal violations but at a more flexible concept of reasonableness, which is subject to different interpretations and coloring depending on the interpreter's point of view.

Our Federal antitrust laws are not generally concerned with the question of price reasonableness. The belief is inherent in our free enterprise philosophy that prices are best adjusted and determined by the free operation of the forces of supply and demand in the marketplace. It is only when these forces are unreasonably restricted by monopolistic practices that the Government must step in. Consequently, the real question before this subcommittee at all times must be the factual determination as to the existence of illegal restraints of trade—not the speculation as to whether prices are reasonable or unreasonable. It is obvious that once we undertake to substitute Government judgment of what is reasonable or unreasonable for the free play of prices in the marketplace—the final product would be a general Government price-fixing program.

This is not to say that the situation in the drug industry requires no public or governmental scrutiny. It has been argued that the drug industry derived a higher rate of return on its investment than other American industries. It has been argued that the pharmaceutical companies have at times exaggerated in their claims for the therapeutic value of certain drugs. It has been argued that the drug companies have spent an unreasonable portion of their budgets in order to indoctrinate doctors so that they would prescribe high-priced trademarked products. It has been argued that the patent provisions and the licensing agreements among drug manufacturers produced concentration of production and power in the hands of a few large manufacturers.

I shall endeavor later to respond in part to these arguments, not in order to protect the drug industry, but in an effort to set the record straight. But be this as it may, let me emphasize it again that it is part of a free enterprise system to permit differences in income and profit, to allow free use of advertising and promotion, and to leave business management to those responsible for it—as long as the public welfare is not directly and immediately threatened. Indeed, it is part of our democratic system that individuals and companies be permitted to try, to experiment and even to make mistakes. It is our belief that it is this opportunity to experiment that is the core of democracy and the true reason for its success. Otherwise, we are destined to follow the example of the totalitarian governments which prescribe to everybody what to do, what to worship, what to produce, and at what prices to sell.

Yet economic freedom is not a license to act contrary to the public interest or to be free from public scrutiny. Governmental scrutiny and reevaluation of the activities of all segments of the population, including business, is an important tool to preserve the national interests. Even the most prominent exponent of free enterprise, Adam Smith, stated in his writings: "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices." I do not share this extreme suspicion of business—which has been evidenced in many of the documents of this subcommittee. Still, there is often a tendency, on the part of both individuals and of business, to become preoccupied with their own point of view and their own narrow outlook in a manner which is contrary to the best public interest.

I believe that it is the function of the Government, on behalf of the general public, to act as a constant overseer making certain that special interests do not predominate, and that the general welfare is protected. Consequently, I believe that the recent investigation of the drug industry, despite some serious faults, has performed an important public function in making the industry reevaluate its responsibility to the public, in making the public aware of both the accomplishments and the shortcomings of this industry, and in giving Congress an opportunity to examine the need for new legislation. Indeed, any unbiased observer will concede that the investigation of the drug industry has resulted not merely in criticisms but has also provided the industry with an opportunity to convey to the public a picture of its important contribution to American health and welfare.

Reading the conclusions contained in this report on the drug industry, I am not certain that they contain an unbiased evaluation of the economic facts of the pharmaceutical industry and I feel it incumbent upon myself to comment on several issues which I believe have been either completely overlooked or else have been improperly emphasized in the majority views.

THE ROLE OF PROFITS IN THE GROWTH OF THE AMERICAN PHARMACEUTICAL INDUSTRY

The growth of the American pharmaceutical industry in recent years has been phenomenal and required tremendous capital outlays. It is easy, in our search for lower prices, to accuse the drug industry of unconscionable profits and to demand government controls. But it must be remembered that the Soviet Union, in which the profit motive does not exist and in which the drug industry is completely regulated, produced no single new drug since the Communist revolution. It must be remembered also that the drug industry is a fairly young industry in this country, and that it has taken large fortunes to build it to the point of its present prominence.

From 1939 to 1958 the American pharmaceutical industry's production grew eightfold. In 1939 the total value of phamaceutical preparations produced in this country was $386 million. In 1958 it amounted to $2,591 million. In order to keep up with

the increasing medical needs of the country, to develop better products and to make more drugs available to an increasing population—the drug industry needed new plants, new research facilities, and new capital. It is the drug industry's success story that provided the necessary capital for the industry's growth.

Before the second world war we exported only $10 million worth of drugs a year, and we imported over $20 million worth. We now export more than $284 million worth of drug products a year. Between 1939 and 1958 there has been a tremendous increase of 2,800 percent in drug exports. At the same time the exports of manufactured goods generally only doubled. Thus, while competition from other countries has curtailed the expansion of our exports, our drug exports have been constantly increasing. Why is this so? Primarily because our drug industry is advanced and progress-minded and can compete in any market.

The drug industry story is a success story. But success cannot be accomplished through miracles. Unless the drug industry was given an opportunity to reap the harvests of its successes and to invest large portions of it in the development of its facilities and its research, this phenomenal success would not have been possible.

In a period of mere years we became the leading pharmaceutical manufacturers of the world. It was the profit motive which stirred the pharmaceutical industry into further research and growth. It was the profit made by this industry and which was plowed back into it that provided the capital for improvement and growth. Without the profit motive and without the profits being reinvested in the industry—the state of the American pharmaceutical industry today would not be what it is.

True, some may feel that medical research and medical expansion should be subsidized by the Government—but that would also spell out the end of our economic liberty.

In assessing whether the prices of the pharmaceutical industry have been excessive, one must remember that this is a high-risk industry, which in 1958, for example, had to test some 14,000 substances before it could produce a mere 40 marketable drugs. This is a high obsolescence industry, where one product can have almost 99 percent of the market one year and be reduced to a mere 3 percent 2 years later. It must also be remembered that while wages increased 70 percent between 1948 and 1958, and construction costs increased 64 percent, the increase in the wholesale drug price was 3 percent only.

MONOPOLISTIC TENDENCIES IN THE DRUG INDUSTRY

In analyzing the competitive situation in the drug manufacturing field, it must be pointed out from the outset that more than 1,300 companies are engaged in the manufacturing of prescription drugs—with no one company accounting for as much as 10 percent of the total sales. This is a field where new drugs may, in a matter of a few years, completely replace drugs which were widely used previously. This is a field where different drugs can be prescribed to take care of a particular medical need—and the final choice is left to the treating physician, as to whether he prescribes one particular drug over another, or whether he chooses the drug of one company over the drug of another.

It is true that new drugs are controlled by the companies responsible for their invention, development, and production. Yet, this is part of the American philosophy which recognizes that the inventor is entitled to the fruits of his invention. This is the philosophy incorporated in our patent and trademark system.

It has been argued before the subcommittee that the pharmaceutical industry has overstressed trademarks and has followed restrictive licensing practices—thus, in fact, monopolizing the market. It has been proposed further, that prescriptions by generic name, rather than by trademark name would provide the patient an opportunity to buy a cheaper product rather than be limited to the trademarked prescription issued to him.

It is appropriate, therefore, that we remember that by undertaking to do away with trademarks and patents—we would be interfering with the very foundations of our economic system. Trademarks are, indeed, major tools in the promotion of quality, and of competitive economic enterprise. It is noteworthy that while the subcommittee has under consideration the possibility of either eliminating or curtailing the use of trademarks in the drug industry—the Communists, on the other hand, are beginning to appreciate the merits of the trademark. A recent dispatch from Red China tells that "Brand names win Peiping backing—labels, many in English, aid bid to improve products." The story reported by Reuters from Peiping (New York Times, June 4, 1961) states that "Communist China has become brand-name conscious, with newspapers supporting the trend in an effort to improve the quality of consumer products."

On the topic of tradenames, I should like also to call attention to recent British attitudes and thinking. The British Hinchcliffe Committee on the Cost of Prescribing, has concerned itself with problems similar to those before this committee. One of the proposals before that committee was that standard drugs rather than trademarked products, should be prescribed, as a means of reducing prices. It is interesting that the two pharmacist members of the British committee then proceeded to point out that if the practice was spread to do away with prescriptions by brands, and cheaper unbranded generic products were to be generally used—the British drug industry would be unable to recoup its expenditure on research, and Britain will become dependent on foreign countries for new advances in treatment. The same argument would hold true in this country. There will be no motivation for the drug companies to expend large amounts of money on research and development unless the industry is guaranteed patent and trademark protection in order to recoup its investments.

CONCLUSION

I have been in the past, and I still remain critical of the manner in which some of the drug hearings, on which this report is based, were conducted. Likewise, I should like to stress that some of the cures that have been suggested for dealing with the drug evils—real or illusory—are sufficiently drastic to kill not only this particular patient but the whole concept of free enterprise.

Yet, at the same time, the response of the press and the public to this investigation indicates that there is some concern and dissatisfaction with the past practices of the drug industry. We shall be erring seriously if we ignore this.

The essence of the main complaint against the drug industry was the fact of the industry's success. But we must now ask ourselves: Is it a crime to be successful in an economy that believes in free enterprise? After all, one of the major aims of our economy is to encourage success, to promise success to those who enrich society by new discoveries, by improved methods of production and by the use of their genius. Let us not be in too much of a hurry to sacrifice this time-tested economic philosophy. Quite often, in our hurry to correct immediate and present ills we are too ready to sacrifice some of our basic philosophies. Many of the previous congressional investigations have illustrated this danger. Much too often both the public and its representatives unwittingly undertake to accomplish a desired immediate result through the sacrifice of some longstanding principles of government and economics—such principles as government of law and the belief in economic freedom. Yet, we must remember that it was not through price controls and planned economy that this country achieved an economy of plenty and a position of world leadership.

This report is critical of the patent policies applicable to new drugs. It is critical, furthermore, of the industry's use of trade names.

Patents have long been utilized in order to encourage the American creative genius. If we eliminate the incentives under the present patent provisions—would we be doing away with our present motivation for search, exploration, and discovery?

In the matter of trademarked drugs, let us likewise be cautious before we substitute Government controls for the professional judgment of trained physicians. To decide by Government fiat that drugs must be prescribed by generic name and thus deny the physician the right to prescribe a brand-named product manufactured by a pharmaceutical house known and trusted by him—may well be destructive to the traditional doctor-patient relationship.

Bearing in mind the dangers of undue interference with our economic system, I do not mean to relieve the drug industry of its responsibilities in this area. As long as thousands of people in this country—old, indigent, and sick—remain unable to pay the high price of drugs, it is the drug industry's moral responsibility—and indeed the moral responsibility of all others connected with the health and welfare of the Nation—to continue in their efforts to make medical care and attention available to all those that desire them—regardless of wealth and position. We all believe in free enterprise, but free enterprise does not mean selfishness. To me it means public cooperation, widespread moral responsibility and constant striving for private and public improvements.

Let us remember, in conclusion, that our philosophy and system of economic freedom are not designed to protect the rights of the few, but to foster the interests of the many. The most leading proponent of economic freedom, Adam Smith, stated: "Consumption is the sole end and purpose of all production." Let us remember that economic freedom is justified only as a tool for improving the interests of the public at large.

INSURANCE AND THE AMERICAN WAY OF LIFE

Mr. WILEY. Mr. President, the Senate Antitrust and Monopoly Subcommittee has been studying the subject of insurance regulation since 1958. Only recently the subcommittee published its report. I felt incumbent upon myself to append to it my own individual views, because it was my feeling that several extremely important matters were not given their due consideration in the majority report.

I am very much concerned with the problems of American insurance. The insurance industry is a multibillion dollar business in the United States. Indeed, the whole American economy and the American way of life are very much dependent on the service rendered by the insurance industry.

These are days of search for security all over the world. Communism is proposing to guarantee to those under its domain security from the cradle to the grave. And for this security the people under Communist rule have to pay a very

high premium. This premium is high not only in terms of money, but also in terms of curtailed personal liberties, such as the right to change employment, to elect freely ones own representatives, to worship, and go about in a free manner.

In this free country of ours, the security superimposed by dictatorial authority in the Soviet Union is available to the people in a different manner, through their own free choice. People are able to go out and purchase this kind of security and peace of mind from a great variety of insurance companies and insurance policies that are made available to us.

In this age of search for security, it is most important, therefore, that the company selling this type of security to our citizens conform to the highest standards and make their services available to the people most effectively and most cheaply.

In the recent individual views which I attached to the Antitrust and Monopoly Subcommittee report I dealt with some of the important problems facing American insurance at this time.

An analysis of my comments appeared in the United States Investor of August 21, 1961. I ask unanimous consent that this article be printed at this point of my remarks in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR WILEY TAKES A CRITICAL LOOK AT TWO VITAL SPOTS IN STATE REGULATION OF INSURANCE—HIS VIEWS APPENDED TO SENATE SUBCOMMITTEE REPORT HAVE GREAT SIGNIFICANCE

(By Roger Kenney)

About 3 years ago when the Senate subcommittee's investigation of State regulation of the insurance business was still very young, we took occasion in these columns (December 20, 1958) to warn both the insurance commissioners and members of the insurance fraternity against the dangers in assuming that the investigation was floundering—"fishing for an issue to make the headlines," as many of our friends in these groups were inclined to describe the situation. Driving home our message, we cited the possibility of extensive hearings on the matter of bureau control of rates and rating practice—the focal point of which was all too likely to be whether bureau rates should be considered as paramount by the commissioners in exercising their rate-approval powers. In the same vein, we called attention to the hearing on aviation insurance which had only then been completed and ventured the opinion that these hearings might well serve as a springboard from which to launch a searching inquiry into the broad subject of unlicensed operations by interlopers from across the water in the American market.

The subsequent history of the Senate subcommittee investigation shows only too well how accurate these prophesies were. For, now you can find pages upon pages of testimony in the record on the role played by such organizations as the New York Fire Insurance Rating Organization, the National Board of Fire Underwriters and the Inter-Regional Insurance Conference in the making of rates and their attitude toward deviations and independent filings. The same holds true of the inquiry into the operations of unlicensed organizations from across the water in the American insurance market which, be it remembered, assumed such importance and magnitude as to bring to our shores none other than the then chairman of Lloyd's, Anthony C. Grover, to present Lloyd's side of the story.

Now comes still another event serving to justify our warning of 3 years ago about the dangers in assuming that the investigation was floundering and likely to prove to be a dud. We refer to the fact that Senator ALEXANDER WILEY, Republican, of Wisconsin, a minority member of the Senate Subcommittee on Antitrust and Monopoly, has seen fit to append to the report of the subcommittee his own views on insurance rates, rating organizations and State regulation wherein he chides the majority for "lack of a critical evaluation of whether the present rating system fully encourages competition and speedy progress in the insurance business" and for failure to include in both reports of the hearings any mention of the surplus lines problem which he regards as "pressing and requires immediate attention."

But let the Senator speak for himself. Here is the full text of his report:

VIEWS OF SENATOR WILEY

"The Antitrust and Monopoly Subcommittee's report dealing with the insurance business undertakes to examine a question which is certainly due for evaluation—the effectiveness of State regulation of insurance and the need or lack of need for Federal controls. Following the 1944 Supreme Court decision in the South-Eastern Underwriters case, which declared that the insurance business was subject to Federal jurisdiction and that therefore the antitrust laws were applicable to it, Public Law 15, of the 79th Congress, was enacted in order to restore the power of the States to regulate insurance. This law, also known as the McCarran-Ferguson Act, encouraged the States to assume the responsibility of regulating the insurance business, but provided that to the extent that the States fail to do so, the Federal antitrust provisions should become applicable. It is obvious, therefore, that it is the duty of Congress to ascertain from time to time whether or not the State controls are effective and whether Federal supervision may be needed.

"The subcommittee hearings dealt in great detail with the methods presently utilized by the States in the regulation of the insurance companies. The report, furthermore, goes into the ratemaking practices utilized by the several States. The report deals with the role of national and regional advisory organizations in the determination of insurance rates. The report is concerned with the role of rating bureaus and describes the procedures utilized for deviation from such rates. All this is covered in great detail, and indeed in much too great a detail. But what remains lacking is a critical evaluation of whether the present system fully encourages competition and speedy progress in the insurance business.

"All in all, I agree with the general conclusions drawn from this investigation both by the majority and the minority Senators. It is obvious from these hearings that no support for Federal regulation was found in any of the groups representing important segments of the industry. It is clear, furthermore, that the continued regulation of insurance by the individual States is in the public interest. Also, I agree that in order to spur competition, mandatory rating bureau memberships and uniform rates should be done away with as contrary to the public interest.

"THE ROLE OF RATE SUPERVISION

"Yet, completely apart from the issue of State versus Federal controls, I am surprised at the report's completely uncritical acceptance of State rate supervision as the major tool for protecting and promoting the public interest, to the neglect of the capital and reserve requirements. There has been testimony that the present concern of the State supervisory agencies for the rate structures may possibly be a preoccupation resulting in unnecessary rate uniformity and inflexibility. It may, furthermore, be responsible for the inability of American companies to compete, in certain cases, with foreign insurance companies. The following exchange between the subcommittee counsel and one of the witnesses illustrates this point:

" 'Mr. MCHUGH. Did these laws make it difficult, or impossible in some cases, for the American companies that were admitted and licensed to freely compete?

" 'Mr. HOPPS. In some cases it actually made it impossible because the basic of the law would give to the commissioner and his deputies the right to determine the adequacy of rate or inadequacy of rate.

" 'It is a very difficult thing, indeed, to prove that you should be reducing rates when you have had no experience on that, except your own judgment.

" 'Since the experience was all compiled by associations and not broken down the way you would like, it takes some time to persuade the various departments on commissions and on rates.

" 'During that time, very frequently the ship has sailed, and the business has gone to a nonadmitted market' (the insurance industry, hearings before the Subcommittee on Antitrust and Monopoly, pt. 10, May 26, 1960, p. 5845).

"Naturally, it is important in the public interest to make certain that the insurance companies upon which the public relies for its security are operated in a fashion which protects the insurance buyer. Still, a survey of insurance companies which have failed in recent years indicates that the common cause for default is not inadequate rates but improper capital and reserve requirements. Possibly more attention should be centered in the future upon the capitalization and reserve requirements and the reinsurance contracts of insurance companies—leaving insurance rates more to individual determination and adjustment. If the emphasis is shifted accordingly, we may be able to continue to safeguard the interests of the insurance-buying public while providing at the same time for more rate competition—so that insurance may become available on more competitive terms.

"THE QUESTIONING OF LLOYD'S CHAIRMAN

"It should be noted in this connection that the successful British insurance industry is supervised through capital requirements rather than through State rate supervision. The following questioning, directed to Anthony C. Grover, chairman of Lloyd's of London, by my counsel on the subcommittee illustrates this point:

" 'Mr. KITTRIE. Do you feel that we are proceeding properly or are we really proceeding with a mistaken notion by being all concerned with rates and not nearly concerned with the soundness of the companies. If we could make certain that the companies licensed in this country are sound, would we have to be as concerned with rates and adherence to rates?

" 'Mr. GROVER. I am only expressing my personal opinion when I give an answer to that question, but I think we do feel that it is far more important to establish the solvency behind a company than to lay down a pattern of rates at which certain business may be written.

" 'I think that is perhaps the main difference between our operations on our side of the Atlantic and yours.

" 'Mr. KITTRIE. Actually, having a system where rates are officially established and it is very difficult to change them does seem to interfere with competition, doesn't it?

" 'Mr. GROVER. I think it does, yes,' (Hearings before the Subcommittee on Antitrust and Monopoly, June 17, 1960, pt. 10, p. 6010.)

"SURPLUS LINE INSURANCE

"I wish to call attention to one further inadequacy in this report. This second subcommittee report which resulted from the insurance investigation, and which deals with rates and State rate regulation, appears, in fact, to conclude the present legislative review of this important business. Consequently, I feel it is imperative that I call attention to one phase of the insurance business which both the first and second subcommittee reports neglected to mention: this being the subject of surplus line insurance—a line of insurance in which the American public interest may be most directly and immediately threatened.

"Indeed, part 10 of the subcommittee hearings deals with the operations of surplus line foreign companies. These hearings lasted 6 days and cover more than 300 pages of testimony. Yet, the final report of the subcommittee fails altogether to refer to this subject. It is my own feeling, however, that the problems involved in the operation of the foreign surplus line insurance companies in the United States are rather pressing and requires immediate attention.

"Before the series of hearings on surplus line companies was commenced, I stated on the floor of the Senate, on February 11, 1960, as follows:

"UNFAIR COMPETITION

" 'In the United States insurance has become a central institution in both our economic and social life. Insurance provides us peace of mind. Unfortunately, the future of our insurance industry and the security of American investors are now being jeopardized by unfair competition from foreign insurance organizations.

" 'Currently, there is evidence to indicate that the foreign insurance operations—in some instances—engage in unfair competition with U.S. companies. For example: Such companies are not always subject to the high standards required of domestic companies; they sometimes may operate at a loss to get into U.S. markets; instances have been uncovered in which such companies had little or no assets to back up their policies.'

"As a specific illustration, a recent editorial in the American Medical Association News, under the heading 'Shocking Discovery,' states that many U.S. physicians may be forced to use their life savings to satisfy malpractice claims because of the failure of a British insurance company. These M.D.'s purchased malpractice insurance which they believed was covered 100 percent by Lloyd's of London, stalwart giant of the world insurance fraternities. Recently, they were shocked to learn that the policies were underwritten by a group of participating British companies—both small and large, and that Lloyd's had only partial interest in this. One of the underwriters was the British Commercial Insurance Co. which closed its doors in September 1959. In some cases British Commercial held as much as 80 percent of the coverage.

"The impact of this shocking discovery was felt recently by an American surgeon who had to pay $10,000 out of his own savings in settling a malpractice action. Over the Nation some 11,000 physicians are known to have carried such policies from 1953 to 1956.

"The American Medical Association News' editorial suggests that Lloyd's and other British insurance companies absorb the assets and liabilities of British Commercial. The cost, they say, would be infinitesimal compared to the loss in prestige and faith which is bound to occur if the British insurance carriers do nothing.

"But whether Lloyd's undertake such action or not—it is our duty as legislators to look beyond the facts of this one case.

"There has also been evidence of insurance companies operating out of Tangiers—which turned out to be totally irresponsible.

"Recognizing the adverse impact such operations could have on American interests, I believe that further State and Federal action—including efforts by the Antitrust and Monopoly Subcommittee toward taking a new look at the situation is necessary to see what can properly be done to protect not only the U.S. insurance companies but the American purchaser of policies."

INEFFECTIVENESS OF PRESENT CONTROLS

During the hearings of the Subcommittee on Antitrust and Monopoly that followed, extensive evidence was produced to show the ineffectiveness of the present controls over foreign surplus line insurance companies. These companies which are chartered and licensed overseas are not, in most cases, admitted legally to do business in the United States. They do not need to comply with the insurance standards established by the several States. If one State finally proceeds against such foreign company, the latter is able to shift its operations to another State and nothing is to prevent it from moving on to such newer and greener territories. (Hearings before the Subcommittee on Antitrust and Monopoly, May 26, 1960, pt. 10, p. 5906.)

These foreign surplus line companies sell insurance only to a limited number of insurance-wise purchasers who are unable to purchase coverage from local companies. Evidence was produced that in some instances these foreign companies sold deposit insurance to a great number of savings and loan companies and thus offered protection—or lack of it—to hundreds of thousands of small American depositors. (Hearings before the Subcommittee on Antitrust and Monopoly, May 25, 1960, pt. 10, p. 5789.)

Some of these foreign surplus line companies had only fictional assets, fictional directors, fictional headquarters, and nothing to back up their guarantees. The depositors in these savings and loan companies were led to believe that they were being protected by the fact that their deposits were being insured. Yet, such insurance was, indeed, a fiction.

PUBLIC NOT ADEQUATELY PROTECTED

Testimony was also produced to show that once one of these foreign companies was put under receivership and was prohibited from doing business in California—but there was nothing to prevent it from continuing its operation in other States. Our public has not been adequately protected in the purchase of surplus line insurance. One of the witnesses before the subcommittee testified that the losses to the American public from the operation of nonsubstantial foreign companies that did not comply with our insurance standards amounted to some $6 million in the last 10 years. (Hearings before the Subcommittee on Antitrust and Monopoly, May 26, 1960, pt. 10, p. 5893.)

Naturally, not all of the foreign surplus line insurance companies are irresponsible. Lloyd's of London has a long tradition of honorable and responsible business in this country. They furthermore established a trust fund in this country to make certain that their obligations are met. But this is not always the case with the other surplus line companies—some of which seem to have been organized specifically for the purpose of exploiting the American market.

NOTHING ACCOMPLISHED TO DATE

Subsequent to the subcommittee hearings last year, a movement seemed underway among the State insurance commissioners to prepare legislation designed to deal with foreign surplus line companies, but nothing was accomplished to date. I do not believe that this vacuum can be left open for a long time. As a recent article in the United States Investor states:

"For some years now, we have been saying not only in these columns but on the public platform that the insurance business of this country cannot continue to exist half slave and half free of rigid regulation. And by that, of course, we have had reference to the absurd and intolerable conditions of affairs arising out of the fact that unlicensed surplus lines' writers from across the water are permitted to roam our insurance markets almost at will, picking up choice risks pretty much at their own price and under their own forms—with hardly a restraining word from State or Federal authorities. This, mind you, in face of the fact that our duly licensed companies must adhere to the regulatory laws and practices in the States where they operate—a requirement which hobbles them in any attempt they make to secure their share of these 'unusual' and attractive large risks in the industrial and mercantile and other fields." (Kenney, "Opponents of Legislative Action on Surplus Line Now in Tight Squeeze, United States Investor," p. 53, July 3, 1961.)

The responsibility rests with the several States to provide the insurance buyer and the American insurance companies with adequate protection. It certainly would be unfortunate if the lack of action on the part of the States would create a demand for Federal controls.

A STRONG REPORT

Any way you look at it, the above is a very strong report. And it has very great significance, having been written by a minority member of the Senate subcommittee who, after careful study of the testimony, finds himself in the position of having to criticize the authors of the reports for failure to make full and proper use of the facts laid out before them in two very important areas of State regulation.

As we see the situation now, the insurance commissioners have been put on due notice that regulation of surplus lines must reach far beyond the mere guiding principles stage if intrusion by the Federal Government is to be avoided. What's more, judging from the fact that Senator WILEY had some very strong feelings on unlicensed operators from across the water even before the Senate subcommittee hearings opened, and judging also from the fact that he seems deeply disturbed because neither the first nor second subcommittee report mentions the subject of surplus lines insurance, he is not likely to permit the question of proper regulation to become a dead issue from this standpoint of either the Senate subcommittee or the insurance commissioners.

And please note that the Senator deftly ties the question whether rigid rate regulation is a fitting substitute for regulation for solvency to the surplus lines problem in saying that the former may be responsible for the inability of American companies to compete with foreign insurance companies. By so doing, he has marked out a strategy which could have a very decided and favorable effect not only upon the fortunes of the District of Columbia bill providing for the filing and immediate use of rates but also upon the movement sponsored by a powerful segment of the industry looking toward the elimination of prior approval of rates by the commissioners.

That's our way of saying that regulation for solvency has received substantial help from unexpected sources in Washington. And for this turn of events the commissioners have only themselves to blame because of their persistent failure to face up to the surplus lines regulatory problem.

PRESIDENT KENNEDY'S SPEECH BEFORE THE U.N.

Mr. MONRONEY. Mr. President, only a few moments ago I heard President Kennedy address the United Nations. In my judgment, his was the greatest speech that has ever been delivered before the United Nations.

Commenting upon the conflicts of our time, in a statesmanlike manner, the President clearly reflected the determination of the United States to defend the freedoms of all people, but he also reflected our willingness to negotiate and to try, within a framework of peace, to bring about solutions in the troubled areas of the world.

I was greatly impressed by his eloquence and the beauty of his language, which I believe compared favorably with his great inaugural address, which won him worldwide acclaim.

He pinpointed the efforts that we, as a former colonial nation, have made to help bring freedom to areas of the world which for centuries have been ruled by the few that have exploited them. He emphasized the record of 43 nations which we have supported in gaining independence.

He forcefully contrasted this with the type of colonialism under which nearly one-third of the world's people behind the Iron Curtain are now suffering through the denial of the right of self-determination.

If the representatives in the United Nations have the eyes to see the crisis that we face, the ears to hear the plea for peace—but also the determination of the free world that the right of freedom cannot be denied anyone under the threat of duress or war—and the hearts to believe America's policy as announced and enunciated in the United Nations today; if those representatives in the United Nations can hear that clarion call and find in their hearts the determination to make the United Nations what its founders hoped it would be, President Kennedy's speech will go down in history and be long remembered.

Mr. COOPER. Mr. President, I join in the sentiment expressed by the distinguished Senator from Oklahoma [Mr. MONRONEY]. I have just heard the speech of the President of the United States before the General Assembly of the U.N. broadcast by radio.

The Congress can bring its influence to bear upon our foreign policy, as can the people of our country. But at last, it is the President of the United States who speaks for our country.

As I listened to the President today, I thought he spoke for our country in its finest tradition, in its adherence to the principle of self-determination for all peoples—and devotion to freedom principles which have guided our country throughout its life.

Today the President laid before the United Nations in proper perspective the problem of Berlin. As he said, it was not the place or the time to speak of the problem of Berlin in immoderate terms. Yet he told the General Assembly what they must know—that the Berlin crisis is not of our making, but a crisis made by the Soviet Union.

He expressed the willingness to negotiate with the Soviet Union if negotiations can be conducted honorably, and if there is an equal willingness on the part of the Soviet Union to actually negotiate. But he emphasized our determination when he said that the United States possesses both the will and the weapons to stand for its commitments there and everywhere else. I think it was necessary to make it clear that while the United States seeks honorable agreements, we stand united to fight, if necessary, for our security and freedom. Our policy of self-determination coincides with that of all free nations throughout the world—and this should be recognized by the members of the United Nations.

I shall not say anything else today except that the President pointed in broad scope the possibility for a more effective United Nations, and the policies of our country toward the United Nations, and world issues, which should bind us with free countries throughout the world.

The President spoke eloquently, and as I listened today, I thought that he expressed the convictions of the people of the United States.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Oklahoma [Mr. MONRONEY] and the distinguished Senator from Kentucky [Mr. COOPER] in what they have said relative to the magnificent and statesmanlike address of the President of the United States to the United Nations.

It was one of the outstanding speeches of our generation. I hope that the membership of the U.N. will take to heart what President Kennedy said, and act accordingly. I hope they will stand up not only for the rights of the United Nations, but will also stand up for their own rights, because the two, for most of the nations of the world, are inextricably bound together.

I ask unanimous consent that the President's address may be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FOLLOWING IS THE TEXT OF THE PRESIDENT'S ADDRESS TO THE UNITED NATIONS, DELIVERED AT 11:30 A.M., EASTERN DAYLIGHT TIME, SEPTEMBER 25, 1961, NEW YORK CITY

Mr. President, honored delegates, ladies and gentlemen, we meet in an hour of grief and challenge. Dag Hammarskjold is dead. But the United Nations lives. His tragedy is deep in our hearts, but the task for which he died is at the top of our agenda. A noble servant of peace is gone. But the quest for peace lies before us.

The problem is not the death of one man—the problem is the life of this Organization. It will either grow to meet the challenge of our age or it will be gone with the wind, without influence, without force, without respect. Were we to let it die, to enfeeble its vigor, to cripple its powers, we would condemn the future.

For in the development of this Organization rests the only true alternative to war and war appeals no longer as a rational alternative. Unconditional war can no longer lead to unconditional victory. It can no longer serve to settle disputes. It can no longer concern the great powers alone. For a nuclear disaster, spread by winds and waters and fear, could well engulf the great and the small, the rich and the poor, the committed and the uncommitted alike. Mankind must put an end to war—or war will put an end to mankind.

So let us here resolve that Dag Hammarskjold did not live, or die, in vain. Let us call a truce to terror. Let us invoke the blessings of peace. And, as we build an international capacity to keep peace, let us join in dismantling the national capacity to wage war.

II

This will require new strength and new roles for the United Nations. For disarmament without checks is but a shadow—and a community without law is but a shell. Already the United Nations has become both the measure and the vehicle of man's most generous impulses. Already it has provided—in the Middle East, in Asia, in Africa this year in the Congo, a means of holding violence within bounds.

But the great question which confronted this body in 1945 is still before us—whether man's cherished hopes for progress and peace are to be destroyed by terror and disruption—whether the "foul winds of war" can be tamed in time to free the cooling winds of reason—and whether the pledges of our charter are ot be fulfilled or defied: pledges to secure peace, progress, human rights and world law.

In this hall, there are not three forces, but two. One is composed of those who are trying to build the kind of world described in articles I and II of the charter. The other, seeking a far different world, would undermine this organization in the process.

Today of all days our dedication to the charter must be maintained. It must be strengthened, first of all, by the selection of an outstanding civil servant to carry forward the responsibilities of the Secretary General—a man endowed with both the wisdom and the power to make meaningful the moral force of the world community. The late Secretary General nurtured and sharpened the United Nations obligation to act. But he did not invent it. It was there in the charter. It is still there in the charter.

However difficult it may be to fill Mr. Hammarskjold's place, it can better be filled by one man rather than by three. Even the three horses of the troika did not have three drivers, all going in different directions. They had only one—and so must the United Nations executive. To install a triumvirate, or any rotating authority, in the United Nations administrative offices would replace order with anarchy, action with paralysis, and confidence with confusion.

The Secretary General, in a very real sense, is the servant of the General Assembly. Diminish his authority and you diminish the authority of the only body where all nations, regardless of power, are equal and sovereign. Until all the powerful are just, the weak will be secure only in the strength of this Assembly.

Effective and independent executive action is not the same question as balanced representation. In view of the enormous change in membership in this body since its founding, the American delegation will join in any effort for the prompt review and revision of the composition of United Nations bodies.

But to give this organization three drivers—to permit each great power to decide its own case—would entrench the cold war in the headquarters of peace. Whatever advantages such a plan may hold out to my own country, as one of the great powers, we reject it. For we far prefer world law, in the age of self-determination, to world war, in the age of mass extermination.

III

Today, every inhabitant of this planet must contemplate the day when this planet may no longer be habitable. Every man, woman, and child lives under a nuclear sword of Damocles, hanging by the slenderest of threads, capable of being cut at any moment by accident or miscalculation or by madness. The weapons of war must be abolished before they abolish us.

Men no longer debate whether armaments are a symptom or a cause of tension. The mere existence of modern weapons—10 million times more powerful than anything the world has ever seen, and only minutes away from any target on earth—is a source of horror, and discord and distrust. Men no longer maintain that disarmament must await the settlement of all disputes—for disarmament must be a part of any permanent settlement. And men may no longer pretend that the quest for disarmament is a sign of weakness—for in a spiraling arms race, a nation's security may well be shrinking even as its arms increase.

For 15 years this Organization has sought the reduction and destruction of arms. Now that goal is no longer a dream—it is a practical matter of life or death. The risks inherent in disarmament pale in comparison to the risks inherent in an unlimited arms race.

It is in this spirit that the recent Belgrade Conference—recognizing that this is no longer a Soviet problem or an American problem, but a human problem—endorsed a program of "general, complete, and strictly an internationally controlled disarmament." It is in this same spirit that we in the United States have labored this year, with a new urgency, and with a new, now statutory agency fully endorsed by the Congress, to find an approach to disarmament which would be so far reaching yet realistic, so mutually balanced and beneficial, that it could be accepted by every nation. And it is in this spirit that we have presented with the agreement of the Soviet Union—under the label both nations now accept of "general and complete disarmament"—a new statement of newly agreed principles for negotiation.

But we are well aware that all issues of principle are not settled—and that principles alone are not enough. It is therefore our intention to challenge the Soviet Union, not to an arms race, but to a peace race—to advance together step by step, stage by stage, until general and complete disarmament has been achieved. We invite them now to go beyond agreement in principle to reach agreement on actual plans.

The program to be presented to this Assembly—for general and complete disarmament under effective international control—moves to bridge the gap between those who insist on a gradual approach and those who talk only of the final and total achievement. It would create machinery to keep the peace as it destroys the machines of war. It would proceed through balanced and safeguarded stages designed to give no state a military advantage over another. It would place the final responsibility for verification and control where it belongs—not with the big powers alone, not with one's adversary or one's self—but in an international organization within the framework of the United Nations. It would assure that indispensable condition of disarmament—true inspection—and apply it in stages proportionate to the stage of disarmament. It would cover delivery systems as well as weapons. It would ultimately halt their production as well as their testing, their transfer as well as their possession. It would achieve, under the eye of an international disarmament organization, a steady reduction in forces, both nuclear and conventional, until it has abolished all armies and all weapons except those needed for internal order and a new United Nations peace force. And it starts that process now, today, even as the talks begin.

In short, general and complete disarmament must no longer be a slogan, used to resist the first steps. It is no longer to be a goal without means of achieving it, without means of verifying its progress, without means of keeping the peace. It is now a realistic plan, and a test—a test of those only willing to talk and a test of those willing to act.

Such a plan would not bring a world free from conflict or greed—but it would bring a world free from the terrors of mass destruction. It would not usher in the era of the superstate—but it would usher in an era in which no state could annihilate or be annihilated by another.

In 1945, this Nation proposed the Baruch plan to internationalize the atom before other nations even possessed the bomb or demilitarized their troops. We proposed with our allies the disarmament plan of 1951 while still at war in Korea. And we make our proposals today, while building up our defenses over Berlin, not because we are inconsistent or insincere or intimidated, but because we know the rights of freemen will prevail—because while we are compelled against our will to rearm, we look confidently beyond Berlin to the kind of disarmed world we all prefer.

I therefore propose, on the basis of this plan, that disarmament negotiations resume promptly, and continue without interruption until an entire program for general and complete disarmament has not only been agreed but has been actually achieved.

IV

The logical place to begin is a treaty assuring the end of nuclear tests of all kinds, in every environment, under workable controls. The United States and the United Kingdom have proposed such a treaty that is both reasonable, effective, and ready for signature. We are still prepared to sign that treaty today.

We also proposed a mutual ban on atmospheric testing, without inspection or controls, in order to save the human race from the poison of radioactive fallout. We regret that that offer was not accepted.

For 15 years we have sought to make the atom an instrument of peaceful growth rather than of war. But for 15 years our concessions have been matched by obstruction, our patience by intransigence. And the pleas of mankind for peace have met with disregard.

Finally, as the explosions of others beclouded the skies, my country was left with no alternative but to act in the interests of its own and the free world's security. We cannot endanger that security by refraining from testing while others improve their arsenals. Nor can we endanger it by another long, uninspected ban on testing. For 3 years we accepted those risks in our open society while seeking agreement on inspection. But this year, while we were negotiating in good faith in Geneva, others were secretly preparing new experiments in destruction.

Our tests are not polluting the atmosphere. Our deterrent weapons are guarded against accidental explosion or use. Our doctors and scientists stand ready to help any nation measure and meet the hazards to health which inevitably result from the tests in the atmosphere.

But to halt the spread of these terrible weapons, to halt the contamination of the air, to halt the spiraling nuclear arms race, we remain ready to seek new avenues of agreement, our new disarmament program thus includes the following proposals:

First, signing the test-ban treaty by all nations. This can be done now. Test-ban negotiations need not and should not await general disarmament.

Second, stopping the production of fissionable materials for use in weapons, and preventing their transfer to any nation now lacking in nuclear weapons.

Third, prohibiting the transfer of control over nuclear weapons to states that do not own them.

Fourth, keeping nuclear weapons from seeding new battlegrounds in outer space.

Fifth, gradually destroying existing nuclear weapons and converting their materials to peaceful uses; and

Finally, halting the unlimited testing and production of strategic nuclear delivery vehicles, and gradually destroying them as well.

V

To destroy arms, however, is not enough. We must create even as we destroy—creating worldwide law and law enforcement as we outlaw worldwide war and weapons. In the world we seek, the United Nations emergency forces which have been hastily assembled, uncertainly supplied, and inadequately financed will never be enough.

Therefore, the United States recommends that all member nations earmark special peace-keeping units in their armed forces—to be on call of the United Nations—to be specially trained and quickly available—and with advance provision for financial and logistic support.

In addition, the American delegation will suggest a series of steps to improve the United Nations machinery for the peaceful settlement of disputes—for on-the-spot fact-finding, mediation, and adjudication—for extending the rule of international law. For peace is not solely a matter of military or technical problems—it is primarily a problem of politics and people. And, unless man can match his strides in weaponry and technology with equal strides in social and political development, our great strength, like that of the dinosaur, will become incapable of proper control—and like the dinosaur vanish from the earth.

VI

As we extend the rule of law on earth, so must we also extend it to man's new domain: outer space.

All of us salute the brave cosmonauts of the Soviet Union. The new horizons of outer space must not be driven by the old, bitter concepts of imperialism and sovereign claims. The cold reaches of the universe must not become the new arena of an even colder war.

To this end, we shall urge proposals extending the United Nations Charter to the limits of man's exploration in the universe, reserving outer space for peaceful use, prohibiting weapons of mass destruction in space or on celestial bodies, and opening the mysteries and benefits of space to every nation. We shall further propose cooperative efforts between all nations in weather prediction and eventually in weather control. We shall propose, finally, a global system of communications satellites linking the whole world in telegraph and telephone and radio and television. The day need not be far away when such a system will televise the proceedings of this body to every corner of the world for the benefit of peace.

VII

But the mysteries of outer space must not divert our eyes or our energies from the harsh realities that face our fellow men. Political sovereignty is but a mockery without the means of meeting poverty and illiteracy and disease. Self-determination is but a slogan if the future holds no hope.

That is why my Nation—which has freely shared its capital and its technology to help others help themselves—now proposes officially designating this decade of the 1960's as the United Nations decade of development. Under the framework of that resolution, the United Nations existing efforts in

promoting economic growth can be expanded and coordinated. Regional surveys and training institutes can now pool the talents of many. New research, technical assistance and pilot projects can unlock the wealth of less developed lands and untapped waters. And development can become a cooperative and not a competitive enterprise—to enable all nations, however diverse in their systems and beliefs, to become in fact as well as in law, free and equal nations.

VIII

My country favors a world of free and equal states. We agree with those who say that colonialism is a key issue in this Assembly. But let the full facts of that issue be discussed in full.

On the one hand is the fact that, since the close of World War II, a worldwide declaration of independence has transformed nearly 1.9 million square miles into 42 free and independent states. Less than 2 percent of the world's population now lives in dependent territories.

I do not ignore the remaining problems of traditional colonialism which still confront this body. Those problems will be solved, with patience, good will, and determination. Within the limits of our responsibility in such matters, my country intends to be a participant and not merely an observer, in the peaceful, expeditious movement of nations from the status of colonies to the partnership of equals. That continuing tide of self-determination, which runs so strong, has our sympathy and our support.

But colonialism in its harshest forms is not only the exploitation of new nations by old, of dark skins by light—or the subjugation of the poor by the rich. My Nation was once a colony—and we know what colonialism means; the exploitation and subjugation of the weak by the powerful, of the many by the few, of the governed who have given no consent to be governed, whatever their continent, their class or their color and that is why there is no ignoring the fact that the tide of self-determination has not reached the Communist empire where a population far larger than that officially termed "dependent" lives under governments installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, and free elections, and free newspapers, and free books, and free trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every corner of the globe.

IX

Finally, as President of the United States, I consider it my duty to report to this Assembly on two threats to the peace which are not on your crowded agenda, but which causes us, and most of you, the deepest concern.

The first threat on which I wish to report is widely misunderstood: The smoldering coals of war in southeast Asia. South Vietnam is already under attack—sometimes by a single assassin, sometimes by a band of guerrillas, recently by full battalions. The peaceful borders of Burma, Cambodia, and India have been repeatedly violated. And the peaceful people of Laos are in danger of losing the independence they gained not so long ago.

No one can call these "wars of liberation." For these are free countries living under governments. Nor are these aggressions any less real because men are knifed in their homes and not shot in the fields of battle.

The very simple question confronting the world community is whether measures can be devised to protect the small and weak from such tactics. For if they are successful in Laos and South Vietnam, the gates will be opened wide.

The United States seeks for itself no base, no territory, no special position in this area of any kind. We support a truly neutral and independent Laos, its people free from outside interference, living at peace with themselves and with their neighbors, assured that their territory will not be used for attacks on others, and under a government comparable—as Mr. Khrushchev and I agreed at Vienna—to Cambodia and Burma.

But now the negotiations over Laos are reaching a crucial stage. The cease-fire is at best precarious. The rainy season is coming to an end. Lao territory is being used to infiltrate South Vietnam. The world community must recognize—all those who are involved—that this potent threat to Lao peace and freedom is indivisible from all other threats to their own.

Secondly, I wish to report to you on the crisis over Germany and Berlin. This is not the time or the place for immoderate tones, but the world community is entitled to know the very simple issues as we see them. If there is a crisis it is because an existing peace is under threat—because an existing island of free people is under pressure—because solemn agreements are being treated with indifference. Established international rights are being threatened with unilateral usurpation. Peaceful circulation has been interrupted by barbed wire and concrete blocks.

One recalls the order of the czar in Pushkin's Boris Godunov: "Take steps at this very hour that our frontiers be fenced in by barriers. That not a single soul pass o'er the border, that not a hare be able to run or a crow to fly."

It is absurd to allege that we are threatening a war merely to prevent the Soviet Union and East Germany from signing a so-called "treaty" of peace. The Western allies are not concerned with any paper arrangement the Soviets may wish to make with a regime of their own creation, on territory occupied by their own troops and governed by their own agents. No such action can affect either our rights or our responsibilities.

If there is a dangerous crisis in Berlin—and there is—it is because of threats against the vital interests and the deep commitments of the Western Powers, and the freedom of West Berlin. We cannot yield these interests. We cannot fail these commitments. We cannot surrender the freedom of these people for whom we are responsible. A "peace treaty" which carried with it the provisions which destroy the peace would be a fraud. A "free city" which was not genuinely free would suffocate freedom and would be an infamy.

For a city or a people to be truly free, they must have the secure right, without economic, political or police pressure, to make their own choice and to live their own lives. And as I have said before, if anyone doubts the extent to which our presence is desired by the people of West Berlin, we are ready to have that question submitted to a free vote in all Berlin and, if possible, among all the German people.

The elementary fact about this crisis is that it is unnecessary. The elementary tools for a peaceful settlement are to be found in the charter. Under its law, agreements are to be kept, unless changed by all those who made them. Established rights are to be respected. The political disposition of peoples should rest upon their own wishes, freely expressed in plebiscites or free elections. If there are legal problems, they can be solved by legal means. If there is a threat of force, it must be rejected. If there is desire for change, it must be a subject for negotiation and if there is negotiation, it must be rooted in mutual respect and concern for the rights of others.

The Western Powers have calmly resolved to defend, by whatever means are forced upon them, their obligations and their access to the free citizens of West Berlin and the self-determination of those citizens. This generation learned from bitter experience that either brandishing or yielding to threats can only lead to war. But firmness and reason can lead to the kind of peaceful solution in which my country profoundly believes.

We are committed to no rigid formula. We see no perfect solution. We recognize that troops and tanks can, for a time, keep a nation divided against its will, however unwise that policy may seem to us. But we believe a peaceful agreement is possible which protects the freedom of West Berlin and allied presence and access, while recognizing the historic and legitimate interests of others in assuring European security.

The possibilities of negotiation are now being explored; it is too early to report what the prospects may be. For our part, we would be glad to report at the appropriate time that a solution has been found. For there is no need for a crisis over Berlin, threatening the peace—and if those who created this crisis desire peace, there will be peace and freedom in Berlin.

X

The events and decisions of the next 10 months may well decide the fate of man for the next 10,000 years. There will be no avoiding those events. There will be no appeal from these decisions. And we in this hall shall be remembered either as part of the generation that turned this planet into a flaming funeral pyre or the generation that met its vow "to save succeeding generations from the scourge of war."

In the endeavor to meet that vow, I pledge you every effort this Nation possesses. I pledge you that we shall neither commit nor provoke aggression—that we shall neither flee nor invoke the threat of force—that we shall never negotiate out of fear, we shall never fear to negotiate.

Terror is not a new weapon. Throughout history it has been used by those who could not prevail, either by persuasion or example. But inevitably they fail—either because men are not afraid to die for a life worth living—or because the terrorists themselves came to realize that freemen cannot be frightened by threats, and that aggression would meet its own response. And it is in the light of that history that every nation today should know, be he friend or foe, that the United States has both the will and the weapons to join freemen in standing up to their responsibilities.

But I come here today to look across this world of threats to the world of peace. In that search we cannot expect any final triumph—for new problems will always arise. We cannot expect that all nations will adopt like systems—for conformity is the jailer of freedom, and the enemy of growth. Nor can we expect to reach our goal by contrivance, by fiat or even by the wishes of all.

But however close we sometimes seem to that dark and final abyss, let no man of peace and freedom despair. For he does not stand alone. If we all can persevere—if we can in every land and office look beyond our own shores and ambitions—then surely the age will dawn in which the strong are just and the weak secure and the peace preserved.

Ladies and gentlemen of this Assembly, the decision is ours. Never have the nations of the world had so much to lose—or so much to gain. Together we shall save our planet—or together we shall perish in its flames. Save it we can—and save it we must—and then shall we earn the eternal thanks of mankind and, as peacemakers, the eternal blessing of God.

ANNUAL AUDIT OF BRIDGE COMMISSIONS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1093, H.R. 8921.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8921) to provide for the annual audit of bridge commissions and authorities created by act of Congress for the filling of vacancies in the membership thereof, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments on page 4, line 8, after the word "Commerce", to strike out "shall" and insert "may", and on page 6, line 4, after the word "made", to insert "The Secretary of Commerce shall review such annual reports and audit reports submitted under section 1(b) of this Act and shall make recommendations to the Congress based upon such review, or take such other action as he may consider necessary, to effectuate the intent of the Congress as established by this Act or by the Act under which the individual bridge commission or authority was created."

Mr. MANSFIELD. Mr. President, the bill meets with the approval of both the minority and majority leadership. It was reported unanimously, I understand, by the Public Works Committee. I ask unanimous consent to insert at this point in the RECORD a statement on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 8921 is to establish standard procedures for an annual audit of the financial transaction of four bridge commissions and one bridge and causeway authority created by acts of Congress in accordance with procedures prescribed by the Governors of the States concerned and in accordance with generally accepted auditing standards. The services of the General Accounting Office with respect to advice and counsel are authorized. The audit shall be submitted to the Governors of the States concerned and to the Secretary of Commerce. If the audit report is not satisfactory, further audits are authorized at the discretion of the Governor of either the State concerned or the Secretary of Commerce. The bill further provides for the appointment, reappointment, and terms in office of the members and the filling of vacancies. Authority is granted by the bill for the transfer of the powers and duties of any of the bridge commissions or the authority to the highway department or other agencies of the State or States concerned or to joint agencies established by interstate compact or agreement, and upon such transfer the bridge commission or authority shall cease to exist, and authorizes State law-enforcement officers to enforce all provisions of the various acts of Congress creating bridge commissions and authorities. The bill also sets the amount of compensation for the members of the bridge commissions or authority and the amount of travel expenses. The provisions of H.R. 8921 apply only to the following bridge commissions and authority:

Arkansas-Mississippi Bridge Commission, Arkansas and Mississippi.

White County Bridge Commission, Illinois and Indiana.

City of Clinton Bridge Commission, Illinois and Iowa.

Muscatine Bridge Commission, Iowa and Illinois.

Sabine Lake Bridge and Causeway Authority, Texas and Louisiana.

GENERAL STATEMENT

This legislation was requested by the Secretary of Commerce on January 19, 1961, in compliance with the statement of the President on July 26, 1956, when he approved the Muscatine Bridge Commission Act, Public Law 811, 84th Congress, wherein he recommended that legislation be considered with respect to existing federally created bridge commissions to require that they be subject to uniform safeguards providing for an annual audit by competent authority, and for regular fixed conditions for filling commission vacancies.

The President pointed out that the construction and operation of interstate bridges traditionally has been a State rather than a Federal responsibility, and that the States appear to have ample authority to provide for the construction, maintenance, and operation of interstate bridges under the General Bridge Act of 1946 and the interstate compact procedure, without Federal legislation creating special commissions.

Furthermore, federally created bridge commissions present serious legal and administrative problems, in that they are quasi-public bodies, rather than true State or Federal agencies, and the responsibility of assuring that they faithfully carry out their public duties is not clearly and consistently that of a specified official or agency.

The proper administration of these commissions and authorities should primarily be a matter of concern to the States involved, yet the Federal Government, having created these bodies, has a continuing responsibility to insure such administration.

H.R. 8921, as amended, clearly indicates the areas of responsibility which should be assumed by the Federal Government and by the States with respect to future activities of bridge commissions and authorities created by acts of Congress and provides for establishment of adequate safeguards to assure that the intent of Congress in establishing these commissions will be carried out.

The bill is not all inclusive with respect to various interstate authorities, such as port authorities, and with respect to future commissions and authorities which may be established, as it was believed desirable to treat them in the authorizing legislation. The provisions of H.R. 8921 are limited to the four bridge commissions and the one authority which are now in existence as established by Federal law and previously enumerated.

The Senate passed a similar bill, S. 49, on June 12, 1961. The Committee on Public Works of the House of Representatives reported out, and the House passed H.R. 8921, which differed in certain respects from S. 49. Certain provisions included in the House bill were not discussed in the committee report on the bill.

AMENDMENTS

The committee recommends amendments to H.R. 8921 in two respects, as follows:

1. Amend the language with respect to expiration and appointment of members of the White County Bridge Commission, which places the members of that commission on a different basis than members of the other affected commissions. The Secretary could reappoint any or all of the present members of that commission that he feels are competent and qualified to continue to serve as members.

2. The committee believes that the annual review function to determine the effectiveness of the operations of the commissions should be retained in the Federal Government. It has proposed an amendment directing the Secretary of Commerce to review the annual recommendations to the Congress or take such other action as he may consider necessary, to assure that the intent of Congress is being carried out with respect to this act or the acts under which the individual bridge commissions or authorities were created. This amendment will require and insure careful study and purview of the annual reports and audit reports, with action thereon that may be found to be desirable. Such action could be removal of members for cause under the provisions of section 2(e), if the Secretary deemed advisable.

COMMITTEE RECOMMENDATIONS

The committee believes that H.R. 8921, as amended, would establish standard procedures for an audit of the various bridge commissions and authorities created by acts of Congress, establish uniform terms of office for members of such commissions and authorities, establish a fair and reasonable method for appointment or reappointment of competent and qualified members, would not perpetuate present members of the White County Bridge Commission in office, provides for the transfer of functions and property to State agencies, and authorize State law enforcement officers to enforce all provisions of this act and the various acts of Congress creating bridge commissions and authorities. It is the opinion of the committee that proper administration of such agencies should primarily be a matter of concern to the States involved, but that the Federal Government having created such bodies, has a continuing responsibility to insure proper, efficient, and economic administration.

The committee does not condone the apparent lax in operating procedures and improper use of tolls collected by the White County Bridge Commission. It believes that by proper administration and prudent expenditures and repairs the New Harmony Bridge can and should be made toll free within a short period of time, in the interest of the motoring public. The aim of the General Bridge Act of 1946, and all Federal acts authorizing construction of toll bridges, is that such bridges will be free of tolls as soon as the revenue bonds are retired. Evidence presented at the hearing showed that the revenue bonds of the New Harmony Bridge of the White County Bridge Commission have been paid off for 6 years, but the tolls thereon are still being charged. The committee hopes that the members of that commission appointed by the Secretary of Commerce will actively work toward eliminating the tolls from that bridge at an early date.

The committee is of the opinion that the rate of compensation for members of the commission or authorities should be established on a uniform basis for them all, and approves the rates set forth in the bill.

The committee further believes that the bill, as amended, will assist the bridge commissions in the sale of revenue bonds, and will provide adequate procedures under which the operations of the bridge commissions and authorities would be subject to periodic review by Federal and State officials to insure that the intent of Congress in establishing such commissions will be carried out, will avoid loose management procedures in the toll bridge operations by the affected commissions, and recommends enactment of this legislation.

EXISTING COMMISSIONS

The provisions of existing law with respect to the commissions and authority covered by the bill are as follows:

1. Arkansas-Mississippi Bridge Commission

(a) Act approved May 17, 1939.

(b) Location: Over Mississippi River at Helena, Ark.

(c) Six members of commission.

(d) All appointed by Secretary of Agriculture.

(e) Term of office: Without limitation.

(f) Compensation and expense: The members of the commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the commission but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600. The members of the commission shall also be entitled to receive traveling expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission.

2. White County Bridge Commission

(a) Act approved April 12, 1941.

(b) Location: Over Wabash River near New Harmony, Ind.-Carmi, Ill.

(c) Three members of commission.

(d) Appointed by Federal Works Administrator.

(e) Term of office: Without limitation.

(f) Compensation and expense: The members of the commission shall be entitled to compensation for their services, but the maximum compensation of the chairman in any year shall not exceed $1,200 and of each other member in any year shall not exceed $600. The members of the commission shall also be entitled to receive traveling expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission.

3. City of Clinton Bridge Commission

(a) Act approved December 21, 1944.

(b) Location: Over Mississippi River at Clinton, Iowa-Fulton, Ill.

(c) Seven members of commission, five from Clinton, one from Iowa State Highway Commission, and one from Illinois Division of Highways.

(d) The five commissioners from Clinton are appointed by the Federal Works Administrator; one from Iowa Highway Commission is appointed by Iowa Highway Commission; one from Illinois Division of Highways is appointed by Illinois Division of Highways.

(e) Term of office of the five Clinton members is 3 years. Term of office of the two State highway department members: Without limitation.

(f) Compensation and expense: The members of the commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the commission, but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600. The members of the commission shall also be entitled to receive traveling expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission.

4. Sabine Lake Bridge and Causeway Authority

(a) Act approved October 30, 1951.

(b) Location: Over Sabine Lake at or near Port Arthur, Tex., and a point opposite in Cameron Parish, La.

(c) Seven members of the authority.

(d) All member of the authority are ex officio members. They include the county judge, the county clerk, the commissioner of precinct No. 2, and the commissioner of precinct No. 3, all four of Jefferson County, Tex.; and the president of the police jury, the secretary of the police jury and ward No. 5 member of the police jury, all three of Cameron Parish, La.

(e) Compensation and expense: No member shall receive a salary for his services as member, but shall be paid his actual expenses not exceeding $25 per day for each day actually devoted to the performance of his duties hereunder.

5. Muscatine Bridge Commission

(a) Act approved July 26, 1956.

(b) Location: Over Mississippi River at Muscatine, Iowa.

(c) Seven members of commission. Five from Muscatine, one from the Iowa State Highway Commission, and one from Illinois Division of Highways.

(d) Each of the five members of the commission from Muscatine are appointed by the other six members of the commission. The member from the Iowa State Highway Commission is to be appointed by the Iowa State Highway Commission. The member from the Illinois Division of Highways is to be appointed by the Illinois Division of Highways.

(e) The term of office of the five Muscatine member is 5 years. The term of office of the two State highway department members is without limitation.

(f) Compensation and expense: The members of the commission shall be entitled to a per diem compensation for their services of $20 for each day actually spent in the business of the commission, but the maximum per diem compensation of the chairman in any one year shall not exceed $3,000, and the maximum annual per diem compensation of each other member shall not exceed $2,000. The members of the commission shall also be entitled to receive traveling expense allowance of 10 cents a mile, for each mile actually traveled on the business of the commission.

AGENCY COMMENTS

The comments of the interested Federal agencies on S. 49 are as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 31, 1961.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in reply to your request of January 10, 1961, for a report on S. 49, a bill to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes.

The bill is designed to provide for annual audit of federally created bridge commissions by competent authority and to fix conditions for filling commission vacancies. The Bureau of the Budget favors enactment of legislation to accomplish these purposes.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for
Legislative Reference.

Mr. DOUGLAS. Mr. President, may I ask for an explanation? Is it understood that the Secretary of Commerce has optional power to replace the present commissioners of White County with other commissioners?

Mr. MANSFIELD. I would have to get the full report to give an exact answer to the Senator, but that is my understanding. If it is not so understood, I of course will ask that this matter be reconsidered and brought to the attention of the Senator from Illinois.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8921) was read the third time and passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask that the nomination on the calendar be stated.

The PRESIDING OFFICER. The nomination on the calendar will be stated.

The legislative clerk read the nomination of Andrew J. Howard, Jr., to be associate judge of the municipal court for the District of Columbia for a term of 10 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I move that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of the confirmation of the nomination.

INTERNATIONAL TELECOMMUNICATION CONVENTION, GENEVA RADIO REGULATIONS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Executive Calendar Order No. 9, Executive J, 86th Congress, 2d session, the International Telecommunication Convention, with annexes, and the final protocol to the convention; and Executive Calendar Order No. 11, Executive I, 86th Congress, 2d session, Geneva Radio Regulations, with appendixes and an additional protocol; and that these two treaties be considered together and that one vote be taken on both but that two votes be recorded.

I do so on the basis of the fact that these treaties were reported unanimously by the Committee on Foreign Relations, and to the best of my knowledge there is no objection to either one.

Before the question is put I should like to notify the Senate that Calendar No. 10, Executive G, 87th Congress, 1st session, the Convention between the United States of America and Canada, signed at Washington, on February 17, 1961, will

not be considered this year, but will be put over until next year.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the Convention (Ex. J, 86th Cong., 2d sess.), the International Telecommunication Convention, with annexes, and the final protocol to the Convention, signed at Geneva on December 21, 1959, by the delegates of the United States of America and delegates of other countries represented at the Plenipotentiary Conference of the International Telecommunications Union, which was read the second time, as follows:

INTERNATIONAL TELECOMMUNICATION CONVENTION

PREAMBLE

[1] While fully recognizing the sovereign right of each country to regulate its telecommunication, the plenipotentiaries of the Contracting Governments, with the object facilitating relations and cooperation between the peoples by means of efficient telecommunication services, have agreed to conclude the following Convention.

[2] The countries and groups of territories which become parties to the present Convention constitute the International Telecommunication Union.

Chapter I. Composition, functions and structure of the Union

Article 1. Composition of the Union

[3] 1. The International Telecommunication Union shall comprise Members and Associate Members.

[4] 2. A Member of the Union shall be:

(a) any country or group of territories listed in annex 1 upon signature and ratification of, or accession to, this Convention, by it or on its behalf;

[5] (b) any country, not listed in annex 1, which becomes a Member of the United Nations and which accedes to this Convention in accordance with article 18;

[6] (c) any sovereign country, not listed in annex 1 and not a Member of the United Nations, which applies for Membership in the Union and which, after having secured approval of such application by two-thirds of the Members of the Union, accedes to this Convention in accordance with article 18.

[7] 3. An Associate Member of the Union shall be:

(a) Any country, territory or group of territories listed in annex 2 upon signature and ratification of, or accession to, this Convention, by it or on its behalf;

[8] (b) any country which has not become a Member of the Union in accordance with 6 to 8 by acceding to this Convention in accordance with article 18, after its application for Associate Membership has received approval by a majority of the Members of the Union;

[9] (c) any territory or group of territories, not fully responsible for the conduct of its international relations, on behalf of which a Member of the Union has signed and ratified or acceded to this Convention in accordance with article 18 or 19, provided that its application for Associate Membership is sponsored by such Member, after the application has received approval by a majority of the Members of the Union;

[10] (d) any trust territory on behalf of which the United Nations has acceded to this Convention in accordance with article 20, and the application of which for Associate Membership has been sponsored by the United Nations.

[11] 4. If any territory or group of territories, forming part of a group of territories constituting a Member of the Union, becomes or has become an Associate Member of the Union in accordance with 7 and 9, its rights and obligations under this Convention shall be those of an Associate Member only.

[12] 5. For the purposes of 6, 8 and 9, if an application for Membership or Associate Membership is made, by diplomatic channel and through the intermediary of the country of the seat of the Union, during the interval between two plenipotentiary conferences, the Secretary-General shall consult the Members of the Union; a Member shall be deemed to have abstained if it has not replied within four months after its opinion has been requested.

Article 2. Rights and Obligations of Members and Associate Members

[13] 1. (1) All Members shall be entitled to participate in conferences of the Union and shall be eligible for election to any of its organs.

[14] (2) Each Member shall have one vote at all conferences of the Union, at meetings of the International Consultative Committees in which it participates and, if it is a Member of the Administrative Council, at all sessions of that Council.

[15] (3) Each Member shall also have one vote in all consultations carried out by correspondence.

[16] 2. Associate Members shall have the same rights and obligations as Members of the Union, except that they shall not have the right to vote in any conference or other organ of the Union or to nominate candidates for membership of the International Frequency Registration Board. They shall not be eligible for election to the Administrative Council.

Article 3. Seat of the Union

[17] The seat of the Union shall be at Geneva.

Article 4. Purposes of the Union

[18] 1. The purposes of the Union are:

(a) to maintain and extend international co-operation for the improvement and rational use of telecommunication of all kinds;

[19] (b) to promote the development of technical facilities and their most efficient operation with a view to improving the efficiency of telecommunication services, increasing their usefulness and making them, so far as possible, generally available to the public;

[20] (c) to harmonize the actions of nations in the attainment of those common ends.

[21] 2. To this end, the Union shall in particular:

(a) effect allocation of the radio frequency spectrum and registration of radio frequency assignments in order to avoid harmful interference between radio stations of different countries;

[22] (b) coordinate efforts to eliminate harmful interference between radio stations of different countries and to improve the use made of the radio frequency spectrum;

[23] (c) foster collaboration among its Members and Associate Members with a view to the establishment of rates at levels as low as possible consistent with an efficient service and taking into account the necessity for maintaining independent financial administration of telecommunication on a sound basis;

[24] (d) foster the creation, development and improvement of telecommunication equipment and networks in new or developing countries by every means at its disposal, especially its participation in the appropriate programmes of the United Nations.

[25] (e) promote the adoption of measures for ensuring the safety of life through the co-operation of telecommunication service:

[26] (f) undertake studies, formulate recommendations and opinions, and collect and publish information concerning telecommunication matters for the benefit of all Members and Associate Members.

Article 5. Structure of the Union

[27] The organization of the Union shall be as follows:

1. the Plenipotentiary Conference, which is the supreme organ of the Union;

[28] 2. Administrative Conferences;

[29] 3. the Administrative Council;

[30] 4. the permanent organs of the Union, which are:

(a) the General Secretariat;

(b) the International Frequency Registration Board (I.F.R.B.);

[32] (c) the International Radio Consultative Committee (C.C.I.R.);

[33] (d) the International Telegraph and Telephone Consultative Committee (C.C.I.-T.T.).

Article 6. Plenipotentiary Conference

[34] 1. The Plenipotentiary Conference shall:

(a) Determine the general policies for fulfilling the purposes of the Union prescribed in article 4 of this Convention.

[35] (b) consider the report by the Administrative Council on its activities and those of the Union since the last plenipotentiary conference;

[36] (c) establish the basis for the budget of the Union and determine a fiscal limit for the expenditure of the Union until the next Plenipotentiary Conference;

[37] (d) fix the basic salaries, the salary scales and the system of allowances and pensions for all the officials of the Union;

[38] (e) finally approve the accounts of the Union;

[39] (f) elect the Members of the Union which are to serve on the Administrative Council;

[40] (g) elect the Secretary-General and the Deputy Secretary-General and fix the dates of their taking office;

[41] (h) revise the Convention if it considers this necessary;

[42] (i) conclude or revise, if necessary, agreements between the Union and other international organizations, examine any provisional agreements with such organizations concluded, on behalf of the Union, by the Administrative Council, and take such measures in connection therewith as it deems appropriate;

[43] (j) deal with such other telecommunication questions as may be necessary.

[44] 2. The Plenipotentiary Conference shall normally meet at a date and place decided on by the preceding Plenipotentiary Conference.

[45] 3. (1) The date and place of the next Plenipotentiary Conference, or either one of these, may be changed:

[46] (a) when at least twenty Members and Associate Members of the Union have individually proposed a change to the Secretary-General, or

[47] (b) on a proposal of the Administrative Council.

[48] (2) In either case a new date or place or both shall be determined with the concurrence of a majority of the Members of the Union.

Article 7. Administrative Conferences

[49] (1) Administrative conferences of the Union shall comprise:

(a) ordinary administrative conferences;

[50] (b) extraordinary administrative conferences;

[51] (c) special conferences, which include:

Special regional conferences;

Special service conferences, world or regional.

[52] 2. (1) Ordinary administrative conferences shall:

(a) revise the Regulations provided for in 193 with which they are respectively concerned;

[53] (b) deal with all other matters deemed necessary within the terms of the Convention and the General Regulations and any directives given by the Plenipotentiary Conference.

[54] (2) In addition, the ordinary administrative radio conference shall:

(a) elect the members of the International Frequency Registration Board;

[55] (b) issue instructions to the Board concerning its activities and review these activities.

[56] 3. (1) The date and place of ordinary administrative conferences shall be determined:

(a) by the preceding administrative conference, if it so desires; or

[57] (b) when at least twenty Members and Associate Members of the Union have addressed individual requests to the Secretary-General; or

[58] (c) on a proposal of the Administrative Council.

[59] (2) When 57 or 58 applies, the place and date shall be determined with the concurrence of a majority of the Members of the Union.

[60] 4. (1) Extraordinary administrative conferences shall be convened to consider certain specific telecommunication matters. Only items included in their agenda may be discussed by such conferences.

[61] (2) Extraordinary administrative conferences may revise certain provisions of any set of Administrative Regulations with which they are concerned, provided that the revision of such provisions is included in the Agenda approved by a majority of the Members in accordance with 65.

[62] 5. (1) An extraordinary administrative conference may be convened:

(a) by a decision of the Plenipotentiary Conference, which shall determine its agenda and the date and place of its meeting; or

[63] (b) when at least twenty Members and Associate Members of the Union have individually informed the Secretary-General of their desire that such a conference shall be held to consider an agenda proposed by them; or

[64] (c) on a proposal of the Administrative Council.

[65] (2) In the cases specified in 63 and 64 the date and place of the conference, as well as its agenda, shall be determined with the concurrence of a majority of the Members of the Union.

[66] 6. Special conferences shall be convened to consider only the matters included in their agenda. Their decisions must in all circumstances be in conformity with the terms of the Convention and Administrative Regulations.

[67] 7. (1) A special conference may be convened:

(a) by a decision of the Plenipotentiary Conference or an ordinary or extraordinary administrative conference which shall determine its agenda and the date and place at which it shall meet; or

[68] (b) when at least twenty Members and Associate Members of the Union in the case of a special service world conference or one quarter of the Members and Associate Members of the region concerned in the case of a special regional conference or special service regional conference have individually made known to the Secretary-General their desire that such a conference should be held to consider an agenda proposed by them; or

[69] (c) on a proposal of the Administrative Council.

[70] (2) In the cases specified in 68 and 69, the date and place of the conference as well as its agenda shall be determined with the concurrence of a majority of the Members of the Union for special service world conferences, or of a majority of the Members in the region concerned for special regional conferences or for special service regional conferences.

[71] 8. (1) The date and place, or either, of an ordinary administrative conference, of an extraordinary administrative conference, or of a special service world conference may be changed:

(a) when at least twenty Members and Associate Members of the Union have individually proposed a change to the Secretary-General; or

[72] (b) on a proposal of the Administrative Council.

[73] (2) In either case a new date or place or both shall be determined with the concurrence of a majority of the Members of the Union.

[74] 9. (1) The date and place, or either, of special regional conferences or of special service regional conferences may be changed:

(a) on a proposal of at least one quarter of the Members and Associate Members of the region concerned; or

[75] (b) on a proposal of the Administrative Council.

[76] (2) In each case, a new date and place, or either, shall be determined with the concurrence of the majority of the Members of the region concerned.

Article 8. Rules of Procedure of Conferences

[77] For the organization of their work and the conduct of their discussions, conferences shall apply the Rules of Procedure in the General Regulations annexed to the Convention. However, each conference may adopt such additional provisions as it may consider indispensable.

Article 9. Administrative Council

A. Organization and working arrangements:

[78] 1. (1) The Administrative Council shall be composed of twenty-five Members of the Union elected by the Plenipotentiary Conference with due regard to the need for equitable representation of all parts of the world. The Members of the Union elected to the Council shall hold office until the date on which a new Council is elected by the Plenipotentiary Conference. They shall be eligible for re-election.

[79] (2) If between two Plenipotentiary Conferences a seat becomes vacant on the Administrative Council, it shall pass by right to the Member of the Union from the same region as the Member whose seat is vacated, which had obtained at the previous election the largest number of votes among those not elected.

[80] 2. Each of the Members of the Administrative Council shall appoint to serve on the Council a person qualified in the field of telecommunication services and so far as possible shall endeavour to avoid replacing that representative during the term of office of the Council.

[81] 3. Each Member of the Council shall have one vote.

[82] 4. The Administrative Council shall adopt its own Rules of Procedure.

[83] 5. The Administrative Council shall elect its own Chairman and Vice-Chairman at the beginning of each annual session. They shall serve until the opening of the next annual session and shall be eligible for re-election. The Vice-Chairman shall serve as Chairman in the absence of the latter.

[84] 6. (1) The Council shall hold an annual session at the seat of the Union.

[85] (2) During this session it may decide to hold, exceptionally, an additional session.

[86] (3) Between ordinary sessions, it may be convened, as a general rule at the seat of the Union, by its Chairman at the request of the majority of its Members.

[87] 7. The Secretary-General and the Deputy Secretary-General, the Chairman and the Vice-Chairman of the International Frequency Registration Board and the Directors of the International Consultative Committees may participate as of right in the deliberations of the Administrative Council, but without taking part in the voting. Nevertheless, the Council may hold meetings confined to its own members.

[88] 8. The Secretary-General of the Union shall act as Secretary of the Administrative Council.

[89] 9. (1) In the interval between plenipotentiary conferences, the Administrative Council shall act on behalf of the plenipotentiary conference within the limits of the powers delegated to it by the latter.

[90] (2) The Council shall act only in formal session.

[91] 10. The representative of each Member of the Administrative Council shall have the right to attend, as an observer all meetings of the permanent organs of the Union mentioned in 31, 32 and 33.

[92] 11. Only the traveling and subsistence expenses incurred by the representative of each Member of the Administrative Council in this capacity at Council sessions shall be borne by the Union.

B. Duties:

[93] 12. (1) The Administrative Council shall be responsible for taking all steps to facilitate the implementation by the Members and Associate Members of the provisions of the Convention, of the Regulations, of the decisions of the plenipotentiary conference, and, where appropriate, of the decisions of other conferences and meetings of the Union.

[94] (2) It shall ensure the efficient coordination of the work of the Union.

[95] 13. In particular the Administrative Council shall:

[96] (a) perform any duties assigned to it by the plenipotentiary conference;

[97] (b) in the interval between plenipotentiary conferences, be responsible for effecting the co-ordination with all international organizations referred to in articles 28 and 29 of this Convention; and, to this end,

1. conclude, on behalf of the Union, provisional agreements with the international organizations referred to in article 29 of the Convention, and with the United Nations in application of the Agreement contained in Annex 6 to the Convention; these provisional agreements shall be submitted to the next plenipotentiary conference in accordance with 42;

[98] 2. appoint, on behalf of the Union, one or more representatives to participate in the conferences of such organizations, and, when necessary, in coordinating committees established in conjunction with those organizations;

[99] (c) decide on the numbers and grading of the staff of the General Secretariat and of the specialized secretariats of the permanent organs of the Union, taking into account the general directives given by the plenipotentiary conference;

[100] (d) draw up such regulations as it may consider necessary for the administrative and financial activities of the Union; the administrative regulatons to take account of current practice of the United Nations and of the specialized agencies applying the Common System of pay, allowances and pensions;

[101] (e) supervise the administrative functions of the Union;

[102] (f) review and approve the annual budget of the Union, ensuring the strictest possible economy;

[103] (g) arrange for the annual audit of the accounts of the Union prepared by the Secretary-General and approve them for submission to the next plenipotentiary conference;

[104] (h) adjust as necessary:

1. the basic salary scales for staff in the professional and director categories, excluding the salaries for posts filled by election, to accord with any changes in the basic salary scales adopted by the United Nations for the corresponding Common System categories;

[105] 2. the basic salary scales for staff in the general service categories to accord with changes in the rates applied by the United Nations organization and the specialised agencies at the seat of the Union;

[106] 3. the post adjustment for professional categories and above, including posts filled by election, in accordance with decisions of the United Nations, for application at the seat of the Union;

[107] 4. the allowances for all staff of the Union, in accordance with any changes adopted in the United Nations Common System;

[108] 5. the contributions payable by the Union and the staff to the United Nations Joint Staff Pension Fund, in accordance with the decisions of the United Nations Joint Staff Pension Board;

[109] (i) arrange for the convening of plenipotentiary and administrative conferences of the Union in accordance with articles 6 and 7 of this Convention;

[110] (j) offer to the Plenipotentiary Conference of the Union any recommendations deemed useful;

[111] (k) coordinate the activities of the permanent organs of the Union, take such action as it deems appropriate on requests or recommendations made to it by such organs, and review their annual reports;

[112] (l) provide, if it considers it desirable, for the filling ad interim of a vacancy for Deputy Secretary-General;

[113] (m) provide for the filling ad interim of vacancies for Directors of the International Consultative Committees;

[114] (n) perform the other functions prescribed for it in this Convention and, within the framework of the Convention and the Regulations, any functions deemed necessary for the proper administration of the Union;

[115] (o) take the necessary steps, with the agreement of the majority of Members of the Union, provisionally to resolve questions which are not covered by the Convention and its Annexes and cannot await the next competent conference for settlement;

[116] (p) submit a report on its activities and those of the Union for consideration by the Plenipotentiary Conference.

[117] (q) promote international cooperation for the provision of technical assistance to the new or developing countries by every means at its disposal, especially through its participation in the appropriate programmes of the United Nations; and, in accordance with the purposes of the Union, to promote by all possible means, the development of telecommunication.

Article 10. General Secretariat

[118] 1. (1) The General Secretariat shall be directed by a Secretary-General, assisted by one Deputy Secretary-General.

[119] (2) The Secretary-General and the Deputy Secretary-General shall take up their duties on the dates determined at the time of their election. They shall normally remain in office until dates determined by the following Plenipotentiary Conference, and they shall be eligible for reelection.

[120] (3) The Secretary-General shall be responsible to the Plenipotentiary Conference and, between meetings of the Plenipotentiary Conference to the Administrative Council, for all duties entrusted to the General Secretariat and for all the administrative and financial services of the Union. The Deputy Secretary-General shall be responsible to the Secretary-General.

[121] (4) If the post of Secretary-General falls vacant, the Deputy Secretary-General shall discharge the duties ad interim.

[122] 2. The Secretary-General shall:

(a) coordinate the activities of the permanent organs of the Union through a Coordination Committee presided over by him and composed of the Deputy Secretary-General and the Heads of the permanent organs; this coordination shall apply to administrative matters, technical assistance, external relations, public information, and any other important matters laid down specifically by the Administrative Council.

[123] (b) organize the work of the General Secretariat and appoint the staff of that Secretariat in accordance with the directives of the Plenipotentiary Conference and the rules established by the Administrative Council;

[124] (c) undertake administrative arrangements for the specialized secretariats of the permanent organs of the Union and appoint the staff of those secretariats in agreement with the Head of each permanent organ; the appointments shall be made on the basis of the latter's choice, but the final decision for appointment or dismissal shall rest with the Secretary-General;

[125] (d) report to the Administrative Council any decisions taken by the United Nations and the specialized agencies which affect Common System conditions of service, allowances and pensions;

[126] (e) ensure that in the specialized secretariats all the financial and administrative regulations approved by the Administrative Council are applied;

[127] (f) supervise, for administrative purposes only, the staff of those specialized secretariats who shall work directly under the orders of the Heads of the permanent organs of the Union;

[128] (g) undertake secretarial work preparatory to, and following, conferences of the Union;

[129] (h) provide, where appropriate in cooperation with the inviting government, the secretariat of every conference of the Union, and, when so requested or provided in the Regulations annexed to the Convention, the secretariat of meetings of the permanent organs of the Union or meetings placed under its auspices; he may also, when so requested, provide the secretariat of other telecommunication meetings on a contractual basis:

[130] (i) keep up to date the official lists, compiled from data supplied for this purpose by the permanent organs of the Union or by Administrations, with the exception of the master registers and such other essential records as may be related to the duties of the International Frequency Registration Board;

[131] (j) publish the recommendations and principal reports of the permanent organs of the Union;

[132] (k) publish international and regional telecommunication agreements communicated to him by the parties thereto, and keep up to date records of these agreements;

[133] (l) publish the technical standards of the International Frequency Registration Board, as well as such other data concerning the assignment and utilization of frequencies as are prepared by the Board in the discharge of its duties;

[134] (m) prepare, publish and keep up to date with the assistance, where appropriate, of the other permanent organs of the Union:

[135] 1. a record of the composition and structure of the Union;

[136] 2. the general statistics and the official service documents of the Union as prescribed by the Regulations annexed to the Convention;

[137] 3. such other documents as conferences or the Administrative Council may direct;

[138] (n) distribute the published documents;

[139] (o) collect and publish, in suitable form, data both national and international regarding telecommunication throughout the world;

[140] (p) assemble and publish, in cooperation with the permanent organs of the Union, both technical and administrative information that might be specially useful to new or developing countries in order to help them to improve their telecommunication networks. Their attention shall also be drawn to the possibilities offered by the international programmes under the auspices of the United Nations.

[141] (q) collect and publish such information as would be of assistance to Members and Associate Members regarding the development of technical methods with a view to achieving the most efficient operation of telecommunication services and especially the best possible use of radio frequencies so as to diminish interference;

[142] (r) publish periodically, with the help of information put at his disposal or which he may collect, including that which he may obtain from other international organizations, a journal of general information and documentation concerning telecommunication;

[143] (s) prepare and submit to the Administrative Council annual budget estimates which, after approval by the Council, shall be transmitted for information to all Members and Associate Members;

[144] (t) prepare a financial operating report and accounts to be submitted annually to the Administrative Council and recapitulative accounts immediately preceding each Plenipotentiary Conference; these accounts, after audit and approval by the Administrative Council, shall be circulated to the Members and Associate Members and be submitted to the next Plenipotentiary Conference for examination and final approval;

[145] (u) prepare an annual report on the activities of the Union which, after approval by the Administrative Council, shall be transmitted to all Members and Associate Members;

[146] (v) perform all other secretarial functions of the Union.

[147] 3. The Deputy Secretary-General shall assist the Secretary-General in the performance of his duties and undertake such specific tasks as may be entrusted to him by the Secretary-General. He shall perform the duties of the Secretary-General in the absence of the latter.

[148] 4. The Secretary-General or the Deputy Secretary-General may participate in a consultative capacity, in Plenary Assemblies of International Consultative Committees and in all conferences of the Union; the Secretary-General or his representative may participate in a consultative capacity in all other meetings of the Union.

Article 11. The Officials and Staff of the Union

[149] 1. The Secretary-General, the Deputy Secretary-General and the Directors of the International Consultative Committees, shall all be nationals of different countries, Members of the Union.

[150] 2. (1) In the performance of their duties, the Secretary-General, the Deputy Secretary-General, the members of the International Frequency Registration Board and the Directors of the International Consultative Committees, as well as the staff of the Union shall neither seek nor accept instructions from any Government or from any other authority outside the Union. They shall refrain from acting in any way which

is incompatible with their status as international officials.

[151] (2) Each Member and Associate Member shall respect the exclusively international character of the duties of the officials mentioned in 150 and of the staff of the Union, and refrain from trying to influence them in the performance of their work.

[152] 3. The paramount consideration in the recruitment of staff and in the determination of the conditions of service shall be the necessity of securing for the Union the highest standards of efficiency, competence and integrity. Due regard must be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

Article 12. International Frequency Registration Board

[153] 1. The essential duties of the International Frequency Registration Board shall be:

(a) to effect an orderly recording of frequency assignments made by the different countries so as to establish, in accordance with the procedure provided for in the Radio Regulations and in accordance with any decisions which may be taken by competent conferences of the Union, the date, purpose and technical characteristics of each of these assignments, with a view to ensuring formal international recognition thereof;

[154] (b) to furnish advice to Members and Associate Members with a view to the operation of the maximum practicable number of radio channels in those portions of the spectrum where harmful interference may occur;

[155] (c) to perform any additional duties, concerned with the assignment and utilization of frequencies, prescribed by a competent conference of the Union, or by the Administrative Council with the consent of the majority of the Members of the Union in preparation for or in pursuance of the decisions of such a conference;

[156] (d) to maintain such essential records as may be related to the performance of its duties.

[157] 2. (1) The International Frequency Registration Board shall consist of eleven independent members designated in accordance with 160 to 169.

[158] (2) The members of the Board shall be thoroughly qualified by technical training in the field of radio and shall possess practical experience in the assignment and utilization of frequencies.

[159] (3) Moreover, for the more effective understanding of the problems coming before the Board under 154, each member shall be familiar with geographic, economic and demographic conditions within a particular area of the world.

[160] 3. (1) At each of its meetings, the Ordinary Administrative Radio Conference shall elect the eleven members of the Board. These members shall be chosen from the candidates sponsored by countries, Members of the Union. Each Member of the Union may propose only one candidate who shall be a national of its country. Each candidate shall possess the qualifications described in 158 and 159.

[161] (2) The election procedure shall be established by the Conference itself, in such a way as to ensure an equitable representation of the various parts of the world.

[162] (3) At each election any serving member of the Board may be proposed again as a candidate by the country of which he is a national.

[163] (4) The members of the Board shall take up their duties on the date determined by the Ordinary Administrative Radio Conference which elected them. They shall normally remain in office until the date determined by the following Conference for their successors to take up their duties.

[164] (5) If in the interval between two Ordinary Administrative Radio Conferences, an elected member of the Board resigns or abandons his duties without good cause for a period exceeding three months, the country Member of the Union of which he is a national shall be asked by the Chairman of the Board to provide a replacement as soon as possible, who shall also be a national of that country.

[165] (6) If the country Member of the Union, concerned does not provide a replacement within a period of three months from the date of this request, it shall lose its right to designate a person to serve on the Board for the unexpired period of its current term.

[166] (7) If in the interval between two Ordinary Administrative Radio Conferences, the replacement also resigns or abandons his duties without good cause for a period of exceeding three months, the country Member of the Union of which he is a national shall not be entitled to designate a further replacement.

[167] (8) In the circumstances described in 165 and 166, the Chairman of the Board shall then request the country, Member of the Union, whose candidate had obtained, at the previous election, the largest number of votes among those not elected in the region concerned, to designate that person to serve on the Board for the unexpired period of its current term. If that person is not available, the country concerned shall be invited to designate a replacement who shall be a national of that country.

[168] (9) If in the interval between two Ordinary Administrative Radio Conferences an elected member of the Board or his replacement dies, the country Member of the Union of which he was a national shall retain the right to designate a successor who shall also be a national of that country.

[169] (10) In order to safeguard the efficient operation of the Board, any country a national of which has been elected to the Board, shall refrain, as far as possible, from recalling that person between two Ordinary Administrative Radio Conferences.

[170] 4. (1) The working arrangements of the Board are defined in the Radio Regulations.

[171] (2) The members of the Board shall elect from their own numbers a Chairman and a Vice-Chairman, for a period of one year. Thereafter, the Vice-Chairman shall succeed the Chairman each year and a new Vice-Chairman shall be elected.

[172] (3) The Board shall be assisted by a specialised secretariat.

[173] 5. (1) The members of the Board shall serve, not as representatives of their respective countries, or of a region, but as custodians of an international public trust.

[174] (2) No member of the Board shall request or receive instructions relating to the exercise of his duties from any Government or a member thereof, or from any public or private organization or person. Furthermore, each Member and Associate Member must respect the international character of the Board and of the duties of its members and shall refrain from any attempt to influence any of them in the exercise of their duties.

[175] (3) No member of the Board or of its staff shall participate in any manner or have any financial interest whatsoever in any branch of telecommunication, apart from the work of the Board. However, the term "financial interest" is not to be construed as applying to the continuation of retirement benefits accruing in respect of previous employment or service.

Article 13. International Consultative Committees

[176] 1. (1) The duties of the International Radio Consultative Committee (C.C.I.R.) shall be to study technical and operating questions relating to radiocommunication and to issue recommendations on them.

[177] (2) The duties of the International Telegraph and Telephone Consultative Committee (C.C.I.T.T.) shall be to study technical, operating and tariff questions relating to telegraphy and telephony and to issue recommendations on them.

[178] (3) In the performance of its duties, each Consultative Committee shall pay due attention to the study of questions and to the formulation of recommendations directly connected with the establishment, development and improvement of telecommunication in new or developing countries in both the regional and international fields.

[179] (4) At the request of the countries concerned, each Consultative Committee may also study and offer advice concerning their national telecommunication problems.

[180] 2. (1) The questions studied by each International Consultative Committee, on which it shall issue recommendations, shall be those submitted to it by the Plenipotentiary Conference, by an administrative conference, by the Administrative Council, by the other Consultative Committee, or by the International Frequency Registration Board, in addition to those decided upon by the Plenary Assembly of the Consultative Committee itself, or, in the interval between its Plenary Assemblies, when requested or approved by correspondence, by at least twelve Members or Associate Members of the Union.

[181] (2) The Plenary Assemblies of the International Consultative Committees are authorized to submit to administrative conferences proposals arising directly from their recommendations or from findings on questions under their study.

[182] 3. The International Consultative Committees shall have as Members:

(a) of right, the administrations of all Members and Associate Members of the Union;

[183] (b) any recognized private operating agency which, with the approval of the Member or Associate Member which has recognized it, expresses a desire to participate in the work of these Committees.

[184] 4. Each Consultative Committee shall work through the medium of:

(a) the Plenary Assembly, meeting normally every three years. When a corresponding ordinary administrative conference has been convened, the Plenary Assembly should meet, if possible, at least eight months before this conference;

[185] (b) study groups, which shall be set up by the Plenary Assembly to deal with questions to be examined;

[186] (c) a Director elected by the Plenary Assembly. His status shall be that of a permanent official, but his conditions of service may be subject to separate regulation;

[187] (d) a specialized secretariat, which assists the Director;

[188] (e) laboratories or technical installations set up by the Union.

[189] 5. (1) Consultative Committees shall, as far as they apply, observe the Rules of Procedure of Conferences contained in the General Regulations annexed to this Convention.

[190] (2) The Plenary Assembly of a Consultative Committee may adopt additional provisions to facilitate the work of the Committee if they do not conflict with the Rules of Procedure of Conferences.

[191] 6. The working arrangements of the Consultative Committee are defined in Part II of the General Regulations annexed to this Convention.

Article 14. Regulations

[192] 1. Subject to the provisions of article 8, the General Regulations contained in annex 5 to this Convention shall have the same force and duration as the Convention.

[193] 2. (1) The provisions of the Convention are completed by the following sets of Administrative Regulations which shall be binding on all Members and Associate Members:

Telegraph Regulations,
Telephone Regulations,
Radio Regulations,
Additional Radio Regulations.

[194] (2) Members and Associate Members shall inform the Secretary-General of their approval of any revision of these Regulations by administrative conferences. The Secretary-General shall inform Members and Associate Members promptly regarding receipt of such notifications of approval.

[195] 3. In case of inconsistency between a provision of the Convention and a provision of the Regulations, the Convention shall prevail.

Article 15. Finances of the Union

[196] 1. The expenses of the Union shall comprise the costs of:

(a) the Administrative Council, the General Secretariat, the International Frequency Registration Board, the International Consultative Committees, and the Union's laboratories and technical equipment;

[197] (b) conferences, which, with regard to the provisions of Articles 6 and 7 of the Convention, are convened by the decision or with the agreement of the majority of the Members of the Union;

[198] (c) all meetings of the International Consultative Committees;

[199] 2. Expenses incurred by special conferences referred to in 51 which are not covered in 197, and which are of a regional nature as determined by the Administrative Council after ascertaining the majority view of the Members and Associate Members of the region in question, shall be borne in accordance with their unit classification by all the Members and Associate Members of that region, and by any Members and Associate Members of other regions which may have participated in such conferences.

[200] 3. Expenses incurred by other special conferences not covered by 197 and 199 above, shall be borne in accordance with their unit classification by those Members and Associate Members which agree to participate, or have participated in such conferences.

[201] 4. The Administrative Council shall review and approve the annual budget of the Union, taking account of the limits for expenditures set by the Plenipotentiary Conference.

[202] 5. The expenses of the Union shall be met from the contributions of the Members and Associate Members, each Member and Associate Member paying a sum proportional to the number of units in the class of contribution it has chosen from the following scale: 30 unit class, 25 unit class, 20 unit class, 18 unit class, 15 unit class, 13 unit class, 10 unit class, 8 unit class, 5 unit class, 4 unit class, 3 unit class, 2 unit class, 1 unit class, and one-half unit class.

[203] 6. Members and Associate Members shall be free to choose their class of contribution for defraying Union expenses.

[204] 7. (1) At least six months before the Convention comes into force, each Member and Associate Member shall inform the Secretary-General of the class of contribution it has chosen.

[205] (2) This decision shall be notified to Members and Associate Members by the Secretary-General.

[206] (3) Members and Associate Members who have failed to make known their decision before the date specified by 204 will be required to contribute in accordance with their class of contribution under the provisions of the International Telecommunication Convention (Buenos Aires, 1952).

[207] (4) Members and Associate Members may at any time choose a class of contribution higher than the one already adopted by them.

[208] (5) No reduction in a unit classification established in accordance with 204 and 206 can take effect during the life of the Convention.

[209] 8. Members and Associate Members shall pay in advance their annual contributory shares, calculated on the basis of the budget approved by the Administrative Council.

[210] 9. The amounts due shall bear interest from the beginning of each financial year of the Union at 3% (three per cent.) per annum during the first six months, and at 6% (six per cent.) per annum from the beginning of the seventh month.

[211] 10. (1) Recognized private operating agencies and scientific or industrial organizations shall share in defraying the expenses of the Conferences or meetings in which they have agreed to participate, or have participated.

[212] (2) International organizations shall also share in defraying the expenses of the conferences or meetings in which they have been allowed to participate, unless exempted by the Administrative Council on condition of reciprocity.

[213] (3) The amounts of these contributions shall be fixed by the Administrative Council and shall be considered as income of the Union. They shall bear interest in accordance with rules established by the Administrative Council.

[214] 11. Expenses incurred by laboratories and technical installations of the Union, in measurements, testing, or special research for individual Members or Associate Members, groups of Members or Associate Members, or regional organizations or others, shall be borne by those Members or Associate Members, groups, organizations or others.

[215] 12. The sale price of documents sold to Administrations, recognized private operating agencies, or individuals, shall be determined by the Secretary-General, in collaboration with the Administrative Council, bearing in mind that the cost of printing and distribution should in general be covered by the sale of the documents.

Article 16. Languages

[216] 1. (1) The official languages of the Union shall be Chinese, English, French, Russian and Spanish.

[217] (2) The working languages of the Union shall be English, French and Spanish.

[218] (3) In case of dispute, the French text shall be authentic.

[219] 2. (1) The final documents of the Plenipotentiary and administrative conferences, their Final Acts, protocols, resolutions, recommendations and opinions, shall be drawn up in the official languages of the Union, in versions equivalent in form and content.

[220] (2) All other documents of those conferences shall be issued in the working languages of the Union.

[221] 3. (1) The official service documents of the Union as prescribed by the Administrative Regulations shall be published in the five official languages.

[222] (2) All other documents for general distribution prepared by the Secretary-General in the course of his duties shall be drawn up in the three working languages.

[223] 4. Any of the documents referred to in 219 to 222 may be published in languages other than those there specified, provided that the Members or Associate Members requesting such publication undertake to defray the whole of the cost of translation and publication involved.

[224] 5. (1) At conferences of the Union and whenever it is necessary at meetings of its permanent organs and of the Administrative Council, the debates shall be conducted with the aid of an efficient system of reciprocal interpretation between the three working languages and Russian.

[225] (2) When all participants in a meeting agree, the debates may be conducted in fewer than the four languages mentioned above.

[226] 6. (1) At conferences of the Union and at meetings of its permanent organs and of the Administrative Council, languages other than those mentioned in 217 and 224 may be used:

[227] (a) if an application is made to the Secretary-General or to the Head of the permanent organ concerned to provide for the use of an additional language or languages, oral or written, provided that the additional cost so incurred shall be borne by those Members and Associate Members which have made or supported the application;

[228] (b) if any delegation itself makes arrangements at its own expense for oral translation from its own language into any one of the languages referred to in 224.

[229] (2) In the case provided in 227, the Secretary-General or the Head of the permanent organ concerned shall comply to the extent practicable with the application, having first obtained from the Members or Associate Members concerned an undertaking that the cost incurred will be duly repaid by them to the Union;

[230] (3) In the case provided for in 228, the delegation concerned may, furthermore, if it wishes, arrange at its own expense for oral interpretation into its own language from one of the languages, referred to in 224.

Chapter II. Application of the Convention and regulations

Article 17. Ratification of the Convention

[231] 1. This Convention shall be ratified by each of the signatory Governments. The instruments of ratification shall be deposited, in as short a time as possible, with the Secretary-General by diplomatic channel through the intermediary of the Government of the country of the seat of the Union. The Secretary-General shall notify the Members and Associate Members of each deposit of ratification.

[232] 2. (1) During a period of two years from the date of entry into force of this Convention, a signatory Government, even though it may not have deposited an instrument of ratification in accordance with the provisions of 13 to 15, shall enjoy the rights conferred on Members of the Union in 231.

[233] (2) After the end of a period of two years from the date of entry into force of this Convention, a signatory Government which has not deposited an instrument of ratification in accordance with the provisions of 231 shall not be entitled to vote at any conference of the Union, or at any Session of the Administrative Council or at any meeting of any of the permanent organs of the Union until it has so deposited such an instrument.

[234] 3. After the entry into force of this Convention in accordance with Article 52, each instrument of ratification shall become effective on the date of its deposit with the General Secretariat.

[235] 4. If one or more of the signatory Governments do not ratify the Convention, it shall not thereby be less valid for the Governments which have ratified it.

Article 18. Accession to the Convention

[236] 1. The Government of a country, not a signatory of this Convention, may accede thereto at any time subject to the provisions of article 1.

[237] 2. The instrument of accession shall be deposited with the Secretary-General by diplomatic channel through the intermediary of the Government of the country of the seat of the Union. Unless otherwise

specified therein, it shall become effective upon the date of its deposit. The Secretary-General shall notify the Members and Associate Members of each accession when it is received and shall forward to each of them a certified copy of the act of accession.

Article 19. Application of the Convention to Countries or Territories for whose Foreign Relations Members of the Union are responsible

[238] 1. Members of the Union may declare at any time that their acceptance of this Convention applies to all or a group or a single one of the countries or territories for whose foreign relations they are responsible.

[239] 2. A declaration made in accordance with 238 shall be communicated to the Secretary-General of the Union. The Secretary-General shall notify the Members and Associate Members of each such declaration.

[240] 3. The provisions of 238 and 239 shall not be deemed to be obligatory in respect of any country, territory or group of territories listed in annex 1 of this Convention.

Article 20. Application of the Convention to Trust Territories of the United Nations

[241] The United Nations shall have the right to accede to this Convention on behalf of any territory or group of territories placed under its administration in accordance with a trusteeship agreement as provided for in article 75 of the Charter of the United Nations.

Article 21. Execution of the Convention and Regulations

[242] 1. The Members and Associate Members are bound to abide by the provisions of this Convention and the Regulations annexed thereto in all telecommunication offices and stations established or operated by them which engage in international services or which are capable of causing harmful interference to radio services of other countries, except in regard to services exempted from these obligations in accordance with the provisions of Article 50 of this Convention.

[243] 2. They are also bound, in addition, to take the necessary steps to impose the observance of the provisions of this Convention and of the Regulations annexed thereto upon private operating agencies authorized by them to establish and operate telecommunication and which engage in international services or which operate stations capable of causing harmful interference to the radio services of other countries.

Article 22. Denunciation of the Convention

[244] 1. Each Member and Associate Member which has ratified, or acceded to, this Convention shall have the right to denounce it by a notification addressed to the Secretary-General of the Union by diplomatic channel through the intermediary of the Government of the country of the seat of the Union. The Secretary-General shall advise the other Members and Associate Members thereof.

[245] 2. This denunciation shall take effect at the expiration of a period of one year from the day of the receipt of notification of it by the Secretary-General.

Article 23. Denunciation of the Convention on Behalf of Countries or Territories for Whose Foreign Relations Members of the Union Are Responsible

[246] 1. The application of this Convention to a country, territory or group of territories in accordance with article 19 may be terminated at any time, and such country, territory or group of territories, if it is an Associate Member, ceases upon termination to be such.

[247] 2. The declarations of denunciation contemplated in the above paragraph shall be notified in conformity with the conditions set out in 244; they shall take effect in accordance with the provisions of 245.

Article 24. Abrogation of the Earlier Convention

[248] This Convention shall abrogate and replace, in relations between the Contracting Governments, the International Telecommunication Convention of Buenos Aires, 1952.

Article 25. Validity of Administrative Regulations in Force

[249] The Administrative Regulations referred to in 193, shall be regarded as annexed to this Convention and shall remain valid until the time of entry into force of new Regulations drawn up by the competent ordinary and where the case arises, extraordinary administrative conferences.

Article 26. Relations With Non-Contracting States

[250] 1. Each Member and Associate Member reserves to itself and to the recognized private operating agencies the right to fix the conditions under which it admits telecommunications exchanged with a State which is not a party to this Convention.

[251] 2. If a telecommunication originating in the territory of such a non-contracting State is accepted by a Member or Associate Member, it must be transmitted, and, in so far as it follows the telecommunication channels of a Member or Associate Member, the obligatory provisions of the Convention and Regulations and the usual charges shall apply to it.

Article 27.—Settlement of Differences

[252] 1. Members and Associate Members may settle their differences on questions relating to the application of this Convention or of the Regulations contemplated in article 14, through diplomatic channels, or according to procedures established by bilateral or multilateral treaties concluded between them for the settlement of international disputes, or by any other method mutually agreed upon.

[253] 2. If none of these methods of settlement is adopted, any Member or Associate Member party to a dispute may submit the dispute to arbitration in accordance with the procedure defined in annex 4.

Chapter III. Relations with the United Nations and with international organizations

Article 28. Relations with the United Nations

[254] 1. The relationship between the United Nations and the International Telecommunication Union is defined in the Agreement, the text of which appears in annex 6 of this Convention.

[255] 2. In accordance with the provision of Article XVI of the above-mentioned Agreement, the telecommunication operating services of the United Nations shall be entitled to the rights and bound by the obligations of this Convention and of the Administrative Regulations annexed thereto. Accordingly, they shall be entitled to attend all conferences of the Union, including meetings of the International Consultative Committees, in a consultative capacity.

Article 29. Relations with International Organizations

[256] In furtherance of complete international coordination on matters affecting telecommunication, the Union will cooperate with international organizations having related interests and activities.

Chapter IV. General provisions relating to telecommunication

Article 30. The Right of the Public to Use the International Telecommunication Service

[257] Members and Associate Members recognize the right of the public to correspond by means of the international service of public correspondence. The services, the charges, and the safeguards shall be the same for all users in each category of correspondence without any priority or preference.

Article 31. Stoppage of Telecommunications

[258] 1. Members and Associate Members reserve the right to stop the transmission of any private telegram which may appear dangerous to the security of the State or contrary to their laws, to public order or to decency, provided that they immediately notify the office of origin of the stoppage of any such telegram or any part thereof, except when such notification may appear dangerous to the security of the State.

[259] 2. Members and Associate Members also reserve the right to cut off any private telephone or telegraph communication which may appear dangerous to the security of the State or contrary to their laws, to public order or to decency.

Article 32. Suspension of Services

[260] Each Member and Associate Member reserves the right to suspend the international telecommunication service for an indefinite time, either generally or only for certain relations and/or for certain kinds of correspondence, outgoing, incoming or in transit provided that it immediately notifies such action to each of the other Members and Associate Members through the medium of the General Secretariat.

Article 33. Responsibility

[261] Members and Associate Members accept no responsibility towards users of the international telecommunication services, particularly as regards claims for damages.

Article 34. Secrecy of Telecommunication

[262] 1. Members and Associate Members agree to take all possible measures, compatible with the system of telecommunication used, with a view to ensuring the secrecy of international correspondence.

[263] 2. Nevertheless, they reserve the right to communicate such correspondence to the competent authorities in order to ensure the application of their internal laws or the execution of international conventions to which they are parties.

Article 35. Establishment, Operation, and Protection of Telecommunication Installations and Channels

[264] 1. Members and Associate Members shall take such steps as may be necessary to ensure the establishment, under the best technical conditions, of the channels and installations necessary to carry on the rapid and uninterrupted exchange of international telecommunications.

[265] 2. So far as possible, these channels and installations must be operated by the best methods and procedures developed as a result of practical operating experience, maintained in proper operating condition and kept abreast of scientific and technical progress.

[266] 3. Members and Associate Members shall safeguard these channels and installations within their jurisdiction.

[267] 4. Unless other conditions are laid down by special arrangements, each Member and Associate Member shall take such steps as may be necessary to ensure maintenance of those sections of international telecommunication circuits within its control.

Article 36. Notification of Infringements

[268] In order to facilitate the application of the provisions of article 21, of this Convention Members and Associate Members undertake to inform one another of infringements of the provisions of this Convention and of the Regulations annexed thereto.

Article 37. Charges and Free Services

[269] The provisions regarding charges for telecommunication and the various cases in which free services are accorded are set forth

in the Regulations annexed to this Convention.

Article 38. Priority of Telecommunications Concerning Safety of Life

[270] The international telecommunication services must accord absolute priority to telecommunications concerning safety of life at sea, on land, or in the air, and to epidemiological telecommunications of exceptional urgency of the World Health Organization.

Article 39. Priority of Government Telegrams and Telephone Calls

[271] Subject to the provisions of articles 38 and 48 of this Convention, Government telegrams shall enjoy priority over other telegrams when priority is requested for them by the sender. Government telephone calls may also be accorded priority, upon specific request and to the extent practicable, over other telephone calls.

Article 40. Secret Language

[272] 1. Government telegrams and service telegrams may be expressed in secret language in all relations.

[273] 2. Private telegrams in secret language may be admitted between all countries with the exception of those which have previously notified, through the medium of the General Secretariat, that they do not admit this language for those categories of correspondence.

[274] 3. Members and Associate Members which do not admit private telegrams in secret language originating in or destined for their own territory must let them pass in transit, except in the case of suspension of service provided for in article 32 of this Convention.

Article 41. Rendering and Settlements of Accounts

[275] 1. Administrations of Members and Associate Members and recognized private operating agencies which operate international telecommunication services, shall come to an agreement with regard to the amount of their credits and debits.

[276] 2. The statements of accounts in respect to debits and credits referred to in 275 shall be drawn up in accordance with the provisions of the Regulations annexed to this Convention, unless special arrangements have been concluded between the parties concerned.

[277] 3. The settlement of international accounts shall be regarded as current transactions and shall be effected in accordance with the current international obligations of the countries concerned, in those cases where their governments have concluded arrangements on this subject. Where no such arrangements have been concluded, and in the absence of special agreements made under article 43 of this Convention, these settlements shall be effected in accordance with the Regulations.

Article 42. Monetary Unit

[278] The monetary unit used in the composition of the tariffs of the international telecommunication services and in the establishment of the international accounts shall be the gold franc of 100 centimes, of a weight of 10/31 of a gramme and of a fineness of 0.900.

Article 43. Special Agreements

[279] Members and Associate Members reserve for themselves, for the private operating agencies recognized by them and for other agencies duly authorized to do so, the right to make special agreements on telecommunication matters which do not concern Members and Associate Members in general. Such agreements, however, shall not be in conflict with the terms of this Convention or of the Regulations annexed thereto, so far as concerns the harmful interference which their operation might be likely to cause to the radio services of other countries.

Article 44. Regional Conferences, Agreements and Organizations

[280] Members and Associate Members reserve the right to convene regional conferences, to conclude regional agreements and to form regional organizations, for the purpose of settling telecommunication questions which are susceptible of being treated on a regional basis. However, such agreements must not be in conflict with this Convention.

Chapter V. Special provisions for radio

Article 45. Rational use of Frequencies and Spectrum Space

[281] Members and Associate Members recognize that it is desirable to limit the number of frequencies and the spectrum space used to the minimum essential to provide in a satisfactory manner the necessary services.

Article 46. Intercommunication

[282] 1. Stations performing radiocommunication in the mobile service shall be bound, within the limits of their normal employment, to exchange radiocommunications reciprocally without distinction as to the radio system adopted by them.

[283] 2. Nevertheless, in order not to impede scientific progress, the provisions of 282 shall not prevent the use of a radio system incapable of communicating with other systems, provided that such incapacity is due to the specific nature of such system and is not the result of devices adopted solely with the object of preventing intercommunication.

[284] 3. Notwithstanding the provisions of 282, a station may be assigned to a restricted international service of telecommunication, determined by the purpose of such service, or by other circumstances independent of the system used.

Article 47. Harmful Interference

[285] 1. All stations, whatever their purpose, must be established and operated in such a manner as not to result in harmful interference to the radio services or communications of other Members or Associate Members or of recognized private operating agencies, or of other duly authorized operating agencies which carry on radio service, and which operate in accordance with the provisions of the Radio Regulations.

[286] 2. Each Member or Associate Member undertakes to require the private operating agencies which it recognizes and the other operating agencies duly authorized for this purpose, to observe the provisions of 285.

[287] 3. Further, the Members and Associate Members recognize the desirability of taking all practicable steps to prevent the operation of electrical apparatus and installations of all kinds from causing harmful interference to the radio services or communications mentioned in 285.

Article 48. Distress Calls and Messages

[288] Radio stations shall be obliged to accept, with absolute priority, distress calls and messages regardless of their origin, to reply in the same manner to such messages, and immediately to take such action in regard thereto as may be required.

Article 49. False or Deceptive Distress Safety or Identification Signals

[289] Members and Associate Members agree to take the steps required to prevent the transmission or circulation of false or deceptive distress, safety or identification signals, and to collaborate in locating and identifying stations transmitting such signals from their own country.

Article 50. Installations for National Defence Services

[290] 1. Members and Associate Members retain their entire freedom with regard to military radio installations of their army, naval and air forces.

[291] 2. Nevertheless, these installations must, so far as possible, observe statutory provisions relative to giving assistance in case of distress and to the measures to be taken to prevent harmful interference, and the provisions of the Regulations concerning the types of emission and the frequencies to be used, according to the nature of the service performed by such installations.

[292] 3. Moreover, when these installations take part in the service of public correspondence or other services governed by the Regulations annexed to this Convention, they must, in general, comply with the regulatory provisions for the conduct of such services.

Chapter VI. Definitions

Article 51. Definitions

[293] In this Convention, unless the context otherwise requires,

(a) the terms which are defined in annex 3 of this Convention shall have the meanings therein assigned to them;

[294] (b) other terms which are defined in the Regulations referred to in Article 14 shall have the meanings therein assigned to them.

Chapter VII. Final provisions

Article 52. Effective date of the Convention

[295] The present Convention shall enter into force on January first nineteen hundred and sixty-one between countries, territories or groups of territories, in respect of which instruments of ratification or accession have been deposited before the date.

In witness whereof the respective plenipotentiaries have signed the Convention in each of the Chinese, English, French, Russian and Spanish languages, in a single copy, in which in case of dispute, the French text shall be authentic, and which shall remain deposited in the archives of the International Telecommunication Union, which shall forward a certified copy to each of the signatory countries.

Done at Geneva, 21 December 1959.

For Afghanistan:
M. A. GRAN
M. M. ASGHAR

For the People's Republic of Albania:
D. LAMANI

For the Kingdom of Saudi Arabia:
A. ZAIDAN
MAHMOUD MIRDAD

For the Argentine Republic:
M. R. PICO
O. N. CARLI
JUAN A. AUTELLI
P. E. COMINO
A. J. SENESTRARI
M. E. ITURRIOZ

For the Commonwealth of Australia:
J. L. SKERRETT

For Austria:
WENINGER
M. KRASSER

For Belgium:
R. VANDENHOVE
J. ETIENNE

For the Byelorussian Soviet Socialist Republic:
P. V. AFANASIEV

For the Union of Burma:
K. WIN
M. LWIN

For Bolivia:
J. CUADROS QUIROGA

For Brazil:
L. O. DE MIRANDA

For the People's Republic of Bulgaria:
I. M. TRIFONOV
I. PETROV

For Canada:
MAX WERSHOF

For Ceylon:
D. P. JAYASEKARA
C. A. R. ANKETELL

For China:
T. Yu
Keh Shu Lui
S. Chen
Tsao-Vong Miao

For the State of Vatican City:
Antonio Stefanizzi
J. De Riedmatten

For the Republic of Colombia:
Santiago Quijano C.
R. Arciniegas
L. Ramirez Arana
M. G. Vega
Cap.
S. Albornoz Plata
Victor Jimenez Suarez

For the Belgian Congo and Territory of Ruanda Urundi:
S. Segall
J. Etienne

For the Republic of Korea:
Yong Shik Kim
Nam Soo Lim
Cho Wong Pak

For Costa Rica:
A. P. Donnadieu

For Cuba:
Miguel Rey Bofill Aguilar
Carlos Estrada Castro
Manuel Gonzalez Longoria

For Denmark:
G. Pedersen
Børge Nielsen
C. B. Nielsen

For the Dominican Republic:
S. E. Paradas

For the Republic of El Salvador:
A. Amy

For Spain:
L. G. Llera
Jose Garrido

For the Overseas States of the French Community and the French Overseas Territories:
Farat
J. Meyer
E. Skinasi
M. N'Tsiba
J. Agoh
C. Ramantsra
M. Bouquin

For the United States of America:
Francis Colt De Wolf
Rosel H. Hyde

For Ethiopia:
Gabriel Tedros
B. Admassie

For Finland:
S. J. Ahola
U. A. Talvitie
E. Heino

For France:
A. Drevet
G. Terras
L. A. Lamoiter
J. P. Gascuel

For Ghana:
E. M. Koram

For Greece:
A. Lelakis
A. Marangoudakis

For the People's Republic of Hungary:
J. Ivanyi

For the Republic of India:
M. B. Sarwate
M. K. Basu

For the Republic of Indonesia:
A. Subardjo Djoyoadisuryo

For Iran:
H. Samiy

For the Republic of Iraq:
M. A. Baghadi
I. Elwali

For Ireland:
J. A. Scannell
G. E. Enright
T. P. Seoighe

For Iceland:
G. Briem
S. Thorkelsson

For the State of Israel:
M. E. Berman
D. Hareven
M. Kahany

For Italy:
A. Berio
F. Nicotera

For Japan:
K. Okumura
H. Matsuda
Toki Hachifuji

For the Hashemite Kingdom of Jordan:
A. M. Mortada

For Kuwait:
K. A. Razzaq
F. Gheith
M. A. Abualainain

For the Kingdom of Laos:
T. Chantharangsi
Sengier

For Lebanon:
H. Osseiran

For the United Kingdom of Libya:
K. El Atrash

For Luxembourg:
E. Raus

For the Federation of Malaya:
B. H. Jubir Sardon
W. Stubbs
Chye Watt Lee

For the Kingdom of Morocco:
Mohamed Aquad
Mokhtar Hadj Nassar
Abderafak Berrada
Abdelhak Benkirane

For Mexico:
Carlos Nunez A.

For Monaco:
C. Solamito
R. Bickert

For Nepal:
J. N. Singha

For Nicaragua:
A. A. Mullhaupt

For Norway:
Sv. Rynning-Tonnesen
Leif Larsen
Andreas Strand

For New Zealand:
J. B. Darnell
E. S. Doak

For Pakistan:
M. N. Mirza

For Paraguay:
S. Guanes
B. Guanes
W. Garcia

For the Kingdom of the Netherlands:
J. D. H. Van Der Toorn
A. J. Ehnle
H. J. Schippers

For Peru:
M. De La Fuente Locker

For the Republic of the Philippines:
J. S. Alfonso
G. Canon
F. Trinidad
A. P. B. Frago

For the People's Republic of Poland:
H. Baczko
K. Kozlowski

For Portugal:
H. M. Pereira
M. A. Vieira
F. Eloy
Antonio De Sousa
A. Oliveira Baptista
L. Gois Figueira

For the Portuguese Oversea Provinces:
A. J. Magro
J. A. Rogado Quintino
A. A. Dos Santos

For the United Arab Republic:
M. M. Riad
G. M. Mehrez
Anis El Bardai
Aly S. Safwat

For the Federal Republic of Germany:
R. Thierfelder
O. Kirchner

For the Federal People's Republic of Yugoslavia:
V. Senk

For the Ukrainian Soviet Socialist Republic:
I. P. Likso

For the Rumanian People's Republic:
M. Grigore
B. Ionita
P. Postelnicu

For the United Kingdom of Great Britain and Northern Ireland including the Channel Islands and the Isle of Man:
T. C. Rapp
W. A. Wolverson
Elizabeth M. Perry

For the Republic of Sudan:
Soliman Hossein
H. E. Beshir

For Sweden:
Hakan Sterky
B. Olters
Simeon Hultare

For the Swiss Confederation:
E. Weber
A. Wettstein
A. Langenberger
F. Locher
C. Chappuis

For Czechoslovakia:
J. Manak
G. Vodnansky

For the Overseas Territories for the International relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible:
A. H. Sheffield
J. Bourn
L. W. Dudley

For Thailand:
M. Chullakesa
M. L. O. Sirivongs

For Tunisia:
M. Mili

For Turkey:
G. Yenal
I. Bilgic
A. Riza Hizal

For the Union of South Africa and the Territory of South-West Africa:
J. E. Mellon

For the Union of Soviet Socialist Republics:
I. Klokov

For the Oriental Republic of Uruguay:
Victor Pomes
Alfonso Galimberti
B. Barreiro

For the Republic of Venezuela:
J. A. Lopez

For the Republic of Viet-Nam:
Nguyen-Khac-Tham
Nguyen-Quang-Tuan

For British East Africa:

For the United Kingdom of Great Britain and Northern Ireland in that it relates to British East Africa:
M. W. Manson
R. Bolton

Annex 1

(See No. 4)

Afghanistan
Albania (People's Republic of)
Saudi Arabia (Kingdom of)
Argentine Republic
Australia (Commonwealth of)
Austria
Belgium
Bielorussian Soviet Socialist Republic
Burma (Union of)
Bolivia
Brazil
Bulgaria (People's Republic of)
Cambodia (Kingdom of)
Canada
Ceylon
Chile
China
Vatican City State
Colombia (Republic of)

Belgian Congo and Territory of Ruanda-Urundi
Korea (Republic of)
Costa Rica
Cuba
Denmark
Dominican Republic
El Salvador (Republic of)
Ecuador
Spain
Overseas States of the French Community and French Overseas Territories
United States of America
Ethiopia
Finland
France
Ghana
Greece
Guatemala
Guinea (Republic of)
Haiti (Republic of)
Honduras (Republic of)
Hungarian People's Republic
India (Republic of)
Indonesia (Republic of)
Iran
Iraq (Republic of)
Ireland
Iceland
Israel (State of)
Italy
Japan
Jordan (Hashemite Kingdom of)
Kuwait
Laos (Kingdom of)
Lebanon
Liberia
Libya (United Kingdom of)
Luxembourg
Malaya (Federation of)
Morocco (Kingdom of)
Mexico
Monaco
Nepal
Nicaragua
Norway
New Zealand
Pakistan
Panama
Paraguay
Netherlands (Kingdom of the)
Peru
Philippines (Republic of the)
Poland (People's Republic of)
Portugal
Spanish Provinces in Africa
Portuguese Oversea Provinces
United Arab Republic
Federal Republic of Germany
Federal People's Republic of Yugoslavia
Ukrainian Soviet Socialist Republic
Rhodesia and Nyasaland (Federation of)
Roumanian People's Republic
United Kingdom of Great Britain and Northern Ireland
Sudan (Republic of the)
Sweden
Switzerland (Confederation)
Czechoslovakia
Territories of the United States of America
Overseas Territories for the international relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible
Thailand
Tunisia
Turkey
Union of South Africa and Territory of South-West Africa
Union of Soviet Socialist Republics
Uruguay (Oriental Republic of)
Venezuela (Republic of)
Viet-Nam (Republic of)
Yemen

ANNEX 2

(See No. 7)

British West Africa
British East Africa
Bermuda-British Carribbean Group
Singapore-British Borneo Group
Trust Territory of Somaliland under Italian Administration

ANNEX 3

(See art. 51)

DEFINITION OF TERMS USED IN THE INTERNATIONAL TELECOMMUNICATION CONVENTION AND ITS ANNEXES

[300] Administration: Any governmental department or service responsible for implementing the obligations undertaken in the International Telecommunication Convention and the regulations annexed thereto.

[301] Private operating agency: Any individual or company or corporation, other than a governmental establishment or agency, which operates a telecommunication installation intended for an international telecommunication service or which is capable of causing harmful interference with such a service.

[302] Recognized private operating agency: Any private operating agency, as defined above, which operates a service of public correspondence or of broadcasting and upon which the obligations provided for in article 21 are imposed by the member or associate member in whose territory the head office of the agency is situated, or by the member or associate member which has authorized this operating agency to establish and operate a telecommunication service on its territory.

[303] Delegate: A person sent by the government of a member or associate member of the union to a Plenipotentiary Conference, or a person representing a government or an administration of a member or associate member of the union at an administrative conference, or at a meeting of an International Consultative Committee.

[304] Representative: A person sent by a recognized private operating agency to an administrative conference, or to a meeting of an International Consultative Committee.

[305] Expert: A person sent by a national scientific or industrial organization which is authorized by the Government or the administration of its country to attend meetings of study groups of an International Consultative Committee.

[306] Observer: A person sent by:

the United Nations in accordance with article 28 of the Convention;

one of the international organizations invited or admitted in accordance with the provisions of the General Regulations to participate in the work of a conference;

the Government of a Member or Associate Member of the Union participating in a nonvoting capacity in a special conference of a regional character held under the terms of article 7 of the Convention.

[307] Delegation: The totality of the delegates and, should the case arise, any representatives, attachés or interpreters sent by the same country.

Each Member and Associate Member shall be free to make up its delegation as it wishes. In particular it may include in its delegation in the capacity of delegates or advisers, persons belonging to private operating agencies which it recognizes or persons belonging to other private enterprises interested in the field of telecommunication.

[308] Telecommunication: Any transmission, emission or reception of signs, signals writing, images and sounds or intelligence of any nature by wire, radio, optical or other electromagnetic systems.

[309] Telegraphy: A system of telecommunication which is concerned in any process providing transmission and reproduction at a distance of documentary matter, such as written or printed matter or fixed images, or the reproduction at a distance of any kind of information in such a form. For the purposes of the Radio Regulations, however, unless otherwise specified therein, telegraphy shall mean "A system of telecommunication for the transmission of written matter by the use of a signal code".

[310] Telephony: A system of telecommunication set up for the transmission of speech or, in some cases, other sounds.

[311] Radiocommunication: Telecommunication by means of radio waves.

[312] Radio: a general term applied to the use of radio waves.

[313] Harmful Interference: Any emission, radiation or induction which endangers the functioning of a radionavigation service or of other safety services,[1] or seriously degrades, obstructs or repeatedly interrupts a radiocommunication service operating in accordance with the Radio Regulations.

[314] International Service: A telecommunication service between telecommunication offices or stations of any nature which are in different countries or are subject to different countries.

[315] Mobile Service: A service of radiocommunication between mobile and land stations, or between mobile stations.

[316] Broadcasting Service: A radiocommunication service in which the transmissions are intended for direct reception by the general public. This service may include sound transmissions, television transmissions or other types of transmissions.

[317] Public Correspondence: Any telecommunication which the offices and stations must, by reason of their being at the disposal of the public, accept for transmission.

[318] Telegram: Written matter intended to be transmitted by telegraphy for delivery to the addressee. This term also includes radiotelegrams unless otherwise specified.

[319] Government Telegrams and Government Telephone Calls: Telegrams or telephone calls originating with any of the authorities specified below:

the Head of a State;

the Head of a Government and members of a Government;

the Head of a territory, or the Head of a territory forming part of a group, Member or Associate Member;

the Head of a territory under the trusteeship or mandate of the United Nations or of a Member or Associate Member;

Commanders-in-Chief of military forces, land sea or air;

diplomatic or consular agents;

the Secretary-General of the United Nations; Heads of the principal organs of the United Nations;

the International Court of Justice at The Hague.

[320] Replies to Government telegrams as defined herein shall also be regarded as Government telegrams.

[321] Private Telegrams: Telegrams other than service or Government telegrams:

[322] Service Telegrams: Telegrams exchanged between:

(a) Administrations;

(b) recognized private operating agencies;

(c) Administrations and recognized private operating agencies;

(d) Administrations and recognized private operating agencies, on the one hand, and the Secretary-General, on the other,

and relating to public international telecommunication.

ANNEX 4

(See art. 27)

ARBITRATION

[400] 1. The party which appeals to arbitration shall initiate the arbitration procedure by transmitting to the other party to

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[1] Any radiocommunication service used permanently or temporarily for the safeguarding of human life and property.

the dispute a notice of the submission of the dispute to arbitration.

[401] 2. The parties shall decide by agreement whether the arbitration is to be entrusted to individuals, administrations or governments. If within one month after notice of submission of the dispute to arbitration, the parties have been unable to agree upon this point, the arbitration shall be entrusted to governments.

[402] 3. If arbitration is to be entrusted to individuals, the arbitrators must neither be nationals of the parties involved in the dispute, nor have their domicile in the countries parties to the dispute, nor be employed in their service.

[403] 4. If arbitration is to be entrusted to governments, or to administrations thereof, these must be chosen from among the Members or Associate Members which are not parties to the dispute, but which are parties to the agreement, the application of which caused the dispute.

[404] 5. Within three months from the date of receipt of the notification of the submission of the dispute to arbitration, each of the two parties to the dispute shall appoint an arbitrator.

[405] 6. If more than two parties are involved in the dispute, an arbitrator shall be appointed in accordance with the procedure set forth in 403 and 404, by each of the two groups of parties having a common position in the dispute.

[406] 7. The two arbitrators thus appointed shall choose a third arbitrator who, if the first two arbitrators are individuals and not governments or administrations, most fulfill the conditions indicated in 402, and in addition must not be of the same nationality as either of the other two arbitrators. Failing an agreement between the two arbitrators as to the choice of a third arbitrator, each of these two arbitrators shall nominate a third arbitrator who is in no way concerned in the dispute. The Secretary-General of the Union shall then draw lots in order to select the third arbitrator.

[407] 8. The parties to the dispute may agree to have their dispute settled by a single arbitrator appointed by agreement; or alternatively, each party may nominate an arbitrator, and request the Secretary-General of the Union to draw lots to decide which of the persons so nominated is to act as the single arbitrator.

[408] 9. The arbitrator or arbitrators shall be free to decide upon the procedure to be followed.

[409] 10. The decision of the single arbitrator shall be final and binding upon the parties to the dispute. If the arbitration is entrusted to more than one arbitrator, the decision made by the majority vote of the arbitrators shall be final and binding upon the parties.

[410] 11. Each party shall bear the expense it shall have incurred in the investigation and presentation of the arbitration. The costs of arbitration other than those incurred by the parties themselves shall be divided equally between the parties to the dispute.

[411] 12. The Union shall furnish all information relating to the dispute which the arbitrator or arbitrators may need.

ANNEX 5

GENERAL REGULATIONS ANNEXED TO THE INTERNATIONAL TELECOMMUNICATION CONVENTION

Part I. General provisions regarding conferences

Chapter 1. Invitation and Admission to Plenipotentiary Conferences, When There is an Inviting Government

[500] 1. The inviting government, in agreement with the Administrative Council, shall fix the definitive date and the exact place of the conference.

[501] 2. (1) One year before this date, the inviting government shall send an invitation to the government of each country Member of the Union and to each Associate Member of the Union.

[502] (2) These invitations may be sent directly or through the Secretary-General or through another government.

[503] 3. The Secretary-General shall send an invitation to the United Nations in accordance with article 28 of the Convention.

[504] 4. The inviting government, in agreement with or on a proposal by the Administrative Council, may invite such specialized agencies in relationship with the United Nations as grant to the Union reciprocal representation at their conferences to send observers to take part in the conferences in an advisory capacity.

[505] 5. The replies of the Members and Associate Members must reach the inviting government not later than one month before the date of opening of the conference, and should include whenever possible full information on the composition of the delegation.

[506] 6. Any permanent organ of the Union shall be entitled to be represented at the conference in an advisory capacity when the conference is discussing matters coming within its competence. In case of need, the conference may invite an organ which has not considered it necessary to be represented.

[507] 7. The following shall be admitted to plenipotentiary conferences:

(a) delegations as defined in Annex 3 to the Convention;

[508] (b) observers of the United Nations;

[509] (c) observers of the specialized agencies in conformity with 504.

Chapter 2. Invitation and Admission to Administrative Conferences, When There Is an Inviting Government

[510] 1. (1) The provision of 500 to 505 above shall be applicable to administrative conferences.

[511] (2) However, as regards extraordinary administrative conferences and special conferences, the time-limit for the despatch of invitations may be reduced to six months.

[512] (3) Members and Associate Members of the Union may inform the private operating agencies recognized by them of the invitation they have received.

[513] 2. (1) The inviting government, in agreement with or on a proposal by the Administrative Council, may notify the international organizations which are interested in sending observers to participate in the work of the conference in an advisory capacity.

[514] (2) The interested international organizations shall make applications for admission to the inviting government within a period of two months from the date of the notification.

[515] (3) The inviting government shall assemble the requests and the conference itself shall decide whether the organizations concerned are to be admitted or not.

[516] 3. (1) The following shall be admitted to administrative conferences:

(a) delegations as defined in Annex 3 to the Convention;

[517] (b) observers of the United Nations;

[518] (c) observers of the specialized agencies in conformity with 504;

[519] (d) observers from international organizations admitted in accordance with 513 to 515;

[520] (e) representatives of recognized private operating agencies, duly authorized by the Member country to which they belong.

[521] (f) permanent organs of the Union, subject to the conditions set forth in 506.

[522] (2) Moreover, observers from Members and Associate Members which do not belong to the region concerned shall be admitted to special conferences of a regional character.

Chapter 3. Special Provisions for Conferences Meeting When There is no Inviting Government

[523] When a conference is to be held without an inviting government the provisions of Chapters 1 and 2 are applicable. The Secretary-General shall take the necessary steps to convene and organize it at the seat of the Union, after agreement with the Government of the Swiss Confederation.

Chapter 4. Time-limits for Presentation of Proposals to Conferences and Conditions of Submission

[524] 1. Immediately after the invitations have been despatched, the Secretary-General shall ask Members and Associate Members to send him, within four months, their proposals for the work of the conference.

[525] 2. All proposals submitted, the adoption of which will involve revision of the text of the Convention or Regulations, must carry references identifying by chapter, article or paragraph number those parts of the text which will require such revision. The reasons for the proposal must be given, as briefly as possible, in each case.

[526] 3. The Secretary-General shall assemble and co-ordinate the proposals received from Administrations and from the International Consultative Committees and shall communicate them, at least three months before the opening of the conference, to all Members and Associate Members.

Chapter 5. Credentials for Conferences

[527] 1. (1) Delegations sent by Members of the Union to take part in a conference must be duly accredited to exercise their right to vote and must be furnished with the necessary powers for the signing of the Final Acts.

[528] (2) Delegations sent by Associate Members of the Union to take part in the conference must be duly accredited to participate therein in accordance with 16.

[529] 2. For plenipotentiary conferences:

(1)(a) delegations shall be accredited by instruments signed by the Head of State or by the Head of the Government or by the Minister for Foreign Affairs;

[530](b) however, they may be provisionally accredited by the Head of the diplomatic mission accredited to the government of the country in which the conference is held;

[531](c) any delegation representing a trust territory, for which the United Nations has acceded to the Convention in accordance with Article 20, shall be accredited by the Secretary-General of the United Nations.

[532] (2) In order to sign the Final Acts of the Conference, delegations must be furnished with full powers signed by the authorities mentioned in 529. Powers sent by telegram are not acceptable.

[533] 3. For administrative conferences:

(1) the provisions of 529 to 532 are applicable.

[534] (2) Independently of the authorities mentioned in 529 above, the Minister responsible for questions dealt with during the Conference may accredit a delegation and empower it to take part in the work and to sign the Final Acts.

[535] 4. A special committee shall be entrusted with the verification of the credentials of each delegation; this committee shall reach its conclusions within the period specified by the Plenary Assembly.

[536] 5. (1) The delegation of a Member of the Union shall exercise its right to vote from the moment when it begins to take part in the work of the conference.

[537] (2) However, a delegation shall no longer have the right to vote from the time that the Plenary Assembly decides that its credentials are not in order until this state of affairs has been rectified.

[538] 6. As a general rule, Member countries should endeavour to send their own delegation to the conferences of the Union.

Nevertheless, if, for exceptional reasons, a Member is unable to send its own delegation it may accredit the delegation of another Member of the Union and give this delegation powers to act and sign on its behalf.

[539] 7. A duly accredited delegation may give a mandate to another duly accredited delegation to exercise its vote at one or more sessions at which it is unable to be present. In this case it must notify the Chairman of the conference.

[540] 8. A delegation may not exercise more than one proxy vote in any of the cases referred to in 538 and 539.

Chapter 6. Procedure for Calling Extraordinary Administrative Conferences at the Request of Members of the Union or on a Proposal of the Administrative Council

[541] 1. Any Member of the Union wishing to have an extraordinary administrative conference convened shall so inform the Secretary-General, indicating the proposed agenda, place and date of the conference.

[542] 2. On receipt of twenty similar requests, the Secretary-General shall inform all Members and Associate Members thereof by telegram, asking the Members to indicate, within six weeks, whether or not they agree to the proposal.

[543] 3. If a majority of the Members agree to the proposal as a whole, that is to say, if they accept the agenda, date and place of the proposed meeting, the Secretary-General shall so inform the Members and Associate Members of the Union by circular telegram.

[544] 4. (1) If the proposal accepted is for a conference elsewhere than at the seat of the Union, the Secretary-General shall ask the Government of the country concerned whether it agrees to act as inviting Government.

[545] (2) If the answer is in the affirmative, the Secretary-General, with the assent of the Government concerned, shall take the necessary steps to convene the conference.

[546] (3) If the answer is in the negative, the Secretary-General shall request the Members desiring the conference to make alternative suggestions for the place of the conference.

[547] 5. Where the proposal accepted is for a conference at the seat of the Union, the provisions of chapter 3 shall apply.

[548] 6. (1) If the proposal as a whole (agenda, time, and place) is not accepted by a majority of the Members, the Secretary-General shall inform the Members and Associate Members of the Union of the replies received, requesting the Members to give a final reply on the point or points under dispute.

[549] (2) Such points shall be regarded as adopted when they have been approved by a majority of the Members.

[550] 7. The procedure indicated above shall also be applicable when the proposal to convene an extraordinary administrative conference is initiated by the Administrative Council.

Chapter 7. Procedure for Convening Special Administrative Conferences at the Request of Members of the Union or on a Proposal by the Administrative Council

[551] 1. The provisions of Chapter 6 shall be applicable in their entirety to special conferences of a world-wide character.

[552] 2. In the case of a special conference of a regional character, the procedure described in Chapter 6 shall be applicable only to the Members of the region concerned. If the conference is to be convened on the initiative of the Members of the region, it will suffice for the Secretary-General to receive concordant requests from a quarter of the total number of Members in that Region.

Chapter 8. Provisions Common to all Conferences—Change in the Time or Place of a Conference

[553] 1. The provisions of Chapters 6 and 7 above shall apply, by analogy, when a change in the time or place of a conference is requested by Members of the Union or is proposed by the Administrative Council. However, such changes shall only be made if a majority of the Members concerned have pronounced in favour.

[554] 2. It shall be the responsibility of any Member or Associate Member proposing a change in the time or place of a conference to obtain for its proposal the support of the requisite number of other Members and Associate Members.

[555] 3. Where the issue arises, the Secretary-General shall indicate, in the communication referred to in 542 the probable financial consequences of a change in the time or place, as, for example, when there has been an outlay of expenditure in preparing for the Conference at the place initially chosen.

Chapter 9. Rules of Procedure of Conferences

Rule 1—Order of Seating:

[556] At meetings of the Conference, delegations shall be seated in the alphabetical order of the French names of the countries represented.

Rule 2—Inauguration of the Conference:

[557] 1. (1) The inaugural meeting of conference shall be preceded by a meeting of the Heads of Delegations to prepare the agenda for the first Plenary Assembly.

[558] (2) The Chairman of the meeting of Heads of Delegations shall be appointed in accordance with the provisions of 559 and 560.

[559] 2. (1) The conference shall be opened by a person appointed by the inviting Government.

[560] (2) When there is no inviting Government, it shall be opened by the oldest Head of Delegation.

[561] 3. (1) At the first meeting of the Plenary Assembly, the Chairman of the conference shall be elected; generally, he will be someone appointed by the inviting Government.

[562] (2) If there is no inviting Government, the Chairman shall be chosen, taking into account the proposal made by the Heads of Delegations at the meeting described in 557.

[563] 4. The first Plenary Assembly shall also:

(a) elect the Vice-Chairmen of the conference;

[564] (b) set up the conference committees and elect their respective Chairmen and Vice-Chairmen;

[565] (c) constitute the conference Secretariat, made up of the staff of the General Secretariat of the Union, and, in case of need, of staff provided by the administration of the inviting Government.

Rule 3—Powers of the Chairman of the Conference:

[566] 1. The Chairman, in addition to performing any other duties incumbent on him under these Rules of Procedure, shall open and close the meetings of the Plenary Assembly, direct its deliberations, ensure that the Rules of Procedure are applied, give the floor to speakers, put questions to the vote, and announce the decisions adopted.

[567] 2. He shall have the general direction of all the work of the conference, and shall ensure that order is maintained at meetings of the Plenary Assembly. He shall give his ruling on motions of order and points of order, and in particular, he shall be empowered to propose that discussion on a question be postponed or closed, or that a meeting be suspended or adjourned. He may also decide to postpone the convening of a Plenary Assembly or meeting thereof should he consider it necessary.

[568] 3. It shall be the duty of the Chairman to protect the right of each delegation to express its opinion freely and fully on the point at issue.

[569] 4. He shall ensure that discussion is limited to the point at issue, and he may interrupt any speaker who departs therefrom and request him to confine his remarks to the subject under discussion.

Rule 4—Appointment of Committees:

[570] 1. The Plenary Assembly may appoint committees to consider matters referred to the conference. These committees may in turn appoint subcommittees. Committees and subcommittees may form working groups.

[571] 2. However, committees and subcommittees may appoint subcommittees and working groups only when it is absolutely necessary.

Rule 5—Budget Control Committee:

[572] 1. At the opening of each conference or meeting, the Plenary Assembly shall appoint a budget control committee to determine the organization and the facilities available to the delegates, and to examine and approve the accounts for expenditure incurred throughout the duration of the conference or meeting. In addition to the members of delegations who wish to participate, this committee shall include a representative of the Secretary-General and where there is an inviting Government, a representative of that country.

[573] 2. Before the budget approved by the Administrative Council for the conference or meeting is exhausted, the budget control committee, in collaboration with the secretariat of the conference or meeting, shall present an interim statement of the expenditure already incurred to the Plenary Assembly. The Plenary Assembly shall take this statement into account in considering the question whether the progress made is sufficient to justify a prolongation of the conference or meeting after the date when the approved budget will be exhausted.

[574] 3. At the end of each conference or meeting, the budget control committee shall present a report to the Plenary Assembly showing, as accurately as possible, the estimated total expenditure at the close of the conference or meeting.

[575] 4. After consideration and approval by the Plenary Assembly, this report, together with the observations of the Plenary Assembly, shall be transmitted to the Secretary-General for submission to the Administrative Council at its next annual session.

Rule 6—Composition of Committees:

[576] 1. Plenipotentiary Conferences:

Committees shall be composed of the delegates of Members and Associate Members and the observers referred to in 508 and 509, who have so requested or who have been designated by the Plenary Assembly.

[577] 2. Administrative Conferences:

Committees shall be composed of the delegates of Members and Associate Members, and the observers and representatives referred to in 517 to 520, who have so requested or who have been designated by the Plenary Assembly.

Rule 7—Reporters. Chairmen and Vice-Chairmen of Subcommittees:

[578] The Chairman of each committee shall propose to his committee the nomination of the reporters and the choice of the chairmen, vice-chairmen and reporters of the subcommittees which may be set up.

Rule 8—Summons to meetings:

[579] Meetings of the Plenary Assembly, committees, subcommittees and working groups shall be announced in good time in the meeting place of the conference.

Rule 9—Proposals presented before the Opening of the Conference:

[580] Proposals presented before the opening of the conference shall be allocated by the Plenary Assembly to the appropriate committees appointed in accordance with Rule 4 of these Rules of Procedure. Nevertheless the Plenary Assembly itself shall be entitled to deal directly with any proposal.

Rule 10—Proposals or Amendments presented during the Conference:

[581] 1. Proposals or amendments presented after the opening of the conference must be delivered to the Chairman of the conference, or to the Chairman of the appropriate committee, as the case may be. They may also be handed to the secretariat of the conference for publication and distribution as conference documents.

[582] 2. No written proposal or amendment may be presented unless signed by the Head of the delegation concerned or by his deputy.

[583] 3. The Chairman of a conference or of a committee may at any time submit proposals likely to accelerate the debates.

[584] 4. Every proposal or amendment shall give, in precise and exact terms, the text to be considered.

[585] 5. (1) The Chairman of the conference or the Chairman of the appropriate committee shall decide in each case whether a proposal or amendment submitted during a meeting shall be made orally or presented in writing for publication and distribution in accordance with 581.

[586](2) In general, the texts of all major proposals to be put to the vote at a meeting of the Plenary Assembly shall be distributed in good time in the working languages of the conference, in order that they may be studied before discussion.

[587](3) In addition, the Chairman of the conference on receiving proposals or amendments referred to in 581, shall refer them to the appropriate committee or to the Plenary Assembly as the case may be.

[588] 6. Any authorized person may read, or may ask to have read, at a meeting of the Plenary Assembly any proposal or amendment submitted by him during the conference, and he shall be allowed to explain his reasons therefor.

Rule 11.—Conditions required for Discussion of, and Vote on, any Proposal or Amendment:

[589] 1. No proposal or amendment submitted prior to the opening of the conference or by a delegation during the conference may be discussed unless it is supported by at least one other delegation when it comes to be considered.

[590] 2. Each proposal or amendment duly supported shall be submitted to a vote after discussion.

Rule 12—Proposals or Amendments passed over or postponed:

[591] When a proposal or an amendment has been passed over or when its examination has been postponed, the delegation sponsoring it shall be responsible for seeing that it is considered later.

Rule 13—Rules for Debates of the Plenary Assembly:

[592] 1. Quorum.

For a valid vote to be taken at a meeting of the Plenary Assembly, more than half of the delegations accredited to the Conference and having the right to vote must be present or represented at the meeting.

[593] 2. Order of debates.

(1) Persons desiring to speak must first obtain the consent of the Chairman. As a general rule, they shall begin by announcing in what capacity they speak.

[594] (2) Any person speaking must express himself slowly and distinctly, separating his words and pausing as necessary in order that everybody may understand his meaning.

[595] 3. Motions of order and points of order.

(1) During debates, any delegation may, when it thinks fit, submit a motion of order or raise a point of order, which shall at once be settled by the Chairman in accordance with these Rules of Procedure. Any delegation may appeal against the Chairman's ruling, which shall however stand unless a majority of the delegations present and voting are against it.

[596] (2) A delegation submitting a motion of order shall not, during its speech, discuss the substance of the matter in question.

[597] 4. Priority of motions of order and points of order

The motions and points of order mentioned in 595 and 596 shall be dealt with in the following order:

(a) any point of order regarding the application of these Rules of Procedure;

[598] (b) suspension of a meeting;

[599] (c) adjournment of a meeting;

[600] (d) postponement of debate on the matter under discussion;

[601] (e) closure of debate on the matter under discussion;

[602] (f) any other motions of order or points of order that may be submitted, in which case it shall be for the Chairman to decide the relative order in which they shall be considered.

[603] 5. Motion for suspension or adjournment of a meeting.

During the discussion of a question, a delegation may move that the meeting be suspended or adjourned, giving reasons for its proposal. If the proposal is seconded, the floor shall be given to two speakers to oppose the suspension or adjournment and solely for that purpose, after which the motion shall be put to the vote.

[604] 6. Motion for postponement of debate.

During discussion of any question, a delegation may propose that the debate be postponed for a stated period. Once such a proposal has been made, any discussion thereon shall be limited to no more than three speakers, not counting the person submitting the proposal: one for the motion, and two against.

[605] 7. Motion for closure of debate.

A delegation may at any time propose that discussion on the point at issue be closed. In such cases, before a vote is taken on the proposal, the floor may be given to not more than two speakers opposing the motion.

[606] 8. Limitation of speeches.

(1) The Plenary Assembly may, if necessary, decide how many speeches any one delegation may make on any particular point, and how long they may last.

[607] (2) However, as regards questions of procedure, the Chairman shall limit the time allowed for a speech to a maximum of five minutes.

[608] (3) When a speaker has exceeded the time allowed, the Chairman shall notify the Assembly and request the speaker to conclude his remarks briefly.

[609] 9. Closing the list of speakers.

(1) During the debate, the Chairman may rule that the list of speakers wishing to take the floor be read. He shall add the names of other delegations who indicate that they wish to speak and he may then, with the assent of the Assembly, rule that the list be closed. Nevertheless, as an exceptional measure, the Chairman may rule, if he thinks fit, that a reply may be made to any previous statement, even after the list of speakers has been closed.

[610] (2) The list of speakers having been exhausted, the Chairman shall declare discussion on the matter closed.

[611] 10. Question of competence.

Any questions of competence that may arise shall be settled before a vote is taken on the substance of the matter under discussion.

[612] 11. Withdrawal and re-submission of a motion.

The author of a motion may withdraw it before it is put to a vote. Any motion, whether it be amended or not, which has been withdrawn from debate may be re-submitted or taken up by the author of the amendment or by another delegation.

Rule 14—Right to Vote.

[613] 1. At all meetings of the conference, the delegation of a Member of the Union duly accredited by that Member to take part in the work of the conference shall be entitled to one vote in accordance with Article 1 of the Convention.

[614] 2. The delegation of a Member of the Union shall exercise the right to vote under the conditions described in Chapter 5 of the General Regulations.

Rule 15—Voting.

[615] 1. Definition of a majority

(1) A majority shall consist of more than half the delegations present and voting.

[616] (2) In computing a majority, delegations abstaining shall not be taken into account.

[617] (3) In case of a tie, a proposal or amendment shall be considered rejected.

[618] (4) For the purpose of these Rules of Procedure, a "delegation present and voting" shall be a delegation voting for or against a proposal.

[619] 2. Non-participation in voting

Delegations which are present but do not take part in a particular vote or expressly state they do not wish to take part shall be considered neither as absent, for the purpose of determining a quorum as defined in 592, nor as abstaining for the purpose of 620.

[620] 3. Special majority

In cases where Members of the Union are to be admitted, the majority described in Article 1 of the Convention shall apply.

[621] 4. Abstentions of more than fifty per cent.

When the number of abstentions exceeds half the number of votes cast (for, against, abstentions), consideration of the matter under discussion shall be postponed to a later meeting, at which time abstentions shall not be taken into account.

[622] 5. Voting procedures

(1) The following voting procedures shall be adopted except in the case provided for in 625:

(a) by a show of hands, as a general rule;

[623](b) by roll call, if the above-mentioned procedure shows no clear majority or if so requested by at least two delegations.

[624] (2) Votes by roll call shall be taken in the alphabetical order of the French names of the Members represented.

[625] 6. Secret ballot

Voting shall be by secret ballot when at least five of the delegations present and entitled to vote so request. In such cases, the Secretariat shall at once take steps to ensure the secrecy of the vote.

[626] 7. Prohibition of interruptions during votes

No delegation may interrupt once a vote has begun, unless to raise a point of order in connection with the way in which the vote is being taken.

[627] 8. Reasons for votes

The Chairman shall authorize any delegations which so request to give the reasons for their vote, after the vote has been taken.

[628] 9. Voting on parts of a proposal

(1) When the author of a proposal so requests, or when the Assembly thinks fit, or when the Chairman, with the approval of the author, so proposes, that proposal shall be sub-divided and its various sections put to the vote separately. The parts of the proposal which have been adopted shall then be put to the vote as a whole.

[629] (2) If all the sections of a proposal are rejected the proposal shall be regarded as rejected as a whole.

[630] 10. Order of voting on concurrent proposals

(1) When there are two or more proposals on any one matter, they shall be put to the vote in the order in which they were presented, unless the Assembly decides to the contrary.

[631] (2) After each vote, the Assembly shall decide whether or not the following prcposal shall be voted on.

[632] 11. Amendments

(1) Any proposal for modification consisting only of a deletion from, an addition to, or a change in a part of the original proposal shall be considered an amendment.

[633] (2) Any amendment to a proposal accepted by the delegation submitting the proposal shall at once be embodied in the original proposal.

[634] (3) No proposal for modification shall be regarded as an amendment if the Assembly considers it to be incompatible with the original proposal.

[635] 12. Voting on amendments

(1) When an amendment is submitted to a proposal, a vote shall first be taken on the amendment.

[636] (2) When two or more amendments are submitted to a proposal, the amendment furthest from the original text shall be put to the vote first; of the remainder, that furthest from the proposal shall then be put to the vote and the same procedure shall be followed until all the amendments submitted have been considered.

[637] (3) If one or more amendments are adopted, the proposal thus amended shall then be put to the vote.

[638] (4) If no amendment is adopted, the original proposal shall be put to the vote.

Rule 16—Committees and Sub-committees Rules for Debates and Voting Procedures:

[639] 1. The Chairmen of all committees and sub-committees shall have powers similar to those conferred by Rule 3 on the Chairman of the conference.

[640] 2. The provisions set forth in Rule 13 for the conduct of debates in the Plenary Assembly shall also apply to the discussions of committees and sub-committees, except in the matter of the quorum.

[641] 3. The provisions set forth in Rule 15 shall also apply to votes taken in committees and sub-committees, except as regards 620.

Rule 17—Reservations:

[642] 1. As a general rule, any delegation whose views are not shared by the remaining delegations shall endeavour, as far as possible, to conform to the opinion of the majority.

[643] 2. However, if any decision appears to a delegation to be of such a nature as to prevent its Government from ratifying the Convention or from approving the revision of the Regulations, the delegation may make reservations, final or provisional, regarding this decision.

Rule 18—Minutes of Plenary Assemblies:

[644] 1. The minutes of Plenary Assemblies shall be drawn up by the secretariat of the conference, which shall endeavour to ensure their distribution to delegations as early as possible before the date on which they are to be considered.

[645] 2. After the minutes have been distributed, delegations may submit in writing to the secretariat of the conference the corrections they consider to be justified; this shall be done in the shortest possible time. This shall not prevent them from presenting amendments orally during the meeting at which the minutes are approved.

[646] 3. (1) As a general rule, the minutes shall contain proposals and conclusions, together with the principal arguments for them, presented in terms as concise as possible.

[647] (2) However, any delegation shall have the right to require the insertion in the minutes, either summarized or in full, of any statement it has made during the debates. In this case, the delegation should, as a general rule, announce this at the beginning of its statement in order to facilitate the work of the reporters and must itself hand in the text to the secretariat of the conference within two hours after the end of the meeting.

[648] 4. The right accorded in 647 regarding the insertion of statements in the minutes shall in all cases be used with discretion.

Rule 19—Summary Records and Reports of Committees and Sub-committees:

[649] 1. (1) The debates of committees and sub-committees shall be summarized, meeting by meeting, in summary records, in which shall be brought out the essential points of the discussion, and the various opinions of which note ought to be taken, together with any proposals or conclusions resulting from the debate as a whole.

[650] (2) Nevertheless, any delegation shall be entitled to invoke 647.

[651] (3) The right referred to above shall in all circumstances be used with discretion.

[652] 2. Committees and sub-committees may prepare any interim reports they deem necessary and, if circumstances warrant, they may submit, at the end of their work, a final report recapitulating in concise terms the proposals and conclusions resulting from the studies entrusted to them.

Rule 20— Approval of Minutes, Summary Records and Reports:

[653] 1. (1) As a general rule, at the beginning of each meeting of the Plenary Assembly, committee, or sub-committee, the Chairman shall inquire whether there are any comments on the minutes of the previous meeting, or, in the case of committees or sub-committees, on the summary record of the previous meeting. These documents shall be considered approved if no amendments have been handed in to the Secretariat and no objection is made orally. Otherwise, the appropriate amendments shall be made in the minutes or summary record as the case may be.

[654] (2) Any interim or final report must be approved by the committee or sub-committee concerned.

[655] 2. (1) The minutes of the last Plenary Assembly shall be examined and approved by the Chairman of the Assembly.

[656] (2) The summary record of the last meeting of each committee or sub-committee shall be examined and approved by the Chairman of the committee or sub-committee.

Rule 21—Editorial Committee:

[657] 1. The texts of the Convention, the Regulations and other Final Acts of the conference, which shall be worded as far as practicable in their definitive form by the various committees, taking account of the views expressed, shall be submitted to an editorial committee charged with perfecting their form without altering the sense and with combining them with those parts of former texts which have not been altered.

[658] 2. The texts shall be submitted by the editorial committee to the Plenary Assembly of the conference, which shall approve them, or refer them back to the appropriate committee for further examination.

Rule 22—Numbering:

[659] 1. The numbers of the chapters, articles and paragraphs of the texts subjected to revision shall be preserved until the first reading in Plenary Assembly. The passages added shall bear provisionally the number of the last paragraph in the original text, with the addition of "a", "b", etc.

[660] 2. The definitive numbering of the chapters, articles and paragraphs shall be entrusted to the editorial committee after their adoption at the first reading.

Rule 23—Final Approval:

[661] The texts of the Convention, the Regulations and other Final Acts shall be considered final when they have been approved at the second reading in Plenary Assembly.

Rule 24—Signature:

[662] The final texts approved by the conference shall be submitted for signature, in the alphabetical order of the French names of their countries, to the delegates provided with the full powers defined in Chapter 5 of the General Regulations.

Rule 25—Press Notices:

[663] Official releases to the press about the work of the conference shall be issued only as authorized by the Chairman or a Vice-Chairman of the conference.

Rule 26—Franking Privileges:

[664] During the conference, members of delegations, members of the Administrative Council, senior officials of the permanent organs of the Union, and the staff of the Secretariat of the Union seconded to the conference shall be entitled to postal, telegraph and telephone franking privileges to the extent arranged by the government of the country in which the conference is held in agreement with the other governments and recognized private operating agencies concerned.

Part II. International consultative committees

Chapter 10. General Provisions

[665] 1. The provisions of Part II of the General Regulations supplement Article 13 of the Convention defining the duties and structure of the International Consultative Committees.

[666] 2. (1) The Consultative Committees shall also observe the applicable Rules of Procedure of Conferences contained in Part I of the General Regulations.

[667] (2) In order to facilitate the work of the Consultative Committee the Plenary Assembly may adopt additional provisions if they do not conflict with the Rules of Procedure of Conferences. These additional provisions shall be published in the form of a Resolution in the documents of the Plenary Assembly concerned.

Chapter 11. Conditions for Participation

[668] 1. (1) The International Consultative Committees shall have as Members:

(*a*) of right, the administrations of all Members and Associate Members of the Union;

[669] (*b*) any recognized private operating agency which, with the approval of the Member or Associate Member which has recognized it, subject to the procedure prescribed below, expresses a desire to participate in the work of the Committees.

[670] (2) The first request from a recognized private operating agency to take part in the work of a Consultative Committee shall be addressed to the Secretary-General who shall inform all the Members and Associate Members and the Director of the Consultative Committee concerned. A request from a recognized private operating agency must be approved by the Member or Associate Member recognizing it.

[671] 2. (1) International organizations which coordinate their work with the International Telecommunication Union and which have related activities may be admitted to participate in the work of the Consultative Committees in an advisory capacity.

[672] (2) The first request from an international organization to take part in the work of a Consultative Committee shall be addressed to the Secretary-General who shall inform by telegram all the Members and Associate Members and invite Members to say whether the request should be granted; the request shall be granted if the majority of the replies of the Members received within a period of one month are favourable. The Secretary-General shall inform all the Members and Associate Members and the Director of the Consultative Committee concerned of the result of the consultation.

[673] 3. (1) Scientific or industrial organizations, which are engaged in the study of telecommunication problems or in the design or manufacture of equipment intended for telecommunication services, may be admitted to participate in an advisory capacity in meetings of the study groups of the Consultative Committees, provided that their participation has received the approval of the administrations of the countries concerned.

[674] (2) The first request from a scientific or industrial organization for admission to meetings of study groups of a Consultative Committee shall be addressed to the Director of the Consultative Committee; such a request must be approved by the administration of the country concerned.

Chapter 12. Duties of the Plenary Assembly

[675] The Plenary Assembly shall:

(a) consider the reports of study groups and approve, modify or reject the draft recommendations contained in these reports;

[676] (b) decide new questions to be studied in conformity with the provisions of 180; and, if need be, establish a study programme;

[677] (c) so far as necessary, maintain existing study groups and set up new study groups;

[678] (d) allocate to study groups the questions to be studied;

[679] (e) consider and approve the report of the Director on the activities of the Committee since the last meeting of the Plenary Assembly;

[680] (f) approve a report on the financial needs of the Committee until the next Plenary Assembly, for submission to the Administrative Council;

[681] (g) consider any other matters deemed necessary within the provisions of Article 13 of the Convention and Part II of the General Regulations.

Chapter 13. Meetings of the Plenary Assembly

[682] 1. The Plenary Assembly shall normally meet every three years at a time and place fixed by the preceding Plenary Assembly.

[683] 2. The date of the meeting of the Plenary Assembly may be changed with the approval of the majority of the Members of the Union which participated in the previous meeting of the Plenary Assembly, or which, not having so participated, have informed the Secretary-General of their wish to take an active part in the work of the Consultative Committee concerned.

[684] 3. At each of these meetings, the Plenary Assembly shall be presided over by the Head of the delegation of the country in which the meeting is held or, in the case of a meeting held at the seat of the Union by a person elected by the Plenary Assembly itself; the Chairman shall be assisted by Vice-Chairmen elected by the Plenary Assembly.

[685] 4. The secretariat of the Plenary Assembly of a Consultative Committee shall be composed of the specialized secretariat of that Committee, with the help, if necessary, of the personnel of the administration of the inviting Government and of the General Secretariat.

Chapter 14. Languages and Method of Voting in Plenary Assemblies

[686] 1. (1) The languages used in the Plenary Assemblies shall be as provided in Article 16 of the Convention.

[687] (2) The preparatory documents of study groups, the documents and minutes of Plenary Assemblies and the documents published after these Assemblies by the International Consultative Committees shall be issued in the three working languages of the Union.

[688] 2. The Members which are authorized to vote at sessions of Plenary Assemblies of the Consultative Committees are those to which reference is made in 14 and 232. However, when a country, Member of the Union, is not represented by an administration, the representatives of the recognized private operating agencies of that country shall, as a whole, and regardless of their number, be entitled to a single vote.

Chapter 15. Composition of Study Groups

[689] 1. The Plenary Assembly shall set up the necessary study groups to deal with questions to be studied. The administrations, recognized private operating agencies and international organizations admitted in accordance with 671 and 672 which wish to take part in the work of the study groups shall give in their names either at the meeting of the Plenary Assembly or, at a later date, to the Director of the Consultative Committee concerned.

[690] 2. In addition, and subject to the provisions of 673 and 674, experts of scientific or industrial organizations may be admitted to take part in an advisory capacity in any meeting of any study group.

[691] 3. The Plenary Assembly shall appoint the Chairman and Vice-Chairman of each study group. If in the interval between two meetings of the Plenary Assembly, a Group Chairman is unable to carry out his duties, the Vice-Chairman shall take his place, and the study group concerned shall elect, at its next meeting, from among its members, a new Vice-Chairman. It shall likewise elect a new Vice-Chairman should the Vice-Chairman find himself no longer able, during this period, to carry out his duties.

Chapter 16. Treatment of Business of Study Groups

[692] 1. Study groups shall normally conduct their work by correspondence.

[693] 2. (1) However, the Plenary Assembly may give directives concerning the convening of any meetings of the study groups that may appear necessary to deal with large groups of questions.

[694] (2) Moreover, if after a Plenary Assembly, a Group Chairman considers it necessary for his study group to hold one or more meetings not provided for by the Plenary Assembly to discuss orally questions which could not be solved by correspondence, he may, with the approval of his administration and after consultation with the Director concerned and the members of his study group, suggest a meeting at a convenient place bearing in mind the need to keep expenses to a minimum.

[695] 3. However, in order to avoid unnecessary journeys and prolonged absences, the Director of a Consultative Committee, in agreement with the Group Chairmen of the various study groups concerned, shall draw up the general plan of meetings of groups of study groups which are to meet in the same place during the same period.

[696] 4. The Director shall send the final reports of the study groups to the participating administrations, to the recognized private operating agencies of the Consultative Committee and, as occasion may demand, to such international organizations as have participated. These shall be sent as soon as possible and, in any event, in time for them to be received at least one month before the date of the next meeting of the Plenary Assembly. This provision may only be waived when study group meetings are held immediately prior to the meeting of the Plenary Assembly. Questions which have not formed the subject of a report furnished in this way shall not appear on the agenda for the meeting of the Plenary Assembly.

Chapter 17. Duties of the Director. Specialized Secretariat

[697] 1. (1) The Director of a Consultative Committee shall co-ordinate the work of the Plenary Assembly and study groups, and shall be responsible for the organization of the work of the Consultative Committee.

[698] (2) He shall be responsible for the documents of the Committee.

[699] (3) The Director shall be assisted by a secretariat composed of a specialized staff to work under his direction and to aid him in the organization of the work of the Committee.

[700] (4) The staffs of the specialized secretariats, laboratories and technical installations of a Consultative Committee shall be under the administrative control of the Secretary-General.

[701] 2. The Director shall choose the technical and administrative members of the secretariat within the framework of the budget as approved by the Plenipotentiary Conference or the Administrative Council. The appointment of the technical and administrative personnel is made by the Secretary-General in agreement with the Director. The final decision for appointment or dismissal rests with the Secretary-General.

[702] 3. The Director shall participate as of right, but in an advisory capacity, in meetings of the Plenary Assembly and of the study groups. He shall make all necessary preparations for meetings of the Plenary Assembly and of the study groups.

[703] 4. The Director shall submit to the Plenary Assembly a report on the activities of the Consultative Committee since the last meeting of the Plenary Assembly. After approval, this report shall be sent to the Secretary-General for submission to the Administrative Council.

[704] 5. The Director shall submit to the Administrative Council at its annual session a report on the activities of the Committee during the previous year for the information of the Council and of the Members and Associate Members of the Union.

[705] 6. The Director shall submit for the approval of the Plenary Assembly a report on the financial needs of the Consultative Committee up to the next meeting of the Plenary Assembly; this report, after approval by the Plenary Assembly, shall be sent to the Secretary-General for transmission to the Administrative Council.

[706] 7. The Director shall prepare, for inclusion by the Secretary-General in the annual budget of the Union, an estimate of the expenses of the Committee for the following year, based on the report on the financial needs of the Committee approved by the Plenary Assembly.

[707] 8. The Director shall participate as necessary in technical assistance activities of the Union within the framework of the Convention.

Chapter 18. Proposals for Administrative Conferences

[708] 1. In accordance with 181, the Consultative Committees may make proposals for modification of the Regulations mentioned in 193.

[709] 2. Such proposals shall be sent to the Secretary-General in good time for assembly, coordination and communication, as laid down in 526.

Chapter 19. Relations of Consultative Committees Between Themselves and With Other International Organizations

[710] 1. (1) Plenary Assemblies of Consultative Committees may set up joint study groups to study and make recommendations on questions of common interest.

[711] (2) The Directors of Consultative Committees may, in collaboration with the Group Chairmen, organize joint meetings of study groups of both Consultative Committees, to study and prepare draft recommendations on questions of common interest. Such draft recommendations shall be submitted to the next meeting of the Plenary Assembly of each Consultative Committee.

[712] 2. The Plenary Assembly or the Director of a Consultative Committee may in-

vite a representative of this Committee to attend, in an advisory capacity, meetings of the other Consultative Committee or of other international organizations to which that Consultative Committee has been invited.

[713] 3. The Secretary-General, the Deputy Secretary-General, the Chairman of the International Frequency Registration Board, and the Director of the other Consultative Committee, or their representatives, may attend meetings of a Consultative Committee in an advisory capacity. In case of need, a Consultative Committee may invite to attend its meetings, in an advisory capacity, representatives of any permanent organ of the Union which has not considered it necessary to be represented.

ANNEX 6

(See article 28)

AGREEMENT BETWEEN THE UNITED NATIONS AND THE INTERNATIONAL TELECOMMUNICATIONS UNION—PREAMBLE

In consideration of the provisions of article 57 of the Charter of the United Nations and of article 26 of the Convention of the International Telecommunication Union of Atlantic City 1947, the United Nations and the International Telecommunication Union agree as follows:

Article I

The United Nations recognizes the International Telecommunication Union (hereinafter called "the Union") as the specialized agency responsible for taking such action as may be appropriate under its basic instrument for the accomplishment of the purposes set forth therein.

Article II. Reciprocal representation

1. The United Nations shall be invited to send representatives to participate, without vote, in the deliberations of all the Plenipotentiary and Administrative Conferences of the Union. It shall also, after appropriate consultation, be invited to send representatives to attend international consultative committees or any other meetings convened by the Union with the right to participate without vote in the discussion of items of interest to the United Nations.

2. The Union shall be invited to send representatives to attend meetings of the General Assembly of the United Nations for the purposes of consultation on telecommunication matters.

3. The Union shall be invited to send representatives to be present at the meetings of the Economic and Social Council of the United Nations and of the Trusteeship Council and of their commissions or committees, and to participate, without vote, in the deliberations thereof with respect to items on the agenda in which the Union may be concerned.

4. The Union shall be invited to send representatives to attend meetings of the main committees of the General Assembly when matters within the competence of the Union are under discussion and to participate, without vote, in such discussions.

5. Written statements presented by the Union shall be distributed by the Secretariat of the United Nations to the Members of the General Assembly, the Economic and Social Council and its commissions, and the Trusteeship Council as appropriate. Similarly, written statements presented by the United Nations shall be distributed by the Union to its Members.

Article III. Proposal of agenda items

After such preliminary consultation as may be necessary, the Union shall include on the agenda of Plenipotentiary or Administrative Conferences or meetings of other organs of the Union, items proposed to it by the United Nations. Similarly, the Economic and Social Council and its commissions and the Trusteeship Council shall include on their agenda items proposed by the Conferences or other organs of the Union.

Article IV. Recommendations of the United Nations

1. The Union, having regard to the obligation of the United Nations to promote the objectives set forth in Article 55 of the Charter and the function and power of the Economic and Social Council under Article 62 of the Charter to make or initiate studies and reports with respect to international economic, social, cultural, educational, health and related matters and to make recommendations concerning these matters to the specialized agencies concerned and having regard also to the responsibility of the United Nations, under Articles 58 and 63 of the Charter; to make recommendations for the coordination of the policies and activities of such specialized agencies, agrees to arrange for the submission, as soon as possible, to its appropriate organ for such action as may seem proper of all formal recommendations which the United Nations may make to it.

2. The Union agrees to enter into consultation with the United Nations upon request with respect to such recommendations, and in due course to report to the United Nations on the action taken by the Union or by its Members to give effect to such recommendations or on the other results of their consideration.

3. The Union will cooperate in whatever further measures may be necessary to make coordination of the activities of specialized agencies and those of the United Nations fully effective. In particular, it agrees to cooperate with any body or bodies which the Economic and Social Council may establish for the purpose of facilitating such coordination and to furnish such information as may be required for the carrying out of this purpose.

Article V. Exchange of information and documents

1. Subject to such arrangements as may be necessary for the safeguarding of confidential material, the fullest and promptest exchange of appropriate information and documents shall be made between the United Nations and the Union to meet the requirements of each.

2. Without prejudice to the generality of the provisions of the preceding paragraph:

(a) the Union shall submit to the United Nations an annual report on its activities;

(b) the Union shall comply to the fullest extent practicable with any request which the United Nations may make for the furnishing of special reports, studies or information;

(c) the Secretary-General of the United Nations shall, upon request, consult with the appropriate authority of the Union with a view to providing to the Union such information as may be of special interest to it.

Article VI. Assistance to the United Nations

The Union agrees to co-operate with and to render all possible assistance to the United Nations, its principal and subsidiary organs, in accordance with the United Nations Charter and the International Telecommunication Convention, taking fully into account the particular position of the individual members of the Union who are not members of the United Nations.

Article VII. Relations with the International Court of Justice

1. The Union agrees to furnish any information which may be requested by the International Court of Justice in pursuance of Article 34 of the Statutes of the Court.

2. The General Assembly authorizes the Union to request advisory opinions of the International Court of Justice on legal questions arising within the scope of its competence other than questions concerning the mutual relationships of the Union and the United Nations or other specialized agencies.

3. Such request may be addressed to the Court by the Plenipotentiary Conference or the Administrative Council acting in pursuance of an authorization by the Plenipotentiary Conference.

4. When requesting the International Court of Justice to give an advisory opinion the Union shall inform the Economic and Social Council of the request.

Article VIII. Personnel arrangements

1. The United Nations and the Union agree to develop as far as practicable common personnel standards, methods and arrangements designed to avoid serious discrepancies in terms and conditions of employment, to avoid competition in recruitment of personnel, and to facilitate any mutually desirable interchange of personnel in order to obtain the maximum benefit from their services.

2. The United Nations and the Union agree to co-operate to the fullest extent possible in achieving these ends.

Article IX. Statistical services

1. The United Nations and the Union agree to strive for maximum co-operation, the elimination of all undesirable duplication between them, and the most efficient use of their technical personnel in their respective collection, analysis, publication, standardization, improvement and dissemination of statistical information. They agree to combine their efforts to secure the greatest possible usefulness and utilization of statistical information and to minimize the burdens placed upon national governments and other organizations from which such information may be collected.

2. The Union recognizes the United Nations as the central agency for the collection, analysis, publication, standardization, improvement and dissemination of statistics serving the general purposes of international organizations.

3. The United Nations recognizes the Union as the central agency responsible for the collection, analysis, publication, standardization, improvement and dissemination of statistics within its special sphere, without prejudice to the rights of the United Nations to concern itself with such statistics so far as they may be essential for its own purposes or for the improvement of statistics throughout the world. All decisions as to the form in which its service documents are compiled rest with the Union.

4. In order to build up a central collection of statistical information for general use, it is agreed that data supplied to the Union for incorporation in its basic statistical series or special reports should so far as practicable be made available to the United Nations upon request.

5. It is agreed that data supplied to the United Nations for incorporation in its basic statistical series or special reports should so far as practicable and appropriate be made available to the Union upon request.

Article X. Administrative and technical services

1. The United Nations and the Union recognize the desirability in the interests of the most efficient use of personnel and resources, of avoiding, whenever possible, the establishment of competitive or overlapping services, and when necessary to consult thereon to achieve these ends.

2. Arrangements shall be made between the United Nations and the Union in regard to the registration and deposit of official documents.

Article XI. Budgetary and financial arrangements

1. The budget or the proposed budget of the Union shall be transmitted to the United Nations at the same time as such budget is

transmitted to the Members of the Union and the General Assembly may make recommendations thereon to the Union.

2. The Union shall be entitled to send representatives to participate, without vote, in the deliberations of the General Assembly or any committee thereof at all times when the budget of the Union is under consideration.

Article XII. Financing of special services

1. In the event of the Union being faced with the necessity of incurring substantial extra expense as a result of any request which the United Nations may make for special reports, studies or assistance in accordance with Article VI or with any other provisions of this agreement, consultation shall take place with a view to determining the most equitable manner in which such expense shall be borne.

2. Consultation between the United Nations and the Union shall similarly take place with a view to making such arrangements as may be found equitable for covering the costs of central administrative, technical or fiscal services or facilities or other special assistance requested by the Union and provided by the United Nations.

Article XIII. United Nations laissez-passer

Officials of the Union shall have the right to use the laissez-passer of the United Nations in accordance with special arrangements to be negotiated between the Secretary-General of the United Nations and the competent authorities of the Union.

Article XIV. Inter-agency agreements

1. The Union agrees to inform the Economic and Social Council of the nature and scope of any formal agreement contemplated between the Union and any other specialized agency or other inter-governmental organization or international non-governmental organization, and further will inform the Economic and Social Council of the details of any such agreement, when concluded.

2. The United Nations agrees to inform the Union of the nature and scope of any formal agreement contemplated by any other specialized agencies on matters which might be of concern to the Union and further will inform the Union of the details of any such agreement, when concluded.

Article XV. Liaison

1. The United Nations and the Union agree to the foregoing provisions in the belief that they will contribute to the maintenance of effective liaison between the two organizations. They affirm their intention of taking whatever measures may be necessary to this end.

2. The liaison arrangements provided for in this agreement shall apply, as far as appropriate, to the relations, between the Union and the United Nations, including its branch and regional offices.

Article XVI. United Nations telecommunication services

1. The Union recognizes that it is important that the United Nations shall benefit by the same rights as the Members of the Union for operating telecommunication services.

2. The United Nations undertakes to operate the telecommunication services under its control in accordance with the terms of the International Telecommunication Convention and the regulations annexed thereto.

3. The precise arrangements for implementing this article shall be dealt with separately.

Article XVII. Implementation of agreement

The Secretary-General of the United Nations and the appropriate authority of the Union may enter into such supplementary arrangements for the implementation of this agreement as may be found desirable.

Article XVIII. Revision

On six months' notice given on either part, this agreement shall be subject to revision by agreement between the United Nations and the Union.

Article XIX. Entry into force

1. This agreement will come into force provisionally after approval by the General Assembly of the United Nations and the Plenipotentiary Telecommunication Conference at Atlantic City in 1947.

2. Subject to the aforementioned approvals, the agreement will formally enter into force at the same time as the International Telecommunication Convention concluded at Atlantic City in 1947 or at some earlier date as may be arranged for by a decision of the Union.

FINAL PROTOCOL TO THE INTERNATIONAL TELECOMMUNICATION CONVENTION, GENEVA, 1959

At the time of signing the International Telecommunication Convention (Geneva, 1959), the undersigned plenipotentiaries take note of the following statements forming part of the Final Acts of the Plenipotentiary Conference, Geneva, 1959:

I

For the Argentine Republic

The Argentine Delegation declares:

The International Telecommunication Convention (Geneva, 1959), provides in 4 that any country or group of territories listed in Annex 1 thereto is a Member of the Union. Annex 1 lists for this purpose the "Overseas Territories for the International Relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible".

Since the Government concerned habitually includes the territories which it calls the "Falkland Islands and Dependencies" in this entity a practice reflected in the official documents published by the International Telecommunication Union, the Argentine Delegation formally declares that this practice in no wise detracts from Argentine sovereignty over these islands, occupied by the United Kingdom as a result of an act of force never accepted by the Argentine Government, which hereby reaffirms the inalienable right of the Republic and declares that the Malvinas Islands, the South Sandwich Islands, the South Georgia Islands, and the Argentine Sector of the Antarctic are the colony or possession of no other nation, that they form part of Argentine national soil and are subject to Argentine dominion and sovereignty.

This declaration also holds good for any other mention of the same kind which may be included in the Convention or its Annexes.

II

For Canada

The signature of Canada to the International Telecommunication Convention (Geneva, 1959), is subject to the reservation that Canada does not accept 193 of this Convention. Canada agrees to be bound by the Radio Regulations, the Telegraph Regulations and, subject to one reservation, by the Additional Radio Regulations, all as annexed to this Convention but does not agree to be bound by the Telephone Regulations.

III

For China

The Delegation of the Republic of China to the Plenipotentiary Conference of the International Telecommunication Union at Geneva, 1959, as at Atlantic City and Buenos Aires, is the only legitimate representation of China therein, and is recognized as such by the Conference. Any Declarations or Reservations made in connection with or attached to the present Convention by any Members of the Union, incompatible with the position of the Republic of China as set forth above, are illegal and therefore null and void. To those Members of the Union, the Republic of China does not, by signature of this Convention, accept any obligation arising out of the Geneva Convention or any of the Protocols annexed thereto.

IV

For the Belgian Congo and Territory of Ruanda-Urundi

In signing the International Telecommunication Convention (Geneva, 1959), the Belgian Congo and Territory of Ruanda-Urundi officially declare that they reserve the right not to abide by Article 3 of the Radio Regulations (Geneva, 1959), except in so far as the application of this article permits to meet the indispensable requirements of their domestic broadcasting.

V

For Costa Rica

The Delegation of the Republic of Costa Rica reserves its Government's right to accept or not to accept the consequences of any reservations made by other Governments represented at this Conference, should such reservations entail any increase in Costa Rica's financial contribution to the Union.

VI

For Cuba

The Delegation of Cuba, in signing this Convention on behalf of the Government of the Republic of Cuba, formally reserves its position with regard to acceptance of the Telegraph Regulations, Telephone Regulations, and Additional Radio Regulations, mentioned in Article 14 of the International Telecommunication Convention (Geneva, 1959).

VII

For the Republic of El Salvador

A

The Government of the Republic of El Salvador reserves the right to take such action as may be required to protect its interests, should any Member or Associate Member of the Union not share in defraying the expenses of the Union or make reservations such that El Salvador's share in defraying the expenses of the Union is thereby increased.

B

In signing this Convention on behalf of the Republic of El Salvador, I hereby reserve the right of the Government of El Salvador to accept or not to accept the obligations entailed by the Telephone Regulations and the Additional Radio Regulations mentioned in Article 14 of the International Telecommunication Convention (Geneva, 1959).

VIII

For the United States of America

Signature of this Convention for and in the name of the United States of America constitutes, in accordance with its constitutional processes, signature also on behalf of all territories of the United States of America.

The United States of America formally declares that the United States of America does not, by signature of this Convention on its behalf, accept any obligation in respect of the Telephone Regulations or the Additional Radio Regulations referred to in Article 14 of the International Telecommunication Convention (Geneva, 1959).

IX

For Greece

On behalf of its Government, the Hellenic Delegation hereby declares that it accepts no consequence of any reservation which might lead to an increase of its share in defraying the expenses of the Union.

X

For the Republic of India

1. Upon signing the Final Acts of the International Telecommunication Conference, Geneva, 1959, the Republic of India does not accept any financial implications resulting from any reservation that might be made on the budgetary matters of the Union by any delegation participating in the present Conference.

2. The Delegation of the Republic of India states that the signature by the Delegation to this Convention is also subject to the reservation that the Republic of India may or may not be in a position to accept certain provisions of the Telegraph and the Telephone Regulations (Geneva, 1958), referred to in Article 14 of this Convention.

3. The Delegation of the Republic of India further reserves the rights of its Government to take appropriate steps if necessary to ensure proper functioning of the Union and its permanent organs and implementation of the Regulations, listed in Article 14 of the Convention, should any country reserve and/or not accept the provisions of the Convention and of the Regulations mentioned above.

XI

For the Republic of Indonesia

Due to the fact that Irian Barat (Western New Guinea) constitutionally is an integrated part of the Republic of Indonesia, the Indonesian Delegation to the Plenipotentiary Conference and the Administrative Radio Conference, Geneva, 1959, formally declares that its signatures to this Convention and to the Radio Regulations in no way implies the acceptance of the mentioning of Irian Barat (New Guinea) preceded by the word "Netherlands" in documents of the Union and the Radio Regulations (annexes and/or appendices).

XII

For the State of Israel

The Delegation of the State of Israel cannot accept the reservations made by the Delegations of the Kingdom of Saudi Arabia, the Republic of Iraq, the Hashemite Kingdom of Jordan, Kuwait, Lebanon, the United Kingdom of Libya, the Kingdom of Morocco, the United Arab Republic, the Republic of the Sudan and Tunisia, concerning Israel, and reserves the right of its Government to take any appropriate measure it may deem necessary to safeguard the interests of the State of Israel in the application of this Convention and the Regulations annexed thereto, as far as the above Members countries are concerned.

XIII

For Japan

Japan reserves the right to take such action as it may consider necessary to safeguard its interests should reservations by other countries lead to an increase in the share it takes in defraying the expenses of the Union.

XIV

For the Kingdom of the Netherlands

The Delegation of the Kingdom of the Netherlands declares that it does not accept the statement of the Delegation of the Republic of Indonesia contained in its formal declaration in so far as this statement disputes the sovereignty of the Government of the Netherlands over the non-self-governing territory of Netherlands New Guinea.

As for the denomination "Netherlands New Guinea" it declares that this denomination is the constitutionally correct one and is formally recognized as such and applied by the Secretariat of the United Nations.

XV

For the Republic of the Philippines

The Republic of the Philippines formally declares upon signing the present Convention that it cannot currently accept any obligations with reference to the Telegraph and Telephone Regulations mentioned in 193 of the Convention.

XVI

For the United Kingdom of Great Britain and Northern Ireland

The Delegation of the United Kingdom of Great Britain and Northern Ireland declares:

That it does not accept the statement of the Argentine delegation contained in its declaration in so far as this statement disputes the sovereignty of Her Majesty's Government in the United Kingdom over the Falkland Islands and the Falkland Islands dependencies and it wishes formally to reserve the rights of Her Majesty's Government on this question. The Falkland Islands and the Falkland Islands dependencies are and remain an integral part of the territories together making up the Member hitherto known as: Colonies, Protectorates, Overseas Territories and Territories under Mandate or Trusteeship of the United Kingdom of Great Britain and Northern Ireland on behalf of which the United Kingdom of Great Britain and Northern Ireland acceded to the International Telecommunication Convention (Buenos Aires, 1952) on 16 November 1953, and which is described in the International Telecommunication Convention (Geneva, 1959) as: Overseas territories for the international relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible.

XVII

For Czechoslovakia

The Czechoslovak delegation declares on behalf of the Government of the Czechoslovak Republic that it will not be bound by any consequences that may arise from reservations designed to raise its contributory share towards defraying the expenses of the Union.

XVIII

For Turkey

The Delegation of Turkey declares that the Government of the Republic of Turkey cannot accept any financial consequences that might arise as a result of reservations made by other Governments taking part in the Plenipotentiary Conference, Geneva, 1959.

XIX

For the Union of South Africa and Territory of South-West Africa

The Delegation of the Union of South Africa and territory of South-West Africa declares that the signature of the Union of South Africa and Territory of South-West Africa to this Convention is subject to the reservation that the Union of South Africa and Territory of South-West Africa does not agree to be bound by the Telephone Regulations referred to in article 14 of the International Telecommunication Convention (Geneva, 1959).

XX

For the Republic of Venezuela

In signing this Convention, the Delegation of the Republic of Venezuela, on behalf of its Government, maintains the reservations indicated in the Telegraph Regulations and the Telephone Regulations (Geneva, 1958), and also with regard to the Radio Regulations (Geneva, 1959).

XXI

For Afghanistan, the Argentine Republic, Belgium, the Republic of Colombia, the Belgian Congo and Territory of Ruanda-Urundi, Denmark, Spain, overseas states of the French community and French overseas territories, France, Mexico, Monaco, Norway, Paraguay, Peru, Portugal, Portuguese overseas provinces, the Federal Republic of Germany, Federal People's Republic of Yugoslavia, Sweden and Switzerland

The delegations of the above-mentioned countries declare on behalf of their respective Governments that they accept no consequences of any reservations which would lead to an increase in the shares they take in defraying the expenses of the Union.

XXII

For the People's Republic of Albania, the People's Republic of Bulgaria, the Belorussian Soviet Socialist Republic, the Hungarian People's Republic, the People's Republic of Poland, the Roumanian People's Republic, the Union of Soviet Socialist Republics, the Ukrainian Soviet Socialist Republic, and the Czechoslovak Republic

These Delegations hereby declare on behalf of their Governments that the decision taken by the Plenipotentiary Conference, Geneva, 1959, of the International Telecommunication Union, to recognize the credentials of Chiang Kai-Shek's representatives to take part in the Conference and to sign the Final Acts on behalf of China, is illegitimate, in so far as the legal representatives of China can only be the representatives appointed by the Central People's Government of the People's Republic of China.

XXIII

For the People's Republic of Albania, the People's Republic of Bulgaria, the Hungarian People's Republic, the People's Republic of Poland, the Roumanian People's Republic and the Czechoslovak Republic

On signing the International Telecommunication Convention (Geneva, 1959), the Delegations of the People's Republic of Albania, the People's Republic of Bulgaria, the Hungarian People's Republic, the People's Republic of Poland, the Roumanian People's Republic, and the Czechoslovak Republic reserve for their Governments the right to accept or not to accept the Radio Regulations, in whole or in part.

XXIV

For the Kingdom of Saudi Arabia, the Republic of Iraq, the Hashemite Kingdom of Jordan, Kuwait, Lebanon, the United Kingdom of Libya, the Kingdom of Morocco, the United Arab Republic the Republic of the Sudan and Tunisia

The above mentioned Delegations declare that the signature, and possible subsequent ratification by their respective Governments to the International Telecommunication Convention (Geneva, 1959), are not valid with respect to the Member appearing in Annex 1 to this Convention under the name of Israel, and in no way imply its recognition.

XXV

For Austria and Italy

Austria and Italy reserve the right to take such action as they may consider necessary to safeguard their interests, should Members or Associate Members not share in defraying the expenses of the Union in the manner specified in the International Telecommunication Convention (Geneva, 1959), or should reservations by other countries jeopardize their telecommunication services.

XXVI

For the Bielorussian Soviet Socialist Republic, the Union of Soviet Socialist Republics, and the Ukrainian Soviet Socialist Republic

The Delegations of the Bielorussian Soviet Socialist Republic, the Union of Soviet Socialist Republics, and the Ukrainian Soviet Socialist Republic hereby formally declare that in signing this Convention they maintain the reservations relating to the Radio Regulations that were made by their Governments in ratifying the International Telecommunication Convention (Buenos Aires, 1952).

XXVII

For Ghana, the Republic of Guinea and Iran

The Delegations of the above-mentioned countries declare that they reserve the right of their Governments to take any action they deem necessary to safeguard their interests should Members or Associate Members in any way fail to comply with the requirements of the International Telecommunication Convention (Geneva, 1959) or should reservations by other countries jeopardize their telecommunication services.

XXVIII

For the Hashemite Kingdom of Jordan and the United Arab Republic

The Delegations of the Hashemite Kingdom of Jordan and the United Arab Republic declare on behalf of their Governments, their disagreement with 42 and with 97, which authorize the Administrative Council to conclude agreements with international organizations on behalf of the Union. Any such agreements which they will consider against their interest shall not be binding on them.

XXIX

For the Commonwealth of Australia, New Zealand, Pakistan, the Republic of the Philippines, the United Kingdom of Great Britain and Northern Ireland and the Union of South Africa and Territory of South-West Africa

The Delegations of the above-mentioned countries reserve for their Governments the right to take such action as they may consider necessary to safeguard their interests, should certain Members or Associate Members not share in defraying the expenses of the Union, or should they fail in any other way to comply with the requirements of the International Telecommunication Convention (Geneva, 1959) or its Annexes or the Protocols attached thereto, or should reservations by other countries jeopardize their telecommunication services.

In witness whereof, the respective plenipotentiaries have signed this Final Protocol in each of the Chinese, English, French, Russian and Spanish languages, in a single copy, which shall remain deposited in the archives of the International Telecommunication Union, which shall forward a certified copy to each of the signatory countries.

Done at Geneva, 21 December 1959.

The Senate, as in Committee of the Whole, proceeded to consider the radio regulation (Ex. I, 86th Cong. 2d sess.) with appendixes and an additional protocol, signed at Geneva on December 21, 1959, by delegates of the United States of America and delegates of other countries represented at the administrative radio conference, which was read the second time.

Mr. DIRKSEN. Mr. President, may I ask the majority leader whether he wishes to fix a time for voting on the convention and regulations?

Mr. MANSFIELD. I am perfectly agreeable to do that. I understand that the Senator from Connecticut [Mr. BUSH] desires to address the Senate for about a half hour. May I ask the acting chairman of the Committee on Foreign Relations how much time he intends to use?

Mr. SPARKMAN. I shall make a very brief statement in explanation of the treaties.

Mr. MANSFIELD. With the consent and the advice of the distinguished minority leader, I ask unanimous consent that the vote on the two treaties be held immediately following the vote on the dual-rate conference report, which will be held at 4 o'clock this afternoon.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, with reference to the two treaties to which the majority leader has referred, I should like to make a very brief statement. It might be well to say that the treaty which is being carried over, Executive Calendar Order No. 10, Executive G, 87th Congress, 1st session, the convention between the United States of America and Canada, signed at Washington, on February 17, 1961, is being carried over by agreement within the Foreign Relations Committee at the time the treaty was reported; it was understood that it would rest on the calendar until January, in order to give an opportunity for interested parties to study it and comment on it.

Executive J has been pending before the Senate since September 12. Executive I was held up temporarily pending the resolution of a controversy over one technical aspect of it. That technical aspect has been resolved to the satisfaction of all of the interested parties and accordingly the Committee on Foreign Relations on September 22 agreed to report the convention favorably to the Senate.

Mr. President, the pending International Telecommunication Convention was signed at Geneva on December 21, 1959. Its main purpose is to continue in effect the principal provisions of the convention signed in Buenos Aires in 1952 and approved by the Senate in 1955.

Except for a few minor administrative changes, the Geneva Convention is similar to the Buenos Aires Convention. It contains provisions governing the composition, functions, and structure of the International Telecommunication Union—ITU—a specialized agency of the United Nations with permanent headquarters in Geneva.

The ITU is generally recognized as an effective organization for carrying on negotiations among its members and for coordinating the use of all forms of international telecommunications. To summarize, the ITU (a) acts as a general agent for the allocation of radio frequencies, (b) promotes the development of technical facilities by establishing standards and operating rules in order to improve telecommunication services, and (c) harmonizes the activities of nations for the attainment of these ends.

The radio regulations—Executive I—which are also pending before the Senate, deal with a number of highly complex matters in the field of international regulation of radio communication. I shall mention some of the article headings to illustrate: "Nomenclature of the Frequency and Wavelength Bands Used in Radio Communication"—article 2, section III; "General Rules for the Assignment and Use of Frequencies"—article 3; "Notification and Recording of Frequencies in the Master International Frequency Register"—article 9; "Working Hours of Stations in the Maritime and Aeronautical Mobile Services"—article 25; and "Distress Signal and Traffic—Alarm Urgency and Safety Signals"—article 36.

I should point out that the resolution of ratification on Executive J contains certain declarations, the general effect of which is to make some provisions of the convention inapplicable to the United States. One of these declarations is now obsolete because of the approval on September 22 of the radio regulations—Executive I, 86th Congress, 2d session. At its meeting on September 22, 1961, the Committee on Foreign Relations agreed to request the Senate to delete the last paragraph of the resolution of ratification accompanying Executive J which reads as follows:

The United States of America, in ratifying this convention, declares that the question of approval of the radio regulations signed for the United States of America at Geneva on December 21, 1959, remains open for the time being.

Mr. President, on the basis of the recommendation of the President of the United States and on the hearings held on both the International Telecommunication Convention and the radio regulations, the Committee on Foreign Relations believes that Senate approval of these two treaties is in our national interest. I hope, therefore, that the Senate will give its advice and consent to ratification of these treaties.

Before the Senate votes on the treaties, however, Mr. President, I ask unanimous consent that the resolution of ratification attached to Executive J be amended by deleting the last paragraph.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, it is said that rules are made to be broken; but I assure the Senate that this will be the only time this ironclad rule will be used. I ask unanimous consent that the vote on the two treaties be a yea-and-nay vote, and that it be taken immediately after the vote on the conference report on the dual rate bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, this is not a precedent.

The PRESIDING OFFICER. If there be no objection, the treaties will be considered as having passed through their various parliamentary stages, up to and including the presentation of the respective resolutions of ratification. The resolution of ratification of Executive J, 86th Congress, 2d session, will be read.

The resolution of ratification was read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Telecommunication Conven-

tion, with annexes, and the final protocol to the convention (Executive J, Eigthy-sixth Congress, second session), signed for the United States at Geneva on December 21, 1959, subject to certain declarations set forth below:

Ratification of this convention for and in the name of the United States of America constitutes, in accordance with its constitutional processes, ratification also on behalf of all territories of the United States of America.

The United States of America formally declares that the United States of America does not, by ratification of this convention, accept any obligation in respect of the Telephone Regulations or the Additional Radio Regulations referred to in Article 14 of the International Telecommunication Convention (Geneva, 1959).

The PRESIDING OFFICER. Inasmuch as the Senate is considering the treaties en bloc, the clerk will read the second resolution.

The resolution was read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Geneva (1959) Radio Regulations, with annexes and an additional protocol (Executive I, Eighty-sixth Congress, second session), signed for the United States at Geneva on December 21, 1959.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume legislative session.

The motion was agreed to, and the Senate resumed legislative session.

THE WORLD BANK AND INTERNATIONAL MONETARY FUND

Mr. BUSH. Mr. President, I returned yesterday from Vienna, where I attended, with the consent of the Senate, the meeting of the International Bank for Reconstruction and Development—the so-called World Bank; the International Finance Corporation; the International Development Association, which is a subsidiary of the World Bank; and the International Monetary Fund.

The meetings were conducted during all of last week and were attended by representatives of some 70 countries who are members of these institutions.

I must say that I came away with a sense of pride in the fact that the United States was the original sponsor of the World Bank and the International Monetary Fund, both of which have come to be useful international organizations, under the principal leadership of the United States.

I wish particularly to pay tribute to my good friend, Mr. Eugene Black, who is President of the World Bank and who has become one of the great world statesmen of our time. It would be difficult to find a man who is held in such high respect by so many different countries; in fact, I doubt that there is anyone in the United States today who enjoys the wide measure of confidence and respect in which Mr. Black is held.

I was also proud to see the exceedingly high regard enjoyed by Mr. Robert Garner, who retired this year after some 13 or 14 years of service with the World Bank organization, and most recently as the head of the International Finance Corporation. The ovation which Mr. Garner received at the end of his speech last week was the greatest extended to anyone during the entire week, by far, and indicated not only a sense of appreciation of what he had done in the world through his connection with these organizations, but also a very high personal regard and affection for this great American.

So it is that I have brought back these senses of pride, and I am very glad to share them with the Senate today.

There were two big lessons which I gathered from the week's debates and the reports of the various countries concerning their financial affairs, their balance of payments problems, and their internal problems. I should say the first lesson was that all seemed to agree on the need for internal order within a government in connection with its own balance of payments problem. In other words, a country cannot successfully deal with the balance of payments deficit problem unless it has fiscal and monetary order within its own government. That is a big lesson from this conference for the United States—and within the United States, too.

The second major lesson to which I shall speak was in connection with our administration of our own foreign aid programs, those programs which are unilateral or bilateral, as opposed to the multilateral programs of the organizations I have mentioned.

To illustrate that point, I shall quote from some of the speeches which were made by representatives of foreign governments. It will be seen that throughout those comments runs the same theme. For instance, I quote now from the speech of the Honorable Xenophon Zolotas, of Greece, Governor of the Bank of Greece. On page 3 of his press release he said:

> As regards the less advanced countries it is my firm belief that assuming an adequate flow of development assistance, monetary and fiscal order is not only compatible but absolutely necessary for economic development. In this respect, I would like to mention the example of my country, in which the consistent maintenance of monetary and fiscal discipline in recent years has been achieved together with a substantial rate of growth.

So much for the attitude of the Governor of the Bank of Greece. One of the most impressive speeches was made by the Honorable Karl Blessing, President of the Deutsche Bundesbank, and Governor of the Monetary Fund for the Federal Republic of Germany. I quote two paragraphs from his speech as they appear on page 4 of his press release:

> Lately, there has been an eager search for new and better monetary systems even involving a complete transformation of the International Monetary Fund. Some people are afraid of a coming shortage of international liquidity, others feel that the gold exchange standard should be abandoned because of its inflationary character. I have the impression that such ideas, stimulating and thought provoking as they may be, bring with them the danger that the prerequisites of any workable international monetary order; namely, monetary discipline at home and readiness for international cooperation, tend to become neglected. I do not believe in the magic of panaceas. I do not believe that monetary discipline can be replaced by new schemes and inventions. I do not share the opinion that we are in urgent need for greater international liquidity, nor do I share the view that the gold exchange standard is an evil in itself, or that it confronts us with the danger of a serious crisis.
>
> The demand for more international liquidity is more or less the result of disequilibriums in the international payments situation. In a better balanced world economy there is, as history proves, less need for high reserves. And if the gold exchange standard is well managed and kept under adequate control there is no danger in the system as such.

Mr. President, I quite agree with what Mr. Jacobsson has said on this subject in his introductory statement. What we need is not a fundamental change, but a gradual improvement of the international monetary system, based on discipline at home and on close cooperation at an international level.

Mr. President, this brought to mind a statement attributed to George Santayana, who is quoted as saying: "People who refuse to remember the past will be condemned to live with it."

A similar philosophy appears in the remarks attributed to Under Secretary of State George Ball:

> Development programs can best succeed where there is a determination on the part of the peoples to mobilize their own resources for the purposes of working out overall country programs in which each project is related to all other projects. Human needs are too acute and capital resources too limited for money to be devoted to isolated projects which contribute little to the total national economy of an underdeveloped country.

The Honorable Wilfrid Baumgartner, Minister of Finance and Economic Affairs and Governor of the Bank of France, also made some interesting comments which fit into this general theme. Incidentally, he spoke very highly of Per Jacobsson—as did most of the speakers—who has been head of the International Monetary Fund for some years; and he expressed great satisfaction that Mr. Jacobsson is to remain the guardian of the monetary order for the next 2 years. There had been some discussion that Per Jacobsson was going to leave; and all those whose remarks I heard expressed great satisfaction that this great man and this great master of the International Monetary System is going to remain for another 2 years as head of the International Monetary Fund.

Mr. Baumgartner said, as appears on page 2 of his press release:

> As we all know, the most effective contribution we can make to the maintenance of the monetary order is for each country to apply nationally a sound policy and to ward off, in a world in expansion, the recurrence of inflationary pressures. The disequilibriums which occur in balances of payments call first for internal measures. The contribution of the International Monetary Fund, as well as, eventually, measures of mutual assistance, can and should be only of a complementary nature. Such has been the constant doctrine of our organization, the appropriateness and effectiveness of which need no further demonstration.

The Minister of Finance and Governor of the Fund from the Bank of India

made some interesting observations in the course of his speech. I read from page 5 of his press release:

In the ultimate analysis, however, we would need to make every effort to increase our exports rapidly. In this respect, there is now much greater awareness in India and we give the highest priority to export promotion. Much, of course, would depend on our own efforts to increase production, improve its quality and keep our prices competitive by general monetary and fiscal soundness as well as by the utmost regard for efficiency.

Mr. President, there we see the lesson I originally said was constantly repeated; and from those remarks I believe that we in the United States can gather some wisdom and some examples which we can well direct ourselves toward following.

Selwyn Lloyd, Chancellor of the Exchequer of the United Kingdom, and Governor of the International Monetary Fund and the World Bank, had the following comments to make, as they appear on page 2 of his press release:

I am under no illusion about the difficulty of the tasks which lie ahead of us and the sustained efforts which will be involved. The conditions of the changing world will call for new effort and new thinking in the United Kingdom in a number of directions. Apart from technical developments and the best use of our resources we have in particular to consider how we can insure that increases in personal incomes are kept within the bounds of increases in productivity.

Again he mentioned a problem which is common to all of us—namely how can we in our country deal with the question of keeping wage increases, salary increases, and personal incomes within the bounds of productivity, for unless we do, we certainly deal with inflationary forces.

The Honorable M. W. Holtrop, President of De Nederlandsche Bank, and Governor of the Fund from the Netherlands, had the following to say, as appears on page 5 of his press release:

Both surplus countries and deficit countries will have to concentrate on reestablishing balance-of-payments equilibrium by the use of internal policies appropriate to that end. Deficit countries will have to determine whether their problem is one of internal demand inflation, that eats away at their capacity for exports, or one of cost inflation, that throttles their competitiveness. To combat demand inflation, monetary and budgetary therapies may be indicated; the suppressing of cost inflation will require the development of quite different instruments of policy. Surplus countries, on the other hand, may have to ask themselves whether their wage standards perhaps still lag behind their productivity and whether, more generally, their internal monetary and budgetary policies tend to reduce, or rather to perpetuate their surpluses.

Mr. President, I mentioned Mr. Robert L. Garner. His speech before the convention was one of the most significant—perhaps the most significant—of the entire week, because, as I have already said, it was his last appearance before the conference. The very high respect in which he is held was shown by the applause and, really, the ovation which greeted his very sound remarks on the morning when he made his speech. I shall read a few excerpts from it, because of their significance. For the last 14 or 15 years he has been devoting himself to the question of international finance and aid to the less developed countries, and he has even, as Mr. Black has, become a world authority on the question of foreign aid, foreign lending, and, indeed, all elements connected with foreign aid. From his speech I read the following which appears on page 5 of the press release:

But I am troubled by the extent to which there is growing up the insidious consequences of too great reliance on foreign aid. Everyone repeats the platitudes that each country must be primarily responsible for its future and that others can only supplement its own efforts. Nevertheless, there are too many instances where the obvious attitude is that the chief responsibility of a government is to secure the maximum help from abroad, with lesser responsibility to mobilize its own resources, and to take action so that all resources are most effectively applied, and that internal conditions which hinder development are improved.

That theme runs all through these remarks—internal development, internal order, internal responsibility, both fiscal and monetary.

He said, as follows, as appears on the next page:

The wide acceptance of the assumption that lack of development is primarily due to shortage of capital has led the United States and other richer countries to provide billions in loans and grants. Over the postwar period immense sums have been made available to the developing areas. Some of these funds have been well applied and have produced sound results, others have not. However, to most of the recipient countries the amounts are never sufficient. In my opinion they never can be, because money alone accomplishes nothing. It is only a tool, and what it produces depends not on how much, but on how it is used. If it is applied to uneconomic purposes, or if good projects are poorly planned and executed, the results will be minus, not plus. The effective spending of large funds requires experience, competence, honesty, and organization. Lacking any of these factors, large injections of capital into developing countries can cause more harm than good. The test of how much additional capital is required for development is how much a country can effectively apply within any given period, not how much others are willing to supply.

So much for that part of the quotation. Further on, he gave us five or six points of importance that must be considered in connection with helping underdeveloped countries to find their way up the economic ladder. I quote the following from Mr. Garner's speech on this theme, as appears on page 7:

I am sympathetic with those who prefer the old ways and the simpler life. But too many wish for the best of both worlds. It won't work—only frustration and failure can result from seeking the fruits without being willing to pay the price of admission to modern economic society.

Out of my experience I have arrived at a few simple requirements for any country to make its way up the economic ladder—simple to state, most difficult to achieve.

The first requirement is a reasonable degree of consistent law and order—government which can govern. Each country must work out its own acceptable process by which it governs itself. But without a degree of continuity in political life, consistent economic growth is not possible. Public policies sway with every change in the winds; economic programs do not get off the ground; private investment is frustrated.

Next, I would put the requirement of reasonably honest and effective public administration. There is no denying that in many countries graft and corruption in public office lay a heavy tribute on resources which should go into development. Of course, the less developed countries have no monopoly on public corruption. But its toll is more destructive in poorer countries than in richer societies. This is a problem which is entirely up to the leaders and people of each country.

However, honesty alone is not sufficient. Administration needs to be effective, and more and more individual competence and adequate organization are required as an economy grows and becomes more complex. I have found that in dealing with public officials, the most prevalent obstacle to getting things done is the lack of experience, of training and of ability to make prompt decisions. More attention to training and organization is widely needed.

So much for that part of the quotation. Then I come to this third point, Mr. President. Incidentally, I again remind the Senate that these points should be taken into account by our organizations dealing with aid to every one of the underdeveloped countries. He said this on the third point:

I can seldom refrain from commenting on the importance of financial stability to steady economic progress. There are many prominent supporters of inflation who claim that it is a necessary adjunct of growth; some assert that it creates development.

But I have taken a close look at inflation in quite a few countries. I have seen it upset government; take the bread out of the mouths of workers, the old, the helpless; undermine the operations of business. So I continue to class it as a dangerous fever, which gives the patient a temporary spurt but quickly saps his strength.

His fourth point is as follows:

However the plans are made, they will reveal needs so great that there must be a selection of priorities. Of course it is also essential that the country seek to increase its own internal revenues. Many tax systems need overhauling to remove inequities and evasions, and to improve collections. However, if development is to be encouraged and not hampered, it is important to avoid taxation which hinders investment. The best chance for long-term growth in revenues is through increased productivity and national income.

So much for his fourth point. His fifth point is the following:

So I put high on the list of public policy positive efforts to see that the benefits of growth be spread widely among more and more people—through jobs, ownership, opportunity.

I have some definite ideas as to the means of getting greater productivity, which is the essence of modern economic life, and providing for wide distribution of its benefits, which is both economically and politically imperative in free societies.

Then he said this, and it will be the end of my quotation directly from his speech:

Over the past 14 years I have visited some 50 countries, most of them in earlier stages of development. The most substantial progress I have observed has come from the private sector, where it has been provided with basic facilities and a political and administrative climate in which it could exercise its talents.

Mr. President, note his stress upon the stimulation of the private sector, stimulation of private investment.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. When was that talk delivered?

Mr. BUSH. This talk was delivered in Vienna last week, on September 21, before the 1961 meeting of the Board of Governors of the International Finance Corporation, which, as the Senator knows, is a subsidiary of the World Bank, by Mr. Robert Garner, President of IFC, who is to retire on October 1.

Mr. LAUSCHE. Was that the meeting out of which reports came that one of the subjects important for discussion was the problem of the outflow of gold and the instability of currencies, not only of other nations of the world, but also of our own?

Mr. BUSH. That was a matter of general discussion at the conference. Yes, it was one of the chief objects of interest in discussion at the conference. That is true. Secretary Dillon dealt with that problem in his speech, which I shall put into the RECORD at the conclusion of my remarks, and which will show the concern he had with that particular problem.

Mr. LAUSCHE. There was a report in the newspapers that in Vienna one of the representatives of the German Government stated that our country should talk about imposing some economic discipline upon itself as a prerequisite to the right of getting ready to ask for help from the Monetary Fund. Is the Senator familiar with that?

Mr. BUSH. I am not familiar with that exact quotation. I have read into the RECORD from the statements by Mr. Blessing, the representative of the German Government, the general statement which certainly applied to the United States as much as to any other country. I feel that he was talking to us, although he did not say "the United States" in particular.

There is no use dodging the point. There has been and there remains among all of the great countries—among the finance heads, the heads of central banks, and ministers of finance—a concern about the balance of payments deficit in the United States. As the Senator knows, it is a matter of deep concern to us in the United States.

Mr. LAUSCHE. Yes. In the quotation which the Senator from Connecticut read into the RECORD was there a statement by the representative of the French Government?

Mr. BUSH. Yes. I quoted very briefly from a statement by Mr. Baumgarten, the head of the French Ministry of Finance.

Mr. LAUSCHE. The International Monetary Fund, which is a subsidiary of the World Bank, is called upon to provide fiscal aid by way of hard currency to those countries which run into fiscal instability and a softening of their currencies.

Mr. BUSH. If the Senator will permit, first I wish to say that the International Monetary Fund is not a subsidiary of the World Bank, but is sort of a partner of the World Bank. The same countries belong to both organizations, but the organizations are not under the same management, although many directors serve on both organizations.

Mr. LAUSCHE. Yes.

Mr. BUSH. The purpose of the International Monetary Fund is to make temporary credit available to countries which find themselves short of foreign currencies due to their international trade, principally, and international investment. The International Monetary Fund is not a long-term lending organization but is strictly a short-term credit organization.

Mr. LAUSCHE. Is my understanding correct that when a nation goes to the International Monetary Fund for help, to stabilize its currency, there is a demand for conformance to certain conditions, that the country put its own economic house in order, to bring to an end those economic factors which tend to depreciate the currency?

Mr. BUSH. I believe that is a policy of the International Monetary Fund, yes.

Mr. LAUSCHE. I have no question that when a nation goes to the International Monetary Fund to say, "There has been a run on the currency. We are having inflation. We have to be stabilized," the International Monetary Fund will give temporary relief, but as a condition will demand that the country do certain things to help, within the local government.

Mr. BUSH. I cannot specifically answer that question directly. I do know the philosophy of Per Jacobsson and the Governors of the International Monetary Fund is of the exact type of which the Senator talks. If one goes to the International Monetary Fund for a loan, one must have credit. The only way one can get credit is by having his house in order. Those are short-term loans. I would say, from my knowledge of the World Bank and the International Monetary Fund, that the World Bank exercises a greater measure of discipline upon the country borrowing from it than the International Monetary Fund. It only lends to governments or on government-guaranteed credit. It exercises a measure of discipline.

I shall come to that subject in a few moments, and shall quote from Eugene Black on the subject.

Mr. LAUSCHE. To conclude, the Mr. Garner from whose speech the Senator has quoted is the head of the International Monetary Fund, is he not?

Mr. BUSH. No. He is President of the International Finance Corporation, which is only 5 or 6 years old.

Mr. LAUSCHE. Yes.

Mr. BUSH. Prior to that he was with the World Bank about 8 or 9 years as a Vice President. He was Vice President under Mr. McCloy. When Mr. McCloy went out and Eugene Black came in, he continued. When the International Finance Corporation was set up, he become the head of that.

Mr. LAUSCHE. I know who he is. He appeared before the Committee on Foreign Relations about 10 days ago.

Mr. BUSH. He has been before the committee many times, I am sure.

Mr. LAUSCHE. He asked for expanded powers; that is, the power to loan money for the establishment of private enterprises, or something along that line.

Mr. BUSH. I think what he was asking for was the authority to make direct investments in equities rather than in convertible loans, or quasi-equities.

Mr. LAUSCHE. The Senator is correct.

Mr. DOUGLAS. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I am glad to yield to my able friend from Illinois.

Mr. DOUGLAS. I appreciate the conscientiousness of the Senator from Connecticut in making a report on the proceedings in the delightful city of Vienna. I hope that in addition to going to the meetings the Senator enjoyed the beauty of the historic Kursthistarische Museum, listened to the opera as sung in that city, and attended the plays at the Burg Theater.

I hope, in short, the Senator enjoyed himself in Vienna. We do appreciate his conscientious report.

Mr. BUSH. I thank the Senator for his good wishes in that respect. I assure him I lost no opportunity, in my relatively brief spare time, to see something of Vienna and its environs. I am sure if the Senator had known I was going he would have insisted I do so.

Mr. DOUGLAS. I appreciate that comment very much.

Did I correctly understand the Senator from Connecticut to say that the European finance ministers and directors of the various central banks were worried about the American financial position?

Mr. BUSH. I say to the Senator, this is a delicate subject.

Mr. DOUGLAS. No. We might as well speak frankly.

Mr. BUSH. I have not said that in their speeches, which were prepared for delivery before the conferences, they specifically mentioned the United States. They did not specifically level criticism at the United States, nor did the United States specifically level criticism at any other country. There is a certain amount of protocol involved, as there is in the Senate. We have a rule that one does not question the motives or conduct of any Senator or cast any reflection on his State. I do not think there is a rule exactly like that, but the conduct of the meetings was with great decorum and in good spirit.

In addition, I had many informal conferences around Vienna with representatives of the central banks and other banks. These men are not without some concern about the balance-of-payments deficit, which is a very serious problem for us. The Senator knows it is.

Mr. DOUGLAS. It was a very serious problem until the 1st of February of this year. It was a very serious problem in the last months of the Eisenhower administration, but at present there is not a balance of payments problem.

Mr. BUSH. I fear my dear friend is a little behind in his extracurricular reading, because the last I read on this

subject showed it appears as though we face a balance of payments deficit this year of at least $1.7 billion, and it is more likely to be $2 billion.

Mr. DOUGLAS. But it was largely because of the disastrous first month.

Mr. BUSH. I did not say why. I said we have it. The Senator was saying we did not have it.

Mr. DOUGLAS. The point is that during the past few months the balance-of-payments deficit has disappeared.

Mr. BUSH. I stand on my statement.

Mr. DOUGLAS. As a matter of fact, there is currently a $100 million surplus so far as gold movements are concerned.

Mr. BUSH. Mr. President, I wish to proceed.

Mr. DOUGLAS. Mr. President, we have embarked upon a very interesting field of discussion.

Mr. BUSH. Yes, we have.

Mr. DOUGLAS. I should like to pursue it with further questions.

Mr. BUSH. I do not have much time, but I will make a few remarks in addition. Then I hope the Senator will permit me to proceed. I do not wish to be rude.

Mr. DOUGLAS. I do not wish to be rude to the Senator from Connecticut.

Mr. BUSH. I stand on my statement that we face a balance-of-payments deficit this year of at least $1.7 billion, and it is more likely to be $2 billion. If that is not a problem, I do not know what is a problem.

Mr. DOUGLAS. That problem was almost totally confined to the first month of the year. In the other months there has been a surplus.

Mr. BUSH. Mr. President, perhaps we could straighten the Senator out if he would permit me to quote from Secretary Dillon. I do not wish to read the entire speech, for there are pages on the subject. Secretary Dillon talked about the balance-of-payments problem and the deficit. He said:

> Our overall deficit, which is measured by decreases in U.S. holdings of gold and convertible currencies plus increases in foreign liquid holdings of U.S. dollars—which together amounted to about $4 billion in both 1959 and 1960—was running at a seasonally adjusted annual rate somewhat under $1.7 billion in the first half of 1961. The figure of $1.7 billion also does not count as a receipt the special debt prepayments of $650 million. While this indicates the continuation of substantial short-term capital outflows, these movements have represented, for the most part, a substantial enlargement of the financing of world trade by U.S. banking institutions and have not been speculative in character.

In that quotation is a reference to the $1,700 million that I mentioned.

Mr. DOUGLAS. Most of that deficit was due to the outflow of gold in January of this year.

Did the European finance ministers recognize the fact that the so-called deficit in the balance of payments was due primarily, first, to American investments abroad; second, to the cost of American troops abroad; third, to the expenditures of American servicemen and their families abroad; and fourth, foreign aid extended by the United States?

Mr. BUSH. The Senator has put his finger on the largest items that contributed to the deficit.

Mr. DOUGLAS. If the foreign ministers are really worried about the finances of the United States, then let them bear a larger share of the foreign aid expenditures themselves. Let them bear a larger share of the cost of American troops over there to defend them.

For them to denounce the United States, weary under the load we are bearing and handicapped by their refusal to help apparently, comes with ill grace. If they are really concerned, let them get under the load—instead of criticizing the Nation upon whom they have heaped so many unshared burdens.

Mr. BUSH. Mr. President, I agree with the Senator. I thank the Senator for making those observations. I do not disagree with anything he said in connection with having the other countries join us in carrying the load.

Mr. DOUGLAS. Until then, let them keep silent and not seek to undermine the credit of the United States.

Mr. BUSH. I wish I could assure the Senator that I had the authority to muzzle them. But I have no such authority. I think it is interesting to know what their observations were. Their observations were not made in an unfriendly way, but by way of general concern, because they feel—and we know—that their fortunes are wrapped up very closely with ours today. They appreciate that the dollar is the solid foundation of the security of the free world today.

Mr. DOUGLAS. Let them bear some of the load instead of sitting on the sidelines taking our aid and our protection and then complaining because we are in difficulties because of our doing so much for them.

Mr. BUSH. I echo the statement of the Senator from Illinois.

Mr. DOUGLAS. I think that point should be considered very carefully.

There is another point. I believe the Senator will find that European budgets distinguish sharply between capital expenditures and current expenditures.

Mr. HUMPHREY. Which we ought to do.

Mr. DOUGLAS. They do not include their capital expenditures with their current expenditures. We lump the two together. If they were to include their capital expenditures in their ordinary budgets, as we do, then their budgets would be far more out of balance than our budget. Their proportional deficits would be greater.

Mr. BUSH. Mr. President, the Senator is jumping from balance of payment deficits to budgetary deficits. I do not want the RECORD to be confused. I have been talking about balance of payments deficits, and so has the Senator from Illinois up to this moment.

Mr. DOUGLAS. I understand.

Mr. BUSH. Mr. President, I will proceed, if I may. I have spoken of Mr. Garner. I ask unanimous consent that, at the conclusion of my remarks, there be printed in the RECORD a press notice from the New York Times of September 21 by Edwin L. Dale, Jr., on the subject of Mr. Garner's speech. It is a brief summary of the speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUSH. Mr. President, I spoke of Per Jacobsson. I emphasize that he was spoken of in the warmest terms there by representatives of many countries, and all agreed that it was a lucky thing that we were to have him continue as the head of the IMF for the next 2 years. I quote one paragraph from his speech. On page 14 of the press release, which I have before me, he said:

> When we consider the Fund's role in the monetary system, it is valuable to keep in mind the two complementary aspects of the Fund's financial activities: On the one hand, the granting of financial assistance by the Fund to help countries to meet an unbalanced position; on the other hand, the assurance that the country receiving the assistance will be taking the necessary measures to restore a proper balance. For such measures to be effective, it is indispensable that the authorities in the country receiving the assistance must be convinced that the restoration of the balance is in their true interest. As the Duke of Vienna said in "Measure for Measure," the one play of Shakespeare to be set in this city of Vienna: "The satisfaction I would require is likewise your own benefit." It is precisely when this identity of interest is fully realized that the programs which are supported by Fund assistance can be carried out in a spirit of mutual confidence and the desired success achieved. For that result, the countries must feel that stability is essential for their welfare as the only true foundation for sustained growth. In taking this view they can be encouraged by the evidence that those countries which have persisted in their efforts, and accepted the transitional difficulties of carrying out a stabilization program, have succeeded in staging an impressive rate of growth.

I think the great figure at the conference was Mr. Eugene Black. I wish to speak of him and call attention, first, to some remarks which he made on the subject of international development financing. On page 7 of his statement, which I have before me, he said:

> Development is now accelerating on a broad front in the underdeveloped world, and this presents two important problems to be tackled if we are to maintain productive cooperation between lenders and borrowers. First, we must redouble our efforts to insure that the aid offered really serves a priority development purpose; we must use all the influence that we can command, and extend all the help that we can, to insure that the underdeveloped countries themselves effectively utilize all their available resources. Secondly, quite apart from whether the funds flow through IDA or some other channel, our common objectives require that a greater proportion of the development capital provided should bear terms comparable to IDA's.
>
> On the first of these points, let me say that, in my view, the ability of a borrower tc use capital for sound development purposes is no less important—and, indeed, it it is more important in the long run—than the form in which a lender makes capital available. This is why the Bank and IDA insist on every borrower presenting a well-conceived project which could fit into a sound development program. This, in fact, is the justification for our whole range of technical assistance services.

His emphasis there is on long-range planning and the avoidance of making loans where the loan really is not going to serve the ultimate purpose for which

it is made. The Bank has developed that theme, and it is absolutely their first and big commandment in connection with the making of loans. They have demonstrated, I believe, to the satisfaction of these 68 countries that this is a sound basis and a sound philosophy for making long-term loans.

I am putting these thoughts in the RECORD so that our own people who have responsibility for the administration of loans, and the Members of Congress who are concerned with long-range lending, may profit from these wise remarks of the President of the World Bank.

As Mr. Black said privately while coming home on the plane yesterday, money should not be loaned until the conditions are right, so that the loan can do what it is intended to do. The World Bank has found that to be one of the most important conditions. If the loan is made first, before the conditions are made, then they do not correct those conditions which need correction. They found that out. This is particularly true in countries which do not have a really responsible government.

He spoke of a particular loan to a public utility company in another country. He said their rates were too low. They wanted to borrow a substantial amount of money. The Bank said, "No; we will not lend you this money. Your rates are too low. Therefore, the loan will not do what you think it should do and what it is intended that it should do."

A few years passed, and finally the representative of the country said to the Bank, "How much must we raise the rates to get this loan?"

The Bank said, "You must raise them 15 percent."

So they raised them 20 percent and they obtained the loan.

Mr. Black illustrates the situation with this homely illustration. The house is cold. The furnace is broken. So the temperature goes down, and the thermometer registers 40°. The person in the house lights a match and puts it underneath the mercury bulb of the thermometer. The thermometer goes up to 70°. Apparently everything is all right, according to the thermometer. Actually, however, the house is still cold, because the furnace is still broken. What made it cold was the broken furnace.

So it is with loans. So it is with foreign aid.

If we do not see that the conditions are right, then a loan may be nothing but a temporary palliative and will not accomplish the purpose for which it was intended.

This is one of the lessons which I may have learned before I went to Vienna, but it was certainly very much impressed upon me by the discussions that I heard during the 5 days last week.

There was considerable talk about the U.S. 25 percent gold reserve for the Federal Reserve notes. One impression I got from several sources among certain bankers was the statement, "Leave it alone. Leave it the way it is. All you have to do is just guarantee the foreign dollar holders against devaluation."

In other words, if we doubled the price of gold, thus devaluing the dollar by 50 percent, and cutting its gold value in half, then, according to their protocol, we should credit foreign holders of dollars proportionately. If a foreign bank had on deposit in New York, let us say $1 million, it would be credited with an additional million dollars.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BUSH. I will yield in a moment. Instead of having 17 billion in foreign accounts, there would be altogether approximately $34 billion in such accounts. Congress, of course, would have to approve creating the new $17 billion, to follow through on their suggestion. I leave it to my colleagues in the Senate, or any other reasonable person, whether that would not be an exceedingly inflationary move for the United States to undertake.

I indicated to those who talked with me about it that I could see absolutely no possibility of that kind of guarantee being made by the United States; nor did I think it was necessary that we make such a guarantee. We should stop talking about removing the 25 percent gold reserve against Federal Reserve notes. This is the wrong time.

The President of the United States has firmly rejected the idea of devaluation. It seems to me that the member countries of the International Monetary Fund should accept what the President has said at 100 percent value. I accepted it at that value, and I think all Senators did also.

So I say I do not believe we should consider a guarantee of foreign balances against any contingency—a contingency that we are determined to make impossible, a contingency that we are determined to avoid. What we must do is to step up the fight against our balance-of-payments deficits. The Senator from Illinois has reminded us what the principal items are.

We must recognize what the root causes are, and come to grips with them as best we can. We must avoid using palliatives and treat the troublesome tumor itself. This will involve a reduction of our dollar expenditures abroad. The biggest items, of course, are in connection with military aid and foreign aid. I have not undertaken in any way to assess by how much we can reduce military aid or reduce foreign aid. In fact, we are in the process of trying to settle today a foreign aid bill in Congress, which I have supported, and which is said by the administration and the proponents of the bill that it is not big enough the way it is. So the problem is one of great difficulty.

What I am saying now is not said in a critical way, but only in an attempt to realize what the problem is. I hope the President and the administration may find a way of reducing our military expenses abroad without interfering with the national security.

I believe the Secretary of Defense showed wisdom when he rejected the Senate proposal that the B–52 program be increased by $500 million. It may be—and I hope—that the kind of thinking which he applied to that program might result in helping to reduce the dollar payments we have to make abroad. We recognize that much of our foreign aid expenditure is in the form of money spent in this country for materials which go abroad. So that is not one of the aggravating features of the balance-of-payments deficit.

Mr. President, I now yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that the deficit in payments is a relative rather than an absolute factor, and that the deficit could be reduced if the foreign countries, first, would reduce or remove the quotas which they now impose upon our exports—and I refer specifically to Germany's restrictions upon the importation of American coal; second, if they would bear a larger share of the expense of the troops which are there for their immediate protection, although ultimately for our own protection, as well; and, third, if they would get under the load on foreign aid to a greater degree than is now the case?

Mr. BUSH. The Senator from Illinois is absolutely correct. This is one of the things I had in mind concerning which our President might persuade them to do in connection with our big item of foreign aid expenditures. This is a very large undertaking, and I do not wish to make it sound simple. It is one of the three or four big opportunities we have in which to come to grips with our problem, which is the deficit in our balance of payments.

The Senator from Illinois is quite right in reminding me and in reminding the Senate that this method offers to the administration one of the avenues of escape from this problem.

Mr. DOUGLAS. It is a primary obligation upon the European cabinets and governments which persist in undermining the efforts of the American people while they refuse to get under the burden themselves. While we value them as allies, it is important that they should realize that being an ally means reciprocal aid and help.

Mr. BUSH. I join with the Senator in calling upon them to recognize to a greater degree their responsibilities in connection with the problems we have just been discussing. I thank the Senator from Illinois for his contribution to the discussion on that point.

Mr. DOUGLAS. I thank the Senator from Connecticut for yielding to me.

Mr. BUSH. Mr. President, speaking of dealing with the deficit, another avenue is by the increasing of our exports and holding the line on imports, as the Senator from Illinois has just mentioned. We must widen the spread between exports and imports, which last year was of the order of $5 billion, or a little less. However, if we could up that $6 billion or $7 billion spread, this would have an important alleviating effect upon the balance of payments deficit. In fact, at the annual rate at which we are now running, if we could widen the spread of $2 billion, which is not beyond the realm of possibility, that alone would give us the $2 billion necessary to close the present apparent deficit for 1961.

But this, of course, brings us to the problem we have at home, which is the problem of self-discipline here. It means that the administration, the business leaders, the labor leaders—all concerned—must constantly fight against the inflationary pressures of the day; and that we must expect from our business leaders and labor leaders a great amount of unity in recognizing that they are a principal part of the problem of holding the line and keeping our costs on a competitive basis.

If we do not keep our costs on a competitive basis, we simply cannot increase our exports, as the Senator from Illinois and I have agreed would be one of the principal ways to alleviate the balance of payments deficit. We must determine to keep wage increases and salary increases within the limits of increased production per man-hour; within the limits, as the economists say, of productivity.

Also, I believe it is not inappropriate to say at this point that our competitive position requires that we stop neglecting the consumer, and that we should pass on some of the increased productivity to this forgotten man. The advantage of doing that also would be to restrict imports.

If we can reduce prices to our own consuming public by reason of increased productivity, that would have a direct effect on the balance of payments problem.

So these are some of the things we in the Government should be thinking about. I believe the people will support a policy along the lines of our discussion this morning if the President of the United States will present the policy as one which is absolutely necessary. I believe it is necessary. I believe that people would insist upon such a policy if they really had a broader and deeper understanding of the importance of the problems.

One of the great difficulties of the so-called balance of payments problem is that there is so little understanding of it. There are so few of us in Congress who understand it. I do not mean to imply that I am one of those who understand it, because I find it a very complicated problem, although I work on it and deal with it. Nevertheless, it is very difficult for the average citizen of the United States to know what we are talking about when we get into the question of balance of payments, convertible currencies, foreign balances in the United States, and so on.

I talked with many European bankers, both central bank heads and heads of private commercial banks. They are very wise men in the financial world. They understand the problem, just as our financial leaders—Mr. William McC. Martin, of the Federal Reserve Board; Mr. Robert Roosa, Under Secretary of the Treasury, and Secretary of the Treasury Dillon understand it. The foreign bankers know the importance of sound money and what is needed to maintain a sound currency.

They believe that price stability does not impede sustained employment; and, conversely, that inflation is the enemy of full employment, and an evil to be resisted boldly. This is something for us to bear in mind. They recognize that inflation grows out of unbalanced budgets, and they rather fear that our Government does not fully appreciate this fact. They know that the U.S. dollar standing in world markets is largely based upon confidence, and that that confidence is not sustained by governments which spend excessively and unnecessarily create large budget deficits. They feel that our Government has done the latter.

So those foreign financial men would like to see our Government exercise a firm fiscal monetary discipline in our own country.

I may say that they respect Secretary Dillon as an able man, one who understands the problems of the day, problems which were under discussion. Some feel he has not had a quite strong enough voice in establishing fiscal policy in this country so far, since he has been the Secretary of the Treasury.

For myself, I should like to observe that Mr. Dillon appears to become more effective as times goes on. He has prevailed in some important decisions in the administration circles. I believe the President is wise enough to recognize increasingly Mr. Dillon's value to his administration. I doubt that any man the President could have selected within his own political party could have done, to date, a much better job in the Office of the Secretary of the Treasury than Mr. Dillon himself has done.

The address by Secretary Dillon at the conference illustrates very well the connection between the importance of the domestic economy, including fiscal and monetary discipline at home, and the balance of payments problem.

He went into considerable detail to reassure the conference—and, incidentally, the world—that the U.S. economy is moving ahead rapidly, that our national production and income are rising, and that present tax rates—barring further increases in military expenditures—will produce a surplus in the fiscal year 1963. He even reminded us that the President is determined to request additional taxes, should they become necessary to balance the budget in 1963. On that note he dealt with the balance-of-payments problem, thus recognizing that confidence in our internal fiscal and monetary affairs is absolutely essential if we are to hold reserves of other nations, now amounting to some $17 billion, and thus avoid the chance of a run on the dollar.

The importance of this connection between the two problems—to wit, internal discipline and the balance of payments problem—might better be appreciated, as I have already said, throughout our country and even within this administration itself.

Mr. President, in conclusion let me say we must not forget that the pages of history are strewn with the wreckage of governments which failed to maintain monetary and fiscal discipline. Upon the United States today rests the chief responsibility for the economic welfare and the administration of the entire free world. The Congress must keep this fact in mind, especially when it returns in January. The President has cautioned that we must eschew new programs, no matter how desirable, if they would result in exceeding his announced budget. In that connection, I refer to two specific statements by the President. In his May 25 message before the joint session of Congress, he called upon us—

> To refrain from adding funds or programs, desirable as they may be, to the budget.

And in his television and radio address to the Nation on July 26, President Kennedy said:

> We must keep down all expenditures not thoroughly justified in budget requests.

Mr. President, we must abandon the tendency in our country to regard the Treasury as a limitless well of dollars. We must forsake the "politics as usual" attitude, too broadly held. We must show in our deliberations and in our actions greater consciousness of the perils of our times; and we must give our country the leadership in thought and in understanding that will make it possible to develop a firm self-discipline, so essential to maintaining our financial integrity as a nation, for upon this the fate of our whole free world depends.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, the speech delivered at Vienna on September 20 by Secretary Dillon.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY AND GOVERNOR OF THE BANK AND FUND FOR THE UNITED STATES, AT THE FUND'S ANNUAL DISCUSSION

First, let me say how delighted I am to be once again in the gracious and storied city of Vienna. Since my last visit a little more than a year ago, I have seen fresh evidences of growth and change—change that reflects the industry, the imagination, and the initiative of the Austrian people. The stability of the Austrian Government in postwar years—the extent of Austria's remarkable economic resurgence—the unswerving devotion of the Austrian people to democratic principles—all are features of modern Austria that command our respect. This small nation—this revered cradle of thought and culture—this courageous outpost on the frontiers of freedom—has aroused the admiration of free men everywhere. On behalf of my Government—on behalf of the President of the United States, who recalls with pleasure the warm hospitality he received here last June—I wish to say that we consider Vienna to be a most auspicious setting for the important work upon which we are embarked.

During the past year the International Monetary Fund, under the distinguished leadership of Per Jacobsson, has again demonstrated its vital importance to world monetary stability and economic growth.

The role of the Fund is being further enhanced at this meeting where we have the privilege of welcoming to our deliberations 10 new countries—the largest increase in a single year's operations since the Fund's inception. It is a particular pleasure for me to welcome to our midst our good friends from Cyprus, Laos, Liberia, Nepal, New Zealand, Nigeria, Portugal, Senegal, Sierra Leone, and Togo.

Since we met a year ago in Washington, $2.4 billion has been drawn from the Fund.

A major part of that was the recent drawing by the United Kingdom, but 21 other member countries made drawings totaling more than $900 million. There are also 20 standby arrangements in effect, with unused drawing rights totaling $1.2 billion.

Fund assistance in the past year has both strengthened the structure of currency convertibility in the industrialized countries and helped many of the developing countries to adopt or maintain programs of financial and monetary stabilization. The Fund has come to occupy a central position in international monetary affairs—a role I am confident will be of ever-increasing importance to all our member countries in the years ahead.

A few years ago, almost all drawings from the Fund were in dollars. Since the advent of currency convertibility in Western Europe, however, the Fund has made great progress in using a larger number of the currencies it holds, thus increasing the percentage of drawings in currencies other than U.S. dollars. During the past year, 11 different currencies were drawn from the Fund, and two-thirds of the total drawings were in currencies other than the dollar. This is an encouraging development. It has made a reality of the original concept of the Fund as a reserve pool of many currencies for the use of members.

Last year the Fund's advisory activities continued on a broad scale. Wherever member countries have sought to deal effectively with financial instability—by strengthening their fiscal resources, by controlling money and credit, or by otherwise improving their financial institutions—they have been able to rely on the staff of the Fund for expert and objective advice.

The stabilization programs many members of the Fund have worked out and put into operation—usually with Fund advice—have at times been criticized on the ground that they have supposedly imposed a choice between stagnation and economic growth. I do not believe that this is a correct appraisal of the role played by financial stabilization in economic development. I agree with the opinion expressed by Mr. Jacobsson in his brilliant opening statement: that the aim of a well-designed stabilization program is to eliminate inflation, not only as a source of balance of payments disequilibrium, but also as an obstacle to economic growth. Financial stability can thus assist economic growth which, together with social progress, must be the major objective of development policy.

Of course, financial stability cannot of itself cure all the problems of economic growth that beset the developing countries. Effective development planning, basic internal reforms, and adequate capital from both external and internal sources—all are necessary. This is well recognized by the fund, which is, as it should be, the partner of economic development institutions, national and international, in coordinated efforts to increase the flow of external assistance and to help the developing countries make the best use of their own domestic resources.

I turn now to the economy of the United States and the status of our international balance of payments.

The recovery of the U.S. economy, following the mildest of our postwar recession, is well underway and moving strongly. The low point in economic activity was reached in the first quarter of this year. In the second quarter, major economic indicators recorded new highs. Gross national product, personal income, and personal consumption expenditures all reached fresh peaks in the April–June period. Total industrial production recorded a new high in July and again in August. We estimate that gross national product—which jumped from an annual rate of just over $500 billion at the beginning of the year to $516 billion in the second quarter—will reach approximately $540 billion during the fourth quarter. The course of our economic recovery has been particularly encouraging since prices have remained stable. Hence, almost the entire rise in our gross national product has been real. Moreover, our increased economic activity has not been accompanied by speculative buying or abnormal buildup of inventories.

During the past year the monetary and fiscal policies of the United States have been directed at limiting the extent of the decline in economic activity and at strengthening the forces of recovery. Prompt recognition by our monetary authorities of the impending downturn brought a quick shift of policy from monetary restraint to ease. As early as June of last year, the Federal Reserve relaxed credit restrictions by reducing discount rates and lowering the reserve requirements of commercial banks. Federal Reserve purchases of Government securities provided additional bank reserves to combat recession and finance expansion. Reflecting this Federal Reserve policy, total loans and investments of commercial banks have expanded by 7 percent, or $14 billion, during the past 12 months. This large increase provided a major force which softened the strains of recession and stimulated recovery.

On the fiscal side, increased unemployment benefits and other Government outlays associated with the recession—in conjunction with reduced income tax collections—have operated as in previous recessions to provide an automatic supporting influence. Largely as a result of these "built-in stabilizers" the total value of all goods and services produced during the economic downturn never fell appreciably below the corresponding quarter of the previous year.

As I noted earlier, we are especially encouraged that our recovery and our attainment of record new levels of production have been accompanied by price stability. Our index of wholesale prices has remained for 3 years at virtually the same level. Retail commodity prices have been stable while the overall index of consumer prices has increased by less than 1 percent since last October.

The business outlook for the United States during the coming year is very promising. Excessive stocks have been liquidated. As a result of rising production and sales, inventories have once more begun to increase moderately but they are not high in relation to either present or prospective needs. Consumers have reduced their debt and built up their savings, thus strengthening the outlook for retail trade. Net financial savings of individuals rose by $7.7 billion in the first half of 1961 on top of a $10 billion rise in 1960. In contrast to 1958–59, interest rates have remained remarkably constant during the initial recovery period.

We anticipate further vigorous growth. The substantial room in our economy for further expansion should avert any inflationary pressures that might otherwise develop. For we have no shortage of productive resources, nearly all of our industries are operating well below capacity, and the labor supply is ample. Continued rises in output should materially assist us in solving the persisting problem of relatively high unemployment. Nevertheless, we are developing worker retraining programs designed to attack this problem directly.

Federal budget expenditures remain well within our capacity. In fact, the deficit for fiscal year 1961 and the projected deficit for 1962 are together much smaller than the deficits during the last comparable recession and recovery in 1958–59. After taking into account all presently scheduled expenditures, including the substantially increased outlays for defense requested by President Kennedy in July, our estimates point to a deficit this year (fiscal 1962) that will amount to about half the deficit for fiscal 1959. In addition, our gross national product will run some 17 percent higher than in fiscal year 1959, and our tax revenues will be about 21 percent greater. Hence, the economic impact of the current deficit will be considerably less than half that of the 1959 deficit.

The deficits in fiscal 1961 and 1962 are essentially a reflection of the shortfall of revenues resulting from the recent recession. This is a characteristic of our tax system, because it is heavily dependent upon direct taxation of personal and business income. For the same reason we may expect sharp increases in revenues as business improves and the economy grows. The calendar year 1962 gives every promise of being a very good year for business, and since our revenues are based upon earnings of the previous year, we can confidently look forward to a substantial increase in our income during the fiscal year 1963, which begins next July 1. Fiscal 1963 will be closely comparable in the business cycle to fiscal 1960, when Federal revenues jumped $10 billion over the preceding year. Hence, unless a need arises for further increases in defense outlays, the balanced budget which President Kennedy is determined to submit next January can be achieved without any increase in taxes. However, should additional defense expenditures become necessary, the President has stated clearly and unequivocally that he is prepared to request additional taxes should they be required to balance the budget.

I would like to emphasize the firmness of our decision to balance our budget in fiscal 1963. Indeed, had it not been for the increase in international tensions over Berlin, which forced us to increase our defense expenditures substantially above the levels previously planned, we could have looked forward confidently to a substantial budgetary surplus in fiscal 1963. We are resolute in our determination to maintain both a sound and an expanding economy so that the United States may play its full part in the defense and the development of the free world and, at the same time, meet the requirements of an increasing population at home.

I am glad to be able to report that the U.S. balance of payments has developed in a much more satisfactory manner this year than in 1960. The marked improvement in our merchandise account during 1960 continued into 1961 and the large speculative outflows of short-term capital, which swelled the volume of our outpayments in the second half of 1960, have ceased. Our merchandise trade surplus in 1960 amounted to $4.7 billion, whereas in 1959 it had been less than $1 billion. In the first half of 1961 our trade surplus was running at a seasonally adjusted annual rate of $6 billion.

These developments are reflected both in our basic position (comprising all of our recorded transactions exclusive of U.S. private short-term capital outflow) and in our overall payments position. In 1960 the basic deficit amounted to $1.9 billion, compared with $4.3 billion in 1959 and $3.6 billion in 1958. In the first half of 1961, the basic position continued the substantial improvement shown in 1960 and, without counting special prepayments of $650 million on U.S. Government loans, was almost exactly in balance.

Our overall deficit, which is measured by decreases in U.S. holdings of gold and convertible currencies plus increases in foreign liquid holdings of U.S. dollars—which together amounted to about $4 billion in both 1959 and 1960—was running at a seasonally adjusted annual rate somewhat under $1.7 billion in the first half of 1961. The figure of $1.7 billion also does not count as a receipt the special debt prepayments of $650

million. While this indicates the continuation of substantial short-term capital outflows, these movements have represented, for the most part, a substantial enlargement of the financing of world trade by U.S. banking institutions and have not been speculative in character.

These are encouraging developments. But they do not mean that the United States can relax its efforts to achieve a satisfactory and durable equilibrium in its balance of payments. We must have a large and growing export surplus of goods and services to pay for military expenditures abroad which we incur for the defense of the free world. We must have it for both that portion of our foreign-aid program that is not covered by procurement in the United States and for our continuing large outflow of long-term private development capital.

The improvement in our trade surplus so far this year cannot be expected to continue in the months ahead, since it was accomplished more through a decrease in imports than through an increase in exports. And now as the U.S. economy moves toward reasonably full employment of resources, we must look to a corresponding expansion of our imports. Indeed, they have already started to grow. While this tends to sharpen our payments problem it also leads to larger world trade and greater prosperity for our trading partners.

Accordingly, we must continue to make intensive efforts to expand our exports. This means for us, as it does for any nation, that we must constantly improve the productivity on which the ability of our producers to compete in world markets is based. It also requires that we prevent increases in money costs from canceling out improvements in productivity. At the same time, our producers must search out export opportunities with energy and imagination. The domestic market of the United States is a very large one and many of our producers have traditionally thought almost exclusively in terms of that market, rather than of opportunities overseas. We believe this orientation can and must be shifted, for there are surely thousands of our producers who can be more successful in the export field than they have been in the past. It is for this reason that our Government is devoting considerable effort to bringing market opportunities abroad to the attention of our business community.

We are well aware that the position of the dollar as a strong reserve currency depends upon our success in maintaining a reasonable equilibrium over the years in our balance of payments. This we are determined to do. As we succeed, the upward trend in the accumulation of gold and dollars by other countries taken together will necessarily be slowed. The elimination of current payments imbalances can, of course, be greatly facilitated by the cooperation of surplus countries in pursuing liberal trade policies, in increasing long-term development assistance, and in sharing expenditures for the common defense in accordance with their capabilities.

During the past year, as Mr. Jacobsson has reminded us, there has been active discussion and examination in governmental circles, among economists, and in the financial press, of the adequacy of existing international monetary arrangements. These discussions have been very helpful. Mr. Jacobsson has now proposed that each of the principal industrial countries commit itself to lend its currency to the Fund up to a stated amount. I strongly agree that an arrangement of this sort should be worked out to insure the Fund access to the additional amounts that would be needed should balance of payments pressures involving these countries ever impair or threaten to impair the smooth functioning of the world payments system.

At the same time, for its regular requirements, the Fund can, and should be expected to, borrow from one or another of the participating countries under article VII whenever its supply of any of these particular currencies becomes low. It would also appear reasonable to consider the possibility that such loans be credited against any commitment which the lending country may have undertaken as its part of the multilateral arrangement. These special bilateral borrowings would thus replenish the Fund's supply of particular currencies in strong demand and, in this way, would help to avoid undue drains on its gold reserve.

I have no fixed opinions on the details of multilateral borrowing arrangements. I am confident—on the basis of the encouraging views I have heard expressed in the past few days—that practical means can be found to give effect to the agreement in principle which so evidently exists. There are four important aspects which I do wish to emphasize:

First, the aggregate amount the participating countries should look forward to committing to the project should be large enough to add decisively to the Fund's capacity to play its essential role.

Second, to be effective, the additional resources must be promptly available in case of need.

Third, safeguards will be required to insure that there will be effective consultation between the Fund and the lenders, and that the Fund will only actually borrow under the commitment arrangements after taking full account of the current reserve position of the lending country. In addition, each country which actually lends to the Fund should, in case the need develops, be able automatically to obtain repayment from the Fund.

Fourth, I concur in Mr. Jacobsson's judgment that there must be no weakening of the policies that have guided the Fund in the use of its resources; nor should the new arrangements change in any way the existing rights and duties of members of the Fund, both as drawers of currencies and as providers of currencies.

This is an important project. The Fund should push ahead promptly in its current consultations with the prospective lending countries in order that the Executive Board may carry the project to completion so that the participating countries may obtain the necessary legislative authority from their parliaments early next year. With this done, the monetary system of the free world will be substantially strengthened. For the Fund will then clearly be in a position to meet the changing needs of the new world of convertible currencies.

Speaking for my country, I want to say that the United States regards the work in which we are engaged here in Vienna, as having a direct and important bearing upon the future course of free world growth and progress. I have confidence in the ultimate outcome of our deliberations because I have confidence in the vitality of the free economies upon which the work of the Fund is founded. Our mutual goal is a world of expanding opportunities for every human being to pursue his legitimate aspirations in peace and freedom. The International Monetary Fund is playing an important role in helping us to achieve it.

Mr. BUSH. Mr. President, I yield the floor.

EXHIBIT 1

POORER NATIONS CALLED AT FAULT

(By Edwin L. Dale, Jr.)

VIENNA, September 21.—The retiring President of the International Finance Corporation said today that it was partly the fault of the underdeveloped nations that they remained poor.

The criticism came from Robert L. Garner of the United States, who is retiring after 9 years as Vice President of the International Bank for Reconstruction and Development and then 5 years as President of its affiliate, the International Finance Corporation. The occasion, technically, was the regular report of the Corporation's President to the world's finance ministers, assembled here.

The essence of Mr. Garner's remarks was that the fault for poverty lay in the nations that are poor and the way their societies are organized.

One by one, he dismissed as causes of underdevelopment a lack of natural resources, a past history of colonialism and a lack of sufficient foreign aid. He added:

"I am forced, therefore, to the conclusion that economic development or lack of it is primarily due to differences in people and in their attitudes, customs, traditions, and the consequent differences in their political, social, and religious institutions."

AID SEEN AS EXCUSE

Mr. Garner said he was troubled by the insidious consequences of too great a reliance on foreign aid. In too many countries, he said, aid is becoming an excuse for failure to mobilize a nation's resources and to insure that internal conditions which hinder development are improved.

"If experience, competence, honesty, and organization are missing," he said, "large injections of capital into developing countries can cause more harm than good."

Mr. Garner made it plain that he favored richer nations' assisting poorer ones and he accepted that "this is a restless, impatient age and awakening peoples are demanding immediate gratification of their desires."

But, he went on, "It is no service to truth and realism to avoid the fact that much effort and the sacrifice of some of the accustomed ways are the inevitable price of advancement."

LISTS PREREQUISITES

Mr. Garner cited six prerequisites of economic advancement:

1. Consistent law and order—"Government which can govern."
2. Reasonably honest and effective public administration.
3. Financial stability, meaning an absence of severe inflation.
4. A "sensible plan" of development.
5. An honest and effective tax system to raise internal revenues.
6. Avoidance of a "feudal" type of society, one in which the "wealth and power are in the hands of a few."

STRESSES TWO POINTS

Mr. Garner devoted considerable attention in his long speech to two other major conclusions he drew from his experience.

The first was that "the most assured method of getting development," barring outright totalitarianism, is to rely on private initiative and the private profit motive. Mr. Garner strongly opposed efforts to build up an economy through publicly owned industry or public subsidiaries of private industry.

The second conclusion was a conviction that "government-to-government financial aid cannot successfully be used to gain and hold political advantages for the country supplying the funds." For many reasons, Mr. Garner said, "bilateral financing between countries tends to create antagonisms and distrust."

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Chair

lay before the Senate the message from the House on H.R. 8099.

The PRESIDING OFFICER. The Chair lays before the Senate H.R. 8099, a bill coming over from the House of Representatives.

The bill (H.R. 8099), an act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund, was read twice by title.

Mr. McCLELLAN. Mr. President, the Committee on Government Operations has considered a companion bill, and has unanimously agreed to report that bill. In view of the fact that it is identical with the House bill, I ask unanimous consent that the Senate consider and pass the House bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

The bill (H.R. 8099) was ordered to be read a third time, was read the third time, and passed.

PRESIDENT KENNEDY'S ADDRESS TO THE UNITED NATIONS

Mr. HUMPHREY. Mr. President, I wish to comment briefly on the message delivered today by the President of the United States at the United Nations.

President Kennedy's address will go down in the annals of statecraft as one of the most remarkable and moving messages delivered by any political leader in the history of our country. This morning the President rose to new heights of eloquence and statesmanship. He has established his position as the moral and the political leader of the free world. President Kennedy is the architect of the New Frontier. He is now the designer and architect for the world of new hope—a new hope for mankind for peace, a new hope for the world for disarmament, and a new hope for social and economic development in the many new nations.

President Kennedy was firm and strong in speaking of the great issues which relate to the security of our country and the peoples of the world. He left no room for doubt or uncertainty concerning our obligations to Berlin, our commitments to a free Berlin, and our right to access to a free Berlin. He stated again that we would never fear to negotiate, but that we would not negotiate from fear. He pointed out that we were rearming, not because of a desire for arms, but because of the threat which faces us and the entire world due to Soviet intransigence and aggression.

The President's proposals on disarmament were comprehensive, constructive, and reasonable. He made it clear that disarmament is honorable; that the alternative to all-out war and possible destruction of this planet is complete disarmament with effective international controls.

President Kennedy said the New Frontier for this world is a selfless dedication to peace; and he outlined in eloquent language the U.S. commitments for peace. He charted the course for the strengthening of the United Nations, for continued U.S. assistance in the development of the economies and the free political institutions of the developing countries, and for the imperative need to make progress in regard to the control and the reduction of armaments.

Mr. President, the President's words at the United Nations were most timely and all important. He championed the cause of this great international instrument for peace and justice, and he spoke directly to the representatives of nations which frequently are termed "nonalined" or "neutral." For example, his only reference to the Conference at Belgrade was a positive one. He recalled the request of those nations for the great powers in the world to reduce world tensions and seek to find a way for disarmament and peaceful solutions.

President Kennedy gave hope and inspiration to the United Nations at a time when it is literally on the critical list. If ever there was a time when one could be termed the "doctor with the miracle treatment" for a critically sick patient, it was when President Kennedy today spoke for, and endorsed, the great principles of the United Nations, and asked for the adherence of other peoples to the Charter of the United Nations.

The President of the United States reminded the delegates at the United Nations of two threats to the peace, over and above the Berlin crisis: the critical situations in Laos and in South Vietnam. He made clear, as regards both, that if such aggression and banditry were to succeed, for example, in South Vietnam, the same pattern would find its way into the rest of the world, and no one would be spared. He called upon the United Nations to take effective action to bring about peace and to restore order to these critical areas of the world.

I was proud today of our President. I was more proud than ever to be an American. The President has stated the spirit and the policy of this Nation and done so eloquently and forcefully—comprehensively the spirit of this Nation.

The President was not seeking to debate or refute the Soviet Union. Here was a leader proclaiming the doctrine of freedom and peace for the world. He spoke the spirit of this Nation, and of our commitment to a policy of social justice, and of our determination to fulfill our promises and our pledges. It was a noble hour for the American people, and it was a meaningful and hopeful hour for humanity.

I congratulate the President. This message will not only stir the American people to new heights of accomplishment and dedication, but I predict that it will stir the hearts and minds of people all over the world.

Mr. President, I ask unanimous consent that a statement of mine relating to the President's message, and particularly on the disarmament aspect, be placed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY, OF MINNESOTA, COMMENTS ON PRESIDENT'S DISARMAMENT PROPOSALS

The President has told the United Nations that the New Frontier in this troubled world is a selfless dedication to peace. He has outlined in eloquent language the U.S. commitment for peace, and has chartered the course for the strengthening of the United Nations, for continued U.S. assistance in the development of the economies and free political institutions of the developing countries, and for the imperative need to make progress on the control and reduction of armaments.

The new U.S. disarmament proposal which the President presented as a basis for the resumption of negotiations is the most far-reaching U.S. proposal on this subject since the days of the Baruch plan on international control of atomic energy.

The United States has proposed a comprehensive program for general and complete disarmament, which not only provides a way for balanced reductions in all kinds of armaments by all nations, but which also commits this country to work to strengthen the peacekeeping machinery of the United Nations to assure that the security of all nations will be maintained in a disarmed world.

No other government, including the Soviet Union, has produced such a farsighted and far-reaching document which combines the needs for world order, international cooperation, and disarmament. The U.S. plan is truly a blueprint for world peace within which the security of each nation would be adequately protected.

I note with gratification that the U.S. disarmament program contains as one of the first steps an offer to reduce the military carriers which are capable of delivering large nuclear bombs and warheads. This is a proposal I have long advocated and its inclusion for the first time as a major step in the program for disarmament is a welcome move. These long-range bombers and missiles, in my opinion, constitute the major threat of large-scale nuclear warfare. Our willingness to go to the heart of the arms race constitutes a proposal of immense significance.

The U.S. disarmament program has the great advantage of being completely flexible. The United States is now prepared to negotiate for the control and reduction of a single category of weapons or we are prepared to negotiate several aspects of the elements of the arms race as a package.

The proposal is a magnificent demonstration of a great movement forward in the struggle for peace with freedom and justice. It poses a serious program to the Soviet Union, indeed to all nations. The United States has once again taken the initiative for peace and for progress.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to associate myself with the remarks just made by the distinguished Senator from Minnesota [Mr. HUMPHREY] about the great, historic speech President Kennedy made before the United Nations General Assembly this morning.

In that great act of statesmanship this morning, President Kennedy renewed not only the hopes of the people of the United States for peace with honor, but I think he renewed the hopes of the people of the world, including the people within the Communist bloc.

The Senator from Minnesota spoke of the United Nations as being on the critically sick list as a result of the crisis it faced following the untimely and unfortunate death of Dag Hammarskjold. I think President Kennedy gave the United Nations a blood transfusion of peace.

In his great speech this morning, the President made it perfectly clear that the United States seeks honorable negotiations in connection with problems which endanger the peace of the world. The Senator from Minnesota is very right when he places emphasis in his remarks upon the importance of the so-called neutral and uncommitted nations of the world recognizing the appeal and the plea the President of the United States made for a peaceful solution to the problems which confront the world.

As the Senator from Minnesota said, with an eloquence and a brilliance that are not matchable, the President spoke of the importance of our laying aside arms, of our beating our swords into plowshares, and of all nations going forward toward an era in the history of mankind which will surpass our boldest imagination as to what can be accomplished. It can be done if all nations are willing to lay down their arms and to use their great economic resources to promote the cause of human happiness for the masses of the millions of the people of the world.

As the Senator from Minnesota said he is proud of the President of the United States, I want to say I have not had for a long, long time, that inner feeling of satisfaction, in regard to the leadership of my country, such as I have at this moment.

I join the Senator in congratulating the President of the United States upon his great speech. I would say to the leaders of the Communist world, if you really mean it when you say that you want peace, and not a nuclear war, then follow the leadership set by the President of the United States in the United Nations this morning. Make it perfectly clear to the neutral and uncommitted nations of the world that you, too, are willing to sit down to proceed in honorable negotiations, and, if necessary, through the auspices of the United Nations, to lead mankind to a peace which will result eventually in a complete disarmament of the swords that threaten the world and the beating of them into plowshares for the benefit of all mankind.

To the President I renew again my pledge to him that in the whole field of foreign policy I propose to stand shoulder to shoulder with him in doing what I can to implement what I thought was the great program he outlined before the United Nations this morning.

Mr. HUMPHREY. Mr. President, I wish to be associated with the views and comments of the Senator from Oregon. I am sure he will be interested to know, that the Disarmament Agency measure was referred to by the President of the United States at the United Nations. The President noted how this Nation had taken the lead in preparing the way for effective disarmament proposals by the establishment of our Arms Control and Disarmament Agency. This was a highly significant act on the part of Congress, and timely.

On Sunday night—last night—I wired President Kennedy at Hyannis Port. I had been in touch with the staff at the White House prior to that. I urged the President to sign this bill during his visit to the United Nations. I am happy to say now that the President will sign the Disarmament Agency bill while he is visiting the United Nations.

Mr. MORSE. Not only is that good news, but news of great historic importance. I am glad the Senator from Minnesota made the announcement on the floor of the Senate.

MEMORIAL SERVICES FOR DAG HAMMARSKJOLD AT ALL SOULS' UNITARIAN CHURCH

Mr. MORSE. Mr. President, yesterday it was my honor and privilege to participate in memorial services in memory of Dag Hammarskjold at the All Souls' Unitarian Church here in Washington. I shall ask that the brief remarks of eulogy which I delivered on that occasion be inserted in the RECORD, together with a very brilliant and eloquent sermon on that occasion delivered by the Reverend Duncan Howlett, minister of All Souls' Church.

The sermon was not only a fitting eulogy of Dag Hammarskjold, but it was also a very fitting plea which ought to be considered by our Government and by all governments. It was a plea to use the peaceful procedures of the United Nations in a historic attempt to avoid a nuclear war and to seek to obtain peace through the application of the rule of law.

I ask unanimous consent that both statements be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

EULOGY BY SENATOR MORSE—HAMMARSKJOLD MEMORIAL SERVICE—ALL SOULS' UNITARIAN CHURCH, WASHINGTON, D.C., SEPTEMBER 24, 1961

Any memorial observance of the death of Dag Hammarskjold must recognize that his greatness lay in the personal qualities he brought to one of the highest offices in the world.

We live in an age when it is hard for many to believe that an individual can shape and influence world affairs. Our own Nation is a land of big business, big labor, and big government. Many Americans say they do not even bother to vote because one vote does not carry any weight. The politics of the world seem to move in even more vast and impersonal currents of changing economics and societies. We think in terms of the masses; we view our present history as one of a population explosion; of dying colonialism, of rising nationalism in the continents of Asia, Africa, and South America; of the industrialization of Russia and China; and of the emergence of the United States into a new role of leader of the free world.

We speak and think of the contest between capitalism and communism, between freedom and tyranny. But few people believe that one man, regardless of the capacity in which he acts, can determine the outcome of these events or the question of war or peace.

I do not believe Dag Hammarskjold ever accepted that notion. He worked at his job of Secretary General of the United Nations in the belief and conviction that he could prevent force and violence in the settlement of disputes. And the result was that he often succeeded. By his steadfastness, Hammarskjold was able to influence history and to determine the outcome of many troublesome international problems.

If this man ever had succumbed to the fatalism of most of his fellow men, he probably would never have made the effort nor the progress which he did in the advancement of the United Nations and world peace.

Many have said that Dag Hammarskjold was above all an idealist, who devoted and finally gave his life for an ideal. But idealism is too often misunderstood by those who think ideals are something to be achieved within a reasonable time, or abandoned as being impractical.

We must understand that ideals might better be compared to the stars. We never expect to reach them, but they are a constant and permanent guide, a source of direction, rather than a goal in themselves.

The existence of a world in which all quarrels between nations are settled amicably, and under the rule of law is an ideal. Many give it lipservice; many more say it is a fine theory, but impractical and something that will never come to pass.

But should it therefore be ignored and discarded? I never heard that Dag Hammarskjold talked in terms of a final world organization under which all national armies would disappear and all nations would accept the rule of international law. Instead, he went ahead and applied that ideal to the dispute between India and Pakistan over Kashmir; to the Arab-Israeli quarrel; and to the Congo.

We might well ask ourselves whether we should do less. If Hammarskjold was a great man, revered now and venerated by much of the world, is it not reasonable to expect the world to further those things for which he is venerated?

If we think him a great man for what he did, why should we not do the same things ourselves?

If this country is to give more than lipservice to Hammarskjold and what he stood for, we should initiate a series of proposals to strengthen the United Nations and to use it as the instrument of settlement of disputes to which we ourselves are party.

We should change our sorry record which shows that as a nation we have never offered to submit to the United Nations for final and binding decision a single major dispute which threatens the peace of the world.

We should seek an end to the veto power in all agencies of the United Nations and oppose its extension to the post of Secretary General. We should propose changes in the makeup of the Security Council that will take into account the importance of Japan, India, and the other new and rising nations of Asia and Africa.

We should remember, as Hammarskjold did, that the basic purpose of the United Nations was to save succeeding generations from the scourge of war; not just to be a clearinghouse for information, nor a debating society, nor just a source of resolutions and recommendations, however worthwhile and laudatory they may be.

This means that the United Nations should be presented with the disputes that threaten the peace, including Berlin, Taiwan, and its neighboring islands, and Laos.

Far from deemphasizing the United Nations in American foreign policy, we should really start using it. If Dag Hammarskjold deserved half of what is being said about him, then his efforts deserve to be emulated and not just praised.

We should build the United Nations into an instrument that will truly serve mankind, and which would also be the only real monument we could ever dedicate to its great Secretary General. By our actions in seeking to strengthen the United Nations as an effective enforcer of the peace of the world we shall determine as to whether Dag Hammarskjold died in vain.

THE UNITED NATIONS AND THE FUTURE

(Sermon by Dr. Duncan Howlett, minister, All Souls' Church Unitarian, 16th and Harvard Street NW., Washington, D.C., September 24, 1961)

(PLEASE NOTE.—The entire service preceding Dr. Howlett's sermon was constructed as a memorial to the late Secretary General of the United Nations, Dag Hammarskjold. Representatives of the Swedish Embassy, the United Nations Information Center, Citizens Committee for UNICEF, and U.S. Committee for UNICEF, as well as personnel from the America Association for the United Nations were in attendance. Hon. WAYNE MORSE, Senator from Oregon, offered a tribute to the memory of Dag Hammarskjold in the course of the service.)

The man who reads history and on the basis of it attempts to predict the future is on very hazardous ground. We do not yet understand enough about human society to know when we have a true historical parallel and when we have nothing more than a superficial resemblance in events. In the latter case the man who thinks to learn from history may be badly deceived instead.

Yet to conclude from this obvious truth that we have nothing to learn from history is to make a greater mistake. Without drawing any historical parallel we can throw an enormous amount of light on the present by merely reviewing the events that preceded it. No event stands alone. It derives its meaning from a long series of events at the end of which it stands. Yet no event is the terminus of the series. Each as it happens becomes a part of the causal structure of those that follow.

Such must be our thoughts as we watch the opening sessions of the 16th General Assembly of the United Nations with the chair of its Secretary General Dag Hammarskjold vacant. History prepares for its great moments. Such a moment has now come. What does the past have to tell us about it? What does that past portend for the future?

To a great many people the United Nations today appears to be an elaborate contrivance of international weakness. Its tiny budget compared with those of the great nations is almost laughable. It owns a fine set of buildings in New York City but several commercial establishments in the same city are larger. The very land on which the U.N. buildings stand was not bought by the nations of the world but was given to them by a private individual, John D. Rockefeller. Its armed forces used to quell wars here and there is so weak its efforts often look like the stock American wrestling referee who is regularly set upon and flattened by the contestants, who then turn back upon each other with renewed ferocity.

No one denies that the U.N. is not all we should like it to be. But here is where our history books come in. To answer charges like these we need to see today's events in perspective. We need to see that today's events do not stand alone. They are not isolated events. They are but details in a great and expanding panorama. They belong to a series of events that can be understood only if they are seen in perspective. The events of our time are not final. Eventually, if we can hold the world together, they will fall into place in a larger series, which the history books of another day will record.

There is no longer any question of the fact that if man is to survive on this planet he will do so through world government. Nothing less than that can prevent some willful man or group of men from plunging the world into atomic war. Nothing less than that can prevent any two nations or any two groups of nations from building up tensions between themselves that become intolerable and produce war of their own accord, much as lightning discharges itself when the static electricity in a cloud passes the power of the cloud to contain it.

It was the 19th century that first began to understand that world government was the only possible means by which permanent peace could be achieved. The 19th century demonstrated all too clearly that disarmament is a farce, treaties are made to be broken, the strong prey upon the weak and a balance of power brings eventual war, far more terrible when it comes because so much longer in the making.

This principle had been understood in the ancient world as well although not in the terms in which we state it today. Each of the ancient empires as it rose and fell was a kind of attempt to establish peace and secure safety for its citizens even though conquest was usually the driving force. The 19th century added to the Roman conception of the Pax Romana, the ideal of world peace, because it had become apparent by that time that international amity could be achieved on no less a basis. The 19th century saw that it was world peace or no peace. The world by that time had grown too small for any other solution of the problem.

Plans looking toward this end were legion. They still are. But the first practical step taken in this direction was the establishment of the Permanent Court of Arbitration at The Hague in 1899. There was another less obvious achievement of the First Hague Peace Conference, the significance of which is often overlooked. The signatories, 26 in all, agreed that international disputes should be settled without resort to war. They went further and attempted to define some of the laws of war (e.g. no projectiles, thrown from balloons for 5 years, no poison gas, no dumdum bullets, better treatment of war prisoners, wounded, etc.).

In the light of the current divergence between Russian statements and Russian actions it is interesting to note that Czar Nicholas II who issued the call for the First Peace Conference at The Hague did not do so in the interests of peace. It has since been learned that his resources were not equal to the arms race in which Russia and Western Europe were then engaged. He was beginning to lose out. Accordingly, in the pious language of peace he called for an international agreement to limit the amassing of arms in the vain attempt to maintain his position in relation to the other powers.

The agreements of the First Hague Conference seem laughable now. Together with the hypocrisy of Czar Nicholas' call they seem, in the light of subsequent events, to have been so much cant. But to leap to such a conclusion is to fail to see what was really going on at the time. At least some of the signatories meant what they said or at least hoped that they did. They were exploring ground that was new ground that had never been trod by the race of men before. They were by no means sure of themselves. Recall that they refused to sign an agreement to submit all international disputes to compulsory arbitration. Why? Were they really opposed to substituting arbitration for war? No, they took this stand because they knew they couldn't keep such an agreement and they knew their citizens would not support them if they tried. Had The Hague treaty been mere cant no one would have cared. They would have signed anything that sounded plausible. It was, insofar as they could make it so, a declaration of principles to which the signatories proposed to live up and which they therefore thought worth stating.

The accomplishments of the First Hague Conference can only be understood in context. And what is that context? It is the succession of dreams of world government that preceded it. That context is the Second Hague Conference that followed it held in 1907. It is also the succession of subsequent events in which, through our study of history. we are now able to place the pronouncements that were made there, the agreements that were signed and the machinery that was set up.

The second Hague Conference did not accomplish as much that was concrete as had the first. Germany led the fight against any agreement for compulsory arbitration. But voluntary arbitration under the first Hague treaty was now an established fact and a body of adjudicated international law had begun to grow up as a result of it. On the basis of this achievement the second Hague Conference enlarged the scope of the Permanent Court of Arbitration. It stated further rules for the regulation of war, rights of neutrals, the collection of debts, etc. Again let us not underestimate the importance of these formulations of principle, even though some of the signatories looked upon them with secret or only partially concealed cynicism.

The story of the League of Nations is also part of the context in which all of these events are to be understood, including the present sessions of the United Nations General Assembly. But the story of the rise and collapse of the League of Nations is fresh enough in all our minds to require no review of that unhappy episode in our history. We must, however, recall that out of its frustrations and helplessness came the United Nations in 1945. In confessing the failure of the League of Nations we should not overlook the significance of the fact that the League was tried. We should not forget the wave of idealism directed toward international amity and world peace that swept most of the peoples of the earth after the First World War and brought the League of Nations into being. And we dare not forget the amount of idealism that was put into words and implemented in action in and through the League of Nations and the World Court.

For us, the long and tortuous development of the ideal of world peace and of the practical means by which it can be achieved comes to focus for us in the United Nations. Its ideals are stated with unmistakable clarity in the Universal Declaration of Human Rights adopted and proclaimed in December 1948, a declaration from which I have often read as part of our Scripture lesson Sunday mornings in this church. Its International Court of Justice continues to expand the statement of international law. The actions of its assembly continue to formulate the incipient ideals of a world in crisis. The individual speeches of its members do the same. Through the international body he has created, man on the planet earth is discovering who he is, what he dreams of, and how he proposes to deal with himself.

Only in the perspective of this history can we measure the significance of the United Nations, and only in this perspective can we gage the extent of our loss in the passing of Dag Hammarskjold, honored and beloved Secretary General of that body. Only as we appreciate the extent to which he made the United Nations a force in our midst shall we see him as he was. Only as we become aware of the increasing record of action and achievement in the United Nations can we estimate the strength of his leadership and the debt we owe him.

Principles, if they are to be lived by must first be stated. But they have then to be tested in action. This was the measure of

Hammarskjold the man. Under his leadership the United Nations increasingly applied its noble principles in practice. His character is revealed in his selfless dedication to the implementation of high principle in international affairs. He moved with forthrightness and courage into the vast power vacuum that lies between the nations of the earth.

He accepted the literal meaning of the paragraph with which the United Nations Declaration of Human Rights begins: "The General Assembly proclaims this universal declaration of human rights as a common standard of achievement for all peoples and all nations to the end that every individual and every organ of society keeping this declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observances, both among the peoples of member states themselves and among the peoples of territories under their jurisdiction."

Should the United Nations continue in the years to come to grow in its ability to implement its ideals: should our history books one day record the fact that the secretaryship of Dag Hammarskjold marked the beginning of a long series of events which slowly brought world order to our suffering planet, then it will be clear, if it is not now, that he ranked among the greatest men our world has produced. Then it will be clear that he moved the United Nations from thought to decision, from debate to action.

Then it will be clear too, as it is not now, that the United Nations is the friend of the small nations, whether neutral, or in the Eastern or the Western bloc. Russia and the United States can take care of themselves if need be. Perhaps some other nations can too. But most cannot. Most of the nations of the earth are as helpless to protect themselves from conquest as from fallout. This is as true of our allies as of our enemies; and it is as true of the neutrals as well. Together in the United Nations they are strong. Together they can protect each other. The stronger the United Nations is, the stronger they are. Hammarskjold who sought in every way he could to strengthen the United Nations, was their friend, the best friend they had, although many of them seem not to have realized it.

But the strength and protection available to the small nations from the U.N. is available only upon one condition, and it is very explicit. They must accept the principles upon which the U.N. is reared, the principles for which Dag Hammarskjold lived and died.

To do this is not as easy as it sounds. Unless a nation is willing to claim these ideals for itself it will find the U.N. quite mystifying and very frustrating. An angry man, red of face, pounding his desk like a schoolboy because his will is thwarted, though he be the head of a great state, shows that he does not understand how the U.N. functions or the principles upon which it is built. A nation that believes men and events are swept along the current of history according to the Marxian dialectic will always frustrate and be frustrated by an organization constituted like the U.N. Any people that believes in dictatorship, whether of the proletariat or anyone else cannot accept a declaration of human rights and will participate in deliberations based upon them only with the greatest difficulty. A national leader accustomed to say "Play my way or else," will never know how to handle himself in an assembly that honestly seeks to learn and to follow the assembly's will.

Let the smaller nations of the world ask themselves whether they believe in the principles upon which the United Nations was established and according to which it still operates. If they do, let them then ask whether they are willing to accept the mutual limitations such an organization inevitably imposes on its members. And if they are not ready to accept those limitations exacted by the need for mutual cooperation and understanding let them then ask themselves whether they will accept the Marxian dialectic. Would they reconstitute the U.N. in accordance with it? Let them also ask themselves, if they choose the Marxian way, what would happen to their national independence and the rights of their citizens if they did.

It is sometimes said that the rights for which the U.N. stands are western rights, that they are provincial and therefore not binding upon all. This is like talking about Catholic truth, Protestant truth, Christian truth, and scientific truth. There is no such thing. The truth is one. Likewise, there is no such thing as western rights, eastern rights, northern rights or southern rights. It is true that belief about rights varies from culture to culture. But in the end there can be only one kind of rights and that is human rights.

Insofar as the U.N. declaration may be said to reflect western rights rather than human rights, let them be changed. Insofar as they reflect any provinciality of any kind let them be modified or replaced. The U.N. can stand only so long as it represents a concept of human dignity that transcends all particular nations and cultures.

Let this fact be brought home to the so-called neutrals. Let them see that a strong United Nations would guarantee the very conditions toward which they aspire: that it would do so far more certainly than could any other agency on earth. Let them see that in their mutual support of an agency dedicated to this end they will find the surest promise of achieving it. The United Nations did not just happen. It was fashioned by men who believed certain things—believed them passionately—and sought to exemplify them in a human institution. The United Nations was hammered together by men who believed in man. They believed in the sacredness of every individual. They believed in his rights as a man.

Starting from these basic beliefs the founders of the United Nations sought to rear a structure capable of achieving these things for men in the world around. They hoped to inhibit if not to do away with war altogether. They were realists and took the realities of the situation fully into account. Nevertheless, so much as they were able to build, they reared upon the conviction that men must be treated as men, as individuals, each with his rights and needs, his hopes and aspirations.

The Soviet Union has assiduously cultivated an image of two nations squared off against each other: one, the United States, spoiling for a fight and eager to perpetuate colonialism; the other, the U.S.S.R., eager for peace and trying to protect the peoples of the earth from American imperialism. Let us at this session of the United Nations correct that image. Let us, in our steadfast purpose to work through the U.N. show ourselves to be champions of the human rights for which the U.N. stands. Let us, through our determination to strengthen the U.N. make it clear that we support the continual assertion of human rights among all the underdeveloped nations of the earth. In particular, let us demonstrate to the world that American support for the U.N. is American support for the new nations now achieving statehood, and that our support is not partisan but universal.

If we are in fact such champions of human rights, the world will quickly see it. If we believe in the United Nations, if we undertake to strengthen it, that fact, in and of itself, will become readily apparent to those who have fallen for Communist propaganda and who as a result have come to think of the United Nations as an arm of U.S. foreign policy. If it is true that our aims and those of the United Nations are the same because we both stand for universal human rights, that fact cannot be hidden. All the world will know it. It will shine like a beacon light in the surrounding darkness.

But if on the other hand our policy is clouded by commercial interests that suppress or deny human rights here and there and if these policies are stated in pious but false language, that fact, too, will become apparent. It too will stand out in the darkness, not like a beacon, but more like the flames of a conquered city, destroyed in the lusts of war. Insofar as we permit our policy to be tinged with commercialism, just insofar do we provide the Communist propaganda machine with material with which to destroy us.

In holding this commemoration service for Dag Hammarskjold this morning, we seek to honor the man. Yet more do we seek, through our words of praise for him, to further the work he had begun so well. In honoring him we honor yet more the ideal for which he labored, that for which the U.N. itself stands; that for which we must stand if we are to stand for the U.N.

This is properly a religious service for his was fundamentally a religious ideal. It belongs to the nature of man. It rises from the very fiber of our being. The basic U.N. principles, human rights, brotherhood, cooperation, understanding, peace, these were written first, not on stone or papyrus, not on scrolls or parchment. They were written first on the human heart. Men have discerned them in the course of thousands of years of human living together, in the course of centuries of human thought and development.

Rising from the deepest recesses within us, recesses so deep we know not what they are, there speaks to us the voice of conscience; throbbing in our hearts we find a love for our fellowman that will not let us go. Thrilling through our spirits, defying all our power to explain is the sense that we are close to the center of things, that we speak with and through the great spiritual reality when we declare and implement human rights and harmony among all peoples. God is not far from anyone who labors toward these ends. The brotherhood of man is the one true religion of the earth.

O Thou Spirit of righteousness and peace, rise in our midst to condemn us when we are wrong. But give us heart when we are right.

DISTRICT OF COLUMBIA REVENUE BILL

Mr. MORSE. Mr. President, I feel I have a clear obligation to perform for the Senate and for the House in regard to the controversy which exists concerning the District of Columbia revenue bill.

It will be recalled that the Senate bill which went to the House included the Morse amendment, which provided that the District of Columbia should be recognized as a federally impacted area, as those school districts are recognized in States with Federal impact. There is no question about the District of Columbia being an impacted area. In fact, I gave to the House conferees in conference the figures supplied to us by the Department of Health, Education, and Welfare, which estimates that the District of Columbia is impacted to the extent of approximately 42 percent. There are few school districts in the several States which can show a 42 percent Federal impact.

The District of Columbia is impacted in the amount of more than 47,000 fed-

erally connected school boys and school girls.

The District of Columbia has not received justice for many years under the federally impacted areas law, Public Law 874. The District of Columbia should have been included in 1950 when the law was passed.

The District of Columbia is without Senators or Representatives in Congress to protect its interest. A few of us who serve on the District of Columbia Committee of the Senate—and, let us be frank about it, somewhat as a sort of secondary work obligation—from time to time have sought to protect the legitimate interests of the people of the District of Columbia.

When this problem was brought to my attention this year I had the Morse amendment included in the revenue bill. It was accepted by my good friend and colleague, the chairman of the Committee on the District of Columbia, the Senator from Nevada [Mr. BIBLE]. It went to the House. The House rejected it.

In my opinion the House rejected the amendment on the basis of a series of fallacious arguments. One argument sought to convince the House—and apparently convinced a considerable number in the House—that the District of Columbia is not a federally impacted area. I rebutted that in the conference last week by citing the information given to the Congress by the Department of Health, Education, and Welfare. We must not forget that the law is based on children of all Federal employees, not just the military children.

The argument was made that if the Morse amendment were agreed to by the House it would mean a cutback in funds for States which are federally impacted. That is a pretty selfish argument. That is an argument which should not recommend itself to us. I hope we have not reached the point, in regard to passage of legislation, that we shall be guilty of that kind of discrimination.

Because the argument was made a member of the committee got in touch with the Department of Health, Education, and Welfare. The Secretary, Mr. Ribicoff, was away and could not be reached at the time, but information was sent to the conference room that if the House reconsidered and adopted the new conference report, which continued to include the Morse amendment, a supplemental appropriation request would be necessary and therefore it would not affect existing funds.

We had every reason, on the basis of information we received from a staff member of the Department of Health, Education, and Welfare, transmitted to a staff member of our conference committee to assume that was the case. On the basis of that representation we pressed again for the inclusion in the conference report of the Morse amendment. It was included.

The House conferees went back to the House. I understand the House will vote on the new recommendation of the conference some time tomorrow.

It was agreed at the conference, the other morning, that the senior Senator from Oregon would ask for a letter from the Department of Health, Education, and Welfare. I pressed for such a letter, but it was not until this morning I could get a letter from the Secretary of Health, Education, and Welfare.

It has been suggested by some that I should not make the letter public until after the House acts. The senior Senator from Oregon does not carry on that kind of legislative business. I wish to have the House know the contents of the letter. On the basis of the contents of the letter I think the House by an overwhelming vote should proceed to agree to the conference report which contains the Morse amendment.

I also wish to have the House know in advance—and that is why I put the letter in the RECORD today—that the letter from the Secretary of Health, Education, and Welfare modifies to some extent the information which was sent to the conferees while we were in the conference which led to the agreement on the provision of the conference report.

The letter is dated today:

DEAR SENATOR MORSE: This is to advise you, in response to your request, of the effect of your amendment to Public Law 874, as set forth on page 17074 of the CONGRESSIONAL RECORD for August 25, 1961.

The proposed amendment to Public Law 874 would add the District to the list of eligible jurisdictions and make the District equally eligible with all States and enumerated territories.

We do not have final figures on the entitlements of all jurisdictions. However, the District of Columbia's entitlement would be about $5 million. This represents approximately 2 percent of the total entitlements of all jurisdictions. If the sum of $164,346,000, contained in the supplemental appropriations bill reported out by the Senate on September 22, 1961, is enacted then the District of Columbia and all other jurisdictions would receive, according to our best estimate at this time, not less than 98 percent of full entitlement and it is quite possible that final adjusted figures may bring this up to close to 100 percent of entitlement for all jurisdictions.

Sincerely yours,

ABRAHAM RIBICOFF,
Secretary.

Mr. President, if it should come to pass that the total amount contained in the supplemental appropriation bill, which we expect the Congress to pass before adjournment, is not sufficient to meet all the needs of impacted areas all over the country, including the District of Columbia, then the Senator from Oregon—and he will not be alone—and all others who are interested in equity and fairness in regard to this problem will join next January in urging passage of a supplemental appropriation bill.

I say to those in the House who argue they do not wish to give on this question if it means the possible loss of a single dollar by any school district in any State, "those districts will be protected." I say to my friends in the House, "I shall not stand by to see the schoolchildren of the District of Columbia and the taxpayers of the District of Columbia, also, continue to be discriminated against."

I will work with my colleagues in the House for a supplemental appropriation bill in January, to see that all school districts are done justice. However, I have no intention, in view of the Ribicoff letter, of permitting the District of Columbia to be singled out and put off on a limb with the statement, "We will go through the gesture of bringing you under the impacted areas legislation, but we will see to it that you do not get any money at all at the present time."

I say most respectfully to the House of Representatives, "If you wish to cut the District of Columbia from the impacted areas law, go ahead and do it, but you will have the job of passing a revenue bill for the District of Columbia when you come back next January." We will continue our fight then for the District of Columbia, because the senior Senator from Oregon has no intention of permitting this injustice to continue against the schoolchildren of the District of Columbia.

I have no intention, with my record against the sales tax, of permitting the House of Representatives, in effect, to say to us, "It is a sales tax or nothing." My answer is, "Nothing."

Furthermore, I have a little message to the District of Columbia Commissioners. I say to the District of Columbia Commissioners, "I do not look with any kindness or favor upon the information you gave us some time ago that you really could get along without a revenue bill until March, when now, under certain pressures that I am satisfied have been brought to bear upon the officers of the District of Columbia government, you argue that if you do not get this revenue bill, you will not be able to go ahead with the construction of a junior high school in the District of Columbia."

I say to the Commissioners of the District of Columbia, "If you think that argument will stop the senior Senator from Oregon, you are quite mistaken. I happen to know you can go ahead to construct that building. You are not kidding me. I happen to know that the first information that you gave us was correct, and I am not interested in this political message."

I say to the President of the Board of District of Columbia Commissioners, "I am not interested in the political message now sent to the Congress."

The senior Senator from Oregon has served on the District of Columbia Committee longer than has any other Member of this body. I do not yield to any other Member of Congress with respect to the service I have rendered to the taxpayers of the District of Columbia. I am seeking only justice for them. I think it is pretty shocking business that we are about to impose upon the poor of the District of Columbia an increase in the sales tax from 2 to 3 percent on the necessities of life, yet we let the booze drinkers and the cigarette smokers pay a lower tax on liquor and cigarettes than is paid in the adjoining jurisdictions. I know where a great deal of the lobby pressure is coming from.

I am going a long way with a revenue bill which includes an increase in the sales tax, which I think cannot be justified and I do so only provided that the bill includes $5 million impacted area money for the benefit of the schoolchildren of the District of Columbia. If the House does not want to give us $5

million for the benefit of the schoolchildren of the District of Columbia, through enactment of a provision which is long overdue and which would place the District of Columbia under Public Law 874, for its share of the money under Public Law 874, based upon the number of federally connected children, it is most unfortunate. We could pass a supplemental appropriation in January to make up any possible shortage. Do not forget, there will be many months to go under the Federal impacted-area benefits after January 1 when Congress reassembles. So far as the senior Senator from Oregon is concerned, he will do everything he can to give Congress the whole revenue package again next January for renewed consideration if this item is rejected.

I have been advised by friends in the House that the scuttlebutt in the House is, "Give MORSE his amendment because there is no money provided in the conference report." In other words they think they are going to ratify with a form and a gesture. But I have not served here for 17 years to have anybody creep up on my blind side. So we will either have the money or we will not have the bill. I think I am demonstrating this morning that I am in pretty good voice.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. Does the Senator have his red rose ready?

Mr. MORSE. I will put it back on. I had it on last week. I will not be alone. I have an army of Senators who will support me. Many Senators will have to be brought back from Europe to beat me.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I stayed here to help the Senator from Oregon.

Mr. MORSE. I know. The Senator from Minnesota is a part of my army. I am always strengthened when the Senator from Minnesota is on my side.

Mr. HUMPHREY. I compliment the Senator on the stand he has taken. He is right, and he should hold to his position. He has my assurance of wholehearted support.

Mr. MORSE. I am holding to it. I put the letter in the RECORD because I thought a question of ethics was involved. I thought it would be quite unethical for me to remain silent when I knew the letter existed, and I knew that the letter modified to a slight extent the staff information which was given to us by the Department of Health, Education, and Welfare when we had our conference. I think it is only fair to every Member in the House. I do not want anyone in the House to say, "MORSE concealed something from us. He had a letter, and he did not make it known until after we voted."

I wish the House tomorrow to vote with a full disclosure of the facts. But I close now by saying to the House, "Pass the bill. You will not sacrifice a dollar of loss in a single Federal-impacted area in a single State by doing justice to the District of Columbia, because you know, as well as I do, the popularity of the Federal aid to impacted areas legislation and Public Law 874."

It would take only about long enough to snap one's fingers, figuratively speaking, to pass a supplemental bill next January. But I say to my friends on the House side that the real issue is, "Do you want to be fair to the children in the District of Columbia? Or do you want to continue the discrimination against them? Do you want to lay the basis for the clear implication that there may be a reason for the discrimination against them, found in the fact that 73 percent of the schoolchildren of the District of Columbia are colored?"

For 17 years the Senator from Oregon has fought for schoolchildren in the District of Columbia, including the colored children as well as white children. I fought for them on the floor of the Senate in 1957, when I conducted the so-called hungry-children investigation in the District of Columbia. In 1957 we found, to the everlasting shame of our country, that there was a surprisingly large number of little boys and girls in the District of Columbia suffering from malnutrition. Some were living out of garbage cans, with no food from any source except what they took from garbage cans.

That discovery led to a distribution of surplus foods through our surplus food supply, through the welfare, neighborhood, and church groups in the District of Columbia. Those children began to be fed. It led to bag lunches at elementary schools.

The CONGRESSIONAL RECORD will show that in the course of the debate, when I was making a plea for food, I was interrogated on the floor of the Senate by a Senator who was not sympathetic with me and asked me if it was not true that most of the children were colored.

The RECORD will show that I said, "Not all of them, but most of them. Let me say to my friend, 'They, too, are the children of God.'"

If there are any in the House or in the Senate who do not want the Federal aid to impacted areas law, Public Law 874, to apply to all the children of the District of Columbia because 73 percent of our schoolchildren are colored, let me repeat, "But they, too, are the children of God."

Do I need to belabor the point to indicate that from the standpoint of the security of our country, I am making an argument for the expenditure of defense dollars? When I argue for the expenditure of more funds in the District of Columbia for schooling, I am arguing to strengthen the security of my country. The brainpower of the colored children, as well as that of the white children, is a great asset to this Republic. The time has come at least to have equality of expenditure under Public Law 874. In my judgment the time has come—and I speak most respectfully—for the House of Representatives to give us the support that the Morse amendment calls for.

It has been pointed out to me by a staff member that if a school district elsewhere would get $1,600 under Public Law 874, only $32 could possibly be taken from that entitlement as the result of giving this amount of money to the District of Columbia and then only, if Congress in January did not pass a supplemental appropriation bill or if it should be found that the present supplemental appropriation would not meet the financial needs of the situation.

However, let us note what the Secretary says in his letter:

> If the sum of $164,346,000, contained in the supplemental appropriations bill reported out by the Senate on September 22, 1961, is enacted then the District of Columbia and all other jurisdictions would receive, according to our best estimate at this time, not less than 98 percent of full entitlement and it is quite possible that final adjusted figures may bring this up to close to 100 percent of entitlement for all jurisdictions.

I close by making a plea to all school districts of America who have been the beneficiary for 10 years or more under Public Law 874 to make clear to their representatives in Congress that they want the discrimination against some 47,000 federally connected little boys and girls in the District of Columbia ended. Let them make clear that they want those same Representatives in Congress to come back next January and, if more funds are needed for the administration of Public Law 874, to join in passing a supplemental appropriation bill which will give to the Department of Health, Education, and Welfare the funds that it needs.

In my judgment we could pass such a bill in the course of 1 day through both Houses of Congress.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

ORDER OF BUSINESS

Mr. HUMPHREY. As I understand, between now and 3 o'clock we will discuss the unfinished business, and at 3 o'clock, according to the unanimous consent agreement, the Senate will turn to the consideration of the conference report on H.R. 6775, the so-called dual-rate shipping bill; that the debate thereon will be limited to 1 hour, to be equally divided, and that at the end of that

period the Senate will proceed to vote on the question of agreeing to the conference report.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I merely wished to make that statement for the information of the Senate.

RUSSIAN USE OF THE U.S. POSTAL SERVICE

Mr. HUMPHREY. Mr. President, in this morning's mail I received two pamphlets which were mailed from the Embassy of the Soviet Union here in Washington. One pamphlet, under the apparently innocent heading of "Documents of Current History," concerns the "Program of the Communist Party of the Soviet Union," and the other purports to explain "The Soviet Stand on Germany," and presents a "Letter to the American people from Nikita S. Khrushchev."

I should add that about a week ago a special message to the American people in the form of a letter from Nikita Khrushchev was also mailed and delivered to a number of residences and offices in this country.

I need not explain that both of these pamphlets represent the so-called soft-sell approach. They are nothing more or less than Soviet propaganda which—and this is the point of my statement—are being distributed by the U.S. postal service. This is not the same as the propaganda material which enters the United States by oversea mailings. The material of which I speak was printed here and mailed here. For the further information of the Senate, the pamphlets were sent under the bulk mailing rate. In other words, we find our Post Office Department distributing Russian propaganda at mail rates which do not cover the cost our Government absorbs in providing this service.

I have the cover here. It shows in the upper right-hand corner "Bulk rate U.S. postage paid, Washington, D.C., Permit No. 41462."

In the other corner appears: "Press department, Embassy of the Union of Soviet Socialist Republics, Washington 9, D.C." The pamphlets are mailed under what we call the book rate.

As I said, these pamphlets were sent out under the bulk mailing rate. The Post Office Department is distributing Russian propaganda at mail rates which do not cover the cost which our Government absorbs in order to provide this service.

I have been informed that the Soviet Embassy sends out hundreds and thousands of these pamphlets and similar propaganda every day of every week in the year. This seemingly innocuous material is delivered to American citizens throughout our Nation. They receive it with their daily mail, and assume, therefore, that it meets with the approval of the Government which delivers it to their doors.

I am not so much worried about the contents of this material. I have confidence in the judgment of the American people. I know they are intelligent people, and that when they see a document mailed from the Embassy of the Soviet Union, they know that it is Soviet material which carries the Soviet point of view, and that it is Soviet propaganda. I have not been one who has said that this should be prohibited, or, that such a flow of material is dangerous, so long as it is properly labeled and identified.

It is that material which goes under false headings and has much more allegedly respectable sponsorship than this material which comes from the Embassy, which could be dangerous.

Here is my point. There is no reciprocity in the use of the Russian postal service for the United States of America.

With a postal defict over $800 million, it ill behooves the Government of the United States to permit sending through the mails propaganda documents of a foreign government which threatens the life of this Nation, while at the same time we do not have the same rights within the Soviet Union. This is foolish—and should be stopped.

I desire to have the Soviet Embassy and the Soviet Government understand that I am not saying that a free nation such as ours, where the people believe in freedom of speech and freedom of the press, and where we believe in freedom of movement, should deny the use of the mails for the shipment of documents, even documents such as these. They are properly labeled; the envelope indicates that they are from the Soviet Government, even though they were printed by a press in New York City, in the United States.

But I repeat: There is no reciprocity in the use of the Russian postal service by the United States. In fact, it is pretty hard to get any kind of service from the Russian postal system for citizens of the United States. We are not allowed to send materials throughout the Soviet Union explaining our position on world problems, or to explain to the Russian people how our Government operates, or what our President says, or how we view the situation in Berlin, Germany, and elsewhere.

In fact the Russian people did not even know that their own government had resumed nuclear testing until many hours after the action had taken place, because of the censorship which is imposed in the Soviet Union.

I believe the time has come for the U.S. Government to inform the Soviet Union that there must be a quid pro quo for the use of our postal service. In other words, it is time we said, "All right, Mr. Khrushchev; you may use the postal service of the United States when and if you let the United States use the postal service of the Soviet Union on a 50–50 reciprocity basis; not a basis of one horse to one rabbit, which is what is happening now—with the United States getting the rabbit."

We should have rights in mailing material in Russia which are equal to the opportunities and services we provide to Russia in the United States. This seems to me to be only a fair and reasonable request.

This Nation has historically permitted freedom of communication. I hope this policy will not have to be altered. Our postal service has been available to all persons, enabling one and all to communicate and explain their ideas and beliefs. But I believe that if we are not given equal facilities in the Soviet Union, we must reappraise the situation and take corrective action.

We are not talking about a letter sent by some Soviet citizen to the United States. We are not even talking about a club or an association in the Soviet Union. We are talking about the Soviet Embassy in Washington, D.C., which has had printed in the United States of America documents which the government of the Soviet Union would like to have the American people read.

All I ask is that our State Department, in its consultations with the Soviet Union on the subject of exchanges, which I have supported, insist upon full reciprocity. We endorse reciprocity with respect to students and cultural events. We see to it that there is a relative balance. We know, for example, that we are perfectly willing to admit many more Soviet students into the United States if the Soviet Union will permit an equal number of American students to enter the Soviet Union. In that respect, the Soviet Union has been mighty sticky; it has been very resistant to an expanded cultural exchange.

I do not wish my position to be misunderstood. I know that the United States of America has historically permitted freedom of communication. I favor it. I hope that policy will not have to be altered. But I am speaking of official documents of a foreign government which today causes U.S. taxpayers to pay billions of dollars in defense against a government which has learned how to use propaganda, and has poisoned the minds of millions of people throughout the world.

If we are to allow this material to flow through the U.S. mails at subsidized rates, then this U.S. Senator demands reciprocity or that we stop it.

I hope other Senators will join with me in this effort.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. METCALF in the chair). Without objection, it is so ordered.

AMENDMENT OF SHIPPING ACT, TO PROVIDE FOR OPERATION OF STEAMSHIP CONFERENCES—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, will the Chair state the unanimous-consent agreement, entered into last Saturday, relative to the conference report on the dual rates bill?

The PRESIDING OFFICER. Under the unanimous-consent agreement previously entered into, it was agreed that

at 3 p.m. today the Chair would lay before the Senate the conference report on House bill 6775.

The hour of 3 o'clock having arrived, the Chair now lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. The report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences.

The PRESIDING OFFICER. Under the agreement, the Senator from California [Mr. ENGLE] and the Senator from Tennessee [Mr. KEFAUVER] are equally to divide the time.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Will the Chair inform the Senate whether it is a fact that the pending business, the so-called Du Pont bill, has been temporarily laid aside, but that, under the agreement entered into, after the Senate votes on the dual rate bill conference report and on the two treaties, which have already been considered today, the Senate will automatically return to consideration of the Du Pont bill, which then will be laid down as the unfinished business?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. I thank the Chair.

Mr. ENGLE. Mr. President——

The PRESIDING OFFICER. How much time does the Senator from California yield himself?

Mr. ENGLE. Such time as I may require, of the 30 minutes under my control.

The PRESIDING OFFICER. The Senator from California may proceed.

Mr. ENGLE. Mr. President, when we took this bill to conference, it contained seven amendments made to it during the debate in the Senate, six of which were submitted by my good friend, the senior Senator from Tennessee, and one by the senior Senator from Kansas.

The conference retained the amendment submitted by Senator SCHOEPPEL, and also retained three of those submitted by Senator KEFAUVER. Of these, one amendment was strengthened, and another was an improved wording of a section that had been stricken.

This is now a better bill, and I commend it to the Senate for adoption of the report.

I point out that, of the so-called Kefauver amendments, of which there were 14, 6 were accepted by me, 4 were rejected by the Senate by rollcall vote, and the remainder were not called up. In other words, we have gone through these matters before. I urge the acceptance of the conference report.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the statement by the managers on the part of the House, even though it has previously appeared in the RECORD. I make this request in order to secure continuity in connection with the presentation of this matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 6775 to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Basically, the difference between H.R. 6775 as it passed the House and passed the Senate is in the manner of approach in four major respects.

(1) The House bill declared exclusive patronage shipping contracts between carriers and shippers to be prohibited except upon prior approval by the appropriate Federal Government agency (now Federal Maritime Commission) and required that the use of such contracts by steamship conferences or individual steamship companies could be approved only if they met certain specified criteria and standards. The bill as it passed the Senate eliminated the prohibition language and affirmatively permitted the use of dual rate, or exclusive patronage, contracts.

(2) The bill as it passed the House made it mandatory that all criteria be affirmatively met before the use of exclusive patronage contracts would be permitted and conference agreements approved by the Commission. The Senate version would permit the use of exclusive patronage contracts unless the Commission made findings to the contrary.

(3) The bill as it passed the House contained several major provisions intended to protect the status of independent carriers who might choose not to join a conference but which would, at the same time, give the conferences full and fair opportunity to operate with effective dual rate systems. The bill as it passed the Senate, for the most part, eliminated all such provisions of an antitrust nature.

(4) The bill as it passed the House provided that conferences of carriers or individual carriers operating in the foreign commerce of the United States must designate persons upon whom service of process may be made within the United States and provide records or other information, wherever located, required by any order of the Commission. These features were stricken from the bill in the Senate version.

As agreed upon, by the conferees, the bill in major respects conforms with the Senate approach on the foregoing points.

Discussion of the differences in more detail follows.

The House bill required findings by the Commission that a proposed dual rate conference agreement would not be detrimental to the commerce of the United States or contrary to the public interest and is not intended, and will not be reasonably likely, to cause the exclusion of any other carriers from the trade. The Senate version omitted the last provision and, with respect to the others, provided that a dual rate agreement should be approved unless the Commission found it to be detrimental to the commerce of the United States or contrary to the public interest. The conferees' agreement adopts the Senate amendments.

The bill as passed the House required that the shippers' contract under a proposed conference agreement must contain a provision assuring space on vessels to contract signers. The Senate omitted this provision and substituted a provision that a contract signer be released from his contract with respect to a particular shipment if conference carriers could not provide space for his shipment. The House conferees agreed to this change.

The House bill provided that the shippers' contract with the conference should cover only those goods to which he has the legal right to select the carrier at the time of shipment. The Senate version added a proviso that if the shipper divested himself of that right before shipment with intent to avoid his contract, such conduct constituted a breach of contract. The conference agreement adopted the Senate amendment with a minor amendment.

The Senate added a provision that a conference contract must exclude cargo carried in bulk without mark or count other than liquid cargo and the conference agreement adopts the amendment.

The bill as it passed the House required the Commission to withdraw its permission for the use of a dual rate system where it finds, after notice and hearing, that the use of such contract tends to cause the elimination from, or prevent the entry into a trade of any carrier. The Senate struck out this provision. The conferees agreed to the Senate version.

The House bill stated that no conference contract could be approved by the Commission which authorized agreements between carriers or conferences of carriers serving different trades that would otherwise be naturally competitive unless in the case of agreements between carriers, each carrier, or in the case of conferences, each conference retains the right of independent action. The Senate struck out this provision. The Senate receded from its position with an amendment, accepted by the House conferees, limiting the prohibition on carrier agreements to carriers not members of the same conference.

The House bill contained a provision prohibiting shippers who act as carrier agents from representing such carrier in conference activities unless no other qualified person was available. The Senate struck the provision and the House receded from its position.

The Senate omitted a provision from the House bill prohibiting agreements whose probable effect will be reasonably likely to exclude any other carrier from the trade. The House receded from its position.

The House bill contained a requirement that no conference agreement shall be approved unless it designated a person within the United States upon whom service of process could be made, effective against all members of the conference and contained an agreement to provide documents and records required by the Commission, together with another similar provision as to all common carriers by water in the foreign trade. The Senate struck out both provisions. The conference agreement adopts the Senate position.

The House bill required conference agreements to contain provisions for policing of the obligations under them and for reasonable procedures for consideration of shippers' complaints. The Senate struck out the provision and inserted in lieu thereof authority in the Commission to disapprove an agreement after notice and hearing on a finding of inadequate policing and failure to maintain procedures for hearing shippers' complaints. The conference agreement adopted the Senate amendment.

The House validated existing agreements which are lawful immediately prior to the enactment of this act for a further period of 1 year after enactment, unless sooner disapproved, canceled, or modified by the Commission. The Senate added a proviso that existing agreements rendered unlawful by the act must be amended to comply with the act and if such amendments are filed for approval within 6 months after enactment, such agreements shall be lawful unless and until disapproved, canceled, or modified by the Commission but agreements

not so amended within the period if thereafter found in violation of the act may be declared unlawful from the expiration of the 6-month period. The conferees adopted an amendment providing that amended agreements filed within the 6-month period are lawful for a further period of 1 year during which year the Commission shall approve, disapprove, cancel, or modify in accordance with this act.

The House rendered unlawful reductions in rates or charges by a common carrier or conference of carriers for the purpose of destroying competition and provided a penalty therefor and authorized reductions made in good faith to meet competition. The Senate struck out the provision and the House receded from its position.

The House authorized the solicitation and receipt of information by a conference to determine whether a shipper or consignee or conference member has committed a breach of his agreement with the conference. The Senate version omitted the provision but receded from its position with an amendment to make the section applicable to a larger class of persons.

The House authorized the Commission to make rules and regulations necessary under specified sections of the act; the Senate amended by broadening the authority to include the entire act. The House receded from its position.

The Senate amended the bill to include a new section authorizing the Governor of a State, Commonwealth, or possession of the United States and any port authority or municipality operating a port to file a protest concerning any conference rate or regulation within 30 days of its filing with the Commission on the ground of unjust discrimination. Within 120 days, the Commission would be required to determine whether the rate or regulation is discriminatory and, if so, may set it aside. The conference agreement adopted the Senate amendment with an amendment eliminating the reference to port authorities and municipalities and increasing the time of Commission action to 180 days.

In addition to the foregoing, there were a number of minor, technical, or conforming amendments agreed to by the conferees.

The Senate amended the title of the bill and the conference agreement adopts the Senate amendment.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
THOMAS N. DOWNING,
BOB CASEY,
THOR C. TOLLEFSON,
JOHN H. RAY,
W. S. MAILLIARD,
Managers on the Part of the House.

Mr. ENGLE. Mr. President, I should like to point out that the bill as passed by the House of Representatives was substantially different from the bill as reported to the Senate by the unanimous vote of the Senate Commerce Committee. I also wish to point out that the House conferees, upon consideration of this matter, joined unanimously with the Senate conferees, and that the conference report now before this body has the unanimous acceptance of both the Senate conferees and the House conferees. In addition, the conference report is substantially the bill as reported to the Senate by the Senate Commerce Committee without a dissenting vote.

In my opinion, the statement by the House conferees is very revealing. In it they state:

Basically, the difference between H.R. 6775 as it passed the House and passed the Senate is in the manner of approach in four major respects.

(1) The House bill declared exclusive patronage shipping contracts between carriers and shippers to be prohibited except upon prior approval by the appropriate Federal Government agency (now Federal Maritime Commission) and required that the use of such contracts by steamship conferences or individual steamship companies could be approved only if they met certain specified criteria and standards. The bill as it passed the Senate eliminated the prohibition language and affirmatively permitted the use of dual rate, or exclusive patronage, contracts.

Mr. President, we did that deliberately, because it seemed to us that we should state what we are doing; and therefore we state specifically and clearly what we are doing in this instance—that is, that we are authorizing these contracts affirmatively, and then we are subjecting them to certain conditions.

I read further from the statement of the managers on the part of the House:

(2) The bill as it passed the House made it mandatory that all criteria be affirmatively met before the use of exclusive patronage contracts would be permitted and conference agreements approved by the Commission. The Senate version would permit the use of exclusive patronage contracts unless the Commission made findings to the contrary.

This is part and parcel of the same proposition—namely, we make it clear, and I believe we should make it clear, not only to the Congress but also to the American people—that what we are doing is that we are authorizing a conference system.

The House version of the bill stated the matter in reverse; it said that conference systems are unlawful, with certain exceptions. We provide that conference systems are lawful, subject to certain conditions. We believe that is the more sensible approach, the franker approach, and the one which more clearly defines the legislative intent.

I read further from the statement of the managers on the part of the House:

(3) The bill as it passed the House contained several major provisions intended to protect the status of independent carriers who might choose not to join a conference but which would, at the same time, give the conferences full and fair opportunity to operate with effective dual rate systems. The bill as it passed the Senate, for the most part, eliminated all such provisions of an antitrust nature.

We found it wholly impossible to authorize what amounted to a quasi-monopoly or a semimonopoly and then turn around and deauthorize it. There was simply no way to do so—in other words, to march up the hill, and then march down again. That is why we eliminated those provisions.

We admit that what we are attempting to do is affirm the system of conference contracts which have been in effect throughout the international trade since about 1877. However, we make plain that we propose to superimpose on those conference systems the finest possible regulatory power, to the maximum that we may possibly extend U.S. regulatory power into the international area; and that is what we have done. I read further from the statement of the managers on the part of the House:

(4) The bill as it passed the House provided that conferences of carriers or individual carriers operating in the foreign commerce of the United States must designate persons upon whom service of process may be made within the United States and provide records or other information, wherever located, required by any order of the Commission. These features were stricken from the bill in the Senate version.

Why were they stricken? We struck them out because American regulatory law cannot impose an extraterritorial effect. There is no question about it. Twelve countries came before the State Department and submitted their program and their objections to our committee, in which they objected to submitting themselves to the regulatory power of the United States. We agree with that statement. We think we can no more subject them to our regulatory power than England, the Netherlands, or Japan could subject us to their regulatory powers.

As far as we have been able to go, however, we have gone, which is that American ship lines must submit their records. We cannot go further than that.

The conference report of the House goes on to state:

As agreed upon, by the conferees, the bill in major respects conforms with the Senate approach on the foregoing points.

Of course, they are the crucial points that came up in conference. I emphasize again that this is a unanimous conference report. The House committee that sent the bill to the Senate of the United States, which was subsequently changed by our committee, agreed to the language that we had devised as the best possible language, and receded from the points they had made.

The bill was unanimously reported by the Senate Committee on Commerce. It passed the Senate of the United States without a rollcall, although there were several rollcalls on amendments proposed by the Senator from Tennessee [Mr. KEFAUVER] which embodied language in the House bill. We thereupon went to conference, and the House conferees, the sponsors of the language, themselves, thereupon thought the Senate approach to this question was the most sensible and correct.

Today we come before the Senate with a unanimous report, signed by all the Democrats and all the Republicans, all the members of the conference, of both the Senate and the House. If it takes more than that to get a bill that has been in conference agreed to, I do not know what it takes.

I think we have done everything we could do. We have convinced the House conferees. They have agreed with us. I hope the Senate will approve and adopt the conference report.

Mr. President, I yield the floor.

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee is recognized. How much time does the Senator yield to himself?

Mr. KEFAUVER. I yield myself 15 minutes.

In the New York Times of yesterday I read an article by Russell Baker, with the dateline of Washington, which contained the words:

> I've never seen them as mean as they are this year; a 10-year Member of the Senate complained recently of the House of Representatives: "They get their backs up over everything and don't give on anything."

On this occasion I take exception to what somebody told Mr. Baker, because, if I have ever seen a case where the House yielded on all of the provisions which were designed to protect the export trade and the shippers of the United States, it is in this case.

Mr. President, I am opposed to the adoption of conference report on H.R. 6775, and I shall vote against it.

This legislative proposal grew out of the Isbrandtsen decision in 1958, which outlawed dual-rate systems when they are used as "predatory devices" to drive out all independent competition. I am strongly of the opinion that dual-rate systems should be outlawed when they are so used. Therefore, I can see no reason why the industry cannot live under the Shipping Act of 1916 as interpreted under the Isbrandtsen decision. H.R. 6775 goes way beyond such a system of operation.

In the Isbrandtsen decision it was held that where a dual rate was put into effect for the purpose of eliminating a competitor—and the competitor is about the only protection the American shipper has—it is a predatory device under section 14, third, of the Shipping Act of 1916, and is, therefore, illegal. It does not mean that a conference is illegal, or that conferences cannot be had, and it does not mean that dual rates cannot be used. The decision simply states that wherever dual rates are used as a system for eliminating a competitor and driving it out of business, it is a violation of the Shipping Act of 1916, and is unlawful.

What H.R. 6775 attempts to do is make it possible for conferences to eliminate all competition, to fix rates practically as they please, to place the foreign commerce of this Nation under the domination of conference cartels, which are in turn dominated by foreign shipping interests and supercartels, and which, under this measure, will be completely dominated by foreign shipping interests.

There have been conferences in existence since 1916, and never has the Maritime Commission ruled that a conference is illegal because of rates, or for any other reason. Yet there are many discriminations against American shippers today about which I shall speak in a few moments. Moreover, these discriminations are very mild, indeed, as compared with the discriminations that will be put into effect against American shippers if this outrageous bill becomes law.

As I have said on this floor many times, and as I said earlier in our consideration of H.R. 6775, I am against monopolies and cartels whenever and wherever they exist. However, I feel particularly strong about the international ship cartel. In my long statement last week with respect to this subject, I outlined in some detail, as did the Senator from Wisconsin [Mr. WILEY], the blatant disregard that the international carriers have had for our laws and their disinterest in our economic welfare. As brought out vividly in thousands of pages of testimony before the House Antitrust Subcommittee, of which the distinguished Representative, EMANUEL CELLER, is the chairman, the international carriers have in a large number of instances engaged in nefarious and illegal practices. They have cheated among themselves, they have discriminated against American shippers, including the U.S. Government. They have used every predatory device imaginable to drive independent competitors out of business. Yet it is proposed here to give carte blanche authority for them to do anything they want to do in regard to the foreign commerce of the United States.

In fact, it is hard to conjure up anything to which they have not stopped. True, the control of there cartels which have engaged in this conduct is in the hands of the foreign shipping lines, but many American lines have participated in this misconduct.

When pressure was brought to bear to change the basic Shipping Act of 1916, as amended, exhaustive hearings were held by both the House Committee on Merchant Marine and Fisheries and the House Committee on the Judiciary. The House bill, which resulted from these hearings, contained what might be described as a limited monopoly system. In my estimation, the bill was far from perfect, as it contained only minimal protections for independent carriers and for American exporters and importers. However, it did contain some protections and they were urgently necessary.

The Senate version, on the other hand, contained almost none of these protections. The Senate version, as reported by the Senate Commerce Committee, was radically different from the House version. It was drafted—and I think admittedly so—to suit the needs of the shipowners, most of whom are foreign, and not to fit the needs of shippers or independent carriers.

When the Senate Commerce Committee version came to the floor of the Senate, I offered a number of amendments to it. They were designed primarily to restore the protections contained in the House version. A number of these amendments were accepted by the managers of the bill and adopted by the Senate. To my amazement, some of these were either dropped out or weakened in the conference, although from a substantive standpoint they had been agreed to by both the Senate and the House.

One set of my amendments proposed to restore the vital antitrust protections which were contained in the House version. These had been described by the Attorney General as indispensable.

I should like to put the Attorney General's letter in the RECORD at this point. The Attorney General said, in substance, that no bill should be passed at all unless the antitrust provisions were included. I ask unanimous consent that the letter may be printed in the RECORD in full.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., September 5, 1961.

Hon. ESTES KEFAUVER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KEFAUVER: This is in response to your letter of August 31, 1961, requesting the views of the Department of Justice on H.R. 6775, as it was reported by the Senate Committee on Commerce.

The Senate committee version of H.R. 6775 differs materially from the bill as passed by the House of Representatives. The bill, as it was passed by the House of Representatives, contained specific safeguards to prevent ocean steamship conferences from using dual rate systems or other concerted activity as predatory devices to drive nonconference competition out of business. These safeguards have been omitted in the Senate committee bill. In particular the Senate committee bill has deleted: (1) The provision that the dual rate contracts referred to in the bill shall not be intended or reasonably likely to cause the exclusion of any other carrier from the trade; and (2) the provision that the Board shall not approve agreements whose probable effect will be reasonably likely to exclude any other carrier from the trade.

The deletion of these provisions would have the effect of reversing the rule of the Isbrandtsen case, thereby permitting ocean steamship conferences, which are international cartels, to stifle independent competition by resort to predatory dual rate systems. In the opinion of the Department of Justice these provisions constitute competitive safeguards which are indispensable to any reasonable enactment on this subject. The public interest would be disregarded were these provisions to be omitted.

It is our opinion that no legislation on this subject should be enacted unless such provisions are included. We urge that these provisions, as they have appeared in the House-enacted bill, be restored.

In addition, for your information I am attaching a copy of a letter from Deputy Attorney General Byron White to Senator WARREN G. MAGNUSON, which expresses in detail the views of the Department of Justice on the Senate Merchant Marine and Fisheries Subcommittee print, which is substantially similar to the Senate committee version of H.R. 6775.

Sincerely,

ROBERT KENNEDY,
Attorney General.

Mr. KEFAUVER. Mr. President, on a rollcall vote in the Senate, these amendments were defeated. In the conference, it was agreed to drop these provisions from the bill. For this reason alone, I would feel compelled to vote against the conference report.

Yet, there is another most important provision in the bill which is equally as bad as the omission of antitrust safeguards. I refer to that provision which legalizes supercartels. H.R. 6775 not only approves cartels in each individual trade affecting the foreign commerce of the United States, it permits these individual cartels to join into one or two supercartels of gigantic size. There is no economic justification whatever for this provision and it can only do serious harm to American interests. I think this

provision is an utter disgrace and completely uncalled for.

I have a number of other objections to the bill which I shall not reiterate here. However, the net effect of the whole piece of legislation is to legalize cartels in all of the ocean trades which serve the foreign commerce of the United States.

There is no effective control over the use by the conferences of predatory practices to drive out all independent carriers.

There is no effective control over rates to be charged for the carriage of all American exports and imports.

There is nothing to prevent the legalized cartels from joining in one huge supercartel to dominate completely the foreign commerce of the United States to fix rates, and to do anything else that pleases them.

Who will be hurt by all of this?

Not the American shippers. They will stay in the cartels and enjoy the benefits of high noncompetitive rates. Yet their benefit is small compared to the rewards which will be given to the foreign shippers which dominate virtually all of these conferences. We already subsidize American ship owners, and, by this act, we are granting a much larger, even if indirect, subsidy to foreign ship owners. It is the American exporter and importer who must pay this subsidy, and the American consumer who will have to pay higher prices for imported articles.

I refer, for example, to farmers who manufacture cheese, as mentioned by the Senator from Wisconsin [Mr. WILEY]; to chemical factories; to steel mills; to those who make automobiles; and so on. I refer to any line of endeavor in which one is engaged in the United States. All will pay.

Thus, the people who will get hurt most are the great mass of American exporters and importers. Once independent carriers are driven out, they will have no choice but to pay the artificially high cartel rates.

The President and the Congress have spent much time, thought and effort to devise ways to decrease the gold drain from our country.

The drain has been temporarily halted. We know the great distress we have suffered and which we may suffer in the future if we do not prevent the drain of gold from our country. This drain of gold has been due in large part to the fact that many American exports are not competitive. This, in turn, is due at least in part to the high shipping costs which must be paid by American exporters as compared to much lower inbound shipping costs.

The bill approved by the conference will make it increasingly difficult for American exporters to compete abroad. Our gold drain will increase. And while this is going on, we will be lining the pockets first and foremost of foreign ship owners.

I do not think this bill is in the best interest of the United States and I shall vote against it.

I hope the Senate will reject the conference report.

Mr. President, I wish to sum up by making two things crystal clear.

The first is that the conferences which will control American shipping, as will be seen from page 18167 of the RECORD for September 13, 1961, are dominated by foreign shipping lines. Only in five of these conferences do American member lines outnumber foreign lines. In some of the cartels handling American shipping there are no American lines whatsoever. Americans would be outvoted three to one if an international supercartel of all these cartels was formed.

These are the cartels which will fix rates, conditions and terms upon which American shipping will take place.

Never before in the history of the United States has the United States placed the commerce of the United States completely in the hands of people who will reap the benefits of a monopoly.

Never in the history of the United States, even with a ratemaking ability retained in the hands of some commission, has the United States placed such control in foreign-owned corporations.

Never in the history of the United States have there been legalized foreign-dominated supercartels.

The PRESIDING OFFICER. The 15 minutes the Senator yielded have expired.

Mr. KEFAUVER. Mr. President, I yield myself 5 more minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 more minutes.

Mr. KEFAUVER. The second question I ask is, "What have these cartels done already?" What they have done already is only an example of what we shall see more of, on a larger scale, in the days to come.

I do not care about what line of endeavor one wishes to talk—farm products, automobiles, steel—we find that the rate from an American port to a port abroad is virtually always greater, and sometimes many times greater, than the rate from the same port back to the United States.

For automobiles, from New York to Liverpool, the rate is $23 per 40 cubic feet. The rate from Liverpool to New York is $11.55 per 40 cubic feet.

For industrial chemicals, the rate from New York to Hamburg is $6.61 per hundredweight. The rate from Hamburg to New York is 82 cents per hundredweight.

New York to Rotterdam, $5.85 per hundredweight; Rotterdam to New York, 82 cents.

Many of these items were put into the RECORD by the distinguished Senator from Wisconsin [Mr. WILEY]. He was interested in cheese. Shippers must pay twice as much to get cheese from Michigan or Wisconsin or Minnesota to Denmark as shippers from Denmark must pay to get their cheese to some place in the United States.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to my distinguished friend from Colorado, who understands the problem thoroughly.

Mr. CARROLL. Since our discussion on this subject a few days ago, before the bill went to conference, I thought I would look into the effect of shipping rates on one of our largest industries in Colorado, The Colorado Fuel & Iron Co. C.F. & I. is an industry that employs about 12,000 workers. The industry has been struggling from year to year, sometimes operating in the "red," because of low-priced competitive imports.

The Colorado Fuel & Iron Co., located in Pueblo, Colo., began to lose its markets for wire and pipe products as foreign countries poured cheaper identical products into this country.

It is traditional to blame the cause of lower cost foreign products on cheap labor. But this is not the full story. In some circumstances the supplemental industrial benefits of foreign labor—from free meals to free medical assistance—almost equalize labor costs with our own industrial labor costs.

The difference in price of American-made products and foreign-made products, as the able Senator from Tennessee has pointed out, is due largely to the difference in steamship freight rates in and out of the United States. For example, one steamship conference dominated by foreign countries by a margin of 17 to 6 has fixed dual-rate charges on steel wire and pipe shipped out of the United States at $61.25 per ton. That is what it costs the Colorado Fuel & Iron Co. to ship those products abroad.

I should say that is what it used to cost. A few minutes ago, as I looked at those figures, I put in a telephone call and asked one of the executives "What are you shipping today?"

He said, "We have virtually abandoned our exports because we cannot compete." He agreed that adverse shipping rates in the nature of almost 2 to 1 against them made exporting steel wire and pipe prohibitive.

Mr. KEFAUVER. If they have abandoned exports now, what would they do if we should place complete control in the hands of this foreign-dominated international cartel? That is something else to think about.

Mr. CARROLL. We use this as exhibit A for the able Senator from Tennessee to show why there should be further study given to this important issue. I have given you the rate C.F. & I. must pay to export its products. Imports of the exact same steel wire and pipe products come into this country without being governed by cartel dual-rate shipping contracts. The freight charges on incoming wire and pipe is $33 per ton.

This enables a foreign country 7,000 miles away to deliver pipe to Denver at $20 per ton cheaper than the Colorado Fuel & Iron Co., 110 miles to the south of Denver.

Not only is this true in the industrial field, as the able Senator from Tennessee has so intelligently pointed out, but it also has to do with agriculture in the Rocky Mountain area, which is similarly affected.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KEFAUVER. Mr. President, I yield myself an additional 5 minutes.

Mr. CARROLL. Mr. President, will the Senator yield further to me?

Mr. KEFAUVER. I am very happy to yield. The Senator is stating illustrations that are vital to the economy of the United States. I am glad to yield to him.

Mr. CARROLL. We in Colorado depend substantially on foreign markets for disposition of our surplus Hard Red Winter wheat.

This wheat is partially shipped in independent, or so-called "tramp" steamers.

If the independent shipping lines are not protected with antitrust safeguards in the bill before us they will be driven from the business by the price-fixing cartels, which require that all products must be shipped on conference lines in order to qualify for the special low rates.

Once the independent tramp steamers are no longer competing to carry our Colorado Hard Red Winter wheat we can expect the shipping cost of wheat to rise.

This will throttle our opportunities to sell surplus wheat abroad in commercial markets at competitive rates.

Mr. President, I am opposed to agreement to the conference report on H.R. 6775, the so-called dual-rate shipping bill, because it does not contain the necessary antitrust safeguards to protect American independent steamship companies and American exporters.

We were hopeful that the conferees would adopt the antitrust safeguards in the House bill.

They did not and I therefore take the position I did during consideration of the bill in the Senate, that the bill is not in the public interest.

The bill, as now written, places in the hands of foreign-flag steamship companies the power to determine shipping rates to be charged by U.S.-flag ship companies.

They will do this through their domination of the steamship conferences, an international rate-fixing cartel arrangement which this bill legalizes.

This bill, in the words of Congressman CELLER, chairman of the House Judiciary Committee, fails to protect American consumers from "monopolistic price fixing on imported goods."

I understand that the able Senator from Tennessee has only a few minutes remaining on this question. I commend him for his leadership in opposition to this conference report since it fails to carry the necessary antitrust safeguards. As I said the other day, it is my hope that the President of the United States, the Attorney General, and especially those who are in charge of the Antitrust Division of the Department of Justice, will give close scrutiny to the report should it pass the Senate. If we accept the conference report—and, to be realistic, I think it will be accepted at this late point in the session—I hope the President will put the conference report in his pocket and not let it become law.

Mr. KEFAUVER. Mr. President, I thank the Senator from Colorado for the study and research that he has given this problem. I know that if Senators would consider what the conference report would do for the industry and agriculture in their sections of the country, they would find out what the discriminations against their own industry and agriculture are now, when there is still some competition in international shipping, and then if they would consider what will happen to them when that competition is removed and the matter is placed almost exclusively in the hands of the foreign cartels, I do not believe there would be a handful of Senators who would yield to the influence and persuasion of the shipping lines to support the bill or the conference report.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. That is precisely the same point that the Senator from Tennessee and I have been trying to make. I can understand the desire of the shipping lines themselves to get together in conferences or cartels, to stake out economic areas in which they can have perhaps some greater stability. But, as the able Senator from Tennessee has said, if each Senator and each Representative knew of the economic impact upon his own area, I am sure that the conference report would be under debate for a long time. We all need information about the bill. What I have said is no reflection on the able Senator from California and the able Senator from Washington. The conference report has come from a committee that has given the subject some study, but I think too much emphasis has been given to what the shipping lines want rather than its economic impact upon the industry of the Nation that is hard hit by low-priced imports and especially its impact on the small businessmen of the Nation.

I thank the able Senator from Tennessee again for his leadership on this question.

Mr. KEFAUVER. I thank the Senator from Colorado. We were talking about steel. We know we have been losing our foreign market. The steel companies themselves will say that one reason is because of the discrimination in rates in the shipment of steel, for example, to ship steel from New York to Tokyo it costs $61.25 per long ton, while from Tokyo to New York it costs $33 per long ton.

I see my friend the Senator from Michigan [Mr. MCNAMARA] in the Chamber. He is interested in the success of the automobile industry. The cost of shipping an automobile from New York to Liverpool is $23 per 40 cubic feet, but from Liverpool to New York it is $11.55 per 40 cubic feet. It costs about half to ship an automobile to the United States as it costs to ship one to Europe.

The PRESIDING OFFICER. The time of the Senator from Tennessee has again expired.

Mr. KEFAUVER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. KEFAUVER. Mr. President, I know that the Senator from California wishes to use some of his time.

The PRESIDING OFFICER. Does the Senator from California wish to yield some time?

Mr. ENGLE. Mr. President, I am glad to yield 5 minutes to my distinguished friend of my time in order that his presentation may be complete.

Mr. President, how much time do I have remaining? Twenty minutes. I should like to reserve the last 10 minutes.

The PRESIDING OFFICER. The Senator has 19 minutes remaining.

Mr. ENGLE. I will yield 10 minutes of my remaining time to the distinguished Senator from Tennessee.

Mr. KEFAUVER. I did not ask the Senator to yield time to me, but if he will do so, I will be delighted to have it.

Mr. ENGLE. I wanted my friend from Tennesse to present his case in full. He has lost it in every forum so far. We have a unanimous conference report. It was passed in the House unanimously with only a voice vote. I should be glad to have the Senator from Tennessee take whatever time he wants. I will yield 10 minutes of my time to him.

Mr. MCNAMARA. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Michigan.

Mr. MCNAMARA. I thank the Senator for yielding. He referred to the automobile industry. I point out to the Senator from Tennessee something he undoubtedly already knows. As a result of these unfair rate charges and other things the automobile industry has been compelled to build many of its automobiles in European countries. Recently I had an opportunity to be in Norway, and I saw many new Chevrolets and Fords on the streets of Oslo. Not one of them was made in the United States. They were all made in European plants. The difference in the freight rates is one of the causes of the exportation of jobs to foreign countries. Where formerly those cars were made in the United States and shipped to Norway, for example, now, because of this discrepancy in shipping rates, they are made in foreign countries. It goes much deeper than what appears on the surface.

Mr. KEFAUVER. I thank the Senator. The cost of shipping automobiles and the disparity in rates as between the United States and other nations of the world is one of the main reasons why more and more cars are being manufactured outside the United States. It is one of the main reasons why we are seeing more and more foreign cars in the United States. I make it perfectly clear that I am all for our foreign neighbors doing business well and getting along fine. I am not for discriminating against the industries and agriculture of the people of the United States, however. The jobs that have been lost in the United States because of the discrepancy in freight rates mount up very substantially. To think of placing the ability to do these things in the hands of an international cartel, in which we have only a minor voice, is really a very remarkable thing.

I hope Senators who have the RECORD of September 21 will look at the speech of Representative EMANUEL CELLER. They will find there that he lists practically every kind of thing that we make in the United States. His speech begins at page 20541.

He talks about automobile equipment. He gives figures that we have given in the Senate. Then he discusses industrial chemicals. He shows the freight rate of major appliances. In the testimony it was brought out that we had lost most of our market in Greece for electrical appliances, electric stoves, and other things, because of the great difference in the shipping rate from Germany and from the United Kingdom to Greece as compared with the rate from the United States to Greece.

We find that not only does the shipping rate to and from the United States work against us, but that even in trying to sell something to Brazil, which is as close to the United States as it is to Great Britain, for example, we find that Britons enjoy a lower shipping rate than we do. So they get an advantage over us no matter where they sell. We find discrimination also in jewelry.

We find the same picture in electronics. We have held many hearings on the electrical manufacturing industry and electrical equipment industry. They are badly discriminated against. In the shipment of rubber, there is a higher rate on rubber from the United States to any foreign country than there is from any foreign country to the United States.

All this means the loss of American jobs. All this means that we are placing the American worker at the mercy and under the control of a foreign-dominated shipping cartel.

We have been talking about farm machinery. We see a great deal of foreign-made farm machinery in this country. There is a great discrimination in freight rates there, too. The same thing is true of textile machinery. Sometimes we hear about farmers talking about competition in connection with fertilizer. Some fertilizer companies fuss about it a great deal. They talk about not being able to ship fertilizer abroad.

If we look at the record we find that the discrimination is substantial between inbound and outbound fertilizer. The same thing is true in air conditioning and refrigeration, as well as in some of the other items.

A great many Senators are interested in agriculture. The Secretaries of Agriculture in both Republican and Democratic administrations have always felt that dual rates were bad, and showed that farmers would have to pay higher rates for shipping products abroad than the rates that are paid for shipping products into the United States.

The Department of Agriculture even opposed dual rates, per se, in the 1959 hearings held by the House Antitrust Subcommittee.

This is a technical matter, but it is an extremely important one. It would be one thing if this law were to be in effect for a limited period of time, so that there would be some lever over the international cartel to make it behave. However, we are being asked to legislate for all time in the future, or at least until the law is changed by going through the procedures of Congress. We are asked to pass a bill which is admittedly aimed at eliminating competition, which admittedly places major control of international shipping in the hands of foreign lines, and which gives very little protection to the American shipper, the American farmer, and the independent American carrier in the way of furnishing competition, and therefore keeping down rates.

I appreciate the Senator's yielding to me at this time.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. ENGLE. Mr. President, the Senator from Tennessee has referred to the question of whether the conference rates have stifled our exports. My answer is that they have not. I say that notwithstanding the fact that I do not agree with the disparity of rates between outbound and inbound traffic. I know that that has occurred. Representative CELLER in his discussion in the House the other day mentioned the matter and put in quite an elaborate statement.

Let me make it plain that we have undertaken to put on top of these conference systems a regulatory power that will make it possible for them to continue to do that if the regulatory power operates the way we think it should.

The Senator from Tennessee had introduced an amendment. It was held in conference. It was a fine amendment. It was an amendment that said that if any rate was so unreasonably low or so unreasonably high as to be detrimental to the commerce of the United States our commission was not only empowered but directed to break the conference.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. ENGLE. I have already yielded 10 minutes.

Mr. KEFAUVER. I will yield 1 minute of my time to the Senator from California.

Mr. ENGLE. I am sorry but I decline to yield.

Mr. KEFAUVER. I wished to correct a statement the Senator made.

Mr. ENGLE. Mr. President, I will yield for a correction, but not too long a one, because I have only 9 minutes remaining.

Mr. KEFAUVER. It is true that an amendment was offered, which was accepted by the Senator from California and accepted by the Senate, which would have required the Commission to disapprove rates that were so unreasonably low or so unreasonably high as to detrimentally affect the commerce of the United States. That was in section 15. What the Senator from California has done in conference is to take the provision out of section 15 and place it in section 18, where it relates to the filing of tariffs. Even though the rate may be disapproved for a considerable time, at least the conference can continue to operate until the Commission considers the question and readjusts the rate. This condition could not have started if it had been left in section 15; but it has been placed in section 18, where it does not mean much.

Mr. ENGLE. It means much. It means precisely the only thing that represents the power our Commission has, and that is the power to pull an American-flag line out of the conference. That is what it means; that is what the conferees have provided.

I have a memorandum with respect to what the trade of the United States has been. There has actually been an increase. I ask unanimous consent that the statement may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Question: Have conference freight rates stifled our exports?

Answer: They have not. On September 14, 1961, we asked the Maritime Administration's Office of Shipping Statistics to compile the figures on the liner cargo—that is, ocean common carrier cargo—carried into and out of the United States from 1958 through 1960. We picked four of the major trade routes to and from the United States. The figures were compiled from Maritime's forms Nos. 7801 and 7802 which are filed with Marad by all ocean common carriers serving U.S. ports.

Our exports have grown substantially in three of the four trades, and in the fourth have held their own.

To be more specific:

1. On trade route 12 (U.S. Atlantic ports to and from the Far East), we exported 2,360,000 long tons of liner cargo in 1958; and in 1960 this had increased to 2,721,000 long tons. Imports rose somewhat less during the same period; from 1,670,000 long tons in 1958 to 1,728,000 long tons in 1960.

2. On trade route 29 (U.S. Pacific coast ports to and from the Far East, including also Hawaii and Alaska), 1,511,000 long tons were exported in 1958; 2,694,000 long tons were exported in 1960. Imports rose, too, but less; from 892,000 long tons in 1958 to 1,299,000 long tons in 1960.

3. On trade route 7 (U.S. North Atlantic ports to and from North Sea-German ports): 566,000 long tons were exported in 1958; and 556,000 long tons were exported in 1960. Imports, also rose slightly; from 362,000 long tons in 1958 to 376,000 long tons in 1960.

4. On trade route 21 (U.S. gulf ports to and from the United Kingdom, Ireland, and continental Europe, north of Portugal): in 1958 we exported 2,699,000 long tons; in 1960, 3,024,000 long tons. Imports during this same period rose only from 696,000 to 705,000 long tons.

These four trade routes were picked because of their importance.

CONCLUSION

Clearly our exports are growing in relation to our imports, thanks to the conference system.

Question: Can steamship conferences so conduct themselves as to be detrimental to our foreign commerce, or unjustly discriminatory or unfair as between exporters from the United States and their foreign competitors?

Answer: No, not without violating express prohibitions of the Shipping Act, 1916, as amended by this legislation.

As amended by this act, the Maritime Commission would be required to disapprove any conference or other ocean common carrier freight rate which is so unreasonably

high or low as to be detrimental to the foreign commerce of the United States. The Commission would also be required to disapprove any conference agreement which operated to the detriment of our foreign commerce.

As for our exporters vis-a-vis their foreign competitors, section 15, Shipping Act, 1916, as amended by this bill would require the Commission to disapprove, cancel or modify any conference agreement which is unjustly discriminatory or unfair as between "* * * exporters from the United States and their foreign competitors * * *." Section 17 would forbid any common carrier by water in foreign commerce to charge any rate which is unjustly prejudicial to exporters of the United States as compared with their foreign competitors.

INFORMATION FROM THE MARITIME ADMINISTRATION—OFFICE OF SHIPPING STATISTICS

(Information furnished by Mrs. Alice Neitzey, September 14, 1961)

The following information has been compiled from Maritime Administration's forms 7801 and 7802. These forms are filed with the Maritime Administration by all ocean common carriers serving U.S. ports. They show the following:

Total liner (ocean common carrier) cargo carried

[Measured in thousands of long tons of 2,240 pounds]

Trade route	Year	Exports		Imports	
Trade Route 7, U.S. North Atlantic ports to and from North Sea-Germany ports.	1960	Total	556	Total	376
		(United States)	104	(United States)	91
		(Foreign)	452	(Foreign)	285
	1959	Total	466	Total	433
		(United States)	69	(United States)	98
		(Foreign)	397	(Foreign)	335
	1958	Total	566	Total	362
		(United States)	107	(United States)	83
		(Foreign)	459	(Foreign)	279
Trade Route 12, U.S. Atlantic ports to and from the Far East.	1960	Total	2,721	Total	1,728
		(United States)	372	(United States)	256
		(Foreign)	2,349	(Foreign)	1,472
	1959	Total	2,429	Total	1,774
		(United States)	264	(United States)	283
		(Foreign)	2,165	(Foreign)	1,491
	1958	Total	2,360	Total	1,670
		(United States)	322	(United States)	302
		(Foreign)	2,037	(Foreign)	1,367
Trade Route 21, U.S. gulf to and from United Kingdom, Ireland, and continental Europe (north of Portugal).	1960	Total	3,024	Total	705
		(United States)	966	(United States)	167
		(Foreign)	2,058	(Foreign)	538
	1959	Total	2,935	Total	1,015
		(United States)	902	(United States)	230
		(Foreign)	2,033	(Foreign)	785
	1958	Total	2,699	Total	696
		(United States)	854	(United States)	170
		(Foreign)	1,846	(Foreign)	526
Trade Route 29, U.S. Pacific coast from and to the Far East (also Hawaii and Alaska).	1960	Total	2,694	Total	1,299
		(United States)	1,318	(United States)	617
		(Foreign)	1,376	(Foreign)	682
	1959	Total	2,122	Total	1,390
		(United States)	994	(United States)	697
		(Foreign)	1,128	(Foreign)	693
	1958	Total	1,511	Total	892
		(United States)	921	(United States)	437
		(Foreign)	590	(Foreign)	455

Mr. ENGLE. Mr. President, the memorandum demonstrates that although the United States suffers sometimes from a disparity of rates, nevertheless the commerce of the United States has increased over these major trade routes. We still have problems. However, for the first time in many months, there is no outflow of gold today. The outflow of gold is not based upon an adverse trade balance. We have always had about a $4 billion favorable trade balance. We lost it through maintaining troops overseas; we lost it through the foreign aid program. However, our trade is improving.

What I am saying is that we have written a bill which undertakes to control the conference system. We have supported conference systems because we know that they afford the only way of maintaining stable routes and stable procedures in international shipping.

That is why, when we got down to brass tacks, we ended with a bill which was reported by the Committee on Commerce by a unanimous vote. The bill passed the Senate without even a yea-and-nay vote, following a couple of yea-and-nay votes on amendments offered by the distinguished Senator from Tennessee which involved provisions sought to be placed in the bill, but which were repudiated by the Senate.

Thereafter, the Senate conferees went to conference with Members of the House of Representatives. We sat in conference for 2 days. The House conferees agreed in substance to the Senate bill, not by a fragment of the conferees, not by a small majority, but unanimously.

So today the Senate has before it a bill which was reported by the Committee on Commerce by a unanimous vote of the members of that great committee, comprising the most informed men in this field in this body. We have a bill which passed the Senate without even a yea-and-nay vote. We have a bill which comes back from a conference between the two Houses with the unanimous agreement of the conferees of both Houses, Republicans and Democrats alike.

We have a bill which went to the floor of the House of Representatives—because the House had to act first on the conference report on the bill—and was concurred in without even a yea-and-nay vote.

Now, I ask, What does it take to get a bill passed in the Senate? I believe we may say to the Senate today that the composite intelligence, experience, and knowledge of the men having the most expertise in this field have now come to a common agreement, and that we have devised the best bill possible.

Mr. President, I ask the Senate to agree to the conference report.

I yield back the remainder of my time.

Mr. KEFAUVER. I yield back the remainder of my time.

Mr. ENGLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 4 o'clock having arrived, and all remaining time under the agreement having been yielded back, the question now is on agreeing to the conference report. [Putting the question.]

The "ayes" appear to have it.

Mr. KEFAUVER. Mr. President, on this question, I ask for a division.

On a division, the report was agreed to.

Mr. ENGLE. Mr. President, I move that the vote by which the report was agreed to be reconsidered.

Mr. BARTLETT. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider Calendar No. 9 and Calendar No. 11 on the Executive Calendar, being the International Telecommunications Convention and the radio regulations treaty.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Under the unanimous-consent agreement entered into earlier today, is it the intention of the Chair now to have the yea-and-nay vote on the two treaties commence?

The PRESIDING OFFICER. Yes. It is the understanding of the Chair that, under the unanimous-consent agreement entered into earlier today, the Senate will now proceed, automatically, to a yea-and-nay vote on the question of agreeing to the resolutions of ratification of the two treaties, with one vote to be taken on both resolutions of ratification.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Does the unanimous-consent agreement require that the yea-and-nay vote be taken now; or may Senators be recognized at this time?

The PRESIDING OFFICER. The agreement calls for the vote to be taken immediately following disposition of the conference report on the dual rate bill.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Is the Senate now to vote on the question of agreeing to the resolutions of ratification of the two treaties, but with the vote to be shown twice in the RECORD?

The PRESIDING OFFICER. That is correct.

INTERNATIONAL TELECOMMUNICATIONS CONVENTION

The PRESIDING OFFICER. Under unanimous-consent agreement entered into early today, the Senate will now proceed to vote, by yea-and-nay vote, on the question of agreeing to the resolution of ratification of Executive Calendar Order No. 9, Executive J, 86th Congress, 2d session, the International Telecomunications Convention, with annexes, and the final protocol to the convention.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. ANDERSON], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Maryland [Mr. BEALL] and the Senator from Texas [Mr. TOWER] are absent by leave of the Senate to attend the Commonwealth Parliamentary Conference in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate to attend the Interparliamentary Conference in Brussels.

The Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senators from Maryland [Mr. BEALL and Mr. BUTLER], the Senator from Utah [Mr. BENNETT], the Senator from Indiana [Mr. CAPEHART], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The yeas and nays resulted—yeas 66, nays 0, as follows:

[Ex. 1]

YEAS—66

Bartlett	Hickenlooper	Metcalf
Boggs	Hickey	Monroney
Bush	Hill	Morse
Byrd, Va.	Holland	Mundt
Byrd, W. Va.	Hruska	Muskie
Carlson	Humphrey	Pastore
Carroll	Jackson	Pell
Case, N.J.	Javits	Prouty
Case, S. Dak.	Johnston	Proxmire
Church	Jordan	Randolph
Cooper	Keating	Russell
Curtis	Kefauver	Saltonstall
Dirksen	Kerr	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Ellender	Long, Hawaii	Symington
Engle	Long, La.	Thurmond
Ervin	Magnuson	Wiley
Goldwater	Mansfield	Williams, N.J.
Gore	McClellan	Williams, Del.
Hart	McGee	Yarborough
Hayden	McNamara	Young, N. Dak.

NAYS—0

NOT VOTING—34

Aiken	Clark	Moss
Allott	Cotton	Neuberger
Anderson	Dodd	Robertson
Beall	Eastland	Schoeppel
Bennett	Fong	Scott
Bible	Fulbright	Smathers
Bridges	Gruening	Smith, Mass.
Burdick	Hartke	Talmadge
Butler	Long, Mo.	Tower
Cannon	McCarthy	Young, Ohio
Capehart	Miller	
Chavez	Morton	

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

GENEVA RADIO REGULATIONS

The PRESIDING OFFICER. The question now comes on agreeing to the resolution of ratification of Executive Calendar Order No. 11, Executive I, 86th Congress, 2d session, the Geneva Radio Regulations, with appendixes and an additional protocol.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. ANDERSON], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Missouri [Mr. Long], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. Moss], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Maryland [Mr. BEALL] and the Senator from Texas [Mr. TOWER] are absent by leave of the Senate to attend the Commonwealth Parliamentary Conference in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate to attend the Interparliamentary Conference in Brussels.

The Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], the Senator from

Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senators from Maryland [Mr. BEALL and Mr. BUTLER], the Senator from Utah [Mr. BENNETT], the Senator from Indiana [Mr. CAPEHART], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The yeas and nays resulted—yeas 66, nays 0, as follows:

[Ex. 2]

YEAS—66

Bartlett	Hickenlooper	Metcalf
Boggs	Hickey	Monroney
Bush	Hill	Morse
Byrd, Va.	Holland	Mundt
Byrd, W. Va.	Hruska	Muskie
Carlson	Humphrey	Pastore
Carroll	Jackson	Pell
Case, N.J.	Javits	Prouty
Case, S. Dak.	Johnston	Proxmire
Church	Jordan	Randolph
Cooper	Keating	Russell
Curtis	Kefauver	Saltonstall
Dirksen	Kerr	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Ellender	Long, Hawaii	Symington
Engle	Long, La.	Thurmond
Ervin	Magnuson	Wiley
Goldwater	Mansfield	Williams, N.J.
Gore	McClellan	Williams, Del.
Hart	McGee	Yarborough
Hayden	McNamara	Young, N. Dak.

NAYS—0

NOT VOTING—34

Aiken	Clark	Moss
Allott	Cotton	Neuberger
Anderson	Dodd	Robertson
Beall	Eastland	Schoeppel
Bennett	Fong	Scott
Bible	Fulbright	Smathers
Bridges	Gruening	Smith, Mass.
Burdick	Hartke	Talmadge
Butler	Long, Mo.	Tower
Cannon	McCarthy	Young, Ohio
Capehart	Miller	
Chavez	Morton	

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

Without objection, the President will be immediately notified that the Senate has advised and consented to the two treaties.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will return to the legislative session.

The Senate resumed consideration of legislative business.

ORDER OF BUSINESS—SUPPLEMENTAL APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, for the information of the Senate, I do not intend to make any more unanimous-consent requests that the supplemental appropriation bill be called up. We will take it up in the regular order of business, and, under the rule requiring a layover for 3 days, it will be taken up tomorrow.

ORDER FOR RECESS TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SECTION 510 OF MERCHANT MARINE ACT, RELATING TO TRADE-IN OF OBSOLETE VESSELS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1728) to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel, which was, on page 2, line 7, after "vessel" insert "or".

Mr. BARTLETT. Mr. President, I move that the Senate agree to the amendment of the House, which corrects a clerical error.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the House of Representatives to S. 1728.

The amendment was agreed to.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, H.R. 8847.

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

SUPPLEMENTAL APPROPRIATIONS, 1962

Mr. SYMINGTON. Mr. President, in connection with the supplemental appropriation bill, H.R. 9169——

Mr. MORSE. Mr. President, will the Senator from Missouri yield to me, before he makes his announcement?

Mr. SYMINGTON. I yield.

Mr. MORSE. Mr. President, I would like to have the attention of the majority leader. I think we need to give great heed to what the Senator from Missouri is about to call to our attention. There is apparently legislation on an appropriation bill of a very serious nature which, so far as the space program is concerned, removes all civil service requirements and gives a space organization discretionary authority to pay any salary it wants to, up to $18,500, to its employees. The Senator from Missouri can speak for himself, but if that is correct, we are headed for trouble in regard to the supplemental appropriation bill.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I must confess ignorance of what the Senator is talking about, because I have received no information with regard to it.

Mr. MORSE. I did not know about it until 3 minutes ago, but the Senator from Missouri is about to make a statement on the matter.

Mr. SYMINGTON. I thank the Senator from Oregon, who, as usual, is most perceptive in his comments. What worries me is that when we consider the bill in its component parts, we see, on page 13, under the heading, "National Aeronautics and Space Council, Salaries and Expenses," it provides:

> Not to exceed $25,000 for travel expenses, $225,000: *Provided*, That hereafter employees—

That is, all employees—

> of the Council may be appointed and compensated under section 201(f) of the National Aeronautics and Space Act of 1958, without regard to the civil service laws and the Classification Act of 1949, as amended.

I called up the Director of the NASA, Mr. James Webb, and discussed this with him. He told me that nobody has taken it up with him.

Inasmuch as the majority leader has announced plans to bring the bill up tomorrow, and inasmuch as it is not possible for me to be here tomorrow, and inasmuch as the Parliamentarian tells me it is legislation on an appropriation bill, I hope a point of order will be made.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. MANSFIELD. In view of the question raised, may I suggest that the Senator send an amendment to the desk, so it can be brought up tomorrow and so his contention may be given every consideration?

Mr. SYMINGTON. I hope it can be brought up Wednesday. I shall be back then. If it can be brought up on Wednesday, it can be discussed fully.

Mr. MANSFIELD. Mr. President, I should like to agree with the Senator, but I think that under the rules we are entitled to consider the bill tomorrow. We have tried to do so for 2 or 3 days. We have had some difficulties. I am sure the Senator from Missouri understands.

Mr. SYMINGTON. Mr. President, I shall not stand in the way of the able majority leader, but I point out to the Senate that this language is clearly legislation; and it is legislation on an appropriation bill. I hope that some Senator will make a point of order.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. MANSFIELD. I ask unanimous consent that it be considered that the

point of order has been raised by the Senator from Missouri, so that we can face up to that particular problem tomorrow when the bill is before the Senate.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. MORSE. I should like to have the attention of the majority leader. I am as much in the dark as is the majority leader. I have had this explained to me by the Senator from Missouri. I believe the Senator from Missouri is correct; I understand he has received a ruling from the Parliamentarian that the language is subject to a point of order, and as I have told the Senator from Missouri, I will raise the point of order. If this has all of the connotations which the Senator has explained, it must be corrected. We have to adopt an amendment. I think now is the time to work it out.

I should like to have the majority leader know that I shall cooperate with him in any way I can to get this worked out, but if the language will have the effect the Senator from Missouri says it will have, of giving to the National Aeronautics and Space Council carte blanche authority for removal of requirements under the civil service laws, we cannot possibly justify that. It must be stopped, if we can stop it.

In behalf of the Senator from Missouri I shall offer tomorrow any amendment the Senator from Missouri can work out.

Mr. MANSFIELD. Will the Senator from Missouri yield for a ruling on the unanimous-consent request?

The PRESIDING OFFICER. The Senator can make a unanimous-consent request, even though the bill is not before the Senate.

Mr. MANSFIELD. I make that unanimous-consent request for the Senator from Missouri.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. MANSFIELD. I assure the Senator that the Senator from Oregon and I, among others, will look out for his interest in the problem.

Mr. SYMINGTON. Mr. President, I am grateful. I spoke to the distinguished chairman of the Aeronautical and Space Sciences Committee, with whom I have the honor to serve. We have already allowed four people in the high grades for the National Aeronautics and Space Council. Now not only do they ask for more people, but also they ask that all the people working for the National Aeronautics and Space Council be exempted from civil service.

I hope this will be worked out in my absence from the Senate tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous consent request made by the Senator from Montana?

Mr. RUSSELL. Mr. President, may the unanimous-consent request be stated?

The PRESIDING OFFICER. As the Chair understands, the Senator from Montana asked unanimous consent that when the supplemental appropriation bill for 1962 is before the Senate tomorrow a point of order, entered by the Senator from Missouri, can be made in his absence.

Mr. RUSSELL. Does that relate to the language on page 13?

Mr. SYMINGTON. At the bottom of page 13 and the top of page 14.

Mr. RUSSELL. The language is very clearly legislation on an appropriation bill.

Mr. SYMINGTON. I thank the distinguished Senator.

Mr. JOHNSTON. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina reserves the right to object.

Mr. JOHNSTON. I should like to invite the Senate's attention to the fact that at the meeting of the conferees of the House and the Senate with respect to the people who should be given supergrades and paid in larger amounts, it was brought out that hereafter we would not allow any other bills to carry other supergrade positions. If we do that, there is no use having the Committees on Post Office and Civil Service of the House and Senate consider matters pertaining to the civil service.

I invite attention to the fact that the Senator from Kansas [Mr. CARLSON] and I are taking the same position the Senator from Missouri has taken.

I observe that other members of the Committee on Post Office and Civil Service are on the floor. Much as we might wish to do something to help out this agency at this time, I think it would be a dangerous precedent to set.

Mr. HOLLAND. Mr. President, what is the unanimous consent request?

The PRESIDING OFFICER. The Chair understands the unanimous consent request by the Senator from Montana to be that when the supplemental appropriation bill for 1962 is considered by the Senate, a point of order against the language described by the Senator from Missouri may be entered.

Mr. HOLLAND. Mr. President, of course a point of order may be entered. That does not require unanimous consent.

The PRESIDING OFFICER. The point of order would be entered now, because the Senator from Missouri has said he will be unable to be present tomorrow.

Mr. HOLLAND. Mr. President, I object. I do not believe we have any right to set a precedent to make points of order long before measures come before the Senate. I am perfectly willing for the point of order to be raised tomorrow. I might make it myself, if I believe the language included is offensive. To make in advance a point of this kind is simply not proper.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Objection is heard.

Mr. MORSE. Mr. President, reserving the right to object——

The PRESIDING OFFICER. Objection has already been heard.

Mr. MORSE. Then I ask for the floor in my own right.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the minority leader.

Mr. DIRKSEN. Mr. President, the Senator from Missouri is entitled to his day in court on this problem. He has followed it pretty closely. Other Senators from time to time are unavoidably absent. I do not believe the suggestion made by the majority leader, to consider the point of order entered now, would constitute a dangerous precedent, but I assure the Senate and I assure the Senator from Missouri that I shall be present, if no other Senator is, and I shall make the point of order for him.

Mr. HOLLAND. Mr. President, I would have been happy to give such assurance to the Senator from Missouri myself, but I do not think it is sound, when a Senator is going to be away necessarily, a day ahead, 2 days ahead, a week ahead, or any period of time ahead of the date when a bill is to be before the Senate, to give unanimous consent that the point be taken up at that time.

Mr. MANSFIELD. Mr. President, will the Senator yield ?

Mr. MORSE. I yield.

Mr. MANSFIELD. The Senator from Florida has a point. The Senator knows better than I, because he has been in the Senate so many years longer than I, that under unanimous consent practically any kind of a request can be made by a Senator and, if agreed to, can be laid before the Senate.

In this respect the point of the Senator from Missouri is well taken. I think the right to make the point is well protected by those who accord with what he has stated this afternoon. While perhaps the request may have been inadvised, it was certainly not outside the rules of the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HOLLAND. I certainly recognize the fact that any request made by our distinguished majority leader——

Mr. MANSFIELD. Or by any Senator.

Mr. HOLLAND. By any Senator, is entitled to respect. I certainly respect the distinguished Senator from Montana, as I think he knows full well. My conduct has so shown.

I do not know what is the subject matter to which the Senator from Missouri objects. What I object to is, on principle, setting a precedent that a Senator, no matter how conscientious or how dedicated, can ask unanimous consent, when a dozen and a half Senators are present, as they are now, or when three Senators are present, as frequently is the case, for a point of order to be made later, tomorrow, a week from now, or 2 weeks from now. I think that is a practice we ought not follow. For that reason I objected.

Mr. MORSE. Mr. President, I shall be brief.

I wish to say that when I find myself on the side supported by the Senator from Georgia [Mr. RUSSELL] in respect to any subject involving parliamentary rulings, I have no fear about being correct. The Senator from Georgia has

made clear that the point raised by the Senator from Missouri is a correct point, that the part of the bill to which he objects is legislation on an appropriation bill.

I have been briefed by the Senator from Missouri. He has already made his case. I shall raise the point of order tomorrow. I thought if we could agree on this it would not hold up consideration of a very important bill, the supplemental appropriation bill for 1962.

I should like to have the RECORD show, as the Senator from Missouri leaves to catch his plane, that the Senator from Missouri has announced that he is a member of the committee, that so far as he knows this subject was never taken up within the committee; and that he did not know the broad power sought to be given to this Aeronautics and Space Council was to be asked for. The Senator pointed out he has called Mr. Webb. Mr. Webb informed him he likewise had no knowledge or notification that any such broad request was to be made in the proposed legislation.

It is very simple, therefore. We should strike it tomorrow. That is all there is to it. I shall raise a point of order. It would require a two-thirds vote to overcome my objection.

I am sure that the Senate will not overcome my objection, so the Senator from Missouri can go on his merry way.

Mr. SYMINGTON. I wish to thank the senior Senator from Oregon for his graciousness, courtesy, and fine contribution to the handling of this problem.

MILK SANITATION CODE

Mr. JAVITS. On September 20, Senator PROXMIRE spoke again on the matter of national milk sanitation legislation.

Little purpose is served by continuing at this time a debate and exchange of views on this matter, however important it is to the dairy interests of New York, Wisconsin and other great dairy States. There is legislation pending in both bodies to provide for national sanitation standards, and the merits and demerits of this legislation will, of course, be fully considered in committee and thereafter by the entire membership of both bodies.

Accordingly, in reply to Senator PROXMIRE, I wish to say at this time that as a New York Senator I do not question the U.S. Public Health Service Milk Sanitation Code; I cannot say at this time, nor can anyone, what the effect of a national law would be on local producers; and I stand now, as I always have, for the freest possible interstate commerce.

My position with respect to proposed national milk sanitation laws is not negative. Rather it is affirmative, based on pride in our New York dairy industry and in our New York sanitation standards. Where health and zealous protection of milk consumers is involved, I shall insist on maximum standards and maximum enforcement. We have these maximum standards in New York, and until I can be satisfied that quality and safety will not be jeopardized at all, I shall continue to urge caution and utmost deliberation of this matter by the Congress before forsaking New York's maximum standards which have been of such benefit to the people of my State.

Mr. KEATING. Will my distinguished dairy colleague yield to me?

Mr. JAVITS. I yield.

Mr. KEATING. I wish to commend my colleague from New York for his treatment of the subject. At the present time I am trying to develop some further material in answer to our distinguished friend from Wisconsin. In particular, I am interested in the specific problems presented by the legislation which is offered by the Senator from Wisconsin. For example, I question the requirement that milk be inspected in the Midwest rather than where it is consumed.

There is also a very serious question regarding the Senator's allegation that the standards set by the proposed legislation are as high as the standards for milk set by New York State and its municipalities, as stated by the senior Senator from New York.

We are, of course, interested in protecting to the fullest the health of the residents of New York State. On Saturday I sent a telegram to the director of the division of milk control in the New York State Department of Agriculture asking for some more detailed information on the subject. I believe in a day or two I shall be prepared to explore the subject in greater detail, at which time I shall, of course, advise our distinguished friend from Wisconsin, as well as the senior Senator from New York. I thank him for yielding to me.

Mr. JAVITS. May I say to my dairy colleague from Rochester that it is a tradition in New York to have an upstate and a downstate Senator. The milk is produced upstate; we drink it in New York City. Hence we both have a burning interest in the subject. Representing the State, I have a very deep interest in the fact that our State milk producers shall have their just due, as well as that our consumers shall benefit by the best in milk and the best price. I welcome my colleague's participation in this discussion, and the expertise which he can bring to it from his long experience in upstate New York. I assure the milk producers of our State that I have very deep cognizance of the responsibility of representing a whole State, and hence my deep interest in the subject, and my effort to join with my colleague from upstate New York in doing what we should do as New York State Senators about the problem.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I do not want to be outdone in my interest in those who drink milk, because we drink a great deal of it in upstate New York, too. I am interested, as I pointed out, in the health of all citizens of New York. I am happy that my colleague brought out that point.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. As the junior Senator from Wisconsin, I welcome the debate and the argument of the senior and junior Senators from New York on this issue of such vital importance to dairy farmers in both States. The senior Senator from New York would be interested to know that his speech and the speech of the junior Senator from New York were carried in some detail in the Madison, Wis., Capital Times in Madison, Wis. They have been reported objectively and fully. The people in Wisconsin are very interested in the point of view expressed by New York Senators because the congressional resolution of the problem is so crucial to the welfare of the Wisconsin dairy economy.

I think the more intelligence and interest we can focus on it the better. I am hopeful if not confident that both Senators from New York will agree, after scrutiny, that the proposed legislation will very likely not only benefit the consumers of the great State of New York, our biggest State with the largest number of consumers, but, in my judgment, will benefit the dairy farmers of New York. There is good reason for that belief.

But I think as time goes on, that benefits will become clearer and clearer to the people of New York State. I thank the Senator from New York. His usual very great intelligence and understanding, not only on this issue but all others, serves an invaluable purpose in enlightening this problem as it does so frequently in the Senate with so many others.

Mr. JAVITS. I am grateful to the distinguished Senator from Wisconsin. My colleague [Mr. KEATING] and I have never said we are closed minded on this question, and that it is absolutely out of the question to have a national code or anything like that. We have only said, presumptively, what we have been doing has worked out very satisfactorily for our consumers. As we go along in respect to the proposed legislation which the Senator from Wisconsin feels the country needs, we have a remarkably able department of agriculture and markets in the State of New York. Governor Rockefeller has, as my colleague I think knows, a very great interest and experience in this field. I can assure Senators for myself and I think for my colleague, who I believe has stated the same point, that we will proceed at every stage on this question in an effort to be deeply grounded in the facts and the merits. There is no parochial thinking in New York. I think we have demonstrated that in a thousand battles here on the floor of the Senate. I think the Senator and his constituents may feel, in all justice to us, that, as we look at this question, we will look at it with an open mind.

I will at least do my utmost, and I believe my collegaue [Mr. KEATING] feels the same way, to get the concentrated judgment of all our authorities on the question, as well as ourselves, in order to come to the best point of view. I think we have said, and I think in all fairness and justice that as we stand now, we have pretty high standards. We do not want to see them compromised.

We think the burden of proof is on those who would give us a new set of

standards. I think that has been the totality of my own position. I thank the Senator from Wisconsin.

Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Mississippi without losing my right to the floor, and that I may resume immediately thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARMERS HOME ADMINISTRATION

Mr. STENNIS. Mr. President, I am pleased to have this opportunity to bring to the attention of the Senate an account of some of the fruitful activities of one of the splendid programs of the U.S. Department of Agriculture and the benefits it has provided the people of Mississippi. I have in mind the Farmers Home Administration.

This program has been soundly and effectively administered in Mississippi under the able and dedicated leadership of State Director T. B. Fatherree and his excellent staff. Mr. Fatherree and his fellow workers have demonstrated deep personal interest in the problems of the people on our farms and have worked tirelessly to be of genuine help. Their accomplishments entitle them to commendation in full measure.

Not only has this agency furnished credit to farmers who could not obtain conventional credit, but it has tackled one of the greatest problems which faces us today, the migration of our farmers to urban areas and our young people to other parts of the country away from homes where they were reared and educated.

This outstanding agency of government is engaged in one of the great programs for helping young people get the proper financing they need to become established on family-size farms. It offers opportunities for farmowners to develop their farms into efficient farm management units. It aids them to make the best possible use of the available resources by developing their lands and acquiring dwellings and essential farm service buildings. It helps those with backgrounds of 4–H Club and Future Farmers of America work to buy and develop farms of their own and to become homeowners.

Let me direct your attention to what has happened to agriculture in Mississippi during the past decade: First, the number of farms has declined 45 percent to a low of 138,142 farms compared to 251,383 farms in 1950; second, the average size of the farms has increased by 64 percent; third, the average value of a farm is now $12,922—or three times the average value in 1950; fourth, large-scale farming, both in acreage and production, has made rapid gains; fifth, almost all of the decline has come in the small-size, small-production units; sixth, the average age of farm operators is 51.2 years—of 5 years older than in 1950; and seventh, our young farmers are leaving the farms, seeking employment in urban areas.

In order to correct some of the deficiencies reflected by these changes in the agricultural situation, the Farmers Home Administration carries on a broad program of services. These services include supplemental credit for the purchase, enlargement, and development of farms, the conservation of soil and water resources, credit for small watershed districts, rural housing, operating loans, and emergency assistance. Recently the responsibility of coordinating the technical services of the USDA in the rural areas development program has also been assigned to the Farmers Home Administration.

Under the new Agricultural Act adopted at this session of Congress the Farmers Home Administration credit services have been expanded and improved and its program has been liberalized to the great benefit of our farm people, the farm States, and the Nation.

The following is a brief and helpful summary of several of the improvements made in Farmers Home Administration's program by the Agricultural Act of 1961.

First. Operating loans for equipment, livestock, feed, seed, fertilizer, and similar items can now be made in amounts up to $35,000. The previous limit was $20,000.

This increase in the operating loan limits will enable the agency to more adequately serve the credit needs of family farmers. The technical revolution has greatly increased the amount of capital farmers have to invest in their operations. Many young farmers who are just getting started, and established farmers who need to make major adjustments in their operations will benefit from the modernizing of this credit regulation.

Second. Loans to buy and enlarge farms may now be made on any family farm if the total indebtedness on the farm is not more than $60,000 when the loan is closed.

Previously these loans had been limited to farms whose value was no greater than that of the average family farm in the county. The broadening of the authority to make farm purchase and enlargement loans will also help young farmers, as well as others. In the past many young farmers were unable to obtain a loan to buy their family farm simply because the farm was worth more than the average family farm in the county in which it is located.

Third. Loans may now be made to farmers with off-farm income to buy and enlarge small farms. Previously such loans could be made only on farms large enough to support a family without the aid of off-farm income.

All of the provisions of the new law to the extent that they make the program more flexible and enable the Farmers Home Administration to serve the credit needs of family farmers who were previously ineligible, will increase the effectiveness of supervised credit in rural areas development. One new provision that should prove especially useful in growing communities, is the authority to buy and enlarge small farms. There are many instances where young farmers who have off-farm employment to supplement their farm income can use such loans to gradually acquire the land resources they need for successful farming.

Fourth. Small loans for farm real estate improvement can now be made without taking a mortgage on the farm.

Fifth. The authority to make real estate loans solely for refinancing has been placed on a permanent basis.

Sixth. Insured loans for the enlargement, improvement, and purchase of farms may now be made up to the normal value of the farm. Previously these loans were limited to 90 percent of the farm's normal value. In addition the ceiling on the amount of interest investors in insured loans may receive has been increased from 4 to 4½ percent and the minimum length of time that investors may hold insured notes has now been reduced from 5 to 3 years.

The authority to allow the lender one-half of 1 percent more interest and shorten the length of time he holds the note will increase the volume of real estate credit available to farmers. The flexibility thus introduced permits adjusting the return as money market conditions warrant. At the present time these loans pay 4 percent to the lender and must be held for 5 years. This will in no way affect the rate the farmer-borrower pays—it will remain at 5 percent.

Seventh. Loans to groups of farmers for the development of rural community water systems, irrigation and drainage systems now have a ceiling of $500,000 when made from appropriated funds and $1 million when insured loan funds are used. The previous limit was $250,000 on both direct and insured loans.

The expansion in the maximum size of association loans for domestic and irrigation water systems will cut the cost per association member and permit service to groups whose efficient operation required investments exceeding the previous ceiling.

Eighth. Rural community water systems loans may now be made to associations serving farmers and rural residents without the prior restriction that farmers be the main users of the water supply system.

Ninth. Emergency loans can now be made to farmers who need credit as the result of a natural disaster in areas where the disaster—such as a flash flood—was not widespread enough to warrant an emergency area designation.

The farm ownership phase of this program in Mississippi provides an interesting account of some of the effective work of this agency. From its beginning in 1938—passage of the Bankhead-Jones Farm Tenant Act—through March 31, 1961, the agency made 7,400 farm ownership loans to farmers for purchase, development, and enlargement of farms, for a total of $48,735,591. These loans were made to tenants, sharecroppers, owners of less than family-type farms, returning veterans, and young farmers. During fiscal year 1961 alone, 195 farm-ownership loans were made, totaling $1,831,667, with 53 loans totaling $426,887 being made from funds advanced by private capital, such as banks in the State, with the loans fully insured by the Government.

Soil and water conservation loans in Mississippi to farmers to help conserve

soil and water resources and to combat the great erosion problems in the State were made to 467 individuals from September 17, 1954, through January 1, 1961, totaling $1,739,460.

In cooperation with the Soil Conservation Service, the Farmers Home Administration makes watershed loans under the Watershed Protection and Flood Prevention Act, Public Law 566. The agency has approved loans of this type to Ellison Creek Watershed Drainage District in Yazoo County in the amount of $37,000; to Ascalmore Drainage District No. 1 in Tallahatchie County in the amount of $70,000; and to Indian Creek Drainage District No. 1 in Quitman County in the amount of $100,000, making a total of $207,000. Such loans are made to farmer groups organized under State statutes to carry out plans for the protection and development of land and water resources in small watersheds. There are approximately 32 such loans in process in the State in various stages of development.

The rural housing program in Mississippi is doing a great deal to retard the migration from farms. It has helped farmowner families to acquire new housing and to modernize and repair existing housing and farm service buildings, to acquire satisfactory and adequate water facilities, and have all modern living conveniences which make farm life more attractive and more appealing.

It has been said that one-fifth of the occupied housing in rural America is so dilapidated that it must be repaired. The rural housing program means a great deal to Mississippi. Through December 31, 1960, 3,602 loans had been made to deserving Mississippi farmers for a total of $19,382,695. Although the loans are made with a repayment period up to 33 years, out of the 3,602 loans made, 688 families have already repaid them in full. There has never been a loss in Mississippi—not even a foreclosure of the mortgage held on such a farm. This is an outstanding record.

The operating loan program is a most important function of the agency. Its basic objective is to enable farmers to carry on a successful system of farming, to make efficient use of their land, labor, and other resources, to make needed improvements in their living conditions and economic situations, and to qualify for credit from private or cooperative sources within a reasonable time. The primary emphasis of this program is to assist family operators who will be making significant adjustments and improvements in their farm and home operations. This objective is accomplished through extension of credit and supervisory assistance.

Loans are made to carry out plans developed with the borrower. More resources are required each year for farmers to be successful. In 1951, in Mississippi, 57.7 percent of all initial operating loan funds were used to purchase capital goods, while in 1959, 84.5 percent of initial loan funds were used to purchase capital goods and provide borrowers with adequate resources. The family farm will probably continue to increase in size with requirements of larger outlays of capital for livestock and improved farm machinery. Recent legislation will enable the agency to help farmers keep up with the changes and will provide a more stable agricultural economy for the State and Nation. Since November 1, 1946, when the agency was established, the Farmers Home Administration has made 71,530 operating loans to individuals in Mississippi in the amount of $65,011,128.

As I have traveled through my State, I have met many families who have told me of the wonderful help they have received through the Farmers Home Administration. In many instances, they feel that, otherwise, they would not have had the opportunity to become home and farm owners. Many of my friends who represent conventional sources of credit—banks, insurance companies, production credit associations, and the Federal land bank—tell me that the Farmers Home Administration is not competitive with their business. On the contrary, many of these families, through the assistance and advice of the Farmers Home Administration, are guided back into sound financial programs and eventually return to conventional credit sources.

As important as the loan activities of this agency are, the program in other very important ways is helping solve financial problems of the farmers of our State. These helps include credit counseling; bringing new and recommended practices to farmers seeking help; providing information recommended by experiment stations, Extension Service, and the Soil Conservation Service; planning and diversification of farms which previously have been built around one-crop systems; modernization of rural homes and the resulting interest of families in their homes and land; encouraging in young Americans a love for the land and a pride of ownership and a pride in living on the farm. These are vital concepts of citizenship in Mississippi and over the Nation. They are stimulated and emphasized by programs administered by the Farmers Home Administration.

When the Farmers Home Administration program was activated in Mississippi in 1947, a staff of 338 individuals was employed to administer the program. Despite the addition of the farm housing program and the greatly increased volume of both the farmownership and operating loan programs, the staff has now been reduced to 218. This 35-percent reduction in the number of employees has been made possible through the skill and the ability of the Farmers Home Administration personnel in Mississippi, a staff of employees who are dedicated to a program which has done so much to improve the living standards and the economic well-being of thousands of their fellow Mississippians.

FISH FLOUR

Mr. PELL. Mr. President, I should like to have printed into the RECORD a statement by my colleague, the Senator from Massachusetts [Mr. SMITH] on the subject of fish flour.

I concur fully with Senator SMITH. Statements by scientists from all parts of the world this week at the FAO Fish in Nutrition Conference at the State Department have shown the almost limitless role that fish can play in reducing the nutrition deficiencies that exist among millions of people in every part of the globe. And fish flour may well serve as a major weapon in this battle against hunger and malnutrition.

In this connection I should also like to insert after Senator SMITH's remarks and insertion an article which appeared in the August 21 issue of the Christian Science Monitor. It presents a very good picture of the fight against hunger, I believe, and of the enormous potential to win it which exists in our untapped seas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF MASSACHUSETTS

An International Conference on Fish in Nutrition is meeting this week in Washington. Scientists from all over the world have gathered at the State Department under the auspices of the Food and Agricultural Organization of the United Nations to discuss the problem of supplying the millions of undernourished people of the world with food from the relatively unexplored and untapped supplies of the seas. The answer to this problem which they increasingly advocate is a relatively new and inexpensive product called fish flour.

The vastness of the problem which these men face can be stated quite simply. Nutritionists from the FAO, the World Health Organization, and other international agencies, have estimated that two-thirds of the present world population receive an inadequate daily diet. And this population, now slightly under 3 billion persons, is expected to double within 50 years to 6 billion persons.

How will you feed 6 billion people in 2011 when you can't supply more than 1 billion persons with adequate supplies of food in 1961? This is the question they—and we—face.

The answer to this may well lie in the seas. They cover three-fourths of the globe yet provide less than one-twentieth of the food consumed in the world today. They contain the world's last natural, self-multiplying source of animal protein—fish. And the fish product which may well hold the key to good health for millions of people on this planet in the coming decades is fish flour.

Secretary of the Interior Udall made a clear and concise case for the merits of fish flour in his opening remarks to the Conference when he said:

"I foresee that this protein supplement will someday enjoy widespread acceptance and usage. Such a product, whose marketability is independent of the species of fish from which it was derived, and which is inexpensive, versatile in use, resistent to spoilage and highly nutritious is, in my estimation, the basic fishery product of the future."

Fortunately, the United States has been one of the leading countries to develop a commercial manufacturing method for this product, which is made from ground, whole fish. This has been done in New Bedford, Mass., by the VioBin Corp., whose headquarters are in Monticello, Ill. The president of VioBin, Mr. Ezra Levin, has been a leading and tireless backer of fish flour.

Congress has also taken a strong interest in it, and this year approved an appropriation of $50,000 for a study of manufacturing methods of fish flour. This study will be conducted by Dr. E. R. Pariser, formerly of

the staff of the Massachusetts Institute of Technology but currently employed by the Bureau of Commercial Fisheries at their College Park Laboratory in Maryland.

He has summarized in a paper to be given before the Conference the progress made to date in the United States and I submit for printing in the RECORD a summary of the paper.

I also hope that this paper and the others on this subject being presented to the Conference will come to the attention of the Food and Drug Administration. The FDA has in its hands a crucial decision involving the use of this product in the United States. I hope that they will see fit to make this decision on the basis of scientific information such as that represented in these papers and not on arbitary grounds. We who believe in the future of this product expect objective, good judgment, and a judicial attitude. This product is important to our fishing industry and even more important to our foreign policy, as Mr. George McGovern and Mr. James Symington of our food-for-peace program have recognized.

It needs the enlightened support of Government officials and of the public. I hope both are now at hand.

FISH FLOUR—TECHNOLOGICAL DEVELOPMENTS IN THE UNITED STATES

(By E. R. Pariser, Bureau of Commercial Fisheries, Technological Laboratory, College Park, Md., delivered at the FAO International Conference on Fish in Nutrition, Washington, D.C., September 22, 1961)

ABSTRACT

During the last 20 or 25 years, processes for the manufacture of fish protein concentrate (fish flour) for human consumption were developed in different countries, and showed that it was possible to produce, at low cost, a concentrate of high nutritive value and long shelf life. Many hundred tons of fish flour have been produced and consumed in Germany, Sweden, Morocco, and South Africa, but it was only in the last 10 years that, thanks to the untiring efforts of international agencies of the United Nations, fish flour has received the attention it deserves as a weapon in the universal fight against hunger.

PAST U.S. CONTRIBUTIONS

The United States has contributed significantly to the development of fish protein concentrate (FPC), both by collaborating closely with other nations within the United Nations, and by independent effort.

1. Development of new processing methods

(a) The most outstanding independent contribution of this country until today has been the development, by the VioBin Corp. of Monticello, Ill., of a process of azeotropic dehydration and extraction of lipids from comminuted fish. This process was initiated 5 or 6 years ago and is today beyond the pilot-plant stage: equipment is in operation, capable of converting large volumes of fresh fish into a FPC; some of this product has already found a market.

In contrast to almost all the other processing methods that have been developed in this country, the engineering aspects of the VioBin process are well documented, and a number of scientific investigators of repute have published their findings as to the nutritive value of the finished product.

(b) The General Foods Corp. Research Center at Tarrytown, N.Y., has developed a method for the production of two types of protein concentrate from fish, one water-soluble, and the other water-insoluble. Little is known, however, about the technical details of manufacture or the nutritional characteristics of the end products.

(c) Lever Brothers of New York were granted a U.S. patent for the treatment of proteinaceous material under conditions of specific pH. The inventors claim that it is thus possible to produce an entirely odorless and tasteless FPC. No more information than this patent is at the moment available.

(d) Other processing methods developed in this country include vacuum dehydration at low temperature of fresh fish with the help of a heat transfer medium (Carver-Greenfield) and various other methods of extraction.

(e) We understand that both the menhaden and tunafish industries are conducting comprehensive research projects with the view of developing methods for the manufacture of FPC.

FUTURE U.S. CONTRIBUTIONS

The Bureau of Commercial Fisheries of the Department of the Interior has recently initiated a large-scale program of investigation which, it is hoped, will further help in the development of this important food product. The program will attempt to collect all available information regarding the manufacture of FPC and on the basis of these findings to design one or several processes capable of producing a fully satisfactory product.

EVALUATION OF THE NUTRITIVE VALUE OF FPC

(a) Allison, Scrimshaw, Harper, Huntley and many other eminent American scientists have greatly contributed to the fish flour project by studying the nutritive values of both fish meal and FPC of different origins. These studies have been published and are well known. An intensive study of the nutritional values of fish flours manufactured on a pilot plant scale was recently conducted by Caroline H. Kurtzman at the University of Maryland.

(b) In 1957, UNICEF, in consultation with FAO, arranged for an investigation to be carried out by the Department of Food Technology of the Massachusetts Institute of Technology. The purpose of this study was to assess the effects of processing variables upon the composition, protein quality and organoleptic characteristics of the final FPC. In the course of this investigation, the following processing methods were studied: Vacuum drying of the comminuted fish suspended in oil; azeotropic dehydration and extraction of moisture directly with 95 percent ethanol. Studies on the defatting and deodorizing of dehydrated fish products included investigations into the relative solvencies of fish extractables in 95 percent ethanol and commercial hexane. The effect of process variables on the quality of the final product was investigated by carefully preparing experimental FPC samples according to five selected processing methods. The samples were then subjected to chemical, biological, and organoleptic tests.

Examination of information available in this country and elsewhere on FPC manufacture clearly points to the fact that a great deal of work must urgently be done to insure that, under different local conditions, a cheap product of an unvariably high nutritive value can be produced from different species of fish. It is for this reason that the Bureau of Commercial Fisheries of the U.S. Department of the Interior has recently initiated a program of investigation which, it is hoped, will further help in the development of this important food product. It is planned to collect and study all available information regarding the manufacture of FPC; on the basis of these findings it will be attempted to design and fully test one or several processes that will: (a) Require low initial capitalization; (b) be economical in operation; (c) be flexible for large- and small-scale production; (d) be flexible to permit operation in those parts of the world where public utilities are limited; (e) be flexible to permit the manufacture of a product that will be accepted by people who may have varying taste preferences, cultures and taboos; (f) result in the production of a consistently uniform high-quality protein concentrate; and (g) result in the production of a product that could be cheaply shipped to distant parts, could be stored for varying periods without quality loss, and that could easily be incorporated into the local diets of undernourished people.

VIRGIN FARMLANDS OF THE SEA—CAN WE USE THEM?

Perhaps the richest unused farmland on earth is the vast bulk of the sea. Here is a source of food that experts generally agree could be greatly expanded in many parts of the world.

What is more important, it is a source of food rich in protein. Any increase in its productivity would be worth far more than an equivalent increase in the output of the protein-poor foods so many people now eat.

GREAT BOON FORESEEN

Fish even now account for something like 12 percent of the world's animal protein foods. In a country like Japan, fish accounts for only about 3 percent of the annual food calorie consumption but amounts to 74 percent of the supplies of animal protein.

What a boon to protein-hungry countries it would be if products of the sea were more freely available to them. And what an opportunity the sea presents for scientific exploitation, for, compared to the land, our use of oceanic food resources is almost unbelievably primitive.

PRESERVATION IMPORTANT

Each year, something on the order of 30 million tons of food products are taken from the sea. Except for a minor amount of fish and shellfish farming, this represents the bag of the hunter and food gatherer. Fishing today is simply preying on wild stocks.

Even fish farming is primitive. As husbandry, it is reckoned to be in roughly the same state as was agriculture in the year 1700, before the revolutionary advances of applied agricultural science.

There are few projects that could do more to raise the nutritional level of mankind than a full-scale scientific effort to develop the resources of the sea.

One of the most useful problems to tackle first would be that of finding cheap and effective means to preserve sea food on a large scale.

For the hot, protein-hungry countries that need this food most, spoilage is a mammoth problem. Fish often begin to go bad even before fishing boats can reach shore. In the market, fish rarely last more than a day. This is one of the chief reasons sea food has not played a bigger role in the diet of such countries.

Refrigeration, freezing, or even icepacking are out as general remedies. Even canning, as now practiced, is only useful as a long-term technique, for it would have to be part of a larger industrialization program.

The money that would be needed to subsidize such techniques to apply them today could be better spent developing, say, some kind of fishmeal, preserved by simple heat or chemical treatment or even by sterilizing radiations. Some countries are already experimenting along this line. Such a meal could be mixed with curries in Asia or with other native dishes depending on the region. They would contribute little to the caloric value of these dishes. But they would add needed protein and perhaps a delightful new flavor.

MORE FOOD AVAILABLE

In any event this typifies the kind of cheap, widely applicable solution that is needed to solve the preservation problem.

Beyond this is the larger question, Can men take more food from the sea itself? The answer is most certainly "Yes." No one knows exactly what is the total productivity

of the sea, but it surely is many times the annual current production of seafood.

Sometimes it is suggested that the tiny plants and animals of the plankton, which are the food source of the fishes, could be harvested directly. When one considers that many millions of tons of sea water would have to be filtered to get a few tons of plankton, it would seem more practical, in general, to let the fishes do this job for us.

Improvements in fishing will not be enough, however. It has been estimated that, even with intensified development, the productivity of the kind of fishing that is little more than hunting can only be doubled over what it is today. To increase seafood yields dramatically, men will have to become "farmers" and gamekeepers instead of being merely hunters of fish.

CONSERVATION VARIANT

It may well be that, in many parts of the sea, the most practical technique will be scientifically informed conservation, a kind of gamekeeping in which a knowledge of food fish and all that affects them will be applied to maximize the yield of what are still essentially wild species.

For example, by removing animals that compete with plaice or other bottom-living fish, it might be possible to increase the yield of these fish as much as 10 times. But this presupposes a detailed knowledge of this ocean environment so that one does not disastrously upset the balance of nature.

In coastal regions, and especially protected bays and inlets, true husbandry or "fish farming" may be possible on a large scale. It is already practiced to some extent today.

The best of "these farms" enclose marine animals, feed them, and protect them from predators. They can produce three times as much "meat" acre for acre as the richest pasture land. Yet their management, like agriculture two centuries ago, is traditional rather than scientific.

It is tempting to speculate that the yields of such "farming" could be greatly increased and its scope extended if the biology and ecology of marine life were as well known as is that of crop plants on land and if this knowledge were widely applied.

The place to start is with a census of the food resources of the sea and a study of its productivity to determine what one has to work with. It is interesting that the Seventh Conference on Science and World Affairs that brought eastern and western scientists together at Stowe, Vt., earlier this month noted such a study as one of several fields meriting a large cooperative international research effort.

TRIBUTE TO A GREAT AMERICAN—CONRAD HILTON

Mr. MORSE. Mr. President, at about the turn of the century, an American sociologist declared that the American myth or the American dream still makes some people think that any boy can become President.

Horatio Alger, it was said, glorified that myth, that dream. Well let me say, right here: It is not a dream; it is not a myth. In fact, the majority of men who have served as President of the United States have come from very modest homes. Some men took two generations to make high ranks; some did it in one.

I want today to pay tribute to a man who came from a wholesome, simple American home, and in one generation became a very wealthy man. Conrad Hilton makes me proud of my American heritage.

Conrad Hilton is not a dream, out walking. He is the real American: he is a living character from an Alger book except that he made good on his own; no rich man discovered him and helped him as the Horatio Alger heroes were helped. He made good on his own.

Born on Christmas day in a small down in New Mexico, he got his early education there and later went to the New Mexico School of Mines. Later, he went into business with his father.

When war came, he enlisted, and served with the AEF. After the war, he, like millions of others returned to his former civilian duties, as well as to his career. He shared in the work of helping New Mexico become a sovereign State. He was elected a member of the first State Legislature of New Mexico.

All this is so thoroughly, so simply all-American. What I like particularly about his record is that while he made money—plenty of money—he made it honestly, through his own careful planning and not by any irregular tactics nor by exploiting those whom he employed.

When I read recently that a new Hilton Hotel would be opened in Washington, I was delighted. It meant another fine hotel for the Nation's Capital; it meant a chance for many more men and women to find work. A $30 million dollar investment is not a dream, it is not a myth. It is the symbol of the American ideal. I want here to express my appreciation to this man.

Before I spoke here I wanted to check the facts again. His business rating is fine. So is his labor record. I had someone check with the Labor Trades Department of the AFL–CIO on his record with his employees; "100 percent OK," was the answer.

To me this is the most effective answer to the Communists. By his own efforts, in our competitive, free society this man made good. But the money he made was never "blood money." It is clean money which his employees, and the general public helped him earn.

He gives generously to church and charity; but never with a fanfare of trumpets.

Would that he would choose to return to the political arena where once he served in the State legislature. America needs men like Conrad Hilton whose modesty has prevented his story being more widely known. He is an all-American star in our American game. Would that the Communists had the chance to produce such men too.

EDUCATION—UNUSED CAPACITY FOR ADDITIONAL DOCTORAL CANDIDATES

Mr. JAVITS. Mr. President, I should like to call attention to a very important matter which relates to higher education. It is a subject which will be under considerable debate in the Senate, probably when we resume next January. It goes to that part of aid to higher education and that part of the National Defense Education Act which deals with fellowships, and relates to the real challenge with respect to what we are doing in the higher education field.

I refer to a release issued by the U.S. Department of Health, Education, and Welfare dated September 3, 1961, which for some reason or other has escaped important notice. It shows what I believe is absolutely shocking in terms of the interests of the American people in the cold war. It shows that we are giving one-half the doctoral degrees in this country that we have the capability of giving, because we have a dearth of fellowship candidates due to their inability to be financed.

When we estimate the power which the Communists have mustered in the cold war by virtue of their higher educational experience or expertise in the fields of science and engineering, this disclosure is absolutely shocking. The report states:

> Estimates of additional doctoral capacity exceeded 20,000. More than half of this capacity could have been devoted to students of science and engineering had the financial backing been available, the Office of Education was told.

Many of us have contended that aid to higher education had to be a "must" in our agenda in the Senate, of equal importance with defense. Some people have rather scoffed at us, and thought we were highbrows or eggheads.

Here it is, Mr. President. Here is the finding of the official Government department in charge of the subject, which says we are wasting half of our potential in terms of our highest level of education, of our professionally trained engineers and scientists, because the eligible fellowship recipients cannot be financed. It is absolutely shocking.

I hope very much that the American people will understand what people like myself and the Senator from Oregon [Mr. MORSE] and others are talking about when we cry out against what is an unbelievable dereliction of duty to take up these measures in this Congress.

It is not our fault, I hasten to say. It has its position in the other body. I think it is tragic in terms of the American people. I hope that as Members of Congress go back home, their constituents will hear these voices in this body, and in the other body, as well, protesting against it and will do something about it, so that when their representatives come back, this very serious dereliction may be remedied.

SOVIET ECONOMIC WARFARE

Mr. JAVITS. Mr. President, I call the attention of the Senate to an editorial published in the New York Times of September 25, 1961, entitled "Soviet Economic Warfare." It demonstrates how critically important to the world is the capability of the Soviet Union to engage in economic warfare on free world markets.

This was brilliantly called to our attention the other day in the speech by the Senator from Minnesota [Mr. HUMPHREY], which I am proud to say I am going to use in print as a committee document for my own NATO Parliamentarians Economic Committee, of which I have the honor of being Chair-

man, at its impending sessions in October and November at Paris.

The editorial emphasizes the need of the free world to have organized means available for the kind of economic warfare the Committee of which I am the Chairman is dealing with. I think such an organization belongs in NATO. It is just as important for the free world's defense as is military means.

I am much fortified by this editorial and by Senator HUMPHREY'S speech, and I will do my best to forward this idea at the NATO Parliamentarians meetings which will be held in Paris shortly.

I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 25, 1961]

SOVIET ECONOMIC WARFARE

The Soviet Union has used the world sugar conference in Geneva as a forum in which to attack the United States for allegedly harming the interests of many countries by our cancellation of Cuban sugar imports. The Soviet delegate spoke in the sanctimonious tones that would have been fitting for the representative of a nation that never engages in economic warfare for political purposes, not one with as unclean hands on this issue as are those of the U.S.S.R.

How very little Moscow is really concerned with the stability of the world market has been demonstrated time and again this past half decade. Producers and sellers of chemicals, tin and platinum, for example, still remember well the raids Soviet agencies have conducted against the world price structure for these commodities, and the heavy losses that have had to be suffered. The world petroleum market has time and again been shaken by Soviet cut-price tactics.

The Soviet Union has long since proved itself a past master in the use of economic warfare techniques to achieve political aims. In the late 1940's and again in the 1950's, for example, Yugoslavia paid heavily in economic losses for having dared to show political independence toward Moscow. Finland has had occasion to learn the hard way that Soviet orders for its goods are conditional upon Moscow's satisfaction with the political complexion and composition of the Government in Helsinki. The Israelis still nurse bitter memories of the cavalier way in which Moscow concealed its trade contracts with Israel as a means of pressure during the Suez War 5 years ago.

We cannot deny that the United States is employing economic warfare against Cuba in retaliation for the extreme economic measures Cuba has taken against the United States; and opinion is divided in this country over the wisdom of doing so. But for a Russian spokesman in Geneva or anywhere else to criticize us on this ground is rank hyprocrisy.

CABLEGRAM TO HIS EXCELLENCY NIKITA S. KHRUSHCHEV BY SENATOR HUBERT H. HUMPHREY

Mr. HUMPHREY. Mr. President, I have taken the liberty to address a cablegram this afternoon to His Excellency Nikita S. Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialistic Republics, Moscow, U.S.S.R., which reads as follows:

To promote understanding between the people of the United States of America and the Union of Soviet Socialist Republics, I respectfully urge that you permit President Kennedy's message to the United Nations General Assembly to reach your people through press, television, radio, and motion pictures. You will recall that your appearance before the General Assembly was given the widest possible coverage in the United States and elsewhere. Such a gesture on your part will do much to promote the cause of peace and understanding.

HUBERT H. HUMPHREY,
Assistant Majority Leader, U.S. Senate.

COMMITTEE MEETING DURING SENATE SESSION—TUESDAY

On request of Mr. HUMPHREY, and by unanimous consent, the Subcommittee on Public Buildings of the Committee on Public Works was authorized to meet during the session of the Senate tomorrow.

ORDER OF BUSINESS

During the debate on H.R. 8847,

Mr. MANSFIELD. Mr. President, for the information of the Senate, I have informed Senators that there will be no further votes tonight. For the further information of the Senate, it is the intention of the leadership to bring up the supplemental appropriation bill as soon as possible after conclusion of the morning hour tomorrow, but, in the meantime, the so-called Du Pont bill will be laid down and made the pending business, and then I intend to ask unanimous consent to lay it aside to take up the supplemental appropriation bill.

Mr. CARROLL. Mr. President, I ask unanimous consent that I may propound an inquiry to the majority leader, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARROLL. In view of the comments of the majority leader, am I to understand that a unanimous-consent request has been made that there be no votes tonight?

Mr. MANSFIELD. That is what I have been telling Members of the Senate, and they have been taking me at my word. Therefore, I thought I should make the announcement public, because I think there will be discussion on this bill—as the Senator from Illinois would say, discussion in depth.

Mr. DOUGLAS. And in breadth.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

The PRESIDING OFFICER (Mr. PELL in the chair). The bill is open to amendment.

Mr. CARROLL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARROLL. What is the pending business?

The PRESIDING OFFICER. The so-called Du Pont bill.

Mr. CARROLL. Mr. President, I have listened with a great deal of interest to the debate on the pending bill. Although I am not a member of the Committee on Finance, I have a deep interest in the bill because it involves the antitrust statutes of this Nation. The junior Senator from Colorado is a member of the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary. It is for that reason that I have an interest in the bill.

In making any comment I certainly do not question the integrity or skill or intelligence of the Members of the Senate or the Finance Committee who may not agree with me in the position which I take on this bill. I see the able Senator from Tennessee [Mr. GORE] on the floor, and with his permission I should like to propound a series of questions. This is a very complex bill. I see on the floor also the able Senator from Delaware [Mr. WILLIAMS]. I will be happy to yield at any time, because what I seek is information. I have some information of my own which I shall present later. I should like to ask the Senator from Tennessee if I have correct information on the bill.

Mr. WILLIAMS of Delaware. Mr. President, the Senate is apparently confronted with a filibuster. I ask for the regular order. The Senator's question is not in order.

The PRESIDING OFFICER. The regular order is asked for.

Mr. CARROLL. The junior Senator from Colorado does not understand the inquiry of the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Colorado has the floor, and he may yield only for a question. Will the Senator from Colorado speak a little louder?

Mr. CARROLL. I do not understand the request of the Senator from Delaware, nor the purpose of it, nor his statement.

Mr. WILLIAMS of Delaware. I ask for the regular order.

The PRESIDING OFFICER. The regular order is asked for. The Senator from Colorado has the floor. He may yield only for a question.

Mr. CARROLL. The Senator from Colorado has hardly begun. It is a little premature on the part of the Senator from Delaware to talk about filibustering when I have been on my feet for only 2 or 3 minutes. I understand that the Senator from Delaware has more than a passing senatorial interest in the bill, coming, as he does, from the State of Delaware; so I can appreciate his apprehension about some of the remarks that the junior Senator from Colorado might make with reference to the pending bill.

Having indicated that I am not a member of this important committee, I tried to look into what I consider to be the facts. I find that Du Pont owns 23 percent of the common stock of General

Motors; that is to say, 63 million shares; that most of these shares were acquired about 40 years ago at a cost of $2.09 a share; that the stock is now worth $45 a share.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CARROLL. I yield for a question, with the understanding that I do not lose the floor.

Mr. DOUGLAS. While it is true that some time ago the stocks were worth $45 a share, is it not true that the closing price for those shares on Friday was $48.62?

Mr. CARROLL. I am so informed. I am happy to have the Senator from Illinois confirm that information.

Mr. DOUGLAS. Therefore, does it not follow that the increase in value of each share has amounted to $46.50?

Mr. CARROLL. I am sure that is a correct statement.

Mr. DOUGLAS. And that the value of the 63 million shares comes to a total of between $2,900 million and $3 billion?

Mr. CARROLL. I am happy to accept the estimate of the Senator from Illinois, not only because he is an able economist, but also because he is a member of the Committee on Finance, which has studied this question. I accept the Senator's estimate.

Mr. GORE. Mr. President, will the Senator from Colorado yield for a question?

Mr. CARROLL. I yield for a question, provided I do not lose my right to the floor.

Mr. GORE. Did the junior Senator from Tennessee correctly understand the senior Senator from Illinois to say that this amount represented a realizable profit by the Du Pont Co. on its General Motors stockholdings of approximately $3 billion?

Mr. CARROLL. That is my information. That is according to the estimate of the Senator from Illinois.

Mr. GORE. Is the Senator from Colorado aware that the president of the Du Pont Co., Mr. Greenewalt, testified before the Committee on Finance that under present law, the Court order permitting, the divestiture ordered by the Supreme Court of the United States could be accomplished with a tax as small as $133 million?

Mr. CARROLL. That is my recollection of that testimony.

Mr. President, the history of this case is interesting. First of all, I may say to the Senator from Delaware [Mr. WILLIAMS], or to any other Senator, I have tried to consider this case as a lawyer, as a member of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary. I have tried to determine what the courts have decided with respect to it. I have asked myself, How did the case arise?

I shall read from volume 353 of the U.S. Reports, October 1956, No. 2, page 586, the case of United States against E. I. du Pont & Co. et al. Appeal from the U.S. District Court for the Northern District of Illinois. The case was argued November 14, 1956, and decided June 3, 1957. I read from the syllabus:

This is a civil action brought by the Government in 1949 under section 15 of the Clayton Act to enjoin violations of section 7 of that act resulting from the purchase by Du Pont in 1917–19 of a 23-percent stock interest in General Motors. The essence of the charge was that, by means of the close relationship of the two companies, Du Pont had obtained an illegal preference over competitors in the sale of automotive finishes and fabrics to General Motors, thus tending to "create a monopoly" in a "line of commerce." After trial, the district court dismissed the complaint on the ground that the Government had failed to prove its case, and the Government appealed directly to this court. Held: The Government proved a violation of section 7; the judgment is reversed and the cause is remanded to the district court for a determination, after further hearing, of the equitable relief necessary and appropriate in the public interest to eliminate the effects of the stock acquisition offensive to the statute.

That happened in 1957. As I have previously said, the case arose in the U.S. District Court for the Northern District of Illinois. This is why I shall talk as a lawyer. I shall not talk about tax rates and tax differentials.

The suit was decided on June 3, 1957; but keep in mind that it was initially filed on June 30, 1949. Eight years had passed before there was a decision. Prior to June 30, 1949, there must have been a tremendous amount of work done on this case, perhaps involving several years and costing the Government of the United States thousands of dollars for investigation.

After 1949, an amendment was filed on June 28, 1952. Another amendment was filed on January 16, 1953.

After the decision of June 3, 1957, the case was returned to the district court for a determination of appropriate relief.

What happened when the case went before that court? The court began to consider, under the mandate of the Supreme Court, what it should do to give appropriate relief. It rendered a decision at that time which was taken again by the Government of the United States to the Supreme Court, and again the Supreme Court of the United States overruled the same district court. The Supreme Court again overruled the order of the same district court which has jurisdiction today. That order came in 1961. The issue is once again before that district court today.

What did the Supreme Court tell the district court to do? It told the court to advise Du Pont to begin to divest itself of its shares of General Motors stock. Those are not the precise words, but in layman's language this is what the Court ordered. In law, it is called divestiture.

Mr. GORE. Mr. President, will the Senator from Colorado yield?

Mr. CARROLL. I am happy to yield for a question, so long as I do not lose my right to the floor.

Mr. GORE. Is it not true that the Supreme Court of the United States not only ordered divestiture but also remanded the case to the trial court in Chicago, with instructions to that court to hear the proposals of the Du Pont Co. on the question of implementing the Supreme Court's decision, and to hear the Government on the subject of suggested amendments thereto or substitutes therefor; and then to give precedence on the calendar of the court for the entering of an appropriate order to implement the decision of the Supreme Court?

Mr. CARROLL. That is precisely the point I wish to make today. The Supreme Court of the United States has spoken. It has said to the lower court, in effect, "The Supreme Court of the United States on May 22, 1961, has ordered a complete divestiture by Du Pont of its General Motors stock within 10 years."

This is not an involved issue. The question of determining the method and procedure of divestiture is now before the lower court, and the lower court must enter its order of divestiture; its order to Du Pont to get rid of its General Motors stock. The question is, How shall that be done? The Supreme Court said in effect to the lower court: "In 60 days, call in Du Pont, and let Du Pont prepare its concept of the order or findings and conclusions, and then let the court examine them; and within 30 days thereafter the Department of Justice will present its concept of the order."

After the proposals are presented to the lower court—and perhaps not all Senators understand this point—the lower court, which has been hearing this case since 1949, will not have to proceed under any time limitation. That is to say, on October 2, when the Federal Government submits its request, after Du Pont has submitted its request, it probably will be January, February, or perhaps March before the Court will enter its finding; and there would be no violation of the spirit and intent of the Supreme Court's order if the lower court held the matter that long.

So what is the hurry for the enactment of the measure now before us? I shall be happy to yield to the Senator from Delaware or to any of the other great experts on the Finance Committee who may desire to ask about this issue; but at this time I ask why we should interfere with the judicial process of the Federal Government.

If the Court's order becomes operative in January, February, or March, is there any reason why the Congress cannot then examine the order and ascertain whether it is equitable and fair or whether it is inequitable and unfair and might cause an economic crisis? Why is an effort now being made to interfere, by means of the legislative process, with the judicial function? This is not the first time I have seen such an effort made. Such efforts have often been made, but they should stop.

Since we operate under a Constitution which provides for separation of powers, we should observe that principle. The executive branch began this lawsuit, and the suit was heard by the judicial branch. Congress enacted the laws which established the basis for the prosecution. It is the function of the executive branch to enforce the laws—the laws under which Du Pont was brought into court. The judicial branch interpreted those laws, and said to Du Pont, "Divest yourself of this stock." But while that procedure is in process, we are called upon, by means of a bill introduced in Congress, to take action

in the closing days of the session on a controversial and complex subject. Furthermore, if I have been correctly informed, this measure skidded through the other body in about 15 minutes, at about 8 p.m., when only a few Members were present.

Perhaps not many Members of this body have had the time and the opportunity to study this complex and involved measure. But I can say to the able Senator from Tennessee that after this case was called to my attention, I spent 4 or 5 hours, one afternoon, digging through the testimony taken before the House committee and the testimony taken before the Senate committee, and reading the decisions and the history of this litigation. In view of the workload and the pressure upon us in the closing days of the session, how would it be possible for Senators to devote sufficient time and study to this question? Even though I have a special interest in it, because of my service on the Judiciary Committee, I could not devote more than 5 or 6 hours to it, in order to ascertain the issues involved.

I say it is not sound legislative procedure and it is not in the public interest to have the Senate pass this measure under existing conditions. This is a measure which deserves the serious study of all Senators: it should not be hurried into law.

Mr. GORE. Mr. President, will the Senator from Colorado yield?

Mr. CARROLL. I am glad to yield for a question, provided I do not lose the floor.

Mr. GORE. Whose interest would be injured if the Senate should decline to legislate on this subject until after the Chicago court had rendered its judgment?

Mr. CARROLL. The only way we can protect the interest of everyone involved—including the public interest, and the interest and integrity of this body and those of the executive branch—is not to pass this measure at this time. Thus we can protect the rights of everyone.

Why should Members of Congress, who have been laboring for 10 months now, wish to go home, at the conclusion of this long period of work, to be subject to the charge that they had perhaps opened up a rich tax loophole, involving perhaps $130 million or perhaps $350 million? As Senators know various estimates have been made.

Mr. GORE. Is it not true that the revenue estimates made at the Senate Finance Committee hearings ranged from $133 million to $1 billion?

Mr. CARROLL. That is my recollection of the testimony. However, I do not know whether the correct estimate is $133 million or $350 million.

Mr. GORE. Who does know what the correct estimate is?

Mr. CARROLL. Exactly.

Mr. President, I have examined the hearings on this subject. The testimony shows that only Du Pont's proposal has been submitted to the Court. The Justice Department has not yet submitted its proposed amendments to the Court.

It has been reported that members of the executive branch of the Government believe this measure, if approved by the Congress would be considered by the Court as a legislative mandate. It is surprising that the executive branch has not spoken out forcefully against this amazing attempt to interfere with judicial procedure.

It is also interesting to point out that although the Supreme Court's decision did not reach its finale until May 1961, this bill has been under active consideration by both Houses of Congress for almost 2 years.

If the bill goes over until January, February, or March, I shall try to keep an open mind on this question. It is not my intention to have the stockholders or the company punished, because the Supreme Court has said this case was not one of willful violation; and it also has said that the function of section 7 of the Clayton Act is not punitive, but remedial. Under that act, the Court decreed that the Du Pont Co., must divest itself of this stock. Obviously, when there is a divestiture of 63 million shares of stock, unless it is handled intelligently, someone will be hurt. I believe there is enough intelligence among the Members of this body to enable them to see to it that a large number of innocent stockholders should not be hurt.

I must point out that of the 200,000 Du Pont shareholders—according to my information—173,000 own less than 100 shares each. That is the conclusion I have reached from the testimony. I know that Du Pont has shareholders in Colorado, and I know that General Motors has shareholders in Colorado.

I was delighted to learn the other day during the debate, the views of the able Senator from Tennessee—although it is true that the Senator from Delaware did not agree with him. However, as I recall, the Senator from Tennessee pointed out that if this measure were enacted, it would place the tax burden upon the shareholders, rather than upon the company.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CARROLL. I am happy to yield for a question, provided I do not lose the floor.

Mr. DOUGLAS. Is it not true that 29 percent of the stock of Du Pont is owned by the Christiana Corp., and this would be the equivalent of approximately 19 million shares of General Motors stock?

Mr. CARROLL. The Senator from Illinois raises one of the most important questions brought up in the debate, in my opinion. We must think in terms of what the Christiana Corp is. If my recollection serves me correctly—and I ask Senators not to hesitate to interrupt me if I am wrong—the Christiana Corp. is a holding company of the Du Pont family. I do not say it is entirely a family corporation, but at least large blocs of the stock of the Christiana Corp., are held by this family. I think the record will show that. Being a holding company, it owns 29 percent of the Du Pont stock. Owning 29 percent of the stock, it owns almost 20 million shares of the 63 million shares. Does the Senator from Illinois agree with me on that point?

Mr. DOUGLAS. Yes.

Mr. President, I ask unanimous consent that I may introduce and have printed in the RECORD a letter from Mr. Greenewalt, the president of the Du Pont Co. and a very honorable man, which gives the precise figures on this point.

Mr. CARROLL. I have no objection to the letter going into the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

E. I. DU PONT DE NEMOURS & CO.,
Wilmington, Del., September 17, 1961.

The Honorable PAUL H. DOUGLAS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR DOUGLAS: As a result of your inquiry, upon returning from the Senate Finance Committee hearing of Wednesday, September 13, 1961, I directed that a study be undertaken to determine the extent of ownership of Christiana Securities Co. common stock by the Du Pont family.

Estimates have been made on the basis of data that have been assembled.

We estimate that the family stockholders of Christiana comprise some 250 individuals who own approximately 9,180,000 shares of Christiana common, which is about 69 percent of the 13,248,640 shares outstanding. Only a small number of these people have any business connection either with the Du Pont Co., or with Christiana Securities Co.

I hope that this estimate will be of assistance in your deliberations on corrective legislation to meet the grave problem which confronts these people and more than a million other American citizens.

Sincerely yours,

C. H. GREENEWALT,
President.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARROLL. I yield for a question, provided I do not lose my right to the floor.

Mr. GORE. What are the conditions which this legislation proposes to relieve? Since the judgment of the Chicago court has not been rendered, since the plan of divestiture has not been ordered, how can the Congress know what conditions may need relief?

Mr. CARROLL. I repeat to the Senator from Tennessee—and this must be repeated and emphasized and reemphasized—the Congress cannot know, because it has no information. Actually, there is no precise way of knowing what form the court will order divesture. We have no way of knowing what the Department of Justice will present on October 2. All I can say to the leader in this fight, the Senator from Tennessee, is that if we enact this legislation, it will be a legislative mandate that will pull the rug out from under the Federal Government and let the Du Pont people write their own divestiture order. I say that is wrong, and we ought not to permit it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARROLL. I am happy to yield for a question, if I do not lose my right to the floor.

Mr. GORE. If it be ethical, if it be proper, if it be legal for the Congress to mandate a Federal district judge as to the terms of his order for divestiture in an antitrust case, cannot the Congress by the same principle and by the same

precedent—unfortunate though it may be—undertake legislatively to direct other Federal district judges as to the character of their judgments in other cases, such as bankruptcies, interstate commerce actions, tort actions, civil rights actions, desegregation cases, or criminal cases?

The able Senator has served as a U.S. attorney. He now serves as a member of the Committee on the Judiciary and as a member of the Antitrust and Monopoly Subcommittee. In his present capacity does he not now have an opportunity, and in his former capacity did he not have an opportunity, to observe the advisability of leaving the judges of our courts free from pressure so that they might render carefully considered opinions?

Mr. CARROLL. The able Senator from Tennessee is correct. This is one of the great pillars of our constitutional democracy. This is why we give to only one group of people in American Government lifetime tenure, so that they will be protected from political winds and pressures. Federal judges are supposed to be relieved from all the storms and winds which blow in political controversies.

As a member of the Committee on the Judiciary for a short period of years, I know the Congress has great power. I have seen Congress try to assert its power to repeal the appellate jurisdiction of the Supreme Court. It failed, but only after there was a great hue and cry from the country. I have seen Senators seek to cut through decisions of 100 years standing, in behalf of some specially favored legislation.

That is why I say to approve this proposal now is basically wrong. I wish to keep the record clear for myself in January or February, if the order should be entered and if I should see something unfair and inequitable involved. I have nothing against the Du Ponts. I have nothing against the stockholders of General Motors.

The nub of the problem is contained within the Christiana Corp. The able Senator from Illinois pointed out that this is a holding company of the Du Ponts. The Senator put a letter into the RECORD. The letter was from President Greenewalt to the able Senator from Illinois. Evidently the Senator from Illinois asked for some information about the Christiana common stock owned by the Du Pont family. President Greenewalt wrote to the senior Senator from Illinois [Mr. DOUGLAS]. He said:

> We estimate that the family stockholders of Christiana comprise some 250 individuals who own approximately 9,180,000 shares of Christiana common, which is about 69 percent of the 13,248,640 shares outstanding.

He also said:

> Only a small number of these people have any business connection either with the Du Pont Co. or with Christiana Securities.

This is all in the record. Nobody today knows what will be the Court order. What will Christiana do with the General Motors stock? Will it pass it through to its stockholders?

The essence of the prosecution by the Department of Justice can be stated in simple language. The essence of the charge was that because of the close relationship of the two companies, Du Pont obtained an illegal preference over competitors on the sale of automotive finishes and fabrics to General Motors, thus creating or tending to create a monopoly in the line of commerce. That was the basis for the prosecution. The Supreme Court sustained that contention.

What is the basic question? I do not wish to disagree with my friend from Tennessee, my friend from Illinois, or other Senators who have great technical knowledge about taxes. In my opinion the issue now before this body does not relate to tax relief. The issue is whether we shall sustain the prosecution and the finding by the Supreme Court, to permit a court to enter an order of divestiture.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARROLL. I am glad to yield for a question if I do not lose my right to the floor.

Mr. GORE. Has the Senator heard the junior Senator from Tennessee do other than to plead that the Congress should await the judgment of the court before rushing in either to prejudice the action of the court, to provide benefits for those who may not be entitled to benefits, or to provide relief for conditions about which we know little?

Mr. CARROLL. The able Senator from Tennessee has stated that over and over again. I have listened very carefully to his brilliant presentation. I am confident that his purpose was to show the motivation and intent behind the proposed legislation.

This relates not only to a divestiture but also, if there is a divestiture, to how much tax money will be involved. The issue will be raised later. No one can pass on that now for no one knows what directions the court divestiture order will make.

Why do I say this? Because not one of us knows what the court will do. The truth is that not a single one of us knows what evidence will be placed before the court. Only the Du Pont proposal has been presented. The Department of Justice, under the Supreme Court mandate, must make a proposal. We do not know what it will be. That is not due until October 2.

We are asked to give relief for what purpose? My sincere conviction is that the purpose is to force the court to shape an order to meet the demands of the people who have been required to divest themselves of stock. I say this is contrary to the public interest and is basically wrong.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CARROLL. I am happy to yield for a question, if I do not lose my right to the floor.

Mr. MANSFIELD. I wish to make an announcement.

Mr. CARROLL. I yield.

ORDER FOR SESSION TOMORROW TO CONVENE AT 11 A.M.

Mr. MANSFIELD. Mr. President, the Senate previously agreed to assemble tomorrow at 9 a.m. Prior to the time that I asked for the previous order, I had promised a Senator that the Senate would not come in until 12 o'clock because of a death in his family. I ask unanimous consent to change the time at which the Senate will convene tomorrow from 9 a.m. to 11 a.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I express my regrets to the Senate for the inconvenience I may have caused.

Mr. JAVITS. Mr. President, I express my appreciation to the Senator. I am the Senator to whom the Senator from Montana is referring.

TRANSPORTATION OF DISTRICT OF COLUMBIA SCHOOLCHILDREN

During the delivery of Mr. CARROLL'S speech,

Mr. MORSE. Mr. President, if the Senator will yield so there may be a recitation of the understanding between the Senator from Delaware and myself regarding the District of Columbia bill, which the Senate passed, but as to which the Senator from Delaware has filed a motion to reconsider. We are getting some material which the Senator may want to examine before he decides whether or not to press his motion to reconsider. I have just talked to the staff members about it. I feel it would be highly desirable, if possible, to get this little bill cleared tonight, but if the Senator from Delaware should desire to press his motion to reconsider, I will take my chances tomorrow and not press for action tonight. I wanted the Senator from Delaware to know that I think, from the standpoint of the House, that it would be desirable for him to indicate whether he will withdraw his motion to reconsider. If he does, the bill, having already passed the Senate, will go over to the House.

The PRESIDING OFFICER. Does the Senator yield to the Senator from Delaware?

Mr. CARROLL. I yield without losing my right to the floor.

Mr. WILLIAMS of Delaware. After examining the information to which the Senator has referred, I will be able to give him a better answer.

Mr. MORSE. I apologize that the Senator does not have it. It should have been here before now. It is coming from the Government offices downtown.

BERLIN AND THE UNITED NATIONS

Mr. GOLDWATER. Mr. President, a great many Americans were profoundly disturbed over the weekend at reports that American policy with regard to Berlin had changed officially from one of firmness to one of conciliation and concession. As we all know, the reports originated in Berlin and were variously attributed to off-the-record statements by Gen. Lucius D. Clay, President Kennedy's personal representative, and other unnamed Government officials. One characteristic of the reports was their unanimously specific nature. They all

said that U.S. officials were advising West Germany that East Germany is a fact of life which is going to exist for many years and that the West Germans must face up to letting the Communist regime share some power over access to Berlin.

Quite understandably, these reports caused a commotion throughout Germany. Many West Germans have, for some time now, harbored a fear that the administration's determination to enter into negotiations with the Russians would pave the way for Western concessions. And I would say this is a perfectly legitimate fear. Any time diplomats begin talking of negotiations in a Soviet-created situation where there is nothing to negotiate, I claim that is the time for the defenders of freedom to become wary.

Now, Mr. President, in the present situation, the administration has gone to great lengths to deny that there has been any change in U.S. policy with regard to Berlin. But, I suggest the question is not whether there has been any change in our policy. The grave question confronting the West Germans as well as the American people right now is whether there will be a change in our policy if and when negotiations get underway.

It seems very strange to me, Mr. President, that a man of General Clay's experience could have made a slip of the tongue which could be so widely misinterpreted in the press. Several explanations offer themselves and of these, I would say the most likely is the most unpalatable. That is that the U.S. officials in Berlin were floating a trial balloon to test the reaction of West Germany on the possibility of concessions. Now, I suggest that it is time for us all to consider whether the reports emanating from Berlin last Friday were part of a carefully mapped plan to "soften up" the West Germans and the American public for future eventualities. If this is the case, the great issue comes down to what our policy in the future is intended to be. If this is not the case, we can only indict General Clay for an ineptitude which is completely out of character.

Mr. President, I did not like the tone of those reports for a very important reason. The whole idea that some Communist objective is "a fact which must be faced up to" is a technique of appeasement which we are hearing too much of these days from people in responsible positions. It is, for example, along the same line as the argument that the admission of Red China to the United Nations is "inevitable" and, for that reason, we should sit back meekly and accept it as such. It also smacks of the arguments that we have heard to the effect that Laos is so far gone along the Communist route that there is no point in trying to save it. It also sounds like those arguments we hear about the Castro regime being a disagreeable fact of life which we will have to accept for fear of losing face in Latin America and Africa if we take effective action.

Mr. President, more and more we seem to be being conditioned for the argument that the world is being remade in the Communist image and that we must learn to live with it. This is sheer nonsense. We do not have to accept Communist conditions, whether they be in Berlin, Laos, or Cuba, merely because they exist and might require some determination and risk to overcome. We do not have to yield to Communist demands unless we lack the will to oppose them. Regardless of how our officials may appraise the situation, I know for sure that the American people have the will and the determination and the desire to stand up to the Communists.

But what can they think of our official attitudes when the majority leader of this body suggests on a nationwide television show that India's Nehru be promoted by the United States as a candidate for the secretary generalship of the United Nations. Mr. President, I can think of no one less suited to Western purposes in the United Nations unless it be China's Mao or Russia's Gromyko. At the very best, India's Nehru is a professional neutral. And if the officials of this administration have not wised up to the phony stance of the so-called neutrals in this world situation after the disgraceful Belgrade Conference, I doubt if they ever will. Putting Nehru in the job Dag Hammarskjold once held, I suggest, would be worse than accepting the Russians troika plan. At least under the troika setup we would have a veto working for us. With a wishy-washy neutral like Nehru, who always manages to see some good in all nefarious Soviet moves, we would be virtually helpless. The cause of freedom would go down the drain and with it the hopes and aspirations of people all over the world. Mr. President, I sincerely hope that the Senate majority leader was not speaking for the Kennedy administration when he suggested Nehru as our candidate to head the United Nations. It is unthinkable and the American people would never stand for it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. MANSFIELD. I believe that once again the RECORD ought to be made clear as to what was said on the program yesterday relative to my suggestion which the distinguished Senator has mentioned. The questions were asked by Mr. McIntire, a radio commentator for the ABC network in Washington, and the answers given were as follows:

Mr. MCINTIRE. Senator MANSFIELD, what if the United Nations should incorporate the troika principle? What do we do vis-a-vis our relations with the U.N.?

Senator MANSFIELD. Well, I think we ought not to make a decision now. We ought to face up with it. We ought to fight the application of the troika principle. We ought to come forward with the name of some outstanding world leader who could take over for Dag Hammarskjold, and I would suggest offhand that a man like Mr. Nehru of India would be the type for consideration, and I cannot see the Soviet Union in its advocacy of the troika principle going against a man of the stature of Nehru to head an organization of that kind.

Senator DIRKSEN. Let's talk about this solo principle and substitute solo for troika, one for three, and then we will have what we ought to have in the United Nations.

Senator MANSFIELD. And that is what we believe in.

When I left the studio I was called by the UPI, I believe, about the statement. I said, "Yes, that is what I said." In addition, another man of outstanding character and ability who should be given consideration would be the President of Mexico, Adolfo Lopez Mateos, a man who, I think, is a real statesman, and who has represented his country in this hemisphere extremely well.

As the Senator has indicated, I am sure that he certainly does not favor the troika principle, even though there is a veto attached to it. I am sure that he understands that whoever is Secretary General would not act on his own initiative but would act under the orders of the Security Council and/or the General Assembly.

I believe we ought to emphasize a continuation of the solo principle, as it is called by my distinguished colleague, the minority leader, the Senator from Illinois [Mr. DIRKSEN], because, as the President pointed out today, even if the United Nations had a troika, one man must drive the troika if it is to function.

I do not have as bad an opinion of Mr. Nehru as does my friend from Arizona, because I recognize the difficult position in which Mr. Nehru is. I have some ideas of the problems which confront him in the subcontinent which is India. I believe that Nehru is a man basically friendly to the West, but torn by the fact that he has on his frontier a country like Red China, which has made incursions into the area known as Ladakh, a part of Kashmir, which both the Pakistanis and the Indians are arguing over; that the Chinese have made penetrations of a kind into the so-called northeast border area, and that they have made noises indicating that they had intentions in the areas of Sikkim, Bhutan, and even Nepal. I am sure that the Senator from Arizona would like to see a continuation of the one-man principle, even if we may disagree on a man like Nehru. If it were a man like Adolfo Lopez Mateos I would not disagree.

Mr. GOLDWATER. Had the distinguished majority leader mentioned the name of the President of Mexico yesterday, instead of the name of Mr. Nehru, I would not be making these remarks this afternoon. I know the President of Mexico quite well, and I have great regard for him. I believe that the selection of a man from one of the Latin American countries might be a very wise selection.

I agree completely with the majority leader that we should maintain single control. I admired his stand yesterday on the television show, which prompted these remarks, when he spoke against the troika plan. I was also glad to hear the President of the United States say this morning that he would oppose it. I was quite disturbed, however, that a man like Nehru, a professional neutral, had been suggested. Had Adolfo Lopez Mateos' name been mentioned, I question whether I would be making these remarks.

Mr. MANSFIELD. I appreciate the Senator's viewpoint. I point out that

perhaps we could refer to Dag Hammarskjold as a professional neutral also, because it was his purpose and his job to bring about an amelioration of conditions which divide nations. Being the kind of man he was, a man of neutrality, a man of understanding, he gave his life to the cause.

Mr. GOLDWATER. I would not compare Hammarskjold with Nehru. True, one might consider Mr. Hammarskjold a neutral, but his neutrality was expressed more by a general effort to bring nations together, and he gave his life for this cause. My fear of Mr. Nehru is based partly on his inability to decide where he should stand, although recognizing that he has problems close to his country that we do not know of. Nevertheless, I do not have the confidence in him that the distinguished majority leader has.

Mr. MANSFIELD. Insofar as our country is concerned, I believe we ought to recognize that what may be developing in Asia is perhaps a battle between two ideologies, Communist China on the one hand and India on the other. Which country do we want to have succeed? Which country do we want to have given primary consideration on the Asian continent? I think it is obvious. Certainly not Communist China.

Mr. GOLDWATER. I agree with the majority leader.

Mr. GORE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. GORE. I am not sure that my distinguished colleagues have accurately described the late Dag Hammarskjold when they referred to him as a neutral. Of course, this term may mean one thing to some men, and other things to others. The term "neutral," it seems to me, has come to mean to a great many people an unprincipled fence sitter. I never regarded the late Mr. Hammarskjold in that light. He may have been an impartial administrator, but certainly one could never refer to him as an unprincipled neutral, that is, a neutral without principle and without courage to back a principle. It seems to me that neutrality means more—if it has a real meaning—than a do-nothing, a say-nothing, one who is frightened to take a position. That is not neutrality. That is nihilism. That is nothingism. That is nothingness. Mr. Hammarskjold was a man of conviction, a man of dedication to principle. He administered fairly. Sometimes we did not agree, but I think on the whole the judgment of his performance is that he was an impartial administrator of the principle of collective security.

Mr. GOLDWATER. I agree that the choice of the word "neutral" was probably improper. However, it was not my choice. The majority leader spoke of him as a neutral. I tried to qualify that a bit, but I think my friend from Tennessee has qualified it as it should be, and I thank him for it.

Mr. GORE. I acknowledge that it depends upon the meaning and the context in which one uses terms. Many terms, such as "peace," "democracy," and "people's republic," have been warped by Communist propaganda in recent years. To some the word "neutral" has a connotation which I do not believe befits the character, career, and performance of the late Dag Hammarskjold.

Mr. GOLDWATER. I thank the Senator for further qualifying the term, which was not applied by me but by the distinguished majority leader, who, I think, would accept the qualifications of the Senator from Tennessee, as I do.

THE USE OF ATOMIC WEAPONS IN DEFENSE OF BERLIN

Mr. GOLDWATER. Mr. President, there was one encouraging report in the morning papers. And that was the statement by Attorney General Robert F. Kennedy that there "is no question" but what his brother, President Kennedy, would order the use of nuclear weapons if they are essential to save West Berlin's freedom. Why it took the New Frontier so long to reassure the American people on this score I do not know. And, I am led to believe it might never have been done if our distinguished colleague from Maine, Senator MARGARET CHASE SMITH, had not so ably presented the need for such a declaration on the part of our Government in her speech last week. In fact, it might be fair to say that it took the courage and forthrightness of the lady from Maine to drag the New Frontier kicking and screaming into an attitude of nuclear reality with regard to Berlin. I believe all of us in this Chamber, as well as all of the American people, owe Senator SMITH a vote of gratitude and appreciation.

Mr. President, in connection with the furor caused in Berlin over the statements purportedly made by General Clay, I should like unanimous consent to insert in the RECORD at this point two editorials from the Chicago Tribune. The first one was published September 24, and is entitled "Munich, 1961"; the other was published September 25 and is entitled "Ineptitude as Policy."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Chicago Sunday Tribune, Sept. 24, 1961]

MUNICH, 1961

Dispatches from West Berlin during the last 24 hours suggest that the contest with the Kremlin is all but over, that Mr. Kennedy is prepared to capitulate to Khrushchev, and that another Munich is just around the corner.

The reports originally were ascribed to "an authoritative U.S. source" or "good authority." They disclosed that the U.S. Government "has taken a fresh approach in German affairs." The approach was outlined at a reception for Gen. Lucius D. Clay, newly arrived in West Berlin as President Kennedy's personal representative. The West Berlin press names Clay himself as the source.

In essence, the approach implies de facto recognition of the Soviet puppet regime in East Germany, with which Khrushchev proposes to sign a peace treaty. The West German Federal Republic, which has refused to acknowledge this Kremlin invention, is being urged by the United States to accept the East German Communist slave state as a fact of life.

Not only is West Germany to deal with this Communist satrapy as a sovereign equal, but it must prepare itself, along with the United States and the Western Allies, to concede to East Germany the right to control access to West Berlin. This control over communications would extend to checking the identity of people coming into Berlin by air as well as by road and rail.

Implicit in this particular concession is acknowledgment of the right of the East German Communists to turn back anyone they choose, with the possible exception of members of the token allied garrisons in West Berlin.

There are hints of still further concessions to the Communists. One is the denuclearization of West German armed forces, which have tactical nuclear weapons, though the warheads are under American control. West Germany views this measure as an evidence of Western intention to reduce it to second-class partnership in the North Atlantic Treaty Organization.

The outline of the proposed Western retreat has produced a violent reaction among West Germans. Mayor Brandt of West Berlin has warned the allies not to seek to evade their responsibilities to West Berlin. He said the passivity of the allies when the Communists sealed off the eastern sector of the city with a wall August 13 has provided a regrettable demonstration that the allies are not able to take care of the rights and responsibilities for Berlin as a whole.

With pointed reference to reports that Americans are willing to accept internationalization of Berlin, according to Khrushchev's prescription, Brandt said that the danger here was that the Russians, while keeping East Berlin closed off, might seize the opening to reinstate themselves as the fourth power in West Berlin. Khrushchev has said that if West Berlin is converted into a free city, Soviet troops would join American, British, and French garrisons there as a "protecting" force.

The implication of the new Berlin approach, which reports suggest may be traced directly to the White House, is potentially disastrous. It accepts what the United States has never been prepared to grant—that East Germany is a legitimate government, not a country under Soviet occupation. By extension, the doctrine amounts to informing all of the captive peoples in Soviet Eastern Europe that they have been abandoned by the West and must reconcile themselves to a future in which no liberation is possible.

To West Germany the new policy represents a crushing defeat. Hope for the reunification of the whole of Germany is endlessly postponed. West Germany is to be denied adequate means to defend itself. The status of West Berlin as an integral part of West Germany is fatally impaired. West German statesmen and citizens may travel there only on East German Communist sufferance. When the Western Allies assent to similar regulation, they embrace the possibility that they will be forced out of West Berlin and that the city will die of Communist strangulation.

In combination, these dispositions could cause such disillusionment as to throw West Germany into the arms of Russia. There have been continuing Soviet suggestions that Germany turn her back on her unreliable Western partners and join Moscow for what Stalin in 1949 called great actions of world significance.

We have expressed our fears again and again that British pressure would bring about a German sellout. With that prospect looming, if ever there was a time when Congress should stay in session, it is now. If it carries through its resolve to adjourn this week, it will have abandoned its responsibilities. There are men of courage and principle in both Houses who will fight under a dif-

ferent banner than the umbrella of appeasement.

President de Gaulle of France warned the other day that, in yielding to Communist demands, we run the risk that after taking our hat, they will want our coat, shirt, skin, and finally our soul.

What is the end? Is this the way the world of liberty dies—not with a bang but a whimper?

[From the Chicago Daily Tribune, Sept. 25, 1961]

INEPTITUDE AS POLICY

The more that is learned about General Clay's statement in Berlin, the more apparent it becomes that, for sheer ineptitude in the management of foreign affairs, the Kennedy administration has had no equal in living memory.

General Clay is no jackanapes like Jack Paar to exploit the tension in Berlin for the greater glory of hair tonic and himself. The general has earned a reputation for sagacity. He has had many dealings with the Russians, knows how rapacious they are, and knows also that in negotiating with them it is folly to expect good will.

Any poker player knows that you don't continue to pour money into the pot only to throw in your hand. Yet that is exactly what General Clay has done in the diplomatic poker game. For our part, we can't escape the conclusion that he said exactly what he was instructed to say in exactly the circumstances outlined for him.

It is easy to see why he was chosen for this distasteful job. He is esteemed by the West Germans and there was reason, therefore, to think they would accept the bitter truth from him with better grace than from some other spokesman for the United States.

General Clay let the world know where Mr. Kennedy really stands. The word came at a reception for about 100 newspapermen, including influential German publishers. He spoke off the record and strictly not for attribution, but no one in his right mind supposes that there is such a thing as a secret after it has been confided to 100 men stone sober to say nothing of 100 men some of whom no doubt were tolerably well plastered.

The Kremlin must have known who was the author of General Clay's remarks within an hour of the time he made them. The only influence that might have deterred Khrushchev from pushing his Berlin policy to the limit was the possibility that President Kennedy might resist it with all the force that the United States commands, including our atomic arsenal. General Clay's statement has gone further than necessary to remove all such risks from the Russian calculation. The administration has given Khrushchev the green light.

And that isn't by any means the full measure of the administration's folly. In the diplomatic poker game we held some high cards. One of them was the hatred of bolshevism by the people of West Germany. Another was the equal or greater hatred of bolshevism by the people of East Germany. Still another was the hatred of bolshevism by every satellite nation in Europe.

Khrushchev had reason to fear that if revolt broke out anywhere—in East Berlin or anywhere else within his empire—he would have his hands full and the trouble might spread before long to Russia itself. The wall dividing the two parts of Berlin was intended not only to keep the East Berliners from fleeing to the West but also to keep West Berliners from coming to the aid of their brethren on the other side of the wall should they undertake to free themselves from the Communist yoke.

These counters on our side have now been thrown away without obtaining even the slightest concession from Khrushchev. To call this kind of diplomacy inept is to flatter it, but in its ineptitude it does not occupy a unique spot in the Kennedy chronicle. It takes its place in the procession which is headed by Laos and the Bay of Pigs and includes such stupidities as the performance of Paar and his soubrette in Berlin.

The failures of Mr. Kennedy's diplomacy do not seem to distress him greatly. On the weekend during which General Clay's statement was breaking the spirit of our friends behind the Iron Curtain, President Kennedy had as his houseguest that great statesman and thinker, Frankie Sinatra.

Congress, as we said yesterday, should remain in session in Washington. We know how keen is the desire of the Members to go home after a grueling winter, spring, and summer in Washington; but if Congress adjourns there will be no authority in Washington to guard the public interest against this most inept of administrations, demand explanations, and insist on being heard.

Mr. GOLDWATER. I apologize to the Senator from Colorado [Mr. CARROLL] for taking longer than I had intended, but when one enters into a discussion like the important discussion the Senator is engaging in, one is bound to raise certain points.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CARROLL. I yield to the Senator from Minnesota with the understanding I do not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. The administration did not need to have the Attorney General make clear what the Government would do in fulfilling its commitment, even though the Attorney General did it very well on the radio-television program.

It has been quite clear for anyone who wanted to have it clear and wanted to understand that the President and the responsible defense officials of this country were prepared to use whatever force was necessary to fulfill our treaty obligations and to protect and defend this country.

I commend the President for not running around like a town crier or a messenger saying every other day to the Soviet Union exactly what it could expect in terms of weapons. Mr. Khrushchev knows who has the weapons; he knows what we have and he knows what they have.

We hear a great deal of talk about what we would do and what we would not do. We have heard it over the years. The previous administration made it quite clear in a conference with Khrushchev that we would never use nuclear weapons first. It was not this administration that did that, and the Senator from Arizona knows it.

I believe the President of the United States, Mr. Kennedy, has made it crystal clear for all who wanted to hear, and who did not want to take partisan advantage, that this country was prepared to use whatever force was necessary for the purpose of our defense and our security.

The President also recognizes that it is folly to have a defense system based entirely upon massive weapons. Therefore he has attempted to bring some balance back into our Defense Establishment by modernizing our conventional forces.

That principle has been endorsed by a number of reputable organizations and a large number of qualified, experienced persons in the field of national security.

I heard the speech of the distinguished senior Senator from Maine [Mrs. SMITH]. It was a good speech, but I do not believe there was a single new thing in it.

The President has had the leaders—and both of us are sitting here—to the White House, when we have sat down with responsible officers of the Government. The President has made crystal clear what we were willing to do and what we would do, and what weapons would be used. However, I do not think it makes the case any stronger to publish it in bold headlines in the newspapers. There has been much publicity on the subject of defense; but what the President of the United States has tried to do has been to substitute materials and weapons for publicity. I think he has done a very good job.

Mr. GOLDWATER. I am glad to have the reaffirmation of the Senator from Minnesota concerning the President's stand. I do not speak now in a partisan way. We must speak up when we are concerned about what we believe is a drift in the direction of our defenses or offenses.

I have been very much concerned about the emphasis on conventional weapons. I am the first to recognize that we should have a greater mix; that we should have conventional weapons; but that we should not exclude nuclear tactical weapons in our rush toward the conventional type. This has been my only concern. The Senator from Minnesota and I engaged in a colloquy on this subject several months ago.

Mr. HUMPHREY. That is correct.

Mr. GOLDWATER. I am glad to hear a spokesman of the opposition state that the term "conventional weapons" includes certain nuclear tactical weapons. I am very fearful that if we say we shall use only conventional weapons, and convey the feeling that the conventional weapon is the World War II-Korea type weapon, we shall not be working to our best advantage.

I am happy to hear the administration's position stated time and again. I think it is wise that we engage in these colloquies, so that we can bring out what the determination of the administration is.

Mr. HUMPHREY. I am sure the Senator is a man well informed on these questions. I respect his qualifications and his long experience in problems of defense. He is an officer of the U.S. Air Force. He is one of the Senate's able, distinguished, and honored officers.

Every Member of this body knows that the United States has prepared itself with tactical nuclear weapons. Every Member of this body who wants to know, knows that our ships at sea, our planes in the air, and our troops in the field are properly armed with the weapons which are necessary for the defense of this country. However, that is something I do not believe the President needs to reiterate every day or every week.

When Joe Louis was world's heavyweight champion, he did not walk down the street saying, "I can lick you." He did not go down the street flexing his muscles and saying, "Feel this arm." He did not have to.

Mr. GOLDWATER. Most people knew he was strong.

Mr. HUMPHREY. They knew he was strong. His silence and composure were two of his great assets.

President Kennedy has not substituted press releases for the Nation's defense and security.

Mr. GOLDWATER. When Joe Louis was in the ring, and his adversary was known to him, he had a great mix of lefts and rights, and he knew when to use them. He was not timid about using them, as many of his opponents learned in the ring.

Mr. HUMPHREY. He did not exactly write a description of the fight before it started. That is exactly what some Members of Congress always seem to desire. They ask, "Where do you think we ought to attack? What weapons ought we to use? Where should we move next?" That is the most foolish way I can think of to conduct foreign policy.

Mr. GOLDWATER. I do not think anyone has ever suggested that. We desire to have frequent statements by Senators like the distinguished Senator from Minnesota [Mr. HUMPHREY] supporting the President. That is exactly what we need. We do not care whether Mr. Khrushchev hears them or not. We want to be confident, if we become engaged in a conflict over Berlin—and we pray we will not—that we will have the weapons which the Senator describes and will have the determination to use them.

Mr. HUMPHREY. Premier Khrushchev did not give us any choice. Khrushchev said in the very beginning, with respect to Berlin, that if anyone had any doubts about whether a power struggle could be handled by what are called conventional activities or weapons, he ought to disabuse his mind of it. That is why some of us have been so deeply concerned about the tragic situation over Berlin.

Today we heard the President of the United States speak to the United Nations with moving eloquence and determination when he said that the choice before us is either to have this planet actually become a fireball, destroyed by nuclear war, or to have it become a planet which can be made a better place in which to live through arms control, economic development, and the many other processes and programs which he advocated.

There are none so blind as those who will not see. There is no way in which those who are always in doubt can be convinced. The President of the United States is the Commander in Chief of this country. Everyone who wishes to know can know that the country is prepared to use whatever power is necessary to defend itself. That is what the Senator from Arizona believes; that is what the Senator from Minnesota believes. On this point we agree.

We do not help our case by denouncing or undermining the Prime Minister of India. I do not ask the Prime Minister of India to engage in a sort of pat-me-on-the-back U.S. policy. I expect the Prime Minister of India to do one thing, namely, to take care of India. If he will take care of India, he will be performing a greater service for the United States than will all of the other leaders who come here and say nice things when they are here, but then do not take care of their own countries.

Leaders from throughout the world have said that they are our political friends. They say the sweetest things which we in America like to hear. They tell us how big we are, how rich we are, how strong we are. Then they have rebellions at home which throw them out of power; or they end by being hanged, as happened to some of our allies in Turkey a while ago; or they end by being banished from their countries, as Syngman Rhee was exiled from Korea. Many people have told us the pleasant things we wanted to hear, only to learn that they had no support at home.

Prime Minister Nehru, in India, is a democratic leader—with a small "d." He is devoted to the principles of democracy in his own country. India has free speech and a free press. Mr. Nehru, in India, has taken stern measures, as stern as the Senator from Arizona would want, against subversion in his own country and against Communists in India. More Communists are in jail in India than in any other country I can think of, except Russia. In Russia the Communists are locked up if they happen to disagree with the boss in power.

Mr. GOLDWATER. I suggest to the Senator from Minnesota that we are operating on the time of the distinguished Senator from Colorado.

Mr. HUMPHREY. He has plenty of time.

Mr. GOLDWATER. The Senator from Minnesota may like Mr. Nehru. That is his prerogative. I do not happen to believe that Mr. Nehru is accomplishing for his people what the Senator from Minnesota believes he is accomplishing. If this man were doing more for his own people, I might be more entranced with him. I do not expect anyone chosen for the position of Secretary General to forget his own nationality.

Mr. HUMPHREY. I believe there are many men in the world who could be Secretary General, but at this time there is only one man who can lead India. India's independence and security today are vital to the United States of America. I would rather have India, with her 375 million population, with her vast treasure house of resources, as a free and independent nation, occasionally saying something we do not like or occasionally doing something we do not like, than to have India as a hunting ground for Communist China, and soon to be brought within the Communist empire. The day India goes Communist, that day the balance of power will forever be lost to the West.

Mr. Nehru is needed in India. He is not needed nearly so much as Secretary General.

Mr. GOLDWATER. The Senator from Minnesota relieves my mind greatly. I am not campaigning for Mr. Nehru as Prime Minister of India. I lived for a while in India. I know the wants of those people. I know that what the Senator from Minnesota says about those people is true. I should like to see the time come in my life when the people of India will live better lives. I am not arguing about the Senator's position with respect to the people of India. That would be like someone asking me about the race for Governor in California. I could not care less.

Mr. HUMPHREY. What does the Senator from Arizona think about it?

Mr. GOLDWATER. Shall we go into that question?

Mr. HUMPHREY. I should like to get the Senator's opinion on that question.

Mr. GOLDWATER. The only thing I am convinced of is that Governor Brown will be retired.

Mr. HUMPHREY. We could move into this subject.

Mr. GOLDWATER. He may come to the New Frontier, because the only requirement to get into the New Frontier is to have been a failure as a Governor.

Mr. HUMPHREY. The best requirement to get into the New Frontier is to have been a success as a Senator. The Senator from Arizona might even make it.

Mr. GOLDWATER. Oh, no. Every time I am tempted to look over at my good friend from Minnesota, I say, "Oh, no."

Mr. HUMPHREY. The Senator knows that if I could not make it, there is no hope for him. I appreciate that.

Mr. GOLDWATER. Absolutely.

Mr. HUMPHREY. But to return to the more serious matter—although I appreciate this slight diversion, and it is one of the charming attributes of the Senator from Arizona—my only point is that we should not be supercritical of the leaders of other countries when they are attempting desperately to keep their countries free and to give greater strength to the economy of their countries and to remove from their people the terrible burdens which have rested on them for years.

I consider Nehru one of the truly great leaders of nations in the world. I wish he would be a little more pleasant on occasion to the United States. But I think it most important that India be free and independent, rather than to have Mr. Nehru give us a friendly pat on the back and act like a kissing cousin. I do not think we need that. We need statesmen of the caliber of Mr. Nehru, who is leading his own country as it progresses as a free and democratic institution.

THE DU PONT STOCK DIVESTITURE CASE

Mr. CARROLL. Mr. President, the debate by the Senator from Minnesota and the Senator from Arizona has been most stimulating, but it is a far cry from the Du Pont stock divestiture case. The Senator from Delaware has accused me of conducting a filibuster. I do not want the Senator from Arizona or the

Senator from Minnesota to be charged with joint responsibility in that connection.

The Senator from California [Mr. KUCHEL] and other Members are waiting to transact important business, and the hour is late. So I wish to conclude very quickly.

My remarks today have not been against the Du Pont Co. or against the Senator from Delaware or against any other member of the Senate Finance Committee. I have been discussing, as a lawyer, what I consider to be the principal issues involved. Certainly it is not considered proper to provide relief to a litigant before a court enters its order; and no order has been entered in this case.

On September 1, Du Pont filed with the Court a proposed divestiture order—merely a proposed order, to give the Court the benefit of its opinion.

On October 2—a date not yet reached—the Department of Justice will file its proposed divestiture order. No one knows yet what that proposed order will provide; and sometimes I wonder whether the Department of Justice itself knows what it will provide. Certainly the Treasury has not indicated what it prefers. I make no criticism, but I do point out that this does not give the Congress the material with which to legislate intelligently.

However, after the Department of Justice files its proposed order on October 2, the Court will not be subject to a time limitation in regard to the entering of its stock divestiture order. All the Supreme Court said was that the lower court should consider the matter as one of major import. The lower court could take 60 days, 90 days, or 6 months. But 90 days after the lower court files its final order, the divestiture is to begin. Certainly if that divestiture order does not suit the Du Pont Co., the order will be appealed to the Supreme Court; and if the lower court goes too far—as it has done on two occasions—certainly the Department of Justice should appeal to the Supreme Court.

So why cannot we be patient, sensible, and intelligent, and wait? If we do, no one will suffer.

So I urge Senators to let this matter go over until next year; and then we can take another look at it.

Mr. GORE. Mr. President——

Mr. CARROLL. I yield, if I do not lose the floor. But I have about concluded.

Mr. GORE. Who could possibly be hurt by awaiting the judgment of the Chicago court, unless it be someone who, by means of this bill, would get something to which he would not be entitled?

Mr. CARROLL. I can assure the Senator that no one would be hurt; but someone could be greatly benefited by means of this measure, if the Senate were thus to interfere with the judicial machinery, where it has no business being. In my opinion, at this time and I want to emphasize, at this time, this measure is special-favor legislation.

Mr. GORE. Mr. President, will the Senator from Colorado yield further?

Mr. CARROLL. I am glad to yield for a question.

Mr. GORE. Is not this to be the largest single distribution of corporate assets which has ever occurred in the history of the world?

Mr. CARROLL. That is my understanding, from reading the record. But to phrase the matter a little differently, and to try to be as impartial as possible, let me say that never before has there been an antitrust case of this nature and of such gigantic size. Consequently, the problem is very great, and the decision in regard to how to handle it properly and with fairness is most difficult to arrive at.

The other day I heard a statement, here on the floor, which implied that the Democratic Members of Congress are against business. However, that is not so. We are attempting to proceed under the statutes. As the Supreme Court has said, the fact that someone may be injured by the decision should not affect the Court's decision.

Of course this is a case of great magnitude; and I venture to assert that at this time, in the closing days of this session, there are not more than 15 Members of this body, other than the members of the Finance Committee, who have studied this case carefully. It is a very involved tax case and financial case which has great economic implications.

Therefore, Mr. President, we should take our time in connection with it. It may be that in February or March the able Senator from Tennessee [Mr. GORE] will say, "After studying the Court's order, it is clear that special legislation is needed."

But in any case, let us wait.

Mr. GORE. Have I not said privately to the Senator, and has he not also heard me say publicly, on the floor of the Senate, that when the equities or the inequities—as they may appear from the decision—are known, I shall be ready and willing to give full and careful consideration to a bill to relieve such inequities as there may be?

Mr. CARROLL. Yes, and there is not the slightest doubt in my mind that the able Senator from Tennessee feels that way. He has spoken to the point. As a matter of fact, in almost his opening statement in the debate on this issue, he said this is a premature bill, and it should not be passed at this time.

Mr. President, I have developed that point; and I have tried to show the tremendous amount of work done by the executive branch on this case. Over a period of perhaps 15 years, the action on this matter has proceeded from the executive branch to the lower courts, then to the Supreme Court, and then back again, and I have pointed out that this bill has been shuttled about in Congress for some years, in an attempt to provide relief before the final judgment is entered. I have said we should not do that. That is why I have spoken today.

Mr. President, I yield the floor.

FEDERAL-STATE WATER RIGHTS PROBLEM: THE NEED FOR A LEGISLATIVE SOLUTION

Mr. KUCHEL. Mr. President, I send to the desk for appropriate reference a bill which I hope and believe will be a first step in achieving a fair and reasonable solution to a problem which many millions of my fellow citizens in California and other States regard as deterring—if not, indeed, preventing—maximum development of our water resources. I ask unanimous consent that the text of my bill be set forth in full at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, will be printed in the RECORD, as requested.

(See exhibit 1.)

The bill (S. 2636) to provide that withdrawals or reservations of public land shall not affect certain water rights, introduced by Mr. KUCHEL, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. KUCHEL. Mr. President, I refer to the troublesome, complex, complicated, and controversial problem of the sometimes conflicting jurisdiction, rights, and responsibilities of the individual States, on the one hand, and that of the Federal Government on the other, with respect to what law should govern the development, appropriation, and use of the waters within State boundaries: Whether we should follow the historic, time-tested principles that State law should control within the borders of a State, or whether we follow a new, regrettable trend toward centralism with an ill-defined concept of Federal paramount rights superseding local self-government in such matters?

A FIRST STEP PROPOSAL

At my request, the chairman of the Senate Committee on Interior and Insular Affairs arranged for hearings on June 15 and 16, 1961. In these 2 days of productive hearings, we attempted to elicit from both the executive departments and other interested parties a basis from which we could draft and introduce a reasonable, first-step bill in this difficult area of State-Federal relations. It appeared at that time that the executive departments, particularly the Department of Justice, might continue the spirit of cooperation which prompted the Departments of Defense, Justice, Interior, and Agriculture to agree to the so-called reservations bill in 1958. I regret that to date a similar bill has not been recommended. Thus, I am introducing a measure today which I hope will be discussed within the coming months and carefully considered by the executive departments during the congressional recess. When Congress again meets in January, I would hope that we could move ahead on the basis of the proposal I have offered.

As I have suggested, the legislation I am proposing at this time would not, in my considered judgment, be a final solution to this long unsolved and growing problem. But I hope it would be

a first step, a trailblazing step, toward a workable solution.

The basic principle and text of the measure was recommended by the executive branches of the Federal Government in 1958, and I have added certain clarifying and perfecting amendments, the desirability of which developed during the exhaustive hearings by the Committee on Interior and Insular Affairs in June on Federal-State water rights.

RIGHTS OF BOTH STATES AND UNITED STATES PROTECTED

Under this reservations bill, Congress would declare, on behalf of the Central Government, that the mere fact that an area of land within a State had been reserved by one of the administrative branches of the Government for one purpose or another, such as establishing a gunnery range, for example, does not negate, suspend, or nullify State water law, and water resource development under it, in that area.

The basic purpose of the proposed legislation is clearly and succinctly stated in the first sentence of the first paragraph of the first section. It would provide:

> The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation.

Other sections of the bill protect fully the rights and prerogatives of the Federal Government, and carry out the purpose of the bill, as stated in the provision just quoted.

The changes in the bill I am introducing from the administration drafted and sponsored measure do not, I believe, go at all to the substance of the proposed legislation. I would add paragraphs (2), (3), and (4) to section 1, and a new section, section 3.

The new paragraph (2) would merely declare by statute that which is already true factually; namely, that in the rivers of the West, the use of the waters for navigation is subordinate to uses for irrigation and other domestic purposes. The Flood Control Act of 1944 states this fact with respect to federally constructed projects for flood control and navigation generally; and on the Interior Committee we have written such a provision into irrigation and reclamation bills on a project-by-project basis. There is sound reason why the principle should become general law.

PRINCIPLE OF RECLAMATION LAW EXTENDED

My paragraph (3) is derived from sections 7 and 8 of the Reclamation Act of 1902. The provision has worked very well indeed, without any hardship or derogation of the rights of the Federal Government with respect to reclamation projects for some 60 years now.

It has stood the test of time and experience, and there is no reason it should not become general law. The provision would not deny the United States any power it now has to acquire rights other than by State law; but the provision does say that when the United States claims a water right under State law, it shall follow the administrative procedures established by the State.

My addition to the administration bill set forth in paragraph 4 of section 1 contains two provisions. One is to recognize the right to compensation of rights in waters, whether navigable or nonnavigable, if they are recognized by the State. This is the point made by the general counsel of the Federal Power Commission in our Interior Committee hearings this June, and I thought it was one of the most constructive statements that has appeared in any hearings on this subject. Mr. John C. Mason, the general counsel, indicated, and I think he is right, that the recognition of the compensability of rights taken by the United States or its licensees would remove a very high percentage of the area of friction in water rights relationships.

COMPENSATION A BASIC ISSUE

Nobody denies the right of the United States to build works or to take property, real estate, water rights, or whatever, in aid of constitutionally authorized projects. The only question is whether it is going to take them with compensation or without compensation.

Once the principle of compensability is established, 95 percent of the conflict disappears. Compensability does not, in most instances, add any appreciable cost to a Federal project. By "appreciable," I mean in terms of percentage.

On the Central Valley project, for example, my recollection is that out of a total cost of some $500 million, only about $5 million had been spent for the acquisition of water rights; and in the Gerlach—*U.S.* v. *Gerlach Live Stock Co.* (339 U.S. 725 (1950))—case only a few hundred thousand dollars was involved.

Compensability would remove much of the problem before us.

INITIATION OF JUDICIAL PROCEEDING REQUIRED

The second clause of this proposed paragraph 4 relates to the manner in which the United States shall take, that is, by eminent domain, as provided in section 21 of the Federal Power Act, and not otherwise.

The intent, here, is to negate, as to water rights, the asserted power of the United States to take without first initiating judicial proceedings, that is, by what is called inverse condemnation. Inverse condemnation is not a new principle. In some respects, it is highly equitable.

But with respect to water rights, the difficulty is that this technique has been developed and used by the Department of Justice in several instances in which the water user never knew that anything was being taken from him.

Water rights operate at a distance, both as to time and place. When the gates of Friant Dam were closed and water below that was shut off from time to time, did the United States thereby take, without any notice to the downstream user that it intended to make a permanent taking? If the Federal Government took the water that would have reached the downstream user in August, is that notice that forever after he is going to be restricted to the water that happened to reach him in that particular month of that particular year, even though in other months in the year, or even in August of another year that was wetter, he received all the water he wanted?

It seems highly equitable that if the United States is to take any water rights, which are a kind of real property, it should go through the ordinary condemnation processes. It gets immediate possession, and then tries out the value of what is taken before a local court.

Section 21 of the Federal Power Act is a very liberal provision which allows the licensee to condemn either under Federal law, if there is one applicable, or under State law. Section 21 has been construed in the case of the *City of Tacoma* v. *Taxpayers of Tacoma* (357 U.S. 320), as being applicable even against State-owned property; so that the Federal licensee or the United States, in proceeding under section 21, has ample powers.

This matter of inverse condemnation is one of the sore points in the Government's dealing with the western water users.

WAIVER OF SOVEREIGN IMMUNITY

Section 3 of my bill is new. It would amend section 208 of the act of July 10, 1952, the so-called McCarran Act, by deleting from subsection (c) of that section 208 the following:

> Nothing in this Act shall be construed as authorizing the joinder of the United States in any suit or controversy in the Supreme Court of the United States involving the right of States to the use of the water of any interstate stream.

The effect of that clause, that sentence, in the existing act, is to make impossible the litigation of the very cases that require resolution in the courts. It is generally true that most of the streams in which the United States is interested are interstate.

But that whole subject matter, which must involve a suit by one State against another in the original jurisdiction, is now withdrawn by the effect of the act of 1952. I think the principle of consent to suit should be made general. The Congress should grant such general consent, not any individual officer, such as the Attorney General.

BILL RECOMMENDED BY PRIOR ADMINISTRATION

Mr. President, as I stated, this bill is generally the measure drafted and recommended in 1958 by all of the executive agencies of the Federal Government concerned with water resource development, and transmitted to the Congress by the Department of the Interior. It had been drafted at the request of the Interior and Insular Affairs Committee as an acceptable substitute—a substitute acceptable to the executive branch of the Federal Government, that is, to the so-called Barrett bill, S. 863 of the 84th Congress, popularly called the western water rights bill.

I ask unanimous consent that the letter from the then Secretary of the Interior, Hon. Fred Seaton, transmitting the text of the reservation bill as a substitute for the Barrett bill, S. 863, 85th Congress, be set forth in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 13, 1958.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: This letter is in response to your request for a report on S. 863, 85th Congress, a bill to govern the control, appropriation, use and distribution of water. The Department of the Interior adheres to the position it has taken generally and consistently, as expressed earlier in our letter of March 20, 1956, favoring the enactment of such legislation.

Our departmental experiences in varying programs of development and conservation of water resources have encouraged us to support as a national policy matter proposals to extend to other executive departments and agencies congressionally prescribed policies requiring cooperation with States and adherence to State practices. Those departments and agencies admittedly have different functions and duties resting, in most instances, on constitutional powers other than those on which the programs carried out by Interior are based.

Notwithstanding these dissimilarities, an earnest effort was made over a period of months to find language agreeable to the various executive departments and agencies concerned with uses of water resources which would afford adequate protection to Federal interests yet grant the 17 reclamation States the desired statutory assurances of the integrity of the water rights of their people. The main problem was to agree on language which would give this assurance of the integrity of western water rights notwithstanding adverse implications arising from the Pelton case (*Federal Power Commission* v. *Oregon*, 349 U.S. 435 (1955)), and thereby also curtail any further extension of the so-called Federal reservation theory. In so doing it was essential also to protect legitimate Federal interests and vital Federal programs.

The result has been a modification of the approach proposed by the sponsors of S. 863. This modification which we submit for your consideration admittedly is more limited than the comprehensive measure now before the committee. It nevertheless constitutes a major step toward assurance of the integrity of existing rights to the use of water in the reclamation States. This compromise draft, stated in the form of a single limited proposition and followed in section 2 by pertinent reservations, follows:

"SECTION 1. The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation.

"SEC. 2. Nothing in this Act shall be construed as:

"(a) Modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law, to the extent that such provisions are otherwise applicable.

"(b) Permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States.

"(c) Affecting, impairing, diminishing, subordinating or enlarging (1) the rights of the United States or any State to waters under any interstate compact or existing judicial decree; (2) the obligations of the United States to Indians or Indian tribes, or any right owned or held by or for Indians or Indian tribes; (3) any water right heretofore acquired by others than the United States under Federal or State law; (4) any right to any quantity of water used for governmental purposes or programs of the United States at any time from January 1, 1940, to the effective date of this Act; or (5) any right of the United States to use water hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future Act of Congress or State law when such right is initiated prior to the acquisition by others of any right to use water pursuant to State law."

You will observe that this draft is devoid of caption, title, preamble or statement of purpose, popular name title and other desirable legislative embellishments.

Section 1, as we have already indicated, is intended to curtail any possible extension of the so-called Federal reservation theory. The main issue raised by section 1 is intended to be one of congressional policy in the exercise of constitutional powers. In this connection it may be pertinent to observe here that a constitutional grant of power carries with it all auxiliary and implied powers necessary to its legislative effectuation or its successful invocation or application. Further, the supremacy clause of our Federal Constitution interposes the national power to protect an authorized activity as set forth in, or as sanctioned by, the Constitution of the United States, the laws made in pursuance of the Constitution, or the treaties of the United States.

Under the language proposed and with respect to the Federal Power Act, a State still could not, under the doctrine of the New River case (*U.S.* v. *Appalachian Electric Power Co.*, 311 U.S. 377 (1940)), and the Red River case (*Oklahoma ex rel. Phillips, Governor* v. *Guy F. Atkinson Co., et al.*, 313 U.S. 508 (1941)) license a dam on a navigable stream or its tributaries contrary to that act. Nor could a State, under the doctrine of the First Iowa Co-op case (*First Iowa Hydro-Electric Cooperative* v. *Federal Power Commission*, 328 U.S. 152 (1946)) and the Pelton case (*Federal Power Commission* v. *Oregon, supra*), prevent the issuance of a Federal license.

The legislative assurance of the integrity of western water rights contained in section 1 does not jeopardize the national defense or other national interests. Probably no other combination of powers vested in Congress even approaches in scope the aggregate often referred to as the War Powers. Article I, section 8 of the Constitution empowers Congress to "provide for the common Defense and general Welfare of the United States" (cl. 1); "declare War" (cl. 11); "raise and support Armies" (cl. 12); "provide and maintain a Navy" (cl. 13); "make Rules for the Government and Regulation of the land naval Forces" (cl. 14); "repel Invasions" (cl. 15); and "make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof" (cl. 18). Other constitutional powers are available to protect other national interests.

Section 2 of the draft consists of rules or limitations on the construction of section 1 and also carries restrictions on the general application of the act. They are intended primarily to forestall possible attempts to circumvent section 1 and thereby upset existing rights, obligations, or programs. At the same time, they leave the way open for future acquisitions of rights and legislative adoption of programs by Congress. Briefly stated, they are:

1. The numerous provisions of Federal law which Congress over a long period of time has enacted requiring noninterference with State, territorial, or local laws in the acquisition of rights to the use of water are not to be construed as modified or repealed by this act. This includes, of course, section 8 of the 1902 Reclamation Act, the pertinent provisions of the Flood Control Act of 1944, and other similar provisions of Federal law. Among other things, it also negates any inference that in protecting uses of water which may be lawfully initiated under an act of Congress, Congress thereby will be deemed to intend that existing statutory provisions requiring noninterference with State law shall be superseded.

2. Interference with existing international treaties of the United States by appropriations of water pursuant to State law is not authorized. A treaty commitment dealing properly with matters of international concern is a Federal obligation not within the control of any single State or any group of States. Such a commitment is part of the supreme law of the land, any State law to the contrary notwithstanding, and it is subject to such action as the Congress or the Nation may take for its enforcement, modification, or repeal.

3. Rights of the United States or any State to waters under an interstate compact or judicial decree are to be neither enlarged nor impaired by section 1. Consent of Congress to a compact is cast in the form of statutory approval, subject to Presidential veto, and within the fundamental rule that one Congress cannot irrevocably bind a subsequent Congress to its enactment. Nor can Congress, by compact or delegation, divest itself of powers conferred by the Constitution, so as to preclude further congressional action involving the exercise of those constitutional powers. The Federal Government may participate in the compact in many instances if it chooses. It should be noted in this connection, however, that any invocation by Congress of constitutional powers in connection with a compact, a treaty, or by way of amending existing statutory law must take into account vested rights which may have accrued under that compact, treaty, or the amended statute.

4. The obligation of the United States to Indians or Indian tribes, especially those claimed obligations now in litigation, remain unaffected, and rights held by or for Indian tribes are not to be impaired, diminished, or enlarged by section 1. This provision, it may be noted, is in harmony with variations of language found in interstate compacts relating to water rights of Indians and Indian tribes. An attempt was made in this instance to select language which would take into account the final Ahtanum decision (*U.S.* v. *Ahtanum Irrigation District*, 236 Fed. 2d 321 (1956), cert. den. 352 U.S. 988 (1957)) and would leave unaffected current issues before the Indian Claims Commission and the courts.

5. Water rights heretofore acquired by others than the United States pursuant to Federal law or under State law will not be impaired by operation of section 1. The same may be said of rights acquired in territorial periods prior to the granting of statehood to Territories under Federal enabling legislation.

6. Water rights problems arising as a result of water uses on Federal reservations after January 1, 1940, and prior to the effective date of this proposed bill, especially those which arose by reason of national defense activities, are left in the status quo. Thus, certain issues, such as those in litigation involving the Navy's ammunition depot at Hawthorne, Nev., must await judicial disposition by the courts, or legislative disposition by the Congress. In this connection, it should be recalled that substantial uses of water were made during this period by reason of our preparations for the defense of the Nation and our participation

in World War II. This proposal would preserve for possible future needs such rights to the use of water as may have been established in the United States by reason of those activities.

7. In connection with any project or program authorized by Congress in the future, this proposed act cannot be construed to curtail or foreclose the acquisition under proper legislative and constitutional authority of necessary rights to the use of water when such acquisitions will not divest others of rights acquired pursuant to State law. Uses established in the past or to be authorized in the future are not prejudged in this bill.

You will observe that there is a substantial degree of correlation in this modified proposal and important elements of S. 863. First, it will be noted that past and future Federal withdrawals and reservations shall not prejudice beneficial uses initiated under State laws. Second, the applicability of section 8 of the 1902 Reclamation Act and related laws are preserved across the board, so to speak. Third, impairments or diminutions of Federal, State, or international rights under applicable interstate compacts, treaties, or judicial decrees are foreclosed. Fourth, the protection of rights of Indians and Indian tribes is assured. All of these principles are embodied in S. 863.

We do not believe this modified proposal can impair Federal functions and programs because immense constitutional powers vested in Congress, including those relating to national defense and war, are always available for national use. Thus, Federal interests can be readily protected at the same time rights vested under State law are assured.

We are authorized to state that the Department of Justice, Department of Defense, Department of the Interior, Department of Agriculture, and the Bureau of the Budget concur in submitting this proposed substitute language for the consideration of your committee. We will be pleased to furnish such further information and otherwise render such assistance as you may desire in connection with this matter.

Sincerely yours,

FRED A. SEATON,
Secretary of the Interior.

Mr. KUCHEL. Mr. President, as I stated, I have delayed introducing my present measure until this time in the hope that the executive agencies of the present administration might see fit to follow the admirable example set by their predecessors in office and come up with similar recommendations for legislative action in this Congress that would constitute at least a step forward in solving some of the problems presented by Federal claims to ownership of all unappropriated waters in my State of California and other States based on Federal ownership of vast areas of public lands in my State and other States of the West.

THE NEED FOR ACTION

As a result of the hearings on Federal-State water rights held by the Senate Committee on Interior and Insular Affairs last June at my request, and in view of the report of the Senate Select Committee on National Water Resources, on which I had the honor to serve as vice chairman, there was, to my mind, at least, a firm basis for such hope—a reason to believe that the problem had been made clear, and that the need for action had been made equally clear. In a speech I made in the Senate on May 26, 1960, prior to either the Federal-State water rights hearings or the select committee's report, I tried to point out the need and urgency for such action.

At that time in discussing the Barrett and similar bills, which would have declared the rights of the States to control, under their own laws, the use of waters within State boundaries, I said:

I do not want the States to hamstring the Federal Government in its constitutional sphere of activities in the conservation and development of our land and water resources. But neither do I want the Federal Government to hamstring our States in their efforts to respond to the needs, present and future, of their citizens, in accord with local conditions and local needs, and in their efforts to use for the highest public good waters within their borders.

The executive branch categorically opposes these proposals. But I submit this opposition by one branch of the Government is no reason why the Congress should not face up to the problem and fashion legislation which would end the constant unrest and uncertainty as to water rights between the several States and the Federal Government.

I then went on to say:

Mr. President, time is running out. My purpose in addressing the Senate is to voice the urgent need for congressional action. These legislative proposals form the basis on which we can take constructive action. As I say, the principles they set forth are valid. They preserve to every State of these United States its historic—and constitutional—right to use the waters within its borders as its own people determine to be in their own best interests. They also protect the interests of the Federal Government in its constitutional sphere.

However, this administration has not seen fit to approve affirmatively even the reservation bill so carefully worked out by the Departments of Justice, Interior, Agriculture, and Defense, and the Federal Power Commission in the previous administration. Nor has this administration advanced any new or constructive ideas of its own to solve the conflicts, actual and potential, between the Federal Government and the States over water resource development. Nevertheless, inadequate as I believe this measure to be to solve the basic problem, I am introducing it as one small step forward.

BASIC GOALS

Mr. President, I hope that I have made plain my own sincere convictions that the measure I am sponsoring is not the final solution to the problem. Personally, I much prefer the general goals of several earlier and more comprehensive measures. These proposals sought:

First, to remove clouds on water rights previously vested under the laws of the 17 Western States;

Second, to provide for the future acquisition, under State law, of rights to the use of all unappropriated waters;

Third, to provide adequate protection for Federal interests in the use and development of such waters.

The proposed legislation would have attained these purposes by having Congress declare that all unappropriated waters, whether ground or surface, nonnavigable, are available for appropriation under State laws. Federal agencies and permittees, licensees, and employees of the Federal Government would be required to acquire property rights to the use of water under State law in carrying out Federal water uses. All existing rights of third parties under State or Federal law would be protected, including Indian rights.

What is wrong with these basic policy goals?

Nothing is wrong with these goals. I had always assumed they were well recognized by the Constitution and the whole evolution of Federal-State responsibilities in this country. I had thought these goals were achieved for generations. These goals are in the public interest.

The only thing wrong with these goals is the lack of affirmative response from some of the executive agencies.

In order that the executive agencies' position may be clear, I ask unanimous consent that the report of the Department of Justice on the Barrett bill, dated March 19, 1956, be printed in the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

JUSTICE DEPARTMENT'S REPORT ON BARRETT BILL OF 1956

DEPARTMENT OF JUSTICE,
Washington, D.C., March 19, 1956.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request dated March 5, 1956, for the views of the Department of Justice concerning the amendment to be proposed by Senator BARRETT to the bill, S. 863. Under the proposed amendment, the bill would be entitled "A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, use, or distribution of water within their geographic boundaries, and for other purposes."

The proposed legislation would be cited as the "Water Rights Settlement Act of 1956." After a detailed recital indicating that the security of prior rights to the use of water acquired under State law for beneficial purposes is threatened by the exercise by the Federal Government of its rights to the use of water in those States lying wholly or in part west of the 98th meridian, the purpose of the proposed legislation is stated in the last sentence of section 2 as follows: "Because of the fact that previous acts of Congress have been and may be interpreted with respect to these States so as to cast clouds on such prior rights and to interfere with the future orderly development of water resources in accordance with the foregoing declaration, it is the purpose of this act: (1) to remove any such clouds; (2) to provide for the future acquisition of unappropriated waters, navigable and nonnavigable, in compliance with State laws; and (3) to provide adequate protections of the Federal interests to the end that the Federal Government may perform its functions in a manner consistent with the foregoing purposes."

This Department questions the validity of the assumption underlying the statement of policy that Federal activities in the Western States involving rights to the use of water threaten the security of prior rights acquired under State law or cause undue interference with such rights or with the orderly acquisition of such rights in the future. If there are instances in which either public or nonpublic investments in water resource developments have been jeopardized by the National Government in the exercise of its powers and authority under the Constitution, they are indeed rare.

Passing over without further comment the statement of policy considerations, it appears that the effect of the legislation would be to subordinate substantially all Federal rights to the use of water in the West to the laws of the States and the rights of those claiming under State laws and to completely subject the National Government in this field to control and regulation by the States. That this effect is inconsistent with, and, in the present form of the bill, at best renders uncertain of accomplishment, the declared purpose "(3) to provide adequate protections of the Federal interests to the end that the Federal Government may perform its functions in a manner consistent with the foregoing purposes" is apparent from the following considerations.

Section 5 of the proposed legislation would provide that: "In the use of water for any purpose in connection with Federal programs, projects, or activities no Federal agency or employee of the Government shall interfere with the exercise of any right to the use of water for beneficial purposes heretofore acquired under and recognized by State custom or law except when expressly authorized by law and upon payment of just compensation therefor: * * *." The full impact of this provision is difficult of comprehension. Questions of construction would be innumerable. It is conceivable that rights "heretofore" acquired under and recognized by State custom or law without recognition of prior vested rights of the Federal Government not based upon State law would be held superior to the Federal rights. There are presently pending in the courts numerous cases involving that precise situation. A conceivable construction of section 5 is that it constitutes a relinquishment by the United States of America of its vested rights to the use of water in every instance when an appropriator under the laws of the State, asserting a right acquired prior to the date of approval of the legislation, claims adversely to the rights of the United States irrespective of relative priority. Under such a construction, the executive branch of the Federal Government would be precluded from fulfilling its responsibilities in connection with the development of water resources and the use of those resources if for no other reason than that the costs would be in many instances prohibitive. Beyond the question of the extent to which section 5 might conceivably be construed as subordinating reserved or other presently vested rights of the Federal Government not based upon State law to rights asserted under such laws, other impediments to performance by the Federal Government of its functions in water resource development are suggested. For example, the injunction against interference by Federal agencies or employees with the exercise of any right to the use of water heretofore acquired under and recognized by State custom or law might be construed as requiring water deliveries from the Colorado River for the satisfaction of all rights to waters of that river heretofore acquired under State law without regard to the feasibility of such deliveries unless express authorization for the taking of such rights by the Federal Government can be found in legislation. There is wide conflict between such possible construction of section 5 of the proposed legislation and the claims asserted by the several States included in the lower basin of this river in litigation now pending in the Supreme Court of the United States. A similar impact upon administration by the Federal Government of other great reclamation projects in the West is conceivable.

The devastating effects of the provisions of section 6 of the proposed legislation upon the performance by the Federal Government of its functions in water resource development and in the exercise of its rights to the use of water are even more readily apparent. These provisions, subject to existing rights under State law, purport to reserve for appropriation and use of the public pursuant to State law all navigable and nonnavigable waters, and would require all Federal agencies and all permittees, licensees, and employees of the Federal Government, as a condition precedent to the use of water for any purpose in connection with Federal programs, projects, activities, licenses or permits, to acquire the right to such use in conformity with State laws and procedures. The only exception to such requirements of conformity with State law relates to the storage and release of water solely for the prevention of floods.

The impracticability, if not the impossibility, of full compliance by the Federal Government with State laws in connection with interstate stream development is obvious. This applies not only to reclamation projects but as well to the use of water for power development, improvement, and control of navigation, flood control beyond the mere storage and release of water, pollution control, and other proper functions of the Federal Government in connection with the water resources of the Nation. That the necessity of complying with the varying and oftentimes conflicting provisions of the laws of the several States affected by any interstate stream project before such project might be undertaken seriously threatens the possibility of additional Federal projects on such streams appears clear.

This Department cannot, of course, state with certainty the interpretations which may be placed by the courts upon the proposed legislation. The best that can be done is through an analysis of the legislation to suggest what interpretations are reasonably conceivable. In this connection, it is conceivable that the provision of section 6 reserving for appropriation and use of the public pursuant to State law all navigable and nonnavigable waters might be construed as opening up for appropriation under State law the waters stored in Hoover Dam, Parker Dam, Davis Dam, Friant, Shasta, Grand Coulee, Elephant Butte, Fort Peck, Oahe, Garrison, Fort Randall and other similar projects without regard to the purpose of the project and was without regard to the authorizing legislation, existing Federal contracts, or other considerations.

Other equally undesirable consequences are perceivable through the interpretations which might be made of section 6. There is nothing in the proposed legislation which saves from the operation of that section present rights of the United States, with the exception of the provision of section 9 relative to the fulfillment of treaty obligations. The language of section 6 seems to require that in the future no Federal right to the use of water which is not already based upon State law may be exercised unless a right to such use is first acquired in conformity with State law relating to the control, appropriation, use, or distribution of such waters. Whether rights to the use of water for many purposes which are recognzed as being within the purview of the Federal Government can be acquired in conformity with State laws presents a serious question. The subject bill provides that rights to the use of navigable and nonnavigable waters for beneficial purposes shall be acquired under State laws relating to the appropriation, control, use, or distribution of such waters. Use for a beneficial purpose is a prerequisite to acquisition of a water right in those States following the system of prior appropriation. By definition what constitutes a beneficial purpose in a particular State would depend upon the law of that State. Many Federal uses are not recognized as being for beneficial purposes under present laws of all the Western States and many are not so recognized under present laws of any of those States. In this category are navigation; recreation purposes; conservation of fish and wildlife; maintenance of national parks, monuments, and scenic attractions; military purposes; and others. If a right to the use of water for any of such purposes could not be acquired in conformity with State law, the provisions of section 6 of the subject legislation would in effect constitute a prohibition against the continuance of existing and the initiation of future Federal activities within these areas, except as such prohibition may be held violative of constitutional provisions. It could be argued that Federal law recognizing the validity of such purposes in the field of Federal activity would have to be accepted as part of the State law relating to the control, appropriation, use, or distribution of water. Past experience indicates that this view would not be willingly accepted. The last proviso in section 6 does not preserve to the National Government the right to the use of water in the national parks and monuments. It merely prohibits others from acquiring the right to store or divert waters therein.

Beyond the question of the impossibility of acquiring rights under State law for many proper Federal purposes, reference is also made to the impracticability in numerous other situations of acquiring all necessary water rights in conformity with State law prior to proceeding with Federal projects. Attention is also directed to the fact that the bill would in effect delegate to State authorities control over the operation of all Federal "programs, projects, activities" requiring the exercise of rights to the use of water. Passing for the time the constitutional aspect of such a delegation, it is suggested that the infeasibility of turning over to authority other than the executive branch of the Federal Government the control of projects built at a cost of hundreds of millions of dollars contributed by the taxpayers of the entire Nation requires no further comment.

That the provisions of section 6 appear to expose to loss, through appropriation by others under State law, all presently vested rights of the United States to the use of water on the Government's military establishments, national forests, Indian reservations, national parks and monuments, and other reserved lands, except as the fulfillment of treaty obligations in connection therewith is involved, should be noted. Even if it were assumed that all affected Federal agencies would proceed immediately to attempt to perfect in conformity with State law the presently vested rights which would be so exposed, little imagination is required to envisage the flood of conflicting claims as to dates of priority which would ensue.

In the next preceding paragraph, an immediate attempt by all affected Federal agencies to perfect in conformity with State law rights presently vested in connection with reserved lands is assumed. If such attempts were not successfully consummated prior to the acquisition of rights by others in those waters which are now reserved by the National Government, or if filings already made thus become effective, liabilities of still another nature might be involved. For example, there are the rights of the Indians and Indian tribes to the use of water on their reservations which are not based on State law. If, as above suggested, such prior rights were lost as the result of the operation of section 6, an obligation to compensate the Indians in a very large amount might well be established. Although section 9 of the proposed bill would appear to eliminate from this particular consideration the Indian rights with respect to reservations established by treaty, there is nothing in the bill which saves the Indian rights stemming from executive action or otherwise.

Section 7 of the proposed bill is a waiver of immunity from suit which is broader than 43 U.S.C., 666. The latter permits the joinder of the United States as a defendant "in any suit (1) for the adjudication of

rights to the use of water of a river system or other source, or (2) for the administration of such rights * * *." Section 7(a) of the proposed legislation would permit the joinder of the United States as a defendant "in any suit relating to the control, appropriation, use, or distribution of water which is to be used for beneficial purposes * * *." Although this Department would vigorously resist in behalf of the United States such a contention, and there is doubt as to the constitutionality of the law so construed, it is conceivable that section 7(a) might be construed as authorizing injunctive relief against the United States when it is contended that the directions of the Congress to the executive branch of the Federal Government are not being carried out in conformity with State law. Without regard to the validity of such contentions in any such suit, it is readily discernible that such a construction of section 7(a) might well result in prolonged delays in the accomplishment of water resource development projects provided for by the Congress pending the outcome of such litigation. There is serious doubt whether the Federal projects, either now operating or authorized throughout the West, could have been possible under the provisions of this bill. The net result of a waiver of immunity from suit such as is here presented could be an abdication by the Congress to the judiciary of those powers relating to water resources which are delegated by the Constitution to the Congress and which that body has in the past jealously guarded.

Numerous problems of conflict between constitutional provisions and the provisions of the subject bill are presented.

One of these has to do with the provision of section 6 that all navigable and nonnavigable waters are reserved for appropriations and use of the public pursuant to State law. In several of the affected States, the common law doctrine of riparian rights is recognized in varying degrees. Is not the congressional purpose to make the law of prior appropriation exclusively applicable in all these States, without regard to riparian rights, an invasion of the reserved power of the States to control the non-Federal ownership and use of rights to the use of waters within their respective jurisdictions? It is doubtful that the opening language of section 6 making the provisions of the section subject to presently existing rights under State law overcomes this objection.

Another question with reference to the same language in section 6 is whether the Congress has the power, in the face of the commerce clause of the Constitution of the United States, to reserve for appropriation under State law all navigable waters in the western two-thirds of the Nation.

Brief reference has been made above to the effect which sections 5 and 6 would have of delegating to State control the administration and management of Federal projects and activities. It is further noted that these provisions would in effect delegate to State control those rights to the use of water which under existing law are property rights owned by the United States of America. It is believed that such delegation by the Congress to the States of the power to make "all needful rules and regulations respecting" those property rights of the Federal Government would be in contravention of article IV, section 3, clause 2, of the Constitution of the United States. It is also believed that for Congress to attempt to take from the executive branch of the Federal Government and invest in State authorities the power to make rules and regulations for or affecting control of the Federal properties involved in "Federal programs, projects, activities," including federally owned rights to the use of the water, would be in violation of fundamental precepts of constitutional law respecting the separation of powers. For under article II, sections 1 and 3, of the Constitution, the President is charged to take care that "the laws be faithfully executed * * *." Faithful execution by the President (through the executive departments and agencies) of all the laws of Congress relating to water resources in conformity to the laws of 17 different States would, it is submitted, be patently impossible. But in addition, the Congress is prohibited from assuming to itself executive functions. A fortiori it may not invest those functions in the States and their agencies over which it has no control. To bestow upon the States the powers of the President to "take care that the laws" relating to rights to the use of water are faithfully executed is contrary to the proposition that Congress can neither delegate its own powers nor enlarge those of a State.

A conflict between the purpose of the proposed legislation to make State laws relating to the use of water superior to all Federal law in that field and the provisions of article VI, clause 2, of the Constitution is also suggested.

For the foregoing reasons, the Department of Justice is opposed to the enactment of the bill.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

Mr. KUCHEL. Mr. President, again in the 85th Congress, the water rights bill was introduced. Some of us tried to obtain favorable action on it. Again the executive agencies, spearheaded by the Department of Justice, opposed. In response to the request, which some of us on the committee made for a bill that would be acceptable, the measure I am introducing today was drafted and submitted. As I have said, I regard it as but a first step.

FINDINGS OF THE SENATE SELECT COMMITTEE ON WATER RESOURCES

As one basis for my strong conviction of the need for congressional action, at least to clarify the certainly confused situation with respect to problems in the field of water rights arising from our unique Federal system, under which both our States and our National Government exercise sovereignty, I wish to cite the findings of the Select Committee on Water Resources.

As the members of the committee know, this select committee was established by Senate Resolution 48, 86th Congress. It was composed of 17 Members of the Senate from all sections of the United States—East, West, North, and South.

In the select committee's report, under a sectional heading entitled "Action Areas for Meeting National Goals," there is a subsection called "Clarification of the Federal Position in Connection with Water Rights." I quote a few paragraphs from the select committee's findings on this matter, beginning at page 65 of the report:

(c) Clarification of the Federal position in connection with water rights: With demand for water far outreaching increases in present sources of supply, conflicts between the States and the Federal Government over the control and use of water are growing sharper and more serious. The problem is a national one, but its threat is especially grave in the public land States of the semiarid West, where not only is water even more scarce than elsewhere in our country, but where Federal ownership of millions upon millions of acres of land give the Federal Government an asserted basis for claiming proprietorship, paramount rights, or title in fee simple absolute to all unappropriated waters in many of our States.

Inevitably, such sweeping claims by the Federal Government might retard State plans and projects for development of their own water resources to meet local needs and conditions for their own citizens in accordance with their own local law and customs. As a result, all of our people everywhere are the losers.

A few specific examples will serve to illustrate the danger. California, with its nearly 16 million citizens—to whom a half million more are being added each year—has a far-reaching State water resource development plan, estimated to cost $11 billion or more within the next 25 years.

Last November the voters of the State adapted a proposal to bond themselves in the amonut of $1,750 million to bring the waters of the Feather River from the northern to the southern part of the State over a transmission system hundreds of miles long.

At the very time this project was under consideration by the people of the State, the Federal Government asserted in a California court action that when the United States acquired the area that is now California, and five other States, under the 1848 Peace Treaty of Guadalupe Hidalgo which ended the war with Mexico, the Federal Government "became the owner of all lands and all rights to use water within the area. This ownership is still retained unless it has been divested pursuant to act of Congress. There has been no such divestment (*City of Fresno* v. *State Water Rights Board*, California Superior Court, Fresno County, No. 105245)."

This claim by the Federal Government, based on a 112-year-old peace treaty, of outright ownership over all unappropriated water in the State, is described by California officials as "casting a dark and ugly cloud over California's water development program." If this situation is to deter the development of California water resources or the development of the resources of any other State, this conflict must be cleared up and the Congress should take leadership in doing it.

Examples of the conflicts of Federal-State jurisdiction in the field of water abound. One arose in Iowa where a State law sought to prevent diversion of water from one river to another within the State but where a private utility, licensed by a Federal agency, contended it did not need to comply with the State law. The Supreme Court agreed with the utility's contention.

The Hawthorne case in Nevada represents a controversy between the Navy, occupying property in that State, and the State of Nevada over the applicability of a State law controlling underground water to a Federal military reservation. We make no comment on the validity of the Federal and State contentions.

We point to them simply to indicate our belief that what can be done to compose the conflicts in this field ought to be done by both the Federal Government and by the several States.

These cases mentioned briefly above are but a few specific examples of the ever-increasing conflict between the Federal Government and the States over water rights. As stated, such conflicts operate to the disadvantage of both, regarding the maximum development of water resources by the States.

RECENT FEDERAL ACTIONS DEMONSTRATE NEED FOR LEGISLATIVE SOLUTION

Mr. President, in my Senate comments on the subject of Federal-State water rights last year, I pointed out that the then proposed report of the Supreme

Court's special master in the case of Arizona against California would deny the 16 million citizens of California their long-recognized rights in the waters of the Colorado River, and also pointed out the grave implications of the sweeping claim asserted by the Department of Justice in the Fresno case to outright ownership by the Federal Government of all rights to all unappropriated water in California.

I regret to report that the fears I expressed in that speech have been shown to be only too well grounded. In May 1961, the Department of Justice filed a brief in the Supreme Court of the United States in support of the exceptions the Federal Government is taking to the special master's report in the Arizona against California case.

The master had found, and had recommended in his proposed decree, that water rights within a State under contracts entered into pursuant to the Boulder Canyon Project Act would be subject to the laws of the State. That is, in the words of the special master:

> State law governs intrastate rights and priorities to water diverted from the Colorado River.

This finding is from pages 216 and 303 of the master's report. But the Department of Justice has vigorously objected to such a finding and has urged that it be purged from the report and recommended decree. The Justice Department on page 32 of its brief asserts, as a general rule, the claim:

> The rights of landowners to receive and use the waters developed by a Federal reclamation project have been derived under and determined by contracts made with the United States in pursuance of applicable Federal law.

Again, on page 43 of its brief, the Justice Department asserts:

> The power of the Secretary to determine, without threat of veto by State authorities, the quantities and priorities of the water to be delivered is essential to efficient and effective operation intrastate as his power to select the persons to whom the water will be supplied.

Under this doctrine advocated by the Department of Justice; namely, that even the apportionment, priority, and use of an individual State's share of the waters of an interstate stream are governed by Federal law, not State law, what becomes of our historic American concept of local self-government?

FEDERAL-STATE COOPERATION

I submit, Mr. President, that such a doctrine does indeed cast what I have referred to previously as a "dark and ugly cloud" over the rights of a State in waters within its State boundaries. Inevitably, such a position by our National Government, in my view, is a deterrent to action by a State to develop its water resources.

I come from a State which is eternally grateful for the prodigious assistance the Federal Government has given us. Hoover Dam and the Central Valley projects are prime examples. My concern here is simply to remove roadblocks from maximum cooperation between the Federal Government and the several States. As I said last March in a talk I made to the California Municipal Utilities Association meeting in San Francisco:

> We are at the beginning of an era. I hope and believe, of genuine cooperation, both legally and physically, between the Federal Government and our State and local governments for the maximum development and use of our water resources in accordance with State and local needs and customers, and the desires of the people of California. At the same time, the Federal function and responsibility will be carried forward far more effectively.
>
> * * * * *
>
> This new approach will be, I hope and believe, one of greater recognition and greater respect by the Federal Government for the historic principle of local autonomy and self-government under which our Nation has grown great. At the same time, the State will recognize the responsibilities of the Federal Government under our constitutional system and have due respect for and appreciation of its role in water resource development.

I believe that my bill is a step forward toward realization of that goal.

Mr. President, so that the record might be complete, I ask unanimous consent that the reports from the Departments of Defense, Justice, and Interior on S. 851, the reservations bill of 1958 be included at this point in my remarks. I also ask unanimous consent to include the excellent statement made in June before the Interior Committee by the distinguished attorney and expert in water law, Mr. Northcutt Ely of Washington, D.C. I have adopted Mr. Ely's suggested amendments to the original reservations bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., July 15, 1959.

HON. JAMES E. MURRAY,
Chairman, Committee on Interior, and Insular Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to S. 851, 86th Congress, a bill "To provide that withdrawals or reservations of public lands shall not affect certain water rights."

Section 1 of this bill would provide that the withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation, nor shall it affect the right of any State to exercise jurisdiction over water rights conferred by the act admitting the State into the Union or the State's constitution as accepted by the act of admission. Section 2 of the bill would preserve certain rights of the United States and others as specifically set forth therein.

This bill is substantially in the same form as that submitted by the Secretary of the Interior in a letter to your committee dated May 13, 1958, as a substitute for S. 863 of the 85th Congress. In that letter the Secretary of the Interior advised that he was authorized to state that various executive departments, including the Department of Defense, concurred in submitting the substitute proposal to the committee.

The draft bill submitted by the Secretary of the Interior as a substitute for S. 863, was designed to provide "assurance of the integrity of western water rights." Accordingly, under the provisions of the draft bill, as well as under S. 851, withdrawals or reservations would not affect "any right to the use of water acquired pursuant to State law." However, S. 851 further provides that a withdrawal or reservation shall not affect "the right of any State to exercise jurisdiction over water rights conferred by the act admitting such State into the Union or such State's constitution, as accepted and ratified by such act of admission." This provision appears to go considerably beyond the purpose of the original draft bill, since it is designed to protect not only vested rights to the use of water but also State jurisdiction over such rights. Since in some cases the United States may, in the interest of the national security, require the use of water for a purpose which is not recognized as a beneficial use under State law, this language might conceivably be interpreted to preclude acquisition by the United States of essential water rights.

For this reason, the Department of Defense opposes the enactment of S. 851.

The Bureau of the Budget advises that there is no objection to the submission of this report to the Congress.

Sincerely yours,

_____,
General Counsel.

DEPARTMENT OF JUSTICE,
OFFICE OF THE
DEPUTY ATTORNEY GENERAL,
Washington, D.C., July 22, 1959.

HON. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: This replies to your request for a report on S. 851, 86th Congress, a bill "To provide that withdrawals or reservations of public lands shall not affect certain water rights."

On May 13, 1958, the Secretary of the Interior submitted to your committee a suggested draft of the text of a bill which had the concurrence of the Departments of Defense, Interior, Agriculture and Justice and the Bureau of the Budget. The Department of Justice adheres to its support of a bill like the draft set out in that letter of Secretary Seaton, copy of which draft is attached as annex A for ready reference. This Department was in fact instrumental in working out that language through several months of cooperative interdepartmental effort.

The clear objective of that proposal was (by section 1) to remove what some have considered to be the adverse impact of the Pelton case (*Federal Power Commission* v. *Oregon*, 349 U.S. 435 (1955)), upon the security of State, local and private development of water resources, while at the same time (by section 2) reasonably protecting legitimate Federal interests and vital Federal programs.

These observations are all directly pertinent to the greater part of S. 851 because, with the exception below noted, S. 851 appears to have been taken directly from the draft submitted last year by the Secretary of the Interior, as above mentioned.

Down to the comma after the word "reservation" in line 7, page 1, of S. 851, the first section of S. 851 is exactly the same as the first section of the May 1958 draft above mentioned. And notwithstanding minor formal differences (punctuation, numbering, etc.), the second section of S. 851 is substantially the same as the May 1958 draft (annex A).

However, in S. 851 a clause following the comma in line 7, page 1, and reading "* * * nor shall it affect the right of any State to exercise jurisdiction over water rights conferred by the Act admitting such State into the Union or such State's constitution, as accepted and ratified by such Act of admission." has been added as new matter.

With this clause contained in the bill, this Department would have to oppose it in its present form. There are substantial reasons why we cannot agree, as a matter of law, that "any State" has had "conferred" upon it "the right * * * to exercise jurisdiction over water rights" in the manner suggested by the language of the clause quoted. However, we do not press our views in this respect at this time further than to suggest very practical reasons why we believe your committee will wish to recommend amendment of the bill by deleting the clause in question.

If the effect of a State's admission to the Union (based on language of either the act of admission or its own constitution) has been such as that implied by the clause in question, it is fait accompli, and any new legislation on the subject is superfluous. But if, on the other hand, the effect of a State's admission was not such as that so implied, then the clause in question cannot make it so. Furthermore, the mentioned clause deals with an issue which is not germane to the rest of the bill and its inclusion could very possibly cause confusion and misunderstanding in the interpretation and application of any such legislation as a whole. Finally, the clause referred to could not, in any view, have effect or application in more than 3, more likely only 2, of the 17 so-called reclamation States. We therefore join the recommendation made by the Department of the Interior that this clause be eliminated.

We also share Interior's belief that the phrase "of the United States" should be inserted in subsection 2(3)(d) following the word "programs" (as it appears in subsection 2(c)(4) of the May 1958, proposal, annex A), thus making it beyond question that only Federal purposes and programs are referred to at this point.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely,

LAWRENCE E. WALSH,
Deputy Attorney General.

ANNEX A

SECTION 1. The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation.

SEC. 2. Nothing in this Act shall be construed as—

(a) Modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law, to the extent that such provisions are otherwise applicable.

(b) Permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States.

(c) Affecting, impairing, diminishing, subordinating or enlarging (1) the rights of the United States or any State to waters under any interstate compact or existing judicial decree; (2) the obligations of the United States to Indians or Indian tribes, or any right owned or held by or for Indians or Indian tribes; (3) any water right heretofore acquired by others than the United States under Federal or State law; (4) any right to any quantity of water used for governmental purposes or programs of the United States at any time from January 1, 1940, to the effective date of this Act; or (5) any right of the United States to use water hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future act of Congress or State law when such right is initiated prior to the acquisition by others of any right to use water pursuant to State law.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 17, 1959.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: This responds to your request for the views of this Department on S. 851, a bill "To provide that withdrawals or reservations of public lands shall not affect certain water rights." The language of this bill appears to be a modification of a proposal submitted in our letter of May 13, 1958, to your committee for its consideration.

The views of this Department in favor of legislation which would assure the integrity of water rights in the West are, of course, matters of documentary record. (See S. Rept. 2587, 84th Cong., pp. 26–31.) However, views stated on the earlier legislation, S. 863, 84th Congress, by various agencies and departments having varied programs and interests did not coincide in some instances. An earnest effort, accordingly, was made during the 85th Congress to reconcile divergent views and obtain an agreement on language which would grant desired assurances of integrity of rights to use water in the reclamation States yet protect also these varied Federal programs and interests.

The language ultimately agreed to by the interested departments and agencies, as we have indicated, was that submitted for the consideration of your committee in our letter of May 13, 1958. The Departments of Justice, Defense, and Agriculture, as well as the Bureau of the Budget, concurred in that submission. We adhere to the views expressed at that time and we continue to support the language as submitted. A copy of our earlier report is enclosed and we ask that it be considered as part of our comments on this legislation.

You will observe that the earlier report emphasized to a certain extent the negative aspects of the substitute language—that is, what it did not do or was not intended to do. It was thus pointed out that Federal interests and programs could be fully protected. Perhaps it would be helpful to note at this point some of the positive aspects, particularly those in the first section.

The primary objective of section 1 is to assure the integrity of property rights in the use of waters which may have had their sources on Federal withdrawals or reservations. The Desert Land Act already affords a similar assurance with respect to waters having their sources on open public lands. The result thus would be to preclude a possibility that the western economy, which is tied to water resources and their use, could be completely upset by future assertions of reserved rights.

The proposed assurance is retroactive as well as prospective. It is disjunctively granted in connection with Federal withdrawals or reservations "heretofore or hereafter established." This is further implemented by an assurance that any such withdrawal or reservation shall not affect any right to the use of water pursuant to State law "either before or after the establishment of such withdrawal or reservation."

With respect to the modifications mentioned in our first paragraph, we are particularly concerned with the meaning of the wording added to section 1 of the bill. It reads:

"Nor shall it [the withdrawal or reservation] affect the right of any State to exercise jurisdiction over water rights conferred by the Act admitting such State into the Union or such State's constitution, as accepted and ratified by such Act of admission."

This added language, we believe, would have very limited application. Be that as it may, there is no intention in the substitute proposal, as originally submitted for your Committee's consideration, to overturn or upset rights, if any, which may have been acquired, or which may have vested as a result of a congressional concurrence contained in an Admission Act. Accordingly, we believe that this amendment may increase possibilities of avoidable controversy without strengthening the bill and it should therefore be eliminated. We suggest that insofar as such admission laws are applicable, and insofar as rights may vest or may have vested thereunder, they are not affected, impaired, diminished, subordinated, or enlarged by this proposed substitute.

We believe the phrase "of the United States" should be restored to subsection 2(3)(d) following the word "programs," thus making it clear that Congress is legislating in this instance with respect to the Federal purposes and programs.

We have no objection to the insertion of the words "which is" in subsection 2(3)(e).

The Bureau of the Budget has advised that there would be no objection to the submission of this report to your committee.

Sincerely yours,

GORDON R. BENNETT,
Acting Secretary of the Interior.

STATEMENT OF NORTHCUTT ELY BEFORE THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, JUNE 15, 1961, RE FEDERAL AND STATE WATER RIGHTS PROBLEMS

My name is Northcutt Ely. I am a member of the law firm of Ely, Duncan & Bennett, with offices in the Tower Building, Washington, D.C.

I am appearing as an individual at the invitation of committee, not in a representative capacity, and what I say here represents only my own views.

I. WATER BUDGET

We are accustomed to saying that the water budget is one budget that has to be balanced: You can't print water and you can't borrow it. But the Nation's water budget, like its other accounts, is under inflationary pressures. In many areas we are consuming capital.

East of the 98th meridian the Nation's water resources are so great that they appear adequate to meet any foreseeable consumptive use requirements. Over 80 percent of the water diverted or withdrawn there is used by industry, and the most of that use is not consumptive. The problems are ones of geographic redistribution and of quality. Money can solve most of them. There is as yet no absolute ceiling on quantity in sight.

West of the 98th meridian an absolute ceiling on the water supply is foreseeable. The day will come in many areas and in a few decades when more money will not produce more water. It has been estimated that by the year 2000 the population of the Southwestern States will be such that the required withdrawals of water, by diversion or pumping, will require twice the estimated runoff and consumptive use requirements might equal the entire runoff, even if it could all be made available for use. Irrigated agriculture will necessarily be competitive with other uses.

We are witnessing one of the great migrations of human history. It is pouring into the driest quadrant of the American Nation. The southwestern deserts are filling up, and as people move there, they increase their per capita consumption. Peoples have migrated over the earth's surface in great numbers before, but seldom have they deliberately left humid areas and moved into the desert.

As our people have moved into these deserts, it is hard to say whether the development of the water supply has kept up with the population or the population has kept up with the water supply.

We should take note of three significant factors. The first is that most of this western development has been agricultural, giving rise to the assumption, until recently, that agricultural use is the most economic use of water; second, some five-sixths of this agricultural development took place under the control of the law of supply and demand, without Government subsidy; third, most of it took place more than a quarter century ago, when our stream hydrographs were necessarily short, and in many areas, as we now know, they encompassed only the wet phase of a long-range cycle.

The demand was agricultural, and the population pressure was rural and hence not intense. Even now, more than 80 percent of the West's use of water is agricultural, less than 15 percent industrial and municipal.

But this is changing. The easy projects have all been built. The new ones are extremely expensive and their water supply is frequently controversial. The human migration into the deserts coincides with the march of the deserts against man. This appears to be a dry phase of a long cycle, and the deserts are on the march. As the hydrograph lengthens, man's optimism shortens.

II. THE ROLE OF THE FEDERAL AND STATE GOVERNMENTS

There are two ways to balance any budget, water included. One is to increase the supply; the other is to limit the demand. The first is the popular one for all of us, whether in terms of money or water.

As one community after another builds up to the local waterline and must go abroad for more water, it needs money beyond its own resources, and it encounters political problems beyond its own jurisdiction.

These factors all work in favor of expansion of the Federal Government's role in development of water resources. Its jurisdiction transcends State lines, its pocketbook is deep.

The demand for Federal money is concentrated; the resistance to spending is diffuse. The pressure is to reduce standards of financial feasibility to whatever level will justify the project. The technique has become: Shoot first, then draw the target around the hole. This technique commits the resource, sometimes irrevocably, in response to present pressures instead of future needs. We denounce the Federal bureaucracy at once if it rejects a project. If it builds the project, we denounce it somewhat later for interfering with State water rights.

The States promoting Federal projects, debasing feasibility standards to get them, are not in a good position to resist the expansion of Federal bureaucracy and Federal control of their water supplies. If you accept Federal greenbacks as legal tender, you compromise your confederate principles. States who want to marry the Federal Treasury cannot object if they get Congress as a mother-in-law.

The problems become regional and interstate, Federal as well as local, and involve great economic and political problems disguised as questions of law.

The innocent victim of the clash between the Federal and State dinosaurs is the water user. More specifically, it is the water user who has built his project in reliance upon water rights acquired by appropriation made under State law, who finds his supply imperiled by new projects whose sponsors have obtained Federal backing and who claim some kind of a federally generated water right.

III. PREMISES UNDERLYING FEDERAL AND STATE LAWS GOVERNING WATER RESOURCE DEVELOPMENT

It seems desirable at this point to identify the bases of Federal and State jurisdiction with respect to water resources development.

Bases of Federal jurisdiction

1. The Federal jurisdiction underlying water-resource legislation is based on five constitutional powers. The two most frequently asserted are found in the commerce clause (art. I, sec. 8, cl. 3) and the property clause (art. IV, sec. 3, cl. 2) of the Federal Constitution. These, for example, are the basis of jurisdiction of the Federal Power Act (41 Stat. 1065 (1920), as amended, 16 U.S.C. sec. 797(e) (1958)). The scope of these two constitutional powers, the commerce power as related to navigable waters and the property clause as related to public or reserved lands[1] is said to be "plenary." This, however, is an oversimplification. The other three constitutional bases, referred to in some decisions, are the war power (art. I, sec. 8), the general welfare clause (art. I, sec. 8, cl. 1) and the treaty power (art. II, sec. 2, cl. 2). The reclamation laws have been sustained under the property clause and the general welfare clause.

Bases of State jurisdiction

2. The State's jurisdiction over water resources is founded upon the "police power," that is, the power to regulate the use of property for two general purposes: (a) to conserve natural resources and prevent their waste, and (b) to establish the basis upon which private rights in water resources may be initiated and established, as a part of the State's general powers to determine the terms upon which property may be owned and enjoyed. We are not considering today the constitutional conflict, frequently encountered, between the exercise of the State's police power and the constitutional restraint placed upon that power by the 14th amendment. The conflict now under discussion is primarily in the arena of legislative policy rather than constitutional law.

Ownership versus regulation and control

3. Neither the United States nor the State owns the corpus of any water flowing in a stream, navigable or nonnavigable. Such power as either jurisdiction possesses is the power to regulate the use of that water. Great confusion is introduced by talk of Federal or State ownership of water or water resources. As against a foreign country, the U.S. owns everything within its boundaries, to the exclusion of any ownership thereof by any other nation. But what we really mean by this sort of ownership is sovereignty, not proprietorship. In some countries which follow the regalian principle of real property, the nation owns, as a proprietor, the mineral estate underlying the privately owned surface. But that principle does not prevail in this country, either as to minerals or water rights. The State owns water flowing in a stream only in the sense that it owns wild birds. One may not shoot the birds or appropriate the water without a permit from the State, in its exercise of the police power. Nevertheless, title does not come from the State's permit, but from the act of reducing the birds or the water to possession with the assent of the State as sovereign, not as proprietor. Moreover, as to water, the right that the user gets from the State is a reasonable usufructuary right, not a right in the corpus of the flowing stream. So also the United States does not own the waters flowing in any stream, any more than it owns the migratory birds which cannot be lawfully killed without a Federal duck stamp, which is required by the Federal Government in the exercise of its treaty powers for the protection of migratory fowl. The Federal power to regulate the use of the waters of a navigable stream, like its power to regulate the use of a highway or railroad, stems from the constitutional commerce power, and does not mean that the United States owns either the corpus or the usufructuary right in a stream any more than it necessarily owns the highways or the traffic on the highways.

Supremacy clause

4. Where an irreconcilable conflict is found between the exercise of power by the State, otherwise lawful, and exercise of power by Congress in a field confided to it by the Constitution, the supremacy clause (art. VI, cl. 2) of that Constitution requires the State law to yield. But it is within the power of Congress (except in a few specific constitutionally prohibited instances, such as treaties, coinage, and postal functions), to set limits upon its own exercise of power which is otherwise plenary, and to yield ground to the State in the exercise of the latter's police power. Sometimes Congress does so by silence, as by failing to legislate in a field which is open to both Federal and State regulation. Sometimes it does so by affirmative declaration. The Desert Land Act, recognizing State law appropriations of the use of waters on public lands, is an example. In the latter type of cases, the question arises whether the "propulsive force" of the law is Federal or State. It makes little difference to the man on whom this force operates, either in the recognition or the prohibition of some activity, so long as the mandate is clear as to the right or duty involved.

IV. PRINCIPAL AREAS OF CONFLICT BETWEEN FEDERAL AND STATE JURISDICTION

The areas of conflict between Federal and State powers of regulation of the use of streams can be identified and simplified by supposing that we are planning the development of a stream system, starting at the head of the stream and working down.

Construction of works

1. If Congress, in the constitutional exercise of its powers, builds or licenses the building of a dam, whether on navigable or nonnavigable waters, must it conform to the police regulations of the State, which, if operative, may veto its construction? Examples are State statutes prohibiting all dams in excess of a stated height on specified streams. The answer, under the decided cases, is plainly in the negative, and should remain so. By hypothesis, the Constitution delegated these powers to the Federal Government in order to deny that very veto power to the local interests of a State. Hydroelectric power, originating in a single State, flows across State lines in instant response to the needs of users in other States. There is a national, not a parochial, interest in weighing such benefits from the nonconsumptive use of the stream against competing nonconsumptive uses, such as fish runs which may be impeded by the dam. One agency must make this difficult evaluation, and the Federal Power Commission, not several competing State agencies, is the logical one to determine the project best adapted to the comprehensive development of the stream.

Water rights

2. But, after a dam begins to impound water, what kind of a water right inheres in those who use that water, particularly when the use is a consumptive one? This is quite a different question. It presupposes conflict with competing rights to the use of the same stream, at points which may be either above or below the project. The very nature of water rights is such that they operate at a distance, entitling the owner, on the one hand, to compel claimants above him to let the water down to his project, and, on the other hand, entitling him to store or consume that water, which would otherwise be available for use by still other projects which are below him.

[1] Sec. 3 of the Federal Power Act defines "reservations" to include "lands acquired and held for any public purposes." (41 Stat. 1063 (1920), as amended 16 U.S.C. 796 (1958)).

Water rights are of two general kinds, riparian and appropriative. The common-law riparian right, typical of England and humid areas in the Eastern United States, is a correlative right to use of a pro rata share of the stream. It can be claimed only for lands which are riparian to the stream; it is not dependent upon use for its creation, and it may not be lost by nonuse. There are no priorities among owners of riparian water rights; thus a riparian use initiated in 1959 if reasonable may lawfully diminish the supply available to other riparians, although they may have used that supply for a half century. By contrast, the law of appropriation, recognized in all 17 States west of the 98th meridian (and exclusively in 8 of them), is based on the principle of "first in time, first in right." Priority is its keystone, and it is exclusive in character. Shortage is not prorated; it falls on the junior appropriators in inverse order of seniority of the establishment of their appropriations. Appropriations are established by compliance with the procedure specified by the State: in general, filing of notice with a State administrative body, hearings on competing notices, issuance of a permit evidencing the date of initiation of the right, followed by construction of works, and thereafter by application of water to use with due diligence. In the classic language of section 8 of the Reclamation Act of 1902 (32 Stat. 388, 390 (1902), 43 U.S.C. secs. 372, 383 (1952)) "beneficial use shall be the basis, the measure, and the limit of the right." The priority of the right, upon final completion of the project, relates back to the date of initiation, to the extent of the full quantity ultimately used.

There is no comparable Federal apparatus. Instead, in at least 36 statutes, Congress has directed that rights to the consumptive use of water be established in accordance with State law.

Where Federal jurisdiction to require a Federal power license rests on the property clause of the Constitution, it is usually because the project is located on, or involves, Federal lands which are withdrawn or reserved. In fact, since 1934, all public lands have been withdrawn. Suppose a Federal reservation was created in 1910, but the license to build a project on or affecting these lands was not issued until 1959, and in the meantime substantial appropriations were made under State law, either upstream or downstream from the reservation. What water right does the licensee get, as against these appropriations? Did the United States carve out a riparian right of some kind in 1910? Does the licensee get one in 1959, notwithstanding the fact that the State may have wholly abolished riparian rights, either before or after 1910, and can he compel existing appropriators to share with him? In turn, must he prorate with a subsequent licensee on some other reservation on the same stream? If so, chaos is a certainty. The Pelton Dam case (*Federal Power Com'm.* v. *Oregon*, 349 U.S. 435 (1953)) sustained a Federal license for a project on withdrawn and reserved lands, but upon a finding by the Power Commission that no vested rights were affected, and accompanied by a waiver of claims by the licensee to certain quantities of water for future developments elsewhere. But what kind of right does the power company now have at the Pelton site? A federally generated riparian right, in a State which does not now recognize riparian rights? Or a federally generated appropriative right under the Federal Power Act, a statute which specifically requires the licensee to show evidence of an appropriation under State law?

Compensation

3. Where the Federal jurisdiction rests on the commerce clause, brought to bear in asserted exercise of the function of improving navigation, and is in conflict with property rights asserted under State law, to what extent are those rights compensable? Are the States constitutionally incapable of generating any rights at all to the use of navigable waters for consumptive purposes or power production (as they are constitutionally disabled from coining money), or are proprietary rights of individuals to the use of navigable waters, recognized by State law, valid unless and until cut off by Federal legislation? The latter appears the proper and fair view, but it has been vigorously challenged. If Federal legislation does preempt the stream, legislation ought, as a matter of fair play, to assure the same measure of compensation to the owner as against the Federal Government or its licensees as against anyone else, whether or not the Constitution might permit harsher treatment.

Judicial review

4. How shall conflicts between the Federal and State Governments, or between private parties claiming under these jurisdictions, be resolved? The answer, of necessity, is that the resolution must be by a judicial tribunal. But the doctrine of sovereign immunity, shielding the United States from suit even by a State without the consent of the United States, prevents such a determination in any case where the United States is found by the court to be a necessary party (even though the suit is not on its face directed against the United States). Only Congress can grant the requisite consent. (As an alternative, the Attorney General may intervene as a plaintiff. He did so in *Arizona* v. *California*, now pending before the U.S. Supreme Court, on the Colorado (344 U.S. 919 (1953)). He refused to do so in *New Mexico* v. *Texas*, 352 U.S. 991 (1957), on the Rio Grande, and the court dismissed the suit).

There is existing legislation on this subject, but it is piecemeal. Section 208(a) of the act of July 10, 1952, 66 Stat. 560, 43 U.S.C. 666(a) (1958), grants the consent of Congress to joinder of the United States in water rights litigation where the United States is an indispensable party, but subsection (c) of section 208 excludes interstate suits in the original jurisdiction of the Supreme Court. On the other hand, section 14 of the Colorado River Storage Project Act of April 11, 1956, 70 Stat. 110, 43 U.S.C. 620(m) (1958), specifically grants consent to joinder of the United States in original actions involving the law of the river on the Colorado. It is desirable to make the consent provision appearing in the 1952 act of general application.

Conclusion

The real underlying necessity is in the field of the hydrologist and the economist, not that of the lawyer or legislator.

First, the dependable supply must be determined before any new project is authorized. Second, the wisest future use of that supply, whether for agriculture or industry or municipal supply, ought to be determined before new projects are authorized.

But, if we are to discuss legislation that deals with the mechanics of the jurisdictional problem, rather than with prevention of the shortages that generate the problem, the most workable solution that has yet appeared in print is the bill drafted by the Interior, Justice, and Defense Departments and submitted to Congress as H.R. 4567, and S. 851 in the 86th Congress. It deals solely with the reservation problem, highlighted by the Pelton Dam case. It ought to be enacted. The other points which I have discussed can be properly considered later, perhaps during interim hearings of this committee between sessions. To that end, and in order to put specific language before you, I am annexing a copy of H.R. 4567 with amendments to carry out the recommendations I have made today.

Draft of a bill[1] to provide that withdrawals or reservations of public lands shall not affect certain water rights.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation[, nor shall it affect the right of any State to exercise jurisdiction over water rights conferred by the Act admitting such State into the Union or such State's constitution, as accepted and ratified by such Act of admission.][2]

(2) The provisions of section 1(b) of the Flood Control Act of 1944 (Act of December 22, 1944, 58 Stat. 888–89, as amended, 33 U.S.C. sec. 701–1 (1952)) shall apply to all works hereafter constructed by or under the authority of the United States west of the ninety-eighth meridian.[3]

(3) Any right to the consumptive use of water claimed by the United States under the laws of any State shall be initiated and perfected in accordance with the procedure established by the laws of that State.[4]

(4) No vested right to the beneficial consumptive use of any water, navigable or nonnavigable, which is recognized by the laws of the State in which such use is made, shall be taken by or under authority of the United States without compensation;[5] and where such rights are acquired otherwise than by agreement with the owner, they shall be taken by proceedings in eminent domain in the manner provided in section 21 of the Federal Power Act, and not otherwise.[6]

SEC. 2. Nothing in this Act shall be construed as—

(1) Modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law;

(2) Permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States; or

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[1] Amendments proposed to H.R. 4567, 86th Cong., 1st sess., accompanying statement of Northcutt Ely before the House Committee on Interior and Insular Affairs, July 22, 1959.

[2] Amendment opposed by U.S. witnesses in those hearings.

[3] Sec. 1(b) of the Flood Control Act of 1944 subordinates uses of water for navigation to uses for irrigation and domestic purposes, in areas west of the 98th meridian. It does not affect the authority of the United States or its licensees to construct works, and does not touch conflicts between navigation or power functions and other nonconsumptive functions such as preservation of fish and wildlife.

[4] This is derived from secs. 7 and 8 of the Reclamation Act of 1902. The proposed language applies only where the United States claims an appropriative right under State law, but in such a case requires the United States to conform to the administrative procedure established by the State for the establishment of such a right. It negatives the asserted "right of self-help."

[5] This language does not deny the supremacy of the Federal commerce power but does recognize the existence and compensable character of rights generated under State law which may be taken in the exercise of the plenary Federal commerce power.

[6] This language requires the exercise of the power of condemnation in affirmative judicial proceedings for that purpose, in contrast with the asserted right of "inverse condemnation," i.e., a taking without prior judicial process, remitting the claimant to suing for compensation.

(3) Affecting, impairing, diminishing, subordinating, or enlarging (a) the rights of the United States or any State to waters under any interstate compact or existing judicial decree, (b) the obligations of the United States to Indians or Indian tribes, or any right owned or held by or for Indians or Indian tribes, (c) any water right heretofore acquired by others than the United States under Federal or State law, (d) any right to any quantity of water used for governmental purposes or programs of the United States[7] at any time from January 1, 1940, to the effective date of this Act; or (e) any right of the United States to use water which is hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future Act of Congress or State law when such right is initiated prior to the acquisition by others of any right to use water pursuant to State law.

SEC. 3. Section 208 of the Act of July 10, 1952 (66 Stat. 560; 43 U.S.C. 666 (1958)), is amended by deleting therefrom the following language[8] contained in subsection (c):

"Nothing in this Act shall be construed as authorizing the joinder of the United States in any suit or controversy in the Supreme Court of the United States involving the right of States to the use of the water of any interstate stream."

EXHIBIT 1

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter established, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation.

(2) The provisions of section 1(b) of the Flood Control Act of 1944 (Act of December 22, 1944, 58 Stat. 888–89, as amended, 33 U.S.C. 701–1 (1952)) shall apply to all works hereafter constructed by or under the authority of the United States west of the ninety-eighth meridian.

(3) Any right to the consumptive use of water claimed by the United States under the laws of any State shall be initiated and perfected in accordance with the procedure established by the laws of that State.

(4) No vested right to the beneficial consumptive use of any waters, navigable or nonnavigable, which is recognized by the laws of the State in which such use is made, shall be taken by or under authority of the United States without compensation; and where such rights are acquired otherwise than by agreement with the owner, they shall be taken by proceedings in eminent domain in the manner provided in section 21 of the Federal Power Act, and not otherwise.

SEC. 2. Nothing in this Act shall be construed as—

(1) modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law;

(2) permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States; or

(3) affecting, impairing, diminishing, subordinating or enlarging (a) the rights of the United States or any State to waters under any interstate compact or existing judicial decree, (b) the obligations of the United States to Indians or Indian tribes, or any right owned or held by or for Indians or Indian tribes, (c) any water right heretofore acquired by others than the United States under Federal or State law, (d) any right to any quantity of water used for governmental purposes or programs of the United States at any time from January 1, 1940, to the effective date of this Act; or (e) any right of the United States to use water which is hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future Act of Congress or State law when such right is initiated prior to the acquisition by others of any right to use water pursuant to State law.

SEC. 3. Section 208 of the Act of July 10, 1952 (66 Stat. 560, 43 U.S.C. § 666 (1958)) is amended by deleting therefrom the following language contained in subsection (c): "Nothing in this Act shall be construed as authorizing the joinder of the United States in any suit or controversy in the Supreme Court of the United States involving the right of States to the use of the water of any interstate stream.".

[7] Amendment opposed by U.S. witnesses.

[8] Sec. 208(a) of the act of July 10, 1952, grants the consent of Congress to joinder of the United States in water rights litigation where the United States is an indispensable party, but subsec. (c) of sec. 208 excludes interstate suits in the original jurisdiction of the Supreme Court. On the other hand, sec. 14 of the Colorado River Storage Project Act of April 11, 1956, 70 Stat. 110, 43 U.S.C. 620(m) (1958), specifically grants consent to joinder of the United States in original actions involving the "law of the river" on the Colorado. The proposed amendment makes the consent provisions of sec. 208(a) of the act of July 10, 1952, of general application.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Colorado spoke this afternoon in regard to the bill pending before the Senate. The Senator made much of the point that in his opinion the proposed legislation should not be dealt with at this time.

I emphasize that the proposed legislation has been approved by the Treasury Department and by the Justice Department. Mr. Knight of the Treasury Department made the statement that he feels the proposed legislation could very properly be considered at this session of the Congress, if the Congress decides any relief is needed.

I talked today with Judge Loevinger, the head of the Antitrust Division of the Department of Justice, who also stated there is nothing wrong with Congress' legislating at this time. This legislation would not in any way influence the court decision as to the plan it will approve. On the contrary, as he said, it probably would assist the court. The court is approaching a decision on some plan, and in evaluting any proposed plan the court must operate on the basis of existing law. The Supreme Court has said that divestiture can take place over a period of 10 years. The plan which is being discussed before the court now, upon which a final decree must be entered by December 2, is a plan based on the 10-year formula laid down by the Supreme Court.

The company, in submitting its plan on September 2, could do no other than to submit a plan that assumed existing law would not be changed, and therefore it proposed to use the full 10 years in divesting its 63 million shares of General Motors.

This bill, if enacted, would provide for a plan agreed upon by the Justice Department, the Treasury Department, and the company, wherein the distribution would be completed in 3 years from the date of the final decree. The Department must submit its answer to the company's plan by October 2, and the court must render a final decision by December 2. If no legislation is enacted now and if the plan is formalized, Congress would be placed in the position in January of being asked to amend the court decision. Would it not be better for Congress to lay down the rules, and then let the court act accordingly?

The Senator from Tennessee [Mr. GORE] and the Senator from Colorado [Mr. CARROLL] have a right to make their arguments, but I merely wish to state that there are those, particularly those in their administration, who have taken a different position and are not asking that the proposed legislation be held up.

I wish to read a letter from a Member of the U.S. Senate who has taken a very active interest in the enforcement of the antitrust laws and particularly in connection with this legislation. The letter is addressed to the Honorable HARRY F. BYRD, chairman of the Senate Committee on Finance:

DEAR MR. CHAIRMAN: It is my understanding that your committee will hold hearings tomorrow on legislation to reduce the economic hardship on shareholders of Du Pont stock arising out of the divestiture of General Motors stock. Although the divestiture resulted from antitrust action, I believe that it would work undue hardship on shareholders. Therfore, I wish to be on public record in favor of the legislation in principle and hope you will make this letter a part of the record of the hearings.

With kind regards,

Sincerely yours,

ESTES KEFAUVER,
U.S. Senator.

He is the senior U.S. Senator from Tennessee.

I also wish to have incorporated into the RECORD two editorials which appeared in two of Colorado's leading papers wherein they point out the serious plight of the stockholders in the absence of any legislation giving tax relief.

The first is from the Post, of Denver, Colo., under date of May 26, 1961, in which it is stated that the tax relief for the Du Pont stockholders deserves favorable consideration.

I also ask unanimous consent to have printed in the RECORD an editorial of June 15, 1961, from the Gazette Telegraph, of Colorado Springs, Colo., in which they refer to the court decision ordering this divestiture as being "a monstrous inequity."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

The Denver (Colo.) Post of May 26, 1961, in its editorial said that the tax relief law deserves "favorable consideration."

The Post completed its chronology of the litigation with the observation that measures aimed at "greatly reducing the tax burden on involuntary stock distributions" had been introduced in the last Congress. Continuing:

"Efforts to pass such legislation will now be pushed with new vigor and deserve favorable consideration."

However, in considering the case as a whole, the Post declared:

"This 'divorce' could have a healthful effect on industry in general."

The Gazette Telegraph, Colorado Springs, Colo., of June 15, 1961, in its editorial called the ruling a "monstrous inequity." Continuing it said:

"A firm and its stockholders are being punished, not for something done, but for a 'tendency' which admittedly doesn't exist and hasn't existed, which might arise at some future time. * * *

"While the economically uninformed will doubtless chortle with glee over this disastrous order, those who understand the workings of the market are going to be confronted with the recognition that nothing quite so far-reaching and potentially destructive has occurred in the American marketplace within the memory of man."

Mr. WILLIAMS of Delaware. Much claim has been made that the proposed legislation would benefit a special group, with particular emphasis on the advantages which would go to Christiana Securities Corp. Under the terms of the bill before the Senate, the taxes which Christiana would have to pay would not be reduced but would be increased from three and a quarter million dollars to $65 million. If the bill is defeated it will not cost Christiana extra money but will actually save Christiana $62 million.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I shall yield the floor in a moment.

Mr. President, to support this statement I ask unanimous consent that certain colloquy, as shown on page 18 of the committee hearings of the Committee on Finance, September 13, 1961, may be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senator WILLIAMS. Under existing law, assuming that the Du Pont Co. distributed its General Motors stock to its stockholders now, under existing law would not the tax to Christiana be substantially less than it would under the Boggs bill if it is enacted?

Mr. KNIGHT. That is correct, because the Boggs bill contains a proposal which we suggested to the House Ways and Means which would apply the intercorporate dividend tax against the fair market value of distributions received by corporations rather than the cost basis of distributions made by corporations.

Senator KERR. Which is existing law.

Mr. KNIGHT. Existing law; correct. It is a difference between $3.50 per share and 16 cents per share.

Senator WILLIAMS. So, in effect, when they endorse this bill they are endorsing something which will raise their tax higher than under existing law.

Mr. KNIGHT. Not only so far as Christiana is concerned, but higher for all corporate shareholders.

Mr. WILLIAMS of Delaware. Mr. President, I read a portion of the colloquy, for emphasis:

Under existing law, assuming that the Du Pont Co. distributed its General Motors stock to its stockholders now, under existing law would not the tax to Christiana be substantially less than it would under the Boggs bill if it is enacted?

Mr. KNIGHT. That is correct, because the Boggs bill contains a proposal which we suggested to the House Ways and Means which would apply the intercorporate dividend tax against the fair market value of distributions received by corporations rather than the cost basis of distributions made by corporations.

Senator KERR. Which is existing law.

Mr. KNIGHT. Existing law; correct. It is a difference between $3.50 per share and 16 cents per share.

Senator WILLIAMS. So, in effect, when they endorse this bill they are endorsing something which will raise their tax higher than under existing law.

I think that should be in the RECORD. It should be clearly understood that if the bill is defeated and if the distribution is made under existing law the Christiana Corp. will be better off by about $62 million. Let the record be clear for whom the opponents of this bill are shedding their crocodile tears.

It has been stated that 250 individuals own about 70 percent of the stock of Christiana. Assuming that to be correct there will be a savings, if the bill is defeated, for those 250 individuals of 70 percent of the $62 million, or $43 million.

I think that should be pointed out. Rather than to condemn these people, they should be commended for endorsing a bill which while making their taxes higher would give substantial tax relief to 173,000 smaller stockholders of the company itself. There is no question of that.

The Senator from Tennessee has indicated he is in perfect agreement with this proposal, yet he does not wish to vote for the bill, nor does he wish to have Congress take any action at this session.

He has openly threatened to filibuster the bill and thereby prevent a vote.

In my opinion, the threat of a filibuster is never made by a man who has confidence in his own arguments. It is an admission of weakness.

Let the Senator offer amendments if he has amendments to offer, but he should permit the Senate to vote if he has confidence in his amendments. If a man does not have confidence in his own amendments, or his ability to present his arguments, then he should not offer them.

I repeat that there has been no one in the Treasury Department or the Justice Department who has asked that action on the proposed legislation be delayed at this time. On the contrary, it has been suggested that the proposed legislation could properly be dealt with at this time, following which the Court would know the rules of the game and could more accurately and more intelligently make its decision on a final plan for divestiture.

If the bill is passed, it has already been agreed among the Treasury Department, the Justice Department, the company, and the committees of Congress that 3 years would be a proper interval for distribution. It has been agreed among the Justice Department, the Treasury Department, and the company that if the law is not amended then the full 10 years that were allowed by the Supreme Court will be required.

In my opinion, the Court cannot decide whether to suggest a 3-year plan, a 10-year plan, or a plan of any other interval until there has been a decision by the Congress as to what the tax will be on such distribution.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I wish to say to the distinguished senior Senator from Delaware that I have not indicated agreement with the provisions in section 2. I do not think that the provisions of the pending bill deal with the subject matter adequately. However, I have not had an opportunity to fully debate and discuss the merits or demerits of the bill.

The senior Senator from Delaware has taken far more time on the bill than I have had an opportunity to do. I suggest that he seems to speak very frequently on Christiana and what the bill would do in regard to that company.

What is completely overlooked in the report of the committee, and that to which the Senator has made no reference whatsoever in his remarks today, is the difference in the tax that the Du Pont Co. will pay under the plan that it proposes to follow under existing law, the court permitting, and the plan it proposes to follow should the terms of the pending bill be enacted. The Senator has not talked as much about that subject. I suggest to the Senate that this is a very important factor. I am more concerned with the taxation on the approximately $3 billion profit of Du Pont than I am in the share of that profit which under distribution would go to Christiana.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GORE. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD excerpts from pages 12 and 13, of the hearings, preceded by an analysis of the bill as it affects the individual stockholders of the company. This will answer the question of the Senator from Tennessee:

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Section 1 of the bill would amend the code to provide that a distribution of stock to an individual pursuant to an antitrust order is not treated as a dividend distribution but is treated instead as a return of capital. Accordingly, if the stock received in such a distribution is worth less than the basis of the underlying stock with respect to which the distribution is made, the basis of the underlying stock is simply reduced by the amount of the distribution. On the other hand, if the value of the stock distributed exceeds the basis of the underlying

stock, the excess is recognized as gain and the basis of the underlying stock is reduced to zero. This may be illustrated by two simple examples:

Example (1): An individual (shareholder A) owns a single share of the stock of Du Pont which has a basis to him of $100. In a distribution pursuant to the terms of an antitrust order he receives 1⅓ shares of General Motors stock worth $60. Because of the distribution his basis for the Du Pont stock ($100) is reduced by the fair market value of the General Motors stock received ($60), so that after the distribution his basis for the Du Pont stock is $40 ($100 minus $60). In this instance the stockholder would owe no tax upon receipt of his stock dividend, but if he later sells the Du Pont stock, of course, his gain is computed using the remaining $40 basis for that stock.

Example (2): An individual (shareholder B) owns a single share of Du Pont stock having an adjusted basis to him of $40. In a distribution pursuant to the terms of an antitrust order, he receives 1⅓ shares of General Motors stock worth $60. Since the fair market value of the distribution received is more than his entire basis, all of his basis is wiped out by the distribution and the amount in excess of basis is recognized as a gain. Accordingly, he will have a gain of $20 ($60 minus $40) because of the distribution, and his basis for the Du Pont stock after the distribution will be zero. In this instance the stockholder would owe a capital gains tax on the $20, and if he later sells the Du Pont stock, of course, his gain will be computed using a basis of zero.

I quote from the hearings, beginning on page 12:

"The CHAIRMAN. Does the Treasury agree with the estimates of the Du Pont Co. that there will be $350 million additional revenue under the Boggs bill?

"Mr. KNIGHT. The Treasury agrees that if the stock is distributed as Du Pont has assumed in this plan they presented to us, under the Boggs bill, that their estimates of revenue would be correct, based on their assumptions.

"Senator WILLIAMS. Does the Treasury Department agree with the estimate of $330 million that would be paid under existing law as the result of the first plan which they presented to the Ways and Means Committee?

"Mr. KNIGHT. Again, on the basis of their assumptions, their mathematics and interpretation of the law, it was correct."

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Res. 220. Resolution authorizing the printing as a Senate document of the study entitled "The United States Senate, 1787–1801" (Rept. No. 1114).

ADDITIONAL BILLS INTRODUCED

The following additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as indicated:

By Mr. MORSE:

S. 2635. A bill to authorize the Attorney General to call a national conference to study the impact of social change upon Federal and State law, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. KUCHEL:

S. 2636. A bill to provide that withdrawals or reservations of public land shall not affect certain water rights; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

NATIONAL CONFERENCE ON THE SOCIAL IMPACT OF THE LAW

Mr. MORSE. Mr. President, in yesterday's Book Review of the New York Times the lead review article is on "The Adams Papers." I look forward to reading them this summer. I liked the opening quote selected by Dr. Koch in her review. In a letter written in 1780 to his wife, Abigail Adams, John Adams wrote:

> The science of government is my duty to study, more than all other sciences; the arts of legislation and administration and negotiation ought to take place if, indeed to exclude in a manner, all other arts, I must study politics and war, that my sons may have liberty to study mathematics and philosophy, geography, history, navigation, commerce and agriculture, in order to give their children a right to study painting, poetry, music, architecture, statuary, tapestry, and porcelain.

How right he was. Unless we devote ourselves to a study of the science of government we forfeit for the next generations their right to study philosophy and their children's right to study and enjoy the beauties of the fine arts.

It is true that today our colleges, our women's clubs, our businessmen, our trade unions, our farmers—every phase and form of our democratic society are keenly aware that we are as a Nation and as individuals experiencing a tremendous social revolution. We all want to preserve the traditions of our free democratic society; we don't all agree on how this may be done most effectively. Surely not, by having each form of socioeconomic organization attack other forms; surely not by having each group ignore the other groups and their aims and purposes.

Our problem of law enforcement today is not only of the form of law, but of the form within a set of ideals. The basic philosophy of civilized men has not changed, but our concepts of how to implement the law and vitalize its purposes have changed. In our rapidly changing world we, a free people, are concerned with preserving the rights of each man, yet protecting the common rights of all. We must preserve the balance between freedom and order—between men and among nations.

Much of the world today is not subject to the rule of law. There is no rule of law in Communist countries. The people in those lands are but puppets in the hands of Communist despots. And that same devastating power threatens all of us today. We are proud today that we are a people, a nation, governed by the rule of law. On great occasions speakers may trace our allegiance to the rule of law back to that meeting of Coke with James I when Coke dared say to the king, "Your Majesty must be mindful that man is not under man, high or low, but under God and law." The magnificent courage of Coke won out and not so long thereafter in England and in the colonies the acceptance of the rule of law assured our freedom.

Coke was learned in the law but Coke in his wisdom knew that law in a vacuum had no meaning. He drove home his message to the people—all the people, and therein lay his victory.

Today, our people, laymen as well as legal practitioners, must give thought to the substance of the law and to procedural matters as well.

Social change should be reflected in the law—not too rapidly, but as soon as the change itself is accepted as a pattern, as a way of life. We must protect the dignity of the law, and prevent its being changed to meet each change in fashion. Yet we must make it so flexible that the changing needs of the people are met by the law.

I do not propose here even to outline the many facets of the law which we, the people should study together, seriously. But study them we must.

To this end, I have introduced a bill authorizing the Attorney General to call a national conference on the social impact on the law and to invite to that conference not only members of the bench and the bar, and also a representative group of the Nation's leaders from all the learned professions, from all the disciplines of knowledge, from agriculture, labor, industry; from the great religious faiths of our communities, from the civic groups—in short a cross section of America. But before they come here, my bill provides that the Governors shall be invited to have such conferences at the State level.

There are many colleges today emphasizing the need for such studies—and quite rightly so. Our young people are seriously concerned, and we must help them meet the challenge of a changing world, and urge them to seek to preserve the democratic ideal in practice as well as in theory.

I am writing to a number of citizens in all walks of life asking their ideas on the project. I shall of course welcome the counsel and help of my colleagues from this distinguished body.

I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2635) to authorize the Attorney General to call a national conference to study the impact of social change upon Federal and State law, and for other purposes, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Attorney General is authorized and directed to call a national conference, to be known

as the Attorney General's Conference on Social Change and the Law (referred to hereinafter as the "National Conference"), which shall be conducted within the District of Columbia before December 15, 1962. It shall be the duty of the conference to—

(1) receive, consider, and compile all reports concerning significant trends reflecting the impact of social change upon Federal and State law which it may receive from State conferences convened under section 3 of this Act and from such other individuals and organizations as it may deem appropriate;

(2) upon the basis of the reports so received, prepare a report containing a full and complete statement of its findings with respect to such trends;

(3) submit such report to the Attorney General for transmittal to the President and to the Congress; and

(4) provide for the dissemination of such report to the public.

(b) Conferees to the National Conference who shall be invited by the Attorney General in such numbers as the Attorney General may deem appropriate shall include:

1. Persons from each State who shall have been designated by their respective Governors to serve as conferees.

2. Representative leaders of the bench and the bar.

3. Representative leaders from other learned professions, and other scholars from all disciplines of learning.

4. Representative leaders from industry, labor, agriculture, designated by their respective organiastions.

5. Representative leaders of the clergy.

6. Representative leaders from other groups and organizations engaged in the study of social change reflected in the law who shall have been designated by their respective organizations.

7. Such other leaders in American thought as the Attorney General may wish to invite.

SEC. 2. (a) To assist in preparing necessary plans for the conduct of the National Conference authorized by this Act, the Attorney General shall establish a General Planning Committee (referred to hereinafter as the "Committee") composed of 25 members selected by the Attorney General, who are specially qualified for the performance of such service. After consultation with the president of the American Bar Association, the Attorney General shall designate as Chairman of the Committee a recognized scholar of the law who is specifically qualified to evaluate the impact of social change upon the law.

(b) The Chairman of the Committee shall serve as Chairman of the Conference.

(c) Members of the Committee shall receive no compensation for their services as such, but shall be reimbursed for travel expenses actually and necessarily incurred in the performance of the duties of the Committee. Each member of the Committee shall receive, in lieu of reimbursement for subsistence expenses, an allowance at the rate of $50 per day for each day devoted to the performance of duties of the Committee, except that the Chairman thereof shall receive such an allowance computed at the rate of $100 per day.

(d) With the approval of, and subject to such conditions as may be prescribed by the Attorney General, the committee may cause to be incorporated under State law a nonprofit corporation organized to assist in carrying into effect the purposes of this Act. Such corporation shall be authorized to (1) receive from individuals in private life and from public or private organizations unconditional grants and gifts, and (2) expend funds so obtained to defray expenses necessarily incurred in preparing plans for the National and State conferences, in conducting the activities of the National Conference, in defraying expenses incurred incident to the conduct of the National Conference, and in publishing and distributing the report of that conference.

Section 3. (a) Before the convening of the National Conference, and at any time after the enactment of this law providing for the conference, the Attorney General shall invite the executive authority of each State, to convene within each State a conference of qualified citizens of that State which shall (1) conduct a study of significant social change reflected in the law within that State, and (2) prepare and transmit to the Attorney General, for consideration by the National Conference, its report on the significance of the changes revealed by the study.

(b) Each State shall organize and conduct its conference in such a manner and shall make such reports to the National Conference as its Governor shall determine.

(c) To defray the expenses actually and necessarily incurred in convening such State conferences and in the preparation and transmittal of their reports, there is hereby authorized to be appropriated to the Attorney General not more than $1,000,000. Any sums appropriated pursuant to this subsection shall be allocated for disbursement, pursuant to such regulations as the Attorney General shall prescribe, to defray such expenses. The amount so allocated to defray the expenses of each State conference shall bear to the aggregate amount of all sums so appropriated the same relationship as the total adult population of that State bears to the total adult population of the United States (as certified by the Secretary of Commerce on the basis of the most recent decennial census of the United States), except that not less than $15,000 shall be allocated to defray the expenses of each State. All sums appropriated under this subsection shall remain available for obligation until the National Conference is convened pursuant to the first section of this Act. Any such sums then unobligated shall be covered into the Treasury as miscellaneous receipts.

(d) As used in this section—

(1) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands; and

(2) the term "executive authority" means the Governor of any State or his designee, except that in the case of the District of Columbia that term means the Board of Commissioners of the District of Columbia or the designee of the Board.

SEC. 4. (a) In addition to funds authorized to be appropriated pursuant to section 3 of this Act, there are hereby authorized to be appropriated to the Attorney General for the fiscal years ending June 30, 1962, and June 30, 1963, such funds as may be required to carry into effect the provisions of this Act.

(b) The Attorney General is authorized to receive, and to use or expend to carry into effect such provisions, any grant of funds, facilities, or property made to him for that purpose by any individual or organization.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DISTRIBUTION OF STOCK—AMENDMENTS

Mr. DOUGLAS submitted amendments, intended to be proposed by him to the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution, which were ordered to lie on the table and to be printed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 25, 1961, he presented to the President of the United States the following enrolled bills:

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes; and

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California.

RECESS UNTIL 11 A.M.

Mr. GORE. Mr. President, pursuant to the order previously entered, I move that the Senate stand in recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 31 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, September 26, 1961, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate September 25, 1961:

COLLECTOR OF CUSTOMS

Minnie M. Zoller, of Texas, to be collector of customs for customs collection district No. 21, with headquarters at Port Arthur, Tex.

Sam D. W. Low, of Texas, to be collector of customs for customs collection district No. 22, with headquarters at Galveston, Tex.

Charles H. Kazen, of Texas, to be collector of customs for customs collection district No. 23, with headquarters at Laredo, Tex.

Raymond H. Dwigans, of Texas, to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex.

U.S. MARSHALS

Robert I. Nash, of Texas, to be U.S. marshal for the northern district of Texas for the term of 4 years, vice Hobart K. McDowell.

Tully Reynolds, of Texas, to be U.S. marshal for the eastern district of Texas for the term of 4 years, vice James Crawford, Jr.

Marion Mathias Hale, of Texas, to be U.S. marshal for the southern district of Texas for the term of 4 years, vice James W. McCarty.

U.S. DISTRICT JUDGES

Adrian A. Spears, of Texas, to be U.S. district judge for the western district of Texas. (A new position.)

Leo Brewster, of Texas, to be U.S. district judge for the northern district of Texas. (A new position.)

Sarah T. Hughes, of Texas, to be U.S. district judge for the northern district of Texas. (A new position.)

James L. Noel, Jr., of Texas, to be U.S. district judge for the southern district of Texas. (A new position.)

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. Samuel Leslie Myers, O17180, U.S. Army, in the rank of lieutenant general.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the

grade of lieutenant colonel, subject to qualification therefor as provided by law:

Smith, Edgar L.
Keim, Robert M.
Pearce, James T.
Rash, Richard S.
Fenton, Donald L.
Dorsey, James A.
Edelmann, George J., Jr.
Rowe, Carroll D.
Cline, Richard W.
Bland, Richard L.
Rooney, John J.
Fink, Gerald
Muller, Godfrey
Crew, Erskine B.
Riffle, James C.
Berger, Ernest J.
Bowen, Ralph E.
Artnak, Edward J.
Hart, Henry
Armstrong, Charles B., Jr.
Williams, Royce M.
Fornonzini, Benjamin A., Jr.,
Coleman, Thomas A.
Hodde, Gordon V.
Oglesby, Edward D.
Ritter, Darrell L.
Davis, Raymond R.
Willis, Robert L.
Maloney, Emmons S.
Slaton, Clyde H., Jr.
Geissinger, Robert S.
Waskom, Wendell M.
Takala, David O.
Hinshaw, Don M.
Sienko, Walter
Urell, John
Aldworth, James
Johnston, Thomas J., Jr.
Herndon, John L.
Stein, Laurence J.
Beach, William L.
Cassidy, Earl W.
Gillis, Alexander J., Jr.
Winneberger, George L., Jr.
Maire, Gerald J.
Eldridge, William W., Jr.
Shields, John E.
Davis, Oliver R.
Moore, John T.
King, George J.
Allen, Norris D.
Huffstutter, Hardy V., Jr.
Miller, Lewis L.
Denny, Rex C., Jr.
Dykes, Kenneth T.
Hall, W. C.
Stewart, Walter C., Jr.
Sullivan, John W.
Dennis, Nicholas, J.
Gould, Charles H.
Williams, Lynn F.
Albers, George H.
Smith, Jerry B.
Seabaugh, Paul W.
Zorn, Elmer J.
Snapper, John N.
O'Hara, Frank J., Jr.
Boswell, Charles E., Jr.
Ritter, Leland C.
Lovette, Lenhrew E.
Stender, Bernard J.
Daniel, Walter E.
Githens, Daniel P., Jr.
Brown, Williams P.
Zitnik, Robert J.
Barden, Arnold W.
Leis, Sylvester F.
Roark, Walter N., Jr.
Mulvihill, Thomas E.
Hines, Cloyd V.
Campbell, Marshall S.
Tucker, Lud R.
McGlade, Lawrence
Voth, Stanley B.
Elder, Thomas G.
McCain, Warren E.
Stewart, Grover S., Jr.
Connell, Herschel G.
Jernigan, Curtis D.
Olsen, Willard C.
Mason, John B.
Robertson, Robert S.
Cavalero, John H.
Weaver, James R.
Walker, William L.
Bushnell, Richard H.
Foss, Donald H.
Haley, Harold L.
Whitlock, Roy B.
Hanes, John V.
Crooks, William M.
Heitzler, Joseph S.
Koster, Edward A.
Stanton, Eldon C.
Wolf, Howard
Tomlinson, Francis K., Jr.
Kuprash, George
Leon, James
Watson, William D.
Childers, Lloyd F.
Browne, John
Mixson, Herman L.
Tweed, McDonald D.
Calhoun, Loren W.
Harrell, William F.
McCormick, Herbert F.
Clark, Truman
Clarke, Thomas W.
Ryan, John T.
Nelson, Joseph A.
Bianchi, Rocco D.
Hunter, Harry, Jr.
Champion, Cecil L., Jr.
Di Frank, Joseph, Jr.
Sparling, Walter E.
Hitchcock, Paul L.
Quinn, William R.
Dunwiddie, Stanley G.
Jones, Elwin M.
Bass, Julian G., Jr.
Somerville, Daniel A.
Shank, James W.
Vining, Norman
Engelhardt, Lloyd J.
Corcoran, Clement T.
White, Thomas A.
Costello, Keith W.
Goebel, Jerome L.
Kelly, William D.
Schwartz, Leo R.
Harris, William S.
Curtis, Paul F.
Gleason, Thomas E.
Vale, Sumner A.
Roeder, Horton E.
McCulloch, William L.
Blanchard, Don H.
Joens, Ray N.
Dionisopoulos, James G.
Gasser, James C.
Tope, Lyle V.
Opeka, Francis C.
Mullane, Raymond W.
Smith, Burneal E.
Gibson, George A.
Mendenhall, Herbert E.
Rainer, Mark A., Jr.
Taylor, Robert W.
Spielman, Harvey E.
Hixon, Wilmer W.
David, Maurice A.
Williams, James F.
Schick, Edwin S., Jr.
Schwenk, Adolph G.
Vickers, Earl K., Jr.
Matthews, Lyle B., Jr.
Blue, Miller M.
Finch, Francis E.
Mample, Richard H.
Affleck, William R., Jr.
Crompton, Wallace W.
Zeugner, Robert
Odenthal, Joseph T.
Hess, Theodore D.
Horgan, Thomas J., Jr.
Snell, Albert W.
Bailey, Almarion S.
Wydner, Charles E., Jr.
Farmer, Chester V.
Evans, Daniel R.
Lanagan, William H., Jr.
Poage, Jay V.
Watterson, Donald E.
Robinson, Harry G., Jr.
Eldracher, Frank A., Jr.
Volkert, Marvin D.
Call, Ralph D.
Beat, Nolan J.
Watson, Warren C.
Busick, Clarence J.
Lee, Harry
Fulton, Floyd K., Jr.
Nahow, Theodore
Schmid, Clarence H.
Vaught, Francis W.
Kirk, Walter C.
Evans, Harold W., Jr.
Mobley, Warren L.
Sinclair, Robert B.
Doty, Duane J.
Murphy, John J.
Nichols, Robert L.
Dunbar, Michael J.
O'Donnell, Andrew W.
Burnett, Loren E.
Mann, Clyde R.
Coffeen, Albert E.
Nelson, William L.
Hershey, Gilbert R.
Donahue, William F., Jr.
Pommerenk, Albert C.
Fisher, Sidney
Slenning, Bradford N.
Soper, James B.
Skotnicki, Anthony J.
Michaux, Alexander L., Jr.
Gore, Willis L.
Wagenhoffer, Martin T.
Doering, John H., Jr.
Domina, Walter E.
Bailey, Edward A.
Bain, Herbert J.
Bell, Van D., Jr.
Franzman, Freddie L.
Lauck, John H.
Landrigan, James M.
Raphael, Milton L.
Kurth, Harold R., Jr.
Camporini, Edward E.
Moritz, Andrew B.
Allen, Robert B.
Rogal, Edward R.
Priddy, James R.
Alexander, Leland G.
Thomas, Alfred I.
Herndon, Wilber N.
Sullivan, Arthur J.
Adair, Harold F.
Wilkerson, Herbert L.
Crispen, Richard W.
Taylor, William W.
Defenbaugh, Neil F.
Broome, Norris C.
Campbell, Frederick H.
House, Arthur E., Jr.
MacDonald James A., Jr.
Culver, Ralph K.
Oliver, Verne L.
Scribner, Robert G.
Storm, William W., III
Wood, Frederick S.
Brunnenmeyer, Sherwood A.
Meyers, Bruce F.
Gogging, William F.
Fisher, Joseph R.
Barcus, Paul W.
Gibson, Gerald W.
Holben, Donald E.
Piehl, Robert H.
Moody, Clarence G., Jr.
Preston, Herbert, Jr.
Clement, David A.
Kirstein, Lee A.
Dyroff, William F.
Freeman, Thomas R.
Draper, William H.
Wilcox, Edward A.
Vance, Robert N.
Van Meter, Jo M.
Sims, John B.
Leader, Samuel F.
Davis, Merle C.
Powell, J. B.
McKean, Edgar A.
Vroegindewey, Robert J.
Grimes, Doyle
Youngs, Clifford A.
Assad, Albert J.
McGuire, James L.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 25, 1961:

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years. (He is now serving in this office under an appointment which expired December 7, 1960.)

HOUSE OF REPRESENTATIVES

MONDAY, SEPTEMBER 25, 1961

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 26: 4: *Trust ye in the Lord forever; for in the Lord Jehovah is everlasting strength.*

Almighty God, we gratefully acknowledge that the coming in and the going out of all the days of this 1st session of the 87th Congress have been in Thy divine keeping and control.

Grant that when we adjourn we may have within our minds and hearts the testimony that we have sought to discharge the duties of our high vocation to Thee and our fellow men with a pure and steadfast devotion.

We know not what the future has in store for us but we are commending and committing one another to Thy love and care, assured that, as our days, so also shall be our strength and that no needed blessing wilt Thou withhold from us if we do justly, love mercy, and walk humbly with the Lord.

Now unto Him who is willing and able to provide for us and protect us be glory and majesty, dominion and power. Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, September 23, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8320. An act to amend the Freeport Harbor project, Texas.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) entitled "An act to promote the conservation of migratory birds by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) entitled "An act to amend the act of August 12, 1955, relating to elections in the District of Columbia."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9118) entitled "An act to establish a United States Arms Control Agency."

ADDRESS BY THE PRESIDENT OF THE UNITED STATES TO THE UNITED NATIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include the address made by the President of the United States to the United Nations today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, the President of the United States has just delivered one of the great orations of this century. His speech before the General Assembly a few minutes ago was a blueprint not only for the survival of the United Nations but for the very survival of man. In terms of cold logic he outlined the commitments from which the United States and the free world cannot veer. In a warm and impassioned plea to Soviet leaders he challenged them not to an arms race but to a peace race. The address follows:

FOLLOWING IS THE TEXT OF THE PRESIDENT'S ADDRESS TO THE UNITED NATIONS, DELIVERED AT 11:30 A.M., EASTERN DAYLIGHT TIME, SEPTEMBER 25, 1961, NEW YORK CITY

Mr. President, honored delegates, ladies and gentlemen, we meet in an hour of grief and challenge. Dag Hammarskjold is dead. But the United Nations lives. His tragedy is deep in our hearts, but the task for which he died is at the top of our agenda. A noble servant of peace is gone. But the quest for peace lies before us.

The problem is not the death of one man—the problem is the life of this Organization. It will either grow to meet the challenge of our age—or it will be gone with the wind, without influence, without force, without respect. Were we to let it die—to enfeeble its vigor—to cripple its powers—we would condemn the future.

For in the development of this organization rests the only true alternative to war, and war appeals no longer as a rational alternative. Unconditional war can no longer lead to unconditional victory. It can no longer serve to settle disputes. It can no longer concern the great powers alone. For a nuclear disaster, spread by winds and waters and fear, could well engulf the great and the small, the rich and the poor, the committed and the uncommitted alike. Mankind must put an end to war, or war will put an end to mankind.

So let us here resolve that Dag Hammarskjold did not live, or die, in vain. Let us call a truce to terror. Let us invoke the blessings of peace. And, as we build an international capacity to keep peace, let us join in dismantling the national capacity to wage war.

II

This will require new strength and new roles for the United Nations. For disarmament without checks is but a shadow—and a community without law is but a shell. Already the United Nations has become both the measure and the vehicle of man's most generous impulses. Already it has provided in the Middle East, in Asia, in Africa this year in the Congo, a means of holding violence within bounds.

But the great question which confronted this body in 1945 is still before us—whether man's cherished hopes for progress and peace are to be destroyed by terror and disruption—whether the "foul winds of war" can be tamed in time to free the cooling winds of reason—and whether the pledges of our charter are to be fulfilled or defied: Pledges to secure peace, progress, human rights, and world law.

In this hall, there are not three forces, but two. One is composed of those who are trying to build the kind of world described in articles I and II of the charter. The other, seeking a far different world, would undermine this Organization in the process.

Today of all days our dedication to the charter must be maintained. It must be strengthened first of all, by the selection of an outstanding civil servant to carry forward the responsibilities of the Secretary General—a man endowed with both the wisdom and the power to make meaningful the moral force of the world community. The late Secretary General nurtured and sharpened the United Nation's obligation to act. But he did not invent it. It was there in the charter. It is still there in the charter. However difficult it may be to fill Mr. Hammarskjold's place, it can better be filled by one man rather than by three. Even the three horses of the troika did not have three drivers, all going in different directions. They had only one—and so must the United Nations executive. To install a triumvirate, or any rotating authority, in the United Nations administrative offices would replace order with anarchy, action with paralysis, and confidence with confusion.

The Secretary General, in a very real sense, is the servant of the General Assembly. Diminish his authority and you diminish the authority of the only body where all nations, regardless of power, are equal and sovereign. Until all the powerful are just, the weak will be secure only in the strength of this Assembly.

Effective and independent executive action is not the same question as balanced representation. In view of the enormous change in membership in this body since its founding, the American delegation will join in any effort for the prompt review and revision of the composition of United Nations bodies.

But to give this Organization three drivers—to permit each great power to decide its own case—would entrench the cold war in the headquarters of peace. Whatever advantages such a plan may hold out to my own country, as one of the great powers, we reject it. For we far prefer world law, in the age of self-determination, to world war, in the age of mass extermination.

III

Today, every inhabitant of this planet must contemplate the day when this planet may no longer be habitable. Every man, woman, and child lives under a nuclear sword of Damocles, hanging by the slenderest of threads, capable of being cut at any moment by accident or miscalculation or by madness. The weapons of war must be abolished before they abolish us.

Men no longer debate whether armaments are a symptom or a cause of tension. The mere existence of modern weapons—10 million times more powerful than anything the world has ever seen, and only minutes away from any target on earth—is a source of horror, and discord and distrust. Men no longer maintain that disarmament must await the settlement of all disputes—for disarmament must be a part of any permanent settlement. And men may no longer pretend that the quest for disarmament is a sign of weakness—for in a spiraling arms race, a nation's security may well be shrinking even as its arms increase.

For 15 years this Organization has sought the reduction and destruction of arms.

Now that goal is no longer a dream—it is a practical matter of life or death. The risks inherent in disarmament pale in comparison to the risks inherent in an unlimited arms race.

It is in this spirit that the recent Belgrade Conference—recognizing that this is no longer a Soviet problem or an American problem, but a human problem—endorsed a program of "general, complete and strictly an internationally controlled disarmament." It is in this same spirit that we in the United States have labored this year, with a new urgency, and with a new, now-statutory agency fully endorsed by the Congress, to find an approach to disarmament which would be so far reaching yet realistic, so mutually balanced and beneficial, that it could be accepted by every nation. And it is in this spirit that we have presented with the agreement of the Soviet Union—under the label both nations now accept of "general and complete disarmament"—a new statement of newly agreed principles for negotiation.

But we are well aware that all issues of principle are not settled—and that principles alone are not enough. It is therefore our intention to challenge the Soviet Union, not to an arms race, but to a peace race—to advance together step by step, stage by stage, until general and complete disarmament has been achieved. We invite them now to go beyond agreement in principle to reach agreement on actual plans.

The program to be presented to this assembly—for general and complete disarmament under effective international control—moves to bridge the gap between those who insist on a gradual approach and those who talk only of the final and total achievement. It would create machinery to keep the peace as it destroys the machines of war. It would proceed through balanced and safeguarded stages designed to give no state a military advantage over another. It would place the final responsibility for verification and control where it belongs—not with the big powers alone, not with one's adversary or one's self—but in an international organization within the framework of the United Nations. It would assure that indispensable condition of disarmament—true inspection—and apply it in stages proportionate to the stage of disarmament. It would cover delivery systems as well as weapons. It would ultimately halt their production as well as their testing, their transfer as well as their possession. It would achieve, under the eye of an international disarmament organization, a steady reduction in forces, both nuclear and conventional, until it has abolished all armies and all weapons except those needed for internal order and a new United Nations Peace Force. And it starts that process now, today, even as the talks begin.

In short, general and complete disarmament must no longer be a slogan, used to resist the first steps. It is no longer to be a goal without means of achieving it, without means of verifying its progress, without means of keeping the peace. It is now a realistic plan, and a test—a test of those only willing to talk and a test of those willing to act.

Such a plan would not bring a world free from conflict or greed—but it would bring a world free from the terrors of mass destruction. It would not usher in the era of the superstate—but it would usher in an era in which no state could annihilate or be annihilated by another.

In 1945, this Nation proposed the Baruch plan to internationalize the atom before other nations even possessed the bomb or demilitarized their troops. We proposed with our allies the disarmament plan of 1951 while still at war in Korea. And we make our proposals today, while building up our defense over Berlin, not because we are inconsistent or insincere or intimidated, but because we know the rights of freemen will prevail—because while we are compelled against our will to rearm, we look confidently beyond Berlin to the kind of disarmed world we all prefer.

I therefore propose, on the basis of this plan, that disarmament negotiations resume promptly, and continue without interruption until an entire program for general and complete disarmament has not only been agreed but has been actually achieved.

IV

The logical place to begin is a treaty assuring the end of nuclear tests of all kinds, in every environment, under workable controls. The United States and the United Kingdom have proposed such a treaty that is both reasonable, effective, and ready for signature. We are still prepared to sign that treaty today.

We also proposed a mutual ban on atmospheric testing, without inspection or controls, in order to save the human race from the poison of radioactive fallout. We regret that that offer was not accepted.

For 15 years we have sought to make the atom an instrument of peaceful growth rather than of war. But for 15 years our concessions have been matched by obstruction, our patience by intransigence. And the pleas of mankind for peace have met with disregard.

Finally, as the explosions of others beclouded the skies, my country was left with no alternative but to act in the interests of its own and the free world's security. We cannot endanger that security by refraining from testing while others improve their arsenals. Nor can we endanger it by another long, uninspected ban on testing. For 3 years we accepted those risks in our open society while seeking agreement on inspection. But this year, while we were negotiating in good faith in Geneva, others were secretly preparing new experiments in destruction.

Our tests are not polluting the atmosphere. Our deterrent weapons are guarded against accidental explosion or use. Our doctors and scientists stand ready to help any nation measure and meet the hazards to health which inevitably result from the tests in the atmosphere.

But to halt the spread of these terrible weapons, to halt the contamination of the air, to halt the spiraling nuclear arms race, we remain ready to seek new avenues of agreement. Our new disarmament program thus includes the following proposals:

First, signing the test ban treaty by all nations. This can be done now. Test ban negotiations need not and should not await general disarmament.

Second, stopping the production of fissionable materials for use in weapons, and preventing their transfer to any nation now lacking in nuclear weapons.

Third, prohibiting the transfer of control over nuclear weapons to states that do not own them.

Fourth, keeping nuclear weapons from seeding new battlegrounds in outer space.

Fifth, gradually destroying existing nuclear weapons and converting their materials to peaceful uses; and

Finally, halting the unlimited testing and production of strategic nuclear delivery vehicles, and gradually destroying them as well.

V

To destroy arms, however, is not enough. We must create even as we destroy—creating worldwide law and law enforcement as we outlaw worldwide war and weapons. In the world we seek, the United Nations Emergency Forces which have been hastily assembled, uncertainly supplied, and inadequately financed will never be enough.

Therefore, the United States recommends that all member nations earmark special peacekeeping units in their armed forces—to be on call of the United Nations—to be specially trained and quickly available—and with advance provision for financial and logistic support.

In addition, the American delegation will suggest a series of steps to improve the United Nations machinery for the peaceful settlement of disputes—for on-the-spot fact-finding, mediation, and adjudication—for extending the rule of international law. For peace is not solely a matter of military or technical problems—it is primarily a problem of politics and people. And unless man can match his strides in weaponry and technology with equal strides in social and political development, our great strength, like that of the dinosaur, will become incapable of proper control—and like the dinosaur vanish from the earth.

VI

As we extend the rule of law on earth, so must we also extend it to man's new domain: outer space.

All of us salute the brave cosmonauts of the Soviet Union. The new horizons of outer space must not be driven by the old bitter concepts of imperialism and sovereign claims. The cold reaches of the universe must not become the new arena of an even colder war.

To this end, we shall urge proposals extending the United Nations Charter to the limits of man's exploration in the universe, reserving outer space for peaceful use, prohibiting weapons of mass destruction in space or on celestial bodies, and opening the mysteries and benefits of space to every nation. We shall further propose cooperative efforts between all nations in weather prediction and eventually in weather control. We shall propose, finally, a global system of communications satellites linking the whole world in telegraph and telephone and radio and television. The day need not be far away when such a system will televise the proceedings of this body to every corner of the world for the benefit of peace.

VII

But the mysteries of outer space must not divert our eyes or our energies from the harsh realities that face our fellow men. Political sovereignty is but a mockery without the means of meeting poverty and illiteracy and disease. Self-determination is but a slogan if the future holds no hope.

That is why my Nation—which has freely shared its capital and its technology to help others help themselves—now proposes officially designating this decade of the 1960's as the United Nations decade of development. Under the framework of that resolution, the United Nations existing efforts in promoting economic growth can be expanded and coordinated. Regional surveys and training institutes can now pool the talents of many. New research, technical assistance, and pilot projects can unlock the wealth of less developed lands and untapped waters. And development can become a cooperative and not a competitive enterprise—to enable all nations, however diverse in their systems and beliefs, to become in fact as well as in law free and equal nations.

VIII

My country favors a world of free and equal states. We agree with those who say that colonialism is a key issue in this Assembly. But let the full facts of that issue be discussed in full.

On the one hand is the fact that, since the close of World War II, a worldwide declaration of independence has transformed nearly 1 billion people and 9 million square miles into 42 free and independent states. Less than 2 percent of the world's population now lives in "dependent" territories.

I do not ignore the remaining problems of traditional colonialism which still confront this body. Those problems will be solved, with patience, good will, and determination. Within the limits of our responsibility in such matters, my country intends to be a participant and not merely an observer, in the peaceful, expeditious movement of nations from the status of colonies to the partnership of equals. That continuing tide of self-determination, which runs so strong, has our sympathy and our support.

But colonialism in its harshest forms is not only the exploitation of new nations by old, of dark skins by light—or the subjugation of the poor by the rich. My Nation was once a colony, and we know what colonialism means—the exploitation and subjugation of the weak by the powerful, of the many by the few, of the governed who have given no consent to be governed, whatever their continent, their class, or their color, and that is why there is no ignoring the fact that the tide of self-determination has not reached the Communist empire where a population far larger than that officially termed "dependent" lives under governments installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, and free elections, and free newspapers, and free books, and free trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every corner of the globe.

IX

Finally, as President of the United States, I consider it my duty to report to this Assembly on two threats to the peace which are not on your crowded agenda, but which causes us, and most of you, the deepest concern.

The first threat on which I wish to report is widely misunderstood: the smoldering coals of war in southeast Asia. South Vietnam is already under attack—sometimes by a single assassin, sometimes by a band of guerrillas, recently by full battalions. The peaceful borders of Burma, Cambodia and India have been repeatedly violated. And the peaceful people of Laos are in danger of losing the independence they gained not so long ago.

No one can call these "wars of liberation." For these are free countries living under governments. Nor are these aggressions any less real because men are knifed in their homes and not shot in the fields of battle.

The very simple question confronting the world community is whether measures can be devised to protect the small and weak from such tactics. For if they are successful in Laos and South Vietnam, the gates will be opened wide.

The United States seeks for itself no base, no territory, no special position in this area of any kind. We support a truly neutral and independent Laos, its people free from outside interference, living at peace with themselves and with their neighbors, assured that their territory will not be used for attacks on others, and under a government comparable (as Mr. Khrushchev and I agreed at Vienna) to Cambodia and Burma.

But now the negotiations over Laos are reaching a crucial stage. The cease fire is at best precarious. The rainy season is coming to an end. Lao territory is being used to infiltrate South Vietnam. The world community must recognize—all those who are involved—that this potent threat to Lao peace and freedom is indivisible from all other threats to their own.

Second, I wish to report to you on the crisis over Germany and Berlin. This is not the time or the place for immoderate tones, but the world community is entitled to know the very simple issues as we see them. If there is a crisis it is because an existing peace is under threat—because an existing island of free people is under pressure—because solemn agreements are being treated with indifference. Established international rights are being threatened with unilateral usurpation. Peaceful circulation has been interrupted by barbed wire and concrete blocks.

One recalls the order of the czar in Pushkin's "Boris Godunov": "Take steps at this very hour that our frontiers be fenced in by barriers. * * * That not a single soul pass o'er the border, that not a hare be able to run or a crow to fly."

It is absurd to allege that we are threatening a war merely to prevent the Soviet Union and East Germany from signing a so-called treaty of peace. The Western Allies are not concerned with any paper arrangement the Soviets may wish to make with a regime of their own creation, on territory occupied

by their own troops and governed by their own agents. No such action can affect either our rights or our responsibilities.

If there is a dangerous crisis in Berlin—and there is—it is because of threats against the vital interests and the deep commitments of the Western Powers, and the freedom of West Berlin. We cannot yield these interests. We cannot fail these commitments. We cannot surrender the freedom of these people for whom we are responsible. A peace treaty which carried with it the provisions which destroy the peace would be a fraud. A free city which was not genuinely free would suffocate freedom and would be an infamy.

For a city or a people to be truly free, they must have the secure right, without economic, political or police pressure, to make their own choice and to live their own lives. And as I have said before, if anyone doubts the extent to which our presence is desired by the people of West Berlin, we are ready to have that question submitted to a free vote in all Berlin and, if possible, among all the German people.

The elementary fact about this crisis is that it is unnecessary. The elementary tools for a peaceful settlement are to be found in the charter. Under its law, agreements are to be kept, unless changed by all those who made them. Established rights are to be respected. The political disposition of peoples should rest upon their own wishes, freely expressed in plebiscites or free elections. If there are legal problems, they can be solved by legal means. If there is a threat of force, it must be rejected. If there is desire for change, it must be a subject for negotiation and if there is negotiation, it must be rooted in mutual respect and concern for the rights of others.

The Western Powers have calmly resolved to defend, by whatever means are forced upon them, their obligations and their access to the free citizens of West Berlin and the self-determination of those citizens. This generation learned from bitter experience that either brandishing or yielding to threats can only lead to war. But firmness and reason can lead to the kind of peaceful solution in which my country profoundly believes.

We are committed to no rigid formula. We see no perfect solution. We recognize that troops and tanks can, for a time, keep a nation divided against its will, however unwise that policy may seem to us. But we believe a peaceful agreement is possible which protects the freedom of West Berlin and allied presence and access, while recognizing the historic and legitimate interests of others in assuring European security.

The possibilities of negotiation are now being explored; it is too early to report what the prospects may be. For our part, we would be glad to report at the appropriate time that a solution has been found. For there is no need for a crisis over Berlin, threatening the peace—and if those who created this crisis desire peace, there will be peace and freedom in Berlin.

x

The events and decisions of the next 10 months may well decide the fate of man for the next 10,000 years. There will be no avoiding those events. There will be no appeal from these decisions. And we in this hall shall be remembered either as part of the generation that turned this planet into a flaming funeral pyre or the generation that met its vow to save succeeding generations from the scourge of war.

In the endeavor to meet that vow, I pledge you every effort this Nation possesses. I pledge you that we shall neither commit nor provoke aggression—that we shall neither flee nor invoke the threat of force—that we shall never negotiate out of fear; we shall never fear to negotiate.

Terror is not a new weapon. Throughout history it has been used by those who could not prevail, either by persuasion or example. But inevitably they fail—either because men are not afraid to die for a life worth living—or because the terrorists themselves came to realize that freemen cannot be frightened by threats, and that aggression would meet its own response. And it is in the light of that history that every nation today should know, be he friend or foe, that the United States has both the will and the weapons to join freemen in standing up to their responsibilities.

But I come here today to look across this world of threats to the world of peace. In that search we cannot expect any final triumph—for new problems will always arise. We cannot expect that all nations will adopt like systems—for conformity is the jailer of freedom, and the enemy of growth. Nor can we expect to reach our goal by contrivance, by fiat or even by the wishes of all.

But however close we sometimes seem to that dark and final abyss, let no man of peace and freedom despair. For he does not stand alone. If we all can persevere—if we can in every land and office look beyond our own shores and ambitions—then surely the age will dawn in which the strong are just and the weak secure and the peace preserved.

Ladies and gentlemen of this Assembly—the decision is ours. Never have the nations of the world had so much to lose—or so much to gain. Together we shall save our planet—or together we shall perish in its flames. Save it we can—and save it we must—and then shall we earn the eternal thanks of mankind and, as peacemakers, the eternal blessing of God.

PERMANENT SUBCOMMITTEE OF CONGRESS NEEDED AS WATCHDOG FOR AIRLINER AND AIRPORT SAFETY

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, "an American Airlines Boeing 707 jetplane groping for a landing in thick fog, skidded off the end of a runway and into the shallow waters of Boston Harbor yesterday, but all 71 persons aboard were rescued by an armada of pleasure boats."

That was the opening of a UPI story in today's—Monday—edition of the New York Herald Tribune. Fortunately the tide was high and the big plane did not nose over and settle into the mudbanks.

According to the Associated Press, the pilot said:

> I was making a normal approach; there was some fog. I landed on the runway a little farther up than I would have liked to and we skidded off the end.

What was the control tower doing while all this was happening? Why did not the pilot make an instrument landing so that he would have touched down with plenty of distance left for him to bring the plane to a gradual stop on the 7,500-foot runway? Preliminary evidence points to a human error, under difficult conditions, and lack of coordination between control tower and pilot.

Logan International Airport in Boston is one of the largest in the United States, with the most modern equipment for bringing planes in safely. What is the explanation then for this near disaster and what steps should be taken to eliminate this danger? The Civil Aeronautics Board promptly announced that it would begin an investigation into the cause of the crash.

Although I realize the tremendous responsibility of the pilot under these circumstances, and although I am confident in the CAB, I believe that even greater coordination between control tower and pilots is essential at all times.

Therefore, I ask that a special and permanent subcommittee of the House Interstate and Foreign Commerce Committee be established with its own staff of safety experts, as a watchdog to keep in touch at all times with the operation of our major airports, to make certain that there is no human laxity or failure of cooperation between pilot and control tower.

When 70 or more human lives are at stake every time an airliner takes off from, or approaches for a landing, we must insist on maximum discipline based on the most modern control equipment.

I am sure that the Interstate and Foreign Commerce Committee will conduct its own searching investigation into the Boston crash. But it occurs to me that the Congress must take steps to prevent these accidents, and not content itself with conducting post mortem investigations after the damage has been done.

With the growing volume of air traffic, it is the responsibility of Congress to maintain close watch over our major airports and to insist on maximum efficiency in the interest of public safety.

CONCORDIA SOCIAL CLUB, LAWRENCE, MASS.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Concordia Social Club on the east side of Prospect Hill, is a neighborhood fraternal organization that has united the families of that area in good fellowship and in cooperation on projects to help someone in need for many, many years.

A fact unknown to most Lawrencians is that this club is located in the Cottage Park section of our city. Some of these old, familiar names have disappeared from everyday use, but the age of this club takes us back in memory to the days when these neighborhood organizations ranked next to the family and the church; that brought people together in the sharing of joy and kinship and faith; as social units for group effort in a good cause.

Many changes have occurred through the years that have enriched our lives but, at the same time, have disrupted this neighborhood unity that gave us a feeling of human security.

Today, where two or more cars to a family is becoming the custom, rather

than the exception, and each member goes his own way there is less family participation in social activities than in former times.

But the Concordia Club has maintained the loyalty of its members to the group, from generation to generation, in spite of present-day distractions. This is the proof, if any were needed, that this club has made everyone feel welcome, year after year, with the friendliness that attracts and holds those to whom membership in the Concordia Club is one of their proudest and most satisfying affiliations.

There has been much space in the papers recently about Babe Ruth's record, and how close Roger Maris came to tieing it, or breaking it. But in Lawrence, we are celebrating a community record of a different kind of club, whose service to its members and its guests goes on and on.

For more than two-thirds of our city's history, this organization has contributed much to its social life, to its civic spirit, and its morale. And in the companionship it has fostered, done more than its share for human happiness. So that I wish to extend my congratulations to the Concordia Club on its 75th anniversary. The harmony it has promoted will be reflected from the smiling faces of your children and grandchildren when they meet in the future to celebrate its 100th anniversary.

NATIONAL ASSEMBLY FOR DEMOCRATIC RIGHTS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, according to an article appearing yesterday in the New York Times, the newly formed National Assembly for Democratic Rights had its first meeting Saturday, and at this meeting it was predicted that there would be many organizations of the same sort erected throughout the United States.

The purpose of this movement is to attempt to influence the Supreme Court of the United States to reverse the decision it recently handed down with respect to the Communist Party. According to this newspaper article, and I quote:

> The Supreme Court on June 5 sustained by a 5 to 4 vote the Smith and Walter-McCarran legislation. The Walter-McCarran Act requires Communists to register. If the two acts are enforced, the Communist Party would find it difficult to stay in business.

I think this article is very revealing. I believe the American people now ought to know what admittedly is the purpose of this new organization.

Other revealing statements from the September 25, 1961, issue of the New York Times with reference to this meeting, follow:

> At a morning session the assembly had heard Benjamin J. Davis, national secretary of the Communist Party, and spokesman for three other organizations that have been cited as Communist fronts by the Subversive Activities Control Board established under the McCarran Internal Security Act of 1950.
>
> They were the Reverend Richard Morford, executive secretary of the National Council of American-Soviet Friendship; Moe Fishman, executive secretary of Veterans of the Abraham Lincoln Brigade, and Frank Lopez, representing the American Committee for Protection of the Foreign Born.

One is not surprised to learn of Communist Party leadership in a movement designed to benefit the Communist Party.

HON. MANUEL F. COHEN, MEMBER, SECURITIES AND EXCHANGE COMMISSION

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, on September 18, 1961, the President nominated Mr. Manuel F. Cohen, a resident of the great State of Maryland, to be a member of the Securities and Exchange Commission. The Senate Committee on Banking and Currency unanimously reported the nomination to the Senate on September 21, and the nomination was cofirmed on September 22.

Mr. Speaker, the Securities and Exchange Commission is one of the most important regulatory agencies in the Federal Government. The distinguished gentleman from Texas [Mr. RAYBURN] was influential in its creation. As the then chairman of the House Committee on Interstate and Foreign Commerce, he actively sponsored the legislation before the committee and the Congress which became the Securities Exchange Act of 1934, under which the Commission was created.

The Commission administers five acts; namely, the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. The general objective of all of these statutes is to protect the public and investors against fraud and manipulation in the securities markets, and other malpractices in these markets which were rampant during the roaring 1920's.

Commissioner Cohen is eminently qualified to carry out the duties and responsibilities of his office. He has been an employee of the Commission for the past 19 years, starting as a junior attorney in 1942, and occupying successively higher positions. From 1952 to 1959, he was Chief Counsel of the Division of Corporation Finance. He then was promoted to the position of Adviser to the Commission, and in July 1960, he became the Director of the Division of Corporation Finance. He is an outstanding expert in the work of the Commission.

In 1956, Mr. Cohen was awarded the Rockefeller Public Service Award by the trustees of Princeton University which enabled him to go to Europe to study the capital markets, the processes of capital formation and governmental control over these activities in several foreign countries. This year, he was honored with the Career Service Award of the National Civil Service League.

Mr. Speaker, I am very pleased that the President made such an excellent appointment to the Securities and Exchange Commission.

PROCEDURE OF THE HOUSE

Mr. GROSS. Mr. Speaker, I have a unanimous-consent request to make concerning the procedure of the House. I ask unanimous consent that the action by which clause 2 of rule XXVIII was suspended a week ago last Saturday be revoked, and that clause 2, rule XXVIII of the Rules of the House of Representatives be restored.

Mr. Speaker, I should like to be heard briefly on my reasons for so doing.

Mr. Speaker, as the Members well know, suspension of clause 2, rule XXVIII, provides for the consideration of a conference report when it is reported to the House. I agreed a week ago last Saturday and offered no objection to suspension of that provision of the rule for the reason, I thought, that by not objecting the business of the House during the past week would be expedited. But if this session is to continue interminably, I think the Members of the House ought to know what the remaining conference reports contain. I would call the attention of the Speaker to the fact that a conference report was called up on the floor of the House last week in which I was vitally interested, and the Members iof the House, I am sure, were vitally interested, but I doubt that very many of them knew and I did not know when the report was called up what the conference report contained. By asking questions, I failed to elicit correct information because the gentleman, who was recognized to hurriedly present the conference report did not know precisely what the conference report contained. The result was that the House was given information that was not in accord with the facts. I do not blame the gentleman in charge of the bill. I blame the procedure which is in effect and which permits the forced-draft consideration of bills when there is no valid reason for so doing.

Mr. Speaker, I know of no business before the House this week that calls for the setting aside of clause 2 of rule XXVIII which is for the protection of the Members of the House to know what these conference reports contain.

Mr. Speaker, the deficiency appropriation bill coming up, as now pending before the other body, contains over a billion dollars or an increase of almost half a billion dollars over the bill which the House approved. I certainly want, and I would hope the other Members of the House would want to know why this deficiency appropriation bill has been increased by a half-billion dollars. I do not want to see that bill considered nor do I want to see the foreign aid appropriations bill, dealing with billions of

dollars, considered without ample notice to the House.

Mr. Speaker, that is the reason I have asked unanimous consent that clause 2, rule XXVIII, be restored with full force and effect.

Mr. ALBERT. Mr. Speaker, reserving the right to object, we sincerely hope that Members handling conference reports will cooperate in advising the House as to any changes that have been made in House bills. The procedure about which the gentleman is talking is the one generally used toward the end of sessions of Congress. Of course, it is necessary for the expeditious handling of the business leading to adjournment of the House as the gentleman well knows.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Iowa.

Mr. GROSS. Now that we have turned the corner, going into another week, does the gentleman mean that the pressure is so great as of today and for the remainder of this week that we cannot consider conference reports on the basis of having them printed so that all Members may read them and know what has transpired as between the House and the other body?

Mr. ALBERT. Of course, the fact that we are entering into another week is not the main point at issue. Members for several days have appealed to me that they have business to attend to and speaking engagements in their districts this week. The procedure by which the handling of these matters may be expedited is not only an accommodation to individual Members, but is beneficial to the House of Representatives as a whole. I hope the gentleman will not pursue his unanimous-consent request. I would like to cooperate with the gentleman in having matters thoroughly explained as they come from conference, but I would be constrained to object if the gentleman should pursue his request.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. ALBERT. I am glad to yield to my colleague.

Mr. GROSS. Is there any other way by which Members can be assured that they will know what is in the conference reports other than by having them printed and, thus, given an opportunity to see them before they are brought to the House floor? That is the orderly procedure and the only orderly procedure that I know of, and that is why I am sure that clause 2 was written in rule XXVIII.

Mr. ALBERT. Of course, the gentleman from Iowa can examine the bills that are passed by both Houses of the Congress and, thus, be alert to the possibilities with respect to any conference report.

The gentleman is a very astute and alert Member of this body and makes many contributions toward helping the House get information as to the content of bills and conference reports, but I would respectfully suggest that the gentleman withdraw his request.

The SPEAKER pro tempore. Under the circumstances the Chair declines to recognize the gentleman from Iowa to submit the request.

ACQUISITION OF WET LANDS AND ESSENTIAL WATERFOWL HABITAT

Mr. BONNER. Mr. Speaker, I call up the conference report on the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, will the gentleman tell us what this is about?

Mr. BONNER. Yes. The House passed the bill providing $150 million over a 10-year period and 75 percent of the moneys taken in by the duck stamps and other funds of that nature were to be applied to the repayment of this money. The Senate reduced it to $50 million and a 5-year period with the provision that the Governors of the States would have to acquiesce to the taking of this land, and also carrying a provision that the funds from the duck stamps and other moneys taken in over this 5-year period be applied to this $50 million.

Mr. ANDERSEN of Minnesota. I thank the gentleman and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1184)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 4.

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "seven-year period"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$105,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "1969"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "seven-year period"; and the Senate agree to the same.

HERBERT C. BONNER,
GEORGE P. MILLER,
JOHN D. DINGELL,
THOMAS M. PELLY,
ROBERT F. ELLSWORTH,
Managers on the Part of the House.

WARREN G. MAGNUSON,
CLAIR ENGLE,
E. L. BARTLETT,
GALE W. MCGEE,
ANDREW F. SCHOEPPEL,
JOHN MARSHALL BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl the acquisition of wet lands and other essential waterfowl habitat, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 1 of the House bill provided for authorization of appropriations of not to exceed $150 million for the 10-year period beginning with fiscal year 1962 for the acquisition of wet lands and other waterfowl habitat. Seventy-five percent of such funds, after the 10-year period, were to be repaid to the Government out of the proceeds of the migratory bird conservation stamps.

The Senate bill reduced the time limit to 5 years and the authorization to $50 million, with a provision that 90 percent be repaid out of migratory bird conservation funds. In addition, the Senate bill provided that land acquisitions could be made in States only with the approval of the Governor or appropriate agencies of the States.

The Senate accepted the House provision for 75-percent repayment and the House accepted the Senate provision with respect to the necessity for State approval prior to land acquisition.

With respect to the fund authorization, it was the sense of the conference that the authorization should be for a 7-year period in the amount of $105 million.

HERBERT C. BONNER,
GEORGE P. MILLER,
JOHN D. DINGELL,
THOMAS M. PELLY,
ROBERT F. ELLSWORTH,
Managers on the Part of the House.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Mr. Speaker, are there special orders for today?

The SPEAKER pro tempore. They will not be called yet. There is one matter pending. The gentleman from Georgia [Mr. JAMES C. DAVIS] has a conference report on elections in the District of Columbia.

ELECTIONS IN THE DISTRICT OF COLUMBIA

Mr. JAMES C. DAVIS submitted the following conference report on the bill (H.R. 8444) to amend the act of August 12, 1955, relating to elections in the District of Columbia:

CONFERENCE REPORT (H. REPT. No. 1266)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) to amend the Act of August 12, 1955, relating to elections in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Act entitled 'An Act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes', approved August 12, 1955 (69 Stat. 699; title I, ch. 11, D.C. Code, 1951 ed.), is amended as follows:

"(1) The first section is amended by inserting after the word 'That' the words 'in the District of Columbia electors of President and Vice President of the United States and'.

"(2) Section 3 of such Act of August 12, 1955 (D.C. Code, sec. 1–1103), is amended by inserting at the end thereof the following new sentence: 'The said Commissioners shall from time to time designate the Chairman of the Board.'

"(3) Paragraph (1) of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is amended by striking out 'permanent'.

"(4) Paragraph 3 of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is amended to read as follows:

"'(3) provide for recording and counting votes by means of ballots or machines or both and not less than five days before each election held pursuant to this Act, publish in one or more newspapers of general circulation in the District a copy of the official ballot to be used in any such election;'.

"(5) Section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105), is further amended (A) by striking from the first sentence of subsection (b) 'The Board, and persons authorized by it' and inserting in lieu thereof 'Each member of the Board and persons authorized by the Board', and by striking the period at the end of subsection (c) thereof and inserting in lieu thereof the following: ', including, a regulation permitting persons not absent from the District but who are physically unable to appear personally at an official registration place, to register in the manner prescribed in such regulation for the purpose of voting in any election held pursuant to this Act.'

"(6) Paragraphs (6) and (7) of subsection (a) of section 5 of such Act of August 12, 1955 (D.C. Code, sec. 1–1105) are hereby renumbered as paragraphs (7) and (8) respectively, and a new paragraph inserted immediately after paragraph (5) as follows:

"'(6) Develop and administer procedures for absentee registration for and voting in any election held under this Act by any person included within the categories referred to in paragraphs (1), (2), (3), or (4) of section 101 of the Federal Voting Assistance Act of 1955 (69 Stat. 584).'

"(7) Section 6 of such Act of August 12, 1955 (D.C. Code, sec. 1–1106), is amended by adding at the end thereof the following new subsection:

"'(c) Subject to the approval of the Commissioners of the District of Columbia, the Board is authorized to adopt and use a seal.'

"(8) Subsection (a) of section 7 of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended to read as follows:

"'(a) A person shall be entitled to vote in an election in the District of Columbia only if he is a qualified elector, and except as provided in subsection (e) of this section, he registers in the District during the year in which such election is to be held.'

"(9) Paragraphs (2) and (3) of section 7 (b) of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), are hereby amended to read as follows:

"'(2) he executes a registration affidavit by signature or mark (unless prevented by physical disability) on the form prescribed by the Board pursuant to subsection (c) showing that he meets each of the requirements specified in section 2 (2) for a qualified elector or qualifies under procedures established by the Board under paragraph (6) of subsection (a) of section 5 of this Act, and, if he desires to vote in a party election, such form shall show his political party affiliation.'

"(10) Section 7(c) of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended by striking '(b)(3)' and inserting in lieu thereof '(b)(2)'.

"(11) The first sentence of subsection (d) of section 7 of such Act of August 12, 1955 (D.C. Code, sec. 1–1107), is amended to read as follows: 'The registry shall be open from January 1 until forty-five days before the first Tuesday following the first Monday in November during each presidential election year except the forty-five day period which ends on the first Tuesday in May, and except as provided by the Board in the case of a special election. The Board may close the registry on Saturdays, Sundays and holidays.'

"(12) So much of subsection (a) of section 8 of such Act of August 12, 1955 (D.C. Code, sec. 1–1108), as precedes clause (1) is amended to read as follows:

"'(a) Candidates for office participating in an election of the officials referred to in clauses (1), (2), and (3) of the first section of this Act and of officials designated pursuant to clause (4) of such section shall be the persons registered under section 7 of this Act who have been nominated for such office by a petition—'.

"(13) Section 8 of such Act of August 12, 1955 (D.C. Code, sec. 1–1108), is further amended by adding at the end thereof the following new subsections:

"'(d) Each political party who has had its candidate elected as President of the United States after January 1, 1950, shall be entitled to nominate candidates for presidential electors. The executive committee of the organization recognized by the national committee of each such party as the official organization of that party in the District of Columbia shall nominate by appropriate means the presidential electors for that party. Nominations shall be made by message to the Board of Elections on or before September 1 next preceding a presidential election.

"'(e) The names of the candidates of each political party for President and Vice President shall be placed on the ballot under the title and device, if any, of that party as designated by the duly authorized committee of the organization recognized by the national committee of that party as the official organization of that party in the District. The form of the ballot shall be determined by the Board. The position on the ballot of names of candidates for President and Vice President shall be determined by lot. The names of persons nominated as candidates for electors of President and Vice President shall not appear on the ballot.

"'(f) A political party which does not qualify under subsection (d) of this section may have the names of its candidates for President and Vice President of the United States printed on the general election ballot provided a petition nominating the appropriate number of candidates for presidential electors signed by at least 5 per centum of registered qualified electors of the District of Columbia, as of July 1 of the year in which the election is to be held is presented to the Board on or before August 15 preceding the date of the presidential election.

"'(g) No person may be elected to the office of elector of President and Vice President pursuant to this Act unless (1) he is a registered voter in the District and (2) he has been a bona fide resident of the District for a period of three years immediately preceding the date of the presidential election. Each person elected as elector of President and Vice President shall, in the presence of the Board, take an oath or solemnly affirm that he will vote for the candidates of the party he has been nominated to represent, and it shall be his duty to vote in such manner in the electoral college.'

"(14) Subsection (a) of section 9 is amended by striking the second sentence.

"(15) Subsection (b) of section 9 is amended by striking 'ballot' and inserting in lieu thereof 'vote' in the first sentence thereof and by inserting at the end thereof the following new sentence: 'The Board shall by regulation permit voting for electors of President and Vice President by any registered elector who is absent from the District or who, because of his physical condition, is unable to vote in person at the polling place in his voting precinct on election day'.

"(16) Subsection (e) of section 9 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended by striking 'municipal court of the District' and inserting in lieu thereof 'municipal court for the District'.

"(17) Subsection (g) of section 9 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended to read as follows:

"'(g) No person shall vote more than once in any election, nor shall any person vote in an election held by a political party other than that of which he has declared himself a member.'

"(18) Subsection (a) of section 10 of such Act of August 12, 1955 (D.C. Code, sec. 1–1110), is amended by inserting '(1)' immediately after '(a)', and by adding at the end of such subsection the following:

"'(2) The electors of President and Vice President of the United States shall be elected on the Tuesday next after the first Monday in November in every fourth year succeeding every election of a President and Vice President of the United States. Polls shall be open from 8 o'clock antemeridian to 8 o'clock postmeridian on election day. Each vote cast for a candidate for President or Vice President whose name appears on the general election ballot shall be counted as a vote cast for the candidates for presidential electors of the party supporting such presidential and vice presidential candidate. Candidates receiving the highest number of votes in such election shall be declared the

winners, except that in the case of a tie it shall be resolved in the same manner as is provided in subsection (c) of this section.'

"(19) Subsection (b) of section 10 of such Act of August 12, 1955 (D.C. Code, sec. 1–1109), is amended by striking 'said election' and inserting in lieu thereof 'such elections'.

"(20) Section (d) of section 10 is amended by striking 'dies' and inserting in lieu thereof 'dies, resigns, or becomes unable to serve', and by striking 'local committee' and inserting in lieu thereof 'party committee: *Provided*, That such successor shall have the qualifications required by this Act for such office'.

"(21) Subsection (b) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by inserting after the words 'a candidate for' the words 'elector of President and Vice President,'.

"(22) Subsection (d) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by striking 'any national committeeman' and inserting in lieu thereof 'any elector, national committeeman'.

"(23) Subsection (e) of section 13 of such Act of August 12, 1955 (D.C. Code, sec. 1–1113), is amended by striking from the first sentence thereof 'the election' and inserting in lieu thereof 'an election'.

"(24) Section 14 of such Act of August 12, 1955 (D.C. Code, sec. 1–1114), is amended (A) by striking from the first sentence therof 'if employed in the counting of votes in such elections' and inserting in lieu thereof 'if employed in the counting of votes in any election held pursuant to this Act knowingly'; (B) by inserting the word 'knowingly' immediately before the words 'make any expenditure'.

"(25) The title of such Act of August 12, 1955 (D.C. Code), is amended to read as follows: 'An Act to regulate the election in the District of Columbia of electors of President and Vice President of the United States and of delegates representing the District of Columbia to national political conventions, and for other purposes.'

"(26) Clause (A) of paragraph 2 of section 2 of such Act is amended to read as follows: '(A) who does not claim voting residence or right to vote in any State or Territory; and who, for the purpose of voting in an election under this Act, has resided in the District continuously since the beginning of the one-year period ending on the day of such election:'.

"SEC. 2. (a) Chapter 1 of title 3 of the United States Code is amended by adding at the end thereof the following new section:

"'§ 21. Definitions

"'As used in this chapter the term—

"'(a) "State" includes the District of Columbia.

"'(b) "executives of each State" includes the Board of Commissioners of the District of Columbia.'"

(b) The table of contents of chapter 1 of title 3 of the United States Code is amended by adding at the end thereof the following:

"'21. Definitions.'

"(c) For the purposes of the Federal Voting Assistance Act, of 1955 (69 Stat. 584) the word 'State' shall be deemed to include the District of Columbia.

"SEC. 3. The second paragraph of section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (sec. 25–107, D.C. Code, 1951 ed.), is amended by inserting after the first sentence the following new sentence: 'Notwithstanding any other provision of this Act, the Commissioners shall not authorize the sale by any licensee, other than the holder of a retailer's license, class E, of any beverages on the day of the presidential election in the District of Columbia during the hours when the polls are open, and any such sales are hereby prohibited.'"

And the Senate agree to the same.

JAMES C. DAVIS,
JOHN DOWDY,
BASIL WHITENER,
JOEL T. BROYHILL,
WM. H. HARSHA, JR.,
Managers on the Part of the House.

ALAN BIBLE,
WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8444) to amend the Act of August 12, 1955, relating to elections in the District of Columbia, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted in lieu of it a complete substitute. The following is an explanation except for minor technical and conforming amendments of the differences between the bill as passed the House and the proposed conference substitute.

Paragraph (4). The Senate amendment required the publication of the official ballot in one or more newspapers of general circulation in the District at least five days before each election.

The House bill had no such requirement.

The proposed conference substitute is the same as the Senate amendment in this respect.

Paragraph (5). The Senate amendment permitted persons temporarily absent from the District and persons present but physically unable to appear to register by absentee procedures to be established by the board of elections.

The House bill had no such provision.

The proposed conference substitute would permit the registration by absentee procedures established by the board of elections only in the case of persons present in the District of Columbia who are physically unable to appear at official registration places.

Paragraph (11). The Senate amendment authorized the board to close registration offices on Saturdays, Sundays, and holidays.

The House bill contained no such provision.

The proposed conference substitute would authorize the board to close the registry on Saturdays, Sundays, and holidays.

Paragraph (12). The House bill required the names of candidates for presidential electors to appear on the ballot. The Senate bill required that the names of persons nominated as electors for president and vice president should not appear on the ballot.

The proposed conference substitute is the same as the Senate bill in this respect.

The Senate amendment specifically prohibited persons from being elected as presidential electors unless they are registered voters and have been residents of the District for three years immediately preceding the date of the election.

The Senate amendment also required presidential electors to swear to vote for his party's candidate and provided that it would be his duty to so vote.

The House bill contains no such requirement.

The proposed conference substitute is identical with the Senate amendment in this respect.

Paragraph (15). The Senate amendment provided that the board should permit voting for electors for president and vice president by any registered voter who is absent from the District or who because of his physical condition is unable to vote in person. The House bill contained no such provision.

The proposed conference substitute is essentially the same as the Senate bill in this respect.

Paragraph (26). The Senate amendment made certain changes in paragraph (2) of section 2 of the existing law for the purpose of deleting the phrase "or if such period has not begun, resides in the District". This is a technical amendment to clarify a present ambiguity in the law.

The House bill had no similar provision.

The proposed conference substitute is substantially the same as the Senate bill in this respect.

Section 3. The Senate amendment and the House bill both amended the District of Columbia Alcohol Beverage Control Act to prohibit the sale of alcohol on election day during the period when the polls are open.

The Senate bill permitted the sale during this time of alcohol beverages by druggists upon prescriptions.

The House bill did not contain this exemption.

The conference substitute is the same as the Senate bill.

JAMES C. DAVIS,
JOHN DOWDY,
BASIL L. WHITENER,
JOEL T. BROYHILL,
WILLIAM H. HARSHA, JR.,
Managers on the Part of the House.

Mr. JAMES C. DAVIS. Mr. Speaker, I call up the conference report on the bill (H.R. 8444) to amend the act of August 12, 1955, relating to elections in the District of Columbia, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

Mr. JAMES C. DAVIS. Mr. Speaker, the statement which has been read gives a comprehensive account of the action taken in the conference on this bill to provide for voting in the District of Columbia in presidential elections.

The bill as it came out of the conference committee contains most of the substantial provisions of the House bill. In the final version of the legislation, 1 year's residence is required in order for one to qualify to vote in the elections.

There is no absentee registration except in the case of persons who are physically disqualified to go and register. We felt after discussing it it would be appropriate to amend the House version of the bill so as to permit persons who are physically unable to go to the registration place to register that they should be permitted to register by sending in their application and complying with requirements.

In the House bill we did not provide for absentee voting except in the case of military personnel. The conferees

changed the House version in that respect and provided for absentee voting in all cases. In that instance the House receded and adopted the Senate version.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Iowa.

Mr. GROSS. Is there any intelligence standard or test in the bill as it came back from conference?

Mr. JAMES C. DAVIS. There is no prescribed test in this bill, but the Board of Elections is given jurisdiction to provide requirements for eligibility on the part of the registrants and voters. This bill, the House will remember I am sure, is not new legislation in the sense that it starts from scratch. It amends the previous law already on the books which has provided for election of delegates to national political parties conventions. That law is amended.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Iowa.

Mr. GROSS. And, what is the age limit?

Mr. JAMES C. DAVIS. Twenty-one years.

Mr. GROSS. As was in the House bill?

Mr. JAMES C. DAVIS. That is correct.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Ohio.

Mr. BROWN. As I understand this conference report, it provides for the 21 years of age voting requirement?

Mr. JAMES C. DAVIS. That is correct.

Mr. BROWN. That is, it provides for the 21 years of age requirement in order to be a voter, and it also requires the voter must be a qualified resident of the District for at least 1 year?

Mr. JAMES C. DAVIS. For 1 year; that is correct.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a question?

Mr. JAMES C. DAVIS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Just what authority is given to the Board to impose qualifications for electors?

Mr. JAMES C. DAVIS. Well, the Board has authority under existing law. This is an amendment to the existing law which already provides for the residents of the District to elect delegates to the conventions of national political parties. That is already in the law.

Mr. HOFFMAN of Michigan. I am sorry, but I am ignorant as to what that is. I wonder if the gentleman could give me a general statement on it?

Mr. JAMES C. DAVIS. The gentleman from Georgia will have to confess that he is ignorant also on that item. However, when the bill was under consideration in the House District Committee we reviewed that law and we were satisfied that it was adequate to take care of the situation. However, I am sorry that I do not remember the exact provisions of that section of the D.C. Code.

Mr. HOFFMAN of Michigan. Will the gentleman yield further?

Mr. JAMES C. DAVIS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Then in effect we are giving the Board—the local Board—authority to impose regulations or not make regulations of which we now know nothing? We are just extending to the people of the District the power to vote?

Mr. JAMES C. DAVIS. I would say to the gentleman that the District law, as I remember it—and it is already on the statute books—follows in that respect the statutes of most of the other States of the Union.

Mr. Speaker, I would like to pay tribute to the members of the conference committee from the House who served on this conference, the gentleman from North Carolina [Mr. WHITENER], the gentleman from Texas [Mr. DOWDY], and on the minority side, the gentleman from Virginia [Mr. BROYHILL], and the gentleman from Ohio [Mr. HARSHA]. They worked earnestly and sincerely in working out a bill in the conference committee which we feel will take care of the situation here and provide for the residents of the District of Columbia this opportunity to participate in the National Government.

Mr. Speaker, if there are no further questions, and no further requests to yield, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PRESIDENT KENNEDY HAS SPELLED OUT AN "INTERNATIONAL CHARTER OF HOPE" IN HIS SPEECH TO THE UNITED NATIONS ASSEMBLY

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, the entire world has just heard President Kennedy address the United Nations at the opening session of its deliberations. I had the privilege to hear this momentous speech on television just a few minutes ago.

Mr. Speaker, I believe that President John Fitzgerald Kennedy today has presented to humanity a new "charter of hope" around which the entire free world and those dedicated to freedom and dignity of man can rally. I, as an American, and I am sure all Americans, are proud of the tremendous message that the President gave to the world today. I think it was a message of hope and confidence. It was a message in which he set out fully the principles of dignity that this Nation stands for and is ready to defend.

Mr. Kennedy can today rightfully take his place among the truly great leaders of world history. His eloquence in delivering this inspiring message has elevated President Kennedy to the heights reached by such outstanding leaders as Winston Churchill in their greatest moments of glory.

Mr. Kennedy completely destroyed the Kremlin's claims for changing the United Nation's executive structure by reminding the delegates that even a "troika," while it has three horses, has only one driver. Mr. Kennedy's insistence that the debate on colonialism must include the plight of the captive nations now held in bondage by the Kremlin, I am sure, will rekindle new hope among the oppressed people of the world.

I certainly hope that the delegates at the United Nations will ponder the message of the President and carry out the inspiring program which Mr. Kennedy presented to the world today. I certainly hope that we in this Congress will have an opportunity to record ourselves in full support of the principles laid down by Mr. Kennedy today. We, as Americans, all of us, can be proud of President Kennedy regardless of partisan considerations or affiliations.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield.

Mr. HOFFMAN of Michigan. Is a copy of that message available now?

Mr. PUCINSKI. It is my understanding that the acting majority leader will place the speech in the CONGRESSIONAL RECORD.

Mr. HOFFMAN of Michigan. Does the gentleman have a copy of it?

Mr. PUCINSKI. I do not know whether copies are available on the floor. I do not have a copy at this moment. But I can assure the gentleman that it was undoubtedly the most powerful speech I have ever heard any President of the United States deliver to the world.

Mr. HOFFMAN of Michigan. The gentleman has not heard it yet, has he?

Mr. PUCINSKI. I have heard it, yes, I viewed it on television.

Mr. HOFFMAN of Michigan. Where can we hear it?

Mr. PUCINSKI. I imagine the press will carry the entire speech; and I am sure that the television people will rebroadcast it throughout the day and in the evening. But I assure the gentleman, when he hears the speech, even though he is of the opposite political party, he will be just as proud of President Kennedy as I am.

THE LATE HONORABLE PAUL BROWN

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia [Mr. STEPHENS].

Mr. STEPHENS. Mr. Speaker, I hate to appear for the first time on the floor of the House of Representatives on a sorrowful occasion, but I rise to announce that Paul Brown, former Representative from the 10th District of Georgia, whom I succeeded, died yesterday at his home in Elberton, Ga., at

about 7:30 in the evening. The funeral plans are for him to be buried from the First Methodist Church in Elberton, Ga., tomorrow at 11 o'clock.

Out of respect for Mr. Brown the stores, the banks, and all business activities of his hometown are to be closed tomorrow.

Mr. Speaker, I would like to say a few words about the life of Paul Brown, who was known to many of you as a great public servant. Paul Brown was born in the State of Georgia. He was educated in the State of Georgia. He practiced law in the State of Georgia. He served in the Legislature of the State of Georgia, and he served her people in the Congress of the United States for almost 28 continuous years. He came here in 1933 on the 5th of July as a result of a special election, at which time he received the overwhelming majority of the votes for his succession here to Congressman Brand of Georgia.

Mr. Speaker, I have lived in his district and I never voted for any other Congressman than Paul Brown. His district returned him continuously year after year with no opposition and on only one or two occasions did he have even token opposition, with only a few scattered votes. This showed the love and respect the people of Georgia had for this man who served us well. He served his State well. He served his Nation well. He served his constituents well. He was a man who had as his prime motivation, service to his friends, and to his people. He was loyal, he was gentle, he was conscientious, and he was beloved of his people. I join with his many friends in and out of Congress and in and out of Georgia to pay respect to his memory to say that in every way this couplet best fitted the life of the Honorable Paul Brown:

None knew thee but to love thee.
None named thee but to praise.

Mr. JAMES C. DAVIS. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Georgia.

Mr. JAMES C. DAVIS. I thank the distinguished gentleman from Georgia for yielding to me.

It was with sadness and grief that I learned this morning of the passing away of Paul Brown. I had served with him here for 14 years. He was a Member of the House of Representatives when I was elected. Most newly elected Members of the House find themselves in the position of needing help, assistance, wise counsel, and cooperation. I so found myself when I became a Member of this body. Paul Brown was the vice dean of the Georgia delegation. I found it necessary on many occasions to go to him for counsel and advice. I found him extremely cooperative. I found that he had a kind heart, that he was sympathetic with the problems of the new Members. On numerous occasions when I called upon him to help me break into the routine, to help me find the way to perform some of the duties which rested upon me to properly represent my constituents, I found that he was always willing, always considerate of any request I made of him.

He was a valued member of the House Committee on Banking and Currency. I have had problems which to me and my constituents were of great importance to handle with that committee, matters over which that committee had jurisdiction. Paul Brown was always willing to render me assistance in that capacity. I recall that he on at least one occasion during a congressional recess made a trip with me from Georgia up here to appear before the Federal Home Loan Bank Board in behalf of an application which I had pending there.

He was a humble man. He was a man who had great knowledge of the needs of the people, and he was assiduous in his efforts to write legislation for the benefit of the common people. He was always on the alert to do what he could to remedy the plight of the farmer, who during my lifetime has experienced many, many troubles in my area of the country. He always had the welfare of the farmer at heart, and he never overlooked an opportunity to remedy the condition of agriculture.

It was with much regret that I learned that he planned to retire at the end of the last session. I have missed him greatly, as I know many of you have. My heart is heavy today when I reflect on the fact that never again will I hear his kindly, friendly voice, and never will I look upon him again as he undertook to serve his fellow men.

I join his many friends here in extending deepest sympathy to his family. I pray that Almighty God will give to them the consolation which only He can give.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, one of the joys and pleasures of my life has been to meet and to know Paul Brown. Paul Brown was truly one of God's noblemen, a gentleman in every respect of the word, one who could disagree without being disagreeable, possessed of an understanding mind that in his association with his fellow men inspired others to be a better person—a better man or better woman. Paul Brown served in this Chamber for many years with great distinction, with courage and devotion. He was one of the most influential Members of this branch that I have served with in my 33 years as a Member of this great legislative body. The friensdhip that existed between Paul Brown and me was a very close friendship. He was one of my closest and most valued friends. He was an inspiration to me. His kindly spirit and his dedication to public service throughout his entire life was in life, and will always be an inspiration to me.

Mr. Speaker, in the passing of Paul Brown, the country has lost one of its greatest citizens. Paul Brown retired voluntarily as a Member of this body not long ago, but now the House of Representatives has lost one of the greatest Members ever to sit in this Chamber throughout the entire history of our country.

Mr. Speaker, I have lost one of my dearest friends. The memory of Paul Brown's friendship will always be a treasured memory during the remainder of my life. Mrs. McCormack and I extend to Mrs. Brown and her daughter our profound sympathy. But, I know, Mr. Speaker, that they will derive a great consolation in their loss by the knowledge that Paul Brown was one of the greatest men and one of the finest men who every journeyed through life.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, for 22 years Paul Brown and I served here together. We were the two Browns in the House of Representatives. We referred to each other as "cousin." For most of those 22 years, Paul and I—and his family and mine—lived in the same apartment building so that the two families became close friends. For a great portion of the World War II days, Paul Brown rode to and from the Capitol with me each day.

During that war, he lost his only son, a brilliant young man who was a student at the University of Georgia Law School. When the war broke out, he immediately came to Washington and insisted on enlisting in the Navy and entered the submarine service. As a perfect illustration of the type of man Paul Brown was, I can only tell you the story of Paul Brown's son. He was on submarine patrol in the Pacific. The submarine on which he was an officer returned to Pearl Harbor just before Christmas. It was his turn to be given leave, and he could have taken that leave and returned to his family here in Washington, to his father and his mother and sister, as he had hoped to do. But there was another officer on that same submarine whose turn for leave had not yet come, but who was married and the father of three small children.

To him, Paul's only son said: "No you go ahead; I'll take your place on this next tour of duty. You spend Christmas with your own family and I will take the next turn for leave."

Young Brown's submarine left Pearl Harbor never to return. It is still a mystery, as far as the Navy is concerned, as to just what happened to that submarine.

I watched Paul Brown break and grow aged during those terrible days of waiting. One day he would have hope that perhaps his son, along with the others on the submarine, had been rescued or had reached some island in the Pacific, or by some miracle he still lived, yet always word would come back. "Nothing to report." I am convinced the loss of Paul's only son had much to do with his decline in health in recent years. That boy, like his father, was thinking of the welfare of others and not just of himself. I watched Paul Brown during those trying days, as he walked about the apartment neighborhood, for I walked with him many times at night. He could not sleep, he could not rest, for his heart was broken, his thoughts were of his son.

Paul Brown, like his boy, served his country ably and well to the best of his ability. In the opinion of many of us Paul gave his life in the service of his

country, just as much as his son had given his.

Mrs. Brown and I have already, by personal message, extended to Mrs. Paul Brown and to her daughter, Rosalind, whom we knew as well, our sincerest sympathy. We have assured them that Paul Brown has left to his family the priceless heritage of a good name, and to those of us who served with him, and to the hundreds and the thousands who called him friend, many precious memories which will live with us as long as life continues. Paul Brown was a great legislator, a great American. The world is better for his having lived. His loss is one we all greatly regret.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. Mr. Speaker, from 1933 through 1960, Hon. Paul Brown served in this body. Reading clerks came and went, but during all of that time this matchless servant was in his appointed place and always responded to the call of his name with "here." Perhaps his record for attendance in this forum has never been matched.

Yesterday, near his devoted Christian wife and daughter, he made his transition from mortality to immortality. He was attended by his warm and trusted physician friend, whose friendship extended back to the time when the Congressman brought a promising youth to Washington to serve as a page, and from his earnings pursue a medical career in college. Truly, the relationship between a patient and a trusted physician is a tender one, but this relationship was almost that of parent and child.

There is no one who knew Congressman Paul Brown that cannot say of him, as Saint Paul said to young Timothy—II Timothy, chapter 4, verses 6–7:

> For I am now ready to be offered, and the time of my departure is at hand. I have fought a good fight. I have finished my course. I have kept the faith.

Truly a great man has passed over on the other side of the river. For 10 years, he was my constant and abiding friend and the bonds of love and affection between us are sacred and enduring.

Undoubtedly, Paul Brown was one of the most influential and outstanding Members of this body. He was always practical and he always meant business. I have said many times concerning him, "I never saw him fall below the standard of great." His mind was so brilliant, his heart so true and purposeful, he could not have taken leave of honor and sound judgment had he tried. He regarded life as a scene for doing good, and as a period for constructive work. There was no wasted or misspent time. There can be no regrets because of any idleness or any failure to grasp any opportunity to do good to his fellow man.

Nature does discriminate in the kind and quality of man and women it produces. Paul Brown was born a gentleman. In his young manhood, he was an outstanding lawyer in his section. There were many uncommonly brilliant lawyers in his county and adjoining counties. It was no small achievement to win an honored name before such an illustrious bar. Paul Brown did it, and today he is known as one of the greatest lawyers that section has produced. As a Congressman, Paul Brown was superb. He served a remarkable district. Alexander Stephens, Robert Toombs, Howell Cobb, all names to conjure with, had formerly served that district. Congressman Brown has taken his place with those intellectual giants of the yesterdays.

Mr. Speaker, Congressman Brown was tested as Job was tested. He proved that he was made out of the best of materials. He lost his one and only son in the service of his country. His heart was broken, but he redoubled his efforts so that it seemed that he was trying to perform service for our common country both for himself and for the son who had laid down his life for his country.

Paul Brown loved his family and they were most worthy of that great love and devotion he showered upon them. To his wonderful wife and daughter, I extend my love, affection, and appreciation. I grieve with them over their loss, but I remind them that few families have been so fortunate as to have a loved one of the nobility and humility, character, love, and loyalty as Paul Brown.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Speaker, I was deeply grieved to learn of the passing of our beloved former esteemed colleague from Georgia, Paul Brown, who for many years, until his retirement last year, served with honor and distinction as a Member of Congress. I had learned of Mr. Brown's illness and kept in touch with the situation through his worthy successor [Mr. STEPHENS].

It was a great privilege to serve in this body with Paul Brown. Many times I went to that fine man for advice and guidance, because of his knowledge and wisdom and his experience here. He was willing and able always to give good and sound counsel.

This world truly is a much better place in which to live because Paul Brown lived in it. His life was of the finest character, his works of the highest quality. May God rest his soul.

I extend to Mrs. Brown and the family my heartfelt sympathy in their great loss and sorrow, and I pray that they may be sustained and comforted in this period of bereavement.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, the very eloquent words of the gentlemen from Georgia [Mr. STEPHENS] and [Mr. FORRESTER] and of the gentleman from Ohio [Mr. BROWN] have sweetened the sorrow which overtook me when I read this morning of the loss of my friend, Paul Brown. These gentlemen, who knew him so well, have outlined so clearly the great qualities which went into the life and character of this great American.

When the late Honorable John Rankin was a Member of this body, he told me once that he had done extensive research on the matter of attendance of Members and that Paul Brown had an attendance record that far exceeded that of any other Member who ever served in this body. Paul Brown had answered consecutively more than twice as many roll calls as any other Member.

Mr. Speaker, I was also advised that on the occasion when the word of the loss of his son reached him, he found that it was going to be necessary for him to be absent by reason of that tragic event. Out of respect for his great diligence and fidelity and out of respect for the sorrow of a man who had been so diligent and so faithful, the House put over roll calls on that occasion so that Paul Brown could maintain his perfect voting record in this House. He never missed a single vote on a single occasion until he became too ill to attend the sessions of the House.

Mr. Speaker, I think this is illustrative of this steadfast American, this devoted public servant, this great and good man whom I am proud to say I knew as my friend.

Mr. Speaker, to his wonderful wife and daughter and all of his loved ones, I extend my deepest sympathy in this hour of their sorrow.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, as has been mentioned before, each Member of this House feels deep regret and sorrow in learning of the death of former Congressman Paul Brown. Two years prior to my coming to Congress, Paul Brown was here. During the remaining years of his service prior to his voluntary retirement from Congress, I was privileged to serve with him and to know him as a friend as well as a colleague.

Mr. Speaker, Paul Brown was one of those outstanding Americans that comes along but now and then, a devoted, patriotic individual citizen. He was devoted to this House of Representatives, and in every possible way fulfilled the obligation of a great servant of the people from his district and his State. One of the finest things that happens to those of us privileged to serve here is the pleasure to know certain individuals. I was proud to call Paul Brown my friend. I am so glad I knew him. I am sure this was a better House because of Paul Brown having served here.

Mr. Speaker, I think I express the feelings of many men on this side of the aisle—all of them, in fact—in joining with my colleagues here in saying that never have we met a finer individual than Paul Brown. We regret his passing, and to his wife and family we extend our deepest and sincere sympathy.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. MCMILLAN].

Mr. MCMILLAN. Mr. Speaker, I was distressed to learn this morning of the passing of my friend, the late Paul Brown, of Georgia.

I had the privilege and pleasure of serving in the Congress with Congressman Brown for 22 years, and during that

time, I called on him on numerous occasions for advice on legislation pending before the Congress. He was a real friend to freshman Congressmen as he was never too busy to sit down and discuss legislation problems with any Member who called on him for advice.

Our offices in the Old House Office Building were on the same corridor, and I had the pleasure of talking with him almost every day during the sessions of Congress.

Congressman Brown's only son was lost during World War II while serving as an officer on one of our submarines. Congressman Brown's whole life was tied up in his only son who lost his life serving his country, and I don't believe that he ever completely got over the shock of his son's passing. I have never known any man during my lifetime who grieved as much over the loss of one of his loved ones as Congressman Brown did over the loss of his fine son who served his country with great distinction until he lost his life in battle.

I have greatly missed Congressman Brown during the 1st session of the 87th Congress; however, I knew that when he did not offer for reelection this year that he was not enjoying the best of health.

I believe that Congressman Brown was the only man I ever knew who had a perfect voting record in the Congress until his illness last year.

Congressman Brown leaves a wife and daughter, and I want to take this opportunity to express my deepest sympathy to them during their hours of bereavement.

The State of Georgia and the United States lost one of its finest and most astute lawmakers in the passing of Congressman Brown. I am certain that all the Members of Congress who had the privilege of serving with him anytime during his 28 years of service in the House of Representatives will remember him as a great statesman, a Christian gentleman, and a sincere lawmaker.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Speaker, for 22 years it was my privilege to serve with a real southern gentleman, the late Paul Brown of Georgia. I remember Paul best for his service to agriculture. I do not think there was a man in the Congress of the United States during that period of time who did more for the small farmers of America than Paul Brown.

I learned the same thing that has been brought out by the gentleman from Georgia [Mr. FORRESTER], and the gentleman from Oklahoma [Mr. ALBERT], the fact that he was always present to vote, on every quorum call and every rollcall. I am sure that the record he established has never been equaled and perhaps will never be surpassed.

Mrs. Andersen joins with me in extending deepest sympathy to Mrs. Brown and the family at this time.

Mr. STEPHENS. Mr. Speaker, I thank the gentleman.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I should like to join Paul Brown's able and distinguished successor in Congress in grieving over his passing. I join the rest of the Georgia delegation and the membership of this House in paying tribute to an outstanding American. Paul Brown possessed all of the attributes that go to make up a good and a great man. He was kind, he was considerate, he was courtly in the finest traditions of the South. And he was persuasive. I remember many times when he came to me on the Subcommittee on Public Works with reference to some of the small projects in which his district was interested. He had those persuasive qualities which distinguished his character and he always got what his district needed.

Mr. Speaker, I join with all of his colleagues here in expressing my profound sympathy to his devoted wife and his daughter.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Speaker, all of us were saddened to learn of the passing of Paul Brown. Those of us who had the privilege of serving with him recognized that he was a great man. It was my privilege to know him well, having served with him more than 10 years. He was always attentive to the legislative business. He had an outlook that was unusual; he was sympathetic and understanding. While he had certain interests to represent in his own particular area, his understanding of the Nation's problems was such that he did not hesitate to cast a vote the way he saw it, regardless of consequences to himself or his district.

Those of us who learned to know him appreciated his contributions to the Nation. We were sorry to learn of his retirement at the end of the last session of Congress, because he had contributed so much to his country. I know that Georgia and the Nation will miss him. May I extend my sympathy to his family.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Mr. Speaker, Paul Brown was one of my best friends in Congress. I served with him on the Committee on Banking and Currency for 10 years. He was just as diligent on that committee and just as faithful as he was in his attendance on the floor of the House. During those years, our committee held almost constant hearings on one important piece of legislation after another. Paul Brown was always there with his sound judgment and careful analysis. He played a major role in securing a workable price control bill and in making adjustments to it as the years passed by. His advice and suggestions were invaluable when the time came to dispense with price control in an orderly way. He played a major role in housing legislation and also in the development of the International Bank and Monetary Fund. His judgment was respected by every member of the committee. There was no more able member of the committee on either side than Paul Brown.

One of my great disappointments on my return to Congress was to find that Paul Brown was no longer a Member of this body and, therefore, I was deprived of the privilege of seeing him again. That was one of the pleasures I had looked forward to eagerly after my nomination and election to Congress.

I want to extend my deep sympathy to his wife and family.

Looking back on it, I can think of no Member of the House that contributed more to the national welfare and the pleasant associations during my previous encumbency in the Congress.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Speaker, I join my colleagues in extending sympathy to the family of our late beloved colleague. I know most of us have missed him. I have missed him since he retired last year. He was always here in his seat. He was always ready to help you in any way. He gave of his advice freely. I remember on one occasion when a group of South Carolinians came up here with a problem and he gave them his time and advice, and solved the problem of those people from South Carolina. They went back to my good State grateful that they were privileged to meet with such a man.

I think of the characteristics that I saw in him that we miss most. I miss his gentleness at all times to those of us who were younger and had not had the experience he had. I miss his compassion. He had such a great compassion for his fellow human beings. On many occasions we have talked about the home and housing programs in which he was interested. He felt that the home and housing programs for the Nation were great programs, and he convinced me they were great programs. He was one of those who furthered those programs. Many people in America today can thank Paul Brown that they have homes wholly or in part at Government expense. He had great leadership.

To his family and his friends I express my deepest sympathy.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from Georgia [Mr. JOHN W. DAVIS].

Mr. JOHN W. DAVIS. Mr. Speaker, I rise as one who did not have the privilege of a personal acquaintanceship with Congressman Paul Brown. I hasten to say that in that failure I feel that I have sustained a very great personal loss. However, as a citizen of Georgia I followed the career of Congressman Brown from the time of his election in 1933 until his retirement from this body at the end of this past year.

He was one of my heroes. As a matter of fact, during the campaign for my seat in this body last fall on one occasion I was sitting on the platform with the other contenders for this seat and the question was asked of me by the moderator as to just what sort of Congressman I aspired to be. I answered that I hoped to become the same type of Member of Congress that Paul Brown

was. I still entertain that hope. I can think of no finer record for anyone to aspire to establish than that of the Honorable Paul Brown.

I join my colleagues who have expressed their sympathy to his wife and daughter.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Speaker, I join my distinguished friend, the gentleman from Georgia [Mr. STEPHENS], and other colleagues in paying tribute to the late Paul Brown. As Members before me have said, Mr. Brown was one who was always willing to assist new Members of this body and give of his counsel and his guidance if they sought that guidance. He was not one who was inclined to volunteer suggestions to his colleagues, but was always more than willing to respond to any request for assistance.

I think one of the most impressive occasions I have witnessed in this House of Representatives was on August 29, 1960, when the news of the intended retirement of Paul Brown was brought to the attention of the House by the gentleman from Georgia [Mr. JAMES C. DAVIS]. At that time in a manner which has been unequaled during my service in the Congress Members on both sides of the aisle, in greater numbers than I had ever witnessed, rose in this Chamber to pay their tribute to this distinguished American who had so long and so capably represented the people of the State of Georgia.

I remember on that occasion that our distinguished Speaker, who had known Mr. Brown from the time of the commencement of his service in the House of Representatives, had this to say about our departed former colleague. "If I were selecting what I call a good man, I would select Paul Brown." What higher tribute could any man pay to one of his fellowmen than the tribute contained in those words by this great man, Speaker RAYBURN, when he said that if he were selecting what he would call a good man, he would select Paul Brown? I might say without any intent to take the words of our distinguished Speaker as my own, I would merely echo that sentiment because, certainly, of all the men I have had the privilege of knowing, I have known of none who was more completely qualified for the title of a good man than this great gentleman who served here with us for so long and so capably as a servant of the people and, yet, a leader of the people of his district and of the Nation.

My deepest sympathy is with the loved ones of my departed friend, Paul Brown, in their time of great sadness.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, I wish to join the Members of the Georgia delegation and other Members of the House in paying tribute to Paul Brown. He was a lovable, kind man. He was a true, loyal American. His service in the House of Representatives was a dedicated service and those of us who had the honor and the privilege of knowing him in the cloakroom, to observe him on the floor of the House, and to watch his work in the committee room have enjoyed a rare privilege in life. To have known and seen a man, conscientious and dedicated to the service of his district, of his State, and of his Nation.

Mr. Speaker, I am proud that I have the honor to have known Paul Brown.

Mr. STEPHENS. Mr. Speaker, I yield to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I want to join my colleagues who have so eloquently paid tribute to our former colleague today. Paul Brown was an old friend to me long before I came to the House of Representatives. It so happens that in 1937, Mr. Brown had requested the President of the United States to send a speaker to the University of Georgia at Athens. I was privileged to have been selected on that occasion. This was my first contact with Paul Brown. I shall never forget not only his guidance—for I had great need for guidance in those days—being a rather young man, I shall never forget not only his guidance but his kindness and his hospitality. Through the many years that followed, our friendship continued. Then I had the privilege to serve with him here in the House of Representatives. A few years ago, once again, fate brought about a situation where again I had reason to know the great human heart which was a part of Paul Brown. My wife was in an automobile accident on her way back from California to Washington. At the time she was passing through Paul Brown's district. No man could have gone more out of his way to make the necessary arrangements to have Mrs. Roosevelt taken care of and to give to all of us at a difficult time so much solace and comfort. So today as we pay this tribute to Paul Brown, I can only add very sincerely that there was, indeed, no finer American, no greater friend to the individual Members of the House of Representatives who served with him, and no more useful citizen.

So to Mrs. Brown and to his family, Mrs. Roosevelt and I would like to extend our deepest sympathy in this difficult hour for them.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield.

Mr. O'HARA of Illinois. Mr. Speaker, for 6 fruitful years I had the rich privilege and the deep pleasure of serving with Paul Brown on the Committee on Banking and Currency. When I came to the Congress, the dean of the Illinois delegation, the beloved TOM O'BRIEN, introduced me to one of his dearest friends, Paul Brown; and Paul Brown gave to me so much in assistance, so much in wise counsel, so much in warm friendship that I shall never forget. He was one of the finest gentlemen I ever knew. The affection in which he was held by his colleagues from his native Georgia was felt in no less degree by his colleagues from Illinois.

Mr. Speaker, I should like to add something to what our distinguished acting majority leader, Mr. ALBERT, said concerning the attendance record of Paul Brown, a record for attendance during his service in this body that never has been equaled and probably never will be approached. But, in addition to that, the many long years that Paul went always answering every rollcall, including quorum calls, during that entire period he also attended every meeting of the Banking and Currency Committee. He was present at every convening of the committee. He was there every minute the committee was in session. He remained to the closing of every session. Not one session of the Banking and Currency Committee did Paul Brown miss during this long period that he was answering every rollcall and every quorum call on the floor of the House. He set for the Members of this historic body the highest pattern in faithfulness to duty.

I am deeply saddened. Only a few days ago I was chatting with the distinguished and lovable gentleman who is Paul Brown's successor here, and I had asked him on his return home after the adjournment to remember TOM O'BRIEN and the others of our delegation to our dear friend, Paul Brown, and to tell him how very, very much we missed him. The news now of his passing stirs the deepest of emotions.

He was a man of towering ability, yet he walked the road of life with that sweet simplicity that marks the truly great. In his heart of hearts he had understanding of all his fellow travelers on life's highway.

To his wife and daughter, I extend my deep and heartfelt sympathy in their great loss.

Mr. FENTON. Mr. Speaker, will the gentleman yield?

Mr. STEPHENS. I yield.

Mr. FENTON. It was certainly a profound shock to learn of the death of our former colleague, Paul Brown. I came to know him during his career in this House as one of the kindest and finest gentlemen it has been my privilege to have come in contact with. Mr. Brown's family and mine became close friends. His daughter and my youngest daughter were high school pals together here in Washington. On one occasion she visited our home in Pennsylvania.

Mr. Brown served his constituency, his State, and our Nation well and I want to join with the Georgia delegation in their statements here today.

My sympathy and that of my family go out to Mrs. Brown and Roslyn in their hour of great bereavement.

GENERAL LEAVE TO EXTEND

Mr. STEPHENS. Mr. Speaker, on behalf of the people of Georgia I want to thank all who have spoken. I could say much more, but the tribute from both sides of the aisle and the tribute from all parts of America that we have heard today are evidence of the great worth of Paul Brown.

Mr. Speaker, I ask unanimous consent that each Member who has spoken may have the privilege of revising and extending his remarks, and that all Members may be permitted to extend their remarks at this point in the RECORD on

the life, character, and public service of Mr. Brown.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. O'BRIEN of Illinois. Mr. Speaker, I rise to join in the tribute to a dedicated American, the late Congressman Paul Brown. I know I speak for the entire Illinois delegation when I say our Nation has lost a great American. It has been my privilege to know Congressman Brown for many years. I have always admired his deep dedication to the best interest of America. His fairness in evaluating legislation and his courage in defending the cause he believed to be right has been a source of constant comfort to all of us.

Paul Brown brought to this Chamber the depth of gentle conduct so typical in the South. He was an inspiring American and we will all miss him. I extend to his family my most sincere condolence.

Mr. BREEDING. Mr. Speaker, I wish to add my voice to those of my colleagues who have expresesd a sense of personal loss in the death of the Honorable Paul Brown. When I first came to Congress I was appointed to the House Banking and Currency Committee, of which the distinguished gentleman from Georgia was a ranking majority member. I will never forget his many kindnesses and the many little things which he did to make the path of a freshman Congressman easier and smoother.

This was typical of Paul Brown. He was a kind and gentle man and this, in part, accounts for the universal love and respect Members of this House had for him.

Aside from his many fine personal characteristics, Paul Brown was one of the ablest men ever to sit in this House. He was a master legislative craftsman and parliamentarian. He made a major contribution to many of the important policies of the Government which are now taken for granted.

In the death of Paul Brown, the Nation has lost a fine and able servant and those of us who were privileged to know him and to serve with him have lost a warm personal friend.

Mr. EVINS. Mr. Speaker, permit me to join with my colleagues from Georgia and others in paying a brief but sincere tribute to the memory of our late colleague and friend, the distinguished gentleman from Georgia, Hon. Paul Brown.

I admired Paul Brown immensely. He was in the truest sense a gentleman and a scholar.

Paul Brown served in the House for more than a quarter of a century and his service and his life provides a noble example of kindness, sincere friendship, and devotion to duty found only in the very outstanding.

He was a colleague whom we all could respect and who we all admired. He was a great American, who served his district, State, and Nation well.

I extend to the members of his family an expression of my most sincere sympathy in their bereavement.

Mr. HALEY. Mr. Speaker, I am shocked and deeply grieved to learn of the passing of our former colleague, my beloved friend, Paul Brown, of Georgia.

Early in my freshman term, I came to know him well. I had the benefit of his wisdom and lengthy experience here in the U.S. House of Representatives. When I sought his advice, he freely gave it.

I admired his sincerity and Christian character; and I respected his conscientious and distinguished service to his State and Nation. His friendship I have treasured.

Paul Brown had some special quality which was recognized by all. His friendliness, his warmth, his courtly ways were noted and responded to even by those who knew him only casually.

He was an effective legislator. His devotion to principles of sound government were well known. His career of service to his State and Nation was long and distinguished. It was only natural when he announced his retirement last year that many Members of the House expressed a sense of loss.

Today, as we come to know of his death, our personal loss is great. We know that Georgia has lost one of her noblest sons, and America has lost an outstanding legislator and statesman.

To his widow and his daughter, I extend my sympathy and kindest wishes.

Mr. MARSHALL. Mr. Speaker, it is always sad to lose a good friend. Paul Brown was a friendly and kindly man. Many, many times he took the trouble to help me as a Member in my first term particularly and later he asked me questions in such a way as to steer me on what he considered the right course. His advice was always good and he was as honest as a man could be in giving his views.

His legislative life could well be a source of inspiration to every American school boy and girl. He was dedicated to his duties as few men are. Regardless of inconvenience to himself, he never complained. He did his legislative work as his conscience dictated. America could well use more men like Paul Brown. To his family we extend our sincerest sympathy.

Mr. ROONEY. Mr. Speaker, I was truly saddened this morning when I learned of the passing of our former colleague, the distinguished gentleman from Georgia, the Honorable Paul Brown.

I served for many years here in the House with Paul Brown and had a most pleasant association and friendship with him. He was a kindly gentleman who always had the courage of his convictions. One of these convictions was his firm adherence to the leadership of the Democratic Party. I admired him on many occasions for his faithful and courageous votes in following the Democratic leadership of this House.

Mrs. Brown and his daughter have my deepest sympathy in their bereavement.

Mr. MACK. Mr. Speaker, I join with my colleagues in paying tribute to a distinguished American and one of the most dedicated Representatives to serve in this house. Paul Brown, who served his State of Georgia and country as Congressman for 28 years until his retirement last year, was an outstanding man and leaves behind a great record in Congress.

A life-long devotee to the principles of working government, Paul Brown entered Congress in 1933 after an active political career and service as representative in the State legislature.

He was a close personal friend of my father-in-law, a fellow Georgian, Roy M. North. They lived as neighbors in Washington for a quarter-century and were active in the affairs of their church. The North family admired and respected Paul Brown, and they join me in expressing sympathy to his family.

Among his many contributions as a true friend of his constituents and of his fellow members, he concentrated his efforts as a member of the Banking and Currency Committee.

Here, he rose to the positions of second ranking Democrat and chairman of the second subcommittee handling banking matters. In his latter years he was best known as having introduced revisions to the national banking laws enacted in the last Congress, aiding in what became the Bank Merger Act in 1960 and the 1959 law relating to reserve requirements for commercial bank members of the Federal Reserve System.

This mild-mannered southern gentleman emanated a unique personality and insight which naturally drew other Members to him for advice and assessment of sentiments over important matters. In short, he was as trusted and honored by those in the Nation's Capital as he was by those in the 10th District of Georgia who consistently verified their faith in him throughout his career in Congress.

It is with my deepest sympathies and regret that I take note of the death of this good man.

Mr. PATMAN. Mr. Speaker, the Members of Congress who served with Paul Brown of Georgia were saddened today to learn of his passing. I had the privilege of serving with Paul Brown during all the 28 years that he was in Congress. In fact, I was closely associated with him because we were on the same committee together during that time—the Banking and Currency Committee—on which he was senior to me.

I have never known a fairer person in my life. He was always determined to do exactly what was right concerning any problem upon which he was expected to make a decision. He not only attended all sessions of the Banking and Currency Committee, but he also attended practically every session of the House of Representatives while he was a Member. I doubt that any Member of Congress has ever had a better attendance record than Paul Brown.

Paul was genuinely interested in the people and, of course, he had a special interest in those whom he was privileged to represent. I do not believe that he had one announced opponent against him during the 14 elections in which he was elected to serve the people of his district in Georgia. This fact alone cer-

tifies to his great popularity in his district. I can add that he was just as popular in Congress, as every Member with whom he was privileged to serve had complete confidence in the knowledge, ability, and courage of Paul Brown. He was not only a civic-minded person—he was proud of his patriotism and no Members of Congress ever served more patriotically and loyally than did Paul Brown.

The people of Georgia and the people of the entire Nation have lost a great statesman. This country is much better because Paul Brown lived here as long as he did and served so faithfully and well.

Mrs. Patman joins me in extending sympathy to his loved ones.

Mr. BETTS. Mr. Speaker, Paul Brown was one of my close personal friends. From the first day of my service on the Banking and Currency Committee, he took an interest in me and my congressional work. He was always most helpful and our friendship extended beyond the committee room to many personal contacts of a social as well as official nature.

He was a true southern gentleman in every sense of the word. Honorable, dignified, loyal, and charming—he represented the finest type of U.S. Congressman and set an example which I shall always try to follow. I consider it a privilege to have had the opportunity to know Paul Brown. I am saddened at his death and extend my deepest sympathy to his family.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, it is with sadness that I join the Members of the Georgia delegation and other Members of the House in paying tribute to the late Paul Brown. I had the privilege during my first term in Congress to serve on the same subcommittee of the Banking and Currency Committee with Paul Brown. In fact, he was the chairman of my subcommittee, and it was a disappointment when we on the subcommittee learned that he planned to retire at the end of the last session of Congress.

Mr. Speaker, it is easy to understand why Congressman Brown had such love and respect from the people of his district. His warm heart and kindly manner endeared him to all who knew him. He was respected because he was truly a dedicated public servant whose conscientious and loyal devotion to duty were an inspiration.

Personally, I shall always remember him for his kind and warm personality. He was never too busy to take the time to share with younger members the benefits of his wide experience and thorough knowledge.

To his wife and daughter I extend my deepest sympathy.

Mr. MULTER. Mr. Speaker, one of the truly devoted servants of the people has passed on to another life. Our beloved former colleague, the distinguished Paul Brown, of Elberton, Ga., has died.

Those of us who knew Paul will never forget the friendship and devotion of this man. Born and educated in Georgia, Paul was the true southern gentleman. For some years I had the honor of serving with him on the Banking and Currency Committee and may I say that working with him there was one of the most rewarding experiences of my life. His wise counsel was often sought and freely given; his understanding of basic problems was deep and always exercised; his judgment was faultless and benefited his colleagues on many occasions.

In 1960 when he decided to return to his Georgia home, we knew that we would sorely miss him and we have.

A distinguished legislator and lawyer, his example will long serve as a model of excellence for his successors.

I join with my colleagues in expressing my deepest sympathies to Mrs. Brown and their daughter.

Mr. ADDONIZIO. Mr. Speaker, like all who were privileged to serve with him in the House of Representatives, I had deep affection and respect for Paul Brown. His fine qualities of mind and heart endeared him to all and made him one of the outstanding Members of the House. During my years of association with him on the Banking and Currency Committee, Paul Brown was always most kind and gracious, and his devotion to duty was an inspiration to his younger colleagues. While we differed on many fundamental issues, I was always impressed with his nobility of character and I feel that all his colleagues were better for having known this truly good man.

To Mrs. Brown and his family, I extend my deepest sympathy in their heavy loss.

Mr. KILBURN. Mr. Speaker, over the years it was my privilege to be closely associated with the late Paul Brown, of Georgia, as a member of the Banking and Currency Committee. He was a most able and conscientious member of that committee. Time after time it was the Brown amendments which took the quirks out of legislation being formulated by the committee. Much legislation on the books today, although not bearing his name, reflects the imprint of his wisdom and skill as an outstanding legislator.

In particular, I remember Paul Brown as a conferee in our meetings with Members of the Senate in working out compromises on legislation passed by the House and Senate. With frequent regularity, it was the commonsense solutions of Paul Brown which resolved many of the difficult problems with which the conference was faced. In fact, it was here that he was at his best because he always proceeded on the basis that problems existed not to baffle but to be solved in a sensible way.

Paul Brown was more than a Representative of the 10th District of Georgia. Labor, business, and farmers everywhere have benefited from his distinguished service to his country. May this thought soften the sorrow of his devoted wife and daughter in his passing.

Mr. RAINS. Mr. Speaker, this body has been saddened to hear of the death of our former colleague, the Honorable Paul Brown, of Georgia. I had the privilege and pleasure of serving with him on the House Banking and Currency Committee for many years prior to his retirement last year. He was known to us all as a diligent and wise legislator, a kind friend and a southern gentleman.

My colleagues, I am sure, join me in the hope that he found much happiness in his retirement to his beloved Georgia during the past year. Paul Brown served his district and his State and his Nation well for almost two decades.

I wish to extend my deepest sympathy to his lovely wife and daughter at this time of bereavement.

Mrs. DWYER. Mr. Speaker, the death of our former colleague, the Honorable Paul Brown, of Georgia, has brought grief to all who knew him. Prior to his retirement last year, I was privileged to serve with him for 2 years on the Committee on Banking and Currency. There, as in all our other contacts, he was unfailingly kind, courteous, and helpful.

Paul Brown brought great dignity and ability as well as the wisdom of long experience to our committee's deliberations. He was thorough and practical and constructive—qualities which, throughout his two decades of service in the Congress, enabled him to contribute greatly to his district, his State, and his Nation.

I am grateful for our association, brief though it was, and I join our colleagues in expressing my deepest sympathy to his wife and daughter.

Mr. FISHER. Mr. Speaker, I share the high respect that has been so ably and widely expressed for the late and lamented Paul Brown. I always thought of him as being one of the most respected and honorable men I have ever served with in the House of Representatives. He was a great patriot, a loyal friend, and a valuable servant of the people.

To the family, I extend my deepest sympathy in their bereavement.

Mr. WALTER. Mr. Speaker, one of the saddest moments in my life here in Congress, I believe, came last year when my colleague, Representative Paul Brown, announced his retirement.

It was a sad moment because Paul Brown and I came to Washington together some 29 years ago and we became very close friends.

Members of Paul's family, who also were close to me during these years, kept me posted on his activities since his retirement.

His death this past weekend at his home in Elberton, Ga., removed from our midst a great public servant. And, also, it removed from my circle one of my truly great friends.

Never have I met a finer gentleman than Paul Brown. He was devoted to his family, his friends, his State, and his country.

Time will mark Paul Brown as a great legislator. His work on the House Committee on Banking and Currency was brilliant.

Many of us who served with Paul Brown have benefited from his advice. He always was ready to aid other Congressmen in answering questions for constituents concerning banking laws of our country.

Aside from the great contributions he made as a legislator, Paul Brown made many more contributions as a friend of everyone.

I join with these friends in expressing my deepest sympathy to his wife and daughter on the loss of their husband and father.

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. HALEY. Mr. Speaker, will the gentleman withhold his point of order just a moment?

The SPEAKER pro tempore. Will the gentleman reserve his point of order for a moment?

Mr. GROSS. Yes.

The SPEAKER pro tempore. The Chair will say there are two matters of concurring in Senate amendments to be disposed of. The gentleman from Minnesota and the gentleman from Massachusetts want to address the House for 1 minute. Then the Chair will declare a recess.

With that information the Chair awaits the gentleman's pleasure.

Mr. GROSS. Mr. Speaker, if we are going to continue in business I think we ought to have a quorum. Therefore, I renew my point of no quorum.

RECESS

The SPEAKER pro tempore. The Chair declares the House to be in recess, subject to the call of the Chair. The bells will be rung 15 minutes before the expiration of the recess.

Accordingly (at 1 o'clock and 21 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore at 5 o'clock p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8921. An act to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House, a bill of the Senate of the following title:

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6775) entitled "An act to amend the Shipping Act of 1916, as amended, to provide for the operation of steamship conferences."

CIVIL FUNCTIONS APPROPRIATION BILL, 1962—FOREIGN ASSISTANCE APPROPRIATION ACT, 1962

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight to file a conference report on the bill H.R. 9076, making appropriations for civil functions administered by the Department of the Army, and so forth.

I also ask unanimous consent, Mr. Speaker, that the Committee on Appropriations have until midnight to file a conference report on the Foreign Assistance Appropriation Act for 1962.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, is the gentleman making two unanimous consent requests?

The SPEAKER pro tempore. The first request was for unanimous consent to file a report on the public works bill.

Mr. HOFFMAN of Michigan. That is the bill I wanted to ask a question about. I wanted to ask the gentleman, if that report is filed at midnight, will it be acted upon before 10 o'clock or 11 o'clock in the morning?

Mr. CANNON. The reports that will be filed at midnight will be acted on tomorrow.

Mr. HOFFMAN of Michigan. Any time after 12 o'clock tonight or tomorrow morning?

Mr. CANNON. If they are filed tonight, they will be acted on tomorrow.

Mr. HOFFMAN of Michigan. What time tomorrow?

Mr. CANNON. As early as possible, shortly after the House meets, if we are recognized by the Speaker and the action is authorized by the majority leader.

Mr. HOFFMAN of Michigan. But not before 10 o'clock tomorrow morning?

Mr. CANNON. That depends on the decision of the majority leader and the Speaker.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object, if we cannot be sure that we are not going to act before 10 o'clock tomorrow morning.

Mr. BROWN. Mr. Speaker, if the gentleman will withhold his reservation of objection for just a minute, I wonder of the majority leader can give us any advice as to when the House will meet tomorrow.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, if the House does not decide otherwise, we will not meet before 12 o'clock tomorrow; but if the business of the day will justify it, we plan to ask unanimous consent to meet at 10 o'clock in the morning.

Mr. BROWN. What we are trying to find out is what time the gentleman is going to ask the House to meet tomorrow.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object—and we will have many reservations here, I am afraid—can the gentleman tell us what we may anticipate by way of business tomorrow that warrants our coming in at 10 o'clock?

Mr. ALBERT. The gentleman from Missouri [Mr. CANNON] has just asked unanimous consent to file by midnight tonight reports on the public works appropriation bill and on the foreign aid appropriation bill.

Mr. GROSS. I did not understand what the second request of the gentleman from Missouri was. Was it about the foreign aid appropriations bill?

The SPEAKER pro tempore. There were in fact three unanimous-consent requests. The gentleman from Oklahoma has asked unanimous consent that when the House adjourns today it meet at 10 o'clock tomorrow. Is there objection?

Mr. CANNON. Reserving the right to object, Mr. Speaker, the Committee on Appropriations has the right to file these reports without consulting anybody. My only reason in presenting the request at this time is so that the House may be aware of our plan to present these conference reports at as early a date as possible. Whether the gentleman agrees or disagrees, we have a right to file it. I do this merely for the accommodation of the Members of the House.

Mr. GROSS. About this coming in at 10 o'clock in the morning, there is not very much thought that the deficiency appropriation bill will be ready tomorow?

Mr. ALBERT. There is very much hope that it might be.

Mr. GROSS. That the deficiency appropriation bill will be passed by the other body and ready to be acted on by the House tomorrow?

Mr. ALBERT. Hope springs eternal.

Mr. GROSS. That may be, but as to this business of coming in at 10 o'clock, why does not the gentleman make it 11, so that we might have a little time to look at the public works and the foreign assistance conference reports. If we are coming in at 10, that does not leave us much time even to read the reports. I do not know what is in the reports. Will not the gentleman make it 11 o'clock tomorrow morning?

Mr. ALBERT. Would not the gentleman agree that it would be for the benefit of the Members of the House that the request of the gentleman be agreed to so that the reports can be printed and the Members might have these reports available? The gentleman knows that these reports can be filed and brought up under an agreement about which the gentleman has raised some question, without having them printed.

Mr. GROSS. If the gentleman will withhold his request until a little later, for my part I accede to it.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The second request of the gentleman from Missouri was that the conferees have until midnight tonight to file a conference report on the foreign assistance appropriation bill. Is there objection?

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, all I am trying to do is to protect some of us against a session tonight and considering that report at 12 o'clock or 1 o'clock a.m.

The SPEAKER pro tempore. The Chair assures the gentleman there is no such intention.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ALBERT. If we could get permission to meet at 10 o'clock in the morning, I could assure the gentleman that those bills would not be taken up before that time, and I renew my request on that basis.

Mr. GROSS. Reserving the right to object, Mr. Speaker, will not the gentleman make it 11 o'clock tomorrow? We can dispose of those conference reports tomorrow without any trouble, and have an opportunity to read the reports as they are printed in the RECORD.

Mr. ARENDS. If the gentleman will yield, one other matter that must come before the House tomorrow is the District tax bill conference report. That makes three things in a row, one right after the other. So there is work to be done if we are to get out of here. I would hope that we could meet at 10 o'clock and give these things consideration.

Mr. BROWN. Mr. Speaker, if the gentleman will yield, I wonder if the gentleman from Oklahoma could tell us the order in which these three conference reports will be called up.

Mr. ALBERT. I would not want to say about the others, but it is my opinion that the public works conference report will be the first one called.

Mr. BROWN. Can the gentleman give us any information as to when the supplemental appropriation bill will be called up?

Mr. ALBERT. I cannot at this time because it has not been acted on yet in the other body.

The SPEAKER pro tempore. The gentleman from Oklahoma has submitted a unanimous consent request. Is there objection?

Mr. GROSS. Mr. Speaker, further reserving the right to object, I do not know when we are going to have an opportunity to read these conference reports. I am glad to see these reports printed in the RECORD, but when will we have an opportunity to read them? I do not know when we will have the opportunity to read them if we have to come in at 10 o'clock in the morning.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. TABER. I would suggest to the majority leader that he accede to the request that the hour of meeting be set at 11 o'clock tomorrow morning instead of 10 o'clock. You might just as well give the Members time enough to look the reports over.

Mr. ALBERT. Mr. Speaker, for the time being I withdraw the request.

SPECIAL PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON. Mr. Speaker, I ask unanimous consent that I may address the House for 30 minutes immediately following the disposition of the conference report on the supplemental appropriation bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

POINT OF ORDER

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Will the gentleman from Michigan withhold the point of order for a moment?

Mr. HOFFMAN of Michigan. Yes, Mr. Speaker, I withdraw the point of order but just temporarily.

DISTRICT OF COLUMBIA SALES TAX INCREASE

Mr. McMILLAN submitted a conference report and statement on the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes.

PLACING IN TRUST STATUS CERTAIN LANDS ON CROW CREEK INDIAN RESERVATION, S. DAK.

Mr. HALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3572) to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, with an amendment of the Senate thereto, and consider the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, after line 5, insert:

"SEC. 2. It is the policy of Congress that the value of all Federal property heretofore or hereafter given to an Indian tribe, band, or group, including the property granted by this Act, shall be considered by the Indian Claims Commission for setoff purposes in accordance with the provisions of section 2 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1050). In order to incorporate that policy in the Indian Claims Commission Act, the third paragraph of section 2 of said Act is amended by deleting the words 'the Commission may also inquire into and consider all money or property given to or funds expended gratuitously for the benefit of the claimant' and by inserting in lieu thereof the words 'the Commission shall also inquire into and consider all money or property given to or funds expended gratuitously for the benefit of the claimant prior to the Commission's award'."

Amend the title so as to read: "An Act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. SAYLOR. Mr. Speaker, reserving the right to object, will the gentleman from Florida explain the amendment which the Senate offered and also the amendment which the gentleman from Florida proposes to offer.

Mr. HALEY. Mr. Speaker, the amendment to the Senate amendment to H.R. 3572 which is being proposed is identical with provisions which the House has already adopted in two other cases this year; namely, in a bill making a grant to eight Indian pueblos in New Mexico (S. 203) and in another bill making a grant to the Jicarilla Apache tribe in the same State (S. 2241).

In effect, what the proposed amendment does is to direct the Indian Claims Commission to determine the extent, if any, to which the value of the lands being transferred to the Crow Creek Indians in South Dakota shall be set off against any judgment which these Indians may procure against the United States in proceedings before the Commission. It confirms what, I am told, is the Indian Claims Commission's interpretation of existing provisions of law, the meaning of which, however, has been and is a matter of some dispute.

The House and the Senate were not in disagreement that a provision on this point was proper. The only matter of disagreement was whether H.R. 3572 was a proper vehicle for enacting a provision along these lines as general law. The Senate thought it was, but House Members thought the contrary. If the amendment to the amendment is adopted, as I hope it will be, we will be declaring the law only with respect to this individual case, and the subject as a whole will be left for further discussion next year.

I am informed that the gentleman from South Dakota [Mr. REIFEL], concurs in the amendment to the amendment which is being proposed.

Mr. SAYLOR. In other words, the amendment the gentleman is offering is to make sure that the position of the House is protected.

Mr. HALEY. That is correct.

Mr. SAYLOR. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HALEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALEY: In lieu of the language of the Senate amendment insert the following:

"SEC. 2. The Indian Claims Commission is directed to determine in accordance with the

provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission."

The amendment was agreed to.

A motion to reconsider was laid on the table.

The title of the bill was amended to read: "An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes."

Mr. HOFFMAN of Michigan. Mr. Speaker, I renew my point of order that a quorum is not present.

The SPEAKER pro tempore. Will the gentleman withhold it to permit the Chair to recognize the gentleman from Massachusetts for a 1-minute speech?

Mr. HOFFMAN of Michigan. Yes, if the Chair wants to get through with incidentals.

The SPEAKER pro tempore. It is purely incidentals that we have in mind.

Without objection, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 1 minute.

There was no objection.

DR. JAMES NAISMITH, INVENTOR OF BASKETBALL, TO BE HONORED BY COMMEMORATIVE STAMP ON NOVEMBER 6, 1961

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, November 6, 1961, marks the 100th anniversary of the birth of Dr. James Naismith, the originator of the game of basketball.

Dr. Naismith was born in Almonte, Ontario, Canada, graduated from McGill University, entered Presbytertian Theological Seminary and arrived at the Training School of the Young Men's Christian Association College in Springfield, Mass., in the fall of 1890. The next year he originated the game of basketball, drew up the rules and the first game was played in December of 1891.

Mr. Speaker, from that day to this this great American game has grown into the world's most popular sport. It is played in all areas of the earth with more than 20 million active participants and viewed and enjoyed by over 100 million people.

Mr. Speaker, I am pleased to announce that the Post Office Department will issue a commemorative stamp honoring Dr. Naismith and the game of basketball on November 6, 1961. This date marks the 100th anniversary of his birth.

BASKETBALL FOUNDED AT SPRINGFIELD COLLEGE

Mr. Speaker, it was particularly fortuitous that James Naismith decided to come to the YMCA College in Springfield, Mass., some 70 years ago.

For the mission of Springfield College since its founding in 1885 has been education for service to youth and communities throughout the world. The first academic courses prepared students for YMCA leadership and churchwork. Young Men's Christian Association organizations throughout the world have felt the impact and leadership of the thousands that have been trained and educated at Springfield College—one of the finest institutions of its kind in the Nation and the world.

Through the years the scope of the curriculum has been broadened to meet the growing demands for professionally trained personnel for all our youth and community service agencies. Today its educational program is designed to:

Supply physical educators, recreation leaders, YMCA and YWCA secretaries, boys' and girls' clubs and Boy and Girl Scout executives, church workers, industrial relations counselors, vocational guidance and personnel advisers, teachers, school administrators, rehabilitation and social welfare workers, camp directors and leaders of many other group and community organizations.

Enable men and women to qualify for admission to graduate schools for advanced training in such professions as medicine, dentistry, ecology, teaching, counseling, rehabilitation, and social service.

Offer a sound academic background for young men and women who, regardless of the vocation they select, may provide lay leadership so urgently needed in community organizations.

Mr. Speaker, with the added emphasis and interest being shown in the field of juvenile delinquency—an interest that recognizes that this is a problem national in scope and must be met on a national basis—I am confident that Springfield College will play an important role in trying to resolve this serious and difficult problem.

BASKETBALL HALL OF FAME

Mr. Speaker, Springfield College was an ideal setting for a man with the character, personality, and devotion to youth that Dr. Naismith possessed. He loved humanity. He was a very popular instructor at the School for Christian Workers, later to be named Springfield College. His first game of basketball was played at the corner of State and Sherman Streets in Springfield, in mid-December, 1891, in a building that remains standing today. The new game was immediately popular. By 1893, the Springfield Republican described in its columns a basketball game played by the young women at Smith College in nearby Northampton.

The first national honors to Dr. James Naismith for developing the game of basketball came with the 1936 Olympics, when the National Association of Basketball Coaches sponsored a drive to raise funds to send Dr. and Mrs. Naismith to Berlin. There, the honors heaped upon Dr. Naismith gave evidence of the worldwide spread and the importance of basketball as an international game. The coaches began pondering ways and means for a permanent memorial to the game and its founder. World War II put a stop to all planning.

In 1948, during the presidency of Herbert W. Read, the first Basketball Hall of Fame Committee was appointed with William S. Chandler as chairman. The next year the committee was reorganized and enlarged and made permanent under the chairmanship of John W. Bunn. Funds were voted to carry on its activity and an office was set up at Springfield College where the college administration furnished the necessary facilities.

Mr. Speaker, the choice of Springfield as the location for the hall of fame was unanimous, because no uncertainty exists as to when and where the game of basketball began. The successful carrying out of this project will require the combined efforts of all the many interested individuals, groups, and institutions working together harmoniously and industriously. The efforts must be real and considerable, comparable to the greatness of the game and worthy to enshrine the immortal efforts of its inventor, Dr. James Naismith.

The Basketball Hall of Fame in Springfield on the Springfield College campus will house a museum, library, auditorium, memorial room, amphitheater, and a large bronze statue of Dr. Naismith in the center of the foreground. The hall of fame will be operated under the direction of an executive committee selected from the members of the National Association of Basketball Coaches, and from other responsible groups and individuals vitally interested in basketball.

Mr. Speaker, I ask unanimous consent permission to have printed herewith articles entitled "Basketball Was Born Here," by Joseph D. Bates, Jr., originally printed in the Sporting Sportsman, published by the A. G. Spalding & Bros., Inc. of Chicopee, Mass.; and "Basketball—A Game the World Plays," written by Dr. James Naismith, and published in the January 1939 issue of "The Rotarian."

[From the winter 1956 Spalding Sportsman]

BASKETBALL WAS BORN HERE

(The story of Dr. James Naismith and his new game, played for the first time in December 1891 at Springfield College, Springfield, Mass.)

DADDY OF THE CAGE GAME

(By Joseph D. Bates, Jr.)

On a crisp afternoon in early December of 1891, the faculty athletic staff of Springfield College, in Springfield, Mass., filed into the study of the dean of the Physical Education Department. This rather ordinary meeting proved extraordinary because it sparked the inception of the world's most popular team game—a game now played by more than 18 million people all over the world, and enjoyed by a hundred million more.

Dean Luther Gulick tapped his pencil on his blotter in thoughtful annoyance.

"We're wrong," he said. "We're dead wrong to train our students on the horse, the buck, the bars and the rings, and all this other gymnastic equipment. Frankly, gentlemen, it bores them to death after a successful fall of football. We need a new game to exercise our students—a competitive game like football or lacrosse, but it must be a game that can be played indoors. It must be," he added, "a game requiring skill and sportsmanship, providing exercise for the whole body, and yet it must be one

which can be played without extreme roughness, or damage to players and equipment."

Dr. Gulick went on to describe the antagonism of the gymnasium class to the humdrum marching, calisthenics, and apparatus work. He pointed his pencil at James Naismith, a member of the Springfield College faculty because of his consuming interest in physical education, and later to become both a doctor of divinity and of medicine.

"Naismith," he said, "I want you to take the class and see what you can do with it. Now would be a good time to work out that new game you've been talking about."

"I tried and I studied every game that seemed to offer any hope," Dr. Naismith later said, "but kept the idea of lacrosse always in mind. It occurred to me that a very different game was needed to fill Dr. Gulick's requirements."

Those requirements briefly were that the proposed game should be easy to learn, yet scientific enough to be interesting. It must be playable indoors or on any kind of ground, and by a large number of men all at once. It should provide plenty of exercise, yet without the roughness of football or soccer. After all, the new game usually was to be played indoors, and Dr. Gulick didn't want his students' bones broken by collisions between men and equipment.

"I recalled from my boyhood in the lumbering regions of Canada," Mr. Naismith remembered, "that when we played the game called 'duck on a rock,' a hurled ball might send the 'duck' farther, but that a tossed ball was far more accurate. The ball, I decided, must be soft enough not to harm the players, yet it must be large enough to be seen, and not to be concealed. Like 'duck on a rock' the goal should be one that could not be rushed, and that the ball could not be slammed through. This called for a goal with a horizontal opening, high enough so that the ball would have to be tossed into it, rather than being thrown."

Naismith's favorite game of lacrosse suggested the original positions of the players. But now, a set of rules had to be drawn up. For example, since tackling was dangerous indoors, players could not be allowed to run with the ball. It had to be tossed from one player to another, or into some sort of a goal. It could not be held against the body, and could not be batted with the fist. Holding, pushing and tripping must be eliminated. A referee would be appointed to judge the play, and the game would be divided into two 15-minute halves, with a 5-minute rest between. While any number of men could play it, nine on a side at first seemed the ideal number.

Dr. Naismith wrote the rules in pencil and his secretary copied them and tacked them on the bulletin board. Then the doctor, with an ordinary soccer ball in his hands, went looking for a few of his students to try out his invention. He assembled his class of 18 and appointed Eugene Libby and Duncan Patton as captains of two teams of nine men each. The place was the gymnasium in the School for Christian Workers (later called Springfield College) at the corner of State and Sherman Streets, in Springfield—a building which still stands. The time was mid-December 1891.

Somewhat dubious about "Naismith's new game," the players nevertheless cooperated with their popular instructor, and listened attentively as he outlined the method of play. They wore the then-usual gym costume of black, full-sleeve woolen jerseys and long, grey trousers. Most of them also sported the luxuriant handlebar mustaches which were so popular in the gas-lit era.

The good doctor had dispatched the school janitor to find two 15-inch by 15-inch boxes to be used as goals. These were to be fastened to the railing of the balcony at opposite ends of the gym. Fortunately for the name of the game, the janitor turned up with two half-bushel peach baskets instead. A man was stationed at both goals in the balcony to pick the ball from the basket and to put it back into play.

The new game of basketball proved to be a success from the minute the first ball was tossed into the air. Word got around that something new was going on in Springfield, and spectators began crowding the balconies. After a few experiments, the first set of rules were printed and, according to Duncan Patton, the first game played as a public contest took place at 5:15 p.m. on March 11, 1892, with the secretaries beating the instructors by a score of 5 baskets to 1.

While the rules have been changed and expanded from year to year the principles of basketball today are very nearly as they first were planned by Dr. Naismith in 1892. Among other things originally unforeseen, there has been a tremendous change in the average height of players. The small, fast players have been replaced by towering 6½-footers, who can hand the ball into the basket more easily due to their abnormal reach. The tendency toward tall players is still growing and may suggest further revision of the rules so that they will be equally fair to everybody, regardless of height.

In 1893, the Springfield Republican described a basketball game played at Smith College. No male spectators were allowed because the girls wore bloomers. Regardless of what the encounter revealed, or didn't reveal, this indicates that the sweet young things were as quick to appreciate the merits of the game as were the more stalwart members of the opposite sex.

Ever since its beginning, basketball has enjoyed peak popularity among active people everywhere. It is a game that develops agility, accuracy, alertness, and sportsmanship in its players—along with many other desirable qualities. If a gymnasium is not handy, a barrel hoop over the garage door will do—or even peach baskets tied to the tops of poles in any convenient field.

Naturally, the peach basket and the soccer ball soon gave way to specialized equipment. Faded photos of team play in the early days show woven basket-like receptacles, and metal hoops from which cord netting bags were hung. In this latter contraption, you pulled a string to invert the bag, thus bouncing out the ball. Later on, in 1906, the netting was opened at the bottom to let the ball fall through.

In developing basketball equipment, Dr. Naismith was supported enthusiastically by A. G. Spalding & Bros., who pioneered most of the improvements, especially in basketballs. The first balls were made from panels of leather stitched together, with a rubber bladder inside. Then a cloth lining was added to the leather to support it and to make the ball more uniform. A great improvement eliminated the stem type of valve, which was replaced by a hidden self-sealing valve that allowed the ball to be inflated by air forced through a hollow needle. Later, handstitching gave the ball better balance and shape.

In 1937, Spalding's Milton B. Reach patented the "Last-Bilt" ball, which is the culmination of present basic improvements. In this, the parts are molded over a last, thus eliminating all stitching and providing a ball of true shape, completely uniform in size and weight. Although the "Last-Bilt" ball excels in durability and shape retention, additional improvements are still being made.

Dr. Naismith lived to see his game become more popular than football and baseball combined—the favorite team game in the world today. In 1934, it became a major league affair when played in New York's Madison Square Garden. In 1936, the Olympic Committee decided to include basketball as a regular event. The National Basketball Association of Coaches raised a fund to send the good doctor and his wife to Berlin for the event, and he had the pleasure of cheering his American team to victory.

Among other high spots in the history of the game, an all-Negro team called the Harlem Globetrotters toured America in battered jalopies in 1927 and went on to spread the gospel in more than 28 foreign countries in the following 25 years. Combining basketball brilliance with tomfoolery, they became an outstanding attraction unequaled in the history of sport, chalking up a total of 4,241 victories, with only 260 defeats and only 1 tie.

James Naismith died on November 26, 1939—exactly 48 years, almost to the day, from the time he first conceived the game of basketball in Springfield. Soon, overlooking the tree-bordered lake at Springfield College, a beautiful Basketball Hall of Fame will be erected to honor the inventor and all of the famous players who have carried his game to every corner of the world.

In the book he wrote about the origin and development of basketball, Dr. Naismith concludes with these words, which seem to sum up his desires for his game:

"Let us all be able to lose gracefully and to win courteously; to accept criticism as well as praise; and last of all, to appreciate the attitude of the other fellow at all times."

[From the Rotarian, January 1939]

BASKETBALL—A GAME THE WORLD PLAYS

(By James Naismith)

In 1936, at the Olympics in Berlin, Germany, I saw the basketball teams of 21 nations line up, each behind the flag of its own country, and I had the privilege of speaking a few words of greeting, and of congratulating them on the part they were about to have in promoting international good will.

As I talked to those superb athletes from all quarters of the globe, I realized that the game I had invented back at the Springfield, Mass., YMCA College almost 45 years before had had a fine part in the development of better international understanding. I was more convinced of the good effects of the game when the accident of the draw paired China and Japan for a first-day game—with the memories of Manchukuo still vivid. And a Chinese refereed the final game of the series, between the United States and Canada. If added evidence were needed, it could have been found in the dinner attended by 19 alumni of the Springfield College, men of many nationalities and all from the coaching staffs of the basketball teams at the Olympic games.

It was indeed fortunate for the game that it was devised at the YMCA College, for this insured its early and widespread adoption. The prospective leaders of youth, in school at Springfield, found the game interesting, and they took it with them as they spread to their tasks as YMCA secretaries throughout the United States, or became missionaries in other lands. Bob Gailey, who had been a center on the Princeton University football team, took the new game with him to Tientsin, China, in 1894, and Charles Siler, a University of Kansas graduate of 1916, revived the game there. Duncan Patton took the game to India, also in 1894; Emil Thies to France in 1895; Ishakawa to Japan in 1900. C. Harek, another "Y" man, introduced the game into Persia (now Iran) in 1901. American soldiers played it in China during the Boxer rebellion, and in the Philippines when the 20th Kansas Regiment was there under Fred Funston. For many years a Far East tournament brought together the best basketball players of China, Japan, and the Philippines.

Invention of the game of basketball was not an accident. It was developed to meet a need.

After my first year at the YMCA College, I was put on the staff, for I had had gymnasium experience at McGill University, Montreal, Quebec, Canada. One of my duties at Springfield was with a class of 18 prospective "Y" secretaries. No problems arose so long as we could get out of doors for exercise, but when winter came, my worries began. Those boys simply would not play drop the handkerchief.

Dr. Luther Gulick, head of the school, put the problem squarely up to me, and kept bringing the matter up in faculty meeting, until I realized I really had to do something about it. Dr. Gulick had reminded me on one occasion that there is nothing new under the sun—what appears new is just a new combination of older things. So I began to recall my boyhood games and to study the problem in that light.

In our outdoor games we had been running with a football. Stopping the runner involved tackling, and that would be too dangerous on a gymnasium floor. I decided the ball must be thrown.

But a small ball thrown or passed might be hurled with dangerous force, so I used a larger ball, choosing at first a soccer ball, since one was at hand. Very early, manufacturers provided specially designed balls for our game.

I recalled, also, from my boyhood in Canada that when we played the game called duck on a rock, a hurled ball might send the "duck" farther, but the tossed ball was far more accurate. My new game, I decided, must have the ball tossed at the goal. Now, a goal on the floor would be too easy to guard, so I decided on a box above the floor. The janitor couldn't find a box, but he offered a couple of peach baskets, which were nailed to the gymnasium railing. That rail was 10 feet from the floor, and so strong is tradition that it is almost heresy to suggest change, even in these days of players of 6 feet 6 inches and more.

The Canadian game of lacrosse suggested the positions, and so for several years the newspaper accounts carried the lineups with players in these positions: home, right forward, left forward, center, right center, left center, goal, right back, left back.

"Just another game." was the first exclamation when the 18 secretaries-to-be came for their exercise. I divided the squad and started the game. It took.

The school paper described the game in January 1892, and the New York Times in April 1892, had a story about the new game that was being played in gymnasiums that spring. "Y" secretaries in other cities wrote for more information about the game. In that way C. O. Bemis learned of it, and started it at Geneva College, Beaver Falls, Pa. In the same way, H. F. Kanlenberg, who had left Springfield in 1890, introduced it at the University of Iowa early in 1892. I interested the young men in the game when I was at medical school in Denver. Colo., between 1894 and 1898, and, of course, I introduced the game at Kansas when I came to that institution in the fall of 1898. Thus the game spread.

One of my classmates at Springfield in 1890 was Alonzo Stagg, later to become the famous football coach at the University of Chicago, and now at the College of the Pacific. About the time I was finishing my medical course at Gross School, now the medical school of the University of Colorado, Stagg met Francis Huntington Snow, of the University of Kansas. Chancellor Snow was looking for a combination man—one who could direct the physical-education work and at the same time conduct the daily chapel exercises. Stagg recalled that I had prepared for the ministry at McGill University and had turned to the YMCA only because I thought the opportunities for helping young men lay more through exercise than through preaching; and so he recommended me. I have been at the University of Kansas ever since.

Strangely enough, though I qualified and was ordained as a Presbyterian minister, and have an M.D. degree, I have never held a pastorate, nor have I put out a physician's shingle. The nearest to preaching came in YMCA service with the 20th Kansas on the Mexican border and in 2 years of service with the "Y" in France. And the preaching was rather indirect, at that. For example, we found that too many of the boys from our camp were going into a nearby town and getting into all kinds of devilment. We set up a boxing ring near the camp entrance, and would start a lively match about the time the boys began starting on leave. They stopped to watch; then begged for a chance to participate; and the next thing they knew it was time to be back in quarters. Prizefights may sound like strange preaching, but they did the work.

Exercise came naturally to me, for I had grown up in the lumber camps near my native Almonte, Ontario, Canada. The two and a half miles to high school through snow and subzero weather offered no child's play. As I recall, I was much like the other boys, getting into fisticuffs occasionally and taking part in all the games. It took eight battles to get the better of one lad. When it seemed I was gone with a rough crowd in high school, I quit, but I had lots of time to think as I drove the lead team on my uncle's woodlot. My parents had died when I was 8 and I decided I must go to college. I even aspired to become a preacher. Therefore, I completed my high school work and entered McGill. In return for summer work on the farm, my uncle made possible my attendance at McGill, and I dug into my studies with vim.

One evening a couple of upperclassmen came to my room to admonish me to take more exercise, and to urge that I attend the gymnasium classes. I laughed them off until they had gone, but decided there might be something to their advice. I went to gym class the next night, seized a pair of Indian clubs, and took a place in front of the instructor. Later I learned that he reserved the front rank for his more proficient pupils. Death of a gym instructor a short time later opened a place for me on the staff, and provided for the ministerial year in the seminary.

It was while playing football at McGill that I received one of my strongest urges to make athletics become an avenue of preaching. One day in practice something went wrong, and the guard next to me let loose a stream of profanity. Suddenly he stopped and exclaimed: "Excuse me, Jim. I'm sorry."

I hadn't said a thing; in fact, I had hardly noticed his swearing, for I had heard some pretty fancy profanity in the Canadian lumber camps. However, the incident set me thinking, and I talked to the YMCA secretary about it. He told me of the Springfield College, and I was all for moving to Springfield right then. Another faculty member persuaded me to complete my course.

For about 47 years now I have watched my game expand in appeal to the young men and women of the world. The 13 simple rules have been expanded into a whole book, going into minute detail, but with one exception these large books retain all the principles of the original rules. I don't know how many languages are now used for the rules books, but I have, supplementing my file of American and Canadian rules, books printed for use in Germany, France, Uruguay, Paraguay, Arabia, Spain, Portugal, Madagascar, China, and Japan.

I have watched the shifting of the rules from year to year as need was found for more explicit directions. In late years I have noted the adoption of the 10-second rule, requiring play to move promptly into the forward court, and, more recently, the abolition of the center jump, except at the start of each half. Some of the changes have been improvements; some I question.

One of the reasons I am sorry to see the center jump relegated to a subordinate place is that it takes from the game one of the large elements of suspense—something desirable in any sport. Which, do you think, appeals to the spectator the more: the actual dropping of the ball through the basket, or the suspense—the seconds when one wonders if the ball is going in? Fred Pralle, who won national recognition at the University of Kansas last season, had an uncany way of throwing from far down the sidelines, a perfect shot, but one taking many fractions of a second in the making. Even more breathtaking was another Kansan, Paul Rogers, of a few years ago. He likewise shot from far down the sidelines. It would look like a good shot, then appear to be going wide. Just as the spectators had decided the ball would miss, it would strike the backboard and rebound squarely for a score.

In the same way, there is suspense in the center jump, and some pretty plays have been built about the uncertainty there. Though the taller center seemed to have the advantage, it was not always true; often the shorter man was the better on the jump. Moreover, one of my technical studies of the game showed that in at least half the cases the team that failed to get the jump would recover the ball within three or four plays and score. Mere possession of the ball through the tipoff earns few points—the ball has to be tossed into the basket. For that reason I have always maintained that the team with the ball is not to be blamed for stalling. It is the business of the players on the defense to go in there and get the ball. If they don't, it is they who are stalling.

Basketball coaches have become more and more proficient, some developing the "man to man" defense and others the "zone" system. The more I watch the game, the more I realize that, while easy to understand and simple to demonstrate, it is nevertheless a challenge to skill. It is only through thorough grounding in the fundamentals and constant practice that championships are won. This challenge to perfection in execution of the plays is, to my mind, one of the attractions of the game for the pure pleasure it brings to the players.

Just how many persons engage in the game of basketball, no one knows, but the number must be large. I am told that 90 percent of the high schools in America have basketball teams. Churches, clubs, neighborhood gangs, have their squads of five—a number adopted within a few years. The original nine was half the class, but was too many for most gym floors. The tiniest hamlets now have their teams, and in many rural schoolyards is seen a simple basket on a pole, with the boys playing on the bare earth. I have no doubts about the estimate of 18 million players every winter.

Basketball is so generally played in gymnasiums in the United States that one hardly realizes that it is played out of doors in Germany and Japan and other countries. In Japan wooden platforms are often erected, but in Germany the outdoor courts are paved with a combination of salt, sand, and sawdust which, when wet, is not unlike the sea beach when the tide is out. That final Olympic basketball game I mentioned earlier was played on such a court in a pouring rain, despite the fact that a great gymnasium stood empty near at hand.

Basketball, finally, is a popular spectators' game. How many millions the world over gather to cheer their favorite teams is beyond a guess. But this much is certain: In the United States for several years basketball has attracted more customers than either football or baseball, amateur and professional combined. Collectors of statistics say

that some 90 million admissions were paid to see the youth of the Nation perform on basketball courts last year. And with constantly increasing seating capacity being made available, the years ahead will probably witness even a higher total. When one notes in the public prints that crowds of 18,000 fans gather in Madison Square Garden in New York City for important contests, he will admit the game of basketball has made quite an advance in interest since the day when a small group of young men first tossed a ball into a couple of peach baskets nailed to a gymnasium railing.

A NEW GAME OF BALL: A SUBSTITUTE FOR FOOTBALL WITHOUT ITS ROUGH FEATURES

At the opening of the athletic grounds of the Young Men's Christian Association on Saturday a new athletic game—basketball—was introduced. The game has been started as a substitute for football, with an attempt to eliminate the roughest features of that sport.

The game is played with an ordinary association football, and the object of each team is to get the ball into its opponent's goal. The field is 150 feet long by about 60 feet wide, and at each end is a post with a basket on top just large enough to conveniently hold the ball. The top of the basket is about 9 feet above the ground, and a ladder is necessary to take the ball out after a goal has been made.

When a player gets the ball he is not allowed to run with it, but must stand and pass it to some other member of his own team within 15 seconds after he touches it. The time for a match is about 40 minutes, played in "halves" of 15 minutes each, with a rest of 5 or 10 minutes between.

On Saturday afternoon a match was played between the 23d Street Branch of the Young Men's Christian Association and a team composed of members of the Students' Club. The students won by a score of 1 to 0. Next Saturday there will be two matches of basketball at the association's grounds—one between the Students' Club and the 86th Street Branch of the Young Men's Christian Association, and the other between the 23d Street Branch and the Harlem Branch of the Young Men's Christian Association.

Mr. BOLAND. Mr. Speaker, I now yield to the gentleman from Kansas [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Speaker, because Dr. James Naismith spent virtually all his adult life at the University of Kansas, in Lawrence—my own town—I rise to join in paying tribute to him this afternoon and to express satisfaction that the postal authorities are planning to issue a commemorative stamp in his honor.

Dr. Naismith brought the game of basketball to the University of Kansas in 1898 when he arrived to become head of the department of physical education. He lived in Lawrence until his death in 1939, and had the great pleasure of seeing basketball—his own invention—thrive and spread all over the world. He attended the 1936 Olympic games, when basketball was first played at the Olympics. Dr. Forrest C. "Phog" Allen, perhaps the world's greatest and most successful basketball coach, built and coached his most famous teams at the University of Kansas, and was of course closely associated with Dr. Naismith. Dr. Allen was coach of the U.S. basketball squad at the 1952 Olympics, and his college team of that year placed many members on the Olympic squad.

Curiously enough, Dr. James Naismith always took the position that basketball could not possibly be coached, or taught. He held it was simply a form of recreation for an idle afternoon, and no one was more astounded at the development of the game than Dr. Naismith.

Indeed, Dr. Naismith was not employed by the University of Kansas because of his coaching reputation, but rather because he could pray. Traditionally, in the late years of the 1800's, the head football coach at the university lead the student body in prayer at chapel; but in 1898 the head football coach, the legendary Fielding H. Yost, either could not or would not pray. Chancellor Snow of the university, called his friend Amos Alonzo Stagg at Chicago and asked for a recommendation for someone to head up the department of physical education—someone who could also pray. Stagg knew just the man—Dr. James Naismith, a medical doctor, an ordained Presbyterian minister, and at that time manager of the physical education department of the YMCA in Denver, Colo. Dr. Naismith was called, and came in 1898 to the University of Kansas where he remained active until his retirement in 1937.

He started a program of basketball playing immediately, and the results are well known indeed.

Mr. Speaker, Dr. James Naismith was a great and friendly man. His contribution to the health, strength, and happiness of millions of young people all over the world through his invention and development of the game of basketball was unique.

It is a splendid thing for the Government of the United States of America, through issuance of the proposed Naismith commemorative stamp, to give recognition to that contribution.

Mr. AVERY. Mr. Speaker, I desire to be associated with the remarks of the gentleman from Massachusetts.

Mr. Speaker, I was delighted to learn that the Post Office Department was going to issue a commemorative stamp in honor of Dr. James Naismith. Dr. Naismith was the founder or creator of the great American sport, basketball. Even though the doctor was in Springfield, Mass., when the game was actually devised, he spent most of his adult life at the University of Kansas as director of physical education. It was during these years that the game actually moved from the peachbasket stage into the small auditoriums. I think it was in a small college in Missouri where Dr. Naismith first met Dr. Forrest C. (Phog) Allen. Dr. Allen first realized the great potential of the game, and actually was one of the persons that guided it into the great American sport that it is today.

Basketball is strictly an American game. In fact, it is the only major sport that has not had some degree of origin in some other country. For that reason especially, I think it is most appropriate to pay this simple tribute to its founder.

I would like to make a personal comment, too. When a freshman at the university too many years ago, it was my honor to have a class under Dr. Naismith. As I recall now it was listed as "health and hygiene." He was near retirement, but in a large class of impatient freshman boys there immediately developed a high respect and deep affection for this great man. He was kindly, understanding, and devoutly religious. His every concern was to urge physical habits upon young Americans that would develop strong bodies and minds. He has left a great imprint on all sport-minded Americans and certainly a very strong influence on the University of Kansas.

HOUR OF MEETING SEPTEMBER 26 AT 11 A.M.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

BERLIN

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may revise and extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, as we consider the grave crisis in Berlin and the policy of the United States in meeting the stepped-up Communist pressures there, I would like to call the attention of Members of Congress to a thoughtful and significant column published today in many newspapers throughout the country. The column, written by the distinguished commentator on public affairs, Roscoe Drummond, describes the high regard in which President Kennedy is held by our principal allies because of his handling of the Berlin situation, and calls this esteem "a valuable asset at this uncertain moment."

Mr. Drummond is a Republican. President Kennedy is a Democrat. Yet, Mr. Drummond remarks that "Mr. Kennedy's conduct of nearly every aspect of the Berlin problem has won praise and confidence for the White House." The phrases Mr. Drummond reports he most often heard in Europe in discussing the President's handling of the Berlin situation were "calm," "resolute," "restrained in words," "firm in action."

At a time when some extremist Republicans seem bent on putting partisanship above the national interest in their discussion of the President's conduct in the Berlin situation, I think this statement by a prominent Republican observer worthy of special attention and I include Mr. Drummond's column of September 25, 1961, at this point in the RECORD:

KENNEDY'S IMAGE VALUABLE ASSET IN EUROPE

(By Roscoe Drummond)

As Secretary Rusk and Foreign Minister Gromyko begin their tenuous meetings and as the worst of the Berlin crisis draws nearer,

it is fortunate that President Kennedy's image has emerged so favorably with our principal allies.

It is a valuable asset at this uncertain moment.

In the several countries of Western Europe which I have visited during the past month, I found that respect for American leadership is notably high.

Mr. Kennedy has earned it largely by his handling of the Berlin crisis.

The crisis which the West faces with the Soviets today is more acute and far more difficult to manage than that which Stalin forced on us when in 1948 he sought to drive the Western Powers from Berlin by trying to starve its people. The reasons that crisis was less acute and less difficult to surmount were that the United States had the atomic monopoly and Western Europe was so weak it was willing to do anything the U.S. proposed.

Today the Soviet Union is militarily powerful and the nations of Western Europe have recovered sufficient strength so that American leadership can prevail only as it inspires trust and confidence among our allies.

President Kennedy's leadership must, almost simultaneously, be directed to three different, though related, objectives.

How to prevent Khrushchev from driving the Western Powers from West Berlin and still avoid war.

How to negotiate with the Soviets over Berlin without making fatal concessions.

How to rally all the NATO allies to resist Soviet and East German encroachments on West Berlin—if the worst comes.

As Khrushchev steps up the Berlin crisis, there is no doubt that American leadership will be put to its severest test since the 1948 blockade.

This is where President Kennedy's almost uniformly high standing in the Western European countries will be valuable.

I raised this question of how Mr. Kennedy stands today and the general attitude toward him with all kinds of people from high officials and editors to porters and taxi drivers wherever I went in Western Europe. The answers varied in emphasis, but added up to the following:

The President is widely respected in official quarters as one who has now firmly got his hands on the reins of Government.

The public attitude toward Mr. Kennedy is notably friendly, his image is favorable by every test, and he is instinctively viewed as one who is "on the job."

The fears which were widely generated in Europe by the President's handling of Laos and Cuba have now been substantially quieted if not entirely dissolved.

Mr. Kennedy's conduct of nearly every aspect of the Berlin problem has won praise and confidence for the White House. The phrases which I heard most often in discussing his handling of Berlin were "calm," "resolute," "restrained in words," "firm in action."

The specific points at which U.S. foreign policy has particularly impressed European leaders recently are:

1. The way the administration developed a thoroughly defensible position on the test-ban negotiations and in the end put the Soviets on the defensive in their rejection of the treaty.

2. The wise decision by Mr. Kennedy in not rushing into nuclear testing despite the stalemate at Geneva, thus forcing Moscow to take the responsibility for resuming the tests.

3. The substance and mood of Mr. Kennedy's address to the Nation on Berlin which many in Europe felt to be one of the best utterances of an American President in many years.

President Kennedy's greatest test will come when the West gets down to serious negotiations over Berlin. Britain, France, and the United States will enter these negotiations substantially united, but the tendency in Europe will be to want to concede more than the American people and the American Government will want to concede. To hold the balance will take all the prestige and persuasiveness which Mr. Kennedy has at his command. Fortunately he has a good deal of both right now.

NEW YORK HERALD TRIBUNE COLUMNIST WARNS REPUBLICANS "PLAYING INTO KHRUSHCHEV'S HANDS"

Mr. Speaker, as a Democratic Member of the 86th Congress, not once did I vote against President Eisenhower on a foreign policy issue. The President of the United States, Republican or Democrat, is charged under our Constitution with responsibility for the conduct of foreign policy and I believe it the duty of a Member of Congress, whether of the President's party or not, to put the national interest and not party interest first in the life or death area of foreign affairs.

Yet in recent days and weeks we have seen some prominent Republicans showing none of the sense of responsibility that Democrats have traditionally shown with a Republican in the White House and with grave foreign policy problems confronting the Nation. Even a columnist in the Republican New York Herald Tribune said yesterday, referring to some of the most recent extremist Republican oratory, "One can imagine the joyous Khrushchev reading all these opposition speeches that portray Kennedy as weak willed. That's been Mr. Khrushchev's line, too."

The Republicans who are trying "to undermine confidence in Kennedy," warned Rowland Evans, Jr., in the Herald Tribune of September 24, 1961, are "playing into Mr. Khrushchev's hands."

"Partisan debate," he concludes, "is a fundamental right in a democracy. But it is also a luxury, not to be overindulged, when the Nation confronts a genuine crisis."

Mr. Speaker, obviously such a crisis exists in Berlin, a crisis in which the American people, our President, and all of us, Republicans and Democrats alike, need to be both rock firm in defense of freedom against Communist threat and restrained in utterances that would deliberately or otherwise lead us into all-out nuclear war.

Without ever sacrificing the right to voice our differences of opinion, Members of Congress should not be so anxious to score partisan political points that they make Berlin and other grave trouble spots in the world political footballs by irresponsible and extreme statements that in effect parrot the Khrushchev line.

I am hopeful that, as Congress adjourns, all of us realize that though we may have a responsibility to our political party, our responsibility to our country is greater still. Before we are Democrats or Republicans, we are Americans.

Mr. Speaker, I include Mr. Evans' excellent column at this point in the RECORD:

J.F.K.—REPUBLICAN TARGET

(By Rowland Evans, Jr.)

The Republicans seem to be trying hard to break down confidence in President Kennedy, planting little seeds of doubt here and there, dropping in Senate speeches that he lacks the will to use nuclear weapons and encouraging suspicions about his advisers.

If Richard Nixon had been elected President, perhaps the Democrats would be doing what they could to undermine him. But that has nothing whatever to do with it. Nixon was not elected, Kennedy was, and we are now confronted with a concrete situation.

The distinguished lady from Maine, Senator MARGARET CHASE SMITH, made a speech in the Senate on Thursday, billed as her most important since the McCarthy days.

It had this theme: That Kennedy lacks the will and resolve to use nuclear weapons to defend Western rights in Berlin. By reinforcing our conventional war capability, sadly depleted during the last 8 years, the President, she said, has implied his reluctance to use atomic weapons and thus has "played into (Soviet) hands."

If this is playing into Mr. Khrushchev's hands, then it seems fair to say that the Americans who are now assiduously encouraging suspicions about Kennedy's resolve are also playing into Mr. Khrushchev's hands. One can imagine the joyous Khrushchev reading all these opposition speeches that portray Kennedy as weak willed. That's been Mr. Khrushchev's line, too. It's what his Ambassador said here in Washington several months ago. It's the word that the Russians have been peddling all over Europe, the doctrine that when the chips are really down, the United States will run out on its obligations and abandon its commitments. It fits neatly into the Khrushchev image of the banana-spined Western democracies, preoccupied with their tail fins and deodorants and Hollywood cancans.

The strangest thing about the Republican effort to undermine confidence in Kennedy is that Mr. Eisenhower seems to be willing to lend his influence to it.

How quickly the mind forgets the past. Mr. Eisenhower personally intervened with Chiang Kai-shek in 1955 in a fruitless effort to talk him out of vetoing Outer Mongolia for membership in the United Nations. But last week, Mr. Eisenhower professed concern over "quasi-official pronouncements implying basic changes respecting Communist China and Outer Mongolia." He did not, in the report I saw, document these changes. Perhaps he had in mind the possibility that the United States would recognize Outer Mongolia. This idea was debated in the administration and then dropped.

The allusion by Mr. Eisenhower now to basic changes is another insidious little seed of doubt * * * Kennedy is preparing a sell-out.

In his first term, according to Robert Donovan's book "Eisenhower: The Inside Story," Mr. Eisenhower "felt that it was unfortunate that a climate had developed in which, so it seemed to him, it was looked upon almost as un-American even to debate the merits of recognition" of Red China. Now, apparently, it is no longer unfortunate.

Any democracy which has a free press and strong divisions of opinion operates at a certain disadvantage in moments of crisis like the present, when the other side opposes a granite front of conformity and purpose. Mr. Eisenhower said that in such a time as this, "silence is not necessarily golden or even prudent." But it is not prudent, and it could be disastrous, if the opposition becomes a Greek chorus, in a way that is calculated to undermine the President and restrict his freedom to negotiate just as the negotiation gets underway.

Kennedy took a shellacking in Cuba. He talked tougher on Laos than he has been willing to act. But to conclude that his handling of these Republican hangovers is evidence of lack of will in West Berlin is wholly inaccurate and dangerous. We are

not a parliamentary democracy that can throw out a government at will, even if the votes were available (which they are not). The President is going to be President until 1964.

Partisan debate is a fundamental right in a democracy. But it is also a luxury, not to be overindulged when the Nation confronts a genuine crisis.

ELECTION TO STANDING COMMITTEE

Mr. MILLS. Mr. Speaker, I offer a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 477

Resolved, That J. T. RUTHERFORD, of Texas, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Armed Services.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION TO STANDING COMMITTEE

Mr. MILLS. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 478

Resolved, That HARLAN HAGEN, of California, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Merchant Marine and Fisheries.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER pro tempore laid before the House the following resignation from a committee:

SEPTEMBER 25, 1961.

The Honorable SAM RAYBURN,
Speaker of the House, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Banking and Currency, respectmittee on Banking and Currency.

Respectfully submitted.

J. T. RUTHERFORD.

The SPEAKER pro tempore. Without objection, the resignation will be accepted.

There was no objection.

THE IMPERATIVE NEED FOR NEGOTIATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Oregon [Mrs. GREEN] is recognized for 20 minutes.

Mrs. GREEN of Oregon. Mr. Speaker, in his magnificent speech today at the United Nations, President Kennedy again stated that we shall never negotiate out of fear and never fear to negotiate.

In the mail every day are letters and telegrams from constituents who are deeply troubled over Berlin, and understandably so. Each week several write as though a nuclear holocaust is inevitable. They see no possible areas for negotiation. They infer that to negotiate is to surrender. This assumption should be challenged.

The American people need to be more adequately informed as to the complexity of the German problem. If they are not so informed they may come to believe that to negotiate is dishonorable and that war is our only patriotic alternative. You have probably all read Walter Lippmann's column of September 14 in which he warned that nuclear war through Russia or United States miscalculation is an ever-present possibility and "that there is a limit to President Kennedy's ability to lead public opinion, and he is in sight of that limit."

Mr. Speaker, I submit that we of the House have a responsibility to help in this situation. We all know that the Western Powers expect to enter into negotiations with the Soviet Union on Berlin and German issues sometime before the end of the year. The foreign ministers of the Western Powers discussed this issue in Paris in early August; they are presently discussing this issue in Washington.

The American people need to realize that negotiations can benefit both sides. The situation in Berlin has been precarious for many years; the situation in central Europe has been fraught with danger. The West could benefit from broadscale negotiations which would reduce tensions in that area. As early as May 1960 Walter Lippmann warned Americans that the position of West Berlin is "strategically, economically, and juridically weak" and that the "West ought to work for a new statute. It ought to work for a new statute that will give West Berlin permanent international status backed by all the guarantees that can be devised." Other observers have pointed out that political freedoms in the Russian satellites might be increased if the West would support demilitarization in central Europe.

It is obvious of course that neither the West nor the East can obtain all they want through negotiations. No one ever can. But the alternative to negotiations is nuclear war. Americans are courageous; Gallup tells us that a large majority of Americans are apparently willing to die for Berlin. But our courage is not in question; the question is what would we win through a nuclear war? President Kennedy pointed out in his August 30 press conference:

> I do not see that there could be any solution which would serve the world on Berlin by force.

James Reston reported in the July 26 New York Times:

> Even the authors of the new Kennedy defense program agree that neither the freedom of Berlin nor the unity of Germany can be achieved by military means.

Walter Lippmann warned in the September 14 Washington Post:

> Always until now, war and the threat of war, whether aggressive or defensive were usable instruments for the national purpose. They were usable because wars could still be won or lost. * * * But from a full nuclear war, which might well mean a hundred million dead, the devastation of the great urban centers, and the contamination of the earth, the water, and the air, there would be no such recovery. The damage done would be mutual, there would be no victor, and for all practical purposes the ruin would be irreparable. American nuclear power can reduce Soviet society to smouldering ruins and leave the wretched survivors shocked, starving, and diseased. The Soviet Union can, it is cooly estimated, kill between 30 and 70 million Americans. Such a war would not be followed by reconstruction. It would be followed by a savage struggle for existence as the survivors crawled out of their shelters, and the American Republic would be replaced by a stringent military dictatorship trying to keep some kind of order among the desperate survivors. * * * In a few hours Khrushchev can lose the Soviet state and the achievements and promises of the Communist economy; Kennedy can lose the Constitution and the free enterprise system and the American way of life, and along with them all the frontiers, old and new.

Today President Kennedy told the nations of the world that in the United Nations rests the only true alternative to war and "war appeals no longer as a rational alternative."

In his challenge to the Soviet Union for a peace race—not an arms race—he spoke for the American people.

I trust that the people of my State who have written in such disparaging terms will have new hope, new faith, and above all a firm realization that it is imperative that we try—not just die.

Let us support the President in his challenge to the Russians for a peace race—and finally let us give support to the United Nations as we never have before.

A GENERAL ASSEMBLY SESSION IN BERLIN?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. MOORHEAD] is recognized for 20 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, is there any hope for meaningful negotiation with the Russians over Berlin?

Any good negotiator knows that it is necessary to start from a position of strength. Khrushchev has attempted to establish his position of strength by sealing off East Berlin and resuming nuclear testing. To cap this, he said recently:

> The American people will not fight for Berlin.

Before we negotiate we must have clearly established our position of strength.

The first problem is that of actual strength and the second is that of moral strength.

In a recent speech, as reported in the New York Times, Paul H. Nitze, Assistant Secretary of Defense for International Security Affairs, said:

> Thus, one of the first tasks to which this administration addressed itself was the strengthening of our nuclear deterrent capabilities both for the immediate future and the longer range future.
>
> To achieve this the United States took a series of measures. First, we moved to improve our missile deterrent by emphasizing

hidden, moving, or invulnerable delivery systems. We accelerated the program for building of the Polaris submarine force. We expanded the development of the solid-fuel Minuteman. We are developing improved air-to-ground missiles, such as the Skybolt.

Second, to protect our existing bomber forces for their nuclear deterrent role, we have increased our ground and airborne alert capacities and are working to install bomb alarm detectors and signals at key warning and communications points and all SAC (Strategic Air Command) bases.

Third, we are constructing and improving our continental defense and warning system, such as BMEWS (ballistic missile early warning system) and the satellite-borne Midas system to add precious additional minutes to our warning of an attack.

Fourth, we are examining with care the problem—organizational and technical—of command and control of nuclear weapons to assure that the decision to use such weapons can be responsibly exercised under the authority of the President and to minimize the risks of triggering war by accident or miscalculation.

Fifth, as an insurance policy to mitigate devastation of our population should there be a nuclear war, we are seriously undertaking a program of civilian defense.

Mere physical strength is nothing without the moral strength in ourselves, and the demonstration to our adversaries, that we are willing to use it. After the sealing off of East Berlin, the President ordered 1,500 troops to Berlin to prove our resolve. The Vice President went to Berlin and, quoting from that document which is enshrined at the highest place in the National Archives and in the hearts of Americans, pledged "our lives, our fortunes, and our sacred honor" to the people of West Berlin.

In part as a result of our display of strength, both physical and moral, the Russians have made some tentative proposals. This week Izvestia, the official newspaper of the Soviet Union proposed to settle the Berlin crisis by transferring the United Nations headquarters from New York to West Berlin. The same day, every Member of Congress found on his desk a release from the Soviet Embassy announcing a proposed cultural exchange program between leading Russian and American citizens. Possibly Izvestia's proposal was stimulated by a column by Mr. James Reston in the New York Times of September 8, entitled "An International City of Berlin." Under unanimous consent heretofore granted, I include this article in the RECORD following my remarks.

Let us examine Izvestia's suggestion that the United Nations headquarters be moved to West Berlin.

I believe that the presence of the United Nations in the United States, is, on balance, of great advantage to us. It is true that we must on occasion, put up with a shoe-slamming Khrushchev and a bearded Castro in our midst. On the other hand, we have the opportunity to demonstrate to all the world, free, Communist, and uncommitted, the wonders of the American way of life. The true balance is demonstrated by the violence with which the Communists insist that the U.N. be moved almost anywhere outside of the United States.

We should recognize that in making the offer of moving the U.N. to West Berlin the Russians are, in fact, demanding a high price for an apparent settlement of the Berlin crisis. The price is even higher when the small print of the offer is examined.

The offer is conditioned on the termination of the presence of Allied troops in Berlin. Thus we are asked to give up our legal rights and physical power in Berlin for a paper promise by the Russians.

The offer is conditioned upon the legal conversion of Berlin into a free city with all the adverse psychological effects that would have on our German allies who look upon Berlin as the symbol of the ultimate reunification of Germany.

The offer implies a difficult-to-reverse decision to place the United Nations 110 miles behind the Iron Curtain.

Finally, and most blatant of all, the offer is limited to West Berlin instead of the entire city. This is the worst example of "what's mine is mine and what's yours is negotiable."

We cannot accept such a one-sided proposal. On the other hand, as good negotiators we should examine this proposal, to see if it contains some seeds of a deal which we would find satisfactory.

What are the "seeds" in this Russian proposal? The revered columnist Walter Lippmann has pointed out that the free world can have either a reunified Germany or a West Germany allied with NATO. It cannot have both. If, as it appears, we have decided in favor of West Germany in NATO, then Berlin must, to some degree, be internationalized or it will continue to be a breeding place for war.

This internationalization need not be immediate, it can be gradual. It need not be de jure, it can be de facto.

This internationalization should not be merely for West Berlin but for the entire city.

How can the United States approach cautiously and carefully, without injury to the interest of itself and its allies, a form of internationalization of Berlin?

As a counteroffer to the Russian proposal of a wholesale, irreversible movement of the entire United Nations to Berlin, the United States could propose a temporary, limited, experimental test of the validity of the Russian proposal. This could be a U.S. proposal that a special or regular session of the General Assembly be held in Berlin.

In a penetrating article entitled "The Day United Nations Moved to Berlin," Mr. James Reston of the New York Times poses, in an amusing way, some of the questions that would be posed if the U.N. headquarters were moved to Berlin. If only a special session of the General Assembly were held in Berlin some of these questions need not be asked and others might, in practice be answered without an irrevocable movement of the U.N. to Berlin. Under unanimous consent heretofore granted, I include Mr. Reston's column of September 22 in the RECORD following my remarks.

No complicated legal maneuvers over the status of Berlin would be required. Russian and Allied troops would remain unchanged.

No decision need be made over whether all Berlin or merely West Berlin was being temporarily internationalized. Although the General Assembly itself would probably be held in West Berlin, the resolution would merely specify "Berlin."

The free world could test whether it was possible to have freedom of communication 110 miles inside of the Iron Curtain.

After one such session of the General Assembly in Berlin, it might be decided that the city would be sufficiently internationalized if future, possibly as much as every other year, sessions were held there. If further internationalizing of Berlin were required such subsidiary agencies of the U.N. as the International Refugee Agency or the International Labor Organization could be permanently headquartered in Berlin. Furthermore, we would be in a better position than we are today to determine whether we are willing to pay the price of moving the United Nations headquarters to Berlin as our part of the negotiation for peace.

If the experiment of holding a General Assembly in Berlin failed we would not have lost. The representatives of the peoples of the world would have had the opportunity to see, firsthand, the contrast between free and Communist Berlin. During the time that U.N. representatives were present it would be difficult for the Communists to block access to Berlin. The presence of the General Assembly would give new hope and new sense of purpose to the embattled people of West Berlin.

Even though the Russian proposals may offer no more than the merest ray of hope, we would be derelict if we failed to explore them. However, we should do so with the attitude of a hardheaded negotiator using the greatest ingenuity to obtain as much as possible at the least possible cost.

[From the New York Times, Sept. 8, 1961]

AN INTERNATIONAL CITY OF BERLIN?

(By James Reston)

WASHINGTON, September 7.—In the discussions of Berlin in the embassies here these days there is considerable talk about the possibility of internationalizing that city under the United Nations.

Various ideas along this line are being explored as an alternative to the present stalemate and crisis, but all of them envisage negotiation with the Russians for a new Berlin status and a United Nations presence in Berlin pending eventual unification of the two Germanys.

One suggestion, for example, is that both East and West Berlin should actually be administered by the international organization as a kind of trust territory, with the routes of access to it internationalized as well.

Another is that the U.N. would not actually govern the city but merely supervise the administration of a new freely elected Berlin government and replace Soviet and Western troops there with a United Nations force.

A third is that the United Nations should reinforce its presence in Berlin by moving some of its specialized agencies, such as the International Refugee Agency, to Berlin, and there is even some discussion of the possibility of moving the permanent headquarters of the U.N. from New York into Berlin.

KENNEDY INTERESTED

The U.S. Government has not taken a position on any of these ideas, but they are known to the President, they have been discussed at the highest levels of this administration, and more will undoubtedly be heard about them if Khrushchev ever stops jumping up and down.

For the time being nobody here wants to talk above a whisper about any new formula for Berlin. Adenauer is engaged in a West German election that is almost as silly as the New York campaign, and until he disposes of Willy Brandt he does not want to take on "Emperor Nik."

Of course, all this talk about turning Berlin over to the U.N., or vice versa, rests on the assumption that Khrushchev really is prepared to guarantee free access to a free city. If he is, the U.N. presence in one form or another is at least a method of testing his sincerity.

The U.N. has established its presence, with varying degrees of success, in Korea, Lebanon, the Gaza strip, and the Congo. If it can provide a military service in one area, presumably it can provide a civil service in another; so at least runs the argument in the embassies here in Washington.

Khrushchev himself has indicated a willingness to have the United Nations play an unstipulated part in the supervision of any new Berlin and German settlement, but he has not, of course, gone as far as backing a wholly internationalized Berlin.

He has always talked not about the whole of Berlin as a free city but only of West Berlin. As usual in these negotiations, he wants to hold on to what he's got and negotiate for what we've got. Nevertheless, responsible diplomats here think the U.N. may in the end be the instrument for a new approach to the problem.

The principle of allied policy is that the freedom of the people of West Berlin must be maintained. This means that they must have political freedom and economic freedom, which rests on uncontrolled access to the West. These things are now being maintained precariously by the presence of Western troops and money.

CONFLICTING ESTIMATES

The question is whether these freedoms could be maintained under a new international agreement in an internationalized city with internationalized corridors to the West. Some officials and diplomats here think they might; others think they could not, even if the U.N. itself were moved to the Brandenburg gate.

Oddly though, there is more talk here about the most controversial aspect of the idea than anything else. This is the transfer of the U.N. to the former German capital. The argument for this is that the Communists would scarcely try to capture the U.N. itself. The argument against it is that it would make the U.N. a hostage of the Communist world and by moving it behind the Iron Curtain symbolize the rising influence of Moscow.

Accordingly, the idea of internationalizing the city under some form of U.N. supervision is more likely to get serious support in Washington. The President is going to New York to address the U.N. He will emphasize there the importance of increasing the role of the U.N. in the settlement of international disputes. He will offer the U.N. the long-range prospect of moving toward the rule of law and propose a new disarmament plan based on this principle. Whether he will actually suggest using the U.N. as an instrument for reaching a new accommodation in Berlin remains to be seen.

The point is merely that, despite all the noise from Moscow and the apparent indifference to new ideas here, there is some discussion of new approaches in Washington, and the U.N. is very definitely a part of them.

[From the New York Times, Sept. 22, 1961]

THE DAY UNITED NATIONS MOVED TO BERLIN

(By James Reston)

WASHINGTON, September 21.—Now that Izvestia, that official and family organ of Nikita Khrushchev, has indicated its support for moving the United Nations from New York to Berlin, several interesting questions arise.

Would the Communists put a wall around the place to keep the refugees in East Germany from escaping out of paradise into the free city of Berlin? Or would U.N. troops, in keeping with their obligation to encourage "respect for human rights and fundamental freedoms for all" (art. 1, par. 3, of the charter) be obliged to keep the refugees out at gun point?

This is the kind of question that troubles a man even when he is busy sweeping under the rug all the chickens that have recently come home to roost, and there are other questions which no doubt Izvestia can answer.

What would happen to a new acting Secretary General of the United Nations in Berlin who tried to carry on Dag Hammarskjold's Congo policy, or asked the Soviet Union if it wouldn't mind paying its U.N. bills, or decided to drive his troika over into East Germany on a Sunday afternoon just to see how things were going?

One peculiarity of the charter is that it permits free speech and calls on its members to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples.

Would it be OK for the United Nations in Berlin to talk about the self-determination, say, of the German people, East and West, or would the charter have to be changed on this issue?

The United Nations official radio is another awkward point. It broadcasts its debates and sometimes even talks about liberty in many languages, including German and Russian, Czech, Polish and Hungarian. Would the Communists let this kind of thing continue, or would they jam everything beyond the barbed-wire barricades?

THOSE HUMAN RIGHTS

Also, Mrs. Roosevelt or somebody is always coming around the United Nations and engaging the General Assembly in debate on such things as human rights. The universal declaration on this subject, in the second session of the General Assembly, proclaims that "everyone has the right to life, liberty, and security of person * * * to freedom of opinion and expression * * * to freedom of movement and residence within the borders of each state * * * to leave any country including his own," and that's not all. It even comes out for parents educating their own children any way they like.

Would this kind of deviationist talk be permitted at the U.N. in Berlin and broadcast from there into Budapest, Warsaw, Prague, Moscow and all those other centers of the new Communist culture?

Transportation is another problem. Berlin is 110 miles inside East Germany, isolated like a Goldwater Republican in Tammany Hall. Khrushchev has told us after he sets the East Germans free, they will have complete sovereign rights over who passes from the West into Berlin.

How would you like to be a capitalist warmonger in a situation like that? The question wouldn't be whether the United Nations recognized the East Germans but whether the East Germans recognized the United Nations. The East Germans control the electricity, and the communications, and the city transportation in Berlin. How could you have Berlin surrounded by East Germany without bringing the East Germans into the club? And how would you know when the lights were going out?

HALF-FREE HALF CITY

There would, of course, be some advantages in Berlin. A Nigerian soldier, guarding the barricades against the flight of women and children, could when he was off duty go out and get himself a beer in a restaurant by the Brandenburg gate without fear of getting the bum's rush. That would be progress, and yet the troubling disadvantages persist.

Would the U.N. be allowed to put up its own buildings in Berlin, or would it have to conform to the beauties of the Stalinallee or the neo-Woolworth Gothic of Socialist realism?

Would the comely international crew of female tour guides at the U.N. in New York be transferred too, or replaced by those intourist types east of the Elbe? We would want to know.

It may be, of course, that even this would be better than nuclear war, but the point should be debated and the questions should be answered. Maybe Khrushchev and the editor of Izvestia, Aleksei (don't you sigh) Adzhubei, would be willing to give satisfactory answers.

Maybe they would put the U.N. in the whole of Berlin and not turn it into a half-free half city. Maybe they would tear down the wall, and let freedom ring out across the melancholy empire to the east. Maybe they would provide international highways to the West, controlled by the U.N. itself, and U.N.-manned railroads, and airlanes free and high as the sky, and beer and vittles to comfort the weary peacemakers.

But the thing would have to be checked in advance, just in case.

THE SITUATION IN BERLIN

The SPEAKER pro tempore. Under previous order of the House the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 20 minutes.

Mr. KASTENMEIER. Mr. Speaker, there are a great number of people in the country who are confused about the issues of the cold war. The legal niceties of Berlin, the history of the cold war period, the military technicalities—all of this is so complicated that few have time to really understand some of most basic issues America and the world are facing.

I believe that the complexities of our present situation have, unfortunately, opened the way for those who believe that all problems can be solved simply. They say, "There is nothing to negotiate about; we have only to stand firm and let the Russians know that we will not budge."

It is very strange for me to hear this kind of talk. I have participated in local affairs and congressional politics long enough to know that simple slogans are usually inadequate. I have seen very few situations where doing nothing but standing firm is the best thing to do. Even in the struggles of the home, the school, the factory and the city: being firm and doing nothing else usually means that one ends up with less than could be gained by more thoughtful and creative approaches. I know very few businessmen who would be satisfied in their everyday work with a policy of mere firmness. And I know of very few labor leaders who would be satisfied with simply looking tough and remaining firm.

Not only is it strange to me that this completely passive policy is finding supporters; it is more surprising that such a

policy is finding support among some very militant people. It is usually just those groups who believe we must be more aggressive about winning the cold war who shout that our only policy must be mere firmness. It is almost as if we are asked to be firm about firmness itself.

I do not mean to be misunderstood; I think there is absolutely no question about the need for America to stand fast and retain her rights in West Berlin. There can be no question that we are going to let the free people of West Berlin be trampled by the Communists. Nor can we let the access routes to West Berlin be infringed upon. This must be clear. And I believe that the President has made it clear.

But to simply stand still and rest upon this position is far too passive. And I believe that it is very far from the best we can do. In my view, there are many things that can be gained if we take the challenge of Berlin seriously and if we give creative thought to going beyond mere firmness to a challenging policy of our own.

In the first instance, we have many simple guarantees which could be improved. Much of our position in Berlin rests upon the agreements—unsigned—made by military commanders winding up World War II. We would do well even if we were only to get into writing some of the things we believe should be protected and some of the specific guarantees on access.

But beyond this, there is a great gain which can be gotten in Berlin. The ultimate reason why we are protecting the people in Berlin is because we believe this is the way to protect the freedom of the West and the security of the West. But it is obvious that we can have neither freedom nor security if Berlin sets off a thermonuclear war that would be a war of extreme and horrendous destruction.

The problem is to attempt to set the stage so that Berlin will not set off war at this time—and so that it cannot set off war in the future. If this is accomplished we would do much to protect, preserve, and extend the freedom and security of the free world.

I believe that we can best approach this ultimate goal by seeing if the Russians are at all serious about the slogans they have tossed out for a nuclear free zone of disengagement in Europe. They have said that they would accept such a zone. I believe it is now up to us to see if they are serious and—if so—to take them up on this; and, if not, to expose their insincerity.

We in the West often forget that the idea of a nuclear free zone is originally an idea stemming from the West. Rapacki, the Polish Foreign Minister, stole this idea from the Foreign Minister of Belgium, Van Zuylan. It has also been proposed in one form or another by various leading British spokesmen, leading French thinkers, and leading Americans.

The basic notion is quite simple: both sides have much to gain in setting aside a zone of Europe which could not be set into immediate nuclear motion. A zone which—if war started—would not immediately involve nuclear weapons would be a great gain to the safety of both sides. It would mean that tension and sparks would not necessarily mean nuclear terror.

The Russians have said that they would be willing to pull back their nuclear weapons from East Germany, Poland, and Czechoslovakia if we were to pull ours from West Germany. I think we should try to see if we can get this bargain: We pull back nuclear weapons from one-half country in exchange for their pulling back from 2½ countries. And both gain by setting aside a zone of nonescalation which would preserve the security for both sides.

A bold initiative and bold challenge by the West would do much to set the Berlin question in proper perspective. There is reason to believe that the paranoid Russians suspect that we are about to give nuclear weapons to West Germany. This—as Walter Lippmann has pointed out—would be a move they could not accept. Because they may fear this, they may be willing to pull back and also to give guarantees on Berlin in exchange for the establishment of a denuclear zone. I do not know if they would give us this good a bargain, but I believe we would have nothing to lose by challenging them to live up to public professions that they would.

I would suggest, therefore, that standing pat on the status quo is very much a defeatist policy. I think we have much to gain and little to lose by exercising American intelligence and ingenuity to produce a variety of new challenges for the Soviets. I believe we should step beyond the dangerous drift of the status quo to a new creative approach to the problems of Berlin, Germany, and Europe. I think, to put it simply, that there is very much to gain by new and challenging negotiations.

THE BERLIN CRISIS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 20 minutes.

Mr. RYAN. Mr. Speaker, since August 7 when I last discussed the Berlin crisis on the floor of the House, events have moved rapidly. The Russians have erected the Chinese wall of the 20th century and resumed nuclear testing; the Congo is once again in the headlines; and the world has lost one of its greatest peacemakers. These events have increased the instability of the cold war and have made the Berlin crisis even more critical than it was in August.

Feeling of fear, frustration, and fatalism have increased. There is a widespread feeling that we have nothing to gain in negotiations with the Soviets over Berlin, that we must firmly stand on the status quo and that we can only lose at the conference table.

Such an attitude reflects a lack of imagination about possible roads to an enduring peace and growth of freedom in the world. The Berlin situation could be regarded not only as a crisis, but as an opportunity to increase our national security by an advantageous central European settlement, reduce tensions, and create a prototype for disarmament with effective international controls. It is often overlooked that we have long term as well as immediate interests at stake in Berlin. Certainly we are interested in maintaining Western access to that city, and we are vitally concerned that the people of West Berlin be allowed to live in freedom and prosperity. The necessary protection of these interests does not exclude an attempt to come closer to the attainment of long-range goals. These goals, which we should bear in mind at this time of crisis, are general and complete disarmament under effective international control, the reduction of the Communist threat to underdeveloped and other vulnerable areas around the world, the insulation of unstable areas from the struggle for strategic supremacy, the development of means for settling international disputes fairly, and a general strengthening of the institutions making for peace, conflict resolution, and respect for law. Is it possible to see gains toward any of these objectives resulting from negotiations over Berlin?

Let us project possible solutions to the current crisis. Let us suppose, for instance, that we agree to create a free city of Berlin, East and West. I discussed this possibility on August 7 and pointed out that West Berlin is a useful tinderbox to Khrushchev. If this crisis passes without a long-term solution, the Soviet Union will be prepared to return to the issue whenever it seems advantageous. Since I discussed this area of negotiation, East Berlin has been sealed off from West Berlin. The Soviets have, in effect, by unilateral action ended any semblance of four-power control. The Soviets have also deprived West Berlin of one of the main purposes of its existence. No longer is that beleaguered city a unique Western showcase; no longer is it a safe port in a Communist storm. Without these functions the city may die; the population of West Berlin may choose to live in safer territory. Already there are reports of West Berlin businessmen lessening their ties with their city and moving the base of their operations. To maintain the status quo in West Berlin as it exists now may spell the beginning of the end of that city.

The idea of a free city should be explored carefully and in depth. I do not suggest that we abandon our clear and firm obligation to maintain the freedom of the people of West Berlin and our access rights. I do suggest that there may be other arrangements under which we can maintain and, indeed, strengthen these objectives. Any change in the status of Berlin, as I have said before, would have to be incorporated into specific written agreements, filed with the United Nations, which would protect access rights and the freedom of the Berliners. But written agreements are not enough. A free city plan should include the use of an international police force under the United Nations to keep the peace in the area and enforce the agreement. The expe-

rience of the United Nations force in the Gaza strip will be useful in this regard.

Another proposal under which the freedom of the West Berliners and access rights might be maintained is an effective disarmament plan for central Europe. The development of modern weapons technology has produced one of the great paradoxes of our time. The United States is stronger militarily today than ever before in its history, yet our security has not increased commensurately. In fact, our security is threatened as never before, and the arms which we have created are a factor in the rise of tensions since 1945. With both sides capable of mutual suicide, a border incident in Berlin has the potential of escalating into the Armageddon. This could come about without either side deliberately using thermonuclear war as a means of obtaining victory.

We should not, of course, enter into any agreement out of fear. Every proposal must be examined with our obligations and our national security in mind. With effective safeguards a disarmament zone in central Europe might preserve freedom in Berlin, reduce tensions, increase our national security and serve as a prototype for effectively controlled general and complete disarmament.

On August 7 I outlined the history of central European disarmament proposals going back to the Eden plan of 1954. I do not think it necessary to repeat this background. However, I would like briefly to restate the hypothetical disarmament plan suggested on August 7 as an area for possible negotiation. This plan had four parts:

First. The evacuation of all foreign forces from an area comprising West Germany, East Germany, including Berlin, Poland, Czechoslovakia, and Hungary.

Second. The reduction of military forces of the above countries to internal security strength only.

Three. A United Nations and four-power guarantee of the borders of the above countries.

Fourth. An International Central European Disarmament Authority with the right of inspection and control agreed to by the countries involved and the four powers.

This proposal would lead to self-determination for the demilitarized countries. The central European nations would be able to choose their own governments and, not being burdened with defense, would be able to grow and prosper. Tensions would be reduced. Such an example might make agreements in other parts of the world more easily attainable.

Would the Soviet Union accept such a proposal? From the Soviet point of view such an agreement would be a guarantee against a German militaristic revival. It is conceivable that the Soviet Union might regard the liquidation of its eastern European commitments within a framework of controlled disarmament as an opportunity to build her economy, improve her standards of living, and answer the demands of her people for more consumer goods. We do not know what the Soviet attitude might be toward this proposal. If we have a plan for peace which is consistent with our ideals and furthers the interest of the free world, the possibility that the Soviet Union might not agree should not deter us from vigorously presenting the case.

The actual shape of a disarmament agreement for central Europe may vary within broad limits. But the content must be there. The plan we offer must go far beyond Berlin. This is an avenue not only to secure the short-range goals we seek, but also to build a meaningful settlement with some hope of continuance, so that we shall not experience a whole series of such crisis, each one more likely than the last to set off a war.

The Berlin crisis is a decisive moment; it tests not our willpower but our vision of a hopeful future and our capacity to anticipate change and capitalize upon it. It offers the opportunity to work for disarmament under effective international control, international legality, and the revival of faith in the future, a faith which the mid-20th century has shaken among men and women of the free world.

CONCRETE AND LONG-RANGE POLICY NEEDED FOR BERLIN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 30 minutes.

Mr. ULLMAN. Mr. Speaker, I am glad to have this opportunity to join with my colleagues who are stressing the need for creative alternatives to a situation in Berlin which, if allowed to deteriorate, can only lead to an unwanted war—unwanted by either side.

Make no mistake about it, we must be strong militarily, but we must also be strong in terms of new ideas. Our objective is not some makeshift arrangement that merely perpetuates a war of nerves and provides abrasive situations that can accidentally trip off a war. Rather, we need a concrete and long-range policy. We need to take the diplomatic offensive with confidence in the strength of our moral position. Once we make known our objectives, I have no doubt that the free world and many of the new nations will join with us in pursuing them.

By strength, determination and unity of purpose, we can demonstrate to Khrushchev that he can accomplish nothing with his tactics of bluff and bluster and that there is no alternative but to face up to the facts that we will not yield an inch in terms of a free Berlin, that we demand assurances and guarantees for the democratic institutions of this city. Both the world and Khrushchev must know that the stability of Berlin and the keeping of treaties is a Soviet responsibility.

In other words, we shall not be forced through a narrow opening of Khrushchev's choosing. From our position of strength, we should not be afraid to consider plans that open new doors, that lead to stabilization in Europe and which decrease the threat of war. For the real interests of the United States are not served by policies which leave no room for reason and more imaginative, creative diplomatic possibilities. We have shown the Russians that their threats cannot weaken us, but we have the responsibility to show them also that under certain conditions, we can live together without war, for in this age of thermonuclear weapons, there is no real alternative to peace.

CAN WE SOLVE BERLIN SITUATION WITHOUT APPEASEMENT?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. JOELSON] is recognized for 20 minutes.

Mr. JOELSON. Mr. Speaker, American foreign policy over the past years has often been justifiably criticized because we react to events rather than act in such a way as to shape events. In other words, we have too long let Soviet Russia call the tune by their taking the initiative.

With regard to the Berlin crisis, it would be folly to oppose any type of proposed solution whatever for the mere sake of opposition. It may well be that America can devise a solution that will ease the crisis while at the same time not result in a knuckling under or an appeasement. If we have learned anything from history, it is that dictators are insatiable and cannot be appeased. I certainly do not stand for appeasement. That is why I voted to spend $46 billion of the peoples' wealth for arms.

I am willing, however, to weigh any proposal for a solution of the Berlin problem on the scale of what I consider best for America. Honorable peace is, of course, always preferable to war. If those in charge of our foreign policy can devise a solution which is wise and will not damage our international position or our national honor, such a plan must be supported.

I hope I am not one of those contrary people who are intransigent and against everything. But believe me, I would need a great deal of convincing that we are at last coming up with a positive and imaginative action rather than the all too familiar frantic reaction before I would endorse it.

My attitude is "show me." I am willing to listen.

TAKE THE OFFENSIVE FOR PEACE IN BERLIN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Connecticut [Mr. KOWALSKI] is recognized for 20 minutes.

Mr. KOWALSKI. Mr. Speaker, I consider it a great privilege to join my distinguished colleagues in this demonstration on the floor of the House to support the President of the United States in his herculean efforts to find a peaceful solution to the Berlin crisis. My mail and my contacts with people convince me that millions of Americans have been waiting for their representatives to speak out boldly for peace. For, today as the "escalation" mounts toward inevitable

war, nothing is so important to this great Nation as the need to relax the emotional tensions of our people. We have been standing firm so long now with fingers frozen on nuclear triggers that our national nerves are frayed and jagged.

Under these difficult circumstances, most Americans are mentally numb. Those who still are capable of independent thinking know that the status quo is no solution for West Berlin. On the other hand, there is general feeling in the United States that in the Berlin crisis we are facing a grave test to our national honor, that a line has been drawn beyond which communism must not pass, that here we are locked in a death struggle for our way of life.

Our retaliatory forces have been placed on war alert; our draft has been doubled and tripled; men due to be released from military service are being held over for additional months; thousands of our Reserves have been called to active duty; the Government, the Military Establishment, and the people are being prepared for war. Once again a general has been assigned to the White House staff. Another general is rushed to West Berlin. Fifteen hundred American reinforcements press against the East Berlin wall. Young men stand up in their foxholes on the border and take a more careful aim into Czechoslovakia and East Germany.

On the other side of the Great Divide, the preparations for war are even more hectic. Soviet divisions move west through Poland. Soviet warplanes buzz commercial aircraft. East Berliners erect an inhuman wall, and East Germans have passed an aggressive new law providing for conscription of manpower and resources for war. Czechoslovakian and Polish troops due for release are being held in the service. Sugar is hoarded in Poland; while in East Germany, potatoes and other foods are being stashed away.

War and threats of war are nothing new to the satellite Slavs. For generations they have lived as they do today, in constant fear of the Germans. But on the border watch it is hard for me to believe that either the American soldier who aims his machinegun into Czechoslovakia, or the Czechoslovak who alines his gunsight on the American considers the other his enemy.

In the meantime, the world is subjected to an ever-increasing accumulation of dangerous nuclear fallout as the Soviets test ever-larger weapons of destruction. Our own scientists bore into the earth and conduct still other tests to produce, they say, lighter and more efficient nuclear warheads.

This is what is known as the Berlin crisis. How high will the buildup go before the blowup comes? How much time do we have before the rockets fly? No one can predict. One thing is certain, in the past, whenever a great nation mobilized, demobilization came only after a war. Yet, influential American leaders in great seriousness have declared that "there is nothing to negotiate." Frankly, I am tired of this nonsense. I am convinced that there is much to negotiate. I think it is high time we began to challenge the Soviets creatively, with imagination.

It is time we take the offensive for peace.

First, we must have the guts to think and act boldly. This world is not a monolithic world: it is a world in which ingenuity, intelligence, and courage allow many different approaches. We must not be afraid to try new approaches to peace. I cannot believe that in a crisis the only way one can survive in this world is by standing stifflegged and firm like a robot. Life is not like that.

Second, I would suggest that we ought not be satisfied in trying just to preserve our position in Europe. I think we ought to better it.

I mean by this that our fundamental objective is to preserve the security of the free world. When one sees our troops exchanging tear gas grenades with East German troops; and when one realizes that there are loaded weapons on both sides and itchy trigger fingers and growing tensions and growing irritations; and when one knows that behind these itchy men in the front line are atomic weapons—one realizes that our present situation is not secure at all.

I ask you: Is a policy which opens the way for mounting tension and the danger of nuclear accident a secure one? I am not satisfied that this is the best we can do.

I believe we must work out a new challenge to the Soviets that will go beyond the narrow position of legalities in Berlin—to a new initiative for European and world security.

Such a challenge must, of course, rest on two points: First, the free society of Berlin must be preserved; second, access to Berlin must be guaranteed. This much we must have. But I think that this is very little indeed.

I am not satisfied that this is all we can get. I believe we can do much to improve the whole European situation. I believe we can begin to move toward establishing freedom in the satellite countries. I believe that if we move aggressively we can put the Russians on the defensive. It is high time they had to meet our challenges.

I would do this by taking the Russians up on their slogans. They have suggested a nuclear-free Europe and have offered a disarmed Central Europe.

All right, let us see if this is what they mean.

They have said they would give us two and a half countries' worth of denuclearization for our one-half. They have offered to denuclearize East Germany, Poland, and Czechoslovakia in exchange for a denuclearized West Germany.

Let us see if they will. We have nothing to lose. If we stay as we are and war starts in Europe, it must become a nuclear war: we can fight no other kind of war with 21 divisions facing 175. But a nuclear war cannot be limited. It must break out into a world holocaust.

If we withdraw our nuclear weapons from West Germany, and the Soviets withdraw theirs from East Germany, Poland, and Czechoslovakia, leaving a denuclearized zone; if war comes and it becomes nuclear, there will be little lost—except the world—as in the first instance. We do not have to install nuclear weapons in Europe to destroy the Soviet Union. Neither do they, to destroy us for that matter. Each side now can reach the other with nuclear weapons from installations in its own country.

On the other hand much would be gained by a denuclearized Europe.

In the first place, we will have gained a major objective of our present military buildup. We are increasing our conventional forces now so that we can both "raise the threshold of total war" and also increase the time in which to decide whether a nuclear war is really necessary or worth the effort. Our basic thought in increasing our conventional force is to give us a bit more time to think, to show the enemy that we are going to fight, and to talk before we push the buttons.

But this objective can be gained by a denuclear policy just as easily—and better. If two and a half eastern European countries are denuclearized, there will be a large zone free of nuclear escalation in central Europe. Given this enforced nonnuclear zone, we will gain our basic military objectives of raising the threshold and increasing the breathing space before escalation to nuclear war.

A zone free of nuclear weapons would provide a huge cushion of space which would allow a moment of reason before the ultimate irrationality of total war.

It follows logically that denuclearizing central Europe would increase our security.

Moreover, by pulling the big atomic weapons out of the line of tension, both sides would decrease the chance of accidental war.

Finally, if we were to link a denuclear zone with a second stage of withdrawal of foreign forces from the zone, we might well begin the retreat of the Red army from eastern Europe and thus initiate the opportunity for real freedom in this area.

Such a policy would create a bold new challenge. It would have broader and better goals than our present rigid defense of the status quo. Within the context of such a challenge, the formalities of Berlin and East Germany could easily be negotiated. Within the context of such a challenge, Western policy could afford to be dramatic, exciting, and more secure.

Will the Russians accept such a policy? I think the mere fact that we would present such a policy would rock them back on their heels. Such an American challenge would force them to rethink and revise their entire approach in the world. They might not be able to meet this challenge—they did not meet our challenge of a solid and well-prepared nuclear testing treaty. But then again, they might.

They say they will. There are indications that they fear nuclear armament of Germany. They fear that we are about to give nuclear weapons to West Germany. This fear of West Germany

may be irrational, but it can be real. I have talked to Jews, Poles, and Frenchmen who have fought the Germans and I find irrational—but very real—fears of Germany. There is then a possibility that the Russians may be willing to take us up on our challenge.

If they accept this challenge, the whole question of European security would take on a new light. It would truly open a new frontier—a new beginning toward peace.

I see no future in standing rigidly like wooden soldiers glued to a board. I am tired of reacting too late with too little to Soviet harassments.

Let us move forward with a new imaginative approach.

Let us demand a new zone free of escalation in Europe.

Let us demand the first steps for a withdrawal of the Red army from Europe.

Let us move with new initiative to the freeing of eastern Europe.

Let us take the offensive for peace.

U.S. RESPONSIBILITY TO THE WORLD REGARDING COMMUNISM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 20 minutes.

Mr. DINGELL. Mr. Speaker, I join my colleagues in praising the distinguished gentlelady from Oregon [Mrs. GREEN] not only as an able and courageous legislator but also for her thoughtful remarks on a dangerous and pressing situation.

I wholeheartedly agree with her that we are in a position where we can and must negotiate with the Russians. Indeed we must courageously and vigorously pursue the course of negotiations even now.

In each negotiation which we have conducted in the past the Russians have behaved so as to give a clear inference of bad faith. They have stalled. They have, for example, tested nuclear weapons and obviously prepared to test nuclear weapons at the time the actual discussions were going on to halt nuclear testing. They have engaged in warlike acts when discussions were going on and supposedly there was a cease fire. They have disregarded their responsibility to respect the rights of once free peoples now imprisoned behind the Iron Curtain. They have breached either the letter or spirit on innumerable treaties and agreements, including the solemn agreements guaranteeing our rights and those of the people of West Berlin in that city.

The Poles, Lithuanians, Latvians, Czechs, Rumanians, Hungarians, Bulgarians, Albanians, and dozens of other minority groups who once existed as independent peoples in the free community of nations and which achieved in their own right great and high cultures dedicated to the freedom and dignity of the individual have been ground ruthlessly under the heel of the Communist oppressors. The Yalta and Potsdam agreements which clearly set forth that upon completion and conclusion of hostilities in World War II these peoples should have the right of freedom and self-determination have been ignored and trampled underfoot.

Despite these clear and regular breaches of Russia's international commitments and the general attitude of the Communist government on treaties, the United States has a responsibility not only to our people but also to the people of all the world and generations unborn to continue exploring new ways to arrive at a modus vivendi with the Communist dictators of Russia.

However, certain cautions among others must be observed on this, that first, the United States negotiates from a position of strength militarily and economically; second, the United States speaks always boldly on behalf of freedom and the rights of men to freedom and self-determination; third, that the United States constantly is alert to new methods to achieve an honorable modus vivendi with the Communist government of Russia; fourth, that the United States does not retreat or abandon territory or people to Communist takeover and domination by either direct action or by indirect result of our negotiations; fifth, that within the framework of the above the U.S. policy in our negotiations be directed to achieving a lasting peace with dignity and honor not only for our own people but for those of the whole world; sixth, that every reasonable effort be directed toward achieving a situation where a workable and effective program of disarmament can be achieved by reason of easing of world tension and by adequate policing and other safeguards; seventh, that the United Nations be strengthened to achieve a real, lasting organization to maintain world peace and easing of world tension; eighth, that maximum utilization of the World Court for solving of conflict and disagreement between nations be emphasized. Naturally any agreement with the Russians we find from history must be self-executing and self-policing.

Our people will support the administration and our great President Kennedy in his efforts to achieve world peace.

Indeed, history will support the stand of our President and of his administration to achieve a peace with honor, dignity, and freedom for all through negotiations.

Cessation of talking may very well mean the beginning of shooting with the horrors of nuclear war not far behind. If we ignore the grim warnings of history and fail to continue negotiating the price may be far too high. I say efforts by our President and by this administration to achieve peace should and indeed will receive the support of our people and of the world.

WHO IS REALLY WINNING THE COLD WAR?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. CLEM MILLER], is recognized for 20 minutes.

Mr. CLEM MILLER. Mr. Speaker, I would like to commend the gentlewoman from Oregon [Mrs. GREEN] and to address myself to the question of whether or not the Russians are winning the cold war. Is the Communist cause really walking away with everything? Acting as if this were so, some Americans are driven to espousing drastic measures in retaliation. Now, the United States has been disappointed in a number of its hopes in the last decade, and I think it is fair to say that Soviet policy can occasionally take the credit for such disappointments. But to say that the Soviets are running things their own way is to flatter them needlessly and contribute to unfounded fear of their omnipotence, as if we actually believed their story that history is on their side. They deserve no such credit, and we need not assume that the time has come to lay aside our highest traditions or to create a garrison state that would imprison us.

As a matter of fact, at this moment it looks as if the Soviet leadership is operating on the assumption in reverse; they seem to fear that everything is going down the drain, and that the time has come for special and drastic measures on their part. After courting world opinion for a decade and after Khrushchev made explicit pronouncements that testing of large nuclear weapons and poisoning of the atmosphere would never begin in the Soviet Union, and after this line was parroted by Communists everywhere, they have thrown all that away to assume for themselves the onus of resuming nuclear weapons testing in the atmosphere. And, after boasting to the uncommitted and Western world that communism, because of its manifest superiority, would be the voluntary choice of new nations and new generations, they have underlined the poverty of their system by allowing East Germany's Walter Ulbricht to build a wall of concrete block and barbed wire to keep people in. These two events ought to snap us out of any feeling of despair. It should make us take a new look at the facts.

What are the Russian objectives? They would like to see communism pervade the world. Short of that, they would like to see the military and the economic and the spiritual resources of the free world severely weakened. They want to call the shots for an enlarged and unified Communist bloc of nations. And they want to see the new nations who rebel against colonial and "imperialistic" powers look to them for leadership and advice.

We want to see the new nations choose freedom—for themselves, under procedures of self-determination. And we hope to see the threats of the Soviet Union reduced to a less dangerous level.

Are the Russians getting what they want?

They are not. Consider their relations with their own bloc. At the last all-party congress, Khrushchev made a virtue of necessity by saying that time had come to cease calling Russia the leader of the Communist bloc. This only creates trouble and confusion, he said;

there should be no head of the Communist bloc. Actually, there could be nothing farther from the way Khrushchev really thinks the Communist world ought to be run. But he could not escape the fact that for years he had been losing control of the Communist nations in a way that makes problems of allied unity in recent months seem trivial by comparison. The loss of control began with Yugoslavia, where repeated attempts to discipline Tito failed and Tito has ended up hosting a conference of "unalined" nations—many of whom are that. Whatever one may think of Yugoslavia, it is not a Soviet puppet.

This loss of control continued with Communist China where, in spite of technical and economic aid, the leadership's contempt for and insubordination to Khrushchev has been unconcealed. It has proceeded to Albania, where Russian diplomatic personnel were recently arrested and expelled. Among recent events of importance in the Communist world, the Chinese-Indian border dispute probably was contrary to Khrushchev's wishes. The same may be said for China's massive establishment of communes. The resumption of atmospheric nuclear testing, with its frightful overtones, is a clear instance that Khrushchev is not master in his own house, and that the pressures from a belligerent China, a schizophrenic East Germany, and probably the military leaders in the Kremlin, are taking their toll.

Khrushchev is unable to lessen these internal and external pressures with frank public debate. He is unable even to tell his people about them because he has no way to explain them consistent with the image of all-powerful leader. Thus, the Russian people did not read in their newspapers about his blowup of the Paris summit conference or his misbehavior at the United Nations. If the Russian tests could have been kept secret, they would have been. Even so, they were announced late and underplayed. In his recent policy and behavior, Khrushchev has shown the demeanor of a man who has both to pretend to absolute power and to hold together, by compromise, a disintegrating empire. In this, as in many of the accompanying symptoms of alternating reasonableness and rage, he is reenacting in a compressed time scale the experience of the fading imperialism he opposes. Imperialism is one of history's least attractive patterns, and we are quite fed up with it.

Now let us consider Khrushchev's relations with the developing nations. We have been dismayed by the experience of Cuba. This has made many feel that Khrushchev is having a magnificent success in Latin America. The fact is that Cuba fell into his lap. He was not responsible for it, and was even a little uncertain what to do with his new ally. He signed a treaty to buy Cuban sugar only if Cuba could not sell it to the United States. He has since failed to supply Cuba with food and materials to counteract its growing shortages, and judging from the recent overtures of Che Guevara to the OAS at Punta del Este, there is little prospect that this situation will be reversed. In fact, Kudryavtsev, the Russian Ambassador to Cuba, recently returned to Moscow after advising the Castro regime to improve its relations with the United States.

As for the rest of Latin America, it is certainly true that a vast revolution against economic domination is developing. Some of the leaders are Marxists. That does not mean that they are subject to the Communist bloc. Jagan of Guiana is a fair example of a Marxist who is quite possibly independent, and who may make more trouble for Khrushchev than otherwise. There is rising hope in Latin America. The administration is identifying itself with these hopes. The American dream is also the dream of South America—our egalitarian society has tremendous appeal for a people subjected to the Spanish tradition of the hidalgo. In the past, this image of a free society has been tarnished. Our former support for oppressors, for economic domination, for a sleazy sort of commercialism has been unfortunate. This is changing. Even that symbol of economic imperialism, the United Fruit Co., has readjusted its policies and its ownership patterns to favor local autonomy and facilitate the coming changes.

But then it will be said that Khrushchev is making fantastic gains in southeast Asia. The fact is that he makes gains only in vacuums we create for him. The problem of Laos, for instance, was created originally by American intervention to overthrow a constitutionally established and popularly supported government. It cannot be ascribed to Khrushchev. There, as elsewhere, Khrushchev does not take an inch we do not prepare for him by ill-advised support of ill-fated and unsupportable regimes which waste moneys and alienate their own subjects. As we depart from that policy, the Communist advance stops. It may be recalled how the Russians rushed into the Congo with aid and technicians when opposition to the popular Lumumba created such a vacuum; it should also be remembered how the Russians thereafter departed when that vacuum was again filled by the U.N. No wonder Khrushchev blusters at the United Nations. It was hardly a victory for a state which claims to be the world's most powerful and popular to have to leave with its tail between its legs.

But more important is Khrushchev's failure to win the adherence or even confidence of the uncommitted world by his policies. Think for a moment what the significance of the Cairo and Belgrade conferences is. It is in effect a monument to Khrushchev's failure to win the cold war. For these are the new nations which he meant to win, whom he hoped to have looking to him and the Soviet system for leadership and for a model. Many of them do look to him for money and technological assistance. Sukarno takes him for a multimillion-ruble ride in Indonesia; Nasser has taken the major part of the cost of the Aswan Dam from the Russians and then turned against the Communists; India has taken steel mills and technological-help credits; and so on down the list. This economic tightrope is probably a principal reason behind their equivocating at Belgrade in condemnation of Russian nuclear testing. But allegiance is not there. Do these nations meet in Moscow? Do they centralize their economies, form military alliances with the Soviet bloc, and turn against the United States? With the exception of Cuba, caught up in a pique of injured pride and a heady experiment with a new ideology, the answer is "No." Nor do they adhere to Peiping's doctrines, either in the forms of their economies or in their attitude toward war, in spite of the flood of technical aid and propaganda Red China has unleashed upon them.

Whatever course these countries are taking, and certainly there are disagreements and dissatisfactions, their way is not that of Russia. Furthermore, it is obvious to them as to us that Khrushchev is in no position to give advice. His own domestic economy is performing badly; his new lands program is failing, and his agricultural commissars have recently borne the brunt of his rage at their inefficiency. His industrial development has generally fallen behind to the point where he has to go before his people all over the Russian countryside and commiserate with them on the miserable housing conditions and the poor quality and supply of consumer goods, promising somehow to see that things improve.

And, if anyone wants a demonstration of the alleged superiority of a more highly developed form of communalization of city and country, and of a more centralized form of allocation of labor, capital and resources, he has only to turn to Red China, where people are now starving and the allocation of cloth for clothes is 2½ yards per person per year. Peking blames the weather, but in Hong Kong and Formosa, production is down only between 8 and 13 percent, while in Red China's Kwantung Province, where the weather is about the same, production is down 30 percent. The result of all this is that the neutrals are not looking to Khrushchev for advice or leadership. It may well be that the resumption of Russian nuclear testing was undertaken at the eve of the Belgrade Conference because of Khrushchev's awareness of this feeling and hence the crude attempt to frighten them into some kind of submission.

And this brings me to the final matter on which the Russians have been vastly overrated by some: their tactics. Looked at critically, Soviet tactics often appear incredibly unimaginative. The tactical blunders by which Russia has lost its chance for leadership of the underdeveloped world begin with the invasion of Hungary, if not with the suppression of the East German revolt in 1953. The aggressions of Communist China against Tibet and then India were other steps in this process. Indian opinion shifted at that time definitely westward. Khrushchev's personal misbehavior at the U.N. and at Paris was similarly alienating, and not only increased the suspicions of the uncommitted nations but provoked precisely the response within the United States most harmful to his interests—increased hostility, emotional

mobilization and determination. Khrushchev is a chronic destroyer of every good press he achieves, as after his trip through the United States when the earthy side of him won a degree of sympathy. And if we want a good example of a recent blunder of particular significance, look to the recent visit of Mikoyan to Japan. It could not have been handled more badly, alienating even the left wing which had been active in the demonstrations that prevented the visit of President Eisenhower.

Nor is Khrushchev's diplomatic corps any smoother. It is credited with knowing the languages of the countries in which it serves much better than our political appointees do; yet, in more than half, the Soviet ambassadors cannot speak the language of their assigned country, including those to Japan and Cuba. The cultural attachés are apparently no great proselytisers either, for Khrushchev has recently been allowed to administer annoying insults inadvertently to the Indians and Indonesians on his junkets. And the poor quality of many of the goods they ship as a result of their aid or trade agreements has alienated many recipients: spoiled wheat to Egypt, faulty jeeps to Indonesia, faulty steel cables and drills and motors to Argentina, a bakery built in Afghanistan which baked bread no one would eat, and so on. Russian technicians everywhere have a reputation for heavy-handedness that is notorious and widely unpopular. The rigidity of their conduct, and bureaucratic dependence on policy from Moscow even when it does not apply have made them suspect in many host nations. These are not the acts of master tacticians. They may appear small in the listing, but they are large in terms of local prestige. Time after time, the results have redounded to the credit of the West where we have been called in to repair the damage done and supply the necessary quality goods.

But the point is not to gloat over the Communists' failings. It should be no satisfaction to us that millions of poor and overworked Chinese peasants are starving. It is a matter of concern that these very inadequacies create dangerous tensions which could lead to explosion. We know these things. Nor is the point to suggest that any degree of complacency is warranted—because it obviously is not. Assuming the best, the cold war is going to last a long, long time. Nor am I suggesting that the Russians have not won prestige because of their achievements—notably their achievements in space.

The point here is that we and the rest of the free world are far from being pushed around, far from being isolated, and far from watching helplessly a vigorous communism on the march. In fact, we are already dealing from strength; not only military strength, but the strength of freedom, of patience, and of an increasing good will and helpfulness without strings attached. And can we but see this, we shall operate and negotiate not in fear or desperation but in determination, firmness, reason, and confidence. The meaning of such confidence will not be lost on a watching world.

BERLIN AND PRESTIGE IN EUROPE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. RHODES] is recognized for 20 minutes.

Mr. RHODES of Pennsylvania. Mr. Speaker, I wish to join with the distinguished gentlewoman from Oregon [Mrs. GREEN] and other colleagues in the House in this discussion on the question of Berlin. It is by far the most important issues facing the Nation and the world at this time.

Back in 1955 I had opportunity to visit the old German capital. The freedom, prosperity, and progress I saw in that city were in sharp contrast to the distressed social and economic conditions in East Berlin. The fear and lack of freedom was written on the faces of too many Germans living in the Communist sector of the city. At the time of my visit, the refugee camp in West Berlin received 600 East Germans daily who had left their homes in search of peace and freedom.

That such a city as Berlin exists deep within the Communist orbit must be a matter of considerable concern to the Soviet Union. Because Berlin is a symbol of our free way of life, it is naturally a danger point in the conflict which divides the East and West.

How to resolve this problem with its threat to peace and human survival is a challenge to the good sense and statesmanship of our world leaders, particularly those who represent the United States, the Soviet Union, and other nations. It is a challenge to the Members of Congress and the American people. It is a challenge that calls for public understanding so that we may prevent the nuclear disaster which would come with increased tensions, confusion, and fear.

It seems to me that only calm and flexible negotiation can bring about a responsible solution to the situation we face in Berlin. Nuclear war with its death, destruction, and desolation in victory or defeat would only aggravate the causes which breed totalitarian tyranny. Neither the cause of West nor East would be served by such a war.

I feel that it is up to Congress to counter what is becoming in this country a mood of fear and despair which is making us inflexible and unable to examine what are the true interests of the United States. This mood of fear and despair poses a serious threat to our national survival because it can very readily lead us into a tragic and horrible war which no one wants—a war which would destroy the freedom and democracy which we have enjoyed.

Because of the importance of considering various viewpoints, Mr. Speaker, I include herewith several articles on the subject of Berlin:

BERLIN—BACKGROUND AND FUTURE—THE NEED FOR A NEW APPROACH

(A memorandum respectfully submitted to the President and the Congress)

(By James P. Warburg)

Firmness in dealing with the recurrent Berlin crisis is essential. But firmness alone will not suffice.

Without a new, constructive American initiative, mere resistance to whatever moves the Kremlin may make will lead only to a continuing series of crises provoked at its convenience by Soviet leadership.

Any one of these crises, including the one we face now, can lead to catastrophic conflict. At best, a continuation of our past inflexible and unimaginative policy will lead to the slow attrition of an ultimately untenable position.

The United States must seize the initiative now, not wait and see what moves are made by the Kremlin.

The choice is not between resistance and retreat. A new, constructive American proposal would not be a sign of weakness. It would be a demonstration of resourcefulness and strength, providing the kind of leadership for which an anxious world is waiting.

BERLIN AND PRESTIGE IN EUROPE

(By Reinhold Niebuhr, professor emeritus, Union Theological Seminary)

Why is Khrushchev so stubborn about eliminating the "bone in our throat which is Berlin"? Why are we equally adamant in refusing any concessions which would compromise the status of Berlin as a window through which the Communist world can look into the political and physical advantages of the free world?

Obviously the prestige of both East and West is at stake in the Berlin question. The prestige of each side is so important because prestige, unlike the honor which motivated many of the wars of traditional monarchs, holds a central place among the components of political authority.

Prestige may be drawn from the capacity to wield force; but it cannot be identified with force. Force represents the capacity to compel compliance. Prestige is the capacity to win implicit or explicit consent for the relevant authority. The sources of prestige are many: the stability of an authority through the years, its reputation for loyalty to friends, its record of relative justice in the realm of its authority, and its capacity to preside over a successful communal process. A good part of the competition between communism and democracy is concerned with the prestige of each system as relevant to the desire of the nontechnical nations to enter the charmed circle of technical competence with its cornucopia of abundance. The sputniks enhanced the prestige of the Russians in Asia and Africa because they were symbols of the success of a nondemocratic nation in negotiating the steep ascent to modern technical competence.

While Khrushchev boldly proclaims the inevitability of the triumph of communism in the whole world, and while many of our enthusiasts are naively certain that we can win the cold war, if only this or that device is adopted, each side knows in its reflective moments that the contest between the two systems is more complicated than that.

Both sides are really aware, or should be, that the prestige advantages are with communism in Asia and Africa and with democracy on the European Continent. In Asia and Africa the spurious issue of anticolonialism and the Communist dogma that imperialism is the fruit of capitalism is almost enough to give the Communist the advantage. Moreover, the complicated relation of free enterprise to free institutions in the West is enough to confuse the minds of non-Europeans. They remember the injustices of early industrialism aggravated by the dogmas of classical economy. The Communist dogma obscures the achievement of various equilibriums of power, political and economic, by which we gradually achieved justice. Moreover, the capitalist strategy of accumulating capital for industrial expansion is quite unavailable to new nations—or to old ones—moving from an agrarian to an industrial economy.

The prestige factors are radically different in the West. Europe is the homeland and seedbed of free institutions. Its culture emphasizes the value and dignity of the individual more than primitive cultures do; or, for that matter, more than either the mysticism of the Orient or the humanism of the Chinese. In Europe, democracy has been made compatible with industrialism by a tortuous process. We live in the West in the securities of the welfare state, whether in Socialist Sweden or Tory Britain, or capitalistic America. Significantly, we define our cause as "democracy" while the adversary calls it capitalism. But by whatever name defined, the prestige of justice is with us.

In Western Europe, on the other hand, democratic justice has gained sufficient triumphs over early capitalistic injustices to make communism irrelevant in precisely that highly industrialized civilization for which Marx intended it. Only France with its rather static capitalism and Italy with its remnants of feudalism have had large Communist parties. Germany—not until recently a successful democracy, the birthplace of both the Marxist revolt and the Nazi aberration—has, on the other hand, become the most successful capitalistic democracy on the Continent. This is partly because two defeats accomplished what the democratic forces alone could not accomplish: The destruction of the feudal classes and the subordination of military to civil power. Germany is therefore a great threat to Communist prestige and to its pretension that it is a "wave of the future."

Berlin is an obvious showcase of the desirability and economic viability of free institutions in the context of European culture. The daily stream of 2,000 refugees revealed that while dogmatic collectivism may have its attractions in non-European cultures it does not attract highly developed industrial societies. Its collective farms are not attractive to the men of the soil in Western Europe who have long since mastered the art of the voluntary collective use of farm machinery so as to make efficiency compatible with the private ownership of the land—perhaps the most stubborn and cherished form of private ownership in the history of civilization. A goodly percentage of the East German refugees have been farmers, though craftsmen and professional classes, too, have furnished their quotas.

Our own prestige is quite as obviously involved. There may be questions about the relevance of our institutions in Laos or Cambodia; but the Berlin situation vividly reveals both how desirable and, in fact, how much desired are free institutions in Western Europe. Western Europe is, of course, not powerful enough to withstand Communist military pressure. Berlin is clearly the apex of the pyramid of prestige which is our stake in Western Europe. If we yield on Berlin, even Germany—as Adenauer hints—may be tempted to neutralism. The whole of Western Europe would lose heart. Significantly, De Gaulle, a not too loyal member of NATO, and preoccupied with Algerian problems, is as adamant as we are on Berlin.

The German threat is aggravated and made more vivid by that sorry remnant of the war, that lack of prescience on the part of the West, which left a non-Communist enclave essentially defenseless in a Communist sea. It is surprising, particularly since Berlin has become so focal, that few people have interested themselves in the grievous errors of judgment which have placed Berlin in such an exposed position. The errors were no doubt prompted by the traditional assumptions of military allies that their alliance would outlast the victory over their foes—assumptions which have been consistently refuted by history. In the case of the alliance with the Russians, there were sufficient indications of incompatibility even in the war to have refuted the assumptions. Probably only the fortunate or unfortunate involvement of leaders of both political parties (F.D.R. and Eisenhower) has prevented the matter from being subjected to close congressional scrutiny. In any case, raking over past mistakes, the seeds of our present embarrassments, will not extricate us from the embarrassments.

The administration is clearly right in its stubborn stand. But both we and the Russians, despite the intransigence of both sides, insist that the Berlin situation must not lead to a nuclear war; that the situation must be ultimately negotiated. The real question is whether there is any negotiable element in the situation. We are in a particularly embarrassing position because the rights on which we insist are rights derived from common conquest and common occupation of a vanquished nation. That vanquished nation has meanwhile become our ally in a contest with our former ally. The course of history has not invalidated these rights. But a resourceful politician, such as Khrushchev undoubtedly is, was bound to attempt to destroy our source of prestige by his strategic superiority.

Most of the suggested modus vivendi have proved to be inadequate. The Senate majority leader, MIKE MANSFIELD, suggests a free status for the whole of Berlin. But the insecurity of free cities is notoriously fragile. Danzig's fate is a convenient reminder. The alternative of a disarmed neutral Germany, after the manner of Austria, is obviously too dangerous for the West in view of Russia's geographic position and its capacity for political subversion. The idea of a unified Germany through free elections is obviously unacceptable to Russia. It would mean uniting Germany against Russia. It has not been a live option for some years despite our lip service to the formula.

The idea that we could have relaxed tensions by denying the Germans tactical nuclear weapons may have had some merit in the past. But in any case they do not have possession of tactical nuclear weapons except as we make them available to NATO. The inevitable use of tactical nuclear weapons in a European war has undoubtedly wiped out the distinction between conventional and nuclear weapons and given point to Khrushchev's warning that a war over Berlin will inevitably involve nuclear weapons. President Kennedy's and General Taylor's emphasis on the necessity of building our nonnuclear capabilities is nevertheless important. The President is right in insisting that the presence of our troops in Berlin was designed as a hostage of our commitment to the defense of the city.

The project—popular in liberal circles of Britain and also in our country—for spending billions to remove the whole city of Berlin safely into the Western portion of Germany is politically naive because it disregards the importance of prestige in international competition. The proposal stems from a type of liberalism which is ignorant of the relations of power to politics and of prestige to power.

The elimination of these alleged viable strategies does not of course give us a viable strategy in countering Khrushchev's calculated aggravation of the Berlin crisis. He has shrewdly sealed off East Berlin even before signing a peace treaty. He has violated the liberties of the East Germans more than our rights. Despite Mayor Willy Brandt's frantic appeal to the President to produce actions rather than words, the juridical position (in Eisenhower's phrase) which we have as one of the conquering powers hardly empowers us to be the guardian of East German liberties. In his recent notes Khrushchev has challenged our rights on the ground that we use them, not for the original purpose of jointly occupying Germany, but for the purpose of defending Germany against Communist tyranny.

Despite all embarrassments, derived from the fact that history has altered the political and moral positions which first gave rise to our agreements with the Russians, we must stand firm and not abandon Berlin. We must not initiate hostilities; but we can counter force calculated to push us out. This is undoubtedly a war of nerves. A nuclear catastrophe is always a possible consequence of miscalculation.

But surely we are entitled to weigh the improbability of Khrushchev starting a war for the sake of Berlin in the face of the fervent hopes of the Russian people for peace and of the probable embarrassments with his satellites in the event of war. Surely a politician as shrewd as Khrushchev will exploit the advantages of a dictatorship over a democracy in brinkmanship as far as he can. The fact that he raises all the fuss even before the party congress may suggest that he must deal with the core of Stalinist intransigence. He is probably also under the necessity of proving to the Chinese that he is not soft on capitalism. But meanwhile the progress of Communist economic and technical achievement in Russia and of its prestige in the non-European culture areas are bound to make him more cautious than his present words imply. If he is as shrewd as he seems to be, he can still exploit communism's prestige in Asia and Africa; and quietly, though not openly, acknowledge that its prospects in Europe are dim and would not improve by a nuclear holocaust.

We can meanwhile produce some negotiable items which are not related to the safety of Berlin. Two years ago De Gaulle suggested that we ought to acknowledge the permanence of the Oder-Neisse line. Since it cannot be changed without a war, and since its guarantee would make the Poles less dependent on Russia, we should have taken that suggestion more seriously. Even the Germans would not mind too much. They would mind more any tacit or explicit recognition of the East German regime, though that intransigent diplomat, John Foster Dulles, long ago suggested that we might recognize the East Germans as agents undermining the Russians. For such a tacit recognition would probably be regarded as undermining the inflexible dogma that Germany must be reunited.

In view of the fact that our European Allies and even some West Germans are not certain whether reunification is either desirable or feasible, we might well risk defying a dogma to which the Germans, on their part, must pay lipservice if for no other reason than to salve their uneasy conscience about the fate of their blood brothers under the Communist yoke.

The sacrifice of a dogma unrelated to political realities and possibilities would be a small price to pay for successful negotiations involving no loss of our prestige and giving Khrushchev a face-saving device. He must have such a device. That is a political necessity. Meanwhile we are entitled to speculate that the rigor with which he now seals off East Germany may in time abate as the Ulbricht regime faces the consequence of dealing with the rebellious spirits hitherto syphoned out via the Berlin escape route.

PENDING BANK MERGER APPLICATIONS BEFORE THE COMPTROLLER OF THE CURRENCY NEED CLOSE SCRUTINY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, it is my expectation that the new Comptroller of the Currency will bring a new viewpoint on mergers to the office of Comptroller of the Currency. In the meantime, however, it is important to know whether a large number of bank merger applications will be acted upon by the incumbent Comptroller in a last-minute "sweep up." It has been reported that there are some 30 or more national bank merger proposals now pending in the Comptroller's office.

In order that we may keep a close watch on steps taken regarding pending bank merger applications, last Friday, September 22, I requested from retiring Comptroller of the Currency Ray M. Gidney a list of all bank merger applications now pending. Similar requests were directed to William McC. Martin, Chairman of the Board of Governors, Federal Reserve System, and Erle Cocke, Sr., Chairman of the Federal Deposit Insurance Corporation, for bank merger applications pending before those two agencies.

Mr. Speaker, the merger movement has gotten out of control, and I think it imperative that Members of Congress keep a close watch on any pending merger applications.

The appointment of James J. Saxon to succeed Mr. Gidney on November 15 as Comptroller of the Currency, will bring a new, fresh approach to the problem of bank mergers. In sharp contrast to past performance by the Comptroller, and also the Federal Reserve and the Federal Deposit Insurance Corporation, it is anticipated that the new Comptroller of the Currency will make a full disclosure of all data concerning bank merger and consolidation approvals.

Mr. Speaker, the public interest is deeply involved in the actions on bank mergers on the part of our bank supervisory agencies. All three of these banking agencies—the Comptroller of the Currency, the Federal Reserve, and the Federal Deposit Insurance Corporation—exercise quasi-judicial functions in passing on bank merger applications. They are each supposed to follow the criteria set out in the Banking Act of 1960. As I have pointed out time and again, it is impossible at present to determine whether the banking agencies are following the mandate of Congress.

I am hopeful that the change in the Office of the Comptroller of the Currency will bring about a change in the overall approach to bank merger matters in the three banking agencies.

CIVIL FUNCTIONS APPROPRIATION ACT, 1962

Mr. CANNON submitted a conference report and statement on the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mrs. MAY (at the request of Mr. ARENDS) for September 26 through September 29 on account of official business.

Mr. STEPHENS (at the request of Mr. FORRESTER) until Thursday, September 28, 1961, on account of his attendance at the funeral and burial of former Congressman Paul Brown.

To Messrs. ANFUSO, RODINO, DANIELS, FASCELL, DENT, SANTANGELO, MACDONALD, HALPERN, and LIBONATI (at the request of Mr. MCCORMACK) for an indefinite period on account of official business, Presidential appointees attending Italian Centennial in Italy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. ALBERT) for 20 minutes each today, to revise and extend their remarks, and include extraneous matter:

Mrs. GREEN of Oregon.
Mr. KASTENMEIER.
Mr. RYAN.
Mr. ULLMAN.
Mr. JOELSON.
Mr. KOWALSKI.
Mr. DINGELL.
Mr. CLEM MILLER.
Mr. MOORHEAD of Pennsylvania.
Mr. RHODES of Pennsylvania.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. O'KONSKI in three instances.

Mr. BURKE of Massachusetts and to include extraneous matter.

(The following Members (at the request of Mr. ALBERT) to revise and extend their remarks and include extraneous matter.)

Mr. ZABLOCKI.
Mr. LANKFORD.
Mr. FISHER.
Mr. SAYLOR and to include extraneous matter.
Mr. O'KONSKI in three instances and to include extraneous matter.
Mr. BOLAND.
Mr. MOORHEAD of Pennsylvania (at the request of Mr. ALBERT) to extend his remarks immediately following those of Mrs. GREEN of Oregon and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat; and for other purposes;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes; and

H.R. 9118. An act to establish a U.S. Arms Control and Disarmament Agency.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 2732. An act to amend section 303(c) of the Career Compensation Act of 1949 to authorize the Secretaries concerned to prescribe a reasonable monetary allowance for the transportation of house trailers or mobile dwellings;

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 3587. An act to provide outpatient and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes;

H.R. 8383. An act to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to

the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8652. An act relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations;

H.R. 8765. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Midwest City, Okla.;

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes;

H.R. 9118. An act to establish a U.S. Arms Control and Disarmament Agency; and

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, September 26, 1961, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JAMES C. DAVIS: Committee of conference. H.R. 8444. A bill to amend the act of August 12, 1955, relating to elections in the District of Columbia (Rept. No. 1266). Ordered to be printed.

Mr. McMILLAN: Committee of conference. H.R. 258. A bill to amend the District of Columbia State Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes (Rept. No. 1267). Ordered to be printed.

Mr. CANNON: Committee of conference. H.R. 9076. A bill making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 1268). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULTON:

H.R. 9436. A bill to grant civil service employees retirement after 30 years service; to the Committee on Post Office and Civil Service.

H.R. 9437. A bill to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes; to the Committee on Ways and Means.

H.R. 9438. A bill to amend the Internal Revenue Code of 1954 to provide a special deduction from gross income for a taxpayer supporting an aged dependent who has no retirement income of his own; to the Committee on Ways and Means.

By Mr. SCHERER:

H.R. 9439. A bill to amend the Subversive Activities Control Act of 1950 so as to provide that any Federal officer or employee who willfully fails or refuses to answer, or falsely answers, certain questions relating to Communist activities or national security, when summoned to appear before any Federal agency, shall be removed from his office or employment; to the Committee on Un-American Activities.

By Mr. KING of Utah:

H.R. 9440. A bill to establish an Office of Nutrition in the Department of Health, Education, and Welfare; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIAS:

H.R. 9441. A bill to exempt life insurance companies from the act of February 4, 1913, regulating loaning of money on securities in the District of Columbia; to the Committee on the District of Columbia.

H.R. 9442. A bill to amend the Internal Revenue Code of 1954 to provide that gifts made to the United States for use in reducing the public debt shall be deductible without limitation; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 9443. A bill to amend the act of July 14, 1960, to require persons operating motor vehicles in interstate commerce to have certain operator's or chauffeur's licenses or permits; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO (by request):

H.R. 9444. A bill for the relief of Ruchla Perla Koller and David Koller; to the Committee on the Judiciary.

By Mr. BROYHILL:

H.R. 9445. A bill for the relief of Miss Grace Smith, and others; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 9446. A bill for the relief of Gustek Niec and Feleks Niec; to the Committee on the Judiciary.

H.R. 9447. A bill for the relief of Kim Hang Yee; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 9448. A bill for the relief of William Yee; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 9449. A bill for the relief of Gervacio V. Aranca; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H.R. 9450. A bill for the relief of Staja Stojanovic and Milka Stojanovic, his wife; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 9451. A bill for the relief of Zbigniew Tadeusz Franciszek Kubiak; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Allotments for Servicemen's Dependents

EXTENSION OF REMARKS
OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker, the following detailed explanation and information will be helpful in understanding and submitting the proper documents and application.

An allotment is a sum of money that is deducted in whole or in part from the serviceman's pay and is sent in the form of a check by the Government to the dependent of the serviceman. Since part or all of an allotment is deducted from the serviceman's pay, the Government requires that in accordance with existing rules and regulations the serviceman himself make the application for allotment through his immediate commanding officer.

There are two main types of allotments: One is known as a class E allotment. This allotment consists of a sum of money—amount to be specified by the serviceman—which is deducted from the serviceman's monthly pay and is sent home to any person the serviceman may specify. The total amount received by the person at home is deducted from the serviceman's pay, the Government does not contribute to a class E allotment. Since this is wholly from the serviceman's pay, anyone designated by the serviceman is eligible for the allotment.

The other type of an allotment is known as a class Q allotment. In this type of allotment a certain amount is deducted from the serviceman's pay, and a certain amount is contributed by the Government, according to the number of dependents the serviceman claims and according to his rank.

The following persons are eligible for a class Q allotment:

First. Wife of the serviceman, and the serviceman's children under 18 years of age are automatically eligible. However, when the serviceman makes his application for the allotment through his commanding officer, he should submit a certified copy of his marriage certificate, together with a certified copy of the birth certificates of each of his children under 18 years of age. The serviceman's wife can obtain these copies and send them to her husband to submit with his application for her class Q allotment.

Second. Parents are eligible if the following conditions are met: (a) The serviceman did contribute more than one-half of their income before he entered the service, (b) if new circumstances have arisen since entry into service making parents now dependent for at least one-half of their support. These circumstances include death or illness of the supporting member of the family;

(c) if the parents have other children over the age of 18 years, or other relatives living at home, then a notarized affidavit must be prepared by such persons stating why they cannot support, or contribute to the support of the parents; (d) the parents must prove that they are now dependent upon the serviceman for at least 50 percent of their income. The Government will send the parents forms to fill out to prove their dependency immediately upon receipt of an application for the allotment filed by the serviceman.

All papers should identify the serviceman by full name, rank, service serial number, and full military address—this is most important.

The following table gives you the portion the Government contributes and the portion the serviceman contributes in a class Q allotment; you will note that the serviceman's rank determines this:

Serviceman's rank	Amount deducted from pay of serviceman	Total amount paid to dependents and number of dependents		
		1	2	3 or more
Grades E–1, E–2, and E–3	$40	$91.30	$117.10	$136.90
Grades E–4 and E–5	60	137.10	137.10	156.90
Grades E–6, E–7, E–8, and E–9	80	157.10	157.10	176.90

Military enlisted personnel, grades and ranks

Pay grade	Army	Navy	Air Force	Marine Corps
E–1	Recruit	Seaman recruit	Airman, basic	Private.
E–2	Private	Seaman apprentice	Airman, 3d class	Private, 1st class.
E–3	Private, 1st class	Seaman	Airman, 2d class	Acting corporal; lance corporal.
E–4	Corporal	Petty officer, 3d class	Airman, 1st class	Acting sergeant.
	Specialist, 4th class			Corporal.
E–5	Staff sergeant			Staff sergeant.
	Specialist, 6th class			
	Sergeant	Petty officer, 2d class	Staff sergeant	Acting staff sergeant.
	Specialist, 5th class			Sergeant.
E–6	Platoon sergeant			Gunnery sergeant.
	Sergeant, 1st class			
	Specialist, 7th class			
	Sergeant, 1st class	Petty officer, 1st class	Technical sergeant	Acting gunnery sergeant.
E–7	Master sergeant	Chief petty officer	Master sergeant	Acting master sergeant.
E–8	....do	Senior chief petty officer	Senior master sergeant	1st sergeant.
	1st sergeant			Master sergeant.
	Specialist, 8th class			
E–9	Sergeant major	Master chief petty officer	Chief master sergeant	Sergeant major.
	Specialist, 9th class			Master gunnery sergeant.

Nuclear Bombs: Their Effects and What Can Be Done About Them

EXTENSION OF REMARKS
OF
HON. JAMES A. BURKE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. BURKE of Massachusetts. Mr. Speaker, my office received a pamphlet today on the subject of "Nuclear Bombs: Their Effects and What Can Be Done About Them." This information has been compiled and written in plain language which can be easily understood by the average layman. The Honorable WILLIAM H. BATES, of Massachusetts, a member of the Joint Committee on Atomic Energy, is the author. My office has been besieged with requests for information concerning fallout and its effects and what can be done to protect the public in the event of a nuclear attack. The American people are ready to meet the challenge of any potential enemy in a courageous way. They will not be bullied or bluffed and they simply want to know what is the best way to meet any possible attack. I believe that Congressman BATES has made a great contribution by having this article printed. I feel it should be brought to the attention of the Members of Congress. Of course, all of us hope and pray that the day will never come when fallout shelters will be placed in use. We all hope that answers to the problems that might lead to a catastrophic war will be resolved and a solution for world peace will be realized in our time. President John F. Kennedy has broadened the program for civil defense. Local officials are enlarging their programs and I feel the apathy which has been so evident in the past is beginning to lessen. We do not want to alarm the American people but precautionary steps must be taken for the protection of our citizens. I include Congressman BATES' article.

NUCLEAR BOMBS: THEIR EFFECTS AND WHAT CAN BE DONE ABOUT THEM

(By Congressman WILLIAM H. BATES, Republican, of Massachusetts, member of Joint Committee on Atomic Energy)

The recent resumption of Soviet nuclear tests and the general concern about a thermonuclear war has developed great interest in questions of nuclear bombs and resulting fallout. The following questions and answers give an insight into some of these problems.

Why are we interested in fallout shelters?

Fallout in an atomic war as well as blast, heat, and initial radiation from the bomb could kill millions of people. Fallout shelters could save the lives of about 45 million people in the event there was an atomic attack on the United States. Any kind of material between you and the fallout—as well as distance—will cut down on the radiation reaching you. Specially designed shelters, called fallout shelters, are very effective in providing protection against atomic bomb attack.

In our joint committee hearings it was brought out that civil defense preparedness could reduce the fatalities in an assumed attack on the United States from about 25 percent of the population to about 3 percent. It was also brought out that more than 96 million people in the United States do not live in or near likely target areas and therefore not in the likely area of direct or near direct hits of atomic bombs. The people not in the area of direct hits could be expected to survive by using adequately supplied fallout shelters.

Dr. Edward Teller, father of the H-bomb was recently quoted as stating that 9 out of 10 persons in the United States could be saved by using adequate fallout shelters.

What is fallout?

It is the radioactive debris from a nuclear bomb which has been airborne and deposited on the earth. This debris could be in the form of solids such as dust which could be seen or individual atoms which could not be seen. It could fall in dry form or it could be brought to earth by rain or snow. The invisible rays, called radiation, given off by the fallout material cause injury to the body and if a large amount of such radiation is received it causes death.

Local or close-in fallout occurs almost immediately and continues for 10 to 20 hours after detonation. This is the most dangerous fallout. Intermediate fallout (which comes from the troposphere up to a height of approximately 50,000 feet) takes place during the first few weeks after the explosion. Delayed or distant fallout (which comes from both the troposphere and the stratosphere above it) is the slow dropping of radioactive particles from the air over a period of years. The latter may cover the entire earth although of course it would be greatly diluted and therefore of much less danger.

The main kinds of radiation from fallout that may affect man are beta particles and gamma rays (similar to X-rays). These kinds of radiation also exist naturally although their concentrations are so low compared to the radiation from local or intermediate fallout that they are not injurious to health.

Most of the radiation from fallout decays to a harmless state in the first few weeks. During the first 2 weeks or so fallout shelter protection is extremely important for survival.

After a few weeks the main danger comes mostly from the fallout isotopes, strontium, and cesium, which decay very slowly. Danger from these isotopes results primarily from eating or drinking food which has been contaminated by fallout. The danger from these long-lived isotopes is encountered after leaving the fallout shelters.

Why is fallout harmful?

The local fallout which occurs in the first 10 to 20 hours after detonation and the intermediate fallout during the first few weeks require that fallout shelters be made available. The radiation coming from the fallout is most intense and bombards the unprotected body in the same manner as sunlight enveloping the sunbather. Unlike sunlight, however, the gamma emitters are very penetrating and about 8 inches of concrete or its equivalent is considered a minimum for protective sheltering during the first 2 weeks after the bomb detonation.

The fallout danger after this 2-week period becomes more important from radioactive matter which may enter the body by eating or drinking anything contaminated with fallout. Strontium and cesium are the major hazardous isotopes in this category.

The ultimate harm done to the biological system it inhabits is made progressively worse because it concentrates in the bone structure where the radiation it gives off destroys the bloodmaking material in the bone marrow.

Future generations may inherit changes such as body deformities produced by absorption of certain amounts of ionizing radiations.

What are the allowed amounts of radioactivity taken internally?

Tolerance levels or maximum permissible amounts for biological system uptake have been specified for many of the radioactive isotopes. These are very small amounts usually stated in terms of millionths of a unit of radioactivity. The measurement of such small amounts of radioactivity requires special equipment.

We hear of the term "roentgen"—what does this mean?

A roentgen is a unit used to express the amount of radiation a person or object is exposed to. For example a fluoroscope used to X-ray a person's foot in a shoestore for proper fitting would radiate about 1.5 roentgen in the foot.

Whole body radiation exposure to the following doses produces the following results:

(a) Instantaneous doses of 5,000 or more roentgens produce immediate shock resulting in death within a few hours.

(b) Doses of 800 or more roentgens produce fever, nausea, and vomiting within a few hours resulting in death within 1 to 2 weeks.

(c) Doses of 450 to 700 roentgens also produce fever, vomiting and nausea within hours but only about half of the individuals so exposed would die.

Doses of less than 200 roentgens would produce only mild symptoms of nausea and vomiting but complete recovery can be expected.

What kinds of shelter materials are recommended?

Concrete, brick, sand, metal and earth are adequate materials for protection. Equivalent shielding effects among several materials are as follows: 8 inches of concrete (minimum required) equals 12 inches of earth equals 16 inches of books equals 30 inches of wood.

What size shelter would be needed?

An allowance of 10 square feet per person for a family shelter is adequate.

Could protection from fallout be provided by shelters?

Yes. Expert studies and tests conclude that shelters located in homes, under school playgrounds, parks, parking areas and in industrial plants would provide adequate protection from fallout. Fallout protection in most cellars or basements without adequate shelters would not provide enough shielding to protect people from the harmful radiation.

What would these shelters cost?

Shelters providing fallout protection could be constructed for about $100 per person sheltered. This would apply to the larger type shelters. Family shelters, because of the smaller size and the accommodations desired would cost somewhat more.

Could people live in these shelters for 2 or 3 weeks?

Yes. They would have living and sleeping accommodations, toilet facilities, water facilities, batteries for lights and radio, and a filtered air system. You should see your local civil defense agency for more details concerning the construction, equipping and use of these shelters.

What conditions would be encountered outside the fallout shelters after the 2-week period?

First of all, it should be pointed out that the period spent in the shelter could be 2 weeks more or less. Notification of when it would be safe to leave the shelter would be obtained by battery-powered radio.

When you are told that it is safe to leave the shelter the air outside would be safe to breathe. Most food supplies and water supplies would be safe to use.

For example the normal household water supply in your house would probably be safe to drink. Of course if the water comes from an open reservoir which has been heavily contaminated by fallout, special filtering may be required to make it safe to drink. You would obtain special instructions on this by radio.

Canned foods you may have had stored in your house would be safe to use. If the cans were not protected and were exposed to fallout the outside of the cans must first be washed or wiped before handling. The contents of course would not be harmed.

Fresh vegetables and fruits could also be used although the fallout should first be washed off and the fruits and vegetables peeled as a protective measure.

Of course, civil and military defense officials would monitor food and water supplies, roads, and buildings to obtain detailed information on how much fallout exists. Then they would inform the people what precautions are required.

We've heard of the terms "kiloton" and "megaton"—what do they mean?

A kiloton is a unit used to specify the size of a nuclear bomb. It is equal to the explosive power of 1,000 tons of TNT. For example, the Hiroshima bomb had a yield of 20,000 tons of TNT equivalent. A megaton is equivalent to 1 million tons of TNT.

What are the effects of a 10-megaton bomb on an average city?

Blast, heat, and immediate radiation are the effects of a bomb detonation.

A 10-megaton bomb would dig a crater 240 feet deep and 2,500 feet in diameter. Brick apartment houses would be destroyed out to a radius of 7 miles from the point of detonation. Wooden buildings would burn up to a radius of 25 miles from the point of detonation.

What are the effects of a 10-megaton bomb on man himself?

Blast injuries from flying debris would occur out to a radius of 7 miles from the detonation. Second degree burns (blistering) on the bare skin would occur out to a radius of 25 miles.

Thermal effects on humans resulting in casualties are produced from:

(a) Fires caused by direct combustion from the heat from the bomb.

(b) Skin burns.

(c) Temporary and permanent blindness from the intense light of the fireball.

What are the radiation effects of a 10-megaton bomb?

Initial nuclear radiation of 700 roentgens or more would result in death to unprotected persons and would cover a radius of 2 miles. Fallout, assuming a 15-knot wind (15 to 20 miles per hour) would deposit 450 roentgens 150 miles downwind, 25 miles across and over an area of 2,500 square miles. The deposition of 450 roentgens infers a radioactive fallout which would indicate by radiation detector measurement a 450-roentgen intensity.

What are the blast effects on humans from nuclear weapons?

The blast wave close in would hurl material fragments with great force including propelling humans around as in an intense tornado. Further away lung damage and rupture of the eardrums would result.

How much TNT or other chemical explosives were used in World War II?

The total amount of bombs and shells used by all combatants in World War II was the equivalent of less than 3 megatons. Khrushchev the other day talked of a 100-megaton bomb. This single bomb would be equivalent to 30 times all of the bombs and shells used during the 6 years of World War II.

A 20-megaton bomb has the explosive power of a freight train filled with TNT stretching from Boston to Mexico City.

Deferments, Release, or Transfer of Servicemen

EXTENSION OF REMARKS

OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker, this statement is designed to provide servicemen with a ready reference which may be used as a basis to advise those who have been affected by the Army's current expansion. Army regulations and directives include appropriate criteria and procedural instructions for processing all types of personnel requests and require that the serviceman himself initiate some action. Thus, this statement makes no attempt to state the specific criteria but gives only the category of action, to whom and how the serviceman must apply to receive consideration, and the general considerations involved. It is hoped that this information will assist in answering queries as to how they can proceed to resolve their individual problems in the subject areas covered.

The Army recognizes that the military buildup and tightening of early release, deferment, and other policies will impose some hardships and burdens on many individuals. The actions being taken may result in interruption of studies or careers, husbands and sons will be called away from their homes and families, and serious inconvenience will be caused to many. These hardships will of necessity occur particularly in the present situation when the security needs of the Nation must take precedence in this critical period.

SECTION I

1. Category: Compassionate reassignment.

2. Apply to unit commander who, if he approves, will forward through military

channels to the appropriate major commander for final decision. As an exception, military personnel who are assigned overseas but who are in the continental United States on leave may apply directly to the Adjutant General, Department of the Army, Washington, D.C.

3. Considerations:

A. The following general conditions must exist to obtain consideration of a request for compassionate transfer:

1. The problem must be very much more severe than difficulties being experienced by other servicemen.

2. It must involve a member of the serviceman's immediate family (wife, children, father, mother, sister, or brother).

3. Reassignment must be the only possible solution.

4. It must not be a chronic condition but must be capable of resolution or substantial alleviation within a year or less.

B. Applications must be fully documented with evidence which will clearly establish that all the conditions enumerated in A above exist.

C. Mental instability, immaturity, psychoneuroses, climatic allergies, retarded children, problems confronting in-laws, indebtedness, contemplated retirement, and purchase of homes are not normally a basis for reassignment.

SECTION II

1. Category: Deferment from entry on active duty of members of the National Guard and Army Reserve who have received active duty orders.

2. Apply to:

A. Members of National Guard units to unit commander who, if he approves will forward to State adjutant general for final decision.

B. Members of Army Reserve units to unit commander who, if he approves, will forward to corps or Army commander for final decision.

C. Individual reservists not members of units directly to corps commander for final decision.

3. Considerations:

A. The following may be considered as a basis to apply for deferment from entry on active duty:

1. A member pursuing graduate studies on a full-time basis in a field of primary interest to the Army.

2. A member whose entry on active duty will result in extreme personal or community hardship.

B. Reference 2 above. It must be remembered that the involuntary callup of National Guard and Army reservists will impose hardships on them, their families, and their communities. National Guard and Reserve units have been screened annually to remove from them those individuals who could not be expected to serve on active duty in case of national need. Under the circumstances, it is considered that no individual will qualify for deferment on a personal or community hardship basis unless it can be established that his call to active duty will create problems very much more severe than will be created by the call to active duty of any other member of the Reserve or National Guard.

SECTION III

1. Category: Deferment from oversea assignment.

2. Apply to unit commander who, if he approves, will forward through military channels as follows, for final decision:

A. Thirty days or less, installation commander.

B. Thirty-one to ninety days, Army or comparable major commander.

C. Over 90 days, the Adjutant General, Department of the Army.

3. Considerations:

A. The same general conditions must exist as prescribed for compassionate reassignment and the same documentation is required. See action I, paragraphs 3a and 3b.

B. The increased movement of military personnel overseas and the suspension of movement of dependents to Western Europe require that only the most meritorious cases be considered. Family separations, ordinary pregnancies, and financial difficulties are not in themselves a basis for deferment.

SECTION IV

1. Category: Movement of dependents overseas.

2. Apply to: The serviceman himself on receipt of PCS orders must apply to the oversea commander through military channels for authority for dependents to accompany him to or join with him in his oversea assignment.

3. Considerations:

A. Determination of whether movement of dependents will be authorized is based on:

1. Approval of the oversea commander.

2. Availability of quarters in the command.

3. Availability of transportation and other logistical support such as schools, commissaries, post exchanges, and medical facilities.

4. Operational requirements of the unit and the command.

B. After the oversea commander has authorized the movement of dependents, the transportation terminal commander of the respective Army area will contact the family, provide necessary assistance, and issue movement orders. Under no circumstances should movement to the port commence until a firm port call is received.

C. Government-sponsored movement of dependents to Western Europe, except to Berlin, will be suspended on October 9, 1961. Dependents of affected personnel will be moved to designated locations within the United States at Government expense.

SECTION V

1. Category: Early separation from active duty, all components—Regular Army, Reserve, National Guard—on active duty.

2. Apply to:

A. Officers:

1. Regular Army to unit commander who forwards through military channels to Department of the Army for final decision.

2. Other than Regular Army to unit commander who forwards through military channels to major commander, or Department of the Army as appropriate, for final decision.

B. Enlisted personnel: To unit commander, who, if he approves, forwards through military channels to the Army or major oversea commander for final decision, except requests for separation in the national health, safety, or interest, which must be forwarded to the Department of the Army.

3. Considerations:

Early releases from active duty for any reason have been suspended except for those in the best interests of the service. Best interests of the service include those actions in lieu of elimination or court-martial and those cases wherein undue personal or family hardship is established. In this connection, the circumstances must be established as being not only substantially more severe than those experienced by other personnel on active duty but also more severe than those which will be experienced by the individual who would have to be drafted or recalled to active duty from civilian life as his replacement.

SECTION VI

1. Category: Applications for direct commissions.

2. Apply to:

A. Enlisted personnel on active duty to unit commander who will forward through military channels to the Army commander or Department of the Army, as appropriate, for final action.

B. Members of Reserve and National Guard units not on active duty to unit commander who will forward through military channels to appropriate headquarters for final decision.

C. Individual reservists and persons with no military service to Army corps which will provide information, guidance, and necessary forms.

3. Consideration:

A. There are a wide variety of programs through which both Regular and Reserve commissions in the Army may be obtained. The criteria for each varies but in general, applicants must be citizens of the United States, between the ages of 18 and 27, have at least a high school education, and be mentally, morally, and physically qualified.

B. Because of the necessity for careful selection, processing of applications for commissions is time consuming and may be expected to require 3 to 6 months for final action. Thus individuals who have been alerted for active duty, either through the Selective Service System or as a member of the Reserve components cannot expect to apply and be commissioned before they enter on active duty. However, the fact that an applicant enters on active duty as an enlisted person will have no bearing on a pending application for commission. If appointed as an officer, the individual can be ordered to active duty directly from enlisted status.

SECTION VII

1. Category: Recall to active duty of Reserve and National Guard officers.

2. Apply to:

A. Enlisted personnel on active duty who hold Reserve commissions: To unit commander who will forward through

military channels to the Department of the Army for final decision.

B. Individuals not on active duty in any status directly to Army Corps for information, administrative processing, assistance, necessary forms, and forwarding to the Department of the Army for final decision.

3. Considerations:

The major need is for the younger company grade officers with limited need for certain field grade specialists. Competition for present vacancies is keen, as the emphasis is on quality rather than quantity. Processing of application will require 60 to 90 days.

SECTION VIII

1. Category: Change of length or date of commencement of active duty tour of commissioned ROTC graduates.

2. Apply to:

A. Students not yet commissioned to professor of military science at the university who will forward to Army commander for final decision.

B. Commissioned and on active duty to unit commander, who, if he approves, will forward through military channels to Department of the Army for final decision.

C. Commissioned, but not yet on active duty will be ordered to active duty as now scheduled unless earlier call is required. Apply directly to Army commander.

3. Considerations:

A. Prior to August 22, 1961, some ROTC graduates were granted 6 months' active duty training tours. Effective August 22 all ROTC graduates were to be ordered to extended active duty for 24 months and those already on 6 months' active duty training tours were extended for 1 year.

B. When individuals accept an ROTC contract, together with the assistance provided by the Army, they agree to serve on active duty for a minimum of 2 years. Thus, it is considered that changes can be justified only for personal or community hardship of an extreme nature.

SECTION X

1. Category: Transfer to the Standby Reserve.

2. Apply to:

A. Members of the National Guard to unit commander who, if he approves, will forward to State Adjutant General for final decision. Note: Since National Guard has only Ready Reserve units, if approved, individual will be discharged and automatically transferred to Army Reserve.

B. Members of Army Reserve units to unit commander who if he approves will forward to the corps commander for final decision.

C. Individual members of Ready Reserve not assigned to a unit directly to corps commander.

3. Considerations—General categories which may qualify:

A. Individuals who have completed service and/or Ready Reserve obligation.

1. All Ready Reserve obligations and all enlistments in Ready Reserve components which would have ordinarily expired between October 1, 1961, and June 30, 1962, are automatically extended 1 year. Those members of the 32d Infantry Division, 49th Armored Division, and supporting forces ordered to active duty in October 1961 by Department of the Army message dated September 19, 1961, whose obligations or enlistments expire prior to October 1, 1961, are also extended by 1 year.

2. Because of the various combinations of service which satisfy reserve obligations, individuals in doubt concerning their current status should communicate directly with the corps commander.

B. Those engaged in critical civilian occupations provided they do not possess critical military skills.

C. Those whose mobilization will result in extreme personal or community hardship. See section II, paragraph 3b, for definition.

Steady as You Go: The Growing Storm Ahead—A Report to the Second Congressional District by Congressman Daniel B. Brewster, of Maryland

EXTENSION OF REMARKS
OF
HON. RICHARD E. LANKFORD
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. LANKFORD. Mr. Speaker, recently our distinguished colleague, the gentleman from Maryland, the Honorable DANIEL B. BREWSTER, a member of the House Armed Services Committee, clearly alerted his constituency to the perils of the hour.

Because the gentleman from Maryland [Mr. BREWSTER] has so ably expressed quiet confidence in the ability of our Nation to withstand this, our greatest challenge, I would like to include his entire remarks at this point in the RECORD:

REMARKS OF HON. DANIEL B. BREWSTER, OF MARYLAND

The 1st session of the 87th Congress draws to a close at a point in time where our Nation faces perhaps the greatest peril in its history. The tensions in our cold war struggle with the forces of international communism continue to mount. Each day brings new Soviet pressure at some point along our line of defense.

We have attempted to achieve world order under law. We have supported international organizations which provide the machinery for the peaceful settlement of disputes. The Soviet Union has deceitfully used these same organizations only to further its own selfish ends. It is a sad but obvious fact that military force is the only argument they understand. As a result—we have no further alternatives—we must increase both our nuclear and our conventional military strength.

We must be ready to engage in mutual mass destruction—or stand ready to extinguish brushfire wars, rapidly, before they lead to universal catastrophe.

The President of the United States, in his innaugural address, summarized—in one sentence—our national defense objective: "Only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed."

It cannot be overemphasized that the rapid growth of the Communist empire is a real and present threat to our very survival. The Communists now control one-third of the world's population and territory. The rulers of this vast empire have proclaimed without hesitation, vacillation, soft pedaling, or apology that their ultimate goal is world domination—and they have not attempted to conceal their dedication to this goal.

This gigantic cold war encompasses every field of human endeavor—moral, military, and economic. In a sense, we are engaged in a struggle for the minds of men everywhere. We believe in the inherent dignity of the human individual. The Communists believe that man was born to be subservient to the state.

One hundred and sixty-one years ago, Thomas Jefferson, one of the founders of our country said, "I have sworn upon the alter of God—eternal hostility against every form of tyranyn over the mind of man." Jefferson's pledge must be America's pledge.

Those of us who enjoy and believe in freedom must be willing to fight to maintain it. Our enemy must know that we and other peoples who believe in liberty as deeply as we do, will choose to die on our feet rather than live on our knees.

President Kennedy outlined our course for us in his speech on the Berlin crisis when he declared: "Any dangerous spot is tenable—if brave men will make it so."

The thousands who have risked death to come over the wall to freedom have faith in our cause. Others will follows—so long as we have faith in ourselves—and the determination and the courage to back that faith.

If we stand up now—if we weather this challenge—if we convince the Soviets of our steadfastness—peace with pride may be our reward. If we falter—the avalanche will begin.

Every word—every deed—every action we take—must be aimed at one objective—we must convince the Soviet Union that we will not yield one further inch to communism. We must answer every threat of force with calmness, but with a determined show of counterforce. We must convince Mr. Khrushchev and his cohorts that America is united and strong—but above everything else—we are ready to once again demonstrate the courage that made America great.

Reemployment Rights and Unemployment Compensation for Servicemen

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker, veterans may be entitled to reemployment in a position held prior to their service in the Armed Forces or to a job of like seniority, status, and pay under the following conditions:

First. Have left an other-than-temporary job to enter active service in the Armed Forces, provided that in any service entered into after June 24, 1948, he must have been separated not later than 4 years after entering such service, unless he was involuntarily retained.

Second. Service must been completed satisfactorily.

Third. Be qualified to perform the duties of his former job, unless service-

connected disability renders him incapable of performing such duties.

Application must be submitted to former employer within the following time limits:

First. Generally, a veteran must apply to former employer within 90 days after separation from active service, or within 90 days after release from hospitalization which has continued after discharge for not more than a year.

Second. Reservists completing short terms of training duty—less than 90 days—must apply to former employer within 30 days after release from such training duty.

Third. Reservists completing 3 to 6 months' active duty for training must apply to former employer within 60 days after release from such training or release from hospitalization which has continued after active duty for training for not more than 6 months.

Fourth. Enlistees or inductees rejected for military service must apply to former employer within 30 days after rejection.

Veterans failing to obtain proper restoration to their old jobs should contact, first, in case of private employment, the Department of Labor, Bureau of Veterans' Reemployment Rights. Contact may be made through the nearest State employment office. Second, in regard to Federal employment, the nearest office of the U.S. Civil Service Commission, located in most first- and second-class post offices.

UNEMPLOYMENT COMPENSATION

Veterans with active service subsequent to January 31, 1955, may be eligible for unemployment compensation benefits provided by the Ex-Servicemen's Unemployment Compensation Act of 1958 if the following eligibility requirements are met:

First. At least 90 days of active service—less if discharged for a service-incurred disability.

Second. Separation under conditions other than dishonorable.

Third. Unemployment occurring after discharge.

Fourth. Any other conditions of eligibility prescribed by State of veterans residence.

A veteran is not eligible for unemployment compensation while—

First. Eligible for any other form of Federal or State unemployment compensation payments.

Second. Receiving payments from the Veterans' Administration in connection with education or training under the GI bill or the Vocational Rehabilitation Act.

Third. During the period following discharge in which eligible for mustering-out pay—30 days if entitled to $100 mustering-out pay, 60 days if $200, and 90 days if $300.

The amount of compensation payable varies and is based on the pay and allowances applicable to a member's military grade at time of discharge. The maximum weekly amounts range from $26 to $45 and the maximum periods range from 16 to 30 weeks in a benefit year.

Veterans must comply with the requirements of the State unemployment compensation laws to be eligible for unemployment pay benefits. Application should be made to the nearest local office of the State employment service in the State where the veteran is residing at the time.

Congressman John F. Shelley Delivers General Pulaski Address

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks, I wish to place in the RECORD, and commend to the attention of the membership of this body, an address delivered by the gentleman from California, Congressman JOHN F. SHELLEY, on the occasion of ceremonies honoring the great Gen. Casimir Pulaski, held in San Francisco, Calif.

The address of the gentleman from California, Congressman JOHN F. SHELLEY, follows:

CONGRESSMAN JOHN F. SHELLEY, OF CALIFORNIA, DELIVERS GENERAL PULASKI ADDRESS

Mr. Chairman, distinguished guests, friends, I am deeply honored at your invitation to come and share with you these ceremonies honoring the great Gen. Casimir Pulaski, fighter for the freedom of Poland, and martyr to the cause of American liberty and independence.

You are performing a great and most important service in honoring the memory of this gallant patriot.

Any people, or any nation, failing to look back in gratitude and respect to its outstanding figures, will slowly but surely lose sight of the purposes and ideals which brought it into being.

It is altogether fitting and proper that in these ominous days, when tyranny sits astride vast continents on either side of the United States, we should turn our eyes again to the lives of the freedom fighters of the past.

By pondering their example, studying their motivation, we shall discover how a brave people may not only find the secret of survival, but the secret also of victory, in the face of apparently hopeless odds.

Today the God-fearing people of valliant Poland are subjected to the rule of Communist tyranny. And today, the shadow of that rule leaps across the world every time the ranting, fist-banging dictator, Khrushchev, disapproves of the policies of the free world as expressed in the United Nations.

Tyranny cannot tolerate free expression by free men. Particularly is this true of Communist tyranny. And nowhere in the world is Communist ruthlessness more evident than in the nations which have fallen into its grip.

Today the world sees a collossal and monstrous mockery. Communist spokesmen cry out in protest against what they call imperialism.

They denounce what they call colonialism.

But in all modern history, has any power been as relentlessly and as ruthlessly imperialistic?

Has the world ever seen more land grabbing tactics than the Soviet Union and Communist China practice against their weaker neighbors?

Who are today's most ruthless imperialists?

Who are today's most brutal colonizers?

Look at the map of Europe. See there what the imperialistic Soviet has done to Poland, to Czechoslovakia, to Hungary, to the nations of the Baltic and the Balkans.

By every vicious and unprincipled device of penetration the Communists destroyed the capacity of their neighbor nations to govern themselves.

By treachery, subversion, deceit, by naked force, the Communists have seized power over every land and people within their reach.

Let those people attempt to cast off their shackles and the Red army mercilessly crushes the uprising of free men, unarmed, but gallantly and heroically struggling for their freedom.

At the very time while the Communist diplomats and propagandists cry colonialism and attempt to point the finger of guilt at the nations of the Western World, they intensify their grip on their own satellites, their own colonies.

We may have thought that tyranny walked the earth in the 18th century when Poland was so brutally mistreated, and when her gallant sons like Casimir Pulaski fought the tyranny of his day.

We may have thought that we had seen a ruthless colonialism when the power of Britain was unleashed against the struggling American colonists.

Our fight then was a fight to cast off the shackles of Britain; a fight to burst free from the confinement of colonial status. That glorious Revolution blazed up like a flame in the night to catch the eye and kindle the hearts of all those who despise tyranny and cherish freedom.

That was the issue and that the challenge which brought Count Pulaski to America and caused him to join the American forces in their life and death struggle for independence.

So great were the talents, the abilities, and the dedication that Pulaski brought to the American cause that he was made a general in our forces, and fought the good fight until he fell in battle—not in his native Poland—but here in the United States of America.

We know today that the fight of Pulaski in Poland, just as the battles of Pulaski in the United States, were fought against the same enemy, an overbearing, powerful tyranny. To the mind of General Pulaski the cause of human freedom was the highest cause in which a man could freely risk everything, including life itself.

Whether the victims of tyranny were his own people of Poland, or whether they were his admiring and cherished friends here in the United States, Pulaski's great heart leaped to the defense of the weak against the tyrannical strong; the oppressed against their oppressors.

But, did any tyranny he ever knew reach the depts of cruelty and of evil reached today by communism?

The world will not and must not ever forget the barbaric massacre of the flower of the Polish military at Katyn Forest.

The world will not and must not forget the cynical cruelty with which the Red army abandoned the Warsaw uprising to the merciless vengeance of the Nazis.

The deep and grievous wounds inflicted on Poland must not blind any of us to the truth of the fact that the atrocities were repeated in every part of the world, and upon every free people thrust or drawn into the Communist orbit.

Count Pulaski recognized here in the United States the same essential tyranny he had fought in Poland.

You and I, today, must recognize that the same tryanny which seized Poland is not the Polish enemy alone but the enemy of free

men, whoever, whatever, and wherever they may be.

In a struggle of this kind—the long and wearying struggle of free people to remain free, and of subjugated people to regain their lost freedom—a resort to arms is the last and most desperate tactic to be used.

Instead, what faces us—you and me and millions like us throughout the world—is a struggle of the heart, of the mind, and of the will.

Tyranny today occasionally wears an affable smile; it walks like a tourist through supermarkets; it speaks to us from our finest hotels; it uses every possible technique of deceit to lull us to sleep.

Communism speaks the language of deception from the multiple tongues of its agents. Khrushchev baas like a lamb, pleading that he doesn't want war. He wants coexistence and the peaceful competition of trade.

The other side of the Communist coin, Mao Tse-tung, startles the world by his apparent readiness to accept nuclear warfare with all of its horrors in order to rivet the iron collar of communism on the neck of humanity.

But what Khrushchev is talking about is not peaceful trade competition as we know it.

He is simply attempting again to disarm the West, materially and spiritually, while he directs the economy of the entire Communist empire in channels that will prove ruinous to the merchants of the free world.

Khrushchev loundly argues for disarmament and for an end to the testing of nuclear weapons, but at the very time he argues for such disarmanent, he refuses to sign or accept enforceable guarantees of inspection.

He is perfectly agreeable to having the free world actually disarm in exchange for a Soviet promise that they will do the same thing.

When the free world insists that such disarmament should be enforced by inspection teams, Khrushchev rebels at the suggestion.

Modern history is littered with the broken promises and the treaties solemnly signed and cynically violated by the Communists.

We must never, under any circumstances, permit ourselves to be either deceived or disarmed by the tactics of Mr. Khrushchev, or his successors.

The blunt fact is that communism is atheism. There is no law in that system above the wish of the tyrant.

Wherever the protection of the moral law is taken away from the individual he stands helpless and lonely before the massive power of the tyrant.

For example, if there is no God, as the Communists preach, and if the moral law against murder has no validity, what is to prevent the tyranny from starving the Russian Kulaks, or massacring the Polish officers in the deep recesses of Katyn Forest?

If the moral law has no meaning, what is to prevent the Communist tyrants from using individuals and whole peoples in any way they may please?

If the moral law has no validity, and is not binding on the Communists, why should they not sign thousands of agreements? Why should they not give their solemn word to any agreements which they fully intend to violate and break at their own convenience?

Here is the system that has made a mockery and a caricature of the conception of charity. For the Communists parade up and down the Continents of the world, seeking out human misery and falsely claiming that they will extend the hand of charity and help to the victims of economic distress.

But, wherever they have gone they have made distress even deeper. They have made misery even more hopeless. They have rendered every patriotic impulse toward freedom a crime of treason, punishable by death, in the Communist system.

This knowledge is a grievous burden which free men everywhere must bear with patience and courage.

There is no quick answer to this. There is no single answer to it.

People like you and me must live with this evil thing * * * must be ever vigilant if we are to save not only ourselves, but our children and our grandchildren from this monstrous tyranny.

It is true that in these blessed United States of America, founded upon the blood and heroism of gallant and courageous men like Casimir Pulaski, we do not have the absolutely perfect society.

But what we have, thank God, under our Constitution, is the ability of free men to govern themselves.

We have the power, with our political freedom, to move against the things that may be wrong with our society. And with each succeeding year we move ever closer to achieving the American dream.

With each succeeding year we open wide the horizons of social justice. We expand the area of civil rights. We attempt to make life better for everyone, every woman, every child in our country.

Out of our abundance we attempt, at least, to lift the burdens under which others are struggling. We attempt to share what we have with those who have not.

We do not claim to be perfect. We do not claim to be in agreement with each other. That is not the way of a free society.

You and I in this blessed land are completely free to disagree with each other about the direction of our public affairs. We do not think there is room in this country for a governing class to impose its will upon the rest of us.

The sacrifices of Pulaski and of others like him were to fashion on this Continent an independent nation where men have all the privileges, but also all the difficulties, the dangers, and even the disappointments characteristic of a free society.

The Communist system believes, with its pride and arrogance, that it has the final answer, and the only answer to human government.

We have the humility of free, honest men. We know what the answer should be, and we hope and work and pray that through the individual effort of all of us we can by degrees improve ourselves and improve our society.

We proclaim the American way to the rest of the world, not because we have achieved perfection, but rather because we know that within the American way, there are the mechanics, the instruments, and the techniques of achieving the pursuit of happiness.

In this land we have no natural enemies as the Communists do. We do not attempt to arouse class against class in a constant fratricidal war.

Where the Communists raise the clenched fist of hostility, we attempt to extend the open hand of friendship.

Every tradition we have, and the spirit that moves through all of our laws, is one of profound respect for the individual human person.

In the Communist system, you and your children, as I and mine, are of no significance. We are simply units of energy, deprived of a will of our own, deprived of conceiving our own goals in life.

We would be completely the intellectual, economic, psychological slaves of the state.

Is that to be the end of the Nation founded upon the vision and courage and sacrifice of a Pulaski, a Washington, a Lafayette, a Steuben?

Here in the United States, we have proclaimed the dignity and the rights of every man. To that end, we work from generation to generation, making progress slowly, perhaps, but steadily, constantly, certain that one day we shall achieve our goal.

We have drawn from every land under heaven good and decent people who have brought here the finest traditions and highest culture of lands of their national origin.

All have contributed to the happiness, the welfare, the moral tone of our country, and all have helped keep ours what she has always been: The land of promise.

For every renowned figure like Pulaski, there have come thousands upon thousands of others unknown to fame.

But here they have established their homes and reared their families.

Here they have taught their children the lessons of God-fearing and decent people. Here they have built into every community that sense of self-respect and fairplay and respect for others which make this country what she is today.

Our ideals are to help, not to hurt other peoples and other nations. The turning wheel of history has made us the arsenal of the free world.

Let this never be an arsenal simply of material weapons alone; of tanks and bombs and bayonets alone.

May we help make sure the arsenal of freedom is in the highest and noblest sense of the term: A place where the wavering and the doubtful and the exhausted may come for that spiritual renewal that will help them maintain their own will to resist tyranny in all its lying and treacherous promises.

We are engaged in a warfare of the spirit and the mind and the stakes in that war are total mastery over the bodies and souls of men.

We must not fail.

We shall not fail.

The sacrifices we are called upon to make for the cause are small indeed compared to what Pulaski offered and what Pulaski gave to the cause of American freedom and American independence.

I am honored indeed, to share this observance with you and to pay my respects to that great Polish-American patriot, Casimir Pulaski.

Let us hope that in years to come, many years after you and I have passed on, our children will still assemble here under the free and open American sky to look back with gratitude and respect to that great and noble man, and from his life to draw inspiration for their own.

The Servicemen's Survivor Benefits

EXTENSION OF REMARKS

OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker the benefits accruing survivors of servicemen have been widely changed during the past 6 years. It is important that servicemen know this. It is important that the survivors of servicemen know this.

For instance, the $10,000 automatic insurance policy on every serviceman is no longer in existence. The servicemen going into service at this time are no longer covered by insurance. Examine your private insurance situation closely.

Instead of the insurance program, a plan of dependency and indemnity compensation has been adopted. This plan is said to provide better protection to a serviceman's dependents than the old

insurance plan. But remember you are no longer insured as servicemen were in the Korean war and World War II.

The benefits due survivors of servicemen under the present law who are dependent on servicemen are as follows:

SIX-MONTH DEATH GRATUITY

The new law fixes $800 as the minimum lump-sum payment in the event of death while a member of the Armed Forces is on active duty, active duty for training, or inactive duty training.

The 6-month death gratuity is paid by the service concerned as soon as possible after the serviceman's death. This goes to a spouse, a child or children, or—if designated—to parents, brothers, or sisters. The amount is computed as follows:

Total monthly pay—including special incentive, hazard, and basic pay but not allowances—times 6 equals death gratuity.

Example: A man in pay grade E–5, with more than 4 and less than 6 years' service, dies on active duty. He is drawing no special incentive or hazard pay. His designated survivor receives six times his monthly basic pay of $183.30—a total of $1,099.80.

The new law also provides that the maximum death gratuity shall not be more than $3,000, regardless of the monthly pay of the deceased.

DEPENDENCY AND INDEMNITY COMPENSATION

Dependency and indemnity compensation will be paid by the Veterans' Administration to widows, orphan children, and dependent parents of those who die as a result of military service.

Eligibility: Widows, orphan children, and dependent parents of those who die of service-connected causes, either while in service or after separation, may be eligible for indemnity compensation.

Application: Application forms for indemnity compensation will automatically be sent by VA to the survivors, now on the rolls, of servicemen and veterans if it appears they are entitled to the benefit.

Applications filed either with the Veterans' Administration or the Social Security Administration will constitute applications for benefits from both agencies. Documents such as proofs of death, marriage, birth, and dissolution of marriages filed with either agency will be made available to the other agency.

According to marital status and family situation, compensation may be paid in any one, or in any combination, of three ways.

Compensation for widow: Payable monthly by Veterans' Administration to a serviceman's widow as long as she remains unremarried. The amount of compensation is related to the pay of the rank held by the serviceman at the time of his death, under the following formula: $112 plus 12 percent of member's monthly basic pay—rounded to next highest dollar—equals monthly compensation to widow.

Example: A man in pay grade E–6, with more than 8 and less than 10 years' service, dies. His monthly basic pay was $220.30. The compensation paid his widow is $112 plus $27—12 percent of his basic pay, rounded to the next highest dollar—a total of $139 per month.

The minimum payment of this type under the new law is $122 per month, in the case of the widow of a serviceman who was in pay grade E–1. No maximum limit is set, except by application of the $122-plus-12-percent formula.

If a widow is left with dependent children under age 18, additional income will be provided by social security benefits. Read about this under "Social security" below.

Compensation for children: This may be paid by the Veterans' Administration for the support of a deceased serviceman's children in the event their mother dies or is divorced from the serviceman or if she remarries after his death.

The act provides the following monthly rates of payment in such cases:

For one child, $70; for two children, $100; for three children, $130; each additional child, $25.

All of these payments are in addition to the benefits for which children under age 18 may be eligible under social security.

Payment of compensation for support of a child normally stops when the child becomes 18, but may be continued to age 21 if the child is in school, or for so long as a child is incapable of self-support by reason of physical or mental disabilities.

Children over 18 are entitled to indemnity compensation under conditions as follows: Helpless child, where there is a widow, $70 monthly; helpless child where there is no widow, $25 monthly added to the rate payable for a child under 18; child attending school where there is a widow, $35 monthly, until age 21; child attending school where there is no widow, rate payable for a child under 18, until age 21.

These payments may not be made unless any payments of servicemen's indemnity for the child are surrendered. The election must be signed by the person to whom death compensation payments are being made as legal guardian or custodian of the child, or by the child, if he or she has attained majority.

Compensation for parents: The new law increases the amount of income a parent may receive and remain eligible for the new form of compensation from the Veterans' Administration. The amount of compensation a parent or parents may receive is provided on a sliding scale according to other income.

Example: A parent whose other income is less than $750 yearly may receive $75 compensation each month. If over $1,750 no compensation is payable.

If the combined other income of both parents is less than $1,000 a year, they may receive as much as $100 a month in compensation. When their combined other yearly income is more than $2,050 and less than $2,400, they may receive a monthly compensation payment of $20. If over $2,400, no compensation is payable and so forth.

SOCIAL SECURITY

Members of the Armed Forces and their dependents will be eligible for the benefits provided by the old-age and survivors insurance program of the social security system on a permanent basis. Service personnel will contribute 3 percent through payroll deductions up to $4,800 of their pay.

This provision of the new law ends the temporary, partial coverage heretofore extended without cost to service personnel.

Social security will provide a monthly income for a widow with children. Children under age 18. A widow at age 62. Dependent parents. The serviceman himself at age 62.

The amount of social security benefits paid to survivors depends upon the "average monthly wage" earned by the serviceman.

Example: A man in pay grade E–5, with more than 6 and less than 8 years' service, dies. He has been making a contribution to social security for only 6 months, before which as a member of the Armed Forces he received the gratuitous coverage that was based on an earning rate of $160 per month. He is survived by a widow and two children. The widow will receive a monthly payment of $136 until the older child reaches age 18, when the payment drops to $108.80. It remains at this level until the younger child is 18, at which time payment stops. Upon reaching the age of 62, the widow will begin to receive payments of $54.40 per month for the rest of her life if she does not remarry.

The social security benefits for service members and their families are separate from, and in addition to, military retirement pay or any form of compensation benefits paid by the Veterans' Administration.

A special incentive to make the Armed Forces a career is provided by the new to be counted for time spent in service law, which allows social security credit that is also utilized for length-of-service retired pay. Previously, such time was "dead time" insofar as social security was concerned except for members retired for physical disability receiving pay based upon a percentage of disability.

Social security provides continuing protection, in civilian life as well as during service in the Armed Forces. Suppose, for example, a man enters service at age 20, after having worked under social security as a civilian for 2 years. Assume he retires at age 50, on a 30-year retirement. He then takes a civilian job covered by social security and works until he is 62 years old. The old-age benefit he draws can be based on both his years in service and his years as a civilian worker, if he desires.

Here's another example: Under Public Law 880, 84th Congress, a former member of the Armed Forces who becomes totally disabled may begin drawing social security disability benefits at any age if he qualifies under the law and if he is not drawing retirement pay or VA compensation because of his disability. Suppose, for instance, a man is separated from active duty after 10 years of service. Six months later he is in an automobile accident which leaves him paralyzed. If he is totally disabled he can begin collecting social security disability benefits.

HOW YOUR CONGRESSMAN CAN HELP YOU

After reading this information, you should work always through regular channels. You should contact your Congressman only if regular channels fail, or in case of emergency when time is extremely important, or when information you desire cannot be obtained through regular military channels. Address your correspondence to: Congressman ALVIN E. O'KONSKI, 1502 New House Office Building, Washington, D.C.

NOTE

Public Law 51 of the 82d Congress, states:

No member of the Armed Forces shall be restricted or prevented from communicating directly or indirectly with any Member or Members of Congress concerning any subject unless such communication is in violation of law, or in violation of regulations necessary to the security and safety of the United States.

Put General Walker Back to Work

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. FISHER. Mr. Speaker, many of us have followed with increasing interest the developments in the so-called Walker case. I have read the official report made by Lt. Gen. Frederic J. Brown, acting inspector general, of certain allegations made by the Overseas Weekly, which occasioned the summary removal of Walker from command of the 24th Division in Europe prior to the time any investigation was made of the truth or falsity of the charges.

This precipitate action was most unusual, and in the light of the report by General Brown appears to have been unjustified. Despite the threat of war and the shortage of able and experienced combat leaders comparable to Walker, he has been benched for 6 months. General Walker should be put back to work.

GENERAL BROWN FOUND OVERSEAS WEEKLY CHARGES TO BE FALSE

In at least 10 specific instances General Brown concluded that allegations by Overseas Weekly were false and unfounded.

The Weekly, which caused the investigation claimed that General Walker had set up a problue program for use by his division, and that it was a part of a plan to promote the John Birch Society's ideas, and was in fact a part of the society's program.

General Brown's official conclusion regarding this charge: "That the problue program was not based upon any program of the John Birch Society."

Now one would think that in view of this positive finding, General Walker's critics would shift their attacks. But certain irresponsible critics are still trying to make some mileage out of the Overseas Weekly's allegation which General Brown found to be false and unfounded.

These critics seem to base their attacks upon the false assumption that there is something sinister about being zealous in the fight against the evils of communism. In my book, there is no such thing as being overzealous in the exposure of every facet of the Communist conspiracy. And our troops need this zeal applied to them as much or more than do others.

Instead of criticizing General Walker for his zeal in this regard, he should be praised to the high heavens by every patriotic American.

GENERAL WALKER, A BRILLIANT MILITARY LEADER

After all, who in America is better able to lead us and to inspire us in this life-and-death struggle against the Communist menace than is Gen. Edwin A. Walker? He is peculiarly well equipped for that role.

Let these swivel-chaired critics compare their record as Americans and their willingness to fight and die for its survival with that of General Walker.

The general served with great courage and distinction in the following campaigns: Aleutian Islands, Naples-Foggia, Rome, Arno, south France, central Europe, Rhineland, and he was in the hardest and bloodiest fighting that took place in Korea.

He is one of the most decorated officers of his rank in the Army today. Among those decorations have been the Silver Star, the Bronze Star with Oak Leaf Cluster, and Combat Infantryman's Badge, the Senior Paratrooper Badge, the French Croix de Guerre, the Norwegian Order of St. Olav, and the Order of the British Empire, to mention some of them.

WHAT ABOUT PROBLUE PROGRAM?

What, after all, was wrong with the problue program? Except by innuendo no one has dared condemn it. The reason being that it teaches good, old-fashioned American patriotism, and it alerts and educates the troops who are subjected to it to the evil designs of communism.

Mr. Daniel Lowery, senior vice commander of the New York Council of the Veterans of Foreign Wars and chairman of its Americanism Committee, after studying the problue program, referred to it as being "like a liberty bell, awakening in our soldiers the things that have lain dormant in Americans for too long. It was set up like a well ordered assembly line, to turn out apostles of and for America. It was dynamic Americanism."

Let us examine for a moment one of the findings of General Brown. In his report he makes this conclusion regarding General Walker:

Major General Walker is a sincere, deeply religious, patriotic soldier, dedicated to the Nation and the Army. He is not only violently anti-Communist, but has been for years, working at it with a passion, studying, lecturing, and reading all literature available on the subject. He is not only convinced that the hour is late but also that it requires drastic and immediate action on everyone's parts in or out of the Army.

Now what is wrong with that? Is General Walker not to be praised rather than censured for his courage, his wisdom, and his initiative in warning his troops of the dangers and objectives of communism, and in instilling patriotism into their hearts and minds? I think so.

HANSON BALDWIN WRITES ABOUT WALKER FROM EUROPE

Hanson Baldwin, one of America's leading journalists, recently reported on the Walker case after an exhaustive on-the-ground investigation in Europe.

General Walker—

He wrote—

who had an outstanding combat record in World War II and in Korea, is described by those who know him as a dedicated, sincere, deeply patriotic officer, with fervent and intense anti-Communist beliefs. His superiors agree that the 24th Division under his command was the best, or one of the best, in Europe.

Mr. Baldwin went on to explain:

He was relieved of his command last April and given an oral admonition because of the methods and material used in an intensely anti-Communist and aggressive troop information program he sponsored.

At the direction of the Pentagon, prior plans to transfer General Walker to a corps command in Texas with promotion to lieutenant general were canceled.

Since April, General Walker has been filling a colonel's billet as an assistant operations officer on the staff of Gen. Bruce C. Clarke, commander in chief, U.S. Army, Europe.

ARMY SHOCKED BY TREATMENT ACCORDED WALKER

But the Army has been shocked—

Continued Baldwin in his report from Germany—

first, by what it feels is the summary treatment given to a man who is generally regarded as an outstanding leader and soldier.

General Walker at the time of his downfall was a much decorated veteran. He was characterized here as a "soldier's soldier," a division commander who had won the hearts of his men.

When General Walker was relieved from his division, the morale sagged temporarily, and many officers and men were disgruntled.

WALKER CASE MISHANDLED

Mr. Speaker, the Walker case has been mishandled in many respects. I have already mentioned the unprecedented summary action, on orders from the Pentagon, which relieved Walker of his command before charges by the disreputable Overseas Weekly were even investigated. In a sense he was convicted before he was tried. Was that any way to treat one of America's most respected and most decorated combat leaders?

Another strange thing happened. An inspector general's report is ordinarily considered privileged, and has been likened to the minutes of a grand jury; if it leads to a court-martial, the material adduced in the report may be presented as testimony under oath in court. But not so in the Walker case.

No court-martial was ordered. There was only a mild admonition, given orally by General Clarke. Yet, we witness this apparently unprecedented release of the report, even before it had ever been seen by General Walker. And it was done without according General Walker the privilege of being present and at the

same time giving his side or his version of the findings that were represented by Mr. McNamara as being critical of General Walker and his conduct.

CRITICISMS OF WALKER RELATE ONLY TO MINOR MATTERS

As I have said, I have read the Brown report. I have studied it. And I have found nothing in it against General Walker that contains any substance. Much of the criticism by Overseas Weekly regarding references to prominent Americans were denied or explained in a way that made them sound quite different from the Weekly's version. Based upon hearsay, the alleged utterances were in the main either blown up or taken out of context from speeches made by General Walker, while not in uniform, to Americans stationed in Europe. The record reveals that there were many contradictions by witnesses who tried to remember what was said weeks or months beforehand.

GENERAL WALKER DID NOT TAKE FIFTH AMENDMENT

General Walker's critics have tried to make it appear to the public that during General Brown's investigation Walker took the Army's fifth amendment—that is, refused to answer some question because it might incriminate him. Such a claim is extremely unfair and very misleading.

This relates to article 31 of the Uniform Code of Military Justice. The fact that an officer who avails himself of that provision does not necessarily mean that he is afraid of self-incrimination. And I am certain that was not the case in this instance. Article 31 includes rights regarding being "material to the issue" and also whether the officer being questioned considers the question degrading.

Knowing General Walker as I do, I feel certain he had good reasons for not answering, if as contended he declined to answer one of the thousands of questions propounded during the monthlong inquiry. The public was not told what the question was and the public has not been permitted to know why it was not answered.

ANY INFRACTIONS WERE OF MINOR IMPORTANCE

At the most, according to the Brown report, General Walker may have been guilty of some technical infractions of Army regulations in one or two instances. Show me a commanding general of any division who has never made a few technical errors in violation of voluminous regulations and I will show you a most remarkable man.

The report referred to a column attributed to General Walker in the division's newspaper last October, in which troops were urged to vote, and the column went on to suggest that a voting index of Members of Congress, prepared by the Americans for Constitutional Action, was available if any were interested in seeing it.

From a technical standpoint, that suggestion may not have been in conformity with Army regulations. But in any event it was done in a spirit of helpfulness. Walker did not advocate the election or the defeat of any candidate. No candidate's name was mentioned and no political party was mentioned. It was obviously a part of the general's purpose—a most commendable one—to arouse the troops to inform themselves and take part in American elections. There was certainly nothing sinister or mischievous about this. It was done aboveboard, in the best of faith, prompted by an admittedly laudible motive.

Perhaps an admonishment was in order. I do not know. But Walker was admonished, and in my opinion that should have been the last of that because it deals with a relatively insignificant matter.

In treating these side issues, all of relatively minor importance, let us keep our minds on General Walker's real mission in Europe. Does any one question his success in building up the spirit, the morale, and the battle readiness of the 24th Division? Let us not be diverted from this magnificent performance. Let us not throw the baby out with the wash.

OVERSEAS WEEKLY SHOULD BE BANNED

Mr. Speaker, the case against General Walker should be viewed and appraised in the background of the Overseas Weekly—that discredited and salacious tabloid which spearheaded the attack against General Walker.

That paper has been under fire for years by Army officials. On July 28, 1953, Lt. Gen. Charles Bolte, commanding general of the Army in Europe, banned the Overseas Weekly from the newsstands of the Army's newspaper Stars and Stripes.

The Bolte action was reversed, but only after Mrs. Marion von Ropach, its publisher, promised to clean it up.

It is too bad that this scandal sheet has not been permanently banned from all newsstands of our military bases in Europe. It should have been outlawed long ago.

There is ample authority for banning it. A guidance sheet sent to local commanders in 1957 says:

Materials which are morally acceptable for sale and circulation are those which generally create a favorable climate, encourage a realization of moral, spiritual, and religious values; tend generally toward favorable treatment of marriage, a strong home life, patriotism, decency, honesty, integrity, and other virtues essential to the well-being of individuals and the Nation.

I cannot believe that anyone who has seen very many issues of the Overseas Weekly will seriously contend that it measures up to the criteria contained in that guidance sheet.

Termed the "Oversexed Weekly," this tabloid features sex, crime, prostitution, debauchery, and in the past has carried nearly nude photographs on its front pages with regularity. This scandal sheet circulates among some 50,000 servicemen in Europe.

Hanson Baldwin referred to the Weekly as follows:

Recent surveys by the Army of many issues of the Overseas Weekly resulted in the classification of about 150 columns of news as unsavory courts-martial, 46 individual stories as featuring ridicule of military leadership, 22 on the antiofficer, pro-enlisted-man theme, and a total of more than 200 stories dealing with prostitution, rape, or other violence, some of them adjudged to be excessively descriptive or lurid.

Most, but not all of the many senior officers this correspondent has talked to, agree with Secretary McNamara's description of the paper * * * as "personally repulsive."

It was only after General Walker, for obviously good reasons, barred one Siegfried Naujocks, a writer for Overseas Weekly, from barracks of the 24th Division at Augsburg and around Munich, that the false charges were brought against General Walker.

A recent development further exposes the editorial policies of that paper. A book just published by the editor of the Weekly, John Dornberg, called "Schizophrenic Germany," is most insulting and uncomplimentary to the present anti-Communist Government of West Germany and to the German people. It describes the split soul of the Germans, and alleges that they have not recovered from their Nazi and anti-Semitic past.

A review of that book in a German-language newspaper, a copy of which I have in my possession, says of it:

The purpose is to discredit the German people as well as the Federal Republic; this can even be gleaned from the text of the advertisement of Dornbergs book. It is ponderously headed "Will There Be a Fourth Reich in Germany?"; in addition, the ad is heavily embellished with swastikas.

In referring to the Walker case, precipitated by the charges made by Overseas Weekly, the review of Dornberg's book in the German newspaper contains this:

For the German public, the affair is not without interest, for Dornberg's anti-German book sheds light on the attack launched by him in Overseas Weekly against the anti-Communist American General Walker; and the attack against Walker presents us with clues as to what Dornberg may have had in mind when he manufactured his book, (the tenor of) which is directed against the anti-Communist Bonn Government.

Mr. Speaker, I have recited many reasons which I believe to be valid why the Overseas Weekly should be banned from our military bases in Europe.

In addition, the Department of Defense should look into the propriety of a contract which I understand is now in force between Overseas Weekly and Stars and Stripes, whereby the latter distributes the Weekly at a reported consideration in excess of $100,000 annually.

While the Stars and Stripes is not an official Government publication, it does have an American colonel at its head, I understand. He is in uniform and I assume receives the same salary and other benefits as other military officers receive.

There is every reason in the world why the Department of Defense should launch an investigation of Overseas Weekly, if indeed any investigation is needed. And immediate steps should be taken to bring about the cancellation of the contract I have just referred to, and the Weekly should be banned from our military newsstands.

We owe that much to the Bonn Government, and above all we owe it to the thousands of young American troops

who are subjected to its unsavory contents.

GENERAL WALKER SHOULD BE PROMOTED AND REASSIGNED

Mr. Speaker, it is my earnest hope that the present administration will reconsider its treatment of General Walker. With war clouds hovering about us, combat leaders such as Walker are hard to come by. This is no time to equivocate over relatively minor things. This is a time to get deadly serious about our future and the future of the free world.

General Walker has been admonished. That is water over the dam. Now let us look to the future. He should be promptly promoted to the grade of lieutenant general and given an assignment in keeping with his proven talents as one of America's most eminent combat leaders. Such an action would do much toward restoring faith in our purpose and faith in a system that, when the chips are down, rewards those who deserve it.

Information You Should Know About the Soldiers' and Sailors' and Airmen's Civil Relief Act

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker, you have been ordered to report for active duty with the armed services. You owe money on your car, your home, and perhaps even on a personal loan. At the time you made these debts, you were earning considerably more than you will earn as a serviceman. Once in the service, you know your service pay may not take care of all these debts.

Congress realized that many people would, from time to time, be faced with this situation. Therefore, it decided to give you, in the interest of national defense, some protection. This protection is found in the Soldiers' and Sailors' Civil Relief Act, which as the name suggests, affords protection on civil matters only and does not cover criminal prosecution. It is one of a series of Federal laws concerning military service that may be found in the appendix to volume 50 of the United States Code (50 U.S.C. App. secs. 501–590). The act is still in effect and though titled Soldiers' and Sailors' Civil Relief Act, protects others, including members of the Air Force (50 U.S.C. App. secs. 464 and 466(c)).

This Relief Act does not, repeat, does not, wipe out any of your obligations. Rather, it temporarily suspends the right of your creditors to use a court to compel you to pay if, but only if, the court finds that your inability to pay is due to your military service. Your obligation to honor your debts still exists, and some day you must pay up. In short, the idea behind the Civil Relief Act is to suspend, in certain cases, court proceedings during your tour of duty in the military service, so that upon your return to civilian life you might have an opportunity to be heard and to take measures to protect your interests.

Caution: This Relief Act is highly technical. Remember, your benefits under it are limited. Do not assume that you know all the ins and outs of the act, after reading this pamphlet. It is intended only to give you a simplified bird's-eye view, so that you will have some idea of the protections the act affords. If, after reading this pamphlet, you believe some provisions of the act may be of immediate benefit to you, you should discuss their application to your problem with your civilian attorney or with a legal assistance officer of the armed services. If you desire the services of a legal assistance officer, go to the nearest military installation and ask for his help.

HOW A LAWSUIT IS PROCESSED

Before discussing the actual provisions of the act, it might be helpful for you to understand how lawsuits are generally conducted.

The person who brings the suit is known as the plaintiff. The person against whom the suit is brought is known as the defendant. The typical lawsuit is begun when the plaintiff, either himself or through an attorney, files a written document called a complaint with the proper court. In the complaint, he states why he has started the suit. After the complaint is filed, the plaintiff must give the defendant notice that the suit has been started. This is accomplished by means of a summons. A summons is a formal written notice to the defendant to the effect that a suit has been filed against him and that unless he contests the suit, judgment may be entered against him.

If the defendant desires to contest the suit, he will normally file a written document called an answer stating why the plaintiff should not win. After a trial, at which both sides may be heard, the court enters a judgment in favor of one of the parties. For example, in a lawsuit involving money, the judgment may either order the defendant to pay or may state that he owes nothing. If the defendant is ordered to pay, he should remember that, although he does not have any property or money at that time, the judgment may be collected years later.

If the defendant does not file an answer within the time specified in the summons, he is said to have defaulted. When the defendant has defaulted, the court may enter a judgment by default in favor of the plaintiff.

PART I: GENERAL PROVISIONS

Section A. Who is protected?

The Civil Relief Act applies only to "persons in the military service." Persons in the military service include:

First. All persons on extended active duty, whether inductees, regulars, members of the National Guard, Reserves, or volunteers, serving with the Army, Navy, Air Force, Coast Guard, and Marines.

Second. All officers of the Public Health Service detailed for duty with the military services, and

Third. All persons who are training or studying under the supervision of the United States preliminary to induction into military service.

In some instances, however, certain benefits are given to the dependents of persons in the military service and to those persons who have guaranteed obligations of servicemen.

Section B. When are you protected?

You are protected during the period of your active military duty and in most cases for short periods after separation. Active duty begins on the date you enter the service and ends on the date you are separated. Enlisted reservists and draftees have an additional benefit under the act in that they may ask for relief as soon as they receive orders to report for active duty.

Section C. Where do you get the protection?

The protection of the Civil Relief Act applies to all lawsuits in any court in the United States, from a justice of the peace court to the U.S. Supreme Court.

PART II: GENERAL RELIEF PROVISIONS APPLICABLE TO ALL LAWSUITS

Section A. Protection against default judgment.

(a) General: As has been previously mentioned, a lawsuit begins when the plaintiff files his complaint. If you, the defendant, do not file an answer to the plaintiff's complaint within a certain time after you have received notice that the complaint has been filed, the court may then enter its judgment against you. This judgment is known as a default judgment. However, one of the major benefits that you, being in the military service, derive from the Civil Relief Act is that a court may not enter a default judgment against you unless a certain definite procedure is followed. How this is done is explained below.

(b) Requiring military affidavit: Under the act, before a court can enter a default judgment against you, the plaintiff must make and file a statement under oath that you are not in the military service. If he is unable to make such a statement then he must file a sworn statement, first, that you are in the military service, or second, that he is unable to find out whether or not you are in the military service.

(c) Rights of the defendant in the service: If the plaintiff files a sworn statement stating you are not in the military service, a default judgment may then be entered against you. If the plaintiff's statement fails to state you are not in the military service, a default judgment may be entered by the court only after it has appointed an attorney to represent you and the attorney is heard in your behalf. An attorney so appointed to represent you has no power to waive any of your rights or bind you by his acts.

Further, in the event the court enters a default judgment, it can require the plaintiff to put up a security deposit. This security will protect you in the event the judgment is later set aside. That is, the security will be used, if necessary, to pay you for any damages you may have suffered as a result of a judg-

ment that was incorrectly entered against you.

(d) False affidavit: We have said the plaintiff must file a sworn statement as to your military status. Suppose he swears in that statement that you are not in the military service, knowing that you are—then what? The Relief Act makes such false swearing a crime and the guilty party can be sent to prison for as long as a year, fined not more than $1,000, or both.

(e) Setting aside a default judgment: If a default judgment is entered against you during your military service, or even 30 days thereafter, you may still have some protection. You may ask the court to reopen the case and to set aside the default judgment. The court will do so if you can show, first, that your application to open the case is being made within 90 days after your discharge from the service; second, that you were harmed or prejudiced by reason of your military service in presenting your side of the case to the court; and third, you have a valid, legal defense to the suit. Even though the plaintiff has been found guilty of false swearing as discussed in previous paragraphs, you must still meet all three of these requirements before your case may be reopened.

Caution: If you hear, either indirectly through a friend or directly through receipt of a summons, that a lawsuit has been filed against you, do not panic. Instead, see your civilian attorney or legal assistance officer. Let him advise you before you take any action.

By acting without such advice you may waive the protection the Relief Act gives you. Getting technical for a minute, your protection against default judgments, as discussed above, applies only when you fail to make "any appearance" in the lawsuit. What acts on your part constitute "any appearance" are too numerous to mention. Furthermore, an act that may not be considered "any appearance" in one court may be in another.

Always get the advice of an attorney. It may be to your advantage for the lawsuit to be tried immediately. But this decision should be made only after an attorney has reviewed the facts of your case.

Section B. Stays.

(a) General: As you have seen, the Relief Act gives you some relief from default judgments. That relief you have no matter what the plaintiff has asked the court to do—be it to allow the plaintiff to adopt your child, to grant a divorce, to award damages for injuries, and so forth. Because this relief applies generally to all lawsuits, those sections of the act are referred to as "general relief" provisions. There are still other important "general relief" provisions in the act. Those pertaining to stays of lawsuits will be discussed next.

A stay is an order of the court stopping or delaying court proceedings in the lawsuit until a later date.

(b) How military service affects stays: At any stage of a lawsuit you, a serviceman, may ask the court to stay the proceedings. This is true whether you are the plaintiff or the defendant. In addition, the court itself may order the proceedings delayed without being asked. If the court is not asked for a postponement by the person in the military service, then it is not required by the act to grant one. On the other hand, when a stay is requested by a serviceman, the act requires the court to grant it unless, in the opinion of the court, his ability to prosecute or defend the lawsuit is not materially affected by reason of his military service.

When you ask for a stay initially, you need only to show the court that you are in the service. If the other party to the lawsuit does not want it delayed, he must prove to the court that your military service does not materially affect your ability to prosecute or defend. You have no automatic right to a stay. The judge of the court will decide whether you should have one. If he does grant one, under the act, he may order it for as long as your military service plus 3 months.

Requesting a stay may be any appearance for the purposes of a default judgment mentioned above.

Section C. Statutes of limitations.

In most instances, a person who has a right to bring a lawsuit in any court or a proceeding before any Government administrative board or agency must do so within a certain time limit. The laws and regulations setting this time limit are known as statutes of limitations. These statutes start running from the instant the suit or proceeding could first have been filed. A statute of limitation is said to have run when the time limit for filing has passed.

Under the general relief provisions of the Civil Relief Act, these statutes stop running while you are in the military service. In order to determine whether a particular statute of limitation has run, exclude the period of time that you are in the military service.

For example, someone damages your car in Virginia on January 2, 1961. You enter the service on February 1, 1961, and remain in the service until January 31, 1963. Suppose Virginia's statute of limitation requires suit for damages to be filed with the proper court within 6 years from the date of the accident. Under the Civil Relief Act, the 2 years you are in the military service are not counted in the 6 years you have to file suit. Thus, you have until January 1969 to file suit.

Suppose in the above that you had damaged someone else's car. In this instance, the other party would also have until January 1969 to bring suit against you.

In both of the above examples, the accident occurred before you entered the service. Nevertheless, the same results would be reached if it had occurred after you had entered the service.

PART III: SPECIFIC RELIEF PROVISIONS APPLICABLE TO PARTICULAR LAWSUITS AND SITUATIONS

Section A. Interest in excess of 6 percent per year.

Let us assume that you entered into an obligation which requires you to pay more than 6 percent per year. Afterward you enter the military service. Under the Relief Act you may start paying, if you like, only 6 percent. However, you are advised to tell your creditors what you are going to do and cite the Relief Act as your authority. If the person whom you owe objects, he must ask the proper court to require you to pay more than 6 percent per year. However, before the court can do so, the party that you owe must show that your ability to pay interest in excess of 6 percent is not materially affected by reason of your military service.

As used in the Relief Act, interest includes service charges, renewal charges, fees, or any charges—except bona fide insurance—in respect of such obligations.

Caution: This relief applies only to obligations made before you entered military service, not to those made while in the service.

Section B. Installment contracts, mortgages, trust deeds, and so forth.

While a civilian, you entered into contracts to buy a home, a refrigerator, wristwatch, automobile, or perhaps even a horse. You paid so much down and agreed to pay the remainder in monthly installments. Under each contract, you agreed, for all practical purposes, that if you failed to make the payments on the dates the contracts called for, the seller could take the property back and sell it to the highest bidder.

Furthermore, you may have agreed, for example, that if at the time of the sale you still owed $1,500 and if the seller were to get only $1,000, you would still be liable to the seller for the $500 difference.

With the above contracts in force, you enter the military service, and because of your reduced income, you fail to make payments when due. Does the act provide you with any protection?

Yes, but not to the extent of being unfair to the seller. Remember, we are talking about contracts you made and paid on before you entered the service. Under these circumstances, the seller cannot repossess or foreclose on the property involved without first getting the permission of a court. If the seller were to take the property and sell it without a court's permission, he could be made to pay a fine and even be sent to jail. Before the court will give its permission, it looks into the reason behind your failure to make payments when due. If satisfied that it is because of your military service, the court will then do what it thinks is fair to you and to the seller. It may, for example, order you to return the property to the seller, and the seller to return to you the amount you have already paid. Or, it may decide to let you keep the property and make smaller payments than called for in your contract.

Caution: This protection does not apply to obligations entered into after you enter military service.

Section C. Leases and evictions.

(a) Leases: When you entered military service, you and your dependents were living in a rented house or apartment. You pay rent by the month. The lease still has a few months or even several years to run. You cannot and your dependents do not wish to remain in the house or apartment. Can you cancel the lease?

Yes, by giving your landlord 30 days' written notice and citing the act as your authority. The 30 days does not necessarily start running from the day notice is given. Rather, it starts running on the day the next monthly rent payment is due. For example, you pay rent on the first of each month. You give notice on the 20th of October. In this case, you owe rent for November. Your lease terminates on the last day of November.

The act has a special notice provision for leases requiring rent to be paid other than monthly. The right to terminate leases under the act includes not only property leased and occupied for dwelling purposes but also property leased and occupied for "professional, business, agricultural, or similar purposes."

Caution: The most common misconception of the act is that it gives you the right to terminate a lease made after you enter the service—it does not. This means that a lease made while you are in service should contain a clause providing for termination on 30 days' written notice if you receive transfer orders.

An example of such a clause, where you are renting from someone, follows:

It is expressly agreed that if the lessee herein should receive official orders relieving him from station at ——— or retiring or relieving him from active duty in the Army (Navy) (Air Force) or assigning him public quarters, he may terminate this lease upon written notice of his intention so to do, and such termination shall become effective 30 days after the date of the service of the notice upon the lessor, and if the date of such termination shall fall between days on which rent becomes due, there shall accrue on the first day of the rental period in which such termination shall take effect a proportionate part only of the rent which would be due but for such termination.

Where you are renting to someone, consider the following:

It is expressly agreed that if the lessor herein should receive official orders returning him to station at ——— or retiring or relieving him from active duty in the Army (Navy) (Air Force) he may terminate this lease upon written notice of his intention so to do, and such termination shall become effective 30 days after the date of the service of the notice upon the lessee, and if the date of such termination should fall between days on which rent becomes due, there shall accrue on the first day of the rental period in which such termination shall take effect a proportionate part only of the rent which would be due but for such termination.

(b) Evictions: Your dependents—wife, children, parents, and so forth—are living in a house or apartment for which the rent is $80 or less per month. The rent is not paid. Can they be evicted?

Yes, but only after a court has given permission. This is so whether your dependents began living there before or after you entered military service. If the landlord evicts them without first securing a court's permission, he could be fined, placed in jail, or both.

Once the landlord asks a court's permission to evict your dependents, the court first decides whether or not nonpayment of rent is due to your military service. If the court decides it is not, then the court may order your dependents evicted.

On the other hand, if failure to pay is attributed to your military service, the court will make the landlord wait for not longer than 3 months before they may be evicted. The idea is to provide a reasonable time during which another place for your dependents to live can be found. However, the payment of all rents due is not thereby excused.

The landlord is also prohibited by the act from holding your household goods as security for unpaid rent, unless permitted by the court.

PART IV: MISCELLANEOUS PROVISIONS

Section A. Insurance.

You are the owner of a commercial insurance policy insuring your life. On entering military service, you are no longer able to pay the premiums.

If you wish to keep the policy current, you may, under the act, request the Veterans' Administration to guarantee payment of the premiums. The maximum amount of life insurance on which payment of premiums will be guaranteed is $10,000. That amount may be in one or more policies.

Upon separation from military service, you have 2 years in which to pay all premiums and interest due.

Section B. Storage liens.

Suppose either before or during your military service, you place your "household goods, furniture, or personal effects" in storage. You fail to pay the storage charges when due.

Under these circumstances, the storage company cannot sell your property to cover its charges without a court order. If your failure to pay is due to your military service, the court may stay the proceedings or enter a judgment that the court thinks is fair to both parties.

Section C. Public lands, mining claims, and homestead entries.

Special provisions of the act relate to mining, homestead, and other claims on public lands. These claims will not be lost through absence resulting from your military service if you follow the provisions of the act.

PART V. TAXES (AND MOTOR VEHICLE REGISTRATION)

Section A. General.

The act exempts your service pay and personal property from taxation by States in which you may be stationed other than your home or domiciliary State and also provides that the payment of income tax may be deferred for up to 6 months after discharge if your ability to pay the tax is materially impaired by reason of your service.

Section B. Residence against domicile.

(a) General: Before you can determine what taxes are properly assessable to you and your dependents, you must understand the distinction between the terms "residence" and "domicile" and the protection afforded by the act.

Under this act, the sole right to tax your military pay and your personal property remains with your State of domicile when you are absent therefrom in compliance with military or naval orders.

(b) Residence: Residence is generally defined as a "factual place of abode" at a particular time. However, a great deal of confusion exists in defining this term because various State laws define the words "residence" or "resident," differently. The definition of "resident" in the tax laws of the various States differ from one another. Whenever a word is specifically defined in a particular law, that definition is, of course, controlling.

(c) Domicile: Domicile may be defined in legal terms as "that place where a man has his true, fixed, and permanent home and principal establishment and to which, whenever he is absent therefrom, he has the intention of returning."

To understand the problem of domicile, you must first understand that there are three kinds; namely, first, domicile of origin or birth; second, domicile by operation of law; third, domicile of choice. It is legally impossible not to have a domicile, and an old domicile is not lost until a new one is acquired.

Domicile of origin is the domicile automatically acquired by every child at birth and is identical with the domicile of the parents. The actual place of birth does not determine domicile of origin. For example, a child born to U.S. citizen parents while in the service stationed in Virginia does not necessarily become a domiciliary of Virginia. If, at that time, the father was domiciled in Colorado, the child also becomes a domiciliary of Colorado.

Like domicile of origin, domicile by operation of law exists independent of the subject's intention and actual residence. For example, a woman upon marriage generally loses her own domicile and, by operation of law, acquires that of her husband, regardless of her actual residence or intention.

Domicile of choice is the place which a person has voluntarily elected and chosen for himself to replace his previous domicile. To change your domicile there must be a simultaneous concurrence of these elements:

First, actual residence—bodily presence—in the new locality; second, an intention to remain there permanently or indefinitely; and third, an intent to abandon the old domicile.

Once the above elements have occurred simultaneously you have changed your domicile. However, proving the requisite intent, particularly if the change of domicile gives you a tax advantage, may be difficult. In this event, your word, though considered, will not necessarily satisfy taxing authorities. They may demand, and properly so, evidence of some overt acts on your part indicative of the requisite intent. In short, your actions speak louder than your words. Some of the clearest indications that you consider a State to be your domicile is by registering to vote and voting, licensing your motor vehicle, and paying income and personal property taxes, if any. Caution: Do not register to vote or vote in any election in a State that is not your State of domicile unless you intend to abandon your old domicile and establish that State as your new domicile.

Service personnel are tempted from time to time to change their domicile in order to avoid the income tax of a particular State. Before doing so, you

should remember that domicile not only exerts its influence in determining your liability for income and personal property taxes, but in other very important areas as well. The following is illustrative of these areas:

First, liability for State inheritance taxes; second, where your will would be probated; and who may act as executor thereof and as testamentary guardian of your minor children; third, the right to vote; fourth, bonuses for wartime service; fifth, the right to hold public office; sixth, the right to homestead, veterans claims, or tax exemptions; seventh, whether you or your children may attend a State college without paying higher fees required of nondomiciliary residents; eighth, where you may obtain a divorce.

In short, before attempting to change your domicile, take a good long look at the overall picture.

Section C. Income taxes.

As previously stated, the act, a Federal law, exempts your military pay from all State income taxes except those imposed by the State of your domicile while absent therefrom in compliance with military orders. Therefore, unless your present duty station is located in the State of your domicile, your military pay cannot be taxed by the State where stationed even though their laws provide otherwise.

The act does not exempt nonmilitary income derived from sources within a State where you may be serving. They can and do, for example, require you to pay an income tax on salaries from civilian employment therein, rents from real property located therein, and profits from the sale of such property, even though your domicile is elsewhere. Ordinarily you will file a resident income-tax return to your home State on all of your income and a nonresident return to the State where serving on nonmilitary income earned in that State. This could mean that you may pay taxes on your nonmilitary income to both your home State and the State where serving. Tax credits may reduce the overall tax burden, however.

Furthermore, the act does not exempt any civilian member of your household from taxes by the State in which he or she is temporarily residing. For example, if you are domiciled in Florida, ordered to duty in Virginia, and accompanied by your wife—civilian—who obtains employment there, your wife is liable to Virginia for income tax on her salary from Virginia employment. See your legal assistance officer or income tax adviser for rules governing apportionment.

Any tax on income—Federal, State, or local—may be deferred for a period extending not more than 6 months after separation from active service, without interest or penalty, if your ability to pay the income tax is materially impaired by reason of such service. You should make written request upon the taxing authorities for such deferment. Note that this does not excuse you from filing a return unless your home State law specifically exempts you from filing.

Section D. Personal property taxes.

As the "tax day" varies from State to State, your personal property could be present for tax purposes in several taxing jurisdictions the same year. To protect you, the act prohibits any State except that of your domicile from taxing your personal property.

It is emphasized that the Relief Act does not relieve your wife from paying the tax to the State where residing on her personal property. It is often difficult to determine whether certain personal property belongs to you or your wife.

Section E. Real property taxes.

Real property—such as a house—is subject to local taxes. The act gives you no exemption from this tax.

Section F. Motor vehicle registration.

The act allows you to retain your home State registration on your motor vehicle as long as you have paid the license fee or excise required by your home State. The vehicle title should be in your name alone as the act exempts only you.

PART VI: CONCLUSION

The specific nature of all of the relief available to you under the act is a matter about which you should consult an attorney. The act is designed to deal fairly with you and your creditors. While relief is very often available to you, you are expected and required to show good faith by doing what you can to discharge your obligations.

Casimir Pulaski Freedom Fighter

EXTENSION OF REMARKS
OF
HON. EDWARD P. BOLAND
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. BOLAND. Mr. Speaker, October 11, the anniversary of the death of Casimir Pulaski, will always remind Americans of the part that great Polish patriot played in the struggle for American independence.

Pulaski was always a fighter for freedom. In his native Poland he fought constantly to obtain liberty for the oppressed Polish people. In the year 1771, he made an unsuccessful attempt to capture the King of Poland, which resulted in a sentence of outlawry being passed upon him. He made his escape to France where he met Benjamin Franklin. It was Franklin who persuaded Pulaski to aid the Colonies in their fight for independence.

Pulaski's love of liberty knew no national boundaries. He saw America's fight for liberty as his own. General Washington quickly perceived the Polish patriot's military and personal qualifications and Pulaski quickly achieved the rank of brigadier general in command of a cavalry division. He performed with distinction and bravery at the Battle of Brandywine in 1777. He participated in many of the great battles of the Revolutionary War. Eventually, with the consent of Congress he was granted the right to form his famous Pulaski's Legion. In 1779, he commanded both the French and American cavalry at Savannah and in an assault on October 9, he was mortally wounded. He died on the U.S. brig *Wasp* 2 days later.

On this anniversary date of the death of that great Polish patriot it is appropriate that we remember that it is through men like Pulaski that America has absorbed some of the heritage, culture, and aspirations of Poland. It is right that we pause and consider how much all Polish-Americans have contributed to the economic, cultural, and spiritual growth of America. It is also a propitious time to join with them in their concern for their native land which today is under the yoke of Communist tyranny.

The freedom and justice for which Pulaski fought so valiantly for, nearly 200 years ago, does not exist in his native land. This October 11 is an opportune time for all Americans to reiterate with all Polish-Americans their concern for the Polish people suffering under Communist rule by vowing that they will continue to work for conditions in the world which will allow the Polish people the right to choose the form of government under which they desire to live. Only under these circumstances can we be sure that the Polish people will once again be able to live in peace under the rule of law with all the free nations of the world.

Capital Comment

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, September 25, 1961

Mr. SAYLOR. Mr. Speaker, under unanimous consent, I include in the RECORD some very pertinent remarks made by the distinguished chairman of the House Interior and Insular Affairs Committee, the gentleman from Colorado [Mr. ASPINALL], on which I have the honor to serve.

The chairman, who has served with distinction as a member of the Interior and Insular Affairs Committee durlug the years he has been a Member of the Congress, is one of the best informed of its members on reclamation affairs. It would be well for those from the reclamation States to heed well what the distinguished and knowledgeable gentleman from Colorado has to say about reclamation. He says reclamation projects must be "clean as a hound's tooth," and I thoroughly agree. He also cites the results of a crash program wherein in at least nine cases investigations were hurried, or not fully completed and repayment contracts were not signed prior to construction and how these projects got into subsequent difficulties.

I think the gentleman has given us good reasons for not rushing into approval of these reclamation projects and not blindly following the recommendations of the Bureau of Reclamation. I

do not think we gave nearly enough attention to these Colorado River project transmission lines. We have accepted what the Bureau of Reclamation submitted as an analysis without nearly as thorough an examination as the problem deserved. We have got to realize that the Bureau of Reclamation is no longer the clean-cut scientific organization it once was. It now deals in ideology rather than engineering and economics, and we must recognize it as such.

Following are the remarks of Mr. ASPINALL:

Reclamation, as I have often emphasized, is one Federal program that is little understood by Members of the House from the eastern part of the United States—and yet it is these Members who actually hold the balance of power when it comes to a House vote on a reclamation project.

The reclamation program has a much easier time in the Senate because the 17 reclamation States start off with 34 votes out of 100—just 17 short of a majority. In the House, where representation is based on population, the reclamation States start off with 99 votes out of 437—or 120 short of a majority. Included in the 99 reclamation votes are 58 from the States of California, Texas, and Oklahoma. Thus in the 14 Rocky Mountain and Far Western States where the reclamation program is of primary concern—excluding only California—there are just 41 Members of the House, out of 437.

Aside from good plain sense, this is one of the reasons why it is so essential that reclamation projects be clean as a hound's tooth. If the reclamation States come to the Congress with a request for a Federal investment in projects it must be on a basis of sound economic and financial feasibility, and—prior to appropriation of funds for construction—a clear indication of the water users' willingness to repay that part of the Federal investment that is within their ability to pay.

That is why I have always insisted, for example, that repayment contracts be signed by the water users before construction begins on a reclamation project. It is only through a responsible policy of this kind that reclamation can be justified in the House of Representatives.

When such a policy is not followed reclamation is in trouble. We already have several examples of what can happen when projects are not thoroughly studied and repayment contracts with the water users not signed prior to construction.

The most notable example was the authorization of a number of projects in the Flood Control Acts of 1944 and 1946, and a subsequent "crash" program of construction. In at least nine cases investigations were hurried, or not fully completed, and repayment contracts were not signed prior to construction. All of these projects got into subsequent difficulty as a result of undue haste to get construction underway, and all have caused substantial losses of Uncle Sam's moneys. The Federal expenditures on these nine projects have come to $58,246,722 and while it is possible that some of this may be repaid eventually, most of it will not.

This is the sort of thing that gives reclamation generally a "black eye" and which makes it more difficult than good judgment would require to secure House approval of sound projects.

A Federal reclamation program, with proper investigation, planning, and construction, is a sound investment in national progress. At the same time, those of us from the reclamation States, who have the most direct interest in such a program, have the responsibility to insist that the reclamation program be carried forward on a basis of sound financial and economic feasibility.

Medicare Program for Servicemen's Dependents

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1961

Mr. O'KONSKI. Mr. Speaker, this statement concerns you and your dependents. It is an important document to be studied carefully and then passed on to your dependents and retained by them.

ELIGIBILITY FOR CARE FROM BOTH CIVILIAN AND UNIFORMED SERVICES SOURCES

Some dependents are eligible for both civilian medical care and care at uniformed services medical facilities. To be eligible for both, the dependent and the sponsor must meet the requirements indicated below.

Sponsor: Must be on active duty or on active duty for training pursuant to orders for an indefinite period or for more than 30 days.

Dependent: Must bear one of the following relationships to the sponsor:

Lawful wife.

Lawful husband, if dependent on service wife for over one-half of his support.

Unmarried legitimate child, adopted child, or stepchild, in one of the following categories:

Under 21 years of age.

Over 21, but incapable of self-support because of mental or physical incapacity that existed before the age of 21, and dependent on service member for over one-half of support.

Under 23, enrolled in a full-time course in an approved institution of higher learning, and dependent on service member for over one-half of support.

A dependent's eligibility for civilian medical care ends when the sponsor retires, dies, is discharged or released from active duty, is dropped from the rolls of his service for desertion, or is divorced from the dependent. Children of a divorced sponsor retain their eligibility until adopted. If the sponsor dies while on active duty or while in a retired status, his dependents are still eligible for care at Armed Forces and U.S. Public Health Service medical facilities when space and staff are available.

For the purpose of administering the medicare program, eligible dependents in the United States are divided into two classes: dependents residing apart from their sponsors and those residing with their sponsors. How does the revised medicare program affect each of these classes?

DEPENDENTS RESIDING APART FROM SPONSORS

Dependents eligible for civilian medical care who reside apart from their sponsors may continue to choose between civilian medical facilities and those of the Armed Forces or U.S. Public Health Service.

Each civilian physician and hospital, when providing care for dependents, will furnish the dependent with a claim form—DA Form 1863: Statement of Services Provided by Civilian Medical Sources—to be filled in. The claim form will note that the dependent patient resides apart from the sponsor. If the attending physician requires the services of other physicians, an anesthetist, a physical therapist, or a private-duty nurse while the dependent patient is in a civilian hospital, a DA Form 1863 must be completed for each of them. These claim forms, too, must indicate that the patient resides apart from sponsor.

When applying for civilian medical care, the dependent should first ask the physician if he will participate in the medicare program. If he will, the dependent is not expected to pay the physician, nurse, or hospital for care covered under the program except for charges shown on page 15. Under service regulations, the Government pays the physician for authorized care with the understanding that there will be no additional charge to the dependent or sponsor for that care. The physician signs such a statement on the claim form when he submits his claim for payment.

DEPENDENTS RESIDING WITH SPONSORS

Wives and dependent husbands and children of service members, who reside with their sponsors and who desire medical care at Government expense, must contact a uniformed service authority to determine whether the required care can be provided in a nearby uniformed service medical facility. If it cannot be provided, the dependent must obtain a "Medicare Permit" or the new "Non-availability Statement"—DD Form 1251—from the appropriate service authority in order to have authorized care from civilian sources paid for by the Government.

Civilian medical services, to be payable by the Government, must meet the criteria of authorized care under the medicare program. DD Form 1251 does not establish requested care as authorized care, nor does it guarantee payment by the Government. It does serve as evidence that the dependent residing with the sponsor has cleared with the proper service authority and that the desired care is not available from a reasonably accessible uniformed service medical facility.

The issuance of DD Form 1251 places the dependent residing with the sponsor in essentially the same free-choice position as a dependent residing apart from the sponsor. However, DD Form 1251 is for immediate use only, in connection with a current illness or condition that may or may not be authorized under the medicare program. The Government's liability for medicare claims is determined from the diagnosis and from clinical information and/or certification furnished by the attending civilian physician.

A DD Form 1251 may be issued on a retroactive basis to cover civilian medical care already begun or completed, when it is determined that the patient could have obtained a DD Form 1251 by applying for it before the care began. A DD Form 1251 issued under these circumstances will bear a statement under

"Remarks" that it is retroactive to the effective date.

In some cases, authorized Government-paid medical care from civilian sources may be provided without a DD Form 1251. These are:

In an acute emergency requiring immediate treatment from civilian sources at the nearest available medical facility to preserve life or prevent undue suffering. Examples would be a serious injury in an accident or a sudden, severe illness. The attending physician must state on the claim form—DA Form 1863—or on an attachment to it, that the case is actually an acute emergency.

When the dependent is away from the area of the sponsor's household on a trip; the dependent, sponsor, accompanying parent, or acting guardian signing the claim form must make an entry certifying that the dependent is "on trip."

For maternity care required by an eligible dependent wife whose husband has died while on active duty, if she was pregnant at the time of his death.

ELIGIBILITY FOR CARE FROM UNIFORMED SERVICES FACILITIES ONLY

Dependents are eligible if they bear one of these relationships to a retired service member, to a service member who died while serving on active duty for a period of more than 30 days, or to a deceased retired service member:

Lawful wife.

Unremarried widow.

Lawful husband, if dependent on service wife for over one-half of his support.

Unmarried legitimate child, adopted child, or stepchild if such child has not passed his 21st birthday. See page 2 for exceptions covering those past 21 years of age.

Unremarried widower, if he was in fact dependent upon the member or retired member at the time of her death for over one-half of his support because of a mental or physical incapacity.

Parent or parent-in-law, if dependent and if residing in a dwelling place provided or maintained by the service member or retired service member. A parent or parent-in-law of an active duty service member is also qualified for care at service facilities if he meets the above requirements.

CIVILIAN CARE PROVIDED

The Government will pay the major cost of the following civilian medical services for eligible dependents who meet the requirements outlined.

Hospitalization in semiprivate accommodations—two, three, or four beds—normally not exceeding 365 days for each admission; all necessary services and supplies furnished by the hospital during hospitalization; doctors' bills during such hospitalization for the treatment of: first, acute medical conditions; second, contagious diseases; third, surgical conditions.

Laboratory and X-ray tests and procedures during hospitalization.

Certain costs for necessary diagnostic tests and procedures before and after hospitalization when hospitalization is for a bodily injury or a surgical operation.

Complete obstetrical and maternity care, including inhospital care of the newborn infant. Infants delivered by civilian physicians in a home or an office may receive authorized care they need on an outpatient basis during a period not to exceed 10 days following the date of delivery.

Outpatient care for bodily injuries, including payments not to exceed $75 for necessary laboratory tests, pathological and radiological examinations.

Special-duty nursing service during hospitalization.

SURGICAL SERVICES

Treatment of surgical conditions only during hospitalization is authorized at Government expense. Surgical care for bodily injuries is authorized on an outpatient basis.

Surgical services desired or requested by a patient, which are not medically indicated, are not authorized for payment by the Government. The opinion of the physician in charge of the case will determine whether the services are medically indicated and therefore payable.

TREATMENT OF INJURIES ON AN OUTPATIENT BASIS

Government-paid treatment of bodily injuries of a patient not hospitalized, including diagnostic and therapeutic tests and procedures authorized by the attending physician, is authorized. Treatment of fractures, dislocations, lacerations, and other wounds that are legitimately cared for by dentists, including related diagnostic and therapeutic tests and procedures the attending dentist authorizes, may also be paid for.

The Government will pay a maximum of $75 for laboratory tests and pathological and radiological examinations, provided the attending physician or surgeon performs or authorizes them. Charges for the use of hospital outpatient facilities—for example, a castroom—required in the treatment of the injury will also be paid for.

The $75 limit may be increased only in special and extraordinary cases if the physician who authorizes the tests and procedures that exceed $75 in cost submits a special report.

OUTPATIENT CARE IN CIVILIAN FACILITIES

Outpatient care as such is restricted to authorized obstetrical and maternity care, treatment of certain bodily injuries, pre- and post-hospitalization tests and procedures and X-ray therapy begun or prescribed during a period of authorized hospitalization. For all other outpatient care at Government expense, dependents must use uniformed services medical facilities.

DENTAL CARE

Dental treatment is provided to hospital inpatients who are hospitalized for other authorized care, only when required as a necessary part of the treatment of the basic medical or surgical condition for which hospitalized. Outpatient treatment of fractures, dislocations, lacerations, and other wounds that are legitimately cared for by dentists may also be paid for. Authorized dental care does not include the cost of artificial teeth, bridges, fillings, teeth straightening, or prolonged treatment of the gums.

At Armed Forces and U.S. Public Health Service medical facilities, dental care is provided as follows in the United States:

First. In an emergency, to relieve pain and undue suffering. Permanent fillings, bridges, and dentures are not authorized.

Second. If required for treatment of a medical or surgical condition.

Third. Dental care in areas designated "remote" on a facilities-available basis.

Outside the United States: Dental care on a facilities-available basis.

MEDICAL CARE AT MEDICAL FACILITIES OF THE UNIFORMED SERVICES

If medical staff, space, and facilities are available, the services will provide for all eligible dependents as follows:

Diagnosis.

Treatment of—

First. Acute medical conditions.

Second. Surgical conditions.

Third. Contagious diseases.

Fourth. Acute emergencies of any nature.

Immunization.

Maternity and infant care.

MEDICAL CARE OVERSEAS

As a general rule, dependents will get what care they need from service medical facilities when they are outside the United States. If Armed Forces or U.S. Public Health Service facilities are lacking or inadequate, civilian medical care may be arranged for at the expense of the U.S. Government. Dependents residing in oversea areas where service medical care cannot be provided may obtain full information from the appropriate oversea commander or from the nearest service installation on how to obtain medical care from professionally acceptable local civilian sources.

IDENTIFICATION

When applying for any kind of medical care—at a service or civilian facility, or to a civilian physician—dependents are required to present their Uniformed Services Identification and Privilege Card—DD Form 1173—as proof of their eligibility for medical care.

All eligible dependents except children under 10 years of age will receive a card. In some cases, such as a child living apart from his parents, a card may be issued even for a child under 10. In the case of a child under 10, the parent or guardian must furnish proper identification and certify as to the child's eligibility.

Dependents residing with their sponsors will receive their cards through their sponsors. The sponsor will fill out the necessary application form and submit it to his commanding officer. Sponsors residing apart from their dependents may send the completed application form to their dependents.

If the sponsor is unable, or declines, to fill out the application form, his dependent can obtain the necessary application form at any service installation, fill in as much information as possible,

and submit it to the sponsor's commanding officer for completion and verification.

Dependents of service members who died while on active duty or while in a retired status can obtain an application for the card from a nearby service facility by applying there in person or requesting it by mail. Information on how to fill out the form and what certificates must accompany it can be obtained at the same time.

The completed application form must be taken to any nearby uniformed service facility. If the necessary equipment to produce the card is not available there, the dependent will be told where to obtain the card. Dependents who cannot visit a service facility that can issue the card may request it by mail.

The card must be turned in, first, when it expires; second, when a new card is issued; third, when the sponsor dies, is discharged, retires, or is released form active duty; or fourth, when the dependency status is otherwise ended.

When a card is lost, the loss should be reported immediately, so it may be replaced and the services may be on the alert against its being used improperly by someone who finds it.

If a person uses a card to obtain medical care to which he is not entitled, a fine of up to $10,000 and imprisonment for up to 5 years may be imposed on the offender. A dependent who allows another person to use his card unlawfully may be subject to the same penalties.

Damage to, or indications of tampering with, the laminated card makes it invalid.

A WORD OF CAUTION ABOUT CIVILIAN MEDICAL CARE

Dependents residing with their sponsors, in addition to furnishing proper identification, must present a DD Form 1251 to the source of civilian care.

Eligible dependents seeking medical care from civilian sources should make sure the physician and hospital are participating in the medicare program before beginning treatment.

A physician participating in the program must be legally licensed and qualified to prescribe and administer all drugs and to perform all surgical procedures.

A hospital, to qualify under the medicare program, except in an emergency, must be engaged primarily in providing facilities for the surgical and medical diagnosis, treatment, and care of injured and sick persons by or under the supervision of two or more staff physicians or surgeons. It must also provide continuous 24-hour nursing service by registered graduate nurses.

WHAT DEPENDENTS MUST PAY FOR CIVILIAN MEDICAL CARE—BASIC CHARGE

A service dependent in a civilian hospital will pay $1.75 a day, or the first $25 of the hospital cost, whichever is greater.

ADDITIONAL CHARGES

Private hospital room: The above hospital charge plus, first, 25 percent of difference between cost of the private room and weighted average cost of a semiprivate room, when private room is more costly, if attending physician certifies that private room is needed. Second, difference between cost of the private room and weighted average cost of a semiprivate room, when private room is more costly, if private room is for dependent's convenience.

Private-duty nursing care: First $100 of cost and 25 percent of charges over $100 when attending physician certifies that this care is needed.

Maternity care: First $15 of physician's charge for delivery performed in a home or an office, if dependent is not hospitalized later incident to the same delivery.

Injuries on an outpatient basis: First $15 of physician's or dentist's charges for each cause or accident cared for. However, multiple injuries to the same person resulting from a single accident will be considered one injury requiring payment of maximum fee—$15.

Readmission to hospitals: First, except in obstetrical and maternity cases, patients readmitted to a civilian hospital within 14 days after discharge, due to an acute complication of the condition for which they were originally hospitalized, pay $1.75 per day if they can prove they paid at least $25 for the previous admission; second, all admissions of obstetrical and maternity cases during and directly related to the same pregnancy are considered as one admission.

SENATE

TUESDAY, SEPTEMBER 26, 1961

(Legislative day of Monday, September 25, 1961)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Hon. LEE METCALF, a Senator from the State of Montana.

Rev. W. Earl Ledden, bishop of the Methodist Church, retired, Wesley Theological Seminary, Washington, D.C., offered the following prayer:

Almighty God, who hast made and preserved us a nation, use now this Nation, we pray, to help establish Thy way among men. The earth is Thine and all the fullness thereof, the world and they that dwell therein. But we have turned, every one, to his own way—and made it a world of anarchy and dissension.

Forgive us, O Lord, and renew a right spirit within us. Make of this Nation, we pray, an instrument of Thy holy purpose for mankind.

We bless Thy name that in these days of mortal peril America has been privileged to lift a brave, clear voice in the council of the nations in defiance of terror and in devotion to the things that make for peace.

Grant that this voice—so widely heard—may find friendly response throughout the earth. May our own deeds make it manifest to all mankind that our sincere desire is the rejection of war as the brutal, senseless arbiter among the nations, and the establishment of the rule of reason and justice in good will.

So may the peoples and races of all mankind have reason to rejoice with us that Thou hast made and preserved us a nation.

In the name of the Prince of Peace. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 26, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, September 25, 1961, was dispensed with.

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished junior Senator from Virginia [Mr. ROBERTSON] may be given an official leave of absence from the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

Mr. MANSFIELD. Mr. President, I move that the unfinished business be laid before the Senate and be made the pending business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and the bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

The ACTING PRESIDENT pro tempore. The bill comes before the Senate automatically.

SUPPLEMENTAL APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1091, House bill 9169, making supplemental appropri-

ations for the fiscal year ending June 30, 1962.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. PROUTY. Mr. President, reserving the right to object—although I shall not object—I wish to direct one or two questions to the distinguished majority leader: Is it not true that the so-called Du Pont bill was passed by the House, was approved by the Senate Finance Committee by a majority of 14 to 2, and has the approval of the Department of Justice and the Treasury?

Mr. MANSFIELD. It is my understanding that all the facts stated by the distinguished Senator from Vermont are correct.

Mr. PROUTY. Is it not also true that final action probably would be taken on the bill at this session were it not for the possibility that the session would be lengthened considerably if such action were taken?

Mr. MANSFIELD. I would be unable to make a reply to that question.

Mr. PROUTY. It seems to be the general sentiment around the Congress that that is the case.

Let me say that I am very much disappointed, as an individual Senator—and I know that other Senators are—that one or two Members can prevent the Senate from taking action on this very important bill, which is of particular interest to a great many of my constituents in Vermont.

I may also add that I would have objected to a request to take up the supplemental appropriation bill last Saturday, because I think the Senate has an obligation to act in a responsible and sound manner, and the report on that bill was placed on the desks of Senators only that morning, with the result that few Senators, if any, had had a chance to see it. The bill involves more than a billion dollars of public funds; and I felt it was the duty of the Senate to give serious consideration to the bill. A billion dollars may not be a great deal in terms of an $88 billion or $89 billion budget; but at least to us in Vermont it is a lot of money, and I felt we should have a chance to screen the bill rather thoroughly.

There were many other reasons why I objected; but I do not wish to delay the proceedings further. So I shall not object.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. McNAMARA. Mr. President, reserving the right to object——

Mr. MANSFIELD. First, Mr. President, let me say to the Senator from Vermont that everything he did was correct and was within his rights as a Senator, and he should not be subject to any criticism whatsoever.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will state it.

Mr. DIRKSEN. Has the majority leader made a motion that the supplemental appropriation bill be taken up, or has he asked unanimous consent for that purpose?

The ACTING PRESIDENT pro tempore. The Senator from Montana asked unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the supplemental appropriation bill.

Mr. McNAMARA. Mr. President, due to the brief colloquy between the Senator from Vermont and the majority leader, I believe that the record at this point indicates that the pending business, the so-called Du Pont bill, has the approval of the Treasury Department. It is my understanding that the Treasury takes no position on the bill—that it neither approves nor disapproves the bill. I should like to be corrected if that is not correct.

Mr. MANSFIELD. I cannot give a definite answer. It was my understanding that, at the least, there was no opposition from the Treasury—which may fit in with what the Senator from Michigan has just now said. Whether there was approval, I do not know. But perhaps some member of the committee who is more concerned with the matter can tell us.

Mr. GORE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. McNAMARA. I withdraw my objection.

Mr. GORE. Mr. President, I think it correct to state that the Treasury indicated that it interposed no objection—that it neither recommended the bill nor disapproved the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments on page 2, after line 1, to insert:

STATISTICAL REPORTING SERVICE

Salaries and expenses

For an additional amount for "Salaries and Expenses", $20,000.

On page 2, after line 5, to insert:

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Emergency conservation measures

For an additional amount for "Emergency conservation measures" to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, and the Supplemental Appropriation Act, 1958, including necessary administrative expenses, $3,000,000, to remain available until expended.

On page 2, at the beginning of line 18, to strike out "Not to exceed $8,000,000 of the additional loan authorization of $37,500,000 provided under this head in the Department of Agriculture and Related Agencies Appropriation Act, 1962, shall also be available for loans under the Act of August 28, 1937, as amended" and insert "For an additional amount for 'Loan Authorizations', for loans under the Act of August 28, 1937, as amended, $5,000,000."

On page 3, line 11, after "(42 U.S.C. 1471)", to strike out "$1,000,000" and insert "$2,000,000".

On page 3, after line 13, to insert:

GENERAL ADMINISTRATION

Participation in Century 21 Exposition

For an additional amount for participation in Century 21 Exposition, for expenses necessary to carry out the provisions of the Act of September 2, 1958 (72 Stat. 1703), as amended (73 Stat. 486), $1,000,000, to remain available until expended.

On page 3, line 24, strike out "$148,000" and insert "$135,000".

On page 4, after line 9, to insert:

NATIONAL BUREAU OF STANDARDS

Research and technical services

For an additional amount for "Research and technical services", $2,204,000, of which not to exceed $700,000 shall be available for payment to the "Working capital fund", National Bureau of Standards, for additional capital.

On page 4, line 25, after the word "exceed", to strike out "$270,000" and insert "$300,000", and on page 5, line 3, after the word "exceed", to strike out "$540,000" and insert "$600,000".

On page 5, after line 10, to strike out:

AREA REDEVELOPMENT ADMINISTRATION

Area redevelopment assistance

* * * * *

On page 5, after line 13, to insert:

AREA REDEVELOPMENT ADMINISTRATION

Operations

For necessary expenses, not otherwise provided for, of the Area Redevelopment Administration, including not to exceed $4,500,000 for technical assistance, as authorized by section 11 of the Area Redevelopment Act (Public Law 87-27), rent in the District of Columbia, and hire of passenger motor vehicles, $11,000,000: *Provided*, That funds made available for administrative expenses of carrying out the functions of the Area Redevelopment Administration may be consolidated into a single expense fund account.

At the top of page 6, to insert:

Grants for public facilities

For grants in accordance with the provisions of section 8 of the Area Redevelopment Act (Public Law 87-27), $40,000,000, to remain available until expended.

On page 6, after line 4, to insert:

Area redevelopment fund

The Secretary of Commerce is hereby authorized to make such expenditures for the purposes of sections 6 and 7 of the Area Redevelopment Act, within the limits of funds and borrowing authority available under section 9 of said Act, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such purposes.

On page 6, after line 15, to insert:

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army

Rivers and Harbors and Flood Control

For an additional amount for "Operation and maintenance, general", $5,000,000, to remain available until expended.

On page 7, after line 12, to insert:

Office of Education

Payments to School Districts

For an additional amount for "Payments to School Districts", $164,346,000: *Provided,* That this paragraph shall be effective only upon enactment into law of S. 2393, Eighty-seventh Congress, or similar legislation.

On page 7, after line 18, to insert:

Assistance for School Construction

For an additional amount for "Assistance for School Construction", including not to exceed $90,000 for necessary expenses during the current fiscal year of technical services rendered by other agencies, $37,092,000, to remain available until expended: *Provided,* That this paragraph shall be effective only upon enactment into law of S. 2393, Eighty-seventh Congress.

On page 8, after line 4, to insert:

Defense Educational Activities

For an additional amount for "Defense educational activities", $100,000.

On page 8, after line 7, to insert:

Expansion of Teaching in Education of the Deaf

For grants to public or other nonprofit institutions of higher education for courses of study and scholarships for training teachers of the deaf, and not to exceed $75,000 for salaries and expenses in connection therewith, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), $1,575,000.

On page 8, after line 15, to insert:

Chronic diseases and health of the aged

For an additional amount for "Chronic diseases and health of the aged", including carrying out section 316 of the Public Health Service Act, $7,075,000; and in addition, $2,000,000 to be transferred from the appropriation for "Community health practice and research" in the Department of Health, Education, and Welfare Appropriation Act, 1962: *Provided,* That $6,000,000 of the appropriations granted under this head shall be available only for allotments and payments to States pursuant to section 314(c) of the Public Health Service Act for establishing and maintaining adequate community services for the chronically ill and aged: *Provided further,* That any State's allotment for general health purposes under section 314(c) of such Act shall also be available at the discretion of the State for establishing and maintaining adequate community services for the chronically ill and aged: *Provided further,* That this paragraph shall be effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress.

On page 9, after line 9, to insert:

Community health practice and research

For an additional amount for "Community Health Practice and Research", $400,000: *Provided,* That this paragraph shall be effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress.

On page 9, after line 14, to insert:

Hospital construction activities

For an additional amount for "Hospital construction activities", for grants or loans for nursing homes under part G of title VI of the Public Health Service Act, as amended, $9,000,000: *Provided,* That this paragraph shall become effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress.

On page 10, line 12, after the word "amended", to strike out "$5,000,000" and insert "$5,600,000".

On page 12, after line 7, to insert:

Assistance to refugees in the United States

For necessary expenses, not otherwise provided for, to provide assistance within the United States to refugees, as authorized by law, including hire of passenger motor vehicles and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), $13,000,000: *Provided,* That this paragraph shall be effective only upon the enactment into law of H.R. 8291, Eighty-seventh Congress.

On page 12, after line 15, to insert:

American printing house for the blind

Education of the Blind

For an additional amount for "Education of the blind", $270,000.

On page 12, after line 19, to insert:

Howard University

Plans and Specifications

For an additional amount for "Plans and specifications", including a hospital building and related facilities, as authorized by law, $300,000 to remain available until expended.

On page 13, after line 1, to insert:

Salaries and Expenses

For an additional amount for "Salaries and expenses, Office of the Secretary", $150,000.

On page 13, after line 10, to insert:

Juvenile Delinquency and Youth Offenses

For grants for demonstration, evaluation, and training projects, and for technical assistance, relating to control of juvenile delinquency, and youth offenses, and for salaries and expenses in connection therewith, $8,200,000.

On page 13, after line 15, to insert:

Executive Office of the President

Executive Mansion and Grounds

For an additional amount for "Executive Mansion and Grounds", $165,000.

On page 13, after line 19, to insert:

National Aeronautics and Space Council

Salaries and Expenses

For an additional amount for "Salaries and expenses", including not to exceed $25,000 for travel expenses, $225,000: *Provided,* That hereafter employees of the Council may be appointed and compensated under section 201(f) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2471(f)), without regard to the civil service laws and the Classification Act of 1949, as amended, but, except as otherwise provided in said section 201(f), no compensation shall be fixed at an annual rate in excess of the maximum rate now or hereafter prescribed by law for positions in grade 18 of the General Schedule.

On page 14, after line 9, to insert:

Council of Economic Advisers

Salaries and Expenses

For an additional amount for "Salaries and expenses", $170,000, including an additional amount of not to exceed $155,000 for salaries.

On page 14, after line 14, to insert:

Funds appropriated to the President

Disaster Relief

For an additional amount for "Disaster relief", $15,000,000, to remain available until expended: *Provided,* That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

On page 15, line 5, after the word "amended", to strike out "$150,000,000" and insert "$225,000,000"; in line 8, after the word "years", to strike out "1962 and 1963" and insert "1962, 1963, and 1964"; in line 10, after the word "years", to strike out "1962 and 1963" and insert "1962, 1963, and 1964"; at the beginning of line 13, to strike out "1962 and 1963" and insert "1962, 1963, and 1964", and in the same line, after the amendment just above stated, to strike out the colon and "*Provided,* That this paragraph shall become effective only upon the enactment into law of H.R. 8102, Eighty-seventh Congress with provision therein of authorization for appropriations in lieu of contract authorization in advance of appropriations."

At the top of page 16, to insert:

Federal Home Loan Bank Board

Limitation on Administrative and Nonadministrative Expenses, Federal Home Loan Bank Board

In addition to amounts otherwise available for administrative expenses of the Federal Home Loan Bank Board for the current fiscal year, not to exceed $140,000 shall be available for such expenses.

On page 16, after line 7, to insert:

Limitation on Administrative Expenses, Federal Savings and Loan Insurance Corporation

In addition to amounts otherwise available for administrative expenses of the Federal Savings and Loan Insurance Corporation for the current fiscal year, not to exceed $75,000 shall be available for such expenses.

On page 17, line 4, to strike out "$140,000" and insert "$160,000".

On page 18, after line 9, to insert:

Additional Court Facilities

For expenses, not otherwise provided for, necessary to provide, directly or indirectly, additional space, facilities and courtrooms for the judiciary, including alteration and extension of Government-owned buildings and acquisition of additions to sites of such buildings; rents; furnishings and equipment; repair and alteration of rented space; moving Government agencies in connection with the assignment and transfer of space; preliminary planning; preparation of drawings and specifications by contract or otherwise; and administrative expenses; $2,990,000, to remain available until expended.

At the top of page 19, to strike out:

Historical and Memorial Commissions

George Washington Carver Commemorative Commission

For necessary expenses of the George Washington Carver Commemorative Commission, $30,000, of which not to exceed 15 per centum shall be available for salaries and administrative expenses: *Provided,* That this paragraph shall be effective only upon the enactment into law of authorizing legislation for said Commission during the first session of the Eighty-seventh Congress.

On page 19, at the beginning of line 15, to strike out "$100,000," and insert

"$215,000", and in line 20, after the word "exceed", to strike out "$50,000" and insert "$65,000".

On page 20, line 3, to strike out "$12,000,000" and insert "$15,000,000".

On page 20, line 8, after the word "exceed", to strike out "$125,000" and insert "$200,000", and in line 9, after the word "year", to strike out "$30,000,000" and insert "$40,000,000".

On page 20, after line 10, to strike out:

Mass Transportation Loans and Grants

* * * * *

And, in lieu thereof, to insert:

Mass Transportation Demonstration Grants

For administrative expenses in connection with grants for mass transportation demonstration projects, as authorized by section 103(b) of the Housing Act of 1949, as amended (42 U.S.C. 1453; 75 Stat. 166), $60,000.

On page 20, after line 17, to strike out:

Open Space Land Grants

* * * * *

And, in lieu thereof, to insert:

Open Space Land

For administrative expenses in connection with grants to aid in the acquisition of open-space land or interests therein, and with the provision of technical assistance to State and local public bodies (including the undertaking of studies and publication of information), as authorized by title VI of the Housing Act of 1961 (75 Stat. 183), $125,000.

On page 21, after line 2, to strike out:

Low Rent Housing Demonstration Programs

* * * * *

On page 21, line 10, after the word "amended", to strike out "$300,000" and insert "$400,000", and in line 12, after the word "year", to insert a colon and the following proviso:

Provided, That in addition to the foregoing, not to exceed $125,000 shall be available for administrative expenses in connection with purchases and loans pursuant to clause (2) of section 202(a) of said title II.

On page 22, after line 11, to insert:

Low rent public housing program

Administrative Expenses

For an additional amount for "Administrative expenses", $250,000, and the amount otherwise made available for administrative expenses of the Public Housing Administration for the current fiscal year is increased by the foregoing amount.

On page 22, after line 18, to insert:

Interstate Commerce Commission

Payment of Loan Guaranties

For payments required to be made as a consequence of loan guaranties made by the Interstate Commerce Commission under section 503 of the Interstate Commerce Act, as amended (49 U.S.C. 1233), $14,700,000.

On page 23, after line 6, to insert:

National Capital Transportation Agency

Salaries and Expenses

For an additional amount for "Salaries and Expenses", $85,000.

On page 23, after line 10, to insert:

Land Acquisition and Construction

For necessary expenses for the National Capital Transportation Agency for acquisition of land, or interests therein, and for incidental construction, for transit facilities, as authorized by law $2,550,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2397, Eighty-seventh Congress, or similar legislation, authorizing said agency to carry out part 1 of its transit development program.

On page 24, at the beginning of line 12, to strike out "$375,000" and insert "$450,000".

On page 24, at the beginning of line 16, to strike out "$3,000,000" and insert "$3,830,000".

On page 24, at the beginning of line 20, to strike out "$350,000" and insert "$377,000".

On page 25, line 1, after the word "limitations", to strike out "$130,000,000" and insert "$160,000,000".

On page 25, after line 15, to insert:

Bureau of Indian Affairs

Education and Welfare Services

For an additional amount for "Education and Welfare Services," $750,000.

On page 25, after line 19, to insert:

Revolving Fund for Loans

For payment to the revolving fund for loans, as authorized by section 10 of the Act of June 18, 1934, as amended (25 U.S.C. 470), $4,000,000.

On page 26, after line 5, to insert:

Office of Saline Water

Salaries and Expenses

For an additional amount for "Salaries and Expenses", $4,175,000, to remain available until expended, including an additional amount of $175,000 for administration and coordination.

On page 26, after line 12, to insert:

Management and Protection

For an additional amount for "Management and Protection", $25,000.

On page 26, line 19, after the word "property", to strike out "$2,000,000" and insert "$4,115,000".

At the top of page 27, to insert:

Trust Territory of the Pacific Islands

For an additional amount for "Trust Territory of the Pacific Islands", $200,000.

On page 27, after line 3, to insert:

Geological Survey

Surveys, Investigations, and Research

For an additional amount for "Surveys, Investigations, and Research", $100,000.

On page 27, at the beginning of line 11, to strike out "$200,000" and insert "$500,000".

On page 28, line 9, after the figures "$14,000,000", to strike out the comma and "of which $10,000,000 shall be available for occupational training and retraining payments to individuals authorized by section 17 of such Act."

On page 28, at the beginning of line 16, to strike out "$1,950,000" and insert "$2,768,112".

On page 28, after line 16, to insert:

Arms Control and Disarmament Activities

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, as authorized by law, $1,000,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2180 or H.R. 9118, Eighty-seventh Congress, or similar legislation.

On page 29, after line 4, to insert:

United States Citizens Commission on NATO

Not to exceed $122,000 of the amount appropriated under this head in the Second Supplemental Appropriation Act, 1961, shall remain available until June 30, 1962.

On page 29, at the beginning of line 16, to strike out "$3,300,000" and insert "$3,625,000", and in line 19, after the word "of", to strike out "$20,000" and insert "$22,500".

At the top of page 30, to insert:

Preservation of ancient Nubian monuments

(Special Foreign Currency Program)

For purchase of Egyptian pounds which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, $4,000,000 to remain available until expended.

On page 30, after line 15, to insert:

Intergovernmental Committee for European Migration

For contributions authorized by section 405(a) of the Mutual Security Act of 1954, as amended, $7,000,000: *Provided*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere.

On page 31, at the beginning of line 5, to strike out "$600,000" and insert "$750,000".

On page 32, after line 7, to insert:

"SENATE".

On page 32, after line 8, to insert:

SALARIES, OFFICERS AND EMPLOYEES

Administrative and clerical assistance to Senators

For an additional amount for "Administrative and Clerical Assistance to Senators", $532,125: *Provided*, That the basic clerk hire allowance of each Senator is hereby increased by $3,000.

On page 32, after line 14, to insert:

Contingent Expenses of the Senate

Furniture

For an additional amount, fiscal year 1961, for "Furniture", $16,650.

On page 32, after line 18, to insert:

Miscellaneous Items

For an additional amount, fiscal year 1961, for "Miscellaneous Items", $263,000.

On page 32, after line 21, to insert:

Senate Restaurants

For an additional amount for "Senate Restaurants", $25,000: *Provided*, That the unobligated balances remaining in the appropriations for Senate Restaurants, fiscal years 1960 and 1961, are hereby made available for payment to the Architect of the Capitol for deposit in the special deposit account created by Public Law 87-82, approved July 6, 1961.

On page 33, after line 5, to insert:

For payment to Mollie M. Brooks, widow of Overton Brooks, late a Representative from the State of Louisiana, $22,500.

On page 33, after line 14, to strike out:

PENALTY MAIL COSTS

Funds available for expenses as authorized and necessary under section 2 of Public Law

266, Eighty-third Congress, shall be available for expenses, as now authorized by law, of delivery to postal patrons of mail matter under congressional frank.

On page 34, line 6, after the word "in", to insert "Senate Document Numbered 56 and", and in line 7, after the word "Congress", to strike out "$36,540,637" and insert "$37,850,905."

FARES FOR TRANSPORTATION OF SCHOOLCHILDREN IN THE DISTRICT OF COLUMBIA—MOTION FOR RECONSIDERATION

Mr. MORSE. Mr. President, will the Senator from Montana yield briefly to me?

Mr. MANSFIELD. I yield.

Mr. MORSE. I do not see the Senator from Delaware [Mr. WILLIAMS] on the floor. I should like to call the attention of the majority leader to Senate bill 1745, to amend the act of August 9, 1955, relating to the fares for the transportation of schoolchildren in the District of Columbia. The bill was passed by the Senate; and then the Senator from Delaware moved that the vote by which the bill was passed be reconsidered. The motion for reconsideration is pending. The bill has the support of the District of Columbia Committee.

I hope we can work out an arrangement to get the motion of the Senator from Delaware before the Senate at an early hour today, so we can get the bill to the House of Representatives, because in the House there are leaders who have urged me to get the bill to the House quickly, so that action can be taken on it there.

This is a matter that is only fair to the transit company; and I should like to know the pleasure of the majority leader in this connection. If we can get the Senator from Delaware to the floor, would the majority leader have any serious objection to taking up at an early hour the motion to reconsider this District of Columbia bill?

Mr. MANSFIELD. None whatsoever.

Mr. DIRKSEN. Mr. President, I believe the distinguished Senator from Idaho has a particular interest in this matter.

Mr. MORSE. Yes; and he is to be notified, too.

Mr. DIRKSEN. He has asked that the matter be deferred until he is on the floor.

Mr. MORSE. Yes; and he will be notified. But I hope the minority leader will suggest to the Senator from Delaware and to the Senator from Idaho that I shall urge that the motion to reconsider be taken up some time between now and 1 p.m.

PUBLIC WORKS APPROPRIATION BILL—CONFERENCE REPORT

Mr. ROBERTSON. Mr. President, in view of the fact that I have an important engagement of long standing which will prevent me from being here when the conference report on the public works appropriation bill is presented and considered, I wish to state that in signing the report yesterday, I did not endorse the language forced upon us by the House conferees, which struck out the language the Senate had inserted in its version of the bill—language which stated that we would not engage in duplicating transmission lines for the upper Colorado power development prior to next February, with the hope that within that time wheeling contracts could be negotiated with private power interests.

One of the conferees on the House side stated to us yesterday that if we accepted what he understood to be an offer of private utilities to wheel the power, the taxpayers of this Nation, in a 50-year period, would be saved $300 million.

The immediate expense of duplicating these transmission lines will be possibly $170 million or $176 million—there was some dispute as to what the actual figures were—but in order to get the bill before the Senate, I agreed to sign the conference report.

I want to make it clear it was with great reluctance that I signed a conference report which included a provision which, in effect, authorizes the immediate expenditure of funds we provided, but which we intended not be actually spent until a serious effort had been made to get a fair wheeling contract with private utilities.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON RENOVATION OF MICHOUD ORDNANCE PLANT, NEW ORLEANS, LA.

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on the renovation of the Michoud ordnance plant, New Orleans, La.; to the Committee on Aeronautical and Space Sciences.

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office, of the President, reporting, pursuant to law, that the appropriation to the Treasury Department for "Salaries and expenses, Division of Disbursement," for the fiscal year 1962, had been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

DRAFTS OF PROPOSED LEGISLATION

A letter from the Director, U.S. Information Agency, Washington, D.C., transmitting two drafts of proposed legislation, for the relief of James N. Tull, and for the relief of Daniel E. Moore (with accompanying papers); to the Committee on the Judiciary.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. BYRD of Virginia, from the Committee on Finance:

Marjorie Maki, of Minnesota, to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JAVITS:

S. 2637. A bill to render Cuban refugees eligible for adjustment of status under section 245 of the Immigration and Nationality Act of 1952, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE (for himself, Mr. LONG of Missouri, Mr. CASE of South Dakota, Mr. BURDICK, Mr. JOHNSTON, Mr. WILLIAMS of New Jersey, Mr. EASTLAND, Mr. WILEY, Mr. DOUGLAS, Mr. SMITH of Massachusetts, Mr. STENNIS, Mr. MUNDT, Mr. TALMADGE, Mr. HART, Mr. MCCARTHY, Mr. SYMINGTON, Mr. FULBRIGHT, Mr. YARBOROUGH, and Mr. BIBLE):

S. 2638. A bill to authorize the Secretary of Agriculture to permit certain property to be used for State forestry work, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. MCCLELLAN (by request):

S. 2639. A bill to amend the provisions of title 35 of the United States Code relating to the oath of applicant for patent, and the provisions of the Trademark Act of July 5, 1946, relating to certification by the applicant of application for trademark registration, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. MCCLELLAN when he introduced the above bill, which appear under a separate heading.)

RESOLUTIONS

PRINTING AS A SENATE DOCUMENT PRESIDENT KENNEDY'S ADDRESS TO THE UNITED NATIONS GENERAL ASSEMBLY

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 221) authorizing the printing as a Senate document of President Kennedy's address to the United Nations General Assembly, which was considered and agreed to.

(See the above resolution printed in full when reported by Mr. MANSFIELD, which appears under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF PART I OF HEARINGS ON WORK STOPPAGE AT MISSILE BASES

Mr. MCCLELLAN submitted an original resolution (S. Res. 222) authorizing the printing of additional copies of part

I of the hearings on work stoppage at missile bases, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. McCLELLAN, which appears under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF PART II OF HEARINGS ON WORK STOPPAGE AT MISSILE BASES

Mr. McCLELLAN submitted an original resolution (S. Res. 223) authorizing the printing of additional copies of part II of the hearings on work stoppage at missile bases, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. McCLELLAN, which appears under a separate heading.)

ADJUSTMENT OF STATUS OF CERTAIN CUBAN REFUGEES

Mr. JAVITS. Mr. President, I introduce for appropriate reference, a bill to render Cuban refugees eligible for adjustment of their immigration status to that of persons admitted for permanent residence. The effect of this measure is to avoid a technical requirement in the Immigration and Nationality Act of 1952 that natives of countries contiguous to the United States or of adjacent islands, including Cuba, who enter this country on a nonpermanent basis, must leave the United States and reenter in order to be eligible for permanent residence status. While this requirement may have some justification in the case of natives of such countries and islands who first enter the United States on a normal, casual basis and then elect to apply for permanent residence, it obviously has no justification in the case of the refugees from the Communist-dominated government of Fidel Castro. Their entry into the United States was flight to a sanctuary and anything but casual. To require those of the refugees who elect to apply for permanent residence to leave the country in order to reenter as permanent residents is a meaningless requirement, particularly in view of the fact that at the same time we have recognized their grave financial plight and are attempting to alleviate it with economic and other aid. We recently reaffirmed our belief in the aid program by the unanimous passage of H.R. 8291, which is now in conference.

The bill I am now introducing defines "Cuban refugees" by reference to this already activated program under the Mutual Security Act of 1954, under which the Department of Health, Education, and Welfare has registered as refugees approximately 50,000 of the 136,000 nonnaturalized Cubans in the United States.

This is not the first time that Congress will have recognized and alleviated the special immigration problems created by the imperative need for the United States to remain a sanctuary for those who flee from Communist tyranny. Public Law 85-559, enacted in 1958 to overcome a different technical difficulty posed by refugees from the Hungarian revolution, is a precedent. The problem in the present case is created by the fact that the Communist world has spread its influence almost to our border. I hope that this measure can be adopted speedily, not only as a humane adjustment for the refugees themselves, but also as an example to the world of the ability of free institutions to react promptly and effectively to real need.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2637) to render Cuban refugees eligible for adjustment of status under section 245 of the Immigration and Nationality Act of 1952, as amended, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF TITLE 35, UNITED STATES CODE, RELATING TO OATH OF APPLICANT FOR A PATENT

Mr. McCLELLAN. Mr. President, I introduce for appropriate reference, a bill to amend title 35 of the United States Code relating to the oath of applicant for a patent, and for other purposes.

I introduce this legislation by request and reserve the right to further study it and determine at a later date whether I shall support it.

I ask unanimous consent to have printed in the RECORD a letter from the Under Secretary of Commerce requesting the proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2639) to amend the provisions of title 35 of the United States Code relating to the oath of applicant for patent, and the provisions of the Trademark Act of July 5, 1946, relating to certification by the applicant of application for trademark registration, and for other purposes, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter presented by Mr. McCLELLAN is as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., September 12, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There are attached four copies of a proposed bill "to amend the provisions of title 35 of the United States Code relating to the oath of applicant for patent, and the provisions of the Trademark Act of July 5, 1946, relating to verification by the applicant of application for trademark registration, and for other purposes," and four copies of a statement of purpose and need in support thereof.

The proposed legislation primarily would provide for the acceptance of a mere written declaration as an alternative to the oath (verification) in the filing of applications for patent and applications for trademark registration by amendments to section 115 of title 35 of the United States Code and subsection (a) of section 1 of the Trademark Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1051). Other amendments proposed are for the purpose of bringing about changes to correspond in the same section and other sections of title 35.

The Department urges early congressional action in order that the simplified procedure authorized by the proposed draft bill may be instituted.

We have been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

STATEMENT OF NEED FOR AND PURPOSE OF PROPOSED LEGISLATION

To obtain U.S. Letters Patent, application must be made by the inventor (35 U.S.C. 111 and 152), except as otherwise provided in the patent statute (see 35 U.S.C. 116, 117, 118, 121, and 251). An applicant is not entitled to a patent, if "he did not himself invent the subject matter sought to be patented" (35 U.S.C. 102(f)).

To fulfill, prima facie, the quoted statutory provision, the applicant has, pursuant to the requirement of 35 U.S.C. 115, made oath that "he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which he solicits a patent." Making oath has, at times, been burdensome on the applicant, as where a notary public, or other person authorized to administer oaths, is at a distance. Also, many oaths have been subject to objection by the Patent Office, particularly in respect to the jurisdiction, territorial and otherwise, of the notaries public, and much labor has had to be expended in their criticism and, where possible, their replacement by new oaths.

Under section 1 of the Trademark Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1051), applications for trademark registration have had to be verified, and like problems albeit lesser in scope and degree, have arisen with respect to the oaths made.

The attached proposed bill would make available a "mere written declaration" to applicants for patent (sec. 1) and to applicants for trademark registration (sec. 6). Such a declaration is offered not in lieu of, but as an alternative to an oath. It may be anticipated that use of such a declaration will bring its own problems, but because the declaration is a simpler instrument than an oath, those problems should not be so troublesome and could, in time, dissipate. By reason of the provisions of 18 U.S.C. 1001, any false statement in such a declaration would subject the declarant to criminal prosecution. See *Mas* v. *United States* (80 U.S. App. D.C. 223, 151 F. 2d 32; cert. den. 326 U.S. 776).

The prime amendments to be made by the proposed bill (secs. 1(a) and 6) are to the first sentence of section 115 of title 35 of the United States Code and to subsection (a) of section 1 of the Trademark Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1051). The proposed amendments to the final sentence of section 115 of title 35 (sec. 1(b) of

the bill), section 111 of title 35 involving inserting after the word "oath" the words "or declaration" (sec. 2 of the bill), section 116 of title 35 (sec. 3 of the bill), section 152 of title 35 (sec. 4 of the bill), and section 251 of title 35 (sec. 5 of the bill), reflect merely the prime change in section 115 of title 35 (sec. 1(a) of the bill), and are for the purpose of having all these sections correspond.

Section 2 of the proposed bill further would add a sentence to section 111 of title 35. The provisions of this sentence would afford an escape to any applicant for patent who might, by mischance, fail strictly to comply with the provisions of amended section 115 of title 35 and submit a defective oath or declaration. A satisfactory oath or declaration would, of course, have to be submitted prior to issuance of any patent.

SEGREGATION IN HOSPITALS—ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Pennsylvania [Mr. CLARK] may be added as a cosponsor of a bill which I introduced, S. 2625, dealing with segregation in hospitals.

The ACTING PRESIDENT pro tempore. Without objection, the name of the Senator from Pennsylvania will be added.

CREATION OF NEGRO EMANCIPATION CENTENNIAL COMMISSION—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the name of the senior Senator from Connecticut [Mr. BUSH] be listed as an additional cosponsor of Senate Joint Resolution 138 to create the Negro Emancipation Centennial Commission, and that his name be added at the next printing of the joint resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANTITRUST LAWS AMENDMENTS OF 1961—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of September 19, 1961, the names of Senators THURMOND, CURTIS, and CASE of South Dakota were added as additional cosponsors of the bill (S. 2573) to amend the antitrust laws to prohibit certain activities of labor organizations in restraint of trade, and for other purposes, introduced by Mr. MCCLELLAN (for himself and other Senators) on September 19, 1961.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 26, 1961, he presented to the President of the United States the following enrolled bills:

S. 739. An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such act, and for other purposes;

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes;

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel;

S. 1942. An act for the relief of the State of New Hampshire; and

S. 2396. An act for the relief of the State of Louisiana.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 3572) to place in trust certain lands on the Crow Creek Indian Reservation in South Dakota, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 3, 4, 13, 14, and 19 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 12, 20, and 22 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

GRANTING OF ASYLUM TO REFUGEES FROM POLAND AND YUGOSLAVIA

Mr. LAUSCHE. Mr. President, for a number of years I have listened to discussions and have read letters about the conduct of the Immigration and Naturalization Service in refusing to grant asylum to refugees from Communist Poland and Communist Yugoslavia.

In the Detroit Free Press of a few days ago there was published an article written by Mr. Robert S. Boyd, which begins with this statement:

Leading Polish-Americans are complaining bitterly about a U.S. policy which they say is driving anti-Communist Polish refugees back to communism.

They say the Immigration and Naturalization Service is refusing to grant asylum to recent refugees in order not to offend the Communist government of Poland.

I know that a study was made by an American, now deceased, sent to Austria by the Judiciary Committee of the Senate to ascertain conditions with respect to Yugoslav refugees. There has been adopted a sort of inflexible judgment that refugees from Poland and Yugoslavia are fugitives from economic distress. There has been an unwillingness to accept the true fact that there are Poles and Yugoslavs who cannot endure the oppression of a Communist government. Those Yugoslavs and Poles are fleeing; and our Government, in order not to offend the Gomulka and Tito governments, declares that these people are fugitives from economic instability, rather than political oppression.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from New York.

Mr. KEATING. I am very glad the Senator from Ohio has brought up this matter. A number of instances have come to my attention of Poles who are here on a temporary visit. In one particular case we passed a bill here in the Senate to grant permanent residence to a young man, about 20 years of age, who had been in jail in Poland for distributing anti-Communist literature. He is a devout member of his church. He is a fine young man and highly recommended. He fears for his life and for his family if he should be forced to return to Poland. The other body has declined to pass the bill, because of an adverse report from the Department of State, in line with the policy to which the Senator has referred. This seems to be an unwise policy that is forced on our Government by those in the State Department who feel that, at any cost, we must not do anything to offend the Government of Poland or of Yugoslavia. I think it is high time we looked into this situation very thoroughly. I am glad the Senator from Ohio has brought this matter to the attention of the Senate.

Mr. LAUSCHE. I think the Senator from New York will be interested to hear the following statement from the article to which I referred. The case of Jozef Budny is cited.

Jozef Budny, reportedly an officer in the anti-Communist section of the Polish underground army in World War II, hid his identity for 15 years and escaped to the United States last fall.

The INS ordered him deported July 12 on the Polish ship *Batory*. They stated he'd overstayed his visa.

The deportation was halted only when Senator KEATING intervened in his behalf.

Mr. President, I wish we would become realistic about these matters. The attitude of Tito was clearly revealed at the Belgrade Conference. When Khrushchev resumed atomic tests and the delegates to that conference learned about it, morality demanded that they speak up and condemn Khrushchev. Instead, they remained silent, giving tacit approval.

I have asked the question, and I want to ask it again, What would they have done if our country had resumed atomic tests? There is no excuse Tito can offer for his indefensible conduct in failing to speak up when he proclaimed to the world that those nations were gathered for the promotion of peace and the maintenance of neutrality. Neutrality does not presuppose tacit approval of immoral conduct.

I think our Office of Immigration and Naturalization should recognize that there is political oppression in Yugoslavia and Poland and, instead of brutally sending these refugees back, there ought to be some recognition given to them, because they are friends of our cause.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Connecticut.

Mr. BUSH. I join the Senator from New York in expressing my sympathy for what the Senator from Ohio has said on the subject. In my State there are a great many people whose folks originally came from Poland. They have become distressed lately by developments such as those mentioned by the Senator from Ohio this morning. I join with him in calling upon our immigration authorities to take a more realistic and sympathetic view of situations involving escapees from communism, just as we did when Hungarians were shot down by the thousands by the Russians. We opened our gates and took thousands of them into this country in order to protect them against that kind of abuse and brutality.

I am glad the Senator from Ohio has given me a chance to fully endorse his position on this issue this morning.

I may say, in addition, that while I was in Vienna I read in the press there about the amendment of the Senator from New York [Mr. KEATING] to the foreign-aid bill in which he called upon the administration to take a close look before we allotted our aid to those countries, and ascertain whether they were sympathetic toward our point of view in the world today about the maintenance of peace and freedom.

I was very glad to see that provision go into the bill. May I ask the Senator, while he is in the Chamber, whether it remains in the bill as of today?

Mr. KEATING. If the Senator from Ohio will yield further, it was approved as an amendment to the appropriation bill and my understanding is that the conferees have looked favorably upon it. However, the bill is still in conference and it cannot be stated with certainty that the language will remain in the bill.

The amendment was adopted unanimously by the Senate. It is certainly my hope it will remain in the bill, because it only gives voice to what President Kennedy said when he signed the foreign aid authorization bill. The words of the amendment are the same as his words on that occasion. I thought the President's comment was very sound. Therefore I offered his language as an amendment to the bill itself. I hope the language will remain in the bill and I believe it will.

Mr. BUSH. I thank the Senator. I congratulate the Senator upon reminding the Congress that this was the point of view of President Kennedy, because it is certainly one which I think in our national interest should be taken into account in the disbursement of foreign aid funds.

I thank the Senator from Ohio.

Mr. LAUSCHE. I think we ought to recognize the time is at hand when we ought not be silent when we observe brutalities committed, as to which we were induced to be silent because of a desire not to offend governments which are hostile to us. I cannot reconcile that conduct with any concept of decency. Silence in the face of wrong is tantamount to the commission of a wrong.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES ACCUSED OF DRIVING ESCAPEES BACK TO REDS

(By Robert S. Boyd)

WASHINGTON.—Leading Polish-Americans are complaining bitterly about a U.S. policy which they say is driving anti-Communist Polish refugees back to communism.

They say the Immigration and Naturalization Service is refusing to grant asylum to recent refugees in order not to offend the Communist government of Poland.

They cite some heartbreaking cases:

Jozef Budny, reportedly an officer in the anti-Communist section of the Polish underground army in World War II, hid his identity for 15 years and escaped to this country last fall.

The INS ordered him deported July 12 on the Polish ship *Batory*. They said he'd overstayed his visa.

The deportation was halted only when Senator KENNETH KEATING, Republican, of New York, introduced a special bill in Congress granting Bodny asylum.

Aniela Wojtowicz, cook for the Polish Ambassador to the United Nations, quit her job May 28, went to a Catholic Church, in New York and asked for asylum.

Stefant Ufnal, a young Polish sailor, escaped when his fishing boat was forced into Boston by engine trouble last May.

Immigration authorities held Ufnal in jail for 2 months.

Ufnal has also been ordered deported, but the director of the Pennsylvania State Labor Relations Board Lucian Pazulski says he will ask the U.S. district court in Philadelphia to stop it.

These and other similar cases, said Supreme Court Justice Henry M. Zaleski, "will result in making such persistent anti-Communist fighters compulsory defectors to the Communist cause.

"They would serve for the rest of their lives—as examples of the lack of practical implementation of the ideals of freedom and liberty of the U.S. Immigration and Naturalization Service," the justice told a recent Senate hearing on refugee policy.

The INS Friday ordered a special review of three of these cases as a result of Knight newspapers' inquiries.

The heart of the problem is this:

Refugees, like any other person who enter this country illegally or overstays his visa, are subject to automatic arrest and deportation.

A special section of the Immigration Act, however, permits refugees to appeal for a delay in deportation if they are in danger of physical persecution in their homeland.

The INS periodically asks the State Department for advice on which countries are likely to persecute a refugee who is sent back.

Under this policy, genuine refugees from most Iron Curtain countries—Cuba, too—usually are granted asylum here.

In recent years, however, the United States has been trying to be extra nice to two Communist countries, Poland and Yugoslavia, to coax them away from the Soviet Empire.

As part of being nice, the State Department doesn't want to, in effect, make a declaration that Poland and Yugoslavia are being beastly to refugees.

Hence, the State Department has told INS that there is no likelihood that refugees from Poland would be persecuted.

As a result, INS has refused to stay the deportation of most Poles who fled since October 1956, when the slightly more liberal regime of Wladyslaw Gomulka came to power.

Miss Joan Rodenbaugh, information officer for INS, said the agency doesn't automatically refuse asylum to Poles who have fled since 1956.

"We consider each case on its merits," she said.

The practical result has been the same, however, charge the Polish-Americans. Only one in the last 30 refugees has been granted a delay of deportation according to the Polish-American Immigration and Relief Committee, a private organization in New York.

Justice Zaleski said it is "naive and unrealistic" for the Government to assume there is no persecution under the Gomulka regime.

The Right Reverend Monsignor Felix F. Burant, president of the PAIRC, said the political situation in Poland has made a dramatic swing back to the old days. "Nearly all of the gains of the people in 1956 are now lost," he said.

THE PRESIDENT'S ADDRESS TO THE UNITED NATIONS

Mr. BUSH. Mr. President, the President made the best speech of his career before the United Nations. He clearly and unequivocally stated an American position we can all support. He left no doubt that the survival of this world as we know it depends upon Mr. Khrushchev's willingness to cooperate in establishing a just and lasting peace.

FINANCIAL MORALITY

Mr. BUSH. Mr. President, I noted in the morning issue of the Washington Post and Times Herald a very excellent editorial entitled "Credit With Strings." It relates to the Vienna meetings of the International Monetary Fund and World Bank which I attended last week. It is so much in support of the point of view I brought home, which I discussed on the Senate floor yesterday, that I ask unanimous consent to have the editorial printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Is there objection to the request

of the Senator from Connecticut? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. BUSH. Mr. President, I invite particular attention to this comment in the editorial:

The lesson for the United States is simple. The hope that somehow we could solve our balance-of-payments trouble by obtaining more generous credit facilities has proved illusory. That in the long run the United States would have to solve its problem by balancing its international account, and not by relying on more credit, should always have been obvious. What the creditor countries now have in effect told the United States at Vienna is that this long run has become quite short. The creditor countries, especially France and Holland, today look upon the United States much as in years gone by others have looked upon France. They will not give us credit without strength.

Though it is galling to be lectured on financial morality by the French, the lesson has its uses. We cannot afford further large and protracted balance-of-payments deficits, and hence cannot tolerate further inflation. But there is the danger that our creditors may be taking too simple a view of the kind of discipline that is required. In their own experience, financial discipline means largely high interest rates and a balanced budget. This view does not meet the complexities of the American situation. Here the balance of payments is only a minor appendage of a very large economy. The simple action of tightening our finance does not necessarily bring the same degree of improvement as it does in smaller economies where the balance of payments plays a bigger role. The United States cannot disregard financial disciplines, but to control inflation, a restraint of cost-push forces is also needed. And control of inflation may not be sufficient to cure the balance of payments without a more determined export drive than has been undertaken so far.

Mr. President, strangely enough, in the issue of the Wall Street Journal yesterday there was published an editorial which very much backs up the editorial from which I have quoted, published in the Washington Post and Times Herald today. It speaks of the Conference in Vienna. I shall quote only a couple of paragraphs. The editorial says:

We hope the administration—

The U.S. administration—

is getting the message from Vienna. For whatever the wisdom of the International Monetary Fund changes, the European financial authorities' word for the United States is loud and clear.

What they have been telling Treasury Secretary Dillon and his associates all week is in effect this: You had better get your financial house in order or the dollar will be in still worse trouble.

I ask unanimous consent that this editorial be printed in the RECORD following the editorial from the Washington Post and Times Herald.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

(See exhibit 2.)

EXHIBIT 1

CREDIT WITH STRINGS

No surprises have emerged from the Vienna meeting of the International Monetary Fund, but for the United States the outcome is nevertheless a disappointment. The United States and Great Britain failed to persuade the continental creditor countries to make more credit available unconditionally. If the dollar or the pound should again come under pressure, France, Holland, and the other financially strong countries will probably give assistance through the IMF, but only on certain conditions.

The lesson for the United States is simple. The hope that somehow we could solve our balance-of-payments trouble by obtaining more generous credit facilities has proved illusory. That in the long run the United States would have to solve its problem by balancing its international account, and not by relying on more credit, should always have been obvious. What the creditor countries now have in effect told the United States at Vienna is that this long run has become quite short. The creditor countries, especially France and Holland, today look upon the United States much as in years gone by others have looked upon France. They will not give us credit without strength.

Though it is galling to be lectured on financial morality by the French, the lesson has its uses. We cannot afford further large and protracted balance-of-payments deficits, and hence cannot tolerate further inflation. But there is the danger that our creditors may be taking too simple a view of the kind of discipline that is required. In their own experience, financial discipline means largely high interest rates and a balanced budget. This view does not meet the complexities of the American situation. Here the balance of payments is only a minor appendage of a very large economy. The simple action of tightening our finance does not necessarily bring the same degree of improvement as it does in smaller economies where the balance of payments plays a bigger role. The United States cannot disregard financial disciplines, but to control inflation, a restraint of cost-push forces is also needed. And control of inflation may not be sufficient to cure the balance of payments without a more determined export drive than has been undertaken so far.

To counteract cyclical fluctuations, and to speed up economic growth, some flexibility in our budgetary and credit policies is needed. Unless we control the cost-push factors in the economy and act energetically to boose exports, we may be forced into excessive reliance upon orthodox fiscal and monetary restraints. That is the lesson American policymakers should bring home from the Vienna meeting.

EXHIBIT 2

MESSAGE FROM VIENNA

We hope the administration is getting the message from Vienna. For whatever the wisdom of the International Monetary Fund changes, the European financial authorities' word for the United States is loud and clear.

What they have been telling Treasury Secretary Dillon and his associates all week is in effect this: You had better get your financial house in order or the dollar will be in still worse trouble.

The West European nations, to be sure, are not wholly altruistic in giving this advice. Most of them hold large amounts of dollars as part of their own reserves, and thus have a direct stake in seeing the dollar protected for the sake of their own moneys and international currency stability.

And, as a German banker put it, one of the basic conditions of any workable international monetary order is "monetary discipline at home." Like other Europeans, he recognizes that this emphasis on discipline "is not music in the ears of those who believe that easy money and creeping inflation are basic conditions of high rates of growth." Or, to paraphrase his remark in less diplomatic language, is the present American Government capable of understanding fundamental financial principles?

We wonder, too. Our Treasury Secretary and our Budget Director blithely tell the Nation that their huge deficits are nothing to worry about. They profess great difficulty in isolating the cause of inflation, but they assure us that of course it couldn't have anything to do with loose fiscal and monetary policies in Washington.

If administration officials remain oblivious of the facts, at least they can't argue that no experts ever tried to enlighten them.

THE PRESIDENT'S ADDRESS TO THE UNITED NATIONS

Mr. McGEE. Mr. President, in view of the many laudatory comments both in this body and elsewhere around the country concerning the address President Kennedy delivered to the United Nations yesterday, I think it would help to round out the record of that remarkable address to have printed a column from this morning's Washington Post and Times Herald written by Chalmers M. Roberts and entitled "Kennedy, With Noble Thoughts, Conciliatory Mood, Meets Big Test." With it should be included an editorial from the same newspaper this morning, which assesses the burden of the President's special appeal. I ask unanimous consent that both be printed in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

KENNEDY, WITH NOBLE THOUGHTS, CONCILIATORY MOOD, MEETS BIG TEST

(By Chalmers M. Roberts)

UNITED NATIONS, N.Y., September 25.—An American President speaking to the United Nations General Assembly is expected to be noble in thought, practical in ideas, imaginative in scope and conciliatory in mood.

President Kennedy was all those things here today. His speech was beautifully written, one of his best. It was well delivered. And it had meaning. Even Soviet Foreign Minister Andrei Gromyko was moved to tell him, "You were in very good form today."

The effect of such a speech, however, depends on how well and how hard his Secretary of State, his Ambassador to the U.N., and all the others push to accomplish the aims he set forth. For diplomacy is a never-ending game; there is no perfect solution, as the President noted today, to such problems as that of Berlin.

The decibles on the applause meter here count for little, for the U.N. is not a body of sovereign individuals like the U.S. Senate. It is a collection of diplomats, all of them tied by telephone and cable to governments thousands of miles away. It was, after all, to those governments and to their publics that Mr. Kennedy was chiefly speaking.

He looked surprisingly youthful as he spoke, telling the world what he thinks must be done to avoid "that dark and final abyss." Yet as one of the keepers of the keys, or rather pushbuttons, he made Armageddon sound as though it really could happen. For those who have been saying lately that he lacked the will to use nuclear weapons, he declared his Government has "both the will and the weapons."

It was not exactly a message of hope and cheer though there were visions of the world

without nuclear weapons and of a world made richer by his proposed "United Nations decade of development." Yet this was not an angry or tough speech, either. His disillusionment with a lot of the so-called neutrals did not show through too sharply. Indeed, he even plucked a line from the Belgrade Conference communique to back his own disarmament scheme.

Mr. Kennedy sought to make a lot of governments face the facts: The fact of the destructiveness of the Soviet scheme, and of the Soviet-leaning schemes, for replacing Dag Hammarskjold; the fact of the "nuclear sword of Damocles, hanging by the slenderest of threads"; the fact that self-determination should apply on both sides of the Iron Curtain; the fact of men "knifed in their homes" in faraway Laos as well as the noisy Soviet-created threat to the world's peace over Berlin.

He said nothing really new about Berlin. He repeated a willingness to find an honest bargain, a pledge never to "fear to negotiate" yet not to "negotiate out of fear."

But he set the backdrop in somber words, indeed. The next 10 months, he said, may well decide the fate of man for the next 10,000 years. "And we in this hall shall be remembered either as the generation that turned the planet into a flaming pyre or the generation that met its vow 'to save succeeding generations from the scourge of war'."

It is evident that a critical problem for the President is to make his words credible in Moscow. Nikita Khrushchev knows all about the possibilities of that flaming pyre but he does not seem to think Mr. Kennedy will ever push the button.

A single speech will never convince Khrushchev; it may not even convince many of the assorted diplomats here. Yet a dominant impression his speech today left was the tone of hard, cold steel beneath the well chosen words. This was not a man long bemused by the happy prospect of a disarmed world. Rather it was a man facing the realities of Berlin and of Laos and of the successor problem here at the U.N.

The President is a pragmatist, not a dogmatist. He sees peace as less a military or political problem than, as he put it, "a problem of politics, and people." Today he was putting his best foot forward, especially for those here who were getting their initial firsthand impression of him, as well as for the world at large. And it was a first-rate effort.

THE PRESIDENT'S APPEAL

President Kennedy's address at the United Nations General Assembly must rank as a great state paper by reason of its happy facility of phrase, the intrinsic merit of its proposals and the solemnity of the occasion.

The President came directly and eloquently to the point on the major issues upon which he touched. He properly denounced the Soviet proposals for a "troika" Secretary General as a plan to "entrench the cold war in the headquarters of peace." His disarmament proposals put the United States at last in the right tactical and strategic posture. His discussion of the Berlin crisis exhibited firmness in principle and flexibility in method, appropriately emphasizing that "there is no need for a crisis over Berlin and if those who created this crisis desire peace, there will always be peace in Berlin." His description of the challenge of Laos and South Vietnam should make the uncommitted countries see that crisis in perspective. His plans for a "U.N. decade of development" were effectively summarized. His discussion of colonialism pointedly contrasted the freedom of all but 2 percent of hitherto dependent peoples from outside rule with the continuing subjection of the peoples living under "governments installed by foreign troops" of the Soviet Empire.

The President's manner was firm, emphatic and sincere. No one could believe it a mere oratorical flourish when he said: "We shall be remembered either as the generation that turned this planet into a flaming pyre or the generation that met its vow 'to save succeeding generations from the scourge of war.'" It was a solemn, sober and deadly earnest man who warned at the end of his address: "Together we shall save our planet, or together we shall perish in its flames."

Only time will disclose whether such words are wasted upon the Soviet Union; whether either his appeal for peace or his warning that we have the will and weapons to defend a just cause will be heard; whether the grim facts of the world crisis any longer are open to the arbitrament of reasoned words. We must now wait upon the events of the crucial 10 months of which the President spoke. We will wait in better spirit and in firmer resolve because our cause has been well stated. What words can do for our purpose, our principles and our policy they now have done.

REBROADCASTING OF PRESIDENT'S ADDRESS

Mr. McGEE. Mr. President, in connection with my reference to the President's address, I may say I have received several inquiries this morning as to the status of rebroadcasting both on TV and radio of the full text of the President's appearance at the United Nations. I heard and saw the original yesterday morning. It is obvious, of course, that at 11 o'clock, or even at the earliest rebroadcasting of 11:30 o'clock yesterday morning, a good many Americans did not have access to a set, because of their employment, and therefore may have missed the address. I am mindful, also, that a number of newscasters used small bits of the address in their broadcasts.

I raised a question in a letter this morning to Chairman Minow of the Federal Communications Commission as to what the record may show in regard to the disposition of the TV and radio networks to rebroadcast the full speech, in view of its seriousness and importance at this time, on prime time in the evening hours. A quick perusal on my part of the TV and radio schedules for last evening failed to disclose any substantial effort in that regard. I do not know all the facts, and therefore I am asking the Federal Communications Commission to make a report as to what effort, if any, was made to deliver the full address on rebroadcast facilities, both on TV and radio, on prime time, so that all citizens would have an opportunity to see and hear it.

Mr. President, I ask unanimous consent to have printed in the RECORD a very constructive column on TV programing, written by Lawrence Laurent, published in the Washington Post and Times Herald, in which Mr. Laurent pays tribute to a private American industry, Bell & Howell, for a subsidy of a program of vast public interest, even at the risk of the loss of some business in sustaining the program. I think this is a very commendatory type of operation, and the column strongly supports the operation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENLIGHTENED SPONSOR—AND STILL THEY SNARL

(By Lawrence Laurent)

One of the happier developments in recent television history has been the commercial success of the news and special events programs. This season, NBC proudly announced that all of its news and public affairs will be sponsored. CBS followed with an announcement that virtually all of its programs in this category will be sponsored.

At ABC, the most consistent backer of programs dealing with the dimension of reality has been the photographic-electronic firm of Bell & Howell. This company from the very beginning emphasized that it would have no control over the content of documentary programs: Control, quite properly, belongs to the producers of the program. In effect, Bell & Howell provided the money and the commercial announcements.

At least once, Bell & Howell must have squirmed. During one of last season's Close-Up reports on Latin America, an important scene contained a huge sign which advertised the Eastman Kodak Co., chief rival of Bell & Howell.

Last week, the same enlightened sponsorship was connected with a Close-Up called "Walk in My Shoes" (ABC, WMAL–TV). It dealt with the many points of view held by American Negroes and it won critical praise and audience acclaim.

In Louisiana, however, the reaction was different. Economic pressure was brought to bear against the sponsor. A member of the Caddo Parish (county) School Board reported that the firm's products would no longer be used in the schools. He wanted the boycott extended all over the State.

From Shreveport, La., United Press International reported that two large distributors were discontinuing the company's products as a protest against the show.

Bell & Howell, however, refused to panic. From Peter G. Peterson, president of the company, came a quiet statement that its sponsorship of public service documentary programs will continue, without exercising censorship over program production or subject treatment.

Peterson said: "The first time that anyone at Bell & Howell saw 'Walk in My Shoes' was the moment it went on the air. * * * This is as it has been on more than 25 public service shows we have sponsored on subjects including the population explosion, birth control, the Berlin situation, fundraising, Cuba, etc."

His views on the role of the sponsor are particularly worthwhile in an industry where a program with a scotch-drinking hero will never get a beer sponsor. Peterson also observed: "Bell & Howell does not have control over program treatment, nor does it wish such control. No responsible company expects to dictate what is run in the news or editorial sections of the newspapers and the magazines in which they advertise. This is as it should be."

The purpose of the threatened economic boycott, one must suppose is to prevent any other sponsor from dealing with the subject of the American Negro. In all of the complaints against "Walk in My Shoes," I have found no person who argued against the validity of the presentation or the truthfulness of the reporting.

The proper way to condemn a bad program is to expose its falseness, to cite its errors or to point out its distortions. None of these has been used against the program. The arguments, simply, are that the pro-

gram shouldn't have been telecast. In a society of reasonable men, these are rather weak complaints.

BERLIN

Mr. McGEE. Mr. President, in our continuing interest and concern amid the tensions which surround Berlin I think it would be helpful both to the Senate and to those who peruse the RECORD to have printed in the RECORD a morning column by Walter Lippmann, published in today's Washington Post and Times Herald, assessing the burden of the Berlin question, particularly in the light of some comments attributed to General Clay, along with a column written by Robert H. Estabrook, also published in the Washington Post and Times Herald, in which Mr. Estabrook attempts to assess the German emotions in the crisis, in very much the same terms. I ask unanimous consent that both columns be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 26, 1961]

WHEN GENERAL CLAY WAS OVERHEARD

(By Walter Lippmann)

What General Clay said to the newspapermen at the cocktail party in West Berlin has aroused a certain amount of perfunctory criticism in West Germany and a perfunctory denial from American official sources. As a matter of fact, what he said has not really been denied and it is significant to see that it has not seriously been opposed.

He said that the West Germans would have to face the fact that East Germany exists and that the hope of eventual reunification lies in an increasing contact and negotiation between the two German states. Although this is the simple and obvious truth, it was startling to find it in print. For this is the first time that a truly responsible and informed leader has said out loud what has long been a commonplace in private conversation.

Early in 1958, for example, I was in Bonn, as well as in Paris, London, and Berlin. Wherever I went, it was taken for granted—as being too self-evident for serious discussion—that the official promise of reunification by means of a general German election was unrealizable. The Soviets would not permit German reunification inside the Western alliance; the French and the British did not want it.

Although I had known this much, what surprised me was what I heard in Bonn from an official whom I must not identify but who was both highly responsible and thoroughly informed. He explained to me at length that the two Germanys in the past 15 years had grown so far apart that it was idle now to talk about reuniting them under a single elected government. There are by now enormous ideological, religious and political obstacles to an attempt to fuse the historically Protestant and Socialist East Germany with the conservative and Catholic West. These basic difficulties are complicated by the relative richness of West Germany and the poverty of the East. I remember well his telling me that the Bonn authorities had made a very careful study of the problems and the economic consequences of reunification, and that the study showed that if West Germany were to be taxed to finance the rise of the East German standard of life to the West German level, it would mean forcing down the West German level by about one-third over a considerable number of years.

Arguing with him, I insisted that however difficult reunification was, the danger of permanent partition was even greater. He did not deny this. But he replied that the reunion must come very slowly—probably in the course of a generation—and that it should be approached very gradually. When I asked him how it should be approached, he replied that the two German states already had practical relations, negotiated by their officials and embodied in agreements which deal with currency matters, trade, and West German civilian access to Berlin on the surface. These relations should be multiplied, he said, and their level should gradually be raised to higher official forms of recognition, so that eventually Germany would become a confederation of the two German states.

This is, of course, Mr. Khrushchev's proposal. But I heard it first from this high German official whose record of loyalty to the West is impeccable. The idea was bound to take hold because it fits so exactly the reality of the German situation. It ought to surprise nobody that General Clay talked about it and that it is now beginning to be talked about in West Germany.

We shall find, I think, that the European situation will change as the breakthrough proceeds from the official make-believe of German reunification to the practical reality of the two Germanys and their relationship. Mr. Reston reported in Monday's New York Times that there was disappointment in the White House over the lack of support in NATO for the President's Berlin policy. The Western governments, knowing that the main architects of that policy were men who wanted only to stand firm and stand pat, saw no future in what they were told was the President's policy. After August 13, when the unrealism of the policy was revealed, there has been a sufficient revival of positive thinking in Washington to open up the grim deadlock of the nuclear deaf mutes.

The Germans have a part to play in opening up the ground for a constructive European negotiation. The effort to bring it about is a very hard one. But it will succeed, and the world will yet be led away from the brink to an accommodation which it can live with decently.

GERMAN EMOTIONS AND THE CRISIS

(By Robert H. Estabrook)

LONDON.—It has been an unusually warm September in Western Europe, and on the continent people have been basking in the sun for a final holiday before the autumn rains set in. The weather is symbolic of the international political climate, which many persons have feared soon will turn very chilly indeed.

In England the dedication to the defense of West Berlin and of allied interests in Germany is real enough, particularly in official circles. But the issues nevertheless seem a bit remote, with a quality of make-believe about them.

First, there is still a deep mistrust here of Germany and things German, a hangover of two wars. Thus the commitment to Berlin is one of logic and reason rather than of passionate conviction.

Second, Britain's relatively diminished power position in world affairs makes issues that touch her directly seem proportionately larger. Membership in the Common Market, along with the rather blustery commonwealth objections to it, is an immediate concern. Berlin is farther away, and there is a tendency to assume that the problem will be settled by compromise.

In Germany itself, however, Berlin is understandably an all-encompassing worry that permeates domestic politics. If Chancellor Adenauer and his Christian Democrats ran principally against the Social Democrats in the election on September 17, they also ran against Mr. Khrushchev.

Posters still plastered on buildings around Bonn proclaim that Khrushchev wants to get Adenauer out. Others, with more relevance to the electoral issues, urge voters to return the CDU with the slogan: "Also Tomorrow, No Experiment."

This is the theme that the doughty old Chancellor, soon to be 86, has been reciting in his negotiations to remain in office after his party's loss of an absolute majority in the Bundestag. Dr. Adenauer, who is much warmer in private conversations than his austere public reputation would indicate, exudes confidence—and patience.

But he also is worried, worried about the capacity of his own people to absorb the shocks that may lie ahead for them. Adenauer has not been explicit about what those shocks may be, but by implication they may involve such things as acquiescence in the Oder-Neisse line as the eastern border of Germany and some sort of Allied acknowledgment of the Communist regime in East Germany.

That Dr. Adenauer still is apprehensive about the emotional instability of his countrymen is very evident. His great preoccupation with welding Germany indissolubly to Western Europe has this as one of its mainsprings. He views himself as the one influential leader who, with the trust of the people, can guide them across the perilous bridge he sees looming.

The point has been made that the real mandate from the voters was for a continuation of Adenauer policies but under a younger man.

But always before the wily Chancellor has outfoxed younger rivals. And the argument for his retention for a year or so until the bridge has been crossed is still compelling.

Instinctively, no doubt most West Germans know that they are going to have to readjust their thinking about reunification. If Mr. Khrushchev can be firmly persuaded that the West will fight to preserve its rights and to protect access to Berlin for the West Germans, then perhaps there can be mutual interest negotiations. In seeking a better statutory position in Berlin, the Allies will have to be prepared to recognize present realities that cannot be changed except by force. This will fall more easily on the Germans, however, if it can be done within a larger context of East-West relations.

Despite the storm arising from the remarks attributed to General Clay in Berlin, no one yet has told the West Germans directly that they must indefinitely postpone their hopes of unity. And the morale of West Berliners is especially volatile, as was demonstrated after the building of the Communist wall.

There is coming to be an appreciation in London that unless the transition is handled very skillfully, there can be a reaction in Germany that the West has broken faith and let the people down. Too much could be made of the point, but self-pity could lead to neutralist tendencies which the Russians might exploit for a separate deal. That, at any rate, is Dr. Adenauer's worry and, to the observer recently in Germany, it is not altogether groundless.

FOR A CONCERT OF FREE NATIONS—ARTICLE BY SENATOR FULBRIGHT

Mr. MANSFIELD. Mr. President, the issue of Foreign Affairs which appeared last Tuesday carries an article entitled

"Toward a Concert of Free Nations," written by the distinguished chairman of the Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT]. The article appears at a particularly crucial time in the history of attempts of the nations of the world to organize themselves for the maintenance of peace. Since the death of Mr. Hammarskjold our thoughts have been turned more so than ever before toward the United Nations and its endeavor to survive as an effective tool for the preservation of peace.

The article by the junior Senator from Arkansas is therefore of particular interest at this time, and is a great contribution to the discussions about the future of the United Nations and other peace and security organizations.

So that the article may be read widely by my colleagues and the American public, I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR A CONCERT OF FREE NATIONS

(By J. W. FULBRIGHT)

The Soviet Union has demanded that the United Nations be reorganized on the troika principle, with equal executive power given the West, the Communist bloc, and the neutral states. Each would wield a veto. This proposal quite clearly aims to emasculate the United Nations and in particular reduce the office of the Secretary General to the same impotent which blights the functioning of the Security Council.

In this situation it has been suggested that a general conference of U.N. members be called to review and possibly revise the charter. I believe that a review conference at this time would be an exercise in futility. Quite obviously, the Western powers—and, hopefully, many of the neutrals—will reject the Soviet scheme. And the Russians can hardly be expected to agree to any Western proposals for strengthening the organization when their own objective is diametrically opposed to this.

Whatever inadequacies there may be in the U.N. Charter, the problem is not basically a legal matter but one of power politics in a divided world. Instead of engaging in an arid and irrelevant exercise in legalities, we would be far better advised to seek feasible means of building a cohesive community of free nations. This objective should be pursued as far as possible within the United Nations. In large measure, however, it must be pressed outside of the U.N., through instrumentalities that reflect a limited but real community of common interests.

Despite the existence of a very imposing array of international organs of consultation and cooperation, the free nations of the world seem chronically unable to unify and coordinate their policies. They are at the same time confronted with an adversary who has repeatedly demonstrated an impressive capacity to mobilize diverse resources for the achievement of single-minded objectives. The question quite naturally arises whether some new machinery or system can be devised through which the free nations can advance their common interests with a far greater degree of coordinated effort and shared responsibility than has yet been achieved in the postwar era.

We have created extensive international machinery since World War II—the United Nations, a global system of alliances and, most recently, the Organization for Economic Cooperation and Development. Despite the existence of these and other organs, the United States continues to bear a disproportionate share of the burden of world responsibility—a burden, I fear, which overtaxes even our own considerable resources. Throughout the world, both allied and uncommitted nations display a distressing tendency to stand aside, even when their own vital interests are involved, and leave it to the United States to act while reserving for themselves the right to criticize or to condemn.

A psychology of aloofness has taken hold in much of the free world. Even in Britain the illusion has become widespread, although not in official circles, that somehow the United Kingdom can be neutral in a worldwide power struggle in which only the United States and the Soviet Union have vital interests at stake. France has lessened her military participation in NATO and taken other steps which gravely impair the effectiveness of the alliance. Germany adheres loyally to NATO, but refuses to accept an obligation commensurate with her wealth and resources to carry out the common Western responsibility for assisting the world's underdeveloped nations. India, the largest free nation of Asia, acts as though the expansion of Communist power in southeast Asia is a problem outside her own interests, in which she can act at most as a disinterested "honest broker."

The psychology of aloofness can be readily understood in terms of a profound feeling of impotence on the part of once-dominant nations which have lost both empire and preeminence, and also on the part of new nations beset with overwhelming internal problems. It is all too easy for such nations to despair of their own ability to influence the course of events and to leave the arena to the giants.

In the case of Western Europe this sense of impotence is as unfounded as it is regrettable. Together the nations of Western Europe surpass the Soviet Union in population, in productivity and perhaps as well in the human skills that are essential to modern industrial societies. Their impotence, in short, is largely self-imposed, a function of disunity and inadequate will to mobilize the full weight of their impressive resources.

The trouble with this psychology of aloofness is that it both underestimates the power of the nations who succumb to it and overestimates the power of the United States, and in so doing exerts a very definite and detrimental influence on events. The fact is that the United States alone has neither the power, the resources nor the will to bear unaided the crushing burden of world responsibility. It is largely trying to do so now, and, as anyone can testify who has followed recent events in Laos, in Cuba or in Geneva, it is not doing well at all.

In the past, the free nations of the world have performed impressive tasks of coordinating their efforts and mobilizing their joint resources in the face of grave external threats. They did so in both world wars and again in the early years of the cold war. Over the past decade, however, their efforts have flagged, while the external danger is more grave than ever from a powerful and skillful adversary whose successes have been stunning and whose ambitions are unlimited. In the face of this danger, the course of both reason and necessity for all of the free nations is to accept a fair share of the responsibility for the defense of their common interests.

The question is how and whether a dynamic "concert of free nations" can be put together. It is clear that the United Nations, although it was designed to form just such a concert, has fallen far short of the hopes which attended its creation; we must look elsewhere for a system that can unify the forces of freedom effectively.

The dilemma of any effort to create an organic unity among nations or even a loose comity is that there is no necessary correlation between human need and human capacity. The need for a new "concert of nations" is very clear: It derives from the formidable threat of aggressive imperialistic communism. The capacity to build such a concert requires something more than the negative spur of fear and common danger; it requires the positive force of a sense of community, which means a feeling and deep conviction of shared values and interests, a feeling that effective communication is possible, a feeling of trust and confidence in each other's purpose.

It is precisely because no such community is within reach on a worldwide scale that even the United Nations, to say nothing of proposals for world federation, goes far beyond our capacity in its aspirations, however defective it may be in terms of our needs. Indeed the great paradox of this century is that the divisive force of nationalism appears to have reached its historical peak at precisely the time when developments in science and military technology have unified the world in the physical sense and established the need for political units far beyond existing national frontiers.

It is thus imperative that we strive for a broader unity, a unity which is oriented to our needs but rooted in our capacity. While the United Nations will remain a symbol of our aspirations, we can hope at the most, as things stand, to build a viable community of the free world. The question is whether we have yet done all that we can to develop it. Although such a community must for the foreseeable future be limited to the free nations, it can set its sights on universal values.

II

Prescriptions for the future, if they are to prove effective, must be rooted in the experience of the past. It is more than an academic exercise, therefore, to look back in history for models and examples of a viable spirit of international community.

Such a spirit prevailed in remarkable measure in 19th century Europe. In the wake of the Napoleonic Wars, Europe developed a primitive but effective system of public law based on the treaty structure erected by the Congress of Vienna. In order to provide permanent security against a resurgence of French militarism and aggression, Britain, Austria, Russia, and Prussia formed in 1815 a quadruple alliance of which article 6 provided for "periodic meetings of sovereigns or their ministers" for preserving the peace and stability of Europe. France, the defeated aggressor, was granted remarkably generous terms and within 3 years of her defeat was brought into the system of consultation. Thus emerged the concert of Europe, an oligarchy of great powers, but nonetheless a genuine community of nations who identified their common interests in preserving a rough balance of power and the basic integrity of the treaty structure.

The Vienna settlement opened a century of relative peace. The guiding rule of the concert, never made explicit but nonetheless effective, was that no change in the treaty structure could be made without the consent of the five-power oligarchy. Thus, for example, with "due process of law," the concert decreed the independence of Belgium

in 1830, a definite régime for the Turkish Straits in 1840, the independence of Bulgaria in 1878, and, as late as 1913, the concert successfully imposed a settlement of the Balkan wars.

The role of Britain in the concert of Europe is especially instructive. As the leading financial, industrial, and naval power, Britain accepted special responsibilities for the enforcement of the public law of Europe. She initiated something of a Marshall plan after 1815, providing loans and subsidies to revive the war-torn economies of the European powers. Britain was the "holder" of the balance of power and her weight was thrown when necessary to the support of the weaker side in continental controversies and against the potential violator of treaties. When forcible changes in treaty requirements were unavoidable, as in the case of Russia's denunciation in 1871 of the naval restrictions imposed upon her in the Black Sea at the end of the Crimean War, Britain insisted upon a conference to put the stamp of legality on a foregone conclusion and thus to avoid a dangerous precedent.

The point which is most instructive for America in our own time is that Britain led but did not dominate the concert. She was not the mistress of Europe but its primus inter pares. Her role, in short, was not to exercise sole responsibility but to lead a system of shared responsibility. The Pax Britannica was thus a multilateral system which depended at least as much on its members as on its leader.

The concert of Europe represented a limited community and a fragile system of law, but it kept the peace for a hundred years—a splendid achievement by contrast with the far more structured and sophisticated international machinery of the 20th century.

Nevertheless, the concert had major flaws, and these ultimately proved fatal. It was first of all an oligarchy of great powers which imposed its will on the lesser states with little regard for their desires and aspirations. Secondly, the concert at times showed little understanding of the rising forces of democracy and nationalism in 19th century Europe. Indeed, the eastern powers—Austria, Russia, and Prussia—were quite hostile to these forces and sought in vain to use the concert as an instrument to suppress them and to "make Europe safe for autocracy." Thirdly, the absence of established machinery of obligatory consultation reduced the workings of the concert to hazardous uncertainty. Sir Edward Grey, the British Foreign Secretary, tried desperately and vainly to invoke the concert in the crisis of the summer of 1914. The chaos of telegrams frantically exchanged among the chancelleries of Europe at that time persuaded Grey that, if the concert of Europe had had some established machinery of obligatory consultation, war might have been prevented.

The most serious handicap to the effectiveness of the concert of Europe, however, proved to be the distintegration of the international community of shared values on which it rested. During the first half of the 19th century, nationalist movements were also liberal and democratic, and Europe was increasingly dedicated to the rule of law. This trend was arrested and then reversed by the rise of a new form of nationalism—militant, aggressive, and ultimately xenophobic. The prime mover of the new nationalism was Germany, whose unification and preeminence were won by the arms of autocratic Prussia. After the defeat of France by Prussia in 1871, Germany became the predominant nation in Europe, dedicated to Bismarckian "blood and iron." Europe in the late 19th century was prey to militarism, secret alliances, and nationalist rivalries. The demise of the concert of Europe in 1914 reflected the gradual enfeeblement and final disintegration of the community which had given Europe its happiest and most productive century.

Out of the ruins of the old European order, British and American statesmen devised the League of Nations—a radically new idea for the creation of a worldwide community of law. The British conceived of the League of Nations as an enlarged and improved concert, but Woodrow Wilson thought of it as a universalized application of the Monroe Doctrine, which he regarded as a partnership of American states for the advancement of democracy in world affairs. British thinking was empirical in terms of European experience, a latter-day effort to bring in the new world to redress the balance of the old. Wilson's conception was universal and idealist, generalizing the Monroe Doctrine as he conceived it into a world moral order. These two views were not mutually exclusive. The British hoped to revive a community that had disintegrated; the Americans hoped to build a new one. Both looked to their own deeply rooted traditions of ordered society under the rule of law.

The chief British contribution to the covenant was a system of obligatory consultation, peaceful settlement of disputes, and sanctions against violators. The objective, inspired largely by the disastrous experience of 1914, was to enforce delay and an attempt at peaceful settlement before nations actually resorted to war.

The major American contribution was article 10, a mutual guarantee of political independence and territorial integrity among the members of the League. Article 10, said President Wilson, was the "backbone of the whole of the covenant." It represented the guarantee which is the sine qua non of any valid system of collective security, an obligation inherent in membership, flowing directly from the covenant, and not dependent upon the decisions of any organ of the League.

The founders of the League believed that it reflected the birth of a new world order and that its very processes would guide a nascent community to full maturity. Wilson had no illusions as to the existence at that time of a genuine international community, but he firmly believed that the historical moment had arrived for such a community to be born. The league, said Wilson in presenting the covenant to the peace conference on February 14, 1919, would depend ultimately on the "moral force of the public opinion of the world. Armed force," said the President, "is in the background in this program, but it is in the background, and if the moral force of the world will not suffice, the physical force of the world shall. But that is the last resort."

The year 1919 was perhaps the high-water mark of democracy in world history. The victory was won by democratic nations, unshared with great totalitarian powers. It marked the occurrence of an epochal opportunity to lay the foundations of a world community of law—not to create a community full grown, for that is the work of generations, but to give birth to a prospect of world peace under world law.

The opportunity so briefly presented in 1919 was lost, and lost completely, by the generation of statesmen who governed during the interwar years. It is not necessary here to rehearse the tragic annals of that era—the retreat of America to isolation, the capitulation of the league to Japanese aggression in Manchuria, Italian aggression in Ethiopia and German aggression in Europe. The result was World War II, more devastating than the first war. By 1945 the statesmen of the West were ready to retrieve the errors of the interwar years. They had the will perhaps, but the opportunity of 1919 was not to be repeated. The victory of 1945 was shared by a dynamic new totalitarianism, one which rejected the values which underlay both the 19th century concert and the covenant of the League of Nations.

III

Under these conditions the United Nations was conceived and created, an organ of international community far more ambitious than the League and launched under far less auspicious circumstances. There is no mystery in the failure of the United Nations to fulfill its promise. That promise rested on the assumption that President Roosevelt brought back from Yalta in February 1945—that we had achieved unity "in spirit and in purpose" with our allies. Events proved that hope illusory and with it went the promise of a genuine system of collective security on a worldwide scale.

There are at least three preconditions of a viable system of collective security: (1) a status quo on which the principal powers agree; (2) the availability of overwhelming force to those nations who support the status quo or at least oppose change by violence; (3) a high degree of political and moral solidarity among the great powers. These are the minimum conditions of a minimum international community. None of them existed at the end of World War II. The success of the United Nations depended upon the presence of all of them.

The United Nations Charter reflects the ambivalence of excessive aspirations toward a world community and the existence in the world of conflicting powers and ideologies. In the words of the distinguished international lawyer, Julius Stone: "The very ambition of the Charter turned it into a two-faced instrument. One face looks nobly toward the beginnings of a superstate well beyond the League of Nations; the other looks grimly backward to the anarchic self-help of the old world, well before the foundation of the League of Nations. Which was the real face?" [1]

The answer, unfortunately, is the second face. The global community which the charter assumed exists today neither in fact nor in prospect. If the social fabric essential to institutions does not exist, even the most brilliant statecraft cannot create it.

The first face of the charter appears in the peace enforcement powers of the Security Council, an organ vested with full authority to apply all sanctions, including the use of force, against any nation which commits a "threat to the peace, breach of the peace, or act of aggression." The Security Council has the theoretical power to decide on such measures and all members of the United Nations are bound under article 25 to accept and carry out these decisions.

The veto reduces these powers to a nullity because it renders the great powers immune, leaving the enforcement of the peace to their fiat. The charter was never intended for use against the great powers. They were the policemen, set above the law, whose compliance with the charter depended not on law but on their own consent, and on the illusion of their unity in spirit and in purpose.

The history of the United Nations has been in large measure a history of retreat from false hopes and of adjustment to the reality of a divided world. The veto in fact is an accurate reflection of that reality. Its removal would not result in a genuine system of collective security. More likely it would mean the end of the organization. The veto is the reflection, not a cause, of conflict.

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[1] Julius Stone, "Legal Controls of International Conflict." New York: Rinehart, 1954, p. 280.

It its absence, a great power would not comply with the charter but would rebel against it. The real problem is one not of legalities but of power politics in a divided world.

The veto represents the "second face" of the charter; it is a clause of escape and evasion. So does article 51, which recognizes an inherent right of individual and collective self-defense. As Western statesmen have repeatedly pointed out, their system of defense alliances is wholly valid under the charter, clearly licensed by article 51. But NATO is an essential instrument of collective security precisely because of the failure of the U.N. It is not a realization of the charter but a substitute for it authorized by a clause of escape and reservation.

The primitive parts of the charter, those which look to anarchic self-help, have proven viable because they reflect reality. The grand innovation of an authoritative international executive quickly broke down because it defied history and falsely assumed the existence of a community of the great powers.

The gradual transfer of authority from the Security Council to the General Assembly has been an effort to adjust to reality by retreating to looser and more traditional forms of cooperation. Such was the intent of the uniting for peace resolution of November 1950. The Security Council has all but ceased to function and it was the General Assembly which dealt more or less successfully with the Suez crisis of 1956 and quite unsuccessfully with the Soviet suppression of Hungary. The difficulty with the General Assembly is that it is a most unwieldy body and one which bears no relationship to the realities of world power. A body in which Guatemala or Bulgaria exercises the same voting power as the United States or the Soviet Union can scarcely be expected to serve as a reliable instrument of peace enforcement or even of consultation.

The anarchic face of the U.N. dominates. Its forward-looking face is but a shadow and a promise. It seems quite clear that if we are to develop a working concert of free nations, we must look elsewhere for a model and an instrumentality.

IV

By far the most impressive achievements of policy coordination among sovereign powers have occurred in wartime. In both world wars the Western Powers, particularly Great Britain and the United States, achieved a high degree of cooperation along specific functional lines in the common war effort.

During the First World War the Allied and associated powers dealt through international agencies with such problems as the coordination of military strategy, the allocation of shipping and the maintenance of supplies of food and raw materials. The Supreme War Council, for instance, under Marshal Foch, was virtually an international cabinet for the conduct of the war. Before the war was over, some European statesmen began to think of it as a rudimentary league of nations. A number of other functional international organs operated with great success during the war and the Peace Conference.

Impressive achievements of close coordination, indeed unification, of policy were achieved by Great Britain and the United States in World War II. The grand strategy of the war was planned in constant and intimate consultations between President Roosevelt and Prime Minister Churchill, and the British and American Armed Forces were put under a joint command known as the Combined Chiefs of Staff. Under the direction of the political leaders of the two countries, the Combined Chiefs of Staff, sitting in Washington, formulated and executed policies and plans relating to the strategic conduct of the war, allocation of munitions and transportation requirements. A close working relationship developed between the top British representative, Field Marshal Sir John Dill, and Gen. George Marshall, who together made major policy decisions in an informal manner. The Allied war effort was also unified by a system of combined boards whose task was to muster the full economic resources of Great Britain and the United States and Canada.

The combined boards as well as the combined chiefs of staff were created and carried on in an atmosphere in which the common purpose of defeating the enemy overrode all other motives. Survival itself depended upon common effort and a united front. National and group interests were readily subordinated by the two English-speaking nations with their common interests, their similar outlook and their community of democratic values. Underlying the ability of British and American officials to work closely together was a sense of community derived from long association and a common heritage. It is significant that at no point was the Soviet Union brought into the system of unified conduct of the war.

The experience of the joint war effort points to the efficacy of a functional approach toward the building of an international community. Common efforts to deal with specific concrete problems are likely to be more productive in the long run than comprehensive and spectular attempts at world constitution-making.

In times of clear and present danger, custom, inertia, vested interests, and traditional viewpoints give way to the needs of the times. The problem that now confronts us is whether they will give way in a time of ominous danger, but danger which is vague, ambiguous and lacking in dramatic urgency. That is the nature of the peril which confronts the free world. Unless we can forge something like the unity of purpose and common action that we so successfully forged in wartime, we may well fall victim if not to cataclysm then to creeping catastrophe.

V

In a speech on June 10, 1961, to a rally of young conservatives, Sir Anthony Eden called for a "political general staff" of Western leaders to enable free countries to stand up to "the monolithic mass which is the Communist world." In a pessimistic assessment of the cold war, Eden declared: "There must be much closer unity within the West before there can be effective negotiation with the East." Ordinary methods of diplomacy within the free world are inadequate, said the former Prime Minister. "Something much more thorough is required." Citing the experience of the combined Chiefs of Staff in World War II, Eden said that all would have been confusion and disarray without them. "This," he said, "is exactly what has been happening between the politically free nations in the postwar world. We need joint chiefs of a political general staff." Citing the advances of Communist power in recent years, Sir Anthony observed: "This very grave state of affairs will continue until the free nations accept together the reality of the danger that confronts them and unite their policies and resources to meet it."

While I fully agree with Sir Anthony's contention, I think that we must carry the analysis farther, being in mind that while common peril may be the measure of our need, the existence or absence of a positive sense of community must be the measure of our capacity.

While it is hazardous to project the trend of history, it seems clear that a genuine community is painfully emerging in the Western World, particularly among the countries of Western Europe. At the end of World War II, free Europe was ready for a new beginning. The excesses of nationalism had brought down upon Europe an generation of tyranny and war, and a return to the old order of things seemed unthinkable. Under these conditions a new generation of Europeans began to discover the bonds of long association and shared values that for so long had been subordinated to nationalist xenophobia. A slow and painful trend toward unification has taken hold, a trend which may at any time be arrested and reversed but which may also lead to a binding federation of Europe. It may well be that the unification of Europe will prove inadequate, that the survival of free society will require nothing less than the confederation of the entire Western World.

The movement toward European unity has been expressed in two currents, federalism and functionalism, one looking to the constitution of a United States of Europe, the other building on wartime precedents of practical cooperation for the solution of specific problems. Thus far the advances made have been almost entirely along functional lines.

Many factors contributed to the growth of the European movement. In 1946, Sir Winston Churchill, who had spoken often of European union during the war, advocated the formation of "a kind of United States of Europe." Had Churchill been returned to office in 1945, it is just possible that Britain, instead of standing fearfully aloof, would have led Europe toward union.

In 1947 and 1948 the necessity of massive coordinated efforts to achieve economic recovery led to the formation of the Organization for European Economic Cooperation to supervise and coordinate the uses of American aid under the Marshall plan. The United States might well have exploited the opportunity provided by the European recovery program to push the hesitant European nations toward political federation as well as economic cooperation, but all proposals to this effect were rejected by the U.S. Government at the time.

Another powerful factor in the European movement was the threat of Soviet aggression. The Communist coup in Czechoslovakia in 1948 was followed immediately by the conclusion of the Brussels Treaty, a 50-year alliance among Britain, France, and the Benelux countries. And of course the Soviet threat was responsible for NATO, the grand alliance of the Atlantic nations.

New organs of unification proliferated in the decade following the conclusion of the NATO alliance. In 1949 the Council of Europe came into existence, a purely consultative parliamentary body but the first organ of political rather than functional unity. In 1952, the European Coal and Steel Community was launched, placing the coal and steel production of France, West Germany, Italy, and Benelux under a supranational high authority. For a time it appeared that a common European army might be created, but the project for a European Defense Community was rejected by the French National Assembly in 1954. In 1957 the social-economic approach to European integration was capped by the formation among the Six of a tariff-free European Common Market, and Euratom for cooperation in the development of atomic energy.

The oversea democracies have generally encouraged the European unification movement without seriously considering the wisdom of their own full participation in a broader Atlantic community. The United States and Canada belong only to NATO and the new OECD. Britain until recently went along in some areas with all of the

enthusiasm of the groom at a shotgun wedding. In other areas it held back, pleading its Commonwealth bonds. Now Britain has decided to seek admission to the European Economic Community and it seems certain that she will be joined by some of her partners in the loose free trade area of the "Outer Seven." Besides its historical significance as a break with the centuries-old tradition of British insularity, Britain's move, if successful, will constitute a historic landmark of the first importance in the movement toward the unification of Europe and the Western World.

If a broader Atlantic community is to be formed—and my own judgment is that it lies within the realm of both our needs and our capacity—a ready nucleus of machinery is at hand in the NATO alliance. The time is now ripe, indeed overdue, for the vigorous development of its nonmilitary potentialities, for its development as an instrument of Atlantic community. What is required is the full implementation of article 2 of the treaty, which provides: "The parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any and all of them." As Lester Pearson wrote in 1955: "NATO cannot live on fear alone. It cannot become the source of a real Atlantic community if it remains organized to deal only with the military threat which first brought it into being."

The problem of NATO is not one of machinery, of which there is an abundance, but of the will to use it. The NATO Council is available as an executive agency, the standing group as a high military authority. The unofficial conference of parliamentarians is available as a potential legislative authority. This machinery will not become the instrument of an Atlantic community by fiat, but only when that community evolves from potentiality to reality. The existence of community is a state of mind—a conviction that goals and values are widely shared, that effective communication is possible, that mutual trust is reasonably assured.

An equally promising avenue toward Atlantic community may lie through the development and expansion of the OECD conceived as an organ of economic cooperation, there is no reason why OECD cannot evolve into a broader instrument of union if its members so desire. Indeed it might be a more appropriate vehicle than NATO for the development of a parliamentary organ of the Atlantic nations, because it could encompass all of the members of the Atlantic community including those, like Sweden and Switzerland, who are unwilling to be associated with an essentially military alliance like NATO.

Underlying these hopes and prescriptions is a conviction that the nations of the North Atlantic area do indeed form a community, at least a potential community. There is nothing new in this; what is new and compelling is that the West is now but one of several powerful civilizations, or "systems," and that one or more of the others may pose a mortal danger to the West. For centuries the North Atlantic nations dominated the world and as long as they did they could afford the luxury of fighting each other. That time is now past and the Atlantic nations, if they are to survive, must develop a full-fledged community, and they must also look beyond the frontiers of "Western civilization" toward a worldwide "concert of free nations."

VI

The burden of these reflections is that a broader unity among the free nations is at the core of our needs. And if we do not aspire to too much, it is also within our capacity. A realistic balancing of the need for new forms of international organization on the one hand, and our capacity to achieve them on the other, must be approached through the concept of "community." History has demonstrated many times that concerts of nations based solely on the negative spur of common danger are unlikely to survive when the external danger ceases to be dramatically urgent. Only when a concert of nations rests on the positive foundations of shared goals and values is it likely to form a viable instrument of long-range policy. It follows that the solution to the current disunity of the free nations is only to a very limited extent a matter of devising new machinery of consultation and coordination. It is very much a matter of building the foundations of community.

It is for these reasons that proposals for a "new world order," through radical overhaul of the United Nations or through some sort of world federation, are utterly fatuous. In a recent book called "World Peace Through World Law," two distinguished lawyers, Grenville Clark and Louis Sohn, call for just such an overhaul of the U.N., basing their case on the worldwide fear of a nuclear holocaust. I believe that these proposals, however meritorious in terms of world needs, go far beyond our capacity to realize them. Such proposals look to an apocalyptic act, a kind of Lockian "social contract" on a worldwide scale. The defect of these proposals is in their attempt to outrun history and their assumption that because something may be desirable it is also possible.

A working concept of the organic evolution of community must lead us in a different direction. The failures of the U.N. and of other international organs suggest that we have already gone beyond what was internationally feasible. Our problem, therefore, is to devise processes more modest in their aspirations, adjusted to the real world of sovereign nation states and diverse and hostile communities. The history of the U.N. demonstrates that in a pluralistic world we must develop processes of influence and persuasion rather than coercion. It is possible that international organization will ultimately supplant the multistate system, but its proper function for the immediate future is to reform and supplement that system in order to render pluralism more compatible with an interdependent world.

New machinery of coordination should not be our primary objective in the foreseeable future—though perhaps the "political general staff" of Western leaders proposed by Sir Anthony Eden would serve a useful purpose. Generally, however, there is an abundance of available machinery of coordination—in NATO, in OECD, in the U.N. and elsewhere. The trouble with this machinery is that it is not used and the reason that it is not used is the absence of a conscious sense of community among the free nations.

Our proper objective, then, is the development of a new spirit, the realization of a potential community. A "concert of free nations" should take its inspiration from the traditions of the 19th century concert of Europe with its common value and accepted "rules of the game." Constitutions of and by themselves mean little; the history of both the League of Nations and the United Nations demonstrates that. But a powerful sense of community, even with little or no machinery, means a great deal. That is the lesson of the 19th century.

A realistic "concert of free nations" might be expected to consist of an "inner community" of the North Atlantic nations and an "outer community" embracing much or all of the non-Communist world.

The North Atlantic nations represent an almost-existing community and, because they do, they can press forward in the development of supranational institutions. Because their community is fragile, these institutions for the time being should be functional rather than federal, piecemeal and pragmatic rather than general. In practice, this would mean the further development of NATO as on organ of political and economic cooperation, the vigorous implementation of the OECD, and the expansion of existing organs of European integration, with Great Britain, Canada, and the United States moving toward full participation.

The "outer community" poses much more difficult problems, because it is a potential community still far from realization. Our objective must be to bring into existence, a task which will take time and patience The problem here is to persuade the new and underdeveloped nations that for certain purposes at least their interests and objectives coincide with our own. Their aspirations for economic development, for military security and for freedom are all objectives which represent our interests as well as their own. The way to persuade these nations of this community of interests is for the West to assist them in their realization. In practice, this means a unified Western program of economic assistance for sound development programs, rigorous respect for the sovereignty of newly independent nations, and a growing practice of consulting these nations on specific common problems.

Such a policy also means the encouragement of a greater sense of responsibility among the underdeveloped nations than now exists. If their economic development programs are unsound, we must not be "blackmailed" into providing lavish aid for fear they will otherwise go to the Communists. When we consult them on matters of security, we must make it clear that their security as well as our own is involved and they must accept responsibility accordingly.

In all these ways we can work toward a "concert of free nations," a community rooted not only in common peril but also in common values and aspirations. Such a community falls far short of the stable world order we desire. Its merit is that it represents a realistic accommodation between our needs and our capacity.

Freedom is not its own defense. Its survival in this century will require the construction of a new community of unified effort and shared responsibility. In the words of the Spanish philosopher Salvador de Madariaga: "The trouble today is that the Communist world understands unity but not liberty, while the free world understands liberty but not unity. Eventual victory may be won by the first of the two sides to achieve the synthesis of both liberty and unity."

CONSERVATION IN THE NATIONAL FORESTS

Mr. McGEE. Mr. President, a few days ago 24 Senators jointly signed a letter addressed to the President of the United States petitioning him to give additional consideration to lagging programs in the Forest Service, particularly in terms of planting trees, reforestation, covering over burnt areas, and that sort of activity. I ask unanimous consent that the letter with the names of the signatories be printed at this point in the RECORD, together with a report from the

White House before the weekend explaining and developing the President's own new position on the economic development of our national forests, and a preface to the President's extended statement on an expanded new program for the national forests.

There being no objection, the letter and articles were ordered to be printed in the RECORD, as follows:

SEPTEMBER 16, 1961.

THE PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: In the first year of your administration, with strong support from the Congress, commendable progress has been made in advancing conservation work on the national forests.

This great 185-million-acre property is a vast reservoir of natural resources and scenic beauty.

Our present level of investment in these lands is barely $1 per acre, a fraction of what the average homeowner spends on his small garden plot. The money spent is offset by direct cash income and further by the enhancement of the value of this property. One estimate is that their liquidation value alone is over $7 billion.

In 1959 the Department of Agriculture developed a 12-year development program, and fiscal year 1963 will mark its third year. The well-documented goal was to raise the level of investment to $320 million by equal annual increments over a 5-year period. To be on schedule will require a $50 million increase over comparable funds for 1962.

Each year there has fallen upon the Congress the responsibility to provide additional funds beyond the budget request. The Congress not only put the program into operation a year ahead of the original plan, but in each succeeding year has added funds to the budget requests.

The careful management and proper use of our national forests constitutes a wise investment which pays handsome dividends. We fully understand the many fiscal pressures to which you are subjected. And we appreciate the fact the current world situation which has necessitated increased expenditures for defense and security creates a demand to hold down domestic expenditures, even where those expenditures are in reality investments actually essential to our economic strength. But we firmly believe that what we do in the field of resource development will determine whether we achieve the goals that we as a Nation have set for ourselves under your leadership. Action taken to fully develop the national forests on schedule would make a significant contribution toward meeting these goals.

We, therefore, earnestly request that you personally consider and approve a budget request in the full amount needed to provide the originally scheduled amount for the 3d year of this program, $238 million.

Sincerely yours,

GALE W. MCGEE, ROBERT C. BYRD, LEE METCALF, FRANK CHURCH, JOSEPH S. CLARK, PHILIP A. HART, JENNINGS RANDOLPH, HENRY M. JACKSON, WARREN G. MAGNUSON, EUGENE J. MCCARTHY, EDMUND S. MUSKIE, MIKE MANSFIELD, CARL HAYDEN, HUBERT H. HUMPHREY, PAT MCNAMARA, JOHN A. CARROLL, MAURINE NEUBERGER, CLAIR ENGLE, WAYNE MORSE, FRANK E. MOSS, CLINTON P. ANDERSON, ALAN BIBLE, HOWARD W. CANNON, DENNIS CHAVEZ.

PREFACE

In his special messages to the Congress on natural resources and on agriculture President Kennedy urged the acceleration of all forest development to insure adequate forest resources in the future, including the development of national forest resources.

The "Development Program for the National Forests" herein presented, covers the resource management and development work needed on the national forests and national grasslands to assure that these public lands will meet their full share of present and future public needs.

The major differences between this program and the previous program for the national forests, submitted to the Congress in March 1959, are the addition of several major needs where these were not previously recognized in full or where subsequent surveys and trends have indicated a higher level of need. The National Forest Recreation Survey completed in 1960 forecasts an estimated 195 million recreation visits to the national forests by the end of the 10-year period instead of the previously forecast 130 million visits. Also, current trends in timber harvesting indicate a cut of 13 billion board feet annually by 1972 instead of 11 billion board feet. These trends and estimates in turn reflect larger needs in road and trail construction. The specific changes are:

1. Increased estimates for the recreation resource management and development activity to meet revised estimates of public needs.

2. An increase in the timber resource management activity to reflect the greater harvest of 13 billion board feet annually by 1972 and higher standards of timber sale administration.

3. An increased multiple-purpose road and trail construction program to provide particularly for the higher estimates of recreation use and the increased timber harvest.

4. The inclusion of a land purchase program to acquire key tracts of private lands inside the national forests to facilitate and protect national forest resource use, particularly of key recreation areas.

5. Research has not been included in this program. It is planned to submit a complete program on research at an early date.

6. Revision of all other cost estimates for 1958 to 1961 operating and development cost elements.

This development program includes all the renewable resources of the national forest system—water, timber, recreation, forage, and wildlife habitat. It includes both long-term proposals to the year 2000 and specific proposals for the next 10 years. The program provides for the continued, orderly use and development of the renewable resources of the national forests and national grasslands in accordance with the basic conservation principles under the Multiple Use-Sustained Yield Act of June 12, 1960, and others. The accomplishments under this program over the next 10 years will largely determine whether these vastly important public lands will contribute by the year 2000 their fair share to a greatly expanded national economy. The program will be carried out as rapidly as possible within the overall budgetary requirements and financial resources of the Federal Government.

DEVELOPMENT PROGRAM FOR THE NATIONAL FORESTS

There are presented herein long-range objectives and a 10-year conservation program for the national forests and associated lands. The long-range objectives are related to the year 2000 and the program to what needs to be done in the next 10 years toward meeting current needs and attaining long-range objectives. The program is for the period of fiscal years 1963 through 1972.

This program has been developed after much study. The Department of Agriculture completed in 1958 an exhaustive study of the U.S. timber situation entitled "Timber Resources for America's Future." The National Forest Recreation Survey was completed in 1960. Timber inventories, management plans, and other resource development plans have been made. The Forest Service has long maintained a project work inventory for the national forests. These and other studies are the background for the objectives and program herein developed.

There are general statutory authorities under which substantial portions of the program subsequently outlined could be carried out on the national forests and associated lands. These include the Multiple Use-Sustained Yield Act of June 12, 1960, which declared that "The national forests are established and shall be administered for outdoor recreation, range, timber, watershed, and wildlife, and fish purposes" and which directed the Secretary of Agriculture "to develop and administer the renewable surface resources of the national forests for multiple use and sustained yield of the several products and services obtained therefrom." Additional legislation to facilitate carrying out the program will be recommended as needed.

PROGRAM COSTS

The program includes costs for both recurrent work (operating costs) and nonrecurrent project work (development and capital investment costs).

Recurrent costs include such work as program administration and supervision, planning, maintenance of all structural facilities, maintenance of roads, protection from pests and fire, and other annually recurring costs. These costs would increase in relation to the increase of public needs and the installation of additional facilities.

Benefits include direct financial revenues, secondary benefits, and intangible values.

Direct financial revenues from the national forest system will rise to about $230 million annually by the time the 10-year conservation program is completed, or nearly double current receipts. These receipts will continue to exceed annual operating expenses of the program. On the current basis of fees for uses and products, over 90 percent of revenues will continue to come from the sale of standing timber. By the year 2000, national forest timber sales should reach 21 billion board feet of sawtimber worth $350 million at 1960 prices.

Payments from national forest revenues for county schools and roads will increase correspondingly. These increased payments, coupled with a higher level of national forest expenditures for roads and fire control, will greatly strengthen the payments and services provided to local governmental units. Any changes in user fees under current consideration by direction of the President might result in higher total income and some shift in proportion from various sources.

The capital value of the timber, forage, and lands of the national forest system will have increased by about $2 billion as a result of the program.

In addition to direct financial income to the United States as a result of the national forest development program, there will be both substantial secondary benefits and very real intangible benefits.

Secondary benefits include such things as numbers of people employed directly on the program work and the harvesting of national forest timber and other products and the value added to those products by manufacture, distribution, and marketing.

Another benefit from the immediate implementation of the program would be the acceleration of the resource development in areas of labor surplus and low rural income. Of the 186 million acres of land under Forest Service administration, approximately 80 million acres are in or adjacent to

present areas of labor surplus and low rural incomes. The planned work and the resultant resource development would contribute materially to accelerating the economy of these areas.

The program would provide direct employment in the peak year for approximately 32,750 skilled and unskilled workers. This is based on a 10-year period. However, much of the development work could be compressed in a shorter period to provide a higher level of employment if required by national unemployment situations.

In timber alone, it is estimated that for every dollar of national forest stumpage sold, the end products will be worth about $20 by the time they reach the ultimate consumer. This means that the annual sale of 13 billion board feet of sawtimber expected to be reached by the end of the short-term period will have a total consumer value of over $4 billion. The estimated employment directly associated with the utilization of timber harvested from the national forests will amount to about 800,000 man-years annually by 1972. This will be over twice the current level.

Similarly, the value of meat, hides, wool, and other livestock products increases with reprocessing and handling as do the numbers of dependent people.

It is estimated the recreational use of the national forest system will reach 195 million visits by 1972, in contrast to the 92.5 million visits in 1960, and a probable 635 million by 2000. The recreationists making these 195 million visits will put into trade channels a total of nearly a billion and a half dollars for sporting equipment, transportation, licenses, lodging, and other items.

Most of the truly intangible values of the national forests are experienced by those millions of people who use the national forests for reasons other than commercial utilization of resources. No measure of value expresses the true worth of the relaxation, pleasure, rest, spiritual satisfaction, and improvement in health derived from the national forests.

No realistic dollar value can be placed on water from the national forests. Water is already the most precious commodity in the West and over half of all waterflow in the West originates on the national forests. These lands will continue indefinitely to be indispensable regulators of the kind and amount of fresh water available to Western people. The national forest water conservation program will improve soil stabilization, result in more regular streamflow, and enhance water quality. It will foster infiltration of water in underground storage. These results will lessen the need for construction of surface reservoirs, settling basins, and other water construction works.

National forest program—Summary of work and costs, fiscal year 1963 through fiscal year 1972

[Based on dollar value as of May 15, 1961]

Item	Recurrent work, annual level, 10th year	Nonrecurrent project work, 10-year total	Work needed
	Thousands	*Thousands*	
Timber resource management	$41,229		Complete and keep current inventories and plans for 9,000,000 acres. Cut 13,000,000,000 board feet annually by 1972.
		$417,891	Culturally treat 10,000,000 acres. Plant 3,800,000 acres.
Recreation, public use	47,376		Complete management and development plans. Maintain facilities and provide sanitation and cleanup for 195,000,000 visits by 1972.
		408,720	Reconstruct and rehabilitate more than 2,000 existing campgrounds. Plan and develop 28,000 new campgrounds and picnic sites. Plan and develop 4,000 other recreation sites including swimming, boating, winter sports, and public service sites. Provide special development and information service for outstanding scenic and recreation features which attract heavy visitor concentrations.
Wildlife habitat management	3,810		Administer, supervise, and coordinate wildlife activities and cooperate with States.
		35,280	Improve 1,500,000 acres of game range, 7,000 miles of stream, 56,000 acres of lakes. Develop 2,000 wildlife watering facilities, 400,000 acres of wildlife openings, food patches, and game ways. 11,000,000 acres of rodent control.
Range resource management	8,327		Manage 13,000 grazing allotments. Maintain existing improvements.
		70,689	Complete analyses and plans on 7,600 allotments. Revegetate 4,000,000 acres. Construct 16,000 miles of fence, and 8,100 water developments.
Soil and water management	2,594		Manage and administer soil and water resource. Coordinate with other resources.
		89,718	Erosion control and stabilization on 1,300,000 acres, 22,000 miles of gullies and roads. Construct 570 pollution control and flood prevention projects. Conduct soil surveys on 29,600,000 acres. Initiate water yield inventories.
Land adjustments, classification, and uses	6,587		Examine mining claims. Administer mineral leases and special uses. Exchange 1,400,000 acres of land. Prepare up-to-date land status records. Conduct land classification work.
Land surveys and mapping	140		Maintain property line marking.
		58,305	Cadastral surveys of 6,587 corners and 13,200 miles of cadastral survey ties to metes and bounds surveys. Survey and mark 208,000 miles of property lines. Topographic mapping of 355,600 square miles.
Land purchase		66,500	Acquisition of 500,000 acres of land essential for recreation development, use and access, including protection of outstanding scenic areas and wilderness, and 950,000 acres of key inholdings to meet other national forest access, management, and resource restoration needs.
Forest fire protection	32,513		Intensify protection, including increased manpower, equipment, and aerial operations, to approximately 2 times present level.
		71,737	Reduce hazardous fuels on 4,000,000 acres. Construct 11,000 miles of firebreaks.
Insect and disease control	[1] 10,350		Intensify and accelerate detection, prevention, and control of forest insects and diseases to reduce current timber losses.
Structural improvements for fire and general purpose.	8,098	106,368	Maintain existing structural and communication improvements. Construct 2,640 housing and related improvements, 2,500 service buildings, 455 lookouts, 17 special structures; betterment of existing structures; 2,000 radio installations; replacement of 3,000 miles of telephone line; construction and reconstruction of 62 landing fields; construct 1,820 heliports and helispots.
Forest roads and trails	[2] 24,000		Maintain existing transportation system.
		[3] 1,212,484	Construct 79,400 miles of multiple-use purpose roads and 8,000 miles of trails. Provide supplemental work on roads constructed by timber purchasers.
Total	185,024	2,537,682	

[1] Includes national forest control only. Does not provide for amount of $3,100,000 for control on other Federal and State lands.

[2] Timber purchasers will maintain existing purchaser-constructed roads at an estimated additional annual cost of $5,000,000.

[3] Timber purchasers will construct an estimated 33,000 miles of road costing approximately an additional $474,000,000.

MUTUAL SECURITY APPROPRIATIONS AND BUDGET RECEIPTS OF THE FEDERAL GOVERNMENT

Mr. McGEE. Mr. President, I have in my hand a series of tables that I had included in the record of the committee's hearings on the foreign aid program. The tables attempt to relate our foreign aid effort in terms of our gross national product, in terms of our annual budgetary endeavors, and in terms of a number of other economic yardsticks for comparative measurement.

I ask unanimous consent that all those tables, accompanied by some interpretative accounts in each case, be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD.

Table shows: Foreign aid appropriations as a percentage of budget receipts.

Summary: In 1949, our budget receipts were $37.7 billion. Our foreign aid appropriation of $6,446 million was 17.1 percent of those receipts. At the end of fiscal 1931, however, with budget receipts of $79.2 billion, our foreign aid appropriation of $3,831 million was only 4.8 percent of those budget receipts.

Mutual security appropriations and budget receipts of the Federal Government

Fiscal year	Mutual security appropriations (as appropriated by Congress)	Budget receipts	Appropriations as a percent of budget receipts
	Millions	*Billions*	
1949	$6,446	$37.7	17.1
1950	5,092	36.5	14.0
1951	7,485	47.6	15.7
1952	7,284	61.4	11.9
1953	6,002	64.8	9.3
1954	4,531	64.7	7.0
1955	2,781	60.4	4.6
1956	2,703	68.2	4.0
1957	3,767	71.0	5.3
1958	2,769	69.1	4.0
1959	3,448	68.3	5.0
1960	3,226	78.5	4.1
1961	3,831	79.2	4.8
1962	[1] 4,400	[2] 82.4	5.3

[1] As contained in the authorizing conference report.
[2] Estimated.

Table shows: Foreign aid appropriations as a percentage of the gross national product (GNP).

Summary: In 1949, our GNP was $261.5 billion. Our foreign aid appropriation of $6,446 million was 2.47 percent of the GNP. At the end of fiscal 1961, however, with a GNP of $503 billion, our foreign aid expenditure of $3,831 million was only 0.76 percent of that GNP.

Mutual security appropriations and U.S. gross national product

Fiscal year	Mutual security appropriations (as appropriated by Congress)	U.S. gross national product, by fiscal years	Appropriations as a percent of gross national product
	Millions	*Billions*	
1949	$6,446	$261.5	2.47
1950	5,092	264.0	1.93
1951	7,485	310.4	2.41
1952	7,284	338.5	2.15
1953	6,002	359.7	1.67
1954	4,531	361.8	1.25
1955	2,781	368.5	.75
1956	2,703	409.5	.66
1957	3,767	432.9	.87
1958	2,769	439.9	.63
1959	3,448	467.3	.74
1960	3,226	493.5	.65
1961	3,831	[1] 503.0	.76
1962: [3]			
Economic	2,635	[1] [3] 523.0	.50
Military	1,765		.33
Total	4,400		.84

[1] Estimated.
[2] Appropriations given at the level of the authorizing conference report.
[3] Gross national product projected at a 4-percent increase which probably will prove to be low.

Mutual security program expenditures compared with total Federal expenditures

Fiscal year	Total Federal expenditures	Mutual security program expenditures	Mutual security program expenditures as percent of total
	Millions	*Millions*	
1949	$39,507	$4,527	11.4
1950	39,617	3,515	8.9
1951	44,058	3,820	8.6
1952	65,408	3,762	5.7
1953	74,274	6,048	8.1
1954	67,772	4,809	7.0
1955	64,570	4,524	7.0
1956	66,340	4,644	6.9
1957	69,433	3,707	5.3
1958	71,936	3,802	5.2
1959	80,697	3,637	4.5
1960	76,539	3,222	4.2
1961 (estimated)	81,803	3,231	4.0
1962 (estimated)	87,723	3,650	4.2

Highlights: Per capita gross national product of European NATO countries in all cases is less than one-half that of the United States; averages about one-third that of United States.

Actual tax receipts as percent of gross national product in some cases (six) exceeds that of United States; in all but relatively underdeveloped Portugal, Greece, and Turkey the percent approximates that of United States.

Percentage of gross national product in defense expenditures varies generally in relation to ability to pay. Furthermore, despite per capita gross national product averaging one-third that of United States, the percent of gross national product put into defense is just over one-half that of United States.

Selected economic and defense expenditures data on European NATO countries and the United States, calendar year 1960

	Population	Total GNP	GNP per capita	Private consumption per capita [1]	Defense expenditures	Percent defense expenditures to GNP	Tax receipts as percent of GNP
	Thousands	*Millions*			*Millions*		
Belgium-Luxembourg	9,490	$12,275	$1,293	$896	[2] $400	3.2	23.8
Denmark	4,640	5,600	1,226	827	161	2.8	24.1
France	45,500	54,400	1,196	728	3,831	6.8	35.4
Germany (West)	52,321	63,740	1,218	706	2,886	4.3	32.6
Greece	8,691	3,120	359	270	159	5.0	16.3
Iceland	176	155	881	500			
Italy	49,315	30,160	616	390	1,136	3.7	30.0
Netherlands	11,480	10,990	957	540	455	4.1	30.3
Norway	3,590	4,465	1,244	724	[2] 145	3.3	30.7
Portugal	9,124	2,220	243	187	[2] 100	4.5	17.0
Turkey	27,518	4,680	170	134	[2] 270	5.6	16.6
United Kingdom	52,375	68,950	1,317	863	4,856	7.0	29.7
Total European NATO (excludes Saar)	274,220	261,045	952	604	14,399	5.4	
United States [3]	179,894	494,500	2,749	1,730	46,552	9.3	26.2

[1] At 1959 market prices.
[2] Partly estimated.
[3] Alaska and Hawaii excluded.

NOTE.—Precise comparisons of the levels of gross national product and of defense expenditures between the European countries and the United States are not possible. The conversion into dollars has been made on the basis of official foreign exchange rates, and the purchasing power of the dollar equivalent is appreciably higher in most European countries than in the United States. Intra-European comparisons of the converted dollar figures are subject to similar limitations.

Table shows: Public debt as a percentage of the gross national product (GNP).

Summary: In 1949, our public debt of $252.8 billion was 96.7 percent of a GNP of $261.5 billion. At the end of fiscal 1961, however, our public debt of $289.2 billion is but 57.5 percent of a GNP of $503 billion.

U.S. public debt (Federal Government) and U.S. gross national product

Fiscal year	Gross national product (fiscal years)	Public debt outstanding end of fiscal year	Debt as a percent of gross national product
	Billions	*Billions*	
1949	$261.5	$252.8	96.7
1950	264.0	257.4	97.5
1951	310.4	255.3	82.2
1952	338.5	259.2	76.6
1953	359.7	266.1	74.0
1954	361.8	271.3	75.0
1955	368.5	274.4	74.5
1956	409.5	272.8	66.6
1957	432.9	270.6	62.5
1958	439.9	276.4	62.8
1959	467.3	284.8	60.9
1960	493.5	286.5	58.1
1961	[1] 503.0	289.2	57.5
1962	[1] [2] 523.0	[3] 298.0	56.9

[1] Estimated.
[2] Gross national product projected at a 4-percent increase which will probably prove to be low.
[3] Debt ceiling.

CONCERN OF WYOMING CITIZENS FOR THE FATE OF THE UNITED NATIONS

Mr. McGEE. Mr. President, this morning I received in the mail a letter from Mrs. Alice Stevens of Laramie, Wyo., in which she has described her deep concern over recent events, particularly as they affect the United Nations, in which she sees, as many of us do, the discomforting prospect that the future, the fate of the United Nations may well be at stake.

Because of her concern, she sat down and wrote a letter to the Ambassador of the United States to the United Nations, Mr. Adlai Stevenson. In doing so, she sent a copy of her letter to the Laramie Boomerang with a note stating in effect:

If there are any citizens in this community who would care to associate themselves with this letter, if they would call me between the hours of 7 and 9 o'clock, a 2-hour period, and arrange to stop by my house and sign the letter, I would welcome their cosponsoring this missive.

That night—Friday night, in Laramie, Wyo.—was the occasion of a considerable snow storm. The temperature dropped to a new record low for that particular time. The snow was driving in a very disconcerting way. Even so, nearly 75 people came out of the comforts of their own homes and beat a path to the door of Mrs. Stevens' living room to sign the letter to the Ambassador to the United Nations, saying:

Here are people way out in the boondocks on Main Street, U.S.A., who do care and they want you to know that everything we can do to keep this body going will have our support.

I ask unanimous consent that the letter from Mrs. Stevens, the letter to the Ambassador, and the signatories to her letter be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LARAMIE, WYO.,
September 25, 1961.

Hon. GALE W. MCGEE,
U.S. Senator from Wyoming, Senate Office Building, Washington, D.C.

DEAR SENATOR MCGEE: Perhaps the enclosed letter and signatures should have a few words of explanation.

One day last week I decided to write a letter to the U.S. delegation to the United Nations. Then it occurred to me that there might be others who would like to join the project. So I reserved the community room at the courthouse and put a letter in the paper inviting anybody who wished to call between 7 and 9 o'clock. It turned out to be a nasty night—snowing heavily, cold and wet. I took along a magazine thinking I'd have a lonely vigil. But when I arrived before 7 three university boys were waiting. And nearly 60 people came in that evening. Several asked to have the letter at the Boomerang office for a day, so others could sign. The rest of the signatures were added there. It was, as you know, a hectic weekend here, and it seemed to me significant that so many people, with so little attempt at publicity, were interested enough to sign the letter. Several asked that copies be sent to our congressional delegation and to President Kennedy. Fortunately, I was able to get the university library to make the copies for me. Here is yours.

I find deep concern about the international situation here, and a real fear for the United Nations. I hope you will have some reassuring things to tell us when you get home. Is a university assembly being arranged? Incidentally, you will note that the new dean of the College of Arts and Sciences and his wife (who is a former New York State board member of the League of Women Voters) took the trouble to come to the courthouse to sign the U.N. letter.

We all hope to see you before long.

Sincerely yours,

ALICE STEVENS.

LARAMIE, WYO., *September 22, 1961.*

Hon. ADLAI E. STEVENSON,
U.S. Ambassador to the United Nations, United Nations, New York, N.Y.

DEAR MR. AMBASSADOR: At this critical time, we, the undersigned citizens of the Laramie, Wyo., community, wish to assure you and all members of the U.S. delegation of our firm support of the United Nations.

We have been saddened and shocked by the death of Mr. Dag Hammarskjold, and are deeply concerned about the effect of his passing upon the United Nations as an effective instrument for peace. All efforts to withstand the vicious attacks which have been, and no doubt will continue to be, waged against the United Nations have our wholehearted support.

May we take this opportunity to express our deep gratitude to you, to all members of the U.S. delegation, and to your staff for dedicated service to the United Nations and to us. We are aware of the grave responsibilities which you carry and of the great physical demands made upon you. We are most grateful to all of you.

Please accept our good wishes.

Very respectfully yours,

Alice Stevens, T. M. Owens, Lee Stafford, Alice Ringert, Paul Ringert, Terry Seaman, William O. Heink, Mrs. W. J. Walthall, Jr., Wilson J. Walthall, Jr., Mrs. Roscoe Smith, Mr. and Mrs. R. I. Hammond, Evelyn B. Willey, Raymond H. Butcher, Mr. and Mrs. Patrick Marsh, Opal N. Funk, Fred E. Ames, Mary M. Batz, Gilbert G. Batz, Thora Ledford, Sarah Perry, Beth Wilkinson, Fern Barnes, Pat Gaddes, Mr. and Mr. William R. Stechef, Mr. and Mrs. Eugene F. Chasey, Allan Chasey, Mr. and Mrs. Peter F. Hanson, Mrs. Harry Small, Horace H. Campbell, H. David Mathes, Mr. and Mrs. R. H. Deninston, John I. Fester, Mrs. John Fester, Mr. and Mrs. David N. Hitchcock, Franklin Edgerton, Eleanor H. Edgerton, Evelyn C. Hill, M. E. Cottle, Bertha A. Cottle, John Chalmers, Carol Chalmers, Virginia Chalmers, Jay R. Gaer, Crete T. Gaer, John M. Hill (Alice Stevens Letts), Sandra Marshall, Mary Louise Allen, Pam Thomas, Shirley VandenBerg, Cynthia Small, Mrs. G. W. Siebold, Neva N. Miller, B. F. Miller, Vern Shelton, Nancy Shelton, Jack Oslund, William R. Harvey, Tony Bevinetto, Mrs. Vivian A. Scott, Robert S. Thompson, Dellora M. Cook, Verna J. Hitchcock, Mrs. C. M. Stafford, Mrs. V. C. Bulgrin, U.N. chairman, Laramie League of Women Voters, Mr. and Mr. Edward D. Burke and Denice and Charles, Gertrude Gould, Vane Ringert, Glennie Bacon, Mr. and Mrs. R. D. Watkins, Huldah M. Bruce, Robert H. Bruce, Mr. and Mrs. Glenn Jacoby, W. Don Frank, Mrs. Mildred Lancaster, Mrs. M. A. Hardie.

SUMMER VACATION FOR CONGRESS

Mr. McGEE. Mr. President, I invite the attention of Senators to an article that appeared in the column of Isabelle Shelton in the Washington Sunday Star, issue of September 24. The burden of the column is the suggestion that after the long, difficult session of this Congress, the time has now come when the wives may win. She discusses the efforts of congressional wives, as well as the other half of those combinations, who have petitioned the leadership on all sides to give consideration to a summer recess of the Congress and arrive at an understanding whereby the Congress could return in the fall months in order to continue the work of the legislative branches of the Government.

A part of the basis of the petition at the beginning was that such a program would enable many Members of Congress to spend time with their families when the children are free to go home. Now, when the children are free to go home, we are here in the summer months legislating, and when the children must be in school, that is our first opportunity to return home.

No single session of Congress could more effectively dramatize or more eloquently bespeak the need which the congressional wives have reflected than the one we are about to wind up. Although some of us have been suggesting that for several days, we leave it with an open end hope at this particular moment.

I trust that in view of the favorable reception which this proposal has received on the part of the distinguished leadership of the Senate, and the response it has evoked from many Members on both sides of the aisle in the House, it will be possible for the legislative bodies to give the utmost consideration to the proposal during the next session of Congress.

I ask unanimous consent that the pertinent sections of Isabelle Shelton's column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WIVES MAY WIN

Congressional wives who petitioned their husbands earlier this year for a summer recess of Congress coincident with the school vacation period, are madder than ever now that the session has dragged on and on, confirming their most dire predictions.

Their plea was brushed aside by the leaders, partly on the basis that it was not necessary, since Congress would finish by the end of July or early August, still leaving some time for congressional families to be together before school started.

As the wives feared, the families have all returned, the kids are back in school, and the exhausted solons are just now getting away.

Most of them will make a beeline for their districts—except for those lucky enough to have lined up a congressional committee trip. In either case, families with school-aged children will generally stay here.

There are signs that changes are in the wind, however. Although House Speaker RAYBURN is against it, the wives' contention that Congress is now a year-round business, and that the months spent in the home district might as well be the ones when the children are out of school, has made substantial headway in the Senate.

The Senate Rules Committee was noticeably cordial to the idea when a hearing was held last month. Both Committee Chairman MIKE MANSFIELD, the Senate majority leader, and Senator KENNETH KEATING, the second-ranking Republican on the committee, predict that the committee may well vote out a bill next year—although it is admittedly harder to work the problem out in an election year, such as next year, when Members need the fall months for campaigning.

"I think we'll get some kind of a bill out," says Senator MANSFIELD.

"My own feeling is that it makes a lot of sense, and I think there is quite a bit of sentiment for it over on this [Senate] side," said Senator KEATING.

PRESIDENT KENNEDY'S ADDRESS TO THE UNITED NATIONS

Mr. YARBOROUGH. Mr. President, I commend the distinguished Senator from Wyoming for his remarks about the President's great address before the United Nations yesterday, and I desire to be associated with him in those remarks. His stirring address was filled with phrases that were Churchillian in their majesty and other phrases that were Lincolnesque in their simplicity, spiritually, and deep appeal to the moral sense of mankind. Other phrases were Rooseveltian in their lofty nature. All in all, I think we heard the most eloquent speech that our President has made before or since he took office. I think his address will be marked as one of the most eloquent speeches by an American President up to this time.

JOHN NANCE GARNER, FORMER VICE PRESIDENT, MAKES GENEROUS CONTRIBUTION TO PUBLIC HIGHER EDUCATION

Mr. YARBOROUGH. Mr. President, the beloved John Nance Garner, former Vice President of the United States, has made a generous contribution to the Southwest Texas Junior College at Uvalde in Uvalde County.

Mr. Garner, who has distinguished himself at many levels of local and National Government, is continuing his role as an outstanding American citizen in private life, now by large contributions and donations to public higher education.

John Nance Garner was born near Detroit, in Red River County, Tex., on November 22, 1868. Like many others in his day, in that part of the country, he had access only to limited educational advantages. But he studied law and was admitted to the bar in 1890. He was elected county judge of Uvalde County, a position he held until 1896. His closest friends still call him Judge; he still likes the title "Judge" above all others. He served as a member of the Texas House of Representatives from 1898 to 1902 and was a delegate to the Democratic National Conventions of 1900, 1916, and 1924. In 1903, he was elected as a Democrat to the 58th Congress and the 14 succeeding Congresses. Repeatedly the distinguished former Vice President has expressed the need for higher education, and his interest in seeing that other youth have opportunities denied him.

Mr. Garner served as minority leader in the 71st Congress and was elected speaker of the 72d. He was reelected to the 73d Congress and on the same day was elected Vice President of the United States.

In the critical times which covered his 8 years in the Vice Presidency, Mr. Garner was a tower of strength to the President, to his party and to the Nation. In this long service John Nance Garner was active in all national affairs. After retirement, he continued his interest in public affairs. In numerous campaigns of my own for good government in Texas, I was heartened by his support and encouragement.

The Sage of Uvalde will be 93 years old November 22, 1961. He continues to hold the affection and the respect of his fellow Americans.

On September 21, 1961, an article in the Uvalde Leader-News of Uvalde, Tex., describes how Mr. Garner made a contribution to further the excellence of the Southwest Junior College in Uvalde County. This was the second large donation of bank stock by former Vice President John Nance Garner to Southwest Texas Junior College within the past month. After decades of service to his fellow man in government, the Sage of Uvalde now in his ninth decade of life is making the major effort of this decade of his life in support of higher education. His former assistant, and personal attorney, Dorwin W. Suttle, of Uvalde, has been his constant adviser in these actions.

Less than a month ago the "Sage of Uvalde," as he is called, made a large contribution to the Southwest Texas Junior College of Uvalde, which was created after World War II as a joint county junior college. It is the first multiple-county junior college in the history of Texas, said by some educators to be the first multiple-county junior college in the history of the United States. Last week Mr. Garner gave all of his stock in 10 banks to Southwest Junior College. He had previously given stocks worth $200,000. The gift is estimated to have a value of anywhere from $300,000 to $500,000. In making these large contributions he has said, "Everything I have was obtained in this area. I decided to give it back whence it came. The people of Uvalde County in this area have made it possible for me to have what I have. This is my way of showing my appreciation." I think it is great and noble action by the former Vice President, who presided over this body for 8 years, that he is giving of his means, practically everything, to advance higher education in this period of critical need for education in our country.

I ask unanimous consent that this article from the Uvalde Leader-News of September 21, 1961, be printed in full in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GARNER GIVES STOCK IN 10 MORE BANKS TO SOUTHWEST TEXAS JUNIOR COLLEGE

Monday of this week John Garner presented to Southwest Texas Junior College his stock shares in 10 Texas banks and Wednesday gave the college $100,000 in cash. Garner said he estimated the bank stocks worth "at least $200,000."

Last month Garner gave the college his bank stock certificates at the La Pryor State Bank and the Zavala County Bank at Crystal City. This previous gift, including controlling interest in the Zavala County Bank, amounted to an estimated $300,000 to $500,000.

Still previously to the aforementioned gifts the former Vice President of the United States gave $100,000 to Southwest Texas Junior College.

Bank stock gifts Monday of this week included shares in the following banks: Union National Bank of Laredo, American Bank of Commerce at Victoria, Stockmens National Bank at Cotulla, Zavala County Bank at Crystal City, First State Bank & Trust Co. at Rio Grande City, First National Bank at Poth, First State Bank & Trust Co. at Mission, Groos National Bank at San Antonio, First State Bank at Three Rivers, and City National Bank at Colorado City.

In making the presentations Monday and Wednesday of this week Garner again stated to the college officials:

"Everything I have was obtained in this area and I decided to give it back where it came from. The people of Uvalde County and this area made it possible for me to have what I have. This is my way of showing my appreciation."

He also added that he had never had a chance to go to college but wanted a part in helping to make SWTJC the best college in the country.

MAINE BLUEBERRIES

Mrs. SMITH of Maine. Mr. President, the August 24, 1961, issue of the Enterprise, Maine's statewide weekly newspaper, featured one of Maine's greatest delicacies—in fact, one of the world's greatest delicacies, Maine blueberries.

There was an unusual combination of the best in this issue. First, it featured one of the best delicacies in the world—the Maine blueberry. Second, it was in one of Maine's truly greatest publications that gives the news that is sometimes hard to find otherwise. Third, its editor is truly the modern-day Will Rogers. He is John Gould, America's greatest humorist.

With such a winning combination of bests, I ask unanimous consent to place in the RECORD four editorials by John Gould in the Enterprise of that date on Maine blueberries.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

NOTHING BETTER

Something of man's perversity is shown by the activity of naturalists, who have perfected a cultivated blueberry that gets as big as a plum. And something of man's fidelity to reason is shown by the reaction of the public—who would not accept this paragon as a blueberry because it was too big. This is true. There are cultivated blueberries that get so big people don't believe they are blueberries at all, and resist them. Just why a naturalist's mind runs to such adoration of the grand and huge is worth pondering, for improving on the wild Maine blueberry is a gilding of a lily. It reminds us of Deacon Merithew of Richmond, who in former times used to horse up a keg of New England rum at haying time, and by this device got all the better haymakers to work for him. Abstemious farmers in the area sometimes couldn't hire a hand. One day a delegation from the church, headed by the minister, called upon Deacon Merithew and said this overt use of the Demon was unbecoming a deacon of the church, and that public sentiment disapproved. "If you will take some spring water with a little oatmeal in it, and some molasses and ginger, you'll have a drink that will be just as refreshing, and will be a good deal better for you than rum," the minister told Deacon Merithew. To which the Deacon replied: "I don't want nothin' better than rum."

CAN'T REMEMBER

This has to do with blueberries only in the most indirect way—but it's a very important piece of reading matter, and we suggest you eye it with care. We were thinking about scarcely anything except blueberries all this week, and it occurred to us that we might jazz up some of the television slogans and have some fun. Such as "Blueberries Build Healthy Bodies 12 Ways." Well, what is it builds healthy bodies 12 ways? A bunch of us sat around and found we didn't know any of those things. What do four out of five New York doctors recommend? Bon-Zil or Carter's pills? Dristan turned out to be the only product everybody present could identify, but nobody present had ever bought or used any Dristan. What are the three ways what fights headache? If, as we chanced to do, you cast your collective thoughts in a group along this avenue of memory—you'll get a horrid surprise. You'll

suddenly realize that for all the pound-pound-pound of the repetitive slogans week in and week out, they flicker and fly from your television screen without making any great impact on you. As we remember hearing a lady say not long ago: "Now, there was something advertised on television just the other day that took care of that very thing—what was it?" What was it, indeed. What are the 12 ways blueberries build healthy bodies?

NO COMPARISON

Nobody grows a better blueberry than we do. There aren't too many items in the give and take of world traffic that stand up so uniquely. The lobster happens to be another such—the conditions off our shore are ideal, and are not duplicated elsewhere. So it is with the blueberry—the glacial soil, within reach of sea winds, and the nature of the place set up a combination of cultural advantages that no other spot on earth meets. That blueberries, and even wild blueberries, grow in other places is true, but they don't grow in just the same way, with just the same flavor and fullness of character. As the Maine lobster has his crawfish, so has the Maine blueberry his imitators and puny cousins. But as the discerning taste quickly observes, there is no comparison. There are, in short, two kinds of blueberries in this vast world and wide—the real, honest, hard-working, capable, incomparable Maine wild blueberry, and the others.

ALSO A PRODUCT

The sky-rending cry of a young lady who just caught a snake in her blueberry rake mingles with the professional publicity of the department of economic development, which has worked hard and long on a coincident program. The Maine Products Show at the Augusta Armory runs heavily to another kind of product and production, and Maine blueberryers are too busy just now to attend. The wild Maine blueberry bids us, therefore, consider the differences. Maine is a State of considerable outdoors, where advantages often accrue without full credit. To those who accent the payroll, and the security of industry, and the fringe benefits, there comes, now, the disturbing sight of a freckle-faced boy down on his knees raking blueberries. A fair breeze, tumbling clouds in an August sky, a carpet of blue off to the edge of the township, and nothing of civilization crowding him. Wherever he goes and whatever he becomes, as his life unfolds, there will always be with him, when August fulls and the doldrums of maturity press upon him, a rich memory of times that were. Perhaps the boys who earned their first money peddling newspapers greatly outnumber the boys and girls of Maine who earned their first money raking blueberries, but they will never brag about it with such wistful overtones, or remember it with such emotion. We hope there was a blueberry rake in the Maine Products Show.

MARINE MUSEUM AT MYSTIC, BOOTHBAY HARBOR, MAINE

Mrs. SMITH of Maine. Mr. President, in the August 27, 1961, issue of the Portland, Maine, Sunday Telegram there is an excellent and interesting article by Nancy Hallet Woods. Not only is she an excellent writer, but she is the daughter of an excellent writer and one of Maine's foremost citizens, Richard Hallet.

Because I think the article will be of interest, I ask unanimous consent that it be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAINE MAN CONTRIBUTES HISTORIC DREAM SHIP TO MUSEUM AT MYSTIC

(By Nancy Hallet Woods)

BOOTHBAY HARBOR.—Maine's loss becomes Mystic Seaport's gain with the revelation this week that a Maine man is giving his ship away to America's foremost marine museum. And Boothbay Harbor becomes the only place in the Nation able to boast that it has sent into living history at Mystic two world-famous craft it called for many years its own.

The storied Danish ketch, *Gundel*, owned by Patrick T. Jackson of Boothbay Harbor and about to be turned over by him as an outright gift to the Marine Historical Association of Mystic, Conn., will join, in that New England seaport dedicated to keeping alive America's great age of sail, Adm. Donald B. MacMillan's Arctic explorer, *Bowdoin*.

Owner-skippered, with retired U.S. Navy Adm. W. N. Stevenson of Kittery Point as navigator and a crew of five complementing the little ship's company, the *Gundel* will say goodby Wednesday morning, weather permitting, to the Maine coast town that has been her home for well over a decade, and set sail for Mystic where she is expected to arrive between September 6 and 9.

There, the *Gundel* will begin part four of a story that started with her building in Denmark in 1893, saw her perform as a cargo carrier for half a century, rise to glory as a transatlantic freedom ride for a Communist-plagued band of Latvians, and relax since 1949 in the role of Maine coast pleasure boat for Jackson and his family.

"A story and a history," Jackson said, "are among Mystic Seaport's qualifications for acceptance of a vessel. The *Gundel* has both."

Built of oak and teak, the sturdy 64-foot ketch equipped to carry a 100-ton cargo, plied for more than 50 years between Sweden, Iceland, and Greenland, carrying mainly salt and fish.

Then at the end of World War II, a dream rooted deep in the hearts of people oppressed and the courage to make it come true reshaped her destiny—and theirs.

American freedom was the dream; and the people, a group of Latvians who fled in 1944 from their own war-torn country to Sweden, there to live in terror of Russia's threat to have them returned as Soviet citizens. Four years of work in Sweden garnered the little band money enough to buy for $12,000, and to outfit for her last long voyage, the cargo carrier *Gundel*.

On May 22, 1948, captained by 63-year-old John Rosenburg, she eased out of Gottenberg, Sweden. Her cargo this time was 29 Latvian men, women and children. Her destination, the United States.

Three storms and 46 days later, touching in at Dover, England, only, a strange-looking foreign vessel smaller than the *Mayflower* brought to immigration officials at Provincetown, Mass., no ordinary day. She asked for all her people political asylum.

Escorted into Boston Harbor, the *Gundel* ended her pilgrimage. But though safe this side of the Atlantic, her Latvian refugees found their passage to freedom had only just begun.

Held in detention at Boston from July till November and then released on bond, they found homes and jobs at once, rejoiced when Congress convening in January received a bill that was eventually to grant them first papers. For once, two Massachusetts men of opposing political creeds agreed. The bill was entered in the House by young Congressman John F. Kennedy, and in the Senate by Henry Cabot Lodge.

Jackson, at the time an Attleboro, Mass., businessman with a lifelong interest in ships, the sea and sailing, bought the *Gundel* from the Latvians in 1949 and sailed her to Boothbay Harbor.

"I had often come into Boothbay while cruising the coast," Jackson said, "and my wife's family had summered for years on Squirrel Island. Boothbay was also to me the spot where Maine cruising begins. So it was a natural choice. We lived on board for several summers. She was our only home in Maine."

The *Gundel* became a year-round Maine resident at once, wintering, too, in Boothbay waters. A few years later Jackson, his wife and son, lured up in the *Gundel's* wake, purchased a house in Boothbay Harbor and the town became their permanent home.

For the widely known ketch, the decade of the fifties delivered its moments of excitement, too. There was the stormy February night in 1951 when she tore loose from her East Boothbay berth and was carried across the Damariscotta River. But the luck of all her life stayed with her, and fetched her up in the only sandy cove on a rocky shore. She was unhurt.

Then she served as a background star for "Carousel," when 20th Century Fox shot that picture in Boothbay Harbor.

"For camera angles, I was supposed to keep her headed in a certain direction despite wind or tide and without her engine because use of that would show," Jackson recalls with a grin. "This wasn't easy."

On board with Jackson and Admiral Stevenson for the cruise to Mystic will be Jackson's son, Patrick III; Mrs. Stevenson; Edward L. Leonard III, and J. Bruce Twinem, both of Boothbay Harbor; and Owen G. Omundsen of Glen Head, N.Y.

En route, the *Gundel* will say hail and farewell to several New England ports, depending on winds and weather. Jackson's tentative stopover schedule includes Portland or Kittery, Gloucester or Marblehead, Duxbury, Marion, Newport, then Mystic, which has notified President Kennedy of her pending arrival there. Foremost among official greeters will be Mrs. Jackson and Mrs. John Rosenburg, the Latvian captain's widow. Mrs. Rosenburg is now with the National Shawmut Bank of Boston.

Also awaiting *Gundel* at Mystic Seaport is a select company of ships heavy with history. Along with MacMillan's *Bowdoin*, there's the *Charles W. Morgan*, last of the wooden whalers; the famed square-rigged training ship *Joseph Conrad*, also hailing originally from Denmark; and the ancient coasting schooner, *Australia*, captured as a blockade runner in the Civil War.

The *Gundel* takes her place in their midst with a special honor bestowed upon her by the Marine Historical Association. In a move rare in that group's past, the directors have accepted her without endowment.

DR. SABRI SAMI

Mr. BYRD of West Virginia. Mr. President, on September 7, 1961, Dr. Sabri Sami, structural engineering professor at West Virginia University, where he headed the research and graduate studies division of the department of civil engineering, was killed in an automobile accident. Dr. Sami was en route to Morgantown from Port Hueneme, Calif., where he had spent the summer com-

pleting a review of all tasks in the structures division of the U.S. Naval Civil Engineering Laboratory.

With his death, Dr. Sami leaves a gap, not only at West Virginia University, but in the entire field of structural engineering in the Nation. His colleagues regarded him as one of the foremost structural engineers in the United States, if not in the world.

Explaining why West Virginia University was attracting top men, the now Secretary of the Army Elvis J. Stahr, Jr., while president of West Virginia University said:

> We offer them the freedom, unbounded by traditions prevailing at so many institutions, to conduct their own research in their respective fields.

That is why the Egyptian-born Dr. Sami chose West Virginia University and Morgantown as his domicile.

Dr. Sami, who regarded Americans as "the hardest working people in the world," and the United States as "a country which is like one big factory," came to America in 1949. He received his master's degree in 1951 from the University of Illinois, and then went on to earn the degree of doctor of philosophy at that institution. He then studied electronic computers at Columbia University.

Dr. Sami once said:

> The first thing that impressed me when I arrived in this country was how the American people have mastered nature. In the past 50 years, the United States has accomplished more than the rest of the world has in 2,000 years.
>
> I believe this success is largely due to the tremendous competition in research, which keeps the American scientist on his toes and results in achievements which would be impossible in other countries. As a result, everyone seems to have a high standard of living.

Just before his death, Dr. Sami was about to see the fulfillment of one of his major dreams: That of becoming a U.S. citizen. The Morgantown (W. Va.) Dominion-News city editor, Tom Mills, in a recent story on Dr. Sami wrote:

> Although devotedly proud of his own ancient and historically famous country, Egypt, Dr. Sabri Sami, professor of structural engineering at West Virginia University, and one of the top men in his field, is working toward American citizenship.

A bulletin, compiled by a Federal Government agency, to be sent to countries throughout the world, said this of Dr. Sami:

> Dr. Sami is continuously working on several research projects and papers. His most recent, which demonstrates how electronic computers may be used to take months off the time needed to solve a complicated engineering problem, brought him letters from professional engineers in Japan and South America, as well as all parts of the United States.

Among the projects with which Dr. Sami had been associated are the designing of the Arthur Kill lift bridge in New York Harbor, a St. George-type bridge in Florida, the Talmadge Memorial cantilever bridge at Savannah, Ga., and others. He was also responsible for the design of a drydock for Newport News Shipbuilding & Dry Dock Co. in Virginia, and was a consultant on the bridges for the Washington Circumferential Highway in Maryland.

While in Egypt, Dr. Sami designed barrages to store water, canals, and drains for irrigation, concrete water purification plants, water towers, hospitals, and buildings. He was responsible for the design of numerous structures with engineers appointed by the United States to Egypt for large calcium nitrate plants to meet the requirements of the Chemical Construction Corp. of America.

Just before his death, Dr. Sami had completed what was, perhaps, one of his most outstanding assignments, that of reviewing all tasks of the structural engineering division of the U.S. Civil Engineering Laboratory at Port Hueneme, Calif.

Dr. Sami was an example of so many millions of individuals who have come from other lands, and who have poured into the melting pot their strengths, their skills, and their talents, to form the beautiful dream that is America.

I wish to insert into the RECORD a clipping from the August 23, 1961, edition of the Dominion-News, in which Dr. Sami's last assignment is discussed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"U" STRUCTURAL ENGINEER SABRI SAMI ENDS CALIFORNIA STUDY ON SIMULATOR

Dr. Sabri Sami, regarded as a specialist in the field of structural engineering, design, and research and in the capacity of a consultant, is now completing a review of all tasks in the structures division at the U.S. Naval Civil Engineering Laboratory at Port Hueneme, Calif.

His technical project assignment is concerned with prototype reinforced concrete structures. His evaluations will be considered by the technical personnel in determining the future course of tasks at the laboratory.

The problem of static shear failure is the least understood and produces the most violent results of any aspect of reinforced concrete structural design. He is designing and instituting a series of tests for determining the dynamic shear resistance of reinforced concrete members and is preparing a summary report for the execution of the experiment.

His proposed dynamic shear experiment will be executed in the atomic blast simulator which is capable of exerting pressure equal to that of an atomic bomb. This testing machine is the only one of its kind in the free world.

Dr. Sami is a member of several engineering organizations and has a number of publications to his credit. He returns to Morgantown in September to West Virginia University where he is professor of structural engineering and in charge of the structural engineering division.

METRECAL FOR FOREIGN AID

Mr. WILLIAMS of Delaware. Mr. President, who says our foreign aid program of feeding the undeveloped peoples of the world has not been a success? Apparently now the ICA finds it necessary to put them on a diet on the basis that they have been getting too fat on Uncle Sam's generosity. We are now having to furnish Metrecal to some of these same people.

Over 48,000 8-ounce cans of Metrecal have recently been sent to Vietnam under our foreign aid program at the expense of the American taxpayers.

Since 1954 Vietnam has been the recipient of over $2 billion in American foreign aid, much of which is represented by surplus food products to feed the undernourished.

Now we are being told by the New Frontiersmen that we must furnish these same people Metrecal.

Surplus foods for the undernourished peoples of the world—then Metrecal for them when they get too fat.

Who said that the New Frontier could not come up with an original idea for foreign aid?

I ask unanimous consent that the letter from the State Department be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., September 20, 1961.

The Honorable JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: I have your letter of September 8, addressed to Secretary Rusk, in which you request information on the alleged shipment of Metrecal abroad under the aid program.

I am informed that the ICA currently is investigating a case where a small shipment of Metrecal powder apparently was ordered by private importers under the general United States-Vietnam commodity import program. When this investigation is completed, the ICA will communicate with you directly and give you a full and detailed report.

This is the only case of procurement of Metrecal known to State and ICA in Washington. If there is any further information required, please let me know.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DIRKSEN. Did I hear the Senator correctly to state that 48,000 cans of Metrecal have gone to Vietnam as a part of the New Frontier program?

Mr. WILLIAMS of Delaware. That is correct. The State Department told me that this shipment was authorized in August, but since then they have decided that Metrecal is not supposed to be on the agenda, and that they will take it off the agenda. It is true, however, that we have sent over 48,000 cans to Vietnamese who have been getting too fat on American generosity.

Mr. WILLIAMS of Delaware subsequently said: Mr. President, earlier today I referred to a shipment of Metrecal which had been sent to Vietnam under our foreign aid program.

Since making that statement, I have been advised that the Comptroller of

ICA has issued a ruling which will prohibit any further shipments of Metrecal under the foreign aid program. Assurance has also been given that they are going to make an effort to collect payment from Vietnam for the shipments which have thus far been made. There seems to be complete agreement that it does not make sense to furnish Metrecal to put undernourished people of the world on a diet.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. Our distinguished colleague from Delaware has again served the country by his alertness. I think he is deserving of our commendation for bringing up this matter and achieving this result.

Mr. WILLIAMS of Delaware. I thank the Senator.

DEDICATION OF FRANCISCAN FRIARY AT EASTON, PA.

Mr. SCOTT. Mr. President, on Sunday, September 17, 1961, some 5,000 people gathered at the Franciscan Fathers Friary on Chipman Road, Easton, Pa., for the dedication of chapel, friary, and retreat house for men. Most Rev. Joseph McShea, D.D., bishop of Allentown, Pa., dedicated the new buildings, which are, in the opinion of experts, the showcase of outstanding qualities of design, and contemporary and painstaking craftsmanship. The stained glass work and colorful mosaics utilize symbolism to depict the virtues which our Lord lauded in His Gospels and Francis practiced in his life.

Over 115 priests and monsignori from all eastern seaboard States witnessed the simple ceremonies performed by Bishop McShea and assisted by the guardian of Easton Friary, Father Jerome Pavlik, O.F.M., and his friars, which left lasting impressions on those present. Bishop McShea called it a memorable and blessed day in his new diocese of Allentown, "because today in our own times other zealous sons of St. Francis undertake among us a new apostolate." It is 35 years ago this year that the Franciscan Fathers came from Slovakia to the United States at the invitation of the late Bishop Hugh C. Boyle, of Pittsburgh, and the Federation of Slovak Priests. They have monasteries in Pittsburgh and Uniontown, Pa., and Valparaiso, Ind.

The dedication ceremonies and a large attendance command our appreciation of their missionary work. Mr. John C. Sciranka, American Slovak journalist, of Passaic, N.J., called the friary at Easton, Pa., a new spiritual arsenal of Lehigh Valley in the following article, published in the Easton Herald on Friday, September 15, 1961.

I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(By John C. Sciranka)

When many prelates, priests, and pilgrims will assemble Sunday, September 17, at the Franciscan Friary on Chipman Road in Easton, to witness the solemn blessing and dedication of their new $750,000 St. Francis Chapel, Friary, and Retreat House for Men by the Most Reverend Bishop Joseph McShea, D.D., first ordinary of Allentown Diocese, many elder folks and especially Rt. Rev. Msgr. Leo Gregory Fink, V.G., will recall the pioneer work in the Lehigh Valley by the two distinguished servants of God, who have preceded us to eternity, namely, Msgr. William Heinen, "Apostle of the Slovaks" and Father Francis C. Vlossak, one of his first assistants in this area.

On March 30, 1960, it was 50 years that Monsignor Heinen passed away in his rectory of St. Joseph Parish, East Mauch Chunk, now Jim Thorpe. And Father Vlossak passed away in 1956. Both of these zealous apostles of Lehigh Valley made great contributions and have helped to lay the firm foundation for our present progress.

And the writer, like many who knew them even better, is certain that they are rejoicing on this memorable day in God's Kingdom for the reason that the Franciscan Fathers will carry on the great mission for the salvation of human souls.

On this historical day of Franciscan Fathers we will, no doubt, but add to its great significance by recalling a few dates from the life of these two pioneers, who have labored zealously in the Lehigh Valley in order that we may enjoy the fruits of their many sacrifices.

Monsignor Heinen was born in the town of Rheinland, Germany, in 1839. At the age of 19 he began to study law but a year later was called to the military service, where he was wounded. During his convalescence he read in the military hospital about the Indians in the New World and a great need for missionaries here.

Ninety-two years ago, or to be exact, on August 21, 1869, he came to the United States and became a student at the old seminary of St. Charles in Philadelphia, where he completed his studies for priesthood.

On April 10, 1871, he celebrated his first mass and started his priestly career at Sacred Heart Parish in Allentown. Then he was sent to St. Paul's Parish in Reading. He soon became pastor of St. Joseph's Parish in Lehighton, where he first realized the urgent need to study the Slovak language. It was during an accident on a railroad track where a Slovak worker was mortally injured and the priest could not hear his confession, for he did not know the worker's language. Due to lack of Slovak and Slavonic speaking priests, Father Heinen determined to learn the Slovak language.

He visited the people in various places and in 1888 came to Lansford, where he laid a foundation for the Slovak parish of St. Michael, of which Very Rev. Dean Joseph Baran is pastor. The parish was founded in 1891, and this year it is its 70th anniversary. It was here that Father Heinen met a young immigrant boy, Paul Lisicky, who worked in the mines. Father Heinen aided him to study for priesthood. And Father Lisicky was a great priest. Father Heinen was instrumental as apostle to Slovak Catholics, in performing many extraordinary deeds. According to Monsignor Fink, in his missionary career he led a militant life and founded 19 new parishes, thus making secure the faith of thousands of pioneer Catholics in the State of Pennsylvania. The coming of the missionary Sisters of the Most Sacred Heart to America must also be credited to this apostolic missionary. Thus Monsignor Fink describes briefly the work of Monsignor Heinen in his book, "Martyrs of Sacred Heart," published in 1934 in Philadelphia, Pa.

Monsignor Heinen will be always remembered by the 14 Slovak parishes he helped to organize, and no doubt he will be remembered by the Franciscan fathers, who, through their guardian of Eastern Friary, Father Jerome Pavik, O.F.M., will find some way to perpetuate his memory, especially by the men of this valley, who will make their retreats in the new retreat house.

And on June 29, it was already 70 years that a young Slovak named Francis Cyril Vlossak was ordained for the Philadelphia archdiocese in Belgium. He, too, labored in the Lehigh Valley all his priestly life.

On the historical day of June 29, 1891, Most Rev. Bishop Joseph Glorieux ordained Father Francis C. Vlossak at the North American College do Louvain in Belgium. His mission was to come to the Lehigh Valley, where he became an assistant to Monsignor Heinen. From the parish of Monsignor Heinen, Father Vlossak visited people of various nationalities, for he was a linguist and spoke eight languages fluently.

He was born on October 12, 1864 in the town of Bobrov, Orava County, Slovakia. It is noteworthy that Father Vlossak also followed first the military life and gave it up for priesthood, and the salvation of souls in the new world, just like Monsignor Heinen. Both have labored here zealously for over a half century of their priestly lives. They, no doubt, have often dreamed of a friary, chapel, and a retreat house for men in this valley, but they had to do first things first. Theirs was a job of organizing parishes. Now the Franciscan Fathers have a new duty; to keep these parishes together by giving missions, novenas and aiding the priests in whatever capacity is necessary. And last but not least to put more action into the Catholic action.

The Easton Friary is like spiritual arsenal, where in this nuclear age, the faithful can find solace and inspiration for hard tasks with which we are confronted in the current strifes and moral decadency.

The Easton Friary of the Franciscan Fathers is a great contribution to the moral upliftment of the rich and historical Lehigh Valley, which owes its initial progress to the Moravian Brothers. Now, after two centuries, the descendants of John Amos Comenius (Komensky), who was a Moravian Slovak, came to this valley with a different approach but with the teaching of our Lord Jesus, to love God and our neighbor as ourselves, for our moral and material welfare. May their work prosper and find many new friends.

DAIRY PRODUCT STOCKPILE URGED

Mr. WILEY. Mr. President, the State board of directors of Pure Milk Products Cooperative in Fond du Lac, Wis., have urged the Government to give early consideration to the stockpiling of dairy food products in strategic locations throughout the country for use in the event of an atomic attack.

Much of the protein vital to our Nation's health comes from dairy products and such foods would be an important addition to the stockpiles of other goods now under consideration.

Wisconsin is the dairy capital of the United States and, of course, we have a plentiful supply of products for use in such a program.

I ask unanimous consent that my letter to Secretary Orville L. Freeman urging his consideration of this program be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 25, 1961.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Washington, D.C.

MY DEAR MR. SECRETARY: As you are aware, the Pure Milk Products Cooperative of Fond du Lac, Wis., has requested that consideration be given to the stockpiling of properly packaged evaporated milk, cheese, butter, and milk powder for emergency use in case of sudden nuclear attack on the United States.

I feel this suggestion has great merit and I am writing to urge that you give it careful consideration and thought. In such an emergency, no other food product would be more needed than dairy products. Dairy items can be easily prepared for storage and, as you know, they have the most nutritious, essential proteins, carbohydrates, and fats obtainable.

Also, I hope consideration will be given to having the Government give sponsorship and direction to stockpiling dairy products in industry and home fallout shelters.

The critical world situation demands that we take precautions to protect the American people and assure the survival of as many as possible. I know you will agree with me that this suggestion should be acted on immediately so that in the very near future such a program may be put into effect.

Sincerely yours,

ALEXANDER WILEY.

TV SATELLITES CAN CARRY AMERICA'S MESSAGE TO THE WORLD

Mr. WILEY. Mr. President, we all listened with great interest to the address made yesterday by President Kennedy before the General Assembly of the United Nations. There was much that he said about the United Nations, about disarmament, and about the trouble spots of the world—which requires careful attention, analysis and action. Yet, it is noteworthy that despite the immediate threats and hazards that face this Nation and the world, the President took a few minutes to portray the future Utopia of space discoveries and use.

In the words of President Kennedy:

We shall propose further cooperative effort between all the Nations in weather prediction and eventually in weather control. We shall propose, finally, a global system of communications satellites linking the whole world in telegraph and telephone, in radio and television.

It is in this connection that I would like to call attention to the unusual opportunities provided by communications satellites in reaching the people in the far corners of the world, and in conveying to them the true image of America.

In the past we have used radio, books, exchange students, and visitors, artists and other means to present the true picture of America to oversea audiences. These have had some useful effects, but the effect of television programs showing the great events and the ordinary lives of citizens in a democracy would be infinitely more powerful. There are 100 million television sets in use in the world, almost 40 million overseas, 6 million within the Communist bloc. It is through communications satellites that we telecast directly from space into every living room in the world. This is a great challenge.

I have discussed this unusual challenge in a recent article which appeared in Mechanix Illustrated. It is the title and theme of this article that "we must show the world the truth." I ask unanimous consent that this article, which appeared in the October 1961, issue of Mechanix Illustrated, be printed in the CONGRESSIONAL RECORD at this point of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LET'S SHOW THE WORLD THE TRUTH

(By ALEXANDER WILEY, U.S. Senator from Wisconsin)

Cmdr. Alan Shepard's space flight was not only an important technical success for the astronaut and his associates at Cape Canaveral but it was a profound propaganda success for the United States as well. Films of the exploit, shown all over the world, had a tremendous effect—in spite of the fact that the earlier Russian exploit of putting a man in orbit around the earth and bringing him back safely was a more advanced achievement. There is a simple explanation—people who had only read about the Russian in space were able to see actual pictures of the American. There is a lesson for us in this experience with oversea audiences. The truth presents a good picture and it will work for us—if we get the picture to the people who need to see it.

In the past we have used radio, books, exchange students and artists. These have had some effect but the effect of TV programs showing the great events and the ordinary life of citizens in a democracy would be infinitely more powerful. And now there has appeared a new means of beaming television abroad directly from the United States—electronic relays borne by satellites in outer space.

Within a year the National Aviation and Space Administration (NASA) will put into orbit a satellite built by the American Telephone & Telegraph Co. This 175-pound sphere will contain a relay station that will provide experimental transmission of television, telephone calls and other types of communication between the United States and Europe. Microwave signals beamed from powerful transmitter-receivers at the Bell Laboratories space station at Rumford, Maine, will be picked up by the satellite's antennas. These signals will be amplified within the satellite, then relayed to waiting antennas in West Germany, England, and France. Traveling in polar orbit at an altitude of about 2,200 miles, this first test satellite will transmit to Europe for 35 minutes three or four times every day. It will operate much as conventional microwave relays do. They carry the television picture across America. The satellite relay will carry the picture across the Atlantic.

Sixty percent of the satellite's surface will be covered with glass-coated solar cells. These will convert the sun's rays into electrical power that will keep the satellite "live" up to 10 years. The second satellite in the A.T. & T. program will follow shortly after the first and extend the time-length of transmission. Then a twin transmitter-receiver at Rumford will automatically switch signals from the first satellite moving out of "view" to the second as it comes in.

The full A.T. & T. satellite program has plans for 1, 2, 6, then 30 to 50 satellites for complete 24-hour commercial service within 3 to 4 years. The estimated cost of $170 million will be for the full network. A.T. & T. has assumed the cost of this project, including the cost of the launchings. The taxpayer will bear none of the burden. Communications experts believe the system will more than pay for itself in increased oversea telephone revenues.

Will the Russians find a way to jam international TV transmission? To do so they would have to spend millions of dollars on intricate radar tracking and computer equipment and they would have to place powerful jamming transmitter-receivers not far from our own. As one A.T. & T. engineer puts it, "First, they would have to be able to see the satellite." According to Space Engineer Wernher von Braun, the communication repeater satellite will be unjammable.

Just how large is the potential audience for the TV satellite? There are over 100 million television sets in use in the world, almost 40 million overseas, 6 million within the Communist bloc. In the late months of 1960 the number of oversea sets in use increased by 1 million each month, doubling the pace of the first 5 months of the year. France has 15,000 of these sets in public places and the Eurovision network telecasts to 14 nations of Europe.

Thus the international television network will comprise hundreds of millions of viewers. People on the far side of the world will see thriving American cities, the rewards of life lived in freedom. They will see the American workingman, his freedoms, his material blessings. One British authority believes the television satellite will decide whether Russian or English is to be the language of the future and sees it decisive in winning the cold war.

The television battle is on even now. East Germany transmits anti-American programs, dramatizing unemployment in the West, racism and lynchings to 600,000 West Germans within an 80-mile radius of the transmitter. But East German refugees say Western programs penetrate deep within East German territory, reach almost 2 million people.

We know Russia spends 10 times what we do in manpower and resources to make her appeal to the world. We must multiply our efforts. We must reach behind the Iron Curtain and into Russia itself. As an extension of our TV satellite program, it has been suggested that we could drop miniature television sets by parachute or from wind-carried balloons. These sets, I understand, might be built in quantity at a cost of $30 to $40 apiece, using off-the-shelf components with, say, 5- to 7-inch screens. They could be transistorized, with printed circuitry, battery-powered and preset to a given channel. They could be packed to minimize damage in landing; a metal case added to serve as antenna. We could even enclose operational directions and our broadcasting schedules written in Russian. Russian viewers could pick up the satellite's broadcasts from powerful free-world antennas in Finland, Turkey, Sweden, Iran.

We could follow these sets with others that would tune in the satellite directly from upstairs into Russia; for in the words of RCA's M. G. Staton, "We must telecast directly from space into every living room in the world."

Yes, we must use television to bring the picture of freedom to the world.

UPPER COLORADO RIVER TRANSMISSION LINES

Mr. DWORSHAK. Mr. President, I ask unanimous consent that a statement by the senior Senator from Utah [Mr.

BENNETT] dealing with the upper Colorado River transmission lines, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

CONFERENCE REPORT ON THE UPPER COLORADO RIVER TRANSMISSION LINES

The action taken by the conferees in no way lessens the obligation of the Secretary of the Interior to enter into reasonable, fair negotiations with the private utilities to arrive at a wheeling agreement equitable to all concerned. Such negotiations have not yet taken place.

It has always been the policy of the Senate to require negotiations with utilities to wheel power produced by Federal projects. Otherwise the taxpayers' money would be wasted on duplicating parallel lines.

The language in the conference report does not alter the fact that the Senate Appropriations Committee in its wisdom directed the Secretary of the Interior to negotiate with the private utilities and to report back to the committee by February 15, 1962. I fully expect the Secretary to do so. To do otherwise would be an affront to the committee.

The conference report does untie the $4.2 million appropriated for the contested power transmission lines. I agree that the money should be available in the event that genuine negotiations result in a determination that the public interest will be best served by Federal construction of a portion or all of the disputed lines. I shall carefully follow the progress of these negotiations.

THE EXPANDING SPACE THREAT

Mr. STENNIS. Mr. President, I am convinced that there is an impending and expanding space threat which endangers not only our international prestige, but our national security as well.

The frequency and payload size of Soviet space launches, demonstrated advances in their guidance and control mechanisms, and increased sophistication of electronics and other instrumentation are a major source of concern.

Achievements in space in the decade ahead will furnish a principal index of position in the struggle for world leadership.

While our national space program is being greatly expanded, I feel that our past efforts have been carried out under an unnecessary, self-imposed restriction. I feel that we have created an artificial division of our space efforts into "space for peaceful purposes" and "space for military uses," when, in fact, no technical and little other distinction between the two exists.

If this artificial division is allowed to continue for the expanded national space programs, its full national security potential, in all probability, will not be attained—certainly not or a timely basis.

As recently as July 27, 1961, the head of the civilian space agency—NASA—had to assure a subcommittee of the Senate, in light of Soviet objections, that our Tiros III weather satellite was not in reality a "spy in the sky" vehicle.

The fact that the Soviets denounced this NASA project points up the futility of attempting to maintain the artificial compartmentalization of our space efforts into peaceful and military categories.

On the other hand, such division serves to create a national and international image that what NASA does is peaceful, and it quite naturally follows that what the military does in space is the opposite; namely, warlike and aggressive.

Furthermore, when the Russians orbited Major Titov, a Soviet Air Force officer, over Washington, D.C., only a few weeks ago, they did not feel called upon to proclaim the peaceful nature of his journey.

On the other hand, our two suborbital astronauts were clothed in sackcloth to avoid any possible military identification.

While Moscow accuses us of espionage and aggression in launching our observation satellites, many in this country dismiss as having no military significance this latest Titov flight over our Nation's Capital in a 5-ton spaceship which is quite capable of bearing military equipment and weapons.

It should be becoming increasingly clear that our overinsistence on classifying our space activities as either "military" or "peaceful" has exposed us to unnecessary international political problems. It gives the Soviets a convenient focus for attack upon our most vital programs.

The inhibitions this situation imposes on military programs should be obvious. For one thing, it hampers the military from adequately and properly proceeding along in the space field as expeditiously as possible.

We must not separate the military and civilian applications of space quite as arbitrarily as we have in the past.

The Soviets pursue their own space activities with no such self-imposed encumbrances. They do not attempt to advise the world of the category of activity into which a particular Soviet space experiment might fit. They operate in space solely in the national interest of the U.S.S.R., unperturbed and unrestrained by world opinion as to whether a Soviet sputnik or other space vehicle has peaceful or military implications.

By voting an increase in the space budget to $1.8 billion, we have expressed quite firmly our desire to expedite outer space exploration and to develop space capabilities so as to meet one of the great challenges facing the Nation today. I might add that $1.8 billion was appropriated in 1939 for our entire military program.

I am not at all convinced that an increase in this budget will not be asked next year and for some years to come. But I am equally convinced that the money to be appropriated in the future must not be earmarked specifically for space explorations which can only be labeled peaceful or civilian.

The Soviets' recent manned orbital shot clearly dramatizes the fact that if we are to duplicate or exceed them in this field, a great deal of work, much patience, and many dollars will be needed. Our recent dummy orbital shot clearly shows great progress in closing the gap in space development.

We are second with this accomplishment, but we cannot afford to be second best in this field.

I think every American can, with modesty, take great pride in the very fine achievement whereby we have put an artificial astronaut into orbit, put him around the entire earth at a speed of more than 17,000 miles per hour, brought him back down to earth at a predetermined spot, and actually recovered the capsule.

There is virtually no difference in many ways in this precise technology and that technology needed to put a man in orbit and bring him back. In fact, I think it leaves us right next door to that achievement of which we have all been waiting.

But, I might add, in each attempt we have tagged our efforts as peaceful—always careful to avoid any military implication. By so doing, we might be compounding an error of judgment.

In my opinion, a sense of urgency should exist across the whole front of our space projects and this urgency should be injected into the manned military space program, including the already-functioning life science programs of the military departments—a program on which will depend in large measure the success of our outer space explorations.

This phase of our space effort cannot be allowed to drag and delay while the civilian space agency attempts to build its own life science or "bioastronautics" capabilities in deference to those already in operation by the Air Force.

If the artificial division between peaceful and military space programs is removed, I feel certain that the United States can become first in space during the decade ahead.

The scientific, industrial, and military space resources are available to do the job.

Technology will not be paced.

Success will depend upon the ingenuity with which the available resources are managed, and I am confident that NASA and Defense Department coordination to the maximum extent possible will bring about achievements in space in this decade which will give us a "high ground" position in the struggle for world leadership and peace.

As Mr. Robert Hotz, editor of Aviation Week magazine, writes in the last two lead editorials:

The time to readjust our sights on the infinite values of outer space exploration is today—whether they be pure, scientific explorations or in the area of hard military requirements—and not tomorrow when the great need for military uses of space could be thrust upon us with little warning.

I ask unanimous consent to have printed in the RECORD the two lead editorials of Mr. Hotz entitled "The Military Space Role—I," and "The Military Space Role—II," which appeared in the September 11 and September 18 editions of Aviation Week.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

THE MILITARY SPACE ROLE—I

(By Robert Hotz)

There has been growing concern lately over the role assigned to the military in the U.S. national space program. Such widely diverse spokesmen as Senator JOHN STENNIS, Democrat, of Mississippi, Dr. Walter Dornberger, former commander of the German Peenemunde development center and now vice president of Bell Aerosystems Co., and Robert Seamans, associate administrator of the National Aeronautics and Space Administration, have voiced public concern over the current neglect of military aspects of the U.S. space program. Within the Air Force, assigned primary military space responsibility within the Department of Defense, a belated recognition of the current and future importance of military capabilities is glimmering among the top USAF brass, although research-minded younger officers have been hammering this theme since well before Sputnik I.

Much of this current concern with the military space potential has been stimulated by the successful Soviet orbital flights of Majors Gagarin and Titov. It is now becoming increasingly apparent that the earlier diagnosis of U.S. Military space analysts that the Soviet space program was an effort primarily oriented toward military goals is essentially correct. Even the Soviets themselves have dropped their cloak of peaceful science and are beginning to brandish their growing military space capability with the same bluster with which they have rattled rockets for the past few years.

Although the few voices raised against this policy were hardly heard at the highest government councils of a few years ago, it is now apparent that one of the worst policy decisions of the past decade was to try to label our national space program with the catchword of peace and to interpret this as effective exclusion of the military from any significant participation in the basic organization of the space research program and determination of its objectives. This decision stripped the military of much of the development work it was already doing in space such as large rocket boosters, bioastronautics and satellite systems development and put this effort completely under the civil—and according to the language of that day—the necessarily peaceful tent of NASA.

EXCLUDING THE MILITARY

This decision to reduce the military to a support role in the basic national space program was conditioned by two premises that have since proved to be false. The first was that at least a decade of space research would be required before any practical applications in the form of operational systems would be possible. The experience of only a few years of exploratory postsputnik research has underlined the gross error of this estimate and a wide variety of operational space systems, both civil and military, have already been proved technically feasible.

The second was that we would score a great moral propaganda victory by hanging the "peace" label on our space program. We went to some ridiculous lengths to try to achieve this goal including putting the Mercury astronauts in sack suits and ignoring their military titles. Again experience has proved that the Soviets' more spectacular efforts have monopolized the international propaganda spotlight even though their astronauts were given military promotions in orbit and wore the Red Air Force uniform to have tea with the Queen of England and on visits to the Western Hemisphere. One of the most significant shots in a recent Soviet documentary film on their manned orbital achievements shows Major Titov bidding farewell to the technical architects of his space system just before takeoff. In the lineup, the large majority of these space technologists were in Red Air Force uniform.

The U.S. decision, taken during the fading years of the Eisenhower administration, reversed the pattern of previous technical development success in the areas of aeronautics and nuclear fission, where we achieved a clear-cut international leadership for significant time periods. In both these fields the military requirements were given top priority to achieve technical superiority in weapons development on which our international posture depended. As an enormous dividend from the investment in the technical exploration of these areas, the new technology flowed into myriad civil applications albeit at a more leisurely pace than the military effort required.

PRIORITY REVERSED

Now in an area that is obviously of vital importance to the survival of this Nation and its allies we have reversed this priority and substituted the vague and less urgent demands of pure scientific research for the vital urgency required for development of new military weapons. While it has been proved by the experience in aeronautics and nuclear physics that civil requirements can be accommodated within the framework of a military-oriented research and development program, it is already painfully evident that the reverse is not true. A space research program oriented solely toward exploratory scientific research and civil operational uses will produce neither the knowledge nor the hardware required for military space systems.

The councils of government now are engaged in organizing the technical and management pattern of the most complex and significant technical development program ever undertaken in this country—the lunar landing program. Even at its most conservative cost estimating, it will cost 20 times more than the Manhattan project and its increase in technical complexity defies comparison with any previous effort in our history.

If the military role in this program is defined as merely using its already substantial facilities and capability in space technology to support a program limited to civil scientific goals, we shall indeed face serious trouble as the challenge of Soviet military space becomes more apparent and Russian capabilities approach the operational phase.

THE MILITARY SPACE ROLE—II

(By Robert Hotz)

We are at a critical crossroad in our national space program. The top political levels of our government are now convinced of the necessity for a vigorous, expanding national space program and are willing to provide it with adequate financial support. Even many of the original scientific skeptics who scoffed at the value of space exploration have changed their tune in light of space technology's achievements during the past few years and the portent for the future.

But unless this vastly expanded space program is properly organized and managed to meet all of the national requirements in space technology, both military and civil, it will hardly pay the proper future dividends that this vast investment should yield. There is not yet a clear indication that military space requirements are receiving more than cursory consideration at any of the top government levels that are absorbed in the problem of organizing and managing the new, expanded national space program. Defense Department representation on the joint policy groups handling liaison with the National Aeronautics and Space Administration is composed of personnel only remotely in touch with the military organizations which have developed major space technology capabilities and are wrestling with future requirements. As a result the work of these joint DOD–NASA committees has been largely concerned with the amount of support in skilled personnel, facilities and hardware the military must provide for NASA programs.

The National Space Council which was organized specifically to handle this problem has no adequate military representation nor has it shown any concern as to whether the national space program will meet military as well as civil space requirements.

TECHNICAL DIVERGENCE

There are vastly diverging requirements between military and civil technology. For example, the NASA Mercury program has been concerned solely with simple ballistic reentry for its manned orbital capsules. While this may provide a large amount of interesting scientific data, it represents a technical dead end from the viewpoint of military reentry requirements where the primary consideration must be the ability to reenter and reach a preselected point on earth—either a target or landing facility. A far broader exploration of the entire range of reentry techniques and problems, including extremely high velocity reentry speeds, will be required to lay the proper research foundation for military applications.

Yet there is very little in sight along this line in the current NASA programs, and even the USAF Dyna-Soar program which aimed in this direction is currently stalled in the top Pentagon decision-making bayous.

Bioastronautics is another area where military and civil requirements diverge. NASA has had to rely about 95 percent on the existing military capability in this field to support its Mercury program but is blocking any continued military development of this existing bioastronautics capability while it maneuvers to build its own technical empire in this area. Both technology and the taxpayer are bound to suffer if this trend prevails.

There is much work to be done in the whole area of orbital rendezvous, satellite docking, inspection, maintenance and spaceborne defense against hostile satellites before a sound technical foundation can be laid for effective military satellite defense systems. Yet NASA has little interest and practically no requirement in this area for its scientific explorations although it may belatedly generate some interest in this field to forestall any military criticism.

UNIFIED EFFORT REQUIRED

The basic problem we are facing in the organization and management of the expanding national space program is not a simple issue of military versus civil control or requirements. There are not sufficient technical resources in space technology available now—nor are they likely to be available in the critical period of the future—to construct two separate space establishments duplicating each other. The problem resolves itself into using the available resources, both civil and military, and the resources that will become available from the expanding space budget to organize a truly national program that is designed to meet military and civil requirements and to pave the way for a successful exploitation of space in both areas. As matters stand now, the most important and urgent area of space technology—the military requirements—is being neglected and subordinated to the

less vital and less urgent requirements of civil scientific exploration.

In the world in which we live today, where the challenge of the Soviet Union is growing in every area of military technology, it makes little sense to subordinate increasingly urgent requirements for military space capability to goals which have less bearing on our ultimate survival. The shadow of a growing Soviet military space capability already lies across our land.

The time to change our space policy is now. If we wait until Soviet space weapons confront us or until somebody in the Pentagon E Ring can write specific military space systems requirements we will again be too late and we will present the Soviets with an area of increasing military vulnerability across the entire spectrum of space technology.

SUPPLEMENTAL APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 6169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

Mr. HAYDEN. Mr. President, the supplemental appropriation bill which is now before the Senate recommends appropriations in the amount of $1,060,894,000. This is an increase of $487,853,000 over the House bill. This increase over the House bill is large and deserves an explanation.

Under area redevelopment in the Department of Commerce, the committee has restored $51 million. This item was deleted from the House bill on a point of order on the floor of the House. An authorization of $45 million was recommended by the House Appropriations Committee.

The Senate bill includes $201,438,000 for payments to school districts and for school construction. The budget estimate for these items was submitted directly to the Senate subsequent to the passage of the bill in the House.

On September 21 the President transmitted to the Congress a message proposing an additional $55 million to provide adequate funds for damage caused by Hurricane Carla, and in order to assure that adequate funds will be available to meet other disaster requirements during the remainder of the year.

The request of $55 million for disaster relief consisted of $30 million for small business loans, $5 million for the Corps of Engineers, $5 million for the Department of Agriculture, and $15 million for the President's disaster fund. The committee has included the full amount of the budget estimate in the bill except for the Department of Agriculture and $3 million has been included for this purpose.

For housing for the elderly, the committee has increased the House bill by $10 million and recommended an appropriation of $40 million.

The House refused an appropriation request for $14,700,000 in order to honor guarantees on loans made to private banks by the New York, New Haven, Hartford Railroad, which loans are now in default.

The committee has included the full amount of the request in the bill.

There is before each Senator a copy of the committee report which explains in detail the other increases.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the committee amendments are agreed to en bloc, with the understanding enunciated by the Senator from Arizona.

Mr. HAYDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, strike out lines 10 through 14 and insert in lieu thereof the following:

For additional amount for salaries, officers, and employees, $537,450; *Provided*, That the basic clerk hire allowance of each Senator is hereby increased by $3,000, and the clerical assistance allowance of the President of the Senate is increased by a like amount.

Mr. HAYDEN. The amendment was recommended after the bill was reported. I ask that the amendment be adopted.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona.

The amendment was agreed to.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JAVITS. I note in the report of the committee an item for the participation in Century 21 Exposition, $1 million. May I ask whether this is for the construction or for additional sums for the construction of the U.S. pavilion at the Seattle Fair?

Mr. HAYDEN. That is correct.

Mr. MAGNUSON. Mr. President, if the distinguished chairman will yield, I would say to the Senator from New York that Century 21 Exposition was conceived 4 or 5 years ago, and it will open in April of 1962. It has been designated as the World's Fair by the World's Fair Organization. The Federal Government decided to participate in the fair, and 2 years ago Congress authorized $12 million for its participation in the Century 21 Exposition at Seattle.

Mr. LAUSCHE. Twelve and one-half million dollars.

Mr. MAGNUSON. Twelve million dollars plus; yes. I do not have the exact figures. Of that amount $6 million will be used to build the Federal building which, I can say to the Senator from New York, is now under construction, and I believe 60 percent completed, and even perhaps more than that. The other amount is to be used for the Federal participation in exhibits in the Federal building in the World of Science. The National Science Foundation, the Atomic Energy Commission, the Bureau of Standards, the Space Agency—all of the scientific agencies of the Government—will participate. The theme of the fair is science—Science in the Next Century. I have stated what the money is to be used for.

The authorization was $12 million plus. I will put the exact figures in the RECORD. The first appropriation was $9 million, of which approximately $6 million will be used to erect a building which, incidentally, will receive one of the world prizes in architecture. It is a beautiful building. The remainder is to be used to assemble the exhibits. The appropriation is only for the Federal participation. We were designated as a World's Fair, and the rules of the World's Fair organization provide that it is possible to have only a 1 year fair. Originally we intended to have it last for 2 years, which is the length of time for which New York is planning its fair. We cut the authorization down from $12 million plus so that we are asking a million dollars of the $9 million, to finish off the Government participation. That is what this provision is for.

Mr. JAVITS. Mr. President, would the Senator define the meaning of the word "participation" as he has used it?

Mr. MAGNUSON. The meaning is the Federal Government's participation, like that of any other exhibitor in any other fair, such as an industrial exhibitor. For example, I have in mind General Motors, or the Boeing Aircraft Co., or the State of Washington, or the country of Japan. They are all exhibitors. That is what the word means.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. JAVITS. The Senator does not define the word "participation," as it relates to the Seattle Fair, to mean subsidizing or underwriting the fair itself, does he?

Mr. MAGNUSON. No; it has nothing to do with that. That was done by local participation. I will put all the figures in the RECORD later, but the State of Washington has appropriated $5 million or $6 million. The city of Seattle donated 84 acres of valuable downtown land. That participation will probably run to $20 million when we consider the value of the land. Century 21, a nonprofit organization, is composed of people all over the Pacific Northwest—just as New York has such people—who are raising subscription funds. The original capital expense is being met by original notes issued by businessmen. The whole participation will run to $80 million or $90 million.

Th sum we are discussing has nothing to do with the fair at all. This is only for Federal participation of the Federal Government as an exhibitor.

Mr. JAVITS. So that the word "participation," as the Senator defines it, does not mean participation in the underwriting of the fair; it merely means participation of the Federal Government as an exhibitor.

Mr. MAGNUSON. Yes. As a matter of fact, we have been talking to our good friends from New York about the New York Fair. They were down here 2 days ago, I believe, or on Friday.

Mr. JAVITS. Yes.

Mr. MAGNUSON. I was hoping that New York would be an exhibitor in our fair, and in that way tell the millions of people who will visit the fair about the New York Fair. These two things should not be incompatible at all. The fairs have different themes. So far, 42 countries have agreed to participate in the Seattle Fair. The theme is science. As an illustration, let us take corporation A or an automobile manufacturer.

The New York Fair will have a bigger space. It will exhibit automobiles and things of that kind.

At the Seattle Fair research in all fields will be shown, even in the field of space, in which some of the agencies participate. RCA and similar manufacturers will participate.

The Department of Commerce will have an exhibit entered, through the Weather Bureau.

Mr. JAVITS. The Senator from Washington knows the situation as well as I do. I wanted him to define the word "participation" because an effort has been made, it seems to me, to confuse participation with underwriting of the fair. The distinguished junior Senator from New York [Mr. KEATING] and I have labored for many days to make it clear that no one is asking anybody else to underwrite the New York Fair, any more than the Senator from Washington was seeking to have anyone else underwrite the Seattle Fair. But when it comes to the actual exhibits of the United States, then Congress has to pass upon the matter, just as any other exhibitor must do, and appropriate the money. That is all we have been contending for. I simply wished to make the analogy complete.

I wish to ask another question of the Senator. I do not know whether the Senator will answer. If he does not wish to answer, that is all right; although I feel certain he will answer. Does he consider the investment which the United States is making in the Seattle Fair to be desirable in the national interest?

Mr. MAGNUSON. Of course I do. It has value beyond mere participation by the Government. The United States is in the international race, or whatever one wishes to call it, in the new age of science. We have exhibited in other fairs throughout the world, to show what the United States is doing in the field of science. Some of our exhibits have been quite inadequate. For instance, in Brussels, I do not believe the exhibitors were satisfied with the exhibit. It was good, but did not go far enough.

The Seattle Fair will afford an opportunity for the United States to show the world what we are doing. Also, we are hopeful that Russia will participate, because the fair will be a showcase for many of the scientific activities which have been conducted and to demonstrate the conclusions which were reached in the International Geophysical Year. This will be the first opportunity for science to show what has been done. Everything will be cooperative.

There will be exhibits in the field of oceanography and the field of space. This will be the first time to demonstrate the progress which has been made in the present scientific age and also to present exhibits to portray the era before us, to show what the world will be like in the next century as it will relate to our way of life, living, and everything else.

The Seattle Fair will be worth while. Conservatively speaking, it is estimated that from 10 to 12 million persons will visit this exhibit. The admission charge will be about a dollar a person. It costs us about $2 a person to keep youngsters in school, and that is good. But the fair will interest thousands and thousands of young people in the field of science alone.

We were very fortunate to get as the director for the Federal participation Dr. Spilhaus, who is quite well known in the scientific world, and is himself one of the great scientists of the world. He is now engaged at the University of Minnesota, and is taking a leave of absence. We know of no one who is more apt in the way of conveying the purpose of the fair to the lay person than Dr. Spilhaus. We prevailed upon him to draw a science strip, which is published every Sunday in the newspapers, directed to the layman, to show what will be happening in the world of science in the future.

The Seattle Fair decidedly will be worth while. The city of Seattle deeded 8 acres of land to the Federal Government. The Federal Government owns the land in fee. The use of the Federal building after the fair will have to be determined later. I am sure it will be put to good use. The University of Washington has already said it would like to have it in order to continue its work in science.

Some of the exhibits will be such that they can be moved. If New York should have a scientific adjunct to its fair—as I suppose it will—I believe that the Federal exhibits could merely be brought up to date and moved to New York. As I understand, the promoters of the New York Fair expect to send some of their representatives to Seattle to learn about some of the errors which we might make. Errors always appear in ventures of this kind.

The Seattle Fair will have a center for the performing arts. New York will have a great one at the Lincoln Arts Performing Center. The Seattle Fair expects to have some outstanding symphonies and talented ballets, as well as some outstanding plays, which I am sure will have to be booked out of the hometown of the distinguished senior Senator from New York. Also, we will have some athletic events of an amateur nature, such as the national tennis championship matches, and activities of that kind. Seattle is on the water, just as is New York. We expect to have naval participation in our fair. That will be quite an event.

The travel time to Seattle is not too great any more. One could leave from Washington, D.C., right now—about noontime—and be in Seattle at 3:30 this afternoon.

Mr. JAVITS. Mr. President, will the Senator from Washington tell us what the leadtime experience was for the fair in Seattle? For example, how much leadtime was necessary between the planning for an exhibit such as that of the United States and the actual opening of the fair?

Mr. MAGNUSON. The leadtime for this exhibit was about 3 years. Preliminary meetings were held with the scientific advisers. We have an advisory committee on the outside, including Dr. Bronk, Dr. Seaborg of the Atomic Energy Commission, Dr. Vannevar Bush, and other distinguished scientists. As I have said, Dr. Spilhaus has been secured as the director of the Seattle Fair. It took about a year to hold the preliminary meetings. I attended some of them.

The Senate authorized $12 million late in the year before the last session. Then we secured a $9 million appropriation in last year's appropriation bill, for fiscal 1962; and then the present extra $1 million to round it off now in this appropriation bill.

Mr. JAVITS. So the Senator believes it is necessary to allow 3 years to get the planning underway?

Mr. MAGNUSON. Yes. As I understand, the New York group has been working for about a year. I met with them in New York a couple of times. Yes, the time required is about 3 years. The timetable for the New York World's Fair is about right.

Mr. JAVITS. Our timetable is about right, but it will be badly disarranged in the Senate today, unless we can have action taken today which has not been taken yet. The item for participation in the New York World's Fair, which appears right under the item for the fair in the State of the distinguished Senator from Washington, has been left blank. It is almost unbelievable to the 8 million people in the city of New York and the 17 million in the State of New York. But there it is. Apparently one Member of this body can stop us from acting upon a matter of this nature.

I am for the Seattle Fair. I have asked these questions only to bring out the practical experience which is needed to prepare for such a fair.

Mr. MAGNUSON. The Senator cannot be against it now; the fair is a fact.

Mr. JAVITS. I am all for it. I have been all for it. I never was indifferent to it. I have merely asked the questions in order to bring out the actual hardpan experience connected with the promotion of the Seattle Fair, which has been so ably spoken of by the distinguished Senator from Washington. I have done so with the friendliest motives in the world, as they bear upon our own situation.

Mr. MAGNUSON. There has been a little unfriendly feeling, but I am certain

this has not been the fault of the officials. We have run into some field competition with a few persons, particularly those connected with industry.

We go to corporation X, and say to it, "You ought to show to the world the wonderful job you have done in science and in research." Then its board of directors meets—usually in New York; and after the New York officials talk to them, they say, "Well, we can't exhibit in both places. Seattle is out there on the beautiful shores of Puget Sound, but we don't know too much about it." So they say, "Maybe we had better wait."

The result is that we have had great difficulty with some industrial exhibits. But we are breaking through, and we will take care of all of them that we can handle.

Mr. PASTORE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. PASTORE. Is that the reason why the Seattle Fair got the jump on the New York Fair?

Mr. MAGNUSON. Perhaps it is.

Mr. KEATING. The "country boys" from Washington are doing very well.

Mr. MAGNUSON. The other day the Senator from New York said—although I do not know where he got the information—that the two Senators from Washington said the Seattle Fair would be a country fair. Well, I have invited the Senator from New York to come there, and it will be the biggest "country fair" he ever saw in all his life, even though it will have some country-fair aspects.

Mr. KEATING. It should have.

Mr. MAGNUSON. There will be square dances and country fiddlers. The Scandinavians out there will enjoy that sort of thing very much indeed.

Mr. KEATING. I only hope we can do as well with our fair as the "country boys" out there have done with theirs. They have done a magnificent job.

Mr. MAGNUSON. First of all, we did not ask for an appropriation for our fair.

Mr. KEATING. How about the $9 million?

Mr. MAGNUSON. It was for a study. Our officials met with the National Science Foundation and the other science groups involved, and made our plans, and submitted them, and obtained the authorization.

I shall not argue as to whether we could wait until January for the regular appropriation bill, or whether this item should be handled now in this supplemental bill. I do not know how much study is actually needed.

The New York groups have done a very good job in organizing. They have my friend, General Potter, who knows this business, and they have Mr. Deegan, and the former Lieutenant Governor, and I notice that they have Herbert Hoover there.

Mr. KEATING. And General Eisenhower. He is very much interested in it.

Mr. MAGNUSON. Yes. President Kennedy is going to open our fair. So that makes the two about even.

Mr. JAVITS. Does the Senator from Washington know that this planning money was requested by the Department of Commerce?

Mr. MAGNUSON. I am not familiar with it.

Mr. JAVITS. I may state that, because it is a very important point. The Department of Commerce wants it done in this way. It is not a matter of the preference of the New York Fair. The Department of Commerce prefers that, and says that will save money and will be the most efficient way. So the Department itself asked for the $200,000. Therefore, I should like to make it clear that this is no invention of ours. The Department of Commerce, for the administration, has itself chosen this course.

Mr. MAGNUSON. I know some of the New York people refer to the Association of World Fairs in Paris. It is true that it designated the Century 21 as the World's Fair. That is why we had to reduce it from a 2-year exhibition to a 1-year exhibition, because they allow only 1 year.

Mr. JAVITS. That is one of the reasons why New York could not qualify. Furthermore, of course, our country is not a member of the organization, because we do not believe it is worth belonging to. However, I do not wish to cast any discredit on it; there is no need to do so.

But we had to have a 1-year fair; and the $200 million item is needed in that connection, in order to have a fair that will be compatible with the size and majesty of New York City.

Mr. MAGNUSON. What is the population?

Mr. JAVITS. Eight million.

Mr. MAGNUSON. And New York is asking for $500 million?

Mr. JAVITS. Yes.

Mr. MAGNUSON. The population of our metropolitan center is close to 1 million, and we shall have close to $100 million. So we are a little ahead of New York.

Mr. KEATING. Seattle is way ahead of New York.

Mr. JAVITS. Our fair will cost $500 million. But without a Federal pavilion, we cannot make the fair viable; and thus the fair would be ruined, and we could not have it.

I thank the Senator for his courtesy, informativeness, and graciousness in handling the matter in the way he has.

Mr. MAGNUSON. I invite both the Senators from New York to come to Seattle. I will see that they have a pass to the fair; and they can ride on the monorail, and can eat lunch in a tower 800 feet high, and we will show them through a beautiful pavilion of science which will add greatly to the prestige of the United States.

Mr. JAVITS. We shall have a home-and-home arrangement, and we shall see which will be the better bargain.

Mr. MAGNUSON. I will take the Senators from New York on a private tour before they leave.

Mr. KEATING. Certainly no one could take us on a better tour than the the Senator from Washington.

Mr. LAUSCHE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. LAUSCHE. In connection with the measure reported by the committee, the city of Seattle agreed to convey to the United States 8 acres of land on which these improvements, costing $9 million, were to be built. Is that a fact?

Mr. MAGNUSON. Yes. The Senator from Ohio very wisely was insistent that the measure include a provision for a transfer in fee before that work proceeded.

Mr. LAUSCHE. That was because the members of the committee were of the belief that if the U.S. Government was to put $12,500,000 into a building, the land on which the building was to be constructed should be transferred to the U.S. Government in fee simple.

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. And that has been done?

Mr. MAGNUSON. Yes; that was done.

Mr. LAUSCHE. So the land and the building do belong to the U.S. Government?

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. There was $12,500,000 authorized, but only $9 million was appropriated following that authorization; is that correct?

Mr. MAGNUSON. Yes.

Mr. LAUSCHE. And they are now asking for $1 million more, so as to complete the entire project?

Mr. MAGNUSON. Not to complete the building, but to round out the exhibits which are going into the building.

Mr. LAUSCHE. Where is the World's Fair to be held in this decade?

Mr. MAGNUSON. The world's fair organization—I forget the exact title——

Mr. LAUSCHE. It is the International Exposition Bureau, made up of 31 countries, which determines where the World's Fairs will be held. What did that agency decide should be the situs of the World's Fair?

Mr. MAGNUSON. The Century 21, in Seattle.

Mr. LAUSCHE. In Seattle?

Mr. MAGNUSON. Yes.

Mr. LAUSCHE. Does the Senator from Washington know that the International Exposition Bureau has specifically declared that the New York exposition cannot be the World's Fair?

Mr. MAGNUSON. I would think the designation of Seattle would eliminate the designation of New York; but I have no knowledge of any affirmative action taken by that group in that respect. In other words, let us say it has not designated New York.

Mr. LAUSCHE. Yes. The fact is that they do not want World's Fairs to spring up every year, with the result that many countries are asked to participate year after year. Therefore, they exercise this discretionary control in determining what shall or shall not be a World's Fair.

Mr. MAGNUSON. That is my understanding of the purpose of the organization.

Mr. LAUSCHE. The Senator from Washington has developed a very interesting point; namely, that in the search for exhibits, they have encountered statements by private exhibitors that they cannot exhibit both in New York and in Seattle.

Mr. MAGNUSON. That is correct.

Mr. LAUSCHE. That is to say, they state, "We will exhibit at only one; we cannot exhibit at both."

Mr. MAGNUSON. Yes, or "We cannot afford to exhibit at both," or something of that sort.

Mr. LAUSCHE. Is it not a fact that that is one of the reasons why the International Exposition Bureau keeps control over such fairs, and does not allow them to be proliferated each year?

Mr. MAGNUSON. That is my understanding. I do not know the interval of time specified, but I would think it would run from 5 to 6 years, or perhaps longer, when we include the war years. The Brussels exposition was the last one designated; and I think none has been designated between that one and the one at Seattle.

Mr. JAVITS. The Seattle fair is to be in 1962?

Mr. MAGNUSON. Yes.

Mr. JAVITS. The Brussels exposition was in 1959.

Mr. MAGNUSON. Yes.

Mr. JAVITS. That is not a 5- or 6-year interval.

Mr. MAGNUSON. I was speaking of the average.

Mr. LAUSCHE. When will the New York fair be?

Mr. JAVITS. 1964.

Mr. LAUSCHE. And when will the Long Beach, Calif., fair be? In 1965?

Mr. MAGNUSON. I do not know about that.

Mr. JAVITS. I may say to the Senator that 60 nations have now contracted with New York, and practically all the large companies of the United States have. So whatever reservations there may have been have largely been dispelled. But if the United States does not participate, that will be a disgrace. I say that affirmatively.

Mr. LAUSCHE. I notice from the Senator's testimony before the Appropriations Committee that 46 nations have signed up—I am referring now to page 12 of the hearing—to exhibit at the Seattle fair. Is that about right?

Mr. MAGNUSON. That was my best information at the time I gave the testimony. I do not know how many have signed up or to what extent they were going to proceed, but 46 nations have signed a letter of intent, I think some 32 have sent their plans, and the rest are on the way.

Mr. LAUSCHE. They have signed up to exhibit, recognizing the Seattle exposition to be the World's Fair of 1962. Is that correct?

Mr. MAGNUSON. Yes; 1962.

Mr. LAUSCHE. May I ask the Senator from Washington whether it is not sound for the U.S. Government, in a measure, to take the same position that the industrialists are taking? We cannot exhibit at both. If there is to be a World's Fair, the Federal Government should have exhibits in that one, but we cannot have different areas in the States each year coming to the Federal Government and asking it to put up expensive exhibits.

Mr. MAGNUSON. I am sure the Federal Government will have to use a great deal of discretion and caution in these matters. It cannot be doing it all the time. This is the first one the Federal Government will have participated in for some time to that extent. It probably was a little unfortunate that New York chose the year 1964, instead of, let us say, 1965, so that there would be a little more spread between the exhibitions. But I think it would be up to the people of the State of New York to convince the officials of the Federal Government that it was worth while for the Federal Government to participate, such as the State of Washington did in our Century 21. I do not know all of their plans. I have heard a lot of it is to be an industrial exhibit—there is a big spread of land there—and that fact may change the complex of what the Federal Government wants to do.

I must say to the Senator from Ohio that the U.S. Government has been exhibiting in other places around the world, with the hope that the Government would be able to extend propaganda in behalf of the American way of life. I do not know whether that purpose would affect the matter or not. There is a substantial appropriation provided for the Department of Commerce to participate in what we call fairs. We certainly do not want to stand in the way of what the people of New York want to do. Naturally, I would be very sensitive if anybody started to interfere with anything we in Seattle are doing, because the plans are pretty nearly completed. I was not conscious of the fact that the Department of Commerce had asked for the money.

Mr. JAVITS. Yes. This is an administration request.

Mr. MAGNUSON. We have designated the Department of Commerce as the Federal agency for the handling of such matters. Actually, the National Science Foundation is doing most of the work, but the Department of Commerce is the technical agency.

Mr. LAUSCHE. Does the Senator from Washington know that, according to the views of the New York Exposition, Inc., the Federal Government is expected to put at least $30 million into the New York fair?

Mr. MAGNUSON. I have not heard any figure from those people.

Mr. LAUSCHE. The brochure points out that they expect the Federal Government to put up a $20 million building and expend $10 million for the showing.

Mr. JAVITS. Mr. President, if the Senator will yield at that point, that is absolutely untrue. It is a very unusual thing to say to a Senator——

Mr. LAUSCHE. Will the Senator from New York get the brochure issued by the exposition company? It will show positively that they want $20 million for a pavilion and $10 million for the exhibit.

Mr. JAVITS. I will state to the Senator what the facts are. If he does not agree with me, he can state his contrary views.

Mr. LAUSCHE. I can show the Senator the brochure and give the exact quotation.

Several Senators addressed the Chair.

Mr. MAGNUSON. Mr. President, I yield the floor.

Mr. LAUSCHE. The Senator had better stay in the middle on this question.

Mr. MAGNUSON. We have the Century 21, and we will cross the New York World's Fair bridge when we get to it.

Mr. LAUSCHE. I would like to hear what the Senator from New York——

Mr. YARBOROUGH. Mr. President, will the Senator from Washington yield for a question about Washington, rather than New York?

Mr. JAVITS. Mr. President, the Senator yielded to me. Let me state a fact, which I am glad to state. I think it is essential that the Senate understand it. The Senator from Ohio has made a statement in utmost good faith and sincerity. I have never challenged him on that ground, and I do not challenge that statement now. He quoted a statement that New York expects $30 million. The fair authorized a very distinguished group of citizens, headed by Detlev Bronk, a very distinguished scientist, who was mentioned here by the Senator from Washington, together with three other distinguished Americans—I will give their names in a minute; I am getting the brochure—to make a study of the situation, and they made a report in which they said that what the Federal Government ought to do is inaugurate a Franklin Science Museum on the New York fairgrounds, and they estimated the cost of it to be $20 million, plus $10 million for exhibits.

This does not represent any expectation of the New York Fair or any request of the New York Fair. As a matter of fact, in our efforts, which have been going on for days, in an attempt to satisfy the Senator from Ohio on that score—and I repeat, even if I think a man cannot be satisfied by reasonable evidence, a man of the character and integrity of the Senator from Ohio, I would not say it is for any reason other than he is not satisfied—Robert Moses wired the information, and we put it in the RECORD, in which he said we have no commitment; we do not expect anything from the Federal Government, except we expect participation. We do not expect $10 million or $20 million or $30 million, or any particular figure, or any kind of exhibit. It will be up to the Federal Government.

This group, headed by Dr. Bronk, has made a study and a suggestion, but that

does not represent a commitment or expectation on the part of New York or the New York World's Fair. I think it is very important to make that statement, because the contention was expressly negated by Robert Moses last week. The reason for the negation, and the reason we hoped it would go so far as to satisfy the Senator from Ohio, was that there was no commitment, express or implied, if the Senate allowed the matter to go forward. It is entirely up to the Senate. It has passed the House. If we go over until tomorrow, or if it is not approved, we are finished.

Mr. MAGNUSON. Mr. President, one thing I forgot to mention. Seattle did not come to Congress to ask for one nickel until the authorization was passed.

Mr. HOLLAND. Mr. President, if the Senator will yield to me on that point, I want the RECORD to show the facts with respect to the Seattle Century 21 Exposition, because I think it is fundamental to the position of the committee.

On September 9, 1959, authorizing legislation was approved by the President. It is shown as Public Law 86-250, and is to be found at page 486 of volume 73 of the U.S. Statutes at Large.

The authorization which was passed at that time includes the words:

> There are hereby authorized to be appropriated, to remain available until expended, not to exceed $12,500,000 to carry out the provisions of this act, including participation in the exposition.

Last year, under the authorization, the committee approved an appropriation of $9 million. This year the committee was requested, under a supplemental budget item, to follow that up with an additional appropriation of $1 million. The statement made to our committee was that the $1 million would allow the completion of the program of Federal participation. The $1 million is well within the authorization; therefore, the committee appropriately approved and recommended the $1 million appropriation.

When we considered the question of the New York Fair—and I am sure our committee has no preference as between communities of our Nation, or their fairs—we were faced with the situation that authorizing legislation has not been passed, but is still pending.

The request for the approval of an appropriation—which I think was $200,000—and for the naming of a Federal Commissioner to cover the Federal participation in the New York Fair reached us. We felt it was appropriate, and indeed necessary, to await the fate of the authorizing legislation before we went further into the question.

The Senator from Florida has served from time to time as chairman of the subcommittee which hears the annual appropriations estimates in this field. This was on the supplemental bill, but the procedure is to parcel out the work in accordance with subcommittee jurisdictions.

The Senator from Florida, at the hearing, felt that a completely different case was made. If the hearings are read, Senators will note that other Senators, before the Senator from Florida made any statement at all about the question, invited attention to the fact that the authorization for the New York Fair was pending and had not passed the Senate, and that until it passed, particularly in view of the fact that the New York Fair was not scheduled until 1964, as I recall, it was inappropriate and out of order for the Congress to recognize an appropriation which would, in effect, commit the United States, as we felt, to the New York Fair.

I think that is the legal situation. So far as the Senator from Florida is concerned, he is not prejudging the New York Fair at all. He is perfectly willing to follow the judgment of the Congress and to have the United States participate in any amount or up to any amount which is authorized, if the Congress passes authorizing legislation. However, the Senator from Florida sees no reason why the same appropriate proceedings which have been followed in the case of the Seattle Exposition should not be followed in the case of the New York Exposition.

Mr. JAVITS. Mr. President——

Mr. KEATING. Mr. President, will the Senator yield?

Mr. HOLLAND. I do not have the floor.

Mr. JAVITS. Mr. President, may I be recognized?

Mr. DOUGLAS. Mr. President, who has the floor?

Mr. JAVITS. I now have it.

Mr. RUSSELL. Mr. President, I understood the Senator from Arizona [Mr. HAYDEN] had the floor and had yielded to the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Senator from Washington had the floor when the present Presiding Officer took the chair. The Chair understood him to yield the floor.

Mr. MAGNUSON. Mr. President, I will yield the floor.

Mr. YARBOROUGH. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. Mr. President, I have finished what I intended to state. I merely wished to have the RECORD clearly set forth the action of the committee and the condition of the authorizing legislation which lies behind that action.

Mr. JAVITS. Mr. President, will the Senator yield to me for one point?

Mr. RUSSELL. Mr. President, the Senator from Arizona was compelled to leave the Chamber. He asked me to represent him in his temporary absence. That is my only reason for injecting myself into these proceedings.

Mr. MAGNUSON. I think the Senator from Arizona had the floor and yielded to me. I in turn yielded to many other Senators.

Mr. RUSSELL. When the Senator from Arizona had the floor, the Senator from Washington was asked to define the word "participation," I believe. That is how the situation occurred.

Mr. DOUGLAS. Mr. President, may I ask, who has the floor?

Mr. JAVITS. Mr. President, will the Senator yield to me for one point?

Mr. MAGNUSON. Mr. President, I promised I would yield to the Senator from Texas.

Mr. YARBOROUGH. I have only one question.

Mr. JAVITS. Will the Senator permit me to clear up something with the Senator from Ohio?

Mr. MAGNUSON. I yield.

Mr. JAVITS. I used the word "untrue," for which I apologize. I do not feel that way at all about the Senator from Ohio. The word was said in the heat of argument, and I wish to make it very clear that what I intended to say was "not a fact." I am terribly sorry, because I do not wish, by anything I say, to question—because that is not in my mind—the complete integrity, bona fides, diligence, and sincerity of the Senator from Ohio.

I thank my friend for yielding.

Mr. MAGNUSON. Mr. President, I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, earlier in the colloquy the distinguished Senator from Washington mentioned that the Seattle World's Fair partook somewhat of the nature of a country fair, and that there would be fiddle music and other rustic surroundings.

My question is whether there will be adequate space available for the blue ribbon winning cattle and horses of the distinguished senior Senator from Oregon [Mr. MORSE]?

Mr. MAGNUSON. We should be glad to have them run around the pavilions, to let everybody look at them. Our fair will not be a country fair. It will be one of the best.

Mr. YARBOROUGH. The senior Senator from Oregon uses such good judgment in the selection of names to attach to his bulls that I thought adequate space should be set aside.

Mr. MAGNUSON. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Illinois.

Mr. DOUGLAS. I hope that at some time today the question of U.S. participation in the New York World's Fair may be brought to a vote and that an appropriation may be made. At that time it is my intention to vote for it.

I think the big cities of the country are frequently discriminated against in regard to appropriations and legislation. New York City and my own city of Chicago do not receive the attention and the appropriations which they deserve.

Now that I have said that, I also state that the New York Fair is headed by one of the most competent, most honorable, and most irritating men in the history of the United States, namely, one Robert Moses. [Laughter.]

Mr. Moses has devoted nearly 50 years of his life to public service, generally

without pay, although I understand at long last he is getting pay as head of the fair.

Mr. Moses is an amazingly efficient man. He simultaneously conducts a number of ventures with great integrity. I think he is one of the great public servants of all time. But he also carries with his virtues some very irritating qualities. He is the most egotistical public servant I have ever known. He is the most intolerant public servant I have ever known, and he is the most hot tempered public servant I have ever known.

At the present time Mr. Moses, as head of the New York Power Authority, has circulated defamatory material concerning the city of Chicago and our sanitary district because the lake diversion at Chicago would diminish the amount of water which flows over Niagara by fourtenths of 1 percent, and Mr. Moses apparently believes it is the sole purpose of the Nation to furnish water to New York and that the citizens should not have any water for use except by his leave.

In spite of all that—not because of it, but in spite of all that—I shall be very glad to support the Senators from New York in any move they may make to get appropriations for the New York World's Fair. I hope however that they will attempt to exercise some restraint upon Mr. Moses and urge upon him that there are certain standards of gentility which he should observe. Perhaps Mr. Moses has now reached such an age that it is impossible to change his habits, but he would add to his fine qualities if he would moderate his behavior.

Mr. KEATING. Mr. President, will the Senator yield, if he has the floor; and, if not, I ask recognition for a brief comment.

Mr. DOUGLAS. I am through.

The PRESIDING OFFICER. Does the Senator yield to the Senator from New York?

Mr. KEATING. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. KEATING. Mr. President, the distinguished Senator from Illinois is to be commended for not allowing his personal feelings in connection with the water diversion at Chicago to enter into his consideration of the matter now before the Senate.

It is typical of his attitude as we have known it over the years. He is a man of principle. I appreciate deeply what he has had to say about his support for the fair. I should be happy to talk with Mr. Moses at my first opportunity and convey to him the views expressed by my friend from Illinois.

The distinguished Senator from Florida is eminently correct in what he has said as to the parliamentary situation. The authorizing legislation has not passed Congress. The action of the Committee on Appropriations was in order. To have included the item would have been legislation on an appropriation bill. But such action has been taken before.

The position of New York Senators is, as has been brought out, that 3 years is needed as the leadtime for planning. In order to plan what is going to be done in 1964—and if the Federal Government is going to participate, we want the very best presentation that can be made of our economic, political, and social institutions. It is important that the planning start now. Therefore the Department of Commerce has sent to Congress a request for a relatively small amount of money for planning at this time. The President of the United States supports the fair in New York. Former President Eisenhower supports the fair in New York.

Let me say to my friend from Ohio that 7 of the countries which belong to the Bureau of International Expositions are among the 60-odd that have signed up for exhibits at the fair. Our country, for reasons of its own, does not wish to become a member of that organization. That means, as I see it, that the Bureau cannot control what we want to do, even in an advisory capacity, in this country.

A fair in Seattle is a fine thing for Seattle. Again I say to my friend from Washington that I shall accept his invitation to come out there. I want to see that fair. It will have a somewhat different accent from the one proposed in New York.

I hope that the Senate in its wisdom will see fit to authorize what the other body by such overwhelming vote has done at this session. I cannot impress upon Senators too strongly the necessity for immediate action.

Mr. LAUSCHE. Mr. President, will the Senator yield to me for a moment?

Mr. KEATING. I yield.

Mr. LAUSCHE. Mr. President——

Mr. RUSSELL. Mr. President, I was recognized, but I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I have in my hand a brochure issued on January 16, 1961, by the New York World's Fair, 1964–65 Corp. On page 24 of that brochure is the following statement:

> Financing the exhibit would require an appropriation by the Federal Government of $30 million, $20 million for the building and $10 million for the exhibits it would house.

I can understand that there is no final word on how much the Federal Government would contribute, but I called Mr. Gudeman, the Assistant Secretary of Commerce, and asked the following question:

> Would the Federal Government be required to put $30 million into the fair?

He said:

> I do not want to have you misled. The amount will be at least $30 million if we go into the show.

So the $30 million figure would be the rockbottom figure.

Mr. JAVITS. Mr. President, will the Senator yield so that I may answer the question of the Senator from Ohio?

Mr. RUSSELL. Mr. President, I will yield briefly, but I think this discussion should be taken up in order. I will yield to the Senator, but I think we should proceed with the pending bill and make some progress.

Mr. JAVITS. I ask the Senator from Ohio, in all fairness, whether it is not a fact that, as this subject has been put up to Congress—and, of course, it is now languishing in the Foreign Relations Committee—the United States is not obligated to contribute a penny—and I use the word "obligated" specifically—other than the $300,000 authorization called for, and that before any additional money is spent, the Senate will have to vote on the question?

Mr. LAUSCHE. The Senator is correct, except that both Mr. Gudeman and Mr. Hodges said that if we go into the fair, the cost will be $30 million at a minimum.

Mr. Gudeman said:

> We will have to go in to that extent.

It is a fact that the Senators from New York would have to come back to Congress for additional funds, but I think the passage of the resolution would mean at least an expenditure of $30 million.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Has unanimous consent been granted to adopt all of the committee amendments, and to consider the bill, as amended, as original text for the purpose of further amendment?

The PRESIDING OFFICER. Such unanimous consent was granted. The bill is now open to further amendment.

Mr. RUSSELL. Mr. President, I have served as chairman of the Subcommittee on Appropriations for the Department of Agriculture. The distinguished chairman of the full committee, the Senator from Arizona [Mr. HAYDEN], has generally asked the chairmen of the various subcommittees whose appropriations are contained in the general appropriation bills to handle the items of which they have charge.

The first items that were reached in the bill were those for the Department of Agriculture.

I have not yet been entirely cured of the habit I acquired when I first came to the Senate, of undertaking to reduce appropriations and hold them to a minimum. I realize that such an endeavor is entirely out of order in this new day. It is a very old-fashioned idea.

In any event, I suggested in the committee that we reduce the budget item for the emergency conservation measures—involving soil conservation work—for which the budget had requested $5 million. The item was reduced to $3 million. I suggested that we reduce the loan item, as approved by the other body for the so-called water conservation loans, from $8 million to $5 million and not take it out of the operating loan funds of the Farmers Home Administration.

Both amendments were agreed to.

At the conclusion of the consideration of the bill, I looked over the committee

report and found that the only items that had been reduced below the figures in the other body were those concerning the Department of Agriculture.

Not only had none of the other items been reduced, but the Senate committee had added approximately $487,853,000 to the bill as it came to us from the other body.

If there is any group in this country that is justified in expecting to receive some assistance from the Federal Government today, it is the farmers. Farmers are at the bottom of our economic scale. The average farm income per year or per hour worked is much lower than that which is received by any other group in the Nation today.

I, therefore, had some pangs of conscience, due to the fact that, in my effort to conserve the deficit in the Treasury, I had moved to reduce those items. It also caused great concern to some other Senators, particularly the Senator from Colorado [Mr. CARROLL], who, I understand, was prepared to move to restore one of these items.

In view of the fact that these were the only items that were reduced, I move to restore them, and I move to amend the bill on page 2, line 14, by striking the figure "$3,000,000" and inserting in lieu thereof "5,000,000"; and to amend the bill further on line 24 by striking the figure "$5,000,000" and inserting the figure "$8,000,000".

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CARROLL. I commend the able Senator from Georgia. This is a very important subject. As the Senator from Georgia knows, I had an identical amendment at the desk, restoring the FHA amount to $8 million.

The House had fixed the amount to be appropriated at $8 million, as the distinguished Senator from Georgia has said, and the Senate reduced it to $5 million.

Mr. RUSSELL. The committee reduced it.

Mr. CARROLL. The Senate Appropriations Committee itself; yes.

Mr. President, the supplemental appropriation bill as reported by the Senate contains $5 million in loan authorizations for soil and water conservation loans by the Farmers Home Administration.

The FHA testified that it had needs of $20 million.

The House allowed $8 million for the FHA, to be withdrawn from the Department of Agriculture contingency reserve fund.

The position of the Senate Appropriations Committee is that this contingency fund was set up for operating loans to farmers and should not be used for water development loans.

The Senate committee prefers to use a more direct route and make an additional regular authorization.

However, in doing so the committee has cut the amount from $8 million to $5 million.

The FHA has made a strong argument for $20 million.

Two critical problems have developed in the West, intensifying the need for these loans.

These problems are drought and brackish or saline underground water.

I presented a statement to the Appropriations Committee describing the needs for these FHA loans in my own State of Colorado.

Rural areas of Colorado alone have needs for water development loans sufficient to use up the entire amount granted by the Senate committee.

I described to the Senate committee how rural families in a portion of Boulder and Weld Counties in Colorado were hauling their domestic water in barrels to their homes and storing it in cisterns. This is because their well water is brackish and unusable.

Five different water development associations in this one area alone have applied to FHA for loans in the amount of $1.25 million to construct a domestic water supply system.

I shall not go into greater detail on Colorado's rural domestic water problems, because I described them in full in my statement to the committee, and I ask unanimous consent at this time, Mr. President, that my statement before the Senate Appropriations Committee on September 20, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN A. CARROLL ON SUPPLEMENTAL APPROPRIATIONS FOR SOIL AND WATER LOAN FOR BOULDER-WELD COUNTIES, COLO.

Mr. Chairman, I appear before you today to support President Kennedy's request for additional funds for soil and water conservation loans.

The President in his supplemental appropriation message of August 8 asked for authority for Farmers Home Administration to use a portion of the Department of Agriculture's contingency fund. The House limited this to $8 million.

Since these contingency funds were intended for operating loans the committee may decide to provide necessary water loan funds in another manner.

Therefore, I will not today recommend any particular method for providing FHA with the additional needed credit authority.

FHA had had an unexpectedly heavy demand for credit assistance from farmers who need to develop supplies of potable water. It is my understanding that the demands amount to $20 million.

However, the Agriculture Appropriation Act of 1962 allowed FHA only $3 million for water loans.

The President's request in his supplemental message has particular significance to Colorado, and I wish to call this to the attention of the Senate Appropriations Committee.

An area of Colorado embracing a portion of Boulder and Weld Counties is afflicted with concentrated brackish underground water.

The farm families in this area have been forced to abandon their own water supplies and haul water by truck for domestic use.

Over a year ago five contiguous rural groups in the affected Boulder-Weld area applied to the Farmers Home Administration for soil and water conservation loans of $250,000 each to construct domestic water systems which would have a common source of water and a common treatment plant.

The efforts of the five groups in Colorado make an interesting story and vividly illustrate the need for expansion of this program.

The particular area of which I speak is within 50 miles of Denver. It has never had a domestic water supply system.

The contemplated system would serve Beech Aircraft Corp., located about 6 miles north of Boulder; Bureau of Standards located on Table Mesa north of Boulder; 7 school buildings located in a newly reorganized district, comprising all of northern Boulder County and a portion of Weld County; the small town of Niwot which has about 60 families; plus approximately 650 farm families in the northern part of Boulder County and a part of Weld County. This is a rich agricultural area devoted to livestock feeding and dairying.

As I said before, this area has never had a domestic water supply. The well water is not of good quality even for livestock use and the domestic water has to be hauled many miles from the city of Longmont and stored in cisterns on the farms. In the mid-20th century this situation to me is incredible. My colleagues can readily understand why these people ask the Government to help them to get clean, filtered, and piped water.

They are not asking the Government to bear all the burden. They want to help themselves. Nearly 600 families have indicated their desire and initiative by depositing $260 each—nearly $156,000—with the officers elected to the nonprofit organization which was formed some 18 months ago. All organizational work was donated and technical advice came from the Farmers Home Administration. The group has purchased 1,000 units of Colorado-Big Thompson project water, acquired land for reservoir and filter sites. Nearly $40,000 has been spent for engineering services.

These large community systems can only be built if suitable long-term credit is available, and that credit is not now available in rural areas.

The credit can be made available to these Colorado rural families if the Appropriations Committee will approve the President's request for additional credit authority for the Farmers Home Administration.

The application by the Colorado groups in the Niwot area has, I think, high priority in FHA and I am hopeful that as soon as the Congress passes this bill the Niwot area loan will be approved and the water supply project initiated.

Mr. Chairman, when the saline water bill was up for consideration in the Interior Committee and again on the floor of the Senate, I called attention to an increasingly troublesome water problem in the West. That is the problem of brackish well water on our farms.

I recommended that the Farmers Home Administration look into the possibility of making loans to farmers for installation of small water conversion units.

These small units, which would furnish about 20 gallons a day to a farm family for domestic use, would purify well water that is now unfit for drinking.

Pilot plants of the type I have mentioned are already being operated on farms in Colorado and other States by the Bureau of Reclamation.

As soon as an economical purification system is perfected it is my hope that the Farmers Home Administration will promptly apply its credit authority to development of small on-the-farm saline or brackish water conversion units.

I am confident that if the Bureau of Reclamation experiments develop a small system that can cheaply purify ground water,

farmers all over the West will want to install such units.

I hope the Farmers Home Administration will consider the critical needs of these farmers who are burdened with brackish, undrinkable well water and cooperate with the Bureau of Reclamation in development of a program to provide western rural areas with potable water.

Mr. CARROLL. Mr. President, since the Senator from Georgia has moved to restore the FHA soil and water loan funds to $8 million I join him in that motion and withhold calling up my amendment at the desk.

I am pleased that the chairman of the Agriculture Appropriation Subcommittee agrees, in light of the severe drought in the West and the intensifying problem with brackish underground water, to restore the amount to $8 million.

The committee will now be able, in conference, to work out the method in which this money will be made available to FHA, either through the USDA contingency fund or through regular authorizations.

Mr. President, I conclude by thanking the able Senator from Georgia. We spend money all over the world; this is only a small amount with which to help the farmers of this Nation. I again commend the Senator from Georgia for agreeing to raise the FHA soil and water conservation loan appropriation to $8 million.

Mr. RUSSELL. I thank the Senator from Colorado. He has correctly stated that a much larger sum than $8 million could be used. However, that is true of all the loan funds of the Farmers Home Administration. Applications received from tenant farmers and sharecroppers and veterans for loans with which they buy farms have far exceeded the amounts available. The fund that we have made available for production loans in the regular bill is far oversubscribed; at least, the requests are far in excess of the amount available. I wish to add that there has been an unusual record of repayment on these soil and water loans. As of the last time I looked at the figures, only one loan was in default, and that was a loan of $50,000. Over a period of years there has been a remarkable record of repayment. The Federal Government will not lose anything. I have discussed the matter with the distinguished chairman of the Committee on Appropriations, and I understand he is disposed to accept the amendments.

Mr. HAYDEN. We will accept the amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

Mr. HILL. Mr. President, on behalf of the senior Senator from New Mexico [Mr. CHAVEZ] and myself I call up my amendment on the Mexican farm labor program.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, after line 12 insert the following:

COMPLIANCE ACTIVITIES, MEXICAN FARM LABOR PROGRAM

For an additional amount for "Compliance activities, Mexican farm labor program," $429,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H.R. 2010, Eighty-seventh Congress.

SALARIES AND EXPENSES, MEXICAN FARM LABOR PROGRAM

For an additional amount for "Salaries and expenses, Mexican farm labor program," $594,000, to be derived from the Farm labor supply revolving fund: *Provided*, That this paragraph shall be effective only upon the enactment into law of H.R. 2010, Eighty-seventh Congress.

Mr. HILL. The amendment simply provides the budget estimate for the Mexican farm labor program for the present fiscal year, which will end on June 30, 1962. When we passed the regular bill for the Department of Health, Education, and Welfare, the authorization for this program expired on December 31 of this year. We could not therefore carry the full budget estimate. What the amendment does it to provide an appropriation for the full budget estimate for this fiscal year for the Mexican farm labor program.

Mr. RUSSELL. In view of the fact that this legislation was cleared by both branches, I am glad to accept the amendment on behalf of the committee.

Mr. HAYDEN. It was authorized. There is no question about it. We will accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, last week the Senate amended the Freeport Harbor project bill, H.R. 8320, by adding an amendment reading:

> In all cases in which under the Constitution or laws of the United States oaths are authorized or required to be administered, such oaths may be administered by the Vice President of the United States.

That bill is now in the House, and it seems that with that amendment on it there is not much prospect of its being considered in the House.

Therefore, after discussing the matter with the chairman of the Committee on Appropriations and the distinguished minority leader, and other Senators, I ask unanimous consent to offer the amendment and also ask for its immediate consideration. I do so because at the present time the Vice President has power only to administer oaths to Senators. This would broaden his powers to give the Vice President powers which he now lacks as the only officer of any standing in the Federal Government without such authority.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered. The clerk will state the amendment.

The CHIEF CLERK. After line 10, on page 25, it is proposed to add the following:

GENERAL PROVISIONS

Section 206 of the Independent Offices Appropriation Act, 1944 (5 U.S.C. 16a), is amended by inserting "(a)" after "SEC. 206." and by adding at the end thereof the following new subsection:

"(b) In all cases in which under the Constitution or laws of the United States oaths are authorized or required to be administered, such oaths may be administered by the Vice President of the United States.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate reconsider its action in passing H.R. 8320, the Freeport Harbor project.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the Senate passed the bill is reconsidered.

Mr. MANSFIELD. Mr. President, I move that the House be requested to return the papers on the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

Mr. DIRKSEN. Mr. President, pursuant to a colloquy which occurred yesterday, participated in by the distinguished Senator from Missouri [Mr. SYMINGTON], I gave him assurance that a point of order would be made on an amendment on page 13, under the heading "National Aeronautics and Space Council, Salaries and Expenses."

I now make a point of order against the proviso beginning on line 1, page 14, and continuing through line 9, page 14.

Mr. MORSE. Mr. President, that was exactly the item which I rose to discuss. I am glad the Senator from Illinois has raised the point of order. I also was seeking permission to raise the point of order. I join with the Senator from Illinois.

Mr. DIRKSEN. It is clearly legislation, because it confers power upon the Council to establish compensation, and therefore should not be adopted.

The PRESIDING OFFICER. The Chair is prepared to rule on the point of order.

The Senator from Illinois [Mr. DIRKSEN] has made a point of order against the committee amendment beginning on page 14, line 1, inserting a proviso that employees of the National Aeronautics and Space Council may be appointed and compensated under section 201(f) of the Space Act of 1958 without regard to the civil service laws and the Classification Act of 1949, as amended.

The Senate, in the exercise of its constitutional authority, has provided in paragraph 2 of rule XVI, that "the Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation"; and in paragraph 4 of the said rule it is provided that "no amendment which proposes general legislation shall be received to any general appropriation bill," and so forth.

The committee amendment, in providing that hereafter employees of the Council may be appointed and compensated, without regard to the civil service laws and the Classification Act of 1949, as amended, and giving the

Council authority in certain cases to fix salaries of its employees, is, in the opinion of the Chair, clearly legislation and in violation of the second and fourth paragraphs of rule XVI.

The Chair, therefore, feels impelled to sustain the point of order.

Mr. DIRKSEN. The striking of the proviso does not affect the amount contained in the bill for salaries and expenses and for traveling purposes. The amount is retained, but the legislative authority is thereby deleted.

Mr. MORSE. Mr. President, I should like to have the attention of the majority leader, the minority leader, the Senator from Georgia [Mr. RUSSELL], the Senator from Arizona [Mr. HAYDEN], and the chairman of the Committee on Labor and Public Welfare [Mr. HILL].

At the desk is the Humphrey amendment and also the Humphrey motion to suspend the rule relating to the amendment. The amendment is on page 7, line 16, and would strike out "$164,346,000" and insert in lieu thereof "$169,346,000."; provided that $5 million of such amount shall be available only if Public Law 874, 81st Congress, is amended so as to provide that the District of Columbia shall, for the fiscal year beginning July 1, 1961, be considered to be a State for the purposes of such law.

Briefly, this amendment involves the controversy over the District of Columbia revenue bill, in which the Senate has provided that the District of Columbia shall be treated as a State with respect to Public Law 874, the impacted areas law.

Some Members of the House are concerned with whether this proposal would take money away from the States. I am advised by the managers on the House side that they wish to have this amendment added to the appropriation bill so as to provide that if the impacted area section of the District of Columbia revenue bill is adopted, then the District of Columbia would get the $5 million. If the section is not adopted, the District of Columbia would not get the $5 million.

I should like to have the wisdom of the two leaders, the Senator from Georgia, and the Senator from Arizona as to whether this is not the appropriate time to bring the matter up and ask to suspend the rule and consider the amendment.

Mr. RUSSELL. Mr. President, I do not know of any rule of order which pertains to the offering of an amendment to an appropriation bill. I assume that at any time a Senator can be recognized, it is in order for him to offer an amendment.

Mr. MORSE. I have been recognized; and in behalf of the Senator from Minnesota, I call up the amendment.

Mr. RUSSELL. I should like to have the amendment read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, line 16, it is proposed to strike out "$164,346,000" and insert in lieu thereof "$169,346,000."

Mr. RUSSELL. Does the law which is sought to be amended specifically allot $5 million of impacted area funds to the District of Columbia?

Mr. MORSE. It will if the revenue bill is passed by the House.

Mr. RUSSELL. Is that the specific amount? I notice the Senator's amendment is double barreled. It increases the committee appropriation by $5 million, but provides that the $5 million is not to be utilized except in the event of the passage of some bill.

Mr. MORSE. That is correct.

Mr. RUSSELL. Does that bill specifically establish $5 million as the District of Columbia's portion of the impacted areas appropriation, in the event it is created?

Mr. MORSE. No; the Secretary of Health, Education, and Welfare says that $5 million would be required as the share of the District of Columbia. All our bill did was to include the District of Columbia for consideration the same as a State.

Mr. DIRKSEN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. DIRKSEN. If no specific amount has been made available in Senate bill 2393, and an affirmative act is required on the part of the Commissioner of Education to allocate a portion, then obviously the amendment would be legislative in character; it would not be a limitation.

Mr. MORSE. If we do not appropriate the $5 million, and if the House passes the Senate bill, which we have sent back to the House twice, then the Department of Health, Education, and Welfare would have to deduct from the allotments to the States, the equivalent of about 2 percent; and the letter of the Secretary, which I read to the Senate yesterday, says it would be in the neighborhood of 2 percent. The Department would be able to fulfill the requirements of Public Law 874 only to the extent of 98 percent, because the 2 percent would be taken from the present allotment, under Public Law 874. However, the addition of $5 million would make it possible for the Department of Health, Education, and Welfare to allow the full amount. That could make a great difference in the House with respect to whether the District of Columbia revenue bill will be passed.

Mr. DIRKSEN. I understood the distinguished Senator from Oregon, in response to the Senator from Georgia, to say that there was no exact ascertained amount to go to the District of Columbia, in which event affirmative action would still be required.

Mr. MORSE. It would merely go into the pot.

Mr. DIRKSEN. I know; but the apportionment of the exact amount has not thus far been made, if I correctly understand the Senator.

Mr. MORSE. I shall read from the letter of Secretary Ribicoff, dated September 25, 1961:

> The proposed amendment to Public Law 874 would add the District to the list of eligible jurisdictions and make the District equally eligible with all States and enumerated territories.
>
> We do not have final figures on the entitlements of all jurisdictions. However, the District of Columbia's entitlement would be about $5 million. This represents approximately 2 percent of the total entitlements of all jurisdictions. If the sum of $164,346,000, contained in the supplemental appropriations bill reported out by the Senate on September 22, 1961, is enacted then the District of Columbia and all other jurisdictions would receive, according to our best estimate at this time, not less than 98 percent of full entitlement and it is quite possible that final adjusted figures may bring this up to close to 100 percent of entitlement for all jurisdictions.

The suggestion was made—and the Senator from Minnesota [Mr. HUMPHREY] sought to carry it out last night—that if $5 million were added to this amount, there would be no question that the Department of Health, Education, and Welfare would have adequate funds to administer Public Law 874 without any reduction being necessary in the amounts due the various States.

But if the $5 million is not appropriated, then, according to the best estimate by the Secretary, the probability is that they would get only 98 percent of what they otherwise would get. So if there is no need for it, the Department will not spend it. But if there is a need for it, they will thus have adequate funds in order to cover the application of Public Law 874 to all the States, without any reduction. That is all there is to the amendment.

Mr. DIRKSEN. But it is contingent on our passing the bill, is it?

Mr. MORSE. Yes.

Mr. DIRKSEN. And in that respect it would be legislation, I believe.

Mr. MORSE. That is why the Senator from Minnesota also filed a motion, last night, to suspend the rule.

I should like to ask the Senator from Georgia—because I rely very much on his judgment—whether he sees any objection to adding to it.

Mr. RUSSELL. I am not too familiar with this subject, and I would not like to make a categorical statement about it, for I do not know enough about the legislative situation. I appreciate the Senator's compliment, but I am not sufficiently familiar with it.

I think it is legislation, but it could be accepted by unanimous consent.

Mr. MORSE. Let us assume the Humphrey amendment is adopted, and the $5 million is added, and let us assume the House does not finally pass the Senate bill in regard to revenue for the District of Columbia. Then nothing would be lost, because the Department then could not spend the money, for there would be no need to make the expenditure.

Mr. RUSSELL. Of course, it is in order at any time for the Senate to vote to increase the amount of an item provided in the bill. I think there is no question that such an amendment, adding $5 million to the bill, would be in order.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESEEDING OF RANGELANDS BURNED OVER

Mr. MORSE. Mr. President, I wish to commend the committee for its action in providing an additional $1¼ million to the Bureau of Land Management, to enable that agency to reseed rangelands burned over by very serious fires this year.

Oregon's public land range has been extremely hard hit, with approximately 85,000 acres burned. I had an opportunity to see some of these areas and to discuss the situation with stockmen in my State. Seeing the disastrous impact this would have on range use and upon conservation, I went to Secretary of the Interior Udall, and also to the White House, to discuss ways and means to cope with the problem.

I wish to commend personally both the Secretary and the President for their extremely prompt action. Within 24 hours after I had called this matter to their attention, action on this budget estimate was completed. This is a great demonstration of the genuine interest that both President Kennedy and Secretary Udall have in the development of our natural resources.

One of the points which I made was that the technicians know that the cost of restoring these rangelands is less and the results are better, if the work is done immediately after the fire has swept the lands. Thus, the President was aware of the fact that a real saving was involved in immediate action.

The Bureau of Land Management has done an outstanding job of fire control during this year. The great losses suffered are no reflection on the Bureau's capabilities, for this has been one of the driest years in the decade. However, it is my hope that during these fall months the Department of the Interior and the Bureau of the Budget will explore ways and means of strengthening the capability of the Bureau of Land Management to better perform its overall conservation function. I am also hopeful that approval will be given to a permanent budgetary provision which assures immediate restoration of burned-over lands as a part of the conservation function involved in fire suppression.

I want to thank especially the senior Senator from Arizona [Mr. HAYDEN] for his usual fine assistance. Before I talked to anyone in the executive branch, I consulted with the chairman of the Appropriations Committee and, as usual, had his complete and wholehearted cooperation. I know of no man who has done more to conserve and protect our natural resources than has the senior Senator from Arizona [Mr. HAYDEN].

In closing, I wish to say, on behalf of the people of Oregon, that I thank all the members of the Appropriations Committee, both the Republican members and the Democratic members. I understand that the Senator from Idaho [Mr. DWORSHAK] was particularly helpful, in that he was aware of the situation in regard to these burned-over areas. Last year his State also suffered great losses from fire, although this year the fires have largely been centered in Oregon.

I wish to say this is a good example of the kind of nonpartisan approach we should make to any disaster, anywhere in the country.

So, Mr. President, on behalf of the people of Oregon, I sincerely thank the members of the Appropriations Committee for their help in connection with this serious emergency.

AN OLD SOLDIER TALKS ABOUT WAR

Mr. CASE of South Dakota. Mr. President, one of the most moving addresses ever heard in the Halls of Congress was that given by General of the Army Douglas MacArthur at a joint session when he returned from Korea.

And not merely did his words move the Congress—they warmed hearts of the people throughout the country.

I recall a Sioux Indian telling me of standing in a trader's store at Pine Ridge and seeing some of the Sioux women there listen to his words, as they came over the radio, with tears streaming down their faces. General MacArthur had been the leader of their sons in battle in the faraway islands of the Pacific. They had his picture in their homes. They knew that many of their sons had returned home safely because of the brilliance of his military leadership.

A master strategist and a master tactician, he employed the art of surprise to its greatest possibilities, and won his battles with the minimum loss of life, often bypassing islands and cutting off their supplies, leaving them to "wither on the vine" as it was expressed.

General MacArthur has given history some classic phrases. His promise to the Filipinos, "I go—but I shall return" became a victory slogan. His address to the Congress closed with the laconic "Old soldiers never die, they just fade away." He has continued high in the esteem of his countrymen.

During the past summer, now 81 years of age, General MacArthur returned again to the Philippines, this time to make a sentimental journey; but it yielded another great address that deserves to be widely read in the United States. It was given at a joint session of the Congress of the Republic of the Philippines, in Manila, on the 5th day of July 1961.

With the consent of the Senate, I place his remarks in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AN OLD SOLDIER TALKS ABOUT THE NEXT WAR

The last time I spoke before this august body, the war still raged outside. The crash of guns rattled windows, the sputter of musketry drowned voices, the acrid smell of smoke filled our nostrils, the stench of death was everywhere. And now, 16 years later, although those incidents have become but a dark memory, the possibility of war still hangs like a cloud before our eyes. It overshadows all other problems, intruding upon every thought and action, encompassing all that we hold most dear, dictating not only the present but our very future.

Many in this brilliant audience were my former comrades in arms. They have known war in all its horror and, as veterans, hope against its recurrence. How, they well may ask, did such an institution as war become so integrated with man's life and civilization? How has it grown to be the most vital factor in our existence?

It started in a modest enough way as a sort of gladiatorial method of settling disputes between conflicting tribes. One of the oldest and most classical examples is the Biblical story of David and Goliath. Each of the two contesting groups selected its champion. They fought and, based upon the outcome, an agreement resulted.

Then, as time went on, small professional groups known as armies fought in some obscure corner of the globe, and victory or defeat was accepted as the basis of an enduring peace.

NOW THE NATION IN ARMS

And from then on, down through the ages, the constant record is an increase in the character and strength of the forces, with the rate of increase always accelerating. From a small percentage of the population it finally engulfed all. It is now the nation in arms.

Within the span of my own life, I have witnessed much of this evolution. At the turn of the century, when I joined the Army, the target was one enemy casualty at the end of a rifle, a pistol, a bayonet, a sword. Then came the machinegun, designed to kill by the dozen. After that, the heavy artillery—raining death upon the hundreds. Then the aerial bomb to strike by the thousands—followed by the atom explosion to reach the hundreds of thousands.

Now, electronics and other processes of science have raised the destructive potential to encompass millions. And with restless hands we work feverishly in dark laboratories to find the means to destroy all at one blow.

But this very triumph of scientific annihilation—this very success of invention—has destroyed the possibility of war's being a medium for the practical settlement of international differences. The enormous destruction to both sides of closely matched opponents makes it impossible for even the winner to translate it into anything but his own disaster.

The last war, even with its now antiquated armaments, clearly demonstrated that the victor had to bear in large part the very injuries inflicted on his foe. My own country expended billions of dollars and untold energies to heal the wounds of Germany and Japan.

Global war has become a Frankenstein to destroy both sides. No longer is it a weapon of adventure—the short cut to international power. If you lose, you are annihilated. If you win, you stand only to lose. No longer does it possess even the chance of the winner of a duel. It contains now only the germs of double suicide.

ONCE VICTORY WAS VICTORY

Time was when victory in war represented economic wealth, accelerated prosperity, a place in the international sun. It was the final weapon of statecraft, the apotheosis of political diplomacy. Its application, however, was regulated, controlled, and limited by the basic principle that a great nation that enters upon war and does not see it through to victory must ultimately suffer all the consequences of defeat.

That is what happened to us in Korea. With victory within our grasp, and without the use of the atom bomb which we needed no more then than against Japan, we failed to see it through.

Had we done so, we would have destroyed Red China's capability of waging modern war for generations to come. Our failure to win that war was a major disaster for the free world. Its fatal consequences are now increasingly being felt in the military rise of Red China into a mighty colossus which threatens all of Asia and bids fair to emerge as the balance of military power in the world. This would jeopardize freedom on all continents.

But the conditions that prevailed in the Korean war exist no longer and will come no more. Then we were the sole possessor of nuclear power—we stood alone in military might. Now all is changed. Others possess this weapon. Relative strengths from now on will probably change little with the years. Action by one will promptly be matched by reaction from the other.

The great question is, Can global war now be outlawed from the world?

If so, it would mark the greatest advance in civilization since the Sermon on the Mount.

It would lift at one stroke the darkest shadow which has engulfed mankind from the beginning. It would not only remove fear and bring security—it would not only create new moral and spiritual values—it would produce an economic wave of prosperity that would raise the world's standard of living beyond anything ever dreamed of by man.

The hundreds of billions of dollars now spent in mutual preparedness could conceivably abolish poverty from the face of the earth. It would accomplish even more than this; it would at one stroke reduce the international tensions that seem to be unsurmountable now to matters of more probable solution.

FORCES WOULD BE POLICE

This would not, of course, mean the abandonment of all armed forces, but it would reduce them to the simpler problems of internal order and international police. It would not mean Utopia at one fell stroke, but it would mean that the great roadblock now existing to the development of the human race would have been cleared.

You will say at once that, although the abolition of war has been the dream of man for centuries, every proposition to that end has been promptly discarded as impossible and fantastic.

But that was before the science of the past decade made mass destruction to reality. The argument then was along spiritual and moral lines, and lost.

But now the tremendous evolution of nuclear and other potentials of destruction has suddenly taken the problem away from its primary consideration as a moral and spiritual question and brought it abreast of scientific realism.

It is no longer an ethical equation to be pondered solely by learned philosophers and ecclesiastics, but a hard-core one for the decision of the masses whose survival is the issue.

This is as true of the Soviet side of the world as of the free side—as true behind the Iron Curtain as in front of it.

The ordinary people of the world, whether free or slave, are all in agreement on this solution; and this perhaps is the only thing in the world they do agree upon, but it is the most vital and determinate of all.

We are told we must go on indefinitely as at present—with what at the end, none says—there is no definite objective. They but pass along to those that follow the search for a final solution. And at the end, the problem will be exactly that which we face now.

WILL IT TAKE ANOTHER WAR?

It may take another cataclysm of destruction to prove the bald truth that the further evolution of civilization cannot take place until global war is abolished. But this is the one issue upon which both sides can agree, for it is the one issue upon which both sides will profit equally. It is the one issue in which the interests of both are completely parallel. It is the one issue which, if settled, may well settle all others.

The present tensions with their threat of national annihilation are fostered by two great illusions:

The one, a complete belief on the part of the Soviet world that the capitalistic countries are preparing to attack them; that sooner or later we intend to strike; and the other, a complete belief on the part of the capitalistic countries that the Soviets are preparing to attack us; that sooner or later they intend to strike.

Both are wrong. Each side, so far as the masses are concerned, is desirous of peace. Both dread war. But the constant acceleration of preparation may, without specific intent, ultimately precipitate a kind of spontaneous combustion.

Many will tell you with mockery and ridicule that the abolition of war can be only a dream—that it is but the vague imagining of a visionary. But we must go on or we will go under. And the great criticism that can be made is that the world lacks a plan that will enable us to go on.

We are in a new era. The old methods and solutions no longer suffice.

We must have new thoughts, new ideas, new concepts. We must break out of the straitjacket of the past.

We must have sufficient imagination and courage to translate the universal wish for peace—which is rapidly becoming a universal necessity—into actuality. And, until then, at whatever cost or sacrifice, we must be fully prepared—lest we perish.

And now, even as I hail you, I must say farewell. For I must admit, with a sense of sadness, that the deepening shadows of life cast doubt upon my ability to pledge again, "I shall return."

SUGGESTION THAT GEN. DWIGHT D. EISENHOWER BE NAMED INTERIM TRUSTEE SECRETARY GENERAL OF UNITED NATIONS

Mr. JAVITS. Mr. President, I wish to make a brief statement to the Senate, not at this moment on the New York World's Fair, but on another matter.

The serious problems which have beset the police force action of the United Nations forces in the Congo may well prove to be a trial by fire which, when successfully surmounted, will make the United Nations a far more effective instrument for peace than it is now. For, the need for using force in the Congo, if ratified by the General Assembly as it promises to be, will indicate that the United Nations can truly mount a police force with an effective capability for maintaining peace in vacuum situations.

Moreover, the Soviet troika plan, which was condemned yesterday by President Kennedy, is clearly being flagged at the United Nations as the means for its demise. Thus U.N. action on the Congo situation and the Soviet troika proposal, which could have been disastrous, can turn out to prove the mettle of the United Nations and to strengthen this great international organization. As our Nation is firmly pledged to backing the U.N., these events are critically important to us.

There is properly grave concern, however, over the lack of top direction of the United Nations right now because of the failure to agree on an occupant of the post of Secretary General either for the stated term, or on an interim basis. The defeat of the troika plan, which I now consider inevitable, will even more particularly emphasize the need for a great world figure at the helm of the United Nations.

I am about to make a suggestion in that regard which I think is entitled to serious consideration by members of the U.N. and nations throughout the world.

I have noted with the deepest interest the proposal of Senator MANSFIELD, the majority leader of the Senate, that Prime Minister Nehru be drafted for this critically important post.

It seems to me clear that, whoever is appointed to the post to hold it as an interim trustee to carry out the operations of the United Nations through this period, it will probably have to be done by a vote of the General Assembly, it being apparently impossible to work out an agreement on a Secretary General for a stated term under the specific provisions of the charter.

I would like to suggest as an interim trustee Secretary General of the United Nations the name of Gen. Dwight D. Eisenhower, our beloved ex-President.

General Eisenhower's enormous prestige as a leader of peace, his vast experience in welding among nations the grand alliance of the World War II, and the respect and reverence with which he is regarded throughout the world would make him an ideal choice for this critically important world responsibility.

Of all the personalities in the world identified with peace, our immediate ex-President, Dwight D. Eisenhower, is among the first in rank. His selection as Secretary General, at least on an interim trustee basis, would embody the hopes of mankind for peace. It is a suggestion well worth the most mature and serious consideration by our Government and by the other governments at the United Nations.

I make the suggestion because apparently the idea of some luminous world figure who bespeaks so many of the aspirations of mankind, at a moment which is so critical for the U.N., is very much in the minds of so many people. I referred to the suggestion of the ma-

jority leader [Mr. MANSFIELD] who proposed that Prime Minister Nehru be drafted to that post in the U.N. at this time.

I think in our own country, ex-President Eisenhower, now General Eisenhower, because he was made again General of the Army, represents to our country and the world so much of the symbol of what we are looking for in the United Nations and the embodiment of its purposes that I feel it is an honor which is due to our former President to be mentioned for this world post, and a suggestion which is well worth the consideration of the nations assembled at the United Nations. I make it in that spirit.

GIFT TO LENOX HILL HOSPITAL BY WILLIAM BLACK

Mr. JAVITS. Mr. President, I shall ask unanimous consent to have printed in the RECORD an editorial from the New York Times relating to nurses' training, which enables me to call attention to an example of constructive philanthropy by William Black, chairman of the board of Chock Full O' Nuts Corp., who, earlier this month, made a $1 million gift to Lenox Hill Hospital in New York City, to be used to build a 14-story nursing school and residence.

Last year Mr. Black gave $5 million to Columbia University for construction of a medical research building. That was the largest amount ever donated by a living person to Columbia in its 207 years.

At a time when there is such an urgent need for nurses and for improvements in medical research facilities, such donations deserve high commendation from all of us.

I am especially pleased to signalize this gift because I had the honor to speak at the inauguration of the new wing at Lenox Hill Hospital, which to a large extent is made possible by this gift.

I ask unanimous consent that the editorials in the New York Times and New York Journal American and an Associated Press dispatch be printed at this point in the RECORD.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

NURSES NEEDED

The country needs three nurses for every two it now has. The range of their services in modern health care has expanded so rapidly that we keep falling further and further behind in the availability of nurses, even though we are training more of them than physicians or any other group of health professionals.

A $1 million gift just made to the Lenox Hill Hospital will help ease this shortage in New York by enabling the hospital to expand its nursing school, now three-quarters of a century old. William Black, the industrialist who made this splendid gift, had already earned the commendation of the community by a $5 million donation last year to Columbia University for the construction of a medical research center.

His latest benefaction will enable Lenox Hill to put up a new hall of nursing with teaching facilities, laboratories, and dormitories far superior to those it now has. It will also make it less likely that the hospital will have to repeat its experience of 2 years ago when the lack of nurses became so pressing that it was obliged to dispatch its director of nursing to Ireland to recruit 50 trained nurses there. More such gifts throughout the country would do much to help us achieve our national goal of a 50-percent expansion in the ratio of nurses to population by 1970.

[From the New York Journal-American, Sept. 6, 1961]

GIVING IS LIVING

We like the philosophy expressed by coffee magnate William Black in his advice to every rich man:

"Your body surely won't attend the reading of your will—and if your soul does not attend, you will never have experienced the joy of giving."

That's good advice for those who are not so rich, too.

This city has benefited because Mr. Black, founder and chairman of the board of Chock Full O'Nuts Corp., experiences the joy of giving. Last year he presented Columbia University with $5 million for a medical research building. Now he has given Lenox Hill Hospital $1 million for a new nurses' school and residence. That is constructive philanthropy.

NEW YORK, September 5, 1961.—A $1 million gift has been received by Lenox Hill Hospital from William Black, chairman of the board of Chock Full O'Nuts Corp., the hospital announced yesterday.

The gift, the largest single amount ever donated by a living person to the hospital since it was founded more than 100 years ago, will be used toward building a 14-story school and residence for the institution's nursing school.

Mr. Black gave $5 million last year to Columbia University for construction of a medical research building. That was the largest amount ever donated by a living person to Columbia in its 207 years.

The Lenox Hill Hospital's building will be called the William Black Hall of Nursing. It will be built at the southwest corner of Lexington Avenue and 77th Street.

In announcing the gift, Benjamin J. Buttenwieser, chairman of the board of trustees, said:

"This most valued gift comes at a time when the shortage of trained nurses in our community and throughout the Nation has reached a critical stage. Mr. Black's generosity will enable Lenox Hill to increase its facilities for training nurses by 50 percent."

Mr. Black said:

"My feeling has long been that the most important thing today is to find the causes and cures for man's many illnesses. We should not rest until we have done everything we can toward that goal."

Mr. Black is also the founder, president, and main support of the Parkinson's Disease Foundation.

The new hall of nursing will house the school's classrooms, recreational facilities and 12 floors of dormitories. It will be completely air conditioned.

Lenox Hill Hospital School of Nursing came into being 75 years ago, with a class of four students. In contrast to this, Mr. Buttenwieser said, "Mr. Black's gift will pave the way for facilities to train 225 students."

A POLICY FOR THE UNITED STATES

Mr. KEATING. Mr. President, today, as former President Eisenhower so aptly and so frighteningly put it, the United States stands "30 minutes from Armageddon." The whole world, in fact, stands, 30 minutes from Armageddon. The immediate crisis, of course, is the status of Berlin, but the long-term crisis is the conflict between freedom and communism, between self-determination and ruthless international tyranny. As we therefore survey the immediate challenges of the Berlin situation and the coming U.N. session, we must never lose sight of the long-term meaning and the long-term goal of Soviet policy. We must be careful not to meet the short-term crisis with a surrender of our long-term objectives.

It has rightly been pointed out that we are ready to negotiate on Berlin. To refuse to negotiate would be irresponsible in the extreme. But the real question is not whether to negotiate, but rather what our position ought to be in any negotiations. As the Senator from Minnesota [Mr. HUMPHREY] pointed out with his usual eloquence last week, there has to be give and take in negotiations. So far, it seems to me, we have supplied the give and the Russians have had the take. Our emphasis should be on what we should demand, what we should hope to gain. The emphasis should not be on what should we concede, where should we retreat. This is true not only of Berlin, but of other crisis spots the world over.

The fine and eloquent address by the President of the United States did indicate certain directions in which the United States would press and would make demands—for general and complete disarmament, for a U.N. Peace Force, for the decade of development, for a strengthening of international law and order preserving machinery, including a single, effective Secretary General. Whether the Soviet Union will ever agree to such policies, which can only be effective if they do have wide international support, is dubious. But I applaud the obvious efforts of the President to awaken some of the other nations of the world to the real and pervading threat presented by the Soviet Union. His speech was in effect a call on the rest of the world to assume the rightful responsibilities for an effective United Nations, to see Soviet colonialism for what it really is, and to recognize the nature of the Soviet threat, in the U.N., in Berlin, and in southeast Asia. We will all be watching with interest to see what the response is, for it would be unthinkable for the United States to enter into an agreement for general and complete disarmament or for giving the U.N. any increased power without proof that some of the other U.N. members are also going to show greater awareness, greater objectivity, and greater responsibility toward the present world crisis.

In dealing with Berlin, the President quite properly emphasized the determination of the United States to maintain its rights—and therefore the existence of freedom—in West Berlin. But at the same time, he referred to the legitimate considerations of other nations for their

security. He indicated that it was no concern of the United States that the Soviet Union might sign a paper treaty with its puppet satellite, which was originally conquered by and is still occupied by Russian troops.

I have some fear that the hints in the President's United Nations speech, even at the very point where he was reaffirming our own insistence on our rights in West Berlin, lends further corroboration to the ugly rumor which was started by a chance remark alleged to be from Gen. Lucius Clay in Berlin, a remark that apparently was distorted and wrongly emphasized, but a remark which nonetheless has disturbing elements.

What General Clay, whose own record of resistance to the Soviets is obviously beyond reproach, is said to have suggested was that the West German Government, which is freely elected by the citizens of that nation, should open talks with the East German puppet regime, a regime propped up in power by Soviet bayonets on one side and a brick wall on the other. Any hint that West Germany should accept the so-called reality of the existence of an East German state, entirely apart from the merits of such a contention, must be admitted to be a vital breach in the historic U.S. position as well as the allied position on Germany. It would be a substantial concession to the Communists even before serious negotiations have begun. And, in view of the obvious revulsion of the East German people to Soviet tyranny, it could only be interpreted as playing directly into Khrushchev's hands.

To those who have followed this issue closely from the beginning it is becoming increasingly clear that the Soviets are not principally interested in West Berlin. By itself it is only a small piece of real estate. What they are concerned over is the whole status of Eastern Europe and ultimately also of Germany. Their immediate goal, it is beginning to appear, has nothing to do with Berlin, except incidentally. What they want is to force Western recognition of East Germany as a sovereign state, with all the rights of such a state. For, if the Communists succeed in Berlin they will undoubtedly attempt to woo West Germany by insisting that reunification is possible only on Communist terms. The ultimate aim very clearly is to demoralize the whole German people by this step and start a long eroding process designed to take Germany out of NATO and weaken the free world position in Europe, where today it is still strong.

Mr. President, let me repeat this, because I think it is vital to our understanding of the Berlin crisis. The Soviet Union does not want West Berlin nearly as much as it wants to force the West, and West Germany, to recognize the existence of two separate German states. Khrushchev has said as much himself. In Khrushchev's message to the neutral leaders, the text of which was released last week, Khrushchev describes "the central question which brooks no delay" as "the question of a German peace treaty whose conclusion would radically improve the situation in Europe considering the actual situation which has developed in connection with the formation of two sovereign German States."

Later in the message, Khrushchev is even more explicit:

> To strengthen peace and normalize the situation in Europe and throughout the world it would be a good thing if other countries which have not recognized yet both German states—the German Democratic Republic [East Germany] and the Federal Republic of Germany—would recognize them de jure, establish relations with them. The admission of the German Democratic Republic and the Federal Republic of Germany to the United Nations would serve the same purpose.
>
> All this would raise a serious barrier to revenge-seeking circles in West Germany which, as it is known, are rallying forces to change the conditions which have arisen after World War II.
>
> The entry of both German states into the United Nations and the establishment of relations with them would fix the situation which exists in Germany and that would be a great contribution to the cause of strengthening world peace.

Like Hitler in "Mein Kampf," Khrushchev is being diabolically clear in stating his objectives. Certainly the recognition of the East German regime would contribute to "the cause of strengthening world peace," in Khrushchev's eyes, but it would be the so-called peace of communism, the peace of death, the peace of the tomb, for it would mean the death of all hopes in East Germany and in Eastern Europe for self-determination and freedom in the years to come. The President's address did not unfortunately go into this point—which is the real crux of the Berlin crisis. Why should we acquiesce in Soviet tyranny in Eastern Germany?

Let me recall to mind the words of Khrushchev about a month ago when he told a foreign diplomat "If the West Germans lose faith in the West, they will turn to us. They have no place else to go." I submit that statements, or even rumors of statements, such as those now circulating, and not specifically denied by the President, will drive the Germans to the Soviet Union. The United States seems to be falling into the trap that the Russians have set. If this happens, the results will be disastrous.

Khrushchev's message to the neutrals represents an obvious attempt to win neutral support for recognition of an East German puppet state, a regime which as I have said is propped up by Soviet bayonets on one side and a brick wall on the other, a state which represents as flagrant an example of imperialism, colonialism, and foreign domination as is to be found anywhere on this earth. The independence of East Germany is a farce. If we permit Khrushchev to try to sell his bill of goods to the neutrals, already dangerously susceptible to Soviet propaganda as it is, without a vigorous and all-out program to counteract it, we will be surrendering our most cherished principle.

I propose that the United States set the record absolutely clear at this point once and for all, not only about East Germany, but about every Soviet satellite Communist regime all over the world. I propose that our Government come out with a flat statement that we will not recognize or support the admission of any nation to the United Nations or to anything else unless there is a genuine opportunity for self-determination. I propose that the United States demand, as the criterion for United Nations admittance and for any further degree of recognition than now exists, the holding of free elections, under U.N. supervision with a definite choice given to the people between two or more different parties. This would apply to recognition of East Germany as well as to U.N. admission of new nations.

So far the United States has said nothing on Berlin except "No" and perhaps now "Maybe." On the status of Berlin, we have made no counterclaims, no demands of our own. Well, the time is overdue. What we should do right now is issue a clear statement that we will in no way recognize East Germany or permit any East German control over access rights in Berlin or even consider admittance of East Germany to the United Nations until free elections have been held. We must call on the United Nations to supervise and monitor these elections to insure that they are free. The same position must be consistently maintained, not only on East Germany, but on Outer Mongolia and Red China. No admittance of any new nations to the international community until free elections have been held under U.N. supervision. No alteration in status of Berlin until free elections.

This is surely a position that should be acceptable to the so-called colonialist powers, our allies, which in fact have virtually all held free elections in territories. The only nations to whom such a program should not be acceptable are the real world imperialists today—the Communists.

It may be said that such a program is impossible, that the Communists can block it, that it is too grandiose. Well, I submit one of the reasons for Soviet gains in the U.N. and elsewhere, is that they have announced their aims beforehand, not once but many times. Their aims are sweeping and well publicized. They are clear and easily understood, at least on the surface. It is time that we adopt that tactic. Let us call their bluff. And let us really put the nations of the world to the test.

If the United States took such a stand, on the clear issue of self-determination, which many nations respect and to which all nations pay lipservice, we would be putting the issue and the responsibility squarely before the neutral nations and other U.N. members. How could they vote against self-determination? It would show up Soviet duplicity. And it would give the United States a clear and strong position to negotiate from, a position consistent with our own principles, a position fortified by the moral support of all peoples, for who could oppose this principle and this position which we would defend with en-

thusiasm and conviction? It could be the solid foundation stone for a renewal of strength and confidence in the U.N.

President Kennedy made a fine start, in his address to the U.N. General Assembly, by vividly describing the real colonialism that exists behind the Iron Curtain of Soviet tyranny. But I believe the point should be followed to its logical conclusion. I regret that the President did not also make reference to the admission of Red China, for on this issue surely all who wish for a strong and effective U.N. should be able to agree. You cannot develop the rule of law in the world body, if you are going at the same time to invite the modern world's greatest lawbreaker to come and participate. By consistently affirming the importance of self-determination as our criterion, we will lift a standard that the whole world can repair to on this and on other pressing issues.

Free elections under U.N. supervision should be our slogan—for further negotiations over Berlin, for admittance of new states to the U.N., and for any kind of de facto U.S. recognition of other governments. Let us have an end to hints of appeasement, to this game of diplomatic dodgeball with the Russians. Let us step forward openly with a position that is simple, straightforward, consistent, and above all, right.

PAUL JOHNSON

Mr. CASE of South Dakota. Mr. President, before the RECORD closes for this session I should like to say a few words about one of our friends who left us a few weeks ago. Paul Johnson was the gracious host in the Senate dining room, an employee there for 61 years. Few men knew the character of senators as did Paul. To him, we and our predecessors were all men of importance to be treated with courtesy and thoughtfulness but he must have known as none but our wives would know the innate, natural temperament of each. For seldom does a man reveal his natural manners more than at mealtime and especially when under stress. The hour was never too late, the day never too long, for Paul to greet each guest with a smile. How much his friendly greetings may have contributed to the good of the Republic we cannot measure. I will say, however, that no man in a lifetime has done more for the good nature of the people who seek to compose the problems of the Nation than he. We all knew him and will remember him as a personal friend.

SUPPLEMENTAL APPROPRIATIONS, 1962

The Senate resumed consideration of the bill (H.R. 6169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

Mr. SPARKMAN. Mr. President, will the Senator withhold his request?

Mr. JAVITS. I withhold the request.

Mr. SPARKMAN. Will the Senator allow the bill to go to a third reading before he suggests the absence of a quorum?

Mr. JAVITS. No, I am sorry. The Senator cannot. That is precisely why I suggested the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold his request?

Mr. JAVITS. I withhold the request.

WORKWEEK OF FIRE DEPARTMENT OF THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. MORSE. Mr. President, will the Senator withhold his request long enough for me to obtain action on an amendment?

Mr. DIRKSEN. I do not believe I have approved the matter.

Mr. MORSE. The Senator has signed his name on the dotted line.

Mr. DIRKSEN. Is the Senator from Oregon speaking of the school appropriation bill?

Mr. MORSE. No. Mr. President, I ask unanimous consent that the Chair lay before the Senate the amendment of the House of Representatives to Senate bill 1292.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives the bill (S. 1292) to amend the Act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes, which was, on page 2, line 5, strike out "seventy" and insert "seventy-two".

Mr. MORSE. Mr. President, I am authorized by the Committee on the District of Columbia to report that the House amendment is acceptable. I move that the Senate concur in the House amendment; and I ask unanimous consent that a statement on the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

This bill passed the Senate on September 7. Its purpose is to reduce the present 60-hour workweek of officers and members of the firefighting division of the Fire Department of the District of Columbia to a 56-hour average workweek.

The House passed the bill on September 11, with an amendment to provide that no workweek shall exceed 72 hours, instead of the 70-hours as passed by the Senate. The purpose of the House amendment is to provide administrative flexibility in establishing for firefighters more leeway in their work schedule, with an ultimate result of a 56-hour average workweek.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC WORKS APPROPRIATIONS BILL, 1962—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HICKEY in the chair) The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of September 26, 1961, p. 21414, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, the report was signed by all of the conferees present, and there was no objection at all to it. I wish to advise the Senate that I believe we fared very well in our conference with the House. We lost, as I recall, about $600,000 on surveys, but the remainder of the Senate increase was retained. The list of surveys will be sent to the Corps of Army Engineers in the regular order. We do not usually put the list of surveys in the report.

I believe that the Senate conferees did good work in maintaining or sustaining most of the projects which the Senate provided for during the consideration of the bill.

All legislation must be the result of adjusting the differences in a bill as passed by the two Houses of Congress. The conference bill does not provide all that I personally feel we should be providing to develop the water resources of this country. I would have liked to see the House agree to the Senate amendments; on the other hand, the House felt that it sent us a good bill and that we should have accepted the bill. I must agree that the House did send us a good bill. Last year and this year the House did provide for some new starts. The new starts were good projects, and I believe the Senate committee would have recommended most of them if the House committee had not included them.

The Senate added 17 new starts under "Construction, general." The conferees

agreed on 14 of the 17 new starts recommended by the Senate.

The conference report provides for direct appropriations of $3,872,915,980, which is $91,907,020 below the budget and $32,045,900 below the amount approved by the Senate. Of that reduction, $10 million is a reduction in the item for savings and slippages. The conference report is $246,179,600 above the amount approved by the House.

I have a summary of the bill showing how the money is to be distributed among the titles I, II, and III. Title I covers "Civil functions, Department of the Army." Title II covers certain agencies of the Department of the Interior. Title III covers the Atomic Energy Commission, the Tennessee Valley Authority, and certain river basin study commissions.

Mr. President, I ask unanimous consent that the summary table be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Summary table

Item (1)	Budget estimate, 1962 (revised) (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
Title I. Civil Functions, Department of the Army:				
Cemeterial expenses:				
Salaries and expenses	$10,440,000	$10,440,000	$10,440,000	$10,440,000
Corps of Engineers—Civil:				
General investigation	[1] 13,400,000	14,356,000	16,479,000	15,877,000
Construction, general	[2] 721,362,000	681,045,880	735,923,880	724,021,880
Operation and maintenance, general	133,600,000	133,272,000	141,246,000	138,397,000
General expenses	[3] 13,148,000	13,000,000	13,148,000	13,148,000
Flood control, Mississippi River and tributaries	70,500,000	70,725,000	73,700,000	72,960,000
U.S. Section, St. Lawrence River Joint Board of Engineers	20,000	20,000	20,000	20,000
International navigation congresses	30,000	30,000	30,000	30,000
Total, rivers and harbors and flood control	952,000,000	912,448,880	980,546,880	964,443,880
Total, title I, civil functions, Department of the Army	962,500,000	922,888,880	990,986,880	974,883,880
Title II. Department of the Interior:				
Bureau of Reclamation:				
General investigations	[4] 6,650,000	6,523,000	6,770,000	6,643,000
General investigations (special foreign currency program)	4,500,000		2,623,000	
Construction and rehabilitation	155,650,000	153,283,500	153,876,400	152,405,500
Operation and maintenance	37,000,000	36,600,000	36,189,000	36,189,000
Indefinite appropriation of receipts [5]	(3,265,000)	(3,265,000)	(3,265,000)	(3,265,000)
Loan program	12,212,000	12,679,000	13,394,600	13,272,600
Emergency fund	1,000,000	1,000,000	1,000,000	1,000,000
Upper Colorado River Basin fund	[6] 70,468,000	55,468,000	55,468,000	55,468,000
General administrative expenses	9,430,000	9,430,000	9,430,000	9,430,000
Boulder City municipal fund (indefinite appropriation of receipts) [11]				
Disposal of Coulee Dam community (indefinite appropriation of receipts) [11]				
Total, Bureau of Reclamation	296,910,000	274,983,500	278,751,000	274,408,100
Bonneville Power Administration:				
Construction	[7] 21,875,000	20,875,000	20,875,000	20,875,000
Operation and maintenance	[8] 12,205,000	12,205,000	12,205,000	12,205,000
Total, Bonneville Power Administration	34,080,000	33,080,000	33,080,000	33,080,000
Southeastern Power Administration:				
Operation and maintenance	800,000	800,000	800,000	800,000
Southwestern Power Administration:				
Construction	950,000	950,000	950,000	950,000
Operation and maintenance	1,310,000	1,310,000	1,310,000	1,310,000
Continuing fund (indefinite appropriation of receipts) [11]	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Total, Southwestern Power Administration	2,260,000	2,260,000	2,260,000	2,260,000
Total definite appropriations	334,050,000	311,123,500	314,891,000	310,548,100
Total indefinite appropriations	8,265,000	8,265,000	8,265,000	8,265,000
Total, title II, Department of the Interior	342,315,000	319,388,500	323,156,000	318,813,100
Title III. Independent Offices:				
Atomic Energy Commission:				
Operating expenses	[9] 2,359,400,000	2,352,601,000	2,353,001,000	2,352,001,000
Indefinite appropriation of receipts [5]	(27,700,000)	(27,700,000)	(27,700,000)	(27,700,000)
Plant acquisition and construction	[10] 268,750,000		205,960,000	195,360,000
Total, Atomic Energy Commission	2,628,150,000	2,352,601,000	2,558,961,000	2,547,361,000
Tennessee Valley Authority: Payment to Tennessee Valley Authority fund	[11] 38,203,000	38,203,000	38,203,000	38,203,000
U.S. Study Commission—Southeast river basins: Salaries and expenses	1,380,000	1,380,000	1,380,000	1,380,000
U.S. Study Commission—Texas: Salaries and expenses	540,000	540,000	540,000	540,000
Total definite appropriations	2,668,273,000	2,392,724,000	2,599,084,000	2,587,484,000
Total indefinite appropriations	27,700,000	27,700,000	27,700,000	27,700,000
Total, title III, independent offices	2,695,973,000	2,420,424,000	2,626,784,000	2,615,184,000
Grand total, titles I, II, and III:				
Total definite appropriations	3,964,823,000	3,626,736,380	3,904,961,880	3,872,915,980
Total indefinite appropriations	35,965,000	35,965,000	35,965,000	35,965,000
Total	4,000,788,000	3,662,701,380	3,940,926,880	3,908,880,980

[1] Includes $1,500,000 in H. Doc. 121.
[2] Includes $20,790,000 in H. Doc. 121.
[3] Includes $100,000 in H. Doc. 121.
[4] Includes $800,000 in H. Doc. 113.
[5] Not included in subtotals within titles.
[6] Reflects decrease of $800,000 in H. Doc. 113 and increase of $10,568,000 in H. Doc. 163.
[7] Includes $2,459,000 in H. Doc. 113 and $8,710,000 in H. Doc. 168.
[8] Includes decrease of $145,000 in H. Doc. 113.
[9] Reflects a decrease of $63,700,000 in H. Doc. 125.
[10] Includes $93,800,000 in H. Doc. 125.
[11] Includes $1,500,000 in H. Doc. 129 and $7,000,000 in H. Doc. 210.

Mr. ELLENDER. Mr. President, the conferees had to take a cut on "general investigations." It will be recalled that the Senate provided $16,479,000 for that purpose. The House had provided $14,356,000. The conferees agreed on $15,877,000. I ask unanimous consent that the table on "General investigations" be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Amendment No. 1—General investigations

Item	Budget estimate for fiscal year 1962	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)
GENERAL INVESTIGATIONS				
1. Examinations and surveys:				
(a) Navigation studies	$1,550,000	$1,708,000	$2,250,000	$2,001,500
(b) Flood control studies	4,222,000	4,700,000	6,000,000	5,006,500
(c) Beach erosion cooperative studies	200,000	200,000	211,000	211,000
(d) Special studies:				
(1) San Francisco Bay survey	400,000	400,000	400,000	400,000
(2) Ohio River Basin survey	500,000	500,000	500,000	500,000
(3) Great Lakes Harbor survey	50,000	50,000	100,000	100,000
(4) Great Lakes water levels	75,000	75,000	75,000	75,000
(5) Coordination studies with other agencies	300,000	300,000	300,000	300,000
(6) Rampart Canyon, Alaska	300,000	300,000	400,000	350,000
(7) Hurricane studies	920,000	920,000	920,000	920,000
(8) Hudson River (siltation) studies	12,000	12,000	12,000	12,000
(9) Potomac River review	368,000	368,000	368,000	368,000
(10) Colorado River, Tex	150,000	150,000	150,000	150,000
(11) Trinity River	250,000	250,000	360,000	360,000
(12) Arkansas-Red River pollution survey	275,000	275,000	375,000	375,000
(13) Lake Erie-Ohio River Canal	30,000	280,000	280,000	280,000
Subtotal, examinations and surveys	9,622,000	10,573,000	12,701,000	12,099,000
2. Collection and study of basic data:				
(a) Stream gaging (U.S. Geological Survey)	248,000	248,000	248,000	248,000
(b) Precipitation studies (U.S. Weather Bureau)	370,000	370,000	370,000	370,000
(c) Fish and wildlife studies (U.S. Fish and Wildlife Service)	55,000	55,000	55,000	55,000
(d) International water studies	75,000	75,000	75,000	75,000
(e) Flood plain studies	500,000	500,000	500,000	500,000
Subtotal, collection and study of basic data	1,248,000	1,248,000	1,248,000	1,248,000
3. Research and development:				
(a) Beach erosion development studies	230,000	230,000	230,000	230,000
(b) Hydrologic studies	160,000	160,000	160,000	160,000
(c) Civil works investigations	1,280,000	1,280,000	1,280,000	1,280,000
(d) Mississippi Basin model:				
(1) Construction	700,000	700,000	700,000	700,000
(2) Mississippi River comprehensive study	160,000	160,000	160,000	160,000
Subtotal, research and development	2,530,000	2,530,000	2,530,000	2,530,000
Total, general investigations	13,400,000	14,356,000	16,479,000	15,877,000

Mr. ELLENDER. Mr. President, on "Construction, general," the conferees provided for 14 of the 17 new starts recommended by the Senate. I ask unanimous consent that the table showing the details of the conference agreement be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Construction, general, fiscal year 1962

	Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Alabama:								
	Aquatic plant control. (See Louisiana.)								
(N)	Claiborne lock and dam		$75,000		$75,000		$75,000		$75,000
(N)	Columbia lock and dam, Alabama and Georgia	$4,700,000		$4,700,000		$4,700,000		$4,700,000	
(N)	Holt lock and dam	750,000		750,000		1,000,000		750,000	
(N)	Jackson lock and dam (fish and wildlife lands)	275,000				275,000		275,000	
(MP)	Millers Ferry lock and dam		375,000		375,000		375,000		375,000
(FC)	Paint Rock River	150,000		150,000		150,000		150,000	
	Tombigbee River and tributaries, Alabama and Mississippi. (See Mississippi.)								
(MP)	Walter F. George (Fort Gaines) lock and dam, Alabama and Georgia	15,600,000		15,600,000		15,600,000		15,600,000	
	Alaska:								
(FC)	Fairbanks		150,000		150,000		150,000		150,000
(N)	Juneau Harbor (small boat harbor)	1,000,000		1,000,000		1,000,000		1,000,000	
(N)	Wrangell Narrows					785,000		785,000	
	Arizona:								
(FC)	Alamo Reservoir		100,000		100,000		100,000		100,000
(FC)	Gila and Salt Rivers						50,000		50,000
(FC)	Gila River Camelsback Reservoir site to Salt River	800,000		800,000		800,000		800,000	
(FC)	Tucson diversion channel		140,000		140,000		140,000		140,000
	Arkansas:								
(N)	Arkansas River and tributaries, Arkansas and Oklahoma:								
	(a) Bank stabilization and channel rectification	15,000,000		15,000,000		15,000,000		15,000,000	
	(b) Navigation locks and dams		1,225,000		1,225,000		1,225,000		1,225,000
(MP)	Beaver Reservoir	9,500,000		9,500,000		9,500,000		9,500,000	
(MP)	Bull Shoals Reservoir, Ark. and Mo.:								
	(a) Additions of units Nos. 5 and 6	1,000,000		1,000,000		1,000,000		1,000,000	
	(b) Additions of units Nos. 7 and 8	1,500,000		1,500,000		1,500,000		1,500,000	
(MP)	Dardanelle lock and dam	9,000,000		9,000,000		9,000,000		9,000,000	
(MP)	DeGray Reservoir		389,000	514,000		514,000		514,000	
(FC)	Gillham Reservoir		120,000		120,000		120,000		120,000
(MP)	Greers Ferry Reservoir	12,500,000		12,500,000		12,500,000		12,500,000	

Construction, general, fiscal year 1962—Continued

Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Arkansas—Continued								
(FC) Maniece Bayou upstream extension		$55,000		$55,000		$55,000		$55,000
(FC) Millwood Reservoir	$2,500,000		$2,500,000		$3,500,000		$3,000,000	
(N) Ouachita and Black Rivers, 9-foot channel, Arkansas and Louisiana		250,000		250,000		250,000		250,000
(N) Ozark lock and dam		125,000		125,000		125,000		125,000
(FC) Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana, and Texas	300,000		300,000		300,000		300,000	
California:								
(FC) Bear Creek		67,000		67,000		67,000		67,000
(FC) Black Butte Reservoir	4,300,000		4,300,000		4,300,000		4,300,000	
(R) Bodega Bay (channels and jetties)	185,000		55,000		55,000		55,000	
(FC) Devil East Twin Warm and Lytle Creeks	1,482,000		1,482,000		1,482,000		1,482,000	
(N) Halfmoon Bay Harbor (Pillar Point)	1,211,000		781,000		781,000		781,000	
(BE) Imperial Beach, San Diego County—Broins (reimbursement)	27,000		27,000		27,000		27,000	
(N) Los Angeles and Long Beach Harbors 35-foot depth in west basin—1960 act		63,000		63,000		63,000		63,000
(FC) Los Angeles County drainage area	16,000,000		16,000,000		16,000,000		16,000,000	
(FC) Lower San Joaquin River and tributaries	1,300,000		1,300,000		1,300,000		1,300,000	
(FC) Middle Creek	635,000		635,000		635,000		635,000	
(R) Morro Bay Harbor (breakwater)	800,000		800,000		800,000		800,000	
(FC) New Haven Reservoir	6,000,000		6,000,000		6,000,000		6,000,000	
(N) Noyo River and harbor (breakwater)	300,000							
(BE) Ocean Side, San Diego County (reimbursement)					750,000		750,000	
(FC) Oroville Reservoir		25,000		25,000		25,000		25,000
(FC) Pine Flat Reservoir	1,621,000		1,621,000		1,621,000		1,621,000	
(N) Playa Del Rey Inlet and Basin	524,000		524,000		524,000		524,000	
(FC) Russian River Reservoir and channel	700,000		700,000		700,000		700,000	
(FC) Sacramento River and major and minor tributaries	300,000		300,000		300,000		300,000	
(FC) Sacramento River, bank protection (initial phase)		60,000		60,000		60,000		60,000
(FC) Sacramento River, Chico Landing to Red Bluff		42,000		42,000		42,000		42,000
(N) Sacramento River, deep water ship channel	4,300,000		4,300,000		4,300,000		4,300,000	
(FC) Sacramento River, flood control project	1,900,000		1,900,000		1,900,000		1,900,000	
(FC) Salinas River (deferred)		5,000		5,000		5,000		5,000
(FC) San Jacinto River and Bautista Creek	1,886,000		1,626,000		1,626,000		1,626,000	
(N) Santa Cruz Harbor	300,000		300,000		300,000		300,000	
(FC) Santa Maria Valley levees	2,022,000		2,022,000		2,022,000		2,022,000	
(FC) Stewart Canyon Basin			350,000		350,000		350,000	
(FC) Tahchevah Creek						50,000		
(FC) Terminus Reservoir	3,288,000		3,288,000		3,288,000		3,288,000	
Truckee River and tributaries, California and Nevada. (See Nevada.)								
(FC) Tuolumne River Reservoirs		21,000		21,000		21,000		21,000
(FC) Walnut Creek		90,000		90,000		90,000		90,000
(FC) West Fork Reservoir Mojave River Basin				75,000		75,000		75,000
Colorado:								
(FC) Trinidad Reservoir		200,000		200,000		200,000		200,000
Connecticut:								
(N) Bridgeport Harbor, Main Harbor (1958 act)	1,300,000		1,300,000		1,300,000		1,300,000	
(FC) Colebrook River Reservoir		50,000		50,000		50,000		50,000
(FC) East Branch Reservoir	250,000		250,000		250,000		250,000	
(FC) Hall Meadow Brook Reservoir	1,200,000		1,200,000		1,200,000		1,200,000	
(FC) Hancock Brook Reservoir		135,000		135,000		135,000		135,000
(FC) Mad River Reservoir	1,800,000		1,800,000		1,800,000		1,800,000	
(FC) Northfield Brook Reservoir		120,000		150,000	250,000			150,000
(FC) Pawcatuck	371,000		371,000		371,000		371,000	
(BE) Silver Beach to Cedar Beach (reimbursement)	34,000		34,000		34,000		34,000	
(FC) Stamford		100,000		100,000		100,000		100,000
(FC) West Thompson Reservoir		150,000		150,000		150,000		150,000
Delaware:								
Delaware River, Philadelphia to sea, New Jersey, Delaware, and Pennsylvania (dikes). (See New Jersey.)								
(R) Indian River Inlet and Bay (north and south bulkheads)		25,000		25,000		25,000		25,000
(N) Inland Waterway, Delaware River to Chesapeake Bay (Chesapeake and Delaware Canal), part II (Delaware and Maryland)	1,200,000		1,200,000		1,200,000		1,200,000	
(R) I.W.W. between Rehoboth and Delaware Bays (Roosevelt Inlet, Lewes, Del. (deferred))						3,000		
(N) Wilmington Harbor, Christina River channel and turning basin (1930 and 1960 acts)					555,000		555,000	
Florida:								
Aquatic plant control. (See Louisiana.)								
(FC) Central and Southern Florida	13,000,000		13,000,000		13,750,000		13,750,000	
(N) Cross Florida Barge Canal		195,000		50,000		195,000		195,000
(N) Intracoastal Waterway:								
(a) Caloosahatchee River to Anclote River	1,000,000		600,000		1,000,000		1,000,000	
(b) Jacksonville to Miami (Fort Pierce section)	1,000,000		1,000,000		1,000,000		1,000,000	
(c) Miami to Key West (deferred)		40,000				40,000		40,000
(BE) Key West (reimbursement)	115,000		115,000		115,000		115,000	
(BE) Lake Worth Inlet to South Lake Worth Inlet, Palm Beach County (reimbursement)	6,000		6,000		6,000		6,000	
(N) Miami Harbor		84,000		84,000		84,000		84,000
(N) Naples Harbor					[1] (211,000)			
(N) Palm Beach Harbor		58,000		58,000		58,000		58,000
(N) Port Everglades Harbor	2,200,000		2,200,000		2,200,000		2,200,000	
(N) St. Marks River	300,000		300,000		300,000		300,000	
Georgia:								
Aquatic plant control. (See Louisiana.)								
(MP) Carters Dam		300,000		300,000	1,000,000		1,000,000	
Columbia lock and dam, Alabama and Georgia. (See Alabama.)								
(MP) Hartwell Reservoir, Georgia and South Carolina	10,000,000		10,000,000		10,000,000		10,000,000	
(N) Savannah River below Augusta, Ga. and S.C.	769,000		769,000		769,000		769,000	
Walter F. George lock and dam, Alabama and Georgia. (See Alabama.)								

See footnotes at end of table.

Construction, general, fiscal year 1962—Continued

Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Hawaii:								
(R) Kahului Harbor (east and west breakwaters)		$100,000		$100,000		$100,000		$100,000
(N) Kawaihae Harbor					$500,000		$500,000	
Idaho:								
(MP) Bruces Eddy Reservoir (construction not yet authorized)						800,000		600,000
Illinois:								
(FC) Beardstown	$1,000,000		$700,000		700,000		700,000	
(N) Calumet Harbor and River, Ill. and Ind.:								
(a) 29-foot approach channel, 28-foot outer harbor, and 27-foot entrance	400,000		400,000		400,000		400,000	
(b) Torrence Ave. to turning basin No. 5	500,000		500,000		500,000		500,000	
(R) Calumet Harbor and River, Ill. and Ind. (breakwater)	230,000		230,000		230,000		230,000	
(FC) Carlyle Reservoir	3,500,000		3,500,000		3,500,000		3,500,000	
(BA) Chicago, Burlington & Quincy RR. bridge, including channel change	191,000		191,000		191,000		191,000	
(FC) Clear Creek Drainage and Levee District	288,000		288,000		288,000		288,000	
(N) Dam 27, Mississippi River between St. Louis and lock and dam 26, Illinois and Missouri	1,000,000		1,000,000		1,000,000		1,000,000	
(FC) Drury Drainage District	300,000		300,000		300,000		300,000	
(FC) East St. Louis and vicinity	2,600,000		2,600,000		2,600,000		2,600,000	
(FC) Henderson County Drainage District No. 1						50,000		50,000
(FC) Henderson County Drainage District No. 2		40,000		40,000		40,000		40,000
(FC) Hunt Drainage District and Lima Lake Drainage District	900,000		900,000		900,000		900,000	
(N) Illinois Waterway, Calumet-Sag Channel (modification), part I	5,000,000		4,000,000		7,700,000		7,700,000	
(N) Mississippi River between the Ohio and Missouri Rivers, regulating works, Illinois and Missouri	2,000,000		2,000,000		2,000,000		2,000,000	
(FC) New Athens				35,000		35,000		35,000
Perry County Drainage and Levee Districts Nos. 1, 2, and 3, Missouri and Illinois. (See Missouri.)								
(FC) Shelbyville Reservoir		250,000		250,000		250,000		250,000
(FC) Sny Island Levee Drainage District		50,000		50,000		50,000		50,000
(FC) South Quincy Drainage and Levee District						40,000		40,000
(FC) Subdistrict No. 1 of Drainage Union No. 1 and Bay Island Levee and Drainage District	200,000		200,000		200,000		200,000	
(FC) The Sny Basin	4,000,000		1,000,000		1,000,000		1,000,000	
(FC) Wood River Drainage and Levee District	1,400,000		1,400,000		1,400,000		1,400,000	
Indiana:								
Calumet Harbor and River, Ill. and Ind. (See Illinois.)								
(N) Cannelton locks and dam, Indiana and Kentucky		279,000	750,000		750,000		750,000	
(FC) Evansville	300,000				100,000		100,000	
(FC) Huntington Reservoir	250,000	53,000		53,000	400,000	53,000		53,000
(N) Indiana Harbor—1960 act	300,000		300,000		300,000		300,000	
(FC) Levee Unit 5, Wabash River		49,000		49,000		49,000		49,000
McAlpine locks and dam (Louisville), Indiana and Kentucky. (See Kentucky.)								
Markland locks and dam, Kentucky, Ohio, and Indiana. (See Kentucky.)								
(FC) Mason J. Niblack levee	350,000		350,000		350,000		350,000	
(FC) Mississinewa Reservoir	500,000		500,000		500,000		500,000	
(FC) Monroe Reservoir	940,000		940,000		940,000		940,000	
(FC) Salamonie Reservoir	700,000		700,000		700,000		700,000	
(N) Uniontown locks and dam, Indiana and Kentucky		125,000		125,000		125,000		125,000
(FC) West Terre Haute-Sugar Creek levee	500,000		250,000		250,000		250,000	
Iowa:								
(FC) Coralville Reservoir-Mehaffey Bridge				70,000		70,000		70,000
(FC) Des Moines		40,000		40,000		40,000		40,000
(FC) Floyd River and tributaries	80,0000		800,000		800,000		800,000	
(FC) Green Bay Levee and Drainage District No. 2					100,000		100,000	
(FC) Iowa River-Flint Creek Levee District No. 16	300,000		300,000		300,000		300,000	
(FC) Little Sioux River	2,700,000		2,700,000		2,700,000		2,700,000	
(F) Missouri River Agricultural Levees, Iowa, Kansas, Missouri, and Nebraska (active portion only)					800,000		800,000	
(N) Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska:								
(a) Sioux City, Iowa, to Omaha, Nebr.	5,600,000		5,600,000		5,600,000		5,600,000	
(b) Omaha, Nebr., to Kansas City	2,800,000		2,800,000		2,800,000		2,800,000	
(c) Kansas City to the mouth	3,500,000		3,500,000		3,500,000		3,500,000	
(FC) Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13	300,000		300,000		300,000		300,000	
(FC) Rathbun Reservoir		125,000		125,000		125,000		125,000
(FC) Red Rock Reservoir	6,500,000		6,500,000		6,500,000		6,500,000	
(FC) Saylorville Reservoir		155,000		155,000		155,000		155,000
Kansas:								
(FC) Council Grove Reservoir	3,000,000		3,000,000		3,000,000		3,000,000	
(FC) Elk City Reservoir			1,000,000		1,000,000		1,000,000	
(N) Fort Leavenworth Bridge, Kans. and Mo	150,000		150,000		150,000		150,000	
(FC) Fort Scott Reservoir						10,000		10,000
(FC) Frankfort	400,000		400,000		400,000		400,000	
(FC) John Redmond (Strawn) Reservoir	6,700,000		6,700,000		6,700,000		6,700,000	
(FC) Kansas City, Kans. and Mo.	1,000,000		1,000,000		1,000,000		1,000,000	
(FC) Lawrence		65,000		65,000		65,000		65,000
(FC) Manhattan	800,000		800,000		800,000		800,000	
(FC) Melvern Reservoir		75,000		75,000		75,000		75,000
(FC) Merriam (deferred)		10,000		10,000		10,000		10,000
(FC) Milford Reservoir	2,500,000		2,500,000		2,500,000		2,500,000	
Missouri River agricultural levees, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
(FC) Ottawa	1,250,000		1,250,000		1,250,000		1,250,000	
(FC) Perry Reservoir		185,000		185,000		185,000		185,000
(FC) Pomona Reservoir	4,800,000		4,800,000		4,800,000		4,800,000	
(FC) Topeka	2,400,000		2,400,000		2,400,000		2,400,000	
(FC) Tuttle Creek Reservoir	5,000,000		5,000,000		5,000,000		5,000,000	
(FC) Wilson Reservoir	3,200,000		3,200,000		3,200,000		3,200,000	

Construction, general, fiscal year 1962—Continued

	Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Kentucky:								
(FC)	Augusta (deferred)				$15,000		$15,000		$15,000
(MP)	Barkley Dam (Lower Cumberland), Ky. and Tenn	$22,000,000		$22,000,000		$22,000,000		$22,000,000	
	Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)								
(N)	Capt. Anthony Meldahl locks and dam, Kentucky and Ohio	17,500,000		17,500,000		17,500,000		17,500,000	
(FC)	Corbin		$60,000		60,000		60,000		60,000
(FC)	Fishtrap Reservoir	1,780,000		1,780,000		2,000,000		1,780,000	
(FC)	Grayson Reservoir		100,000		100,000		100,000		100,000
(MP)	Laurel River Reservoir		123,000		123,000		200,000		200,000
(N)	Markland locks and dam, Indiana, Kentucky, and Ohio	13,700,000		13,700,000		13,700,000		13,700,000	
(N)	McAlpine locks and dam, Indiana and Kentucky	5,500,000		5,500,000		5,500,000		5,500,000	
(FC)	Nolin Reservoir	7,200,000		7,200,000		7,200,000		7,200,000	
(FC)	No. 2 Barren Reservoir	4,500,000		4,500,000		4,500,000		4,500,000	
(FC)	No. 2 Green Reservoir		119,000		119,000		119,000		119,000
(FC)	Sturgis (deferred)		10,000		10,000		10,000		10,000
	Uniontown locks and dam, Indiana and Kentucky. (See Indiana.)								
	Louisiana:								
(N)	Aquatic plant control, Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Texas	1,000,000		1,000,000		1,000,000		1,000,000	
(N)	Bayou Lafourche and Lafourche Jump Waterway					100,000		100,000	
(N)	Calcasieu River and Pass (1960 act)					100,000		100,000	
(N)	Freshwater Bayou					100,000		100,000	
(N)	Lake Providence Channel					[2]		[2]	
(N)	Mississippi River, Baton Rouge to the gulf	2,500,000		2,500,000		3,000,000		2,500,000	
(N)	Mississippi River gulf outlet	8,500,000		8,500,000		8,500,000		8,500,000	
	Ouachita and Black Rivers, Ark. and La. (See Arkansas.)								
	Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana, and Texas. (See Arkansas.)								
	Maine:								
(N)	Eastport Harbor	295,000		295,000		295,000		295,000	
(N)	Pepperell Cove					[1] (187,000)		[1]	
(N)	South Bristol Harbor					[1] (123,000)		[1]	
	Maryland:								
(N)	Baltimore Harbor and channels (1958 act)	5,000,000		5,000,000		3,000,000		5,000,000	
	Inland Waterway, Delaware River to Chesapeake Bay, Delaware and Maryland. (See Delaware.)								
	Massachusetts:								
(FC)	Chicopee Falls		75,000		125,000		125,000		125,000
(FC)	Conant Brook Reservoir		50,000		50,000		50,000		50,000
(FC)	Littleville Reservoir	300,000		300,000		300,000		300,000	
(FC)	New Bedford, Fairhaven, Acushnet barriers	500,000		500,000		500,000		500,000	
(FC)	Three Rivers		50,000		50,000		50,000		50,000
(FC)	Westfield				50,000		50,000		50,000
(FC)	Westville Reservoir	1,700,000		1,700,000		1,700,000		1,700,000	
	Michigan:								
(FC)	Battle Creek-Kalamazoo River	250,000							
(N)	Detroit River (enlarge Trenton Channel to 27 and 28 feet) (1960 act)	400,000		400,000		400,000		400,000	
(R)	Grand Haven Harbor (pier and revetments)	300,000		300,000		300,000		300,000	
(N)	Great Lakes connecting channels	19,100,000		19,100,000		19,100,000		19,100,000	
(R)	Holland Harbor (pier, revetment, breakwater)		68,000		68,000		68,000		68,000
(N)	Little Lake Harbor					200,000		200,000	
(N)	Manistee Harbor	300,000		300,000		300,000		300,000	
(R)	Manistique Harbor (east and west breakwater)		45,000		45,000		45,000		45,000
(N)	Menominee Harbor (1960 act), Mich. and Wis		20,000		20,000		20,000		20,000
(R)	Menominee Harbor, Mich. and Wis. (north and south piers)	265,000		265,000		265,000		265,000	
(FC)	Saginaw River (flood control)				100,000		100,000		100,000
(N)	Saginaw River	1,700,000		1,700,000		3,300,000		3,000,000	
(R)	South Haven Harbor (piers and revetment)	300,000		300,000		300,000		300,000	
(R)	St. Joseph Harbor (piers and revetments)	300,000		300,000		300,000		300,000	
(N)	St. Marys River: New Poe lock	4,500,000		4,500,000		4,500,000		4,500,000	
	Minnesota:								
(N)	Duluth Superior Harbor:								
	(a) Outer harbor 32-foot to 27-foot channel	400,000		400,000		400,000		400,000	
	(b) Inner harbor 27-foot and 23-foot channels		75,000		75,000		75,000		75,000
(FC)	Marshall, Redwood River		144,000	294,000		294,000		294,000	
(N)	St. Anthony Falls extension	6,000,000		6,000,000		6,000,000		6,000,000	
(FC)	St. Paul and South St. Paul	1,500,000		1,000,000		750,000		750,000	
(FC)	Winona		82,000		82,000		82,000		82,000
	Mississippi:								
	Aquatic plant control. (See Louisiana.)								
(FC)	Jackson and East Jackson (Pearl River)		50,000		100,000		100,000		100,000
(N)	Pascagoula Harbor—33-foot main channel	840,000		840,000		840,000		840,000	
(FC)	Tombigbee River and tributaries, Alabama and Mississippi		55,000		55,000		55,000		55,000
	Missouri:								
(FC)	Bear Creek Reservoir at Hannibal	200,000		200,000		200,000		200,000	
	Bull Shoals Reservoir Units 5, 6, 7, and 8, Arkansas and Missouri. (See Arkansas.)								
	Dam 27, Mississippi River between St. Louis and lock and dam 26, Illinois and Missouri. (See Illinois.)								
	Fort Leavenworth Bridge, Kans. and Mo. (See Kansas.)								
	Kansas City, Kans. and Mo. (See Kansas.)								
(FC)	Kaysinger Bluff Reservoir		200,000		200,000		200,000		200,000
(FC)	Marion County Drainage District	300,000		300,000		300,000		300,000	
	Mississippi River between the Ohio and Missouri Rivers—regulating works, Illinois and Missouri. (See Illinois.)								
	Missouri River agricultural levees, Iowa, Kansas, Missouri, Nebraska. (See Iowa.)								
	Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								

See footnotes at end of table.

Construction, general, fiscal year 1962—Continued

	Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Missouri—Continued								
(FC)	Perry County Drainage and Levee Districts Nos. 1, 2, and 3, Missouri and Illinois	$400,000		$400,000		$400,000		$400,000	
(FC)	Pomme de Terre Reservoir	1,700,000		1,700,000		1,700,000		1,700,000	
(FC)	South River Drainage District		$36,000		$36,000		$36,000		$36,000
(FC)	St. Louis	8,500,000		8,500,000		8,500,000		8,500,000	
(MP)	Stockton Reservoir		232,000		232,000	268,000	232,000		232,000
	Montana:								
(MP)	Fort Peck Dam (second powerplant)	700,000		700,000		700,000		700,000	
(MP)	Libby Reservoir		1,350,000		1,350,000		1,350,000		1,350,000
	Nebraska:								
(FC)	Beatrice (deferred)		10,000		10,000		10,000		10,000
	Missouri River agricultural levees, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
	Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)								
(FC)	Salt Creek and tributaries	1,750,000		1,750,000		1,750,000		1,750,000	
	Nevada:								
(FC)	Gleason Creek		45,000		45,000		45,000		45,000
(FC)	Humboldt River (deferred)				35,000		35,000		35,000
(FC)	Las Vegas Wash		125,000		125,000		125,000		125,000
(FC)	Truckee River and tributaries, California and Nevada	357,000		357,000		357,000		357,000	
	New Hampshire:								
(FC)	Hopkinton-Everett Reservoirs	6,200,000		6,200,000		6,200,000		6,200,000	
	New Jersey:								
(BE)	Atlantic City (reimbursement)	140,000		140,000		140,000		140,000	
(R)	Delaware River, Philadelphia to sea, New Jersey, Delaware, and Pennsylvania (dikes)		30,000		30,000		30,000		30,000
(N)	Delaware River, Philadelphia Naval Base to Trenton (40-foot channel), Pennsylvania and New Jersey	12,000,000		12,000,000		12,000,000		12,000,000	
(N)	Newark Bay, Hackensack and Passaic Rivers (25-foot turning basin only)					250,000		250,000	
	New Mexico:								
(FC)	Abiquiu Reservoir	4,288,000		4,288,000		5,458,000		5,458,000	
(FC)	Cochiti Reservoir		300,000		300,000		300,000		300,000
(FC)	Galisteo Reservoir		100,000		100,000		100,000		100,000
(FC)	Rio Grande Floodway, Cochiti to Rio Puerco	1,915,000		1,915,000		1,915,000		1,915,000	
(FC)	Socorro	400,000		400,000		400,000		400,000	
(FC)	Two Rivers Reservoir	3,000,000		3,000,000		3,000,000		3,000,000	
	New York:								
	Allegheny River Reservoir, N.Y. and Pa. (See Pennsylvania.)								
(N)	Buffalo Harbor:								
	(a) Deepen north entrance Buffalo River, entrance Buffalo ship canal	600,000		600,000		600,000		600,000	
	(b) South entrance, 28-, 29-, and 30-foot channels	350,000		350,000		350,000		350,000	
(BE)	Fire Island Inlet			152,880		152,880		152,880	
(N)	Great Lakes to Hudson River Waterway	770,000		770,000		770,000		770,000	
(R)	Great Sodus Bay Harbor (east and west piers)	240,000		240,000		240,000		240,000	
(FC)	Herkimer	250,000		250,000		250,000		250,000	
(N)	Hudson River, New York City to Albany	5,000,000		5,000,000		5,000,000		5,000,000	
(FC)	Ithaca (Cayuga Inlet)		75,000		75,000		75,000		75,000
(N)	Jamaica Bay	439,000							
(FC)	Lackawanna		80,000		135,000		135,000		135,000
(N)	New York Harbor Channel from ocean to Bayside	500,000		500,000		500,000		500,000	
(BA)	Ohio St. Bridge, Buffalo River	440,000		440,000		440,000		440,000	
(N)	Rochester Harbor (1960 act)	500,000		500,000		500,000		500,000	
(FC)	South Amsterdam		33,000		33,000		33,000		33,000
	North Carolina:								
	Aquatic plant control. (See Louisiana.)								
(R)	Cape Fear River (lock No. 1 dam)	375,000		375,000		375,000		375,000	
(FC)	Wilkesboro Reservoir	2,000,000		2,000,000		2,000,000		2,000,000	
	North Dakota:								
(MP)	Garrison Reservoir	850,000		850,000		850,000		850,000	
	Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)								
	Ohio:								
(N)	Ashtabula Harbor, 27-30-foot channels, deepen turning area (1960 act)	400,000		400,000		400,000		400,000	
(N)	Belleville locks and dam, Ohio and West Virginia	900,000		900,000		900,000		900,000	
(FC)	Caesar Creek Reservoir						10,000		10,000
	Capt. Anthony Meldahl locks and dam, Kentucky and Ohio. (See Kentucky.)								
(N)	Cleveland Harbor:								
	(a) Bridge replacements, widening Cuyahoga and Old Rivers, and deepen channel in east basin of outer harbor (1958 act)		284,000		284,000		284,000		284,000
	(b) 28-foot approach channel, 27-foot entrance channel, 27-foot river channel, 28 feet in West Basin (1960 act)	400,000		400,000		400,000		400,000	
(R)	Cleveland Harbor (east and west breakwaters)	200,000		200,000		200,000		200,000	
(R)	Conneaut Harbor (east and west breakwaters)		17,000		17,000		17,000		17,000
(FC)	East Fork Reservoir						10,000		10,000
(N)	Fairport Harbor 27-29-foot channels and turning basin		67,000		67,000		67,000		67,000
(N)	Lorain Harbor (1960 act)		118,000	418,000		418,000		418,000	
	Markland lock and dam, Indiana, Kentucky, and Ohio. (See Kentucky.)								
(N)	Pike Island locks and dam, Ohio and West Virginia	14,600,000		14,600,000		14,600,000		14,600,000	
(N)	Racine locks and dam, Ohio and West Virginia		75,000		75,000		75,000		75,000
(R)	Sandusky Harbor (east jetty)		10,000		10,000		10,000		10,000
(N)	Sandusky Harbor (1960 act)	500,000		500,000		500,000		500,000	
	Shenango River Reservoir, Pa. and Ohio. (See Pennsylvania.)								
(N)	Toledo Harbor (1960 act)		30,000	330,000		330,000		330,000	
(FC)	West Branch Reservoir, Mahoning River	2,600,000		2,600,000		2,600,000		2,600,000	

Construction, general, fiscal year 1962—Continued

Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Oklahoma:								
Arkansas River and tributaries, bank stabilization and channel rectification and navigation locks and dams, Arkansas and Oklahoma. (See Arkansas.)								
(FC) Broken Bow Reservoir	$1,000,000		$1,000,000		$1,250,000		$1,250,000	
(R) Canton Reservoir (embankment)	350,000		350,000		350,000		350,000	
(MP) Eufaula Reservoir	28,000,000		28,000,000		28,000,000		28,000,000	
(FC) Keystone Reservoir	27,500,000		27,500,000		27,500,000		27,500,000	
(FC) Oologah Reservoir	1,759,000		1,759,000		1,759,000		1,759,000	
(FC) Pine Creek Reservoir		$100,000		$100,000		$175,000		$175,000
(MP) Short Mountain lock and dam		250,000		250,000		250,000		250,000
Oregon:								
(R) Columbia River at the mouth (north and south jetties), Oregon and Washington	700,000		700,000		700,000		700,000	
(FC) Columbia River local protection: John Day River				37,000		37,000		37,000
(R) Coos Bay (south jetty)	500,000		500,000		500,000		500,000	
(MP) Cougar Reservoir	12,000,000		12,000,000		12,000,000		12,000,000	
(FC) Fall Creek Reservior	1,000,000		1,000,000		1,000,000		1,000,000	
(MP) Green Peter Reservoir	6,000,000		6,000,000		6,000,000		6,000,000	
(MP) Hills Creek Reservoir	1,800,000		1,800,000		1,800,000		1,800,000	
(MP) John Day lock and dam, Oregon and Washington	31,000,000		31,000,000		31,000,000		31,000,000	
(FC) Lower Columbia River bank protection, Oregon and Washington	600,000		600,000		600,000		600,000	
(FC) Lower Columbia River improvement to existing works:								
(a) Beaver Drainage District					250,000		250,000	
(b) Rainier Drainage District	381,000		381,000		381,000		381,000	
(c) Sauvie Island Drainage District	259,000		259,000		259,000		259,000	
(MP) McNary lock and dam, Oregon and Washington	285,000		285,000		285,000		285,000	
(R) Siuslaw River (north and south jetties)	500,000		500,000		500,000		500,000	
(R) Tillamook Bay and Harbor (north jetty)						40,000		40,000
(R) Umpqua River (south jetty)	500,000		500,000		500,000		500,000	
(FC) Willamette River Basin channel improvements and major drainage:								
(a) West Muddy and Marys River						50,000		25,000
(FC) Willamette River Basin bank protection	500,000		500,000		500,000		500,000	
(N) Yaquina Bay and Harbor		200,000		200,000		200,000		200,000
Pennsylvania:								
(FC) Allegheny River Reservoir, N.Y. and Pa	15,000,000		15,000,000		15,000,000		15,000,000	
(FC) Bethlehem	1,900,000		1,500,000		1,500,000		1,500,000	
(FC) Blanchard Reservoir		85,000		85,000		85,000		85,000
(FC) Brookville	225,000		225,000		225,000		225,000	
(FC) Butler, Connoquenessing Creek		83,000	183,000		183,000		183,000	
(FC) Curwensville Reservoir	750,000		750,000		1,250,000		1,250,000	
Delaware River, Philadelphia Naval Base to Trenton (40-foot channel), Pennsylvania and New Jersey. (See New Jersey.)								
Delaware River, Philadelphia to sea, New Jersey, and Delaware, Pennsylvania (dikes and anchorages). (See New Jersey.)								
(N) Dam 4, Monongahela River		140,000		140,000		140,000		140,000
(FC) Elkland		25,000		25,000		25,000		25,000
(N) Erie Harbor (1960 act)	500,000		500,000		500,000		500,000	
(FC) Kettle Creek Reservoir	1,233,000		1,233,000		1,233,000		1,233,000	
(N) Maxwell locks and dam, Monongahela River	9,300,000		9,300,000		9,300,000		9,300,000	
(FC) Ridgway	250,000		250,000		250,000		250,000	
(FC) Shenango River Reservoir, Ohio and Pa	7,000,000		7,000,000		7,000,000		7,000,000	
(FC) Turtle Creek	400,000		400,000		400,000		400,000	
(FC) Washington	550,000		400,000		400,000		400,000	
Puerto Rico:								
(N) San Juan Harbor (1958 act)	600,000		600,000		600,000		600,000	
Rhode Island:								
(FC) Fox Point barrier	3,200,000		3,200,000		3,200,000		3,200,000	
(FC) Lower Woonsocket		130,000		270,000		270,000		270,000
(R) Point Judith Harbor (breakwaters)	700,000		700,000		700,000		700,000	
South Carolina:								
Aquatic plant control. (See Louisiana.)								
(N) Charleston Harbor (anchorage area), inactive			900,000		900,000		900,000	
Hartwell Reservoir, Ga. and S.C. (See Georgia.)								
Savannah River below Augusta, Ga. and S.C. (See Georgia.)								
South Dakota:								
(MP) Big Bend Reservoir	22,000,000		22,000,000		22,000,000		22,000,000	
(MP) Fort Randall Reservoir	1,000,000		1,000,000		1,000,000		1,000,000	
(MP) Oahe Reservoir, S. Dak. and N. Dak	40,000,000		40,000,000		40,000,000		40,000,000	
(FC) Vermillion River		110,000		110,000		110,000		110,000
Tennessee:								
Barkley Dam, Ky. and Tenn. (See Kentucky.)								
(MP) Cordell Hull Dam				10,000		10,000		10,000
(FC) J. Percy Priest Reservoir (inactive)				10,000		10,000		10,000
Texas:								
Aquatic plant control. (See Louisiana.)								
(FC) Bardwell Reservoir		145,000		145,000		145,000		145,000
(FC) Big Fossil Creek		50,000		50,000		100,000		100,000
(FC) Blieders Creek Reservoir, New Braunfels		50,000		50,000		50,000		50,000
(FC) Buffalo Bayou and tributaries:								
Brays Bayou	3,500,000		3,500,000		3,500,000		3,500,000	
Buffalo Bayou Channel (River Oaks area)			400,000		400,000		400,000	
(FC) Canyon Reservoir	3,000,000		3,000,000		3,000,000		3,000,000	
(FC) Fort Worth Floodway extension		75,000		75,000		75,000		75,000
(R) Galveston Harbor and Channel (north and south jetties)	650,000		650,000		650,000		650,000	
(N) Gulf Intracoastal Waterway:								
(a) Channel to Port Mansfield	2,639,000		2,639,000		2,639,000		2,639,000	
(b) Guadalupe River channel to Victoria	900,000		900,000		900,000		900,000	
(R) (c) West Colorado River lock, east gate (minor rehabilitation)					(180,000)		(?)	

See footnotes at end of table.

Construction, general, fiscal year 1962—Continued

Construction, general, State, and project	Revised approved budget estimate for fiscal year 1962		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Texas—Continued								
(N) Houston ship channel: Bend easing and widening to 36-foot depth only, phase I	$3,000,000		$3,000,000		$3,000,000		$3,000,000	
(N) Matagorda ship channel: 36- and 38-foot channels		$405,000		$405,000	500,000	$405,000	500,000	$405,000
(MP) McGee Bend Dam	9,600,000		9,600,000		9,600,000		9,600,000	
(FC) Navarro Mills Reservoir	3,500,000		3,500,000		3,500,000		3,500,000	
(N) Port Aransas-Corpus Christi Waterway:								
(a) 36-foot channel and widening and realinement at bascule bridge	1,255,000		355,000		355,000		355,000	
(b) Channel to Viola (36-foot depth only)	600,000				600,000		600,000	
(FC) Proctor Reservoir	4,500,000		4,500,000		4,500,000		4,500,000	
Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana, and Texas. (See Arkansas.)								
(N) Sabine-Neches Waterway	1,800,000		1,800,000		1,800,000		1,800,000	
(FC) San Antonio Channel	2,400,000		2,400,000		2,400,000		2,400,000	
(FC) Somerville Reservoir	500,000		500,000		500,000		500,000	
(FC) Stillhouse Hollow Reservoir	500,000		500,000		500,000		500,000	
(FC) Texas City	400,000		400,000		400,000		400,000	
(FC) Waco Reservoir	8,500,000		8,500,000		8,500,000		8,500,000	
Utah:								
(FC) Little Dell Reservoir		75,000		75,000		75,000		75,000
(FC) Weber River		50,000		50,000		50,000		50,000
Vermont:								
(R) Burlington Harbor (breakwater)	275,000		275,000		275,000		275,000	
Virginia:								
(MP) Gathright Reservoir and Falling Springs reregulating dam (deferred)						30,000		
(FC) John W. Flannagan (Pound) Reservoir	4,200,000		4,200,000		4,200,000		4,200,000	
(FC) North Fork of Pound Reservoir		75,000		147,000		147,000		147,000
Washington:								
(FC) Colfax	600,000		600,000		600,000		600,000	
Columbia River at the mouth (north and south jetties), Oregon and Washington. (See Oregon.)								
(FC) Dayton		78,000		78,000		78,000		78,000
(N) Everett Harbor and Snohomish River (1960 modification)	200,000		200,000		200,000		200,000	
(FC) Howard A. Hanson (Eagle Gorge) Reservoir	4,100,000		4,100,000		4,100,000		4,100,000	
(MP) Ice Harbor lock and dam	8,200,000		7,200,000		7,200,000		7,200,000	
John Day lock and dam, Oregon and Washington. (See Oregon.)								
(MP) Little Goose lock and dam		840,000		840,000		840,000		840,000
Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)								
(MP) Lower Granite lock and dam		400,000		400,000		600,000		600,000
(MP) Lower Monumental lock and dam	8,000,000		8,000,000		8,000,000		8,000,000	
McNary lock and dam, Oregon and Washington. (See Oregon.)								
(N) Port Townsend		37,000		37,000		37,000		37,000
(FC) Sammamish River		58,000		58,000		58,000		58,000
West Virginia:								
Belleville locks and dam, Ohio and West Virginia. (See Ohio.)								
(FC) Burnsville Reservoir (deferred)						30,000		
(N) Opekiska lock and dam	3,000,000		3,000,000		3,000,000		3,000,000	
Pike Island locks and dam, Ohio and West Virginia. (See Ohio.)								
Racine locks and dam, Ohio and West Virginia. (See Ohio.)								
(FC) Steer Creek Reservoir (deferred)						30,000		
(FC) Summersville Reservoir	9,000,000		9,000,000		9,000,000		9,000,000	
(FC) West Fork Reservoir (deferred)						35,000		
(FC) Williamson	479,000		479,000		479,000		479,000	
Wisconsin:								
(N) Ashland Harbor (1960 act)	300,000		300,000		300,000		300,000	
Duluth-Superior Harbor, Minn. and Wis. (See Minnesota.)								
(FC) Eau Galle River		247,000		247,000		247,000		247,000
Menominee Harbor (1960 act), Mich. and Wis. (See Michigan.)								
Menominee Harbor (south and north piers), Mich. and Wis. (See Michigan.)								
(R) Milwaukee Harbor (north breakwater)	250,000		250,000		250,000		250,000	
(R) Sheboygan Harbor (north breakwater and south pier)	200,000		200,000		200,000		200,000	
(R) Sturgeon Bay and Lake Michigan ship canal (revetment)		33,000		33,000		33,000		33,000
Wyoming:								
(FC) Sheridan	500,000		500,000		500,000		500,000	
(FC) Emergency bank protection	150,000		150,000		150,000		150,000	
(FC) Local protection projects not requiring specific legislation	1,000,000		1,000,000		1,000,000		1,000,000	
(N) Small navigation projects not requiring specific legislation (costing up to $200,000), sec. 107, 1960 act	500,000		500,000		750,000		750,000	
(FC) Snagging and clearing	100,000		100,000		100,000		100,000	
Recreation facilities, completed projects	3,000,000		3,120,000		4,500,000		3,750,000	
Small authorized projects	1,500,000		1,700,000		3,000,000		2,789,000	
Fish and wildlife studies (U.S. Fish and Wildlife Service)	550,000		550,000		550,000		550,000	
(R) Minor rehabilitation projects (costing up to $400,000)	2,500,000		2,500,000		2,700,000		2,700,000	
Reduction for anticipated savings and slippages	−50,000,000		−84,400,000		−50,000,000		−60,000,000	
Grand total, construction, general	706,834,000 (721,362,000)	14,528,000	666,911,880 (681,045,880)	14,134,000	720,414,880 (735,923,880)	15,509,000	708,765,880 (724,021,880)	15,256,000

[1] Eligible for selection under lump sum appropriation for small authorized projects.
[2] Eligible for selection under small navigation projects not requiring specific legislation.
[3] Eligible for selection under minor rehabilitation projects.

Mr. ELLENDER. Mr. President, on "Flood control, Mississippi River and tributaries," the House allowed $70,725,000, the Senate approved $73,700,000, and the conferees allowed $72,950,000. I ask unanimous consent to have printed at this point in my remarks a table showing the details of the conference allowance.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Flood control, Mississippi River and tributaries, fiscal year 1962

Projects	Revised approved budget estimate for fiscal year 1962	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)
1. General investigations:				
(a) Examinations and surveys	$7,500	$32,500	$57,500	$57,500
(b) Collection and study of basic data	67,500	67,500	67,500	67,500
Subtotal, general investigations	75,000	100,000	125,000	125,000
2. Construction and planning:				
Mississippi River levees	2,500,000	2,500,000	2,500,000	2,500,000
Channel improvement	23,000,000	23,000,000	24,500,000	23,750,000
Memphis Harbor	400,000	400,000	400,000	400,000
Greenville Harbor	1,000,000	1,000,000	1,000,000	1,000,000
Old River control	8,000,000	8,000,000	8,000,000	8,000,000
St. Francis Basin	4,635,000	4,635,000	4,635,000	4,635,000
Lower White River	550,000	550,000	550,000	550,000
West Tennessee tributaries	500,000	500,000	500,000	500,000
Wolf River and tributaries	560,000	560,000	560,000	560,000
Lower Arkansas	530,000	530,000	530,000	530,000
Tensas Basin:				
Boeuf and Tensas Rivers, etc	1,300,000	1,300,000	1,790,000	1,790,000
Red River backwater	25,000	25,000	25,000	25,000
Yazoo Basin:				
Sardis Reservoir	31,000	31,000	31,000	31,000
Enid Reservoir	32,000	32,000	32,000	32,000
Arkabutla Reservoir	22,000	22,000	22,000	22,000
Grenada Reservoir	80,000	80,000	80,000	80,000
Greenwood	300,000	300,000	300,000	300,000
Lower auxiliary channels	570,000	570,000	570,000	570,000
Main stem	1,715,000	1,715,000	1,715,000	1,715,000
Tributaries	675,000	675,000	675,000	675,000
Big Sunflower River, etc	1,150,000	1,350,000	1,350,000	1,350,000
Yazoo backwater	500,000	500,000	500,000	500,000
Atchafalaya Basin	6,000,000	6,000,000	6,480,000	6,480,000
Lake Pontchartrain	350,000	350,000	350,000	350,000
Reduction for anticipated savings and slippages	−1,500,000	−1,500,000	−1,500,000	−1,500,000
Total, construction and planning	52,925,000	53,125,000	55,595,000	54,845,000
3. Maintenance	17,500,000	17,500,000	17,980,000	17,980,000
Grand total	70,500,000	70,725,000	73,700,000	72,950,000

Mr. ELLENDER. Mr. President, with respect to the appropriation for "Construction and rehabilitation, Bureau of Reclamation," the House allowed $153,283,500. The Senate approved $153,876,400. The conferees agreed on $152,405,500. It will be recalled that in arriving at the Senate figure, the committee reprogramed a number of projects and increased the reduction for undistributed reduction based on anticipated delays. The conferees disallowed a few of the new starts and reprograming allowed by the Senate but agreed to the Senate figure for undistributed reduction based on anticipated delays. The result was a conference figure below both the House and Senate and therefore under the rules the amendment was reported in technical disagreement.

Mr. President, I ask unanimous consent to insert at this point in my remarks a table showing the details of the conference allowance for "Construction and rehabilitation."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Bureau of Reclamation, construction and rehabilitation

State and project	Benefit-cost ratio	Total estimated cost	Appropriated to June 30, 1961	Fiscal year 1961 appropriation	Approved budget to Congress, fiscal year 1962		House allowance		Senate allowance		Conference allowance	
					Construction	Advance planning	Construction	Advance planning	Construction	Advance planning	Construction	Advance planning
Arizona:												
Colorado River front work and levee system		$12,936,088	$7,726,152	$1,019,500	$1,590,000		$1,590,000		$1,700,000		$1,700,000	
Gila project	(1)	74,586,424	61,083,670	3,701,000	800,000		800,000		800,000		800,000	
California:												
Central Valley project [2]	[3] 2.38	1,068,261,842	650,179,702	49,632,602	55,337,838		55,058,338		56,058,338		55,558,338	
Colorado River front work and levee system. (See Arizona.)												
Klamath project. (See Oregon.)												
Ventura project							(4)		600,000		600,000	
Washoe project. (See Nevada.)												
Colorado:												
Collbran project	1.39	15,685,000	15,150,838	5,140,000	534,162		534,162		534,162		534,162	
Trinidad project		255,500	244,100	7,600		$5,200		$5,200		$5,200		$5,200
Idaho:												
Dalton Gardens, Avondale, Hayden Lake unit, Rathrum Prairie irrigation projects									[4] 435,000		[4] 435,000	
Spokane Valley project. (See Washington.)												

See footnotes at end of table.

Bureau of Reclamation, construction and rehabilitation—Continued

State and project	Benefit-cost ratio	Total estimated cost	Appropriated to June 30, 1961	Fiscal year 1961 appropriation	Approved budget to Congress, fiscal year 1962		House allowance		Senate allowance		Conference allowance	
					Construction	Advance planning	Construction	Advance planning	Construction	Advance planning	Construction	Advance planning
Kansas: Wichita project, Cheney division	1.89	$18,098,000		$100,000	$2,700,000		$2,700,000		$2,700,000		$2,700,000	
Nevada:												
Washoe project, initial phase	1.8	2,119,977	$1,869,977	245,800		$250,000		$250,000		$250,000		$250,000
Washoe project, Prosser Creek Dam and Reservoir	2.0	50,547,000	3,761,750	2,391,000	968,000		968,000		968,000		968,000	
New Mexico:												
Middle Rio Grande project	2.36	31,729,336	30,004,336	1,848,900	1,562,000		1,562,000		1,562,000		1,562,000	
Oklahoma:												
Norman project	2.46	18,797,000		150,000	900,000		900,000		900,000		900,000	
Washita Basin project	1.90	37,467,000	27,140,674	6,835,000	1,800,000		1,800,000		1,800,000		1,800,000	
Oregon:												
Klamath project	(1)	19,522,000	16,589,937	960,000	1,034,000		1,034,000		1,034,000		1,034,000	
Rogue River project, Talent division	1.6	23,792,000	22,909,093	2,800,000	739,000		[2] 739,000		1,359,000		1,359,000	
The Dalles project, western division	2.52	5,679,000			350,000		350,000		500,000		425,000	
Vale project, Bully Creek extension	3.06	3,089,000		121,000	690,000		690,000		690,000		690,000	
Texas:												
Canadian River project	1.14	95,285,000		345,000	4,200,000		4,200,000		4,200,000		4,200,000	
Lower Rio Grande project, La Feria division	12.68	5,738,000	575,000	575,000	1,200,000		1,200,000		1,200,000		1,200,000	
Lower Rio Grande project, Mercedes division	15.80	10,760,000	4,344,250	2,500,000	1,851,000		1,851,000		1,851,000		1,851,000	
San Angelo project	2.99	26,416,000	15,337,331	10,827,720	7,100,000		7,100,000		7,100,000		7,100,000	
Utah:												
Provo River project	(1)	35,997,507	35,170,507	825,000	827,000		827,000		827,000		827,000	
Weber Basin project	2.8	95,780,000	49,829,343	6,010,000	8,404,000		8,404,000		8,404,000		8,404,000	
Washington:												
Chief Joseph Dam project, Greater Wenatchee division	5.6	7,801,000	1,965,751	1,638,540	2,417,000		2,417,000		2,417,000		2,417,000	
Columbia Basin project	4.1	924,789,560	550,202,218	4,306,000	4,478,000		4,478,000		4,478,000		4,478,000	
Spokane Valley project		274,100	149,100	48,000		125,000		125,000		125,000		125,000
Wyoming-Eden project									275,000		150,000	
Drainage and minor construction		718,256,159	607,852,687	6,961,874	2,200,800		2,200,800		2,200,800		2,200,800	
Rehabilitation and betterment		53,038,190	28,019,320	3,450,000	3,935,000		3,935,000		3,935,000		3,935,000	
Subtotal, construction and rehabilitation (exclusive of Missouri River Basin)		3,401,854,683	2,220,593,236	112,448,536	105,617,800	380,200	105,338,300	380,200	108,093,300	380,200	107,393,300	380,200
MISSOURI RIVER BASIN PROJECT												
Colorado: Narrows unit		1,402,000	1,161,454	78,561		138,500		138,500		138,500		138,500
Kansas:												
Almena unit	1.03	15,121,000	800,000	800,000	3,305,000		2,805,000		2,805,000		2,805,000	
Cedar Bluff unit	2.04	18,301,000	15,204,519	1,000,000	1,493,000		1,493,000		1,493,000		1,493,000	
Glen Elder unit		742,038	543,038	162,439		199,000		199,000	400,000	199,000	[4] 0	199,000
Kanopolis unit		648,625	433,625	1,656		215,000		215,000		215,000		215,000
Wilson unit		322,000				58,500		58,500		58,500		58,500
Montana:												
East Bench unit	2.09	21,200,000	4,085,000	3,335,000	5,920,000		5,050,000		5,050,000		5,050,000	
Jefferson unit		1,232,000	811,093	403,909		225,750		225,750		225,750		225,750
West Bench unit		107,000				84,000		84,000		84,000		84,000
Whitehall unit		253,000				93,000		93,000		93,000		93,000
Yellowtail unit	1.82	107,491,000	5,760,129	2,794,000	10,840,000		10,840,000		11,032,000		11,032,000	
Nebraska:												
Ainsworth unit	2.44	25,435,000	2,390,649	1,655,621	3,550,000		3,259,000		3,259,000		3,259,000	
Cedar Rapids division		1,281,000	596,950	312,064		282,000		282,000		282,000		282,000
Farwell unit	2.08	30,783,000	11,217,528	7,793,778	5,955,000		5,955,000		5,955,000		5,955,000	
Frenchman-Cambridge division	1.93	77,160,000	70,391,778	5,730,596	3,458,000		3,458,000		3,458,000		3,458,000	
North Dakota:												
Garrison diversion unit		6,416,000	5,320,518	372,783		400,000		400,000		400,000		400,000
Heart-Butte unit									70,000		70,000	
South Dakota:												
Crazy Horse, Tower, Greenwood, Yanktown units		192,800	148,425	140,707		44,375		44,375		44,375		44,375
Garrison diversion unit. (See North Dakota.)												
Oahe unit		6,592,000	4,530,675	131,231		19,875		19,875	100,000	19,875	[4] 0	119,875
Wyoming: Yellowtail unit. (See Montana.) Transmission division		326,393,536	170,745,690	23,067,986	19,112,000		20,782,000		20,782,000		20,782,000	
Drainage and minor construction		290,281,947	224,163,534	3,053,943	1,490,000		1,490,000		1,490,000		1,490,000	
Subtotal, construction and advance planning (Missouri River Basin)		931,354,946	518,244,605	50,654,524	55,132,000	1,760,000	55,132,000	1,760,000	55,894,000	1,760,000	55,304,000	1,860,000
Investigations		56,938,815	45,566,961	824,820	880,000		880,000		1,045,000		875,000	
Other Department agencies		98,424,000	55,770,868	2,817,000	3,000,000		2,800,000		3,100,900		2,900,000	
Total, Missouri River Basin project					58,992,000	1,760,000	58,732,000	1,760,000	60,038,900	1,760,000	59,169,000	1,860,000
Subtotal, construction and rehabilitation					166,750,000		166,270,500		170,273,400		168,802,500	
Undistributed reduction based on anticipated delays					−11,100,000		−12,987,000		−16,397,000		−16,397,000	
Total, construction and rehabilitation					155,650,000		153,283,500		153,876,400		152,405,500	

[1] Construction initiated prior to requirement for determination of benefit-cost ratio.
[2] Includes Red Bluff diversion dam, a new start, $1,900,000.
[3] For Trinity division only. Construction on other parts of project initiated prior to requirement for determination of benefit-cost ratio.
[4] Approved use of $600,000 of available funds.
[5] In addition, approved use of $620,000 of available funds.
[6] Not included in totals.

Mr. ELLENDER. Mr. President, with respect to title II, the conference bill provides $318,813,100, which is $4,342,900 below the amount allowed by the Senate, and $575,400 below the amount allowed by the House.

With respect to title III, the conferees allowed $2,615,184,000, which is $194,760,000 more than the amount allowed by the House and $11,600,000 below the amount approved by the Senate.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I am glad to yield.

Mr. HOLLAND. First, I wish to thank the Senator from Louisiana for his kind and protective handling of the bill, not only through the hearings, and through the Senate passage of the bill, but particularly through his presiding over the actions of the conference committee yesterday. I cannot recall any time when the recommendations of the chairman of the Senate committee on this subject have been more fully agreed to in the conference report than is true in this instance. For that, I wish to congratulate and thank the Senator from Louisiana.

Mr. ELLENDER. I thank the Senator from Florida.

Mr. HOLLAND. On page 28 of the conference report is the following paragraph:

> The conferees on the part of both Houses are in agreement that the planning and construction of the transmission lines for the Colorado River storage project shall proceed as provided for in the budget presentation and in the bill as it passed the House, unless the Secretary of the Interior finds it practicable and in the national interest to enter into wheeling agreements with private power interests.

This recital is accurate so far as the action of the majority of the conferees, both from the House and from the Senate, is concerned. However, I desire to have the RECORD show that the Senator from Florida did not vote for this particular provision, and that the division on both sides of the table was rather pronounced. On the part of the conferees of the House, the division was 3 to 2 in favor of this provision. On the side of the Senate conferees, on a showing of hands, the attitude of the committee was 7 to 4 in support of this provision.

The Senator from Florida voted against the provision because he felt that as a minority of the Committee on Appropriations, we had no authority whatever to vary the direct recommendations of the full committee, which appeared in the Senate report and which the Senator from Florida believes deal with this situation much more wisely than do the recommendations of the conference. I simply wished to make it clear, by this explanation in the RECORD, that not only I, but others, as well, felt that this provision was not wise and not for the best interests of the country.

Mr. ELLENDER. I thank the distinguished Senator from Florida for his statement. I also am one who voted against the change of this language. I express the hope that the Secretary of the Interior will make every effort to secure wheeling agreements with the private power companies which operate in that locality.

This issue has been before the Senate on many occasions. I know of my own personal knowledge that wheeling agreements were entered into with the Southwestern Power Administration and with the Southeastern Power Administration and are today very effective.

As I understand the proposal which was submitted by some of the private utilities in the area in question, they agreed to distribute the electricity for the same price as would the Government, if the Government built its own lines.

The Secretary of the Interior would perform a great service to the country, particularly to the Treasury, if he were to use every effort at his command to get suitable wheeling agreements to enable the power to be distributed to those entitled to it, without the additional cost to the Government for constructing the transmission lines.

Mr. HAYDEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Arizona.

I yield now to the Senator from Arizona.

Mr. HAYDEN. I should like to say to the Senator from Louisiana that I am sure the Bureau of Reclamation will not close the door to timely proposals by the investor-owned utilities which may result in arrangements which are mutually beneficial to the parties involved and to the basin fund—without adversely affecting consumer power rates.

I have conferred with the Secretary of the Interior and the Commissioner of Reclamation on this important subject. The personal assurance and commitment of both Secretary Udall and Commissioner Dominy were received—that the door has not been closed to further proposals, and that they have always intended to, and are still willing and anxious to, continue their efforts to work out mutually advantageous arrangements with all utilities—and to share equitably in the benefits that accrue from such arrangements with the various electric systems in the area.

Mr. ELLENDER. Let me say to the Senator from Arizona that the fact that we have provided the funds to enable the Secretary of the Interior to proceed may spur the private utilities to enter into an agreement as soon as possible. As the Senator from Arizona will recall, on past occasions we have provided such funds—as we did for the Southwestern Power Administration, but in the meantime those in authority were able to enter into wheeling agreements.

Mr. HAYDEN. There was difficulty, as the Senator may remember—for instance, in Arkansas. We had to build a little stub powerline there, and then they came to an agreement. In California we had to build a parallel line. But now in California they have one of the best arrangements, and all the power available through both the Government and the private power companies is pooled.

Mr. ELLENDER. Yes.

In this case there was no objection by any of the conferees to the connection of all the hydroelectric powerplants in the area. The only objection was where there were lines constructed by the private utilities, which would be paralleled by some of the lines which are proposed to be constructed. Certainly there is a little difference between the situation in that area and the situation in Arkansas. In this case there are quite a few areas in which no lines at all are constructed—either by the Government or by the private utilities. But, even so, I am still hopeful that Mr. Udall will make every effort to get these lines constructed by the private utilities, in the hope that some money can be saved for the Federal Government.

Mr. CASE of South Dakota. Mr. President——

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. First, let me say that I think the conferees did an excellent job, on the whole, with the many questions at issue before them.

Now that we are at the last stage of handling the appropriations for the public-works program, however, I wish to comment on an item of $110,000 which will be appropriated by this measure for the planning of construction of the flood-control project on the Vermillion River, in South Dakota.

During the hearings, I raised two questions which have not been satisfactorily resolved. Because they have not been, I shall write a letter to the Chief of Engineers, and shall ask that he defer expenditure of the $110,000 for planning until a more definitive answer has been provided in regard to the two points at issue.

One point was whether the work which local interests had done toward flood control, prior to authorization of the project, but which fitted into the project, should be counted against the 20-percent local contribution required.

The other question deals with the matter of an additional 1,000 acres of land which some interests have proposed should be provided as a replacement for wildlife habitat presumably destroyed by the Vermillion flood control project.

In considering the 1,000 acres, the question unresolved is whether it is deemed to have been authorized and required under the omnibus Flood Control Act which authorized the project. That seems to hang upon a finding by the Bureau of Fish and Wildlife. At the time when the hearings were closed, that finding had not been made. Until it has been made, it is uncertain whether the additional 1,000 acres of replacement land must be purchased. If it has to be provided, then the question is whether it will be a part of the total cost of the project or whether it will have to be provided by the local interests.

If it has to be provided by the local interests, then the cost of the project to them would far exceed even the 20 percent which had been mentioned in the omnibus Flood Control Act of 1960.

Because of the uncertainty on these two points—credit for work previously done, and the uncertainty about the necessity for purchasing the 1,000 acres of replacement wildlife habitat and the

related question of who shall pay for it—I shall write to the Chief of Engineers and shall suggest that he defer the use of the $110,000 until a more definite answer has been provided.

Moreover, in that connection I shall suggest the possible desirability of reexamining the upper watersheds which are tributary to the Vermillion River, to see whether a modification of the authorized plan may be in order, in view of the possible answers to these two earlier questions which I have raised.

I wanted this to be a part of the legislative history of this matter, so that both the Corps of Engineers and the people in the valley of the Vermillion River may know exactly what the situation is.

I thank the Senator from Louisiana for yielding.

Mr. BYRD of West Virginia. Mr. President——

Mr. ELLENDER. I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, as the distinguished Senator from Louisiana knows, I have been extremely interested in the provision of funds for a reexamination of the Burnsville, Steer Creek, and West Fork Reservoirs, on the Little Kanawha River, in West Virginia. As the Senator from Louisiana also knows, Representative HECHLER, of the Fourth Congressional District of West Virginia, has also been very much interested in these projects. The Senator from Louisiana will further recall that, as a member of the Senate Appropriations Committee, I urged the committee to include in the bill $95,000 for the reexamination of these three reservoir sites.

I should like to ask the distinguished Senator from Louisiana what action the conferees took on these three items.

Mr. ELLENDER. Mr. President, I am very sorry to have to advise the Senator from West Virginia—knowing how hard he worked to get these projects included in the bill, and in furnishing the testimony to the committee—that the House would not agree to any of these projects, for the simple reason that they had already been studied, and planning money had already been expended, and they found that the benefit-to-cost ratio on one of the projects was .7 to 1, which is very low, and for another it was .5 to 1. As the Senator from West Virginia knows, it should be 1 to 1-plus. As a result of the fact that the benefit-cost ratio was so low and that there had not been any apparent change in the situation, the House would not, under any circumstances, agree to the proposal to spend $95,000 for the restudy of these projects.

Mr. BYRD of West Virginia. Did the House conferees not feel that conditions might have changed which would have altered the cost-benefit ratio from what it was when it was last determined?

Mr. ELLENDER. They stated that there were no changes, but, representing the Senate, I pleaded with them to let us make a further study of these projects, in view of the fact that West Virginia had many depressed areas. It was my feeling that if these projects were again studied and a good supply of water was assured at these locations, that fact might generate business and probably cause some manufacturer to come into that area and build a plant there. But, with all the pleading at my command—and the Senator from Florida [Mr. HOLLAND], who stands before me now, knows how much we pleaded with the House—we could not convince the House conferees.

I want to assure the Senator from West Virginia that there will be another day, and, if the Lord spares me, and I am here again, I shall gladly look into these projects and try to get more information, if there is any available. I suggest that the Senator from West Virginia do likewise, in an effort to make a better case next year. I shall try to get the engineers to look into the projects, in the hope that we may be able to convince the House that all three, or perhaps one or two, of the projects are vital to the area, and should be constructed.

Mr. BYRD of West Virginia. I must say I am disappointed at the action of the conference, but, at the same time, I certainly want to express my appreciation and gratitude to the distinguished chairman of the committee, the subcommittee, and the Senate conferees for the very special consideration and support that they gave to the projects. I am reassured, and I am confident that Representative HECHLER will also be reassured, by the words of the Senator from Louisiana when he states there will be another day to deal with this question and that he will give further consideration to it at that time. I am very appreciative of the efforts made on behalf of the item by the Senator from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I would like the RECORD to show affirmatively that not only did the chairman of the conference fight very determinedly for the three projects, and then, when three would not be granted, for two, and then down to one, he was loyally supported by every member of the conference on the Senate side. We have no complaint or criticism of the other conferees who stood upon the rule, but we felt the distressed situation in many parts of the State so ably represented by the Senator from West Virginia justified the departure in this case. I never heard the Senator from Louisiana make a plea to more telling advantage.

Mr. ELLENDER. But without success.

Mr. HOLLAND. But without success at this time.

Mr. BYRD of West Virginia. I thank the Senator from Louisiana, the Senator from Florida, and the other members of the conferees from the Senate, and I know that my colleague, Senator RANDOLPH, is likewise appreciative.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. I thought, on reading the Senate language on the Colorado River project, and then reading the language in the conference report, that there appeared to be a nullification of the Senate language; but, on second thought, it appears that there will not be a change and that there is a duty on the part of the Secretary to determine whether the matter can be workably done through the utilities, and then, if for any reason, it cannot be done, he will be free to pursue the matter in another way. Is that correct?

Mr. ELLENDER. I am certain the Secretary of the Interior will take that matter into consideration and no doubt make an effort to get the private utilities to construct the lines, if at all feasible.

Mr. DIRKSEN. That was clearly the intent of the Senate committee.

Mr. MANSFIELD. Mr. President, I should like to ask the distinguished chairman if the $190,000 for the Yellowtail access road is in the bill.

Mr. ELLENDER. It is.

Mr. MANSFIELD. Are the moneys for the survey of the Missouri in the region of Fort Benton still in there?

Mr. ELLENDER. I regret to inform the distinguished majority leader that the House conferees would not agree to that item.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9076, which was read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 13, 14, and 19 to the bill (H.R. 9076) entitled "An Act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes", and concur therein;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12, to aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$152,405,500".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20, to aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$2,352,001,000".

Mr. ELLENDER. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 12, 20, and 22.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The amendments were agreed to.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CANCELLATION OF CERTAIN SOIL BANK CONTRACTS

Mr. WILLIAMS of Delaware. Mr. President, over the wire services a few minutes ago appeared this announcement:

Secretary of Agriculture Orville L. Freeman today canceled six soil bank contracts which he said would have brought Wayne E. Tallman, Brandon, Colo., rancher, $271,000 over a 10-year period.

The law fixes an annual maximum payment of not more than $5,000 for each producer.

Freeman said in a statement that the six contracts were on land owned by Tallman.

The statement said that in 1957 Tallman bought a 6,960-acre ranch for $139,200, and rented the land to six other individuals who placed 3,379 acres under six soil bank contracts that year.

The statement said the cash rent paid by the six to Tallman approximated the amounts they receive annually in soil bank payments.

The Department's general counsel's office said the six renters already have collected about $108,000 in payments, at the rate of about $27,000 annually.

Freeman said he considered the contracts to be invalid and therefore canceled them.

He also said information gathered in a Department investigation has been turned over to the Justice Department for "such further action as it deems appropriate."

I want to compliment the Secretary for the action which he has taken. It was on February 24, 1961, that I called this matter to the Secretary's attention and referred it to his Department for further investigation. In that report I called attention to the fact that Mr. Tallman had bought the ranch for $139,200, and had immediately placed it under the soil bank, whereby, over a period of 10 years, he would have collected $271,000 or $131,800 more than the original cost of the entire tract.

I ask unanimous consent that there may appear at this point in the RECORD a copy of the statement I made on February 24, 1961, in which I first called attention to this matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN J. WILLIAMS, REPUBLICAN, OF DELAWARE

Today I wish to discuss a situation wherein the soil bank program has again been turned into a racket.

In this report I shall point out the maneuvering whereby a Mr. Wayne E. Tallman purchased a 6,960-acre ranch in Colorado for a total cost of $139,200 and then through subleasing arrangements placed 3,879 acres of this same land under a 10-year contract with the conservation reserve program wherein he will over the 10-year period collect from the Government $271,000, or $131,800 more than the entire purchase price of the whole ranch. In addition, he or his tenants will have the use of the remaining acreage not placed in the soil bank.

It all began in 1956 when the estate of John W. Baughman Farms Co., operating in Kansas and Colorado, decided to sell between 50,000 and 60,000 acres of the company's landholdings in Colorado to meet inheritance and income taxes. This land was located over a three-county area (Kiowa, Kit Carson, and Lincoln) in Colorado.

In January 1957, Mr. Robert Baughman, president of the John W. Baughman Farms Co., offered to sell to his district manager, Mr. Wayne E. Tallman, the 6,960-acre Vogel Ranch at a price of $20 per acre, or a total of $139,200. The purchase price was to be payable over a period of 10 years in 10 equal installments with no interest to be collected except on delinquent payments, and the offer was contingent upon Mr. Baughman's being able to work out arrangements to lease a substantial part under the conservation reserve program whereby he could use the cash payments to pay for the farm.

However, Mr. Tallman was confronted with the $5,000 limitation which Congress had placed upon the annual amount which could be paid to any one farmer under the soil bank program.

But this proved to be no obstacle. To get around this $5,000 limitation, Mr. Tallman devised a scheme wherein he would break up the farm into smaller units, cash-lease the different units to various tenants, and then have the tenants sign a contract with the Government under the conservation reserve program with the proviso that they would turn the money received thereon over to him as cash rental.

But before buying the property he wanted to be sure that his scheme would work, so on February 14, 1957, at the regular meeting of the Kiowa County ASC Committee he outlined this cash-lease plan and received assurances that they would approve such a plan. It was agreed at this meeting that if Mr. Tallman could buy this land, they would accept the same acreage under the conservation reserve program and pay him or his tenants an annual rental of $7 per acre for the next 10 years. This would mean that the Government would be paying $70 per acre over the next 10 years not to cultivate the same land which he was then in the process of buying for $20 per acre.

On February 25, 1957, following this advance arrangement with the County Committee of Kiowa County, Colo., Mr. Wayne E. Tallman (operating under the newly organized "Wayne E. Tallman Farms Co.") bought from the John W. Baughman Farms Co. the 6,960-acre Vogel Ranch at a price of $139,200 or $20 per acre—payable over a 10-year period as outlined above.

Mr. Tallman then divided this ranch into 6 tracts, and on March 25 and 26, 1957, he leased the entire acreage to six different tenants for a 10-year period on a cash rental basis under terms that would net him $27,100 annually, or a total of $271,000 over the 10-year contract.

In each instance the leasing periods were dated back to March 1, 1957. He had contracted to buy the farm on February 25, 1957.

His leases with the tenants were with the understanding that they in turn would place under the conservation reserve program enough of their leased acreage to enable them to collect from the Government an annual payment equal to the agreed annual cash rental. The contract carried the proviso that these Government checks would be turned over to Mr. Tallman for his annual rents.

The tenants' profit would be the free use of that portion of their leased acreage which was not being put under conservation reserve program.

Details of the acreage leased by the six tenants and the acreage placed in the conservation reserve program are as follows:

This chart shows the number of acres leased to each tenant. It shows the amount of acreage placed in the soil bank by each of these same tenants and the amount of their annual payments from the Government as well as the annual cash rental in each instance. You will not how closely the Government payments coincide with the annual cash rental being paid to Mr. Tallman.

Tenant	Cash leases			Acreage placed in conservation reserve	
	Total acreage	Cropland	Annual rental	Acreage	Annual payment
A	1,609	1,236	$5,000	714	$4,998
B	960	957	4,200	602	4,214
C	643	643	2,900	421	2,950
D	1,280	1,187	5,000	714	4,998
E	1,200	1,166	5,000	714	4,998
F	1,300	1,208	5,000	714	4,998
Total	6,992	6,397	27,100		
Total initial conservation reserve participation				3,879	27,156

Later, two of the tenants placed additional acreage in the conservation reserve program bringing the total acreage in the program up to 4,338 acres producing total annual payments of $29,558. The tenants kept these extra payments as part of their profits for participating in this scheme.

Thus we find that the purchase of the farm, the cash-lease arrangements with the six tenants, and the contracts with the Government under the acreage reserve program were all negotiated and signed within an approximate 30-day period and on terms and arrangements which were all negotiated and agreed upon between the prospective buyer and the ASC committee a couple of weeks before the purchase.

I summarize this transaction:

On February 25, 1957, Mr. Tallman bought 6,960 acres of land for $139,200. Within 30 days enough of this same tract of land had been leased to the Government under a scheme whereby Mr. Tallman, as the owner, would collect indirectly from the U.S. Government over the next 10-year period $271,000, or $131,800 more than he paid for the entire 6,960-acre ranch. At the end of this 10-year period Mr. Tallman will have $131,800 in cash profit, plus a 6,960-acre ranch, all paid for by the American taxpayers.

By what line of reasoning would the Government ever agree to pay a speculator $70 per acre not to cultivate land which he was buying at $20 per acre?

The question may well be asked, Why did the ASC Committee of Kiowa County, Colo., approve any such arrangement wherein the Government would over a period of 10 years pay this speculator $70 per acre not to cultivate $20 land?

Perhaps the agreeableness of the county committee can be better understood when we examine the following transaction:

The record shows that in early 1958 the chairman of the ASC committee in Kiowa County, Colo., leased from the same Baughman estate on a crop-share basis 1,120 acres of land. On April 24, 1958, this committee chairman signed a contract with the Government agency of which he was a representative wherein he placed 391 acres of this tract in the conservation reserve on terms under which he receives annual payments of $2,740.

It was the same Mr. Wayne E. Tallman, acting as a representative of the landlord (the John W. Baughman Farms Co.), who on April 28, 1958, approved this conservation reserve contract with the unusual proviso that the customary landlord's share of the conservation payments was to be waived, thus allowing the tenant (the chairman of the Kiowa County ASC Committee) to keep 100 percent of the annual $2,740 in conservation reserve payments.

Ordinarily, when land is leased on a crop-share basis the landlord and the tenant share in the benefits to be derived from the participation in the conservation reserve program, and Mr. Orville S. Brown, vice president and general manager of the John W. Baughman Farms Co., confirmed that this was the only instance wherein a crop-share tenant of their company who participated in the conservation reserve program was permitted to retain 100 percent of the annual payment.

The chairman of the Kiowa County committee was not the only representative of the Government that was cut in on this profitable scheme.

It is interesting to note that a similar special arrangement was extended to another Government employee who had approved the lucrative arrangements of Mr. Tallman's scheme to bypass the $5,000 limitation.

On November 7, 1956, the office manager of the Kit Carson County ASC office had entered into a crop-share lease with the John W. Baughman Farms Co. for 320 acres of land.

On February 5, 1957, this county office manager applied for a 10-year conservation reserve contract with the Government on 300 acres of this same tract.

On March 14, 1957, this employee arranged for the purchase of the 320 acres which he had been leasing plus an additional 160 acres from the Baughman estate for a total price of $10,560.

On May 29, 1957, the ASC committee approved the conservation reserve contract wherein this employee will receive Government checks under the conservation reserve program over the 10-year period totaling $33,740 cash or $23,180 more than the total purchase price of the entire 480 acres.

Mr. President, this is a glaring illustration of what can be expected under any program designed to pay a man not to work.

In conclusion I want to express my appreciation to the Comptroller General and his staff for their cooperation in developing this report.

ACTIVITIES AND ACCOMPLISHMENTS OF THE JOINT COMMITTEE ON ATOMIC ENERGY IN THE 87TH CONGRESS, 1ST SESSION, 1961

Mr. PASTORE. Mr. President, I have the honor as vice chairman of the Joint Committee on Atomic Energy to present a summary of the activities of the committee in the 1st session of the 87th Congress.

As Senators know, this is truly a joint House-Senate committee consisting of nine Members from each body of which no more than five from each can be members of the majority party. The joint committee is unique in several respects. It is the only joint committee with legislative functions of initiating, receiving, and reporting bills. It also has conscientiously exercised its watchdog role of following closely the AEC and Defense Department secret activities with respect to nuclear weapons and military propulsion. Of equal importance have been its activities in encouraging the peacetime uses of atomic energy, through hearings and other public informational activities. Throughout all these activities the Joint Committee, as the representatives of Congress and the public, has attempted to exercise a creative role in initiating and recommending policies and programs in order to help the progress of the atomic energy program.

The following statement on the activities of the Joint Committee on Atomic Energy is divided into two major parts: Part 1 concerns activities and accomplishments during the 1st session of the current 87th Congress, 1961. Part 2 deals with activities and plans for the second session beginning in January 1962.

PART 1. ACCOMPLISHMENTS IN THE 87TH CONGRESS, 1ST SESSION

I. LEGISLATION

A. AEC AUTHORIZATION BILL

The Joint Committee, after extensive hearings in May and June 1961, reported out the AEC authorization bill for fiscal year 1962—S. 2043 and H.R. 7576—on June 21, 1961. The bill, as reported by the committee, authorized a total of $226,440,000 for new construction projects in the atomic energy program and $7 million for the cooperative power demonstration program.

Included in section 101 of the bill was a $95 million item providing for the addition of electric generating facilities to the new production reactor at Hanford, Wash. This project, consisting of two electric generators, would have utilized the byproduct steam, which would otherwise be wasted, to produce over 800,000 kilowatts of electric power. It would have been the world's largest atomic powerplant.

In a separate section of the bill, amending prior year acts, $114 million was authorized for the construction of the linear electron accelerator at Stanford University in California. This project, the world's largest electron accelerator, will offer an unmatched opportunity to probe into the nature of matter beyond the range of present capabilities. In addition, an increase of $16 million was authorized for the construction of the advanced test reactor at the Idaho test site.

The House considered the bill and passed it with an amendment deleting the Hanford project on July 13, 1961. In action on the House bill on July 18, 1961, the Senate passed the bill with an amendment adding the Hanford project on a rollcall vote of 54 to 36.

A $5 million item providing for research on nuclear processes to improve the utilization of coal and coal products was also added by a voice vote.

At the request of the House, a conference committee was convened on August 8, 1961. The conferees filed their report on August 31, 1961, providing for a single electric generating facility of 400,000 kilowatts for the new production reactor, with the power to be utilized exclusively at the Hanford installation. The coal research project was retained.

Although the Senate approved the conference report on September 5, 1961, the House, insisting on its disagreement on the Hanford project, rejected the report by a large vote 1 week later on September 13, 1961.

On September 15, the Senate receded from its amendment and the bill, H.R. 7576, was passed without the Hanford project and without the nuclear coal research facility. It was forwarded to the President for approval on September 19, 1961.

B. AEC OMNIBUS BILL—1961

The Joint Committee believes that it is a desirable practice for the Atomic Energy Commission to submit, and the committee to consider each year, any proposed amendments to the Atomic Energy Act of 1954 and related atomic energy legislation. The committee believes that in this way it can provide the best possible framework for the atomic energy program and keep pace with emerging developments in the atomic energy field.

In keeping with this practice, the Joint Committee received a communication from the AEC suggesting some 20 amendments to the Atomic Energy Act of 1954 and the Euratom Cooperation Act of 1958. The legislation as proposed by the AEC was introduced by Chairman HOLIFIELD and Senator PASTORE as H.R. 7798 and S. 2117. Hearings were held on these bills on June 27 and 29, 1961. In the course of these hearings, the committee also considered S. 1144 and H.R. 5215, introduced respectively by Senator ANDERSON and Congressman MORRIS, to make the AEC liable without proof of fault for damages resulting from the underground detonation of nuclear explosive devices.

At the direction of the committee, the staff filed clean bills, H.R. 8599 and S. 2391, on August 15, 1961. The bills were reported by the committee the following day.

Because of strenuous objection to S. 1144 and H.R. 5215 expressed by the Justice Department, the committee reported out a substitute provision as section 15 of the omnibus bill. Under the provisions of this section, certain defenses, essentially grounded in sovereign immunity, could not be asserted by contractor as a defense to a suit for damages growing out of the underground detonation of a nuclear device.

Another significant feature of the bill is a provision authorizing the transfer of 30 kilograms of uranium 233 to Euratom. This material will be used in connection with the startup of an experimental plant to process irradiated uranium-thorium fuel elements, a project of the Italian National Committee for Nuclear Energy. The bill also authorizes the transfer of additional special nuclear material to the International Atomic Energy Agency.

Other sections of the omnibus bill amended the patent sections of the Atomic Energy Act of 1954 and made miscellaneous technical and conforming amendments to the act.

The bill was passed by the House of Representatives in the form recommended by the committee on August 22, 1961. The Senate took similar action on August 23 and the bill was approved

by the President on September 6. It is now Public Law 87–206.

C. COMMUNITIES

1. LOS ALAMOS, N. MEX.

During the course of the annual hearing on the AEC authorizing legislation for fiscal year 1962, the committee received testimony from Commission witnesses concerning the urgent need for additional housing at the Los Alamos community. The authorization bill itself contained two items concerning housing at Los Alamos. Project 62–j–3 provided $2,790,000 for Government construction of 100 homes, while project 62–j–5 provided $300,000 for the construction of community support facilities to assist a private developer in building an additional 100 homes.

Concurrently with the authorization hearings the Joint Committee was informed by letter of May 3, 1961, from the AEC that a qualified builder had offered to construct all 200 homes at White Rock in Los Alamos County. It was essential, however, that the builder proceed immediately in order not to lose the benefit of the current building season in New Mexico. Accordingly, Senator ANDERSON and Congressman MORRIS introduced S. 1941 and H.R. 7209 respectively to authorize $300,000 for community support facilities.

This legislation made it possible to have an immediate start on the construction of 200 urgently needed homes at Los Alamos and in addition resulted in a savings of $2,790,000 to the Government, the amount which would have otherwise been necessary for Government construction of only one-half the number of the required homes.

The Senate passed the bill on May 26, 1961, followed by favorable House action on June 5. The bill was approved by the President on June 16, 1961, and is now Public Law 87–52.

2. RICHLAND, WASH.

The process of property disposal at atomic energy communities is now almost complete. With respect to the few remaining pieces of property, particularly at Richland, Wash., the Commission had experienced difficulty in disposing of the Government-owned facilities. This difficulty was an outgrowth of the requirement of the Atomic Energy Community Act of 1955 imposing a 1-year waiting period after property is first advertised for sale before a negotiated sale can be concluded at less than the appraisal price.

In order to remedy this situation, Senator JACKSON introduced on April 14, 1961, a bill, S. 1622, to amend section 53c of the Community Act so as to reduce the required waiting period prior to a negotiated sale from 1 year to 90 days after the property in question is first advertised for sale.

It was the committee's belief that by reducing the waiting period to 90 days, property sales would be accelerated thus stimulating the economic growth of these communities and reducing the amount of local assistance which the Commission is required to make under the provisions of the Atomic Energy Community Act of 1955. The bill was accordingly reported favorably by the committee on May 24, 1961. It was passed in the Senate on May 26 and in the House of Representatives on August 22, 1961. The legislation is now Public Law 87–174.

D. SENATE JOINT RESOLUTION 135 AND HOUSE JOINT RESOLUTION 569—WAIVER OF REVIEW PERIOD ON FRENCH AGREEMENT

On September 11, 1961, Chairman HOLIFIELD and Senator GORE introduced respectively, House Joint Resolution 569 and Senate Joint Resolution 135, waiving the 60-day waiting period required by section 123d of the Atomic Energy Act before the Agreement for Cooperation with France could become effective. The resolutions were reported by the Joint Committee on September 14, 1961. The House approved the resolution on September 19, followed by favorable Senate action the next day. Further details on this legislation are contained in the section on Agreements for Cooperation—section II–B, below.

E. PENDING LEGISLATION

As indicated in part 2 of this report on plans for 1962, the committee has certain pending legislation to which it intends to give further consideration at the next session. Specifically, the committee will give further consideration to H.R. 9244, extending atomic energy indemnity coverage to incidents occurring outside the United States. In addition, the committee will further consider H.R. 8708 and S. 2419, amending the regulatory sections of the Atomic Energy Act of 1954.

II. AGREEMENTS FOR COOPERATION

A. PEACEFUL USES

In accordance with section 123 of the Atomic Energy Act of 1954, amendments to four existing agreements for cooperation in the peaceful uses of atomic energy were submitted to the Joint Committee by the Atomic Energy Commission in 1961. These amendments were to existing agreements with Australia, France, Ireland, and Turkey.

The amendments to the agreements with Australia, France, and Ireland were submitted to the committee in February of 1961. Based on a hearing before the committee on March 1, 1961, at which representatives of the Atomic Energy Commission testified as to the desirability of immediate implementation, the Joint Committee, by resolution, pursuant to section 123c of the Atomic Energy Act of 1954, waived the 30-day waiting period otherwise required before these amendments could take effect. The amendments provide for more liberal cooperation between the United States and these three countries in the supplying of special nuclear material for use in civilian atomic energy projects.

The amendment to the agreement for cooperation with Turkey was submitted to the Joint Committee in April 1961. This amendment was designed primarily to obtain more highly enriched nuclear fuel for use in a civilian research reactor being constructed in Turkey by an American firm. No request was received for waiver of the 30-day waiting period.

B. MUTUAL DEFENSE

Two new proposed agreements for cooperation for mutual defense purposes were submitted by the President in 1961.

Section 123d of the Atomic Energy Act of 1954, as amended, requires that agreements involving cooperation for military purposes, as distinct from civilian uses, must lie before the Congress and the Joint Committee for a period of 60 days while Congress is in session, prior to taking effect. They may not take effect if the Congress, during the 60-day waiting period, passes a concurrent resolution expressing disapproval.

The two new agreements for cooperation for mutual defense purposes, submitted during 1961, were with Italy and France. They were similar to agreements previously entered into in 1959 and currently in effect with the Netherlands, Greece, Turkey, and West Germany. They provide for the transfer of classified information to assist these nations in the training and operation of their military forces in the employment of and defense against atomic weapons, and for the transfer of certain nonnuclear parts of weapons systems.

The agreements do not permit the transfer of any parts of atomic weapons or any information for the purpose of assisting these nations in the design, development, fabrication or testing of nuclear weapons.

The agreement for cooperation with Italy was submitted to the Congress by the President on January 17, 1961, and on the basis of information obtained in open and executive hearings the Committee reported favorably on the agreement.

The agreement with France was submitted to the Congress by the President on September 7, 1961, late in the session.

Prior to its submission, representatives of the State Department and the Atomic Energy Commission, in executive session on August 17 and 22, 1961, briefed the Joint Committee as to the background and details of the agreement. In submitting the agreement to the Congress, the President cited the current critical situation, particularly with regard to Berlin, and requested appropriate action by the Congress to permit the agreement to take effect at this session of the Congress. An open hearing was held by the committee on September 12 to consider both the agreement and a joint resolution waiving the 60-day waiting period.

Based on the testimony of the State Department and Defense Department representatives and the request of the President, the Joint Committee on September 14 favorably reported on the resolution to waive the 60-day period. The resolution was approved by the House of Representatives on September 19, 1961, and by the Senate on the following day.

III. STUDIES

A. NATO REPORT

During the period November 26–December 19, 1960, members and staff of the Joint Committee visited certain military bases in various NATO and other countries. Subsequent to the trip, the ad hoc subcommittee prepared a 62-page top secret report setting forth a number of conclusions and recommendations with regard to U.S. and NATO nuclear weapons arrangements. The report,

which was completed on February 11, 1961, was furnished to the President and various other officials of the executive branch, including the Secretary of State, the Secretary of Defense, the Joint Chiefs of Staff, the Atomic Energy Commission, and the Adviser to the President on Disarmament.

Included in the report was a review of the various military arrangements, such as military agreements for cooperation, nuclear weapons stockpile and storage agreements, status of forces and mutual security agreements, and individual military technical arrangements now existing between the United States and various allies. Particular attention was given to problems of protecting dispersed weapons against unauthorized use and the protection and security of weapons design information. These problems and the Joint Committee's recommendations for their solution go to the heart of the overriding problem of accidental wars. The report also reviewed the current U.S. custody concept of nuclear weapons assigned for NATO use and discussed various alternative U.S.-NATO arrangements.

The ad hoc subcommittee followed up its report by various hearings in executive session on February 20, April 12, April 26, and August 23, 1961. A number of the subcommittee's recommendations which involve highly classified details of nuclear weapons defense operations have been adopted and others are still under consideration. The subcommittee intends to closely follow the matters which are still under consideration and to hold further hearings and schedule additional inspection trips relative to this area of interest.

B. REGULATORY STUDY

Last year at the direction of Chairman HOLIFIELD and Senator ANDERSON, the Joint Committee staff commenced a study of AEC regulatory organization and procedures. The study, an exhaustive updating of an earlier study in 1957, was released by the Joint Committee in March 1961 as a two-volume committee print entitled "Improving the AEC Regulatory Process."

The staff, after carefully examining a large number of case histories in AEC adjudication and rulemaking, identified a number of problems in the operation of the AEC regulatory process. For the most part, these problems stem from the combination of promotional and regulatory functions in the Commission.

The study noted the strain on the objectivity of the Commission in those situations where it must pass upon the safety of a reactor in which it has already invested significant amounts of money in the form of direct and indirect assistance to private industry. In addition, the study pointed out that the Commission, with its multiple other promotional and developmental responsibilities, could not hope to devote sufficient time to the many scientific judgments involved in reactor safety determinations.

In order to remedy the problems identified, the staff study proposed the creation of an Atomic Safety and Licensing Board within the Commission. As proposed by the study, the Board would consist of two technically qualified persons and a third person skilled in the conduct of administrative proceedings.

In addition to these organizational changes the study also recommended a number of procedural changes designed to cut down on the number of hearings required for a reactor license and also to limit referrals to the Advisory Committee on Reactor Safeguards.

For the most part, the study's recommendations were endorsed by leaders in the atomic energy industry, Government, and academic life. Comments on the study were collected in a volume entitled "Views and Comments on Improving the AEC Regulatory Process," released as a committee print in May 1961.

On June 12–15, 1961, the Joint Committee held hearings on "Radiation Safety and Regulation." During the last 2 days of the hearings, devoted to regulatory problems, witnesses from the industry, the ACRS and the legal profession, indicated their support for the Atomic Safety and Licensing Board, as well as the procedural changes noted above.

During these hearings the Joint Committee received testimony on the first fatal U.S. nuclear power reactor accident. This accident occurred on January 3, 1961, at the national reactor testing station in Idaho. Further information on this accident may be found in section IV–F, below.

On August 15, 1961, Chairman HOLIFIELD and Senator PASTORE introduced, respectively, H.R. 8708 and S. 2419 to create the Atomic Safety and Licensing Board in a modified form and to change certain AEC regulatory procedures. The committee expects to give further consideration to these bills during the 87th Congress, 2d session.

C. HANFORD REACTOR ELECTRIC PLANT STUDIES

Extensive studies were conducted on the technical and economic feasibility of adding an electric plant to the new production reactor now under construction at Hanford, Wash. The unclassified portions of these studies were printed in a Joint Committee print—"Power Conversion Studies—Hanford New Production Reactor," March 1961, 375 pages. The print includes reports prepared by the Federal Power Commission in cooperation with the AEC, General Electric Co., Bonneville Power Administration, and the Army Corps of Engineers, and a report prepared by a group of utility analysts and engineers acting in the capacity of consultants to the Joint Committee. A summary of all of the studies prepared by the committee staff is also included in the print.

IV. INFORMATIONAL HEARINGS

During the 1st session of the 87th Congress, the Joint Committee on Atomic Energy and its subcommittees held a total of 85 public and executive hearings. Some 21 publications, consisting of reports and hearings, were printed by the Joint Committee during the 1st session.

A. STATUS OF THE ATOMIC ENERGY INDUSTRY (SEC. 202)

The Joint Committee held hearings in February and March on the development, growth, and state of the atomic energy industry. These hearings are held annually in public session pursuant to section 202 of the Atomic Energy Act of 1954. The major focus of this year's hearings was on materials technology problems in the nuclear power industry. Among the subjects covered in the 8 days of hearings were findings and recommendations of the McKinney Report. This review was conducted by Robert McKinney, consultant to the Joint Committee, and who made an analysis of the international atomic energy policies and programs of the United States. Testimony was also received from industrial witnesses on regulatory problems and industrial aspects of the nuclear space program.

B. APPLICATIONS OF RADIOISOTOPES AND RADIATION IN THE LIFE SCIENCES

The Subcommittee on Research, Development, and Radiation held hearings in March on this subject. The hearings were held March 27–30, 1961. The purpose of the hearings was to update the 1956 hearings in the same areas. The areas covered were: Uses of radiation in medical research; applications of radioisotopes and radiation in agriculture; applications of radioisotopes in studies of water problems; uses of radiation in basic research; and education and training programs in radiation biology.

One significant highlight of the hearings was the testimony on the use of radiation and radioisotopes in biochemical processes. It was brought out that the use of radiation and radioisotopes has led to the discovery of a system which permits the study of gene action in a test tube in the complete absence of living cells.

In the field of agriculture, it was reported that new developments through the use of radiation techniques have led to more abundant and hearty varieties of beans, oats, peanuts, and other plant species.

In general, the hearings indicated new vistas of atomic research into such areas as plant and animal genetics, metabolism and other life science fields.

A summary analysis of these hearings was prepared in order to bring before the public, in layman's language, a concise version of these hearings.

C. OPERATIONS UNDER THE INDEMNITY PROVISIONS OF THE ATOMIC ENERGY ACT OF 1954

The Subcommittee on Research, Development and Radiation held hearings on July 18, 19 and 20 on operations under the indemnity provisions of the Atomic Energy Act of 1954. During the course of the hearings witnesses were heard from the AEC, the reactor and insurance industries, and State government.

In addition to the AEC's regular annual report on indemnity activities, the subcommittee devoted special attention to three major problems in the insurance and indemnity fields.

First, the committee considered the problem of extending the coverage of the Price-Anderson Act so as to cover nuclear incidents occurring outside the United States. A number of witnesses from the atomic energy industry testified as to the need for extending Price-Anderson coverage beyond the territorial

limits of the United States so that contractors in the atomic energy program could be adequately protected against potential large-scale financial liability.

In connection with the proposal to extend Price-Anderson coverage to incidents occurring outside the United States, it was also proposed by the insurance companies that the Atomic Energy Act of 1954 be amended so as to require contractors of the Atomic Energy Commission to purchase commercial insurance up to the limit available before indemnity coverage would be effective. The Committee anticipates giving further consideration to this suggestion during the recess period between sessions of the 87th Congress.

The third major matter discussed during the regulatory hearings was the regulatory and insurance problems associated with the transportation of radioactive materials across toll facilities. Representatives of the New York Office of Atomic Development and the American Bridge, Tunnel and Turnpike Association testified as to the inadequacy of present insurance coverage and the risks that were involved in the transportation of radioactive materials across bridges, tunnels and toll roads. The committee intends to look into this matter further.

In connection with the problem of foreign indemnity, Congressman PRICE introduced, on September 15, a bill, H.R. 9244, providing for extension of Price-Anderson coverage beyond the territorial limits of the United States. Further discussions with the industry and the Atomic Energy Commission on this bill will take place during the recess and in the 87th Congress, 2d session.

D. SPACE APPLICATIONS OF NUCLEAR ENERGY

The Joint Committee held special hearings in August 1961 on the use of nuclear energy in the space program.

Three research and development programs were covered:

The first was the Rover project which is a joint AEC-NASA program for the development of a nuclear rocket engine for the propulsion of space vehicles. The hearings brought out the vital importance of nuclear energy for space propulsion particularly for the more sophisticated missions of the future, such as major lunar missions and planetary missions, which are beyond the capability of chemical rockets.

The second major program discussed was the Snap project—systems for nuclear auxiliary power—which is aimed at the development of long-lived nuclear powerplants to supply auxiliary power for satellites and space vehicles. The first such unit was launched in a Navy navigational satellite called Transit in June 1961. The unit performed excellently from the moment it was launched and is still performing satisfactorily.

The third project covered in the hearing was the Pluto project which is aimed at the development of a nuclear powered ramjet engine for the supersonic propulsion of missiles in the earth's atmosphere. The Pluto project is a joint AEC-Air Force project. The unclassified results of the first power experiment of the nuclear reactor were reported. The results of these first tests which were conducted at the AEC's Nevada test site exceeded the expectations of the scientists working on the program. Full power ground tests are scheduled to be conducted this fall. A full-size nuclear reactor is scheduled to be completed and ground tests started in 1962. The hearings brought out the importance of reaching a decision on follow-on flight tests of the completed nuclear ramjet engine.

E. NUCLEAR TEST DETECTION HEARING (PROJECT VELA)

The Joint Committee held public hearings on developments in the field of detection and identification of nuclear explosions on July 25, 26, and 27, 1961. The purpose of the hearings was to review the progress made in the methods of detection and identification of underground and high altitude nuclear explosions under Project Vela since the committee last held hearings on the subject in April 1960.

All phases of seismic research and development were investigated. In addition, testimony on detection of space tests from ground bases and satellite-borne instruments was received. AEC and DOD witnesses presented the program of underground nuclear and chemical explosions which would be required for the development of an effective detection system. The committee concluded from the testimony presented that the progress to date in development of an effective underground and high altitude detection system was disappointing. However, it was noted that due to bureaucratic delays much of the work underway really was not at the stage where favorable results could be expected.

F. RADIATION SAFETY AND REGULATION

On June 12–15, 1961, the Joint Committee held extensive hearings on radiation safety and regulation. The last 2 days of the hearings were devoted to regulatory matters. This subject is discussed above in section III B of this report. During the first 2 days of the hearings, the committee considered current problems in reactor safety with special emphasis on the SL–1 reactor accident.

The accident occurred at the stationary low power reactor—SL–1—located at the National Reactor Testing Station in Idaho on January 3, 1961. It was the first fatal power reactor accident in the United States and resulted in the death of three operators who were engaged in the final stage of reactor assembly prior to resuming reactor operation.

The specific cause of the accident could not be determined at the time of the hearings and the cause has still not been officially established. Further information on the SL–1 reactor accident may be found in the Joint Committee print entitled, "SL–1 Accident—Atomic Energy Commission Investigation Board Report," dated June 1961.

During the Joint Committee hearing, a number of items were brought up which indicate that some of the administrative procedures could be improved to give greater assurance of safety. The evidence indicated that parts of the reactor had deteriorated appreciably and some of the control rod mechanisms had a history of unsatisfactory operation. It appears that certain of this information was not transmitted to senior personnel responsible for the operation of this reactor. Testimony also indicated that there was no set procedure for adequate inspection of the condition of the plant to insure safe operation.

Since the hearing, the Commission has informed the committee that action has been taken to establish clear-cut lines of responsibility in the field of reactor safety and that regular inspections of reactor conditions have been established.

As a result of the accident and following the Joint Committee hearings, the AEC also reviewed the designs and operating characteristics of other reactors to determine if any of the unsafe conditions which existed in the SL–1 reactor were present in other reactors. The AEC has taken steps to correct any deficiencies which existed in their other reactor operations.

G. CONFERENCE ON THE DISCONTINUANCE OF NUCLEAR WEAPON TESTS (TEST BAN PROBLEM)

Periodically during this session, the Joint Committee received testimony from the President's Special Assistant for Disarmament on the progress being made at the Geneva Test Ban Conference.

Because of the vital importance of the Geneva Test Ban Conference, the chairman of the Joint Committee, certain other members, and staff attended the Geneva test ban talks on May 24–29, 1961. Following attendance at the test ban talks, the chairman reported to the President in Paris on June 2, 1961, just before the President met with Premier Khrushchev in Vienna.

On June 14, 1961 Chairman HOLIFIELD made a speech on the floor of the House entitled, "Where We Stand on Nuclear Test Ban Negotiations." In this speech Chairman HOLIFIELD reflected the general concern of all of the members of the Joint Committee on Atomic Energy with regard to the continuation of an unpoliced moratorium on nuclear weapons, particularly in view of the Soviet intransigence during the test ban negotiations. Chairman HOLIFIELD called for a reappraisal of the U.S. position in the Geneva test ban negotiations particularly in light of the Soviet's insistence on the so-called troika three-man executive commission with a built-in veto.

The Joint Committee has been kept fully and currently informed on activities connected with negotiations in this area through briefings by the responsible executive agencies. In addition, the committee through executive session briefings has closely followed the effects of the test moratorium on U.S. weapons development. On March 6, 1961, the Directors of the Los Alamos and Livermore Laboratories along with AEC representatives met with the Joint Committee and briefed the committee on the current status of our nuclear weapons development. On June 21, 1961, the committee in executive session received testimony from the Chairman of the Joint Chiefs of Staff and from the ranking military officials of each service hav-

ing responsibility for research and development as to our weapon development requirements. The directors of our nuclear weapons laboratories also were present and testified. Chairman HOLIFIELD and Senator HENRY M. JACKSON, chairman of the Subcommittee on Military Applications, on July 7, 1961, sent a top secret letter to the President summarizing this hearing and setting forth their conclusions.

H. CONFIRMATION OF PRESIDENTIAL APPOINTEES

The Senate section of the Joint Committee met in public session on February 23, 1961, to consider the nomination of Dr. Glenn T. Seaborg to the Atomic Energy Commission for the remainder of the term of office expiring June 30, 1963. The Senate members reported favorably on the nomination on February 24, 1961, and Dr. Seaborg was confirmed by the Senate on this same date.

On March 29, 1961, the Senate section met to consider the nomination of Dr. Leland J. Haworth to the Atomic Energy Commission. Dr. Haworth was nominated to serve the remainder of the term of Dr. John Williams who resigned effective June 30, 1961, for reasons of health. Dr. Haworth was also nominated to serve a full 5-year term, expiring June 30, 1966. Senate members of the Joint Committee reported favorably on the nomination of Dr. Haworth on April 12, 1961. He was confirmed as a Commissioner by the Senate on April 13, 1961.

The Senate section of the Joint Committee met to consider the nomination of Dr. Henry DeWolf Smyth to be the U.S. representative to the International Atomic Energy Agency and Mr. William I. Cargo to be deputy representative. The Senate members of the committee reported favorably on their nominations on June 12, 1961, and both were confirmed by the Senate on June 13, 1961.

On June 29, 1961, the Senate section met to consider the nomination of Dr. Gerald W. Johnson to be chairman of the Military Liaison Committee to the Atomic Energy Commission. Senate members reported favorably on the nomination on July 5 and Dr. Johnson was confirmed by the Senate on July 7, 1961.

The Senate section of the Joint Committee met on September 14, 1961, to consider the nomination of Dr. Glenn T. Seaborg to be U.S. representative to the fifth session of the General Conference of the International Atomic Energy Agency and to consider Henry DeWolf Smyth, William I. Cargo, John Graham and Leland Haworth as alternate representatives. The Senate members reported favorably on these nominations on September 14, 1961, and they were approved by the Senate on September 14, 1961.

V. CLASSIFIED ACTIVITIES

In addition to the public hearings discussed above, the Joint Committee, of course, held a number of executive hearings and considered classified testimony and reports on the weapons program, foreign intelligence reports, the naval reactor program, and other important classified activities.

PART 2—PLANS FOR 1962

I. LEGISLATION

A. PENDING LEGISLATION

At the close of the 86th Congress, the committee had pending before it two major items of legislation affecting the regulatory and indemnity sections of the Atomic Energy Act of 1954.

H.R. 9244, introduced by Congressman PRICE on September 15, 1961, would amend the indemnity provisions of the Atomic Energy Act so as to extend coverage to incidents occurring outside the United States. There are many ramifications of domestic and international law connected with this legislation and the committee intends to consider the matter further during the recess and in the course of the 87th Congress, 2d session.

H.R. 8708 and S. 2419 introduced respectively by Chairman HOLIFIELD and Vice Chairman PASTORE would amend the regulatory sections of the Atomic Energy Act in three respects. First, the legislation would provide for the creation of an Atomic Safety and Licensing Board to exercise the Commission's functions in atomic licensing. Second, the mandatory hearing on the reactor operating license after the first hearing on a construction permit would be eliminated. Finally, the legislation would limit the referral of matters to the Advisory Committee on Reactor Safeguards to those involving significant hazards considerations. The committee will give further study to these proposals during the next session of the Congress.

B. AUTHORIZATION LEGISLATION

In keeping with its responsibilities under section 261 of the Atomic Energy Act of 1954, the Committee will consider bills authorizing the appropriation of funds for major construction items in the atomic energy program for fiscal year 1963.

C. MISCELLANEOUS LEGISLATIVE MATTERS

The committee intends to give consideration during the next session of the Congress to a number of possible amendments to the Atomic Energy Act. Committee plans, although not firm at this time, include possible legislation clarifying safety responsibility for, and possession and custody of, nuclear weapons. In addition, the committee may give further consideration to amendments relating to the financial aspects of the atomic power program, including the plutonium "buy-back" provisions of sections 52 and 56 of the Atomic Energy Act of 1954.

II. STUDIES

A number of Joint Committee studies for the next session of the Congress are now in various stages of planning and preparation. Among the subjects for study are the following:

A. FINANCIAL ASSISTANCE FOR ATOMIC POWER DEVELOPMENT

The committee hopes to examine carefully the various direct and indirect subsidies to private industry contained in the Atomic Energy Act of 1954. Among the objectives of such a study is an effort to ascertain the effectiveness of these subsidies as a stimulant to the private nuclear industry. In addition, the committee may examine alternative methods of encouraging the development of nuclear technology.

B. CIVILIAN-MILITARY STUDY

The committee staff will continue its study of civilian-military relationships in the atomic energy field. This study is examining these relationships in their historical perspective and will deal with some current problems including weapons security and safety responsibility and custody of nuclear weapons.

C. AEC REORGANIZATION

Although the committee conducted an extensive study of AEC organization during the past session of the Congress, that study was principally devoted to the regulatory functions of the Commission. The committee hopes to give further study during the next session of the Congress to the recent reorganization of the Commission's promotional and developmental side. Such a study would analyze the impact of the Commission's reorganization and also consider whether further reorganizational steps are necessary, including possible legislation.

III. HEARINGS

A. DEVELOPMENT, GROWTH, AND STATE OF THE ATOMIC ENERGY INDUSTRY (202'S)

The committee will hold its annual 202 hearings within the first 90 days of the 87th Congress, 2d session, as permitted by the recent amendment to section 202 of the Atomic Energy Act, contained in the 1961 omnibus legislation.

In connection with the 202 hearings, next year the committee intends to ask that representatives of the atomic energy industry submit their statements well in advance of the hearings. The committee will then carefully consider each statement and with respect to those statements of special interest to the committee members and the public, will ask that they be delivered orally. Other statements will be published in an appendix to the 202 hearings. It is hoped that this procedure will shorten the hearings and make them more meaningful to the committee and the public.

B. FALLOUT AND RADIATION STANDARDS

The committee intends to hold hearings during the next session of the Congress on fallout and radiation standards. Hearings on these subjects have been held by the committee previously but in view of the recent renewed interest in problems of environmental radiation and the resumption of atmospheric nuclear tests by the U.S.S.R., the committee believes it necessary and appropriate to update these earlier hearings.

C. SPACE APPLICATIONS OF NUCLEAR ENERGY

The committee intends to hold further hearings next year on applications of nuclear energy in the space program. The committee will devote special emphasis to such projects as Rover, SNAP, and Pluto. These hearings will be a part of the committee's continuing scrutiny of the progress of the nuclear space program.

D. SECURITY

The committee intends to hold hearings next year on the security standards applicable to employees and facilities of Government agencies relating to access

to restricted data. The committee plans, among other things, to look into the variations that have developed in security standards between Government agencies in the control and protection of atomic energy restricted data.

E. RAW MATERIALS INDUSTRY

The Subcommittee on Raw Materials plans tentatively to hold hearings this fall—November 12–18—on the state of the raw materials industry. Hearings under the chairmanship of Congressman ASPINALL are planned to be held in Wyoming, Colorado, Utah, and New Mexico. Further hearings to follow up on facts developed during these fall hearings may be held during the next session. It is expected that these hearings will devote special emphasis to the post-1966 outlook for the uranium industry.

The above statement of plans is, of course, largely tentative. In a field such as atomic energy where developments emerge rapidly and very often unexpectedly, the committee must be prepared to quickly direct its attention to new and unanticipated subjects. In this spirit, and in furtherance of its continuing responsibility as legislative watchdog of the atomic energy program, the Joint Committee on Atomic Energy looks forward to new accomplishments during the 2d session of the 87th Congress.

Following is a list of publications of the Joint Committee on Atomic Energy for 1961—87th Congress, 1st session. Dependent upon availability of supply, copies may be obtained from the Joint Committee on Atomic Energy, room F–88, U.S. Capitol Building, Washington, D.C.

LIST OF PUBLICATIONS

IN THE 86TH CONGRESS, 2D SESSION—1960

"Naval Reactor Program and Polaris Missile System": Hearing, April 9, 1960.

IN THE 87TH CONGRESS, 1ST SESSION—1961

AEC authorizing legislation (Reports (H. Rept. No. 562), June 21, 1961; S. Rept. No. 441, June 21, 1961; Conference Report No. 1101, Aug. 31, 1961): Hearings, May 1, 2, 3, 4, 10, 11, 17, 18, 19; and June 6 (price $2.50).

"AEC–NASA Nuclear Rocket Program": Hearings, August 28 and 29. (Available when printed.)

"Agreement for Cooperation with Italy for Mutual Defense Purposes": Hearing, March 9, 1961.

"Agreement for Cooperation with Italy for Mutual Defense Purposes": House Report No. 167, Senate Report 71.

"Application of Radioisotopes and Radiation in the Life Sciences": Hearings, March 27, 28, 29 and 30 (price $1.50).

"Application of Radioisotopes and Radiation in the Life Sciences": Summary analysis, June 1961 (price 15 cents).

"Atomic energy legislation through the 86th Congress, 2d session": Committee print, February 1961 (price 65 cents).

"Background Information on the High Energy Physics Program and the Proposed Stanford Linear Electron Accelerator Project": Report to the Joint Committee on Atomic Energy, 1961.

"Developments in the Field of Detection and Identification of Nuclear Explosions": Hearings, July 25, 26, 27, 1961. (Available when printed.)

"Development, Growth and State of the Atomic Energy Industry": Hearings February 21, 23, 24, 27, 28, and March 1, 2, 3, 1961 (price $2.25).

"Improving the AEC Regulatory Process": Committee print, March 1961 (price 30 cents).

"Improving the AEC Regulatory Process": Volume II, appendix, March 1961 (price $2.75).

"Membership, publications, and other pertinent information through the 86th Congress, 2d session, of the JCAE": Committee print, March 1961.

"Omnibus bills, 1961 and amendment to section 170 of the Atomic Energy Act": Hearings, June 27 and 29.

"Operations under the indemnity provisions of the Atomic Energy Act of 1954": Hearings, July 18, 19, 20. (Available when printed.)

"Power conversion studies Hanford new production reactor": Committee print, March 1961.

"Radiation protection criteria and standards—their basis and use": Index to hearings, July 1961 (price 30 cents).

"Radiation safety and regulation": Hearings, June 12, 13, 14, and 15. (Available when printed.)

"SL–1 accident" (AEC Investigation Board report): Committee print, June 1961 (price 55 cents).

"Views and comments on improving the AEC regulatory process": Committee print, June 1961.

"Agreement for Cooperation for Mutual Defense Purposes With the Republic of France": Hearings, September 12, 1961.

"Agreement for Cooperation for Mutual Defense Purposes with the Republic of France": H. Rept. No. 1183 and S. Rept. 1035.

RÉSUMÉ OF SENATOR ALEXANDER WILEY'S ACTIVITIES IN THE 1ST SESSION OF THE 87TH CONGRESS

Mr. WILEY. Mr. President, with the approach of adjournment, I believe that it is important to summarize and evaluate the accomplishments of Congress. I ask unanimous consent to have a brief statement of my views—as well as participation in these accomplishments—printed in the RECORD at this point as a part of my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

With adjournment, I am taking this opportunity to report to you—my constituents—not only on the record of Congress, but on my activities as your Senator in Congress.

Briefly, the résumé will include legislation which I sponsored, cosponsored, or supported. Also, it will include opposition to legislative—and other governmental action—which I felt against the best interest of Wisconsin and the Nation.

During the session, the senatorial workload included, not only yea-and-nay votes in the Senate, but also a tremendous volume of hearings—including writing and rewriting of legislation—in committees. As the senior Senator of Wisconsin, I am a member of the following committees and subcommittees:

1. Aeronautical and Space Sciences Committee;

2. Foreign Relations Committee, including: African Affairs Subcommittee, European Affairs Subcommittee, and Canadian Affairs Subcommittee;

3. Judiciary Committee, including: Patents, Trademarks and Copyrights Subcommittee, Antitrust and Monopoly Subcommittee, Constitutional Rights Subcommittee, Refugees and Escapees Subcommittee, and Juvenile Delinquency Subcommittee.

MAINTAINING THE PEACE

The maintenance of peace—or, conversely, preventing world war III—is a major challenge confronting us and the world. As a free nation, confronted by a threat to its life from communism, we recognize that complex tasks lie ahead, including:

1. Preventing a further expansion of aggressive, totalitarian ideology—communism.

2. Establishing a sound foundation for peace.

3. Creating a world in which manpower and resources can be dedicated to benefiting—not threatening to destroy—mankind.

STRENGTHENING U.S. DEFENSES

Communism—a powerful bloc controlling nearly a billion people, vast lands and natural resources, continues to mobilize for attaining its goal of world conquest—in effect to "bury us."

We need, therefore: (1) To maintain—together with other free nations—a strong military defense; and (2) to combat aggression in political, economic, cultural and other nonmilitary fronts. Recognizing this threat, Congress enacted—and I supported—a number of programs, including:

1. Earmarking about $48 billion for national security efforts, including putting more "muscle" and "firepower" into our jet-missile-nuclear-space defenses; and strengthening the alliances of free nations formed to combat the outspreading of communism.

2. Establishing a Disarmament Agency—for better formulating and executing U.S. efforts aimed toward control and reduction of armaments.

3. Creating a Peace Corps for (a) meeting human and economic needs in less developed countries by giving ideas and technical know-how, instead of gifts of dollars; and (b) providing an indirect nonmilitary counterforce to communism—operating a global ring of Red conspirators.

4. Strengthening our civil defense program.

MAINTAINING A STRONG ECONOMY

Now, let us take a look at the economic picture. Our nation—to meet challenges of security and progress—needs to maintain a strong, dynamic, forward-striding economy.

The foundation of our system, of course, is not activities of Uncle Sam, but free enterprise.

The passage of laws—insofar as is necessary for economic purposes—should be aimed at spurring—not stunting, or unnecessarily interfering with—the ability of free enterprise to meet the needs of the Nation. Among the major programs approved by Congress, which I supported, are the following: Improvement in the expansion of our local, State, National Highway System; stimulating the housing and homebuilding program, including liberalization of homebuying regulations to enable more families to own a piece of America; expansion and improvement of airports; extension of unemployment benefits for workers, who, still unemployed have exhausted such benefits; and carrying forward port and harbor development and flood control; and other projects.

TAXES—ECONOMY

To help keep our economic house in order, we need, also, the following actions: A top-to-bottom reform of our tax system—to plug loopholes; iron out inequities; remove unintended hardships or benefits; and generally to find ways and means by which the country can (a) more effectively meet its fiscal needs; (b) assure fair treatment of our citizens under the law; and (c) spur, not stunt, economic growth and progress.

ESTABLISHMENT OF A PERMANENT HOOVER-TYPE WATCHDOG COMMITTEE ON FEDERAL SPENDING

Year after year, the American taxpayer is confronted by bigger and bulgier Federal budgets—amounting to about $88 billion for 1962.

For this reason, I have proposed a permanent, Hoover-type watchdog commission—to act as guardian of the purse strings.

The objectives would include: Cutting out waste and duplication; stopping unnecessary competition among Federal agencies or services; eliminating activities that are nonessential or that could better be performed by State and local government or private enterprise; and generally, to promote greater efficiency and economy.

Previous Hoover Commissions' recommendations have saved estimated $3 to $4 billion annually.

I am urging, therefore, that—during the congressional recess the Senate Committee on Government Operations consider and prepare recommendations for establishment of a Permanent Watchdog Committee to protect the interests of the taxpayer.

In a free society, government, I believe, can make its best contribution to economic growth by fostering conditions that encourage and reinforce the efforts of individuals and private groups to improve their circumstances, and promote progress.

This includes: Preserving a free, competitive climate; maintaining a stable currency; attempting to minimize fluctuations in employment; developing human and natural resources; and enhancing personal security of our people.

Now, and in the years ahead, we, as a nation, then, depend to a large degree upon our free-enterprise system to (1) create more good things of life for our fast-expanding population; (2) further improve our business and industrial programs for an accelerated rate of economic progress; (3) provide the economic strength to support a costly national defense program; and (4) to support—as we can—global efforts to eradicate disease, malnutrition, poverty, illiteracy and other plagues of mankind—without which there can be no real peace.

SPACE EXPLORATION

The space age—sprinkling our language, and the heavens, with rockets, missiles, satellites, and other space instruments—has created an era of new promise and challenge. During normal times, exploratory efforts would probably go forward at a slower pace. However, communism—the foe of freedom—is up there, brandishing its space power for blackmail and threatening annihilation of the free world. In vain, we have attempted to obtain agreement for dedicating outer space for peaceful purposes. The Reds, however, do not agree. Consequently, we must go full speed ahead for developing a space defense to provide protection against: Nuclear bombings from outer space; satellite or other spacecraft used for attack against freedom; developing effective anti-missile missiles; and creating antidotes against nuclear fallout and other defenses.

The exploration of space, however, also offers practical benefits. Among other things, these include:

1. Improved radio, television, and telephone communication.

2. More effective weather forecasting to minimize loss from tornadoes, hurricanes, and other storms, as well as to benefit agricultural and conservation programs.

3. Further efforts to utilize heat and light from the sun and other natural resources of the universe.

4. Generally gather data about the elements and forces of space for harnessing them to serve mankind.

During this session, I have supported efforts to further improve and expand our space exploration utilization program.

HUMAN WELFARE

Despite the significance of national, global, and space challenges, we cannot—and must not—get so lost in these affairs that we fail to recognize and fulfill the human needs of our people.

Briefly, then, let's take a look at programs designed to promote human progress.

During this session, the Congress enacted—and I supported—efforts to: Liberalize social security benefits for folks over 65; combat juvenile delinquency; provide 73 more Federal judgeships to try to help clear up the backlog of court cases; stiffen penalties for public nuisances who distribute obscene literature injurious to youth; and enact tougher laws to curb organized, interstate crime—jeopardizing the interests and lives of our citizens and costing billions of dollars yearly.

ANTICOMMUNISM

In a crisis-ridden world, communism constitutes the major threat to peace.

Militarily, the Red armed forces total about 9 million—with ever-growing nuclear—missile—fire power. In addition, a global ring of about 36 million Red conspirators are operating in about 86 countries. What is their aim? To carry on political, ideological, economic warfare by subversion, espionage, sabotage and other aggressive tactics to further their aims of world conquest.

For this reason, we must strengthen our anti-Communist programs. This includes the following:

1. Putting more muscle and firepower into our jet—nuclear—space defense for a deterrent to massive attack;

2. Strengthening our truth-spreading programs to beat—not be beaten by—the Communist propaganda machine.

3. Adopting a more realistic counter-offensive on nonmilitary fronts, including sharper efforts to penetrate the Iron and Bamboo Curtains—not leave this as untouchable territory for the Reds.

4. Creating more detailed blueprints for triumph of freedom—for a more effective nonmilitary offensive against communism—not just pursue defensive policies.

5. More effectively mobilize the free world, economically and politically, as well as militarily, to fight communism.

FARM OUTLOOK

The farm picture—although slightly brightened—still has not improved enough to provide the farmer with a fair share of the income of the Nation.

Now, it's true that in dairying—as well as other aspects of U.S. agriculture—I have supported specific steps that I felt would help brighten the outlook. These have included: Expanding markets at home and abroad; establishment of a dairy research laboratory to find new industrial uses for milk; combating livestock disease; strengthening the cooperative movement; eliminating barriers to the free flow of milk in interstate commerce; preventing oleo or other substitutes from usurping dairy markets; urging strong action against too great a flow of imports that would jeopardize the domestic markets for U.S. producers; urged adoption of realistic and helpful—not punitive—regulations by the Food and Drug Administration, U.S.D.A. and other agencies; advocated a realistic price support program for dairying; urged expansion of the school milk and school lunch program—providing an important outlet for dairy and other farm products; and urged adoption of special assistance programs to aid farmers in drought-stricken areas of the State.

ST. LAWRENCE SEAWAY—A BOON TO MIDWEST

The St. Lawrence Seaway—a less-expensive trade route to ports of the world—offers new, ever-greater opportunity for stepped-up trade and commerce for Wisconsin and the upper Midwest.

As a sponsor of the original law authorizing U.S. efforts to improve the waterway, I naturally feel we should now undertake more realistic efforts to reap benefits from its potential. For this reason, I have advocated, or supported, steps to:

Assure fast, smooth handling of shipping through the seaway itself, eliminating bottlenecks and expediting traffic.

Finish the job of deepening and improving the Great Lakes connecting channels, so that deep sea vessels can sail to all lake ports.

Expand promotion efforts to provide shipping, trade, and related interests with a better knowledge of advantages.

Speed up completion of port and harbor development projects, to enable ports to expeditiously handle available traffic and larger volumes of trade and commerce for the future.

Enlarge research efforts to find markets for the wide variety of products of the agricultural-industrial complex of the upper Midwest, the greatest in the world.

Undertake pilot studies in deicing, to determine the feasibility of attempting to further extend the shipping season.

Find early, favorable solutions to problems arising out of pilotage, labor-management negotiations, and other situations.

Encourage greater cooperation among lake States in the development of trade and commerce.

BATTLES TO SERVE CITIZENS

Serving you, my constituents, invokes sometimes opposition to proposals that, in my judgment, would not serve the best interests of the people in the country. These have included the following:

Opposing discriminatory rate setting on ocean-going shipping, detrimental to Wisconsin and U.S. farmers, shippers, manufacturers, and others.

Opposing too-large volumes of imports in dairying and manufacturing that jeopardize our domestic economy.

Urging revision of governmental and private enterprise shipping patterns—to encourage greater utilization of the Great Lakes-St. Lawrence water route system with its benefits for Wisconsin.

Contested Internal Revenue Service, Food and Drug Administration, Department of Agriculture, and other agencies on regulations contrary to the public interest; and other activities.

OTHER ACTIVITIES

Other activities have included:

Greater efforts to expand natural resources.

Establishing an Ideological Warfare Agency to more effectively combat communism.

Creating a national food reserve system.

Promoting tourism through Wisconsin.

Legislation to protect the interests of the Menominee Indians.

Expanding forest research.

Creation of an Antarctic Commission to better protect U.S. interests on the Great White Continent.

Establishment of a Country Life Commission to study, evaluate, and make recommendations for coping with long-range problems in agriculture.

Establishment of an Ice Age National Park in Wisconsin—to protect, preserve and utilize for the public good the scenic, scientific, geologic significance of our unique, glacially formed moraines.

Improve our judicial system.

Protect patents.

Improvement of our educational system.

Promotion of our invest-in-America program.

Establish a Space-Age Manpower Commission.

Protect civil rights of all citizens.

AMENDMENT OF TITLE II OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

Mr. HILL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 9053.

The PRESIDING OFFICER laid before the Senate the bill (H.R. 9053) to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the Senate proceeded to consider the bill (H.R. 9053) to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made.

Mr. HILL. Mr. President, section 205 (a) of the National Defense Education Act limits the amount that may be loaned from the student loan fund of an institution of higher education to $1,000 to any student for any fiscal year and to a total for all years of not more than $5,000. A number of institutions of higher education have adopted, or are in the process of adopting, an accelerated program providing for three full semesters of 15 weeks each per calender year instead of two 14- to 16-week semesters or three 10-week semesters. A student pursuing such a program could complete the normal eight semesters of college work in 2⅔ calendar years instead of 3¾ calendar years. However, under the terms of the act, he would not be eligible for a loan of more than $1,000 per fiscal year whether he completed two semesters or three semesters of college work during the 12-month period.

The bill, if adopted, would apply the $1,000 per year limitation to the "academic year or its equivalent" rather than the fiscal year, thus making students undertaking an accelerated program eligible for the same loan amounts during their undergraduate study as are students pursuing the traditional 4-year program.

Mr. President, I have cleared the bill with the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD]; the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]; the distinguished Senator from Arizona [Mr. GOLDWATER], the ranking minority member of the Senate Committee on Labor and Public Welfare; the distinguished Senator from Oregon [Mr. MORSE], the chairman of the Subcommittee on Education of the Committee on Labor and Public Welfare; the distinguished Senator from Michigan [Mr. MCNAMARA] who last year was acting chairman of the subcommittee of the Committee on Education and Labor which dealt with the problem; the distinguished Senator from New York [Mr. JAVITS]; and other members of the committee.

I find unanimity in the thought that the bill should be passed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 9053) was ordered to a third reading, was read the third time, and passed.

SUPPLEMENTAL APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 9169, the supplemental appropriation bill for 1962.

Mr. MANSFIELD. I wonder if it would be possible to have the third reading of the bill.

Mr. JAVITS. Mr. President, I am sorry, but I have to ask the Senator to withhold that request for a while.

Mr. MANSFIELD. May I ask the Senator from New York how long he intends to hold the floor? I should like to notify the Senate, so that Senators can be prepared. I understand the Senator's problem. I invite his attention to the fact that the bill does have to go to conference. We all would like to see the bill get to conference as soon as possible.

Mr. JAVITS. I say to my colleague that I should like to suggest the absence of a quorum, then get the floor, and then speak. I assure the Senator that I have no desire to delay the Senate as to sine die adjournment, or even on this bill. I am unable at this moment to give the Senator a time indication, but I hope I can give him one within an hour. I am unable to make a time commitment at this moment.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senator from Delaware, I wonder if he could give some idea how long it might require for the reconsideration of the bill which he asked to have reconsidered, S. 1745.

Mr. WILLIAMS of Delaware. It will not take me very long, I assure the Senator from Montana. Two or three other Senators wish to be heard, and we should get them to the Chamber. I understand the Senator from Oregon is willing to have reconsidered the vote by which the bill was passed and then to have a vote on its merits. With that understanding, as soon as we can get the Senators who are interested on the floor, I shall be perfectly willing to proceed. So far as I am concerned, it can be disposed of promptly.

Mr. MANSFIELD. In view of the fact that it seems there will be a delay of an hour, perhaps, I shall suggest the absence of a quorum, and then ask the Senator from Delaware if he will seek action on his request for reconsideration.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I believe the Senator from Hawaii has an amendment to offer. It has been discussed with the committee.

Mr. LONG of Hawaii. Mr. President, I offer the amendment which is at the desk, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 29, line 16, it is proposed to strike out "$3,625,000" and to insert in lieu thereof "$3,800,000".

Mr. LONG of Hawaii. Mr. President, the amendment would restore $175,000 of the $325,000 cut by the House Committee on Appropriations from the budget estimate for operating expenses and project support costs of the Center for Cultural and Technical Interchange Between East and West.

This request seems to be entirely reasonable, and I am pleased that the distinguished chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN] and the chairman of the Subcommittee on State Department Appropriations, the Senator from Arkansas [Mr. MCCLELLAN], have agreed that the request should be taken to the conference with the House for final consideration. The authorities of the University of Hawaii have urged that this amount be available to continue their program. It is also significant that the State Department requested that this amount be restored.

In looking to the future, I feel it is important that all current needs be recognized and dealt with in an appropriate way. Furthermore, keeping this idea before all of us in this Chamber will be another assurance that in the first supplemental appropriation next year the full requirements for construction will be met.

Mr. HAYDEN. Mr. President, the amount requested in the amendment is authorized by law. I have no objection. I am willing to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Hawaii.

The amendment was agreed to.

REGULATION OF FARES FOR TRANSPORTATION OF SCHOOLCHILDREN IN THE DISTRICT OF COLUMBIA—RECONSIDERATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the motion by the Senator from Delaware [Mr. WILLIAMS] for reconsideration of the vote by which the Senate passed the bill (S. 1745) to amend the act of August 9, 1955, relating to the fares for the transportation of schoolchildren in the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the motion.

Mr. MORSE. Mr. President, I ask the staff of the minority to notify the Senator from Idaho [Mr. DWORSHAK], because I promised that he would be notified when the bill was reconsidered. The Senator from Delaware [Mr. WILLIAMS] is in the Chamber. The Senator

from Idaho [Mr. DWORSHAK] should be notified immediately.

If the Senator from Delaware does not mind, I shall make a short statement, and then be through.

The PRESIDING OFFICER. Does the Senator wish to have the bill before the Senate?

Mr. MORSE. I thought the bill was before the Senate.

The PRESIDING OFFICER. Without objection, the Senate will reconsider the vote by which the bill (S. 1745) was passed.

The question now is, Shall the bill pass?

Mr. MORSE. Mr. President, I took the position that the Senate should reconsider the bill in view of the fact that some time ago the Senator from Delaware [Mr. WILLIAMS] made a motion for reconsideration, which is his right; and I think he deserves from me my complete cooperation.

I see now in the Chamber the Senator from Vermont [Mr. PROUTY], who is a member of the Committee on the District of Columbia.

I really occupy the position of spokesman for the chairman of our committee, the Senator from Nevada [Mr. BIBLE], and the Senator from Maryland [Mr. BEALL], the ranking minority member of the committee who could not be present today.

The purpose of this bill is to amend existing law by adding a new section that would direct the District of Columbia government, under certain conditions, to pay annually to each common carrier required to transport schoolchildren at a reduced fare, the difference between such reduced fare and the amount which would have otherwise been paid if the lowest adult fare had been collected. An estimated 5,442,000 fares are paid annually by schoolchildren at the existing 10-cent rate. The present lowest adult fare is 20 cents.

The bill, designed as a means of providing the affected common carriers with payments to compensate them for half-fare rates levied by law on schoolchildren passengers, would afford such carriers an opportunity to earn a net operating income, after taxes, equivalent to the rate of return established by the regulatory commission having jurisdiction in the carrier's last rate case.

I understand that the return is 4.9 percent. I did not make it 4.9 percent. All that action will do is a provide that to the extent that the transit company does not reach a return of 4.9 percent, it can obtain additional funds from the so-called school transportation fund.

Such payments by the District of Columbia to common carriers qualifying under the formula would be limited to an amount which would not increase the net operating income of a carrier to an amount over and above that prescribed in the carrier's last rate case.

The bill provides that the Washington Metropolitan Area Transit Commission would certify annually to the Board of Commissioners of the District of Columbia the amounts, if any, owing to each common carrier for the preceding fiscal year. After receiving such certification, the Board of Commissioners would be required to pay to each carrier the amount so determined. The Washington Metropolitan Area Transit Commission was established under a compact—Public Law 86-784—approved by the Congress, authorizing this agency to regulate common carrier service and fares in the Washington metropolitan region. It is the committee's conclusion that the interests of the District of Columbia remain fully protected, since a member of the District of Columbia Public Utilities Commission is required to sit as a member of the three-member tristate Commission. Also, the committee concurred with the Department of the Treasury that any subsidy payment should not be exempt from the imposition of Federal income taxes or District of Columbia franchise taxes levied upon corporate income.

With the committee recommending that the amount to be paid in subsidy to the carriers should be governed by the rate of return established by the appropriate regulatory agency in the carriers' last rate case, there would be no reason to expect a substantial school fare subsidy since rates are fixed so as to provide the return allowed. However, in any event, the largest amount that could be certified is $544,200 per annum.

I was asked by certain Senators to obtain answers to certain questions on this subject which concerned them. I now read into the RECORD the questions, and the answers that I obtained. I obtained the answers from Mr. George Donella, District Building, who is an expert on this subject:

Question. Can school tickets be used for purposes other than going to and from school?

Answer. No. The time in which the school tickets may be used is from 5:30 o'clock a.m. and 7 p.m. on schooldays. Special tickets are provided for night school pupils which may be used between the hours of 4:30 p.m. and 11 p.m. These reduced fare tickets will not be good on Sundays, holidays, and Saturdays.

Question. Has there been a survey made to determine how many children use public transportation?

Answer. No survey has been made for this specific purpose. However, records available to the Public Utilities Commission indicate that 5,336,027 reduced passenger fare tickets were used by school children in the calendar year, 1960.

Question. Has there been a survey made to determine the cost of transporting children if the District of Columbia were to furnish the service to and from school?

Answer. There has been no such survey.

Senators who are members of the Committee on the District of Columbia and who have lived with the problem are satisfied that if we proceeded to set up a public transportation system for the transport of children to public schools—and there is no reason why we should not transport children to private schools also, as is done in many States—the amount required would be far in excess of the amount we are asking to be paid to the transit company for the transportation of children.

I close with this argument: Under the status quo, do Senators know what this means? It means that in the last analysis, the riders of buses and streetcars are really subsidizing the parents who are sending children to school.

I want the Senator from Idaho [Mr. DWORSHAK] to know that I asked to have him called to the Chamber at the very beginning of my comments. I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, I wish to emphasize, first, that to the extent that it can be shown that the present fare being paid for the transportation of schoolchildren here in the District does not cover cost of operation of the buses by the Capital Transit Co., plus a reasonable profit, I am perfectly willing now or at any time to vote for an increase in those rates I do not think that other passengers riding the buses should, under any circumstances, be required to subsidize through their own passenger fares, the transportation of schoolchildren. I wish to emphasize that point.

On the other hand, I do not want the situation in reverse. No study has been made which would show that the company hauling these schoolchildren for the 10-cent fare is not already making money. I do not say that they are. I say only that no study has been made to show that they are not. No study has been made to show to what extent we should raise the rate. Should we raise it to 12 cents? To 15 cents? Should we raise the rate to 20 cents? Or would it be cheaper, if the bus company is losing money, for the District to put on its own private buses to haul the schoolchildren? I think all of those factors should be taken into consideration before we just vote for a blanket half-million-dollar annual subsidy.

What I object to in respect to the bill is that it provides the mechanics whereby Congress will reimburse the Capital Transit Co., not just for that portion of the fares which represents a loss or the lack of a reasonable profit, but the bill provides that even though the Capital Transit Co. is making money now on hauling schoolchildren, if the company needs additional revenue to bring the return of its investment up to the 4.9 percent return Congress will increase the payment of the hauling of the schoolchildren, up to 20 cents each. This bill in effect is a built-in subsidy to guarantee the Transit Company a profit without any regard as to the actual cost of transporting these schoolchildren.

This is not just a bill to pay the necessary transportation of the children. It is an indirect subsidy to guarantee to the private company operating the service in Washington a net return on its capital at the expense of the taxpayers. Therefore I do not think the bill should be passed without further information. I think the bill should be sent back to the committee. As I understand, a motion will be made later whereby between now and next year the committee could conduct the survey to find out what it is costing to transport the schoolchildren under the present system. We should know whether or not the company is losing money at the moment and whether or not they need this increase and, if so, to what extent it should be raised.

Thus far such information has not been requested, nor is it available.

Apparently the only question that has been asked is, "How much does the company need to bring its annual earnings up to a 4.9-percent return on the capital invested?"

When this information has been developed the committee can return at the first of the year with a bill, and we will vote on it accordingly. I would be perfectly willing to raise the rates to whatever extent is necessary to cover the cost of transporting the schoolchildren in the District of Columbia, plus a reasonable profit as would be expected to the company that is doing the job. I think we should either do that with the Capital Transit Co., or, as I said earlier, the District should provide private buses and do the job itself. But under no circumstances should we allow the transportation of school children to become a vehicle whereby the Federal Government would provide a subsidy in order to guarantee the company a profit when such subsidy has no relationship to the cost of transporting school children. If we are going to pay the cost of transporting the schoolchildren, let us do so, but if we are going to subsidize the Capital Transit Co. out of the Federal Treasury, let that request come as a direct request.

We do not want the regular passengers to be forced to subsidize the transportation of schoolchildren; nor do we want to subsidize regular passenger fares and the company in the name of the schoolchildren.

Mr. DWORSHAK. I have joined the Senator from Delaware [Mr. WILLIAMS] in asking for a reconsideration of the bill, which was reported by the Committee on the District of Columbia and passed on the call of the calendar without an explanation of the bill being made.

I have seen many bills with less far-reaching importance and impact than this bill come up for full debate and full consideration.

The Senator from Oregon is a very great champion of Federal aid for education, and I am sure he has won much acclaim for that activity. I can see no reason at this time for singling out the District of Columbia for preferential treatment. It is entirely possible, as the Senator from Oregon knows, that early in the next session legislation will be considered by Congress to provide Federal aid to education. At that time, the District will receive full and equitable consideration as compared with the 50 States of the Union.

I am sure the Senator from Oregon knows that the Federal contribution to the District was increased from $25 million to $30 million this year. It reflects a very sizable increase, and indicates that Congress is interested in the fiscal solvency of the District of Columbia.

Only a few minutes ago, by an amendment to the supplemental appropriation bill, $5 million was provided for aid to schools under the impacted Federal aid program in the District of Columbia. Obviously the District of Columbia is not being ignored or neglected, but is receiving all the consideration to which it is entitled at this time.

I believe the Senator from Oregon said in his brief opening remarks that no survey or study has been made of the transit problem in the District of Columbia, so far as the schoolchildren are concerned. I believe that is a fact. If it is, then that is even more justification to defer action on the bill, not indefinitely, but until an accurate and thorough study and survey can be made of the various points involved in this very significant program. Being the fairminded legislator that he is, I am sure the Senator from Oregon will concur in that proposal. Therefore, I hope that the Senate at this time, in the closing hours of the session, will not endeavor to deal with a far-reaching and very important problem of this kind, when it is likely that the House will not take action, and, even if it did, when we know that early in the next session we will have an opportunity to deal thoroughly and fully and equitably with educational matters affecting not only the District of Columbia, but also the 50 States of the Union.

On that basis, I believe that when the Federal contribution is being increased greatly and when the schools of the District of Columbia for the first time will likely participate to the extent of $5 million in the impacted aid program, there is justification to defer action on this proposal until early in the next session.

Mr. MORSE. Mr. President, in brief reply to the Senator from Idaho, I wish to make it clear that this bill was the subject of extensive hearings on the part of the District of Columbia Committee. The bill was unanimously reported by the committee. All the Democratic and Republican members of the committee, after the hearings, on the basis of the record, recommended the bill to the Senate. It is true that it passed on the call of the calendar. No objection was raised, and the committee report was available to the Senate. The committee report is on the desk of each Senator. I believe it is an exceptionally good committee report. Two members of our committee are considered to be our experts on this subject matter. One is the chairman of the committee, the Senator from Nevada [Mr. BIBLE], and the other is the ranking minority member, the Senator from Maryland [Mr. BEALL]. Both of them have worked on this matter of area transportation. They strongly recommend the passage of the bill, because they have reached the conclusion, I have reached the conclusion, and the committee has reached the conclusion that the District of Columbia cannot transport these schoolchildren at the rate of 10 cents for each child.

I close my comment on this argument by pointing out that it costs just as much money for the Capital Transit Co. to transport a child going to high school or grade school as it does to transport an adult. We cannot draw any line of distinction in cost between transporting a schoolchild and an adult. There are no special buses provided. The children get on the general buses.

The next point I wish to make is on the philosophy of the bill; and this is where I leave my good friends, the Senator from Delaware and the Senator from Idaho. It is said that we should know whether the company is losing money. As a stanch defender of the private enterprise system, I say that that question is irrelevant to the problem before the Senate. It does not make any difference whether the company is losing money. I am satisfied they are losing a substantial amount of money. However, I go to the question of policy. Why should we say to the Capital Transit Co., "You must carry these children for less than cost or for just cost"? The argument is made that we gave the company a franchise. That is not a justification, simply because we gave them a franchise. On that basis we cannot say, "You have got to carry these children going to school for less than cost or for just the cost."

If we wish to use the cost approach to this matter, then we ought to set up our own buses and carry the children on schoolbuses. I am satisfied, and the committee is satisfied, that if we did that the cost would be much more than the cost that is provided for in the bill.

Lastly, Mr. President, let me say that no one is getting cheated, and no one is losing, so far as the taxpayers are concerned, because Capital Transit Co. is entitled to make a rate of return of 4.9 percent. All that the bill does in effect is say to Capital Transit, "You cannot get $1 more for carrying schoolchildren than you are now getting, if you get a 4.9 percent rate of return."

The regulatory body says Capital Transit is entitled to it. The argument is made that they are not getting 4.9 percent. The argument before the committee is that one of the main reasons they are not making that rate of return is because they are carrying these schoolchildren for 10 cents, and that they have had a substantial loss as a result.

There is nothing to stop my good friends from Delaware and Idaho from having a study made next year. I will support them in that study. However, I do not believe we can justify postponing passing a bill that comes to the Senate with the unanimous recommendation of the committee to do justice to the transit company so that they can get the rate of return of 4.9 percent. They cannot get over it. They cannot get $1 over it. Therefore, I believe that, what the committee has brought before the Senate is a bill that is fair to the private enterprise system.

I close with this argument: What is the trend? All over America in mass transportation, what is the trend? What is the problem of streetcar companies and bus companies in city after city? Read the records of our hearings, I say to Senators. This is a dying business in this country. The clamor is to take it over by public ownership. My colleagues in the Senate know that a few years ago when I was chairman of the subcommittee which had jurisdiction over the investigation of the transit system in the District of Columbia, I made perfectly clear that I opposed those who at that time were advocating public ownership. I said we can bring in a

private company. At that time the Wolfson Co. had control of the transit in the District. We did bring in a private company. I believe that by and large it has done a remarkable job. We should not discriminate against it by refusing to let it collect a 4.9 percent return, which the regulatory body says it is entitled to collect. We can take judicial notice of the fact that if it is fair to charge 20 cents for transporting an adult, we are asking someone to subsidize taking a child to school for 10 cents.

All I am making a plea for is a fair and equitable bill which will do justice to private enterprise in the District of Columbia, an enterprise which ought to have an end brought to the unfair discrimination practiced against it.

Mr. DIRKSEN. Mr. President, it is now 28 years since Congress passed the merger resolution under which the transport system in the District of Columbia was consolidated. Out of that merger came a charter for the creation of the Capital Transit Co. The charter contained a provision that schoolchildren shall be carried at a fare which is not more than one-half the cash fare. So if the cash fare today were 20 cents, the Transit Co. could charge not to exceed 10 cents for each schoolchild. As I understand, in the neighborhood of 5½ million transports are made by children in the course of their school year. At 10 cents each, that would amount, in round figures, to some $550,000.

The bill before the Senate proposes that two things be done: The first is to have the Metropolitan Transit Commission ascertain the number of children riders and to certify that number, expressed in dollars, to the Commissioners of the District of Columbia.

The Transit Commission also is charged with determining what the net income of the transit company should be according to allowances by the Public Utilities Commission on the last rate case. So if the last rate case indicated the transit company was entitled to a 4.9-percent return, two figures must be considered. It is not possible to exceed the 4.9-percent figure; but the law does provide that there shall be paid—there is nothing permissive in the language; it is that there shall be paid—to the carrier an amount equal to that difference, which is roughly $545,000 or $550,000. That would be a subsidy by the District of Columbia to the D.C. Transit System. I do not know what else it could be called.

It occurs to me that in the granting of a charter, all these items are discussed before the charter is approved. In the main, anyone seeking a charter is only too glad to make such a concession to the children. But when they come back later and say, "There is a difference of $550,000, in round figures, between the lowest cash fare and the fare which the children pay; therefore, the authorizing authority, namely, the Commissioners of the District of Columbia, should be compelled out of their funds to make that kind of remittance to the transit company," it becomes a mandatory amount at the end of each year.

Mr. MORSE. Mr. President, will the Senator from Illinois yield at that point? I think we may be able to reconcile our points of view.

Mr. DIRKSEN. I yield.

Mr. MORSE. The amount may be $500,000; it may be not a single cent. That will all depend on whether the regulatory body finds that the transit company is making a 4.9-percent return. The company will get the additional money out of the so-called school-fare fund only if it is necessary to bring its return up to 4.9 percent. However, the company may not, in any event, charge more than the regular fare. I do not know how much, out of the possible $500,000, the company could get in the first year. As the Senator from Illinois well knows, that would depend on a number of factors in the running of a mass transportation system. However, there are two protections, so far as the public is concerned. First, the transit company cannot receive more than a 4.9-percent return. Second, it may not charge more than 20 cents, which is the regular fare. In my judgment, it will be found that the company will not require anywhere near $500,000. However, it is only fair to the private enterprise system that it at least be made whole.

Mr. DIRKSEN. Mr. President, let us examine the argument just made by the distinguished Senator from Oregon. If it is not to cost the District of Columbia a cent, then the bill should not be here. If it is not known how much the proposal will cost, then the bill ought to go back to committee for further survey and study. That is the reason why I propose to move to recommit the bill.

It will be a precedent to say to the Board of Commissioners, appointed by the President of the United States, "You shall pay to the D.C. Transit System the amount which represents the difference in fare, but not more than 4.9 percent of the net operating income on the capital investment."

Such a procedure would fan out into every State in the Union. I should like to know where we would end if we made it mandatory upon the District Commissioners to pay a subsidy, because such a procedure could be picked up by the State legislatures; it could be picked up by city councils all over the country.

Once upon a time I served on a city council which dealt with a similar problem. I remember the public-operated railway at the time. That is where I got my first indoctrination.

I think it would be the better part of wisdom, because Congress will reconvene in a matter of 3 months, to recommit the bill for a little further study and recommendations. To that end, I submit my motion.

The PRESIDING OFFICER. The motion will be stated.

The CHIEF CLERK. Mr. DIRKSEN moves to recommit the bill to the Committee on the District of Columbia with instructions to conduct a survey and study of the school transportation problem in the District of Columbia and to report back to the Senate together with its recommendations on or before February 15, 1962.

Mr. LAUSCHE. Mr. President, in my opinion, the bill has far-reaching ramifications. We approach it as if it will be limited in its application to the District of Columbia. It definitely deals with an entry into a new field, namely, the subsidization of the mass transportation facilities of a municipality.

In 1957, when the Subcommittee on Surface Transportation of the Committee on Interstate and Foreign Commerce was conducting hearings on the plea of the railroads, the president of the Pennsylvania Railroad, and, also, as I recall, the president of the Boston and Maine Railroad appeared before the subcommittee and recommended a subsidy for the financing of commuter service, which was supposed to be losing money.

Within 3 days after the recommendation was made, I had received letters from two municipalities in Ohio asking that they be provided a subsidy because they were not able successfully to finance their domestic transportation service.

I respectfully submit that the Senator from Oregon, when he described the bill relating to the local transportation agencies, in effect implied that subsidy is the way out for practically all transportation companies in the country. If that is a fact, we should not deal with this matter by quickly passing such a bill without deep and careful consideration.

Mr. President, subsidies are being requested for practically every type of operation. Last week we decided to subsidize the mining of lead and zinc. We are subsidizing the airlines, the inland water carriers, and—indirectly—the truckers. It is proposed to subsidize the railroads. Today we have the beginning of what in my opinion will eventually be a demand, from all over the country, that "if you are subsidizing the transit system in the District of Columbia, subsidize the transit systems in Cleveland, in Toledo, in Dayton, in Piqua, in Troy, and everywhere else."

In my judgment, we had better begin to look for the causes of the inability to make a fiscal success of these transportation systems. When a segment of our economy says, "We cannot survive unless you help us," we rush to the Federal Treasury and begin to ladle out public funds; but no thought is given to the causes or to trying, through elimination of the causes, to create a better fiscal situation.

Not only should this measure be considered further in the Senate, but throughout the country there should be an opportunity for all the forums to consider it, and there should be an opportunity for those at the dinner tables and the breakfast tables to discuss this new field of endeavor into which it is sought to have the Federal Government participate.

Therefore, Mr. President, I shall gladly support the motion to recommit the bill, for further study by the committee.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. DIRKSEN] that the bill be recommitted.

Mr. DIRKSEN. Mr. President, on this question I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I wish to reply to the statement made by the Senator from Ohio, who has said this matter has ramifications far beyond the District of Columbia. However, I respectfully deny that, inasmuch as this afternoon the Senate is being asked to do what is strictly a city-council job; in connection with this matter, the Members of the Senate are proceeding as the city aldermen for the District of Columbia.

There has been constant pressure for an increase in the transportation fare in the District of Columbia. The transit company either is entitled to have an increase in the fare or is entitled to some help in connection with the schoolchildren transportation problem. The matter is that simple.

It is proposed now to return this measure to the committee. But a voluminous record has already been developed there, and the committee could not possibly do a better job in that connection. In connection with the committee hearings, few Senators could answer in the affirmative the question "Were you there, Charlie?" And I suppose that very few Senators could answer in the affirmative the question "Have you read the record in connection with this measure?"

The committee members and, in turn, all the other Members of the Senate have the job of serving as aldermen for the District of Columbia, Mr. President. The question is whether it is better to provide some assistance to the transit company in connection with the transportation of schoolchildren—who now are being transported by the transit company at a loss of 10 cents per child—rather than to leave the transit company in a position to request a general increase in fare in the District of Columbia. The fare for the transportation of adults in the District of Columbia presently is 25 cents, or 5 fares for $1.

So, Mr. President, it is apparent that nothing would be accomplished by recommitting the bill. We are satisfied that what is now proposed by means of this measure is the fair thing to do in dealing with a private enterprise in the District of Columbia, which already is working under great hardship.

Therefore, Mr. President, I move that the motion to recommit be laid on the table.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to recommit.

Mr. LAUSCHE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Ohio will state it.

Mr. LAUSCHE. Does the order for the yeas and nays apply also to the pending motion?

The ACTING PRESIDENT pro tempore. No.

Mr. LAUSCHE. Mr. President, on the question of agreeing to the motion to lay on the table the motion to recommit, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

Mr. DIRKSEN. Mr. President, the yeas and nays have been ordered, have they not, on the question of agreeing to the motion to recommit?

The ACTING PRESIDENT pro tempore. That is correct. But the pending motion is to lay on the table the motion to recommit.

On this question the yeas and nays have been demanded. Is there a sufficient second?

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question now is on agreeing to the motion to lay on the table the motion to recommit. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

The vote was recapitulated.

Mr. MANSFIELD. Mr. President, am I recorded?

The ACTING PRESIDENT pro tempore. The Senator is recorded.

Mr. MANSFIELD. Am I recorded in the negative?

The ACTING PRESIDENT pro tempore. The Senator is not recorded in the negative. He is recorded as voting in the affirmative.

Mr. JOHNSTON. Mr. President, may I inquire whether or not I am recorded?

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recorded.

Mr. JOHNSTON. I would like to know just how I am recorded.

The ACTING PRESIDENT pro tempore. The Senator is recorded as voting in the affirmative.

Mr. MORSE. Mr. President, may I ask if I am recorded?

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recorded.

Mr. MORSE. May I ask how I am recorded?

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recorded as voting in the affirmative.

Mr. SPARKMAN. Mr. President, may I inquire as to whether or not I am recorded; and, if so, how?

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recorded as voting in the affirmative.

Mr. MUSKIE. Mr. President, am I recorded?

The ACTING PRESIDENT pro tempore. The Senator from Maine is recorded.

Mr. MUSKIE. How am I recorded?

The ACTING PRESIDENT pro tempore. The Senator from Maine is recorded as voting in the affirmative.

Mr. McNAMARA. Mr. President, am I recorded?

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recorded.

Mr. McNAMARA. May I inquire as to how I am recorded?

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recorded as voting in the affirmative.

Mr. DWORSHAK. Mr. President, the regular order.

Mr. HICKEY. Mr. President, may I inquire as to whether I am recorded?

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recorded.

Mr. DWORSHAK. Mr. President, the regular order.

The ACTING PRESIDENT pro tempore. The regular order is called for.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from North Carolina [Mr. JORDAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Missouri [Mr. LONG], the Senator from Wyoming [Mr. McGEE], the Senator from Utah [Mr. Moss], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], the Senator from Missouri [Mr. SYMINGTON], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

On this vote, the Senator from Wyoming [Mr. McGEE] is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Virginia would vote "nay."

On this vote, the Senator from Georgia [Mr. TALMADGE] is paired with the Senator from Missouri [Mr. SYMINGTON].

If present and voting, the Senator from Georgia would vote "nay," and the Senator from Missouri would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from North Carolina [Mr. JORDAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Missouri [Mr. LONG], the Senator from Utah [Mr. Moss], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], and the Senator from Ohio [Mr. YOUNG], would each vote "yea."

Mr. KUCHEL. I announced that the Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Maryland [Mr. BEALL] and the Senator from Texas [Mr. TOWER] are absent by leave of the Senate to attend the Commonwealth Parliamentary Conference in London.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate to attend the Interparliamentary Conference in Brussels.

The Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

If present and voting, the Senator from Iowa [Mr MILLER] would vote "nay."

On this vote, The Senator from Maryland [Mr. BEALL] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 35, nays 25, as follows:

[No. 219]

YEAS—35

Bartlett	Jackson	Morse
Carroll	Javits	Muskie
Case, N.J.	Johnston	Pastore
Church	Keating	Pell
Douglas	Kerr	Prouty
Engle	Long, Hawaii	Proxmire
Gore	Magnuson	Randolph
Hart	Mansfield	Sparkman
Hayden	McCarthy	Stennis
Hickey	McNamara	Williams, N.J.
Hill	Metcalf	Yarborough
Humphrey	Monroney	

NAYS—25

Boggs	Ellender	Russell
Bush	Hickenlooper	Saltonstall
Byrd, Va.	Holland	Smith, Maine
Byrd, W. Va.	Hruska	Thurmond
Case, S. Dak.	Kuchel	Wiley
Cooper	Lausche	Williams, Del.
Curtis	Long, La.	Young, N. Dak.
Dirksen	McClellan	
Dworshak	Mundt	

NOT VOTING—40

Aiken	Cotton	Morton
Allott	Dodd	Moss
Anderson	Eastland	Neuberger
Beall	Ervin	Robertson
Bennett	Fong	Schoeppel
Bible	Fulbright	Scott
Bridges	Goldwater	Smathers
Burdick	Gruening	Smith, Mass.
Butler	Hartke	Symington
Cannon	Jordan	Talmadge
Capehart	Kefauver	Tower
Carlson	Long, Mo.	Young, Ohio
Chavez	McGee	
Clark	Miller	

So the motion to lay on the table the motion to recommit was agreed to.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota will state it.

Mr. MUNDT. The Senator from South Dakota did not call for the regular order, but has observed with increasing frequency the delay in announcing the results of yea-and-nay votes, due to the forgetfulness of so many Senators as to how they have voted. There has grown in my mind a curiosity as to why these interrogatories and replies are not printed in the CONGRESSIONAL RECORD as part of the parliamentary proceedings. I raise the parliamentary inquiry as to why the full proceedings of the Senate do not appear in print, as I believe they should.

The ACTING PRESIDENT pro tempore. The RECORD is prepared by the Official Reporters, and the Chair has nothing to do with what is printed in the CONGRESSIONAL RECORD.

Mr. MUNDT. The Senate has something to say about what is printed. I make the point of order that the full proceedings should be printed, and insist, unless there is some rule to the contrary, that what occurs on the floor of the Senate should appear in the next issue of the CONGRESSIONAL RECORD.

The ACTING PRESIDENT pro tempore. If it is the will of the Senate. The Senate can put in or eliminate from the RECORD what it wishes.

Mr. MORSE. Mr. President, a parliamentary inquiry.

Mr. MUNDT. Mr. President, it seems to me we should not have censorship appearing in the Senate, beyond the control of the Senate. What transpires on the floor ought to appear in the RECORD.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will state his parliamentary inquiry.

Mr. DIRKSEN. It occurs to me that the point raised by the distinguished Senator from South Dakota would support a question of privilege of the Senate, because the Journal is supposed to be an accurate record of every proceeding of the Senate. One might very well raise the broad question of privilege of the Senate on that ground, and ask for a ruling of the Presiding Officer on that point.

Mr. HOLLAND. Mr. President, it occurs to the Senator from Florida——

Mr. DIRKSEN. Mr. President, I have not relinquished the floor.

Mr. MUNDT. Mr. President, may I have a ruling?

The ACTING PRESIDENT pro tempore. The Senator from South Dakota has the floor.

Mr. MUNDT. Yes.

The ACTING PRESIDENT pro tempore. On the basis of his parliamentary inquiry.

Mr. DIRKSEN. I thought I had the floor.

Mr. MUNDT. I am awaiting a ruling of the Chair.

Mr. HOLLAND. Mr. President, may I be heard on the parliamentary inquiry?

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized on the parliamentary inquiry.

Mr. HOLLAND. I have sympathy for my distinguished friend from South Dakota, because I have had the same concern from time to time, but it seems to me that the complete answer is that if the Senator from South Dakota or the Senator from Florida should feel aggrieved when his name is left out of the RECORD the next morning, the Senator always has a right to have the RECORD corrected. There is a remedy, instead of raising a point of order.

Mr. MUNDT. The Senator from Florida misunderstands the point made by the Senator from South Dakota. The Senator from South Dakota is not aggrieved about the fact that it appears his memory suffices to remember how he has voted. I am a little aggrieved about the serious delay and the fact that it does not appear in the RECORD as to those Senators who cannot remember how they voted more than 2 or 3 minutes after the act.

I am aggrieved also, if we permit the Official Reporters to delete certain portions of the RECORD willy-nilly, that they may extend it sometimes to the deleting of a whole speech delivered by the Senator from South Dakota. [Laughter.]

That might not be a serious loss to history, but we have had so much discussion of censorship on the floor of the Senate this year that I dislike to see it practiced in the proceedings of the CONGRESSIONAL RECORD, unless there is some standing rule authorizing somebody to take out of the proceedings those occurrences which should appear.

The ACTING PRESIDENT pro tempore. There is no standing rule of the Senate controlling that. In the opinion of the present occupant of the chair, the law provides for the printing of the CONGRESSIONAL RECORD. Any Senator may come before the Senate, either by unanimous consent or on motion, and have the RECORD corrected, if he wishes to have it corrected or if he feels it is in error.

The Chair has no control over the printing of the RECORD.

Mr. MUNDT. Then if it is within the province of the Senator from South Dakota to insist under his rights that those things which are spoken on the Senate floor appear in the CONGRESSIONAL RECORD, of which certainly confirmation of a vote is part, I insist that they appear as they occur.

Mr. MANSFIELD. Mr. President, may I speak on the question?

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. MANSFIELD. I think the Senator from South Dakota has a point, but I would point out that the procedure to which he calls attention is performed as a courtesy to Members who may not have heard the bells, who may have heard the wrong kinds of bells [laughter], or who may have heard no bells at all when the bells were supposed to be ringing.

I hope the Senator, now that he has made his point, and made it well, will let us get on with our business, in the hopes that perhaps before too long we may be able to adjourn sine die.

Mr. MUNDT. I wish to say that I do not press this too far, but the Senator from South Dakota has never been among those who call for the regular order. I do not object to extending a courtesy, but I do object to the unique procedure whereby 4 or 5 minutes of proceedings disappear out of the RECORD because the Official Reporters do not print them in the RECORD.

The ACTING PRESIDENT pro tempore. The Senator, in the morning hour, after the RECORD is printed, may call for a correction, so that a speech by the Senator from South Dakota which was inadvertently omitted, as was suggested

earlier, can be printed, or any other correction of the RECORD can be made.

Mr. MUNDT. May I call for the correction of the RECORD for tomorrow morning, in advance, based on suspicion? [Laughter.]

The ACTING PRESIDING pro tempore. The Senator cannot do that.

Mr. MANSFIELD. Mr. President, what is the pending question?

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1745) was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes; that the House still further disagrees to the Senate amendment to the bill and asks a still further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. WHITENER, and Mr. BROYHILL were appointed managers on the part of the House at the further conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 739. An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such Act, and for other purposes;

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes;

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel;

S. 1942. An act for the relief of the State of New Hampshire;

S. 2396. An act for the relief of the State of Louisiana;

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4998. An act to assist in expending and improving community facilities and services for the health care of aged and other persons, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund; and

H.R. 8444. An act to amend the Act of August 12, 1955, relating to elections in the District of Columbia.

PRINTING OF SENATE DOCUMENT OF STUDY ENTITLED "THE U.S. SENATE, 1787–1801"

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1094, Senate Resolution 220.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 220) authorizing the printing as a Senate document of the study entitled "The United States Senate, 1787–1801."

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the resolution (S. Res. 220) was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document the study entitled "The United States Senate, 1787–1801", compiled as a doctorial dissertation by Roy Swanstrom, Seattle Pacific College.

PRINTING AS A SENATE DOCUMENT PRESIDENT KENNEDY'S ADDRESS TO THE UNITED NATIONS GENERAL ASSEMBLY—REPORT OF A COMMITTEE

Mr. MANSFIELD. Mr. President, from the Committee on Rules and Administration, I report an original resolution (S. Res. 221) relating to the address by the President of the United States before the United Nations on yesterday, and I submit a report (No. 1115) thereon. I ask unanimous consent for the present consideration of the resolution.

The ACTING PRESIDENT pro tempore. The resolution will be stated for the information of the Senate.

The legislative clerk read as follows:

Resolved, That there be printed as a Senate document the text of President Kennedy's address to the United Nations General Assembly on September 25, 1961.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the resolution (S. Res. 221) was considered and agreed to.

IDENTIFYING NUMBERS UNDER INTERNAL REVENUE CODE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business, which is the supplemental appropriation bill for 1962, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1083, H.R. 8876.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8876) to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H.R. 8876), which was ordered to a third reading, was read the third time, and passed.

Mr. KEATING. Mr. President——

Mr. BYRD of Virginia. Mr. President——

Mr. KEATING. Mr. President, a point of order. May I ask what bill was passed?

Mr. MANSFIELD. Mr. President, I was engaged with Senators. I asked unanimous consent that the Senate proceed to the consideration of Calendar No. 1083.

The ACTING PRESIDENT pro tempore. That is the bill which the Senate passed.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have an explanation of the bill printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF H.R. 8876

This bill provides for a system of identifying account numbers for taxpayers which will enable the Internal Revenue Service to effectively and efficiently utilize automatic data processing equipment in the handling of tax returns and other documents. The Secretary of the Treasury has stated that this numbering system is indispensable to the effective operation of the automatic data processing system the Internal Revenue Service is now establishing.

Under this bill, individuals would be required to include their identifying number on returns and other documents which they file with the Internal Revenue Service. If they have a social security number, it would be used as their account number. If they do not have a social security number, the Internal Revenue Service will assign a special identifying number to them for inclusion on their returns and other documents.

Similarly, banks, corporations, and other institutions which are required by present law to supply information returns and other statements to the Service with respect to interest and dividend payments and other transactions would have to include on such information returns or other statements the identifying number of the individual to whom the payment was made or with whom the transaction took place. Fiduciaries, trustees, and others who file returns on behalf of beneficiaries or other persons would have to include the identifying number of the beneficiary or other person on the return.

The bill requires individuals to furnish identifying numbers to banks, corporations, or other institutions, or to persons who may be required to include them on tax or information returns or other statements.

A penalty of $5 is provided for each failure to include an identifying number on a return, statement, or other document, or for failure to furnish a number to another person who is required to include it. However, this penalty will not apply if the failure is due to reasonable cause.

Under the bill, taxpayers will be required to include their numbers with respect to returns, statements and other documents relating to periods beginning after 1961. This means that numbers must be included on declarations of estimated tax filed in 1962 and on tax returns for 1962 which are to be filed in 1963. Individuals will be required to furnish their identifying number to other persons only with respect to transactions or payments made after 1962, and such other person will be required to include them on information returns and other documents only after 1962.

The automatic data processing system which these account numbers will make possible offer substantial improvements in procedures for processing tax returns, keeping of accounts, issuing bills and refunds, and in utilizing independent information to detect nonfilers and errors in reporting income. This means that the service will be better equipped to detect under-reporting of various forms of income and in insuring compliance with the tax laws.

COMMUNIST PROPAGANDA IN U.S. MAILS FROM ABROAD

Mr. MANSFIELD. Mr. President, since we still cannot reach third reading on the supplemental appropriation bill, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1081, H.R. 5751.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5751) to amend the Subversive Activities Control Act of 1950 so as to provide for notification that the U.S. mails may contain Communist propaganda introduced into the United States from abroad, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments, on page 2, line 1, after the word "propaganda", to insert "and of obscene, lewd, lascivious, and indecent matter"; in line 9, after the word "propaganda", to insert "or such obscene, lewd, lascivious, or indecent matter", and in line 11, after the word "propaganda", to insert "or such obscene, lewd, lascivious, or indecent matter".

Mr. MANSFIELD. Mr. President, in behalf of the distinguished chairman of the Committee on the Judiciary, the Senator from Mississippi [Mr. EASTLAND], I make the following statement:

STATEMENT OF SENATOR JAMES O. EASTLAND

This bill, as it passed the House, dealt solely with Communist propaganda, coming into this country from abroad, and being disseminated within the country through the U.S. mails.

The Senate Committee on the Judiciary proposed amendments to broaden the scope of the bill so as to make it apply to pornographic material thus sent through the mails, as well as to Communist propaganda.

I have now been advised that under the procedures in the other body there will not be time to secure the assent of that body to the proposed amendments, if the Senate adopts them. I have no desire to kill this bill, nor do I think any of my colleagues has such a desire. Accordingly, I believe the committee amendments should be rejected and the bill should be passed without amendment, just as it came from the House.

In this form, the bill simply authorizes the Post Office Department to post notices in post offices respecting Communist propaganda in the mails and to give notice directly to recipients. The bill does not authorize any opening of the mail, any censorship of the mail, nor any interference with the mail. It does authorize the Post Office Department to receive back any Communist propaganda which the recipient wants to return.

This is a bare minimum of legislation if the Congress is to do anything this session about this matter of Communist propaganda. Much stronger legislation has been proposed and I hope much stronger legislation will be passed at the next session of the Congress. But here is a bill which represents an area of agreement among all the interested departments of the Government—the State Department, the Post Office Department, the Justice Department, and the Treasury Department. All these Departments are involved because the State Department deals with postal treaties, the Post Office Department carries the mails, the Treasury Department administers the Customs Service, and the Attorney General, as the President's chief legal adviser, has an interest in all new statutes.

When all these departments have concurred in this bill, and the other body has passed it, I do not think the Senate should let itself be put in the position of delaying the legislation. I think we should pass it now and send it to the President. I therefore ask that the committee amendment to H.R. 5751 be rejected and that the bill be passed as it came from the House.

Mr. JAVITS. Mr. President, I should like to ask a question. Would the bill authorize a notice of the character of that mail to go to individual recipients of mail, or is the bill confined to the posting of notices in post offices?

Mr. MANSFIELD. I am advised by the Department of Justice that it will not.

Mr. JAVITS. That it will not apply to notices to individuals?

Mr. MANSFIELD. That is my advice; it will not permit individual notices that specific material is Communist propaganda.

Mr. JAVITS. Therefore, there is no element of expressed or implied censorship.

Mr. MANSFIELD. That is my understanding.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. Yesterday I brought to the attention of the Senate certain Communist documents that were printed in the United States on an American press and distributed through the mails under the bulk rate, which is a subsidized rate. Such distribution means that the taxpayers of this country are subsidizing the distribution of documents that are being sent from the Soviet Embassy to American citizens through the U.S. mails.

I realize that the bill does not apply to that particular set of circumstances. But I hope that in the next session we will look into this subject, because, for example, if the Soviet Union will not give us reciprocity to distribute a speech such as President Kennedy's speech of yesterday, or other documents of an official nature through the Soviet postal service, then I see no reason that the taxpayers of this country should be called upon to subsidize the distribution of public documents or official documents of the Soviet Union disseminated by the Soviet Embassy here in Washington, D.C., using the U.S. mails, at a rate which does not pay for the cost of distribution.

I know that what I have said does not apply to the particular bill before the Senate, but it is an item that I think needs to be looked into. When I talk about reciprocity, I mean a 50–50 arrangement, and not a horse-and-rabbit arrangement, which would mean that we can send one or two documents through the Soviet postal service, as they inundate the country with vast amounts of propaganda such as they are doing today.

I wish to serve notice at this time that, in the 2d session of the 87th Congress, I shall press both at the executive level of the Government and at the legislative level, for some correction of what I consider to be a flagrant abuse and misuse of the U.S. mails for the dissemination of Soviet propaganda of an official nature, the cost being paid by the American taxpayers in sums of thousands of dollars.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MUNDT. I would like to emphasize and endorse everything that the Senator from Minnesota has said on this subject.

The problem is one of those things that creep up on us and take us sort of unawares. It is something which is correctable. The distinguished Senator from Minnesota [Mr. HUMPHREY] is a valuable member of the Senate Committee on Government Operations, a committee on which I am privileged to serve. I suggest that at the next session of Congress we look into this problem to see whether it is correctable by administrative action, in which case we should press for such action, or else that we try to develop proposed legislation which will prevent a continuation of an idiotic situation whereby American taxpayers who are patriotic are actually financing the distribution of propaganda designed to destroy their freedom and to impair their country.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the distinguished Senator from Connecticut.

Mr. BUSH. I should like to have the attention of the majority leader at this point. The Senator spoke of deleting certain amendments that had been made to the bill in connection with the dissemination of pornographic material through the mail. This is a subject which has interested me very much. I think that the abuse of the mails for dissemination of smutty stuff that goes

through the mails is one of the serious problems involving the moral life of our country today. I am reluctant to vote for a measure which excludes authority to deal with that problem, since the problem was part of the committee's deliberations. Will the Senator from Montana make his point a little clearer?

Mr. MANSFIELD. I am in accord with what the Senator from Connecticut has said. But if the Senate wants action, I think we had better take into consideration the fact that if we insist upon the proposed amendments, we may get no action whatever from the House committee.

It is my further understanding—and in this respect I defer to my distinguished colleague, the Senator from Oklahoma [Mr. MONRONEY]—that hearings are contemplated on such questions as the dissemination of obscene, leud, lascivious, and indecent material, but it will take some time to do so.

Mr. MONRONEY. Mr. President, last year, after a very careful study and committee hearings, the Senate Committee on Post Office and Civil Service, working with Mrs. GRANAHAN, in the House committee, reported a bill to provide for the impounding of mail by the Postmaster General as a further means of preventing use of the mail to distribute lewd and lascivious matter. The measure provided that a Federal judge may enter an order authorizing the Postmaster General to impound the mail in aid of administrative sanctions against mailers of obscene matter.

The bill as passed permitted efficient enforcement of the laws against mailing obscene matter, but contained safeguards to prevent an administrative officer from ruling out an issue of a newspaper or a magazine for frivolous or unnecessary reasons. This point was very carefully considered. The House and the Senate, together with the Department of Justice, the Post Office Department, the American Civil Liberties Union, and many other individuals and groups, went very carefully into this subject.

The law is in effect. It was passed and signed by President Eisenhower last year. We feel that the act corrects the enforcement problems which had been encountered by the Post Office Department. We feel that jurisdiction for this kind of legislation properly lies in the Committee on Post Office and Civil Service. That committee has met its responsibility. We feel that the Granahan bill which was passed, with the approval of all the various organizations that were asking for legislation of that nature, met the problem and the law is now in effect.

Mr. BUSH. What is the status, I ask the majority leader, of the bill? Has it been passed by the House?

Mr. MANSFIELD. Yes; without the amendments which were added in the Senate.

Mr. JOHNSTON. Mr. President, the bill came to us from the House and was referred to the Committee on the Judiciary. At the last minute, while we were considering it, this amendment was added to the bill. We find ourselves in this position: The House at this late hour does not feel that they are able to study the amendment and pass upon it. I, too, believe that we ought to do something in the field that this amendment covers. However, in order to get something tightened up on the communistic literature that has been distributed in America, we want to do nothing to hinder that effort until we return. We want to study it as much as we possibly can. There is no question about that. In order to do it, at the present time we will probably have to yield on this amendment and ask that it not be adopted, in order that we may be able to pass necessary legislation to tighten up on the communistic literature that is being distributed in the United States. The Committee on Post Office and Civil Service is making a study of the pornographic literature that is being distributed. The Post Office Department is making a study of it. The Justice Department is studying it, also. In order to get proper advice when we come back next year, to tighten up on this matter on what this amendment was trying to do, we will probably have to yield on that point this year.

Mr. MANSFIELD. Mr. President, the Justice Department informs me that under the bill the Postmaster General will have no authority to identify a particular piece of mail as Communist propaganda in its notice to individual recipients. The Postmaster General will have authority to post notices in post offices, to advise the public by letter-notice that Communist propaganda is being disseminated in the mails, and to warn particular segments or areas of the population, which are being subjected to a bombardment of propaganda, that such propaganda is being sent through the mails and that they may return such mail to the post office without charge.

Mr. KEATING. I am glad the distinguished majority leader has cleared up that point, because there is a provision in the bill about notifying recipients. There is no censorship involved in the measure at all.

I wish to deal with the question raised by the Senator from Connecticut [Mr. BUSH]. I share his apprehension about eliminating these amendments. When we considered the bill in committee, the chairman called our attention to objectionable matter that had been turned over to him and which had been introduced into this country from abroad. It is a matter that falls in the category of indecent, lewd, and lascivious matter. We were all horrified by this terrible and indecent material. The Senator from Connecticut would be, too, if he saw it.

I might point out that the committee unanimously added this language to the bill. But the present situation puts the Senator from Connecticut, like the Senator from New York, in something of a dilemma.

This is an amendment of the Subversive Activities Control Act. The House bill does two things: First, it requires the Postmaster General to post notice in the Post Office that Communist literature is coming into the country. Second, he must notify recipients of mail, when he deems it appropriate, that the mails contain such propaganda, permitting the return of such mail, as the distinguished majority leader has indicated, without cost to the recipient. It has been considerably watered down from the bill which was originally introduced on this subject.

I am very much concerned about the threat of pornographic material to our young people. It certainly is subversive from the standpoint of our youth to bring in this kind of trash, just as other material can be subversive to their elders. We should be taking strong steps against both threats.

However, there is a practical problem here, as the majority leader has said. If we want to pass this kind of bill at this session, I assume we will have to give way on this point, that is, on the amendment which, as a matter of fact, the junior Senator from New York moved in committee.

Clearly, we should do something about this problem, although I am not, of course in favor of censorship as such. This bill does not represent censorship in any way. It would be a step in the right direction, in trying to get rid of objectionable material.

I recognize there are practical problems involved in considering this measure at this time. Perhaps the only thing we can do is to give in to the objection on this amendment.

Mr. THURMOND. Mr. President, during the past few days I have received a book which, I believe, is entitled "An Open Letter From Khrushchev."

I suppose every Member of Congress has received a copy of the book and other pieces of literature which apparently have been sent to various Members of Congress with whom I have talked, as well as to other citizens. I do not know what has caused this sudden outburst of literature to be sent out. I should like to ask a question of the distinguished majority leader. I am informed that at some time during this year the President issued an Executive order which relaxed restrictions, and that after that time there has been a flooding of this literature from the Communist Embassy. I am wondering if the majority leader could give us any information on that point. If that is the case, I wonder if he would use his good offices in contacting the executive branch of the Government to see if steps cannot be taken to stop this literature from being distributed in this country.

Mr. MANSFIELD. I know of no such Executive order affecting Embassy publications. Like the Senator from South Carolina, I have received various publications from the Soviet Embassy within the past 3 or 4 days, published under the imprint of Cross Currents Press. Prior to that time I received a document from the headquarters of Cross Currents Press in New York. However, I assure the Senator from South Carolina that, to the best of my knowledge, the allegation which he has raised and laid at the doorstep of the administration is not true.

Mr. THURMOND. I am informed that an Executive order was issued this year which has relaxed the restrictions.

If the majority leader will look into that situation, I shall appreciate it.

Mr. MANSFIELD. I shall be glad to look into the question.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I welcome the interpretation which I understand the Senator from Montana has placed in the RECORD. I think it puts the problem in proper focus. I should like to identify myself—as I also am a member of the Committee on Government Operations—with the Senator from Minnesota and the Senator from South Dakota in the effort to find a way out of the impasse with respect to the lack of reciprocity in respect to the distribution of information through the mails. I shall dedicate myself with them to that purpose.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments referred to in the remarks which I made for the Senator from Mississippi be deleted from the bill.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are rejected.

Mr. BUSH. Mr. President, I am somewhat comforted by the explanation made by the Senator from New York and also by the comments of the able Senator from Oklahoma. The Senator from Oklahoma has advised that the committee amendments which have just been stricken do not strengthen the proposal with which we are trying to deal but, if anything, weaken it. It is a little surprising, then, that the Committee on the Judiciary should have included them.

However, I feel comforted by the assurance which the Senator from Oklahoma has given in that respect. I consider this subject to be one of the most important in our national life—the question of the dissemination of dirty, filthy literature. I know all Senators feel that way. So if the bill passes—and I shall vote for it—as the Senator from New York has explained, we have not too much choice if we want to pass a bill—and under existing conditions, we certainly want to pass a bill dealing with Communist literature. However, I serve notice that before the next session I expect to study the situation closely and to introduce proposed legislation which will remove any doubt about the authority of the Postmaster General to deal with the problem of dirty literature.

Mr. MANSFIELD. The two Senators who are most qualified to attend to that problem in the Committee on Post Office and Civil Service are present, the chairman of the committee, the distinguished Senator from South Carolina, and the distinguished Senator from Oklahoma.

Mr. BUSH. I have already acknowledged my gratitude to the Senator from Oklahoma for his explanation; and I now thank the distinguished Senator from South Carolina for his statement on the subject.

Mr. MONRONEY. To make it crystal clear, the bill passed by the Senate last year—the Granahan bill—empowers the Postmaster General to go before a Federal judge to get an order to impound mail and to prevent its delivery.

Mr. BUSH. Is a criminal penalty provided?

Mr. MONRONEY. Existing law makes obscene matter nonmailable. The bill before us would merely require that notice be given that filth may still be coming through the mail. A recipient may not recognize Communist propaganda, but he certainly can recognize pornography without any help from the Postmaster General.

There is a separate criminal penalty, also, as well as the statutory provision which prohibits its delivery. The bill does not prevent the delivery of anything; it merely provides that the Postmaster General shall post a notice that such mail is coming through. He already posts notices requesting any person receiving such mail to report it to the local postmaster.

I would not like to think that the action which took place last year would be watered down by the committee amendments.

Mr. MANSFIELD. That has now been taken care of by the deletion of the committee amendments.

Mr. BUSH. The Senator has made a good point; but nothing which has been said suggests that there would be any severe penalty imposed upon persons who are responsible for the dissemination of this kind of information. That is the problem with which I think the Senate should come to grips in the next session. We cannot do anything about it today.

I thank the Senator from Montana for his courtesy.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. COOPER. I do not know whether the Senator from Montana is a member of the committee and can answer the questions I propose concerning the intent of the bill, or whether some other Senator will wish to respond.

Mr. MANSFIELD. I am not a member of the Committee on the Judiciary.

Mr. COOPER. I know we are dealing with a question of Communist propaganda. There is no Member of the Senate who wishes to have this country flooded with Communist propaganda, and its dissemination subsidized by the taxpayers' money. However, I wish to raise a question of interpretation with respect to the first amendment to the Constitution. We cannot ignore the issue of the abridgement of the constitutional rights of free speech and press, even when we are dealing with a question of Communist literature. For the first amendment of the Constitution declares that the Congress shall pass no law abridging the right of free speech or free press.

I understand the Senator has said that the bill would not authorize the Postmaster General to notify a particular recipient of mail that a particular piece of literature was Communist propaganda. Am I correct?

Mr. MANSFIELD. That is correct.

Mr. COOPER. Suppose the recipients of mail, interested in the announcement in a post office—which the bill authorizes—that Communist propaganda was flooding their area of the country, wrote to the Postmaster General and asked him to identify the specific articles of Communist propaganda. Would he be permitted to do so?

Mr. MANSFIELD. I understand that he would not.

Mr. COOPER. Is it intended that the Postmaster General is to be made the agent of the U.S. Government and is to be given authority to determine whether or not a particular piece of literature is propaganda?

Mr. MANSFIELD. I do not exactly know the answer to that question. I would have to do a little checking to answer precisely. My answer now would be "No." The bill strictly forbids the Postmaster General to operate a censorship bureau.

Mr. COOPER. I am not speaking particularly of Communist propaganda; I am thinking of the establishment of precedent. It occurs to me that the granting of such authority—if it is intended—might come within the scope of censorship.

I share the feeling of every Member of the Senate that the distribution of Communist propaganda is intended to deceive its recipients. Like the majority leader, I have recently received booklets published by the Cross Currents Press, in New York. I have received, through the mails, a speech by Mr. Khrushchev on the Berlin situation, and I understand it was distributed widely.

The Constitution of the United States remains in force, and the rights of free speech and a free press are the bedrock of our country. We cannot abridge these rights.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House insisted upon its disagreement to the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended; asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JAMES C. DAVIS, of Georgia, Mr. HUDDLESTON, Mr. ST. GERMAIN, Mr. KEARNS, and Mr. BROYHILL were appointed managers on the part of the House at the further conference.

The message returned to the Senate, in compliance with its request the bill (H.R. 8320) to amend the Freeport Harbor project, Texas.

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION—CONFERENCE REPORT (H. REPT. NO. 1264)

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, having met, after full and free conference, have been unable to agree.

WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

GEORGE HUDDLESTON, Jr.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

The report was agreed to.

Mr. MORSE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House bill 5968.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives insisting upon its disagreement to the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended; asking a further conference with the Senate on the disagreeing votes of the two Houses thereon, and announcing that Mr. JAMES C. DAVIS, of Georgia, Mr. HUDDLESTON, Mr. ST. GERMAIN, Mr. KEARNS, and Mr. BROYHILL were appointed managers on the part of the House at the further conference.

Mr. MORSE. Mr. President, I have been advised, through channels, that the House committee really does not want a conference. However, I am very happy to have a conference held in regard to this bill. In order to keep the record straight, I move that the Senate insist upon its amendment, agree to the further conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MORSE, Mr. BIBLE, and Mr. PROUTY the conferees on the part of the Senate.

SUBVERSIVE ACTIVITIES—PORNOGRAPHY

The Senate resumed the consideration of the bill (H.R. 5751) to amend the Subversive Activities Control Act of 1950 so as to provide for notification that the U.S. mails may contain Communist propaganda introduced in the United States from abroad, and for other purposes.

Mr. COOPER. Mr. President, I do not mean to say that there are no remedies we can use. There is no right of anonymity to organizations or persons who send and distribute such propaganda. We can require them to identify themselves. I do not think there is any question about that.

I wished to raise this question because I believe the basic principle of free speech and free press must always be considered by the Congress when there is any question about its involvement.

Mr. MANSFIELD. I read from the report accompanying the bill now before the Senate:

The bill does not authorize the Postmaster General to open, inspect, or censor any mail.

Mr. MUNDT. Mr. President, the majority leader has acted wisely in expediting the passage of the bill, even though he found it necessary to delete those sections dealing with the obscene, pornographic material.

I may say to Senators who have commented on this subject that the Senate has already expressed itself most vigorously in this field. A year ago we passed a bill to provide for a Presidential commission to examine into the whole field of the publication and distribution of pornographic literature and obscene materials, and to consider the fixing of penalties for their distribution, manufacture, and sale. The House failed to act on the bill.

The House failed to act last year. It seems to me that the belated action by the House this year has not been effective—certainly not effective enough to result in having the job done.

Mr. President, I wish the RECORD to show that with the help and encouragement of the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], on June 12 of this year the Senate took positive action in the field of doing something effective about pornographic literature. That bill is now before the House Committee on Education and Labor. I suggest that the House act early during the next session on this bill, which provides an effective, overall approach to a problem which could not possibly be corrected by the amendments which the majority leader found it necessary to delete in order to have the bill pass today.

Mr. LAUSCHE. Mr. President——

Mr. MANSFIELD. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the subject of the receipt by citizens of the United States of Communistic propaganda has frequently been brought to my attention by constituents in Ohio.

I contacted the Judiciary Committee, in order to obtain a statement in regard to the facts involved. A few days ago there was delivered to me a copy of a bulletin issued by the Post Office Department. It states:

STATEMENT BY THE GENERAL COUNSEL OF THE POST OFFICE DEPARTMENT CONCERNING COMMUNIST AND OTHER FOREIGN POLITICAL AND CULTURAL PUBLICATIONS

June 8, 1961

This statement is designed to answer some questions asked of postal officials concerning the flow of foreign, and particularly Communist, political publications in the United States through the mails.

RECENT HISTORY

A program for screening these types of publications was established during World War II, following an interpretation by the Attorney General, in 1940, of the Foreign Agents Registration Act of 1938. At that time, the program was concerned primarily with Nazi propaganda. In 1948, the emphasis shifted to Communist propaganda, but the detention of such material under the screening program did not apply to periodicals ordered by libraries, universities, political scientists, or individuals, who had formally notified the Post Office Department that they had ordered the publications. In 1958, the policy was amended with regard to individual addressees who, thereafter, were asked whether they wanted the publications; if they did, the literature was delivered to them.

The program gave rise to sharp controversy and, on June 29, 1960, a committee of the Planning Board of the National Security Council reviewed this matter and recommended that the program be discontinued. The recommendation was accepted by the Planning Board, but was not carried forward.

PRESENT STATUS

The Government's policies regarding this matter were carefully considered by President Kennedy, the Secretary of State, the Secretary of the Treasury, the Attorney General and the Postmaster General. They concluded that the program had no intelligence value and that it interfered with efforts to improve East-West relations. On March 17, 1961, the President ordered the program discontinued.

The President's decision in no way affected the method of handling publications addressed to libraries, universities, and the like, which have been receiving them all along. The only effect of the decision is that such mail is no longer detained nor is the addressee asked whether he wants it. The President's decision did not permit the mails to be used to carry literature which could not use the mails before, nor will it interfere with the Post Office Department's or Bureau of Customs' efforts to keep pornographic material from entering this country from abroad.

Now we come to what is called the Universal Postal Union Conventions, which encompass 102 nations, including the Iron Curtain countries:

The Universal Postal Union Conventions which encompass 102 nations, including the Iron Curtain countries, provide that surface mail with proper postage sent from one member country to another be delivered without charge. Under this arrangement, member nations transport and deliver mail which the U.S. postal service sends to them. In exchange, this country transports and delivers mail sent from foreign countries to residents of the United States.

Mr. President, this would mean that under the conventions, the Soviet Government receives the services of the United States, free of charge, in the delivery of mail sent out of the Soviet Union to addressees in the United States. In my opinion, the conventions might have been sound when the postal services were used by persons who wished to communicate with each other without having propagandizing purposes in mind. But now the Soviet Union definitely is propagandizing; it is using our gratuitous service, not for normal communications, but for the purpose of propagandizing citizens of the United States in regard to communistic philosophy.

I read further from the bulletin:

The most recent Post Office Department figures show that during fiscal 1960, 95 million pounds of printed matter were dispatched from the United States, and approximately 68 million pounds of printed matter were received in the United States through the mail.

At that point the bulletin ends.

Mr. President, I contemplated making inquiry about the extent to which mail shipped from Russia into the United States has been increased following the

issuance of the Executive order of March 17, 1961. I construe this bulletin to mean that screening has stopped and that the mail is now being delivered to addressees. Since the screening has stopped, has the Communist Government increased the mail that it has been sending to the United States?

One further word in regard to the fine statement made by the Senator from Kentucky. We contemplate preserving free speech, but I stop at that point and say that we are not to subsidize the Communists, with our money, in the mailing of their material to the United States, when we know that it is not intended for legitimate communication purposes, but is intended to propagandize communism in the United States.

I want to join in what the Senator from Minnesota said earlier this afternoon. I think this subject needs vital attention. Reciprocity in the delivery of mail under normal circumstances is fairly sound. It cannot be reciprocity when the Soviet is delivering communistic propaganda through a gratuitous rendition of service while they are not doing the same thing with regard to the shipment of mail into Russia. Reciprocity means a quid pro quo. There is no such thing in the rendition of this particular matter.

Mr. MANSFIELD. Mr. President, may we have a vote on the bill? I would like to have a vote on it. Otherwise, I would like to withdraw the bill if we are not going to have a vote on it.

Mr. COOPER. Mr. President, if the Senator will yield for just a moment, I do not think there was anything unclear about what I said with regard to my attitude toward Soviet propaganda. First, I believe the United States can prevent propaganda from the Soviet Union coming into this country. My remarks are more particularly directed to the problem of such propaganda printed in this country.

I have raised this question, which I think ought to be raised every time a matter affecting freedom of speech or the press comes before the Senate, in view of the possibility that we might pass a bill which would set a precedent, which would affect freedom of speech or of the press. I am against censorship. The distinguished majority leader indicates that, so far as he understands it, this bill is not one of censorship.

Mr. MANSFIELD. Insofar as the majority leader is concerned, if there is any measure in violation of the first amendment that comes to the attention of the Senator from Kentucky, I will join with him in seeing to it that those violations are brought to the attention of the proper authorities.

Mr. MORSE. Mr. President——

Mr. MANSFIELD. I yield to the Senator from Oregon.

Mr. MORSE. I want the floor in my own right.

Mr. MANSFIELD. Is it on this bill?

Mr. MORSE. Yes.

Mr. MANSFIELD. I will withdraw this bill at the present time, because I think we can return to the supplemental appropriation bill. If there is going to be any lengthy talk on the bill, I can bring it up later.

Mr. MORSE. It will have to be later.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Idaho [Mr. CHURCH].

TRUST STATUS OF CERTAIN LANDS IN CROW CREEK INDIAN RESERVATION, SOUTH DAKOTA

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 3572) to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, which was, in lieu of the language of the Senate amendment insert the following:

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

Mr. CHURCH. Mr. President, the purpose of this legislation is to place in trust 1,276 acres of federally owned lands on the Crow Creek Reservation in South Dakota. When the bill was reported in the Senate, a new section 2 was added prescribing the manner in which this gift of land and other gifts of land to Indian tribes would be considered by the Indian Claims Commission for setoff purposes.

Our committee has adopted a uniform policy in this regard, and in a number of bills in the 86th and 87th Congresses specific language was added directing the Claims Commission to take into consideration the value of the property donated. Rather than handle this matter in each bill, it was the committee's hope that general language could be enacted. However, our colleagues in the other body have taken the position that a policy question of this nature ought not to be included in H.R. 3572, but should be the subject of a special bill.

At a recent meeting of Senate and House conferees on another Indian matter, it was agreed that section 2 of H.R. 3572 would be deleted and the specific language heretofore adopted in a number of bills would be included, and that in the second session the policy issue would be a subject of special bills in both the House and the Senate.

Mr. President, for the reasons just stated, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho.

The motion was agreed to.

LEASE OF INDIAN LANDS ON DANIA RESERVATION, FLA.—ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1048, H.R. 3575.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3575) to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

Mr. RUSSELL. Mr. President——

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. RUSSELL. A parliamentary inquiry. If this motion prevailed, that means it would place back on the calendar the subversive activities-post office bill, the supplemental appropriation bill, and the so-called Du Pont bill; does it not?

The ACTING PRESIDENT pro tempore. The Senator from Montana has moved, and if it remains in the form of a motion, that bill would become the unfinished business and would replace the supplemental appropriation bill. If the Senator from Montana makes a unanimous-consent request——

Mr. RUSSELL. I understand. My point is that everybody knows there has been a very thinly disguised filibuster going on in the Senate for the last 3 or 4 hours against the supplemental appropriation bill. I have no deep-seated feeling of opposition to filibusters, because I believe in free speech here in the Senate, but I do not like to see the distinguished majority leader take the responsibility from the filibusters to stand up here and conduct a filibuster against the bill. That is their right, and those who wish to delay action on the supplemental bill are able to speak at great length on the floor, and they prove it almost every day that the Senate is in session. I think we ought to get along with the supplemental appropriation bill. It is the one absolutely imperative bill that is on our calendar. The House is waiting for us to appoint conferees on it and go into conference. There are 14 pages of items in the committee report, and the operation of almost every agency of this Government is involved in the bill. I will stay here and see the filibuster through, but I want to see the filibusterers who are so violently opposed to filibusters come out in the open.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. PASTORE. As a matter of fact, it took us a whole day to mark up the bill alone; did it not?

Mr. RUSSELL. That is correct.

Mr. PASTORE. If it took a day merely to mark up the bill, we can imagine how long it is going to take to have a conference on it.

Mr. RUSSELL. That is correct; and those who denounce filibusters more than all other Senators combined are the ones who are delaying action on the bill.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MANSFIELD. What is the status of Calendar No. 1048, H.R. 3575?

The ACTING PRESIDENT pro tempore. The bill has not even been stated by title for the information of the Senate, nor has the Senator's motion been acted upon.

Mr. MANSFIELD. I asked to call up Calendar No. 1048, and I ask for its immediate consideration.

Mr. RUSSELL. Mr. President, reserving the right to object, I want to find out when we are going to return to consideration of the supplemental appropriation bill. That is the most important bill that is before us.

Mr. MANSFIELD. Within 5 minutes; less than 5 minutes.

Mr. RUSSELL. I will take the majority leader's word for it.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3575) to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

The ACTING PRESIDENT pro tempore. Is there objection to the motion? The Chair hears none.

The Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. If there is no amendment to be offered, the question is on the third reading of the bill.

The bill (H.R. 3575) was ordered to a third reading and was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 3575) was passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

COLLECTOR OF CUSTOMS

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the Senate confirm the nomination of Marjorie Maki, of Minnesota, to be collector of customs for customs collection district No. 35.

The ACTING PRESIDENT pro tempore. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Marjorie Maki, of Minnesota, to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

Mr. JOHNSTON. Mr. President, from the Committee on Post Office and Civil Service I report favorably the nominations of 14 postmasters and ask that the nominations be confirmed en bloc by the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the nominations?

Without objection, the nominations were considered en bloc, and, without objection, they were confirmed.

The nominations, confirmed en bloc, are as follows:

ARIZONA

Helen B. Roberts, Sedona.

ARKANSAS

W. Hugh Hudson, Blytheville.
Norman J. Cox, Bradford.

KENTUCKY

Lawrence H. Framme, Jr., Carrollton.
Kenneth Fern, Flemingsburg.

LOUISIANA

Robert J. LeBlanc, Abbeville.

MICHIGAN

Maurice E. Anderson, Gladstone.
Roger A. Camfield, Gobles.

MISSISSIPPI

Frank P. Kaplan, Drew.
John W. Milner, Vaiden.

NEBRASKA

Ernest J. Seyler, Alma.
Bonnie A. Hogeland, Bloomington.
James I. Pedersen, Laural.

OHIO

Daniel B. Slack, Jr., Westerville.

Mr. YARBOROUGH. Mr. President, on behalf of the Committee on Post Office and Civil Service, I wish to report six nominations.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of nominations was submitted:

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service:

The following-named persons to be members of the Advisory Board for the Post Office Department:

Carl Murphy, of Maryland.
Charles H. Earl, of Arkansas.
Paul Perocchi, of Massachusetts.
Robert MacNeal, of Pennsylvania.
James Francis Reilly, of the District of Columbia.
William C. Doherty, of Maryland.

ADVISORY BOARD FOR THE POST OFFICE DEPARTMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations reported by the Senator from Texas be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc.

Mr. DIRKSEN. Mr. President——

Mr. JOHNSTON. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator object to confirmation of the nominations?

Mr. DIRKSEN. I object temporarily, for the purpose of having a look at the names.

Mr. RUSSELL. Mr. President, a parliamentary inquiry. Who has the floor?

Mr. DIRKSEN. I withdraw my objection.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

SUPPLEMENTAL APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of the supplemental appropriation bill for 1962.

The motion was agreed to; and the Senate resumed the consideration of the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

Mr. MANSFIELD. Mr. President, I call for the third reading of the bill.

Mr. JAVITS. Mr. President, I ask for recognition.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, we have had quite an exhibition today by colleagues of ours who are very disturbed about the fact that the supplemental appropriation bill has been under debate for 5 hours or 6 hours. I remember times when we debated civil rights bills, which I consider more important than this supplemental appropriation bill, for days. I remember times when Senators came to this Chamber in the middle of the night and shook off their sleep, in order to answer quorum calls day after day, and I remember when we put cots in our rooms.

Mr. President, I did not become exercised about that. I must say I am not terribly impressed about the fact that people get exercised about this.

I wonder if the distinguished Senator from Georgia would like to see Atlanta, Ga., dragged through this Chamber disgracefully, like New York City is being dragged through it today.

I do not think it is fair to accuse us, when we are having a few hours' debate on an important matter, of holding up the critical business of the United States which cannot wait, because we discuss the problem a little while in order to determine what to do.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. RUSSELL. If the Senator had listened, he would know that what he is saying, delivered with such gusto, is completely beside the point. I stated specifically that I should be happy to see the Senator from New York filibuster the bill for the next 24 hours, if he desired to do so, but that I objected to the majority leader relieving those who would delay passage of the bill of the responsibility for its delay.

Of course, there are some people who, when they resist a bill, expect to be charged with filibustering, and do not deny it. I was merely undertaking to show that there could be such a thing, perhaps, as hypocrisy, and a great delay of bills by those who claim to be most

vigorously in favor of always expediting the business of the Senate.

Mr. JAVITS. I say to my colleague that I think hypocrisy may or may not be proved. I believe it can be proved by laying side by side the time and the diligence which is taken upon various bills and comparing them.

I hope very much, I say to my colleague—who is distinguished and has had many years of service in this body, and for whom I have the highest respect—that he will take this filibuster which he says is being staged today as a model of filibustering. If so, Mr. President, I think the opportunity for passage of civil rights legislation will take a new historic turn and will be most auspicious in 1962.

I must say that I have been worrying myself far more than I have been worrying the Senator from Georgia about this particular problem today, because I have felt a conscientious desire and compulsion to get something done, rather than to delay in any way, even for an hour, the work of the Senate at this stage.

Mr. President, I wish I were filibustering now. I wish I had it in my conscience, as I do in my heart, to filibuster. I think it would be a very good idea for the Senate of the United States if a few of us would, upon an important issue of this character, filibuster to show what it feels like on the receiving end. What is being done to New York City in this Chamber today should not be done. But to filibuster on this matter is not my way. I do not think it is the way of many of us. I cannot be a party to it, much as I would like to under the urging I have had here.

Mr. President, I have an announcement to make with respect to this problem, which I think will lay it to rest. I wish I did not have to make it. I wish the decision were the other way. I feel just as "peppy" and just as vigorous as any gentleman who has spoken in this Chamber for over 20 hours, and I feel fully able to do so. One day yet I may have to demonstrate that. It is high time that those of us who forbear asserted some authority in this Chamber, also.

I state to my colleague from Montana, who has been so gracious and so kind—I hasten to say that—nothing I have said in any way reflects upon him. He has understood. He has been patient. As a matter of fact, he requested that the Senate meet today at 11 o'clock to accommodate a personal situation of my own.

I have consulted with the President of the World's Fair, Mr. Moses, and he has authorized me to state he does not wish me to bring the amendment which I have had printed to issue for a vote today, in view of the fact that we have no choice, in view of the fact that this is the last day of the session, and in view of the fact that if the amendment were offered it would require a two-thirds vote, because this does involve an appropriation bill.

The reason for that decision is as follows: We stand at the threshold of adjournment, with cross currents here quite irrelevant to the merits of the New York World's Fair of 1964. The result, which might be unintentionally recorded, could have so grievous an adverse effect on the fair as to be quite undeserved, and therefore to be unfair to it and unfair to the city of New York.

That having been said, I wish to point out that we hope and expect the President of the United States will find means in the executive departments of Government for the planning which needs to be done between now and when the Congress returns after recess. We trust that the executive department will do its utmost to help us make good the damage caused by this delay.

Mr. President, I reiterate that New York has been dealt with, in my opinion, in this body in these last 2 or 3 weeks in a most disgraceful manner. The sum of money involved is a piddling sum, and there has not even been an effort to try to find some accommodation with respect to the problem, even without regard to the sum of money involved. New York has been treated in a way which I think is not conducive to our whole appearance to the people in my home State and in my home city.

Perhaps as happens when something very untoward occurs, when one suffers a reverse, one begins to think clearly and begins to see clearly. I really think that for some reason or other which I cannot understand there is a lack of understanding in this Chamber, perhaps quite unintentional and I hope and believe, without any ill will whatever, as to what New York City means to this country and as to what New York City means to the world. There is something of a lack of sympathy in terms of its existence as a city.

New York City is a great and powerful city. It is now the world's capital. The headquarters of the United Nations is there. I hazard a guess that the reason it is so often said that the mayoralty of New York is second only to the Presidency of the United States, with respect to its impact upon the world, is not that the job is that extremely an important one in terms of the budget of New York City or the authority which the mayor has. He has a great deal of trouble. His job is filled with enormous problems. But the mayoralty rather epitomizes the fact that, after the United States of America itself, New York stands in the eyes of the world for something which people everywhere can understand and comprehend. When we talk about freedom, a free society, and the dynamism of private enterprise, we think of New York, its skyscrapers, its lights, its port, its theater, opera and ballet, its bond and stock exchanges, and all the other aspects that go with New York, and which represent the personal impact upon the people of the world as to what a free society is and what the United States is in terms of its internal dynamics.

Yet, when we come to an opportunity as inconsequential as the one about which I am speaking, which would not amount to a row of beans compared to what we do here financially to help New York in a great undertaking, not only for itself but the entire country, we are told that the help will not be forthcoming.

We all lived through the New York World's Fair, which immediately preceded World War II. We noted the great attention which the fair received from the entire world. Millions of people visited the fair. It was the World's Fair so far as the people of the world were concerned.

Yet, when the United States is given an opportunity to show its pride and gratification in an endeavor of this kind by a great city, what do we find? We find that weeks have gone by without action. I remind the Senate that the request was not my request or the request of my dear friend and colleague [Mr. KEATING]. The administration, through the Secretary of Commerce, requested that the project be undertaken in this manner.

Weeks have gone by. It is not even possible, allegedly because of one Member's objection, to call a meeting of the Foreign Relations Committee to consider the question.

We are here on the final day of the session. New York is left in the lurch, with empty hands and frustrated opportunity, so far as providing a decent and proper U.S. pavilion at the New York fair is concerned.

If it should appear that such pavilion as is erected—and it is inevitable that one will be, as we all know, for we cannot conceive otherwise—and someone criticizes the pavilion as inadequate, or that it does not have the right content or the right shape—a criticism which arose with respect to the Brussels Fair—the fault will then be, in my opinion, chargeable to what we ourselves have done in allowing ourselves to be frustrated in this way by our own mechanics.

I speak with great sadness today. I think it is a sad hour. We have had shining hours. But when we stoop to business such as we now face, I think it is a sad hour.

New York pays 12 percent of the Federal taxes in this country. Yet, in my opinion, in the last week or two, and especially today, the city has been gravely disadvantaged in its own eyes and in the eyes of the world. I regret it very much and I feel it very deeply. I am very sorry about it. I do not think we are serving ourselves well.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I wish to commend my colleague for the fight that he has put up for this measure. I also commend him for what I believe to be a wise decision in not pressing a motion to suspend the rule at this time. Unfortunately the legislative climate is not favorable for action at this time. It would be disastrous if this amendment were pressed and the requisite votes were not obtained, a fact which someone might later say was evidence of a desire on the part of the Senate not to have the United States participate in the building of a pavilion.

There is clear authority to handle this subject in the interim, until January or February—I hope January—when the Committee on Foreign Relations can take up the authorization bill.

Each of the departments has general administrative funds. The President can direct the use of these funds by the Secretary of Commerce.

I have written to the Secretary of Commerce thanking him for giving me information on the fair and urging that his Department continue its work in studying the several pending recommendations as regards the nature and extent of Federal participation in the New York fair. These studies have been underway in one form or another for the last year and a half. I believe it is entirely appropriate for the Secretary to continue to devote his attention to proposed plans for a Federal exhibit at the New York World's Fair. If he does this, and I urge very strongly that he do it, we will be in a much better position when, hopefully, New York World's Fair study bill is enacted by the Senate in January of next year. The laying of this important groundwork will permit the President to act quickly and expeditiously in following up the enactment of legislation and in appointing a Federal commissioner to review proposed exhibits and to make recommendations on a Federal exhibit.

I appeal to Senators to support the authorization bill when it comes before us early next year, and to support a program which is fair to New York State and to New York City and, more important than that, a program which will result in a dignified and appealing representation to all the world of the economic, social, and political system which we have in this country. Our system certainly has brought more happiness, prosperity, and security to a larger number of people than any other system that was ever devised by the mind of man.

When people from the Soviet Union and from other Iron Curtain countries come to the New York fair to show their wares, I hope, I anticipate, and I expect that the United States will be there to outshine them all, regardless of what we have failed to do on this rather unhappy day for the Senators from New York.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DIRKSEN. It seems inexcusable to me that we cannot make some Federal provision for the World's Fair in New York, when out of sheer abundance of interest and conquest we dumped $15 million into the World's Fair in Brussels.

I cannot conceive that either the House or the Senate will not undertake to express tangibly the interest of this Government in a world's fair within our own country.

I share the sense of frustration and distress that besets the distinguished Senator from New York over the outcome of his proposed amendment. I congratulate the Senator on being so forbearing as not to press the amendment under a motion to suspend the rule, but to await probable further action at a later time.

I assure the Senator now that if and when the question comes before the Senate, probably in January, I will lend my best efforts to consummate whatever the situation requires. I am certain that the majority leader will do likewise.

Obviously, we cannot assure anything, but we can at least pledge our best efforts to see that the job is done for the World's Fair in New York in 1964.

Mr. JAVITS. Mr. President, I am very grateful to the distinguished Senator from Illinois.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the majority leader.

Mr. MANSFIELD. I commend the Senator from New York for showing the patience and good judgment which he has just announced in stating what his action would be. I have some idea of the great strain that the senior Senator from New York [Mr. JAVITS] and his colleague [Mr. KEATING] as well have been under. While, of course, no commitments can be made, I join the minority leader and assure both Senators from New York that in the next session of Congress, I will do what I can to see that hearings are held and a decision reached on this question at the earliest possible moment.

Mr. JAVITS. Mr. President, I am very grateful to the distinguished Senator from Montana.

Mr. KUCHEL. Mr. President, there is not a Senator who fails to hold the city of New York and the State of New York in high esteem and respect. I come from California. It is always a thrill to me to visit the great metropolitan area so ably represented by the two Senators from New York. It is incredible, as our leader on this side of the aisle has said, that Congress has not been given an opportunity to indicate the desire of the Government to participate, as it ought to participate and must participate and as it will participate in the World's Fair to be undertaken by the people of New York within the next 2 years.

I wish to say to my able friends, the Senators from New York, that mine is one more vote that will be pledged, at the earliest possible time, in achieving what is common justice.

Mr. JAVITS. I thank the Senator from California.

Mr. HUMPHREY. I am not only interested in the success of the fair in New York, but I believe that the Federal Government should participate with an exhibition and proper facility in that fair. I fully concur in what has been said about our participation in international affairs abroad, such as in the Brussels Fair, on which I believe the money was well spent, and where, in fact, we should have been represented by an even larger exhibition. I wish to assure the Senators from New York that there has not been a lack of interest in the project that he sponsors and for which he has worked so diligently. I feel that he was right in his judgment of not pressing the matter at this point in our proceedings. The Senator knows that this proposal does have administration support and it does have the support of a large number of Senators who have spoken privately to both Senators from New York. I want him to know that I will do what I can to expedite action in the Committee on Foreign Relations and on the floor of the Senate. I wish to commend the Senator for his fight for his city and for his State. I, too, think New York City is a great area and a great metropolitan center and that it is the envy of the world. There is not one American citizen who I know of who would not want to see that fair a great success, not only for New York but also for the Nation.

Mr. JAVITS. I am grateful to my colleague from Minnesota.

Mr. MUNDT. Mr. President, I also feel that the Senators from New York have taken a wise course in delaying a decision on this matter until whatever troublesome technicalities now stand in their way can be eliminated at another session of Congress.

The Senators from New York have heard statements by Senators from large metropolitan areas, from former mayors of great cities, like the city of Minneapolis. I assure the Senators from New York that in the next session of Congress it will not only be the city slickers who will support the Senators from New York but that the country folks also will be interested in seeing to it that proper attention is paid and that consideration be given to the establishment of a great American exhibit at the World's Fair.

As a matter of fact, the Missouri River Basin States, of which South Dakota is the center and most sparkling gem, have already reserved a site at the location of the World's Fair, where we will build a great exhibit, which will be financed by ourselves at our own expense, and which we believe will add considerably to the various types of exhibits that are placed there from around the world. Therefore, it is proper and appropriate that the United States as an entity put its best foot forward at the World's Fair, so that it will not be only a fair for little old New York.

Mr. JAVITS. I am grateful to the Senator from South Dakota. The statements which have just been made will be tremendously helpful to the board of directors of the fair corporation, especially in view of the circumstances under which this has occurred, with their effect upon potential exhibitors, nations as well as individuals, who might choose to exhibit at the New York World's Fair.

As I said this morning, 60 nations have made agreements with the fair including many outstanding corporations both at home and abroad, in the expectation that this is a fair which is in the good graces of the United States of America. Indeed, as we all know, the President authorized the State Department to join in issuing invitations to effect that purpose. This was done after hearings were held before a board whose duty was to recommend to the President what would be the best location for the World's Fair. The board, including a former Secretary of Commerce, Mr. Sawyer, recommended New York City.

The reason for picking 1964 is that that will be the 300th anniversary of the founding of New York City. We could not have found a more suitable occasion than the tercentenary of the city itself

as the year for a great effort of this character.

I do not wish to detain the Senate further, but I would like to say one thing more which is of critical importance. There has been a great deal of discussion about $30 million. There is no commitment to spend $30 million. The President of the fair sent a telegram to the Senator from Ohio [Mr. LAUSCHE]. If the telegram has not been placed in the RECORD previously, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FLUSHING, N.Y., *September 12, 1961.*

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.:

The following telegram was sent today to Senator FRANK LAUSCHE:

"The executives and directors of the World's Fair were astonished at the statement attributed to you in the press that there was a breach of commitment on our part as to Federal participation in the New York World's Fair. If you will examine the list of sponsors of this fair, you will see that they are people of the highest reputation who do not breach commitments. The fact of the matter is that we stated originally to President Eisenhower's committee to determine where the fair should be held that we would not ask for a Federal subsidy to promote, build, and run the fair and we have not asked for any subsidy. We made it clear, however, from the very beginning that we expected the U.S. Government to provide a pavilion or exhibit as a focal point in the fair to emphasize the achievements of our country and the major objectives and purposes of our democracy. To this end we employed experts and officially presented to both the Eisenhower and Kennedy administrations suggestions by the highest and most competent authorities as to possible scientific and educational exhibits which would surpass anything along these lines which any foreign countries could present at the fair. It is unnecessary to point out to you that the U.S. Government has taken part in all major World's Fairs, including the last one in Brussels, and that it is taking part in other international fairs such as the coming one in Seattle. It seems to us unthinkable that there would be no Federal exhibit at the New York World's Fair, considering that most of the other nations of the world are exhibiting, not to speak of all our major industries. Failure to have a focal Federal exhibit would be a subject of reproach throughout the United States and the entire world.

"Furthermore, failure to act at this session of Congress on the preparation of a plan, estimate of cost, and schedule of construction will make it impossible to have an adequate U.S. pavilion built and ready to open in 1964 except at exorbitant cost.

"All that the bill before the Senate provides is the machinery to insure a plan and the amount appropriated is only sufficient to give the next Congress the information it needs upon which to determine the scope, character, and cost of such an exhibit. In other words, this bill sets up the machinery for a careful preliminary plan on which a final decision can be made by the Congress. In any event, I wish to make it entirely clear on behalf of the leading citizens who are sponsoring the New York World's Fair that there never has been any breach of any commitment.

"ROBERT MOSES,
"President."

Mr. JAVITS. The genesis of this figure of $30 million is a report made by a committee of distinguished scientists to the World's Fair Corp. in which a Franklin National Center of Science and Education, a permanent establishment, similar to the Deutsches Museum at Munich, or the Palace of Discovery in Paris, which would show our achievements and accomplishments in the field of science, was recommended as what might be the U.S. exhibit. No one has ever said that the United States was committed in any way. I read the following paragraph from that committee's report:

After careful consideration, your committee has come to the further conclusion that a U.S. science exhibit of the dimensions outlined above would require an appropriation by the Federal Government of $30 million.

That, plus some assertion by an official of the Department of Commerce to the Senator from Ohio, is the whole case statement that this means a Federal expenditure of $30 million. It means nothing of the sort. If we appropriate it, we will; if we do not, we will not. The group of men who made this report is one of the most distinguished groups that we could find in this country. I should like to point out that the committee consisted of Dr. Detlev W. Bronk, president of the Rockefeller Institute and of the National Academy of Sciences-National Research Council; Dr. John R. Dunning, dean of engineering, Columbia University; Dr. Lloyd V. Berkner, president, Associated Universities, Inc.; and Dr. William L. Laurence, science editor, the New York Times, chairman.

In my opinion it would be impossible to find a more distinguished group of men in the United States. These are the men who have made the report. It is a fine report. However, it does not commit the United States to do anything. The United States will make its own decision as to what it will do. I wanted to make that crystal clear.

I ask unanimous consent to have printed in the RECORD at this point the report of the committee, entitled "Franklin National Center of Science and Education."

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FRANKLIN NATIONAL CENTER OF SCIENCE AND EDUCATION—SCIENCE EXHIBIT

Your committee is unanimously agreed that the U.S. exhibit "involving primarily our scientific accomplishments and our expectations for the near future" should be the outstanding exhibit at the fair. It should be the finest of its kind, fully commensurate with the greatness of America, not only as the country in which freemen attained the highest technological development and the highest standard of living of any nation in history, but also as the country in which science has made possible the evolution of a free society in which every man achieved the highest dignity and stature as an individual, with the greatest opportunities ever for the full development of his physical, intellectual, spiritual and creative potential.

Not only has science made possible in the United States the highest form of a free society, in which every individual has an equal opportunity to realize to the fullest extent all the innate potentialities of his endowment, it is now playing the central role in the all-important task of defending our free society against the greatest threat in its history. A science exhibit officially sponsored by the leading Nation of the free world must make it clear to all the world that in the great war of ideas we are now engaged, our greatest defensive weapons are not atomic and hydrogen bombs but the mind of man functioning in a climate of individual freedom.

While a U.S. science exhibit should, understandably, "involve our scientific accomplishments" it should not limit itself merely to our own accomplishments. Fundamental scientific discoveries, upon which our great technological achievements are based, have largely been made by scientists of the free Western democracies, mainly Britain, France, Germany, Italy and the Scandinavian countries. Our modern industrial civilization began with the steam engine, invented by an Englishman, who made use of basic laws of mechanics discovered by Galileo, an Italian, and Newton, an Englishman. Newton's fundamental discoveries have, in fact, laid the foundation for all the great contrivances of the machine age. The principle of electromagnetic induction, which made possible the dynamo and ushered in the age of electricity, was discovered by Faraday, an Englishman. Another Englishman, Sir J. J. Thomson, discovered the electron, the basis of all the marvels of electronics—radio, television, radar, automation, rocketry, satellites, etc. Roentgen, a German, discovered the X-ray, one of the most powerful tools to penetrate the mysteries of matter, as well as a powerful weapon in the diagnosis and treatment of disease. Becquerel, a Frenchman, discovered radioactivity, which opened the door to the atomic age. Rutherford, an Englishman, discovered the nucleus of the atom, citadel of the material universe, while another Englishman, Chadwick, discovered the neutron, which opened the way to nuclear fission, discovered by Otto Hahn, a German. Pasteur, a Frenchman, discovered the bacterial origin of infectious disease and laid the foundation for modern immunology, which revolutionized medicine and public health. Fleming, an Englishman, discovered penicillin, which opened the way for the antibiotics that have so far saved more lives than were lost in both world wars. Mendel, an Austrian monk, discovered the laws of heredity and laid the foundation for modern genetics.

It is these fundamental discoveries, made by men seeking knowledge for the sake of knowledge per se, without any thought of its possible practical application, that have opened the way for all our own scientific accomplishments, which, in turn, have made possible our way of life. Hence it is obvious that a U.S. exhibit must, first of all, be a history of ideas, showing how the inquisitive mind of man, given full scope in an atmosphere of intellectual freedom, has, over the centuries, and particularly since the advent of free institutions, managed to make nature yield some of her most important secrets, and how these triumphs of man's free mind have, in turn, made it possible for all freemen, and particularly the American people, to harness the forces of nature to build a better life in an environment vastly more suitable for man's needs, material as well as spiritual.

All the aforementioned fundamental discoveries, and many others in the fields of astronomy, physics, chemistry, biology, genetics, geophysics, medicine, agriculture, metallurgy, etc., upon which all our modern technological civilization is based, should form important parts of the U.S. exhibit. By taking advantage of all modern techniques of presentation—color motion pictures, television, transparencies, revolving stages, with prominent scientists taking part in the

demonstrations, either in color motion pictures or in person, such exhibits could be made not only highly instructive, but highly dramatic and entertaining as well.

There is no greater thrill than that of the naked mind of man, with or without simple tools, challenging nature to yield up some of her important secrets, and coming out triumphant after overcoming apparently insuperable obstacles. The intellectual and spiritual exaltation, the religious awe, that must have overcome Newton when he discovered the law of gravitation; the ecstacy experienced by Einstein when he discovered the principle of relativity (he was so overcome that he actually took to bed for 2 weeks); the joy of Pierre and Marie Curie the night they first saw the eerie light of radium in the abandoned cadaver shed, after 4 years of back-breaking labor, to take but a few examples at random, could be made to live again in the minds and hearts of the spectators at the exhibit, through dramatic reenactments of the original scenes.

Such exhibits will dramatically demonstrate the following fundamental points:

1. All modern technology has its origin in fundamental discoveries made by inquisitive minds seeking knowledge of nature.

2. While pure science seeks only knowledge, without any thought of practical application, every scientific discovery eventually leads to far-reaching technological developments for the improvement of man's lot on earth. Technology, in turn, gives science new tools that make possible further fundamental discoveries.

3. All major discoveries in science have led to further enhancement of the democratic way of life.

4. Conversely, the democratic way of life creates the best environment for the creative mind. This is particularly true in the development of science and technology.

Without in any way resorting to propaganda, the exhibit, as outlined, will make it clear that not one of the major discoveries mentioned has come from either czarist or Communist Russia, or from Nazi Germany, or from any other country without democratic institutions. The only major technological development in Nazi Germany, the V-2—the first practical rocket—was based on principles developed by the American, Robert Goddard, whose basic ideas were also lifted bodily by the Russians in the development of their sputniks. In fact, all of Russia's technological progress is based on fundamental scientific discoveries and technological developments made in the free world, their technological development being largely based on the technology of the United States.

All the aforementioned lead your committee to the following conclusions:

1. The U.S. scientific exhibit should be the finest of its kind, exceeding in scope the outstanding examples of equivalent institutions anywhere in the world—such as the Deutsches Museum in Munich or the Palace of Discovery in Paris. It should, in fact, aim to become one of the wonders of the modern world, fully representing the spirit of America and commensurate with its greatness as the leader of the free world. Properly planned, it could serve as an expression of our faith in the future, as a potent weapon in the war of ideas. In the present fateful struggle between the concepts of a free society and totalitarian enslavement we cannot afford second best.

2. Such an institution must, obviously, become a permanent part of our cultural heritage. It must be housed in a monumental building that in itself would represent one of the finest structures of its kind in the world, one that would stand as a symbol of the modern free world in the same manner as the great cathedrals of Europe symbolized the aspirations and the faith of their builders and of the peoples of their day.

3. We believe that such an exhibit, and the structure in which it is housed, requires a minimum of 7 acres, including exterior landscaping. A central location is desirable, as the U.S. science exhibit should be at the center of the fair, the hub from which all other exhibits radiate. Such a central location, we believe, will enhance the value of, and interest in, all other technological exhibits to be presented by our leading industrial organizations, the technologies of which are the results of basic discoveries in science. The U.S. science exhibit would serve as the background that will make all these industrial exhibits more understandable, and hence more attractive.

The structure housing the U.S. exhibit should in itself be a most dramatic exhibit, a dynamic symbol of the world of the future, showing the creative mind of America at its best in one of its most original aspects. The preliminary sketches for the proposed building were prepared by Wallace K. Harrison.

After careful consideration, your committee has come to the further conclusion that a U.S. science exhibit of the dimensions outlined above would require an appropriation by the Federal Government of $30 million—$20 million for the building and $10 million for the exhibits it would house.

The institution on Flushing Meadow must not be a museum of static displays, but a living dynamic institution, a great cultural center, designed to instruct, to enrich and to inspire all those who visit it, young and old, university graduates and those of no more than a grammar school education. It should instruct and at the same time entertain. This great center of science and technology, as we prefer to call it, should be the equivalent of a great national theater, in which the leading actor is the human mind, groping and struggling through the ages to learn the secrets of nature and to make man at home in an orderly universe.

The center would thus be above all a revolutionary type of educational institution as well as a new form of entertainment. Like a great repertory theater, it should schedule special programs, daily or weekly, so that a visitor having once come to it will want to visit it again and again and will tell his friends to do likewise. It would serve as a model for similar institutions in all other cities throughout the country as well as in other parts of the world. It could become a major attraction for conventions and tourists, one of the showpieces of America.

As already stated, the center should take advantage of all modern techniques of presentation, color motion pictures, television, revolving stages, etc. Motion pictures in color should present in dramatic form the story of the major discoveries of the fundamental laws of nature upon which all our modern technology is based. The emphasis in all these should be not on the "what?" but on the "how?"—the manner in which an idea emerged, not infrequently over the course of centuries or millennia.

The exhibit should aim to give the average person an outline of man's knowledge of the universe, the infinite and the infinitesimal, the living and the nonliving, and how this knowledge was acquired. The motion pictures and lectures by eminent scientists should serve to provide the background for actual demonstrations showing the mind of great men in action.

These demonstrations should be associated with personal participation on a do-it-yourself basis, with the visitor himself performing some of the crucial experiments that represent landmarks in the growth of ideas. The visitor could be taught to weigh the earth, the moon, and the sun; to measure the velocity of light; and to determine on his own the distance from the earth to the sun. Repeating the experiment of Galileo, the visitor could rediscover for himself the law of falling bodies; he could discover helium in the sun and determine what other elements the sun is made of; he could repeat Faraday's simple experiment that led to the age of electricity, and the epoch-making experiment by Hertz, in which he created the first manmade electromagnetic wave, which ushered in the age of radio, television, and radar. These are only a few examples in which the average person could be initiated into the fellowship of the great discoverers through the ages.

Rather than being lost in a maze of detail, the exhibit should stress the unity of nature and the fundamental laws that govern it. It should be built around several great general exhibits, all interrelated. One of these should give the visitor a comprehensive view of the cosmos at large, the universe of stars, galaxies and supergalaxies. Another should give the story of the solar system and of the earth. The story of matter and energy should be the subject of a third. Another general exhibit should be devoted to the story of the evolution of life on earth and the possibility of its existence elsewhere in the universe. The nature of life and how it functions, with emphasis on human development and physiology, should be the subject of another. An exhibit showing how a humble monk, Gregor Mendel, observing his peas in his garden, discovered the laws of heredity operating throughout the entire realm of life, from the lowest of bacteria to man, should be the starting point for an exposition of the story of genetics.

All these great exhibits, however, should merely serve as the background for the story of America's contribution to science and technology, from colonial time to the present. It should show how, building on the discoveries of the past, the American creative mind transformed a virgin continent into a new world which offered the greatest opportunities for the individual to grow in freedom and to attain the highest standard of living in history.

The exhibit should constitute a great pageant of the great names in American science and invention—Franklin, Eli Whitney, Joseph Henry, Fulton, Morse, Bell, Willard Gibbs, Michelson, Millikan, Edison, and Tesla, to mention a few. It should show America's great contributions to the development of the telegraph and the telephone, the automobile, radio, television, and radar; the airplane, the helicopter, and the jet plane; its contributions to the science of nutrition, to medicine and to surgery, to agriculture, and transportation, to the harnessing of great rivers, such as the Niagara and the St. Lawrence, with scale models of these giant dams.

Two of the major exhibits of American technology should, of course, show our country's outstanding contributions to the atomic age and the age of space. The atomic exhibit should show the highlights of the great secret wartime development that brought the atomic age into being. It should show, among others, a model of the first nuclear reactor built in the squash court at the University of Chicago, the first atomic powerplant in history. It should be climaxed with an actual experimental swimming pool type of nuclear reactor, of the type shown by the United States at the United Nations Conference on the Peaceful Uses of Atomic Energy in Geneva in 1955. Such a reactor is absolutely safe and is highly spectacular. The exhibit should also illustrate the great promise of atomic energy as a vast new source of energy for industrial power, and as a most important tool in agriculture, biology, and medicine, which promises to play a major role in the conquest of disease and the prolongation of life.

The exhibit on the space age should, first of all, provide a clear explanation of the fundamental principles of the rocket and the principles that maintain a satellite in its orbit. It should display models of the vari-

ous American satellites placed in orbit, their instrumentation and their purpose.

It should also leave room for any new satellites and new discoveries that will be made after the exhibit had been set up.

In addition to providing a comprehensive outline of scientific discoveries and technological developments up to the present, the fair should also provide a glimpse of the immediate and the more distant future. It should show how atomic energy promises to give mankind everywhere an abundant source of energy for an abundant life, and how that will serve as a vital factor in bringing peace to the world. It would show mankind entering an era in which most major diseases will be eliminated and the average lifespan will be significantly increased.

It should also show that, within the next two decades or so, scientists hope to solve the problem of harnessing the fusion energy of the hydrogen bomb as a limitless source of industrial power, with the oceans of the world providing an endless source of fuel.

Lastly, it should provide a glimpse of what further explorations of outer space will bring in the future. Such a glimpse will make the onlooker aware that we stand on the eve of some of the greatest discoveries ever made, discoveries that may open vast new horizons for mankind.

The exhibit as a whole must avoid giving the impression that science and technology are purely materialistic. Science is the outgrowth of the spirit of man, of his desire to know, to seek the truth. Its technological fruits serve to make man free from exhausting physical labor, to enable him to cultivate his spiritual and creative powers, in short, to make him free. An understanding of science should therefore give us faith in the future, for science, by fostering the free mind, is the greatest enemy of totalitarianism. The old maxim, "And ye shall know the truth and the truth shall make you free," is still as valid as it ever was.

Respectfully submitted.

DETLEV W. BRONK,
JOHN R. DUNNING,
LLOYD V. BERKNER,
WILLIAM L. LAURENCE,
Chairman.

ADDENDUM TO THE REPORT OF THE SCIENCE COMMITTEE—EDUCATION EXHIBIT

As stated in the report of your Committee on the United States Science Exhibit, the National Center of Science would "be above all a revolutionary type of educational institution as well as a new form of entertainment."

On further consideration, and in the light of the valuable report of the committee on education headed by Dr. George N. Shuster, and including Dr. John H. Fischer, Dr. John W. Gardner, Dr. Fred M. Hechinger, and Dr. Joseph E. Johnson, it appears that the educational potentialities of such a center would be greatly enhanced by the incorporation of a special exhibit that would tell in dramatic form, largely through color motion pictures and closed circuit television, the inspiring story of the development of the American educational system, from the beginning to the present, with a glimpse into the future.

Such an exhibit would not require a special building, as one large hall, in the form of an attractive and spacious auditorium, equipped with a modern stage and screen and decorated with murals giving the highlights of the story of education in America, would adequately serve the purpose. Such a hall of education should form an integral part of the science building. The center could thus be named the "Franklin National Center of Science and Education."

The educational section of the center should avoid any semblance of static museum-type exhibits. The development of the educational system in America is one of the glories of our land, a story of great human interest that can be told in colorful and dramatic sequences in which the highlights covering a period of more than three centuries could be reenacted and made to live again. The story should tell how from the very beginning the "things" our forefathers "longed for, and looked after was to advance learning and perpetuate it to our posterity." It should tell not only the American people but the peoples from all parts of the world who will visit the fair, and in the years to come, that the ideal of universal education for all, and not only for the privileged few, was fostered in our country from the beginning; that this ideal became a keystone of our democratic way of life, which gives every individual an equal opportunity to develop to the fullest possible extent all the innate talents within him. It should show that only in America has this ideal been fostered, and is still being fostered not for the purpose of creating robot-like servants of the State, but to give every individual an equal opportunity to rise to his highest dignity as an individual; to give life a higher meaning; to inspire to the fullest measure a devotion to the higher values of existence; to instill in every citizen love of God, of country and of his fellow men.

The spirit of American education, that might well be expressed in an inscription on one of the walls of the proposed hall of education, could best be illuminated by the inspiring passage from New England's First Fruits, published in 1643, telling the story of the founding of Harvard College in 1636, a bare 16 years after the landing of the Pilgrims:

"After God had carried us safe to New England, and wee had builded our houses, provided necessaries for our liveli-hood, rear'd convenient places for Gods worship, and settled the Civil Government: One of the next things wee longed for, and looked after was to advance Learning and perpetuate it to our Posterity; dreading to leave an illiterate Ministery to the Churches, when our present Ministers shall lie in the Dust.

"And as wee were thinking and consulting how to effect this Great Work, it pleased God to stir up the heart of one Mr. Harvard (a Godly gentleman and a lover of learning, there living among us) to give the one half of his Estate (it being in all about 1700 £) towards the erecting of a Colledge; and all his Library: after him another gave 300 £. Others after them cast in more, and the publique hand of the State added the rest; the Colledge was, by common consent, appointed to be at Cambridge (a place very pleasant and accommodate) and is called (according to the name of the first founder) Harvard Colledge."

This inspiring story could well be dramatically reenacted in a color motion picture, to be written by one of our leading dramatists. The film would show the Pilgrims in solemn conclave at a town meeting which may well have followed the funeral of one of their ministers. They would be shown discussing the need for the advancement and perpetuation of learning, revealing their "dread of leaving an illiterate ministery," and their despair because of the lack of funds with which to accomplish their purpose, when a young minister among them, John Harvard, rises to announce his magnificent gift.

The story could then go on to tell the early struggles of the young college for survival, how the students paid their tuition with products of the farm—cheese, milk, eggs and vegetables, which the faculty lived on. It could show actual classrooms of the 17th century, the methods of teaching, student life, their games and their pranks. The story could unfold the role played by Harvard in the Revolutionary War, in the Civil War, in World War I and II. Leading actors could re-create some of the great teachers and personalities of Harvard during its three centuries, making them live again in their classrooms. Interwoven through the story should, of course, be the landmarks showing the growth of Harvard from a tiny "colledge" of one small building to one of the world's great institutions of learning, with outstanding graduate schools in medicine, law, business, the arts, the sciences and the humanities.

Similar inspiring, intensely dramatic stories could be told of our other great universities—Yale, Princeton, Columbia, to mention but a few. Many of these dramatizations already exist. For example, during its recent fund drive, Harvard produced a splendid motion picture, "From the Age, That Is Past," shown so far only to a limited audience of alumni, which should prove highly interesting to the public at large.

Another dramatic and colorful story could be told of the development of our great land-grant colleges and universities, showing President Lincoln signing the Land-Grant Act in 1862 and explaining its purpose; the development of our great State universities; the establishment of our great institutions of learning for women; the world-famous institutes of technology, such as MIT and Caltech; our great research centers, such as the Rockefeller Institute; the unique Institute for Advanced Study, at Princeton; our gigantic national laboratories, serving groups of universities, at Brookhaven, N.Y., Oak Ridge, Tenn., and Argonne, near Chicago.

By means of closed circuit television, the visitor at the center would be permitted to enter classrooms in several of our leading universities, showing education in action. He could be made a participant in some of the students' extracurricular activities, watch rehearsals, and actual performances of their dramatic societies, debating teams, glee clubs. He could sit in at a typical "bull session" among undergraduates and made to feel as one of them.

One of the special features of the education exhibit could be a reenactment of some of the memorable football games of the past, bringing back to life, or restore the youth of, some of the legendary names in football history. This feature of the exhibit should, of course, show present day athletic activities, illustrating the fact that American education is designed to meet the needs of the whole man, body, mind, and spirit.

A major part of the exhibit should be devoted to a dramatic presentation of the development of the elementary school, the high school and the kindergarten, with living subjects playing their respective parts in the proper environment. This group of exhibits, all in color motion pictures, should bring back to life the original red schoolhouse, with all the trimmings. It should show the teachers and the children in the dress of the period, and the manner in which the three R's were taught. It should graphically depict how this little red schoolhouse gradually developed over the years into the modern elementary school and high school. These exhibits also should show typical classrooms in action, with living actors playing the part of the teachers and real children acting as the pupils. Whenever possible actual modern classrooms should be entered by means of closed circuit television.

One of the major aims of this exhibit would be to illustrate the development of the art of teaching from its crude beginnings to its modern advanced techniques. This could be done by showing classrooms at various periods in our history and the methods used in teaching certain subjects.

The exhibit could be climaxed with a present-day version of the meeting of the Pilgrims that led to the founding of Harvard. In the modern version we would have (in color motion picture) a group of distinguished educators, including the presidents of a number of our leading institutions of learning, expressing their fears for the

future and affirming once again that "the things we long for, and look after, is to advance learning and perpetuate it to our posterity." In this sequence should be outlined, in the words of the educators, the great problems now facing American education, stressing the fact that we are now engaged in a fateful struggle for survival that requires the training of our best minds, through a system of universal education designed to meet effectively the great challenge of our day.

Respectfully submitted.

WILLIAM L. LAURENCE,
Chairman, Science Committee.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, from "New York World's Fair, 1964–65," the introduction by the president of the Fair Corp., Mr. Robert Moses.

There being no objection, the introduction was ordered to be printed in the RECORD as follows:

INTRODUCTION

The New York World's Fair was host to 2,000 guests on preview day, April 22, 1961; 3 years before the opening day of April 22, 1964. Back of the day's entertainment, boat ride, helicopter flight, music, exhibits, inspection, and luncheon was the realization that only 3 years of preparation remain.

The corporation's basic plans are completed and construction has begun on the framework and settings for exhibits: from home and abroad, from industry, science, and the arts. Adjustments will be made to fit exhibitors' requirements as their plans progress.

The Flushing Bay waterfront approach to the fair will be improved with a wider and deeper channel and enlarged landings.

The sale of $40 million of World's Fair promissory notes is now underway. The city of New York will finance $24 million of permanent Flushing Meadow Park improvements to be repaid to the city after the close of the fair. The fair will reconstruct Flushing Meadow Park at a cost of $6 million. Estimated total revenues and estimated total expenditures, including repayment of the city costs and completion of Flushing Meadow Park, indicate a substantial surplus, after repayment of notes, to be given the city for additional park improvements and for education.

The building industry of New York, labor and management, has pledged cooperation in building the fair.

Preview day was organized by the communication section. It was a small sample of what is to come.

Financing, constructing and publicizing a World's Fair are preliminaries to the operation of a fair. The responsibilities are many: restaurants, souvenirs, food stands, police, fire protection, parking, service stations, bus transportation, shows, comfort stations, entrance gate operation, maintenance, licensing, medical facilities, etc. Contracts for some of these operations have been signed and others are being negotiated. In addition the operation group is responsible for cooperative programs with Lincoln Center and city museums and institutions, and for the fair's sports program.

The corporation's immediate activities are directed primarily toward preparation of the site for exhibitors: industrial, international, transportation, Federal, States, and special. A number of leases have been signed. More are under negotiation.

President Eisenhower and President Kennedy both authorized the Commerce Department to prepare plans for the U.S. exhibit at the World's Fair. Secretary Hodges and Undersecretary Gudeman are developing concrete proposals and are preparing to submit a bill to Congress authorizing Federal participation in the fair.

A memorandum of understanding has been signed with the Lincoln Center for the Performing Arts assuring cooperation in 1964–65.

Construction has started on the $95 million arterial program in and adjacent to the fair.

This second progress report on the fair includes charts detailing fair construction and exhibitors' leases and construction.

The April 22 preview day represented our first invitation to the entire world to come to the real fair in 1964 and 1965.

ROBERT MOSES, *President.*

Mr. JAVITS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the names of the honorary chairmen; the board of directors; the members of the executive committee; and the persons responsible for the administration of the fair.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Members of the New York World's Fair Corp.

Honorary chairmen: Herbert C. Hoover, Harry S. Truman, Dwight D. Eisenhower.

Board of directors:

Herbert L. Barnet, Vincent G. Barnett, Abraham D. Beame, John J. Bergen, James B. Black, William Black, Robert E. Blum, Peter J. Brennan, Edgar M. Bronfman, Detlev Bronk, Ralph J. Bunche, William H. Burkhart, Selig S. Burrows, David R. Calhoun, Jr.

Joseph F. Carlino, Amon Carter, Jr., Elmer A. Carter, Emanuel Celler, Norman Chandler, Howard Clark, Lucius D. Clay, L. Gary Clemente, Lester L. Colbert, Fairfax Cone, John F. Connelly, Edward Corsi, Gardner Cowles, Lou R. Crandall.

Henry Crown, Howard S. Cullman, Chester Dale, Lloyd A. Dalzell, Mrs. Tobe Coller Davis, Donald Dayton, Thomas J. Deegan, Jr., Raymond C. Deering, James J. Delaney, Thomas E. Dewey, Rene D'Harnoncourt, Lowell S. Dillingham, Morton Downey, Harold J. Drescher.

Orvil E. Dryfoos, Ferdinand Eberstadt, Charles Eble, Frederic W. Ecker, G. S. Eyssell, James A. Farley, Horace C. Flanigan, F. M. Flynn, John M. Franklin, Richard W. Freeman, Robert D. L. Gardiner, Ira H. Genet, Bernard F. Gimbel, Fred M. Glass.

Thomas F. Gleed, Thomas M. Goodfellow, Harry E. Gould, William G. Graham, Harold E. Gray, Peter Grimm, Mrs. Alicia Patterson Guggenheim, John W. Hanes, W. Averell Harriman, Wallace K. Harrison, Huntington Hartford, Mrs. Enid A. Haupt, Paul R. Hays.

William R. Hearst, Jr., Lester Holtzman, Stanley C. Hope, Roy W. Howard, Palmer Hoyt, George M. Humphrey, George Hyam, Jacob K. Javits, Richard L. Jones, Jr., Devereux C. Josephs, Kenneth B. Keating, Mrs. Edna F. Kelly, James M. Kemper, Jr., Eugene J. Keogh.

Joseph H. King, Dr. Grayson Kirk, John S. Knight, Walter E. Kolb, I. Robert Kriendler, Miss Eleanor Lambert, Mrs. Albert D. Lasker, Robert Lehman, Douglas Leigh, Arthur Levitt, David M. Levitt, Kuo Ching Li, Jr., Mrs. Oswald Bates Lord, George H. Love.

Henry R. Luce, Nils Lundberg, Stanley Marcus, Rev. Dr. Julius Mark, Joseph A. Martino, Charles B. McCabe, Rev. Laurence J. McGinley, S.J., Michael J. Merkin, Thomas Jefferson Miley, Paul Miller, MacNeil Mitchell, Joseph Monserrat, Roy W. Moore, Jr.

William H. Moore, Gene Mori, Robert Moses, Arthur H. Motley, Norman N. Newhouse, Dr. Carroll V. Newsom, William S. Paley, H. Bruce Palmer, I. S. V. Patcevitch, Richard C. Patterson, Jr., Richard S. Perkins, Alfred E. Perlman, Clifton W. Phalen, Fortune Pope.

Jacob Potofsky, Charles F. Preusse, Eugene C. Pulliam, Roland L. Redmond, William S. Renchard, Edward V. Rickenbacker, Harold Riegelman, William E. Robinson, David Rockefeller, John D. Rockefeller III, John J. Rooney, John Roosevelt, James J. Rorimer, Alex Rose.

Mrs. Anna M. Rosenberg, Samuel I. Rosenman, Thomas J. Shanahan, Joseph T. Sharkey, Dale E. Sharp, William A. Shea, David A. Shepard, C. R. Smith, Dr. Ralph W. Sockman, Joseph P. Spang, Jr., Jack I. Straus, Lief J. Sverdrup, Austin J. Tobin, William J. Tracy.

Anthony J. Travia, Mrs. Marietta Tree, Juan T. Trippe, H. C. Turner, Jr., Harry Van Arsdale, Jr., Thomas J. Watson, Jr., Sidney J. Weinberg, Alexander M. White, Robert M. White II, John Hay Whitney, Mrs. Wendell Willkie, Norman K. Winston, Joseph Zaretzki, William Zeckendorf.

Executive committee: Thomas J. Deegan, chairman; Lou R. Crandall, James J. Delaney, Bernard F. Gimbel, Wallace K. Harrison, Robert Moses, J. Anthony Panuch, Richard C. Patterson, Jr., Charles Poletti, William E. Potter, Charles F. Preusse, William E. Robinson.

Administration: Robert Moses, president; Ernestine R. Haig, secretary of the corporation and assistant to the president; William E. Potter, executive vice president; Michael R. Pender, assistant to executive vice president.

Operations: Stuart Constable, vice president; Grace M. Glennon, assistant to vice president; Harry F. Meyers, director, maintenance and security; William A. Kane, director, concessions; Sheldon S. Brownton, chief medical officer; Harold J. Blake, office manager; Edward P. F. Eagan, sports consultant; Louis B. Ames, coordinator for the arts.

Industrial, Federal, States, and special exhibits: J. Anthony Panuch, vice president; Erwin Smith, executive assistant; John S. Young, director, industrial and commercial exhibits; Bourne Upham III, director, Federal and State exhibits; William S. Ottley, director, special exhibit.

International affairs and exhibits: Charles Poletti, vice president; John Simmons, chief of protocol; Allen E. Beach, director, international exhibits; Lionel Harris, Douglas Seaton, Gates Davison.

Communications and public relations: William Berns, vice president; William S. Adams, Jr., assistant to vice president; Jack Reiss, representative, Thomas J. Deegan Co., Inc.; Jerome Edelberg, representative, William J. Donoghue Corp.

Comptroller: Erwin Witt, comptroller; John Brennan, chief accountant; James T. Carroll, manager, insurance department.

Chief engineer: William Whipple, Jr., chief engineer; Walter Giebelhaus, assistant chief engineer.

Mr. JAVITS. Mr. President, Robert Moses certainly knows his business, and is one of the great master builders of our time. It is with pride that we in New York hail the fact that he heads the World's Fair board.

I close upon this note. I am grateful to my colleagues from Illinois, Montana, California, Minnesota, and South Dakota for their support against what seems to me to represent, in effect, a very real slight to the city of New York and its great effort for this World's Fair. I also express my gratitude and appreciation especially to my colleague from New York, Senator KEATING. I have faith that justice will be done and seasonably by New York's 1964 World's Fair.

He has suffered—I use that word advisedly—through these days with me in our effort to do something about what

seemed to us to be a critically important matter to the city of New York.

I wish to express to the Senate, because of the point which was raised about a filibuster and delaying the Senate, my deep feeling in conscience and assurance that I have struggled all through this day in the effort to bring about a resolution of this problem at the earlier possible moment without in any way taxing the Senate or making an inducement for doing something about this delay of the Senate's work. I have beaten myself harder than anyone would have dreamed of driving me in order to bring this question to some conclusion.

The President should facilitate the planning, in the next few months. The Federal establishment is big enough so that it can be done. While time is critical to a successful exhibit at the fair, it could be a very costly investment. This is the right thing to do, in terms of our standing prestige, because we will be on display with every other nation on earth which amounts to anything at the New York World's Fair. So I think the President and the executive department should allow for the adverse effects of the period of time through which we must go.

I am grateful to the Senators who have given their assurance, upon which I know we in New York will rely most gratefully, that this subject will have the earliest possible attention when the Congress reconvenes.

Mr. LAUSCHE. Mr. President, I appreciate the feeling of the Senator from New York. I assure him that I have treated the city of New York with the same measure of justice that I have treated my own city. In 1957, a request was pending for $5 million to build a stadium in Cleveland. Cleveland is the place of my birth. I knew of the fiscal stringency confronting the Federal Government. I opposed the giving of $5 million to Cleveland. I do not propose to do anything more for New York than I did for my own city, nor any less.

Mr. MANSFIELD. Mr. President, I ask for the third reading of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

Mr. MAGNUSON. Mr. President——

Mr. HUMPHREY. Mr. President, I have discussed a question with the chairman.

Mr. MAGNUSON. I believe I obtained the floor after the third reading.

Mr. HUMPHREY. I yield to the Senator from Washington.

Mr. MAGNUSON. With respect to the item for the Aeronautics and Space Agency, a point of order was made by the Senator from Illinois, and the point of order was sustained. A question may be asked as to why the language was included.

I ask unanimous consent to have printed at this point in the RECORD an explanation of why the language was included. There was no intention to disregard or disappoint the Civil Service Commission, but merely to clarify the language of the National Space Agency Act.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

NINETEEN HUNDRED AND SIXTY-TWO SUPPLEMENTAL APPROPRIATION FOR STAFF OF THE NATIONAL AERONAUTICS AND SPACE COUNCIL

LANGUAGE

This supplemental request amounted to $225,000 for salaries and expenses. In addition, the language included the following proviso: "That hereafter employees of the Council may be appointed and compensated under section 201(f) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2471(f)), without regard to the civil service laws and the Classification Act of 1949, as amended * * *."

PROCEDURE

On September 20, this supplemental request, including the above-cited language, was approved by the Bureau of the Budget and recommended to the President by its Director.

On September 21, the President transmitted the supplemental request to the President of the Senate, expressing his concurrence with the Bureau of the Budget recommendation.

The Executive Secretary of the Space Council testified before the Appropriations Committee, explaining the need for and reasons for this request.

Subsequently, the supplemental request, including the previously quoted proviso, was approved by the Appropriations Committee.

EXPLANATION

The language "without regard to the civil service laws and the Classification Act * * *" was not presented as an amendment to the National Aeronautics and Space Act. Rather, it was presented as a clarifying interpretation of what was believed to have been the congressional intent at the time the basic act was passed. Between 1958, when the legislation was enacted, and 1961, there was no experience in employing personnel under section 201(f). Consequently, there had been no occasion or need for raising the question of intent and interpretation of the language.

There is need for such clarification, and it was considered that the language in the supplemental appropriation would make the congressional intent clear. When the newly appointed executive secretary had the funds for employing a staff, he learned that confusion existed as to the interpretation of the language under which such employment would take place. In consultation with officials of the Bureau of the Budget, General Services Administration, and the Civil Service Commission, he learned that various views and interpretations were held by those officials. In fact, the executive secretary received interpretations that the Council was covered by civil service laws and the Classification Act, and that it was not so covered. However, in the absence of clear language, the Civil Service Commission finally interpreted the provision to the effect that the Council staff was covered by such legislation.

Hence, since this was viewed as a matter of interpretation rather than as a matter of amendment, it is considered to be in the interest of efficiency to have the language clarified.

The Chairman of the Space Council was the chairman of the committee which drafted the basic legislation in the Senate and was also a member of the conference committee on the bill before final passage. He has advised that it was his understanding, at the time the bill was drafted, that the Space Council would not be covered by civil service laws and the Classification Act. The executive secretary of the Space Council, who assisted in the drafting of the Senate bill, holds the same view.

The act itself gives implicit support to the interpretation that the Council staff is not covered by such personnel legislation:

(a) Section 201 establishes the Council. In subparagraph (f) of that section, the pertinent language is as follows:

"The executive secretary * * * is authorized to appoint and fix the compensation of such personnel, including not more than three persons who may be appointed without regard to the civil service laws or the Classification Act of 1949 and compensated at the rate of not more than $19,000 a year. * * *"

(b) Section 203 provides for the administration of the National Aeronautics and Space Administration. In subparagraph (b)(2), it states that the administration is authorized "to appoint and fix the compensation of such officers and employees as may be necessary to carry out such functions." Then, in clear distinction with the provision affecting the Space Council, that sentence is followed by: "Such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with the Classification Act of 1949, except. * * *" The exception provides for some 290 positions of $19,000 or more, which are outside the civil service laws and the Classification Act.

(c) It is noted that both provisions authorize the appointment and the fixing of compensation for staff personnel. In both cases, provision is made for $19,000 salaries. But, only the language referring to NASA specifies that the personnel is covered by the civil service laws and the Classification Act.

On July 24, 1961, Senator JOHN STENNIS, a distinguished member of the Senate Appropriations Committee, made a particularly pertinent statement before the committee during its consideration of the Independent Offices bill. In that statement, he emphasized the necessity for expediting the Space Council's performance and recommended that the language of section 201(f) of the National Aeronautics and Space Act be so phrased as to make it clear that all of the Council's staff positions be exempted in a manner consistent with the language as proposed in the fiscal year 1962 supplemental appropriation.

ILLUSTRATIONS

One agency (AEC), whose Chairman is a member of the Space Council, is excluded from such personnel legislation. Another agency (State), whose secretary is a member of the Space Council, has a portion of its personnel excluded. The other two agencies (DOD and NASA), whose top officials are on the Space Council, have substantial numbers of personnel exempted from coverage. Also, employees of such agencies as National Security Agency, Central Intelligence Agency, and TVA are exempt. Agents of the FBI and officers in the Public Health Service are also not covered.

In essence, however, the characteristics of the Space Council's entire staff are more nearly comparable to those of the top policy personnel of other agencies than to the entire staff of such agencies.

OBSERVATION

It seemed appropriate to have clarification of congressional intent made by the Congress. Since the Council has had an appropriation only for a short time, the difficulties stemming from this question of interpretation have only become known recently.

Hence, the clarifying language was submitted with the supplemental request, as the latter presented a reasonable opportunity to have the matter clarified.

Since there is no precedent for job descriptions and little comparable precedent for recruitment of the type of personnel needed, it is difficult to develop a competent staff for the Space Council, within the limitations of the provisions of the civil service laws and the Classification Act. The Executive Secretary of the Space Council presented in more detail the need for this clarifying language, in his testimony for the Appropriations Committee on September 20. This testimony has been printed by the committee.

E. C. WELSH,
Executive Secretary.

Mr. HUMPHREY. Mr. President, on page 13 of the bill is an item known as "juvenile delinquency and youth offenses." As I understand, after having discussed the question with the chairman of the Committee on Labor and Public Welfare and also with the chairman of the Committee on Appropriations, the sum of $8,200,000 is appropriated "for grants for demonstration, evaluation, and training projects, and for technical assistance, relating to control of juvenile delinquency, and youth offenses, and for salaries and expenses in connection therewith."

As I understand, this language does not exclude the training of public welfare and social workers in this area of activity. I also understand that it does include teachers and recreation workers.

May I ask, first, the Senator from Alabama if that is his understanding?

Mr. HILL. It could include the persons to whom the Senator from Minnesota has addressed himself.

Mr. HUMPHREY. The reason I raise this question is that in the regular appropriation bill for the Department of Health, Education, and Welfare the sum of money provided for the training and grant program for social workers was excluded. I wished to make certain that the contract provisions under this particular proposal, and under the terms of this language, are such that they can include recreation workers, teachers, social workers, welfare workers, and a relationship between the Federal Government and the States, because much of this work is done at the State level and local level, not at the Federal level.

Mr. HAYDEN. The Senator's statement is correct. I think that is the way the language will be interpreted.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared on the subject of funds for training public welfare personnel in the field of juvenile delinquency control.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

FUNDS FOR TRAINING PUBLIC WELFARE PERSONNEL IN FIELD OF JUVENILE DELINQUENCY CONTROL

For the first time the Congress has enacted legislation for the prevention and control of juvenile delinquency and youth offenses. I was happy to be one of the sponsors, together with Senators HILL and CLARK and others, of S. 279, which has been passed by the Senate and the House.

I support without qualification the request of the administration for $8,200,000 for fiscal year 1962 to provide grants for demonstration, evaluation, and training projects, and for technical assistance relating to the control of juvenile delinquency and youth offenses, submitted in the President's message of September 18, 1961, and contained in Senate Document No. 51.

I am concerned, though, that in our commendable desire to develop projects and provide training to help our communities in their problems of juvenile delinquency, we may assume without justification that something new and different has to be done if we are going to get any results. The fact is that right now we are operating many important and significant services and programs directed toward prevention and control of juvenile delinquency, which, while they have laid no claim to a cure-all, have ameliorated and kept within limits—although perhaps not sufficiently—the scope of the problem. We are not starting from scratch in this field.

We all know full well that our local and State public welfare departments are primary instruments in the prevention and control of juvenile delinquency. These departments, after all, are on the first line of defense since their staff meets daily with the low-income families—in slums and blighted areas of our cities—from whom come a high proportion of our youth who get in trouble. Moreover, in many States and localities, just as in my own State of Minnesota, the State welfare department is charged with maintaining an extensive program of youth services, youth correctional institutions, and youth camps.

The public welfare worker is one of the most important foot soldiers in any campaign to help youth. We must be sure that we do not pass over him in developing a program of training in juvenile delinquency prevention, for if we do, we miss an essential and natural opportunity to deal directly with the early prevention of juvenile delinquency.

I would like to have the record clearly indicate a priority for the training of these front-line soldiers in the juvenile delinquency campaign—the public welfare workers. I am suggesting, therefore, that at least $1 million of these funds for demonstration and training projects relating to the control of juvenile delinquency and youth offenses be made available to our State public welfare departments to provide training for State and local staffs. I would hope that a number of these public welfare employees would be encouraged to pursue full graduate training in social work, for the preventive possibilities open to them are worth many a pound of cure. Such preparation for key preventive services is not going to be realized by just short-term training programs and in-service training. Allocation of $1 million for our 50 States would make it possible for these States to develop a nucleus of persons with special qualifications and leadership abilities to counsel and advise our communities in the development of delinquency prevention and control programs.

I, therefore, believe that the appropriation language for grants for demonstration, evaluation, and training projects relating to the control of juvenile delinquency and youth offenses, should be interpreted liberally and could well read:

"For grants for demonstration, evaluation, and training projects, and for technical assistance relating to control of juvenile delinquency and youth offenses, and for salaries and expenses in connection therewith, $8,200,000, of which at least $1 million shall be made available to the States for the purpose of increasing the number of adequately trained personnel in public welfare available for work in the prevention and control of juvenile delinquency and youth offenses."

The Secretary of Health, Education, and Welfare has authority to direct that these funds shall be applied in the way I have indicated, but I want him to know that he has my full support and cooperation in strengthening the capacities of State and local public welfare personnel in their battle against juvenile delinquency.

Mr. HUMPHREY. The Mutual Educational and Cultural Exchange Act of 1961 was signed by the President last Thursday. That act brings together the authority formerly contained in the Fulbright Act, the Smith-Mundt Act, and other acts dealing with educational and cultural exchanges, puts them into one piece of legislation, and repeals the parts of old acts which now appear in the new act. The new act also adds a few limited new authorizations, but they are not involved at this juncture of my discussion.

The appropriation for educational and cultural exchange activities for fiscal year 1962 was passed before the new Fulbright-Hays Act was enacted.

The appropriated funds must be available for expenditure under the new act, because if they are not, the programs will have no legislative basis, the old acts having expired by the terms of the new act.

Therefore, I wish to be very explicit in making clear the intentions of the Committee on Appropriations. The appropriated funds are meant to be available for expenditure under the new act, but only for such activities as were permitted under the old legislation, which was superseded by the new legislation, for which the appropriations were previously requested. The administrative provisions of the new act may be used, but no new substantive activities can be supported by funds from this appropriation.

The Committee on Foreign Relations intended precisely this result by adding a saving clause to the new act, the Fulbright-Hays Act, to which I have referred. Is that the understanding of the chairman of the Committee on Appropriations?

Mr. HAYDEN. The funds are available.

Mr. HUMPHREY. I wish to make it clear that the old legislation has been superseded; but there might have been some doubt as to whether the appropriations under the old legislation carried over to the new legislation.

Mr. HAYDEN. The Senator's understanding is correct. I appreciate his clarification of the situation.

Mr. BYRD of West Virginia. Mr. President, the report of the Senate Appropriations Committee on the supplemental bill for 1962 includes $3 million for emergency conservation measures in an appropriation to the Agricultural Stabilization and Conservation Service. The language of the report reads as follows:

The committee recommends an additional appropriation of $3 million under this head to be utilized for emergency conservation practices in disaster areas affected by hurricane damage. The amount recommended is $2 million under the supplemental estimate in Senate Document No. 54. The committee believes that this amount, together with the uncommitted balance of $5 million still available, will enable the Department to carry out essential emergency conservation measures.

The language in the appropriation bill, H.R. 9169, reads as follows:

For an additional amount for "Emergency conservation measures" to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, and the Supplemental Appropriation Act, 1958, including necessary administrative expenses, $3 million to remain available until expended.

On the floor this amount was increased to $5 million.

It is my understanding, Mr. President, that—

First. The language in the Appropriations Committee's report would not preclude the use of this money for repairing damage in inland areas as a result of floods caused by hurricanes.

Second. That any funds remaining in this appropriation after use for emergency conservation practices in disaster areas affected by hurricanes will be available for the same purposes and subject to the same conditions as funds previously appropriated for conservation measures referred to in the bill itself.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 9169) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Acting President pro tempore appointed Mr. HAYDEN, Mr. RUSSELL, Mr. ELLENDER, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, and Mrs. SMITH of Maine conferees on the part of the Senate.

Mr. HUMPHREY subsequently said: Mr. President, during the consideration of the supplemental appropriation bill, H.R. 9169, I had intended to ask the Senator from Arkansas [Mr. MCCLELLAN], who is chairman of the Subcommittee on State Department Activities, a question relating to an item on page 28, lines 17 through 22. This is the item that relates to the arms control and disarmament activities, and reads as follows:

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, as authorized by law $1,000,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2180 or H.R. 9118, Eighty-seventh Congress, or similar legislation.

Of course, that bill is now law. The President signed it today, and the Agency will be established. The sum of $1 million, as the Senator knows, was about one-third of what the Department requested. Of course, the House had not provided any funds. The RECORD should be clear that $1 million was to be transferred from the State Department appropriation.

Mr. MCCLELLAN. Making $2 million, which was evidently ample for them to operate on from now until early next year, when possibly a supplemental appropriation bill will come before us at that time. I think it was anticipated by the membership of the committee that an additional request would be made if the measure was enacted into law. Now that it has been, we anticipate such a request. I assure the Senator that, so far as the chairman is concerned, it will receive the proper and earnest attention of the committee when the request comes to us.

Mr. HUMPHREY. I appreciate the Senator's words. In other words, what the chairman of the subcommittee is saying is that this appropriation of $1 million was made at a time when we were a little uncertain as to the future of the Agency itself.

Mr. MCCLELLAN. Not only were we uncertain, but the House had provided nothing, and the bill had not been enacted into law. I think the President had transferred $1 million from his emergency funds, or some other source——

Mr. HUMPHREY. From the State Department funds.

Mr. MCCLELLAN. And we thought the $1 million would be adequate.

Mr. HUMPHREY. For a start.

Mr. MCCLELLAN. For whatever was necessary to carry the operations of the Agency until the Congress reconvened next year, and we could then give the usual, careful consideration to any justification of a request made. I think it was anticipated that if the bill became law there would be an additional request.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is H.R. 8847, relating to stock distribution treated as return of capital.

Mr. MANSFIELD. Mr. President, I should like to have the attention of the Senate. It is hoped that before too long it will be possible to have the conference report on the foreign aid bill before the Senate. As the Senator knows, the report must first be acted on by the House.

I further understand—and I ask the Senator from Arizona to corroborate my statement—that it is the intention of the Senator from Arizona to have the conferees on the supplemental appropriation bill meet at approximately 7:30 this evening to consider the bill.

Mr. HAYDEN. I have communicated that information to the House, and I believe it is agreeable to the House.

Mr. MANSFIELD. The Senate may then be on notice that this is how things are progressing.

If the Senator from Oregon [Mr. MORSE] is in the Chamber, I wish to ask concerning his pleasure relative to Calendar No. 1081, H.R. 5751, about which some questions were raised.

Some questions were raised about it. It has to do with amendment of the Subversive Activities Control Act of 1950.

Mr. LAUSCHE. Mr. President, since the Senator from Oregon is not here at the moment, let me ask whether there is any purpose to bring up Calendar No. 1065, House bill 6025, on page 10 of the calendar. It would confer jurisdiction on the Court of Claims in connection with the claim of George E. Barnhart.

Mr. MANSFIELD. No, because on my copy of the calendar there is a notation of the name of a Senator—which indicates that the bill may require extensive consideration.

Mr. HOLLAND. Does the Senator from Montana intend to have the Senate remain subject to call, in an effort to adjourn sine die some time tonight?

Mr. MANSFIELD. We are giving that consideration.

Mr. HOLLAND. I hope the Senator from Montana will give it very prayerful and earnest consideration, because I believe it will be in the interest of the Senate and of Senators to get away tonight.

Mr. MANSFIELD. It certainly will, and I assure the Senator from Florida that I shall make every effort to do so, because I should like to get away, too.

I think we shall remain in session at least long enough to see what happens to the conference reports on the supplemental appropriation bill and the foreign aid appropriation bill.

Mr. PASTORE. Mr. President, I should like to say that I have so much confidence in the majority leader that I am beginning to clean out my desk right now. [Laughter.]

Mr. SPARKMAN. Let me ask whether it is intended to have the Senate take a recess until the conference reports are brought before us, or whether it is intended in the meantime to have debate continue on Calendar No. 1080, House bill 8847, amending the Internal Revenue Code of 1954.

Mr. MANSFIELD. I suggest that debate on the so-called Du Pont bill continue, at least for the moment.

I understand the Senator from Louisiana [Mr. LONG] wishes to speak for perhaps 10 minutes.

I should like to discuss the Du Pont bill with the Senator from Tennessee; the Senator from Illinois; the chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD]; the Senator from Delaware [Mr. WILLIAMS]; and other Senators, in order to ascertain the situation in that connection.

Mr. GORE. Mr. President, as the able Senator from Montana knows, I have been very much interested in that bill, and have been waiting for approximately a week to speak on it. But the senior Senator from Delaware has been using a great deal of time in speaking on the bill, and I have found it difficult to obtain time in which to speak on it. So I hope the majority leader will find time, between our consideration of the conference reports, to enable me to speak on the bill.

Mr. MANSFIELD. Oh, yes; and the Senator from Tennessee can take all the time he wishes—continuing into the wee hours of tonight, and into tomorrow, and, if he desires, into next week.

Mr. GORE. I do not think my desire is quite that ambitious. But I wish to make a brief statement on the bill, if the Senator from Montana will find it possible to fit that into the program.

Mr. MANSFIELD. Oh, yes, because I understand that the Senator from Louisiana [Mr. LONG] wishes to speak

now, briefly; and I am sure that then the Senator from Tennessee will be able to speak.

PROGRESS REPORT OF COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL. Mr. President, as chairman of the Committee on Labor and Public Welfare, I have a brief progress report of the work of the committee during the 1st session of the 87th Congress. I ask unanimous consent that this report be printed as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PART I

During the first session of this Congress, 184 bills and resolutions were referred to the committee, as well as 19 major nominations. The committee and its subcommittee held 122 meetings to receive testimony on and give executive consideration to 61 of these bills and resolutions, and all the major nominations.

The committee reported to the Senate 29 bills, 3 resolutions, and 19 major nominations. Of outstanding importance among the bills approved by the committee were proposals relating to community health facilities, federally impacted areas, national defense education, public school assistance, aid for higher education, youth opportunities, migratory labor, peace-time veterans, welfare and pension plans, minimum wage, juvenile delinquency, railroad retirement, and retraining of the unemployed.

Of the bills reported to the Senate, all but five were passed during the first session. As the session drew to a close, 16 of the Senate-passed bills had also been approved by the House, and were either enacted into law, or awaiting the President's signature.

There follow brief summaries of the work of each of the seven standing subcommittees and résumés of major bills considered during the first session of this Congress.

Subcommittee on health

(Hon. LISTER HILL, chairman)

S. 1071, the Community Health Services and Facilities Act of 1961, was the subject of hearings on August 3 and 4, 1961. A companion measure, H.R. 4998, was passed by the Senate, and the Senate-House conference was concluded on September 18, 1961. This measure, a part of the President's health program, is awaiting his signature.

This bill would increase the availability, scope, and quality of community health services and facilities to assist in meeting the health needs of the chronically ill and aged. It would also increase and expand research related to hospitals and other medical facilities and provide for the continuation and increase of grants in the matching program for the construction of health research facilities.

S. 278, the practical nurse training bill, was passed by the Senate on March 3, 1961. Following passage by the House on April 11, 1961, it was signed by the President on April 24, 1961. It is Public Law 87–22.

This act continues the $5 million program for the training of practical nurses under auspices of vocational education programs for an additional 4 years.

S. 336 was passed by the Senate on March 3 and by the House on September 11, 1961, and was signed into law on September 22, 1961.

This bill would authorize appropriations for a new 2-year program of grants to assist in the training of teachers of deaf children.

H.R. 9030, a bill to promote the education of the blind was passed by the House on September 12, 1961, by the Senate on September 15, 1961, and was signed by the President on September 22, 1961.

This legislation would remove the ceiling of $400,000 and authorize such sums as are necessary to be appropriated for the American Printing House for the Blind to furnish braille textbooks and other educational materials for blind schoolchildren.

H.R. 3980, a bill to extend the transitional provisions of the Food Additives Amendment of 1958, was passed by the House on March 24, 1961, by the Senate on March 27, 1961, and was signed by the President on April 7, 1961. It is Public Law 87–19.

This act extends the final deadline for determining safe levels of use for certain additives in food in use prior to 1958 when the food additives amendment was enacted.

S. 2073, a bill to authorize two additional Assistant Secretaries in the Department of Health, Education, and Welfare, was passed by the Senate on July 27, 1961. This measure is awaiting consideration by the House.

S. 1072, a bill to expand our training capacity for key professional health personnel, was the subject of hearings on April 28, May 3 and 5, 1961, in the Senate. The measure has not yet been acted on by the subcommittee.

This bill would authorize construction assistance for schools of medicine, dentistry, osteopathy and public health and scholarship assistance for physicians, dentists and osteopaths.

Subcommittee on Education

(Hon. WAYNE MORSE, chairman)

During the 1st session of the 87th Congress, there were referred to the Subcommittee on Education bills relating to four major educational programs: Public school assistance, aid to higher education, extension and expansion of the National Defense Education Act, and extension of the federally impacted area legislation.

The subcommittee devoted 17 days to hearings on these various proposals, and sat in executive session during 17 more days, marking up legislation for full committee consideration.

The subcommittee reported to the full committee bills dealing with each of the four major programs in the field of education recommended by the President, and the full committee, in turn, reported the legislation to the Senate.

The Senate approved S. 1021, the Public School Assistance Act, and S. 2393, a bill extending for 2 years the National Defense Education Act, and the federally impacted areas program.

On the Senate Calendar, at adjournment, were S. 2345, a bill to enlarge and expand the National Defense Education Act, and S. 1241, a bill providing aid to higher education and scholarships for college students.

When Congress adjourned, the public school assistance bill was at the Speaker's table in the House, and S. 2393, extending the National Defense Education Act and impacted areas programs, was at the White House, awaiting the President's signature.

In addition to the foregoing major bills, the committee also reported favorably to the Senate H.R. 6302, transferring Freedmen's Hospital to Howard University. This measure was signed by the President and is now public law.

Major provisions of the education bills considered by the subcommittee this session follow:

S. 1021: This bill authorizes grants to States, under an equalization formula, whereby the States could render financial assistance to local school districts in greatest need for purposes of school construction, teachers' salaries, and operation and maintenance costs. The bill also provided that the Federal grants be free from Federal control. In addition, the bill extended for 3 years the federally impacted areas laws, Public Law 815 and Public Law 874, with the proviso that the Commissioner of Education furnish Congress, within 18 months, a full report on the operation of these programs.

S. 2393: As passed by the Senate, this bill extended without change for 2 years (a) all titles of the National Defense Education Act of 1958; and (b) the impacted areas laws, Public Laws 815 and 874.

S. 2345: As reported by the committee, this bill extends and broadens the various titles of the National Defense Education Act of 1958. The student loan programs, the fellowship program, and the foreign language and area center program are made permanent. The program for strengthening science, mathematics, and modern foreign languages in elementary and secondary schools is extended for three additional years, and expanded to include similar provisions for higher education; construction loans are also authorized for nonprofit elementary and secondary schools for the same purposes. The guidance and counseling program is extended for 3 more years. Under the language development program, a new part establishes an international affairs study program. The existing provision for research in new educational media is extended with the addition of a new matching grant program for States to train teachers to utilize these new media. A new title is added authorizing matching grants for strengthening library resources in public schools, and library institutes in institutions of higher education. The loyalty affidavit language in the act is clarified by deleting the requirement for an affidavit, and adding penalty provisions for violation. In addition, S. 2345 makes a great number of major and minor modifications in the existing law.

S. 1241: This bill provides for assistance to institutions of higher education under three titles:

I. Loan assistance to public and other nonprofit institutions is provided for financing construction, rehabilitation, or improvement of academic or related facilities—$1.5 billion over a 5-year period and matching provisions.

II. Scholarships for an estimated 212,500 able students to encourage and assist them to complete a college education—$148.5 million over a 5-year period, plus such funds as may be needed to complete scholarships outstanding.

III. Matching grants to assist construction of 2-year public junior and community colleges—$250 million over a 5-year period to be allocated to the States.

H.R. 6302: This bill transfers Freedmen's Hospital to Howard University for the purpose of providing at the university modern teaching-hospital facilities, thereby assisting in training medical and allied personnel, as well as providing hospital services for the community.

Subcommittee on Labor

(Hon. PAT MCNAMARA, chairman)

During the 1st session of the 87th Congress, the Subcommittee on Labor considered two major measures—the minimum wage bill (H.R. 3935), and amendments to the Welfare and Pension Plans Disclosure Act (S. 2520).

It also considered and reported a bill to increase compensation of longshoremen and harbor workers and District of Columbia employees (H.R. 1258), which became law.

Four other measures within the jurisdiction of the Subcommittee on Labor were reported from the full committee and were passed by the Congress:

1. A bill calling for a study of safety conditions in metallic and nonmetallic mines (excluding coal and lignite mines) (H.R. 8341).

2. A bill creating an additional Assistant Secretary of Labor (S. 1815).

3. A bill to rectify an oversight of the last Congress and provide disability compensation for 43 District of Columbia employees (H.R. 8871).

4. A bill providing a 15-percent increase in the war hazards compensation program (H.R. 4357).

The minimum wage bill was enacted into law after conference with the House. It emerged from Congress in a form substantially similar to that requested by the administration. It brought an additional 3,600,000 workers under the Fair Labor Standards Act. Those newly covered workers would, on a step-by-step basis, be brought up to $1.25 minimum wage and a 40-hour workweek over a 5-year period. Workers covered prior to 1961 would reach the $1.25 minimum wage standard in 3 years.

The Welfare and Pension Plans Disclosure Act legislation will remain on the Senate calendar until next session. The House counterpart bill failed to obtain a rule and did not receive the necessary two-thirds vote in the House for passage under a suspension of the rules.

The other five measures have all passed both Houses of Congress. Thus, of the seven measures within the jurisdiction of the subcommittee, six were enacted into law, while one remains for consideration next year by both Houses.

Subcommittee on Veterans' Affairs

(Hon. RALPH YARBOROUGH, chairman)

During the 1st session of the 87th Congress, there was referred to the Subcommittee on Veterans' Affairs one major bill, S. 349, a bill to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963. This bill, popularly known as the cold war GI bill, provides three major types of readjustment assistance, patterned closely after the forms of assistance provided under the GI bills for veterans of World War II and the Korean conflict:

(1) Education and vocational training assistance; (2) vocational rehabilitation training for veterans with service-connected disabilities; and (3) guarantee and direct loan assistance for the purchase of (a) homes, including homes on farms, and (b) farmlands, livestock, machinery, and so forth, to be used in farming operations conducted by the veterans.

The subcommittee favorably reported the cold war GI bill to the full committee, which, in turn, reported the legislation to the Senate. When the Congress adjourned, the bill, S. 349, remained on the Senate Calendar awaiting action by the Senate.

Other veterans' bills favorably reported by the committee are:

S. 2051: A bill allowing additional time within which certain children residing in the Republic of the Philippines may pursue education under the War Orphans Educational Assistance Act of 1956.

H.R. 3587: A bill providing outpatient medical and dental treatment to veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War.

The above-listed bills were related to each other in the following way: S. 2051, which had been approved by the Senate on June 28, had been amended by the House, to increase the rates on veterans' compensation, and was pending at the desk of the Presiding Officer awaiting Senate action. Subsequent to the attachment of the House rider to S. 2051, the substantive proposal of S. 2051, concerning Philippine War Orphans, was attached to H.R. 3587, and was approved by the Senate on September 14, 1961. The bill, H.R. 3587, as amended by the Senate, passed the House on September 22 and awaits the President's signature.

Subcommittee on Railroad Retirement

(Hon. QUENTIN N. BURDICK, chairman)

During the 1st session, 87th Congress, two bills were considered by the subcommittee.

S. 1196: A bill for which H.R. 5075 was substituted became Public Law 87-7 on March 24, 1961. This bill provided for temporary extension of unemployment benefits on the same basis provided to employees generally whose unemployment benefits had been exhausted. The effect of the law was to provide additional unemployment benefits to about 30,000 employees during each of the benefit years covered.

S. 3895: This bill was passed by both Houses during the last few weeks of the session, and is scheduled to be signed by the President shortly. The principal reason for this bill was to conform to changes made to the Social Security Act (Public Law 87-64), permitting men to retire at age 62, with reduced annuity. An additional feature would reduce the time from 3 years to 1 which must elapse after marriage for a spouse to qualify for benefits.

Subcommittee on Migratory Labor

(Hon. HARRISON A. WILLIAMS, JR., chairman)

The subcommittee favorably reported the following six bills to the full committee:

S. 1123 (child labor), S. 1124 (child education), S. 1125 (adult education), S. 1126 (crew leader registration), S. 1130 (health services), and S. 1132 (National Advisory Council).

The full committee favorably reported this legislation to the Senate. S. 1124 and S. 1125 were combined into one bill, S. 1124 (migrant child and adult education). The Senate passed all five bills.

Within a week of adjournment of Congress, four of the five Senate-approved bills were pending before the appropriate House committees. The fifth bill, S. 1126, continues to lie on the Speaker's desk.

Brief descriptions of the five Senate-approved bills follow:

S. 1123. Agricultural child labor: This bill narrows the exemption of agricultural child labor outside of school hours as it is now contained in the Fair Labor Standards Act.

S. 1124, Migrant child and adult education: This bill establishes a four-part, 5-year program of Federal financial assistance to States and local communities seriously affected by the seasonal impact of migratory farm families.

S. 1126, Registration of farm labor contractors: This bill establishes a system of Federal registration for farm labor contractors (crew leaders) who meet certain standards.

S. 1130, Health services for migrant farm families: This bill authorizes up to $3 million annually in Federal grants to be made by the Surgeon General of the U.S. Public Health Service to public or nonprofit agencies, institutions, and organizations for paying part of the cost of family health service clinics and for special health projects for domestic migratory farmworkers and their families.

S. 1132, National Advisory Council on Migratory Labor: This bill establishes a National Advisory Council on Migratory Labor, to be composed of 15 members appointed by the President for the life of the Council, a period of 5 years, without regard to political affiliations.

Subcommittee on Employment and Manpower

(Hon. JOSEPH S. CLARK, chairman)

The Subcommittee on Employment and Manpower concerned itself first with the problem of unemployment generally, and then, three areas of legislation: (1) Training and manpower development, (2) employment for youth, and (3) emergency employment opportunities.

None of the legislation considered by the subcommittee has become law.

In order to furnish a background for later legislation, the subcommittee conducted 6 days of hearings in seven localities, including, Washington, D.C.; these hearings were published under the head "Unemployment Situation and Outlook."

Thereafter, hearings totaling 13 days were held for the three legislative areas. The status of bills and a brief description of the substance of the bills considered follows:

S. 1991, training and manpower: This bill was passed by the Senate August 23, 1961. The bill is an administration measure designed to provide training for the unemployed, principally through State vocational training agencies, and for the payment of training allowances (similar in amount to unemployment insurance) to those undergoing training. During the third and fourth year of the program, when the States will match Federal funds on a 50-50 basis, the number to be trained per year is estimated at 630,000 persons.

S. 404, Youth Conservation Corps and youth public service program: This bill provides a Youth Conservation Corps and a youth public service program. It was reported September 12, 1961, and is now on the calendar. The bill is an outgrowth of an administration measure, S. 2036, which contained three titles: a training program, which was picked up by the training bill in S. 1991; a public service employment program identical to that included in S. 404; and a pilot project Youth Conservation Corps, for 6,000 enrollees, enlarged to 150,000 in S. 404.

S. 404 is a comprehensive program to provide job opportunities to young people 16 through 21 years of age. By 1965, the maximum number of enrollees will be 183,000. The Youth Conservation Corps would recruit young men for conservation work on Federal and State lands. It is a program modeled after the Civilian Conservation Corps. The public service program would provide jobs for 33,000 boys and girls in public service-type jobs for private nonprofit agencies, as well as public entities.

S. 986, Emergency Employment Act: This bill is still pending before the subcommittee. This measure, or something like it, is receiving study by the administration—its eventual decision will, in all likelihood, turn upon the state of the economy. The bill would make grants available to localities for immediate public works on a 55-45 matching basis. The amount available would be $500 million, and an additional $500 million at the discretion of the President, if the unemployment rate remained above 4 percent.

Juvenile delinquency

There was not a subcommittee on juvenile delinquency during the 87th Congress. A subcommittee, under the chairmanship of Senator CLARK, conducted hearings in the 86th Congress on various bills. A bill, S. 694, was reported and passed the Senate in January 1960. This bill died in the House.

S. 279 (identical to S. 694 from the 86th) was passed by the Senate April 12, 1961. This bill was considered by the committee on the basis of the 1959 hearings. It provided for demonstration projects, training of personnel in the delinquency field and the dissemination of technical information. The bill provided annual appropriations for 4 years of $5 million and authorized the Secretary of Health, Education, and Welfare to make grants to deserving agencies.

The administration, at the end of April, backed a similar 4-year program at $10 million per year. The House passed S. 279, with an amendment providing for a 3-year program. The Senate accepted the House amendment and the measure became law on September 22, 1961.

PART II

It would appear that a considerable portion of the efforts of the members of this committee in the next session will be devoted to securing passage in the Senate of the major bills reported from this committee

which are pending on the Senate Calendar. It is impossible to specify with exactness what other legislation will be considered, but it may be assumed that all of the subcommittees will be active in their various areas of jurisdiction considering bills which have been introduced and which will be introduced in the second session.

CENTRALIZATION OF PROCUREMENT OF SUPPLIES AND EQUIPMENT BY ARMED FORCES

Mr. CARROLL. Mr. President, the tumultuous state of world affairs, the resumption of nuclear testing, the crisis in Berlin, the call to the colors of many thousands of our reservists and National Guardsmen, all these and other related matters have tended to crowd out of the limelight a major new military development that has taken place in recent weeks.

I am referring to the action of Mr. Robert McNamara, the Secretary of Defense, in creating a single Defense Supply Agency to centralize procurement of supplies and equipment for all branches of the Armed Forces of the United States.

This action by Secretary McNamara is of momentous importance to the Armed Forces, and of even more significance to the taxpayers of the Nation. It may well mean the saving of billions of dollars.

On June 13, 1960, the senior Senator from Illinois [Mr. DOUGLAS] took the floor of the Senate and told a tragic, documented story of waste, overlapping and lack of coordination in military procurement.

He showed how the Navy was buying lamp sockets for $21.10 apiece which could be bought by an ordinary citizen for 25 cents. He found cables worth $1.50 in the open market for which the military was paying $10.67 each. He cited the case of the metal blocks worth 50 cents for which the taxpayers of the country, through the Armed Forces, were paying $10. His points were never refuted. The Senator had done a magnificent job of research.

This was no partisan political speech. Senator DOUGLAS had been working on the problem of waste in military procurement and supply management for at least 10 years. These things happen because of factors which have nothing to do with political parties. Essentially, they result from fragmented responsibility at the Pentagon and in military establishments the world over.

Nobody was fully in charge of procurement and supply. As usual, when nobody is in charge, people were working without adequate coordination. Sometimes they were competing or working at cross purposes. In any establishment so enormous as our military, shocking waste was inevitable under such circumstances.

Other Senators and Representatives have attacked this problem repeatedly for years and years.

Our beloved former colleague, Senator Joseph C. O'Mahoney, of Wyoming, pushed through an amendment back in 1952 to require a single, centralized procurement agency for the Armed Forces. Somehow, this was never properly implemented.

In 1957, I joined with Senators Douglas, O'Mahoney, and Chavez in fighting for a series of amendments to the defense appropriation bill which were intended to trim off the fat without endangering the strength of our Armed Forces. In the end, we did obtain adoption of an amendment which directed the Secretary of Defense to take necessary action to achieve economy by integrating noncombatant services, activities, and operations among agencies of the Defense Department. But the amendment was discarded in conference.

In 1958, Representative JOHN W. MCCORMACK, majority leader of the House of Representatives, did succeed in incorporating similar language in the Defense Department Reorganization Act. Still, by 1960, Senator DOUGLAS showed us those horrible examples of waste to which I have referred.

It was obvious that strong Executive action was needed.

On June 24, 1960, a few days after Senator DOUGLAS' memorable speech, I took the floor of the Senate to salute him for his unflagging efforts and to urge that the executive branch take appropriate steps. I said at that time:

> It is a sad commentary on this so-called businessmen's administration that such unbusinesslike and flagrant waste occurs, year after year, while the Senator from Illinois and a number of other distinguished Members of this body repeatedly try to write something into law that will bring the Department of Defense to its senses without crippling our Nation's military potential.

Senators DOUGLAS, PASTORE, and LONG of Louisiana joined me in the discussion. We emphasized the importance of executive action. I pointed out:

> It is the function of the executive branch to propose the plans and send them to Congress. The executive branch forms the budget, and has the benefit of the services of the Bureau of the Budget. When the congressional committees pass upon the plans for the expenditure of billions upon billions of dollars of appropriations, our committees have only small, limited staffs. So we have to rely upon the executive branch.

At last, Mr. President, we now have good reason to believe that the goal is within reach. Secretary McNamara—formerly a top corporation executive and now one of the most able public servants in Washington today—has taken firm steps to achieve full integration of purchasing and supply. He has chosen a high ranking military officer, a former Quartermaster General of the Army, whose name coincidentally is Andrew T. McNamara, to administer the new Defense Supply Agency.

It is needed now as never before. Four years ago, when we tried to amend the defense appropriation bill for fiscal year 1958, the total military budget was $34,534,229,000. This summer we appropriated the staggering sum of $46,662,556,000, plus $470 million in transfer funds.

With such vast sums being expended, we need effective administration now as never before to see that we get value received for every dollar we spend on our national security.

Mr. President, every Member of the Senate stands ready to appropriate whatever sums are necessary to protect the United States and its interests. We have no real choice in the matter. It must be done, and it is being done.

The cry of "reckless spender" once more is abroad in the land. This criticism seldom is concerned with military expenditures. Of course they are vital.

But I submit that it is precisely in this field where some of the greatest savings can be made. By tough, businesslike, realistic control of our military procurement and supply policies, I think we can save far more than we ever could save by trimming and slashing smaller programs.

The Wall Street Journal predicts the annual savings may total $50 million. I venture to say they will far exceed that figure. I think hundreds of millions of dollars can and will be saved each and every year.

Certainly, the creation of a new purchasing agency will not erase all future mistakes and errors of judgment. No one can expect a perfect performance when $47 billion are being spent.

Still, I feel we have every reason to be optimistic. Secretary McNamara has taken the first long step. We know there will be others. We shall be watching with great interest. I pledge my full support and I know that other Senators are equally concerned.

This is good news for the taxpayer, Mr. President—and that means all of us.

Mr. President, I ask unanimous consent that there be printed in the RECORD the Wall Street Journal article announcing the decision to establish a Defense Supply Agency.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENTAGON MOVES TOWARD FORMING AGENCY TO CENTRALIZE PURCHASING FOR ALL SERVICES

WASHINGTON.—The Pentagon took the first step toward setting up a central procurement agency that could ultimately handle common supply purchasing and service activities for all branches of the military.

Plans were announced to establish a Defense Supply Agency that will lump the present "single managers"—outfits that buy certain supplies for the entire Pentagon—into one unit. This new Agency is the organizational shell that is expected to become the Pentagon's central procurement arm by expanding its control over military buying.

Defense Secretary McNamara ordered the top priority project in an effort to achieve greater efficiency and economy. A central procurement agency with broad powers, defense officials say, will reduce overhead costs, tighten management control over the massive military procurement program and cut redtape for private companies selling to the Pentagon.

Eventually, the new Agency may buy, maintain, and distribute every kind of item—from food to aircraft parts—commonly used by the Army, Navy, and Air Force. In addition, Pentagon policymakers are considering assigning the Agency management of all common service activities, such as internal auditing, weather forecasting, and post exchange management.

While looking toward greater consolidation of purchasing, officials note that a central procurement agency would not handle the major military "hardware" items, such as bombers, missiles, and ships. Rarely are these weapons common to all military serv-

ices, though defense leaders do hope some triservice aircraft can be developed in the future.

M'NAMARA FAVORS CONSOLIDATION

The entire program is in line with Secretary McNamara's desire to consolidate top-level control of defense operations and merge as many activities as possible. Recently, for instance, he ordered the merger of all military intelligence into a single Defense Intelligence Agency.

Efforts to establish the new procurement agency are bound to meet some resistance since the military services will certainly lose some of the control they have over supply activities. Nonetheless, defense leaders have decided they must begin to set up a central procurement outfit. If the Pentagon successfully brings under the Defense Supply Agency all the supply items that defense officials are thinking about, it's estimated annual savings may total about $50 million.

The single managers are units within various military services that handle certain kinds of buying for the entire Pentagon—such as the Army-operated Textile Procurement Agency and Navy-run Military Petroleum Supply Agency. Other single managers are charged with buying and distributing food and medical supplies. And in the past year, the Defense Department has ordered the establishment of single managers for construction supplies, automotive supplies, industrial supplies, and general office supplies.

Defense officials claim major savings through use of these managers. On food, clothing, medical, and petroleum supplies alone, officials report, inventories have been cut down by more than $500 million since 1956. Annual savings in personnel and operating costs for these four supply areas are now running at the rate of $20 million, according to the Pentagon.

NEW SINGLE MANAGER EXPECTED

As another step toward merging common supply activities, Mr. McNamara is expected to add soon a new single manager for electrical and electronic supplies. This unit, too, would be placed under the central procurement outfit—along with others to be created in future years. Candidates for inclusion under single managership before long include aeronautical spares, or standard aircraft components such as engines, and chemical supplies.

Placing this growing number of single managers under a single agency would offer many advantages, according to defense sources. It would allow the Pentagon to reduce inventories, obtain better prices through quantity purchases, and reduce the number of military personnel devoted to supply activities.

For companies selling to the Defense Department, it would mean dealing with fewer people and a central agency.

Defense officials note they've already started moving toward centralized management in at least one new activity, private line telephones. Recently, the Pentagon approved a plan setting up the Defense Department—rather than the separate military branches—as the central control point for management and leasing of private line communications. As a result, for the first time the Defense Department will be treated as a single customer when leasing private line communications facilities from common carriers. In the past, each military service separately leased its own communications.

Service activities currently operated by the Pentagon on the consolidated basis include sea transportation, air transportation, traffic management, communications and intelligence. Under study for possible future merger are military recruiting, post exchanges, commissaries, housing management, warehousing, and medical and hospital service.

PLAIN-TALKING DIRT FARMER

Mr. CARROLL. Mr. President, since June 18 of this year there has appeared, at regular intervals in the Denver Post, a series of profound yet lucid articles on our national farm problem.

These articles have been authored by a Nebraska wheat farmer, Herb Hughes.

They have been filled with such bold yet practical ideas that I feel they should be made available, in one package, to Members of the Congress who are genuinely interested in seeing progress toward solution of our national farm problem. At the conclusion of my remarks I shall ask unanimous consent that the articles be printed in the RECORD.

Mr. Hughes writes with a simplicity and clarity one would expect from a plain-talking dirt farmer.

There is no confusion about his meaning. Let me give some examples.

ADMINISTERED PRICES

In his June 25 article, Mr. Hughes bluntly scores the "controlled price policy" within U.S. industry which forces the farmer to buy his tools, supplies and other needs "in a market where prices are effectively regimented." Yet the farmer, Mr. Hughes points out, sells in a free market, after being subjected each year to the vagaries of weather and climate.

FEDERAL FARM BOARD

In his July 9 article, Mr. Hughes says:

American farm policy is like a piece of deadwood that drifts aimlessly, devoid of national purpose, though it is occasionally caught up in a current of events.

He says:

Nowhere has the good of the country as a whole been taken into account.

Then Mr. Hughes proposes a bold idea: a Federal Farm Board, similar to the Federal Reserve Board, charged with determining an overall national farm policy.

"SPECIAL INTERESTS" IN GRAIN SURPLUS

On July 16, Mr. Hughes cataloged the special interests who desire to see the national farm surplus perpetuated because it provides them security and profit. He says, "The wheat producer doesn't like this situation nor does the taxpayer."

QUALITY WHEAT

On July 23, Mr. Hughes did the first of several articles on the concern of wheat farmers over the lack of incentive to grow quality wheat and the loopholes in the U.S. grain standards. The grading system, he charged, permits too much foreign material to be added to clean wheat by the warehouseman.

One month to the day after Mr. Hughes called for additional incentives for production of higher quality wheat the Department of Agriculture announced that premiums would be included in 1962 wheat price supports to encourage planting of high quality wheat.

KENNEDY FARM BILL

On August 13, Mr. Hughes analyzed the Kennedy-Freeman farm bill and liked it, while deploring the timidity of Congress in declining to meet squarely the wheat and feed grains problem with a permanent law.

FOREIGN TRADE POLICY

In his August 20, September 3, and September 10 articles, Mr. Hughes treated with our national trade policy. He scored our lack of imagination and initiative which has resulted in loss of valuable opportunities to sell wheat in foreign markets.

AGRICULTURE IS "OUT OF STEP"

In his article last Sunday, September 17, Mr. Hughes describes the disadvantage of farmers who must sell livestock and most cash crops in the historically free, competitive market, while they buy in a market that has now changed to one where, as he says, "price agreements are being substituted for unlimited price competition." Thus, Mr. Hughes argues, agriculture is "out of step with the pricing policy adopted by industrial and professional groups."

BIOGRAPHY

Herb Hughes is especially qualified to comment on the current agricultural scene.

He is a wheat farmer from Imperial, Nebr., with a widespread reputation not only among Colorado farmers, but across the country.

Mr. Hughes was formerly vice president of the National Wheatgrowers Association and vice president of the Great Plains Wheat Marketing Association, with which the Colorado Wheat Administrative Committee is associated.

Mr. Hughes was chairman of the advisory committee to the Federal Government's Commodity Stabilization program under the early years of President Eisenhower's administration.

He is registered as a Republican, but it is easy to see that in his farm philosophy Mr. Hughes is at heart a Democrat and I think his proposals and philosophy closely parallel those of the present Secretary of Agriculture, Orville Freeman.

Mr. President, I commend to my colleagues the writings of Herb Hughes as fresh, imaginative and constructive. He is a friend of Colorado wheat farmers of both political parties and his constructive ideas, published in the Denver Post, are being read throughout Colorado with great interest.

Mr. President, I ask unanimous consent that at this point in the RECORD there be printed the Denver Post farm articles written by Herb Hughes.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Denver Post, June 18, 1961]

PRODUCTION: EASY TO INCREASE, HARD TO REDUCE

(By Herb Hughes)

The biggest obstacle to a solution of the farm problem is misunderstanding of its basic causes. There is need to establish whether farmers themselves or past national policies have been responsible.

The basic problems of agriculture are not of its own making. Roots of the ills are deeply embedded in American economic and political history.

Basic cause No. 1: In early American history, disposition of the vast public domain, as directed by Congress, was designed to

get more land into production. This predominating aim was supported by business and commercial interests in many parts of the country.

From 1781 to 1820, a long succession of laws were enacted by Congress primarily to sell land, get it into production, and thus remove it from the public domain. Selling prices ranged from $1 to $2 per acre.

But land did not sell readily. Credit gimmicks had to be devised, some of which gave rise to new problems. There was continuous search for new ways of encouraging settlement and cultivation of virgin land.

LAND POLICY CHANGES

Congress responded by further liberalizing land policy. In 1862 the Homestead Act was passed which made "free" land in 160-acre tracts available to settlers. Much land unsuited for cultivation and intensive farming thereby was brought into production.

Thus, the foundation was laid for (1) overproduction, (2) erosion of land resources, (3) unwise development and use of many acres and (4) maladjustments in agriculture, in local government patterns, and in area development. In general, a host of related problems developed for which solutions now are difficult to work out.

This was not done entirely at the request of those wanting land but was urged by industry interested in new markets for its products.

Government land policy of that early era was primarily responsible for many of agriculture's 20th century ills. Hence, it can be argued that the Federal Government now has some responsibility for corrective and remedial legislation.

Basic cause No. 2: The two 20th century World Wars provided extreme overstimulation for agricultural production.

In World War I, agriculture was asked to increase production in order that allied nations might have food. The response was decisive and remarkable. In many areas of the Midwest and West, more land was plowed and brought into production under the stimulus of wartime prices and rising food needs.

After World War I farm surpluses became burdensome. The first major Federal legislation, a marketing act to stabilize prices and deal with surpluses was enacted in 1929, during the Hoover adminirtration.

But it was largely ineffective because it gave no consideration to restraining production. Farm legislation in the 1930's was designed to shrink production and conserve agricultural resources.

World War II again provided new stimulus for increasing production. By this time science had provided the knowledge and means of accelerating the response.

A tremendous shift of capital into agriculture to replace manpower and to supply the war demands occurred.

But again, postwar adjustments to peacetime needs have been difficult. In this setting agriculture has revealed its need for helpful legislation.

Expanding production has been relatively easy under our system. Shrinking production comes hard.

[From the Denver Post, June 25, 1961]

TRADE BARRIERS, WAR FEARS REDUCE FARM PRODUCTS SALES

(By Herb Hughes)

My first article pointed out two basic historical causes of agriculture's present overproduction.

Stated much too simply, these were the historic land policies of the 19th century that encouraged overexpansion and the two world wars of this century that encouraged overproduction.

Expanding production on the farm was historically not too difficult, but shrinking it has always come hard.

One reason true today is that war and threat of war have caused other nations to strive for self-sufficiency in food production.

People in the United States have never felt the effects of hunger experienced by those in many other countries in two World Wars.

Neither have U.S. farmers experienced the urgent national actions controlling the use of their land and the sale of its production that occurs in deficit food-producing countries at such times.

Current world tensions do not lull such countries into a feeling of security that would permit adjustment of national policies of a protectionist nature. The result is tariffs and other trade barriers which seriously hamper export of food surpluses.

Trade barriers have taken various forms. Tariffs are only one. Import and export quotas, unfavorable currency exchange rations, and cargo preference acts, all handicap trade. There are other handicaps.

In many countries, agencies of government do the importing and arrange terms of resale within the country.

Such arrangements as the Common Market Agreement between the Western European nations may have an adverse effect on our agricultural exports.

American industry adjusts to this by building plants in the foreign country which has tax advantages also, but this is no solution for the American farmer.

Then there is the ruthless competition of Russian bilateral trade agreements which are cutting into foreign markets for some of our agricultural exports.

Controlled price policy within industry in the United States affects agriculture. Farmers now are buying supplies in markets where prices are effectively regimented and hence more rigid than prices in the free markets in which agriculture sells its products.

Agriculture is being subjected to relatively rigid raw material and labor costs in the purchase of production items. A quarter century ago and more, agriculture purchased only 20 to 25 percent of its power and supply needs.

Free market price in agricultural markets will continue to be flexible and yielding, while industrial prices are firm at levels protected by price agreements within industry.

Agriculture is dependent upon variations and uncertainties in weather. No other producer group works as closely to the limiting influence of weather and climate. Yields and production levels are unavoidably affected.

In a large part of the Wheat Belt, wheat is grown on land that ordinarily gets insufficient moisture for other cash crops. Available cash returns under other uses of the same land are relatively low and unpromising, so shifts to other crops are not attractive.

New Federal legislation is sought, yet difficult to work out, in part because of the still unorganized and divisive thinking among farmers.

[From the Denver Post, July 9, 1961]

U.S. FARM BOARD PROPOSED TO SHAPE AGRICULTURE POLICY

(By Herb Hughes)

American farm policy is like a piece of deadwood that drifts aimlessly, devoid of national purpose, though it occasionally is caught up in a current of events and crucial necessity to find direction momentarily.

Repeatedly, it returns to a quiet backwater on the national scene where it frequently becomes a target for potshots and stones of political ambition and personal gain.

Proponents of various farm policies and commodity programs never have been allowed to carry out their plans fully. There is invariably a political snag or whirlpool that keeps a tendered program from fulfilling its intended purpose.

In the past, Congress has been more than willing to let farm organizations carry the load on farm legislation. This has been notably unsuccessful.

Currently the Kennedy administration is carrying the ball, with Agriculture Secretary Orville Freeman apparently destined to be caught in deep water far short of the legislative shore.

TIME FOR CHANGE

Nowhere has the good of the country as a whole been taken into account. There has been no consistent long-range policy.

The time is long past when the national interest should have been considered.

Agriculture is changing faster than most men, even the best informed farm experts, can realize. It is not only a technological change, but a social and economic one.

Despite political, economic, and legislative obstacles, the trend toward fewer farmers and larger farms continues. This is a reality. It cannot be ignored or brushed off.

The challenge is to keep pace with the change, as painful as it may be to the established ways and traditions of a once rural America.

One way this writer believes this could be done successfully is by creation of a national board or commission patterned after the Federal Aviation Agency or Federal Reserve Board.

A Federal farm board would weigh factors, decide policy, enforce its decisions and regulations in much the same manner as the FRB guides monetary matters and the FAA regulates and enforces commercial air travel procedures.

Creation of legislation to form such a board would be a red-hot political issue. And, even when created, the board would be subject to intense political pressure.

But over the years it could formulate a national farm plan which would assure in the national interest, as well as in the interest of agriculture, that the public would receive food and fiber and farmers would achieve an income and incentive commensurate with other phases of the economy.

A long-range, positively directed program would be possible. It is already necessary and has long been desirable.

Unless this or some other positive, aggressive, and outright forceful action is taken, not only American agriculture, but the entire U.S. economy, is jeopardized.

New wealth in America comes from the land and the sea. Services and industry merely turn over this wealth.

American agriculture cannot long continue without direction to become like a soggy piece of driftwood in a stagnant backwater of the missile age.

[From the Denver Post, July 16, 1961]

SPECIAL INTERESTS OPPOSE EFFORTS TO CURB SURPLUS, NATIONAL WHEAT LEADER SAYS

(By Herb Hughes)

A classic example of the inability of Congress to deal with the agricultural problem in the national interest is the current effort to enact legislation for wheat.

Wheat is credited with the dubious honor of being the commodity in the biggest surplus position for the past 2 or 3 years.

Yet Congress is still unable to come to grips with the problem on a long-range basis.

Instead, an emergency 1-year act is about to be reported by the agriculture committees of both Houses with some degree of unity after earlier disagreement. In order to have time to enact this temporary measure a resolution had to be passed delaying the

marketing quota referendum for approximately 1 month to a late August date.

This is grossly unfair to wheat producers, many of whom began planning their 1962 crop acreages last May.

After Congress completes its work on this 1-year act and the Agriculture Department has time to get program details out to individual farmers, some of next year's wheat will already be planted.

Also since most wheat producers are also producers of feed grains of some kind, they will be affected by still another 1-year feed grain program now being considered, the administrative details of which probably will not be available at wheat seeding time this fall.

Is it any wonder farmers are impatient?

And when Congress finally completes its work, what has really been accomplished?

It will just have to face the wheat problem, a bigger one next year than in 1961.

Why is it so hard for Congress to come to grips with this problem?

The general answer to this question is politics.

Whether this is the proper term I am not sure, I would prefer to say it is pressure from selfish interests.

The truth is that there are special interests within the wheat industry who like the present situation very much because it provides security and profit.

These interests, unlike the wheat producers, are well organized and financed. They are very influential.

The Commodity Credit Corp., when this year's harvest began, had title to about 95 percent of the total supply of old wheat in the country.

According to official reports they had title to 1.277 billion bushels on May 31 and had loaned money to farmers on 174 million bushels more.

In another report they estimate the carryover on July 4 at 1.414 billion bushels. This is more than the whole 1961 crop estimated at 1.2 billion bushels.

The wheat producer doesn't like this situation nor does the taxpayer.

Let's see who does.

First, there is the segment of the wheat industry that stores this stock. It not only draws the uniform Government storage rates, but as I will discuss in future reports, they have opportunities to profit from quality of the wheat as well. This adds up to a very profitable business.

Bankers also have an interest in this since most of the loans are financed by them while title is still in the hands of the producers. Also CCC certificates of interest are issued to financing institutions on the stocks CCC holds title to and these do not apply against the national debt. The latest report shows in excess of $700 million of these.

The railroads have a monopoly on the movement of these stocks by Government directive.

No movement by truck is permitted although great savings could be made in many instances. Many times these stocks are moved from one storage facility to another. This is important income to the railroads.

Then there is the domestic milling industry which is quite happy to subsidize its milling operations with storage income and to have a huge inventory from which through complicated trading privileges, it can help supply its quality needs. This is all financed by Uncle Sam.

The huge stock of wheat is not for sale in domestic markets because the legal minimum price at which it can be sold is set by law.

As a result the market can be and has been kept below that level as long as there is a surplus being produced each year in excess of need.

Next week, the grain trade's interest in this current situation will be discussed.

[From the Denver Post, July 23, 1961]

QUALITY WHEAT DEMANDED, IGNORED UNDER SUPPORTS

(By Herb Hughes)

Great concern is expressed by grain men over the lack of high quality in this year's winter wheat crop. This happens at a time when the spring wheat crop, normally higher in quality than winter wheat, is reduced by drought.

What is the meaning of the term quality when applied to wheat?

Years ago when most bread was baked in family ovens, the quality of wheat was not important because the housewife could mix her dough and watch it till it had risen and was at the right stage to pop in the oven.

All this was changed with the development of modern bakeries. Now the baker must buy flour from his miller that will perform consistently with automatic machinery.

This puts the miller on the spot. He must buy wheats of various qualities which, after proper mixing, will produce the flour the baker wants.

Unfortunately, in this day of modern science, there is no improvement in our wheat grading system to reflect quality.

Although scientific equipment that will measure these quality differences has been developed, wheat is still graded by a weight-per-bushel system with little attention to protein content or baking elasticity.

I stress quality because it is important in any solution of the wheat surplus problem.

Since it is not a part of our grading system, it is difficult to establish a pricing system which will give incentive to wheat growers to plant and produce quality instead of volume.

Under our present price support system there is practically no recognition of quality factors.

Wheat quality is largely determined by climatic and soil conditions, but can be influenced by the variety planted, by the fertilizer used and by the area in which it is grown.

Instead of recognizing this trend toward demand on a quality basis, we have a price support and acreage control program that leads us in the opposite direction.

Our domestic millers adjust by sending scouts out for samples of wheat at the forefront of the harvest as it moves north from Texas to Montana.

After laboratory testing these samples the millers place bids at shipping points in areas where quality is available.

The premium offered for the quality is in proportion to supply. Farmers never know from year to year whether they will profit from an effort at planting time to try to produce a quality product at a sacrifice of volume and less income.

Our foreign customers, who more and more are in need of a quality measurement to supply their needs, are without this method of location purchases, yet this past year they bought more wheat than domestic millers.

[From the Denver Post, July 30, 1961]

BROAD TOLERANCES IN WHEAT'S QUALITY PRESENT CHANCE FOR WAREHOUSE PROFIT

(By Herb Hughes)

Nineteen hundred and sixty-one proved to be a year of below average quality in the winter wheat crop. We also have years when the crop is above average in quality, and in these years premiums in price for quality become very small when contrasted with such premiums in years of below average quality.

This presents an opportunity for the warehouseman to profit from quality factors in Commodity Credit Corp. stocks in some years.

Also, because of the tolerances in the grading system, there is additional opportunity to profit.

These opportunities are not uniform but are dependent on location of warehouse and volume of operation.

The profits are made on wheat owned by the U.S. Government. Neither the farmers who produce it nor the taxpayers who finance it participate. Many examples could be cited on how this practice works.

BLENDING USED

One is for the CCC to sell out-of-condition wheat for unrestricted use.

This permits the wheat, selling at a substantial discount on a bid basis, to be blended into overseas shipments to the limit of the tolerances. This practice could be stopped by the CCC.

The term "Special Interests" is not meant to be derogatory. It is used to describe what is actually happening and why the Congress has such a difficult time trying to change a program.

Producers also have a special interest, but because they are not well organized nor financed, they are not effective.

These business practices in the wheat industry have been formed over a long period of time, and it is never easy to change anything that is firmly established.

DUST REPLACED

Our competitive way of doing business sometimes prevents change. For example, when grain is handled in elevators, dust becomes a serious problem. To protect the health of workers and to remove the danger of dust explosions, collection systems are installed.

AUTHORITY ASKED

Now you would think that once the dust is removed, it would be disposed of, but instead it is re-added when the wheat goes into the elevator bin or railroad car for shipment.

I have heard many warehousemen deplore this practice but until an economic incentive is established which will reward the warehouseman who doesn't re-add dust, it will continue.

Because the grading system allows so much foreign material, a warehouseman would lose thousands of dollars a year if he took the loss of this dust shrinkage. Competition forces those to go along who would like a change.

I am trying to show by these examples why there needs to be sufficient authority granted to some board which would have independence to change some of our agricultural policies and to recognize and protect the interests of the unorganized producers.

It is obvious that Congress does not intend to grant such authority to the Secretary of Agriculture. I do not feel such authority should be given to one man because it has been proven that we are influenced tremendously by the philosophy of such an individual, regardless of party.

Producers of any agricultural commodity who think they can depend on the segments of their industry between them and the consumer to protect their interests are just kidding themselves.

The forces of competition in our economic system will prevent it, however good the intentions.

[From the Denver Post, Aug. 6, 1961]

LOW INCOME BLAMED ON DISORGANIZATION

(By Herb Hughes)

Why do we have a continuing problem of low farm income? Why is agriculture such a depressed industry?

Friends and relatives living in urban areas have asked me this question or similar ones many times. For anyone not familiar with the problem it does seem odd that this situation exists in view of the increased efficiency of today's farmers and the increased productivity per man.

Production of any item under our economy requires a combination of invested capital and labor. The return for each is largely determined by the degree of organization among the producers. Because farmers are so unorganized they have little or no control over the price of their products.

An article in the August issue of Forbes magazine discussing the economics of auto production shows that General Motors makes a pretax profit of 40 percent on every vehicle produced. Estimates for other companies are similar.

Practically every dollar of auto manufacturers' invested capital is entitled to depreciation allowances in determining profit or income taxes.

NO DEPRECIATION

In the farmer's case there is no depreciation allowed on his investment in land, which is by far the biggest investment. Depreciation is permitted only on buildings and equipment.

Few farmers will show a return on invested capital of 4 percent, if they figure a reasonable return for labor. This demonstrates the difference between an industry that has organization of labor and capital to the extent that they control both the production and price and the farmers who are unable to control either as individuals.

Another disadvantage to farmers is in the use of depletion allowances. Most producers of minerals from natural resources are allowed a deduction from taxable income to cover the depletion of the mineral. No such allowance is available to farmers although the soil does wear out as is evidenced by increasing fertilizer sales each year.

These are some of the basic reasons for today's depressed agricultural income. Practically all of the farmer's increased efficiency and productivity has benefited either the middlemen or the consumer as the country's production and average individual income has advanced.

In the case of other industries, consumers have been conditioned by news of strikes and other production problems to expect higher prices for the items they buy and accept without protest.

PRODUCTION MIRACLE

Today's agricultural production is somewhat of a miracle and the envy of most countries of the world. It is made possible because of the farmer's desire to stay on the farm under adverse conditions, either because he is not trained for other occupations or because he likes to be close to nature and see things grow.

Few will leave as long as their labor and return on total capital investment is equal to a family living.

It is dangerous to the Nation to permit an industry as important as the food producing industry to continue in this condition for long. As the farm population declines it contributes to the unemployment problem in the cities, and were it not for the tremendous defense production of today which helps to absorb this labor, what would these idle men do?

[From the Denver Post, Aug. 13, 1961]

KENNEDY'S AGRICULTURE BILL CONTAINS SEVERAL GOOD FEATURES

(By Herb Hughes)

The Kennedy-Freeman farm bill has completed its hazardous journey through Congress and has been signed into law. Most of the press reports covering this event have emphasized what Congress refused to enact rather than what was finally included.

The act contained many good sections and will help solve some of agriculture's problems.

The farm credit features are an example of this. Long-term credit to adjust farm operations to the changes that are occurring in agriculture has been hard to find except for the purchase of land.

Extension of the surplus disposal legislation is of great value in the development of U.S. foreign relations.

It is regrettable that the biggest surplus problems in wheat and feed grains were not dealt with on a more permanent basis than an emergency 1-year program. It is very difficult for farmers to make adjustments in this manner.

It will be difficult to get anything of a more permanent nature through Congress early enough next year to give farmers an opportunity to make their cropping plans on any kind of long-range basis.

One of the bad features of this type of short-term program is that the farmers who have done a good job of conserving their soil with the development of rotation practices and other conserving features are penalized when it comes to determining basis and payments.

It is interesting to note that Congress always in the past has rejected any kind of compensatory payment program resembling the Brannan plan, yet by changing the name to diversion, or payment in kind, the plan becomes politically acceptable.

An unnamed White House official was reported recently to have made the statement that it was difficult any more to achieve a change in policy when the administration of a different party took office because of the influence and effectiveness of the Foreign Service and the Civil Service.

The truth of this statement is well known to anyone who has represented an organization whose interests are affected by Government policies. The ability of these Government employees to protect their programs and ideas and to avoid the direction of Congress is amazing.

Because of their years of experience in Government it is difficult for a new appointee in a policymaking position to oppose them until he has had sufficient experience of his own upon which to base his judgment.

Because of their job protection they become extremely independent, and if they disagree with a decision they have many ways of resisting change, such as news leaks and advance rumors, and in the preparation of slanted discussion material.

Our foreign markets for agricultural exports are very important to U.S. farmers. Our ability to increase these markets is many times prevented by our inability to change the trade policy of our own Government. These policies are negotiated in most instances in international conferences and the representatives of the United States are generally from the Departments of State, Commerce, and Agriculture.

The important point is that the selection of the individuals is based more on their seniority in the service than experience or knowledge with the domestic problems of the commodities involved.

[From the Denver Post, Aug. 20, 1961]

WHEAT MAN SCORES U.S. FOREIGN TRADE POLICY

(By Herb Hughes)

My experience in foreign market development for wheat has led me to believe that our foreign trade policy, which is largely developed by the State Department, is detrimental to U.S. agricultural producers. I think it has also contributed to our current problems in Latin America.

There are few foreign dollar markets for wheat that are expanding markets. As countries become industrialized and able to pay for their wheat imports with dollars, their standards of living usually enable them to enjoy a wider selection of food.

This results in a lower per capita wheat consumption similar to our own U.S. experience. This means then that we must look to underdeveloped nations for expanding wheat consumption.

Brazil is a good example of this type of market. In 1957 the United States and Brazil signed an agreement covering a 3-year period in which Brazil agreed to import a large amount of wheat and pay for it in their own currency, which was then mostly loaned back to them.

As the shipments began to arrive in Brazil there was a great deal of bad publicity because of the poor quality and the poor timing of the shipments. There was a lot of criticism of the Brazilian Government within the country by newspapers and opposition parties, and also by Brazilian wheat growers who feared this would reduce the price of their own production.

This opposition was largely overcome by various measures put into effect by our wheat grower organizations and the U.S. Foreign Agricultural Service in the following 2 years.

When I was in Brazil in January 1960, the Brazilians still had a part of their commitment to buy, although it was in the fourth year of the agreement. It was thought a new agreement would be needed by July 1, 1960.

I entered Brazil at the southernmost port, Pôrto Alegre, which is adjacent to the wheat producing area, where I was met by the agricultural attaché. Here we were welcomed by the leaders of the wheat growers who 3 years previously had been very unfriendly.

At this meeting and at others with miller and baker groups, we discussed the wheat agreement and found only approval as well as an expressed hope that a new agreement would be entered into for a larger amount each year up to a million tons per year.

We were told that black markets still existed for flour and that there were times of the year when wheat or flour were almost impossible to buy in some areas of Brazil.

This was a very pleasing situation for U.S. wheat growers till we met with the economic officer at the U.S. Embassy where we were strongly admonished for even intimating to Brazilians that the United States was interested in another agreement for the sale of wheat.

He informed us that he had analyzed Brazil's needs for wheat and there was only one place that they could buy it without dollars or sterling and that when they started negotiations the United States wanted to be in a position to dictate the terms of the agreement.

As a result of this situation, a year later we still had no agreement but Russia had a bilateral trade agreement to exchange wheat and petroleum for coffee and other goods. The old agreement was amended to allow larger amounts of wheat to be purchased under the old terms. This is not the way to build future markets.

[From the Denver Post, Sept. 3, 1961]

OUR FARM PROBLEM—FOREIGN NATIONS PREFER BILATERAL TRADE

(By Herb Hughes)

Most foreign countries, like individuals, dislike going into debt and worry how they are going to repay debts in the future.

This was brought out in discussion with an official of the Brazilian Foreign Office with whom I visited while in Brazil in 1960. I was inquiring as to their attitude on a long-term credit agreement, which is made possible under Public Law 480, title 4.

Under this provision, passed over 2 years ago but practically unused up to the present, it is possible to make an agreement to sell a given amount of any surplus commodity per year up to 10 years on credit, with interest at the rate being paid by the U.S. Government at time of shipment, and

repayment in dollars over a 20-year period after the final shipment.

In many countries there is interest in such arrangements. However, this particular individual was concerned about their ability to repay future debts and expressed a desire to work out more so-called barter or bilateral trade agreements whereby they could pay for their purchases of wheat in some product they produced.

The U.S. trade policy has been to discourage this type of trade while Russia encourages it. In my opinion this is an important reason why Russia has been able to build trade overseas even with countries with whom the Communists do not have diplomatic relations.

Because of this problem the wheat grower organizations tried to develop proposals for exchanging wheat for sugar when Cuba's quota was canceled. Many Latin American countries showed interest in such exchanges.

Congress showed its approval by including in the most recent sugar legislation a statement that special consideration should be given in granting additional sugar quotas to countries that were willing to buy surplus agriculture commodities from this country in return.

Instead of following this directive from Congress, quotas were granted without regard to this provision and countries requiring imports of wheat were encouraged to enter agreements under Public Law 480 where they could pay for their wheat imports with their own currency, most of which is then lent back to them for economic development in their own countries.

This, of course, adds to their long-term indebtedness.

During congressional debate on the farm bill passed recently there was discussion of this State Department trade policy. It was brought out that an Assistant Secretary of State, among others, had expressed himself to a congressional investigating committee as having responsibility for the decision to disregard the congressional directive. His reason: In his opinion "it was not a good policy."

There is sufficient legislation on the books to permit sales of agriculture commodities in surplus in this country on credit, with repayment in dollars under different terms of repayment.

SELDOM USED

However, again because of State Department objections these credit agreements are seldom used.

In tracing down the reasons for this policy we usually find that objections from Canada are largely responsible and are very effective with the State Department. This is hard to understand when you consider the recent wheat sales by Canada to Red China and Russia, partly with credit arrangements.

PAYMENT IN DOLLARS

These sales along with this year's reduced crop indicate a carryover in Canada by next July of about 250 million bushels which the Canadians feel is normal and any further reduction is unsafe. Canadian farmers have no acreage control.

Australian farmers have harvested one of their record crops in the past year and have arranged for its disposal overseas. American farmers get another 10 percent cut in acreage for next year. It seems State Department trade policy should be thoroughly reviewed.

[From the Denver Post, Sept. 10, 1961]

BARTER DEALS DISCOURAGED—U.S. TRADE POLICY QUESTIONED

Most foreign countries, like individuals, dislike going into debt.

This was brought out in discussion with an official of the Brazilian Foreign Office while I was in Brazil last year. I was inquiring as to their attitude regarding a little-used long-term credit arrangement under which the United States sells surplus commodities, with interest at the rate being paid by the U.S. Government at the time of shipment, and repayment in dollars over a 20-year period.

In many countries there is interest in such an arrangement, but this official with whom I talked was concerned about Brazil's ability to repay future debts. He expressed a desire to work out more barter agreements whereby Brazil could pay for her purchases of wheat in some product she produced.

U.S. trade policy has been to discourage this type of trade while Russia encourages it.

In my opinion this is an important reason why Russia has been able to build trade overseas even with countries with whom they do not have diplomatic relations.

Wheatgrower organizations tried to develop proposals for exchanging wheat for sugar when Cuba's quota was canceled. Many Latin American countries showed interest in such exchanges.

Congress showed its approval by including in the most recent sugar legislation a statement that "special consideration" in sugar quotas should be given countries willing to buy surplus agricultural commodities from this country in return.

The administration, however, granted quotas without regard to this suggestion. Countries requiring imports of wheat were encouraged to enter agreements in which they would pay for it with their own currency. Most of this would then be loaned back to them for economic development, adding to their long-term indebtedness.

During congressional debate on the farm bill passed recently there was discussion of this State Department trade policy. It was brought out that an Assistant Secretary of State had some responsibility for the decision to disregard the congressional sugar quota suggestion. His reason: "It was not a good policy."

There is sufficient legislation on the books to permit sale of surplus crops on credit, with repayment in dollars. But because of State Department objections this is seldom done.

Tracing the reasons for this policy we usually find that objections from Canada are largely responsible.

This is hard to understand when you consider the recent wheat sales by Canada to Red China and Russia, with credit arrangements.

Canadian farmers have no acreage control. Australian farmers harvested one of their record crops the past year and have arranged for its disposal overseas, American farmers, however, have received another 10-percent cut in acreage for next year.

[From the Denver Post, Sept. 17, 1961]

THE FARM PROBLEM—FARMERS CAN'T COPE WITH PRICE FIXERS

(By Herb Hughes)

Farmers are big buyers in today's marketplace.

While farmers are only about 12 percent of the total population of the country, they purchase a great deal more of the total output of industry and labor than indicated by the above percentage because of their tremendous purchases of production supplies.

Historically, the use of natural resources and the flow of money and human labor into economic enterprise was guided largely by changes in price levels. In that simpler economy, guidance for production could come from price changes. In an economic system relatively free, the movement of prices occurred mainly in response to changes in supply and demand.

Times have changed. Prices now are less free to reflect the interplay of supply and demand.

Price agreements within industry are being substituted for unlimited price competition. Hence, industrial prices are much less free and flexible, and the controls are exerted by private, not public authority.

In this flight from unregulated competitive pricing, industry has led the way. Organized labor and professional groups are following suit through collective bargaining and the adoption of wage and price standards.

The firmness of privately administered price and wage controls varies from one industry to another, but the variations are in degree, mainly. The aims are much the same.

Competition is distasteful and largely unwanted by industry, business firms, organized labor and professional groups. In some highly essential enterprise fields, competition is wasteful of resources. Public utilities now are given exclusive franchises to avoid overlapping of enterprises and a wasteful use of resources. Population growth makes it so.

But agriculture has no immunity from the changes in economic policy now occurring. Industries manufacturing farm implements, equipment and supplies are maintaining relatively firm prices.

But farmers are selling many cash crops and all livestock at prices free to move up or down in response to abundant supplies.

Thus, agriculture is out of step with the pricing policy adopted privately by industrial and professional groups.

Agriculture's parity position has deteriorated substantially and alarmingly in the last 10 years, because farmers have been flexible and yielding, while prices paid have been firm and unyielding due to production restraints by industry and identical pricing.

COUNTY INDUSTRIAL AGENT PROGRAM

Mr. HUMPHREY. Mr. President, yesterday I read an Associated Press dispatch as follows:

WASHINGTON.—The Agriculture Department is out to help rural America bid against cities for new industries with this pitch: for the first time in history is it as practical to build complex industries in the country as in the city.

Director John A. Baker of the Department's newly formed Rural Areas Development Board is urging local communities to follow through on this idea in seeking new plants.

Baker says rural communities have been put on a par with urban areas as a location for industries by the rural electric and telephone development and loan programs and by rapid building of good highways.

"Rural areas now offer industry adequate electric power, modern telephone communications and good roads," he says. "The stage is set for rapid industrialization of rural America. The progress is under way."

In pushing the rural areas development program, the Department seeks a dual goal—promotion of economic progress in the country and the provision of off-farm jobs for farmers not needed in agriculture because of its rapidly increasing efficiency.

The Department's campaign to help rural communities develop economically is being carried on in the States and local areas by such agencies as the Rural Electrification Administration, the Federal Extension Service and the Farmers Home Administration.

I mention this matter because earlier this year I introduced Senate bill 2467, for the purpose of improving commerce and industrial development through the establishment of a county industrial

agent program. This bill is in full concert with the proposal made by Mr. Baker, of the Department of Agriculture. The purpose of the bill is to:

(1) Promote the economic development of certain areas of this country which have been known as one-industry areas.

(2) Preserve, improve, and protect the sociological advantages of rural communities and family farm living through the creation of new economic opportunities.

(3) Reestablish as rapidly as possible the industrial and commercial basis of communities outlined in paragraphs (1) and (2) of this section, so that emigration to large urban areas will decrease.

(4) Establish extension-type education programs to teach alternative jobs and technical skills to residents of areas described in section 1 of this Act.

(5) Develop well-organized and integrated approach to the problem of area economic development through Federal-State-local cooperation.

The bill will authorize the Secretary of Commerce "to establish a county industrial agent program as part of the Area Redevelopment Administration and to appoint that number of industrial agents which he deems appropriate to carry out the purposes of this Act, but no fewer than one-half the number of county agricultural extension agents provided by the Department of Agriculture on the date of enactment of this Act."

The bill also provides:

The Secretary of Commerce and the industrial agents are authorized to cooperate with Government officers and agencies and commercial, agricultural, and labor organizations on a local, State, and National level for the purpose of receiving (1) support and assistance in the establishment of an area development program, and (2) support and assistance in training persons in alternative job skills.

I understand that the bill is now before the Committee on Commerce.

If the bill is enacted into law, I believe it will contribute a great deal to attainment of the objectives outlined by the Department of Agriculture. I hope that at the next session, Senate bill 2467, to improve commerce and industrial development through the establishment of a county industrial agent program, will receive favorable consideration.

I assure the Senate that the bill, if enacted, will act as an incentive for industrial development in what are commonly called the rural areas.

AMENDMENT OF FREEPORT HARBOR PROJECT, TEXAS

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate, House bill 8320, which the Senate passed several days ago, but which has been recalled from the House, for reasons which will be made clear.

The PRESIDING OFFICER laid before the Senate the bill (H.R. 8320) to amend the Freeport Harbor project, Texas.

Mr. MANSFIELD. Mr. President, I wish to have the Senate amendment deleted. Therefore, I move that the votes by which the amendment was agreed to, the amendment was ordered to be engrossed, and the bill read a third time and passed be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now is on agreeing to the amendment.

Mr. MANSFIELD. Mr. President, I now move that, the amendment, which previously was adopted by the Senate, be rejected.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the third reading of the bill.

The bill (H.R. 8320) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. May I say that the amendment which has been withdrawn has been attached, with the unanimous consent of the Senate, to the supplemental appropriation bill.

ADDITIONAL COPIES OF PART I OF THE HEARINGS ON WORK STOPPAGE AT MISSILE BASES

Mr. McCLELLAN. Mr. President, I send to the desk a resolution (S. Res. 222) and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

Resolved, That there be printed for the use of the Permanent Subcommittee on Investigations of the Committee on Government Operations one thousand additional copies of Part I of the hearings on work stoppage at missile bases, held by that Subcommittee during the current session.

Mr. McCLELLAN. Mr. President, I have cleared both resolutions with the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ADDITIONAL COPIES OF PART II OF HEARINGS ON WORK STOPPAGE AT MISSILE BASES

Mr. McCLELLAN. I ask for the immediate consideration of Senate Resolution 223.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

Resolved, That there be printed for the use of the Permanent Subcommittee on Investigations of the Committee on Government Operations one thousand additional copies of part II of the hearings on work stoppage at missile bases, held by that Subcommittee during the current session.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

WEST BERLIN

Mr. DIRKSEN. Mr. President, the reactions to the dispatches that came from Berlin touching on a certain statement attributed to General Clay have been extremely intense. One of them took the form of an editorial in the Chicago Sunday Tribune, entitled "Munich, 1961." It represents a viewpoint that I think people are entitled to see in a larger number, and I therefore ask unanimous consent that the editorial be printed in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MUNICH, 1961

Dispatches from West Berlin during the last 24 hours suggest that the contest with the Kremlin is all but over, that Mr. Kennedy is prepared to capitulate to Khrushchev, and that another Munich is just around the corner.

The reports originally were ascribed to "an authoritative U.S. source" or "good authority." They disclosed that the U.S. Government "has taken a fresh approach in German affairs." The approach was outlined at a reception for Gen. Lucius D. Clay, newly arrived in West Berlin as President Kennedy's personal representative. The West Berlin press names Clay himself as the source.

In essence, the approach implies de facto recognition of the Soviet puppet regime in East Germany, with which Khrushchev proposes to sign a "peace" treaty. The West German Federal Republic, which has refused to acknowledge this Kremlin invention, is being urged by the United States to accept the East German Communist slave state as a "fact of life."

Not only is West Germany to deal with this Communist satrapy as a sovereign equal, but it must prepare itself, along with the United States and the Western Allies, to concede to East Germany the right to control access to West Berlin. This control over communications would extend to checking the identity of people coming into Berlin by air as well as by road and rail.

Implicit in this particular concession is acknowledgment of the right of the East German Communists to turn back anyone they choose, with the possible exception of members of the token Allied garrisons in West Berlin.

There are hints of still further concessions to the Communists. One is the denuclearization of West German armed forces, which have tactical nuclear weapons, though the warheads are under American control. West Germany views this measure as an evidence of Western intention to reduce it to second-class partnership in the North Atlantic Treaty Organization.

The outline of the proposed Western retreat has produced a violent reaction among West Germans. Mayor Brandt of West Berlin has warned the Allies not to seek to evade their responsibility to West Berlin. He said the passivity of the Allies when the Communists sealed off the eastern sector of the city with a wall August 13 has provided a regrettable demonstration that the allies "are not able to take care of the rights and responsibilities for Berlin as a whole."

With pointed reference to reports that Americans are willing to accept internationalization of Berlin, according to Khrushchev's prescription, Brandt said that the danger here was that the Russians, while keeping East Berlin closed off, might seize the opening to reinstate themselves as the fourth power in West Berlin. Khrushchev has said that if West Berlin is converted into a free city, Soviet troops would join American, British, and French garrisons there as a protecting force.

The implication of the new Berlin approach, which reports suggest may be traced directly to the White House, is potentially disastrous. It accepts what the United States has never been prepared to grant—that East Germany is a legitimate government, not a country under Soviet occupa-

tion. By extension, the doctrine amounts to informing all of the captive peoples in Soviet eastern Europe that they have been abandoned by the West and must reconcile themselves to a future in which no liberation is possible.

To West Germany the new policy represents a crushing defeat. Hope for the reunification of the whole of Germany is endlessly postponed. West Germany is to be denied adequate means to defend itself. The status of West Berlin as an integral part of West Germany is fatally impaired. West German statesmen and citizens may travel there only on East German Communist sufferance. When the Western Allies assent to similar regulation, they embrace the possibility that they will be forced out of West Berlin and that the city will die of Communist strangulation.

In combination, these dispositions could cause such disillusionment as to throw West Germany into the arms of Russia. There have been continuing Soviet suggestions that Germany turn her back on her unreliable Western partners and join Moscow for what Stalin in 1949 called, "great actions of world significance."

We have expressed our fears again and again that the reported British pressure would bring about a German sellout. With that prospect looming, if ever there was a time when Congress should stay in session, it is now. If it carries through its resolve to adjourn this week, it will have abandoned its responsibilities. There are men of courage and principle in both Houses who will fight under a different banner than the umbrella of appeasement.

President de Gaulle of France warned the other day that, in yielding to Communist demands, we run the risk that "after taking our hat, they will want our coat, shirt, skin, and finally our soul."

What is the end? Is this the way the world of liberty dies—not with a bang but a whimper?

ADMISSION OF RED CHINA INTO UNITED NATIONS

Mr. DIRKSEN. Mr. President, if it has not already appeared, an article will appear by Arthur W. Radford, once Chairman of the Joint Chiefs of Staff, which will be published shortly, or may have already found its way into publication, entitled "Warning to the U.N.: Admit Red China at Your Own Peril."

I ask unanimous consent that it be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WARNING TO THE U.N.: ADMIT RED CHINA AT YOUR OWN PERIL

(By Arthur W. Radford, admiral, U.S. Navy, retired)

(If Communist China is allowed to enter the United Nations it will mean the effective end of that organization. A distinguished American military authority tells why this would be the most catastrophic event since Munich.)

"Shall we admit Red China to the United Nations?"

This question has come up 10 consecutive years, as the General Assembly has met each September. So far, the U.S. representative has been able to forestall debate by asking that it be postponed until a later session. But the favorable vote on his proposal has decreased each year. The issue may be under debate by the time this article is published, and this time it is possible that Red China could be voted in.

Americans will be profoundly shocked if our administration leaders do not fight this possibility to the death. We have registered disapproval many times. In 1956, an election year, a Democratic-sponsored resolution reaffirming support of the Nationalist Chinese on Formosa and opposing the seating of Red China passed the House by a vote of 391 to 0 and the Senate by 86 to 0. Our elected leaders have gone on record against admission 17 times. If there is any one issue on which U.S. citizens are agreed, it is that we do not want Red China in the U.N.

Why this unusual unity? Because a strong force in shaping public opinion is morality. And a moral qualification governs admission of members to the U.N. The charter provides that an applicant nation be peace-loving.

Is Red China peace loving?

She is governed by an outlaw regime, imposed upon the Chinese population in 1949 by an infinitesimal fraction of the people. Even today, 12 years later, less than 2 percent of all Chinese belong to the Communist Party, which has kept itself in power by the bloody liquidation of some 18 million Chinese.

Two months after this regime was established, Red China called on all peoples of southeast Asia to overthrow their governments. A few months later, she invaded Tibet. In 1950 she invaded Korea. There, 33,000 Americans were killed and 103,000 wounded, mostly by Red Chinese troops. Later, she supported the Communist war in Indochina and fomented the Huk rebellion in the Philippines and the Red insurrection in Malaya.

Red China was denounced by the U.N. as an aggressor against the peace of the world, and that resolution is still outstanding. Red China continually threatens war in the Taiwan Strait, stubbornly refusing through many meetings in Geneva and Warsaw to renounce war as an instrument of national policy. On moral grounds Red China is about as well qualified to become a member of the U.N. as Al Capone was to be President of the United States.

Those who want Communist China in the U.N. often say that to exclude her means "ignoring the existence of 600 million Chinese." The argument is nonsensical. Actually, we would be ignoring, even insulting, those millions if we helped give respectable status and enhanced power to the despotic regime imposed upon them by a tiny minority.

Administration leaders have shown alarming signs of abandoning our previous strong position on this crucial question. Chester Bowles, Under Secretary of State, has said: "If there were no other reason to seek a fresh perspective on Communist China, the crucial issue of disarmament would in itself be enough. For it is clear beyond doubt that no disarmament plan can have meaning without her participation. She possesses not only the world's largest army, but a potential capability for the production of nuclear weapons. Either we must give up any thought of worldwide disarmament or search for ways to influence the course of events in the China theater."

Our Ambassador to the U.N., Adlai E. Stevenson, echoes this theme: "It is clear that no general control of disarmament has any value unless it includes China, and it is difficult to see how China can accept international control when it is not, formally, a member of international society. Moreover, as a member of the United Nations, Communist China would be more accountable to world opinion than as an outcast."

These sentiments are completely defeatist. Instead of demanding that Red China change her ways to qualify for membership before getting into the U.N., they would have the U.N. change to admit her. But Red China does not have to be in the U.N. to discuss disarmament and join in agreements. We have dealt with her numerous times—over the Korean and Indochina armistices, reciprocal renunciation of force and the release of our citizens. As for being accountable to world opinion, what deterrent was U.N. membership to Russian aggression in Hungary?

If Red China achieves admission, the persons they will have to thank most will be not the Russians, but our friends, the British. They have opposed us on this matter for years. Their theory is that as Red China gains new strength she will crave more independence and perhaps even turn against Russia. They are buying time.

Such wishful thinking could hardly be the sole base on which Britain builds policy. Reinforcing it is a practical wish to trade with Red China. Though the United States and 21 other Western countries after 12 years have still not recognized the Peiping regime, the British did so almost as soon as it came into power. They hoped to save properties there and to continue a lucrative commerce.

Instead, the government they honored with recognition confiscated property without compensation—more than $1½ billion worth—demanded more than $300 million in blackmail money before it would issue exit visas for British citizens, threw many into jail without trial and often tortured them. It treated friendly Britain, that is to say, no better than hostile America.

Britain still has the territories around Hong Kong until the lease expires in 1997. The hope is that by continuing to be nice to the landlord they may be permitted to stay on.

This policy is perhaps understandable for the British, who must trade to survive. But it cannot be ours. Nor can it be the policy of the U.N.

If Red China were admitted to the U.N., that body would be rendered ineffective. Its entire character would change. The Soviet Union has already hamstrung the Security Council with more than 100 vetoes. Imagine what Russia could do with the backing of the all-time master of delay and deceit in negotiations. Remember that the Korean armistice talks dragged out for 2 years in more than 500 meetings.

In the General Assembly, Red China's lobbying among the Asians, Latin Americans, and Africans could help the U.S.S.R. get the votes she needs to reorganize the U.N. on her terms. The Secretary General would then be replaced by a three-man commission. Each of the 3 would have a veto. This would be the end of U.N. action. The executive power that sent emergency aid to Korea, the Gaza strip, and the Congo would be no more. U.N. wheels would grind to a stop.

The political consequences of the admission of Red China would rock Asia like an earthquake. Of the 12 other countries of the Far East, only 3 (Cambodia, Indonesia, Burma) now recognize Red China. If we break ranks and withdraw our opposition to this threatening power, the others will have to climb on the bandwagon. As one Far East expert put it, "Little Brother is watching you. The drama is being played out with uneasy Thai, Japanese, South Koreans, Vietnamese, Filipinos, and other Asians occupying ringside seats. They know that if the eagle once takes flight, the dragon—and perhaps the bear, too—will have to be propitiated."

Here is what a distinguished Thai statesman said he foresees for his country: "If Red China is admitted, Thailand would have to recognize her. Peiping would send an embassy of 1,000, all spies, to work among our 4 million Chinese. Armed with names and addresses of the Thai resident's relatives still in China, they would threaten reprisals if he spoke or acted against Red China.

"Next, seeing that Red China was actually the uncontested leading power in Asia, we

would have to withdraw from the southeast Asia Treaty Organization. Local politicians reflecting the trend toward Red China would come to power. Then we're in the Communist orbit."

The American Government cannot ignore its responsibilities to Asians with whom it has pacts important to U.S. national security. The free world's present line of defense in the Far East runs down the island chain off the mainland of Asia; Japan, the Ryukyus, Taiwan, the Philippines, Australia, New Zealand. Free countries such as South Korea, South Vietnam, and Thailand are included in our defense responsibilities even though they be outside this line.

Our military forces are deployed along this line—Army forces in Korea; the 7th Fleet watchfully cruising from the Japan Sea to the South China Sea; the Air Force in Korea, Japan, Okinawa, and the Philippines; a Marine division in Okinawa. These are powerful forces, but forces that need allies in that area—allied bases and support.

If we helped Red China into the U.N. we would face grim consequences in the Far East. Additional military equipment or increased economic aid could hardly retain allies who had watched the greatest free nation in the world give in to the Communists. One by one they would be forced to leave us to make their peace with their near and powerful neighbor—Red China.

Quite likely, too, the proponents of Red China's admission to the U.N. would soon feel that our deployed military forces should be pulled back to convince our new associate of our peaceful intentions. Communists would move in as we moved out. Before we knew it, we would be back to our island bastion of Guam, where we were on December 8, 1941.

None of this is inevitable. We need only time, patience and courage to win in Asia. Our present Asian allies are courageous and will follow courageous leadership and the mainland Chinese know it. They know that on Taiwan the Republic of China is keeping alive the good traditions of old China, and yet is modernizing aspects of Chinese life that need modernizing. Taiwan—the Beautiful Island—is truly a garden spot in the Far East, and this is well known in those dreadful slave camps, the communes of Red China, where millions of Chinese are forced to live.

We in the United States have short memories. Hitler at the height of his military successes seemed unbeatable; many believed his boast that the Third Reich would live for a thousand years. When the collapse came in Germany and we could get inside to find out what had been going on, we discovered that there had been courageous opposition to Hitler at all times. What seemed like a success story on the outside was seamy on the inside. And so it is in Red China. Mao Tse-tung can and eventually will be toppled by free men under fearless, intelligent leaders.

Red China's entry into the U.N. would be the most catastrophic event since Munich. If it happens it will indicate plainly that a majority of the present member countries are in favor of destroying the charter as it was originally written. It will mean that the character of the U.N. organization has changed so completely that it will no longer be in our national interest to associate our country with its actions.

The people of the United States have spoken decisively on this subject through their representatives in Congress before. In the interest of our national survival they must do so again. They must make certain that the world knows that the United States of America will not betray the hopes of the millions of people in Asia who have proved that they have the will and courage to resist communism. The membership of the U.N. must be told that this is "either or"—they can have either Red China or the United States as a member, but not both.

THE NORSTAD AWARD

Mr. DIRKSEN. Mr. President, on Saturday, September 23, the distinguished senior Senator from Minnesota, invited the attention of the Senate to the recent award, on September 5, 1961, of the Veterans of Foreign Wars Bernard Baruch Gold Medal for Distinguished Service, to Gen. Lauris Norstad, supreme Allied commander, Europe.

The award, as it was pointed out, was personally presented to General Norstad by the newly elected national commander in chief of the VFW, Mr. Robert E. Hansen of Minnesota. As it was also explained, the VFW planned to present the award to General Norstad at the recently concluded VFW national convention in Miami Beach. However, for very understandable reasons General Norstad was unable to attend the convention.

It was, therefore, the decision of the Veterans of Foreign Wars that the award should be presented to General Norstad at his SHAPE headquarters. I would, at this time, like to associate myself with the complimentary observations of the distinguished assistant majority leader concerning the highly valuable services of the Veterans of Foreign Wars in connection with this award.

Commander in Chief Hansen, accompanied by Brig. Gen. J. D. Hittle, USMC, retired, director, national security and foreign affairs of the VFW, proceeded directly from the convention in Miami Beach to General Norstad's headquarters. Thus the circumstances of the award were genuine, spontaneous, and most timely.

Under these circumstances, the presentation of this highest VFW award to General Norstad symbolized the unreserved support which the Veterans of Foreign Wars membership of over 1,300,000 oversea combat veterans gives to General Norstad who has the burdensome responsibility of holding the position of Supreme Allied Commander, Europe. Also, I am sure that the high officials of the NATO nations who attended the impressive and solemn ceremony, which took place at the entrance to General Norstad's headquarters under the flags of the NATO nations, well understood that this VFW award also symbolized the solidarity with which our Nation as a whole supports a strong and resolute policy in connection with the Berlin crisis and resistance to Communist encroachment anywhere.

This wise and timely act of the Veterans of Foreign Wars of the United States is another example of the sincere and perceptive manner in which the VFW provides highly important assistance to the U.S. Government. I believe that Commander in Chief Hansen and the entire membership of the VFW deserve another "well-done" for this latest act of meaningful support of our Nation and its policies in these dangerous and difficult times.

I am confident, too, that the Senate joins with me in extending sincere congratulations to Gen. Lauris Norstad upon the occasion of his receiving this highest award of the Veterans of Foreign Wars.

THE OMNIBUS FARM BILL

Mr. DIRKSEN. Mr. President, the agricultural history which is being written by this administration is a costly and dramatic example of government intervention, with further intervention and failure as the inevitable end products.

In the midst of all the confusion and technical details, several clear facts are emerging in the field of agriculture, all interrelated. These facts are: First, Federal fixing of prices; second, an attempt at controls over every segment of the marketing system; third, high costs to the taxpayer.

There was an ancient Roman deity, called Janus, who was able to face two ways at once. This is what we are witnessing now in Washington; for example, an ability to threaten industry with antitrust prosecution for price fixing, and yet at the same time demanding that the Secretary of Agriculture be given additional powers to fix prices.

As a matter of fact, the Secretary of Agriculture is using the authorities given to him by the Congress to virtually eliminate the free competitive marketing system of the United States at the same time that he is advising the Common Market countries that our approach toward international trade is quite simple. Basically, we believe in the efficacy of the commercial marketing mechanism as the best means of providing consumers with goods and services. Where the commercial marketing mechanism has problems in rendering this service, it is our desire to help strengthen it so that it can function adequately.

When the 1961 crop emergency feed grain bill was before the Congress, many Congressmen pointed to the fact that farmers were in the midst of marketing their 1960 crop of corn and other feed grains. There was fear that the Secretary of Agriculture would use the extraordinary powers proposed in that measure to force down the cash price of corn by the sale of tremendous Government stocks on the free market. The Secretary gave assurances that he would not do this. He wrote my colleague, the great Senator from Iowa, BOURKE HICKENLOOPER, as follows:

> You may be sure that we will not administer this program so as to reduce the income received by farmers prior to October 1, 1961, from sales of feed grains from the 1960 crop, below that they would have received if this program had not been enacted.

However, as soon as the feed grain bill became law, the Secretary proceeded to sell tens of millions of bushels of corn under the pretext that this was corn "threatened with going out of condition." Between October 1, 1960, and September 1, 1961, the Commodity Credit Corporation sold for domestic use over 235 million bushels compared with 105 million bushels in the same period a year earlier.

This action by the price fixers has caused the price of corn to be at least

10 cents a bushel below the level it should be—below what the free market would have paid. As a matter of fact, on the 14th of September 1961, the cash price for No. 2 corn in Chicago was actually 8 cents under a year ago. The price fixers have taken tens of millions of dollars out of the pockets of corn producers.

The objective here was to break the price of corn in order to drive farmers into the new corn program—a billion-dollar fiasco.

Let us now turn to another commodity, namely, soybeans. Here is a commodity which has shown the greatest growth in acreage, production, exports, markets, and so forth, of any crop in the country. This group of producers has been the most farsighted of any agricultural group. They looked at the mess which the controlled commodities had gotten themselves into, and said to themselves, "This is not for us. What we need is to work to expand markets both at home and abroad." They came to Washington and pleaded with the Secretary of Agriculture not to raise the price support of soybeans above $2 a bushel. They did not want to lose their markets for soybeans and its products to a Government warehouse. Throughout the years they have considered price support as a device facilitating the orderly marketing of the crop—not as a sale to the Government.

Their entire concept was to avoid surplus soybeans. With this basic long-range view, their production has been moved into consumption channels. For each of the past several years, they have set new records in their exports of soybeans and soybean oil. They are developing expanded markets for soybean meal. The net result has been a crop worth over $1.1 billion—the fourth most important cash crop—higher than three of the so-called basics. This policy has also enabled the soybean producer to have a profitable outlet for over 25 million acres.

Under sensible price supports the forces of demand and supply have enabled this commodity to move through normal channels. The free market moved the crop at substantially above support prices. Against the wishes of the producers, Secretary Freeman established a price support level at 45 cents per bushel above that in existence in 1960. The last crop report is witness to the problem created—yes, created by the Government, because the price fixers are in the saddle. The next step will be to ask for production controls.

When this administration proposed the Agricultural Act of 1961, it attempted first, to take over the functions of Congress, and second to obtain authority to place the Professor Cochrane theory of supply management over every agricultural commodity into operation. The Congress was wiser than the controllers. It refused to give this authority.

Recently the Secretary of Agriculture addressed a letter to all Congressmen expressing appreciation for the interest of Congress in farm legislation this year and hailing the omnibus farm bill as "the most constructive and promising farm legislation in many years."

This statement is a complete reversal of position, because the bill, as passed, omitted the original title I, which both the President and the Secretary had earlier indicated to be an indispensable part of the recommended program. This was the title which would have expanded controls to virtually all commodities. Actually, this letter from the Secretary is an attempt to rewrite history.

You will recall that the Secretary, after asserting that the proposed bill would reduce his powers rather than increase them, was confronted by Senator AIKEN, of Vermont, with a study finding that there were 23 new grants of authority in the Secretary's proposals for title I.

Several times the Secretary in public statements indicated that title I was "essential." In a statement in Urbana, Ill., and in testimony, the Secretary used the word "essential" to describe the need for the procedures spelled out in the administration bill.

After having been denied the powers which he requested, the President has also called this bill "a major step toward a sound agricultural economy."

The lesson which Congress is learning from this is very important. They have learned that the statements of dire consequences, if the administration proposals are not embraced, are simply window dressing. They have also decided that they will not surrender their constitutional responsibilities. They are also learning that the administration will attempt to make the public believe it has succeeded, where it has failed.

Let us together review the major items which were eliminated from the administration-proposed bill, and which would have proved disastrous to the agricultural economy and all related industries.

First. The administration bill would have given the Secretary authority to establish marketing quotas for all agricultural commodities—which include 256 crops and products.

Second. The Secretary would have had the right to resell CCC stocks of basic commodities and other commodities at whatever price his new program would have set forth—a Government-fixed price.

Third. The Secretary would have had authority to establish maximum payments to each individual, including a maximum on loans.

Fourth. The Secretary would have been authorized to make provision for the sale or rental of allotments.

Fifth. Under the proposed legislation, the Secretary and his handpicked committees would have acted as the legislative and hearing end of the development of Government programs, and the Congress would have been relegated to only having a veto right on any proposed program the Secretary brought forward. This is the very reverse of what our Constitution intended. The Congress, to its great credit, did not retreat.

Sixth. The proposed bill would have authorized the Secretary to extend the application of marketing orders to cover every agricultural commodity produced, to include producer controls, and to be administered on a nationwide basis. Commodity group after group testified that they were opposed to letting the heavy hand of bureaucracy bear down on them.

Seventh. The Secretary, under the authorities granted in the administration bill, would have been allowed to spend any amount of money. The programs could have included every commodity, and the totals of expenditures could have been extremely high. CCC would have been used, which meant that the Appropriations Committee would not have been brought into the picture until expenditures had been authorized. The difference here is primarily one of magnitude. The sky was the limit unless Congress should veto the proposals offered. The back door spenders would have thrown away the key and left the door wide open.

Eighth. H.R. 6400 would have given the Secretary authority to establish individual producer allotments, including minimum allotments, as part of nationwide marketing orders. Control on control would have been the watchword. It would have given the Secretary the right to set quotas or allotments on the basis of quantity—that is, bushels, bales, cows, sows, and hens.

Ninth. The bill would have given the Secretary broadened authority to regulate individual producers under marketing orders by stating they are handles. The purpose of this provision was to penalize noncomplying farmers.

Tenth. H.R. 6400 would have given the Secretary exclusive authority to terminate national marketing orders.

Eleventh. H.R. 6400 would have given the Secretary complete authority to establish what farmers shall be eligible to vote in a referendum.

Twelfth. The bill would have given the Secretary authority to determine who shall be covered by the provisions of any program, including allotments and quotas and penalties.

Thirteenth. The bill would have given the Secretary the right to "rig" the choices in the referendum so that if producers voted down a proposal they would lose the programs they have under current law.

Fourteenth. H.R. 6400 would have given the Secretary the authority to set up on an official basis a system for using the township and county committees to nominate people to formulate—and to help formulate—programs in the legislative area. Their current job is to administer farm programs.

Fifteenth. The bill would have given the Secretary blank-check authority to establish a wheat program in 1962 without even bringing it back to Congress for chance of veto.

Sixteenth. H.R. 6400 would have authorized the Secretary to select a handpicked advisory committee only when he found it necessary or desirable.

Seventeenth. Under the bill the Department of Agriculture would write new farm plans. After approval by the White House, only a statement of the basic features of the new plan would have been sent to Congress. There would have been no legislative document on which Congress could have worked.

Congress could have made no amendments or changes in the proposal.

Eighteenth. There was no requirement in the bill for any hearings of record to be made on the proposal of the executive branch. New programs could have gone into effect in utter secrecy.

Nineteenth. The bill would have allowed the strictest controls and the greatest penalties in the history of American agriculture. Violations by farmers under the marketing order section would have brought penalties equal to the value of the excess production. Violations of quotas by farmers would have brought penalties equal to double the normal yield—or actual yield—of the excess production times 75 percent of the parity price.

Twentieth. The bill would have declared the policy of Congress to expand foreign trade in agricultural commodities to all nations. The omnibus bill limits this to friendly nations only.

As a matter of cold fact, a good part of the Agricultural Act of 1961 actually passed is simply an extension of programs passed during the Eisenhower administration. Let us itemize them:

First, the extension of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954—the food for peace program.

Second, the extension of the school milk program.

Third, the extension of the veterans and armed services dairy programs.

Fourth, the extension of the Great Plains program.

Fifth, the extension of the Wool Act.

I would not want to let history forget to record how major a part of the new legislation is simply an extension—not new legislation.

Recently, the Department of Agriculture announced it would begin selling corn because the price was too high. They announced this at a time when corn was at 64 percent of parity. Now the men who promised $2 corn say $1 per bushel on the farm is too high—unreasonable. This is a new concept. What they really meant to say was that they desired to punish all those "gamblers" who refused to go into the feed grain program for 1961.

Actually, they were attacking the 60 percent of the corn producers who wanted no part of the Cochrane-Freeman control schemes. Here we have the Government determining what is a "reasonable" price.

In a recent press release the Department of Agriculture announced that it intended to sell 850 million bushels of corn during the next marketing year. This is 17 million bushels of corn a week. Certainly, if they accomplish this objective, the price of corn will be low. The feed grain-livestock ratios will be high, and as Secretary Freeman has said, cheap feed grain means cheap livestock prices.

Thus, we can expect in the fall of 1962, a situation under which livestock prices will be driven down, and the administration will be coming forth with its program to solve the problem which it itself created. The solution that they will offer is the one which the supply managers have always offered—that is, production and marketing limitations. This is their real objective. In the meantime, farm income will be destroyed for the producers of cattle and hogs. The cry will be made that the free market does not work. It cannot work when the Federal Treasury is used to destroy the free market.

You are going to hear much about how much this program has saved the American taxpayer. Keep in mind the following facts:

This administration by its feed grain sales policy has reduced corn producers' income for 1960–61 by at least $100 million. At the same time it has forced an additional 100 million bushels of corn into the 1961 crop corn loan. While an attempt will be made to charge this cost to the previous administration, knowledgeable people will know better. The reduction in production resulting from the feed grain program will be very small.

How about costs? They will be tremendous. Remember that the soybean program, which had operated up to now at practically no cost, will become a commodity owned by Commodity Credit Corporation, with all the attendant Government costs. Remember that the Government is paying out some $700 million to reduce feed grain production by some 10 percent. Remember that the Government will be acquiring 600 million bushels of corn at $1.20, and selling back at least as much at about $1 per bushel—a cost of at least $120 million. Remember that the Government forced under 1960 loan about 100 million additional bushels of corn. Add it all up, and you find a neat package that you could not buy for less than $1 billion of your own money.

When all the costs are pulled together, the taxpayer will find he has spent about $3 per bushel of corn reduced, has lost the great advantage of the free market to the bureacracy, and that there will emerge the demand for more controls. Controls breed controls. This is a lesson which all of our history has taught.

Bear in mind that the proponents of the control concept are dedicated people—dedicated to the destruction of the U.S. marketing system—dedicated to placing controls over every segment of the marketing system, and thereby to destroy free market.

Now, across the board politically—we all agree—in order to defend our Nation we must keep it strong. Do we know what we mean when we say this?

As you know, I have urged solid support—regardless of party—for all those things we must do together that truly will have the effect of keeping us strong.

And I have an idea that my fellow Americans do pretty generally know what these things are. We seem to have some very good instincts in this country for the essential qualities of liberty.

Thus, I feel it is high time for all Americans—in all parties—to give some real attention to what to me is example A of what not to do if we want to be strong.

This "horrible example" is the so-called omnibus approach to agriculture and the whole food and fiber industry.

I suspect that once Americans really appreciate what it is about, their instinctive reactions will dispose of it in a hurry. But since eternal vigilance is the price of liberty, I am perfectly willing to be the Paul Revere on this one.

My fellow Americans, this is no time for us to be freezing progress. Yet, a framework of controls across all our agricultural industry in this country would surely mean such a freeze.

We are concerned for the nutritional well-being of consumers, but we do not show it by regimenting scarcity to control the output of needed foods and jack up the prices.

We are concerned with building jobs. But it is not building jobs to throw the fear of uncertainty, of penalty, the threat of Government domination, at the biggest portion of our industrial life in this country—agricultural food and fiber—where some 40 percent of our entire labor force is employed. What do we say to the packinghouse worker or the transportation worker whose job is cut away by Government-planned shrinkmanship in the food industry?

We have food for peace objectives—and I strongly endorse them. This is one area which the Communists cannot match, and in my view will never match. But we do not provide food for peace by choking off our abundance through a massive centralized control program. It can only lead to exporting less food at higher cost, and we will even find ourselves insulting our friends overseas with import barriers to protect our artificial scarcity at a time when we are pleading around the free world for a freer and more peaceful interchange of goods.

No, my friends, we do not keep America strong by denying freedom of choice, by licensing production, by controlling and policing sales, by fixing prices, by building a political machine to manage the food supply—and the suppliers.

"Force" is an ugly word, and we cannot embrace it at the same time that we are desperately trying to defend ourselves and our children against it.

Our agricultural solutions—as with all our economic solutions—must above all be voluntary. And they can be. These other types of answers are no good for us, no good for any political party, no good for the Nation or for the free world.

Undoubtedly, I will have more to say on this as we go along, for it goes to the heart of what we must mean in America when we say we want to be strong and free.

GOLF CLUB GETS PAID FOR NOT PLANTING CORN

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to have printed in the RECORD an article which appeared in the Evening Journal of Wilmington, Del., of September 25, 1961, entitled "Golf Club Gets Paid for Not Planting Corn."

In this article attention is called to the fact that the Blair Golf Club received $228.20 last spring as an advance payment for taking 14 acres of land out of production of corn and is now waiting for its second check, which will be a little larger than the first one.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Evening Journal, Wilmington, Del., Sept. 25, 1961]

GOLF CLUB GETS PAID FOR NOT PLANTING CORN

BLAIR, NEBR.—The Blair Golf Club is waiting for its second check from the Government under the feed-grain program.

The club got $228.20 last spring as an advance payment for taking 14 acres of land that previously had been planted to corn and milo and turning the land into fairways for the golfers.

Before that, club officials said, it had been the practice of the club to rent the land to farmers. Last fall the club decided to redo the course layout and took the land for additional fairways.

That led to the application for Government payments and Roland P. Smith, manager of the Blair Agricultural Stabilization and Conservation Office, ruled the club had all requirements for payment under the feed-grain law, having taken the land from production and planting bluegrass and alfalfa.

The second check will be a little larger than the first one, Smith said.

PRICE SUPPORTS FOR 1962 CORN CROP PLANNED

Mr. WILLIAMS of Delaware. Mr. President, next I shall ask unanimous consent to have printed in the RECORD an article which appears under the heading "Commodity Letter" in the Wall Street Journal of September 26, 1961. The article is to the effect that the Secretary of Agriculture will throw a considerable amount of corn on the market during the fall harvest in order to force the price of corn down to $1 a bushel, thereby making sure that American farmers will face bankruptcy if they insist upon growing corn outside of the Government's feed corn program. Apparently the Secretary feels there are still too many golf courses which are not covered under the feed grain program of the New Frontier.

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 26, 1961]

A SPECIAL REPORT ON PRODUCTION AND PRICE TRENDS AFFECTING HOMES AND FACTORIES

Farm planners aim to increase price supports for the 1962 corn crop.

Nothing is set yet, but Agriculture Secretary Freeman's advisers hint at a support price of around $1.30 a bushel, up from $1.20 this year. They say some increase is needed to encourage farmers to comply with next year's program to curb plantings. Otherwise, officials say, compliance next year probably would be less than in 1961, when farmers cut corn acreage to about 67 million acres from the 1950–60 average of 82 million.

Freeman also plans to continue selling Government-owned corn, in hopes of holding farm prices down around the present $1 a bushel at least through next spring. That would give farmers an extra incentive to sign up then for the acreage cuts that qualify their crops for price supports. Farmers also get incentive payments for cutting plantings.

PRINTING AS A SENATE DOCUMENT OF ACCOMPLISHMENTS OF REPUBLICAN PARTY IN 1ST SESSION, 87TH CONGRESS

Mr. DIRKSEN. Mr. President, it has been customary for the minority leader to file an annual report at the end of the session in the CONGRESSIONAL RECORD and also ask unanimous consent to have it printed as a public document. I now ask that consent be given for its printing in the CONGRESSIONAL RECORD and that consent also be given to have it printed in the form of a document as necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT'S MESSAGE ON NATIONAL FORESTS—REFERRAL TO COMMITTEES

Mr. HUMPHREY. Mr. President, on September 21 President Kennedy transmitted a special message to the Congress on national forests. He suggested that the message be referred to appropriate congressional committees.

In addition to the Committee on Agriculture and Forestry, to which the message was automatically referred, in the light of the contents of the message I ask unanimous consent that the message also be referred to the Committee on Appropriations, the Committee on Interior and Insular Affairs, and the Committee on Public Works.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

VETERANS' INSURANCE AND COMPENSATION

Mr. LONG of Louisiana. Mr. President, a complicated legislative situation has developed during the past few months which must be resolved in this Congress. I am referring to the legislative impasse involving the national service life insurance reopening proposal and the disabled veterans' compensation bill. Because of its complexities, this situation is easily misunderstood, and the opportunity to spread misinformation has not been overlooked in some quarters. For this reason, I shall undertake to set the record straight.

For several years the junior Senator from Louisiana has advocated the adoption of a measure to reopen for a limited period the national service life insurance program. The effect of the measure would be to give to certain veterans of World War II and the Korean conflict a second opportunity to take out this low-cost Government life insurance or to reinstate such coverage. Many veterans were caught by surprise by the abrupt termination of the NSLI program in 1951. Many others had only 120 days following separation from service during which to obtain this coverage, and countless others were completely denied the opportunity. It is estimated that 16 million veterans could benefit from this proposal should they choose to take advantage of its provisions. Since the administrative costs occasioned by new NSLI policies would be borne by the new policyholders themselves, and since the program is actuarially sound, the cost to the Government of reopening the program would be slight, it would not exceed $400,000 in any given year.

The NSLI reopening proposal has repeatedly passed the Senate, and there has never been cast a dissenting vote of record on the merits of the matter. And yet there has never been a time when the provision was allowed to be debated and voted upon in the House of Representatives.

The chairman of the House Committee on Veterans' Affairs has consistently opposed the measure, and he has never permitted its full consideration by the House. As Senators well know, it is often within the reach of a powerful House committee chairman to exert that kind of authority.

In debate on this matter, certain members of the Veterans' Affairs Committee—the chairman and others—have intimated that the chairman has refused to allow the House to consider the matter only because this is the way the committee system operates. They state that, when the majority of a committee is opposed to a measure, the usual course is for the full body never to consider it.

This argument has no merit when the Senate amends an important bill which has been sent from the House to the Senate. In such a case, an entirely different procedure is ordinarily followed.

While I would be completely satisfied to send a separate bill for NSLI reopening to the House, that would be a futile and useless thing to do unless there were some agreement with members of the House Committee on Veterans' Affairs that the matter would reach the floor of the House. If that committee and its chairman are willing to kill the most significant matters which they have sponsored in order to prevent consideration of the NSLI amendment, it stands to reason that they would never permit the NSLI proposal to come to a vote on its merits as a Senate-sponsored bill.

Mr. President, this has been the situation with regard to the NSLI proposal. It has never been sent to the House as a separate bill because Members of the Senate were well aware that it would be buried in House committee. It has always been sent to the House in the form of an amendment to another bill. And yet—contrary to normal legislative procedure—the chairman of the Veterans' Affairs Committee has undertaken to see that it not be considered.

In a letter of March 6, 1961, he stated to the chairman of the Senate Committee on Finance that he felt the NSLI proposal should come to the House in the form of a separate bill, rather than as an amendment to a House-passed bill. He further stated that he would not call up for consideration or ask for a conference upon any measure to which the NSLI reopening proposal was added as an amendment.

This amounted to presuming first to tell the Senate how it should conduct its affairs and then saying that, even if it

did act as suggested by a House Member, its proposal would nevertheless not be considered by the House. It is in the face of this kind of attitude toward the Senate on the part of a single House Member that the present situation assumes its true importance.

I shall not detail the full history of the NSLI proposal in prior Congresses. I ask unanimous consent that a summary thereof be printed in the RECORD at this point in my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LEGISLATIVE HISTORY OF PROPOSAL TO ALLOW CERTAIN VETERANS TIME IN WHICH TO APPLY FOR NATIONAL SERVICE LIFE INSURANCE

EIGHTY-FOURTH CONGRESS

S. 3067 (introduced January 27, 1956, by Senator LONG, for himself and 52 others.) Adopted as Finance Committee amendment to H.R. 7089 which was reported favorably to Senate, as amended, on June 27, 1956 (S. Rept. 2380). July 2, 1956, passed Senate. Rejected in conference (conference report 2718). July 17, 1956, conference report adopted in House. July 18, 1956, conference report adopted in Senate. H.R. 7089 without Long amendment signed by President on August 1, 1956, and became Public Law 84-881.

EIGHTY-FIFTH CONGRESS

S. 1086 (introduced February 7, 1957, by Senator LONG, for himself and 50 others.) Adopted as Finance Committee amendment to H.R. 11382, which was reported favorably to Senate, as amended, on August 4, 1958 (S. Rept. 2170). August 11, 1958, passed Senate (without discussion). August 23, 1958, House accepted Senate amendments with an amendment striking LONG's Senate amendment. August 23, 1958, Senate concurred in House amendments. H.R. 11382 without Long amendment signed by President on September 2, 1958, and became Public Law 85-896.

EIGHTY-SIXTH CONGRESS

S. 1113 (introduced February 18, 1959, by Senator LONG, for himself and 55 others.) Adopted as Finance Committee amendment to H.R. 7650, which was reported favorably to Senate, as amended, on August 12, 1959 (S. Rept. 666). August 13, 1959, passed Senate. August 14, 1959, House agreed to Senate amendments with an amendment striking LONG's Senate amendment. August 18, 1959, Senate receded on its Long amendment after statement by Senator LONG withdrawing the amendment with intention of proposing it to another bill for subsequent approval by the House. H.R. 7650 without Long amendment signed by President on August 28, 1959, and became Public Law 86-211.

S. 2675 (introduced September 10, 1959, by Senator LONG, for himself and 55 others.) Adopted as Finance Committee amendment to H.R. 11045, which was reported favorably to Senate, as amended, on May 26, 1960 (S. Rept. 1485). June 2, 1960, passed Senate by record vote of 75-0. June 29, 1960, unanimous-consent request to bring bill, as amended by Senate, before House denied because of objection and returned to Speaker's table to await a rule. Bill died with end of session, no rule having been granted.

Mr. LONG of Louisiana. Mr. President, I will dwell upon several incidents of that history, in order to give Senators a picture of the true situation.

In the 85th Congress, the House accepted most of the Senate's amendments to a House-passed veterans' compensation bill, but refused the NSLI amendment, which was among the Senate's amendments to the bill. This was far from a full consideration of the NSLI proposal by the House membership, although that argument has subsequently been made. The merits of the proposal were discussed only cursorily. The principal argument made against adoption of the NSLI amendment was that the Veterans' Affairs Committee should first study the measure to determine if there were any need for it. As a practical matter, the manner in which this was done is somewhat like the unanimous-consent procedure used in the Senate. If a House Member had objected to the motion of the chairman of the Veterans' Affairs Committee, the matter would have been referred to the Rules Committee. Thus, there was no opportunity for any Member to move to agree to the Senate amendment, as could be done in support of a House amendment in the Senate.

This is one of the rules which permits a handful of senior Members of the House of Representatives to more or less handcuff the junior Members. I do not say this in criticism of the House of Representatives. That body is privileged to make its own rules. I say it only to point out that the large numbers of House Members who have told me of their desire to support the NSLI amendment have never been accorded an opportunity to go to bat for it. When the chairman of the House Veterans' Affairs Committee says that the House has voted against this proposal, he is making a statement that is completely misleading. The House has never voted on this matter in the true meaning of the word, because the House has never been accorded an opportunity to debate the matter or to vote on it in a parliamentary situation where a majority for the bill could have voted the NSLI amendment through.

In the previous Congress, the junior Senator from Louisiana agreed to recede from the amendment, because I had received the assurance of the chairman of the Veterans' Affairs Committee that, if I did so, he would use his best efforts to secure the consideration of the NSLI proposal if added as an amendment to a subsequent House bill. The junior Senator from Louisiana was under the impression that this agreement meant that the chairman would undertake affirmative steps to secure consideration of the measure. However, in the CONGRESSIONAL RECORD of February 22, 1961, at page 2274, the chairman asserts that his agreement was that he "would not engage in any parliamentary tactics to obstruct or otherwise delay consideration" of the bill.

In any event, I withdrew the amendment, expressing the intention of offering it on a subsequent bill which had passed the House. In the CONGRESSIONAL RECORD, volume 105, part 13, page 16179, I explained the matter to the Senate as follows:

> The House did not see fit to agree to this amendment. However, the distinguished chairman of the House Veterans' Affairs Committee assured me that, although his committee may not be favorable to this measure, if it comes back to the House as an amendment to any other piece of legislation, or as a separate bill, he will use his best efforts to see to it that the House has an opportunity to vote for the measure on the floor.
>
> Under those conditions, I feel that the distinguished chairman of the House Veteran's Affairs Committee has shown a willingness to meet us halfway. I do not believe that I would be serving the interests of this legislation or of the veterans to oppose the House action under these circumstances.
>
> Therefore, I will offer the amendment again at some subsequent date, looking forward to having a vote on it at some later time.

Thereafter, on September 10, 1959, on behalf of myself and 55 other Senators, I offered the NSLI measure as an amendment to another House-passed bill. The NSLI amendment passed the Senate on June 2, 1960, by a rollcall vote of 75 to 0. The bill, as amended, was then sent back to the House. On June 29, 1960, the chairman of the Veterans' Affairs Committee asked unanimous consent that the House call up the measure. A Representative from California thereupon inquired of the chairman whether or not he personally favored the insurance amendment. Upon receiving a negative reply, the member promptly interposed his objection, which precluded consideration of the bill on the floor of the House. See CONGRESSIONAL RECORD, volume 106, part 11, page 15002.

Subsequently, the Veterans' Affairs chairman wrote a letter to the House Committee on Rules, stating his opposition to the amendment, suggesting that the Senate had not thoroughly considered it, but asking for a rule to consider the amended measure in view of his previous commitment. The rule was not granted.

On July 17, 1961, in this Congress, the Senate passed this measure for the fifth time, by unanimous voice vote, and again sent it to the House. The measure was added by the Senate Committee on Finance as an amendment to H.R. 879, a House-passed disabled veterans' compensation bill. This measure is still lying at the Speaker's desk. True to his threat, the Veterans' Affairs chairman has not called it up for consideration.

Subsequently, the Finance Committee added the NSLI proposal as an amendment to another House-passed bill, H.R. 856. This bill was designed to permit certain veterans who already hold National Service Life Insurance policies to convert from term to other forms of life insurance. In addition to adding the NSLI reopening amendment to H.R. 856, the Finance Committee also added as an amendment the substance of H.R. 879, the disabled veterans' compensation measure. The net result was that H.R. 856 as it passed the Senate became something of an omnibus veterans' bill. The provision relating to an optional conversion plan for outstanding NSLI policies was amended to include the veterans' pension increase as that proposal had passed the House, as well as the NSLI proposal.

When H.R. 856, as amended by the Finance Committee, came to the floor of the Senate on September 1 of this year, a move was made to strike the NSLI proposal from the bill. This move was championed by the junior Senator from

Kentucky [Mr. MORTON], who was concerned lest the legislative logjam occasioned by the Veterans' Affairs Committee chairman's opposition to the NSLI amendment deprive disabled veterans of a needed compensation increase. However, at the urging of the junior Senator from Louisiana, the Senate voted 50 to 18 to retain the amendment on the bill. I explained that my insistence upon retention of the amendment arose not only from my conviction as to the merits of the proposal, but even more from my concern that the procedure proposed would set a degrading precedent from the Senate point of view.

Then, on September 6, rather than calling up H.R. 856 with the Senate amendments, or H.R. 879, the Veterans' Affairs chairman instead added the substance of the disabled veterans' compensation bill to S. 2051, a Philippine war orphans' bill. The procedure in the House, as best I understand it, is that only a committee chairman will be recognized for that purpose, and under a suspension of the rules nothing else can be considered save what the chairman wants considered. The war orphans' bill was a Senate-originated measure, which had come from the Committee on Labor and Public Welfare. Only a careful reading of the RECORD on that date would reveal that the compensation amendment had been added. It was not labeled as a compensation increase. The fact that this maneuver had been made was ascertainable only by a close reading of the entirety of the provisions of the amendment. Few if any members of the House of Representatives who are interested in supporting the NSLI amendment were alerted as to what was being done.

S. 2051 was then sent back to the Senate, where it is lying on the desk. In the Senate, the substance of the Philippine war orphans' bill was added as an amendment to a House-passed Indian war veterans' bill—H.R. 3587. This measure recently passed the House, and was sent to the President.

Thus, the present legislative situation can be summed up. The bill H.R. 856 is on the Speaker's desk in the House. It contains the provision for an optional conversion plan for outstanding NSLI policies, the disabled veterans' compensation increase, and the NSLI reopening proposal. This bill has not been called up for consideration in the House because of the opposition of the Veterans' Affairs chairman to the NSLI reopening proposal.

Yet, Mr. President, certain Members of the House of Representatives, and certain proponents of the disabled veterans' compensation increase, are striving to make it appear that it is the fault of the Senate—and more specifically, the fault of the junior Senator from Louisiana, the principal sponsor of the NSLI proposal—that the compensation increase has not been enacted into law. For my part, I am willing to be stigmatized in this fashion, if it is necessary that this be done, because I believe there is a matter of the greatest principle at stake here.

The Senate is taking no inflexible and unreasoning attitude. This body has repeatedly debated and has voted on record, so that everyone can see where each Senator stands. The House has never done this. The Senate is asking for a conference on the matter. The House has adopted a take-it-or-leave-it attitude, which the Senate cannot accept unless it wishes to establish a degrading precedent, injurious to the further effectiveness of the Senate as a legislative body. It was this conviction which was reflected in the Senate's vote of 50 to 18 on September 1.

Members of some veterans' organizations having a large stake in seeing the disabled veterans' compensation increase enacted have withdrawn their support of the NSLI amendment, and are urging that the Senate withdraw from its position, and in effect bend its knee to the single House Member responsible for the impasse. This cannot be done. Delays in fighting for legislation are something we sometimes have to face. I regret it, but sometimes it cannot be avoided. Veterans wishing to avail themselves of the NSLI reopening proposal have waited for many years for the opportunity. The last major increase in disabled veterans' compensation benefits was only 2 years ago. This is not to say that the increase in disabled veterans' compensation is not desirable legislation. I have always supported such legislation, and expect to continue to do so. But it is necessary to put this matter in its true perspective. There are many millions of veterans for which nothing of consequence has been done for many years. There are 2 million disabled veterans who would benefit from the compensation increase. Both groups of veterans could be benefited were it not for the position taken by the House Veterans' Affairs chairman. I for one am not willing to sacrifice these 16 million veterans for the sake of the 2 million, however highly I respect the wishes and needs of the 2 million. Both pieces of legislation will become law. It is merely a question of time.

If veterans would stand together on the matter, the impasse would be resolved in due course. Rather than face reelection in the position of the one man thwarting three important pieces of veterans' legislation, the chairman and the members of the House Veterans' Affairs Committee will find it necessary to go to a conference with the Senate where the differences can be worked out.

Yet, rather than stand together, I regret to say that there is some division among veterans' organizations. Of the major veterans' organizations, the American Legion and the American Veterans' Committee stand behind the Senate position. Certain other veterans' organizations—the VFW, the DAV, and AMVETS—have recanted and now state they are willing to sacrifice the NSLI provision for the sake of the compensation increase.

When persons claim to speak for veterans, we should realize that it is the American Legion which speaks for 65 to 70 percent of all veterans. While the VFW represents a substantial number of veterans, most of the other veterans' organizations have little more than a shirttailful of active members who attend meetings.

The American Legion represents almost three-quarters of all organized veterans. This organization has a greater percentage of active members—compared to total membership—than any other veterans' organization.

The American Legion has steadfastly supported my position and continues to support it; and, might I point out that their membership is not limited to disabled veterans. Many of the greatest and most outstanding citizens of America are active and influential members of the American Legion.

The Senate, by combining these measures in the one bill, H.R. 856, is insisting that veterans stand together. This is a move to counter the divide-and-conquer tactics of the opposition.

On the question of benefits for veterans, there can be no doubting where I stand. I am for all veterans—the disabled, and others. In order to benefit the larger number, I am forced to insist that veterans stand together. There is nothing new to the principle of amending bills which benefit some, in order to benefit a much greater number. It has been done more than a thousand times.

The Senate's stake in the matter is very great—even greater than would be assumed by looking at the merits of the particular legislation involved in the impasse. What is at issue here, fundamentally, is the right of the Senate to act and legislate a coequal body with the House. It is noteworthy that, under its present chairman, there never has been a conference between members of the House Veterans' Affairs Committee and members of the Senate Committee on Finance. And yet, it is the Senate Finance Committee to which most legislation passed on recommendations of the House Committee on Veterans' Affairs is referred. The Senate cannot afford to acquiesce in a completely degrading precedent. To do so would be pusillanimous. When it has been done the precedent has plagued us for decades.

As I have stated, I am willing to bear the burden of this fight, if it is necessary. But the Senate must stand firm in the matter.

Under present circumstances, the Senate has no choice but to wait until next year. In the next Congress, I pledge my best efforts toward bringing this matter to an honorable conclusion. Those of us who favor the NSLI proposal will find it necessary to seek a champion or some champions among House Members who we may hope will use all means available to them to see that the House has a chance to speak on the subject. One obvious way that this matter could be resolved, for example, would be for Members of the House to sign a discharge petition, to pry a measure of this sort loose from the House Committee on Veterans' Affairs and the House Rules Committee. I have reason to believe that there will be a growing volume of support from House Members. Whatever ability I have to obtain cooperation and assistance in that body, I shall certainly exert. I hope other Senators will do likewise.

Like other Members of the Senate, I am aware of the growing pressure which will continue to increase until one side or the other yields in this matter. Yet I want to make it crystal clear to other Senators that the Senate is holding the stronger hand; and when we think in terms of ultimates, it is the Senate which has the last say. Let us suppose for a moment that the stalemate continues and both Houses adjourn next year without further action on these three important matters which have been wrapped into a single package and sent to the House. Every House Member and every Senator will have to explain to his constituents why Congress failed to act on these three meritorious proposals. One-third of the Senators will be candidates. Two-thirds of Senators have continuing terms. Every member of the House Committee on Veterans' Affairs will find it necessary to take a stand on this issue, either for or against the position taken by the chairman of that committee. Those who take a stand against veterans will find their position increasingly unpopular, and the matter will become an issue in every congressional race.

As one who has received as much pressure on this subject as any Member of the Senate, I am personally of the opinion that the opposition is for the most part a paper tiger, representing insurance companies, who better than anyone are aware of the genuine merits of the argument for the NSLI reopening proposal. These powerful insurance companies have great amounts of money and very competent representation. They have very few votes.

As a matter of fact, the insurance companies have rather consistently denied that they were themselves opposing the NSLI proposal. They have sought to give the impression that it is their salesmen who are making the fight as more or less free agents. Yet there are more than 200 times as many veterans who could be benefited as there are insurance salesmen who might object.

It is time that both the Senate and the House face this issue honestly and squarely. Speaking as one Senator, I do not care to report to veterans that this matter was deferred again because we failed to fight hard enough.

The public pays us to fight these battles. Sooner or later, both Senators and Congressmen should be willing to take a public stand on this major veterans' insurance issue. One cannot expect forever to be "everybody's sweetheart but nobody's gal."

If the Senate will make it clear in unmistakable terms that it demands that the three measures on the Speaker's desk be considered as a package and in no other way, there is no doubt whatever in my mind that the growing pressure will require the House to relent from the inflexible and unreasonable position taken by the chairman of the House committee. Why do I say this? I say it because the Senate is right. The Senate is not being unreasonable. I say it because the chairman of the House committee is as wrong as a person can be in either of these two bodies in informing the Senate in advance that a Senate-proposed measure would not be considered by the House, regardless of the bill to which it was added, and in attempting to pursue any such procedure. The Senate is rightfully entitled to an apology from any Member of the House when that Member suggests taking an arbitrary attitude toward a coequal body. If we stand like the Rock of Gibraltar, we will prevail. We will pass desirable and meritorious legislation which has been too long delayed, and we will preserve the integrity of the Senate as a responsible and coequal body of lawmakers.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Mr. President, the Senator who suggested the absence of a quorum is not present. I must object to a request to withdraw the order until the Senator from Louisiana [Mr. LONG] can be located.

The PRESIDING OFFICER. The clerk will continue to call the roll.

The legislative clerk resumed the call of the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on September 22, 1961, the President had approved and signed the following acts and joint resolution:

S. 200. An act to amend the act entitled "An act relative to employment for certain adult Indians on or near Indian reservations," approved August 3, 1956;

S. 541. An act to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen;

S. 931. An act to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidences of title;

S. 1317. An act to change the designation of that portion of the Hawaii National Park on the island of Hawaii, in the State of Hawaii, to the Hawaii Volcanoes National Park, and for other purposes;

S. 1501. An act to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for the administration of the Bureau of Indian Affairs;

S. 1529. An act to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended;

S. 1719. An act to amend title 23 of the United States Code with respect to Indian reservation roads;

S. 1762. An act to regulate the practice of physical therapy in the District of Columbia;

S. 1768. An act to provide for the restoration to Indian tribes of unclaimed per capita and other individual payments of tribal trust funds;

S. 1807. An act to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla.;

S. 2224. An act to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes;

S. 2241. An act to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land;

S. 2395. An act to amend the Railroad Retirement Act of 1937 to provide reduced annuities to male employees who have attained age 62, and for other purposes;

S. 2422. An act concerning the White House and providing for the care and preservation of its historic and artistic contents; and

S.J. Res. 98. Joint resolution to provide for the observance of the centennial of the enactment of the Homestead Act.

RESERVE AND NATIONAL GUARD FORCES

Mr. STENNIS. Mr. President, the many provisions voted by Congress this year reflect the reappraisal of our defense programs by the new administration. This has resulted, in some cases, in an increased appropriation and, in other cases, a decrease in the funds to be provided.

But in all cases, the members of the Senate and House Armed Services and the Appropriations Committees took a national point of view and not a parochial attitude on the issues involved.

Among the programs which will get added impetus this year include: First, acceleration of the Polaris and antisubmarine warfare programs; second, acceleration of the Minuteman program; third, provisions for unforeseen construction that might arise in connection with the Nike-Zeus anti-missile-missile program; fourth, provisions for supplementary facility development by the National Guard and Reserves; and fifth, continuation of manned bombers.

This built-in flexibility is particularly emphasized in our approach to the National Guard and all areas of the Reserve units of all the military services.

An appropriation of $65,883,000 for the Army National Guard, the Air National Guard, and all areas of the Reserve units of all the military services is now in the bill to be sent to the White House. The figure represents an increase of $10,455,000 over the amount appropriated in fiscal year 1961, and some $15 million over the amount submitted in the fiscal year 1962 budget.

A further breakdown shows the Senate favors $14,381,000 for the Army Reserve program; $21,868,750 for Army National Guard; $7 million for Naval Reserve program; $4,608,000 for the Air Force Reserve and $18,275,000 for Air

National Guard. These sums were agreed to in conference and are in the bill sent to the White House.

The National Guard Bureau and the States can accomplish the program envisioned by this appropriation, provided there are no arbitrary limitations imposed by the Department of Defense or the Bureau of the Budget.

I have spoken many times on the need to get more combat troops out of our total number of men in uniform. There is inadequate utility of troops in our defense forces with perhaps too much emphasis on support rather than fighting complements.

To a large extent, the Army has frozen or crystallized its percentage of available personnel devoted to either fighting or direct support and those in indirect or support roles.

This is not true of the Reserve units, including the National Guard. One way to improve the ratio of combat and support personnel of the Armed Forces is to utilize the Reserves to advantage.

We have at our disposal the means by which our Army modernization program will pay off in the future. The answer lies in the new move on the part of the administration and the Congress to further emphasize our Reserve and National Guard Forces—to utilize the men with training and talent to back up our commitments in Berlin and other parts of the world.

I have come to the firm conclusion that we are not fully utilizing the trained talent that is so prevalent in our National Guard and Reserve programs.

I am convinced that proper utilization of this talent is the only way to hold down the expense of our military programs during the tremendous buildup of arms asked by the President and voted by the Congress and the American people, as well as the large expenditures in years to come.

We know that the Reserve Forces are maintained at a cost of about one-tenth of that of the Active Forces.

I have urged greater emphasis on the citizen-soldier concept over the years. It is in keeping with our great need for a real bone and muscle Army—the quick striking force—that I am sure the President has made the decision to use such trained men to advantage.

The strength of the Ready Reserve forces of the United States, as of today, is 2,440,000 members. In addition, there are some 1,300,000 Standby Reserves, which includes Active and Inactive Reserve strengths.

The Congress recently provided the President with the authority, until July 1, 1962, to order not more than 250,000 members of the Reserve to active duty for not more than 12 months.

Of all the discussion in recent weeks related to the strengthening of our Nation's defenses, one fact has emerged clear cut and indisputable. Our Reserve units, including the Army National Guard, the Air National Guard and the Army, Navy, Air Force and Marine Reserves are at a level of readiness higher than ever before achieved. These citizen-soldiers and airmen are more ready, indeed, than many of us realized; more ready than some in the past have been willing to admit.

Members of the U.S. Senate can be proud that in the many efforts made in recent years to reduce the strength and effectiveness of our National Guard we have stood almost unanimously in opposition to those efforts and in support of our Reserve and National Guard forces.

Our position in this respect has been more than justified, for, in seeking to strengthen our defenses rapidly, the Nation looks to its Reserve and National Guard forces, and we will indeed within a very few weeks witness the ordering to active Federal service of 28 Air National Guard squadrons coming from 20 States, and a number of units of the Army National Guard, and many other Reserve units.

The Active Army is now extended in its worldwide commitments to the degree that it would not be effective in a major conventional war without its Reserve components. In our system, the Reserve units of all the military services are the very key to successful conventional warfare.

The Reserve and National Guard troops are the only military forces that have a built-in dispersion factor. Their distribution in small units all over the United States would insure a large proportion of survival which possibly would not be true of our heavily concentrated Regular Army forces, whose locations may well be known by the enemy in meticulous detail.

If there should be the holocaust of nuclear war, dispersed Reserve units and even individual reservists will be of inestimable value in providing the leadership and courage so much needed by a demoralized, frightened, and leaderless civilian population.

Under the premise that nuclear deterrence can result in nuclear stalemate, thus promoting the use of conventional war methods, the availability of our Reserve components could spell the difference between victory or defeat for our country.

The President's program for strengthening our Nation's defenses calls for greater readiness through increased training of our Reserve organizations not called upon at this time for active Federal service. The achievement of increased readiness will unquestionably require that these units have greater quantities of the most modern weapons and equipment available. The Nation is making a demand upon our Reserves and guardsmen to devote even more time to training than they do presently. It is imperative that the Government, therefore, provide these citizen soldiers with the tools and the facilities necessary to carry out their assigned missions.

We must be mindful that beyond the purely military contribution which the National Guard makes, these citizen soldiers, organized into more than 5,000 units, located in 3,500 communities in every State, the Commonwealth of Puerto Rico, and the District of Columbia, represent in a very real sense an important arm of our national defense.

The Reserve is a civilian—a banker, a carpenter, a butcher, a baker by day, but on weekends or on drill nights he dons his uniform and goes about the serious business of training for the defense of his country.

Whether he is in uniform or, as he is more frequently, in civilian dress, he represents to his family, his friends, his civic and business clubs, and to all of the people of his community—the military. By his participation in the Reserves, whether he carries a rifle in an Infantry platoon or flys a supersonic jet fighter, he gives a better and more personal understanding to all of our citizens of the need for a strong and continuing military program in the uncertain years of the cold war.

We must remember that one soldier in the Regular Forces requires housing for his family, schools for his children, recreation for off-hour leisure, a specified amount of pay and allowances depending upon rank, transportation costs during time of relocation, and a multitude of other costs which must be borne by the Federal Government.

On the other hand, the citizen-soldier by contract lives at home, pays for his children's education by supporting the public or private schools of his choice, and takes care of his needs and that of his family from his own pocket and not the national purse.

The citizen-soldier constantly contributes to the national economy while Regular force personnel take from the economy.

Probably more than any other, the reservist symbolizes the spirit of America. He perpetuates the concept of voluntary, part-time military training. He carries on the traditions of the minuteman.

These are the men from which the military departments can readily select to build the fighting force which may be instantly needed in the future.

There is no "second team" in the defense of our country. The Regular Army, Navy and Air Force units, the Air National Guard and all the Reserve units form jointly one major military picture.

The National Guardsmen and reservists know that if we are going to fight as one team when war comes we must be one team in peace.

We must understand that the foundation of our defense is in the willingness of our people to make the sacrifices necessary to secure our freedom. The citizen soldier translates this concept into action by his regular participation in the Reserve and National Guard programs.

There are practical aspects to be considered and they are considered by the various committees of the Senate concerned primarily with the administration and training of our citizen soldiers.

With the growth and the rapid modernization of all elements of the Reserve, including the Army National Guard and the Air National Guard, there has come over the years increasing requirements for training facilities of all types.

The Congress some years ago approved a long-range program for Federal participation in the funding for the

construction of armories for the Army National Guard and airbase facilities for our Air National Guard.

To date, Federal appropriations of approximately $161 million have been made for Army National Guard armory construction, while the States have contributed over $60 million in direct funding, not including the cost of the land which the States provide. Responsible sources estimate that about $78 million more of Federal funds with required additional State appropriations will complete this program.

Many untenable situations exist for the proper training of our Reserve units during these critical times, and I firmly believe we must keep our Reserve facilities in a state of readiness because of the uneasy international situation which our Nation now faces.

The President has emphasized the importance of an adequate Reserve force. But to be adequate and ready, these Reserve and National Guard units must be trained. Congress responded to this need by providing the facilities in which to adequately train our Reserve forces.

Once again the country is turning to the Reserves in a period of emergency—to a Reserve and National Guard force whose level of training and responsiveness is at the highest degree ever attained in its long and honored history.

We only have to look back into history to find the true value of the citizen-soldier. The valor and sacrifice so evident in the critical times of our Nation's history—1776, 1812, and World Wars I and II—are evident again today as we again face great challenges from beyond our shores.

It was the Army of 1776 and 1812 that made it possible to translate the spirit and essence of the Mayflower Compact and the Declaration of Independence into what we call the American way of life.

We must all realize the importance of "eternal vigilance."

The Reserve Forces have certainly proved their worth in the current international situation, for the Nation has been compelled to rely heavily upon Reserve forces to fill Department of Defense planned requirements for manpower in the service.

The eagerness, readiness, and willingness of the Reserve to perform their paramount mission of furnishing trained units for the defense of the Nation needs the continuing support of the Congress and the people.

The President has declared that his new military buildup is for the long pull—a program which envisages increased effectiveness for all the Armed Forces, including the Reserve components.

It is axiomatic that adequate facilities contribute in large measure to the effective training, efficiency and capability of our Reserve units. Protective storage of weapons and equipment is likewise a necessity to protect and maintain the equipment in order that it will be usable when required.

I emphasize these matters because we have added this year greatly increased training facilities, armories, and related matters.

Accelerated deliveries of new and the most modern airplanes to Air National Guard units, for example, demands increased construction to meet the maintenance and flying requirements of these complex airplanes. The Congress has provided the funds to meet the essential construction requirements for this Reserve unit.

Let me say, in conclusion, that as we seek a formula to end the Berlin crisis, let us remember the strong and ready fighting force we now have available at home—the Reserve and National Guard units. We must utilize the training and talent of these men. It is certainly one way to hold down the mounting costs of our military preparedness.

Our reservists are just as anxious and willing now to do their part in the event of hostilities as they have been in years past. These citizen-soldiers are not complacent; they have not lost sight of their obligation to this country, militarily or otherwise. And they know that the Nation cannot place its total security into the hands of professional forces. The reservist is truly an example in patriotism.

Every citizen in this country has an obligation to perform a like service.

These Reserve units including National Guard and all Reserve groups, properly used, can help give us a better utilization of the men we already have in uniform and give us that bone and muscle fighting force needed during these perilous times. We are thankful we have them and shall support them to the limit.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. THURMOND. I wish to associate myself with the remarks of the able and distinguished Senator from Mississippi, who so capably heads the Preparedness Subcommittee of the Committee on Armed Services. In my judgment the statement he has made is very sound. In World War II, 98 percent of those who served in the Army were citizen-soldiers. We should find a way to utilize to a greater extent the National Guard and the Reserves because by doing so we can reduce the cost of our total defense program. I believe this point was very forcefully brought out in the statement made by the distinguished Senator from Mississippi. I congratulate him.

Mr. STENNIS. I thank the Senator very much. I emphasize that the only way we can see in which to hold down the mounting cost of our tremendous military program is to further utilize the trained men and talent we already have in these trained soldiers throughout the length and breadth of the land, who have already gone through the military processes. These are the Reserves and National Guard units, and they are a tremendous factor, and one of the finest parts of our fighting forces. Generally speaking, one man can be kept in condition there and almost ready for one-tenth of the cost of a man in the Regular Forces, fine as the Regular Forces may be. I thank the Senator.

A SUCCESSOR TO THE DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of these remarks excerpts from two articles discussing the appointment of a successor to Mr. Allen W. Dulles as Director of the Central Intelligence Agency. The first excerpt is from an article written by a distinguished Hearst newspapers reporter, Peter Andrews, from the September 20, 1961, issue of the Baltimore News-Post. The second excerpt is from the September 20, 1961, issue of Human Events.

There being no objection, the excerpts from the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore News-Post, Sept. 20, 1961]

MYSTERIES TOP ONE ANOTHER ON PENTAGON BEAT

(By Peter Andrews)

CIA POSES ANOTHER MYSTERY

In a wrap-up of the abortive Cuban landing attempt the writer had fingered the administration's contradictory sandwich of command decisions as one of the reasons for the flop.

Another mystery can be found at the natural home of all good mysteries—the CIA. It is common knowledge the President will soon be naming a successor to the present Director Allen Dulles. Who the man will be and when he will be appointed is something else.

To paraphrase an old World War II Air Force publicity blurb: "The sky overhead was black with trial balloons."

SIX MEN BOOMED FOR JOB

The names of no less than six men have been prominently bandied about as the logical successor to the CIA directorship. Some of them were the standard planned leak to test reaction and others came by way of their own drum beaters.

They included Deputy Attorney Byron (Whizzer) White, Assistant Secretary of Defense Paul Nitze, attorneys Telford Taylor, and Fowler Hamilton, and Gen. Maxwell Taylor and Army Research and Developments Director Gen. Arthur Trudeau.

The administration has had some of its choicer test candidates shot down and now will probably wait until after Congress adjourns before risking another burning by appointing a new director. It will be a great deal more difficult to wedge out a man after he has gotten the feel of the intelligence reins even on a pro tempore basis.

[From Human Events, Sept. 22, 1961]

CIA: NO MILITARY NEED APPLY

Recently, a band of Senators—both Democrats and Republicans, including several Democratic committee chairmen—sent up to President Kennedy a recommendation for appointment to the post of head of the Central Intelligence Agency (CIA). The message was carried to Kennedy by a Democratic Senator who was one of the President's closest aids during his victorious campaign for office last fall.

The recommendation was that the successor to present CIA Director Allen W. Dulles (who is retiring) should be Lt. Gen. Arthur G. Trudeau, at present Chief of Research and Development of the U.S. Army. Trudeau was head of Military Intelligence (G–2) from 1953 to 1955.

Trudeau has been one of the more outspoken military men in active service. His

speeches have been frequently censored by the Pentagon, particularly the passages denouncing communism.

Kennedy, when this name was given him, said he did not know Trudeau but would investigate and think it over. A few days later, the President informed the Democratic Senator that he could not name Trudeau because the latter was a "military man." Expressing astonishment, the Senator replied that the first head of Central Intelligence was Adm. Sidney W. Souers. Subsequent heads were Gen. Hoyt S. Vandenberg (in active service), Rear Adm. R. H. Hillenkoetter, Gen. Walter Bedell Smith, and Dulles.

The Democratic Senator went on to point out that the only civilian head of CIA has been Dulles, who is now blamed for the confusion and bloopers attributed to that much-attacked agency. Kennedy replied that this is true, but the "atmosphere in the country is opposed to entrusting such positions to senior military officers." In view of the continued great popularity of Eisenhower throughout the country, the Senators involved remain dumfounded by the Presidential statement.

COMMUNIST EXPLOITATION OF CONGRESS ON RACIAL EQUALITY

Mr. THURMOND. Mr. President, in recent months there have been many evidences of the fact that the Communist Party is exploiting and using CORE, the Congress on Racial Equality, for the purpose of causing racial disturbances and divisions within this country. In testimony before the House Appropriations Committee on March 6, 1961, FBI Director J. Edgar Hoover made such an assertion in pointing to the CORE sit-in movement and Communist exploitation of the internal divisions and tensions caused by these well-planned but unfortunate incidents.

The distinguished senior Senator from Mississippi [Mr. EASTLAND], chairman of the Senate Judiciary Committee and its Internal Security Subcommittee, did a masterful job on May 25, 1961, of documenting Communist and Communist-front records of most of the leaders of CORE. Subsequently, on August 3, 1961, Mr. R. M. Hitt, Jr., the able editor of the Charleston Evening Post of Charleston, S.C., wrote a front-page editorial in which he presented further evidence tying CORE freedom rider leaders to communism. I had this editorial printed in the CONGRESSIONAL RECORD of August 9, 1961.

Information has now come to my attention that two of the leading Communists in the San Francisco area have made application to CORE headquarters in New York City to establish a CORE chapter in San Francisco. These two persons are Juanita Wheeler, a member of the national committee of the Communist Party, and Lee Levy Kutnick, a member of the San Francisco County Communist Party Committee.

It will be interesting to observe what action is taken on this application by these two known Communists for establishment of a chapter of CORE in San Francisco. It may be that action has already been taken on this application. Regardless, however, of the final disposition of this application, I think the filing of this application gives additional evidence of the efforts of the Communist Party, U.S.A., to exploit and take over such racial-agitating organizations as CORE.

SENATOR JAVITS' REPORT, 1961—ANNUAL REPORT BY SENATOR JAVITS TO THE PEOPLE OF NEW YORK, 87TH CONGRESS, 1ST SESSION

Mr. JAVITS. Mr. President, I present herewith my annual report on the 1st session of the 87th Congress.

THE COLD WAR

Since President Kennedy met Soviet Premier Khrushchev in Vienna on June 4, new challenges to our leadership of the free world have arisen in Asia, Africa, Latin America, and Europe.

Berlin and East Germany constitute a major foreign policy problem because they represent the key to peace and security in free Europe. The United States must not yield to Khrushchev's violation of the four-power agreements and threats of atomic war, and I rejected Senator MANSFIELD's proposals on making Berlin a free city. For this purpose, I introduced a resolution urging that we continue to seek four-power negotiations on German reunification; guarantee of the security of Europe through those negotiations; and reject the U.S.S.R.'s unilateral efforts to abrogate the post-war agreements on access to Berlin, and the unification of Germany by free elections. Under my direction, a policy brief was prepared for the Republican Party in the Senate setting forth the legal basis for our rights in Berlin, and presenting some alternatives for negotiations.

An earlier test of U.S. policy took place over the Communist invasion of Laos. I urged action to save the lawful government through the regional security alliance to which we belong, SEATO, in which we could participate, even with troops, if it became necessary. In negotiations following a cease-fire, the various factions agreed to form a new government but the situation is not yet settled.

I also urged regional action in the difficulties with Cuba under the Rio Pact. The attempt to overthrow this neo-Communist government by an invasion of free Cuban forces who had our support failed tragically. I joined in legislation for a joint supervisory committee over the role of our intelligence activities in the Cuban situation. Later, I supported legislation making hijacking of U.S. aircraft subject to heavy punishment, including the death penalty.

The eventual answer to Cuba, in my opinion, is the Alliance for Progress and invocation of the Rio Pact. Joint action with the required number of the other American states is the road which ultimately will rid us of this neo-Communist enclave.

I have opposed recognition of Communist China and its admission to the U.N. as long as it continues to act as an outlaw nation and to flout international morality and law, and I have opposed the admission to the U.N. of Outer Mongolia. This effort is obviously a Soviet maneuver to strengthen its position in Asia and would seem completely unrewarding for the free world.

U.S. support of the United Nations action in the Congo is basic to our policy in Africa. The U.N. effort to disarm the Katanganese was taken under authority granted by the General Assembly in February 1961, but I urged that the authority had to be renewed by the General Assembly when it was clear that force had to be employed—a cease-fire settled the question for the time being. The tragic death of Secretary General Dag Hammarskjold in a plane crash while on his way to peace negotiations on Katanga was a devastating blow. I have supported U.S. opposition to the troika system for running the U.N., favored a new single Secretary General and suggested Dwight D. Eisenhower as an interim trustee Secretary General.

A second point of our policy is to back self-determination in Africa with due regard for human rights. This applies with respect to Angola, to Tunis, and, with due regard for a more complex situation, to Algeria also. For the same reason, I believe that we must also fight apartheid in the Union of South Africa.

The Communist challenge of aggression, infiltration, and subversion has properly caused great anxiety. We have to make the necessary sacrifices to keep up our national security and, at the same time, strengthen our alliances and cooperation with the other nations of the free world so that we can become more closely integrated. We must have confidence in ourselves and the values we represent to the world.

I made a strong effort to increase funds for the U.S. Information Agency. Uncle Sam carries a big stick and speaks with a small voice. I shall continue this fight.

CHALLENGE IN SPACE

The Soviet achievement of sending a man into space and in orbit around the earth, and our own success in sending Astronauts Shepard and Grissom, were scientific highlights of the year. Project Mercury is aimed at sending an astronaut into orbit around the earth. The Saturn rocket, most powerful in the world, is now in its final testing stages. The President's program to send a man to the moon must be justified by showing that it can contribute materially to our scientific knowledge as well as for its propaganda or "sporting" value of being first on the moon.

Great progress has also been made in developing the accuracy of defense rockets and missiles, while the Polaris missile fired under water from a submarine assures U.S. superiority at sea. I supported increased budget expenditures for these defense programs.

Our Tiros weather TV satellites and Echo radio satellite opened up a new era in communication. I participated in hearings to determine how Echo can best be used for the public good.

NUCLEAR TESTING

The U.S.S.R.'s decision to resume nuclear-bomb testing in the atmosphere demonstrated the hypocrisy of its concern over the effects of fallout and its

insincerity during negotiations for a test ban for over 3 years at Geneva. National security required the United States to resume testing after the Soviet decision, but this was done underground so as not to pollute the air. I would welcome negotiations for a ban based on international inspection and control, but to negotiate fruitlessly only deters some more effective action, as through the U.N.

I was one of the sponsors of legislation to establish a U.S. Arms Control and Disarmament Agency, which became law. Our aim to prevent war and to establish a lasting peace among nations requires a bipartisan foreign policy to secure development of a firm basis of enforcible international law. Treaties will be required, along with international machinery for inspection and control, which so far, unfortunately, the Soviet Union continues to oppose.

TRADE AND AID

I supported and voted for the foreign-aid program with long-term financing as requested by the President, and also as amended later by Congress to provide 5-year authorization and annual appropriations. The total 5-year authorization for the Development Loan Fund is $7,200 million: $1.2 billion for fiscal 1962 and $1.5 billion for each of the 4 fiscal years 1963 through 1966. My amendment authorizing the use of private channels for aid will serve as the focal point of an effort to enlist U.S. management and labor in a program to provide pools of technical and managerial personnel for long-term service in overseas development programs of new nations.

Congress appropriated $3,914 million for the fiscal 1962 foreign assistance program, including $1.6 billion for military aid, $1,112,500,000 for economic aid, and $275 million for the President's contingency fund. Also included is $30 million for the newly established Peace Corps.

The rapid implementation of the European Common Market urgently requires action to increase U.S. economic competitiveness. The Senate approved U.S. membership in the very important new Organization for Economic Cooperation and Development—OECD—the 20-nation free-world group with an annual gross production of nearly $1 trillion, which is now concentrating its attention to helping the less developed countries to attain proper progress in their development programs.

I have proposed that the Western European OECD members and Japan join with the United States in Latin America's Alliance for Progress.

My bill for a Peace by Investment Corporation, based on an idea of B. A. Javits, Esq., my brother, would go far in drawing into the mainstream of economic development in Africa, Asia, and Latin America the investment of millions of small shareholders in the United States and throughout the free world.

The United States needs a foreign-trade policy which will enable business to increase sales in old and new foreign markets, while assuring that domestic industry, workers, and communities adversely affected by imports will be helped to adjust to the constantly changing competitive situation. My National Import Policy Act and the National Export Policy Act are designed to provide the instruments necessary for a policy of trade expansion. Export credit guarantees under the Export-Import Bank and expanded export services which I sponsored have been authorized by Congress.

To gear up the national economy, I introduced legislation to establish a Peace Production Board.

To help improve our international balance of payments, legislation which I initiated in the 86th Congress to set up a U.S. Office of International Travel was adopted; also adopted was my bill increasing from $10 to $100 the duty-free amount which foreign tourists may bring into the country.

NEAR EAST

In the Senate, I urged a just solution to the Arab refugee problem on the basis of resettlement in Arab lands and compensation for abandoned property. I protested as a blunder the State Department's grant to the United Arab Republic of a license to purchase research rockets within 48 hours after Israel had fired a meteorological rocket of her own construction. I supported measures to direct U.S. policy against blockades, boycotts, and blacklisting of U.S. business firms and discrimination against Americans by Arab States pursuant to the Morse-Javits and Douglas-Keating amendments.

World interest was centered in Israel's historic trial of the Nazi war criminal, Adolf Eichmann, charged with complicity in the murder of 6 million Jews. Favorable reaction to Israel's handling of the trial was reflected in a survey of 1,800 newspapers around the world, which I placed in the RECORD.

NATIONAL DEFENSE

The Congress voted $46.8 billion for the Department of Defense for fiscal 1962, the highest amount appropriated for defense since the Korean war. Included in this amount is nearly $16.8 billion for defense procurement and $5.3 billion for research and development—significant figures for many New York State companies holding Government contracts—also funds for strengthening the U.S. nuclear strike and air defense capability, for the enlargement of our fleet of nuclear-powered submarines. Congress also approved nearly $1.8 billion for the programs of the National Aeronautics and Space Administration.

I supported the bill giving the President the authority to call up 250,000 Reserves for a period not to exceed 12 months and to extend active duty tours for the same period.

BUDGET AND TAXES

In his revised budget message, the President estimated spending at $87.4 billion and revenues at $82.7 billion, leaving a deficit of $5.3 billion; this deficit may go higher in view of total appropriations of $86,606,487,273 at this session.

The Government's fiscal situation requires close scrutiny of programs to eliminate unnecessary items such as pork-barrel spending and unrealistic farm price-support programs.

A proposal to withhold taxes on dividends and interest was recommended by the President. Such a proposal must include provisions to protect low-income recipients by assuring them of early refund or other protection against the withholding of small amounts of income necessary for their livelihood. I have opposed proposals to repeal the 4-percent income tax credit for dividends.

The Congress should and I feel will give relief to the tax problems of the stockholders who bear no responsibility for the antitrust violations involved in the Du Pont-General Motors stock divestiture situation.

The Senate passed legislation to maintain the 4-cent gasoline tax necessary to keep the highway program on a pay-as-you-go basis.

EDUCATION AND HEALTH

Federal aid to education is as vital to our Nation's welfare as any other national defense measure and the administration's surrender of its entire position when it yielded on the school aid issue was one of its major failures. The Senate had voted a 3-year program of aid to public elementary and secondary schools for teachers' salaries and construction. After trying unsuccessfully with Senator COOPER, of Kentucky, to reduce the overall amount from $2.5 billion and revise the allocation to make it fairer, I supported it. In the House, however, the Rules Committee effectively blocked action on this and other education bills.

The bill expanding the National Defense Education Act includes, as a result of a study of such training which I inaugurated, a new title providing for grants and programs for international affairs studies at home and abroad. Also, the bill as it passed the Senate contains provision for reforming the non-Communist affidavit which had roused considerable opposition among colleges and students, while maintaining the loyalty oath.

To aid nonpublic schools, an amendment was adopted in committee to the NDEA which authorized a $375 million, 3-year program of Federal construction loans at fair interest rates.

When there was no hope of anything else I voted in favor of legislation extending the federally impacted areas school program and the NDEA unamended for 2 years.

I supported the College Academic Facilities and Scholarship Act now on the Senate Calendar authorizing $1.5 billion in loans for classroom construction and a 5-year program providing 212,000 scholarships. I voted for the Mutual Education and Cultural Exchange Act, adopted by the Congress, to consolidate and coordinate our international exchange program for students and teachers.

A number of amendments liberalizing the social security system were enacted at this session. These provide for an increase in minimum benefits to $40 per month, lowering the retirement age for men to 62 at 80 percent of full bene-

fits and lowering the number of quarters required for eligibility. I supported an amendment which was adopted to raise the earnings limitations for social security beneficiaries from $1,500 to $1,700. Thus, only 50 cents of benefits will be lost for every $1 earned between $1,200 and $1,700. I am continuing my efforts to get action on Federal legislation eliminating discrimination in employment because of age.

The Self-Employment Retirement Act—H.R. 10—which I support has been reported to the Senate and should come up early next year.

The Senate adopted my resolution authorizing the President to designate the month of May each year as "Senior Citizens Month." As a member of the Special Committee on Aging, I participated in hearings and studies on the health, housing, and employment of the aging.

The administration must bear the full responsibility for failing to push health-care insurance legislation for our older citizens at this session. Experience has proved the inadequacy of the Kerr-Mills legislation adopted last year. The bill which I introduced with nine Republican Senators as cosponsors would have done the job by providing for cooperative programs between the States and the Federal Government. I have said repeatedly that there is room for accommodation in both approaches—general revenue and social security—and with a genuine bipartisan effort we can enact a program in 1962.

Although I advocated a more extensive program, I supported a bill establishing a 3-year, $30 million program to aid communities fight juvenile delinquency. It provides pilot projects and training for workers in the field. To provide facilities and services for the day care of needy children, I introduced legislation authorizing $12.5 million in grants to States. I also supported the bill authorizing payments of benefits to children of unemployed parents.

The relief rules established by Newburgh, N.Y., awakened interest in the administration of the entire public welfare structure, which was commendable. But there were some aspects of the Newburgh code which I felt were not humane and open to legal question. The courts are now ruling.

The $230 million Community Health Services and Facilities Act, which I supported, became law to help construction of new nursing home and other health facilities, expanded home-care services, and other community health services outside of hospitals. It was similar to a bill I had introduced with the backing of the Eisenhower administration.

LABOR

Labor disputes which seriously disrupted vital transportation services were the tugboat strike in New York in January, the flight engineers' dispute which tied up domestic airlines, and the maritime strike which paralyzed the port of New York.

Extraordinary amounts of constituent mail expressed concern over such labor-management disputes and the inadequacy of present Taft-Hartley procedures. I have introduced legislation to deal with national emergency strikes by making available facts and recommendations prepared by an impartial board of inquiry. Where all other efforts fail, my bill permits the Government to operate the struck plants, but only to the extent necessary to the national health and safety.

Congress passed the Fair Labor Standards Act of 1961 to increase the Federal minimum wage to $1.15 per hour for the next 2 years and $1.25 beginning in 1963, and extend wage and hour coverage under the act to approximately 3.6 million workers, principally in the larger retail and retail service industries. I supported this legislation, and my amendment became part of the act calling for a study of the existing wage structure in the hotel, motel, restaurant, and food services industries.

The Senate passed the Manpower Act of 1961, which I favored, to authorize 4-year, $655 million program to retrain displaced workers.

Two bills which I supported were enacted to meet the challenges of hard core unemployment: the depressed areas bill—where I joined in fighting for and obtaining effective antiraiding provisions—to assist and revitalize communities industrially; and the extension of additional assistance to those workers whose unemployment benefits were exhausted.

To speed local action, the Senate adopted my amendment to the Manpower Development and Training Act to help the labor-management-public committees promoting efficiency, productivity, and employment.

The Youth Conservation Corps bill passed the Senate but did not receive House action.

The Senate passed five bills I joined in sponsoring of direct benefit to domestic migratory agricultural workers. They included provisions for crew leader registration, child labor regulation, education, health programs, and a National Advisory Council on Migratory Labor. I opposed the bill allowing Mexican labor to be imported because of the failure to add fair labor standards.

HOUSING

The Congress passed a housing bill including vital improvements important to New York's urban areas. It established a program of loans for moderate-income family housing, and a $125 million housing program for the elderly, new programs to relieve the commuter crisis through mass transit loans, and to assist in preserving open land in our cities; increased urban renewal, slum clearance funds and college housing loans, and authorized 100,000 units of additional public housing.

Provisions which I sponsored, and which became law, included permission to lower Federal Housing Administration premium rates from one-half to one-fourth percent, removal of the ceiling on relocation payments for businesses whose property is demolished in urban renewal programs, low-interest loans for such businesses, and increases in the limit New York may receive under college housing and other programs.

I proposed an amendment to establish a program for middle-income family housing, adopting the technique which has been operating so well in New York State under the Mitchel-Lama program, but this was not accepted by the Senate. I shall continue to work for this program.

An amendment which I offered in committee was accepted on legislation to establish a new Cabinet-rank Department of Urban Affairs and Housing to emphasize that State, county, and other local action be encouraged and aided.

IMMIGRATION

Reform of our immigration laws is a vital part of our leadership of the free world. Here, too, the administration has defaulted in not leading. The three bills which I introduced would modernize the national quota system to reflect the 1960 census and reallocate unused quotas among nations with heavy demands for immigration, like Italy and Greece; provide nonquota visas for 40,000 refugee-escapees per year, and put the alien orphans program on a permanent basis. Only an alien orphan's admittance bill passed and some help was given second and third preference immigrants from Italy.

I protested against the situation which forecloses the Congress from acting on anything more than the limited changes approved by the chairmen of the House and Senate committees dealing with immigration.

CIVIL RIGHTS

At the opening of this Congress I joined in an effort to amend rule XXII of the Senate, which in its present form permits filibusters. Even the threat of a filibuster often causes civil rights legislation and other measures to die or be emasculated at the hands of a small minority. By a narrow vote the attempt to get rid of the filibuster was referred to committee. A second attempt in September, being ill-timed because of impending adjournment, also failed. I shall continue this fight.

The President failed to ask the Congress to consider civil rights legislation at this session, except for an extension of the Federal Civil Rights Commission for 2 years. I am sponsoring legislation to permit the Attorney General to bring civil injunction suits to protect civil rights, including public school desegregation. Also, I am sponsoring anti-poll-tax and antilynching laws, measures to assure equal job opportunities on Government contracts, and the elimination of unreasonable literacy requirements for voting in which there is widespread discrimination in many counties of our Southern States.

My fight on segregated airport and bus terminal facilities has helped to get action against such segregation by the Department of Justice and the ICC. I introduced legislation to bar Federal aid under the Federal program for hospital

construction of segregated hospital facilities and a resolution backing the President on the "freedom riders."

VETERANS AND CIVIL SERVICE

The Senate adopted the bill I supported to restore the eligibility of World War II and Korean war veterans to apply for national service life insurance for 2 years, beginning January 1962 and to provide a cost-of-living increase for service-connected disabled veterans. The Congress adopted a bill to extend the guarantee and direct home loan program to 1967 for most veterans, and 1975 for Korean war veterans.

I proposed an amendment to the cold war GI bill providing a 4-year program of 125,000 scholarships as well as priority for student loans under NDEA for other veterans.

As a veteran, myself, I have consistently supported legislation that recognizes the high services of veterans to the Nation. I am cosponsor of the resolution to establish a standing Senate Committee on Veterans' Affairs.

I introduced legislation to establish standards of ethics applicable to the executive and legislative branches. A parallel House measure was passed.

Two major bills passed the Congress to increase benefits to post office and civil service employees: H.R. 5432, to make permanent the 10-percent increase in civil service retirement benefits, and S. 1459, to provide longevity step pay increases for postal workers.

I have introduced bills to provide for posting information in post offices with respect to registration and voting; to provide the postal field service time off for one State holiday each year; legislation relating to the employment and compensation of retired members of the Armed Forces; to increase from 18 to 21 the maximum age of schoolchildren for receiving benefits under social security survivorship or the Civil Service Retirement Act; to enable the Government to retain the services of employees who are eligible for retirement on a part-time basis.

AGRICULTURE

Two major pieces of farm legislation were enacted by the Congress during this session: an emergency feed grain program and the omnibus farm bill. I strongly opposed both these measures, because they discriminate against our northeastern dairy and livestock farmers, as well as the vast northeastern consuming public, by raising feed grain prices.

This policy has since World War II produced mounting surpluses and vast involvement of the Federal Government in storing and controlling farm commodities. I shall continue to work for more realistic and practical policies geared to mechanization of farms, utilization of farm products for commercial purposes, maintenance of farmland in standby status, increasing use of food for peace and foreign aid, and aid to farm families who find farming uneconomic to shift occupations.

The New York dairy industry continues to require safeguards for the application of our high State milk sanitation standards.

I have asked the Secretary of Agriculture to give price relief to New York milk producers operating under marketing order No. 27.

NEW YORK STATE

Legislation of special interest to New York included the omnibus judgeship bill which creates 12 additional Federal judges for our area to help relieve congested calendars; and a $59 million appropriation for the construction of a new Federal office building and courthouse in New York City.

The House authorized $300,000 for a study of the proposed Federal pavilion in the New York World's Fair in 1964–65. I fought hard to get the Senate to act on this legislation before adjournment and now expect action early in 1962.

The Congress passed a resolution I sponsored recognizing Sam Wilson, of Troy, N.Y., as the progenitor of "Uncle Sam."

The Senate has passed my resolution to establish the fourth Friday in September as "American Indian Day." I am seeking to have Hamilton Grange, the home of Alexander Hamilton, in New York City, and the homes of Theodore Roosevelt, in New York City and Oyster Bay, established as national monuments.

Mitchell Field, in Nassau County, was closed during 1961. County officials and local interests are working to convert this valuable property to maximum community use. I have concentrated my efforts on obtaining assurances that the Federal Aviation Agency will not attempt to operate an airport at the site in disregard of the community's wishes.

The Corps of Engineers continued the controversial Kinzua Dam project which will cause the relocation of hundreds of Senecas. While I am opposed to the project, I am doing my utmost, with some success, to have the Corps of Engineers give some relief to the Seneca Nation.

Griffiss Air Force Base in Rome, N.Y., after great efforts by the New York congressional delegation, will continue for the foreseeable future its present operational level. Employment levels at the Brooklyn Navy Yard continue at substantially the same levels as in the past; and employment at the Brooklyn Army Base must be safeguarded.

NEW YORK STATE DEFENSE CONTRACTS

During the fiscal year ending on June 30, 1961, business in New York State received $2,642,803,000 in prime contract awards from the Defense Department. This represented a 12-percent share of contracts awarded to all the States and was the largest share since fiscal year 1957, but is still half of what California gets in prime contracts. This improvement can be attributed to the improving business climate in New York State, and also to the work of the New York State congressional delegation through its steering committee, of which I am vice chairman, seeking to open up more defense procurement to competitive bidding as well as moving in all fields, like grain shipments and warehousing, to get more business contracts. Much more must be done, however, and I therefore supported small business defense procurement legislation, which passed the Congress, with my amendment clarifying the responsibility of the Defense Department and GSA to assure small business a fair share of defense contracts—a matter of the greatest importance to the New York economy. Furthermore, it is essential that greater consideration be given to contract awards in areas of substantial unemployment of which the three largest and most chronic in New York are Albany-Schenectady-Troy, Buffalo, and Utica-Rome.

Of tremendous importance to the development and maximum constructive use of the vast water potential of the Delaware River was congressional approval of the Delaware River Basin compact.

I also cosponsored legislation adopted by the Congress to amend the Small Business Investment Act to make greater financing facilities available for small business.

MISCELLANEOUS

The threatened cancellation of the 1962 season of the Metropolitan Opera Co. could have been a national catastrophe and was averted. I sought the aid of the President, and Secretary of Labor Goldberg finally settled the labor dispute and enabled the Met to have an opening night. The whole situation emphasizes the need for a Federal program for the arts. I am continuing to work for my bill to establish a U.S. Arts Foundation.

I led the successful fight against the President's plan to reorganize the Securities and Exchange Commission which delegated too much power and then cosponsored a bill adopted by the Congress to give SEC the needed means to work off its backlog and make its operations more efficient.

I sponsored a bill to allow tax deduction for gifts to UNICEF—the United Nations Children's Fund. I also sponsored resolutions to award a gold medal to Danny Kaye for his worldwide work on behalf of UNICEF; and to establish a statute in memory of Albert Einstein.

CONCLUSION

The comments and suggestions of the people of New York on this report will be most welcome.

BIG TOWN WEEKLY

Mr. JAVITS. Mr. President, weekly newspapers play a major role in the community life of New York State, as they do throughout the Nation. One weekly newspaper that has attracted much attention in my State is Manhattan East, which serves New York City's upper east side. This month, Manhattan East celebrated its first anniversary. The future looks very promising indeed for this interesting newspaper that is read by some of New York City's most influential citizens.

Editor and Publisher magazine this month published a two-part series on Manhattan East and its editor and pub-

lisher, Mort Lawrence. I ask unanimous consent that this story of a "big town weekly" be published at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG TOWN WEEKLY—I

(By Rick Friedman)

One of the most unlikely places to start a weekly is in Manhattan, the home of seven dailies. But a year ago an enterprising group did it, and on September 8 they celebrated the anniversary of Manhattan East, which serves New York's upper East Side. Their offices are on (and under) one of the city's fanciest streets—in a basement at 12 East 64th Street.

When they cut the cake they could look back on a year in which paid circulation went from zero to 3,000; they could look ahead to a year in which they expect to go into the black well in advance of anticipations.

The success and acceptance of Manhattan East is due to three prime factors: a professional operation; devotion to local news; and the return of ex-urbanites to the city.

PRIME MOVER

The spark of Manhattan East is editor/publisher Morton B. Lawrence—40, Brooklyn born and Madison Avenue bred—who put 15 years in advertising and public relations.

In November 1959, he was approached by a group of business-professional people of the "Silk Stocking District." They were anxious to have a community newspaper.

Mort spent the next 6 months looking into the proposition, mainly to ascertain why several publications in the area had failed. The last had been Park East, a weekly magazine which gave up 4 years before. Mort discovered:

Two distinct groups had made up the 100,000-plus population of the community. One was the poor tenement dweller east of Lexington Avenue. The other was the town house resident on Fifth and Park and the side streets, who summered in Southampton and sent his children to private schools.

The neighborhood had been changing for a decade. Dowagers were disappearing from the scene. Wealthy residents were becoming more interested in civic affairs than in social affairs. As taxes went up, they began to take an interest in city government.

Old tenements were coming down and luxury apartments were going up.

People were moving across town from West Side brownstones, and young professionals earning $15,000 a year and up were attracted to East Side glamour.

Families who had soured on suburban living were coming back into the city, and bringing with them the weekly newspaper reading habit and community spirit.

READERSHIP AIMS

Mort Lawrence concluded that publications had failed because they never defined their audience. He concluded that a weekly could be successful in the neighborhood if it devoted itself to civic affairs and culture; if it made no attempt to appeal to the tenement residents, although it would cover their problems, such as housing and schools; if it became a literate newspaper for the well to do, while avoiding society gossip.

After the backers agreed to give him complete authority, Mort assembled a staff which included:

Andrew C. Ciofalo, 25, fresh from the Columbia University Graduate School of Journalism, news and production editor.

Martha Ullman, 22, just graduated from Barnard College, New York; art news, features and general assignments. (Her father, Allen Ullman, is an artist. She claims: "While other kids were going to the zoo, I was being dragged through the Metropolitan Museum of Art.)

Hulda Lawrence, Mort's wife, a professional personnel consultant, general office manager and shopping columnist.

He also assembled, from among his associates, a number of free columnists.

English-born Janet Baker-Carr, a music commentator on radio stations in Boston and New York, contributed a music column; Dr. Vineta Colby, a professor of English drama at Queens College, did theater reviews; Journalist-Novelist Mary Bancroft produced personality portraits and humorous essays; Thomas S. Slattery, Columbia graduate, wrote on economics; Arnold H. Tenney, a lawyer, produced an advice-to-tenants column; Bernice Balton, in airline public relations for 15 years, did a travel column; Alvin Hollingsworth, a young artist studying for a Ph.D., drew scenes of the upper East Side; Ginny Elbert, a children's book editor, and her husband George, a commodities broker, wrote a dining-out column. (All but Miss Baker-Carr are still with the paper.)

There were five Phi Beta Kappa keys among the staff.

The paper had one full-time ad salesman, with Mort also soliciting ads along with his writing and editing.

Mort looked around for features.

The European Travel Commission gave him permission to reproduce free 23 articles and sketches from a book by Ludwig Bemelmans, noted author and artist.

He bought Interlandi from the Register and Tribune Syndicate for his editorial page cartoon, and Blue Chips, a panel strip about the stock exchange, from Bell Syndicate.

Mort Lawrence had the staff, the features, and a lively, growing community in which to publish a newspaper.

On September 8, 1960, from his sixth floor public relations office at 295 Madison Avenue, volume 1, No. 1 of Manhattan East showed its face to the world.

BIG CITY WEEKLY—II

(By Rick Friedman)

You turn off Fifth Avenue onto tree-lined 64th Street, a block housing such tenants as Actress Helen Menken; the Wildenstein Galleries, one of the largest art dealers in the world, and the Indian Embassy.

You stop at 12 East 64th before what once was the entrance to a cellar, but which is now a smart set of 10 metal steps. Down you go into the first of two offices, back to back, each lined with pipes and only half painted.

This is the home of Manhattan East, community weekly in New York City.

Five months ago the paper was edited in a Madison Avenue public relations office. But in April, sure that it was capturing the "Silk Stocking" audience it sought, the weekly moved here, into the heart of the upper East Side. (The eight-page paper continued to be jobbed out to a Manhattan firm which prints a number of other weeklies.)

This move was a natural one because this audience is as much a source of pride to the Manhattan East staff as are some of its winning crusades. A year of publishing for "Silk Stocking" readers hasn't jaded their excitement when someone such as Socialite-Actress Dina Merrill became a subscriber.

Miss Merrill recently joined 3,000 others on a paid subscription list which includes the names of some of New York City's most influential citizens—judges, publishers, educators, authors, civic leaders, and public officials among them.

DRIVE FOR PAID READERS

The drive for paid readership started in June 1960, 2 months before the paper's first issue came out. Letters which went to some 3,000 subscribers brought back 100 $3-per-year subscriptions.

At its inception the paper guaranteed 10,000 controlled circulation, mainly through a mailing list. Carrier distribution was out; the boys couldn't get past the apartment building doormen.

Today, postage alone runs to $250 per week. Publisher-Editor Mort Lawrence talks hopefully of a paid mail circulation of 15,000 by 1965.

He moved a step closer to this goal a few weeks ago. The weekly's original boundaries were from 57th Street to 96th Street, and from Fifth Avenue to the East River. They soon moved down to 50th. Now 20 more blocks have been included down to 30th Street and its new apartment buildings. This is expected to add another 1,500 to the paid list.

Mort did make a token try at street sales when the paper started. He rented a Rolls-Royce, complete with uniformed chauffeur, to carry the papers to the newsstands. This accounted for only 200 sales each week but proved enough of an attention-getter to warrant the continued expense of the Rolls and chauffeur, plus occasional use of a rented, chauffeur-driven Mercedes-Benz or Jaguar.

PROBLEM OF ACCEPTANCE

Looking back over the year Mort named as his biggest problem acceptance by local advertisers. "Because of previous failures of other publications here," he says, "the merchants developed a wait-and-see attitude."

The first important break came when the New York Telephone Co., through the Batten, Barton, Durstine & Osborn Advertising Agency, waived its rule against advertising in a publication less than a year old. Manhattan East was 3 months old when it received this account.

It wasn't long before other advertisers came to Manhattan East, and many reflected the upper East Side community. One sought tenants for a villa in Positano, Italy; another announced it copied family crests; a third promoted a dog-sitting service. There were instructional ads for judo, art, and dancing.

In news content Manhattan East was to resemble many of its compatriots in the suburbs. In any issue one could find news of upper East Side politics, civic affairs, community problems, and charity drives.

The approach whenever possible was not to report what already happened but what was going to happen.

One issue contained a lead piece on park vandalism (Central Park is Manhattan East's backyard), results of a marble shooting contest, plans for a Democratic club dinner, announcement of new officers of a GOP women's club, the formation of a college alumni group, and the honoring of an area poet—all of which could be found in any weekly.

A look through other issues reveal more of the same: A new minister for a local church; the dedication of a new elementary school; the photograph of a local dignitary purchasing tickets to a political clubs' annual party. The last-named also points up the big difference between Manhattan East and its suburban cousins. The dignitary was Mrs. Eleanor Roosevelt, and the party was to be held in a midtown cafeteria.)

"We turned out something the readers found of interest," Mort says, in gaging his paper's acceptance by the community. "We made community activities and community news interesting; we tried to perform a service."

Some of the forms this service took were: Mailing out Manhattan East a day earlier the week of September 7 so subscribers would have the opportunity of reading additional facts on candidates for whom they

would vote on primary day (Thursday, September 7); running each week a list of art gallery shows; compiling doings around town, and reviewing children's entertainment.

This brought a note of appreciation from the wife of composer Richard Rodgers, who said the paper was a great help in planning activities when the grandchildren visited her.

SAVED LOFT ARTISTS

Manhattan East campaigned editorially for a number of projects, and rates as its most successful the recently won fight to keep artists in their loft studios.

Following a number of fires in loft factories, the city moved to clear out all tenants of loft buildings. The artists banded together and requested Mort's help in forming an organization to fight the evictions. He chaired a meeting of some 1,500 artists, then picked up their banner editorially.

The editorial page is Mort Lawrence's chief source of satisfaction. "Before I started the paper I had strong views on many civic issues," he relates. "Now I was able to express them editorially, to see that attention was being paid to them. And action was taken in many cases."

Mort remembers the past year as the hardest he ever experienced. He frequently had to work nights and sometimes 7 days a week, but claims the sweat and toil was worth the effort.

Hulda Lawrence, his wife and cotoiler on the 7-day week, summed up the year this way:

"We've established a smalltown relationship right here in the heart of Manhattan, in a city which is generally impersonal.

"A woman ran an ad for dressmaking and brought her samples in here to show us what she could do. A publisher's wife called and wanted to know the name of that store with the unusual lampshades. I had written about it in my shopping column. Another woman phoned us that her son was moving into town from Connecticut and could we find somebody to hang his pictures? New subscriptions would come in with little notes of encouragement attached to them."

Hulda Lawrence then touched on the key to any successful weekly, whether it's in the little country town of Calhoun, Ky., in the suburbs of Dayton, Ohio, or in the heart of New York City. In discussing her husband's role in creating Manhattan East, she said: "Mort found what he was best qualified to do."

NATURAL ATTRACTIONS OF THE STATE OF MAINE

Mr. MUSKIE. Mr. President, in his selection of a Secretary of the Interior, President Kennedy has provided us with a great leader in the constant effort to conserve our precious natural resources. Stewart L. Udall combines the qualities of a dedicated conservationist with the practical wisdom of a good politician. He is not afraid to fight for programs in which he believes; neither is he afraid to subject his own views to the acid test of facts and careful analysis. He is, in short, a splendid example of a public servant.

On September 11, the Christian Science Monitor published an article by Secretary Udall, urging individual citizens to participate in various public and private programs for the conservation of our natural resources. It is an excellent outline of the varied opportunities we have to help preserve the natural beauties of this land.

In the course of his article, Secretary Udall paid tribute to former Gov. Percival P. Baxter, of Maine, who has done more than his share to enhance the natural attractions of the State of Maine through his gift of the 200,000-acre Baxter State Park. As a citizen of Maine I share Secretary Udall's admiration for Governor Baxter's contribution to our State.

As a salute to Governor Baxter and to Secretary Udall, I request unanimous consent to have Secretary of the Interior Stewart L. Udall's article, "Plea for a Green Legacy," together with a letter from the Secretary to Governor Baxter, printed in the RECORD at this point.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

SEPTEMBER 25, 1961.

Hon. PERCIVAL P. BAXTER,
Portland, Maine.

DEAR GOVERNOR BAXTER: Although we are not acquainted, I have admired your remarkable conservation work at a distance and have wanted to meet you and express my personal congratulations for your contribution to the heritage of the American people.

Naturally, it pleased me to hold your work up as an example in my recent piece for the Monitor.

Sincerely,

STEWART L. UDALL,
Secretary of the Interior.

PLEA FOR A GREEN LEGACY

(By Stewart L. Udall, U.S. Secretary of the Interior)

WASHINGTON.—With all the weight of his world leadership responsibilities upon him, the contemporary American is rushing at a headlong pace to expand his scientific technology and to develop his land and its resources.

Our capacity to alter the world of nature is truly awesome. Population pressures and the requirements of commercial expansion and urban growth are constantly at work enlarging the man-made portion of our environment and diminishing the natural.

Indeed, the challenge to conservation statesmanship in our time is the achievement of balance between the works of men and the handiwork of nature.

Admittedly, we must move ahead with the development of our land resources. Likewise, our technology must be refined. But in the long run life will succeed only in a life-giving environment, and we can no longer afford unnecessary sacrifices of living space and natural landscapes to "progress."

The sad truth is that development tends to outrun planning in our society. More often than not, the bulldozer's work is done before the preservationist and the planner arrive on the scene.

BROADER PLANNING URGED

If we are to maintain man's proper relationship to the land, it is plain that we must insist that our developers be more conservation minded, and we must broaden the role of resource planning in the management of our national estate.

The American continent has, from the very first, been hospitable to humankind. Its glory has always been its spaciousness and solitude. But the good earth will remain good only if we make it so. In our haste to build new factories and roads and suburbs we must take care that man's need to refresh himself in his natural environment is not foreclosed.

President Kennedy has called for one last great effort in the 1960's to finish the conservation work begun by Theodore Roosevelt. Mr. Roosevelt counseled Americans to "set apart forever for the use and benefit of our people as a whole rich forested lands and the flower-clad meadows of our mountains.

"To skin and exhaust the land instead of using it so as to increase its usefulness will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them," Mr. Roosevelt warned.

CAPE COD TO INDIANA DUNES

This same spirit motivated the first major conservation accomplishment of President Kennedy's administration—the creation of a magnificent national seashore park on the ocean sands of Cape Cod.

A few days ago I climbed to the highest of the Indiana dunes along Lake Michigan to view a race between industrial development and conservation. In 1916 Stephen Mather, the first Director of the National Park Service, hiked to the same promontory and urged that a great national park embracing 26 miles of dune shoreland be created for the populous Midwest heartland—the only area of the United States which has no major unit in the national park system.

But Mather gathered too little support, and now one of his friends pointed to the remaining isolated tracts of this unique shoreland and said to me:

"You are 40 years too late."

At every hand near our growing centers of population similar opportunities are slipping through our fingers. Once land development has begun, it is invariably too late, for land prices quickly soar beyond the public purse.

AGGRESSIVE PROGRAM SOUGHT

What strategy, what plan of action, will save enough space for all of our people? Leadership from our public men is, of course, indispensable. Federal action is needed to round out our national park and wildlife refuge systems and to develop fully the recreation potential of our forest lands.

We must also have aggressive State park expansion programs, such as those in New York, California, and Pennsylvania, to reserve new park lands before they are preempted. Municipal leadership, too, is essential if we are to provide adequate city park systems and enough fringe open space to permit our cities to expand gracefully.

We also need—and here the burden falls heaviest on local leadership—creative and farsighted use of zoning regulations and land-use plans to compel the speculator and developer to put people first and insure that adequate space is allotted to playgrounds and parks.

Government can provide the main thrust, but individuals must play a creative role if we are to insure an adequate heritage for all Americans.

PHILANTHROPISTS NEEDED

Above all, the cause of conservation needs a new generation of outdoor philanthropists. "Philanthropy" comes to our vocabulary from the Greek, and describes an attitude of "loving mankind."

On looking back over the history of conservation it is surprising how much of our total accomplishment is attributable to quiet men from private life who at crucial moments have provided the needed inspiration and wherewithal.

The towering redwood tree of the conservation forest has been, of course, John D. Rockefeller, Jr. His natural and historic philanthropies span our continent. Every American who loves the out-of-doors owes this man a debt.

His saving work has benefited such far-flung and poetic places as Acadia (national park in Maine), Mesa Verda (national park in Colorado), Hudson Palisades (New Jer-

sey), and Williamsburg (colonial capital of Virginia). Mr. Rockefeller also used his generosity to evoke generosity in others.

When decisions hung in the balance, he inspired the States of North Carolina, Tennessee, and Virginia to put up the matching gifts that led to the establishment of Great Smoky Mountains and Shenandoah National Parks. Now his son, Laurance, is carrying on his tradition, and it was he who gave to the people of the United States our newest national park in the Virgin Islands.

POETRY OF THE LAND

"The United States themselves are essentially the greatest poems," Walt Whitman once wrote. And those conservation philanthropists who have caught Whitman's vision have acted so that the poetry of our land might be sung by Nature for all men of all age.

Today's foundations and individuals are sponsoring a variety of conservation projects. The Avalon and Old Dominion Foundations of the Mellon family have financed studies of our vanishing shorelines—and have underwritten much of the initial cost of our first national seashore at Cape Hatteras.

In Virginia the Old Dominion Foundation, under the inspired leadership of Paul Mellon, is surveying and purchasing selected wilderness spots of riverbank, marsh, and forest. These are being saved both as scientific laboratories of life in its natural balance, as well as, in the words of Old Dominion's Monroe Bush, "for the people who will live 25 years from now."

Philanthropy has many pathways. How many Americans know of Mrs. Louis Bruguiere's gift of the Vanderbilt mansion; the National Geographic Society's gift of Russell Cave to the national park system; the largess of former Maine Gov. Percival P. Baxter, who acquired Mount Katahdin and nearly 200,000 surrounding acres of magnificent mountain wilderness and endowed his native State with one of the largest and finest State parks in the Union?

MANY WAYS TO HELP

Who recalls the Princeton professor and his wife who donated the lovely Herontown Woods as a nature sanctuary, or the man in Lincoln, Mass., who volunteered to have his woods and fields zoned to remain always in their native state?

All these people acted from a shared conviction that the private citizen must play a vital role in preserving an environment that renews and sustains human life.

Every city, every State, every region should have its foundation, its citizens' band with the motives and zeal of the Save-the-Redwoods-League (California) or the Sudbury Valley Trustees (Massachusetts) working to preserve threatened native grounds Enlightened pioneers in land conservation have already fashioned the tools. The opportunities for their use are present at every hand.

Let us never have to say, in sorrow, as did Plato: "There are mountains in Attica which can now keep nothing but bees, but which were clothed, not so very long ago, with trees. * * *"

The individual who wishes to contribute to conservation has numerous options He may donate land or money to State or Federal park agencies such as the National Park Trust Fund. He can give his land, his money, or his time to a private organization such as the Nature Conservancy.

ORGANIZATION'S WORK DESCRIBED

Mettler's Woods, in New Jersey; the entire watershed of Elder Creek in northern California; Mainus Gorge in Westchester County; Battle Creek Cyprus Swamp near the Delaware Water Gap, and Holly Ridge in Missouri are only a few of the unique natural areas preserved through gifts made to the Nature Conservancy.

On the other hand those who wish to use their land for life, can, by will or testament, add to the public estate and to the enjoyment of all. Close to Metropolitan Washington, in the fields of rural Maryland, rises Sugarloaf Mountain, a landmark for miles around. The entire mountain was once owned by the Strong family, who left this lovely estate and its gardens, as well as the forested mountain, for perpetual public use.

The individual who wishes to make a lesser, but not less significant, gift can voluntarily zone his property and dedicate a scenic easement that will maintain in perpetuity the present character of his lands. In Monterey County, Calif., over 4,000 acres have been pledged to such scenic easements—including some of the incomparable coastline of the Big Sur.

Conservation may also serve a dual purpose. In seeking to honor their heroes men often have turned to monuments of stone or bronze.

EXAMPLE OF A MEMORIAL

Shortly after the passing of Theodore Roosevelt, his friends saved a lovely Potomac River island which was marked for conversion into a utility storage depot and gave it to the country as a nature memorial to a man who had a lifetime love affair with the out of doors.

Many of us in Washington regard this "wild little island" in the shadow of the Lincoln Memorial as perhaps the most fitting of our monuments—and the one that would accord the greatest pleasure to the man it honors.

The conservation philanthropy needed today must come from all of us who during our lives have made withdrawals from nature's bank and want to restore the balance with a corresponding conservation deposit. This work of restoration and renewal is worthy of our highest efforts, and even those who lack wherewithal can become the organizers and supporters of groups that will give new dimensions to our conservation effort.

Few of us can hope to leave a work of art, or a poem, to posterity; but together—if we act before it is too late—we can set aside a few more great parks, and round out our system of refuges for wildlife. Or, working at other levels, we can reserve a marsh or meadow, or an avenue of open space as a green legacy for other generations.

By a series of such acts of conservation we can do much to save what Thomas Jefferson called the "face and character" of our country.

If we do this, surely those who follow, whether or not our names survive, will remember and praise our vision and our works.

ATTORNEY GENERAL KENNEDY'S VIEWS ON GOVERNMENT AND BUSINESS

Mr. KEFAUVER. Mr. President, some days ago I saw a column in the newspaper by a well-known Washington newspaperman. It pointed out that some few people in organized labor thought that our distinguished Attorney General was antilabor and that some businessmen thought he was antibusiness. The column then went on to give a fair explanation of his true attitude.

I was impressed by the report of an interview with the Attorney General given in U.S. News & World Report of September 15 in which he demonstrates a thorough understanding of the various departments and problems of the Department of Justice and that his only purpose is to do his job as he sees it.

I think my colleagues in the Congress and readers of the CONGRESSIONAL RECORD would be interested in the report of this interview.

I ask unanimous consent that this interview be printed following these remarks in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

ROBERT KENNEDY TALKS OF GOVERNMENT AND BUSINESS

Question. Mr. Attorney General, there is a growing impression among businessmen that this administration is hostile to business. Is that impression justified?

Answer. I don't think so at all. I do not see how any government under our form and system could possibly survive if it were hostile to business. Business, after all, is really the backbone of our whole way of life, as far as its practical operation is concerned. So I think that any administration or Government that was opposed to business, or was antibusiness, would fall of its own weight, and would be very harmful to the country. That is certainly the President's philosophy also.

Question. How did this impression of hostility get started among business people?

Answer. Well, I don't know. Maybe you could tell me. You, obviously, are here because you have heard these stories. I read about it in the papers occasionally—whenever we bring a suit, usually in the antitrust field, which is where our immediate responsibility is. And so I read that business is fearful that the Kennedy administration is antibusiness. But, as for a specific explanation, I couldn't tell you.

Question. There has also been an impression among businessmen that this administration is prounion. Will you comment on that?

Answer. Of course, that's another thing about being antibusiness. I went through 3 years of investigating corrupt practices in labor organizations. Then a number of people said I was antilabor and antiunion. That lasted a good deal of time. I felt we were doing what was required of us and meeting our responsibilities. Some labor officials were saying I was soft on business, and that I didn't have any regard for my responsibilities in that area.

So now I come in here and, within a short time, I become antibusiness and prolabor. It just doesn't make any sense to me. The facts are that I met my responsibilities when I was counsel of a Senate committee. I have responsibilities now to enforce the law in the antitrust field, and we're meeting our responsibilities.

We're not making the laws. These laws were made 60 or 70 years before I ever came in here.

Question. There are complaints that businessmen cannot understand the antitrust laws, and that policies shift from one administration to the next and from one Attorney General to the next. Are the antitrust laws vague?

Answer. I don't think so. It doesn't seem to me that they are. I don't think that they are vague. We are enforcing them. Now, it's possible that sometimes in the past they haven't been enforced as vigorously as they might have been. I understood from the former head of the Antitrust Division that the same kind of stories were around about him, but I just think that we are meeting our responsibilities.

POLICY ON BANK MERGERS

Question. How about bank mergers? There have been a number of cases in which you brought antitrust proceedings even though the banking authorities had already

approved the mergers. Will you give us your philosophy on that?

Answer. We have considered, I believe, 102 mergers of banks in the last 6 months, and we have raised questions about five out of 102. So we have not brought antitrust proceeding in 97 instances.

Question. What is the yardstick there?

Answer. It's just as it is in any matter of this kind: The antitrust laws don't exclude bank mergers. They include bank mergers as well as any other kind of merger, and, where it is a monopoly or it tends to create a monopoly in control over business, we have a responsibility. The law doesn't say "everything but bank mergers."

Question. Couldn't you contend that almost any merger of that type tends to create a monopoly? Where do you draw the line between a bank merger that does and one that does not tend to create a monopoly?

Answer. Well, that, of course, is in the law—it's a question of what tends to lessen competition or create a monopoly.

Question. But you've had a number of large bank mergers in the last few years in the city of New York, for example. Why couldn't the Government have contended that any one of those was a step that tended to create a monopoly? Why do you proceed against one merger and not against another?

Answer. Well, that is a question of judgment. An analysis of the facts by the Department in such a case—it goes through the Antitrust Division and is reviewed all the way up to me—indicates to us that it does or does not tend to create a monopoly. Now, maybe somebody else looking at the facts might reach an opposite conclusion, and that's probably what you had reference to.

I suppose that's true in any kind of case, whether it be antitrust or murder.

"Why did you indict A and didn't indict B"? Well, we indicted A and we didn't indict B because the facts seemed to indicate that A committed a crime or a misdemeanor, and so we proceeded.

Certainly it is judgment in the last analysis. But we go into these cases with open minds and without prejudice and do what we think is right and fair.

Question. Are the other Government agencies that pass on bank mergers supposed to take into account this problem of monopoly?

Answer. They have their responsibilities in a broad range. We have specific and particular responsibilities in that field.

Question. Isn't that one of the criteria that the Comptroller of the Currency is supposed to consider?

Answer. I think he considers that—yes.

STEEL COSTS AND PRICES

Question. Coming back to the impression that this administration is prounion, the case of steel is mentioned. The President warned steel companies not to raise prices, but did not admonish the union on wage raises that push costs up. What is your comment on that?

Answer. His request to the steel companies was brought about by an article in one of the steel magazines, indicating that next month the steel companies were going to raise their prices. So this became an immediate problem: If they raise their prices in October, it will have, as the President has indicated and I think most of you will agree, a tremendous effect on the economy of the country.

In his letter to steel companies and in his public statements, the President has indicated that, if the companies would refrain from raising prices, he thinks it would be incumbent upon the labor organizations, the Steelworkers Union, to limit their wage demands to a level consistent with continued price stability.

So he has called upon both business and labor in that particular area. As for the labor organizations, it's going to be their decision in the next year, when the present contracts expire.

The President has already said in his letter to the companies that, if business refrains from raising prices, then labor organizations should also restrain themselves. The attitude of this administration is that both labor and management have a responsibility in preventing inflation, that both should feel themselves under some restraint.

Question. Are you saying that responsibility in dealing with inflation pressures must be shared?

Answer. There is no question but that both have a responsibility—and a major responsibility. Certainly it is not solely the responsibility of management. It may in some cases be a greater responsibility of labor organizations. In some other cases, it may be a greater responsibility of management. It depends on the industry, but both labor and management have a major responsibility.

Question. Does this administration suspect "bigness" in business as such?

Answer. We give size some attention. I'm not restricting that just to business. I would think that anythings that's too large or too powerful within our kind of country has to be a matter of some concern and has to receive some attention.

Question. Do you have a feeling that some companies have become too dominant?

Answer. Where they do, and violate the law, we have taken action.

Question. Haven't you some grand jury investigations that involve large companies—General Motors, as an example?

Answer. That's correct. I might say that most of these investigations were started by the past administration.

Question. Is there a deliberate policy to resist the trend toward larger and still larger units through mergers?

Answer. Yes, as a general proposition.

Question. Has that policy changed with this administration?

Answer. I don't think so.

WHEN POWER IS TOO GREAT

Question. Do you mean that the same general policy which was followed under the Eisenhower administration with regard to mergers is still being followed by this administration?

Answer. I think so. To go back to the last question—I expressed a good deal of concern while I was counsel for a Senate committee about the power of the Teamsters Union under the wrong control and the position they have in the economy of our country.

I believe—and I think all of us in this kind of country believe—that any group, whether it be a business or labor organization, or no matter what it might be, that dominates a community—a political party that is in power too long, any kind of group or individual that gets too much political power, economic power, financial power—has to be a matter of concern. I don't see how it can be otherwise.

Question. A good many businessmen appear to feel that the Government tends to encourage monopoly power in unions. Is that feeling justified?

Answer. No. The laws are far different. We have responsibility in certain areas as far as labor organizations are concerned, and in certain areas as far as business is concerned. But these are laws—they were made by Congress, not by this administration, and were made a long time ago.

Question. But haven't you made suggestions for changing the law and tightening it up just recently, as regards the application of antitrust laws to business, but not to labor?

Answer. Well, not for tightening the laws, only for improving enforcement. But I've made suggestions and recommendations which have been said by labor officials to be antilabor. In the last 3 months some labor representatives have been fighting some laws that I have proposed to deal with corruption, saying they are antilabor. I've also proposed legislation in connection with business, and these are ideas which I think deserve attention.

I might say I can go into a labor organization and get the books and records under the Labor-Management Reporting Act of 1959. I can't do that with business now. And business, in many cases, just will not cooperate with us. In the case of labor organizations, I can go in and look at their books and records.

I have here a whole booklet filled with cases where we've gone in to try to get help and assistance from management, because we've found an apparent violation of the law, and we can't get the officials of some of these big companies and corporations to answer any questions. They won't even cooperate with their Government. They won't let us look at their books and records.

Question. Is that in civil suits?

Answer. Yes. I mean, if we can get information that we know is going to be a criminal case, then we could bring them before a grand jury. But if there is information or evidence that might not lead to criminal prosecution, you want to get their cooperation and help. Even in criminal cases, where we have some information that a group of companies have gotten together to fix prices and we want to develop that information, to find whether it's true or not, in case after case we've had management turn us down.

To me, in many of these cases it is management taking the fifth amendment just as some management and certain labor officials and gangsters took the fifth amendment before our committee.

MONOPOLY IN UNIONS

Question. Do you feel that the laws should be amended to deal not only with corruption, but also with the problem of monopoly power, if there is such, in labor unions?

Answer. I certainly would not advocate at this time the application of the present antitrust laws to a labor organization.

Question. Is there something else in this field that you would favor?

Answer. This is a matter which should be continuously studied. I think that what we revealed in our investigations led to the passage of the Labor-Management Reporting Act of 1959.

We should see how effective that is in dealing with some of the problems that we uncovered. I think that we should give it a period of time, and, if it is not effective in dealing with some of these situations, then I think further legislation will be necessary.

Question. What must a businessman do to feel very sure that he's not violating the antitrust laws? Is there a simple rule that could be given?

Answer. I think he would have to read the law and make sure he didn't violate it.

Question. This gets at a point that often is mentioned: confusion among businessmen over what the law means——

Answer. For pretty close to 99 percent of the businessmen in the United States this doesn't really seem to be a problem. There might be some for whom it's a problem—I think it's a relatively small percentage for whom this has become a major problem. They have lawyers who can advise them. Often they come in here, or send their representatives here, to the Department of Justice, and they can get formal or informal advice and ideas and thoughts in all these matters.

It's not an easy field, obviously, but there are many areas of law which are complicated and difficult. That's true not only for businessmen in the antitrust field. For instance, for many years the law was complicated and

confused as to whether you had to pay taxes on embezzled money. The Supreme Court finally held this year that, from now on, you had to pay taxes on this money, although in the past this was not necessary.

So the content of the law in many of these areas is complicated.

Question. Can a businessman, or his lawyer, with questions in his mind, come to the Department of Justice and get information?

Answer. That's correct.

Question. Would that be the best simple rule?

Answer. I think there are an awful lot of good lawyers throughout the United States, and businessmen can get answers through their own lawyers. Nobody has, since I've been here, come in and said, "This is so complicated we can't understand it. We don't know what to do." If the lawyers get to that stage, we would be glad to talk to them.

Question. Do you mean that you're not conscious of confusion among lawyers and business people on the antitrust laws as they are applied?

Answer. The law is quite clear as to fixing prices—getting together with a competitor to fix prices. On the question of whether some of these mergers would be permitted or allowed—they can come in and get some advice and some ideas about that from the Department of Justice.

They knew up in New York, for instance, that we were going to be opposed to the merger of the Manufacturers Trust and the Hanover Bank. When we went up to say that we wanted to get an injunction, the lawyers for the banks immediately went in and closed the deal before the injunction could get signed in court. So they were aware of it and quickly closed the deal. This is not a complicated matter for them. It's all right with me. They have a legal right to do that. But I don't feel very sorry for them.

Question. Is this a case where lawyers on both sides can differ as to what the law really does mean?

Answer. I would say that's why lawyers make money in the United States. That's true all the time. They're always coming in and arguing that they disagree with what the Government does. Whether it's a murder case or whether it's a merger case, there's a lawyer almost always disagreeing with the Government.

LOOKING INTO COLLUSION

Question. Aren't you in favor, though, of strengthening the laws on identical bidding?

Answer. We asked some changes in procedures. We want this so we can get further information in regard to such bids.

Question. Do you suspect, when you get a list of identical bids, that there is collusion?

Answer. Not necessarily, no, no. That's why we are going to such lengths to try to separate cases in which there might be collusion, even though there is no identical bidding. For instance, in the case of the electrical-equipment industry—it was not a question of identical bidding. It was something different. The fact that there is identical bidding doesn't necessarily mean there's collusion.

Question. Then you wouldn't suspect trade associations——

Answer. Not necessarily. If there was some other evidence indicating that there was collusion, we'd get into it.

Question. Is the role of profits in business, the necessity of maintaining profits, fully recognized by those in Government who deal with business?

Answer. Yes. And, again, it goes back to the answer I gave to the first question. If you're going to recognize the fact of the importance of business in our system of government, a business is not going to exist unless it can earn profits. So that's essential. That's helping business.

Question. And the Government's own stake in the profits?

Answer. There is not any question—if you don't have all of that, you don't have employment. If you don't have employment, you don't have any money to run the Government. That is the backbone of our system.

Question. Do you mean that if you don't have profits you don't have tax revenues?

Answer. Not only that, but you don't have employment, and you don't have a country.

I would say this: What we are doing in all of these fields I look upon as probusiness.

Question. Would you enlarge on that?

Answer. Yes. I think that where we get into a question, for instance, of mergers, there are a lot of banks, as an example—or there are a lot of other businesses, smaller businesses—that can be swallowed up and put out of existence because of the merger of two of their major competitors. The smaller companies no longer will be able to compete. We're pro those companies. We're trying to take steps under the law to permit them to continue in existence.

Where a group of competitors get together and fix prices, almost invariably it's to put another competitor or a group of competitors out of business. We move in those cases. That's not antibusiness. I would say it was pro the other companies and proconsumer and pro the system under which we work.

We recognize, as I said, the importance of business and the importance of profits and the importance of a healthy business climate in the United States for the country to exist. I would think that one of the greatest protectors of this system is the Antitrust Division, if it's operated without favor and without fear. And that's the way I would expect and hope it would be run.

Obviously, there's going to be disagreement with what we do. But, if there weren't disagreement with what we did, we would have a system such as the Soviet Union has—where the Government decides something and then it's over, and lawyers would be put out of business.

I was in Russia in 1955—this is just a sideline—but in the city of Novosibirsk—it has a million population—they have 12 lawyers in the whole city. Well, they don't need lawyers; the Government just decides.

This is a different system. Lawyers can argue the other side and disagree with the U.S. Government. Then we have the third branch—the judiciary—which is completely independent from us—which decides who is right. We'll undoubtedly be found to be wrong in some of these cases. But it's not because we're "anti" anybody. It's just because we feel that, under our considered judgment—and a good deal of attention has gone into these matters—these steps we take are required under the law.

WHERE COMPLAINTS ARISE

Question. Do most of your antitrust cases actually originate with complaints from businessmen themselves?

Answer. That's correct. The majority of them do.

Question. We discussed the importance of profits. Does this administration also recognize the importance of confidence on the part of business?

Answer. I think I've answered that, I think it's essential.

Question. And do you think that if, for one reason or another, businessmen come to suspect an attitude of hostility on the part of the government in power, the effect might be to hold back on investment in plant and equipment, for example?

Answer. I can't believe it would get that far. I think it's conceivable. It would be difficult for me to believe that there could be such mistrust of the Government by businessmen.

Question. Have you seen anything in the attitude of business people toward this administration, or what business people think the attitude of this administration is toward business, that would suggest any holding back?

Answer. No I have not. But, as I said to you at the beginning, I have read some of these articles that we're antibusiness, and that is one of the reasons that I'm visiting with you today, and why I'm happy to visit with you.

Question. Has the administration, or any part of this administration, undertaken to get to the bottom of this apparent attitude? Has there been any study of the problem?

Answer. I don't think so. Not that I know of. I don't think that there is that much concern about it as yet. I think we feel that it's isolated and that it's not a general feeling throughout the country. But it's something that has been brought to our attention. It's one of the reasons, as I've said, I'm happy to visit with you to see if we can straighten some of these things out.

DETERMINING "FAIR PRICE"

Question. Is there any machinery by which the Federal Government can determine what is a fair price for any given industrial product?

Answer. I don't think so. There's no Government machinery for that purpose.

Question. Should there be such machinery?

Answer. In a period of national emergency, for instance, you might very well feel that it would be necessary to pass some laws to keep prices and wages at a steady level. I don't know if that is what you're referring to.

Or, for instance, in a period of national crisis, as we are in at the present time, and where one industry has such an effect on prices throughout the country as the steel industry, the President might take the extraordinary step that he did take to try to point out what the results of raising prices might be. But I think that's quite different from what you're referring to.

Question. Do you think we have reached a point where we ought to regard some of these basic industries as public utilities?

Answer. No, that's out of my field.

Question. There are those who say, "How does the President of the United States know—how does the Government of the United States know—that the price of steel is high enough?"

Answer. He asked the steel companies to exercise restraint as a public service, and in a time of great national crisis, realizing what the result would be if they raised steel prices at the present time. And they are not losing money. In view of all of these matters he asked them to hold the line and, in turn, he said that labor organizations in that industry should hold the line.

Question. Without necessarily determining that the steel industry is already making a reasonable profit?

Answer. I think it's all of these factors taken into consideration.

Question. So that this action on the part of the President actually made no judgment as to whether price was now high enough, or whether profits were not at a reasonable level?

Answer. The President was informed by the Council of Economic Advisers that steel industry profits, calculated on an assumption that prices are not increased, would range from 7 to 15 percent on net worth after taxes, depending on rates of operation.

He was asking for restraint in view of the fact that steel companies are making profits, in view of the fact that there is a crisis that is taking place throughout the world, in

view of what would be the result of a raise in prices at the present time in the steel industry, the fact that we haven't yet asked for standby controls over prices.

Question. By that same line of reasoning, why did the White House not call upon Walter Reuther to forgo a wage increase in autos at this time?

Answer. Well, that was in the midst of negotiations, which seemed to be coming to a reasonably satisfactory result. And, very importantly, the auto industry doesn't have the same impact across the board as the steel industry. The President did indicate, just before the last day of negotiations, that he would hope that there wouldn't be a strike and that both sides, once again, would make some sacrifices. And there have been indications that both sides were giving in on some points in order to try to meet the request of the President. But the demands of the auto workers were not inflationary, and the companies indicated they would not raise prices. So there is quite a difference.

Question. Was any consideration given to proposing that the October 1 wage increase in steel be delayed?

Answer. That you'd have to discuss with the President.

Question. Mr. Attorney General, does it come down to this: That in the case where there's a desire to hold down prices, the Government says to the industry, "Don't raise prices," but where there is concern about the unions, it merely says, "Please be reasonable"? Is there a difference in treatment here?

Answer. No. The President said to both groups—please help the country in this time of difficulty. The negotiations between the auto companies and the union—he asked both sides to be reasonable in their negotiations. Similarly, he has made a request to the steel companies, and, as far as the steel union is concerned, that it should not press demands that would force the steel companies to raise prices. Negotiations in steel start again next year.

Question. He said to this industry, though, "You shouldn't get a price increase." Wasn't that far more definite, concrete, and inflexible than what he has said to the unions—either the Steel Union or the Auto Union?

Answer. I think I gave the three or four factors which led to that result.

Question. Right now, to achieve this restraint or to bring this restraint about, is it correct to say that the Government has to rely very largely upon moral suasion?

Answer. Yes.

IF THERE IS A CRISIS

Question. Should there be a law which gives the Government a stronger hand over prices and profits?

Answer. You mean laws such as you would have in a national emergency?

Question. Anything that would give the Government a stronger hand relating to the level of prices, the level of profits, the level of wages——

Answer. I don't think it's necessary now. If there is a greater crisis or a period of national emergency, I think it probably would be necessary. Under ordinary conditions, I think our system operates better without such measures.

Question. Do you think the crisis has not yet reached a point where we would need more controls?

Answer. That's up to the President to say.

Question. One question that businessmen keep asking is whether the antitrust laws are such that they can really be effectively enforced. Isn't it always possible, for example, to engage in conspiracies or deals that the Government can never get a finger on?

Answer. Yes, but the same thing is true in almost every field. We solved only 72 percent of the rapes last year, about 92 percent of the murders, 25 percent of auto thefts, and 20 percent of larcenies. Maybe we are not getting them all, but at least it's a deterrent that has some effect.

Question. Do you feel that antitrust laws are as effective as they should be, or are there ways that these laws could be changed to make them more effective than they are today?

Answer. I think that they are effective. I think that they are helpful, but, of course, everything made by man can be improved.

Question. In these cities where you have brought cases to stop bank mergers, could it be assumed that other mergers by large banks in the same cities would just automatically be opposed now by the Justice Department?

Answer. Well, again, to give the example that I did give—the fact that 102 have been considered and we've moved on five of them: We're going to move on some where we find that they have a material effect under the law.

Question. In these cities, though, you have now said that another merger of big banks will bring about too much concentration. Doesn't it follow, therefore, that there can't be any more merger of big banks in those cities?

Answer. Well, I would think those big banks that were intending to merge would have to take that into consideration. They could find out from us pretty quickly whether we intend to move. But again, I'd have to analyze each case, based on the particular facts, rather than just say it as a general proposition. Obviously, it's going to be watched closely.

AIM: HELP BUSINESS

Question. Is there anything you would like to add?

Answer. I told you my general philosophy—which has been and will be guiding the Antitrust Division. We feel that the Antitrust Division should operate in a manner that is probusiness, and that we have a function to perform and a contribution to make to business throughout the United States.

Obviously, the antitrust laws are not perfect, and undoubtedly can be improved. We don't make the laws. Our responsibility is to enforce them, and I think that we meet our responsibilities and we intend to continue to meet them.

We shall make mistakes, undoubtedly, but I can assure you that the mistakes will be made in honest efforts to help business and the consumer and, indeed, our whole economic system here in the United States.

We're always here and glad to consult with lawyers or with businessmen, as we have done continuously. We have had a good relationship with representatives of many of the businesses throughout the United States, and their lawyers. I think that's helpful—that kind of discussion—to clarify some of these matters. As situations change, we will be glad to discuss them again. We welcome suggestions, we welcome ideas—criticism of our methods, of our procedures, will be carefully studied, and I trust we shall improve.

Question. It is not the purpose of this administration, or of your Department, to harass business?

Answer. No, it is not.

INSURANCE REGULATION IN A MODERN WORLD

Mr. KEFAUVER. Mr. President, in Milwaukee yesterday, Senator THOMAS J. DODD delivered a most important address to the National Association of Insurance Commissioners. He spoke on the subject of "Insurance Regulation in a Modern World." As his address is both timely and extremely interesting, I ask permission to have it printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INSURANCE REGULATION IN A MODERN WORLD

(Remarks of Senator THOMAS J. DODD before the National Association of Insurance Commissioners, Schroeder Hotel, Milwaukee, Wis., Monday, September 25, 1961)

It is a distinct pleasure for me to address this regional meeting of the National Association of Insurance Commissioners. My interest in this industry has been intensified as I have recently been asked by Senator ESTES KEFAUVER, chairman of the Antitrust and Monopoly Subcommittee, to direct any further subcommittee studies of insurance.

Coming as I do from Connecticut, the heart of the insurance business in America, naturally I have had a special interest in the welfare of this industry for many years.

Furthermore, as a citizen and as an insurance buyer I am fully aware that life would be most dangerous if I was to go through it without insurance policies on my life, my health, my car, my home, my valuables—and even on the safety of the plane which brought me here.

The insurance industry has been under study by the Antitrust and Monopoly Subcommittee for some years now. This searching undertaking was commenced under the leadership of Senator Joseph C. O'Mahoney, who retired last year from the U.S. Senate.

Upon taking over this responsibility, I want to reassure you in the most direct and simple words that I view it as my major duty to aid and promote free but responsible competition in this business.

I know that in days to come I will have to acquaint myself better with some of the mechanics and intricacies of the industry. Even so, I feel that I can express before you some of my basic views concerning the insurance industry.

Your industry is a multibillion dollar business in the United States. Indeed, the whole American economy and the American way of life are very much dependent on the services rendered by the insurance industry.

In these days of life-and-death struggle between our system of free enterprise and the totalitarian economics of the Soviet Union and its allies, the insurance industry has in its hands extremely important tools for the success of freedom.

We are living in a time when men are searching for security all over the world. People are concerned, rightly concerned, with guarantees for their political, economic, and social welfare.

Communism is promising to guarantee to those under its domain security from the cradle to the grave. Yet, for this alleged security, which they have never delivered, the people under the Communist dictatorship have to pay a very high premium, a premium determined by the totalitarian government which shackles them.

This premium is high for its price is freedom.

This premium is charged against the right to change employment, the right to elect freely one's own representatives, the right to worship, the right to speak, the right to create.

In this free country of ours, security is available to the people in a different manner, through their own free choice.

People are able to go out and purchase this kind of security and peace of mind from the great variety of insurance companies and insurance policies that are made available to them.

In this age of search for security, it is most important, therefore, that the companies selling various kinds of security to our citizens conform to high standards and make their services available to the people as effectively and cheaply as possible.

It is particularly fitting that I set forth some of my views before the men who have the direct responsibility for the regulation of the insurance industry. You and your national association have great authority. When properly exercised, this authority can be a tremendous force for good.

Let me try and review with you some of the background of the Antitrust Subcommittee's work.

The essential function which the subcommittee has undertaken is the evaluation of the performance by our 50 States in regulating insurance.

In the main, the role Congress assigned itself in the McCarran-Ferguson Act might best be described as "watchful waiting."

The Congress has waited since 1945 to give the machinery of State regulation a fair chance.

It has watched the performance of the States with great care to determine whether the high purposes of Public Law 15 have been achieved.

Two official reports have now been filed by this subcommittee with the Senate. In the first report, filed August 10, 1960, the subcommittee expressed the hope that its suggestions for improving the structure of State regulation would not be ignored. The second report on rates, filed August 29 of this year, contains some pointed recommendations for improving the regulation of rates in the fire and casualty fields.

Since the Supreme Court ruled that insurance is interstate commerce, the Congress has had the power under the Constitution to establish its own system for the regulation of insurance.

However, the subcommittee has thus far rejected this solution. Both the subcommittee and the parent Judiciary Committee were unanimous in asserting their belief that regulation of insurance by the States is in the public interest.

This conforms with my own philosophy concerning the respective functions performed by Federal and State Governments. I have long been fearful of needless concentration of power in the Federal Government. A fundamental purpose of our Federal Constitution is to preserve the freedom of the individual, which can best be done by diffusing power among the various levels of government and the various segments of our economy, each in a sense a check upon the other. Excessive power lodged in any institution, whether government, private corporations, or labor unions, is a definite challenge to individual freedom.

Thus in filing this report on behalf of the committee, Senator KEFAUVER expressed the hope that the States would take affirmative action to amend the rating laws so that Congress would not be forced to take into its own hands the regulation of insurance.

This was not intended as an idle threat.

The essence of our spiritual and political heritage is embraced in the phrase "freedom to choose." This expression also epitomizes the economic philosophy upon which our free competitive enterprise is founded.

It is in this light that I shall approach my responsibilities in directing this insurance inquiry.

Freedom to choose in the economic arena means that the avenues to opportunity must be available to all on a fair and equal basis. Arbitrary restrictions upon the arteries of commerce must be banished.

Buyers should have the opportunity to select from a variety of sellers in order to obtain the highest quality of services and goods at the lowest price.

Sellers of goods and services, in turn, must be free to improvise and to exercise their own ingenuity in meeting the ever-changing demands of the buyer.

Our Federal antitrust laws express our distinctive American economic philosophy that the public will be served best when the natural forces of competition are permitted to operate effectively.

This economic philosophy underlies the recent criticism by the subcommittee of certain State rating laws and their administration which artificially restrict the right to choose on the part of both insurers and insured.

The subcommittee expressed its belief that State rating laws which compel membership in rating bureaus, prohibit deviations, or eliminate price competition through the establishment by the States of uniform rates are in conflict with the purposes and spirit of the McCarran Act.

The subcommittee has recommended that the Department of Justice commence whatever proceedings may be appropriate seeking the elimination of these basic conflicts between such State regulatory laws and the McCarran Act. But this responsibility also is yours.

Your national association has long been on record in opposition to such restrictive rating practices. It is important therefore that you assert your leadership in bringing about an eradication of these outmoded rating laws.

It would appear that the climate should now be most favorable to achieve a liberalization of the rating laws in the direction of greater freedom for all insurers. But, unfortunately, formidable forces are at work seeking to turn the clock back further toward more restrictive measures. This should not be permitted.

It is no exaggeration to state that the fate of Public Law 15 may well depend upon how the NAIC meets this challenge.

If more and more States undertake to reject the competitive spirit of the McCarran Act, what eventual alternative will be left the Congress but to adopt new legislation giving the Federal Government more control?

However, I trust that the future of insurance regulation will not be merely a holding action.

There is great need for affirmative action to modernize the rating laws, to allow the growth of new types of insurance, and to permit our insurance companies to compete more ably in both domestic and foreign markets.

It has occurred to me that the most vital function of State insurance regulation might be centered upon solvency rather than rate regulation. If State commissions were freed from the burdens imposed by excessive rate regulations, greater attention could be devoted to safeguarding solvency.

In years past, there seemed to have been too much uncritical acceptance of State rate supervision as the major tool for protecting and promoting the public interest. There has been a minimum of attention given to the capital and reserve requirements.

There has been before the subcommittee a considerable amount of testimony that this present concern of the State supervisory agencies for the rate structures may possibly be a preoccupation resulting in unnecessary uniformity and inflexibility. It may, furthermore, be responsible for the inability of American companies to compete in certain cases with foreign insurance companies.

Naturally, it is important to make certain, in the public interest that the insurance companies upon which the public relies for its security are operated in a fashion which protects and deals honestly with the insurance buyer. Still, a survey of insurance companies which have failed in recent years indicates that the common cause for default is not inadequate rates but improper capital and reserve requirements.

I believe that more attention should be centered in the future upon the capitalization and reserve requirements and the reinsurance contracts of insurance companies, leaving insurance rates more to individual determination and adjustment.

If the emphasis is shifted accordingly, we may be able to continue to safeguard the interests of the insurance-buying public while providing at the same time for more rate competition so that insurance may become available on more competitive terms.

With the future holding great promise for insurance, the industry should be united in directing its energies along constructive channels.

The future potential for insurance is almost unlimited.

The needs of the mass markets must be served.

In addition, insurance is a vital factor in our economic growth. By minimizing risks, it provides the stimulation for investment in new ventures. The energies needed to achieve these constructive missions should not be dissipated in negative campaigns to thwart competition.

Too much is expected from your industry to settle for a hold-the-line philosophy.

Now let me say a few words about the future plans of the subcommittee. The subcommittee has not yet firmed up its agenda for future insurance hearings or studies. There are many important areas which deserve special attention.

One piece of unfinished business involves the operations of foreign insurance companies doing business in the United States under the surplus line laws.

There are those who feel that the regulation of surplus line insurance may be the Achilles heel of State regulation.

The subcommittee referred in its report to the difficulty of the States in regulating companies domiciled in foreign countries. Congress has a special responsibility over such insurance transactions, since it is charged under the Constitution with the duty of protecting the foreign commerce of the United States.

Domestic companies who subject themselves to licensing requirements must furnish complete information to their State insurance department as to financial conditions. But how can the States obtain this required information from companies located abroad, doing business in the United States only through surplus line brokers?

In evaluating the States' ability to regulate such foreign insurance, the subcommittee centered its inquiry around the activities of International Guaranty & Insurance Co. of Tangiers, Morocco, and Stewart B. Hopps. Mr. Hopps, who masterminded the Inland Empire debacle, is presently under Federal indictment for mail fraud and income tax evasion.

International Guaranty was insuring millions of dollars worth of savings and loan deposits, many times greater than its own assets. The hearings disclosed that it was almost impossible to discover who owned and operated the company or what was the true value of its assets.

This case provides a focal point of the dilemma confronting the States in attempting to protect the American public.

It is my own feeling that the problems involved in the operation of the foreign surplus line insurance companies in the United States are rather pressing and require attention. In this connection I want to give credit to my colleagues on the Antitrust Subcommittee, the great and, I may say, beloved Senator ALEXANDER WILEY, whose State acts as our host today, for his continuous drive in seeking protection for the American insurance buyer and the American insurance companies from the irresponsible practices and unfair competition of some foreign insurance companies.

These foreign surplus line companies not only sell insurance to a limited number of insurance-wise purchasers who are unable to purchase coverage from local companies. Evidence was produced that in some instances these foreign companies also sold deposit insurance to a great number of savings and loan companies, and thus offered protection, or lack of it, to hundreds of thousands of small American depositors.

Some of these foreign surplus line companies had only fictional assets, fictional directors, fictional headquarters, and nothing to back up their guarantees. The depositors in these savings and loan companies were led to believe that they were being protected by the fact that their deposits were being insured. Yet, such insurance was a fiction.

One of the witnesses before the subcommittee testified that the losses to the American public from the operation of nonsubstantial foreign companies, who did not comply with our insurance standards, amounted to some $6 million in the last 10 years.

Naturally, not all of the foreign surplus line insurance companies are irresponsible. Lloyd's of London has a long tradition of honorable and responsible business in this country. But this is not always the case with the other surplus line companies, some of which seem to have been organized specifically for the purpose of exploiting the American market.

I agree with Senator WILEY's view, which he attached to the recent insurance report, to the effect that "The responsibility rests with several States to provide the insurance buyer and the American insurance companies with adequate protection. It certainly would be unfortunate if the lack of action on the part of the States would create a demand for Federal controls."

The subcommittee may wish to explore further the extent to which excessive rate regulation by the States may have itself facilitated the expansion of the alien surplus line business.

Many American insurers, who decry the writing of substantial business in foreign companies, urge that they could furnish much of the coverage now going abroad if they were not needlessly restricted by the prolixity of rate regulation.

The subcommittee has not yet conducted any public hearings in the important field of surety and fidelity bonds. Strong inferences have been made that competition is minimal.

The subcommittee has received complaints concerning the high uniform rates established by the Surety Association. Over the years this business has been singularly profitable.

Have the State insurance departments attempted to ascertain whether rate uniformity is achieved and policed by refusal to provide reinsurance to noncooperating companies?

Whatever course the subcommittee may elect to pursue in the days ahead, I can assure you it will be with inherent hostility to none and fairness to all.

It is my intention to conduct this inquiry with the same objectivity and impartiality as has characterized it in the past.

I firmly believe that the spotlight of national scrutiny is sufficient in itself to uproot many evils.

I can assure you that we of the subcommittee shall join forces with the commissioners, the industry, and all men of good will in the effort to promote the public interest.

In closing, I wish to make one thing clear.

Whatever I may do with respect to my Senate responsibilities in investigating the insurance industry, I will do as a sincere friend of that industry and of the private enterprise system of which it is so outstanding an example.

We want to help the insurance industry to continue to be what I feel it wants to be, a servant of our society, a bulwark of free enterprise which provides to the people of our Nation protection and security in an honest market at a fair price.

We of the Congress, you of the State regulatory bodies, and the great insurance industry with which we are concerned are in a real sense partners working together to serve the needs and protect the interest of the American people. It is this spirit that brings us together today and will cause our efforts to bear fruit in the months and years ahead.

RESTRICTIONS ON IMPORTATION OF RESIDUAL FUEL OIL

Mr. SALTONSTALL. Mr. President, we in Massachusetts have been working for more than a year to bring our fuel costs into a competitive relationship with those in the rest of the country. At present we are limited by the restrictions on the importation of residual fuel oil which from all the evidence available to me was placed in effect without full study of its consequences. Many meetings with the defense mobilization authorities and the oil import administration of the Department of Interior have been held. A variety of reasons have been presented for continuing residual oil import restrictions. None of these has taken into account severe increase in costs which these restrictions force New England to pay. On this closing day of the session, I wish to make one final appeal to the officials of the executive department through the medium of the CONGRESSIONAL RECORD to raise these restrictions. I have here five telegrams which give the views of industry and our electric utility companies on this problem. I ask unanimous consent that they be printed following my remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. SALTONSTALL. Mr. President, the Gillette Co. is one of the greatest manufacturing companies known throughout the world. Crompton & Knowles is a textile machinery company with an unequaled reputation for quality and performance. Cambridge Electric supplies Harvard and MIT, among other major companies, and the Boston Edison Co. supplies the greater part of the rest of the Boston area with its requirements. All Massachusetts pays these added costs through their electric bills and through greater difficulty in competing with other parts of the country industrially.

EXHIBIT 1

BOSTON, MASS.,
September 26, 1961.

Hon. LEVERETT SALTONSTALL,
U.S. Senate, Washington, D.C.:

We appreciate your efforts in explaining the residual fuel oil quota for New England. The investigation has now been underway for several months. With winter approaching the fuel problem can become critical; therefore we hope OCDM can come to an early and favorable decision on this matter.

CARL J. GILBERT.

CAMBRIDGE, MASS.,
September 26, 1961.

Hon. Senator LEVERETT SALTONSTALL,
Senate Office Building,
Washington, D.C.:

Would appreciate assistance in requesting OCDM to expedite decision on residual oil import restrictions. We are now faced with further price increase due to such restrictions. This is an unnecessary added burden to our consumers thus adding to cost of living and cost of doing business in Massachusetts.

HARDING U. GREENE.

WORCESTER, MASS.,
September 26, 1961.

Hon. LEVERETT SALTONSTALL,
U.S. Senate, Washington, D.C.:

With great appreciation for all of your efforts in behalf of all of New England, I ask that you strongly urge Mr. Ellis of OCDM to come to an early decision to remove the import restrictions on residual oil. This matter of such tremendous importance to Massachusetts and New England should be resolved now in this manner.

Regards,

FREDERIC W. HOWE, Jr.

BOSTON, MASS.,
September 26, 1961.

Hon. LEVERETT SALTONSTALL,
U.S. Senate, Washington, D.C.:

As you know, OCDM is considering statements, opinions and data relative to the discontinuance of import restrictions on residual oil. Plans by this company for its fuel requirements and facilities will continue to be handicapped until this issue is resolved. We respectfully request that you urge the Director of OCDM to make a finding and recommendation as expeditiously as possible. Prompt removal of restrictions will permit this company to save substantial investment in fuel facilities as well as terminate the burden on power and fuel users.

C. F. AVILA.

CAMBRIDGE, MASS.,
September 27, 1961.

Hon. LEVERETT SALTONSTALL,
Senate Office Building,
Washington, D.C.:

New England Council filed with Office of Civilian Defense Mobilization last July 17 request for elimination of restriction on import of residual oil. As a result of this and other requests we understand this matter is scheduled for early reconsideration. We respectfully urge your support in obtaining a favorable decision in order to insure an adequate supply of oil in this area and relieve the burden of further price increases on industry and the general public.

CAMBRIDGE CHAMBER OF COMMERCE.

DEATH OF FORMER SECRETARY OF DEFENSE CHARLES E. WILSON

Mr. SALTONSTALL. Mr. President, this evening's newspapers carry the news that Mr. Charles E. Wilson, who was Secretary of Defense in the administration of President Eisenhower, passed away today. During the years Mr. Wilson was Secretary of Defense, I was closely associated with him.

Mr. Wilson was a frank person and an extremely hard worker. He obtained great knowledge of the difficult operations of the Department of Defense during the years when he was its head.

In my opinion, the most important contribution Mr. Wilson made to the Department of Defense and to the Nation's military effort was the coordination of the procurement of materials for the planes, tanks, and other instruments of defense with which his Department was concerned. With his knowledge of production-line technique and his familiarity with industrial activities, he was able to reduce the leadtime and to bring together the parts of an airplane so that it could be assembled as a unit on time. The same was true of other phases of the procurement program. I believe he stimulated that effort to a high degree in the Department of Defense.

Mr. Wilson also had a thorough knowledge of the problems of the Department of Defense.

He was honest and fearless. He displayed complete integrity. In his earlier career in industry, he displayed a marked ability to design and improve the automobile and to make its use more satisfactory for all of us.

We shall all miss him. I am sorry to learn of his death. I extend my sympathy to Mrs. Wilson, with whom I had a very cordial friendship, and to the members of Mr. Wilson's family.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. HAYDEN. Mr. President, with reference to the printing of committee activity reports for the session, as chairman of the Joint Committee on Printing, I wish to remind the chairmen of all committees that the Joint Committee on Printing has very properly ruled that the printing of such reports, both as committee prints and in the RECORD, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD, since the Government Printing Office will be directed not to print them both ways.

POSTMASTER AT SARGENTVILLE, MAINE

Mr. JOHNSTON. Mr. President, as in executive session, I report favorably the nomination of Mary L. Webb to be postmaster at Sargentville, Maine. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question now is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

BALANCE OF INTERNATIONAL PAYMENTS

Mr. ENGLE. Mr. President, the Office of Business Economics of the Department of Commerce recently released figures concerning the balance of international payments during the second quarter of 1961 which are of extraordinary interest to every member of the Congress, as well as to our business community at large.

For the first time since 1957 the United States had a surplus in our international liquidity position. Preliminary data show that during the second quarter our holdings of gold and convertible currencies increased by approximately $60 million. This is certainly a pleasant revelation, and should serve to bolster confidence in our economy.

There is, however, cause for concern in the underlying figures representing a contraction in our favorable trade balance. Department of Commerce calculations of our nonmilitary merchandise exports, adjusted for seasonal variations, demonstrate a decline from an annual rate of about $20.2 billion in the first quarter to about $19.1 billion in the second. In other words, our exports are shrinking at a time when the world's economy is greatly expanding.

The President of the United States, in his message of February 6, 1961, to the Congress, called for a program of expanded exports, and requested the Government to take a more active role in helping to enlarge the oversea markets for American goods and services. The response to this appeal, as shown by these recent figures, is certainly not encouraging. I believe that the Congress must now take the initiative, and enact broad legislation which will enable our exports to keep pace with increased demands for goods and services all over the world.

An export promotion campaign will insure to the benefit of every American by adding to domestic employment and pumping new life into our economy. We cannot afford to have our exports diminishing when they could and should be increasing substantially.

At this point, I ask unanimous consent to have printed in the RECORD news articles which appeared in the New York Times and the Washington Post and Times Herald, on Thursday, August 17, 1961, concerning the balance of payment and balance of trade.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 17, 1961]

U.S. BALANCE OF TRADE IS SEEN DETERIORATING

(By Frank Cormier)

The Nation's balance-of-payments position showed a basic deterioration in the April-June quarter, but this was disguised by advance repayments of debts owed by three foreign governments.

Choosing to look at the bright side, the Commerce Department yesterday issued a preliminary report which said the troublesome payments situation showed a substantial improvement during the second quarter.

However, officials said the country's international financial position actually worsened, if one ignores the unusual $650 million in ahead-of-schedule payments made by the three foreign nations.

This underlying deterioration reflected a drop in exports and an increase in imports.

The balance of payments represents the difference between the amount which Americans spend, lend and invest abroad and the amount received from foreign sources. Last year there was a payments deficit of $3.8 billion which led to a record loss of U.S. gold.

The deficit, greatly reduced this year, still is substantial. Ignoring the advance debt payments, the April-June deficit was at an annual rate of about $1.8 billion. This compared with a first-quarter rate of $1.1 billion.

However, if the debt payments are included in the calculation, the United States can claim a payments surplus of about $60 million for the second quarter—the first surplus since 1957. The payments were $590 million from West Germany, $40 million from the Netherlands, and $20 million from the Philippines.

Civilian exports of American merchandise dropped in the April-June quarter to an annual rate of $19.1 billion from the first quarter rate of $20.2 billion, the report said. Imports rose from $13.5 billion to $13.7 billion.

[From the New York Times, Aug. 17, 1961]

BALANCE OF PAYMENTS IN BLACK BUT CAUSES ARE EXTRAORDINARY

(By Richard E. Mooney)

WASHINGTON, August 16.—The United States had a surplus in its balance of international payments this spring for the first time in 4 years, but only because of extraordinary developments that are unlikely to be repeated. Without those developments, the payments situation worsened.

The balance of payments is the difference between total payments to foreigners and total receipts from foreigners. In the last 3 years, the United States has been plagued by large deficits—more money flowing out than in.

The Department of Commerce estimated today that in the April-June quarter of this year the inflow was $60 million greater than the outflow. There would have been no surplus, though, were it not for $650 million of extraordinary loan repayments by three foreign governments.

Without the repayments, there would have been a deficit of $590 million. That deficit, adjusted for normal seasonal factors, would amount to $1,800 million in a full year—up $700 million from the rate of the preceding quarter.

EXPORTS AND IMPORTS

The worsening of the basic situation was attributed principally to declining exports and rising imports. The outflow of money for short-term investment abroad, which had been a major problem, appears to have subsided to negligible proportions after April,

the Department said. There are indications that the outflow of longer term funds increased, however, according to the report.

Today's statement was based on preliminary and incomplete information. A more precise report will be made public next month.

Because there are always unusual developments—such as the outflow of short-term funds last year, or the Ford Motor Co.'s purchase of British Ford stock in December, or the loan payments this spring—it is hazardous to forecast in this field. The best informed guessing for the full year 1961 is that there will be a deficit of about $1 billion—or about $1,500 million if the loan payments are not counted.

Either figure would be a substantial improvement over the deficits of $3,500 million to $4 billion that occurred in 1958, 1959, and 1960.

COUNTRIES LISTED

The loan payments were $590 million from West Germany, $40 million from the Netherlands and $20 million from the Philippines. The German and Dutch payments were prepayments on loans that the United States has made to those countries since World War II. The Philippines payment was a settlement of payments that had been postponed from before.

An undisclosed part of the German payment was in West German marks—not dollars—but that does not affect the balance-of-payments picture.

More significant in the long run were the adverse developments in trade. In the first quarter of this year, exports exceeded imports in near-record volume—at a rate of $6,700 million a year in this country's favor. This export surplus narrowed to a rate of $5,400 million in the spring quarter, however, as exports declined and imports rose.

Trade specialists are not certain that exports will continue downward, but they do expect imports to continue rising as business activity here continues to improve.

Today's report gave no figures on the flow of investment money, because the information is incomplete. It is known that there has been some increase in long-term loans abroad by American banks, and there appears to have been greater American investment in foreign securities than foreign investment in American securities during the quarter. The report assumed no unusual developments in expenditures for international travel or foreign aid.

U.S. FOREIGN POLICY

Mr. PROUTY. Mr. President, when I explained my opposition this morning to the taking up of the supplemental appropriations bill last Saturday, I did not mention one reason which, to me, was very significant. About 3 o'clock Saturday afternoon, I read on the front page of the Evening Star an article to the effect that a rumor was rife in Berlin that a drastic change would take place in U.S. policy in that area.

Knowing that the President was expected to address the United Nations Assembly on Monday, and assuming that if such a change in policy had been contemplated, it would be enunciated in his speech to the United Nations, I felt it was wise for Congress to remain in session.

James Reston, in his column published last Sunday in the New York Times, wrote that the President had been speaking like Winston Churchill, but acting like Neville Chamberlain; and Mr. Reston went on to explain the vacillation over Laos and Cuba. But, Mr. President, that column was written before the Attorney General appeared on the Meet the Press program and stated in no uncertain terms that America will use nuclear weapons, if necessary, in defense of Berlin; and Mr. Reston's column was written before the delivery to the United Nations of the President's address, which I found excellent and reassuring in most respects.

So, Mr. President, it was with a great deal of surprise and shock that I learned this afternoon that our Ambassador to the United Nations, Adlai Stevenson, has stated:

> It may be of some interest to Mr. Zorin that we will not obstruct the membership of Outer Mongolia.

This represents a change in policy that should not escape unnoticed. Admission of Outer Mongolia, a Red puppet, with tacit or open support of the United States, will be interpreted in Asia and throughout the rest of the world as a symbol of American defeatism and withdrawal.

What Mr. Stevenson has done with respect to Outer Mongolia may not be viewed in a vacuum. It can only be construed as a prelude to a grand and tragic opera which gives a similar role to Red China.

Let it be said also that our policies in the Far East are of high and continuing concern to our friends in Europe.

When it was first reported abroad that the present administration might extend recognition to Outer Mongolia, foreign correspondents reported a strong reaction among the peoples in allied countries.

One correspondent explained that administration spokesmen contend it is important to have a listening post in that country.

"What for?" an Italian man asked. "What are people going to listen to—the winds of the Gobi Desert? Has any nation been able to have a listening post anywhere behind the Iron Curtain? Are not both our and your diplomats handicapped by the formidable Red secret service, which does not permit them even to walk in the compound garden without some eagle eye observing their every step?"

The Italian press has painted our decisions with respect to Laos as amounting to indirect surrender. How will this latest deviation be described?

Outer Mongolia has been a Communist state for several decades. It is reported that she sent to Korea more than 5,000 men to fight against American boys during the Korean war.

Yet, Mr. President, Ambassador Stevenson says: "We will not obstruct the membership of Outer Mongolia" in the United Nations.

I have only the most skimpy reports to go on; so I do not know the rationale behind the administration decision to remain silent on the issue of admitting Outer Mongolia to the United Nations.

Perhaps this little maneuver was adopted as a trade for admitting the new African nation of Mauretania. Perhaps this is one more effort to satisfy a mythical world opinion.

It is my judgment that we are losing face throughout the world because of a fear that uncommitted nations do not like the way we have been acting.

Mr. President, when are we going to start thinking about what is right for America? When are we going to stop sacrificing our self-interest, to satisfy a court of world opinion that seems to be in session only when a member of the free world attempts to protect its interests.

Suppose, indeed, that this year, or next year, we see consummated a trade which permits both Mauretania and Outer Mongolia to enter the United Nations. What in the world would we gain by such a trade? We would elevate a Soviet satellite, and would receive, in return, the elevation of a neutral nation that may, like other new countries, turn out to be not so neutral after all.

Gen. Chen Cheng announced several weeks ago that his Government, Nationalist China, intends "to exercise every power stipulated in the United Nations Charter to block Outer Mongolia's entry."

Both he and the Foreign Minister of Nationalist China hurried over to the United States, this summer, after hearing that the Kennedy administration might establish diplomatic relations with Outer Mongolia, as well as encourage her admission to the United Nations.

General Cheng is regarded as a potential successor to Chiang Kai-shek. He is given credit for the land-reform program, that now has 90 percent of the farmers on Formosa owning the land they till.

We can only speculate what his future role in Asia will be. But this much we can say: He represents some of the more progressive elements in the leadership of Nationalist China.

Mr. President, the voting strength of the free world has not been on the upgrade in the United Nations. The admission of Outer Mongolia would give the Communist bloc nations one more vote against the United States—one more vote against our Western allies.

The distinguished senior Senator from Oregon, on August 2, 1961, had this to say about the bid of Outer Mongolia for a seat in the United Nations:

> I can well understand the position of the Nationalist Chinese with regard to Outer Mongolia, although I understand it has been somewhat changed from what it was at a previous time.
>
> My own inclination, on the basis of what I do know, is that we should not view with any enthusiasm the seating of Outer Mongolia in the United Nations. * * *

Why, Mr. President, we should ask ourselves, is this administration unwilling to obstruct the entry of Outer Mongolia into the United Nations?

The last time I checked on the matter, which was in August of this year, Outer Mongolia was recognized by only 20 nations, and 60 percent of these belong to the Communist bloc.

Outer Mongolia is dominated by agents of Red China and the Soviet Union. In 1960, more than 82 percent of her foreign trade was with the Soviet Union and Communist China.

There is not any question whatsoever about the fact that Outer Mongolia is a Communist bloc nation from top to bottom. The Kremlin, through subversion and infiltration, has exercised control over Outer Mongolia since the end of World War II. When the country was firmly in his grasp, Stalin arranged for a rigged election, in which 99.99 percent of the people of the country voted for their so-called independence.

Mr. President, I do not know what diplomatic blackmail we have subjected ourselves to in the halls of the United Nations. I do know, however, that the American people are weary of making all sorts of concessions in the vain hope that some members of the Afro-Asian bloc will find them pleasing.

We have, indeed, traveled a strange road since January 20 of this year. The administration sacrificed American prestige by lending support to the Tractors for Cuba Committee in the Castro blackmail attempt.

The administration, out of fear of world opinion, sacrificed the lives of some rebels and the safety of many rebels in the Cuban invasion, by denying air support.

The administration did away with postal inspection of pro-Communist propaganda destined for delivery to people in the United States.

In the field of foreign policy, the words of this administration have been big, but the deeds have been small. Perhaps the smallest of them all occurred when Ambassador Stevenson announced that we would place no obstacle in the way of Outer Mongolia's entry into the United Nations.

The policy of promising much, but performing little, which has characterized the foreign policy of this administration, calls to mind the words from "King Lear":

> I will do such things * * * what they are I know not * * * but they shall be the wonders of the earth.

We have seen the wonders of the earth, today, Mr. President, and I do not like what I see.

Whenever the United States assumes an attitude of defeatism and weakness, of the character of our actions in the United Nations today, it enhances the danger of war.

If the Soviet Union is convinced that we will back down on side issues, it will become persuaded that we are so afraid of war we will not retaliate with nuclear weapons if it comes.

We must drive home to Khrushchev the idea that we will not back down, that we will not equivocate, that we stand ready to fight—if fight we must—to preserve freedom in the United States and throughout the world.

Mr. President, all of us in this body and the rank and file of the American people stand squarely behind President Kennedy in his efforts to find solutions to the great and the immediate problems which confront the world today. But I believe we are making a tremendously grave mistake if we give the impression—as I am afraid we have done too frequently—that we are ready to back down from positions which we had insisted we would hold. I think the best way for us to avoid a nuclear war is to stand fast, and not back down.

Mr. PROUTY subsequently said: Mr. President, I realize that anything that any Senator might say following the very moving and eloquent speeches of the majority leader and the minority leader would be an anticlimax. I am sure that all of us who serve in this body are indeed grateful to both of our leaders. They have earned the praise of the American people for their dedication to the general welfare of the country.

Earlier in the evening I expressed amazement and shock at a statement attributed to our Ambassador to the United Nations, Adlai Stevenson, which he purportedly made today. I have been informed that the press services have been unable to confirm that statement. I should like to quote from UPI release 85, which is a quotation that has been attributed to Mr. Stevenson. It reads:

> It may be of some interest to Mr. Zorin that we will not obstruct the membership of Outer Mongolia.

We should understand that this is a very serious problem with which we are confronted as a nation. I wished to confirm the accuracy of the statement I made earlier. I ask unanimous consent that there be printed in the RECORD, following my remarks earlier this evening, the complete text of UPI release 85.

There being no objection, the press dispatch was ordered to be printed in the RECORD, as follows:

UNITED NATIONS.—The United States said today it "will not obstruct" the admission of Communist Outer Mongolia to the United Nations.

Russia indicated that it will again veto the application of Mauritania unless Outer Mongolia is recommended by the Security Council for election by the General Assembly.

After the Council refused to take up Outer Mongolia's application before considering that of Mauritania, Russia voted against even putting the Mauritanian bid on the agenda.

The Council unanimously recommended Sierra Leone to become the 100th member of the United Nations.

It deferred action on Mauritania and Outer Mongolia until a meeting (8 p.m.) tonight.

Ambassador Adlai Stevenson did not make clear to the Security Council whether the United States would vote to recommend Outer Mongolia for membership or abstain in the vote.

A U.S. abstention could be decisive on the Mongolian question. Seven affirmative votes are required for the Council's recommendation. Five abstentions—technically not negative votes—could kill Outer Mongolia's application.

The issue was regarded as a preliminary skirmish in Russia's diplomatic battle to seat Communist China in the Assembly.

If Outer Mongolia's application is rejected, Soviet Ambassador Valerian A. Zorin served notice that a veto of Mauritania's bid was sure to follow.

Such a development was expected to result in a heavy African vote against Nationalist China—which was reported ready to veto Outer Mongolia's application as a last resort—when the question of the Chinese seat comes before the Assembly later in the session.

When Stevenson insisted that Mauritania retain its place on the agenda ahead of Outer Mongolia, Zorin angrily accused the United States of "maneuvering" to keep the mountainous Asian country out of the Assembly.

Stevenson retorted that he had not even discussed the U.S. view on Outer Mongolia and added: "It may be of some interest to Mr. Zorin that we will not obstruct the membership of Outer Mongolia."

ESTABLISHMENT OF GREAT BASIN NATIONAL PARK, NEV.

Mr. METCALF. Mr. President, on September 12 the senior Senator from Nevada [Mr. BIBLE] filed Report No. 983 relative to S. 1760, a bill to establish the Great Basin National Park in Nevada, from the Committee on Interior and Insular Affairs. The committee's report did not contain the report received by the committee from the Department of Agriculture on the bill. On behalf of the Senator from Nevada, I ask unanimous consent, therefore, that the report on S. 1760 received from the Department of Agriculture, dated June 20, 1961, be printed as a part thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 20, 1961.

Hon. CLINTON P. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate.

DEAR SENATOR ANDERSON: This is in response to your letter of May 5, 1961, for a report on S. 1760, a bill "to establish the Great Basin National Park in Nevada, and for other purposes."

Approximately 94 percent of the lands making up the national park that this bill would create are national forest lands and have been under the jurisdiction and management of this Department for more than 50 years.

We believe that the public interest has been, and would continue to be, adequately served by retention of the lands in national forest status and continued management under principles adopted by the Congress for the national forests in the Multiple Use-Sustained Yield Act of June 12, 1960. We further believe that the bill could have undesirable results from the standpoint of both the national parks and the national forests. However, if the Congress concludes that the creation of a national park from these national forest lands is desirable, the Department of Agriculture will not raise objection if the bill is amended as hereinafter recommended.

S. 1760 would (1) establish a specifically described area of land in eastern Nevada as the Great Basin National Park, (2) transfer federally owned lands within the described area to the administrative jurisdiction of

the Secretary of the Interior for preservation and administration as a part of such park, (3) authorize the Secretary of the Interior to procure by purchase or donation, or with donated funds, lands or interests in lands within the park, (4) authorize the exchange of federally owned lands within the park area for non-Federal lands or interests in lands of approximately equal value within that area, (5) abolish the Lehman Caves National Monument, which is within the described area, and make it a part of the Great Basin National Park, and (6) prescribe that the park be administered pursuant to the act of August 25, 1916, entitled "An act to establish the National Park Service and for other purposes", as amended.

The bill would also provide that the establishment and administration of the national park would be subject to the following provisions: (1) Valid existing claims, locations, or entries under the land laws of the United States would not be affected by establishment of the national park; (2) all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States, exclusive of the land containing them, and minerals subject to leasing under the mineral leasing laws of the United States would be subject to exploration and disposal with right of occupation and use of so much of the surface of the land as might be required for all purposes reasonably incident to the mining or removal of the minerals; and (3) where Federal lands included within the national park were legally occupied or utilized at the time of enactment for grazing purposes, the person, his heirs, successors, or assigns, would be entitled to renewal of such grazing privileges for a period of 25 years or during the lifetime of the person or those of his heirs, successors, or assigns who were members of his immediate family on the date of approval of the act. With respect to the latter the bill specifically provides that nothing therein "shall be construed as creating any vested rights, title, interest, or estate in or to any Federal lands."

The 117,100 acres of national forest land which make up almost all of this proposed national park are a part of the Snake division of the Humboldt National Forest, created by Executive Order No. 908 on July 1, 1908. As a part of the national forest system these lands and their resources have been, and are being, protected, husbanded and made available for utilization under the multiple-use principles applicable to national forest lands.

The recreational resources are getting increased use each year. To accommodate the 51,000 recreation visits in 1960, picnic, camping, and trailer parking facilities have been provided. Additional facilities are planned to meet future needs as these develop. The timber resources, though not large, would sustain an annual sustained cut of 1 to 1½ million board feet. Some 1,200 Christmas trees are sold annually, and an estimated 6,000 pounds of piñon nuts are harvested in good years. The area provides key summer range for 2,811 sheep and 857 cattle under national forest grazing permits. The mineral resources have been prospected and are being developed under the general mining laws. The area's estimated game herd of 3,000 mule deer has been actively hunted each year by some 500 hunters. The water resource is characteristic of high mountain ranges that rise out of desert surroundings. It provides domestic water and water supply for some 10,000 acres of nearby farms and ranch lands.

This Department believes that the land and resources of this area and the demands for resources and services meet the criteria for national forest land; that our administration of this area has been in accord with the policies and directives of Congress; and that such administration has been a direct benefit to the surrounding economy and people.

Normally, national parks serve two primary purposes—preservation and recreation. They are not normally open to mineral exploration and development, to livestock grazing, nor to hunting under State laws; likewise, the timber in national parks is not available for commercial utilization.

Under S. 1760, however, special provisions are included which would permit continuation of prospecting and mining and livestock grazing. The minor amount of fishing in the area would also continue as in other parks. These special provisions of the bill would dictate the same type of use for the proposed national park that the area now receives as a national forest with the exception that the small amount of logging now underway would be precluded and hunting would no longer be permitted under State laws. Some form of hunting could, we understand, be carried on under regulations of the Secretary of the Interior. Arrangements to allow this have been under consideration.

Enactment of this bill to establish a national park with these specially permitted uses would make the park similar in its objectives to the national forests and would partially destroy what has been the traditional and well-understood distinction in both purpose and management between the national parks and the national forests. This, we believe to be undesirable.

The uses that would be permitted in the proposed park and their similarity to the national forest uses that are now underway indicate that no special purpose would be served by converting this area from national forest to national park status. It is possible that advocates of a national park seek primarily to attach the national park name to this area with the hope of capitalizing commercially on that name by developing sufficient additional tourism.

We believe the national forest can make fully as great a contribution in developing recreation resources. We recognize the upsurge in demand for outdoor recreation opportunities. Over the past several years we have intensified the development of recreational areas within the national forests; we have increased our informational program to bring to the public attention the availability of these facilities; we are giving increasing emphasis to the public information services provided in such areas. The increased use of and interest in national forest recreation areas is clearly demonstrating both the awareness of the public of these areas and the value of them to local communities in attracting tourists.

If the bill were enacted with the boundaries essentially as now proposed, it would leave in national forest status about 55,000 acres located primarily at the south end of the park. This acreage would be isolated from other parts of the Humboldt National Forest. We believe it would be desirable that this residual area be added to the park or even more preferably be returned to public domain. The Department of Agriculture believes that it would be undesirable to continue this acreage in national forest status and recommends that the bill be so amended.

The apparent intent in establishing the boundary at the north end of the park was to follow the national forest boundary. There is, however, one place in section 18, T. 14 N., R. 69 E. where the boundaries do not coincide. We recommend that the bill be amended to correct this discrepancy.

The above recommendations can be accomplished as follows:

Page 3, line 23, change "three-quarters" to "one-half".

Page 3, line 25, strike the words "the south half of".

Page 4, line 2, strike the words "south one-sixteenth latitudinal" and insert the words "east-west quarter".

Page 4, line 3, strike the entire line and insert in lieu thereof "east quarter corner".

Page 4, line 4, change "one-quarter" to "one-half".

Page 9, following line 2, add a new section 8 as follows:

"SEC. 8. There are hereby eliminated from the Humboldt National Forest all those lands comprising the Snake Division, being situated in townships 10, 11, 12, 13, and 14 north, range 68 east; townships 10, 11, 12, 13, and 14 north, range 69 east; and townships 10, 11, 12, and 13 north, range 70 east, Mount Diablo Meridian."

Page 9, line 3, renumber present section 8 as section 9.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. GORE. Mr. President, last Saturday the Senate began debate on the bill H.R. 8847, the so-called Du Pont bill. An explanation of the bill was offered to the Senate by the distinguished senior Senator from Virginia [Mr. BYRD], the able chairman of the Committee on Finance; by the distinguished senior Senator from Delaware [Mr. WILLIAMS] and by the distinguished senior Senator from Oklahoma [Mr. KERR].

I myself have been ready for several days to discuss this important bill, but other Senators have spoken on this subject and on other matters. I now welcome the opportunity to do so. The bill deals with a highly important subject, the largest proposed distribution of corporation assets in the history of our country. It is important that Congress give to this question very serious consideration. I am sorry to observe that, in my view, such careful consideration has not thus far been given to the pending bill.

A great deal has already been said about the hasty consideration which has been accorded this bill. I submit that such hasty consideration is not conducive to good legislation. It might be argued, in rebuttal, that proposals relating to this subject have been before the Congress for 3 years, that they have been thoroughly studied by the appropriate committees, and that it is now time to act.

I hope Senators will not be misled by such an approach to legislation, least of all to revenue measures. It is a poor approach. I hope the time will never come when this body will vote on legis-

lation as though it were enacting "proposals, ideas, or plans in principle," instead of enacting the specific language of a bill that is designed to accomplish a specific purpose. It is important that we understand the purpose, and in detail. It is also important that we know what is in the language of the bill so that, in our anxiety to accomplish a "purpose," we do not enact laws adverse to the public interest.

So, when Senators speak of the "Du Pont proposals" or "legislation," they may or may not be making reference to the specific bill now before the Senate. In the form now before the Senate, H.R. 8847 is a bill which has been in existence not for 3 years, not for 3 months, not for 3 weeks. It was not even in existence, to my knowledge, for 3 days before the Committee on Finance ordered it reported on the night of September 20.

The first time I ever saw the bill was when it was printed on page 20325 of the CONGRESSIONAL RECORD for September 19, in the proceedings of the other body. Members of the Senate, then, got their first look at it, if they read the House proceedings, on the morning of September 20, and the Committee on Finance ordered it reported, without any change whatsoever, on the night of September 20.

The pending bill is a "substitute for the committee amendment to H.R. 8847." Let me emphasize that point. It is not now proposed that we act on a bill which has been studied for 3 years. We do not have before us the bill H.R. 8847 which was introduced on August 22 in the House of Representatives. The pending bill is neither the bill which was reported favorably by the Ways and Means Committee to the House on September 9, nor the bill which was before the Finance Committee on September 13 when public hearings were held. In form and content, the pending bill was first put before the public in printed form, to my knowledge, on September 20 when the CONGRESSIONAL RECORD for September 19 was published and distributed.

This is the bill, Mr. President, which the Finance Committee report to the Senate on H.R. 8847 described as a "substitute for the committee amendment to H.R. 8847."

The bill before the Senate has several important provisions which are entirely different from the proposals advanced by the language of the original H.R. 8847, or by the Ways and Means Committee's amendment to H.R. 8847, which, by the way, was a complete rewrite of the bill, and on which the Finance Committee actually held hearings.

Because of the difficulty of fully understanding the technical provisions of tax bills, I must generally begin my study of a tax bill which has come over from the other body by studying the Ways and Means Committee report. But, Mr. President, on the pending bill we have no report from the Ways and Means Committee. Lacking such a report on the bill, which was passed by the House late in the evening of September 19, I did the next best thing: I went to the CONGRESSIONAL RECORD and read the remarks of certain Members of the House who spoke on the bill. But, Mr. President, that was not very rewarding, to say the most for it.

Members of my staff and I have been busy in trying to keep up with all the changes which have been presented in this Du Pont bill, but this has been most difficult.

Let me review the development of this bill, step by step.

First. The bill H.R. 8847 was introduced on August 22, 1961.

Second. The Ways and Means Committee held a hearing on August 24.

Third. The Ways and Means Committee reported the bill on September 9. That committee published a 14-page report which explained the bill very well. The bill reported was a completely new bill. It was general legislation designed to be of assistance in certain types of antitrust cases.

Fourth. The Finance Committee held a hearing on this version of the bill on September 13.

Fifth. On September 14, the House Rules Committee granted a closed rule for House consideration of the bill.

Sixth. Between the 14th and 19th of September, the Ways and Means Committee reconsidered the bill, and brought to the House a drastically altered substitute, on which it made no report. This substitute was not general tax law, but was a private relief bill.

Seventh. On the evening of September 19, the House passed this new "substitute for the amendment," and I might say again that the "amendment" referred to was, itself, a substitute.

Eighth. The Finance Committee ordered this brand new, drastically altered "substitute for the amendment" favorably reported without change on the evening of September 20.

This, briefly, is the unusual chronology of the unusual bill now before the Senate which the senior Senator from Delaware, with characteristic generosity, candor, and consistency, has already admitted should be amended in at least one very important respect.

This bill has been widely advertised as a bill to relieve the "innocent stockholders" of Du Pont from a harsh tax. This is not, as I shall show, its purport or effect. It is now my purpose to explain this bill, difficult and lengthy though my efforts may prove.

I must do this because there is no official document which gives us adequate detailed information. I include in this indictment the report filed by the majority of the Finance Committee. When I say this, I am not casting aspersions or reflections on the members of the majority of the committee, or impugning the motives of the Senators who support this bill.

The Finance Committee report is quite inadequate as a source of understanding of this bill. It omits much material which, in my opinion, should have been included, especially in the light of the fact that there is no report by the Ways and Means Committee on this bill.

A very serious omission in the report, from my point of view, is the fact that the report makes no mention whatsoever of the plan of divestiture which the Du Pont officials testified that the corporation would follow under existing law, the court permitting. The report does compare the tax consequences of distribution under terms of the pending bill with direct distribution to stockholders under existing law, a procedure which Mr. Greenewalt, the able president of the Du Pont Co., has plainly told the Finance Committee he will not follow. In other words, the committee majority report omits any reference whatsoever to a plan of divestiture which the president of Du Pont told the committee the company expected to follow under existing law, but, instead, treated with a plan that the president of Du Pont told the committee the company would not follow. What a strange performance.

I emphasize this point by reading from the testimony of Mr. Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co., Wilmington, Del.:

> Under present law, as I have said, the stock distribution proposed 3 years ago by the Department of Justice would result in total tax revenue estimated at that time at $700 million to over $1 billion. These tax estimates, however, are no longer relevant.

I digress, Mr. President, to call attention to the fact that the majority report used this specific proposal, by way of comparison, even though Mr. Greenewalt had testified that the tax estimates relating to such a proposed distribution "are no longer relevant." Why did he say they were no longer relevant? He proceeds to tell us:

> The very size of the tax and, associated with it, the staggering capital losses through depression of market values, clearly rule out such a distribution when other methods of divestiture are available.

Mr. Greenewalt continued:

> Other methods are available.

Mr. Greenewalt proposes to follow another plan. Of course, he does not yet know what plan he can follow, because Du Pont must follow a plan that is within the terms of the judgment of the court, which has not yet been rendered.

Nevertheless, the report to the Senate of the Senate Committee on Finance refers to this 3-year-old proposed plan of divestiture, and speech after speech in the other body justifying passage of the bill referred to the allegedly harsh tax impact which would result from this 3-year-old, now irrelevant, plan of distribution.

What the committee report does not discuss, what the report omits, that upon which the committee report is as silent as a tomb, is the plan of distribution which Mr. Greenewalt testified the Du Pont Co. would follow, the court permitting, under existing law.

I note my distinguished friend, the junior Senator from Louisiana [Mr. LONG] is doing me the courtesy of giving me an audience. I see present also the distinguished senior Senator from Delaware, the chief sponsor of the bill so far as I know, in the Senate. Both are members of the Senate Committee on Finance. I ask the Senators to find

in the committee report any reference whatsoever to the plan of distribution which the president of the Du Pont Co. said Du Pont would follow under existing law, the court permitting. It is not to be found in the report. Yet there is to be found a reference to a 3-year-old plan of distribution which Mr. Greenewalt himself says is "no longer relevant."

Mr. President, the report makes no reference to overall revenue effects of the bill. Indeed, the word "revenue" is nowhere to be found in the report of the Finance Committee. I think this is a "first" for the U.S. Senate. The pending bill deals with profits of the Du Pont Co. of approximately $3 billion, yet nowhere does the committee report inform the Senate what will be the revenue effects on the Treasury. Indeed, the word "revenue" as I have stated, is nowhere to be found in the report.

I will compliment the majority report on one point. The report states:

> Your committee wishes to make it very clear that it expresses no opinion as to what particular method of divesture of General Motors stock by Du Pont or by Christiana is appropriate. It is contemplated by your committee that all issues dealing with the manner of divestiture are to be determined judicially, solely with reference to the antitrust principles announced by the Supreme Court in the Du Pont case.

This is a tacit admission that the passage of this legislation might influence the Court. Indeed, in my opinion, this is a primary purpose of the efforts to ram this bill through Congress during the tag end of a very long and, to many, tiring session.

With these few introductory remarks, Mr. President, let me turn to another facet of this question, somewhat related to the point just made.

The basic question here is not "Why do we need a bill now?"

This would indicate that we need a bill now. Rather, the question is, "Should a bill be enacted now?" or "Do we need to pass a bill now?" I think the answer to this basic question is an emphatic "No."

What is this bill which we are now considering? It is a private relief measure designed to benefit the Du Pont Co., the Christiana Corp., the General Motors Corp., and/or stockholders of all three companies. There seems to be disagreement as to whom the bill would relieve and of what undue or harsh burden, if any.

It is only natural that there should be this disagreement, because the condition from which relief is sought has not yet materialized and we cannot know who, if anyone, may be treated harshly, or to what extent relief may be justified.

Up until a few days ago, as I have said, we had been considering general legislation which would change the Internal Revenue Code with respect to the taxation of certain distributions made as a result of antitrust action. True, the bill would have applied to the Du Pont case, but to others of a similar nature as well. In other words, the bill then under consideration was general legislation. Now, however, this bill applies only to Du Pont, a private relief bill.

But what is more basic is the point that the final court order has not been entered. We do not know what plan of divestiture will be specified by the trial court, and we cannot, therefore, now possibly know who will be entitled to relief, if any, or to what extent, or in what manner.

It may well be that some appropriate method of relief would be in order after we know what we are up against. It may be that the Congress would want to specify merely that the tax charged all individual stockholders under existing law would be reduced by one-half or even by two-thirds.

That would be rather generous. If the taxes one would ordinarily owe on income should be cut in half, or cut by 66⅔ percent, it would appear to me to be very generous indeed.

It may be that we would find it more appropriate to delay, or spread over additional years, the collection of the tax. We might feel it more proper to go to some other method of computing the basis for a capital gains tax. After the judgment of the court has become final, these questions and others can be considered.

Even more subject to question, in my view, is the propriety of injecting the Congress into a court proceeding. Let me illustrate this by just one point.

The Justice Department has been anxious to complete divestiture in this case in a relatively short period of time. The Department wanted to complete divestiture, the Finance Committee was told, in 2 years. Now, the Supreme Court has said the Chicago court may allow as long as 10 years for the completion of divestiture. Is the Congress now to step into the middle of this litigation and, by passing a bill, overrule the Supreme Court, and tell the Chicago court, "Order this divestiture to be completed within 3 years, not within 10, as the Supreme Court has ordered? Only by such an order will tax relief to individual stockholders of Du Pont be available."

That is what is proposed in the bill.

Indeed, the General Counsel of the Treasury, Mr. Knight, in testimony before the Senate Committee on Finance, referred to a similar provision as an admonition. I read the testimony of Mr. Knight as it appears on page 28 of the hearings before the committee:

> This sum would be payable over a shorter period of time if the court adheres to the admonition contained in section 1 of the bill with regard to limiting the period of divestiture.

The terms of the substitute for the committee amendment now before the Senate are actually stronger in this regard than section 1 of the bill upon which Mr. Knight testified before the committee. It might well be said that a basic purpose of the bill is to admonish, or to give a mandate, to prejudice the judgment of the court in favor of a rapid divestiture, or a particular type of divestiture. The Senate Finance Committee report stated:

> Your committee wishes to make clear that it expresses no opinion as to what particular method of divestiture of General Motors stock by Du Pont or Christiana is appropriate.

If it is not the purpose of the committee to express an opinion as to what kind of divestiture would be appropriate, then why do we have the provision in the bill?

The whole bill itself is based upon the assumption that a particular type of divestiture should be ordered by the Court, and proceeds to give relief on the basis of such a divestiture. Indeed, it confines the relief to a specified type of divestiture. Yet the committee report to the Senate states that the committee had no such purpose in mind. I do not want to misquote the committee. Let me read again:

> Your committee wishes to make it very clear that it expresses no opinion as to what particular method of divestiture of General Motors stock by Du Pont or by Christiana is appropriate. It is contemplated by your committee that all issues dealing with the manner of divestiture are to be determined judicially, solely with reference to the antitrust principles announced by the Supreme Court in the Du Pont case.

In view of that statement, let me read from the bill itself. This has been a difficult piece of legislation to follow. I can understand why confusion may have arisen and why misunderstandings may have developed. If the committee did not intend to provide for a particular type of divestiture, then it has surely recommended to the Senate a bill contrary to its intent.

I read from page 3 of the bill, beginning at line 12:

> (e) DEFINITION OF DIVESTED STOCK.—For purposes of this section, the term "divested stock" means stock meeting the following requirements:
>
> (1) the stock is the subject of an antitrust order entered after January 1, 1961, which—
>
> (A) directs the distributing corporation to divest itself of such stock by distributing it to its shareholders (or requires such distribution as an alternative to other action by any person);
>
> (B) specifies and itemizes the stock to be divested; and
>
> (C) fixes the period of time within which the distributing corporation must divest itself of all stock to be disposed of by it by reason of the suit, and such period expires not later than 3 years from the date on which such order becomes final (appeal time having run or appeal having been completed); and

The language which I have read from the bill shows clearly that the bill applies to the Du Pont case, and the relief provided under the bill, for whomsoever the relief would apply, if the bill were enacted and after the court order is issued, is limited to a divestiture that is required to be completed "not later than 3 years from the date on which such court order becomes final."

Yet the committee report "wishes to make it very clear that it expresses no opinion as to what particular method of divestiture of General Motors stock by Du Pont or by Christiana is appropriate."

I can only assume that if the pending bill should become law and the court

should fail to abide by this mandate, additional legislation would be in prospect.

What would some of my colleagues say if, in the midst of a school desegregation case, the courts having ordered a certain school system to begin a plan of desegregation on a certain date and complete desegregation of all grades within a 10-year period, some Senator introduced a bill or offered an amendment specifying completion of desegregation within 3 years under penalty of losing, let us say, its portion of funds under the terms of so-called impacted areas legislation? I can hear the cries of protest, and I would join those protesting.

How would this differ, I ask, from the provision in this bill specifying a 3-year divestiture?

This procedure is highly inappropriate and inadvisable in my view.

Nevertheless, the bill is now before the Senate. Since it has not, in my view, had adequate study by the Finance Committee—and even the Senator from Delaware admits it is in need of amendment—we have no choice but to seek to amend it on the floor of the Senate.

This bill, as it has finally been amended the second time by the Ways and Means Committee, is a relief measure designed to benefit the Du Pont Co., and to effectuate with minimal tax consequences the largest distribution of corporation assets—the value of those assets being largely realizable profits—in the history of our country. It has been said that the Du Pont stockholders are the ones who will benefit, but let us see whether, or to what extent, this is so; and, if true, which stockholders.

The facts of the Du Pont case are, I take it, fairly well known. The company has been found to have been in violation of section 7 of the Clayton Act by virtue of its ownership of a large bloc of General Motors stock. The Supreme Court has decreed that Du Pont must divest itself of the General Motors stock which it now holds within a period of 10 years. The details of the plan of divestiture, however, have not been spelled out by the trial court in Chicago, to which the case was remanded for this purpose.

Though Du Pont officials have testified that such a plan would not be followed, it might be well to state the maximum adverse tax consequences of divestiture by total distribution of General Motors stock by Du Pont to its stockholders.

As I have said earlier, this was the plan of divestiture which was discussed 3 years ago, which was used as a justification for passage of the pending bill in the other body, and which is referred to in the report of the Committee on Finance.

As I have said, Mr. Greenewalt says this plan is no longer relevant. Since this plan has been discussed so much, and since so many persons understand that is the plan of divestiture which might obtain or would obtain in the event the bill fails of passage, it might be well to discuss the tax consequences of such a divestiture.

Under existing law, the stockholders of Du Pont, if the General Motors stock owned by Du Pont were to be distributed directly to them, would be liable to a tax up to $1 billion over a period of 10 years, or up to $100 million per year.

This is a large sum of money, and such a distribution might have some unfortunate, unforeseeable, and indirect side effects, as well as some beneficial effects. But even such a distribution as this would not work a particularly harsh hardship on the majority of Du Pont stockholders, as has so often been alleged.

I emphasize that the plan of divestiture which I am now discussing is not one which Du Pont proposes to follow; but since it has been so widely discussed and referred to, I think it should be examined.

Moreover, it has been said that this plan of divestiture, if followed by choice of the Du Pont Co. or by order of the court, would have extremely harsh tax consequences.

So even though this plan has not been ordered, even though Du Pont has not proposed it, even though the Du Pont Co. has said it does not intend to follow it, and has not asked the court to permit it, I nevertheless wish to place it in perspective in order to answer the question of what stockholders would be harshly dealt with and to what extent.

There are about 210,000 domestic shareholders in the Du Pont Co., including a great many charitable and nonprofit organizations of one kind or another. These latter, of course, will pay no taxes, whether the bill is passed or not.

Among individual stockholders, about 170,000 own less than 100 shares. Since 100 shares is a customary block in which to hold stock, this figure is presumably much higher if one includes those owning 100 shares or less.

Just how harsh would the existing law be, let us say, with respect to a retired person owning 10 shares of Du Pont stock, assuming that his pro rata share of General Motors stock is distributed to him?

Since a number of Senators have just entered the Chamber, I may say to them that I am now in the midst of discussing the tax consequences to Du Pont stockholders of this harshest of all proposed plans of distribution.

The plan which was discussed in the committee report and discussed in the debates in the House is not the plan which Du Pont proposes at all. Indeed, Mr. Greenewalt testified that it was not the purpose of the company to follow such a plan. Yet since this has been described as the harsh plan of divestiture, I am proceeding to examine just how even this harshest of all proposed plans would apply to the great majority of Du Pont stockholders who have been told that they would be adversely affected unless Congress shall pass the bill. Many of the stockholders have been inspired to write letters to their Senators and Representatives.

I shall read from the testimony of Mr. Greenewalt, as it appears at the bottom of page 77 of the hearings.

Mr. CARROLL. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. CARROLL. In a sense, was this not the presentation of the Senator from Tennessee the other day, when he read from the testimony, showing that the shift was not in any sense to the shareholders, to whom the bill seeks to shift, but that in reality it is the corporation trying to retain its own position against the shareholders? Was not this testimony contained in the report of the committee submitted to the Senate?

Mr. GORE. The testimony to which the able Senator from Colorado refers, about the plan of divestiture which Du Pont has proposed, the Court permitting, is not referred to in the committee report at all. The statement to which I was about to refer likewise is not referred to in the committee report. Yet the committee report dealt with the consequences of this harshest of all proposed plans, which Mr. Greenewalt stated—as shown at the bottom of page 77, he no longer intends to follow; and he said:

These tax estimates are no longer relevant.

The point I am trying to make now is that despite the fact that the company does not intend to follow this plan and despite the fact that Mr. Greenewalt says the estimates are irrelevant, we find them included in the committee report and in the debates in the House and in the Senate, in justification of this bill.

Therefore, I am proceeding to show just what would be the tax consequences of this irrelevant plan which no longer is under consideration.

Mr. CARROLL. I thank the Senator from Tennessee, and I shall continue to follow with great interest his presentation.

Mr. GORE. I thank the Senator from Colorado.

Mr. President, let us suppose a retired person owns 10 shares of Du Pont stock, and let us assume that the divestiture occurs over a 10-year period—as permitted by the decision of the Supreme Court. That retired person would have an added income—in addition to his taxable income, if he had one—of $60 a year. If the stockholder was a retired person who was dependent on a few investment plus social security, he would likely not be an income tax payer at all.

Yet many of the so-called retired persons who may have invested in a few shares of Du Pont stock have been propagandized and urged to write to their Representatives and Senators and ask them to vote for the passage of a bill which is essentially for the benefit of the Du Pont Co., and for the benefit of the Christiana Corp., and for the benefit of other corporations which own Du Pont Co. stock, and for the benefit of individual stockholders who are in the high income-tax brackets. This situation illustrates very well one of the differences between taxing individual stockholders and taxing the company—a matter to which the able junior Senator from Colorado has referred.

Mr. President, if the stockholder I have described is in a bracket above the 20-percent tax bracket, certainly he is not in dire need.

A taxpayer who is in the 20-percent bracket, in this situation, will have, under existing law, which has been described as harsh, added to his tax bill the amount of $1 per month. Is it for these stockholders that all the pressure for passage of this bill has been built up? I think not.

Yet I have been hearing from many of them. Perhaps the Senate would be interested in knowing that the State which I have the honor to represent, as one of its Senators, ranks fifth in the operations of the Du Pont Co. I believe there are approximately 7,000 employees of the Du Pont Co. in my State. Many of them have bought small holding of Du Pont Co. stock, and many of them have been misled into believing that this bill is for their benefit. But it is not.

Of course, one cannot afford to take a position on a complicated, technical, difficult, and very important piece of legislation merely by counting the number of letters he receives for it and the number he receives against it, or by weighing the mail he receives for it and the mail he receives against it. I hope we can examine this bill objectively.

I believe that the pressure for the passage of the bill does not come from taxpayers in the 20-percent bracket, or the zero bracket retired workers, widows, or orphans, unless they have been misled, but comes from the corporation officials and the high tax bracket stockholders.

In this connection, here is a footnote from the brief filed by the United States with the Supreme Court in 1960.

> For Du Pont stockholders in the 1–100 share group, estimated by National Analysis as constituting 80 percent of the stockholders who are individuals or individual trust beneficiaries (DX 24, R. 3030), the tax impact of the Government's judgment proposal would be very low (R. 1486). Sumner Emerson, a principal defense witness, testified that on the average a person in this stockholder group would be in the 30 percent income tax bracket, would have an income ranging from $16,000 to $20,000, and would, under the Government's judgment proposal, pay an additional tax of less than $50 a year (R. 1488).

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. DOUGLAS. Is this the equivalent of a statement which appears on the preceding page of the Senator's manuscript—namely, that there were 210,000 domestic shareholders in the Du Pont Co., and that about 170,000 owned less than 100 shares, and that a rough computation indicates that 170,000 is approximately 80 percent of the 210,000?

Mr. GORE. That is an approximation.

Mr. DOUGLAS. But previously the Senator from Tennessee said 170,000 own less than 100 shares, whereas on the second page of his manuscript it is stated that these form the 1 share to 100 share group—implying that the 100-share owners are included in the second category. Will the Senator at an appropriate time clarify as to whether the 100 shareowners are included—because, as he previously stated, 100 shares is a convenient number of shares which a great many persons purchase.

Mr. GORE. Yes, I shall do so.

Mr. McNAMARA. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. McNAMARA. I should like to ask whether I correctly understand that the Treasury Department has stated that it has no objection to this bill.

Mr. GORE. I should like to read the statement by the Treasury Department; it is rather peculiar.

I read from near the end of the letter of Mr. Knight, General Counsel of the Treasury:

> If Congress should pass S. 2266, modified to include our suggestions, this Department would not object to its becoming law, although we take no position with respect to the need or desirability of tax relief in antitrust divestiture cases.

I think one should realize that the bill has been changed since that letter was written. I could not determine whether the Treasury was for the bill or against the bill. I really raise no question about the statement in the committee report, which concludes with the following statement:

> The Treasury Department and the Department of Justice do not object to enactment of the substitute for the committee amendment to H.R. 8847.

Mr. McNAMARA. I think that serves my purpose.

The Treasury Department displays an interesting set of values in this instance, as I see it. The Senator has pointed out some examples of how this matter affects taxpayers. I wish to ask the Senator if he knows about the situation which I shall now describe. Not quite a year ago one of Detroit's three daily newspapers, the Detroit Times, suddenly sold out, and, literally overnight, hundreds employees were without jobs, having had absolutely no advance warning.

Fortunately, they had some protection through the contract between the Newspaper Guild and the Times, which provided severance pay under the formula of 2 weeks pay for each year of service. In some cases, this meant thousands of dollars in severance pay to an individual. But the money was paid the former employees in the 1960 tax year, which meant it was lumped together with other 1960 earnings for income tax purposes.

This put them into higher income tax brackets, forcing them to pay out huge portions of the severance pay in taxes, all at a time when they were without jobs. Even today many of them still have not found employment.

Yet when we asked the Treasury Department if there was not some way taxes on the severance pay might be spread out over a period of years, at least for those still without employment, the pleas were turned down. "We cannot do that," said the Treasury Department. "Severance pay is income under the law, and full taxes must be paid."

Then there was this interesting comment from the Treasury, and this is an exact quotation:

> It is very difficult for the law to be written to take into account all of the varied, individual circumstances of each taxpayer. It may well be, therefore, that if relief is to be given in the case you describe, it should be by some means other than through the tax laws.

Then we come to the Du Pont case, and great alarm is expressed about the possible harm to the poor stockholders.

Mr. GORE. To whom dividends are income, just as severance pay is income.

Mr. McNAMARA. Exactly.

Here the existing law is not quite good enough. The Treasury Department says it has no objection—apparently deciding it is not too difficult, after all, to write a new law to take into account some new circumstances that it could not consider in other cases.

Mr. GORE. When did this situation occur?

Mr. McNAMARA. Less than a year ago.

Mr. GORE. Did the Secretary of the Treasury so hold?

Mr. McNAMARA. I am able to identify the quotations. I have quoted Stanley S. Surrey, Assistant Secretary of the Treasury. These are his quotes. I think he is still in the Treasury Department.

Mr. GORE. He is.

Mr. McNAMARA. That is why I say there is an entirely different reasoning in a similar situation. One of these groups consisted of working people; the other group consists largely of people who live on income. At least, a great many of them do.

Mr. GORE. I am disappointed that our Treasury Department——

Mr. McNAMARA. Seems to have a double standard.

Mr. GORE. Seems to measure severance pay by one yardstick and dividends by another.

Mr. McNAMARA. The severance pay benefits were developed over a long period of years, in some cases, 15, 20, or 30 years. The Department decided they could not even be treated as capital gains, but only income for 1960—not even for 1961. Many of them are still out of work. So the suffering taxpayers we are discussing seem to be those who least need help by way of legislation at this time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9033) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 13,

18, 19, and 20 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 3 and 27 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual rate contracts with shippers and consignees, and for other purposes, and it was signed by the President pro tempore.

Mr. HAYDEN. Mr. President, will the Senator yield to me so we may take up the foreign aid conference report?

Mr. GORE. Mr. President, I yield for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1962—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9033) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN obtained the floor.

Mr. McNAMARA. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. McNAMARA. Would it be possible to tell the Senate what is the total amount arrived at by the conferees?

Mr. HAYDEN. I have a table which shows the amounts.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me? I believe I have the figures available.

Mr. HAYDEN. I yield.

Mr. McNAMARA. I wish to know the total.

Mr. SALTONSTALL. In new money for title I the total is $3,914,600,000. We should add to that the $30 million for the Peace Corps, and unobligated balances of $69,533,000, and the total is then $4,014,133,000. If we add the Ryukyu Islands, the Inter-American Development Bank, and the Inter-American Development Association, there is a total for all five titles in the bill of $4,192,878,000.

Mr. McNAMARA. $4.1 billion plus.

Mr. SALTONSTALL. Nearly $4.2 billion.

Mr. HAYDEN. Mr. President, the total of this bill as it passed the House of Representatives was $3,835,245,000, not including $25 million of unobligated balances which the House continued available.

The bill as it passed the Senate contained $4,416,091,000, not including $106,412,000 of unobligated balances which were continued available by the Senate.

The final agreement in conference on the total of the bill is $4,123,345,000, not including $69,533,000 of unobligated balances.

Mr. President, the conferences on this bill were very difficult. There were several separate conferences.

The Senate conferees approved the report unanimously and I believe the amount which has been agreed to is fair and equitable. If Senators will examine the figures closely, they will find that the final agreement is almost a 50–50 split between the two bodies.

For many years, the foreign aid appropriation bill has carried a confirmatory provision. It was eliminated this year since activities may be conducted during the interim period prior to the enactment of the appropriation bill so long as they fall within an appropriation category which existed in the prior fiscal year.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McGEE. Many Senators are concerned about the lack of adequate information on the foreign aid program which is made available by the executive branch to their constituents and to the American people generally. The Foreign Relations Committee of the Senate has said in a recent report that it believes that much of the public misunderstanding of the mutual security program can be traced to lack of information about it. The committee observed that many of the criticisms of the program could be answered by a greater disclosure of the facts. The committee urged the executive branch to use all appropriate media to make more information about the program available to the American people. I understand that the Foreign Affairs Committee of the other body has also urged the executive branch to make fuller information on the program available to the public.

I note that section 601 of the appropriations bill provides that no appropriated funds shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress. I should like the views of the distinguished chairman of the Appropriations Committee to be sure I understand correctly that this section will not inhibit the executive from using funds to continue and increase its efforts to provide full information to the American people about the program through all means and media as requested by the Foreign Relations Committee and to provide information about the Peace Corps, including the furnishing of recruiting materials.

Mr. HAYDEN. Mr. President, the Senator's understanding is correct. The purpose of the section is to prevent the use of foreign aid and Peace Corps funds for propaganda. It is not intended to prevent or inhibit the use of funds by the executive to continue and increase the provision of information on these programs to the American people. Our democratic form of government depends on an informed electorate.

Mr. McGEE. I thank the chairman of the committee for his contribution.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PASTORE. At this time I have nothing but words of compliment for the conferees both of the House and of the Senate as to reaching an agreement on the so-called foreign aid bill. I think the amount arrived at is satisfactory to the administration.

As a matter of fact a substantial amount was restored over the cut by the House. For the contingency fund of the President, the House allowed $175 million. The conference raised that to $275 million, which is $25 million below the amount requested by the Bureau of the Budget.

Furthermore, we made certain in the bill that the unobligated amount of $8.9 million in the contingency fund would be preserved and reappropriated for the purpose of being used in the President's contingency fund.

The Senate should know at this time that while it was an arduous conference and while there was a vast difference between the House and Senate conferees at the beginning, at the end the difficulties were resolved to the satisfaction of all.

I believe the administration can take great comfort and satisfaction in the amount reached. The House gave very little. The Senate gave even less. All round, it was a very satisfactory result.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. SPARKMAN. I am glad the Senator from Rhode Island made those remarks. I think a very fine job has been done in the handling of the conference on the bill, and that the outcome should be a measure of satisfaction to everyone interested in a good foreign aid program.

I commend the Senator from Arizona and all members of his committee, and particularly those who worked with him in the conference, for what has been done.

Mr. President, the Senator from Arkansas [Mr. FULBRIGHT] who is chairman of the Committee on Foreign Relations, had a statement he wished to make. I shall give it as it would have

been given by the Senator from Arkansas [Mr. FULBRIGHT]. It applies to me also, because I was one of the conferees on the foreign authorization bill. I believe this statement should be a part of the RECORD.

I note that on page 3 of its report the Committee on Appropriations states that, while the Foreign Assistance Act omits authority to use certain payments from foreign governments for financing development loans, such payment will constitute resources from which development loan appropriations may be made.

As I recall, the foreign assistance bill as introduced authorized the use for development loans of Japanese payments to be made for assistance furnished under the government and relief in occupied areas—GARIOA—program. I understand that on June 10, 1961, Japan and the United States initialed a memorandum pursuant to which an agreement will be concluded providing for the repayment of $490 million for postwar economic assistance, including GARIOA, on the understanding that the United States will utilize the major portion of the repayments for development assistance, subject to appropriate legislation by the United States.

As a conferee on the Foreign Assistance Act, I wish to make it clear that in deleting the provision specifically authorizing the use of Japanese repayments for development loans, neither the conference committee, nor, I believe, the Congress in adopting the conference report, was in any way rejecting the principle underlying the United States-Japanese agreement on this matter. Indeed, I think that at least in this particular case the Congress endorses the principle that the returns of earlier aid programs be put to work in new programs abroad, and I am pleased that the Senate Appropriations Committee has so stated.

Mr. SALTONSTALL. Mr. President, I am informed by the minority leader, the Senator from Illinois [Mr. DIRKSEN], that he wishes to be present and make a remark or two before the conference report is acted upon. He was in the caucus room, and I am informed that he is now on his way to the Chamber. In order to give him a minute to arrive, I doubt the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN entered the Chamber.

Mr. SALTONSTALL. Mr. President, the purpose for which I doubted the presence of a quorum has now been resolved. I ask unanimous consent to withdraw my doubt.

The PRESIDING OFFICER. Without objection, the order for the quorum call will be rescinded.

Mr. DIRKSEN. Mr. President, I know something about the difficulties that face conferees in their consideration of a foreign aid bill. For many years I served as a conferee and I know how warm tempers can become, and, many times, how acrimonious exchanges between Members of the House and the Senate can be. I have participated in some very testy and acrimonious exchanges in the past. They are very trying to temperaments, patience, and the spirit of everyone concerned.

First, I congratulate and compliment the very distinguished chairman of the Committee on Appropriations, who, through his gentility and kindness, has exerted a great influence on the conferees.

I extend an equal compliment to the very distinguished Senator from Massachusetts [Mr. SALTONSTALL], who served as the chairman of the minority contingent, and who has helped to "carry the ball."

I am glad to see that affinity of viewpoint between the chairman and the distinguished Senator from Massachusetts. The bill has already been a subject of great interest to me. I have had some conversations with the President about the importance of the bill. I know the deep and abiding interest of our former President, General Eisenhower, who has manifested a continuing interest right up to the last in the hope that Congress would not shortchange the administration, because foreign aid is one of the instrumentalities by which we can reach into the corners of the earth to deal with the Communist menace of penetration and infiltration.

We sometimes think of the problem as one in a military frame. I think probably the economic drive that the Communist empire is making in the world today is more dangerous perhaps than the military threat, for if perchance at any time our outlets of goods, commodities, and services to all parts of the world should be not only foreshortened but restricted to a point at which we would become a hemisphere unto ourselves, I dread to think what would finally happen to the American economy. I rather foresee that the hand of control on every facet of American life would finally have to be imposed.

That is one of the reasons why this subject has always been of transcendent interest to me.

I salute the distinguished chairman and all the conferees for the patience they have manifested. I could see that an element of pride as between the House and the Senate was beginning to assert itself, and probably an element of pride as between the House and the executive branch itself. I am always distressed when such a condition develops, because it seems to destroy perspective and the viewpoint that is necessary in estimating the impact of the program worldwide upon the ultimate destiny of the United States. I think the conferees have done an excellent job under the circumstances. There are items that I had hoped would be increased. I thought that the contingency fund of the President of the United States should have been kept intact in its entirety. This is a critical situation.

We are beset with perils of all kinds; and who shall say at what time and where the difficulties will erupt in the world that will require immediate and almost precipitant action on the part of the President of the United States?

So I wanted to do for President Kennedy exactly what in other years I have undertaken to do for President Eisenhower. I wanted to keep intact a fund that would be available for those imponderable and unpredictable conditions that so rapidly develop in all sections of the world.

But, notwithstanding my own feelings in the matter, I think in the main the conferees consummated a good job. I am content at the moment to go along with the conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. I wish to associate myself with the remarks of the distinguished minority leader. I know at first hand how invaluable he has been in trying to bring out the kind of program and appropriation which will do the most good for our country in the difficult period in which we find ourselves at the present time.

I also wish to compliment the Senate conferees, who I think performed magnificently in the most important field of foreign relations. I am glad at long last we have reached the end of the road on this particular program in this particular year.

Mr. DIRKSEN. I am delighted and happy over the observations of the distinguished majority leader. On occasion it has been said that the President of the United States has undertaken to exercise some blandishments on the minority leader. Well, it intrigues me somewhat, because blandishments, after a sustained and almost continuous service for a period of 28 years in the National Legislature, have no particular impact on me. I try always to see things in perspective, and to be impelled by a sense of conviction as to what the country ought to do.

It is only a week or 10 days ago that the distinguished chairman of the Appropriations Committee, the distinguished majority leader, and I attended with the President. At that time he indicated his deep and vital interest in this program. Among other things he asked on that occasion:

What it is that we have to offer finally for this aid. That necessarily has to be expressed in terms of money. It must be expressed in terms of money. There is no other way that we can do it. Whether it is goods, services, commodities, technical help, or what it is, always and always it is attended by the dollar sign.

So out of it comes deep controversy as to what we have done, and whether, after all, we have overreached the resources and the capacity of our own blessed land. I have no other answer for it. We can abandon our efforts and forfeit our position; we can withdraw from those areas where we are offering help, and finally let Communist penetration and infiltration become complete.

If that happens, we must necessarily conclude that we are on a fortress basis on our own hemisphere, and then the very survival of our country and of free, competitive enterprise, and of the survival of freedom itself, both on the national and individual basis, are in definite jeopardy.

On that point I agree with the President of the United States.

I did resist, of course, his original proposal for a 5-year program, under which bonds might be issued at his fiat and sold to the Treasury, the money committed to a distribution however he saw fit. Congress in its wisdom decided otherwise, and I think it was a wise decision. As a result, planning is still available, but the Congress still has annual scrutiny over the appropriations that shall be made.

I believe it is, after all, a happy compromise. The President can do his planning in a world that is filled with fever and uncertainty. If this fails, then all fails, and I, for the moment, at least, have no answer for the problems and for the challenges that are on the doorstep of America.

This is indeed a strange and dangerous contemporary period in the life of this Republic. We must fortify and uphold the hand of the Chief Executive because he is the director of our foreign policy. We must uphold his hand as Commander in Chief of the United States. I made that kind of plea when a Republican President was in the White House. I will do no less in my devotion to the salvation and survival of my own country today, and will do the same for a Democratic President. I hope he will find this solution on the appropriations side rather satisfactory. If not, he always has the alternative of coming back in the new session for whatever he may need in order to carry on his policies and his programs in the interest of our national salvation.

Once more I compliment those who through trial and patience have worked out what appears to be a very satisfactory compromise.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from New York.

Mr. KEATING. I wish to associate myself with the distinguished minority leader in expressing the gratitude of all of us to the distinguished and beloved chairman of the Appropriations Committee, to the Senator from Massachusetts, and to the other members of the committee who worked so hard on this matter. I know it has been a trying task. I wish particularly to express my gratification over the fact that there has been retained in the conference report language which several Senators joined with me in cosponsoring, to give some effect to the consideration which should be given, in the words of President Kennedy, to those nations which share the view of the United States on the world crisis. This amendment was important. I am delighted that the House was willing to accept it. I appreciate the action of the conference committee in retaining the language in the bill.

Mr. President, the purpose of the amendment is not to deny aid to nations which pursue a genuine and honest course of neutrality, nor to refuse assistance to the peoples in countries who apparently share our ideals of freedom and representative government. The purpose of the amendment is simply to serve warning on those nations who are trying to play the United States off against the Soviet Union, which are perfectly willing to criticize the United States, but never seem able to raise their voices against the Soviet Union. There is no reason why the taxpayers of the United States should bear an increasing burden to provide aid to countries where American motives are continually distorted and criticized and where no honest attempt is made by the Government to combat Communist propaganda and spread the truth about U.S. policies.

Mr. President, I have supported the foreign aid program this year as I supported it in the past. I went along with the President's proposals for a 5-year plan when a compromise was devised for a continuing congressional oversight through reports to four different congressional committees of loans over $5 million. I believe the foreign aid program is an important part—although only one part—of our Nation's efforts to combat communism. At the same time, I believe that at this point in world events we would be injuring rather than helping the cause of freedom if we did not carefully consider concentrating our assistance on those countries which have an appreciation of the real meaning of freedom and economic progress.

Mr. President, although this amendment is not binding legislation but only expresses the sense of Congress, I am still very glad that it has been accepted by the House conferees. I think it is an important expression of the thinking of the American Congress and also, I am sure, of the majority of the American people on the manner in which our foreign aid funds should be expended. I congratulate the hard working and dedicated Senate conferees on retaining this language in the bill as well as on their other even more arduous labors in bringing out an acceptable conference report on this bill.

I join my colleague from Illinois in his expression of disappointment that it was not possible to include the full amount for the President's contingency fund. I know our conferees did all they could. I feel that, whoever the President is, in these uncertain times this is a very important element. I would have liked to have the full amount retained. Of course it is not far from it. I agree with what the distinguished minority leader has said about our obligation on this side of the aisle to stand with the President in these days.

Mr. DIRKSEN. I yield to the senior Senator from New York.

Mr. JAVITS. Mr. President, it will be recalled that I sought to strengthen the hand of the conferees when they went to conference. Upon the expression of the conferees, particularly the expression of my distinguished colleague from Massachusetts [Mr. SALTONSTALL] who very rarely speaks as decisively as he did on that point, I withdrew my motion for instruction of the conferees.

I would like to state, therefore, that I am very pleased with the way this matter went in conference.

I join my colleague from New York, Senator KEATING, in speaking of Senator HAYDEN as our "beloved colleague." I served with him on the Committee on Rules and Administration, and I know that he occupies a very warm place in the hearts of all of us. Therefore, it is especially gratifying to pay him tribute in respect to this very difficult negotiation. I am deeply grateful also to the Senator from Massachusetts, and to all the other members of the conference committee who have worked this out. I would like to say that the conference committee who have worked this out. I would like to say that the confidence which he asked we place in him has certainly been thoroughly justified by the record.

I should like to add only one further point. I notice that the amount for the survey of investment opportunities has been materially cut. I hope that we may consider this as an experiment. I am glad to see it retained in the bill. I know that the House opposed it. I hope that we may consider it as an experiment, because I feel deeply that private enterprise participation in this program is the greatest potential we have for really doing the job adequately.

Making private borrowers eligible for the Development Loan Fund will prove to have a tremendous effect upon the scope of our program. I am therefore very much interested to note that we did sustain the strong position taken in the Senate, and that it is rather on the high side instead on the low side of the Development Loan Fund. For that reason, if private enterprise is to be an eligible borrower, it ought to have some source to which it can go which is reasonably adequate.

I mark these points especially. I am glad to note that the conferees on the part of the Senate stood up, as is shown in the RECORD.

Mr. DIRKSEN. Mr. President, before I conclude I would feel a little remiss if, as a former member of the Appropriations Committee, I did not salute and pay testimony to one of the greatest public servants I have ever known, Tom Scott, who is the acting chief clerk of the Committee on Appropriations. I have served with him over a long period of time; and early and late, whether it be day or night, he has always been available and always cheerful, no matter what the hour, in serving the members of that committee, and, in fact, every Member of the Senate.

I do not know how many times I have called him after I left the committee to seek advice, because somehow or other he has the figures and the authentic, authoritative advice at his fingertips.

In the committee, we know him affectionately as "Tommy." Everyone knows him. Everyone makes a path to his door.

So tonight, in that affectionate spirit, Tommy, I simply say to you: What a great tower of strength you have been, along with all your other associates in the Committee on Appropriations. You deserve a tribute of respect and affection, not merely because you serve the

committee, but because you serve the people of the United States.

Sometimes when I have sought answers—and they were always forthcoming—perhaps I was a little chagrined; but never did you depart or deviate from what you thought was correct. That makes you a great public servant.

I feel certain that every member of the Committee on Appropriations and every Member of the Senate joins in paying a deservedly high tribute to you for what you have done for the country.

Mr. HOLLAND. Mr. President, as one who has never before served on the Foreign Aid Conference Committee, I hope I may be permitted to make two comments growing out of my service on the committee of conference.

First, in addition to a feeling of the deepest gratitude to the chairman of the committee of conference and to the ranking minority member, I wish to make it clear that one of the impressions with which I came out of the conference, which will always be a lasting one, is that the feeling of bipartisanship which prevailed throughout the conference was, to me, very wholesome to witness in this kind of situation. Not only did that feeling prevail on the Senate side and as to every conferee, regardless of some diversity of opinion, which was known in advance; it prevailed also on the House side; and it prevailed in the conference as a whole.

It seems appropriate to remark that it must have been confidence-inspiring to the country to observe two former Presidents, who are still active, President Eisenhower and President Truman, both backing the present President, who faces emergencies in this critical time. To me, it was confidence inspiring to see the real show of bipartisanship which prevailed throughout the conference and which shows up in the result of the conference.

Second, the outcome of the conference should add to the impression which I think the country already has, namely, that it will be confidence inspiring to have the Committees on Appropriations of the two Houses review this very important, very expensive, and, in many respects, very unpopular program every year. It will be considered upon its merits and upon the performance of those who handle it, before we hand down our judgment. In this instance, it was shown to be a fair judgment, a nonpartisan judgment, one which I think showed an appreciation of the fact that we do have such critical times and such serious problems as to call for real sacrifice in this field.

It was an honor to serve on the committee of conference. I shall carry many happy recollections out of what was one of my most arduous experiences during my service in the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9033, which was read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 13, 18, 19, and 20 to the bill (H.R. 9033) entitled "An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes", and concur therein:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein with an amendment, as follows: Strike out the word "trade" and strike out the words "to remain available until expended, ".

That the House recede from its disagreement to the amendment of the Senate numbered 27, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"or (B) a certification by the President, personally that he has forbidden the furnishing thereof pursuant to such request and his reason for so doing".

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3 and 27.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement of the appropriations for 1961, the amounts in the House and Senate bills by appropriation item, and the final conference agreement on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962

TITLE I—FOREIGN ASSISTANCE

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate	Conference action
FUNDS APPROPRIATED TO THE PRESIDENT					
ECONOMIC ASSISTANCE					
Development loans	$600,000,000	$1,200,000,000	$1,025,000,000	$1,200,000,000	$1,112,500,000
Development grants		380,000,000	259,000,000	334,000,000	296,500,000
Development grants, special authorization				100,000	100,000
Surveys of investment opportunities		5,000,000		3,000,000	1,500,000
Development research		20,000,000			
International organizations and programs		153,500,000	153,500,000	153,500,000	153,500,000
Supporting assistance		581,000,000	400,000,000	450,000,000	425,000,000
Contingency fund	250,000,000	500,000,000	175,000,000	300,000,000	275,000,000
Administrative expenses	38,000,000	51,000,000	45,000,000	50,000,000	47,500,000
Administrative expenses (State)	8,000,000			6,000,000	3,000,000
Defense support	675,000,000				
Technical cooperation, general	150,000,000				
U.N. technical assistance program	33,000,000				
OAS technical cooperation programs	1,300,000				
Special assistance:					
General authorization	230,000,000				
Special authorization	1,500,000				
Intergovernmental Committee for European Migration	6,700,000				
U.N. High Commissioner for Refugees	1,300,000				
Escapee program	3,350,000				
U.N. Children's Fund	12,000,000				
U.N. Relief and Works Agency	16,500,000				
NATO science program	1,200,000				
Ocean freight charges	2,000,000				
Atoms for peace	1,500,000				
Total, economic assistance	2,031,350,000	[1] 2,890,500,000	2,057,500,000	2,496,600,000	2,314,600,000
MILITARY ASSISTANCE					
Military assistance	1,800,000,000	[2] 1,885,000,000	[4] 1,600,000,000	1,700,000,000	1,600,000,000
Total, title I foreign assistance	3,831,350,000	[3] 4,775,500,000	3,657,500,000	4,196,600,000	[5] 3,914,600,000

TITLE II—DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RYUKYU ISLANDS, ARMY					
Administration	$6,089,000	$6,835,000	$6,089,000	$7,835,000	[1] $7,089,000

See footnotes at end of table.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate	Conference action
Limitation on operating expenses	[5]	($1,175,058,000)	($1,170,000,000)	[5]	($1,300,000,000)
Limitation on administrative expenses	($2,675,000)	[6] (3,010,000)	(3,010,000)	($3,010,000)	(3,010,000)
TITLE IV—TREASURY DEPARTMENT					
Investment in Inter-American Development Bank		$110,000,000	$110,000,000	$110,000,000	$110,000,000
Subscription to the International Development Association	$73,666,700	61,656,000	61,656,000	61,656,000	61,656,000
Total, title IV, Treasury Department	73,666,700	171,656,000	171,656,000	171,656,000	171,656,000
TITLE V—PEACE CORPS					
Salaries and expenses		$40,000,000		$40,000,000	$30,000,000
Total, titles I, II, III, IV, and V	$3,911,105,700	4,993,991,000	$3,835,245,000	4,416,091,000	4,123,345,000
INTER-AMERICAN COOPERATION [7]					
Inter-American social and economic cooperation program	500,000,000				
Chilean reconstruction and rehabilitation program	100,000,000				
Total, Inter-American cooperation	600,000,000				
Grand total	4,511,105,700	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000

[1] Reflects net decrease of $509,500,000 contained in H. Doc. 208.
[2] Includes $85,000,000 in H. Doc. 208.
[3] In addition, all unobligated balances continued available, estimated to total $106,412,000, including $25,000,000 for "Military assistance."
[4] In addition, not to exceed $50,000,000 of unobligated prior year funds reappropriated.
[5] No limitation imposed.
[6] Includes $260,000 in H. Doc. 208.
[7] Funds provided in Public Law 87-41, approved May 27, 1961.
[8] In addition, unobligated balances of $69,533,000,000 continued available.

Mr. DIRKSEN. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. DIRKSEN. Are these the final figures on appropriations?

Mr. HAYDEN. Only on the foreign aid bill.

Mr. DIRKSEN. I thought perhaps the statement contained a summation of all the appropriation bills, showing the budget requests, House action, and Senate action.

Mr. HAYDEN. No; that information will be presented later.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. KIRWAN, Mr. CANNON, Mr. JENSEN, and Mr. TABER were appointed managers on the part of the House at the conference.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. GORE. Mr. President, I read further from the footnote to the brief filed by the United States with the Supreme Court in 1960:

Of course, the greatest tax impact of the proposal would be on individuals who own directly or beneficially over 5,000 Du Pont shares, who have an average income tax rate of about 80 percent and a probable income of $160,000 to $180,000 a year—R. 1487. There are, however, only 404 such stockholders, less than one-fifth of 1 percent of Du Pont individual or individual-trust-beneficiary stockholders—DX 24, R. 3030.

Actually, the above considerations concerning the taxation of individual stockholders are entirely beside the point, as I have said, because the president of the Du Pont Co. has testified before the Finance Committee that, in the absence of this or some other relief bill, the company will issue only a comparatively small amount of stock directly to its shareholders, the court permitting, but will sell or exchange most of it. By this plan, any above-normal tax, under existing law, will be paid by the Du Pont Co., and not by the individual stockholders, and will be much less than the stockholders would have to pay if stock were distributed directly to them. This will probably amount to something between $133 million and $330 million spread over a 10-year period, according to estimates of Du Pont.

Mr. President, this is a strange and anomalous situation. One Senator after another has talked to me about the volume of letters he has been receiving from small stockholders of Du Pont stock. The writers feel that, unless Congress passes a bill, they will be dealt with harshly. I wonder from what source that information has come. I have received many letters from Du Pont stockholders in my own State, pleading for passage of a bill to provide relief for them. Yet, in the absence of the passage of any bill, Mr. Greenewalt, president of the Du Pont Co., stated before the Senate Finance Committee that Du Pont proposes to follow a plan of divestiture whereby "there would be no additional revenue to the Treasury because stockholders would be paying no more than the tax they now pay on the cash dividends."

Let me read more of what Mr. Greenewalt said, because he makes it very plain. He makes it plain, to begin with, that the bugaboo of a divestiture by which it is alleged many Du Pont stockholders will be treated harshly will not materialize. Indeed, Mr. Greenewalt himself said that the tax estimates, based upon this type of divestiture "are no longer relevant." Why? I quote Mr. Greenewalt:

The very size of the tax and, associated with it, the staggering capital losses through depression of market values, clearly rule out such a distribution when other methods of divestiture are available.

Other methods are available. The Supreme Court's mandate calls for divestiture, not distribution, and the Department of Justice has shown a willingness to accept flexibility in methods of divestiture. The Department of Justice stated in its appeal brief to the Supreme Court that Du Pont should be "* * * free to exercise its own judgment as to the methods of divestment, and combination of methods, most advantageous to it, its stockholders and General Motors stockholders."

Accordingly, our proposed final judgment filed with the district court in Chicago provides that Du Pont shall divest itself of its General Motors stock "by distribution to its stockholders or by such other means as it may select."

After a great deal of thought and study, we have concluded that a flexible program which would permit use of a combination of

methods would be least harmful to stockholders under present law. For example, we estimate that Du Pont could dispose of around 15 million shares of General Motors stock over a 10-year period by paying some part of its regular dividend in General Motors stock rather than cash. There would be no additional revenue to the Treasury—

Mr. President, if there is no additional revenue to the Treasury, that means the stockholders will pay no additional tax.

Mr. Greenewalt continued:

because stockholders would be paying no more than the tax they now pay on the cash dividends.

In other words, the president of Du Pont proposes to distribute approximately 15 million shares of General Motors stock in lieu of a part of normal cash dividends. If the small stockholder in my State who owns 10 shares of Du Pont stock received, instead of a cash dividend, part cash and part General Motors stock, he would receive, in fact, the same dividend and would owe the same tax as he would pay if he received the dividend all in cash.

According to the president of Du Pont the plan to be followed under existing law, the Court permitting, would not require the stockholders of Du Pont, in the words of Mr. Greenewalt, to pay more "than the tax they would now pay on cash dividends." Yet the senior Senator from Delaware talks about the bill being needed for the Du Pont stockholders to relieve them of harsh treatment. The bill is said to be necessary in order to prevent widows and orphans from being ground into penury. The bill is said to be in the interests of the mass of the working people.

From where does this propaganda come? Why is it the Senate and the House have received a great volume of letters from small stockholders, stating they will be harshly treated unless Congress passes the bill? This is indeed an anomalous situation.

What is the second step Mr. Greenewalt proposes? Senators will find that beginning on page 79 of the hearings before the Senate Committee on Finance.

Du Pont also could offer to exchange General Motors shares for shares of Du Pont common and preferred which could then be retired.

Mr. President, if Du Pont exchanged its General Motors shares for outstanding Du Pont shares and retired those Du Pont shares, it would increase the value of the remaining and outstanding Du Pont shares, thus adding to the value of the stock which the Du Pont stockholders own, though under present law they would pay no additional tax until such time as they sold the stock they now hold. This would not result in any increased tax to the stockholders as a result of the divestiture case.

I continue to read from Mr. Greenewalt's statement:

Assuming certain statutory tests are met, as we believe would be the case, the exchanging stockholders would be subject to capital gains tax. As an incentive, it would be necessary to offer a suitable premium. In that event, exchanges might appeal to stockholders with a tax-exempt status, such as religious, educational, and charitable institutions, and to those Du Pont stockholders whose cost basis for Du Pont stock is high enough so that there would be little or no tax incident to the exchange. We believe we could dispose of as many as 10 million General Motors shares through essentially tax-free exchanges.

I read further from Mr. Greenewalt's testimony:

It thus appears that we could dispose of as many as 25 million shares of General Motors by methods which would produce no additional tax revenue.

Mr. President, I hope Senators will follow this, because it is a strange case. The Senate, the Congress, and the country are being flooded with propaganda to the effect that the small stockholders of Du Pont will be dealt with harshly unless Congress passes a bill and passes it now, yet I have read the testimony from the president of Du Pont, who says that he proposes to follow the plan of divestiture which I am describing, about which I am reading from his own testimony. The first step would be to distribute 15 million shares of stock in lieu of cash dividends to stockholders over the period of the divestiture, which, according to him would mean the stockholders would pay no additional tax. The second step, which I have read, calls for the exchange of 10 million shares of General Motors stock. This makes a total of 25 million shares in the two steps.

I quote again: "which would produce no additional tax revenue."

How is this going to crush the little workingman at Old Hickory, Tenn.? How is this going to deal harshly with the widow in Wilmington, Del.?

How would the plan deal harshly with any stockholder? Twenty-five million shares would be divested in a manner that would raise no additional revenue by payment of additional taxes by any stockholder, or even by the Du Pont Corp.

There is a third step. If Senators wish to follow my statement, I refer to page 79 of the hearings:

If we are correct in these estimates, there would still be left more than 35 million shares which we expect the company would have to sell within the 10-year period. Du Pont—

That is the Du Pont Corp., not the stockholders of Du Pont—

would be required to pay a tax on any capital gains realized on these sales, and the tax revenue yield on all this would be in the neighborhood of $330 million based on current market value of General Motors stock.

I am happy that the senior Senator from Delaware [Mr. WILLIAMS] is still in the Chamber, because I would like him to explain on his own time—or I would be glad to yield, if he desired me to do so—why the report of the Senate Committee on Finance made no reference whatsoever to that point. Who would pay the $330 million in taxes? The best authority I know is the man who presented the plan—the president of the Du Pont Co., Mr. Crawford H. Greenewalt, president, E. I. du Pont de Nemours & Co., Wilmington, Del. What did he say? I read his statement again:

Du Pont would be required to pay a tax on any capital gains realized on these sales.

I call the attention of the Senate that he did not say "these stockholders"; he said "Du Pont."

Mr. President, I am reading the plan of the Du Pont Co. to comply with the requirements of the Supreme Court decision under present law. I read further from the statement of Mr. Greenewalt:

Under present law, then, tax revenues under the combination of methods of divestiture which now appears most favorable would total about $330 million.

In the preceding sentence Mr. Greeenewalt said that the Du Pont Corp. would pay $330 million in taxes under present law, according to the plan which he proposes to follow, and which Du Pont has asked the trial court in Chicago to permit.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DOUGLAS. Is it not true as previous discussion has brought out that the increase in the value of the General Motors stock owned by Du Pont is somewhere between $2.9 billion and $3 billion?

Mr. GORE. Yes. The accretion in the value of the General Motors stock held by the Du Pont Co. is in the order of $3 billion.

Mr. DOUGLAS. Is it not also true that if the stock was sold and distributed in cash to individuals, and they paid individual income taxes upon it, that the total tax would be between $1 billion and $1.5 billion?

Mr. GORE. I take it that the able Senator is assuming that all of the General Motors stock held by Du Pont would be distributed to the stockholders as dividends and taxed as dividends.

Mr. DOUGLAS. That is correct. Was it not this prospect which was held out to us last year as the great penalty which the Du Pont stockholders would suffer and which led, therefore, to the tax proposal of last year?

Mr. GORE. Yes. Not only was that bugaboo held out last year, but it also was held out this year—in the committee report, in speeches on the floor of the Senate, and in speeches in the other body—justifying this tax, and this bugaboo was waved at the little stockholders, even though Mr. Greencwalt had testified, as the Senator will see on page 77:

The estimates are no longer relevant.

As the Senator will see, he proceeds to say that he does not propose to follow any such plan.

Mr. DOUGLAS. The devices which he was very frank in outlining would have led to a reduction in the total volume of the tax, as the Senator from Tennessee has said, to a total of between $133 million and $330 million?

Mr. GORE. The Senator will see in paragraph 2 on page 4 of the committee report that now—this year—the bugaboo of a harsh divestiture is held out, while the same committee that made the report heard Mr. Greenewalt testify that those estimates were "no longer relevant." The same committee report which used this bugaboo as a justification for this unsound bill is completely silent on the divestiture plan which Mr. Greenewalt has proposed that the company follow under existing law.

If the Senator will look on page 79, he will find in the third paragraph Mr. Greenewalt's response to the Senator from Louisiana [Mr. LONG]:

> Under present law, then, tax revenues under the combination of methods of divestiture which now appears most favorable would total about $330 million.

Before reading the second sentence, I direct the Senator's attention to the preceding paragraph, in which Mr. Greenewalt said that this $330 million will be exclusively from capital gains tax paid by the Du Pont Co.

I should like to read to the Senator the second sentence. In the second sentence Mr. Greenewalt refers to the pending bill. What does he say about it? He says:

> A distribution under H.R. 8847 would yield tax revenues of about $350 million.

He does not say who would pay that amount. I ask the Senator from Illinois if it is not a fact that under the bill, distribution to the stockholders of all the stock would be permitted without tax to Du Pont and with greatly reduced taxes to the stockholders, and whether it is not a fact that under H.R. 8847 the $350 million tax revenue referred to by Mr. Greenewalt on page 79 of the hearings would be paid entirely by stockholders.

Mr. DOUGLAS. I would not say entirely, but the computations which I have made indicate that at the very least approximately four-fifths would be paid by individuals. It may be that still other devices could be used to protect the Du Pont Corp. and the Christiana Corp.

Mr. GORE. I was referring to stockholders, both individual and corporate, under complete distribution.

Mr. DOUGLAS. Yes.

Mr. GORE. Du Pont would pay no taxes.

Mr. DOUGLAS. That is correct.

Mr. GORE. While, according to the plan which Mr. Greenewalt proposes to follow under existing law, he says Du Pont itself would pay $330 million in capital gains tax.

Mr. DOUGLAS. That is correct.

Mr. GORE. So this bill amounts to a transfer of tax liability from Du Pont, under the plan proposed under existing law, to the stockholders, under the terms of the pending bill, if enacted; yet this is presented as a bill for the benefit of stockholders.

Mr. DOUGLAS. I think that is correct.

Mr. GORE. In actuality, then, as matters now stand, this bill is not a relief measure for the shareholders of Du Pont, but for the relief of the Du Pont Co. Indeed, if this bill is passed, the Congress will be in effect placing whatever tax is collected squarely on the stockholders, for the company has planned, if this bill is passed, to transfer stock directly to its shareholders, thereby subjecting them to a tax of about $350 million.

Let me emphasize this point, Mr. President, because the public, and, perhaps some of my colleagues, have been misled as to the purpose, effect, and intent of this bill.

The purport and effect of this bill, in addition to its admonition or mandate to the trial judge, is to shift a tax burden from the Du Pont Co. to its stockholders. In my view, the company is better able to bear this burden than are some of its stockholders. This is one of the world's largest corporations and earned $787 million last year. In 1960 it generated cash flows of more than one-half billion dollars. Out of these vast amounts, the company could, in my opinion, pay a tax of $30 million per year for 10 years without straining at all.

What have we here? For students of tax policy, for patriots, and governmental leaders who are interested in dealing fairly and equitably in the taxation of American citizens, and for all citizens who are concerned with fairly distributing in a socially sound manner the tax loads of our Government, I suggest that the basic purpose of the bill is to facilitate and effectuate the distribution of vast corporation assets, most of which are represented by accretions in value of these assets. As was said earlier, Du Pont Co. owns 63 million shares of General Motors stock. On these shares, according to present values, Du Pont has realized a profit of approximately $3 billion. The desire now is to distribute this vast profit to its stockholders without any tax whatsoever on Du Pont, and with a contrived, adjusted, twisted, abnormal, unusual formula by which all of the individual high bracket income taxpayers would have a greatly reduced tax, and by which all corporations except Christiana holding Du Pont stock would pay the meager tax of only 16 cents per share.

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. DOUGLAS. Is it not true that approximately 6 percent of the Du Pont stock is owned by corporations other than Christiana?

Mr. GORE. That is true.

Mr. DOUGLAS. This would be the equivalent of a little less than 3 million shares of Du Pont stock—about 2.8 million shares. Since there are about 1⅓ shares of General Motors stock to each share of Du Pont stock this in turn is equivalent to about 3.8 million shares of General Motors stock; and the increase in value of the 3.8 million shares would be $177 million. A capital gains tax of 25 percent would yield $44 million; but with this tax at only 16 cents, they would pay a total tax of approximately $610,000. This, of course, is only one aspect of the tax effects of the bill.

Mr. GORE. That is true. That would be permitted. Yet the bill is urged as being for the benefit of the small stockholders. I happen to know that a corporation in my own State, the officials of which are my personal friends, has a large block of Du Pont stock. This corporation would pay only 16 cents a share of General Motors stock on the vast profits it has made. But the letters I have received from Du Pont Co. employees indicate that they have been misled into thinking that the bill is for their benefit.

I hope Senators will carefully consider the bill before giving it their approval.

So, Mr. President, the picture is not so simple and clear cut.

The picture is particularly unclear when one considers that, after the Chicago court has entered its final decree, it may well be that the measure now before us will have proved to be entirely inappropriate from the standpoint of the average Du Pont stockholder, or even of the company.

The bill, until the amendments added by the Ways and Means Committee on its second consideration, was, in form if not in substance and intent, general legislation and had been endorsed by some who are interested in antitrust matters as an aid to the enforcement of the antitrust laws. This facade has now been stripped away from the bill and it is now frankly a private relief bill—a bill for the relief of one of our industrial giants which has shown, as yet, no need for relief.

The bill has always, in my opinion, been regarded in this light by those who have followed the matter closely. The spokesman for the Treasury Department told the Finance Committee, "Well, this is a relief bill which the company favors," and this was at a time when the Finance Committee was holding hearings on the House-numbered bill, although not House-passed, but amended for the first time by the Ways and Means Committee, but not the second. If this description of the bill on which the Finance Committee held hearings is confusing to some of my colleagues who have not followed the matter closely, let me say it is confusing to me, too, and I have followed the bill very closely. In fact, I have discovered one new facet of this bill after another. Moreover, I am apprehensive that there are effects that I have not yet discovered.

At any rate, as I have said, the Congress is unable to act intelligently on a relief measure until it knows the condition, the hardships, if any, that it is proposed to relieve. Then, and only then, can the Congress move to grant relief with any degree of certainty that the relief granted will be appropriate as to degree or as to parties relieved.

If relief is in order, there will be sufficient time during the next session of the Congress, after the Chicago court has entered its final order and the Congress knows just what the situation is which it is being asked to relieve, for the Congress to act.

On September 1 of this year, Du Pont filed its proposed judgment of divestiture with the Chicago court. The Department of Justice has until October 2 to propose amendments. The court will then take the matter under advisement and decide what its final order should be. Assuming the trial judge acts with dispatch it is not likely that the final order would be entered before the first of November, perhaps much later.

The Supreme Court has decreed that divestiture must commence within 90 days of final judgment, which means that divestiture need not begin prior to February 1, 1962, or later. This will give the Congress ample time in which to act

on a relief measure in January, provided a relief measure seems appropriate to mitigate the harshness of the court order, if, indeed, that order should prove to be harsh. We will then know definitely whether the relief we are granting is for the benefit of the Du Pont Co., Christiana, the Du Pont family, General Motors, or the individual stockholders of Du Pont and General Motors. As matters now stand, the bill is for the relief of the Du Pont Co.

There is another facet of this whole problem which has caused a great deal of concern, and that is the impact on the market which this operation might have, particularly if the Du Pont Co. sells a large number of shares of General Motors stock, as it proposes to do if the Congress does not pass a bill relieving it of tax liability.

Let us look at this question: Under existing law, the Du Pont Co. would, under the plan outlined to the Finance Committee by Mr. Greenwalt, sell about 35 million shares of General Motors stock over a period of 10 years, or about 3.5 million shares per year. The annual volume of trading in General Motors stock now runs around 8 or 9 million shares per year, and it is reasonable to assume that putting another 3.5 million shares per year on the market would cause some disruption of the market, but just how much is not known. Opinions vary on this point, but the SEC does not seem to think it would be disastrous. Even on the basis of a direct distribution to stockholders under existing law, when large numbers of shares presumably would be sold to pay individual income taxes, the SEC fails to register shock.

Here is the SEC's report, in part on this proposition:

> If such a volume of securities were to be distributed to shareholders it may be anticipated that a very substantial amount of selling by stockholders to pay taxes would result. The extent of such selling and the ability of the market to absorb it, are, of course, imponderables and no definite opinion can be expressed as to the impact upon the market, particularly as this would depend upon the period over which the distribution occurred, which we understand might be as long as 10 years, and upon market conditions during that period. There is, however, a possibility that the amount of selling would be sufficient to have an adverse effect.

Note the words "possibility" and "an adverse effect." There is no indication here of any sharp adverse effect.

Let me add that an orderly marketing of G.M. stock by Du Pont, through an underwriter, might be much preferable so far as the market is concerned.

But, perhaps this is beside the point. As I said, under the plan outlined by Mr. Greenwalt, and under existing law, 35 million shares of General Motors stock would come on the market over a 10-year period. But what will happen under this bill? Under the bill all the General Motors stock will be issued to Du Pont stockholders over a period of 3 years. This means that more than 20 million shares of General Motors stock will come into new hands every year for a period of 3 years. Is there any reason to think that this will not create a great deal of churning in the market? With more than 20 million shares coming into new hands each year, is there any reason to think that at least 3.5 million, or about one-sixth of these shares, will not be sold by these new owners? It is quite likely that the market would be flooded by General Motors stock. In fact, there is every reason to believe that the market impact will be greater by virtue of enactment of this bill than would be the case under the plan which the Du Pont Co. has indicated it will follow under existing law, and without this bill.

Before getting into specifics about the bill, then, let me sum up these general observations.

First. The bill now before us would result in removing a tax from the Du Pont Co. and placing it squarely on the backs of the stockholders in the Du Pont Co.

Second. The Congress is attempting to act on a private relief bill before it knows what the situation is from which relief is being sought. There will be plenty of time in January to act on this, or some other better and more appropriate bill, after the court has entered its final decree and we know specifically who, if anyone, needs to be relieved and to what extent.

Third. The market impact, which is one of the imponderables here, may well be greater, and more disruption of the market may result, by virtue of the distribution of more than 20 million shares of General Motors stock to new owners each year for 3 years under the terms of this bill, than would be the case if the Du Pont Co. sold 3.5 million shares each year for 10 years through underwriters.

Mr. President, I wish to discuss some specifics about this bill. There are some very questionable things about this bill and I think we should discuss them.

First, the bill treats individual and corporate stockholders in Du Pont differently. Certainly, this violates our sense of justice and fairplay. Certainly, if a corporation is to treat one stockholder in one way it should treat all stockholders the same way. If it is to distribute stock to individuals on the theory that this is a capital transaction, the distribution to corporate stockholders should be treated the same way. Is there any justification for treating one stockholder differently just because he happens to own a large amount of stock? I see no justification for this.

But that it what this bill does. It treats individual stockholders as though they were receiving a return of capital, on which they must pay a modified capital gains tax, but it treats corporate stockholders as though they were receiving a dividend. The reason, of course, is that corporate stockholders will pay much less, by virtue of the intercorporate dividend credit, if the Congress in its wisdom, calls what they get dividends, even though it calls what the individual stockholders get a return of capital. It is significant that Christiana is a large corporate stockholder.

I think this is one of the most questionable aspects of this whole proposal. I shall, later on, offer an amendment which would have the effect of treating all stockholders alike. I hope all my colleagues will see the logic and equity of such an approach.

My second specific objection to this bill is that it is based on the theory that this General Motors stock is a return, or partial return, of capital to Du Pont stockholders—at least this is true as to individual stockholders. Let us see if this theory is proper.

The return of capital theory has a place in the tax laws, and indeed is firmly ensconced there. It often happens, in the oil industry for example, that, with highly artificial and artificially high depletion allowances, an oil company has no bookkeeping profits. It generates extremely large cash flows, but shows no earnings on its books. It will be in a position to return to investors most, or all, of their investment, and still be a healthy and going concern. But this money is not classified as a dividend because it is technically not out of earnings. In such a case, under existing law, the stockholder's basis is reduced, but he pays no income tax on a dividend. This is a free ride for the stockholder, to the extent that his basis for his stock can be reduced to zero.

The Du Pont case does not fit this section of existing law, but the Du Pont Co. has a large staff of highly compensated attorneys, and they have been combing the Internal Revenue Code for years to try to find a way out, and they have finally hit on the procedure provided in the bill. We will call this transfer of General Motors stock to individual Du Pont stockholders a return of capital, they say, even though it is in reality a distribution of a greatly appreciated capital asset in the form of a dividend. But, of course, they will still call it a dividend as far as corporate stockholders are concerned, because that will make their taxes lighter. As I say, this does not make sense to me.

What would come much closer to making sense would be to regard this distribution of General Motors stock as a partial liquidation of the assets of Du Pont. This is really what is happening. Existing law recognizes this sort of transaction, and provides a capital gains tax treatment for it. The reason we cannot apply existing law in the Du Pont case, however, is that existing law provides that, in order to get capital gains treatment the company distributing stock must own at least 80 percent of the assets of the company whose stock is being distributed. The Du Pont case does not fit the 80-percent criterion because Du Pont owns only about 23 percent of General Motors, but it fits, logically, this type of transaction.

It would seem to me that it would be much more logical to follow the partial liquidation theory in this transaction. Indeed, this was the recommendation of the Treasury in 1959. Under this theory, a capital gains tax would be paid by individual stockholders, just as in the current bill, but the basis for General Motors and Du Pont stock in the hands of stockholders would be computed differently. Also, all stockholders, individual and corporate, would be treated alike.

One of the peculiarities of this bill, and one which is glossed over by its proponents, is the very artificial way in which the basis is computed for both the General Motors stock and the Du Pont stock in the hands of individual Du Pont stockholders following distribution of the General Motors stock. Under this bill, a great deal of the tax which ought to be paid under the capital gains theory is not paid because of the artificial reduction of the basis of the Du Pont stock, and this basis may be reduced as low as zero.

Proponents of this measure will say that this portion of the tax is merely postponed. This is not so, particularly in the case of wealthy stockholders who regularly make use of foundations and other devices to reduce their tax.

Here is an example. Assume that a stockholder bought 10,000 shares of Du Pont stock in 1949 at a price of $60. Under this bill, he will pay no capital gains tax on his General Motors stock when he receives it, but the basis of his Du Pont stock will be reduced to zero. Now, if he sold his Du Pont stock for $170 immediately, assuming a current market price of $230 for Du Pont stock, he would be subject to a capital gains tax of $42.50 per share of Du Pont stock which he sells, leaving him with in-pocket cash in the amount of $127.50, for a total receipt from the sale of $1,275,000. But suppose this taxpayer is in the 90-percent bracket, as many of the larger stockholders of Du Pont are, and suppose further that he has a foundation to which he regularly transfers capital assets. He could transfer this zero-basis Du Pont stock to his foundation, and get a tax refund from the Government in the amount of $153 for each share of his Du Pont stock, for a total receipt from giving away this stock of $1,530,000. This sort of operation, of course, materially reduces the amount of revenue which the Federal Government will eventually obtain from this whole Du Pont-General Motors transaction. Obviously, this taxpayer will never sell his Du Pont stock and pay a capital gains tax on it.

I think it is also in order to point out the position in which this bill puts General Motors stockholders. By the artificial method used in allocating basis between Du Pont and General Motors stock, there will be a great deal of Du Pont stock which will have a zero, or close to zero basis. This stock will be held off the market. It will not be sold, because to sell it would subject the seller to a high capital gains tax. The Du Pont stockholder who wants to sell anything will sell the General Motors stock which he will receive as a result of this divestiture because that stock will have a current market value basis and, therefore, such a sale will subject him to a low capital gains tax, if any.

What would this mean for General Motors stockholders? It would mean that General Motors stock would have an uncertain market for years to come. The management of General Motors will be at a decided disadvantage if they try to issue any new stock to raise equity capital. In my opinion the bill does no favors for General Motors stockholders; indeed, if the bill were as helpful to General Motors as has been claimed, it seems to me that the president of General Motors would have been before the Finance Committee to urge its passage. That company was content with filing a routine statement which bears the name of no official of the company.

The third specific fault which I find with the bill is that it does not require Christiana to divest itself of General Motors stock. I think it is desirable to specify that this be done. If this is not specified, the Government may face another long and expensive legal proceeding. If the Government is going to ease the tax burden for the Du Pont Co., or its stockholders, or both, it should, at the same time, specify that this job must be carried out completely, and on a given schedule. As I have stated earlier, it does not seem appropriate for the Congress to inject itself in these legal proceedings, but if we can specify that Du Pont must divest within 3 years, we may as well go all the way and tell the court what to do about Christiana.

In my opinion, for the reasons I have stated, the consideration of the pending bill should be deferred until a final court order has been entered. I hope that will be the decision of the Senate. The specific details of the bill, to which I have referred, are among those which must be most carefully examined before final legislative action is taken.

Mr. DOUGLAS. Mr. President, I am told that shortly a motion will be made to postpone the consideration of the bill until the next session of Congress, to a day certain, probably January 15. If this should be the will of the Senate, I think it would be a wise decision. Many issues are involved which have not been fully plumbed.

The Senator from Tennessee deserves great credit for the stand he has taken on the bill. He has shown some of the difficulties and injustices connected with the present bill.

I hope this situation can be approached with an open mind in January.

I do not believe that the gains from the distribution of General Motors stock should be taxed at ordinary income rates. They are really much more in the nature of capital gains, and they should, I believe, be taxed at capital gains rates. But this should be done across the board. In the present bill, the accretions in value to individuals, if they get them, will be taxed at capital gains rates. But the rate to corporations, other than Christiana, simply is 52 percent of 15 percent of the original value, that is the original purchase price, or 7.8 percent of $2.10, or approximately 16 cents a share.

In the case of Christiana, if Christiana retains its stock, as it well may, the tax will be at 52 percent of 15 percent of the present market value, which would come to roughly $3.75 a share, although the increase in value has been roughly $46.50 a share.

There are various ways in which Du Pont can reduce the tax liability if it receives a carte blanche from the Chicago court. Despite the language in the bill, it may be possible to substitute General Motors stock in lieu of cash dividends, although an attempt is made in the bill to prevent this. Du Pont could also exchange General Motors stock for Du Pont stock, and thus escape taxation.

Then there is, as I have said, the Christiana factor. In the pleading, if we may call it such, that Du Pont made before the Chicago court, it is asking for complete freedom in divesting itself of its General Motors shares. If this request is granted, there is no doubt that the divestiture could be manipulated in such a way as greatly to reduce the ultimate tax liability. In my judgment, the capital gains principle should be applied, and it should be applied across the board. It should be applied to the gains made by corporations, whether Christiana or otherwise, as well as to individuals.

I have prepared an amendment to that effect. It has been printed, and had the discussion continued, I had intended to offer it as an amendment. I have also prepared another amendment to tighten up the provision that there can be no substitution of General Motors stock for cash dividends. These amendments will lie over until January but will be offered then.

Mr. President, in order to make the RECORD complete, I ask unanimous consent to have printed at the conclusion of my remarks the pages from Moody's Industrial Manual for 1961 which deal with the history, activities, and earnings of E. I. du Pont de Nemours & Co., for Du Pont of Canada, Ltd., and for Remington Arms Co., Inc., which is controlled by Du Pont.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOUGLAS. Mr. President, it is germane also, in this connection, to study the documents which Du Pont submitted the Chicago court on the 1st of September, both the memorandum accompanying the suggested final judgment and the suggested final judgment itself. Both these documents are extremely important. I hope that in the months which intervene between now and the probable date at which we shall vote on this measure, all parties may study them, and that our decision in January, if our action tonight should be to postpone the consideration of the bill until then, may be made on both more intelligent and more intelligible information.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks the proposed memorandum and proposed final judgment submitted by E. I. du Pont de Nemours & Co. to the District Court of the United States for the Northern District of Illinois, Eastern Division.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DOUGLAS. Mr. President, in conclusion, I express my deep appreciation to the distinguished Senator from Tennessee [Mr. GORE] for the very thorough study he has given to this subject and for his great independence and courage in dealing with it.

Mr. GORE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

EXHIBIT 1

E. I. DU PONT DE NEMOURS & CO.

Capital structure—Capital stock

[From Moody's Industrial Manual]

Issue	Par value	Amount outstanding (shares)	Earned per share		Dividends per share		Call price	Price range	
			1960	1959	1960	1959		1960	1932-60
1. $4.50 cumulative preferred	No par	1,688,850	$150.66	$175.27	$4.50	$4.50	120	103 - 96¼	[1] 133 -95
2. $3.50 cumulative preferred	do	700,000			3.50	3.50	[2] 104	83 - 74½	[3] 107¼-74½
3. Common	$5	45,875,031	8.10	8.92	6.75	7.00		266½-178¾	[4] 278¾-43¼

[1] Range since 1937.
[2] Subject to change; see text.
[3] Range since 1947.
[4] Range since 4-for-1 split in 1949; range from 1932 to the split in 1949, 227-22.

HISTORY

Incorporated in Delaware, September 4, 1915, to purchase the business, assets, etc. of E. I. du Pont de Nemours Powder Co. (dissolved June 25, 1926) for $120 million, payable $1,484,100 in cash, $59,661,700 (par $100) 6 percent debenture stock and $58,854,200 common (par $100). The predecessor had been incorporated in New Jersey, May 19, 1903, to consolidate into one corporation, the numerous interests of E. I. du Pont de Nemours & Co. acquiring ownership of about 100 corporations through acquisition of their capital stocks by exchange for its preferred and common stocks. The business was originally founded as a partnership in 1802 to manufacture explosives.

Proceedings by the U.S. Government against the predecessor company begun in 1907 under the Sherman Anti-Trust Law culminated in a final decree on June 13, 1912, under which the company was ordered to divest itself of a substantial portion of its business by forming two new companies. Hercules Powder Co. and Atlas Powder Co. (see general index), both of which began business on January 1, 1913. In payment for the properties segregated, Du Pont received $6,500,000 par value of 6-percent, 10-year bonds and $6,500,000 par value of the capital stock of Hercules Powder Co. and $3 million par value of 6-percent, 10-year bonds and $3 million par value of capital stock of Atlas Powder Co. In accordance with the terms of the decree, one-half of both these bond issues and all the stock were distributed to common stockholders of Du Pont.

On December 3, 1915, acquired all the capital stock of the Arlington Co., manufacturers of celluloid under the name "Pyralin."

In 1917 acquired the following businesses in the paint and varnish industry. Beckton Chemical Co., Bridgeport Wood Finishing Co., Cawley Clark & Co., and Harrison Bros. & Co., Inc.

In 1918 acquired New England Oil, Paint & Varnish Co. and interest in Flint Varnish & Color Works. Minority interests in the latter were acquired in 1923; in 1924 company was dissolved and business transferred to parent company.

In February 1918 announced the acquisition of a large interest in General Motors Corp. and Chevrolet Motor Co. For details of the General Motors investment see separate heading below.

In 1919 acquired a 43.8-percent stock interest in Canadian Explosives, Ltd., which changed its name in 1927 to Canadian Industries, Ltd. (C-I-L). In 1954 this company was split and C-I-L became a holding company known as Du Pont of Canada Securities, Ltd. (in which Du Pont owned approximately 82 percent of common stock), holding all stock of a new company, Du Pont Co. of Canada, Ltd., to which was transferred C-I-L's nylon and cellophane business and assets and certain nonmanufacturing assets. At the end of 1956, all assets and business of Du Pont Co. of Canada, Ltd. were taken over by Du Pont of Canada Securities, Ltd., and the name of the latter company changed to Du Pont Co. of Canada (1956) Ltd.; name again changed in December 1958 to Du Pont of Canada, Ltd.

In May 1920 acquired Chicago Varnish Co. and in the same year acquired full control of Du Pont Fabrikoid Co. (began production of artificial leather in 1915) which was then dissolved and its assets acquired by the parent. Also in 1920, together with French interests formed Du Pont Fibersilk Co. (60 percent owned by Du Pont) to manufacture rayon. Name of this company was changed to Du Pont Rayon Co. in 1925 and full control was obtained in 1929. In 1936 company was merged.

On June 21, 1923 organized Du Pont Cellophane Co. jointly with French interests, obtaining 52 percent of its common stock. In 1929 full control was acquired and in 1936 company was merged.

In August 1924 acquired the business and assets of General Explosives Co. with plant at Carl Junction, Mo.

In August 1924 acquired for cash 63 percent of the capital stock of Lazote, Inc., formed to manufacture synthetic ammonia under the Claude patents. In June 1926 merged 46 percent of its 63 percent stock interest in Lazote, Inc. into a new company, Du Pont National Ammonia Co. (in which a 50.95 percent stock interest was obtained) with the latter acquiring a 100 percent stock ownership in National Ammonia Co., Inc., a leading distributor of anhydrous ammonia to the refrigeration trade, and a 79.54 percent stock interest in Pacific Nitrogen Corp., operating a small synthetic ammonia plant at Seattle. In March 1928 acquired the remaining 49.05 percent minority interest in Du Pont National Ammonia Co., in addition to purchasing from the same interests additional stock in Lazote, Inc., bringing stock interest in this concern to 89.21 percent and thereupon dissolved Du Pont National Ammonia Co. Through ownership of National Ammonia Co., Inc. held a 74.96 percent interest in Michigan Ammonia Works and a 50.33 percent interest in Pacific Ammonia & Chemical Co. In 1928 full control of Pacific Nitrogen Corp. was acquired. In July 1929 full control of Lazote, Inc. was acquired and the company's name changed to Du Pont Ammonia Corp. All assets in the ammonia business were consolidated under Du Pont Ammonia Corp., which held the 100 percent stock interest in National Ammonia Co., Inc. Du Pont Ammonia Corp. was dissolved in 1931 and National Ammonia Co., Inc. in 1935 with assets being acquired by the parent.

In October 1924 formed Du Pont Pathe Film Manufacturing Corp. (name changed in 1931 to Du Pont Film Manufacturing Corp.) in conjunction with Pathe Exchange, Inc. of New York (name changed to Pathe Film Corp. in 1935) and Pathe Cinema S.A. of France, acquiring all its preferred stock and 51 percent of its common. In 1928 acquired full control of this company, but in 1930 the 49 percent stock interest was repurchased by Pathe Exchange, Inc. under an option for $500,000. In 1935 stock ownership in this company was increased to 65 percent, the 14 percent interest being purchased for approximately $1,597,000. In November 1941 company acquired 35 percent minority interest in Du Pont Film Manufacturing Corp. held by Pathe Film Corp. Consideration was 56,750 shares E. I. du Pont de Nemours & Co. common (market value, $8,888,469). On December 31, 1941 company was dissolved and assets and business transferred to E. I. du Pont de Nemours & Co.

On May 1, 1925, formed Du Pont Viscoloid Co., which thereupon acquired the celluloid plants of the company at Arlington, N.J., Poughkeepsie, N.Y. and Norwich, Conn. and the plant of the Viscoloid Co., Inc. at Leominster, Mass. Du Pont acquired all the preferred and 83 percent of the common of Du Pont Viscoloid Co. In 1928 full control of Du Pont Viscoloid Co. was acquired when the then 14 percent minority interest was purchased for 13,950 shares of Du Pont 6 percent debenture stock. In 1936 company was merged and in the dissolution, Du Pont obtained a 50 percent interest in Celastic Corp. (sold in 1958).

In 1925 acquired a 50 percent stock interest in Eastern Alcohol Corp., which was formed jointly with Kentucky Alcohol Corp. to construct an alcohol plant at Deepwater Point, N.J. In 1931 full control of Eastern Alcohol Corp. was acquired for $1,250,000. In 1931 this company was merged with Organic Chemicals Department.

In November 1927 acquired the assets and business of Excelsior Powder Manufacturing Co. with plant at Kansas City, Mo.

In July 1928 acquired a 50 percent stock interest in Bayer-Semesan Co., Inc., which was formed jointly with Winthrop Chemical Co.; acquired remaining 50 percent in 1943 and changed its name to Du Pont Semesan Co. (Dissolved in December 1945).

In 1928 through a subsidiary, Du Pont Viscoloid Co., acquired a 50 percent stock interest in Pittsburgh Safety Glass Co. (name changed to Duplate Corp. in 1929) which was formed jointly with Pittsburgh Plate Glass Co. to manufacture safety glass for automobiles. The company's interest in this concern was sold to Pittsburgh Plate Glass Co. in February 1931.

In 1928 formed Old Hickory Chemical Co., in which a 50 percent stock interest was acquired, to manufacture carbon bisulfide at Old Hickory, Tenn.

In November 1928 acquired The Grasselli Chemical Co. (Ohio) (which had previously disposed of its dye business to American I. G. Chemical Corp.) founded in 1839 and operating 23 plants for the production of acids and heavy chemicals, lithopone, and other pigments, zinc, and zinc products and explosives, paying therefor 149,392 shares of Du Pont common. The company's acid and heavy chemical business was turned over to the newly formed. The Grasselli Chemical Co. (Delaware), while the explosive plants and business of The Grasselli Powder Co. were combined with the corresponding department of Du Pont and the Canadian plant

and business transferred to Canadian Industries, Ltd., in which Du Pont owned a substantial stock interest. In 1936 Grasselli Chemical Co. (Delaware) was merged.

In June 1929 acquired Krebs Pigment & Chemical Co., a manufacturer of lithopone at Newport, Del., paying therefore 19,999 shares at 6 percent debenture stock and 20,823 common shares. In July 1931, Krebs Pigment & Color Corp. was formed to consolidate Krebs Pigment & Chemical Co., the pigment and dry color division of Grasselli Co. and the titanium pigment business of Commercial Pigments Corp., the latter owned by Commercial Solvent Corp. Thereafter the Grasselli Chemical Co. (Delaware) owned 70 percent of the stock of the new company and Commercial Solvents Corp. 30 percent, the latter being acquired by Du Pont in late 1930 for $7,420,000. Krebs Pigment & Color Corp. was dissolved in 1942 and assets transferred to the Du Pont Co.

In May 1930 acquired the properties and business of the Roessler & Hasslacher Chemical Co. of New York since 1882, manufacturers and distributors of a large number of important specialty chemicals, paying therefor 241,130 shares of Du Pont common. In 1932 company was merged.

In August 1930 acquired a 51-percent interest in Kinetic Chemical, Inc., which was formed partly with General Motors Corp. to develop the manufacture and sale of refrigerant chemicals and allied products; acquired remaining 69 percent of interest in December 1949 for $9,700,000. In 1950 company was merged and assets and business were transferred to Organic Chemicals Department.

In August 1931 acquired the dyestuffs and organic chemical properties and business of the Newport Co. with plants at Carrollville, Va., and Passaic, N.J., paying therefor 103,000 shares of 6 percent debenture stock. By this acquisition obtained a 72 percent common stock interest in Acetol Products, Inc., manufacturers of "Cel-O-Glass." In 1935 the latter company was dissolved and its assets acquired by Du Pont.

In July 1932 acquired a 55 percent interest in Gardinol Corp., which was formed jointly with Procter & Gamble Co., to develop cleansing materials for the textile industry. Gardinol Corp. was dissolved in February 1946.

In 1932 acquired a 60 percent interest in a company in Argentina engaged in importing and processing sulfur and in producing carbon disulfide. In 1933 full control of this subsidiary was acquired and in 1934 amalgamated its interests in Argentina with those of Imperial Chemical Industries, Ltd. (see general index), each participant receiving 4 percent of the stock of the new company, Industry Quimicas Argentinas "Duperial" S.A. Industrial Commercial. In September 1953, the part ownership was terminated. In exchange the holdings in "Duperial," company received "Duperial's holdings (72.25 percent) in "Ducilo" S.A. Productora de Rayon.

In 1933 acquired 91 percent of 7 percent first preferred stock and 56 percent of the common of Remington Arms Co., Inc. (see appended statement) a manufacturer of sporting arms, ammunition and cutlery, etc. In September 1936 Remington Arms Co. was reorganized under a plan whereby Du Pont exchanged its 7 percent preferred for new 6 percent preferred and 357,310 shares of common and subscribed to 2,254,192 additional shares of common at $1.70 per share. Du Pont now owns 99.60 percent of the 4.5 percent preferred (rate changed from 6 percent June 16, 1947) and 60.17 percent of common of Remington Arms Co., Inc.

In January 1944, American Zinc Products Co. (acquired with Grasselli Chemical Co. in 1928) was dissolved, assets having been transferred to the Du Pont Co. The business of this subsidiary and its plant were sold.

In 1943 Barry Lime Sulphur Co., Inc. (acquired 51 percent interest with Grasselli Chemical Co. In 1928, remaining minority interests were acquired by 1942), a wholly owned subsidiary, was dissolved and the business and assets were transferred to the Du Pont Co.; business is now conducted by industrial and chemicals department.

In June 1943, purchased the assets and business of Patterson Screen Co., a manufacturer of X-ray and fluoroscopic screens. This business is now conducted by photo products department.

In May 1945, merged assets and business of Defender Photo Supply Co., Inc., acquired in exchange for 12,358 shares of treasury stock, with the photo products department.

In 1957, International Freighting Corp., Inc., a wholly owned subsidiary, was dissolved.

General Motors investment: In 1917 acquired an interest in General Motors Corp., which interest, together with subsequent purchases amounted to approximately 37 percent of General Motors stock at end of 1922. In 1923 a substantial portion of this investment was sold to executives in General Motors (by General Motors Securities Corp. to Managers Securities Corp.) so that by the end of 1925 Du Pont owned approximately a 26 percent interest in General Motors, at a cost of $57,304,304. In February 1955, exercised rights offered by General Motors increasing holdings to 21 million shares with no change in percentage ownership. At end of 1960 holdings were represented by 63 million shares (22.1 percent interest), as a result of 3-for-1 split in General Motors common stock effective September 30, 1955.

The suit requiring company to divest itself of legal title to General Motors stock was brought in 1949 and was dismissed in 1954 after trial. The U.S. Supreme Court returned case to the district court in 1957, ruling that Du Pont's ownership of 63 million shares of General Motors stock created a "reasonable probability" that Du Pont would receive a preference in supplying General Motors requirements of fabrics and finishes. On October 2, 1959, Judge W. J. LaBuy of the U.S. district court in Chicago ruled that full divestiture of the stock, requested by the Department of Justice, would be "unnecessarily harsh and punitive." He held that the Supreme Court ruling could be satisfied by divesting Du Pont's rights to vote its General Motors shares and by other steps. The Department of Justice filed appeal to U.S. Supreme Court (see below).

Judge LaBuy's judgment, effective November 18, 1959, provides that right to vote company's General Motors stock be transferred pro rata to Du Pont stockholders. However, Du Pont, Christiana Securities Co., and Delaware Realty Investment Co. (since merged with Christiana Securities Co.) are forbidden to vote any General Motors stock, as are officers and directors of these companies and members of their families resident in the same household. Du Pont will furnish to stockholders proxies representing the number of General Motors shares that they are entitled to vote.

By terms of judgment, no director, officer, or employee of Du Pont, Christiana, or Delaware Realty may hold any such posts in General Motors. A. P. Sloan, Jr., honorary chairman of the General Motors directors and a director of the Du Pont Co., resigned from Du Pont Board. Five members of the Du Pont Board, Donaldson Brown, W. S. Carpenter, Jr., Lammont du P. Copeland, E. F. du Pont, and H. B. du Pont, resigned from General Motors board.

The judgment forbids preferential agreements between Du Pont and General Motors, and, for 3 years, any agreement requiring General Motors to purchase from Du Pont any specified percentage of its requirements of any product. Du Pont may not acquire additional stock in General Motors except through stock splits or stock dividends, or through exercise of rights issued by General Motors to its stockholders. Any stock so acquired would be subject to the voting provisions of the judgment. If Federal legislation be enacted which would "substantially and significantly ameliorate the existing inequitable and burdensome tax consequences" of a distribution to Du Pont stockholders, any party may request the Court to modify the judgment legislation.

(See Moody's 1959 Industrial Manual for additional data on these proceedings.)

Supreme Court considers antitrust decision

U.S. Supreme Court in February 1961 heard argument on appeal of Justice Department from final judgment entered by Judge Walter J. LaBuy, of U.S. district court in Chicago (see above) in antitrust suit against company, General Motors and others.

The central question was whether that judgment which permitted Du Pont to retain legal title to 63 million shares of General Motors stock but transferred right to vote shares from company to its stockholders, satisfied Supreme Court's earlier mandate for "equitable relief necessary and appropriate in the public interest."

Justice Department contended that "the impact of Federal taxes is not a pertinent factor in ordering relief in an antitrust proceeding" and that public interest requires nothing less than complete divestiture of the stock. Du Pont's ownership of bare legal title, it said, constitutes a direct financial stake in General Motors which could cause Du Pont to favor General Motors and General Motors to favor Du Pont.

Du Pont, urging that Judge LaBuy's judgment be affirmed, told court that judgment effectively protects public interest from dangers asserted by Justice Department, and that, in these circumstances, imposition of huge tax and stock market losses on stockholders is unnecessary to protect public interest and would be inequitable.

During the 1960 session of Congress legislation was introduced which would permit distribution of company's holdings of General Motors stock without prohibitive tax consequences to stockholders.

The Government has proposed company distribute stock over a 10-year period chiefly to stockholders outside Du Pont family. But the Government told the Supreme Court it would not insist on that method. Distribution, Justice Department suggested, might also come through use of G.M. stock to retire outstanding (Du Pont) preferred shares through exchange plan. This is a possibility the Government has not previously mentioned. Other possibilities, the Government declared, would be an exchange of "appropriate packages" of G.M. stock for Du Pont holders' shares in Du Pont; sales to G.M. itself to meet requirements for Du Pont's bonus plan; negotiated sales to pension funds or insurance companies; stock exchange sales, or sales through public offering.

SUBSIDIARIES AND AFFILIATES

Functions chiefly as an operating company but as of December 31, 1960, the following companies were wholly owned, or practically so, subsidiaries:

Canadian Pyrites, Ltd.: Inactive.

Cia. Mexicana de Explosivos, S.A.: Manufactures commercial explosives and distributes blasting accessories. Plant at Dinamita, Durango, Mexico.

Du Pont (Far East), Inc.: Inactive.

Du Pont Co. (U.K.), Ltd.: Manufactures Neoprene. Distributes elastomers, herbicides, "Orlon" acrylic staple and tow, "Butacite" polyvinyl butyral sheeting, "Delrin" acetal resin, "Lucite" acrylic resins, Methacrylate monomers, "Teflon" TFE-Fluorocarbon resin, "Zytel" nylon resins, "Alathon" polyethylene resins, and silicon. Plant: Londonderry, Northern Ireland.

Du Pont de Venezuela, C.A.: Manufactures finishes. Distributes various Du Pont products. Plant at Valencia, Venezuela.

Du Pont Inter-American Chemical Co., Inc.: Inactive.

Du Pont (Peru), S.A.: Distributes cellophane, biological and other chemicals, dyes, elastomers, "Freon" fluorinated compounds, fabrics, finishes, plastics, pigments, photographic films, and papers "Mylar" polyester film, "Orlon," acrylic staple, nylon yarn and staple, "Dacron" polyester yarn and staple, and rayon yarn.

Du Pont de Nemours (Belgium), S.A.: Produces finishes. Plant at Malines, Belgium.

Du Pont de Nemours (France), S.A.: Contracts for manufacture of urea herbicides and their sale to distributors.

Du Pont de Nemours International, S.A.: Handles European sales for Du Pont products.

Du Pont do Brasil, S.A.: Industrias Quimicas. Produces commercial explosives, fluorinated compounds and chemical specialties. Distributes blasting accessories, cellophane, biological and other chemicals, elastomers, fabrics, finishes, plastics, pigments, photographic films and paper, tetraethyl lead, "Mylar" polyester film, "Orlon" acrylic staple, nylon, yarn and staple, and rayon yarns. Plant at Barra Mansa, Brazil.

Du Pont, S.A. de C.V.: Produces finishes, polyethylene film and organic fungicides. Distributes cellophane, biologicals and other chemicals, dyes, elastomers, "Freon" fluorinated compounds, fabrics, plastics, pigments, photographic films and papers, "Mylar" polyester film, tetraethyl lead, "Orlon" acrylic staple, nylon yarn and staple, "Dacron" polyester yarn and staple, and rayon yarn. Plants at Mexico City and Tlalnepantla, Mexico.

Minera Rosala, S.A. de C.V.: Mining properties, Mexico.

Du Pont de Nemours (Nederland) N.V.: Distributes "Orlon" acrylic staple and tow, and nylon yarn.

As of December 31, 1960, the following companies were majority owned subsidiaries:

Compania Sud-Americana de Explosivos (57.61 percent): Operates a plant at Rio Loa, Chile, and manufactures commercial explosives and distributes blasting accessories.

"Ducilo" S.A. I.C. (72.25 percent): Produces rayon yarn and tire yarn, nylon yarn, cellophane and "Freon" fluorinated compounds. Distributes "Mylar" polyester film, "Orlon" acrylic staple, and "Dacron" polyester yarn and staple. Plant at Berazategui, Argentina.

Du Pont of Canada, Ltd. (81.38 percent): See appended statements.

Remington Arms Co., Inc. (60.17 percent): See appended statements.

As of December 31, 1960, company had interests in the following companies:

Sixty-three million shares of General Motors common stock, or 22.1 percent of the issued amount.

Fifty percent of the stock of Old Hickory Chemical Co., manufacturers of carbon bisulfide.

Twenty-six percent interest in Pigment-Chemie GmbH: See Foreign Operations below.

Forty-nine percent interest in Pigmentos y Productos, Quimicos, S.A. de C.V.: See Foreign Operations below.

Fifty percent interest in both Showa Neoprene K.K. and Mitsui Polychemicals Co., Ltd.: See Foreign Operations below.

AFFILIATION

As of February 24, 1961, Christiana Securities Co. (see Moody's Bank & Finance Manual) owned 13,417,120 shares of Du Pont common or 29 percent of outstanding amount.

BUSINESS AND PRODUCTS

Company ranks as the leading domestic producer of commercial explosives, dyes, cellophane, and nylon and one of the leaders in the production of rayon, finishes, pigments, plastics, heavy chemicals, tetraethyl lead, agricultural chemicals, and refrigerants.

The principal manufacturing and sales activities are conducted through 11 operating departments which are listed below.

Elastomer chemicals department: Neoprene, "Hylene" organic isocyanates, "Hypalon" "Viton," and "Adiprene" synthetic rubbers, accelerators, antitoxidants, and miscellaneous chemicals for natural and synthetic rubber.

Electrochemicals department: Polyvinyl alcohol and polyvinyl acetates for adhesives, paper and textile sizes, and paint vehicles; "Elvax" wax-compatible vinyl resins; vinyl acetate; methacrylate monomers; "Lucite" acrylic resins for nonplastic uses.

Trichlorethylene for metal degreasing; perchlorethylene for drycleaning; methylene chloride; chloroform; tetrahydrofuran.

Hydrogen peroxide for bleaching and for organic reactions; sodium peroxide; "Oxone" monopersulfate compound and perborates for laundry bleaches.

Electroplating chemicals for copper, cadmium, tin, and zinc; sodium and potassium cyanides; metallic sodium; hydrogen cyanide for chemical syntheses.

Ceramic colors and precious metal compositions for decorative and electronic applications.

Explosives department: Commercial explosives and accessories; explosive specialities; nitric acid, nitrobenzene, aniline, diphenylamine, sodium nitrite, chemical blowing agents, terephthalic acid, dimenthyl terephthalate and caprolactam industrial nitrocellulose and sodium carboxymenthyl cellulose; military and sporting powders.

Fabrics and finishes department: Fabric supported and unsupported vinyl materials and pyroxylin coated fabrics for bookbinding, luggage, automotive upholstery and trim, furniture upholstery, shoes, handbags, washable window shades, and draperies.

Synthetic elastomer coated fabrics and sheeting for gaskets, diaphragms and other industrial applications for automotive, aviation, chemical and petroleum industries, and foamed rubber rug underlay;

"Teflon" TFE fluorocarbon and "Lectron" acrylic resin enamels and coated glass fabrics for electrical insulation and special industrial applications;

Protective and decorative finishes for all industrial, automotive, marine, transportation, institutional and household purposes including "Dulux" enamels, "Duco" lacquer enamels, and "Lucite" acrylic finishes. Adhesives and proxylin solutions for special industrial applications;

Automotive maintenance and household specialties.

Film department: Films for packaging and industrial uses: Acetate film, cellophane, "Mylar" polyester film, polyethylene film, "Teflon" FEP-Fluorocarbon film and "Teslar" PVF film; "Cel-O-Seal" cellulose bands; "Vexar" plastic netting and piping.

Industrial and biochemicals department: Biochemicals, including insecticides, fungicides, weed and brush killers, soil fumigants, turf fungicides, seed disinfectants, urea, urea feed and fertilizer compounds, "Mycoban" mold inhibitors, and chemicals for animal health and nutrition;

Garden chemicals, including weed killers, insecticides, fungicides, and combinations of these in ready-to-use packages;

Industrial chemicals, including inorganic and organic acids, reagent chemicals, sodium and potassium silicates, adhesives, methanol formaldehyde, hydrogenated products, specialty solvents, colloidal oxides, flame retardants, wood treating chemicals, galvanizing and tinning fluxes, and other products for the steel, textile, paper, leather, food and chemical industries;

"Zerone," "Zerex" and "Telar" antifreezes and summer coolant.

International department: Responsible for liaison between company's executive committee and managements of foreign subsidiaries, coordination of foreign trade development and export sales policy, and development of new manufacturing outside the United States.

Organic chemicals department: Dyes, and organic chemicals for the textile, paper, leather, and other basic industries;

Freon refrigerants, aerosol propellants, solvents, and fluorinated chemicals;

Lead antiknock compounds and other additives for petroleum industry.

Photo products department: Motion picture, X-ray, portrait, graphic arts, and engineering reproduction and drafting films;

Photocopy, recording, and general purpose photographic papers;

X-ray screens.

Dycril photopolymer printing plates.

Pigments department: Titanium dioxide, and extended titanium pigments, titanium metal, columbium metal, pigment colors, anhydrous magnesium chloride, potassium titanate insulation, pure silicon, zircon, and staurolite.

Polychemicals department: Methacrylate monomers and Lucite acrylic resins, Butacite polyvinyl butyral sheeting, Alathon polyethylene resins, Zytel nylon resins and Tynex nylon filaments, Teflon fluorocarbon resins, Delrin acetal resin, Stren monofilament spinning line and fabricated plastic articles.

Textile fibers department: Rayon textile and tire yarn; Acele acetate yarn, Orlon acrylic staple; Dacron polyester yarn and staple; nylon, textile and tire yarn, and staple; Teflon TFE fluorocarbon fiber; Lycra spandex yarn.

Each of the 11 operating departments has its individual sales organization. Branch sales offices are maintained in 39 cities and 21 States, and warehouse facilities are maintained in more important consuming and distributing centers.

Research and development: During 1960 approximately 2,300 scientists working at more than 30 laboratory locations were engaged in research directed toward support of the company's present business and toward development of new products and processes and to fundamental research. About 40 percent of the research personnel are located at the experimental station near Wilmington and the remainder are located principally in laboratories at plant sites.

Research expenditures excluding laboratory construction costs (in $1,000):

1960	96,000
1959	90,000
1958	90,000
1957	80,000
1956	77,000
1955	66,000
1954	61,000
1953	57,000

Atomic energy work: Company operates the Savannah River Plant for U.S. Atomic Energy Commission. Primary objective of this operation is production of plutonium and other special nuclear materials for national defense.

In addition, the plant is contributing to the AEC peaceful atomic projects. A study of heavy-water-moderated reactors for electric power generation is being conducted and is now a part of a joint United States-Canadian program on this type of power reactor. This project includes a $9.6 million heavy-water components test reactor scheduled to begin operation at plant in 1961.

Development work is being undertaken on the processing of partially spent fuels from power reactors. In 1960, plant started processing spent fuel from Canadian test reactors.

At December 31, 1960, there were approximately 6,600 laboratory and plant operating personnel and a construction force of 1,100.

At company's request the contract provides that Government pay all costs, that company receive a fee of $1, and that any patents growing out of Du Pont's work become property of the U.S. Government.

FOREIGN OPERATIONS

Total foreign business in 1960, including business done by nonconsolidated foreign affiliates amounted to $363 million, of which about 35 percent was in Europe, 28 percent in Canada, and 24 percent in Latin America. This compares with a total of $300 million in 1959. Exports of Du Pont products manufactured in the U.S. totaled $218 million, an increase of 28 percent from 1959.

At December 31, 1960 operating investment of foreign subsidiaries and affiliates including those not consolidated, was approximately $280 million, of which about $60 million was in Europe, $135 million in Canada, and $85 million in Latin America.

A large part of increase in foreign business in 1960 was in Europe where Du Pont de Nemours International S.A., Geneva, Switzerland, assumed responsibility late in 1959 for sales, technical service, etc., for products of parent, and for products exported by manufacturing subsidiaries in European area. A fibers sales service laboratory was installed in Geneva, and a plastics sales service laboratory will begin operating there later in 1961.

Du Pont Co. (U. K.) Ltd. completed construction of plant in Northern Ireland to produce neoprene synthetic rubber. A plant for processing "Delrin" acetal resin is to be built at Dordrecht site of Du Pont de Nemours (Nederland) N.V. where plant for manufacture of "Orlon" acrylic fiber is under construction. Capacity of Du Pont de Nemours (Belgium) S.A. finishes plant at Malines, Belgium, which begins operations in December 1959, was doubled in 1960. Early in 1961 construction of titanium dioxide pigments plant at Homberg, West Germany, was begun by Pigment-Chemie G.m.b.H., owned 26 percent by Du Pont.

Du Pont of Canada Ltd. started operation of plant for manufacture of "Sclair" polyethylene resin, and affiliate in Argentina, Ducilo S.A.I.C., completed program for expansion of facilities for manufacture of nylon and cellophane. In Mexico, Pigmentos y Productos Quimicos, S.A. de C.V., owned 49 percent, completed construction of plant at Tampico for manufacture of titanium dioxide pigments.

The Japanese Government approved formation of two new companies in which Du Pont will own 50 percent of equity capital, contributing know-how and cash. Showa Neoprene K.K., 50 percent owned by Showa Denko K.K., will manufacture and sell neoprene synthetic rubber, and Mitsui Polychemicals Co., Ltd., 50 percent owned by Mitsui Petrochemical Industries, Ltd., will manufacture and sell polyethylene. Construction of neoprene plant at Kawasaki and polyethylene plant at Otake was underway.

PRINCIPAL PLANTS AND PROPERTIES

Company operates 79 plants in 68 communities in 28 States.

Elastomer chemicals department: Beaumont, Tex., Deepwater Point, N.J., Louisville, Ky., and Montague, Mich.

Electrochemicals department: Niagara Falls, N.Y.; Memphis, Tenn.; Perth Amboy, N.J.

Explosives department: Barksdale, Wis.; Birmingham, Ala.; Carl Junction, Mo.; Carney's Point, N.J.; Du Pont, Wash.; Gibbstown, N.J.; Louviers, Colo.; Martinsburg, W. Va.; Moosic, Pa.; Old Hickory, Tenn.; Pompton Lakes, N.J.; Seneca, Ill.; Beaumont, Tex.

Fabrics and finishes department: Chicago, Ill.; Philadelphia, Pa.; South San Francisco, Calif.; Toledo, Ohio; Everett, Mass.; Flint, Mich.; Fort Madison, Iowa; Parlin, N.J.; Fairfield, Conn.; Newburgh, N.Y.; Tucker, Ga.; Columbia, Tenn.

Film department: Buffalo, N.Y.; Clinton, Iowa; Old Hickory, Tenn.; Richmond, Va.; Circleville, Ohio; Tecumseh, Kans.

Industrial and biochemicals department: Cleveland, North Bend, and Toledo, Ohio; Philadelphia and Cornwells Heights, Pa.; Linden, N.J.; East Chicago and Fortville, Ind.; Wurtland, Ky.; Ecorse, Mich.; La Porte, Tex.; Richmond, Va.; Belle, W. Va.

Organic chemicals department: Deepwater Point, N.J.; Louisville, Ky.; Antioch, Calif.; East Chicago, Ind.

Photo products department: Parlin, N.J.; Rochester, N.Y.; Towanda, Pa.

Pigments department: Baltimore, Md.; Newark, N.J.; Edge Moor and Newport, Del.; Brevard, N.C.; New Johnsonville, Tenn.; Lawtey and Starke, Fla.

Polychemicals department: Parkersburg, W. Va.; Orange, Tex.; Leominster, Mass.; Victoria, Tex.

Textile fibers department: Chattanooga, Tenn.; Kinston, N.C.; Martinsville, Va.; Old Hickory, Tenn.; Richmond, Va.; Seaford, Del.; Waynesboro, Va.; Camden, S.C.

Subsidiaries and affiliates plants: (See "Subsidiaries and Affiliates" and appended statements.)

Construction expenditures:

1960	[1] $214,000,000
1959	174,000,000
1958	231,000,000
1957	220,000,000
1956	157,000,000
1955	119,000,000
1954	120,000,000
1953	135,000,000
1952	126,000,000
1951	135,000,000
1950	114,000,000
1949	86,000,000
1948	[2] 117,000,000
1947	116,000,000
1946	92,000,000
1945	[3] 35,000,000
1944	[3] 25,000,000
1943	[3] 15,000,000

[1] Principal expenditures were made on projects for: "Dacron" polyester fiber; neoprene synthetic rubber; "Alathon" polyethylene resin; "Mylar" polyester film; "Teflon" fluorocarbon resin; nylon; "Delrin" acetal resin; polyethylene films; "Orlon" acrylic staple; Caprolactam; sulfuric acid, tetramethyl lead antiknock compound, "Lycra" spandex yarn.

[2] Includes purchase price of neoprene plant at Louisville, Ky., formerly owned by the Government.

[3] Excludes plants for U.S. and British Government.

Six plants were completed and began operations in 1960 as follows: At Old Hickory, Tenn., for the manufacture of "Dacron" polyester staple and dimethyl terephthalate (DMT), "Mylar" polyester film, and other products. For polyethylene film at Richmond, Va.; a high density polyethylene at Orange, Tex.; acrylonitrile at Memphis, Tenn.; and tetramethyl lead at Deepwater Point, N.J.

Construction of a research laboratory for Elastomer Chemicals department was completed at the company's experimental station near Wilmington.

A metallurgical development center fully equipped to speed development of high-temperature metals for jet engines, rockets, missiles, and atomic power generators was completed at Baltimore, Md.

Consolidation of production of trichlorethylene solvent in modernized facilities at Niagara Falls, N.Y., resulted in the closing of Wyandotte, Mich., plant.

It was expected the construction expenditures would approximate $205 million in 1961.

SALARIES AND WAGES

The following tabulations is for company and consolidated subsidiaries excluding Government-owned plants:

[In millions of dollars]

	Wages and salaries	Percent of net from operation	Average number of employees
1960	635.2	255	88,514
1959	592.9	206	84,561
1958	579.8	273	85,886
1957	575.6	217	90,088
1956	534.8	210	89,449
1955	491.2	168	87,453
1954	458.3	191	86,931
1953	467.6	306	93,091
1952	414.6	292	88,060
1951	382.5	274	86,878
1950	330.1	176	79,986
1949	293.1	219	74,759
1948	293.8	271	76,572

MANAGEMENT

Officers

Crawford H. Greenewalt, president.
Lammot du P. Copeland, vice president.
T. Crawley Davis, vice president.
David H. Dawson, vice president.
Henry B. du Pont, vice president.
Robert L. Hershey, vice president.
George E. Holbrook, vice president.
Samuel Lenher, vice president.
Robert L. Richards, vice president.
R. Russell Pippin, treasurer.
Richard R. Crass, assistant treasurer.
H. Wallace Evans, assistant treasurer.
Earl L. Gilpin, assistant treasurer.
Charles A. Kline, Jr., assistant treasurer.
Eldon M. Robinson, assistant treasurer.
Pierre S. du Pont, secretary.
Henry T. Bush, Jr., assistant secretary.
D. Irving Cashell, assistant secretary.
Samuel A. Milliner, Jr., assistant secretary.

Directors

[2] Walter S. Carpenter, Jr., chairman.
Walter J. Beadle.
[2] Donaldson Brown.
Charles A. Cary.
[1] Lammot du P. Copeland.
Jasper E. Crane.
John F. Daley.
Walter Dannenbaum.
Colgate W. Darden, Jr.
[1 2] T. Crawley Davis.
[1] David H. Dawson.
[2] Emile F. du Pont.
Eugene E. du Pont.
[1] Henry B. du Pont.
Irenee du Pont, Jr.
Henry F. du Pont.
[2] Pierre S. du Pont.
[2] William du Pont, Jr.
[2] James B. Eliason.
[1 2] Crawford H. Greenewalt.
[1] Robert L. Hershey.
[1] George E. Holbrook.
[1] Samuel Lenher.
Bernard Peyton.
[1] Robert L. Richards.
Edmund G. Robinson.
Hugh R. Sharp, Jr.
Frederic A. Wardenburg.
Roger Williams.

[1] Member of executive committee.
[2] Member of finance committee.

All above at Wilmington, Del., except Messrs. Donaldson Brown, Port Deposit, Md.; Colgate W. Darden, Jr., Norfolk, Va., and Bernard Peyton, New York.

Auditors: Price Waterhouse & Co.

Annual meeting: Second Monday in April if not legal holiday and if legal holiday then, on next succeeding Monday not a legal holiday.

Number of stockholders: Dec. 31, 1960: Preferred, 21,279; common, 210,840; both classes, 226,640.

Number of employees: Dec. 31, 1960, 87,935, excluding 7,405 employees at Government-owned plants.

General office: 1007 Market Street, Wilmington, Del.

Bonus plans: Bonus plans have been in effect since 1905. Three bonus plans are in force, designated as plans "A", "B", and "C." Under plan A bonus awards may be granted for conspicuous service of any nature regardless of amount of company's earnings. Under plan B bonus awards may be granted to employees who have contributed most in a general way to company's success by their ability, efficiency and loyalty. Maximum amount which can be made available for B bonus awards is dependent upon company earnings, as defined in the plan. Bonus awards under plan B shall be made from the B bonus funds which company shall establish and to which shall be credited annually an amount to be determined by the bonus and salary committee. This amount shall not exceed 20 percent of consolidated net earnings after adding back provision for B bonus and deducting net income from investment in General Motors common and 6 percent of bonus net capital employed (which excludes capital employed in investment in General Motors).

Bonuses under plans A and B may be awarded in common stock acquired by the company, or in cash to be invested in new common stock issued directly to beneficiaries, or in form of cash, or in two or more of said forms.

Awards under plan C, originally approved by stockholders November 12, 1957, may be granted to employees who concurrently are, or otherwise would be, recommended for B bonus. Awards, which are a substitute for part of B bonus awards, are granted in form of dividend units which may be accompanied by an option to buy common stock. In cases where dividend units are accompanied by options, units will terminate upon exercise of options, in proportion to number of shares purchased.

A dividend unit entitles recipient to receive until death or until 85th anniversary of birth, whichever is later, cash payments equal to dividends paid on one share of common stock. Maximum number of dividend units which may be awarded to all beneficiaries for any year, as defined in the plan, is 1½ times figure determined by dividing value per share at which common stock will be awarded or sold to B bonus beneficiaries into excess of (1) maximum amount which may be credited to B bonus fund over (2) actual credit to fund. Hence, awards of C bonus can be made only by virtue of a reduction in amount available for B bonus.

Provisions for bonus awards (excluding C awards:

Year	A award [1]	Credit to B fund	Total	Percent of net income [2]
1960	[3] 740,996	[4] 32,579,000	33,319,996	11.2
1959	393,459	36,835,000	37,228,459	11.0
1958	628,464	27,533,000	28,161,464	11.1
1957	582,808	34,113,000	34,695,808	11.0
1956	610,163	36,440,000	37,050,163	12.2
1955	638,020	41,812,597	42,450,617	12.2
1954	430,254	34,389,000	34,819,254	12.1
1953	1,047,970	24,324,689	25,372,659	13.6
1952	738,828	22,958,938	23,697,766	15.6
1951	606,540	23,598,056	24,204,596	14.2

[1] Cash and cost or market of Du Pont common stock awarded.

[2] Percent of net income for year, before deducting above bonus charges and excluding net income from investment in General Motors.

[3] Granted in 1960 to 153 employees, such awards consisting of $421,439 in cash and 1,431 shares of Du Pont, $5 par, common stock acquired by company and awarded at $223.31 a share.

[4] For 1960 B bonus awards totaling $32,201,580 have been granted to 9,363 employees in February 1961. The awards consisted of $13,294,972 in cash and $18,906,608 in cash to be invested in 93,136 shares of new common stock to be issued directly to beneficiaries at $203 a share.

C bonus awards were granted to 51 employees in February 1961. Awards consisted of 17,925 dividend units accompanied by options to purchase 23,906 common shares at $210.75 per share, and 5,337 dividend units not accompanied by stock options. Options will expire at end of 8 years unless terminated earlier in accordance with terms of plan.

In 1960 payments to employees under dividend units totaled $457,760; this amount is excluded from above tabulation.

Percentages of total bonus charges to net income available before bonus charges (and bond interest in years 1927–36) and after excluding income from General Motors investment for other years are as follows:

	Percent
1927	6.98
1928	8.39
1929	10.39
1930	6.83
1931	5.36
1932	.82
1933	6.91
1934	8.70
1935	11.15
1936	13.42
1937	12.88
1938	7.43
1939	12.62
1940	11.5
1941	12.3
1942	9.5
1943	10.8
1944	10.5
1945	9.8
1946	14.4
1947	13.4
1948	14.1
1949	14.7
1950	10.4

NOTE.—For details of bonus plans prior to modification effected as of January 1, 1937, see Moody's 1938 Industrial Manual.

Pension trust: At beginning of 1954 company had two pension trusts, one established in 1929 and the other in 1942. The 1929 trust had received no contributions since 1939 because the trust, being revocable, failed thereafter to meet the changed requirements of the Internal Revenue Code and it was no longer possible to deduct such contributions for tax purposes. Moreover, the income of the 1929 trust was subject to Federal tax.

In August 1954, company repaid $12 million borrowed from the 1929 trust. The assets (about $12.1 million) and obligations of that trust were then merged with those of the 1942 trust, and the 1929 trust was terminated. As a result of the merger, $2.4 million of the transferred amount—that portion which had not previously been deductible for tax purposes—became deductible in 1954; remaining $9.7 million had been deducted in the 1930's.

The 1942 trust has been ruled a tax-exempt trust under the Internal Revenue Code. Funds contributed to this trust may not be recovered by company except to extent permitted by the Internal Revenue Code and the regulations thereunder relating to tax-exempt pension trusts. Pursuant to authorization of stockholders on April 8, 1946, that company should continue, within certain limits, practice of making such contributions to 1942 trust as the directors deem to be in the best interests of company, a contribution of $12,500,000 was made to the trust in 1947, $14 million in 1948, $14,800,000 in 1949, $19 million in 1950, $22 million in 1951, $23 million in 1952, $37,500,000 in 1953, $48,800,000 in 1954, $36 million in 1955, $39 million in 1956, $53 million in 1957, $51,600,000 in 1958, $55,400,000 in 1959, and $58,500,000 in 1960. Assets, at cost, held by the trustee amounted to $563,675,828 at December 31, 1960.

Comparative consolidated income account, years ended Dec. 31

[Taken from reports to Securities and Exchange Commission. Including only wholly owned subsidiaries, or practically so]

	1960	1959	1958	1957	1956	1955	1954
Net sales [5]	$2,142,575,536	$2,114,322,970	$1,829,249,758	$1,964,624,295	$1,888,445,757	$1,909,197,444	$1,687,649,767
Other operating revenues	27,287,500	29,688,729	29,727,433	35,043,456	28,907,630	32,187,489	21,605,480
Total sales and operating revenues	2,169,863,036	2,144,011,699	1,858,977,191	1,999,667,751	1,917,353,387	1,941,384,933	1,709,255,247
Cost of goods sold and operating charges [1]	1,257,381,554	1,177,129,880	1,112,604,606	1,133,536,533	1,096,940,203	1,031,897,655	936,612,924
Selling, general and administrative expenses [1 6]	266,672,293	244,572,219	220,116,787	217,008,397	204,891,252	192,599,459	166,747,226
Depreciation and obsolescence [6]	155,153,651	143,062,889	130,789,061	121,981,786	115,205,037	118,472,530	112,782,625
Provision for doubtful accounts	897,334	378,831	473,597	544,667	513,682	549,992	393,577
Operating profit	489,758,204	578,867,880	394,993,140	526,596,368	499,803,213	597,865,297	492,718,895
Dividends from GM investment	126,000,000	126,000,000	126,000,000	126,000,000	126,000,000	135,500,000	100,000,000
Dividends subsidiaries, not consolidated [3]	6,510,962	6,533,944	6,002,471	5,973,870	5,927,526	6,325,157	3,324,459
Dividends from other security investment	260,000	295,068	357,500	495,074	580,437	420,676	2,972,724
Interest on securities	17,535,261	15,827,544	10,556,496	15,855,496	11,720,030	8,999,888	9,098,654
Profit—sale of securities, net						4,114,383	1,922,521
Miscellaneous other income, net	1,238,596	45,470	1,113,667	2,021,069	*dr* 264,428	*dr* 293,008	88,069
Total income	641,303,023	727,569,906	539,023,274	676,941,877	643,766,778	752,932,393	610,125,322
Provision for Federal income tax [4]	244,240,495	294,450,000	189,090,000	272,120,000	251,920,000	313,000,000	258,290,000
Provision for other income taxes	15,659,183	14,424,296	8,684,405	8,211,536	8,445,470	8,376,509	7,449,307
Net income to surplus [5]	381,403,345	418,695,610	341,248,869	396,610,341	383,401,308	431,555,884	344,386,015

See footnotes at end of table.

Comparative consolidated income account, years ended Dec. 31—Continued

[Taken from reports to Securities and Exchange Commission. Including only wholly owned subsidiaries, or practically so]

	1960	1959	1958	1957	1956	1955	1954
Consolidated surplus beginning of year	$1,146,690,198	$2,021,056,297	$1,875,692,216	$1,712,936,488	$1,504,130,512	$1,321,569,061	$1,167,951,282
Adjustment—revaluation of GM investment (credit) [7]	75,600,000	22,050,000	66,150,000	72,450,000	131,250,000	79,350,000	55,000,000
Other surplus credits [8]	16,759,978	15,468,813	22,205,446		80,129	317,253	15,122,643
Preferred dividends	10,049,825	10,049,825	10,049,825	10,049,825	10,049,825	10,049,825	10,574,825
Common dividends (in cash)	309,551,678	320,530,697	274,190,409	296,254,788	295,875,636	318,611,861	250,316,054
Consolidated surplus, end of year	2,300,852,018	2,146,690,198	2,021,056,297	1,875,692,216	1,712,936,488	1,504,130,512	1,321,569,061
Supplementary profit and loss data:							
Maintenance and repairs	147,678,919	128,103,200	117,898,765	122,525,445	116,937,610	106,090,935	100,772,269
Amortization of patents	107,070	88,228	81,660	96,031	92,790	66,612	46,568
Taxes (other than income and excess profit) [10]	34,757,742	31,629,068	24,683,580	25,390,882	23,612,813	23,027,496	19,514,306

[1] Include related portions of items shown under "Supplementary profit and loss data" below statement.

[2] Excludes equity in profits of majority-owned companies not consolidated which exceeded the dividends received from such companies by approximately: Not stated after 1957; 1957, $1,488,069; 1956, $4,957,478; 1955, *dr* $427,006; 1954, $4,726,136.

[3] Includes provision for liability under Renegotiations Act.

[4] Includes provision for B-bonus (credited to fund): 1960, $32,579,000; 1959, $36,835,000; 1958, $27,533,000; 1957, $34,113,000: 1956, $36,440,000; 1955, $41,812,597; 1954, $34,389,000.

[6] Includes accelerated depreciation: 1960, $55,238; 1959, $993,552; 1958, $3,330,422; 1957, $5,878,843: 1956, $9,540,745; 1955, $12,544,261; 1954, $12,305,839.

[7] Resulting from adjusting book value of investment in General Motors common stock to correspond closely with net asset value thereof as shown by the balance sheets of General Motors Corp. at preceding Dec. 31. See also note 5 under consolidated balance sheet below.

[8] Includes excess of issue price over par value of common stock issued to employees (shares): 1960, 67,987; 1959, 75,516; 1958, 127,183; 1955–57, none; 1954, 150,058.

[9] Sales do not include the value of products manufactured in U.S. Government-owned plants. Compensation for constructing and operating such plants is principally on a fixed-fee basis and is included in "other operating revenues."

[10] Includes payroll taxes (1960, $15,902,841).

Record of earnings, years ended Dec. 31

Year	Net sales and operating revenue	Cost and expenses	Operating profit	Other income and deductions (net)	Income before taxes	Income taxes [3]	Net income	Common dividends	Common shares outstanding [1]	Earnings per common share [2]
1941	$503,352,294	$345,218,183	$158,134,111	$36,584,830	$194,718,941	$104,317,471	$90,401,470	$77,452,648	$11,054,973	$7.49
1942	523,463,385	390,322,623	133,140,762	26,637,687	159,778,449	95,837,174	63,941,275	47,224,141	11,107,840	5.07
1943	612,939,287	446,532,621	166,406,666	26,775,739	193,182,405	123,475,586	69,706,819	47,224,665	11,109,993	5.59
1944	646,168,395	484,968,265	161,200,130	36,918,257	198,118,387	117,248,281	80,870,106	58,325,570	11,109,680	6.60
1945	631,575,414	508,251,445	123,323,969	34,576,889	157,900,858	80,379,851	77,521,007	58,374,725	11,117,862	6.29
1946	661,824,083	518,289,070	143,535,013	32,272,343	175,807,356	63,187,650	112,619,706	77,853,447	11,121,962	9.44
1947	795,538,075	630,102,492	165,435,583	20,805,513	186,241,096	66,231,336	120,009,760	88,976,332	11,122,190	9.88
1948	977,862,373	778,481,287	199,345,086	53,125,450	252,470,536	95,024,914	157,445,622	108,720,616	11,152,151	13.12
1949	1,031,979,405	784,293,376	247,686,029	86,169,988	333,856,017	120,183,876	213,672,141	152,304,689	44,799,182	4.52
1950	1,309,528,190	904,076,670	405,451,520	131,569,789	537,021,309	229,419,396	307,601,913	240,756,214	44,996,739	6.59
1951	1,545,652,851	1,041,021,844	504,631,007	93,083,629	597,714,636	376,970,825	220,743,811	160,237,502	45,148,732	4.64
1952	1,613,035,812	1,107,445,518	505,590,294	94,312,728	599,903,022	375,838,472	224,064,550	160,685,947	45,272,869	4.70
1953	1,765,432,024	1,215,517,112	549,914,912	98,703,828	648,618,740	413,053,474	235,565,266	172,569,813	45,422,730	4.94
1954	1,709,255,247	1,216,536,352	492,718,895	117,406,427	610,125,322	265,739,307	344,386,015	250,316,054	45,523,109	7.33

[1] Average number of $20 par ($5 par after 4-for-1 stock split effective June 15, 1949) common shares outstanding during year (excluding average number of shares in treasury).

[2] Based on average number of shares outstanding during the year (excluding average number of shares in treasury); and excluding equity in undivided profits and losses of majority-owned companies not consolidated.

[3] Net of reversion of excess reserves for income taxes.

Comparative consolidated balance sheet, as of Dec. 31 [1]

[Taken from reports to Securities and Exchange Commission; including only subsidiaries wholly owned or practically so]

	1960	1959	1958	1957	1956	1955	1954
ASSETS							
Cash	$100,451,566	$106,589,843	$101,682,151	$104,267,988	$106,886,113	$103,760,145	$105,649,856
Marketable securities [2]	220,104,952	240,178,842	202,591,342	231,323,603	240,802,449	246,546,855	221,944,555
Notes and accounts receivable, net (trade) [3]	194,596,149	173,381,202	172,353,979	143,997,872	161,797,843	146,243,052	142,491,894
Miscellaneous accounts receivable advances, etc	11,310,309	11,325,847	10,444,699	7,673,390	7,866,193	7,068,234	7,743,323
Inventories [15]	320,410,437	296,403,943	244,711,744	278,728,649	241,931,600	223,203,098	205,986,682
Deferred charges	12,192,301	14,624,878	12,940,639	12,315,547	12,971,620	10,704,356	9,911,835
Total current assets	859,065,714	842,504,555	744,724,554	778,307,049	772,255,818	737,525,740	693,728,145
Investments—G.M. common [5]	1,130,850,000	1,055,250,000	1,033,200,000	967,050,000	894,600,000	763,350,000	609,000,000
Securities of subsidiaries not consolidated [6]	28,744,355	28,644,776	28,646,701	28,316,869	28,372,400	28,724,964	28,708,090
Common held for bonus awards [14]					23,065,735	20,399,894	15,856,287
Other securities and investments [7]	4,405,669	3,068,461	1,350,913	1,348,358	1,046,637	1,064,165	1,729,101
Plants and properties (book value) [11]	2,166,444,808	1,998,752,157	1,904,082,223	1,734,854,757	1,556,630,192	1,437,073,931	1,356,531,048
Depreciation and obsolescence reserve [12]	1,282,759,098	1,170,672,464	1,104,779,997	1,032,476,276	954,084,942	875,576,052	801,331,042
Net property account	883,685,710	828,079,693	799,302,226	702,378,481	602,545,250	561,497,879	555,200,006
Goodwill, patents, trademarks, etc	42,008,588	41,882,149	41,904,661	41,980,416	41,973,081	42,044,235	41,850,974
Total	2,948,760,036	2,799,429,634	2,649,129,055	2,519,381,173	2,363,858,921	2,154,606,877	1,946,072,603
LIABILITIES							
Accounts and acceptances payable	49,071,975	52,919,192	48,580,340	49,547,999	53,609,464	52,109,764	51,032,597
Miscellaneous accounts payable, advances, etc	18,350,237	17,601,726	12,814,227	11,702,345	11,916,520	17,465,331	12,911,231
Provision for Federal and other taxes [9]	18,847,523	19,933,425	12,499,250	13,647,097	13,107,978	16,247,570	12,311,201
Portion of provision to employees' bonus	34,201,859	32,133,845	31,645,185	40,000,954	38,620,668	33,474,248	27,760,196
Accrued payrolls	5,406,680	3,865,815	3,385,669	6,833,987	7,150,121	6,038,812	4,896,075
Other accruals	17,094,663	19,577,314	17,580,527	17,506,479	16,059,572	13,687,792	13,428,871
Dividends payable on preferred stock	2,512,456	2,512,456	2,512,456	2,512,456	2,512,456	2,512,456	2,512,456
Total current liabilities	145,485,393	148,543,773	129,017,654	141,751,317	142,976,779	141,535,973	124,852,627
Provision of employee bonus awards [4]	26,465,329	26,877,050	22,018,033	26,028,945	31,839,575	33,932,251	$25,402,273
Reserve for insurance	8,697,141	9,398,393	9,494,431	9,001,970	9,199,354	6,917,693	6,209,906
Reserve for contingencies						1,183,723	1,132,011
Reserve for pensions [10]							
Preferred stock $4.50 cumulative [4]	168,885,000	168,885,000	168,885,000	168,885,000	168,885,000	168,885,000	168,885,000
Preferred stock $3.50 cumulative	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000
Common stock ($5)	229,375,155	229,035,220	228,657,640	228,021,725	228,021,725	228,021,725	228,021,725
Earned surplus	1,151,278,492	1,089,476,650	1,001,361,562	944,352,927	854,047,199	776,571,352	673,677,154
Paid-in surplus	146,981,171	130,221,193	114,752,380	92,546,934	92,546,934	92,466,805	92,149,552
Revaluation surplus	1,002,592,355	926,992,355	904,942,355	838,792,355	766,342,355	635,092,355	555,742,355
Total	2,948,760,036	2,799,429,634	2,649,129,055	2,519,381,173	2,363,858,921	2,154,606,877	1,946,072,630

See footnotes at end of table.

Comparative consolidated balance sheet, as of Dec. 31—Continued

	1960	1959	1958	1957	1956	1955	1954
LIABILITIES—con.							
Net current assets	$713,580,321	$693,960,782	$615,706,900	$636,555,732	$629,279,039	$595,989,767	$568,875,518
Supplemental balance sheet data:							
Equity in surplus of major-owned companies—not consolidated—included since acquisition	[11]	[11]	[11]	22,515,931	21,027,862	16,070,384	16,497,390
Property account—Analysis:							
Additions at cost	205,410,940	165,771,639	222,357,991	217,080,819	152,971,736	122,216,790	113,283,822
Retirements or sales	37,718,289	71,101,705	53,130,525	38,856,254	33,415,475	41,673,907	30,026,418
Depreciated reserve—Analysis:							
Additions charged to income	155,153,651	143,062,889	130,789,061	121,981,786	115,205,037	118,472,530	112,782,625
Retirement, renewals charged to reserve	43,067,017	77,170,422	58,485,340	43,590,452	36,810,391	44,227,520	32,602,410
Other additions [12]					114,244		

[1] 700,000 no par shares.
[2] At approximate market value.
[3] After reserve for doubtful accounts, notes, etc. (1960, $7,535,888).
[4] 1,688,850 no par shares.
[5] Consists in 1955–60, 63,000,000 shares (1¾ par) carried at $17.95 in 1960; $16.75 in 1959; $16.40 in 1958; $00.35 in 1957; $14.20 in 1956 and $12.12 in 1955 per share; in 1954, 20,000,000 shares ($5 par) carried at per share, $30.45.

Investment in General Motors Corp. common, in accordance with a practice followed since 1925, has been revalued annually to an amount which closely corresponds to the equity indicated by the consolidated balance sheet of General Motors Corp. at Dec. 31 of the preceding year as reported to its stockholders. The net additions to consolidated surplus as a result of all such revaluations amounted to $998,228,242 at end of 1960.

General Motors Corp. common was sp it 2 for 1, effective Oct. 3, 1950, thereby increasing number of shares held by company from 10,000,000 shares ($10 par) to 20,000,000 shares ($5 par). In February 1955, General Motors offered common stockholders right to purchase 1 additional share at $75 for each 20 shares owned. Company exercised its rights, increasing holdings to 21,000,000 shares. On Sept. 30, 1955, General Motors common stock was split 3 for 1, thereby increasing company's holdings to 63,000,000 shares ($1⅔ par).

Closing market price for General Motors common stock on the New York Stock Exchange on Dec. 30, 1960, was $40.625 a share.

[6] Equity in net assets of majority-owned companies not consolidated exceeded carrying value by $70,508,773 at Dec. 31, 1960, which amount is not reflected in the financial statements.
[7] Includes investments in companies in which Du Pont owns 50 percent or less of outstanding voting stock.
[8] For description, etc., see under "Bonus Plan" above consolidated income account. Aggregate amounts charged against operating income for bonuses were as follows: 1960, $33,319,996; 1959, $37,228,459; 1958, $28,161,464; 1957, $34,695,808; 1956, $37,050,163; 1955, $42,450,617; 1954, $34,819,254.
[9] After deducting U.S. Government securities held for payments: 1960, $185,440,800; 1959, $212,030,267; 1958, $155,100,646; 1957, $236,166,326; 1956, $250,641,185; 1955, $328,960,940; 1954, $300,385,720.
[10] The $29,651,889 provision for pensions at Dec. 31, 1953, consisting of $12,000,000 borrowed from the 1929 pension trust and $17,651,889 unfunded reserve, together with amount provided in 1954, was paid in 1954 to the trustee of the company's pension trust funds. Assets, at cost, held by the trustee of company's pension trust Dec. 31, 1960, $563,675,828; 1959, $497,560,704; 1958, $436,852,983; 1957, $381,475,167; 1956, $325,657,927; 1955, $284,492,209; 1954, $247,868,918. Since these assets are held in a trust for payment of retirement benefits, they were not reflected in the consolidated balance sheet.
[11] Plant and properties segregated as follows (Dec. 31, 1960):

Plant and equipment	$1,965,497,902
Real estate	25,055,239
Construction	175,891,667
Total	2,166,444,808

Company states that segregation of reserves is not made in the accounts because it is not practicable.
[12] 1956: Reserve for depreciation and obsolescence, at Nov. 1, 1956, applicable to equipment of International Freighting Corp., Inc., which became a consolidated subsidiary as of that date and was dissolved in 1957.
[13] Not stated.
[14] Common shares held for bonus awards to employees: None after 1956; 1956, 109,338; 1955, 101,507; 1954, 116,284.
[15] See note (b) below.

Depreciation and obsolescence policy: Provision for depreciation and obsolescence is made at rates which range from 4 percent to 15 percent per annum on direct manufacturing facilities, and from 2 percent to 10 percent per annum on research power, general and service facilities; in some instances appropriately higher rates are used. These rates, based on cumulative experience, are reviewed annually and revised when necessary.

General notes

(a) Principles of consolidation: It is the practice of company to include in its consolidated financial statements the accounts of all subsidiaries wholly owned, or practically so. Statements are consolidated on a calendar year basis and include accounts of certain subsidiaries operating in foreign countries on basis of 12-month periods ending November 30, adjusted for inter-company transactions to December 31.

As of June 28, 1957, International Freighting Corp., Inc. was dissolved and its net assets were distributed to parent company.

(b) Inventories: Physical inventories are taken at each location of company and its consolidated subsidiaries at some time during each year and the accounts are adjusted, where necessary, on basis of such physical inventories. Inventories are valued at average cost or less, not in excess of market. Estimated unrealized interdepartmental and intercompany profits are eliminated from inventories.

Financial and operating data

Statistical record	1960	1959	1958	1957	1956	1955	1954
Earned per share:							
Preferred	$159.66	$175.27	$142.85	$166.03	$160.50	$180.65	$133.03
Common [1]	$8.10	$8.92	$7.25	$8.48	$8.20	$9.26	$7.33
Dividends per share:							
$4.50 preferred	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50
$3.50 preferred	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50
Common	$6.75	$7.00	$6.00	$6.50	$6.50	$7.00	$5.50
Price range:							
$4.50 preferred	103–96¼	106–95	112¾–101	110–99	121½–102¾	124–117¼	122¾–115¾
$3.50 preferred	83–74½	86½–74½	91¾–80½	89½–76¾	99½–83½	101–94¾	101½–94¼
Common	266½–178¾	278¾–202½	214–172⅛	206–160¾	237–176⅛	249¾–157	170–104⅛
Net tangible assets per share:							
Preferred	$1,141.60	$1,076.97	$1,024.21	$963.07	$894.93	$807.50	$674.67
Common	$54.24	$50.95	$48.28	$45.21	$41.64	$37.06	$33.06
Number of shares:							
Preferred	2,388,850	2,388,850	2,388,850	2,388,850	2,388,850	2,388,850	2,388,850
Common [2]	45,863,262	45,793,629	45,709,318	45,593,560	45,534,030	45,525,562	45,523,109
Common [3]	45,875,031	45,807,044	45,731,528	45,604,345	45,604,345	45,604,345	45,604,345
FINANCIAL AND OPERATING RATIOS							
Current assets divided by current liabilities	5.90	5.67	5.77	5.49	5.40	5.21	5.56
Percent cash and securities to current assets	37.31	41.16	40.86	43.12	45.02	47.50	47.22
Percent inventory to current assets	37.30	35.18	32.86	35.81	31.33	30.26	29.69
Percent net current assets to net worth	25.77	26.54	24.74	27.17	28.86	30.24	31.81
Percent property depreciated	59.21	58.57	58.02	59.51	61.29	60.93	59.07
Percent annual depreciation to gross property	7.16	7.16	6.87	7.03	7.40	8.24	8.31
Capitalization:							
Percent preferred stock	8.63	9.14	9.60	10.20	10.96	12.12	13.36
Percent common stock and surplus	91.37	90.86	90.40	89.80	89.04	87.88	86.64
Sales and operating revenue divided by inventory	6.77	7.23	7.60	7.17	7.93	8.70	8.30
Sales and operating revenue divided by receivables (trade) [4]	11.15	12.37	10.79	13.89	11.85	13.28	12.00
Percent sales and operating revenue to net property	245.55	258.91	232.58	284.70	318.21	345.75	307.86
Percent sales and operating revenue to total assets	73.59	76.59	70.17	79.37	81.11	90.10	87.83
Percent net income to total assets	12.93	14.96	12.88	15.74	16.22	20.03	17.70
Percent net income to net worth	13.77	16.01	13.71	16.93	17.59	21.89	19.26
Preferred dividend times earned	37.95	41.66	33.96	39.46	38.15	42.04	32.57

[1] As reported by company on average number of shares outstanding during the year (excluding average number of shares in treasury) and excluding equity in undivided profits and losses of majority-owned companies not consolidated.
[2] Average number of shares outstanding during the year (excluding average number of shares in treasury).
[3] Shares outstanding Dec. 31.
[4] Receivables represented by notes and accounts receivable (trade) only; excludes miscellaneous accounts receivable, advances, etc.

Financial and operating data—Continued

Statistical record	1960	1959	1958	1957	1956	1955	1954
ANALYSIS OF OPERATIONS	PERCENT						
Sales (net of returns, allowances, etc.)	98.74	98.62	98.40	98.25	98.49	98.34	98.74
Other operating revenues	1.26	1.38	1.60	1.75	1.51	1.66	1.26
Total sales and operating revenues	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Costs and operating charges	57.95	54.90	59.85	56.09	57.21	53.15	54.80
Selling, general and administrative expenses	12.33	11.43	11.87	10.88	10.71	9.95	9.78
Depreciation, depletion, and amortization	7.15	6.67	7.03	6.10	6.01	6.10	6.39
Operating profit	22.57	27.00	21.25	26.33	26.07	30.80	28.83
Divested from G.M. investment	5.81	5.88	6.78	6.30	6.57	6.93	5.85
Other income	1.18	1.06	.97	1.22	.94	1.01	1.02
Net income before income tax and contingencies	29.56	33.94	29.00	33.85	33.58	38.78	35.70
Income taxes	11.98	14.41	10.64	14.02	13.58	16.55	15.55
Net income	17.58	19.53	18.36	19.83	20.00	22.23	20.15

CAPITAL STOCK

1. E. I. du Pont de Nemours & Co., $4.50 cumulative preferred; no par:

Authorized: All series, 4 million shares; $4.50 series, 1,688,850 shares; issued and outstanding, 1,688,850 shares; no par.

Preferences: All series have equal preference for assets and dividends.

Dividend rights: Entitled to cumulative dividends of $4.50 annually. Dividends payable quarterly about January 24, et cetera to stock of record about January 10, et cetera.

Dividend record: Initial quarterly dividend of $1.35 per share paid October 25, 1937, covering period July 7 to October 25, 1937. Regular quarterly dividends of $1.12½ paid thereafter.

Voting rights: None, unless any dividend remains unpaid for a period of 6 months, when voting separately as a class is entitled to elect two directors, or if the total number of directors is only three, then to elect only one director.

Consent of 66⅔ percent of all outstanding stock necessary to dispose of substantially all assets.

Liquidation rights: Entitled to preferential treatment over common to $100 per share and dividends if involuntary and to $115 per share and dividends if voluntary.

Preemptive rights: None.

Callable: In whole or in part on 60 days notice at $120 per share and dividends.

Additional preferred: May be issued in series of equal rank with provisions as fixed by directors subject to prescribed limitations.

Sinking fund: None.

Listed: New York Stock Exchange.

Transfer agents: Chemical Bank New York Trust Co., New York; H. B. Clark, Jr., 1007 Market St., Wilmington, Del.

Registrars: Bankers Trust Co., New York; Wilmington Trust Co., Wilmington, Del.

Issued: 1,188,850 shares in 1939 under an offer which expired October 24, 1939, whereby each share of 6-percent debenture stock received 1⅛ shares of $4.50 cumulative preferred.

Offered: 500,000 shares at $100 per share in June 1937 by a syndicate headed by Morgan Stanley & Co., Inc., New York. Proceeds were used for general corporate purposes.

2. E. I. du Pont de Nemours & Co., $3.50 cumulative preferred; no par.

Authorized: All series, 4 million shares; $3.50 series, 700,000 shares; issued and outstanding, 700,000 shares.

Preferences: All series have equal preference for assets and dividends.

Dividend rights: Entitled to cumulative dividends of $3.50 per share annually, payable quarterly, cumulative from April 25, 1947.

Dividend record: Initial dividend of 87½ cents, paid July 25, 1947; regular quarterly paid thereafter.

Voting rights: Has no voting power (except as provided by law) unless any dividend is in default for 6 months when preferred, voting separately as a class, is entitled to elect two (or if board consists of three, then one) of directors.

Consent of 66⅔ percent of all outstanding stock necessary to dispose of substantially all assets.

Liquidation rights: In liquidation, entitled to $100 per share if involuntary and $107 per share if voluntary, plus accrued dividends in either case.

Preemptive rights: None.

Callable: As a whole or in part on at least 60 days' notice at any time to each April 25, inclusive, as follows (per share, plus dividends): 1961, 104; 1964, 103; (1) 1964, 102; (1) after April 25, 1964.

Additional preferred: May be issued in series of equal rank with provisions as fixed by directors subject to prescribed limitations.

Purpose: For general corporate purposes.

Sinking fund: None.

Listed: On New York Stock Exchange.

Transfer agents: Chemical Bank, New York Trust Co., New York; H. B. Clark, Jr., 1007 Market Street, Wilmington, Del.

Registrars: Bankers Trust Co., New York; Wilmington Trust Co., Wilmington, Del.

Offered: (700,000 shares) at $102 per share (proceeds to company, $100 per share) on May 1, 1947, by a syndicate headed by Morgan Stanley & Co., New York. An additional 300,000 shares were sold at $100 per share net to employees' pension trust and were repurchased by company at $100 per share in September 1954 and retired in May 1955.

3. E. I. du Pont de Nemours & Co. common; par $5.

Authorized: 60 million shares; outstanding, December 31, 1960, 45,875,031 shares; reserved for issuance to employees, 1,729,314 shares; par $5.

Two $100 shares in form of a 200-percent stock dividend issued to holders of each $100 par share of predecessor on October 1, 1915; 2 no par shares issued for each $100 share October 28, 1926; 3½ $20 shares issued for each no par share January 21, 1929; four $5 shares issued for each $20 share June 15, 1949.

Dividend record

[In dollars]

Note: Business and assets sold to present company 1915 (see history).

Predecessor company—$100 par shares:	
1903	0.00
1904	.50
1905	3.50
1906	6.50
1907–08	7.00
1909	7.75
1910–12	12.00
1913–14	[1] 8.00
1915	[2] 17.00
Present company—$100 par shares:	
1915	30.00
1916	[3] 100.00
1917	[4] 51.00
1918	[5] 26.00
1919	18.00
1920	[6] 10.50
1921–22	[7] 8.00

Dividend record—Continued

[In dollars]

$100 par shares after 50-percent stock dividend Dec. 29, 1922:	
1923	6.50
1924	8.00
1925	[8] 5.00
$100 par shares after 40-percent stock dividend August 1925:	
1925	5.00
1926	17.50
No par shares after 2-for-1 split (October 1926):	
1926	1.75
1927	15.50
1928	17.25
1929	4.75
$20 par shares for 3½-for-1 split (January 1929):	
1929	4.50
1930	4.70
1931	4.00
1932–33	2.75
1934	3.10
1935	[9] 3.45
1936	6.10
1937	6.25
1938	3.25
1939–41	7.00
1942–43	4.25
1944–45	5.25
1946	7.00
1947	8.00
1948	9.75
1949	5.00
$5 par shares after 4-for-1 split (June 15, 1949):	
1949	2.15
1950	5.35
1951–52	3.55
1953	3.80
1954	5.50
1955	7.00
1956–57	6.50
1958	6.00
1959	7.00
1960	6.75
1961	[10] 1.50

[1] Plus in 1913 $11.06 of 6-percent income bonds and 65,000/293,971 share of capital stock of Hercules Powder Co. and $5.10 of 6-percent income bonds and 30,000/293,971 share of capital stock of Atlas Powder Co.

[2] Plus 2 shares of present company $100 par stock and $5 paid in Atlas Powder Co. preferred.

[3] Includes $57.50 in Anglo-French external loan bonds.

[4] Includes $32 in Liberty bond 4s.

[5] Includes $5 in preferred stock ($5 par) of Du Pont Chemical Co.

[6] Plus 7½ percent in stock.

[7] Plus 50 percent in stock Dec. 29, 1922.

[8] Plus 40 percent in stock August 1925.

[9] Plus 1/55 share General Motors common.

[10] To Mar. 14.

Dividends payable quarterly March 14, etc., to stock of record about February 24, etc.

See footnotes at end of table.

Voting rights: Has sole voting power; for exceptions see description of $4.50 and $3.50 cumulative preferred (Nos. 1 and 2).

Preemptive rights: Any issue of common stock, at the discretion of the board of directors, may be offered for sale to the holders of the common stock to the exclusion of the holders of any other class of stock of the corporation, but in no event shall any such common stock be offered for sale until after the common stockholders shall have had an opportunity to subscribe and pay therefor, except in case the directors in their discretion find it necessary or desirable to issue such common stock directly in payment for property or other assets except cash, necessary or desirable to be purchased or acquired from time to time by the corporation, and except that any of such shares, not exceeding 2 million may be issued after April 11, 1955, to employees (including officers and directors) of this corporation and/or of any corporation in which the corporation shall directly or indirectly own 50 percent or more of the voting stock, or to a trustee or trustees on behalf of such employees, with payment at such price or prices, and on such terms and conditions as may be prescribed and determined by the board of directors, or, in case of common stock issued upon exercise of options, as provided in section XIII of certificate of incorporation, as amended.

Listed: New York Stock Exchange. Unlisted trading on Boston, Cincinnati, Midwest, Philadelphia-Baltimore, Pittsburgh, and Pacific Coast Stock Exchanges. Bearer certificates traded in on Brussels Stock Exchange.

Transfer agents: Chemical Bank New York Trust Co., New York; H. B. Clark, Jr., 1007 Market Street, Wilmington, Del.

Registrars: Bankers Trust Co., New York; Wilmington Trust Co., Wilmington, Del.

Issued: 588,542, $100 par shares on October 1, 1915, to holders of predecessor company common.

One hundred and forty-nine thousand three hundred and ninety-two no par shares in December 1928 to acquire assets and business of the Grasselli Chemical Co.

Four hundred and fifty-two thousand two hundred and seventy, $20 par shares (together with 47,208 shares of 6 percent cumulative debenture stock) in April 1929 to acquire minority interests in Du Pont Rayon Co. and Du Pont Cellophane Co.

Twenty thousand eight hundred and twenty-three, $20 par shares (together with 19,999 shares of 6 percent cumulative debenture stock) in June 1929 to acquire assets and business of Krebs Pigment & Chemical Co.

Ten thousand seven hundred and thirteen, $20 par shares in July 1929 to acquire minority interest in Lazote, Inc.

Sixteen thousand seven hundred and sixty-one, $20 par shares in December 1929 in exchange for 12,416 common shares of Canadian Industries, Ltd.

Two hundred and forty-one thousand one hundred and thirty, $20 par shares in April 1930 to acquire assets and business of the Roessler & Hasslacher Chemical Co.

Fifty-six thousand seven hundred and fifty, $20 par shares in November 1941 to acquire 35 percent outside interest in Du Pont Film Manufacturing Corp.

Balance of stock was issued in connection with bonus awards, stock dividends, and stock splits (see Dividend Record above) and in connection with subscription rights.

Stock options: Outstanding February 23, 1961, Bonus Plan C options on 30,348 shares at $180.25 per share, 20,892 shares at $213.75, 25,604 shares at $230.25, and 24,204 shares at $210.75 expiring in 1966 to 1969, inclusive.

Du Pont of Canada, Ltd.

(Controlled by E. I. du Pont de Nemours & Co.)

History: Incorporated under Dominion charter in November 1910 as Canadian Explosives Ltd., in 1927 changed name to Canadian Industries Ltd. and on July 1, 1954, to Du Pont of Canada Securities Ltd.: changed to Du Pont Co. of Canada (1956) Ltd., January 1, 1957, on merger with wholly owned subsidiary, Du Pont Co., of Canada, Ltd.; present name adopted December 31, 1958.

Since inception has acquired a number of companies engaged in chemical and related industries.

Under the segregation plan, effective July 1, 1954, designed to end joint interest in company by Imperial Chemical Industries, Ltd. (see general index) and E. I. du Pont de Nemours & Co., company's plants and properties were transferred to two new companies, Canadian Industries (1954) Ltd., and Du Pont Co. of Canada Ltd.

Canadian Industries (1954) took over five fertilizer plants, four chemical plants, five explosive plants, one ammunition plant, one plastics plant, and four plants producing paints and coated fabrics, also right to use certain company trademarks.

Du Pont of Canada acquire company's nylon and "Cellophane" divisions and facilities for conversion of polyethylene resin flake into sheeting and tubing, also special Du Pont trade names, used for years on some company products.

Canadian Industries Ltd. preferred stockholders received two $50 par 7½ percent preferred shares (one in Canadian Industries (1954) Ltd. and one in Du Pont of Canada Securities Ltd.) for each $100 par 7 percent preferred share held. For each common share, minority holders received 1.1 shares of common in each new company.

Imperial Chemical Industries Ltd. received in exchange for 2,952,655 common shares of Canadian Industries Ltd., 5,905,310 common shares—82.3 percent—of Canadian Industries (1954) Ltd., and E. I. du Pont de Nemours & Co. received in exchange for 2,952,655 common shares of Canadian Industries Ltd., 5,905,310 common shares—82.3 percent—of Du Pont of Canada Securities Ltd.

Business: Engaged in manufacture of transparent films ("Cellophane" cellulose film, and polyethylene film and tubing), textile fibers (nylon and "Orlon" acrylic fiber), nylon extrusion and moulding resins, polyethylene resin, commercial explosives, automotive and industrial finishes, hydrogen peroxide, and refrigerant and propellant gases. Also engaged in resale of various related products, some of which bear trademark of E. I. du Pont.

Property: Plants at Shawinigan, Que., Kingston, Whitby, Maitland, Ajax, North Bay, and Sarnia, Ont. Research center at Kingston, Ont.

Expansion program: Company spent $6,591,000 in 1960 for new plant and expansion. Polyethylene resins plant at Sarnia was completed, and plants at Kingston and Maitland were expanded to increase capacity for nylon tire and textile yarns as well as for basic nylon polymer.

Control: E. I. du Pont de Nemours & Co. (see general index) owns 81.38 percent of outstanding voting common stock.

Officers: G. W. Huggett, chairman; H. H. Lank, president; R. C. Beck, executive vice president; F. S. Capon, H. F. Hoerig, F. G. Raymant, vice presidents; K. M. Place, treasurer; B. M. Ogilvie, secretary; C. A. Harvie, assistant treasurer; R. A. C. Henry, assistant secretary.

Directors: George W. Huggett, R. R. Pippin, W. S. Carpenter III, H. H. Lawson, R. G. Beck, L. du Pont Copeland, H. H. Lank, J. K. Jenney, R. L. Richards, J. M. Breen, R. L. Hershey, F. S. Capon.

Auditors: Ross, Touche & Co., Montreal.

Annual meeting: In April.

Number of stockholders: December 31, 1958: Preferred, 1,000; common, 5,500.

Number of employees: December 31, 1960: 4,417.

Office: Du Pont Building, Post Office Box 660, Montreal, Quebec.

Consolidated income account, years ended Dec. 31

[In Canadian dollars]

	1960	1959
Net sales	$99, 812, 672	$90, 920, 572
Costs and expenses	78, 930, 054	69, 562, 122
Depreciation	6, 325, 136	5, 917, 224
Net earnings	14, 557, 482	15, 441, 226
Other income	93, 731	71, 500
Total income	14, 651, 213	15, 512, 726
Interest	$449, 153	$416, 359
Income taxes	$6, 715, 054	$6, 784, 796
Future income tax	$652, 000	$1, 143, 000
Net income	$6, 835, 006	$7, 168, 571
Previous earned surplus	$43, 192, 094	$39, 819, 190
Preferred dividends	$174, 375	$174, 375
Common dividends	$3, 628, 284	$3, 621, 292
Earned surplus, Dec. 31	$46, 224, 441	$43, 192, 094
Earned preferred share	$146. 99	$154. 16
Earned common share	$0. 92	$0. 97
Number of preferred shares	46, 500	46, 500
Number of common shares	7, 256, 567	7, 242, 583

Sales and earnings, years to Dec. 31

[In dollars]

	Net sales	Net income	Number of shares	Earned on common
1959	90, 920, 572	7, 168, 571	7, 242, 583	0. 97
1958	81, 679, 771	5, 235, 432	7, 226, 892	. 70
1957	72, 635, 188	4, 491, 457	7, 208, 262	. 60
1956	66, 606, 100	4, 969, 135	7, 189, 713	. 67
1955	65, 461, 474	6, 493, 976	7, 176, 771	. 88

Consolidated balance sheet, as of Dec. 31

[In Canadian dollars]

	1960	1959
ASSETS		
Cash	617, 670. 00	591, 110. 00
Receivables, net	10, 869, 607. 00	9, 114, 173. 00
Investment securities, cost	500, 000. 00	
Inventories [1]	9, 827, 437. 00	8, 682, 337. 00
Total current	21, 814, 714. 00	18, 387, 620. 00
Plant and property, cost	111, 723, 468. 00	105, 776, 515. 00
Goodwill, etc	1, 688, 576. 00	1, 688, 576. 00
Deferred charges	730, 612. 00	836, 245. 00
Total	135, 957, 370. 00	126, 688, 956. 00
LIABILITIES		
Loans payable	8, 000, 000. 00	7, 000, 000. 00
Accounts payable, etc	5, 513, 199. 00	5, 737, 488. 00
Income, etc., taxes	3, 530, 918. 00	4, 921, 471. 00
Dividends payable	1, 494, 907. 00	1, 492, 110. 00
Total current	18, 539, 024. 00	19, 151, 069. 00
Noncurrent liabilities	1, 196, 365. 00	1, 040, 989. 00
Future income tax	5, 520, 000. 00	4, 868, 000. 00
Depreciation reserve	51, 945, 381. 00	46, 190, 216. 00
7½ percent preferred stock ($50)	2, 325, 000. 00	2, 325, 000. 00
Common stock [2]	10, 207, 159. 00	9, 921, 588. 00
Earned surplus	46, 224, 441. 00	43, 192, 094. 00
Total	135, 957, 370. 00	126, 688, 956. 00
Net current assets	3, 275, 690. 00	763, 449. 00
Net tangible common shares	7. 54	7. 10

[1] Lower of cost or market.

[2] Number of par shares: 1960, 7,256,567; 1959, 7,242, 583.

Capital stock: 1. Du Pont of Canada, Ltd. 7½ percent cumulative preferred; par $50.

Authorized: 46,500 shares; outstanding, 46,500 shares; par $50.

Preferences: Has preference for assets and dividends.

Dividend rights: Entitled to cumulative dividends of $3.75 per share annually.

Dividend record: Initial dividend of 93¾ cents paid October 15, 1954, and quarterly thereafter.

Voting rights: Has no voting power except on questions affecting rights of preferred, sale or merger of company or increase or decrease of capital, when it is entitled to 10 votes per share.

Liquidation rights: In liquidation, entitled to repayment of capital.

Callable: Not callable.

Issued: Issued together with Canadian Industries (1954), Ltd. preferred in exchange for Canadian Industries, Ltd. preferred under plan of segregation, one share of each issue for one share of Canadian Industries preferred.

Transfer agent—registrar: Montreal Trust Co., Montreal, Toronto, and Vancouver.

Price range:

High:	
1960	78
1959	80
1958	84
1957	90
1956	95
Low:	
1960	70
1959	73½
1958	77
1957	70
1956	80

2. Du Pont of Canada, Ltd. common; no par:

Authorized: 13,500,000 shares; outstanding, 7,256,567 shares; no par.

E. I. du Pont de Nemours & Co. owns 81.38 percent of stock.

Issued: Under the segregation plan effective July 1, 1954 (see history above).

Dividends paid:

1954	$0.10
1955–60	.50
[1] 1961	.30

[1] To April 28.

Dividends payable quarterly at Montreal Trust Co., Montreal, Canada.

Price range:

High:	
1960	26¼
1959	29¾
1958	22
1957	22¼
1956	29¾
Low:	
1960	19¼
1959	19¼
1958	16
1957	16½
1956	17¼

Listed: Preferred and common on Montreal Stock Exchange; unlisted trading privileges on Toronto Stock Exchange (curb section).

Transfer agent, registrar and dividend disbursing agent: Montreal Trust Co., Montreal, Toronto, and Vancouver.

REMINGTON ARMS CO., INC.

(Controlled by E. I. du Pont de Nemours & Co.)

History: Incorporated under the laws of Delaware, May 24, 1920; business founded in 1816.

In August 1933 company acquired for $66,000 the entire business and property of the Chamberlin Cartridge & Target Co. of Cleveland, Ohio; producers of Blue Rock targets and Chamberlin traps. As of May 15, 1934, company, through a newly formed and wholly owned subsidiary, Peters Cartridge Co. (Delaware) (assets and business of which were transferred to Remington Arms in June 1935) purchased for $2,543,892 substantially all the assets and business of Peters Cartridge Co. (Ohio), manufacturers of sporting ammunition. On June 1, 1934, purchased the assets and business relating to the manufacture and sale of the Parker shotgun from Charles Parker Co. for $100,000.

In March 1936, company joined with Imperial Chemical Industries, Ltd., to organize a new jointly owned Brazilian company, known as Companhia Barsileira de Cartuchos for the purpose of acquiring the assets and business of Fabrica Nacional de Cartuchos e Municoes. The latter company had been manufacturing sporting ammunition since 1927 in its plant located at Sao Paulo, Brazil. Remington Arms Co., Inc., granted the new company the right to use its trademarks and technical information in Brazil, for which it received compensation in amount of $125,000.

On June 28, 1956, acquired all the stock of Mall Tool Co., of Chicago for $9,850,000 of which $7,850,000 has been paid and balance is due $1 million November 1, 1959 and 1960. Company dissolved in September 1958, and assets taken over by parent.

On December 17, 1957, sold interest in Rem-Cru Titanium, Inc. to Crucible Steel Co. in exchange for 150,000 Crucible common shares.

Business: Company manufactures sporting ammunition, rifles, and shotguns; industrial cartridge powered tools, cartridges, and studs; clay targets and traps, chain saws, electric tools, contractor and industrial equipment.

Plants and products: Remington plants are at Bridgeport, Conn.; Ilion, N.Y., and Findlay, Ohio. Mall Tool plants are at Chicago and Park Forest, Ill., and Toronto, Ontario.

In December 1950, company, at request of Government, reactivated Government-owned Lake City Arsenal at Independence, Mo.

Subsidiaries: Union Metallic Cartridge Co.—inactive; Peter Cartridge Co. (Del.)—inactive; and Remington Arms of Canada, Ltd.

Companhia Brasileira de Cartuchos (49.96 percent owned). Owns and operates a sporting ammunition plant at Sao Paulo, Brazil. Dividends received by Remington: 1956, $50,000; 1955, $131,000.

Control: In May 1933, E. I. du Pont de Nemours & Co. acquired a majority interest in Remington Arms. At December 31, 1958, Du Pont owned 60.17 percent of the common stock and 99.57 percent of the preferred stock.

Officers: M. R. Warden, president and general manager; R. H. Coleman, vice president and assistant general manager; H. K. Faulkner, vice president and director of production; Dewey Godfrey, vice president (sales); H. M. Stoessel, secretary and treasurer; J. S. Hoffman, assistant treasurer; S. A. Milliner, Jr., A. K. Ralph, D. L. Cashell, assistant secretaries; N. P. Larsen, assistant secretary and assistant treasurer.

Directors: C. K. Davis, chairman; M. H. Dodge, honorary chairman; W. C. Lang, Henry B. du Pont, M. F. Wood; M. R. Warden, Wm. A. Rockefeller, F. B. Stillman, D. H. Dawson.

Annual meeting: Thursday following second Monday in April.

Number of stockholders: December 31, 1960: Preferred 24; common 9,169.

Number of employees: December 31, 1960, 3,689, excluding 1,573 at Lake City Arsenal.

Auditors: Price Waterhouse & Co.

Executive and General Office: 939 Barnum Avenue, Bridgeport, Conn.

Office of chairman of the board: Connecticut National Bank Building, Bridgeport, Conn.

Bonus plan: Plan adopted in 1934 provides for two classes—class A for conspicuous service regardless of company's earnings, and class B dependent on company's earnings for those who have contributed most in a general way to company's success.

In 1960, class A bonus of $39,097 was awarded to 22 employees and amount credited to class B was $1,031,565, which with $109,551 in the fund, made a total of $1,141,116 from which awards for 1960 aggregating $1,037,000 were granted to 269 employees.

Consolidated income account, years ended Dec. 31

	1960	1959
Net sales	$70,875,493.00	$74,629,285.00
Other income	1,685,377.00	2,087,341.00
Total	72,560,870.00	76,716,626.00
Cost of sales, etc	46,807,412.00	50,354,593.00
Selling, etc., expenses	9,498,553.00	10,004,030.00
Depreciation and obsolescence	2,045,629.00	2,162,506.00
Net earnings	14,209,276.00	14,195,497.00
Federal income tax	7,050,000.00	6,400,000.00
Net income	7,159,276.00	7,795,497.00
Earned surplus, Jan. 1	40,129,322.00	36,995,318.00
Preferred dividends	165,609.00	165,609.00
Common dividends	4,495,884.00	4,495,884.00
Earned surplus, Dec. 31	42,627,105.00	40,129,322.00
Earned, preferred share	194.53	211.82
Earned, common share	0.93	1.02
Number of preferred shares	36,802	36,802
Number of common shares	7,493,140	7,493,140

NOTES.—(a) Total taxes: 1960, $9,100,000; 1959, $8,300,000. (b) Total salaries, wages, etc.: 1960, $26,000,000; 1959, $27,000,000.

Sales and earnings, years to Dec. 31

[In dollars]

	Net sales	Net income	Number of shares	Earned on common
1959	74,629,285	7,795,497	7,493,140	1.02
1958	66,294,292	6,467,345	7,493,140	.84
1957	74,610,415	8,047,481	7,493,140	1.05
1956	[1] 72,710,837	8,092,856	7,493,140	1.06
1955	[1] 69,010,403	7,913,823	7,493,140	1.03
1954	[1] 68,970,276	7,476,951	7,493,140	.98
1953	[1] 75,745,157	6,019,095	7,493,140	.78
1952	[1] 80,121,225	6,011,033	7,493,140	.78
1951	[1] 61,817,115	5,449,459	7,493,140	.70
1950	53,244,448	5,263,868	7,493,140	.68

[1] Does not include value of products manufactured for U.S. Government under fixed-fee contracts. Fixed fees for operations under such contracts were included in other operating revenues.

Consolidated balance sheet, as of Dec. 31

	1960	1959
ASSETS		
Cash	$7,302,604.00	$4,253,698.00
Receivables, net	5,718,782.00	6,694,476.00
U.S. Government securities	14,991,513.00	15,209,841.00
Finished goods [1]	11,230,830.00	10,007,429.00
Work in process [1]	7,029,025.00	6,477,336.00
Materials, etc. [1]	3,930,343.00	4,727,996.00
Deferred charges	197,091.00	348,810.00
Total current	50,400,188.00	47,779,586.00
Plant and equipment	41,582,039.00	42,225,262.00
Patents, etc	1.00	1.00
Crucible Steel Co. [2]	3,272,000.00	3,272,000.00
Other investments	1,334,166.00	1,448,198.00
Total	96,588,394.00	94,725,037.00
LIABILITIES		
Accounts payable	3,373,660.00	4,112,315.00
Federal income tax	(3)	(3)
Accruals	2,657,936.00	2,564,403.00
Debt due	2,000,000.00	2,000,000.00
Total current	8,031,596.00	8,676,718.00
Depreciation, etc., reserve	25,177,091.00	24,772,661.00
Employees bonus plan	1,701,287.00	1,802,101.00
Reserve for pensions	1,336,629.00	1,647,549.00
4½ percent preferred ($100)	3,680,200.00	3,680,200.00
Common stock ($1)	7,493,140.00	7,493,140.00
Earned surplus	42,627,105.00	40,129,322.00
Paid-in surplus	6,541,346.00	6,541,346.00
Total	96,588,394.00	94,725,037.00
Net current assets	42,368,592.00	39,120,868.00
Net tangible common share	7.56	7.23

[1] Cost or less, not over market.

[2] 150,000 common shares, market value Dec. 31, 1960, $2,587,000.

[3] After deduction U.S. tax notes: 1960, $4,655,156; 1959, $4,497,151.

Long term debt: Outstanding, December 31, 1960, $2,000,000 4 percent notes payable

$1 million annually to 1960. Payment withheld pursuant to acquisition agreement pending settlement of certain claims.

Capital stock: 1. Remington Arms Co., Inc. 4½ percent cumulative preferred; par $100:

Authorized: 38,141 shares; outstanding, 36,802 shares; par $100.

1960, E. I. du Pont de Nemours & Co. owns 99.60 percent of stock.

Preferences: Has preference as to assets and cumulative dividends of 4½ percent per annum (changed from 6 percent, effective June 16, 1947).

Liquidation rights: In any liquidation entitled to par and dividends.

Callable: As a whole or in part at any time on 30 days' notice at 105 and dividends.

Voting rights—Has no voting power.

Preemptive rights: None.

Purpose: Issued, together with common stock in 1936 in exchange for 7 percent first preferred formerly outstanding.

Dividends: Initial dividend of $1 per share paid December 15, 1936 (to stock of record Dec. 10) covering period from October 15, 1936. Regular dividends paid June 15 and December 15 to stock of record about June 6 and December 6.

2. Remington Arms Co., Inc., common; par $1:

Authorized: 7,600,000 shares; outstanding, 7,493,140 shares; par $1 (changed from no par on a share for share basis in July 1933).

E. I. du Pont de Nemours & Co. owns 60.17 percent of stock.

Voting rights: Has sole voting power with right of cumulative voting for directors.

Dividends paid:

1936	$0.13
1937	.18
1938	.05
1939	.10
1940	.18
1941	.20
1942–43	.30
1944	.25
1945–46	.20
1947	.35
1948	.40
1949	.17
1950–51	.45
1952–53	.50
1954–58	.55
1959–60	.60

Price range:

High:	
1960	14
1959	14⅜
1958	12
1957	16⅛
1956	13¾
Low:	
1960	9⅞
1959	11⅛
1958	7½
1957	7
1956	10⅛

Listed: On American Stock Exchange.

Transfer agent: H. B. Clark, Jr., Du Pont Building, Wilmington 98, Del.

Registrar: Wilmington Trust Co., Wilmington 99, Del.

Capital changes: For details of capital changes effected in 1931, 1933 and 1936, see Moody's 1937 Industrial Manual.

EXHIBIT 2

UNITED STATES OF AMERICA, PLAINTIFF, *v.* E. I. DU PONT DE NEMOURS & CO., GENERAL MOTORS CORP., CHRISTIANA SECURITIES CO. AND DELAWARE REALTY & INVESTMENT CORP., DEFENDANTS—CIVIL ACTION No. 49 C 1071

(In the U.S. District Court for the Northern District of Illinois, Eastern Division)

MEMORANDUM ACCOMPANYING FINAL JUDGMENT PROPOSED BY E. I. DU PONT DE NEMOURS & CO.

There is submitted herewith, in accordance with the order of the court dated July 5, 1961, the form of final judgment that Du Pont believes the court should adopt. The judgment contains all of the provisions that the Supreme Court directed to be incorporated therein, and such additional provisions as appear appropriate and are not inconsistent with the opinion of the Supreme Court.

The judgment directs that divestment commence immediately and be completed within 10 years but does not undertake to prescribe the methods to be used by Du Pont or to impose intermediate deadlines for the accomplishment of the divestment. It would thus leave to Du Pont the choice between distribution, sale, exchange, and any other methods of divestment and would leave it free, within the overall limits of the 10-year period, to select the most appropriate times to utilize the various methods of divestment that may have to be employed.

Du Pont believes that the latitude afforded by the terms of this proposed judgment is essential to enable it to minimize the losses to stockholders of both Du Pont and General Motors that may result from the various methods of divestment employed and to take maximum advantage of changes in relevant economic and market conditions. It would appear that the Department of Justice agrees that such latitude is desirable. In its brief to the Supreme Court, the Department stated that "there is ample precedent for a judgment of divestiture which permits the defendant to choose how it shall be achieved," and further stated that an appropriate judgment of divestment "would give Du Pont great latitude in effecting divestiture."

The comprehensive reporting requirements imposed by the proposed judgment, the authority given the Department of Justice to seek additional reports to secure compliance with the terms of the judgment and the continuing authority of the district court to supervise that compliance provide ample safeguards that the divestment will be carried out with expedition.

The proposed judgment contains no provisions that forbid or require any action on the part of either Christiana or General Motors. Both Christiana and General Motors have contended that there is no basis on which the Court can grant any relief as against them. The Supreme Court did not decide the issues raised by this contention but left them to be determined in the first instance by the district court. It is assumed that at an appropriate time Christiana and General Motors will inform the court of their views with respect to the content of the final judgment. In these circumstances Du Pont believes that it would be inappropriate for it now to make any proposal which involves the granting of injunctive relief against either of these companies.

Respectfully submitted.

JOHN LORD O'BRIAN,
HUGH B. COX,
CHARLES A. HORSKY,
DANIEL M. GRIBBON,
Attorneys for Defendant.

Of counsel: Walter J. Cummings, Jr., Sidley, Austin, Burgess & Smith.

FINAL JUDGMENT PROPOSED BY E. I. DU PONT DE NEMOURS & CO.

At Chicago, Ill., in said division and district, on September 1, 1961.

Plaintiff having filed its complaint herein on June 30, 1949, and its amendments thereto on July 28, 1952, and January 16, 1953; all of the defendants having appeared and severally filed their answers to the amended complaint denying the substantive allegations thereof; this court, on January 16, 1953, before the conclusion of the presentation of the plaintiff's case, having entered an order dismissing with prejudice the amended complaint as to certain individual defendants, and on February 16, 1953, at the close of the plaintiff's case, having entered an order dismissing without prejudice the amended complaint as to certain additional defendants, and on December 9, 1954, after trial, having entered a judgment herein dismissing this action as to all defendants; the plaintiff having appealed in certain respects from such judgment insofar as it applied to defendants E. I. du Pont de Nemours & Co., General Motors Corp., Christiana Securities Co., and Delaware Realty & Investment Co.; the Supreme Court of the United States having held that there was a violation of section 7 of the Clayton Act by defendant E. I. du Pont de Nemours & Co., and having remanded the cause to this court for a determination after further hearing of the equitable relief necessary and appropriate in the public interest to eliminate the effects offensive to the Clayton Act; this court having held such further hearings and having on November 17, 1959, entered a judgment; the plaintiff having appealed from such judgment; the Supreme Court of the United States having vacated in part and affirmed in part such judgment and having remanded the cause to this court for further proceedings consistent with its opinion and this court having had such further proceedings;

Now, therefore, it is hereby ordered, adjudged and decreed as follows:

I

For purposes of this judgment:

(A) "Du Pont" means E. I. du Pont de Nemours & Co.; "General Motors" means General Motors Corp.

(B) "General Motors stock" means shares of General Motors stock of any class having voting rights.

(C) "Du Pont stock" means shares of Du Pont common stock having voting rights.

(D) "General Motors stockholder" means any holder of record of General Motors stock.

(E) "Du Pont stockholder" means any holder of record of Du Pont stock.

II

In conformity with the judgment of the Supreme Court, the judgment of this court of December 9, 1954, which dismissed the amended complaint finding no violation of section 1 or section 2 of the Sherman Act or section 7 of the Clayton Act, is hereby vacated insofar as it adjudges Du Pont not to have violated section 7 of the Clayton Act, and it is hereby adjudicated that Du Pont has violated section 7 of the Clayton Act because, at the time of suit, there was a reasonable probability that its acquisition of General Motors stock was likely to result in the restraints condemned by that section in the line of commerce consisting of automotive fabrics and finishes.

III

Du Pont is hereby enjoined and restrained from acquiring, directly or indirectly, any General Motors stock except such stock as may be distributed by General Motors with respect to General Motors stock held by Du Pont, or as may be acquired by the exercise of rights issued with respect to General Motors stock held by Du Pont, provided that any General Motors stock acquired by Du Pont shall be subject to all of the provisions of this judgment in the same manner and to the same extent as if Du Pont had owned such stock on the effective date of this judgment.

IV

(A) Du Pont is hereby enjoined and restrained, until the divestiture of General Motors stock required by article VII of this judgment has been completed, from knowingly having as a director, officer, or employee any person who at any time after February 15, 1960, has served as a director or officer of General Motors.

(B) Du Pont is hereby enjoined and restrained from nominating any person for election as a director of General Motors or

from proposing any person for a position as an officer of General Motors.

V

(A) Du Pont is hereby enjoined and restrained from exercising, directly or indirectly, voting rights in respect to General Motors stock, and from using or attempting to use, directly or indirectly, stock ownership in General Motors to influence or control General Motors in any manner whatsoever.

(B) Du Pont is hereby enjoined and restrained from attempting to influence, directly or indirectly, any person in any manner with respect to exercising voting rights in respect of any General Motors stock.

VI

(A) Subject to the provisions of paragraph E of this article VI, Du Pont shall authorize the exercise of the voting rights of the General Motors stock held by Du Pont, or which may be acquired by Du Pont in accordance with the provisions of article III of this judgment, by the Du Pont stockholders in the manner provided in this article VI.

(B) The number of shares of General Motors stock held by Du Pont which Du Pont shall authorize to be voted by each Du Pont stockholder shall be determined, as of the record date for the determination of General Motors stockholders entitled to vote, as follows:

The number of shares of General Motors stock held by Du Pont at such date shall be divided by the number of shares of all Du Pont stock outstanding and which would be entitled to vote at a meeting of Du Pont stockholders as of such date, and each Du Pont stockholder shall be authorized by Du Pont to vote the number of General Motors shares determined by multiplying the quotient by the number of shares of Du Pont stock owned of record by such stockholder at such date.

(C) The following steps shall be taken prior to each annual or special meeting of General Motors stockholders and prior to any other occasion on which General Motors stockholders are entitled to vote:

1. Du Pont shall execute such instruments and take such other steps as may be necessary to authorize each Du Pont stockholder who is entitled to such authorization under the provisions of paragraphs A and B of this article VI to vote the number of shares of General Motors stock held by Du Pont as determined for each such stockholder in accordance with paragraph B of this article VI, and Du Pont shall furnish to General Motors evidence of such authorization in form satisfactory to General Motors.

2. Du Pont shall arrange to furnish to each such stockholder a copy of the notice of meeting, proxy statement, proxy or proxies (which will represent such number of shares of General Motors stock as are determined for each such stockholder in accordance with paragraph B of this article VI and shall be modified or supplemented in such manner as to empower each such stockholder freely and effectively to exercise the voting rights with respect to such shares of General Motors stock), and other proxy soliciting material prepared by General Motors for distribution to its stockholders in connection with any annual or special meeting or any other occasion on which General Motors stockholders are entitled to vote; shall arrange to furnish to each such stockholder such material as has been prepared by any person or group of persons making a solicitation of General Motors stockholders under and subject to applicable regulations of the Securities and Exchange Commission so as to achieve among such stockholders substantially the same coverage as will be achieved among General Motors stockholders by the person or group of persons making such solicitation; shall arrange to inform each such stockholder of the approximate number of shares of General Motors stock which the holder of each share of Du Pont stock is entitled to vote hereunder as such proxy holder; and shall arrange to notify each such stockholder of his right, in accordance with the provisions of this article VI, to vote as such proxy holder and the means of exercising such right. The aggregate number of shares of General Motors stock evidenced by such proxies shall be voted to the last full share.

3. Du Pont shall also arrange to furnish each such stockholder, at or prior to the time it furnishes the proxy soliciting material for each annual meeting of the stockholders of General Motors, a copy of the latest annual report of General Motors.

4. Copies of all such material shall be furnished by Du Pont to the Department of Justice at the same time as it is transmitted to stockholders of Du Pont.

(D) Du Pont is hereby directed to take all necessary and appropriate action to facilitate the exercise of voting rights of General Motors stock owned by Du Pont in accordance with the provisions of this article VI.

(E) The operation of the provisions of this article VI, and the obligation of Du Pont to do any of the things required of it by any of those provisions, shall be contingent upon a prior undertaking by General Motors to reimburse Du Pont for all the out-of-pocket expenses reasonably incurred by Du Pont in so doing.

VII

(A) Within 10 years from the date of this judgment Du Pont shall completely divest itself of all General Motors stock, by distribution to its stockholders or by such other means as it may select, subject to the provisions of this judgment. The divestiture shall commence within 90 days from the effective date of this judgment, and 120 days after the effective date of this judgment Du Pont shall file with the clerk of this court and serve upon the Attorney General a report as to the measures taken by it in compliance with the provisions of this paragraph A of article VII. Thirty days after each anniversary of the effective date of this judgment until the divestiture is completed, Du Pont shall file with the clerk of this court and serve upon the Attorney General a report showing the number of shares of General Motors stock divested during the previous year and the means of divestiture employed. Thirty days after the divestiture is completed, Du Pont shall so file and so serve a report showing the number of shares of General Motors stock divested since the period covered by the last preceding report made by it pursuant to this paragraph A of article VII, and the means of divestiture employed.

(B) Du Pont shall notify the Attorney General 3 business days in advance of any disposition (except a disposition made by sales on any registered stock exchange), or, in the case of any proposed disposition by exchange, 3 business days in advance of the making of the exchange offer. Such notice shall include, to the extent then known by Du Pont, the terms and conditions of the disposition, and the identity of the prospective purchaser or transferee: *Provided, however*, That in the case of dispositions by distributions or the making of exchange offers to Du Pont stockholders a notice shall be sufficient which includes, to the extent then known by Du Pont, the terms and conditions of the distribution or exchange offer and the identity of the class or category or stockholders to whom the distribution or exchange offer is to be made. If the Attorney General interposes an objection, such disposition or exchange offer shall not be made until it has been first approved by the court. No information as to any proposed disposition or exchange offer supplied to the Attorney General pursuant to this paragraph B of article VII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Department, except in connection with proceedings in which the United States of America is a party in which objection is made to such disposition or exchange offer, or as otherwise required by law.

VIII

(A) For the purpose of securing compliance with this judgment and for no other purpose, and subject to any legally recognized privilege, duly authorized representatives of the Department of Justice shall be permitted, upon written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice as to time and subject matter to Du Pont at its principal office, (1) to inspect during office hours all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of Du Pont relating to any provisions of this judgment, during which time counsel for Du Pont may be present; and (ii) subject to the reasonable convenience of Du Pont, and without restraint or interference from it, to interview regarding any such provisions any officer or employee of Du Pont who, together with Du Pont, may have counsel present.

(B) The Attorney General or the Assistant Attorney General in charge of the Antitrust Division may apply to this court from time to time for an order, upon good cause shown and after due notice and opportunity for hearing thereon, requiring Du Pont to submit in writing such report or reports with respect to matters contained in this judgment as may then be reasonably necessary to enforcement of this judgment.

(C) No information obtained by means provided in this article VIII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Department, except in the course of legal proceedings to which the United States of America is a party for the purpose of securing compliance with this judgment or as otherwise required by law.

IX

Jurisdiction is retained in order to enable any party hereto to apply to this court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this judgment, for the modification or termination of this judgment or any of the provisions thereof, or for the enforcement of compliance therewith and punishment of any violations thereof, and for such further findings or orders as may be necessary or appropriate in relation to the compliance with article VII of this judgment under any tax legislation hereafter enacted.

The effective date of this judgment shall be 12:01 a.m., ----------, 19—.

Mr. GORE. I am extremely grateful to the Senator from Illinois, and I thank him.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Tennessee [Mr. GORE], the distinguished Senator from Illinois [Mr. DOUGLAS], the distinguished Senator from Delaware [Mr. WILLIAMS], all members of the Finance Committee, and the distinguished minority leader,

the Senator from Illinois [Mr. DIRKSEN], I should like to broach to all of them the possibility of an agreement being reached whereby the Senate could shortly take a recess, subject to the call of the Chair, with the proviso that, at the conclusion of the business and at the time for adjournment sine die arrives, the unfinished business could be the so-called Du Pont bill, which is now before the Senate; and, further, that when the Senate returns on January 10 next, at that time the pending business would be the so-called Du Pont bill, with the provision that, if this request is agreed to, the Du Pont bill as such will not be taken up until January 15, and that on that date it will be taken up in earnest, in an attempt to arrive at a decision one way or the other.

Mr. DIRKSEN. Mr. President, as I understand, that suggestion seems to be agreeable to all the special parties in interest. Certainly, it is agreeable to the minority leader.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GORE. I find this suggestion agreeable. As the able Senator knows, my plea has been that the Senate withhold action until the judgment of the court has been rendered. As has been amply said, the trial judge is sitting in the case. He has already heard the judgment proposed by Du Pont. The Government is expected to submit its amendments or proposals on October 2. This arrangement should give ample time for the trial court in Chicago to render judgment. Then we can act in the light of the decison. Then we shall know what inequities may exist, and at least we shall be better able to judge what would be proper and equitable relief.

So I find this arrangement entirely agreeable, and I congratulate the distinguished majority leader, the distinguished minority leader, the distinguished senior Senator from Delaware, and the distinguished senior Senator from Illinois.

Mr. DOUGLAS. Mr. President, as I suggested in previous remarks, I think this is a very wise solution to the issue. I hope the facts are studied during the intervening period, and that when we return in January, with the judgment of the court already having been rendered, presumably, we may reach a proper conclusion in the case.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the position of the majority leader, and I shall go along with the proposed arrangement. I regret very much that we are unable to complete action on the bill. In my opinion, it was very important legislation, and legislation upon which the Congress should have acted at this session.

I invite attention to the fact that this bill has been passed by the House of Representatives. It was considered by the Senate Finance Committee and reported to the Senate by a Margin of 14 to 2. It has been before the Senate several days. I see no reason why we could not have obtained final action. However, I recognize that we are confronted with a threatened filibuster on the eve of adjournment. Members of the Senate all desire to go home, and I shall not press for action.

I wish to express appreciation to the majority leader and the minority leader for trying to get action on the bill in this session, and in particular for the promise that the bill will be made the pending business on January 15, with the understanding that at that time it will remain the pending business until such time as it is disposed of one way or the other.

Mr. MANSFIELD. That is my intention.

Mr. WILLIAMS of Delaware. I thank the majority leader for the assurance.

I appreciate the position of my colleagues from Tennessee and Illinois in thinking we should wait until after the court has made its final decree. I happen to differ with them on this point. The final decree has been made and divestiture has been ordered. The court will make its final determination on December 2 as to the acceptance of the plan of divestiture which has been submitted, and divestiture must begin within 60 or 90 days thereafter.

I would like the RECORD to show, first, that the bill before us not only was approved by the House of Representatives, but, as I have said, the Senate Committee on Finance approved it by a margin of 14 to 2. It has the complete approval of the Treasury Department and the Department of Justice. Both the Treasury Department and the Department of Justice while leaving the decision to the Congress as to whether the legislation is needed nevertheless they did recommend that, if Congress is going to legislate in this field, it should be done at this session of Congress. Then the Department of Justice and the court, which is to make a determination on the final plan, would know the rules of the game and could make that determination more intelligibly.

Under the existing law—and it has no alternative but to proceed on the basis of the existing law—the court has said the divestiture must take place over a period of 10 years. Any plan being considered by the court must necessarily embrace this 10-year period. Under this bill, an agreement had been worked out between the Justice Department, the Treasury Department, and the Du Pont Co. They could, with the enactment of this legislation, have divested themselves of the stock in 3 years. Therefore, when we come back in January, we are liable to find ourselves confronted with a decision based on a 10-year plan. It has been suggested that the company and the Justice Department get together and call the attention of the court to the present status of this legislation and the fact that the Senate will act in January, and perhaps the court can withhold its final decision until Congress has acted.

Under this arrangement there would be less danger of market disturbance.

With the situation that now confronts us, we have no alternative other than agree to carry the bill over to January. I not only shall go along with the suggestion of the majority leader, but I wish to thank him for his cooperation and his pledge that this bill will then be brought to a final decision.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DIRKSEN. I concur in the views expressed by the Senator from Delaware with respect to the possible sharp impact on the market value of the stock as a result of the failure of Congress to take final action on this subject. In the space of 3 or 4 months, before final action can be had, there can be some intensely sharp reaction before we get through.

In view of the fact that the Treasury Department and the Department of Justice have taken the stand they have taken, and have conveyed their views to Members of Congress, I thought we should have completed action. I think it is generous, indeed, on the part of the distinguished Senator from Delaware to agree to this arrangement, and not press for a conclusion at this session. I share the hope that the reaction will not be adverse, because it could have a sharp effect on the economy.

Mr. WILLIAMS of Delaware. I thank the Senator. He has pointed out the real danger. So far as affecting taxes as between action taken now and that to be taken next January, I see no difference. The difference in effect will be brought about because the plan which has been submitted to the court, and the plan more or less favored by the Justice Department, in the light of the existing law, would embrace the sale of 35 million to 40 million shares over a 10-year period. The average transfer of General Motors stock on the New York Stock Exchange over the last 10 years has been around 9 million shares a year. Placing 3½ to 4 million shares extra on the market for each of the next 10 years could cause a severe reaction in the market. It will not affect those who can afford to hold the stocks, because it will not affect the earning capacity of General Motors, but it will affect those stockholders who do not know what is behind this movement and who may be forced to sell their stock. These stockholders are innocent victims of this court decision.

I put in the RECORD last Saturday a list of the various market fluctuations that resulted because of actions of Congress, statements by the court, and speeches made on the floor of the Senate and the House.

I think all of us should be careful because of the delicacy of the market. I am confident we can come back in January and that this bill will then be passed.

Again I thank the majority leader for his cooperation and for his pledge of assistance.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. GORE. Mr. President, the Senate has declined to pass a bill which

has as one of its principal purposes an effort to influence the decision of the court. Now that this decision has been made, and the bill has been postponed until January 15 by the consent of all, during the intervening time the court will have ample opportunity carefully to consider the problem and to reach a decision.

If the remarks of the distinguished senior Senator from Delaware remain unchallenged, they may be interpreted, though I hope not, by someone who may read the RECORD, to indicate a legislative intent that the judge would be well advised to withhold his decision until the Congress does act, or until the Senate does act in January.

I wish to have the RECORD specifically show that in entering into this agreement I had no such intention. I do not wish to attempt legislatively to influence a judge sitting on a case preparing an order or judgment of the court, either by legislation or by implication or statement on the floor of the Senate. I wish specifically to disassociate myself from any such intent and to declare that it is not the intent.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. Mr. President, I must correct the distinguished Senator from Tennessee. The Senate has not declined to act on the bill. The Senate tonight is a victim of a fortuity. The Senate wishes to adjourn.

I am ready to stay. The distinguished Senator from Delaware is ready to stay, if we can only cut through the fortuities and the circumstances and the pressures of adjournment to get a final disposition of the bill. If it takes all week—if it takes all night—I am ready to stay, but I do not wish to let the Senator from Tennessee establish in the RECORD that the Senate has declined to act on the bill, because the Senate has not even reached the question of disposition. Let us be sure on that point. If there is any mistake, let any Senator rise in his place and undertake to controvert the truth of that statement.

We are ready. We will stay here all night. We will stay here all day tomorrow. We will stay here all the next night. We will stay as long as it is necessary. I am prepared to do so.

I recognize the circumstances, the conditions, the fortuities, the fatigue, the desire to get away, the desire to go on missions, the desire to fulfill speaking engagements, and all those other things which enter into the picture.

I have canceled every engagement on my book, and, goodness knows, there have been many, in order to stay until the business and the work of the Senate is completed.

So let the RECORD not show that the Senate has declined to act on this matter, for the very good reason that we have not reached a decision, and no amendments have been offered by those who propose to delay action on the bill.

Mr. DOUGLAS. Mr. President, since my friend and colleague has thrown down a challenge to the rest of the Senate and has asked whether there is anyone else who is willing to stay to the bitter end——

Mr. DIRKSEN. Good.

Mr. DOUGLAS. I will say that I am. I am quite certain the Senator from Tennessee is. We are ready to debate the issue. If we are now proceeding to the discussion, I send an amendment to the desk and ask that it be read. [Laughter.]

Mr. MANSFIELD. Mr. President, I have not given up my right to the floor.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MANSFIELD. Senators know what is said about the best laid plans of mice and men.

I had thought we had reached a tentative agreement and, in fact, a little more than a tentative agreement, as to what the procedure would be in relation to the Du Pont bill. I hope that tentative agreement will hold up, because while I have all the time in the world, as has my distinguished colleague, the Senator from Illinois, nevertheless there are certain responsibilities which we owe to our fellow Senators. I hope that for the time being, at least, we can terminate this debate in a spirit of equity, and that passions will remain below the surface.

With that thought in mind, if no Senator interrupts, I send five resolutions to the desk for immediate consideration.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. Mr. President, I am glad to cooperate with the majority leader, but this is a very sensitive and delicate matter involving millions of shares of stock. Who shall say what will be the market reaction?

When the Senator from Tennessee says that the Senate declines to act on the bill, that will go out on the wire, and what will be the impress on thousands of people all over the country? I cannot let that kind of statement stand as an evidence of the disinclination of the Senate to act, for the very good reason that we have not reached the amendments nor an ultimate resolution of the issue before us. I wish to be sure that the selection of the words which are used, which will be conveyed to the Court, will not have a disastrous effect, before we get through.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield for a brief comment?

Mr. DIRKSEN. I yield.

Mr. WILLIAMS of Delaware. I thank the majority leader for his cooperation. I think, under the circumstances, he has made the only possible decision which could be made. I certainly wholeheartedly support him in that decision. I merely reemphasize that the desire for passing the proposed legislation was not only on the part of some of us in the Senate. The Secretary of the Treasury and the Department of Justice have both approved this legislation and approved its enactment at this session.

The Treasury Department and the Justice Department helped to work out language of this bill. There is no reason why it should not be passed with an overwhelming vote. Many in both these Departments have said that in their opinion it would be much better to bring this to a decision before Congress adjourns.

There is no need to debate it further. It is over. I recognize the circumstances. We all know that no matter how much we wish to talk tonight or how we feel, action will not be completed at this session. We have no alternative except to go over until January 15.

The majority leader made the only possible decision he could make under the circumstances. He has my wholehearted support in that, exactly as he has had it in the last few days.

Mr. MANSFIELD. I appreciate the statement made by the Senator from Delaware.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business, H.R. 8847, be temporarily laid aside and that the Senate proceed to the consideration of a number of resolutions, submitted on behalf of the minority leader and myself.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

NOTIFICATION TO THE PRESIDENT

The ACTING PRESIDENT pro tempore. The clerk will state the first resolution.

The Chief Clerk read the resolution as follows:

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed the business of the session and are ready to adjourn unless he has some further communication to make to them.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 224) was considered and agreed to.

The ACTING PRESIDENT pro tempore. The Chair appoints the Senator from Montana [Mr. MANSFIELD] and the Senator from Illinois [Mr. DIRKSEN] members of the committee to notify the President.

AUTHORIZATION FOR PRESIDENT OF THE SENATE TO MAKE CERTAIN APPOINTMENTS SUBSEQUENT TO SINE DIE ADJOURNMENT

The ACTING PRESIDENT pro tempore. The clerk will state the next resolution.

The Chief Clerk read the resolution (S. Res. 225) as follows:

Resolved, That notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 225) was considered and agreed to.

AUTHORIZATION FOR THE SPEAKER PRO TEMPORE OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OR PRESIDENT PRO TEMPORE OF THE SENATE TO SIGN ENROLLED BILLS

The ACTING PRESIDENT pro tempore. The clerk will state the next resolution.

The Chief Clerk read the resolution (S. Con. Res. 54) as follows:

Resolved by the Senate (the House of Representatives concurring), That notwithstanding the sine die adjournment of the two Houses, the Speaker pro tempore of the House of Representatives and the President of the Senate or the President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Con. Res. 54) was considered and agreed to.

THANKS OF THE SENATE TO THE PRESIDENT

The ACTING PRESIDENT pro tempore. The clerk will state the next resolution.

The Chief Clerk read the resolution (S. Res. 226) as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable LYNDON B. JOHNSON, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Eighty-seventh Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 226) was considered and agreed to.

ADJOURNMENT SINE DIE ON SEPTEMBER 26, 1961

The ACTING PRESIDENT pro tempore. The clerk will state the next resolution. The Chief Clerk read the concurrent resolution (S. Con. Res. 55) as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses shall adjourn on Tuesday, the 26th day of September 1961, and that when they adjourn on said day they stand adjourned sine die.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 55) was considered and agreed to.

THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The Chief Clerk read the resolution (S. Res. 227), as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable CARL HAYDEN, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the 1st session of the 87th Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 227) was considered and agreed to.

STOCK DISTRIBUTION TREATED AS RETURN OF CAPITAL

The Senate resumed the consideration of the bill (H.R. 8847) to amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Mr. MANSFIELD. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The unfinished business is H.R. 8847, the so-called Du Pont bill.

PRINTING OF VARIOUS PRESENTATIONS OF THE "EV AND CHARLIE SHOW" AND OTHER MATERIAL AS A SENATE DOCUMENT

Mr. DIRKSEN. Mr. President, in the course of this session, the joint minority leadership of the House and the Senate have conducted meetings that were an outgrowth of the White House sessions, when we met every Tuesday morning with President Eisenhower. In the course of those meetings we held press conferences. We submitted ourselves to questions on television, and made formal statements on a good many issues. Those sessions became popularly known as the "Ev and Charlie Show." I did not affix the title to those presentations, but that title was carried in the press.

We have addressed ourselves to a great many issues throughout the session, both in the domestic and in the international field. We have, of course, provided for the publication of those formal statements. I now ask unanimous consent that there be published, both in the RECORD and as a Senate document, the various presentations we have made from week to week, including various comments by newspapers, columnists, and others, to round out that picture.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMENDATION OF SENATOR MIKE MANSFIELD, MAJORITY LEADER

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. I would not want this session to end without paying my compliments to the distinguished majority leader for the efficient way in which he has conducted this session. I have served in the Senate for 9 years under various majority leaders. It has never been my experience to have served under a man so gentlemanly, so understanding, and so concerned with the rights of the other Members of this body. I wish to make those views a matter of record.

Mr. MANSFIELD. I thank the distinguished Senator from Arizona.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. WILLIAMS of Delaware. I join the Senator from Arizona in paying respect to the majority leader. In all my experience in the Senate we have never had a more able, a more gentlemanly, or a more patient leader than the Senator from Montana. It has been a privilege and a pleasure to work with him. He has been able to expedite the business of the Senate without at the same time giving the appearance of trying to rush it. I congratulate him on his manner of conducting the business of the Senate and the quality of his performance. I hope that his service in the Senate will last for many years to come.

EFFECT OF PRESIDENT KENNEDY'S APPEAL FOR DISARMAMENT ON STOCK PRICES

Mr. PELL. Mr. President, it would be a tragic mistake if the world as a whole should consider yesterday's drop in the stock prices, following President Kennedy's appeal for general and complete disarmament, as indicative of a lack of desire on the part of Americans for peace.

Rather, it indicates a lack of comprehension on the part of a portion of the business community as to what the effect of peace would be on the American economy, as well as reflecting a lack of knowledge on the part of speculators, as to what would be the long-run economic effect of disarmament.

What this group does not realize is that the sort of conditions most beneficial to our business community and our progress as a nation is a peaceful world and a world where we can concentrate on normal industry and the production of capital goods. Capital goods will then, in turn, be devoted to the production of consumer goods in an expanding economy. This is not the kind of economy we now have where over half our national budget and almost 10 percent of our gross national product is devoted to defense, the end products of which are absolutely sterile from the viewpoint of civilian consumption and where depreciation is so infinitely rapid.

Yet, a broad segment of the business community, unaware of its own long-

term self-interest, apparently panics at the thought of general and complete disarmament. I noticed with disappointment the yesterday's drop in prices would seem not to be coincidence since yesterday's market drop was the greatest since September of 1960, when Khrushchev came before the United Nations on September 19, 1960, and made the same type of proposal, though without the same genuineness of intent.

A real step forward would be the passage of Senate Resolution 135, proposed earlier this year by the distinguished junior Senator from Michigan [Mr. HART] and of which I am proud to be a cosponsor. Senate Resolution 135 would establish a select committee of the Senate to make a thorough study of the extent to which defense procurement policies in the United States affect the national economy. With knowledge, perhaps the concern of business would lessen.

There is no doubt in my mind that the American people want peace, with honor and in a decent world, and hope that if we do not enjoy it ourselves, at least our children will live in a world where general and complete disarmament prevails.

Mr. President, I ask unanimous consent that an article by Burton Crane entitled "Market Slumps as Volume Rises," which appeared in the Tuesday, September 26, New York Times, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARKET SLUMPS AS VOLUME RISES—AVERAGE OFF 5.89 IN WORST DROP SINCE SEPTEMBER 19, 1960—SIMILARITIES NOTED—ALUMINUMS ARE WEAK—3,700,000 SHARES TRADED—863 ISSUES DECLINE AND 228 ADVANCE

(By Burton Crane)

History drew a perplexing parallel yesterday as stocks staged their sharpest decline since September 19, 1960. On that earlier day Premier Khrushchev had arrived in New York and made a plea for general and complete disarmament. Yesterday President Kennedy appeared before the United Nations and asked for general and complete disarmament.

The New York Times combined average of 50 stocks fell 1½ percent yesterday, or 5.89 points, to 384.19. At that level it was down 16.48 points for the month to date. On September 19, 1960, it fell 2.6 percent, or 8.73 points, to 328.39.

The Times rail average yesterday fell 1.06 points, to 105.51, and the industrial component slipped 10.72 points, to 662.88.

There were no strong groups in the market, but the losses of the leading oils were moderate.

Volume on the New York Stock Exchange was 3,700,000 shares, against 3,070,000 on Friday. Toward the close activity increased and the ticker tape began to run behind transactions on the floor. At the close the delay was 4 minutes.

EIGHTY-FOUR NEW LOWS

Of the 1,277 issues traded, 863 fell, 228 rose, and 186 closed unchanged. There were 19 1961 highs and 84 lows.

There were further parallels between the 1960 and 1961 market breaks. Both took place on a Monday. Volume came within 100,000 shares of being identical. Again, analysts in 1960 were remarking that business was showing no signs of immediate improvement and the Dow, Jones & Co. industrial stock average had finally broken below 600 after three attempts.

Yesterday analysts remarked that business was improving less rapidly than in the immediate past and pointed to the Dow-Jones industrial average, which had closed below 700 for the first time since July. That average had an interim low of 688.87 and closed at 691.86.

Brokers did not deny that "some emotional persons" might have been selling their holdings because of fear that disarmament might unsettle the economy, but they almost universally ridiculed the idea that changes were imminent. The President's speech, they felt, provided merely another downward shove to a position already teetering under technical and fundamental uncertainties.

The weekend, they said, brought almost no encouraging news. There was the 2-cent-a-pound slash in aluminum ingot prices, bringing the possibility that steel mills might not be able to raise prices; the threat of a United Auto Workers strike against Ford Motors; the slowing in housing starts; the increase in credit delinquence; the recent jump in the number of secondary distributions, or offerings of shares by stockholders, and the fact that the market appeared to be picking up momentum on the downside. This has not been a habit of the market in recent weeks.

The best news, perhaps, was the fact that support appeared for a number of stocks near the close and the last 10 minutes saw an appreciable upturn.

Studebaker-Packard was the most active issue, trading 78,800 shares and falling ½, to 11¾. Brokers saw no special explanation for the decline but thought it consonant with the general action of the market.

Montgomery Ward, the second most active stock, gained ⅝, to 31½. Brokers said they continued to hear reports of British interest in the company and thought that that might be responsible.

Ford Motor fell 4¼, to 102⅝, following the strike threat. General Motors slipped ¾, to 48¼; Chrysler lost 1⅞, to 53⅝, and American Motors dropped ¾, to 18⅛.

Aluminum makers were hit hard by the price war that broke out last week. Aluminium, Ltd., fell 1⅛, to 27¼; Alcoa slipped 2⅜, to 65¾; Reynolds Metals was down 3 points, to 36½; Olin Mathieson dropped 3⅜, to 43, and Kaiser Aluminum was off 3⅜, to 35⅛.

DEFENSE ISSUES DROP

Defense issues were under the greatest pressure. Boeing fell 2¾, to 50¼; Lockheed 1¾, to 43⅝; North American Aviation 2, to 40½; McDonnell Aircraft, 1⅞, to 34⅛; Northrop 2 points, to 50½; Thiokol 1¼, to 39½, and Sperry Rand ⅞, to 23¾. Avco lost a point to 22½.

Texas Eastern Transmission sold 40,800 shares in an exchange distribution at 16⅛ and then closed at that level for a loss of ⅛ on 47,400 shares in all.

Daystrom stood out in a weak electronics group, rising 1⅛, to 34¼. The stock had been recommended by an investment advisory service. Beckman Instruments fell 6½, to 127½; Zenith 6 points, to 172, Litton Industries 4½, to 144½, and Perkin-Elmer 2¾, to 45¼.

International Business Machines fell 15 points, to 517, and Crown Cork dropped 6¼, to 109.

REYNOLDS TOBACCO OFF

Reynolds Tobacco, adjusting to the fact of its two-for-one split, fell 4⅛, to 139½. The when-issued new stock dropped 2 points, to 70.

Honolulu Oil shareholders voted approval for a sale of the company's properties and the stock rose 3 points, to 80¾. The purchasing companies have not yet sealed their side of the bargain.

Bath Iron Works reported that 1961 profits would be moderately below those for 1960 and the stock fell 2 points, to 53.

Among the stocks that ran against the general trend, American Meter rose 1½, to 46; Jewel Tea gained 2 points, to 74, and Montana Power climbed 1⅝, to 42.

AMERICAN EXCHANGE

Turnover on the American Stock Exchange mounted to 1,850,000 shares from 1,250,000 on Friday.

Canal-Randolph Corp. led in activity with 101,500 shares and jumped 3⅛, to 22⅛. The stock closed August at 14. Its Big Board subsidiary, United Stockyards, rose 3¼, to 25, on volume of 600 shares.

Occidental Petroleum gained ¾, to 10. There was heavy turnover also in Occidental Petroleum rights, which traded 193,000 and rose 1/32 to 11/32. Canadian Industrial Gas gained 1⅜, to 9⅞.

Fairchild Camera fell 7 points, to 157; Technical Operations lost 6 points, to 43¾, and Circuit Foil and Anken Chemical slipped 3⅞ each.

LEGISLATIVE STEWARDSHIP

Mr. BYRD of West Virginia. Mr. President, as I approach at the end of my third year in the U.S. Senate, I feel it incumbent upon me to give an account of my legislative stewardship. This will complete my 15th year as a public servant, having been elected twice to the West Virginia House of Delegates, once to the West Virginia Senate and three times to the U.S. House of Representatives. My statement must, of necessity, not be overly long, but it will inform my people of some of my activities in their behalf.

ATTENDANCE ON ROLL AND QUORUM CALLS

I pride myself upon having a good attendance record throughout my 15 years of service to the people of West Virginia, and I believe it to be appropriate for me to report my attendance record throughout all of these years. During my 6 years in the West Virginia House and Senate, I attended 1,563 out of 1,600 roll and quorum calls. During my 6 years in the House of Representatives I attended 862 out of 963 roll and quorum calls. Throughout my 12 years, therefore, of public service before reaching the Senate, I had an attendance record of 94.6 percent. During my first year in the U.S. Senate, I attended 211 out of 216 rollcalls, an attendance record of 97.6 percent. During my second year in the U.S. Senate, I attended 191 out of 207 rollcalls, an attendance record of 92.3 percent. During this session, I have answered 203 out of 206 rollcalls, an attendance record of 98.5 percent. During these 15 years of service in four legislative bodies, therefore, I have an overall attendance record of 94 percent, having attended 3,030 out of 3,192 calls. On the three votes which I missed during this session, because of absence on official business, I, nevertheless, was paired so as to indicate my position.

SOCIAL SECURITY

This session has been especially gratifying to me because I have seen the fruition of almost one decade of hard work in the field of social security. My efforts, dating back to 1953, were rewarded when, on June 26, 1961, the Social Security Act was amended to permit the voluntary retirement of men at the age of 62.

The changing economic pattern of our times has warranted such legislation for many years. Progress, whether labeled mechanization, automation, or modernization, has uprooted the old order. People in the twilight work years have found it exceedingly difficult to gain employment when displaced by these vehicles of progress.

Longer life spans, a growing discrimination against the older worker, sickness, limited education, areas of tremendous unemployment—all have thwarted the older citizen in his attempt to find reemployment.

This legislation will permit countless thousands to gain new self-respect and self-dignity through a measure of financial independence.

In observing the economic conditions of my State, I foresaw the need for this measure in 1953. I introduced H.R. 2925 in the 83d Congress. It received little notice. Since then, I have relentlessly pressed the Congress to recognize this measure.

Having failed in the 83d Congress, I returned in the 84th Congress to introduce H.R. 7225, and again, in the 85th Congress, to introduce H.R. 579. Each met with little favor.

In 1960, when I was elected to the U.S. Senate, I carried my battle from the floor of the House of Representatives to the floor of the Senate. My proposal met with Senate acceptance, but was defeated in conference with the House of Representatives because it was expressly opposed by the administration in office.

Nevertheless, this defeat stirred a growing awareness in the Congress of the need for relieving the destitution of increasing numbers of elderly unemployed men and women.

Then, in the last month of 1960, President Kennedy, shortly after his election, appointed a Special Task Force on Depressed Areas. I had the good fortune to serve as a consultant to that committee, and the committee adopted my motion to recommend to the President that legislation providing for a lower retirement age be given administration support. The President supported the proposal and it was incorporated into H.R. 6027, which was passed by the House and the Senate and signed into law by the President. Apropos of my efforts in behalf of lowering the social security age, I ask unanimous consent to include, at this point, in the RECORD, letters addressed to me by Vice President JOHNSON and Senators LONG of Louisiana and DOUGLAS.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE VICE PRESIDENT,
Washington, July 11, 1961.

The Honorable ROBERT BYRD,
U.S. Senate, Washington, D.C.

DEAR BOB: I just want to congratulate you on the efforts you have put forth in behalf of legislation to permit men to voluntarily retire, under the Social Security Act, at age 62. Passage by the Senate last year of the amendment which you cosponsored, helped to pave the way for favorable action on the legislative proposal a few days ago. I recall your many conversations with me on this subject since you first came to the Senate as a new Member, and I feel that enactment of this legislation has been, in large measure, due to your persevering work. I congratulate you, and I share with you the satisfaction in knowing that this country has made a great step forward toward a more realistic program of security for our elderly citizens.

With cordial good wishes.

Sincerely,

LYNDON B. JOHNSON.

U.S. SENATE,
Washington, D.C., July 18, 1961.

The Honorable ROBERT C. BYRD,
U.S. Senate.

DEAR BOB: It must have given you a warm feeling of satisfaction to see the enactment of the proposal to lower voluntary retirement of men from age 65 to 62 under social security. You certainly did more work, showed more interest in this matter than anyone else, and it was largely because of your perseverence that this proposal became law.

As one of the many Senators whom you repeatedly importuned to support this measure, I doubt that any Member of the Senate had demonstrated a great interest in the enactment of a worthy proposal than you did in this case.

Last year, those of us on the Finance Committee went along with you and included this proposition in a bill containing a number of amendments to the social security law. Unfortunately, the proposal was lost in conference because the managers of the legislation on behalf of the House of Representatives were unwilling to agree to it, and because of the determined opposition of the former Secretary of Health, Education, and Welfare, who spoke for the Republican administration on that occasion.

In a lesser degree, I share your feeling of satisfaction as one who supported your proposal. This is a very significant forward step in our march to assure genuine security, social justice, and dignity for citizens in all walks of life.

With best regards, I am,

Sincerely your,

RUSSELL B. LONG,
U.S. Senator.

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
July 5, 1961.

The Honorable ROBERT C. BYRD,
U.S. Senate, Washington, D.C.

DEAR BOB: I wanted you to know how pleased I was that the new social security bill which the Congress has passed and the President has signed included a provision to reduce the retirement age of men to age 62 with some reduction in annuities to make this provision self-financing.

As you well know, this is one of numerous recommendations of our task force which the President appointed last December on the problem areas of chronic unemployment which has now actually gone into effect. I recall very well that it was on your motion that this recommendation to ease the burden of unemployment on older workers was unanimously adopted by the task force. I think you can take justifiable pride in the fact that such provision has now been signed into law.

As you are aware, a number of us have been working for such a provision in the law for some period of time. In 1960 the Senate adopted such a provision but it was killed in the conference committee when the Eisenhower administration opposed it. I think that the appointment of our task force and the recommendations which we made on this subject on your suggestion certainly played a part in making certain that this provision gained the support of both Congress and the administration in 1961.

I know that this change will mean a great deal to the older workers who have been unable to find work but who were still too young to draw the social security annuities.

With best wishes,

Faithfully yours,

PAUL H. DOUGLAS.

AREA REDEVELOPMENT

Mr. BYRD of West Virginia. Mr. President, out of the task force on depressed areas also emerged proposals which were incorporated into the Area Redevelopment Act. As a cosponsor of this bill, I appeared before the Senate Banking and Currency Committee on January 18, 1961, where I testified on behalf of this measure.

On March 8, I spoke on the floor of the Senate urging passage of this bill, calling its enactment a "responsibility which the 87th Congress cannot ignore because of the gravity of the economic decline in our depressed areas." The Senate passed the bill on March 15.

Even before the President's signature on May 1, 1961, made the Area Redevelopment Act the law of the land, I felt that West Virginia should be prepared to take full advantage of its benefits.

Moreover, I felt it imperative that our municipal, county, and State officials be informed of the various forms of Federal aid available to their respective governmental bodies and of the procedures to be followed in seeking this aid.

I, therefore, arranged a 1-day workshop and conference in Washington, which was attended by more than 400 West Virginia mayors, county commissioners, and other other public officials. Addressing the participants were Vice President Lyndon B. Johnson; Secretary of the Army Elvis J. Stahr, Jr.; Secretary of Health, Education, and Welfare Abraham A. Ribicoff; Senator Paul Douglas, Democrat, of Illinois; Under Secretary of Commerce Edward Gudeman; and a host of others. In addition, more than 20 agencies sent representatives to the conference who conferred with the participants, and advised them regarding problems peculiar to their individual communities.

I was extremely heartened at the response to this meeting. It proved to me that our State officials were not idly waiting for problems to solve themselves.

The Washington conference was so successful, in fact, that I received numerous requests to hold a similar conference in West Virginia. Beckley was selected as the site; June 16 was named as the date of this second meeting. Attended by more than 700 officials and businessmen, the Beckley conference was similar to the one which was earlier held in Washington, with the exception that only the Area Redevelopment Act was discussed. Secretary of Commerce Luther Hodges keynoted the Beckley conference.

Also addressing the group were William L. Batt, Jr., Administrator of the Area Redevelopment Administration; U.S. Senator Jennings Randolph, Democrat, of West Virginia; and Gov. W. W. Barron. Here, too, more than 30 agencies sent representatives to discuss individual needs of individual communities.

Although several months have elapsed since these two conferences were held,

communities and counties throughout West Virginia are still conducting similar conferences of their own. Everywhere, civic leader and municipal, county, and State officials are working ceaselessly to absolve West Virginia of its economic crisis, and to build a solid economic foundation for the future.

In addition to my work on area redevelopment, I have held conversations with many heads of Federal departments asking them to keep the depressed communities of West Virginia in mind when locating new staffs and facilities outside of Washington.

SURPLUS COMMODITIES

The plight of needy West Virginians has always been of foremost concern to me. As far back as 1954 and 1955, I was instrumental in urging the Federal Government to release a greater variety and quantity of commodities for distribution to needy families in West Virginia.

In 1959 and again in 1960, I brought officials of the U.S. Department of Agriculture to West Virginia to inspect the operation of our surplus commodity distribution program. The trip taken on December 13–14, 1960, resulted in a sharp increase of flour and lard staples because I found, after talking to many of the recipients, that many families were running out of these commodities almost 10 days before the next distribution period.

FORESTS AND TIMBERLANDS

On July 27, 1961, I stated to West Virginians that our State's forests hold the potential of 90,000 jobs for people in the timber industry. I went as far as to say that timber—West Virginia timber—is a key to the new economic frontier in our State.

This fact, and other equally amazing revelations about this almost undeveloped resource which we possess in abundance, are found in two Senate documents which the Forest Service prepared at my request. The timber studies discussed in these pamphlets were financed by a $50,000 appropriation which I was able to procure in fiscal 1960.

WOOD PRODUCTS MARKETING CENTER

My interest in the timber resources in West Virginia led me to believe that our timber industry needed a forest products marketing center and demonstration forest, both of which could stimulate renewed interest in our timberlands and encourage the location of wood products industries in the State.

Consequently, in a letter to Forest Service Chief Richard McArdle on February 6, 1961, I proposed that such a laboratory and demonstration forest be located in West Virginia. After surveying the forest areas in the State, Dr. McArdle reported, on February 16, that several counties in southern West Virginia were potentially suitable for the location of such a laboratory and demonstration forest.

Receiving this encouragement, I invited officials of the Forest Service to accompany me on an inspection tour of the favored areas. This tour, conducted on February 24–25, resulted in my announcement of June 2, 1961, that the Bluefield-Princeton area had been selected by the Forest Service as the site for this project. As a member of the subcommittee making appropriations for the Forest Service, I was successful in securing an appropriation of $450,000 for initial planning and construction of the wood products marketing facility. Additional moneys will be needed for continuing construction and development of the facility next year.

Desirous of exploring new means for the full utilization of the commercial, recreational, and tourist potentials of the Monongahela National Forest, I invited the Forest Service to accompany me on another inspection tour in February. My purpose on this trip was to see what had been done and what should be done in the development of the three potentials listed above. I also wanted to see firsthand, the improvements which had been made in the timber stands of this forest.

It was on this trip that I proposed that the Forest Service route a road through the heart of the Monongahela National Forest which would highlight its most scenic and historic area and, at the same time, provide a connecting link between eastern and southern West Virginia. The Forest Service made such a reconnaissance survey, and sketched a proposed road.

However, this proposed scenic highland route only connected with two existing State routes. I saw the necessity of connecting such a highway with road systems in adjoining States, if they were to realize a maximum tourist potential.

The expanded road which I envisioned would begin at Hagerstown, Md., traverse the length of the Monongahela National Forest, cut through southern West Virginia, and terminate at Cumberland Gap, on the Kentucky-Tennessee border. Christened the Allegheny Parkway, the road would have two spurs—one extending to the Harpers Ferry National Monument in the eastern panhandle; another to Babcock State Park in southern West Virginia.

In early April, I introduced a bill in the Senate calling for the building of this Allegheny Parkway which would be approximately 550 miles long at a cost of approximately $500 million.

I have urged the establishment of such a parkway in conference with Secretary of Agriculture Orville L. Freeman and Secretary of the Interior Stewart L. Udall. Both Secretaries expressed enthusiastic interest.

MILITARY CONSTRUCTION

In a very short time, $2,443,000 in Federal funds will be released to West Virginia for the construction of 13 new military units. Only $451,000 of this amount would have been appropriated to our State had I not been successful in amending President Eisenhower's fiscal 1962 budget to include almost $2 million more for this purpose.

I initiated my efforts to obtain an expanded military construction program for West Virginia in early February when the military construction bill was before the Senate Armed Services Committee. After successfully amending the bill to include authorization of the additional reserve facilities, I then turned to the Appropriations Committee to secure the necessary funds for their construction.

New National Guard armories will be built in St. Albans, Kingwood, Huntington, Fairmont, Morgantown, and Bluefield. Army Reserve units will be erected in Huntington, Martinsburg, Morgantown, New Martinsville, and South Charleston, and a maintenance facility will be constructed in Point Pleasant.

In addition, $36,600,000 was appropriated for the continuation of work on the radio telescope at Sugar Grove.

The $39 million appropriation which West Virginia will receive for military construction will serve as an economic impetus for the construction industry of our State. It will also provide new job opportunities for many of our people at a time when they are most needed.

COAL

"To climb steep hills," Shakespeare says in "Henry VIII," "requires slow pace at first."

This adequately sums up the progress which has been made during this session in the revitalization of West Virginia's coal industry. The pace has been slow; but there has been some progress.

My work has been concentrated on the lowering of the ever-rising quotas on imported residual fuel oil, which has not only ravaged our coal and rail industries, adding thousands to the ranks of the unemployed, but which also poses a serious threat to our national security.

Senator RANDOLPH and I cosponsored a Senate resolution calling for a Senate study which could lead to a national fuels policy. This resolution has been adopted and my distinguished colleague will serve on the committee created thereby.

On February 20, I testified at the Interior Department's hearings on imports of residual fuel oil, where I asked that quotas be lowered to the 1957 level.

I brought the chairman of that meeting, Interior Secretary Stewart Udall, to West Virginia in April, to tour our coal mines. I wanted him to see, firsthand, the great strides our coal industry has made—and continues to make—despite almost insurmountable obstacles.

Senator RANDOLPH and I have conferred with the President on problems affecting the coal industry, and we have enlisted the support of a large number of our colleagues to counteract a move made by New England Senators to have President Kennedy remove all quotas on residual oil imports.

I have also written to the Director of Civil and Defense Mobilization, advising him of the adverse effects which unrestricted imports of residual oil will have upon our national security.

I have worked closely with the United Mine Workers, the National Coal Association; and the National Coal Policy Conference in attempting to bring about a quota reduction.

I have also participated in the fight to have our military forces in Europe purchase American coal, rather than foreign produced coal, for their needs.

INDUSTRIAL DEVELOPMENT

Significant gains in industrial development have been made during this session which will be important contributions toward the improvement of West Virginia's economic climate.

Learning of North American Aviation's interest in expanding, Senator RANDOLPH and I invited representatives of the firm to meet with us on April 3 to discuss the possibility of locating in West Virginia.

Immediately following this meeting, the company sent a team into West Virginia to conduct a statewide survey in search of an ideal site. Bluefield was named after a careful study of the material compiled by the team was made.

Bluefield may also soon add the manufacture of steel to its growing list of economic assets as a result of a recent discovery of a low-grade iron ore deposit in nearby Jefferson National Forest.

Encountering difficulty in obtaining a prospecting permit to proceed with the necessary research work on the deposit, a group of progressive Bluefield businessmen enlisted my assistance. I was able to interest the Forest Service in sending representatives to meet with me and those citizens, at the ore deposit on Pearis Mountain, in early December 1960. This meeting cleared up existing misunderstandings, and, as a result, the prospecting permit was granted on February 16.

SMALL BUSINESS

On January 11, I cosponsored a bill to provide for a substantial tax relief for small businessmen in the form of a Federal income tax deduction on earned taxable income which would be plowed back into a small business. I cosponsored a similar bill in 1960.

GLASS IMPORTS

Leaders in the sheet glass industry asked my support for their efforts to save this ailing industry from further decline resulting from an influx of cheap glass imports from Europe and the Orient. I arranged a meeting between the union leaders and officials from the White House in my office on June 27. At my request, a representative of the President accompanied me, over the July weekend, on an inspection tour of our largest glass plants in Clarksburg and Charleston, in order that the President could be fully informed of the adverse effect, upon the plants and upon employment, of increased glass imports from abroad.

In a speech on the Senate floor on July 17, I asked President Kennedy to immediately impose full duty on sheet glass shipments from non-Communist countries, and full duty, plus extra ad valorem charges on imports from Communist countries. This matter continues to receive my attention.

EDUCATION

I pledged my support to the education program submitted to the Congress by President Kennedy in early February. When that program was translated into Senate bill 1021, which I cosponsored, I spoke in the Senate on May 17 urging its passage.

The bill, which authorizes a 3-year program of aid to States for school construction, teacher salary increases, and the hiring of additional teachers, was approved by the Senate on May 25.

PUBLIC WORKS PROJECTS

During the final week of the 1st session of the 87th Congress, the Appropriations Committee, of which I am a member, approved a $37,524,000 public works construction and planning budget for West Virginia for fiscal 1962.

On June 9, I appeared before the Public Works Subcommittee of the Senate Appropriations Committee to urge inclusion of the needed moneys in the fiscal 1962 budget.

I was successful in getting $95,000 added to the bill for the restudy of three reservoirs in the Parkersburg area.

Of the $37,524,000 which was allocated to West Virginia, $37,279,000 will be used for construction while $240,000 will go toward planning.

The construction projects include: Belleville locks and dams, near Parkersburg, $900,000; Pike Island locks and dams, near Wheeling, $14,600,000; Maxwell locks and dam, on Pennsylvania border but affecting the Morgantown-Monongalia area, $9,300,000; Opekiska lock and dam, $3 million; Summersville Reservoir, $9 million; and Williamson levees and floodwall, $479,000.

Planning moneys were appropriated for Burnsville Reservoir, $30,000; Steer Creek Reservoir, $30,000; West Fork Reservoir, $35,000; Cheat River survey, near Morgantown, $75,000; and Racine locks and dam, near Point Pleasant, $75,000. House conferees deleted the Burnsville, Steer Creek, and West Fork moneys in conference, but I shall try to get these restored next year.

Throughout this report on my activities during this first session of the 87th Congress, one will note that I have taken several inspection trips throughout the State, and have brought with me on these trips, representatives of the various government agencies which will ultimately deal with the projects and problems at hand.

I am a firm believer that through a firsthand look at a situation, a legislator can more knowledgeably act for the people whom he serves. For example, during last December, I brought with me to West Virginia a staff member of the Senate Appropriations Committee and representatives of the U.S. Army Corps of Engineers to travel over the navigable waterways of West Virginia.

My primary purpose in making the trip was to review the principal navigation and water resource projects under construction, or about to be placed under construction, in West Virginia. I sought to determine if there was a sufficient basis for a reanalysis of any of the authorized projects in the State which had been classified as inactive by the Corps of Engineers. I also sought information on which to justify the support of requests for planning and construction moneys in connection with modernization of the Ohio and Monongahela Rivers transportation systems.

The information gathered was useful to the Senate Appropriations Committee in approving the $37,524,000 public works budget which has been allocated to West Virginia.

COMMITTEE RESPONSIBILITIES

During this session I gave up my seat on the Banking and Currency Committee to take Vice President LYNDON B. JOHNSON'S seat on the Armed Services Committee. Additionally, I was selected by the Vice President to serve as a member of the board of directors of Gallaudet College, the only college for the deaf in the world. On the Senate Appropriations Committee, I serve as a member of five subcommittees: Treasury and Post Office; Interior; Labor, and Health, Education, and Welfare; Commerce; and the District of Columbia. As chairman of the Appropriations Subcommittee on the District of Columbia, I have been very active in regard to matters affecting the government of our Nation's Capital.

Mr. President, this is a short account of some of my activities in behalf of the State of West Virginia and its people, and of the Nation, during my third year of service in the U.S. Senate. I have worked hard to serve them conscientiously and well.

AUSTERITY AND ACTIVITY OF THE SUBCOMMITTEE ON PUBLIC LANDS

Mr. DWORSHAK. Mr. President, on many occasions during this session of Congress we have received from the President, many persistent appeals for austerity. He has called the attention of the American people to the acute Berlin situation as well as the turmoil and complexities which exist in many other sections of the globe.

It is noteworthy that there has been almost complete unanimity in the Senate, as well as in the House, in providing about $6 or $7 billion in excess of the original Department of Defense budget, which was submitted in January. Although there has been unanimous support for this expanded military preparedness, many Senators, including myself, have contended that we should have reduced nondefense spending on the domestic front. I have had compiled by a staff member of the Senate Committee on Interior and Insular Affairs a table showing the Public Lands Subcommittee bills which have been reported during the session by the full committee. The tabluation lists the numerous new national parks and monuments which have been authorized with land acquisition development and operations costs for an initial 5-year period amounting to $88,172,000.

The annual operating costs for these new parks and monuments will be approximately a million and a half dollars annually, when they have been fully developed. I ask unanimous consent to insert at this point in my remarks the tabulation referred to.

There being no objection the tabulation was ordered to be printed in the RECORD.

Public Lands Subcommittee bills reported by the full Interior Committee, during 1st sess., 87th Cong.

Bill No.	Title	Land acquisition, development, and operations cost for initial 5-year period	Annual operating cost
S. 77	To establish the Chesapeake & Ohio Canal National Historical Park in the State of Maryland	$6,280,000	$350,000
S. 98	To authorize the Secretary of the Interior to provide water and sewage disposal facilities to the Medora area adjoining the Theodore Roosevelt National Memorial Park, N. Dak.	91,000	
S. 476	To establish the Point Reyes National Seashore in the State of California	22,624,000	451,000
S. 522	To authorize the establishment of the Hubbell Trading Post National Historic Site in the State of Arizona	539,000	22,935
S. 543	To promote the preservation, for the public use and benefit, of certain portions of the shoreline areas of the United States.	25,800,000	
S. 857	To provide for the establishment of Cape Cod National Seashore Park	21,800,000	350,000
S. 1018	To authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes.	30,000	
S. 1063	To amend the act of Apr. 22, 1960, entitled "An act to provide for the establishment of the Wilson's Creek Battlefield National Park in the State of Missouri."	1,080,000	
S. 1155	Authorizing the establishment of the Fort Smith National Historic Site in the State of Arkansas, and for other purposes.	886,000	62,000
S. 1760	To establish the Great Basin National Park in Nevada, and for other purposes	5,222,000	253,000
S. 1775	To authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes.	7,775	
H.R. 498	To provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes.	115,000	
H.R. 566	Authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Tex	1,700,000	
H.R. 5571	To provide for the addition or additions of certain lands to the Effigy Mounds National Monument in the State of Iowa, and for other purposes.	2,000	
H.R. 5760	To revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes	15,000	
H.R. 2470	To provide for the establishment of the Lincoln Boyhood National Memorial in the State of Indiana, and for other purposes.	1,000,000	60,000
H.R. 6067	To provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beech Gap Southwest and running into the State of Georgia.	35,000	
H.R. 6422	To add federally owned lands to and exclude federally owned lands from the Cedar Breaks National Monument, Utah, and for other purposes.	8,400	
H.J. Res. 459	To provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes.	937,000	30,000
	Total	88,172,175	1,578,935

Mr. DWORSHAK. While I do not seriously object to recreational developments in this country, I believe it is entirely inappropriate to continue with this expansion program at a time when our young Americans are being called to military service from the Reserve components of the Armed Forces. I believe the time has arrived when, if we need austerity, if we face a serious situation involving Berlin, which may develop into hot war, and with the impending controversies in the deliberations in the United Nations, the American people will demand that we accept the appeal of the President for greater austerity and put our house in order financially as well as militarily to meet the sinister threat of the Soviet dictators.

INTEGRATION IN THE SCHOOLS

Mr. JAVITS. Mr. President, yesterday, on the occasion of the issuance by the U.S. Civil Rights Commission of its 1961 education report, Senators DOUGLAS, HART, KEATING, and I joined in issuing the following statement which I now ask unanimous consent to have printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SEPTEMBER 25, 1961.

The U.S. Civil Rights Commission yesterday issued its 1961 education report, in which it concluded emphatically that "the Nation's progress in removing the stultifying effect of segregation in the public elementary and secondary schools—north, south, east, and west—is slow, indeed."

The Commission accordingly made 12 recommendations, all but one unanimous, covering the various aspects of the general problem of school desegregation—timing, information, enforcement, and financing—in public, precollege schooling, higher education and libraries, and in areas where schools are attended by dependents of military personnel.

Although some of the recommendations of the Commission have already been introduced as legislation in this Congress, we shall, in view of this new forthright declaration of the Commission, introduced, either at this session or, if time does not remain, at the beginning of the next session, a single omnibus bill on discrimination in education to implement all the Commission's unanimous recommendations.

This declaration of the Commission underlines again what we have consistently maintained during this session—that vigorous administrative action alone is not enough and that new legislation is vitally needed. It is our expectation that this Commission declaration will spur congressional action on these problems as early in the next session as possible.

PAUL DOUGLAS.
PHILIP A. HART.
JACOB K. JAVITS.
KENNETH B. KEATING.

Mr. JAVITS. Mr. President, this morning an editorial in the New York Times entitled "Integration in the Schools" on the Commission's penetrating report urges action to implement the Commission's unanimous proposals. I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 26, 1961]

INTEGRATION AND THE SCHOOLS

School segregation remains a widespread evil in this country although 7 years have now passed since the Supreme Court's historic decision declaring such segregation unconstitutional. The number of new school districts annually integrating their children has dropped sharply in the last 2 years as compared with the number complying annually in earlier years subsequent to the Supreme Court decision. And even where integration has taken place, the number of Negro children affected has often been so small as to be no more than a minimal token. Such are the unhappy conclusions reached by the Civil Rights Commission in its comprehensive study just released.

Most of the Commission's proposals for speeding up school integration should be accepted. Certainly it is reasonable for Congress to require every segregated school district to submit plans for at least initial integration. Equally reasonable are the proposals for laws to speed up court action in integration cases to provide Federal financial aid to school districts complying with the law when such districts are penalized financially by the State. We question the desirability, however, of withholding Federal school or library aid from segregated institutions. To do so would penalize students in no way responsible for the segregation.

If President Kennedy embodies the Commission's recommendations in his proposals to Congress next year, the stage will be set for a major and bitter congressional battle. That battle cannot be avoided if the President wishes to realize the civil rights provisions of the platform on which he was elected.

THE MILITARY DRAFT STATUS OF THEODORE C. SORENSEN

Mr. GOLDWATER. Mr. President, in the Chicago Tribune of September 23, Mr. Walter Trohan has written a very interesting article on Theodore C. Sorensen, who serves as Special White House Counsel and adviser to President Kennedy. It says, and I quote:

The man behind President Kennedy's rocking chair in a world with war tensions escaped military service as a conscientious objector and Korean war service as a father. He is boyish and brilliant Theodore Chaikin Sorensen, Presidential alter ego as Special White House Counsel.

Mr. Trohan goes on to explain that Nebraska draft board records show that

Mr. Sorensen was classified, on December 31, 1948, as a "conscientious objector" available for noncombatant military service only. When the Korean war broke out, according to Mr. Trohan, Mr. Sorensen was first classified as III–A, extreme hardship deferment, or registrant with a child or children. Later, on January 8, 1952, he was reclassified I–AO, a conscientious objector, and still later, on February 4, 1952, as IV–F, physically unfit because of a tumor operation, according to the Tribune story.

Mr. President, anyone has a right to claim conscientious objection to combatant military service and I believe, as Mr. Trohan points out, that it very often requires more courage to seek this classification than to serve. However, I cannot help but wonder at the thoughts of the fathers and mothers of American boys who right now are being called up for active military service when they learn that one of the President's closest advisers is an objector because of conscience.

I ask unanimous consent that Mr. Trohan's article be reprinted in the RECORD at this point in my remarks:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Daily Tribune, Sept. 23, 1961]

REPORT FROM WASHINGTON

(By Walter Trohan)

WASHINGTON, September 22.—The man behind President Kennedy's rocking chair in a world with war tensions escaped military service as a conscientious objector and Korean war service as a father. He is boyish and brilliant 33-year-old Theodore Chaikin Sorensen, Presidential alter ego as special White House Counsel.

Sorensen heads the parade of men close to the President in "The Kennedy Circle," a series of intimate portraits in depth on New Frontiersmen by Washington correspondents. Of the tall, slightly stooped and bespectacled young man's military record the book reports:

"Too young for World War II, Ted also escaped Korean war service; he had just had a tumor removed from behind his ear when the Korean war broke out, and draft authorities wanted to be sure it wasn't serious."

This doesn't quite square with the facts in draft records. The Sorensen record which is on page 6 of the year of birth 1928 book under the numbers 25, 57, 28, 164. The 25 is for his native Nebraska, 57 the number of the board in Lincoln, 28 the year of his birth and 164 the order in which he registered.

RECLASSIFIED AS CONSCIENTIOUS OBJECTOR

The records show that he was born May 8, 1928, and that his questionnaire was mailed to him September 27, 1948. On December 31, 1948, he was classified I–AO, a conscientious objector available for noncombatant military service only. It frequently requires more courage to seek this classification than to serve, especially in peace time. Sorensen was married September 8, 1949.

On August 18, 1950, after the outbreak of the Korean war, Sorensen was reclassified as III–A, extreme hardship deferment, or registrant with a child or children. On November 20, 1951, his status was reviewed by the board and he remained in III–A.

On January 8, 1952, he was reclassified I–AO, a conscientious objector, and ordered to report for physical examination. He took the physical February 4, 1952, and was reclassified IV–F, physically unfit. This was after the tumor operation.

On April 13, 1954, he was reclassified III–A. A notation at the end of the line on the book states: "Liable for service until 35 years old."

Although Sorensen is concerned chiefly with domestic problems, he branches out into foreign affairs regularly. President Kennedy has described Sorensen as "One of my very keymen," adding that "He gets work done, he is extremely bright, and I have confidence in him. As my responsibilities grow so do his."

TURNING MORE CLOSELY TO OLD AIDS

Sorensen was frequently the first man the President saw in the morning and the last man he saw at night during the close presidential campaign. Although this is not quite true today, the President has turned more closely to the men he trusted before his campaign since the Cuban fiasco, the Lao setback, and the Berlin crisis.

Sorensen, as the man who did the research and some of the work on "Profiles in Courage," the Kennedy best seller, and does considerable ghostwriting on speeches, is among the most trusted of the New Frontier brain trust. Still he remains considerable of a man of mystery, so much so that his name is frequently spelled with a "son."

He is of Danish descent on his father's side. His father, C. A. Sorensen, was a Progressive Republican, following the late Senator George Norris, of Nebraska. The elder Sorensen served as Nebraska's attorney general from 1928 to 1932. Sorensen's mother was an able and dedicated feminist who was accused of pacifist and radical sympathies in World War I. In 1921 she married the attorney who defended her against these charges.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOSCOW ATTACKS ON SENATOR SMITH OF MAINE

Mrs. SMITH of Maine. Mr. President, sometimes the effectiveness of a statement can be measured by the severity of the attacks on the statement and the identity of the attacker.

In 1949 the Russian Communist press called me a poison pen artist. In 1955 the Russian Communist press called me an Amazon warmonger hiding behind a rose.

And now again in 1961 the Russian Communist press attacks me on my Senate speech of September 21, 1961, as it accuses me of having had "another attack of cannibal instinct." Such was the charge made by Radio Commentator I. Arlov in a Moscow broadcast.

Apparently my speech cut deeply in view of the severity of the Communist denunciation of me.

Apparently my message on the will of the American people got through to Khrushchev clear and loud.

Mr. GOLDWATER. Mr. President, I may say that my distinguished friend from Maine has joined the very select fraternity—or I might say sorority, in this case—of those who have been attacked by the Russian press. The greatest pride that I have rests in the occasional attacks on me by the press of Russia, calling me a warmonger.

I again commend the Senator's speech to which the Russian press has referred. The distinguished Senator from Maine performed a needed and very useful service in calling to the attention of this body statements that we would use the weapons that were used in World War II and ignoring the one type of weapon that Khrushchev respects, the nuclear weapon.

As a lifelong student of the military, I congratulate our good friend from Maine on her speech, because it was long overdue. While we recognize that we need a mix of weapons, we must not overlook the fact that we have strong weapons and will use them.

The fact that the Senator's speech provoked the distinguished Senator from Missouri [Mr. SYMINGTON] to state that the President was firm in his position of using these weapons, and the fact that last Sunday the President's brother, the Attorney General, reaffirmed this firmness, justify the words that she used and justify the increasingly important position that the Senator from Maine occupies in the eyes of Americans all over the country. As an American, I thank her for what she has said.

Mrs. SMITH of Maine. Mr. President, I thank my good friend and able colleague, the distinguished junior Senator from Arizona, for the very generous words he has spoken, and also for his observations yesterday concerning my speech of September 21.

LEGISLATIVE REPORT TO THE SENATE

Mr. MANSFIELD. Mr. President, I take this opportunity to fulfill one of the traditional responsibilities of the majority leader—to report to the Senate, and to the country, on the progress of the legislative program during this session of the Congress. As I do so I am aware of my kinship with those who have occupied this position in the past, and who offered similar reports on the achievements of other sessions. I am sure they felt, as I do, a mixture of emotions: satisfaction over the real accomplishments of the session; disappointment over its frustrations; gratitude for the hard work that went into the making of each law, and for the courtesy and spirit of accommodation shown him by his colleagues; and simple relief that an appropriate time for adjournment had come.

This has not been an ordinary session of Congress, if indeed there is such a thing. There was, to begin with, a change of administration, as well as a change in the leadership of the Senate. Inevitably such changes bring with them a number of errors, a certain amount of confusion; but such is the elasticity and vitality of our system that these errors

have not prevented the effective operation of the Government or of the Congress. I may say that I have never admired the American Government more than I do today, at the close of this session. The country is blessed with methods of government that provide for the orderly disposition of public business, without requiring a dull conformity of the people. If we lack political dogma, we do not lack political reason.

Nothing could have better demonstrated this than the session of Congress now ending. There was facing it at the beginning a great deal of unfinished business from previous years, and almost without exception these matters were deeply controversial. The country had divided almost evenly on November 8; the majority party in Congress did not command the numbers required for a sense of divine mission. The Senate reflected this division of opinion on a number of major issues.

Outside these walls men predicted the ruin of democracy, or of the economy, if the program passed; others predicted the same result if it did not. Yet the Senate was not paralyzed by this alarm. It took action on the majority of the President's recommendations, acting with prudence and expedition; it undertook such amendment of the program as seemed necessary.

I think it is important to remember that we do not act in a vacuum here—either in a vacuum of party politics, or one bounded by the two ends of Pennsylvania Avenue. We act in a complex world of international politics, big and small business, rates of growth and levels of employment. Every major bill we consider has its impact on the rights, responsibilities, or opportunities of our people. It is worth recalling for a moment what the environment of the past months has been, for it was because of that environment that we met and worked at all.

The country was enduring, last January, a prolonged recession, in which many of the soft spots in the American economy were made apparent. Outside those areas which we call distressed, and which have been in serious economic trouble for years, there were substantial numbers of men and women, dependent upon the efficient working of the industrial machine, who had been out of work many weeks. Housing starts were off, and several months remained before the season of renewed activity. We were faced with an agricultural surplus that would have exceeded by far our capacity to store it.

The new administration acted in a variety of ways to shore up that part of the economy most responsive to Government action. Payments under civil and defense contracts were accelerated, with the result that about $3.5 billion was injected into the economy. And the White House worked swiftly to submit a thorough and effective legislative program to Congress.

Of the measures proposed by the administration to strengthen the economy, several had come before the Senate in previous Congresses, but had failed of approval in the House, or had been vetoed.

One of these was the area redevelopment program. There were disputes over the best way to provide assistance for urban and rural distressed areas in America, but the basic facts were indisputable: in an affluent country with the highest standard of living in the history of man, there were recesses of poverty and hopelessness where factories and mines stood idle.

There still are such places in America, some of them in my own State of Montana. But we have made a start toward providing them with the long-term assistance that may help them revive and sustain their economic life.

This session the Congress effected a major expansion in coverage under the Fair Labor Standards Act. Minimum-wage protection was extended for the first time to 3.4 million workers, and the minimum wage itself raised to an eventual $1.25 per hour. This was action for employed workers. Because the 1960 recession had prolonged the unemployment of many men and women, it was essential to extend the period during which compensation might be paid to them. Congress did that, and subsequently established a program of special assistance for the children of the unemployed.

The increase in funds made available this year to the long-term unemployed is about $840 million. We can expect a continuation of this problem in the months ahead; for although the unemployment totals are down from 5.4 million in January to 4.5 million in August, the long winter months, and the adjustments involved in automation, will take their toll.

The Senate has shown its concern to reverse the trend toward great long-term unemployment by adopting a bill that would help to retrain the unemployed in new skills, to be used in areas and industries of high labor demand. That I think is an essential step, and I trust next year will see its enactment into law.

For older workers and retired persons, minimum benefits under the social security program were increased, and the law was amended to enable men to receive benefits at age 62.

We have made substantial progress in the field of housing. The administration took the initiative early this year, lowering interest rates, increasing mortgage funds, and making money available for a broader range of community facilities. Partly as a result of these decisions, housing activity in August was running at a level 30 percent higher than in January. It is still too early, of course, to determine the impact of the Housing Act of 1961, one of the most significant housing measures in history. This act offered assistance to middle-income housing for the first time. It included an authorization of $75 million for work on mass transportation problems, and an authorization of $50 million for the purchase of open spaces in the cities. These latter programs are of special interest in that they represent attempts to make urban areas more hospitable.

Finally, Congress took action to head off a gigantic surplus in feed grains, through the enactment of an emergency bill requiring cutbacks in production as a condition for support. This principle was later extended in the omnibus bill to wheat. In early September it was estimated that 1961 corn production will be more than 372 million bushels under 1960 production and 720 million bushels under the original estimates for 1961. The Secretary of Agriculture has testified that the Government saves approximately $1.11 in storage, transportation, and interests costs on each of these bushels not produced; and the grain farmer, as well as the general taxpayer, has gained from this program, which has provided more orderly marketing conditions for his crops.

I do not intend to exclude other programs of significance among the domestic responsibilities of Congress, by centering my attention on this list of achievements. A major amendment of the Federal Government's role in the highway program was enacted, and its contribution to the water pollution control and saline water development programs was substantially increased. After months of hearings and investigations, the Senate passed five bills that should be of real assistance to domestic migratory workers. Modest in scope as they are, these bills are in the nature of moral commitments to the welfare of those who earn, through stoop labor, bare subsistence wages.

Among all the domestic legislation considered by the Senate this year, the education bill occupied the greatest part of the leadership's time, and I suspect the same was true of every member. I think it was the most important bill we considered, for on American education depends the American future. The Senate, after one of the most brilliantly managed debates in recent history, passed a good bill. Members know the history of this bill in the other body. I can only say that I regret its postponement more than any other occurrence of the session. I say "postponement" because so profound and urgent a question cannot be put aside indefinitely.

This is something of the record of the session, Mr. President, as the Congress dealt with the domestic affairs of the country. It is a good record, as is, in my opinion, the record of the new administration. There are other matters beyond the scope of Congress, of any of its bills and resolutions. Insistence upon excellence in the local schools; a determination to develop cities and towns, so that the dignity of life is enhanced; a decent respect for the rights of all men; a willingness to sacrifice private aggrandizement for the public good; concern for the quality of the arts—these matters lie beyond remedy by public law. They are in the province of the localities and of the citizen. Here it is their decision that matters. Sometimes we can assist by the provision of public

funds or by laws to protect public rights; but at the heart of these matters—in our system of government—lies the necessity for private and local choice. Whoever looks for an index of paradise in the legislative record of any Congress will be disappointed.

Limitations on congressional influence occur, too, in the field of foreign relations and national security; and yet nowhere else is congressional responsibility so grave. We do not conduct the foreign relations of the United States, and our effect upon the day-to-day operations of foreign policy is tangential. And yet is our responsibility to approve commitments of our resources to the national defense, and to the support of foreign policy, as may be necessary.

This responsibility has been ably discharged by the Congress. The struggle over the best means of providing long-term financing for the Development Loan Fund has somewhat obscured the fact that every proposal seriously considered—including the measure finally adopted—did contain a long-term commitment to the Fund. In addition, Congress approved the organizational changes in the aid program that may—and in the devout hope of this Senator, will—result in a better directed, more efficient operation.

Probably the most dramatic program of foreign assistance we approved this year was the appropriation of $600 million to fulfill our offer to the Bogotá nations. The President's Allianza para Progreso found welcome, not only in Latin America, but among the many Members of this body who have urged greater attention to the economic and social problems of the Western Hemisphere.

Beyond these money bills, the Congress has acted on three major instruments of foreign policy: The ratification of the OECD Treaty, by which the United States has joined in a 20-nation organization of the Atlantic States to promote economic stability; the Peace Corps, by which the altruism of America may be carried to less developed nations by her skilled young men and women; and the Disarmament Agency, by which we will bring together in a single organization the technicians and thinkers whose judgments are essential to the preparation of disarmament proposals. These are honest attempts to use our resources for mutual growth in the West and in the Southern Hemisphere for an eventual diminishing of the arms race, and for a more durable peace.

But the necessity for maintaining a Defense Establishment capable of protecting the Nation has not abated. Indeed, the events of the last few months have made this responsibility more acute. The new administration, soon after taking office, submitted a revised budget estimate for the Defense Department, and on three subsequent occasions asked for funds in the sum of $3,454 million beyond that estimate. Money was needed to increase the authority of U.S. forces in meeting limited conflicts, and it was swiftly provided. Indeed, so concerned was the Congress over our readiness to meet aggression that the final appropriations sent to the White House were in excess of the budget requests.

Mr. President, I shall conclude. Before I do so, I want to pay a deserved tribute to a fair and kindly man. When I assumed the leadership of my party in the Senate this January, I did so in the knowledge that I followed a truly great leader, the present Vice President—a man justly regarded by most historians of the Senate as the outstanding leader of this century. I realized that the new leader would bear heavy responsibilities in the prosecution of the administration's program in the Senate. I was, in truth, reluctant to undertake the role. If I should list the considerations which finally persuaded me to accept it, I should place very near the top of the list, the fact that the opposition leader would be the Senator from Illinois. I was right to place so much weight on that circumstance.

He has been in every instance, under the most trying conditions, as in times of relative ease, responsive and cooperative. He is renowned for his charm and his powers as a speaker. He should be equally renowned as a man of unfailing courtesy, honor, and consideration.

I cannot close without a word of deepest appreciation to the majority whip, the Senator from Minnesota [Mr. HUMPHREY]. Sometimes I regret that the Senate rules forbid motion-picture cameras in this Chamber. I would like to have had, for the records of the Senate, a film of the Senator from Minnesota working on the Senate floor in behalf of the Peace Corps and Disarmament Agency bills. If ever a man demonstrated the role of a party whip, if ever the sheer force of personality, hard work, and persuasive argument were made manifest in one human being, it was on those particular occasions. And throughout the session he has been a source of good counsel, as has been the secretary of the Democratic conference, the junior Senator from Florida, [Mr. SMATHERS], who has contributed so much to whatever success the leadership may have achieved in this session. I would also say that the distinguished minority whip, the senior Senator from California [Mr. KUCHEL], has been a bulwark in the making of progress in the Senate this year.

I shall not undertake to thank the committee chairmen and other Senators for the work they have done, because I should not be able to stop until I had spoken of each Member, men and women on both sides of this aisle who have produced the legislative record of this session. It is in every sense a joint record and a good record, and every Senator has made his or her contribution to it.

Mr. President, to my colleagues I wish to state that to all Senators—both Democrat and Republicans, and of whatever persuasion within that context—I am personally indebted for the understanding, the tolerance, and the courtesy which all of them have shown me during my first year as majority leader. Time and time again they have subordinated their personal desires as a courtesy to the distinguished minority leader and me, to the end that the Senate as an institution, as a citadel, could function as a responsible legislative body.

I could with full sincerity and with deep conviction and feeling heap paeans of praise on every individual Member of this body. But I shall not do so. I can only say to all Members of the Senate, from the depths of my heart, "Thank you," and assure them that they hold in my heart a place in which they will be enshrined forever.

To our wives and loved ones who have had to lead a tenuous existence, if not an uneasy and insecure one, I express my appreciation, because these unsung heroines are the ones who give us the fortitude and the leeway this job calls for, which so few persons understand and appreciate. Their advice, their patience, and their wholehearted dedication to us and to our country have done much to lighten the burdens of this body.

Mr. DIRKSEN. Mr. President, we stand on the threshold of the adjournment of the first session of the 87th Congress.

It has been said that this has been a long session. Actually, there have been longer sessions; it only seemed long, I think. Perhaps the reason for that is that probably it is the first universal session of Congress that has been had; and when I say "universal," I mean it has reached into every corner and nook of the universe.

In that connection, I think of my friend the Senator from Washington [Mr. MAGNUSON], and his bill on oceanography. I anticipate that in due course, after all the researches are made, the skindivers probably will go 40,000 feet beneath the surface of the ocean, probably in what is called the Mindanao Deep, and will there enjoy a vacation; and that is the lowest spot below the surface of the earth.

Similarly, I think of all the provisions we have made for moon shots. We have appropriated funds in order to send a man to the moon. I do not know who will represent the constituency on the moon; but we might as well make preparations for the time when men from the moon will have seats in the Senate and probably in the House of Representatives. And then, of course, I think of the foreign-aid bill, which reaches out to some 91 countries.

In truth and in fact, on this occasion, we could weep with Alexander the Great, as he took the tops off all the minarets in that oriental land and bewailed the fact that there was no other world to conquer, because we shall reach to the bottom of the deepest deep and we shall send men to the moon, and we shall reach to the most sequestered and cloistered ends of the earth. So, indeed, it can in truth be stated that this is a universal Congress.

So I say to my colleagues: "Be of good cheer." If you think you have been here a long time, it has only seemed long—and nothing more.

I pay tribute to the distinguished majority leader, the senior Senator from

Montana [Mr. MANSFIELD]. He is a most distinguished Senator. The outstanding charm and grace and the spirit of unusual cooperation of MIKE MANSFIELD are captivating, to say the least. If I were to describe in one word his approach and his attitude, I would use the word "unhurried." I wish life could say of me that I have been unhurried, because that is a testimonial to patience and to a philosophical outlook on life.

Sometimes I wonder where Senator MANSFIELD got the attitude. I think I know. You see, once he was a miner, and once he was a mining engineer.

I am reminded that at a little Ohio college called Antioch, one of the subjects which every student is required to study is geology. Once I asked a former distinguished president of that college, at the time when he joined the Tennessee Valley Authority staff, "Why is the study of geology required at Antioch College?" He replied, "It gives a person a sense of timelessness, as he thinks about the formation and unfoldment of the world on which we live, and of how into it went the development, not of thousands of years, but of millions of years. As students of geology, they examine the strata by which the earth has been formed, and that gives them a perspective which they cannot get in any other way."

I think a person would gain that sense if on occasion he went into the bowels of the earth, to bring up the mineral resources the Lord has implanted there for the benefit and use of man.

So the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], must have, on occasion, philosophized to himself, when he was down in the depths of the earth, either as a miner or as a mining engineer, because there the whole formation of what we see as the planet on which we live must have been unfolded in perspective, and surely must have said to him, "Take your time. Take your time." So he has accomplished a great work without unseemly or undue haste.

He reminds me a little of the old grandfather's clock. If one thinks of the modern alarm clock, as distinguished from the old grandfather's clock, it expresses and articulates the difference in our approaches and in our viewpoints. Perhaps I could describe it best in romantic terms, because in earlier days, when a young man came to court his lady love, he did not come in a Corvair, or a Galaxie, or a Cadillac. He came in an old buggy drawn by a horse, and took his time; and when he got to the home of his lady love, he put the horse in the stable, and then was ushered into the parlor, which was opened only 1 day a week. It had a fancy lamp on the center table, and a bright red brussels rug on the floor, and a whatnot on the corner shelf, with all the little knickknacks obtained at a carnival or a State fair. Then he would sit on one end of the horsehair sofa and she on the other. Then there would be that quiet, agonizing, sweating hour after hour as they said exactly nothing. I remember on one occasion, after such an agonizing and excruciating loveliness, a young man blurted out, "Mary, how's your Maw—not that I give a dern, but just to make conversation?" [Laughter.]

The old grandfather's clock said, "Take your time, take your time, take your time."

It is a little different today. It is symbolized by the alarm clock. The young man comes up in one of the snorting pieces of machinery which we call a convertible, and he plops out, and gets into the parlor. He is not bothered with a rug, unless they want to cut a rug, and take it up and then get down to the business of swinging themselves to one of those boxes with a saxophone player who sounds like a jackass or a drummer from Kansas City who has St. Vitus dance. The alarm clock says, "Get there, get there, get there."

As between the old grandfather's clock and the alarm clock, MIKE MANSFIELD typifies the old grandfather clock. [Laughter.] "Take your time, take your time." How charming and indulgent he has been. He has failed us only two or three times in this session. He vowed that there would be no Saturday sessions. Only twice within my recollection did a Saturday session occur, and I forgive him for the deviation that happened on those two occasions. [Laughter.]

He has added so much and has enriched the Senate with his ability, forbearance, and patience.

MIKE MANSFIELD knows the esteem and affection in which he is held by Senators. It has been a pleasure to work and cooperate with him. What a record he has compiled, even though my own interpretation of the record may differ a little from his. [Laughter.] I interpret it in the spirit of the completely nonpartisan Republican Party spirit. Take a look at the record.

In tribute to some of his associates, I think one of the outstanding things about this session is the complete transformation of the majority whip. I now call him "Silent HUBERT." [Laughter.]

He has made no long speeches in this session. I well remember some of his more lengthy forensic efforts in times gone by. How completely self-disciplined he has been in this session. I can remember no effort he has made in excess of 30 minutes. What an amazing transformation, and how grateful we all are. [Laughter.]

I think of my distinguished friend from Wisconsin [Mr. PROXMIRE]. He has now joined the frugality brigade. We welcome him with open arms. Only within the past week or two he took up the cudgels in the interest of economy, and we other conservatives take him to our bosoms, for, who knows, he may come over to this side of the aisle some time, in sheer, shall I say, confession. [Laughter.]

I think we should express our gratitude to WAYNE MORSE, distinguished Senator from Oregon. I am not sure whether it is contrition or mellowness of age, or whether it is because of a bit of frustration that has come to our friend, that he is so humble, so contrite, and has been so well behaved and so well disciplined all during this session. How freely he has offered his great talent and forbearance of spirit to the distinguished majority leader and the minority leader when the occasion has arisen.

So to them and to all of our other friends we are grateful. They have made this a delightful session.

I ought to say a word about the program that has been consummated thus far. I think the Congress finally has succumbed to the very infectious virus of bigness that began at the beginning of the century, when we first heard about big business. After a while we heard about big government. Then we began to hear about big labor. This whole bigness idea has intruded itself on the thinking of the country. No football game today is a success unless there are 63,000 howling rooters watching only 22 gladiators fracture a few collarbones; and the louder the crack, the better they like it. No wonder William James wrote a great philosophic essay on moral equipment, applying it to war. Would it not be much better if the 22 pigskin gladiators were sitting in the stands and the 63,000 people were mauling each other down at the 50-yard line? It would be infinitely better for the physique and stamina of America. Stadiums are arranged in great tiers. For example, at Soldiers Field, 100,000 can watch. Pennants, chrysanthemums, and college colors wave in the breezes off the bosom of Lake Michigan. Spectators root and yell like savages as 22 players down on the field go at each other and see how many skulls can be fractured.

There is bigness today. One sees it in the college catalogs. It takes days to go through them. One may pick up books on anything from cooking to cosmic science, or from hieroglyphics in ancient Egypt to modern Russian. They are all a part of the bigness. Sports, college education, and business are characterized by bigness. "Gargantuan" is the word. "Colossal" is the word.

"Gigantic" is the word. [Laughter.]

I hope the whip will remember, when he gets out to California. [Laughter] They know what those superlative adjectives mean in California. [Laughter.] I hope the Senator will not forget these words, because they are a part of movieland. Nothing is a success unless it is a blood-curdling thrill. That is a part of the jargon of today. It has gotten into the bloodstream of the Congress. In our achievements bigness is the business.

Big debt is one aspect. We have the biggest debt we have ever had. One of the things we did was to put the ceiling on the debt up to $298 billion. I do not think it will be enough. [Laughter.] As I see the estimates of the Bureau of the Budget, I believe we shall have to go above $300 billion when we come back in January.

Bigness is the business today.

Bigness. We had the largest judgeship bill in any session of Congress in

the history of the Republic. We added 73 judges.

The historian, Fiske, said that the Constitution would never have been articulated and it would have failed if it had not been for the judiciary under the Constitution. We added 73 this year, and I do not know how many we shall add next year. If the Constitution is not a success it will not be the fault of the Historian Fiske, and it will not be my fault, either, because we shall have judges to do the business at hand.

Big debt. Big judiciary. Bigness is the business.

I never think of the debt without thinking—and may I be forgiven if I have indicated this to the Senate before—of its relationship to individuals. I often think of the debt. I think of the population, and I divide the population into the debt, to see how much there is for each citizen—man, woman, and child. I mean even the babies who were born and who will be born in this sweet hour in the month of September 1961, when the Congress will adjourn. Many babies will be born.

Will it not be something, when a fond, angelic mother looks upon a tiny, sweet countenance and says, "My son," or "My daughter, you are going to have a part in the biggest public debt ever known." [Laughter.] That will be something.

I remember the man who was on the wrong floor of the hospital in Peoria. He was on the floor where the baby ward was. There were little tykes squalling and bawling. The nurse came out. She had a long, dour countenance. When she got close to him the fellow said, "Nurse, what makes all those little brats squall and bawl the way they do?"

Of course, some of the children had an angelic look on their faces, as if angels were with them. The practicing fathers know that that is not the case; that is only a little kind on their stomachs; but it is a nice myth, and I love to live with it. [Laughter.]

Anyway, the man said, "Why do they bawl and squall like that?"

The nurse remembered that the portion of the national debt for the baby was about $1,971, and she said, "Well, Mister, if you were out of work, if you owed $1,971 as your share of the debt, and if your pants were wet you would squall too." [Laughter.]

But, of course, we have not done too much squalling about it. Bigness is in the air. [Laughter.] It is a good note.

Big judiciary. We have the biggest.

Big debt. We have the biggest we have ever had.

Then, of course, we have had the biggest unfilled tractor order in the history of the world. [Laughter.] When we finally got ready to swap tractors for prisoners, the whole deal fell through. I was sadly frustrated, and there was a reason for it, because the biggest tractor plant in the United States is located in my old congressional district. I saw opportunities there.

Bigness. Big debt. Big judiciary. The biggest unfilled tractor order in the history of the whole wide world.

Then there was the biggest housing program.

Recently a program was laid out to show how the New Frontier has done infinitely better than the rather modest record under Franklin Roosevelt and under Dwight David Eisenhower. It is said there were 11 major items for Roosevelt, 12 for Eisenhower, and 33 under the New Frontier. I have provided all Senators on this side of the aisle with a copy of those claims of achievement.

One of them, of course, was the biggest housing bill ever enacted by the Congress. What intrigued me about it was that there was $100 million for the open spaces. It tickled me no end, because when we got through with the wilderness bill we added 65 million acres to the New Frontier. My friend from California should know. My friend from Arizona should know. My friend from Idaho should know. Sixty-five million acres were added.

Then we added the moon to the New Frontier.

Then we added the bottom of the ocean, under Brother MAGNUSON'S oceanographic bill. [Laughter.]

We reached out, then, under the foreign assistance program and added 91 countries to the New Frontier.

Now we add the open spaces in the community, to make it possible, after housing money is made available, to buy the open spaces. That will enlarge the New Frontier. In a little while, I suppose, we shall have nothing left but frontier. Then I suppose I shall be in difficulty, because I shall be constrained to work at my vegetable garden and my flower garden with new vigor and new zest and spirit.

So hail the New Frontier.

When things languished a little, we had to put more life into them with additional messages from our former senatorial colleague who now graces the White House, who has our hopes and our blessings in giving guidance to the destiny of the country.

As I think about it and think of the messages, I think often of "Pappy" O'Daniel. All Senators ought to know "Pappy" O'Daniel, who once graced this Senate. I can say this, because he is not a Member. If he were a Member, I would be violating the rule. [Laughter.]

It is said that when "Pappy" campaigned last in Texas, he was making quite a speech about $30 every Monday, or something to that effect, for the folks. At a particular meeting, when the meeting was over and "Pappy" was traveling around with his orchestra, representing his flour mill, some old Texan came up and said, "Pappy, I listened with a great deal of interest to what you had to say, but what I was wondering about was, where are you going to get that $30 every Monday?"

And "Pappy" turned around to the saxophone player and said, "Boys, play 'em another tune." [Laughter.]

I suppose, when we came to grips with these problems, now and then we would get another tune, and I say it in all kindness. [Laughter.]

Big debt.

Big judiciary.

Big housing program.

Big farm bill.

Big array of messages.

The bigness reaches to the moon and to the bottom of the ocean and into every corner of the earth.

Big crises.

A big tumble—and I say it in all kindness—on the school bill.

It is the year of the big upset. Our friend Senator JOHN TOWER ought to be here tonight, because his election was a big upset.

This is the time for bigness. We talk about greatness, but I like to talk about bigness, too. We achieve bigness in so many fields. At long last, I suppose, the people of the country, who are still the owners of this land and who pass judgment on us, their humble servants, finally approve or disapprove what we achieve, whether it is bigness or not.

But in this entire program I salute the majority leader again on his forbearance and kindness in making this great instrumentality that we call the U.S. Senate work.

I pay tribute to the Vice President, who once occupied that chair. We agreed completely that the Senate is a two-way street. One leader joined by only a few Members of this body can, under existing rules, convert it into a shambles and completely frustrate the will of the Senate, if there is a disposition to do so. It is only through cooperation that this body is made to work; and such cooperation is obviously in the interest of the country.

I salute in one more way the distinguished majority leader. I salute him because of his devotion to the free American system. Only in proportion as its political aspects are conserved can its economic opportunities be conserved also.

I remember once walking through Hyde Park in London. The hostilities of World War I were over, but the peace treaty had not yet been signed.

As I went through the park I saw a great concourse of people, and up on a soapbox stood a man haranguing and shouting, "Down with the King. Down with the Queen. Down with the Prince of Wales."

I listened to him, and finally I touched on the shoulder a London bobby who was monitoring the periphery of the crowd. I was in uniform. I said, "Look, Mister, the Defense of the Realm Act is still in effect. Why do you permit anyone to demean the King and the Queen, and to make that kind of statement about the Prince of Wales and about your country?"

He drew himself up to a proud height, with his great helmet on his head, and said, "I see you are a Yankee, aren't you?"

I said, "Yes; I am a Yankee."

Then with a certain hauteur and, I thought, a little condescension, he said,

"Oh, well, Yank, it is just a little bile on the liver." [Laughter.]

The "bile on the liver" is not an uncommon attribute of the U.S. Senate, and I do not even exclude the minority leader when I make that statement.

But it is a fact that we can utter the "bile on our liver" in a way that somehow gives a sense of assurance to the people of this country that we can speak in any manner we desire, so long as we do not demean the ordinary courtesies and violate the rules of the Senate, so that we have our day in court and the 180 million people of this country have their day. When they can say it and write it, it gives vitality and cohesiveness to this country as nothing else can do.

I have received many letters during this session. How they have "taken my skin off." I do not mind a bit. Sometimes I respond with a tart answer. More often than not, since there are a few drops of political restraint in my system, I answer the letters courteously. But the wonderful thing is that the people of our country can say what they think to me or to any other Member of this body, or to the one in the highest office in the land.

That is a part of our business today.

I share with the majority leader devotion to that rather interesting, almost undefinable thing we call the free market system of the country. How is it defined? Yet we are all devoted to it in our own particular way. Some go straight in one direction, some in another direction. But, after all, that gives vitality to the political structure of the country. I do not know quite how to define it.

I sometimes think of the lady who was on a train. As she was going from one coach to the adjacent coach, and while she was in the vestibule between the two coaches, the trained pulled in two. The bell cord came down, snapped sharply like a whip, and struck her in the face. Suddenly the conductor came to her side.

She said, "My conscience, Mr. Conductor, what happened?"

The conductor replied, "Lady, be composed. The train pulled in two."

She said, "Is it any wonder? How could you hold it together with a little cord like that?" [Laughter.]

A slender, attenuated cord which we call the U.S. Senate somehow holds this country together. Each of us is devoted, in his own way, to the essence of the free system in America.

I have found it easy to work with the majority leader only because I know of his dedication to the objective of the unfulfilled dream that we call America. Since I share that sense of dedication with him, it has been a pleasant experience indeed to serve as the leader of the minority in this body. I thank him.

I thank all the Members for their grace and indulgence.

I thank the youngsters who have been so kind and who have served so diligently and so well.

I thank the staff of our own policy committee, who have undertaken to do the chores.

I thank all the gentlemen sitting at the desk in front, who have been so kind and have saved us from a good many mistakes. I sometimes think we are merely out in front, and that behind it all, the gentlemen in the front of the Chamber do the hard, undramatic, and unheralded work which the country never sees.

But they are no less unsung and unannaled patriots who have served their country. How much symbolism they give to that old expression, "They also serve who only stand and wait." We thank all who have made possible the opportunity for us to be out in front for our brief while on life's stage, to do the best we can.

What a great soldier MIKE MANSFIELD has been. I salute him. I appreciate him.

Now we have only one thing left to do; namely, to approve the conference report on the supplemental appropriation bill.

I assure the Senate that if any Senator tonight picks out one of the 9,000 items in that bill and undertakes to carry on a filibuster, I shall invoke upon him every condign imprecation that is available, in order that there may be no undue delay of the adjournment of Congress.

I yield the floor.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PROUTY. It is a seeming anticlimax for anyone to rise after the speeches of the majority and minority leaders. I am sure that all of us who serve in this body are grateful to both. They have earned the gratitude and praise of the American people for their dedication to the general welfare of the country.

Mr. KUCHEL. Mr. President, I doubt very much that if the Presidium in the Soviet Union adjourns sine die on any given occasion, as the Senate and House of Representatives do now, it does so with the freedom of expression, the conviviality of spirit, and the good fellowship which has been shown tonight in abundance as we are about to adjourn, by our beloved leader on this side of the aisle [Mr. DIRKSEN], and his colleague on the other side, the majority leader [Mr. MANSFIELD].

This is indeed, as the Senator from Montana has suggested, the citadel of freedom. Here are gathered today 100 human beings, men and women, Democrats and Republicans, of all shades of political opinion who, for a fleeting moment represent 180 million American people, and who, on any given occasion may rise and speak from our hearts as we see the light on whatever is pending, or even when no particular issue confronts us.

I believe I reflect the views of every one of my colleagues when I say that a part of the might and glory of this Republic is the fact that we have such a Chamber as this in the beautiful capital of the Nation, where debate is unrestrained and free. I speak, incidentally, as one of those who continue to abominate the filibuster.

I would be recreant in my duty if I did not—as I am sure my colleagues over here would want to do—pay tribute to the Republican leader in the Senate. We have never had a higher esprit de corps. We on the minority side have never had the kind of leadership which EVERETT DIRKSEN has given to us, to bring the Republican Party, a minority party in this Chamber, to the point where when we speak we try to speak constructively, we try to criticize as Americans, we try to help this Government to improve the recommendations which it sends to Congress for enactment into law.

EVERETT DIRKSEN has been a unique, articulate, and dedicated leader of the party to which he and those of us over here are proud to bear our allegiance. I merely wish to reecho what he has said about the distinguished American who represents the majority in this Chamber, MIKE MANSFIELD has been a good leader, a good advocate for the Democratic Party, and a devoted adherent to the political views which now emanate from the White House.

I wish also to pay my respects to my majority counterpart, HUBERT HUMPHREY, who has helped to bring to this free forum the kind of parliamentary procedure which has permitted us to transact or business and to permit 100 Members of the Senate to go home almost every night and enjoy dinner with their families.

I believe I should add that in a way I dislike leaving. This has been called one of the great fraternal organizations of the world. In many respects it is a fraternal organization. One is respected for what he does and what he tries to do. I am grateful, as you are, Mr. President, and as all our colleagues are, for membership in the Senate. In most other ways, I am happy to leave. I want to go home to my State of California. I want to have an opportunity to see a little more of my family. I want, indeed, to get away from the citadel, so that, refreshed and, if I may suggest, inspired, all of us may gather again here in January and continue the labors in this unique type of self-government that the people of America enjoy, so that we may sustain and invigorate our liberty, so that we may perpetuate and preserve the Republic, and so that together, as Democrats, as Republicans, Americans all, we can, as the challenge faces us, stand united before all mankind, accepting the leadership of the cause of freedom for all people, and as citizens do that which we can and which we must to continue for generations in the future the kind of human happiness that you and I and our families have known on this otherwise unhappy and melancholy globe.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 8847, the bill dealing with stock distribution treated as return of capital.

AMERICA AND JAPAN MUST GROW AND PROSPER

Mr. KUCHEL. Mr. President, I have just read the text of an address delivered by our friend and former colleague, Hon. William F. Knowland, of California. Former Senator Knowland, now the editor and assistant publisher of the Oakland Tribune, spoke in Portland, Oreg., on Wednesday, September 20, 1961, at the Japan-American Conference of Mayors and Chamber of Commerce Presidents.

Our former colleague clearly portrayed the ties which bind together the people of Japan and the people of the United States. Together we seek peace with justice. We ardently desire the strengthening of our friendship. We pray for a thousand years and more in which our people, together, may stand for human liberty. We wish very much to expand our cultural and trade relations.

We have problems which need to be solved in a fashion helpful to both our great and gallant peoples. Senator Knowland has outlined how in a desire to serve humanity the American people have tried to help to rehabilitate a world in great part destroyed by the Second World War. He graphically demonstrates how our national debt has assumed grave proportions, and what impact that fact has on our future relations with our friends abroad. He suggests one intelligent basis on which the Government of Japan and the Government of the United States might, together, prepare the way for increasing trade on a mutually profitable basis.

Senator Knowland's comments and his recommendations commend themselves to the study of all Senators.

Mr. President, I ask unanimous consent that the text of Senator Knowland's excellent address be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH OF WILLIAM F. KNOWLAND, EDITOR AND ASSISTANT PUBLISHER, THE OAKLAND TRIBUNE

Mr. Chairman, ladies and gentlemen, this conference is of growing importance in the economic, cultural, and political life of Japan and the United States.

We are united and not divided by the Pacific Ocean. As neighbors we want to be good neighbors now and in the future. We want the full implications of the name of this ocean, Pacific, meaning peaceful, to govern our relations for the next 1,000 years.

There is much both of our nations can do for each other. There is much we can learn from each other.

In a real sense no man can live alone and no nation can live alone.

Japan is the United States best oversea customer.

During 1960, the United States exported to Japan $1,324,761,909 in various commodities. During the same period the Japanese exports to the United States amounted to $1,100 million.

The leading exports from this country to Japan were:

Cotton, $17 million; soybeans, $93 million; oil seeds, $104 million; grains, $71 million; hides, $23 million; rubber, $26 million; petroleum products, $77 million; lumber, $12 million; wood pulp, $24 million; coal, $53 million; iron, $131 million; machinery, $204 million; and chemicals, $126 million.

Most responsible people in both of our countries recognize that foreign trade must be a two-way street. For any extended period one cannot sell his products abroad unless he is willing to buy products from abroad.

Yet having stated that fact does not remove the problems that exist in the field of foreign trade.

These include convertibility of currencies in whole or in part, tariffs, quotas, commonwealth preferences, bloc preferences, embargoes, subsidization of exports, dumping for either economic or political reasons, and custom practices.

Good neighbors and business associates must be able to recognize the other fellow's point of view.

Meetings such as this serve, to be sure, a fine purpose in meeting men face to face at both business sessions and social gatherings.

They also serve an equally important part in working out technical problems and facilitating operations in the business transactions between our two countries.

But I would not be discharging my responsibility as one who believes in the importance of the Pacific basin now and in the future if I did not point out that there are certain danger signals which neither you nor we can ignore.

For more than 13 years I served as a Member of the Senate of the United States (August 14, 1945, to January 3, 1959), and for 6 of these years was either majority or minority leader of the Senate.

The U.S. Government has done much to rehabilitate a world which had great destruction and economic dislocation. Never before in history has a nation extended such help in trained personnel, supplies and equipment and grants and loans to allies and former enemy nations alike.

On June 30, 1941, the public debt of the United States was $48,961 million. This was just prior to our entrance into World War II.

At approximately the time of our entrance into World War I in 1917 the public debt was $2,976 million.

On June 30, 1961, it was $286,331 million.

This then is the debt load the American people have assumed as a result of two World Wars and the economic dislocations growing out of these conflicts.

An even greater loss was that of the sacrifices made by our citizens in the husbands, fathers, brothers, and sons who did not return at all or who came back with disabilities from which many never recovered.

To be sure, all nations suffered losses, some greater and some lesser than ours.

But all nations were neither able nor in some instances willing to assume the burdens of a postwar world. We do not ask to be eulogized for it but we feel we have a right not to be misunderstood and condemned for our efforts.

The current tax burden of our people is over $72 billion a year. More than half of this goes for national security (over $45 billion) for ourselves and the free world.

Last year the interest on the national debt was $9,266 million which is greater than the total costs of all functions of the U.S. Government as late as the year 1940 when the budget expenditures amounted to $2,062 million.

I mention these fiscal problems not to transfer the burdens to you or to our other friends abroad but to help you understand some of the problems facing both those in Government and among the taxpaying public.

No government can ignore public opinion. In free nations such as ours and yours the public votes its feelings in national, congressional and parliamentary, or in local elections. A person holding a position of power of necessity reads the elections returns even though his own term of office may not be immediately terminated as a result.

Our businessmen in addition to high Federal, State, and local taxes are also confronted by rising costs of machinery and equipment, raw materials, and constantly increasing labor costs.

In many instances they find themselves priced out of the foreign market and sometimes priced out of the domestic market as well.

I do not have to dwell upon the fact to this group that an unprofitable business means loss of income to workers and stockholders. A closed business can dislocate economic conditions in a wide area and sometimes can change a thriving small community into a ghost town.

This happens, of course, when the carriage manufacturer gives way to the automobile plants, when the train took the place of the Overland Stage and the Pony Express, when the steamship made obsolete the sailing vessels. It will continue to happen in a dynamic economic system.

But it can and does happen when a manufacturer finds that he can no longer compete in either the foreign or domestic market because of taxes and other costs over which he has little or no control, have put him at a competitive disadvantage with imported goods which are constantly taking a larger part of his domestic market. At this point either just before or just after closing his plant he, his employees, his stockholders, and the local civic and chamber of commerce officials write, wire, and personally visit their Congressman.

This has been happening all over our 50 States of the Nation. Pressures have been building up over the past several years. Not to recognize this fact is a failure to face reality.

Now this is a problem. It is a big problem. It cannot be brushed under the rug. It does no good to ignore it and pretend it does not exist.

It exists in other countries besides the United States. In our Nation it is not a partisan problem. Democrats and Republicans from both the South and from the northeastern New England textile areas have spoken on the floor of the House of Representatives and the Senate in regard to the actual or anticipated dislocations taking place in their respective areas.

In areas having fisheries and electronic plants, toys and optical instruments other voices are heard.

The time to solve these problems is when reasonable men are in a position to meet, to discuss, and to work out solutions.

Having stated the problem is of course easier in some respects at least than in giving the answer. But an answer must be found if we are not to abdicate our responsibilities to extremists who may force cures that are worse than the disease.

I believe in the future of my country as I am sure you believe in the future of yours. I hope that both will grow and prosper. It should be our aim that our people constantly have an opportunity to improve their standard of living on a sound steady basis rather than on the boom and bust cycle.

Why would it not be possible to take a year or combination of years that were profitable for both the domestic manufacturer and for your exporters and to establish a percentage import ratio? It would differ with different products but as the market grows,

as it will, both the domestic producer and the foreign producer exporting to us will share in that growth.

But if the percentage of imports constantly increases until it crowds out and destroys the domestic industries and payrolls then the purchasing power of large segments of our population would be destroyed and with that result would come a loss of markets for domestic producer and importer alike. American labor and American industry will not be passive in their own liquidation.

Without some well thought out quota system based on historic markets adjusted to current realities the pressures for far more drastic action will continue to mount.

While some voluntary agreements have been made through the good offices of our two governments and the industries involved they have not been entirely satisfactory. Priority attention should be given to seeking a mutually satisfactory solution to this very real problem.

You and we need to strengthen our economic structures for the international Communist typhoon season is at hand.

The hour is very late. We face our challenge in the atomic and space age. It is not time for faint hearts or timid men. The survival of our Republic as well as a free world of free men is at stake .

We are dealing with an international arsonist. With a penny box of matches and a cloak of darkness and stealth he and his associates can burn down vast areas of the free world while we are put to it to maintain expensive firefighting equipment, electronic alarms and our ever vigilant force of watchmen and firefighters.

There are great contrasts with totalitarian communism or fascism. On these basic differences there is not and there cannot be any weakening of our faith or our beliefs.

Today the world is challenged by the Communist international conspiracy—an atheistic, expansionist, aggressive, imperialistic philosophy whose danger alert men and women recognized many years ago.

Khrushchev has threatened that he would bury us. This was no alcoholic belligerency of a dictator in his cups. This is, has been and will probably remain the basic doctrine of international communism.

The recent high handed action of Deputy Premier Mikoyan in Japan was but another manifestation of Soviet efforts to intimidate a free nation.

The Japanese Government and the Japanese press made clear that Japan would allow no interference in its independence or its mutual security pact with the United States.

In confronting the atomic blackmailing tactics of the Kremlin the governments of the United States and Japan should have the support of all of our people.

We must keep in mind that the pressures will continue from the Elbe to the China Sea. Communism hopes we will lose our fortitude and yield to its game of international extortion. The world should have learned at Munich that the road of appeasement is not the road to peace: it is only surrender on the installment plan.

We are near an international high noon which will determine the free world's survival against international communism. In fact it can be said it is now past 11:45.

If we permit the free world to be nibbled away there are even greater risks to our survival. If we are not prepared to take risks to preserve freedom then our own security is endangered.

Our survival in the history books will not be based on our popularity or in the billions in international grants, loans or gifts but on our strength and our capacity and will to use it. In the interest of helping to preserve a free world of free men.

God grant us the wisdom and courage to meet the challenges of our time.

RESIDUAL OIL IMPORTS

Mr. COOPER. Mr. President, recently those who are seeking to force removal of all restrictions on the imports of foreign residual oil have been making some rather surprising claims about alleged "damage" to our good neighbor, Venezuela, which is the principal supplier of the residual oil we import, together with assertions that oil from Venezuela would be plentifully available to us in time of emergency—even if war should come.

I think the record should be set straight on both these contentions.

Recently, one of my good friends and colleagues, in a speech on this floor declared that, and I quote him, "imports from Venezuela have fallen off in the neighborhood of 50 percent since oil quotas were imposed."

Figures published by the American Petroleum Institute in June 1961 disagree sharply with this conclusion. In 1958, the year prior to the Presidential proclamation imposing oil import controls, Venezuela exported to the United States 84,912,000 barrels of residual oil. In 1959, the year in which restrictions started, Venezuela exported to the United States 100,549,000 barrels of residual oil. In 1960 Venezuela exported to the United States 113,745,000 barrels of residual oil. In other words, exports of residual oil from Venezuela to the United States have increased by more than 13 percent since import restrictions were imposed rather than "falling off by 50 percent" as has been claimed.

In addition, U.S. imports of crude oil from Venezuela increased by 9 million barrels over the same 1958–60 period.

Other Senators have stated that supplies of Venezuelan oil were never denied to the United States during World War II. Again, figures compiled by the American Petroleum Institute appear to refute this claim. In 1941, imports of residual oil from Venezuela totaled 7,770,000 barrels. In 1942, they dropped to 950,000 barrels. In 1943, the import figure was 114,000 barrels—in 1944, 49,000 barrels. In 2 years, U.S. users of imported Venezuelan residual oil were denied more than 7,700,000 barrels that had been available in 1941. This denial was not caused entirely by enemy action on the high seas. Part of it was due to the vastly increased demands of the Allied navies and ground forces which had priority of supply and which were delivered offshore in Venezuela. But whatever the cause, the effect was to deny to U.S. industrial users a major portion of the imported residual oil that had previously been available to them.

This was in no way due to any lack of residual oil at the source. In 1944, when only 49,000 barrels of Venezuelan residual reached U.S. shores, total residual production in Venezuela was 16,794,000 barrels. There just was no way to get it to the United States, and our east coast felt the shortage immediately.

On March 14, 1942, War Production Board Order L–56 prohibited new installations of oil-burning equipment on the industrial eastern seaboard of the United States; called for fullest possible use of standby equipment and use of other fuels, and encouraged the conversion of heating equipment from oil to coal. Less than a month thereafter, with fuel oil consumption still exceeding the supply in these areas, the Petroleum Administration for War asked the oil companies to cut deliveries to all except preferred users, such as hospitals, by 25 percent, and asked consumers to keep their homes at a maximum of 65 degrees during the day and 55 degrees at night. On May 16, 1942, WPB Order L–56 was amended so as to limit deliveries of fuel oil to consumers in the East to 50 percent of deliveries during the same month of 1941.

In their history of the Petroleum Administration for War, authors John W. Frey and H. Chandler Ide wrote:

> In the matter of industrial grades of fuel oil, the problem was not merely a domestic one. To meet the normal nationwide demand for residual fuel oil, even in peacetime, required substantial imports. But, with submarines blocking the tanker routes, imports were virtually nil for there was no overland transportation to Venezuela.

I emphasize that last phrase, Mr. President—"but, with submarines blocking the tanker routes, imports were virtually nil." This history of the course of events in World War II is in contrast to the statements made by the several Senators that "supplies of Venezuelan oil were never denied to the United States during war."

It has also been stated, Mr. President, that imports of residual oil have no bearing on national defense and security. Imports, in themselves, may not have. But what is vitally important is the danger that dependence on unlimited imports of residual oil in peacetime, to the detriment of domestic fuel industries, could create a situation of jeopardy in an emergency. Referring once again to the "History of the Petroleum Administration for War," the following sentence is to be found—and I quote—"With the declaration of war, the east coast faced an immediate oil shortage."

Mr. President, the United States, more than any country in history, has a fuel-based economy. Fortunately, our domestic fuels have been and still are plentiful. We do not need to put ourselves in a position of dependence on foreign sources of energy fuels. But if our eastern industries place themselves in the position of depending on indiscriminate access to foreign residual oil for industrial purposes, that is precisely what will happen. What unlimited supplies of cheap foreign residual oil, above and beyond what Venezuela and other sources now supply as a supplement to our own production, the attractiveness of the low price would encourage many of

our important industries to use that foreign oil exclusively, to the serious detriment of the domestic industries upon which we have had to depend in previous emergencies and upon which we would certainly have to attempt to fall back once more.

It is not necessary for me to emphasize to Members of the Senate the very real danger to this Nation posed by Soviet Russia. This threat takes many forms—some overt and some less direct. One less obvious but very real danger is Russia's determined program to flood Europe with cheap Russian oil. If dependence on Russian oil should become a reality, political and military power could rest with that side.

Although our situation is different, the possibility of similar circumstances is too great for peace of mind. In Europe, Russia could cut off the supply of oil instantly at the source. In our case, substantial portions of our foreign supplies from Venezuela and the Netherlands Antilles could also be denied to us by military action. The methods would be different, but the effects would be similar. That is the principal reason, Mr. President, that I warn this Nation of the folly of encouraging dependence on foreign sources, however friendly they may be at the moment, to the detriment of domestic fuels industries upon which we must depend in the event of an emergency.

This Nation cannot defend itself without weapons—and Mr. President, energy fuels certainly are weapons in modern war—that must be available when we need them most.

No one is more acutely aware than I, Mr. President, that we have excellent relations with Venezuela—that reciprocal trade with that country is of immense benefit to both of us. I would never want to advocate a course of action that might cause reactions in Venezuela inimical to our mutual interests. I do not believe, however, that opening our eastern seaboard to unlimited supplies of Venezuelan residual oil would improve the position of the United States with the Government or the people of that country. On the contrary, it might well be regarded as naivete on our part.

And it is entirely possible that the consequences to Venezuela might be most serious. It is evident that those who wish to speak for consumers, in advocating removal of import controls, anticipate that such action would be followed by substantial and immediate declines in residual oil prices. But what would this mean to Venezuela?

One recognized international oil authority declared last week that a reduction of the price of oil in a number of the principal producing countries could bring down their governments. The Venezuelan Government would not fall, I am sure, but certainly a reduction in the present low price she receives for residual oil would create strains in the economy which none of us wants to see.

There is no reason to believe, however, that the major international oil companies which control the petroleum import trade, or the nations which supply them, have any intention of permitting the price of residual to decline. It is true that they are lending their aid to the campaign to remove import controls, but I have yet to see any assurances from any spokesman for Standard Oil of New Jersey, the largest U.S. residual importer and the recognized price leader, that there is any intention of lowering residual oil prices, whether controls remain in force or not.

I am told by those who closely follow these matters that the eventual solution for Venezuela, as well as other oil-producing countries and the major companies operating in world oil trade, is to evolve a more realistic pricing system for petroleum products.

It makes no economic sense to me for residual oil—which now comprises one-sixth of the total petroleum used in the United States and about one-third of that used in other industrialized nations of the world—to be sold at prices below the cost of the crude from which it is made.

In Venezuela, for example, residual oil is quoted at $2 per barrel, while the average price of crude oil for export is about $2.75; yet almost one-fifth of her total petroleum exports are of residual. Refinery realizations in the United States, as reported by the Independent Petroleum Association of America, are even more disproportionate. From crude quoted at $3.10 per barrel, American refiners produce gasoline worth $5.01 per barrel and light distillates worth $3.75, yet sell their residual at $1.98 per barrel, or $1.12 less than the crude from which it is made.

Sometime, oil producers and refiners, as well as oil-supplying nations, are going to have to realize that there is today a considerable change in the demand for various petroleum products from that which formerly existed when current pricing patterns were established. With the growing world use of residual oil, diesel and distillate oils, as well as kerosene for modern military and commercial jetplanes, gasoline can no longer be depended on to provide the predominant source of revenue. A more realistic pricing system will have to take this into account. If residual oil were more realistically priced, instead of being sold at less than the cost of crude, the unfair price competition with competing fuels would end, and the great damage that excessive residual oil imports have done to the domestic coal industry would cease.

Apart from other considerations, Mr. President, we cannot afford to place ourselves in a position of fuels dependence on Venezuela, or any other source outside the shores of the United States. If we could allow unlimited imports of cheap residual fuel oil without the inevitable result of exclusive use, the dangers would be greatly minimized. If we could use as much cheap foreign residual oil as our eastern industries might want to use without mortal harm to our own energy fuel industries, I would not object. I am as conscious as any Member of this body of the advantages of mutually satisfactory foreign relations.

But I vigorously oppose a policy that seeks to enhance an already generous position to the detriment of our ability to stand on our own feet when the chips are down. If we had a guarantee that, unlike in World War II, our tanker lanes would not be closed or harassed by enemy submarines, I would not be apprehensive. If our domestic oil producers can give a positive guarantee that our own production of residual fuel oil could fill the gaps in Venezuela supply that hostile action would create, my fears would be allayed. If I could be satisfied that almost exclusive use of unlimited foreign residual oil in our east coast industries would not mortally hurt our domestic coal and oil industries, upon which we will have to depend in any new emergency, the questions I raise today would not be as vital.

It is because I believe none of these assurances can be given that I advise extreme caution in the way we handle the question of residual oil imports from Venezuela, or any other foreign source.

ADAM F. DIEGELMANN

Mr. COOPER. Mr. President, I would like to call attention to the very valuable service that Mr. Adam F. Diegelmann has rendered during this session of Congress to Members of the Senate and to hundreds of visitors. For several weeks, the corridor approaching the elevators on the first floor has been partially blocked while new elevators are being constructed. Mr. Diegelmann, who is a retired fireman and is vice president of the Retired Firemen's Association of Washington, D.C., has been employed during this time by the Consolidated Construction Co. which is installing the new elevators. Day after day, he has stood in the corridor directing the persons moving toward the elevators, and guarding their safety. I am sure the Members of the Senate have appreciated his faithful service, his good humor and his courtesy.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess, subject to the call of the Chair.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(At 10 o'clock and 50 minutes p.m., the Senate took a recess, subject to the call of the Chair.)

The Senate reassembled at 11:52 o'clock p.m., when called to order by the Presiding Officer (Mr. MCNAMARA in the chair).

AMENDMENT OF CONCURRENT RESOLUTION FOR ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which Senate Concurrent Resolution 55 was agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the concurrent resolution be amended by striking out "Tuesday, September 26" and inserting in lieu thereof "Wednesday, September 27."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (S. Con. Res. 55), as amended, was agreed to.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 11 o'clock and 54 minutes p.m.) the Senate took a recess subject to the call of the Chair.

At 4 o'clock and 3 minutes a.m., the Senate reassembled, when called to order by the Presiding Officer (Mr. McNAMARA in the chair).

The PRESIDING OFFICER. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; that the House recede from its disagreement to the amendments of the Senate numbered 2, 34, 67, 79, 80, 82, 94, and 95 to the bill, and concurred therein; that the House recede from its disagreement to the amendments of the Senate numbered 12, 17, 18, 21, 22, 23, 27, 44, 52, 54, 55, 62, and 83, to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate numbered 96 to the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN rose.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

SUPPLEMENTAL APPROPRIATION BILL, 1962—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 12, 17, 18, 21, 22, 23, 27, 44, 52, 54, 55, 62, and 83.

The PRESIDING OFFICER. The question first is on agreeing to the conference report.

Mr. SPARKMAN. Mr. President, before that motion is put, the Senator from Arizona has proposed that the Senate agree to certain amendments. I should like to ask if any one of those amendments proposed are those—unfortunately, we do not have the conference report before us—that have changed the method of financing certain programs, such as mass transportation and open spaces.

Mr. HAYDEN. Yes.

Mr. SPARKMAN. I certainly would like to have some discussion of those amendments. I would not want the motion put without having an opportunity to discuss them.

The PRESIDING OFFICER. The question is on agreeing to the conference report. Action on the amendments will follow. Does that procedure suit the Senator from Alabama?

Mr. SPARKMAN. I am not so sure we ought to agree to the conference report until we discuss these proposals, because it seems to me they go to the very heart of the matter. There has been a material change.

When the bill came over from the House, there was no legislation in it pertaining to these particular matters. The Senate committee very wisely did not follow the lead that the House Appropriations Committee attempted in writing legislation in it. We sent the bill to conference, and now it comes back from conference with matter in it which I do not believe would have been legal had it been in the bill when it was before the Senate originally. Certainly, it would not have gone by without considerable discussion, and I am rather of the opinion that we ought to consider it very carefully now, before we agree to it. I think we ought to have thorough discussion of these matters.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I assume the Senator is referring now to a proviso in certain sections of the conference report that relates to lending authority, namely:

> No part of this appropriation shall be used for administrative expenses in connection with loans and participations financed or to be financed with funds borrowed from the Secretary of the Treasury.

Mr. SPARKMAN. Yes. That occurs in at least three different places, perhaps four.

Mr. HUMPHREY. It appears as to area redevelopment, mass transportation, low-income housing, demonstration programs, and open space land grants.

Mr. SPARKMAN. The Senator is correct.

Mr. HUMPHREY. So, for all practical purposes, what the proviso does is to make funds available under the appropriation inoperative. Is that correct?

Mr. SPARKMAN. That is correct as to certain parts of the program; and it is doing by indirection what the Senate refused to do directly.

Mr. HUMPHREY. That is correct.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PASTORE. I quite agree with the Senator from Alabama. I think we ought to have a full explanation of what the language does, so that whatever action we take this morning will be taken with our eyes wide open and we will know exactly what we are doing, and whether the program is being jeopardized in any way. I think it is incumbent on the Senate managers to give us explicit information as to what was done in conference. Otherwise we would be acting in a vacuum, not knowing what was done there, and I think we ought to know what was done.

Mr. SPARKMAN. I agree with the Senator from Rhode Island. I would welcome a discussion on the part of the conferees and an explanation as to what was done. Then I believe the subject ought to be thrown open to thorough discussion, and we ought not to rush through the procedure merely because it happens to be 4:15 in the morning. We have remained here all night, and we have stayed here many extra days. I see no reason for hurrying it through as a matter of expediency.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROUTY. Will the Senator tell me exactly what did happen?

Mr. SPARKMAN. That is what we have been trying to get. I said I would

welcome an explanation from the conferees.

Mr. PROUTY. I do not know what has been done. I would like to know.

Mr. SPARKMAN. Four programs on which the Congress has repeatedly turned back attempts to change the method of financing have been turned around in the conference agreement which is before us.

Mr. PROUTY. I am sure the Senator from Alabama and the Senator from Rhode Island know what has been done. I would appreciate it greatly if one or the other would simply tell me what was done.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PASTORE. That is not our responsibility. It is the responsibility of our managers to do that. We ourselves want to find out precisely what has been done.

Mr. PROUTY. Am I to understand that the Senator from Rhode Island and the Senator from Alabama, who are members of the conference committee, do not know what was done?

Mr. SPARKMAN. The Senator is mistaken. I am not a member.

Mr. PASTORE. Neither is the Senator from Rhode Island.

Mr. SPARKMAN. The Senator from Rhode Island is not a member, but we have seen the language.

Mr. PROUTY. I have not seen the language. I would like to know exactly what the conferees did.

Mr. SPARKMAN. That is what we have been trying to ascertain.

Mr. PROUTY. The whys and wherefores.

Mr. PASTORE. If the Senator will be patient, we will get the information.

Mr. HOLLAND. Mr. President, it occurs to me that the most expeditious course might be to take up one of the several provisions which have been mentioned by the Senator from Alabama and explain it, or attempt to explain it, in the form in which it was placed in the conference report at the behest of the House conferees.

I shall attempt to do so, if the Senators would like to have it done, with reference to the provisions for the Area Redevelopment Administration, which is the only one of the several provisions which comes within the jurisdiction of the subcommittee which I head, which would have handled the item if it had been in the annual appropriation bill. For that reason the item was assigned to us by the distinguished chairman of the full committee, in connection with the supplemental bill.

If the Senator from Arizona wishes to have me do so, I shall attempt to explain what has been done with reference to this particular portion of the appropriation bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 144) fixing the beginning of the 2d regular session of the 87th Congress.

The message also announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 54. Concurrent resolution authorizing the signing of enrolled bills and joint resolutions after final adjournment; and

S. Con. Res. 55. Concurrent resolution fixing the date for final adjournment of the 1st session of the 87th Congress.

SUPPLEMENTAL APPROPRIATIONS, 1962—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

Mr. HAYDEN. Mr. President, in four instances the House has adopted floor amendments providing that no part of the funds shall be used for administrative expenses in connection with loans to be financed with funds borrowed from the Treasury. That is the gist of it.

This involved what we call back-door spending—the authorization to go to the Treasury of the United States to obtain the money without further action by the Congress.

The language of the conference report requires that action be taken by the Congress annually under the authorization act.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PASTORE. Is it not a fact that what has happened in the conference is that there has been destroyed the principle which was involved in the authorization bill insofar as this particular year is concerned?

I realize that the justification presented is, "What complaint do you have? All you could do with the backdoor financing can be done, for we are appropriating all that money."

The fact is that the program will spread itself over a number of years, and the supplemental appropriation bill applies only to this particular year. Those of us who are interested in the original authorization bill, which actually spelled out the proposal of the Congress with reference to the financing of the program, now observe that the program will be changed for this particular year, if we accept the conference report.

The Senator from Rhode Island does not wish to have anything happen tonight which will destroy the broad effect of this program, which spreads over a number of years. That is why I think we ought to make a history. If we are compelled to accept the conference report because of the late hour, certainly this result is not the intent of the Congress. I say now that the conferees had no right to change the plan which was entailed in the authorization bill. That is precisely what happened.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. PASTORE. I do not have the floor.

Mr. PROUTY. Why do we not remain in session until tomorrow?

Mr. PASTORE. We are in session "tomorrow." This is "tomorrow."

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. PROUTY. I mean we can stay through Wednesday to adjust these differences on a very reasonable and realistic basis.

Mr. PASTORE. I am prepared to stay.

Mr. PROUTY. Mr. President, if I have the floor, I wish to express my appreciation to the distinguished Senator from Arizona for telling us the facts.

Mr. HAYDEN. I have the floor.

Mr. PROUTY. I am not happy. I am sure the Senator is not happy with the result.

Mr. WILLIAMS of New Jersey and Mr. MUNDT addressed the Chair.

Mr. HAYDEN. I yield to the Senator from New Jersey.

Mr. WILLIAMS of New Jersey. I should like to ask a question of our friend from Vermont. I gather that the Senator is suggesting that he agrees with the Senator from Rhode Island that the principle established in the authorizing legislation should be preserved and should not be defeated in the appropriation bill before the Senate.

Mr. PROUTY. I am far from certain that the distinguished Senator from Rhode Island would agree with the distinguished Senator from New Jersey. I think he is upset and unhappy.

Mr. WILLIAMS of New Jersey. We are in agreement, I am sure, that the Senate established a principle in bill form. We authorized the programs. We established a method for financing them. We have been through the committee action. We have presented this proposal to the Senate. We have been through the conference. Now, at the 11th hour, plus 59 minutes, all of it is stricken in the appropriations bill, and the appropriations method is provided on the last day of the session.

Mr. PASTORE Mr. President, will the Senator yield?

Mr. PROUTY. May I interrogate my friend from New Jersey? How much will it cost the American taxpayer? That is what I am concerned about.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. HAYDEN. I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I do not wish to have the RECORD read as though some great malady has been spread across the fair earth because back-door spending was knocked out by the conference.

I was not a member of the conference, but many times I have argued against back-door spending. I did not like it in regard to foreign aid. I did not like it in regard to the agricultural bill. I do not like it in regard to other programs.

I do not know what motivated the conferees, for I was not a member of the conference. However, speaking as one Senator, I am delighted—with emphasis on the "delighted"—that the conferees in their wisdom have gone along with the House version and have voted against back-door spending, thereby precisely setting the precedent about which those who favor back-door spending rightfully complain, because in adopting the conference report this year we are establishing the precedent: Yes, you can get all of your money, but by direct appropriations and not by back-door spending.

I am one Member of the Senate who is happy over this rather unexpected turn of events.

Mr. PASTORE. Mr. President, will the Senator yield for an observation?

Mr. HAYDEN. I yield.

Mr. PASTORE. I do not wish to do anything to detract from the pleasure of my good friend with respect to what has been done. I realize the body is split—some Senators do not believe in this method of financing and some do. My complaint is merely that the fact is that the question was debated and voted upon by the Congress. I understand that frequently the Appropriations Committee will not appropriate all of the funds which are authorized.

The conferees have gone far beyond that. They have changed the whole spirit and principle of the law, in conference, on an appropriation bill.

I am perfectly satisfied as to what has been done about this year. I wish to make clear before the Senate today that even if we are compelled to accept this action—I do not think we should be, because I think the Appropriations Committee has gone far beyond its function in this particular case and has actually repealed the existing authorization—it is not the intent of the Congress to so do.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, the Senator from Rhode Island is as mistaken as he could be.

Mr. PASTORE. I am not mistaken.

Mr. HOLLAND. The Appropriations Committee has not repealed and could not repeal an authorization act. The ingenious method suggested by the House conferees, which has been followed, is easy to explain, if Senators wish to hear the explanation with reference to one program, the area redevelopment program.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I wish to make clear, before I start, that a great deal more money is to be provided in the bill than was provided by the House committee in its reported bill on this item, which was stricken on a point of order when the matter came up in the House.

If Senators wish to hear the explanation, I shall be glad to give it.

Mr. PASTORE and Mr. WILLIAMS of New Jersey addressed the Chair.

Mr. HOLLAND. I yield to the Senator from Rhode Island.

Mr. PASTORE. The Senator believes that I do not understand what has been done. Is it not a fact that there is a limitation in the agreement with reference to administrative funds which provides specifically, "You cannot use any part of these funds for new borrowing money"? If that is not repealing the law, I would like to know what it is.

Mr. HOLLAND. Mr. President, the question is a good one and can be answered categorically. The program of which I speak now is the area redevelopment program, for which certain funds were requested. Eleven million dollars was requested for technical assistance and operational funds, of which the House committee recommended $5½ million, or half. That provision was stricken when it came up before the House.

The administration requested $40 million for public facility grants. That part of the authorization is in section 8 of the act. The act is here if any Senator wishes to see it. The administration requested enough money—$122,500,000—for loans and participations under section 6 and public facility loans under section 7 of the act. That was the whole amount requested for the first year's appropriation.

What was done? In the House committee, $5½ million was proposed to be furnished for the two subjects—technical assistance and operation. The Senate provided the full amount of $11 million, which was requested by the agency. The conference report provides three-quarters of that amount, which is sizably more than the $5½ million which was originally provided by the House committee, but which was stricken on a point of order in the House.

The amounts are divided so as to provide $3,375,000 for technical assistance, which is exactly three-quarters of the entire amount requested. The operational fund is $4,875,000. The total of those amounts is exactly three-fourths of the $11 million. So the conference report is sizably more generous than was the original House committee recommendation, and is in accordance with the authorization, except that it is cut to three-quarters of the first year's request instead of 100 percent of it.

As to the other items, the $40 million for public facility grants was authorized to be appropriated under section 8. The conference report specifically appropriates that amount of $40 million for public facility grants.

The third amount of $122,500,000 for loans and participations under section 6, and public facility loans under section 7, is the full amount estimated by the agency for 1962 lending. That is provided by direct appropriation.

There is not one word in the appropriation which would affect the authorization for any year after this year. There is not one word in the appropriation that would affect the authorization for this year, unless it be the following provision:

> That no part of this appropriation shall be used for administrative expenses in connection with loans and appropriations financed, or to be financed, with funds borrowed from the Secretary of the Treasury.

That provision is rather clear, and merely means that the administrative expenses from these appropriated funds may not be used in connection with a loan program financed by borrowing authority.

To say that that provision would change the authorization law is not correct, because it would not. To say that it would hurt the operation of the law in the first year is simply not correct, because the whole amount estimated by the agency is appropriated, and three-quarters of the full amount requested for technical assistance and operation is provided, which is more than half the amount that was recommended for those purposes by the House committee, which was stricken on a point of order. It is a good, generous provision.

Senators who would have liked the program to be by Treasury borrowing rather than by direct appropriation may have a point. But I assume that the object of Treasury appropriation is to make sure that the full amount is available. The full amount is permitted—in the one instance, $40 million under the law and in the other instance the full amount of $122,500,000 estimated by the agency—so that if the objective of those who like the Treasury borrowing method is to get the full amount, that objective is being served by this appropriation, which appropriates every dollar of the amount estimated.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PASTORE. First of all, I think we are all debating in a vacuum. I understand that the House has adjourned sine die. We cannot bring it back unless the President of the United States calls for a special session. I do not think he will call a special session especially to act upon the conference report. But I think that even though we cannot affect the proposed legislation here tonight, we should make history on it.

Will the Senator agree with me on this point? He has said we have appropriated money for this year, but then he went on to say that if anyone wished to borrow under the authorization law, he could not use the administrative funds to administer the money that would be borrowed.

First of all, that would change the authorization, because it would actually say that "While you are authorized to do this, you are not permitted to do it."

It is like saying to the Senator from Rhode Island, "We will give you an automobile but you cannot ride in it." What good is the automobile to me?

That is exactly what we are doing here. We are denying administrative funds to administer the borrowed money, and if that is not interfering with the intent of Congress, someone will have to explain it a little more clearly to me.

Mr. HOLLAND. The Senator from Florida may not be able to explain it with that greater degree of intelligence, but when he looks at the authorization bill and knows that $40 million is the entire amount estimated, whether it would come from backdoor spending or from direct appropriations, this amount was proposed to be expended in any one year for public facility grants. I am merely saying that that total is supplied by direct appropriation.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. JAVITS. I am trying to get information, because I am impressed with what the Senator from Rhode Island said. I gather that the point-of-order question has been passed by, and that a point of order will not lie, according to the Parliamentarian. But are not the troublesome words the words "to be financed" which are contained in this proviso?

First, I ask the Senator from Florida whether he was one of the conferees.

Mr. HOLLAND. I was.

Mr. JAVITS. Will the Senator tell us whether the words "to be financed" ought to be limited in their application to the fiscal year to which this appropriation applies?

Mr. HOLLAND. The Senator is correct. The $40 million is the ceiling on anything that could have been provided by the conference, because it is the only amount provided in the measures passed by the two Houses. Senators will find it under the paragraph entitled "Grants for Public Facilities" on page 6 of the bill. Every dime that could have been obtained has been placed in the bill by direct appropriations.

How Senators can object to that, when there is no word in the bill which in any way changes the authorization, I cannot see.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. First, let me make this statement before the Senator from Minnesota comments. I understand the purpose of the so-called backdoor financing or Treasury borrowing. It is to make sure that the total amount authorized for that particular year shall be available, regardless of what happens in the Appropriations Committees. That objective is fulfilled to the letter and to the dollar by this provision. Senators will see, on page 6 of the bill, if they have it before them, the provision for grants for public facilities, $40 million. That is the most that we could have brought back, and that is brought back by way of direct appropriations.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. The Senator from Florida has made it clear insofar as the amounts of money are concerned. Those amounts are provided for in this appropriation, as were authorized under the general legislation.

Mr. HOLLAND. And are the maximum amounts which could have come back from conference.

Mr. HUMPHREY. As the Senator says, it is the maximum amount that could have come back from conference in light of the action of the two Houses. I must say most respectfully to the Senator that even though after the colloquy between the Senator from New York and the Senator from Florida, it appears that this limitation applies only to the fiscal year 1962; the proviso itself is an assertion on the part of the Appropriations Committee that the Treasury borrowing method which was voted upon and which was enacted into law by the two Houses of Congress, and signed by the President of the United States, has for all practical purposes been abrogated.

In other words, we get the money, but we get it on the terms of the Appropriations Committees. We get the money on the terms of the maximum provided in the legislation under the bill passed by the two Houses. We get it on the terms not of what Congress legislated, not on the terms of the law which says it shall be by Treasury borrowing, but on the terms of direct appropriations under the provisions of the Appropriations Committees and in accordance with the conference report that we have before us.

I must say in all candor that from a pragmatic and practical point of view I can see the argument of the Senator from Florida. I do not want the Senator to think that I am being critical of him.

Mr. HOLLAND. I understand.

Mr. HUMPHREY. I know what the problems are in conference.

Mr. HOLLAND. The Senator from Florida is not the author of the proposal, and had no idea that it was going to be proposed until he got to the committee of conference. However, when I looked at it, and realized that it gives 100 cents on the dollar, and was the most that we could bring back from conference, and when I realized that it did not have any legislation in it, and could not affect the provisions of the authorization, I could not see, to save my soul, how anyone who is looking for the end results could find any complaint.

I understand that if this provision were to be projected into every year under the act, there might be complaint. However, if the Appropriations Committee gave the maximum amount permitted under the act every year, and the maximum amount requested by the agency, there still would be great difficulty in finding an objection. I know that the purpose of those who favor backdoor financing is to make sure that there will be no diminishing of the program from year to year due to something that may happen in the Appropriations Committee.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MANSFIELD. I was happy to understand the Senator to say, if I correctly understood him, that what may well happen this year is not to be considered as a precedent. I believe that so far as the Senate is concerned, the Senator from Florida has stated that this proposal did not come into existence until the conference met and that it was advanced by the House; and that because of the fact that the House has adjourned sine die until January 10, this action does not establish a precedent in connection with these programs.

In my opinion this action does not require the Area Redevelopment Administration, which is the agency we are discussing at the present time, to come to Congress for appropriations in future years. Nevertheless, there is no other action, as I see it, that we can take at this moment, unless something develops, because the House has tied our hands.

Mr. HOLLAND. The Senator is correct in part and incorrect in part. The authorizing legislation does require the agency to come to Congress for certain items in its budget each year. The operating item and the item for technical assistance and public facility grants are items that are authorized to be appropriated. The major items of the Area Redevelopment Agency do not lie in that category. The only answer I can make is that the maximum amount which it would be possible to appropriate under the bills that were before the conference committee and under the authorizing legislation is contained in the conference report.

Mr. MANSFIELD. What the Senator means is long-term loans. Under the terms of the bill as passed, the Area Redevelopment Administration could borrow even beyond this year if it wished to do so.

Mr. HOLLAND. The area redevelopment program in that field can go to the level that the agency itself has estimated, and it gets its full estimate under this program. The $122.5 million is the full amount estimated for fiscal 1962.

I am not trying to bind anyone's hands for the future. One can call it a precedent if one wishes to do so. I do not regard it as a precedent. If it is a precedent, I would say it would be a very pleasant one, because it would mean that, if followed specifically, the full amount requested by the agency would be appropriated by the direct appropriation method in each and every year. That would mean that the objective of those who insist upon Treasury borrowing would be carried out.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of New Jersey. That does not apply to the other programs that are in an analogous situation. It does not apply to transportation, with respect to which the conference report reduces the amount through appropriations from what we authorized through borrowings under the authorized loans. The same is true with reference to open spaces and also in connection with the housing program. I believe the Senator

from Florida has made a strong point that we are getting as much through the appropriation means as we would get through the authorizing bill, which authorizes borrowing.

Mr. MANSFIELD. The full amount.

Mr. WILLIAMS of New Jersey. But that is true of the other three items; is that not correct?

Mr. HOLLAND. The Senator from Florida did not handle those other three programs, and he is not as well advised about them as he is about the area redevelopment program.

I believe the Senator will find that at least one of the principles that applies in area redevelopment applies there. The amounts provided by the Senate bill have not been reduced. I do not want to state that as a matter of absolute fact, unless the Senator can check that point. That is my understanding.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SPARKMAN. Is there any authorization for these appropriations?

Mr. HOLLAND. Yes.

Mr. SPARKMAN. What is the authorization?

Mr. HOLLAND. The final paragraph of the area redevelopment act authorizes any and all appropriations that are necessary to carry out the purposes of the act.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. Except for Treasury borrowing. Treasury borrowing is not authorization; it is a directive.

Mr. HOLLAND. All I can say is that the section that I referred to, which is not specific, is section 23, and it merely provides that, "There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

Mr. HUMPHREY. That might be true with reference to the area redevelopment program. I feel quite certain that it is not true in connection with some of the other programs.

Mr. HOLLAND. I am sorry I cannot give the Senator the assurance that I am sure he would like to have me give him. I would like to say, however, that these are smaller amounts, and these programs do not have the immediacy of area redevelopment. The Senator from Florida did not vote for the area redevelopment program, but he has gone into the whole matter throughout the hearings on the annual appropriation bill, with the hope that we could give to that agency everything that the authorization required, because we cannot enter into a program which is designed to be benevolent and helpful and then withhold funds which are necessary to give that benevolent effect. So we have sought to provide everything necessary, and I believe that is done under the conference report.

Mr. SPARKMAN. I agree that the Senator from Florida has been quite objective in handling a program which he opposed when it was before the Senate as a matter of proposed legislation. I commend him for that.

What I complain about—and I believe all of us who have supported the principle have a right to complain about the change in the method of financing—is that while it may be fine for this particular year, still, to my way of thinking, regardless of the fact that it is limited to this particular fiscal year and this particular appropriation, next year we shall be met with a similar situation, and reliance will be placed on what was done this year as a precedent.

As the Senator says, if appropriations should take care of the program adequately, there would be no particular reason to complain. However, I believe that the method of financing which has been used for all these 30 years for certain programs is better than direct appropriations. I think it is easier to handle.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SPARKMAN. Mr. President, as I understand, the Senator from Florida has the floor, and he has yielded to me. It is my understanding that the question of agreeing to the conference report does not lie so long as a Senator wishes to speak.

The PRESIDING OFFICER. The Chair thought the Senator from Alabama had concluded. The Senator had paused.

Mr. SPARKMAN. I thought I was talking rather loudly. I shall speak louder if the Presiding Officer wishes me to do so, in order to make it known that I have not concluded.

The PRESIDING OFFICER. Senators not engaged in the debate will please be seated.

Mr. HOLLAND. Mr. President, it is now 8 minutes of 5. I am really surprised that so many Senators have been able to grasp something newer to them, even, than it is to those of us on the committee of conference. We never heard of this matter until we were in conference a few hours ago, last night.

I have tried to explain as clearly as I could the major item which was affected by the new philosophy. I do not believe the program of area redevelopment is hurt in the slightest by the application of the new philosophy this year. I am quite willing to face the situation as we come to later years. I merely say that so far as the Senate Committee on Appropriations is concerned, we faced the problem under the specific wording of the authorization act.

Mr. SPARKMAN. I have said about all I wish to say. I realize the situation we are in now. The House has adjourned sine die. There are many items in the bill which must be written into the law. I know, too, something of the difficulty which the Senate conferees were under in handling this measure; but I wish it to be clearly understood that this action relates only to this year's appropriations, and that it is not to be taken as an established precedent for guidance in future appropriations.

Mr. PASTORE. Or in an aggregation of the authorization law.

Mr. SPARKMAN. That is correct. The Senator has wisely said that one of the main purposes of the authorization act is in order to be certain that the program may continue regularly and evenly; but there is something else to it, too, and that is the ease of a particular manner of financing, which is much easier and much better for some activities or certain activities.

Mr. HOLLAND. There can be no question about this point. The language in the conference report applies only, solely, and exclusively to this year's appropriation. No change is made in the authorization act. If there were, a point of order would lie. There is no legislation. I believe that upon checking with the Parliamentarian, it will be found that that is the case.

I like to pay tribute to good workmen, even though they may bring forth something that is rather amazing at the moment. Nevertheless, someone among the House conferees, or for the House conferees, has performed some very ingenious work on these proposals.

Mr. SPARKMAN. The Senator from Florida is correct in using the word "ingenious."

Mr. HUMPHREY. I will say so.

Mr. SPARKMAN. I checked with the Parliamentarian, and he advised me, unofficially, that, in his opinion, this language is a limitation only on this appropriation and, therefore, is not subject to a point of order. I believe that as to some of the activities a point of order might lie concerning the authority to appropriate funds. But I am not one to cut off my nose simply to spite my face. I would not take any move which would eliminate funds which are appropriated, even if they are without authorization.

I realize the situation in which we find ourselves. So far as I am concerned, I am willing to rely upon what the Senator from Florida has said and what the Senator from Arizona, the chairman of the committee, may say to us.

Mr. HAYDEN. Mr. President, I have never served at any time on any of the authorizing committees, so I know nothing about that part of the situation. I did look into the question to this extent: I was satisfied that enough cash money was provided and is available now to take care of any situation which may arise in any of the agencies during the next fiscal year. Beyond that, the bill does not go. What will be done next year is something else. There is enough money to carry on the programs and do everything which otherwise would be done under the original law.

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. I appreciate the comments of the distinguished Senator from Arizona, the chairman of the committee. Our respect for him is unlimited. However, section 9 of the Area Redevelopment Act makes it specifically clear that what the Senate intended to have done and what Congress intended to have done—and we had a very tough fight in the Senate over section 9 of the Area Redevelopment Act—was to obtain funds for the purpose of extending financial assistance under sections 6 and 7.

Section 7 relates to public facilities; section 6 relates to certain other aspects of the bill, including financial loans to private industry.

The bill provides that the Secretary may, with the approval of the President, issue and have outstanding at any one time notes and obligations for the purchase by the Secretary of the Treasury in an amount not to exceed $300 million.

We fought this fight. I realize that money is provided in the bill for 1 year's operation. I am fully cognizant of that. But it is entirely possible that Congress might well say, for example—as we do say—that social security or unemployment compensation or old age and survivors insurance shall be paid out of a separate tax to be put into a separate fund for purposes of social security. That is the law.

It does not provide that the Committee on Appropriations, in a conference, may come around a little later, ignore the law, and say, "We will give you the money. We will merely reach over here and get it out of Bucks, Unlimited, or we will get it out of some other fund." Not on your life.

Congress has passed these laws; and when we pass Treasury financing laws, they are supposed to be obeyed.

I shall not argue the point tonight, because, as has been frankly said, What choice have we? The House has adjourned sine die. However, I wish to make it crystal clear that I do not intend, as a Member of the Senate, to see a piece of legislation upon which the President of the United States must put his imprint, upon which the Department of Commerce, the Secretary of Commerce, and the Bureau of the Budget must put their imprints, and ask for Treasury financing, a piece of legislation for which we have fought, for which we have argued, and upon which the two Houses have voted affirmatively by yea-and-nay votes; a measure which has come out of conference committee, and which is proposed to be the law of the land, destroyed by a handful of Members in both bodies who suddenly decide that "for this year, you do not count." In other words, that "for 1962, we did not mean it." We are told, "You have the money, so what are you complaining about? You have the funds you need, so well and good."

But what is the purpose of the proposed law? It is like saying "if you do not pay your taxes on time, get around to paying them after a while." Mr. President, what would be the attitude of the Internal Revenue Service with respect to such a procedure?

Mr. PASTORE. But this item is only eye wash; the funds that are needed are provided for this item, but the other body cut by 50 percent the funds for the other three.

Mr. HUMPHREY. I do not intend to let it be said that it was an accident. Certainly it was not an accident; it was intentional. I do not intend to let such action stand, because I do not think it is fair for the Congress to abrogate the rules and the measures which have been passed after hard, long debate and careful analysis; and then later, at 4:30 in the morning, by a proviso which certain Members of the other body have attached to this appropriation, provide that in the year 1962 the authorization shall not apply. After all, if they get by with it in 1962, they will try to get by with it in 1963. I think it is most unfortunate when a group of willful men can literally tell us what we must do.

I speak most respectfully of the other body, but I ask my colleagues in the Senate to consider the situation. A group in the other body has not wanted what we call Treasury financing. But the majority of the House overruled that group; the Representatives in the House of Representatives of a majority of the people of the Nation said, "There will be Treasury financing on the housing program." There was a bitter fight and a hard fight there in that connection; and in the Senate we had a fight on this matter, as did the Senator from Arkansas [Mr. FULBRIGHT] and other Senators who were involved in the area redevelopment program. But now by means of a little attachment or proviso, the Senate is denied the authenticity of the law for 1962 and, indeed, the entire philosophy of the program. Frankly, it is a repudiation of what we fought for.

I wish to make clear that if anyone thinks he will get by with this the next time, he is wrong, because so far as I am concerned, if we stay up until 5 a.m., we might just as well stay up until noon. Such procedure is ridiculous, and it happens too often.

As the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], has said, this is no precedent. As a matter of fact, it is one of the situations in which the other body has said, "Take it or leave it; we have gone home."

The other body has decided to leave us with what I call a denial of the law; for all practical purposes, this is illegal, because the law provides to the contrary.

Mr. JAVITS. Mr. President, will the Senator from Florida yield, so that I may propound a parliamentary inquiry?

Mr. HOLLAND. I yield.

Mr. JAVITS. Will the Chair advise whether, under the authorizing legislation with respect to which we are appropriating, the administrative expenses for open-space land grants—one of the items in disagreement—are subject to annual appropriations or are subject to Treasury borrowing.

The PRESIDING OFFICER. The Chair does not consider that a parliamentary inquiry. Perhaps the Senator in charge of the bill can answer the question.

Mr. HAYDEN. Mr. President——

Mr. HOLLAND. If the Senator from Arizona will yield, I take it for granted that they must be asked for, because the agency asked for them under supplemental budget items; and the Senator will find those items on page 20 of the Senate version of the bill.

Mr. JAVITS. Mr. President, another parliamentary inquiry. Is this item reported in disagreement, so that notwithstanding an affirmative vote on the conference report, the item can be separately voted down if the Senate does not like it?

The PRESIDING OFFICER. Will the Senator from New York identify the item to which he refers?

Mr. JAVITS. It is the amendment headed "Open space land grants."

The PRESIDING OFFICER. The Chair does not have in mind the numbers of the items.

Mr. JAVITS. No. 52 and No. 54.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that the House amendments will be called up after the conference report is agreed to.

Mr. JAVITS. Can they be voted either up or down, separately?

The PRESIDING OFFICER. The Chair is advised that that is correct.

Mr. JAVITS. Very well.

Mr. SPARKMAN. Mr. President, if the Senator will yield, at the beginning of the debate I asked the able chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], whether these amendments were included in his motion that the Senate agree to the conference report; and his answer was in the affirmative.

The PRESIDING OFFICER. The Chair assumes that the conference report will be agreed to. Then the amendments will be taken up.

Mr. SPARKMAN. Certain amendments were included, however, in the motion made by the Senator from Arizona, who advised me that these amendments were included in his motion.

The PRESIDING OFFICER. The question now is merely on agreeing to the conference report. After that question is disposed of, the amendments will be taken up.

Mr. JAVITS. Mr. President, will the Senator from Florida yield further to me?

Mr. HOLLAND. I yield.

Mr. JAVITS. I thank the Senator from Florida.

I wish to address my remarks to the Senator from New Jersey [Mr. WILLIAMS], who is particularly concerned with the open space land grants. I ask him whether in his view, as an ardent advocate of this program, $35 million, which is what the House has allowed, instead of the authorization of $50 million, will be sufficient to do the things which he believes need to be done for this program in the coming fiscal year. I should like to have the ultimate facts qualified, as the Senator from Florida has qualified the ultimate facts in regard to the area redevelopment item, with which apparently everyone agrees. As to it, the other body chose to make the Senate like it, but gave us everything the law would allow.

However, the funds for the open space land grants have been cut from $50 million to $35 million. Can the Senator from New Jersey enlighten us as to whether this reduction will cripple the program, or whether he believes the program can still go forward within reason, adequately, in this fiscal year?

Mr. WILLIAMS of New Jersey. As the Senator from New York will recall, orig-

inally the bill as passed by the House called for $100 million. In the Senate it was reduced to $50 million. We did that at the time when we created this method of financing; it was in the nature of a quid pro quo. We did so because we provided for procedure on the basis of Treasury financing.

But now a reduction to $35 million has been made. So we are confronted with reduction after reduction, in connection with a program which requires funds—reductions to the point where we must say the program will not be as effective as we hoped it would be when we started with the $100 million item.

Mr. JAVITS. I understand that. But can the Senator from New Jersey tell us whether a reasonable program can be conducted with the $35 million? I appreciate that the program under the $35 million will not be as effective as it would be if the larger appropriations were made. But we are trying to ascertain whether we should vote this item either up or down. Of course, no item is either all black or all white. But we need that assurance; otherwise, perhaps we would not be doing our duty. For example, if the Senator from New Jersey were to say that with only $35 million the program will be worthless, then I would have to vote "no."

Mr. HOLLAND. Perhaps I can answer that question, as one who is not in sympathy with this program, but I think I know the parliamentary situation in connection with it: If the amendment is voted down, there will be no program. If the Senate votes for the amendment, there will be $35 million for the program; and Congress will return on January 10, and the authorization will not have been affected in any way. The appropriation included here is for only a part of the amount of the authorization; and beginning with January 10, Senators can do the fighting which I think is very inappropriate under the conditions which obtain here at this time.

Mr. JAVITS. If the Senator will allow me, so we can get the whole picture, may I expand this question to include the same appraisal from the Senator from New Jersey as to the $42,500,000 for mass transportation as compared with the $75 million allowability for borrowing? Could the Senator at the same time give us his view as to that item because this, too, is his "baby."

Mr. WILLIAMS of New Jersey. We know that all over the country, when we passed a $75 million program for mass transportation, we were applauded for bringing national attention to mass transportation problems. There was some skepticism about the size of the program, on the ground that it was too modest, and not enough, from New York to Seattle, and scores of cities in between. They knew the $75 million figure was not truly a realistic figure.

I might ask a parliamentary question of the Presiding Officer. What would be the result if these programs were taken out of the appropriation bill? The programs have been authorized in law, and need no appropriation. The only appropriation they need is for administrative funds. I believe that the agency involved, the Housing and Home Finance Agency, by putting some patches on the pants and working until late and really tightening the belt, could get the administrative time without any administrative money, but they would get the $50 million for open space and $75 million for transportation. Truly, anybody who has spent 5 minutes in this field knows that $75 million and $50 million are rock bottom figures.

The parliamentary inquiry, Mr. President, is, What would happen to the conference report if tonight we struck all reference to these programs from the conference report?

The PRESIDING OFFICER. The Senator has directed a parliamentary inquiry to the Chair. The Chair will try to answer it.

Mr. DIRKSEN. Mr. President, will the Senator withhold that inquiry?

Mr. WILLIAMS of New Jersey. The Senator from Illinois has asked me to withhold the parliamentary inquiry.

Mr. DIRKSEN. I think the parliamentary inquiry ought to be a little broader. The concurrence of the Senate has been asked in the House amendments. The question is, What would happen to the conference report if a single amendment now submitted did not receive the concurrence of the Senate?

The PRESIDING OFFICER. The Chair is advised that in that event there would be no bill.

Mr. WILLIAMS of New Jersey. The bill would go down the drain?

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLAND. Mr. President, there is no doubt about that being the rule.

This year the situation is that the legislation was passed too late for these items to get into the annual appropriation bills. Therefore, they come up in the supplemental appropriation bill, which, unfortunately, is being considered in the closing hours of the session.

Next year there will be two changes in that situation. First, we shall be able to go after any part of the authorization which is not appropriated for now after the Congress convenes, in connection with fiscal 1962 matters.

Second, the program will be handled in the annual budget, and will not come up at 11:45 p.m., just before the Senate is to adjourn at midnight. So I do not think Senators are being realistic when they talk about striking down the whole measure simply because they would like to have gotten the full authorization under certain sections of the bill.

The Senate conferees are in no sense chargeable with this situation. We want to have the conference report disposed of and go on home. If adopted, such amount as contained in the bill for every single objective would be available, and the Senator would have his 2 days in court when we return in January.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of New Jersey. We have two national legislative ideas—mass transportation and open space. I may say to the senior Senator from Florida that we have had 10 days in court. This bill has had to go through the subcommittee, the full committee, each body, through the regular authorizing committee, and through the Appropriations Committee. We have had many days in court. The trouble is we lose in the last hour of the last day of the Congress.

I think it is important that we have these new ideas, and I am sure the country will use these new tools, and I am sure we will get $75 million worth of needed benefit out of the open space program and $50 million worth of benefit out of the transportation program.

Mr. JAVITS. It is $42,500,000.

Mr. WILLIAMS of New Jersey. Yes; it has been reduced in amount to $42,500,000. We are in a situation where certainly we are establishing an important new program. If we lose the full amount, a new effort will still be needed. I am sure the senior Senator from New York, who has fought more hours than I have on this program, will agree with me.

Mr. JAVITS. Yes. There exists the capability to control the situation for the current fiscal year.

Mr. HOLLAND. Mr. President, I yield to the Senator from South Carolina [Mr. THURMOND].

Mr. THURMOND. Mr. President, I compliment the Members who sat on this conference committee upon the action they have taken. There have been all kinds of interpretations here this evening to the effect that it did not mean this, or did not mean that, or did not mean something else. I do not know whether the conferees thought it was the better part of wisdom to knock out backdoor financing, and I do not know whether they feel that, because the world situation has changed, perhaps we had better tighten up on our finances, or whether they decided that perhaps we ought to go back to the Constitution, because article I, section 9, clause 7 of the Constitution provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. That is what the Constitution provides. It is as plain as it can be.

The report is before us, to be voted up or down. Not a single word can be changed. So we are wasting time arguing whether to change this or that. It is my suggestion that we proceed to a vote so we can wind up this session.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. THURMOND. I do not have the floor.

Mr. HOLLAND. I yield to the Senator.

Mr. PASTORE. Would the Senator from South Carolina feel precisely the same if this small group of conferees on an appropriations bill had taken it upon themselves, because of the Supreme Court decision on civil rights, to write a civil rights bill into this measure?

Mr. THURMOND. They did not do that.

Mr. PASTORE. Of course not, but if they had done that, I do not think the Senator from South Carolina would be

reading the Constitution and giving the same interpretation which he has given with respect to area redevelopment.

Mr. THURMOND. The Senator from Rhode Island has gotten entirely off the subject.

Mr. PASTORE. No; I am not off the subject. I am talking about jurisdiction.

Mr. THURMOND. If the Senator wishes to discuss civil rights, I will do so at any time, on a constitutional basis or any other basis; but I think he is entirely off the subject now. I think it is clear that the conferees have a right to do what they have done. They have, in effect, knocked out back-door financing. I am delighted they have done so. I think they have exercised good judgment, and I commend them.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MANSFIELD. I most respectfully disagree with the Senator from South Carolina. I do not think, by and large, that the conferees did a good job.

I do not think, by and large, that the House of Representatives did a good job, because what the House did was to adjourn sine die as soon as it made its decision, without giving the Senate the courtesy, as a coequal body, to render its decision.

Not only that, but also there was an amendment on which the Senate was supposed to take a certain position, amendment No. 96, having to do with penalty mail. We shall have to change our position 180° now, because no one is operating in the other body. We shall have to give in to what the other body wishes.

So far as the Senate is concerned, we have taken a "shellacking" and I think it is outrageous. I certainly do not agree that this is something we should swallow and smile while we do it. We have to swallow it. We have no choice, but I think it is a poor sign of the comity which should exist between the two bodies.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HOLLAND. Mr. President, I think when the Senator from Montana, my distinguished friend, our majority leader, has had a little sleep and has an opportunity to look at the conference report he will regret what he said about the conferees.

The Senator from Florida has served, by the nomination of the majority leader and the Presiding Officer, on three very heavy conferences in the last 96 hours; the foreign aid conference, the public works conference, and the conference in regard to this bill.

I think anybody who will look at the conference report will find that the Senate has prevailed in many instances, and in respect to the large majority of the items.

I hope the Senator is not casting reflections upon folks who have been working for him and for the Senate, who are very anxious to get home and get to sleep. So far as the Senator from Florida is concerned, he is sorry we have had to take this bill apart. As a matter of fact, the conference report is in accord with the thinking of the Senator from Florida, so far as back-door financing is concerned. The Senator from Florida learned a long time ago, as a Senator and as a member of a responsible committee, that he has to follow authorizations adopted by the Congress. He attempts to do so. However, he is not going to say he agrees with his distinguished friend, for whom he has such deep affection, in the statement that the conference committee has done a miserable job, because that does not happen to be the case.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. HOLLAND. I yield to the Senator from Montana.

Mr. MANSFIELD. What I said did not apply to the Senate conferees, because they are present—ready, able, and willing to go back into conference. The other conferees have seen to it, in some way or other, that the other body adjourned. We have no opportunity to go back to make our real position known. Because of circumstances we are being forced to swallow a position we do not like.

So far as the Senator from Florida is concerned, I have great affection for him. He has been honest and candid in his stand. He has on this and other occasions done the best he could, and has represented the Senate well. However, I do not believe it is something to smile about when the other body, on its own initiative, adjourns sine die and when the other body forces the Senate to accept amendment 96, which we do not wish to accept, because we have no choice. That is nothing to smile about, and that is not the way to operate a democratic government.

Mr. JAVITS. Mr. President, will the Senator yield on this point?

Mr. HOLLAND. I yield to the Senator from New York.

Mr. JAVITS. I agree with the Senator from Montana as to the factual situation we face on the conference report, but we shall have another opportunity, only 3 months hence. There will be another supplemental appropriation bill in January. With the great feeling the Senator has expressed, since he is the majority leader, I hope the rest of us will be encouraged to assert ourselves at that time, so that though there may be a little delay, there will be an adequate opportunity to supplement even any of the allowances which have been looked after in the particular bill before the Senate.

Mr. DIRKSEN. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the minority leader.

Mr. DIRKSEN. Of course we do not have to wait until January. This is not a stultified body. We will see whether we have to take it. I suggest the absence of a quorum.

Mr. HOLLAND. Mr. President——

Mr. HUMPHREY. Mr. President, will the Senator withhold his suggestion?

Mr. HOLLAND. Mr. President, I hope the Senator will withdraw that suggestion.

Mr. DIRKSEN. No. Senators made their case on the other side tonight. They have asserted their convictions. An outrage is being perpetrated upon the Senate. I agree.

We had some money in the bill for clerical hire. We have permitted the House of Representatives to tell us whether we can so provide or not, because that has been deleted from the bill.

We had a penalty mail section in the bill, as the majority leader indicates. That has been deleted.

Are we a coordinate branch of the legislative establishment, or are we not?

Senators have been "fussing" tonight that the House has changed the whole pattern of authorization. Very well. How deep are the convictions?

I renew my suggestion of the absence of a quorum, Mr. President.

Mr. PASTORE. Before the Senator makes that suggestion, will he yield for a question?

Mr. HOLLAND. Mr. President——

The PRESIDING OFFICER. The Chair reminds the Senator from Illinois that the Senator from Florida did not yield for that purpose.

Mr. DIRKSEN. I will get to it. The Senator might as well yield for it now.

Mr. PASTORE. Before the Senator gets to it, will the Senator yield to me?

Mr. DIRKSEN. I do not have the floor. I am going to make the point, to find out whether a quorum is present, and whether the House of Representatives can affront the Senate of the United States.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I applaud the courage of the Senator from Illinois, without approving his wisdom, because I think he has not shown great wisdom by taking that position. It seems to me we should vote upon this question and then go home and go to bed. We will all feel a good deal better when we have had a cup of coffee about 10 o'clock in the morning.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The majority leader said we had to swallow this. He is correct. I suggest a bit of therapeutic treatment. Some time next year we can have a little legislative regurgitation, and we can get rid of this whole mess.

This will save my good friend from Illinois, the distinguished, affable, able, generous, and kind minority leader, from having to go through this business of trying to ascertain if there is a live quorum. I do not think it is even warm, much less alive, at this hour.

Mr. DIRKSEN. Mr. President, I need no salvation. I am going to make the point.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the conference report.

Mr. HOLLAND. Mr. President, I yield to my distinguished chairman, the Senator from Arizona [Mr. HAYDEN].

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MANSFIELD. I am in accord with what the distinguished minority leader has suggested, but I think if a live quorum is to be required it might be the better part of wisdom for the Senate to go into recess until 12 o'clock noon, so that we can be sure of a live quorum at that time.

Mr. DIRKSEN. I think that is a good suggestion.

Mr. President, before I concur, I ask whether the Chair has taken judicial notice of the fact that the House of Representatives adjourned sine die at the hour of 4:20 a.m.

The PRESIDING OFFICER. The Chair does not have the exact time. The Senate has had notification.

Mr. DIRKSEN. A second parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The House notified the Senate it had agreed to the concurrent resolution.

Mr. DIRKSEN. So the House has actually adjourned sine die.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. If it is a proper parliamentary inquiry, constitutionally what is necessary to bring the House back into session if the Senate fails to concur in the conference report now before it?

The PRESIDING OFFICER. The Chair is advised, in reply to the parliamentary inquiry, that the President would have to call Congress back between now and January 10.

Mr. DIRKSEN. It would require the exercise of the President's authority under the Constitution to summon Congress into extraordinary session.

The PRESIDING OFFICER. The Senator is correct.

Mr. THURMOND. Mr. President, a parliamentary inquiry.

Mr. HOLLAND. I yield to the Senator from South Carolina so that he may address a parliamentary inquiry to the Presiding Officer.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. THURMOND. I thank the Senator from Florida.

Suppose no action is taken by the Senate on the conference report by 12 o'clock midnight tonight. What will the situation be then?

The PRESIDING OFFICER. That would still mean the Senate would have to adjourn sine die. In the meantime, the action would have the same effect. The bill would go over until next year.

Mr. THURMOND. In other words, as I understand, the Senate has already agreed to a resolution which has been concurred in by the House to adjourn as of this day. Therefore the Senate is compelled to adjourn as of 12 o'clock tonight. Is that correct?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). According to the record in its present form, the Senator is correct.

Mr. THURMOND. Therefore, if the report is not agreed to by 12 o'clock tonight, there will be no bill. Is that correct?

The PRESIDING OFFICER. I am advised by the Parliamentarian that the Senator is correct.

Mr. HOLLAND. Mr. President, I yield the floor so that the Senator from Illinois may suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. A quorum call is in progress.

Mr. MANSFIELD. Has any Senator answered to his name as yet?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that whether any Senators have yet answered to their names makes no difference.

Mr. MANSFIELD. Mr. President, is it possible to make a parliamentary inquiry?

The PRESIDING OFFICER. If it would help the situation, the Parliamentarian advises that the Senator may proceed.

Mr. MANSFIELD. Mr. President, with the concurrence, I hope, of the minority leader, I suggest that the Senate consider a proposal to stand in recess until 12 o'clock noon today. I shall not press the proposal if any Senator objects. I hope there will be no objection.

Mr. President, I ask unanimous consent that the Senate stand in recess until 12 o'clock noon today.

Mr. DWORSHAK. Mr. President, reserving the right——

Mr. THURMOND. Mr. President, I object.

The PRESIDING OFFICER. It will be necessary for the Senator from Illinois to withdraw his request for the quorum call.

Mr. DIRKSEN. Mr. President, I withdraw the request.

Mr. MANSFIELD. Mr. President, I renew my request that the Senate stand in recess until noon today, and meet at that time to consider the conference report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. DWORSHAK. Mr. President, reserving the right to object——

Mr. THURMOND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, I move that the Senate recess until 12 o'clock noon today to consider the conference report.

Mr. HRUSKA. Mr. President, a point of order.

The PRESIDING OFFICER. A motion to recess is in order.

Mr. MANSFIELD. Mr. President, in order to bring the question to a head, I move the adoption of the conference report.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Did the Senator from Illinois renew his suggestion of the absence of a quorum?

Mr. DIRKSEN. Mr. President, I renew my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the conference report.

Mr. MUNDT. I think it was a wise decision not to try to disrupt the slumber of those of our colleagues who are not present, and possibly jeopardize the passage of a bill which contains certain important aspects, and which must certainly be passed.

However, if the Senate now proceeds to vote on the proposed legislation in the form in which we find it, which is actually a shotgun held at the head of the Senate by the House, because the House has said, "This is it; we are going home," we do not want this to be a precedent, either. We must make it clear that we are on the verge of taking a very effective means of stopping this sort of procedure; that is, by suggesting the absence of a quorum, and if a quorum is not developed, there is nothing we can do but let the bill fail. Then the President would have to call us back into special session, because some of the items are important.

I hope the leadership of the House will take notice that this is not the kind of comity which should exist between the two Houses.

We have eliminated the penalty mail provision time after time. It was known that it would be eliminated this year. I was in the other body when the House adopted the provision tonight. Under the rules of the Senate, we cannot even restore our position on that item, as I understand the ruling of the Chair, according to the advice of the Parliamentarian. I am sure that is correct. It would kill the whole bill.

So I believe the record we make here today should clearly state our position.

Mr. MANSFIELD. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. MANSFIELD. Speaking of the penalty mail provision, what we are being forced to do, in effect, is to go against the recommendation of our own conferees. That is not fair. It is not a sign of comity between the two Houses.

Mr. MUNDT. No; neither do I believe that when there are elements in the bill which are in dispute, as there are, the House should fold up and go away. That eliminates the whole concept of conference. It means that the Members who go home rule by absenteeism, and compel those who are

here to go along with their particular point of view.

I am hopeful, and I am quite confident, that the distinguished majority leader, who has expressed himself very well and forcefully tonight, will let the leadership of the House know the attitude of the Senate, and that a year from now, when adjournment time comes, we will not get caught in a crack of this kind again.

Mr. SPARKMAN. Mr. President, following what the Senator from South Dakota has said—and I ask the majority leader to listen to this—I hope we will remember next year what has taken place tonight, and will be a little less diligent in presenting a sine die adjournment resolution to the House. It seems to me that if such a resolution were withheld until the business of Congress is completed, perhaps we might succeed in keeping the other body here.

Mr. MANSFIELD. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. I assure the Senate that if I am in this position next year—and I feel certain I speak for my colleague, the distinguished minority leader, that admonition will be kept in mind and will be observed.

Mr. SPARKMAN. I simply wished to prompt the majority leader. I shall be prompting him next year.

Mr. HRUSKA. Mr. President, I subscribe to the views expressed by the Senator from South Dakota; the views which have been expressed previously by the minority leader; and the views, but not the conclusion, of the majority leader. Whatever the Senator from Nebraska might say at this time would be regardless of the merits of the bill.

We have before us a conference report which contains 96 or 97 amendments. Only three or four of them have been discussed. In four instances there are amendments for Treasury financing. There is an amendment for penalty mail, which has been mentioned. There is an item for clerk hire, an item which is strictly within the purview and the jurisdiction of the Senate itself, and in which no other body should interest itself. But there are also 92 more amendments, and we have not had an opportunity to see a completed, printed bill to know what they are. Yet we are asked to approve the conference report.

Over and above that, it seems to me that by knuckling under to the other body, as we are doing, we are stultifying this branch of Congress when we, in view of the fact that the other body has adjourned sine die, are going to let them say, obviously with this pistol pointed at our head, "It is everything or nothing."

I do not like it. I think we are establishing a bad precedent. We can say all we wish. We can say we will not consider it a precedent. Nevertheless, it is a precedent, and we cannot dodge it.

Such action is an affront to the Senate; it is an affront to the individual respect of each Member of this body. Moreover, it is a demonstration of a lack of responsible leadership in the other body that the adjournment sine die of the other body would have been permitted without the possibility and without the courtesy being extended to this body to have acted as a body possessed of free will.

I do not wish to be an obstructionist. I do not wish to be placed in the position of speaking against the composite judgment of Senators who are present, although they are slight in number. I shall not raise objection. I simply wish to make the RECORD plain that I believe the Senate is making a bad mistake.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 12, 17, 18, 21, 22, 23, 27, 44, 52, 54, 55, 62, and 83.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I now move that the Senate recede from its amendment numbered 96.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. MANSFIELD. Amendment 96 has to do with penalty mail, does it?

Mr. HAYDEN. Yes, franked mail.

Mr. MANSFIELD. On the basis of the motion made by the distinguished chairman of the Appropriations Committee, will a vote "aye" favor the position of the House or the position of the Senate conferees?

Mr. HAYDEN. On a motion to recede, a vote "aye" will favor the position of the House. The House placed in the bill funds available for expenses as authorized and necessary under section 2 of Public Law 286, 83d Congress.

In other words, under existing law the envelope or wrapper must bear the house number and the street of the one to whom our mail is sent under frank to metropolitan areas. This provision will allow the use of only the word "occupant" or "box holder" and the city name—just like so much of the so-called junk mail which goes throughout the country in connection with all kinds of advertising. Such mail is merely delivered by the carriers to "Occupant" or to box numbers. Some say, as the House says, it will be cheaper to do it that way. Otherwise, when people move, the Post Office Department has to follow up each letter.

In this case, whenever we send out mail under our frank to cities—for instance, a speech, or something of the sort—it can be addressed only to a box number or to "Occupant."

Mr. HRUSKA. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. HRUSKA. Is it true that if the item as suggested is agreed to, there will be available to Members of Congress a method of carrier delivery of mail within metropolitan areas that will not be available to patrons of the post office who are willing to pay for that service?

Mr. HAYDEN. True.

Mr. HRUSKA. It is my understanding that if this item stands as it is, that service will be available to the Members of Congress, under penalty mail provisions, but will not be available to any other user of the mails, even if he wishes to pay for it.

Mr. HAYDEN. This item would put the mail sent out by a Senator or by a Member of the House of Representatives in exactly the same status as what we call junk mail. [Laughter.]

Mr. MUNDT. Mr. President, I am against it. [Laughter.]

Mr. HAYDEN. In other words, such mail will not be addressed to a particular person, but will be addressed only to "Occupant" or to a box holder. In that way, some say, the cost to the Post Office Department would not be as great as in the case of the delivery of mail addressed by name to a particular person.

Mr. HRUSKA. Is it not now discretionary with the Postmaster General? Under existing law, such mail is authorized; but the reason why it is not used is that the Postmaster General does not avail himself of the opportunity to use it?

Mr. HAYDEN. That is correct.

Mr. HRUSKA. Then would not it follow that even with the adoption of this amendment, the postmaster could still refuse to extend this service, if he chose to do that?

Mr. HAYDEN. That is my understanding. Actually, I am informed that Postmasters General Farley and Summerfield tried this method, but discontinued its use after many complaints.

Mr. HRUSKA. Nevertheless, he may exercise his discretion to deny such use of the mail, may he?

Mr. HAYDEN. That is my understanding.

Mr. HRUSKA. But could he exercise his discretion not to do it?

Mr. HAYDEN. At the present time he can do it or not, as he chooses.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. MUNDT. I should like to know whether there is any parliamentary device which the Senate may employ, now that the conference report has been agreed to and now that the Senate has agreed to all the amendments in disagreement except No. 96, whereby we can voice our disapproval of amendment No. 96, without vitiating our approval of the conference report.

The PRESIDING OFFICER. The Chair does not know how it could be done.

Mr. MUNDT. Even though the Chair is aided and abetted by the Parliamentarian?

The PRESIDING OFFICER. Yes.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. PASTORE. Even though we approve the report, we can adopt a resolu-

tion expressing the disapproval of the Senate of such procedure.

Mr. HRUSKA. Could not we adopt a resolution expressing our disapproval of such use of the mails?

Mr. PASTORE. That is what I mean—after the pending motion is acted on.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to include in the RECORD at this point a table on the supplemental appropriation bill which shows the amounts passed by the House, the amounts passed by the Senate, and the final amounts agreed to in conference.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

The supplemental appropriation bill for 1962 (H.R. 9169)

H. Doc. No.	Department or activity	Budget estimates	House bill	Senate bill	Conference action
	DEPARTMENT OF AGRICULTURE				
	Statistical reporting service			$27,000	$20,000
54	Agricultural stabilization and conservation service: Emergency conservation measures	$5,000,000		5,000,000	5,000,000
224	Civil defense: Emergency relocation of grain	47,200,000			
	Farmers Home Administration:				
217	Loan authorizations (soil and water)	Language	Language	($,000,000)	($,000,000)
217	Farm housing grants and loans	10,000,000	$10,000,000	10,000,000	10,000,000
217	Salaries and expenses	2,400,000	1,000,000	2,000,000	1,500,000
	Total, Department of Agriculture	64,600,000	11,000,000	17,020,000	16,520,000
	DEPARTMENT OF COMMERCE				
	General administration:				
231	Participation in Century 21 Exposition	1,000,000		1,000,000	900,000
51	Participation in New York World's Fair	200,000			
231	Bureau of the Census: Salaries and expenses	185,000	148,000	185,000	185,000
	Maritime activities:				
217	Maritime training	Language	Language	Language	Language
217	Payment of War Shipping Administration claims	18,136	18,136	18,136	18,136
	National Bureau of Standards:				
217	Research and technical services	4,200,000		2,204,000	1,500,000
217	Plant and facilities	1,500,000			
179	Weather Bureau: Meteorological satellite operations	53,000,000	48,000,000	48,000,000	48,000,000
	Area Redevelopment Administration:				
	Area redevelopment assistance				170,750,000
210	Operations	11,000,000		11,000,000	
210	Grants for public facilities	40,000,000		40,000,000	
228	Area redevelopment fund	Language		Language	
	Total, Department of Commerce	111,103,136	48,166,136	102,407,136	221,353,136
	DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS				
S. 54	Department of the Army: Rivers and harbors and flood control: Operation and maintenance, general	5,000,000		5,000,000	5,000,000
	DEPARTMENT OF DEFENSE—MILITARY				
S. 51	Department of the Navy (Arizona Memorial)	150,000	150,000	150,000	150,000
210	Procurement: Shipbuilding and conversion, Navy	41,600,000	40,000,000	40,000,000	40,000,000
	Total, Department of Defense—Military	41,750,000	40,150,000	40,150,000	40,150,000
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	Office of Education:				
S. 51	Payments to school districts	129,300,000		109,346,000	145,593,000
S. 51	Assistance for school construction	29,700,000		37,092,000	30,000,000
	Defense educational activities			100,000	70,000
S. 51	Expansion of teaching in education of the deaf	1,575,000		1,575,000	1,575,000
	Public Health Service:				
S. 51	Chronic diseases and health of aged	7,075,000		7,075,000	7,000,000
S. 51	Community health practice and research	400,000		400,000	375,000
S. 51	Hospital construction activities	9,000,000		9,000,000	8,500,000
210	Grants for waste treatment works construction (1960–61)	1,101,000	1,101,000	1,101,000	1,101,000
217	Grants for waste treatment works construction	30,000,000	30,000,000	30,000,000	30,000,000
217	Buildings and facilities	1,600,000	1,600,000	1,600,000	1,600,000
217	Water supply and water pollution control	5,600,000	5,000,000	5,000,000	5,300,000
217	Hospitals and medical care (1961)	230,000	200,000	200,000	200,000
224	Civil defense medical stockpile activities	26,000,000	13,000,000	13,000,000	13,000,000
	Social Security Administration:				
217	Limitation on salaries and expenses, Bureau of Old-Age and Survivors Insurance (trust fund)	(30,875,000)	(26,500,000)	(26,500,000)	(26,500,000)
217	Limitation on construction, Bureau of Old-Age and Survivors Insurance (trust fund) (increase)	(4,360,000)	(4,000,000)	(4,000,000)	(4,000,000)
217	Assistance for U.S. citizens returned from foreign countries, Bureau of Public Assistance	575,000	400,000	400,000	400,000
S. 51	Assistance to refugees in the United States	26,000,000		13,000,000	
	American Printing House for the Blind: Education of the blind			270,000	270,000
S. 51	Howard University: Plans and specifications	300,000		300,000	250,000
	Office of the Secretary:				
S. 51	Salaries and expenses	150,000		150,000	145,000
217	Salaries and expenses, Office of Field Administration (increase in transfer from Federal old-age and survivors insurance trust fund)	(204,000)	(180,000)	(180,000)	(180,000)
217	Salaries and expenses, Office of the General Counsel	20,000			
	By transfer	(20,000)			
S. 51	Juvenile delinquency and youth offenses	8,200,000		8,200,000	8,200,000
	Total, Department of Health, Education, and Welfare	267,826,000	51,301,000	298,409,000	253,579,000
	EXECUTIVE OFFICE OF THE PRESIDENT				
S. 52	Executive Mansion and Grounds	165,000		165,000	165,000
S. 55	National Aeronautics and Space Council	225,000		225,000	225,000
210	Council of Economic Advisers: Salaries and expenses	177,000		170,000	170,000
210	Office of Civil and Defense Mobilization: Construction of facilities	335,000			
	Total, Executive Office of the President	902,000		560,000	560,000
	FUNDS APPROPRIATED TO THE PRESIDENT				
S. 54	Disaster relief	15,000,000		15,000,000	15,000,000

The supplemental appropriation bill for 1962 (H.R. 9169)—Continued

H. Doc. No.	Department or activity	Budget estimates	House bill	Senate bill	Conference action
	INDEPENDENT OFFICES				
S. 51	Federal Aviation Agency: Grants-in-aid for airports	$225,000,000	$150,000,000	$225,000,000	$150,000,000
	Federal Home Loan Bank Board:				
168	Limitation on administrative and nonadministrative expenses, Federal Home Loan Bank Board (administrative expense limitation increase)	(145,000)		(140,000)	(140,000)
168	Limitation on administrative expenses, Federal Savings and Loan Insurance Corporation	(100,000)		(75,000)	(75,000)
231	Federal Maritime Commission: Salaries and expenses	84,000	40,000	40,000	40,000
210	Federal Mediation and Conciliation Service: Salaries and expenses	190,000	140,000	160,000	150,000
	General Services Administration:				
210	Hospital facilities in the District of Columbia	3,000,000	3,000,000	3,000,000	3,000,000
210	Operating expenses, Federal Supply Service	1,000,000	900,000	900,000	900,000
210	Expenses, supply distribution	2,500,000	2,000,000	2,000,000	2,000,000
210	Expenses, Federal Telecommunications System	900,000	850,000	850,000	850,000
	By transfer	(570,000)	(570,000)	(570,000)	(570,000)
210	Additional court facilities	4,650,000		2,990,000	2,500,000
	Historical and memorial commissions: George Washington Carver Commemorative Commission		30,000		
	Housing and Home Finance Agency:				
	Office of the Administrator:				
217	Salaries and expenses	215,000	100,000	215,000	150,000
	Travel limitation	(65,000)	(50,000)	(65,000)	(55,000)
217	Urban planning grants	16,400,000	12,000,000	15,000,000	13,500,000
217	Housing for the elderly fund	50,000,000	30,000,000	40,000,000	35,000,000
	Administrative expense limitation	(225,000)	(125,000)	(200,000)	
217	Mass transportation loans and grants	60,000		60,000	42,500,000
217	Open space land grants	150,000		125,000	35,000,000
	Low-rent housing demonstration grants				2,000,000
217	Limitation on administrative expenses, Office of the Administrator, public facility loans	(400,000)	(300,000)	(400,000)	(350,000)
217	Federal Housing Administration: Limitations on administrative and nonadministrative expenses:				
	Administrative	(350,000)	(200,000)	(200,000)	(200,000)
	Nonadministrative	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
217	Federal National Mortgage Association: Limitation on administrative expenses	(650,000)	(600,000)	(600,000)	(600,000)
	Public Housing Administration:				
210	Annual contributions (1961)	5,350,000	5,322,000	5,322,000	5,322,000
217	Low-rent public housing program administrative expenses	350,000		250,000	
217	Interstate Commerce Commission: Payment of loan guarantees	14,700,000		14,700,000	14,700,000
	National Aeronautics and Space Administration: Salaries and expenses (transfer)		(10,000,000)	(10,000,000)	(10,000,000)
	National Capital Transportation Agency:				
S. 51	Salaries and expenses	170,000		85,000	85,000
S. 51	Land acquisition and construction	2,550,000		2,550,000	1,000,000
217	Railroad Retirement Board: Payment to railroad unemployment insurance account	10,000,000	10,000,000	10,000,000	10,000,000
231	Securities and Exchange Commission: Salaries and expenses	450,000	375,000	450,000	412,500
231	Selective Service System: Salaries and expenses	3,830,000	3,000,000	3,830,000	3,415,000
	Small Business Administration:				
179	Salaries and expenses	398,000	350,000	377,000	363,500
179	Grants for research and management counseling	500,000			
179	Revolving fund	130,000,000	130,000,000	130,000,000	160,000,000
S. 54	Revolving fund	30,000,000		30,000,000	
	U.S. Information Agency:				
179	Salaries and expenses	2,400,000	1,500,000	1,500,000	1,500,000
210	Acquisition and construction of radio facilities	3,611,000	3,250,000	3,250,000	3,250,000
	Total, independent offices	508,458,000	352,857,000	492,654,000	487,638,000
	DEPARTMENT OF THE INTERIOR				
231	Bureau of Land Management: Management of lands and resources	1,250,000	1,250,000	1,250,000	1,250,000
	Bureau of Indian Affairs:				
S. 51	Education and welfare services	750,000		750,000	750,000
S. 51	Revolving fund for loans	4,000,000		4,000,000	4,000,000
	National Park Service:				
	Management and protection			25,000	25,000
217	Construction	4,115,000	2,000,000	4,115,000	2,250,000
231					
	Office of Territories:				
210	Administration of territories	5,000,000	4,500,000	4,500,000	4,500,000
217	Trust Territory of the Pacific Islands	200,000		200,000	200,000
	Geological Survey: Surveys, investigations, and research			100,000	100,000
	Fish and Wildlife Service:				
210	Bureau of Commercial Fisheries: Management and investigation of resources	800,000	400,000	400,000	400,000
S. 51	Office of Saline Water: Salaries and expenses	4,175,000		4,175,000	3,500,000
217	Office of the Secretary: Salaries and expenses	500,000	200,000	500,000	200,000
S. 51	Virgin Islands Corporation: Revolving fund	4,500,000			
S. 51	Limitation on administrative expenses	(30,000)			
	Total, Department of the Interior	25,290,000	8,350,000	20,015,000	17,175,000
	DEPARTMENT OF JUSTICE				
	Legal activities and general administration:				
210	Salaries and expenses, general legal activities	615,000	460,000	460,000	460,000
210	Salaries and expenses, Antitrust Division	500,000	375,000	375,000	375,000
217	Salaries and expenses, Administrative Conference of the United States	215,000	150,000	150,000	150,000
	Total, Department of Justice	1,330,000	985,000	985,000	985,000
	DEPARTMENT OF LABOR				
210	Office of the Secretary: Area redevelopment activities	15,142,000	14,000,000	14,000,000	14,000,000
	Bureau of Employment Security:				
	Compliance activities, Mexican farm labor program			429,000	429,000
	Salaries and expenses, Mexican farm labor program			(594,000)	(594,000)
	Total, Department of Labor	15,142,000	14,000,000	14,429,000	14,429,000
	DEPARTMENT OF STATE				
	Administration of foreign affairs:				
210	Salaries and expenses	6,975,000	1,950,000	2,768,112	1,950,000
210	Representation allowances	48,000			
S. 51	Arms control and disarmament activities	2,900,000		1,000,000	1,000,000
	International Organizations and conferences:				
217	International conferences and contingencies	106,000			
210	Missions to international organizations	1,935,000	15,000	15,000	15,000

The supplemental appropriation bill for 1962 (H.R. 9169)—Continued

H. Doc. No.	Department or activity	Budget estimates	House bill	Senate bill	Conference action
	DEPARTMENT OF STATE—Continued				
S. 51	U.S. Citizens Commission on NATO (reappropriation)	($122,000)		($122,000)	($100,000)
	Educational exchange:				
210	Center for Cultural and Technical Interchange Between East and West	6,850,000	$3,300,000	3,800,000	3,300,000
210	Preservation of ancient Nubian monuments (special foreign currency program)	4,000,000		4,000,000	4,000,000
	Other:				
217	Pan American Health Organization Building site	217,150	217,150	217,150	217,150
S. 51	Refugee and migration assistance	10,800,000		7,000,000	
	Total, Department of State	33,831,150	5,482,150	19,800,262	10,482,150
	TREASURY DEPARTMENT				
228	Bureau of Customs: Salaries and expenses	1,200,000	600,000	750,000	675,000
228	Bureau of the Mint: Salaries and expenses	Language	Language	Language	Language
	THE JUDICIARY				
	Courts of appeals, district courts, and other judicial services:				
210	Salaries of judges	1,235,000	900,000	900,000	900,000
210	Salaries of supporting personnel	1,635,000	1,145,000	1,145,000	1,145,000
210	Travel and miscellaneous expenses	1,380,000	920,000	920,000	920,000
210	Administrative Office of the U.S. Courts	133,000	15,000	15,000	15,000
210	Fees of jurors and commissioners (1961)	150,000	135,000	135,000	135,000
	Total, the judiciary	4,533,000	3,115,000	3,115,000	3,115,000
	LEGISLATIVE BRANCH				
	Senate:				
	Administrative and clerical assistance to Senators			537,450	
	Contingent expenses of the Senate:				
S. 51	Miscellaneous items (1961)	263,000		263,000	263,000
S. 51	Furniture (1961)	16,650		16,650	16,650
	Senate restaurants			25,000	25,000
	House of Representatives:				
	Payment to widow of Hon. Overton Brooks			22,500	22,500
217	Architect of the Capitol: Capitol buildings and grounds: Capitol buildings	544,000	494,000	494,000	494,000
	Total, legislative branch	823,650	494,000	1,358,600	821,150
	CLAIMS AND JUDGMENTS				
S. 229 50	Claims and judgments	37,850,905	36,540,637	37,850,905	37,850,905
	Total	1,134,639,841	573,040,923	1,068,503,903	1,125,333,341

Mr. HAYDEN. Mr. President, I ask unanimous consent to include in the RECORD at this time a table which shows the budget estimates, the amounts in the House and the Senate versions of the bills, and the final amounts agreed to in conference for every appropriation bill approved during the 87th Congress, 1st session.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Table of appropriation bills, 87th Cong., 1st sess.

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase or decrease compared to budget estimates
			House	Senate		
	1961 SUPPLEMENTALS					
H.R. 5188	3d supplemental	$5,275,213,127	$863,506,119	$4,637,419,970	$1,694,055,637	[1] −$3,581,157,490
H.R. 6518	Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000	
H.R. 7712	4th supplemental	88,024,000	47,214,000	47,214,000	47,214,000	−40,810,000
	Total, 1961 supplementals	5,963,237,127	1,450,720,119	5,284,633,970	2,341,269,637	−3,621,967,490
	1962 APPROPRIATIONS					
H.R. 5954	Treasury-Post Office	5,371,801,000	5,281,865,000	5,327,631,000	5,298,765,000	−73,036,000
H.R. 6345	Interior [2]	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350
H.R. 7035	Labor-HEW	5,004,281,681	4,327,457,000	5,161,389,000	4,915,965,000	−88,316,681
H.R. 7208	Legislative	136,082,802	104,353,335	135,432,065	135,432,065	−650,737
H.R. 7371	State, Justice, Judiciary	795,891,202	751,700,050	762,038,550	756,422,550	−39,468,652
H.R. 7444	Agriculture	6,089,244,000	5,948,466,007	5,967,457,500	5,967,494,500	−121,749,500
	Loan authorizations	(612,000,000)	(629,900,000)	(725,500,000)	(725,500,000)	(+113,500,000)
H.R. 7445	Independent offices	9,174,561,000	8,494,098,000	9,098,769,500	8,966,285,000	−208,276,000
H.R. 7577	General Government-Commerce	666,278,000	626,968,000	650,438,200	641,136,800	−25,142,200
H.R. 7851	Defense	46,306,945,000	42,711,105,000	46,848,202,000	46,662,556,000	+355,611,000
H.R. 8072	District of Columbia	(292,827,398)	(268,122,409)	(270,438,360)	(270,067,897)	(−22,759,501)
	Loan authorization	(24,600,000)	(29,000,000)	(29,000,000)	(29,000,000)	(+4,400,000)
	Federal payment	39,753,000	32,753,000	32,753,000	32,753,000	−7,000,000
H.R. 8302	Military construction	1,047,568,000	883,359,000	1,020,146,750	951,690,750	−95,877,250
H.R. 9033	Foreign assistance	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000
H.R. 9076	Public works	4,009,788,000	3,662,701,380	3,940,926,880	3,908,880,980	−91,907,020
H.R. 9169	Supplemental	1,134,630,841	573,040,923	1,068,503,903	1,125,333,341	−9,366,500
	Total, 1962 appropriations	85,634,210,926	77,896,026,668	85,243,260,198	84,265,217,636	−1,368,993,290
	Total, all appropriations	91,597,448,053	79,346,746,807	90,527,894,168	86,606,487,273	−4,990,960,780
	Total, loan authorizations	636,600,000	658,900,000	754,500,000	754,500,000	+117,900,000

[1] Major reductions include two items submitted directly to Senate (S. Doc. 19): (1) $2,969,525,600 to restore funds of Commodity Credit Corporation. Entire estimate disallowed in conference; $1,951,915,000 resubmitted for 1962 in budget estimates for Agriculture (H. Doc. 155); (2) $490,000,006 for "Payment to the Federal extended compensation account." Reduction made by Senate. Resubmitted to Senate for 1962 in Labor-HEW bill (S. Doc. 30).

[2] Includes borrowing authority as follows: Budget estimate, $15,000,000; House reported and passed, $10,000,000; Senate reported and passed, $10,606,000.

NOTE.—Indefinite appropriations are included in this table.

CONFERENCE REPORT ON OPEN SPACE AND MASS TRANSPORTATION

Mr. WILLIAMS of New Jersey. Mr. President, I wish to comment on the conference report on the supplemental appropriations bill, H.R. 9169. My remarks will be as brief as possible for I do not want to unduly delay the proceedings of the Senate in these final hours of the session, but I must express my astonishment and dismay over the action of the conferees in hamstringing administrative expenses in connection with the $75 million mass transportation and $50 million open space programs enacted by Congress in June. This action can only have the effect of seriously crippling these programs.

These programs are not only complex, thereby necessitating a sufficient number of qualified people to properly administer them, they are also vitally important to the urban and metropolitan areas across the country, large and small.

I know that traffic congestion and the rapid deterioration of mass transportation is perhaps the most acute problem facing the New York, New Jersey, and Connecticut metropolitan area. And even as far away as Seattle, Wash., I recently came across an editorial from the Seattle Post Intelligencer commenting that there was no other single more important problem than this facing that city.

The problem is no less important to the smaller cities and towns of the country. Three hundred smaller towns have lost all forms of public transportation, mostly bus, since the war, and more are on the way. This means that about half the people of those areas are deprived of an essential service because they are either too young, too old, too infirm, or too poor to drive an automobile.

As for open space, every year more than a million acres of farmland fall before the onrush of urbanism, and residential developments are sprawling over the countryside at an accelerating rate, pushing nature's horizon farther and farther away from more and more people.

We know about the disappearance of open space in the East, because we have lost so much of it. In fact New York has approved a $75 million bond issue by the overwhelming margin of 3 to 1, which will be used to acquire and preserve park and open space land. New Jersey's legislature unanimously approved a $60 million green acres bond issue, which will be up for the approval of the voters this November.

But this is not just a problem for the megalopolis of 31 million people living in the Northeast. It is perhaps even more important to the hundreds of smaller rapidly growing urban areas of the country, which still have an opportunity to preserve reasonable amounts of open space within reasonable distance of the urban centers, so that when the growth and expansion comes, the open space will be there as an integral part of the total environment.

And open space serves so many vital purposes: We need it to meet our recreational needs that cannot be met by a weekend drive to the country; we need it for our children so they can have a place to play and roam; we need to hold on to our most scenic areas; we need it to meet a multitude of urban conservation purposes; we need it to provide buffers between communities to keep them from merging into an indistinguishable sea of subdivisions, to enhance adjacent property values and curb the spread of blight and deterioration, and to provide relief from the concrete and asphalt of urban living.

Evidence of the importance of these two programs can be seen in the dramatic response that has occurred since enactment of the programs in June. The Housing and Home Finance Agency has received more than 25 inquiries and requests for assistance under the mass transportation program, and more than 95 under the open space program, despite the fact that the application forms have not even been printed yet. These inquiries have come from all over the country, and I ask unanimous consent, Mr. President, that a list of the inquiries and requests be printed in the RECORD at the conclusion of my remarks.

Therefore, Mr. President, I simply cannot understand the action of the conferees in denying the modest requests of the administration for funds to administer these two programs—unless the Housing Agency capitulates to the whims of the Appropriations Committees and consents to this usurpation of power by these committees.

And I must say, frankly, that the action strikes me as a brazen attempt to change the fundamental character of a number of very important programs in the final hours of this weary session of Congress when most of the Members have not had a chance to study and debate these changes.

If, as I hope, the Agency refuses to accept the conditional restrictions of the bill, the action of the conferees can have no other effect than to seriously cripple these two vitally important programs, because the Agency is already under strain to properly administer the greatly expanded programs provided in this year's Housing Act.

The Agency does not have spare personnel around to assign to these very complex programs. They urgently need competent, qualified people who are familiar with the technical problems of mass transportation and open space. I think the conferees made a serious mistake in judgment in denying funds to obtain the necessary personnel.

Nevertheless, I take strong exception—and I am sure a great many other Senators and Representatives will too—to any implication, expressed or otherwise, on the part of the conferees that the denial of administrative funds except on their terms means that these programs should not be implemented this year. I call attention that there were 18 cosponsors of the mass transportation bill from both sides of the aisle and more than 25 companion measures in the House, and I am sure that all these members would join me in the belief that the will of Congress with respect to this program was expressed in the passage of the Housing Act. I am sure they would join me in challenging the action of the conferees. Likewise I am sure that the cosponsors and supporters of the open space program would share a similiar view with respect to the terms imposed on that program.

Obviously it is going to be extremely difficult for the Agency to effectively implement these programs under these totally unacceptable conditions, but because they are so intimately related to the urban renewal and community facilities programs, I earnestly hope that the Agency will recognize the urgency of these two programs and reallocate the resources and duties of existing personnel in order to give these programs the careful and expeditious attention they deserve, even if it means working overtime. Next year we can deal with the problems caused by the conferees.

I recognize that the diversion of people from the urban renewal and community facilities programs to work on mass transportation and open space will tax the Agency's ability to administer the former two programs.

But I believe such a diversion would be amply justified, indeed imperative; for we are not talking here about a problem of delay. Delays in the processing of a community facilities or urban renewal project would be unfortunate, but the damage would not be irreparable.

In contrast, delay in the implementation of the mass transportation will mean a continuation of the downward spiral in transit service, which has declined about 38 percent in the last 10 years, throwing that much more burden on our already overcrowded highways and causing that much more despair on the part of central city businessmen whose financial contribution to the renewal of the city will depend heavily on whether they see any positive action to overcome the traffic congestion that is stifling their commercial activity. A continued decline and loss of essential mass transportation, especially rail transit, will mean that much greater cost when it is ultimately realized that the lost facilities will have to be replaced.

Delay in the implementation of the open space program will mean that much more loss of the rapidly disappearing open space land around the urban areas that is so vitally needed for recreation, conservation, and scenic purposes. Each new subdivision that spreads into a stream valley or flood plain, or eats into a wooded hillside, or sprawls over once scenic and pastoral farmland means an irreplaceable loss of land that might have been and perhaps should have been saved.

Unlike other programs, delay in the prompt initiation of the transit and open space programs will mean irretrievable economic or social losses.

In the confidence that a great many other Members of this and the other body would support me if there had been time to alert them, I strongly urge the Agency to refuse the "terms" of the conferees, recognize the urgency of these problems, give them top priority and use existing personnel to carry out these programs to the best of its admittedly han-

dicapped ability as promptly as possible, with full consciousness that when Congress provided the Agency with $75 million for mass transportation and $50 million for open space, it fully intended that these funds would be wisely used as they were provided, and not with the strings that a few Members of Congress have tied on them.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CONFERENCES, LETTERS, AND OTHER INQUIRIES ABOUT OPEN-SPACE GRANTS

I. STATES

California: Division of recreation, department of natural resources; Congressman GUBSER.

Connecticut: Community development commission and park and forest commission.

District of Columbia: National Capital Regional Planning Commission; Recreation Department.

Illinois: Illinois Association of Park Districts.

Iowa: State conservation commission.

Michigan: Congressman O'HARA.

New Jersey: Representatives of department of conservation and economic development.

North Carolina: North Carolina Recreation Commission.

Pennsylvania: Department of internal affairs.

Northern Virginia: Regional park authority.

Washington: State parks and recreation commission (through Senator JACKSON).

Wisconsin: Gaylord Nelson, Governor; director, conservation department.

II. COUNTIES, CITIES, AND TOWNS

Alabama: Tuscaloosa, Congressman SELDEN.

California: Atascadero, Congressman TEAGUE; Burbank, planning commission; Fontana, planning commission; Pacifica, city manager; Sacramento, department of natural resources; San Francisco, city and county planning commission and mayor; Santa Clara, director of planning; Santa Clara County, planning commission.

Colorado: Denver, Interregional county planning commission; Westminster, metropolitan recreation district.

Connecticut: Wethersfield, acting town manager.

Florida: Dade County, planning department; Miami, parks and recreation department.

Georgia: Atlanta, metropolitan planning commission; Dekalb County Planning Commission; Valdosta, Lowndes County Planning Commission.

Hawaii, Honolulu: City and county planning commission.

Idaho: Nampa, mayor.

Illinois: Cook County, forest preserve district; Evanston, director of city planning; Lake Bluff, State Senator Robert McClory; Lake County, Lake County Forest Preserve; Moline, director of city planning; Springfield, Congressman MACK.

Indiana: Marion County, councilman.

Iowa: Waterloo, director of LPA.

Kentucky: Lexington, city manager.

Louisiana: Eunice, aldermen; Lake Charles, metropolitan planning commission; Natchitoches, Congressman MCSWEEN.

Maryland: Baltimore, planning commissioner; Montgomery and Prince Georges Counties, Jesse F. Nicholson, executive director, and John P. Hewitt, director of parks, Maryland National Capital Park and Planning Commission; Somerset, mayor.

Massachusetts: Danvers, town manager; Norwood, selectman; Shrewsbury, town manager.

Michigan: Ann Arbor, planning department; Livonia, city planning council; Washtenaw County, planning commission.

Minnesota: Bloomington, recreation commission; Ramsey County, Senator HUMPHREY; St. Paul, parks and recreation department.

Mississippi, Meridian: Housing authority.

Missouri, University City: City manager.

Montana, Laurel: Senator MANSFIELD.

Nebraska, Lincoln: City planning director.

New Jersey, Westfield: Administrative assistant.

New York: Babylon, Long Island, Long Island State Park Commission; Bear Mountain, Palisades Interstate Park Commission; Buffalo, commissioner of planning and public works; Mina, town supervisor; Monroe County, county planning council; New York City, division of housing and community renewal; Rye, Congressman DOOLEY.

North Carolina: Charlotte, Charlotte-Mecklenburg Planning Commission; Fayetteville, director of planning; Greensboro, parks and recreation department, and mayor.

Ohio: Akron, tricounty regional planning commission; Canton, director of city planning; Cleveland, metropolitan park district; Cuyahoga Falls, Silver Lake Village Council; Dayton, director of welfare; Kettering, city manager; Lakewood, mayor; Montgomery County, Washington Township Park District; Toledo, Michael J. Dumas, mayor.

Oregon: Medford, city manager; Reedsport, Congressman DURNO; Willamette, Mid-Willamette Valley Planning Commission.

Pennsylvania: Bucks County: Park board, Robert W. Pierson, executive director, county park board; Philadelphia, development coordinator's office; Williamsport, Congressman SCHNEEBELI.

South Carolina. Columbia: Director of city planning.

Tennessee: Johnson City, city manager; Waverley, housing authority.

Virginia: Arlington County Planning office; Fairfax County Park Authority.

Wisconsin: Madison city planning director; New Berlin, Senator PROXMIRE.

III. ORGANIZATIONS

Outdoor Recreation Resources Review Committee: Arthur Davis, director.

Penjerdel: (Open space consultants).

Individual prominent writer: William Holly Whyte.

The regional offices have indicated, as of September 19, 1961, interest expressed by the following additional localities: Little Rock, Ark.; Fremont, Calif.; Napa, Calif.; San Jose, Calif.; Sausalito, Calif.; Santa Clara County, Calif.; Honolulu, Hawaii; Des Moines, Iowa; Waterloo, Iowa; Kansas City, Kans.; Wichita, Kans.; Lansing, Mich.; Warren, Mich.; Kansas City, Mo.; St. Louis, Mo.; Erie County, N.Y.; Trenton, N.J.; East Liberty, Pa.; Pittsburgh, Pa.; Scranton, Pa.; Wilkes-Barre, Pa.; San Antonio, Tex.; Fond du Lac, Wis.

Requests for open space grants which indicated dollar amounts:

Colorado: Denver and region	$2,000,000
Pennsylvania:	
Delaware County	120,000
McKeesport	78,335
Puerto Rico	600,000
Wisconsin, Milwaukee	2,000,000
Illinois, Cook County Forest Preserve District	5,000,000

REQUEST FOR URBAN TRANSPORTATION PLANNING ASSISTANCE

Locality: Atlanta, Ga. Purpose: Transportation feasibility study.

Locality: Ithaca, N.Y. Purpose: Transportation survey of their bus system which they will take over from a private bus company.

Locality: South Shore Transportation District, Mass. Purpose: Assistance in the development of plans for urban transportation facilities.

Locality: Philadelphia, Pa. Purpose: Planning for improved city transportation system.

Locality: Seattle, Wash. Purpose: Transportation study of metropolitan area from Seattle to Tacoma.

Locality: Boston, Mass. Purpose: Planning for five separate projects to extend and improve rapid transit operations in the Boston area.

Locality: Chicago, Ill. Purpose: Research project to determine the type of financial structure that would provide a solution to the economic needs of metropolitan areas and to encourage rapid transit development and usage.

Locality: New York, N.Y. Purpose: Feasibility of setting up a new agency to operate commuter services on the New Haven and New York Central Railroads.

REQUEST FOR MASS TRANSPORTATION DEMONSTRATION GRANTS

Locality: San Francisco, Calif. Purpose: To install part of their new rapid transit system which would help to discover more efficient and economical methods of mass movement of people.

Locality: Philadelphia, Pa. Purpose: Engineering and land acquisition program to double downtown stations, eliminate stub-end terminals, and demonstrate viability of central city.

Locality: Philadephia, Pa. Purpose: To build 2.3-mile, high-speed transit link between airport and railroad station.

Locality: Detroit, Mich. Purpose: 25-mile monorail test line between center of Pontiac and Detroit CBD.

Locality: Newark, N.J. Purpose: Would pave Newark, N.J., subway line so that it could be converted to bus use for more flexibility.

Locality: Atlanta, Ga. Purpose: Downtown phase of distribution program.

Locality: Ithaca, N.Y. Purpose: Free city bus service.

Locality: Cleveland, Ohio. Purpose: To construct a 4-mile extension to Cleveland's Hopkins Airport of the present Cleveland Transit System.

REQUEST FOR MASS TRANSPORTATION LOANS

Locality: San Francisco, Calif. Purpose: To help finance new rapid transit system if approved by referendum in June 1962.

Locality: Augusta, Ga. Purpose: To purchase buses.

Locality: Philadelphia, Pa. Purpose: To purchase new electric and diesel commuter railroad cars.

Locality: Los Angeles, Calif. Purpose: To build the "backbone route" of their new rapid transit system.

REQUESTS FOR INFORMATION ABOUT THE MASS TRANSPORTATION PROVISIONS OF THE HOUSING ACT OF 1961

St. Petersburg, Fla.; San Bernardino, Calif.; Springfield, Mo.; Eugene, Oreg.; South Shore Transportation District (Massachusetts); New Orleans, La.; Augusta, Ga.

Mr. MANSFIELD. Mr. President, has the conference report been agreed to?

The PRESIDING OFFICER. Yes.

AUTHORIZATION FOR SECRETARY OF SENATE TO RECEIVE MESSAGES FROM THE HOUSE

On motion of Mr. MANSFIELD, and by unanimous consent, it was ordered, that notwithstanding the final adjournment of the present session of the Congress, the Secretary be, and he is hereby, authorized to receive messages from the House of Representatives.

PRIME MINISTER NEHRU

Mr. COOPER. Mr. President, I am very sorry that I was not on the Senate floor on Monday, when the Senator from Arizona [Mr. GOLDWATER] commented upon the suggestion of the majority leader, Senator MANSFIELD, that Prime Minister Nehru of India be considered for the position of Secretary-General of the United Nations.

Senator MANSFIELD had the right to make such a proposal, and Senator GOLDWATER had the right to voice his objections to the suggestion.

I believe the matter is academic, for Mr. Nehru is occupied as the Prime Minister and undoubted leader of India. It is my judgment that he would not consider the office of Secretary-General, as interested as he is in the success of the United Nations.

I comment on the matter only to say that I do not consider that the views of the junior Senator from Arizona concerning Prime Minister Nehru are representative of the views of the Senate or of the people of the United States.

Our Government does not agree with every position or view of Mr. Nehru in the field of foreign policy, as I do not. And it is not expected that the Government of India and Mr. Nehru will agree with every position of the United States. However, I point out these things that we should remember when we speak of Mr. Nehru:

He is the leader of India—a country of nearly 400 million people, a country bordering the Soviet Union and Communist China—and he has led his country for years in the path of parliamentary democracy, free institutions, and social justice—all goals that have been the goals of our country since our independence.

He is the leader of a country which sent medical detachments to Korea, and which sent troops to carry out the exchange of prisoners after that war. Only lately, when other U.N. countries threatened to remove their peace forces from the Congo, he halted the trend by sending to the Congo, Indian soldiers.

At the United Nations he has spoken out against the splitting of the office of Secretary-General. And at the Belgrade Conference, even though that conference disappointed the people of our country, he pointed out to its delegates that the overwhelming issues before the world are those of war or peace, Berlin, nuclear weapons.

I will not continue, for Prime Minister Nehru's record is well known in our country and in the world. He is antitotalitarian; he is democratic; he is devoted to peace.

I repeat that our foreign policy seeks a world of independent, sovereign, democratic nations. That is best for our security, for a world order of law, and for peace. And that, I believe, is the policy of Mr. Nehru for his country.

NEED FOR EXTENSION OF SUGAR ACT

Mr. CARROLL. Mr. President, as this 1st session of the 87th Congress draws to a close, it is not inappropriate to discuss what should be the first order of business in January.

My mail has been heavy, in recent weeks, with letters from farmers in Colorado asking me to assure them that extension of the Sugar Act will be called up as first order of business in January.

Mr. President, I agree that renewal of the Sugar Act should receive high priority in the second session of this Congress.

I hope the Senate and House committees will make plans this fall for early hearings in January, so that a bill will be moved speedily once we reconvene.

Partial hearings have already been held in the House. On May 18 and 19 the Agriculture Committee heard between 50 and 60 witnesses from 15 States, a demonstration of the intense interest in this issue.

The Sugar Act, which was fathered by one of Colorado's most eminent and beloved political statesmen, the late Senator Ed Costigan, will expire on June 31 of next year.

On July 3 of last year we extended the act to March 31 of this year.

This year we extended it to June 31 of next year.

When we reconvene in January, I hope we will begin to work seriously on a permanent sugar law.

This legislation has worked to the benefit of producer and consumer and brought stability to the sugar industry.

This legislation deserves extension.

It needs revision to take into account the world events that have reshaped the relationships of the world's sugar producing and sugar consuming areas. But once the act is adjusted to contemporary conditions it should be extended for a long enough period to give our sugarbeet farmers a stable foundation upon which they can plan their crops.

Right now the farmers are disturbed over the possibility of excess production and falling sugar prices.

Two weeks ago the Colorado sugarbeet crop for this year was predicted to top 2.8 million tons, the largest in 30 years.

With sugar prices steadily falling and supplies increasing, the farmer is naturally fearful that if action is not taken swiftly on revision and extension of the Sugar Act he will face further depressed prices as foreign sugar floods the market.

This is why we must begin early in 1962 to revise and extend the Sugar Act.

It will be a severe blow to the sugarbeet farmers if we procrastinate on the Sugar Act extension and then in June extend it once more for a limited period.

The farmers want long-range stability.

Colorado has considerable interest in a stable sugar program.

Colorado is the second largest sugarbeet producing State in the United States.

Only two States in the Nation harvest more than 100,000 acres of sugarbeets a year—Colorado and California. Colorado harvested 155,100 acres in 1960; California 208,000 acres.

Colorado has the most beet-producing farms of any State in the Nation producing sugarbeets. We have 4,285 beet farms. The next State is Idaho with 4,047.

Colorado has the most number of persons eligible for payments under the Sugar Act of 1948. We have 8,810. Idaho has 6,371.

Out of 22 sugarbeet States, Colorado is second in tons of beets harvested (2,761,000 in 1960) and second in Sugar Act payments.

Colorado has more sugarbeet factories than any other State in the Union. Colorado has 14 factories; California has 10; the next nearest State has 5.

All of this means that my State will have a real stake in the actions taken by Congress next year on sugar.

What we will do next January will bear heavily on the economy of my State.

Last year Colorado farmers earned $42,464,069 from sugarbeets.

At the same time another $25 million was paid out to workers in the 14 Colorado sugarbeet processing plants.

Sugar is a $70 million income producer in my State.

The National Beet Growers Federation has its headquarters in Greeley, Colo.

They have been concerned with falling sugar prices and the current excess supply of sugar.

On August 9 of this year the federation wrote Secretary of Agriculture Orville Freeman, expressing their concern over these developments and sent me a copy of their letter. These farmers hope that a new Sugar Act will help stabilize these new, unsettling conditions.

I ask unanimous consent that the federation's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL BEET GROWERS FEDERATION,
Greeley, Colo., August 9, 1961.

The Honorable ORVILLE FREEMAN,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: Sugarbeet growers are noting with a great deal of concern the continued weakness in the sugar price structure. This weakness is occurring in the raw price and has been apparent in refined sugar prices for the past few weeks.

The spot raw prices at New York have sharply declined from the June 1 level of $6.55 to $6.01 on August 7, a drop of 54 cents per hundredweight, or nearly 10 percent in a period of slightly over a month.

Refined sugar prices have not declined so markedly. Beet sugar basis prices declined from $8.60 per hundredweight on July 6 to $8.40.

If raw sugar is purchased in any large amount at the $6.01 level we can expect much lower basis prices in refined sugar, especially beet sugar.

Sugarbeet growers share proportionately in the net price received by their processors and under present marketing conditions, unless action is taken by the Department of Agriculture, the returns to sugarbeet growers will be drastically reduced.

When President Kennedy approved the new farm bill on Tuesday, August 8, he stated that "(This is) a major step toward a sound agricultural economy and a better life for the farmers of this country." This bill, as we understand it, is designed to improve farm incomes. The professed policies of the Kennedy administration with respect to agriculture is to raise farm income, and yet the domestic sugar producing industry—both beet and cane—are faced with lower returns unless immediate action is taken to strengthen the market.

It is quite apparent that an excess supply of sugar is being forced on the market from foreign sources. We note that the distribution of sugar has fallen behind deliveries of a year ago. Our information indicates that actual consumption of sugar this year will be somewhere in the neighborhood of 9,500,000 tons, raw value. The estimate of consumption which has been established by your Department is 10 million tons of which 9,500,000 tons have been allocated to both domestic and foreign producers. This would indicate an excess of some 400,000 tons of sugar over and above the actual requirements of this country.

We are fully cognizant of the international implications with respect to allocation of sugar quotas by the many aspiring foreign contenders to the U.S. sugar market, however we are at a loss to understand why the American farmer must be forced to bear the brunt of overzealous actions on the part of some officials in the executive branch of the Government.

We do not suggest specific actions to be taken, due to foreign policy implications. There are, however, two possible actions which come to mind—one is to reduce the overall estimate of consumption from the present high level to a more realistic basis, or to freeze imports of nonquota sugars at some percentage figure less than 100 percent. The latter might offer the best solution as it does have precedence through the operation of the International Sugar Agreement, of which most of the beneficiaries of the nonquota sugar are signatory.

Sugarbeet growers look to you, Mr. Secretary, as their champion in the interests of American agriculture. We know that our request for immediate action will receive your sympathetic consideration.

With kindest personal regards, I am,

Sincerely,

RICHARD W. BLAKE,
Executive Secretary.

Mr. CARROLL. Mr. President, an excellent news article, summarizing the sugar problems facing the Congress next January, appeared in the Daily Sentinel of Grand Junction of Colorado on September 10. It was written by Ovid A. Martin of the Associated Press. I ask unanimous consent, Mr. President, that this news article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUGAR NEXT CONGRESSIONAL FARM PROBLEM

(By Ovid A. Martin)

WASHINGTON.—A big question the Kennedy administration and Congress must settle early next year is whether it will permit an expansion in the domestic production of sugarbeets.

The decision must be made within the framework of the Nation's Government-managed sugar economy. Under congressional direction, the Government divides the domestic sugar market among domestic, offshore and foreign producing areas.

The purpose of the program is to stabilize prices and supplies and to protect the domestic industry against foreign areas able to produce the food product more cheaply.

Strong pressures are being exerted on the administration and Congress to give the domestic beet sugar area a larger share of the U.S. market. This pressure has grown in intensity since the United States cut off imports from Cuba.

The threatening international situation also is exerting an influence in the same direction. Leaders in the domestic beet sugar and mainland cane sugar areas say this country should not depend as heavily as it does on foreign supplies—supplies that could be cut off in event of war. This happened during both World War I and World War II.

The decision must be made by next July 1 when the present sugar law expires. Without such a program, markets would be open to anyone, and domestic producers fear they would suffer from a heavy inflow of foreign sugar that would depress prices below their production costs.

Under the present quota system, the domestic beet sugar area has a basic share of about 22 percent of the market. However, its total share this year will be about 26 percent because it has been allocated shares in deficits in quotas for Hawaii and Puerto Rico. The latter two areas do not have enough to fill their full quotas.

As things stand now, the domestic beet area faces the prospect of Government-enforced cutbacks in 1962—from the 26-percent level of this year to its basic share of about 22 percent. That's because of the possibility both Puerto Rico and Hawaii may be able to come much closer to filling 1962 quotas. Too, there is a possibility that the overall quotas of 10 million tons this year may be reduced somewhat next year. Extra supplies are being accumulated in the domestic supply this year.

The Kennedy administration has not yet decided what its position will be regarding future quotas. Congress will await the administration's recommendations, which will not go to Capitol Hill before the 1962 session.

The administration must tackle the sugar problem in relation to foreign policy as well as in relation to desires of domestic growers. It wants to obtain considerable supplies from friendly foreign countries which need the American market.

Complicating the matter for the administration is the future of Cuba. Officials are wondering if it would be wise, in passing new long-term sugar controls, to provide for a possible return of Cuba as a major U.S. supplier. Certainly, there would be pressure from that country for reestablishment of a Cuban quota should the Castro regime be overturned and a friendly government established in its place.

Any substantial increase given domestic beet growers would have to be for a long-term period. At the present time, the beet area is producing at about the top of the capacity of present plants to process beets.

A new plant would cost an estimated $15 million. No processor would build a new one unless assured of a supporting acreage of beets for a long period. In other words, any increase in the share of the beet area would have to be permanent. This means that it would not be practical to give the beet area a big share of a potential future Cuban share.

The most active organization in the beet sugar field is the U.S. Beet Sugar Association, an organization representing processors.

Beet growers have their own organizations, mostly on a statewide basis. Their positions are represented not only by these organizations but by lawmakers from States which grow beets. Beets today are produced in 22 States and are processed in 64 factories located in 15 States and owned by 16 companies.

The Beet Sugar Association has not yet come out with formal recommendations for the new sugar legislation Congress must take up next year. Officials said its recommendations undoubtedly will call for several changes in the present quota setup.

One would be an enlargement of the present quota to permit some new areas and growers to produce beets. Such an enlargement would provide the encouragement of erection of a new plant or so.

Another change would be granting the beet area a larger share in the year-to-year growth in sugar demands of an increasing population. Under the present program, the area's share of the growth is about 23 percent.

A third change would be an allowance, in terms of increased quotas, for new technological advances increasing the yield of beets per acre.

Grower groups also want similar changes, although some demand an even larger increase in quotas than the beet association has in mind.

There is little demand for an increase in the mainland cane sugar quota. This sugar is produced solely in Louisiana and Florida. This area is not quite meeting its 1961 quota, which is about 6.7 percent of the total market.

A recent Agriculture Department study looking as far ahead as 1970 said there was no prospect of a shortage of foreign sugar for meeting U.S. import needs. This study said almost 9 million tons would be available with present imports of upward of 5 million tons.

"Looking ahead over the next decade, the United States need not fear that the break in the traditional flow of Cuban sugar to the United States (even if it should persist) will bring a shortage of sugar available to it" the report said.

The study said that the domestic beet area could be expected to increase its production nearly two-thirds by 1970 if present prices remained near current levels and restrictions permitted such an increase.

At the present time, the Government is considering placing acreage restrictions and marketing limitations on the 1962 beet crop and beet sugar. There are no controls this year. The prospect of controls next year is based upon the possibility of a smaller total beet sugar quota next year. Controls would require some cutback in acreages and in marketings.

The beet industry is divided on this. Growers are opposing, but some processors see accumulation of costly inventories in their hands and possibly lower sugar prices if restrictions are not imposed. Such a cutback would be made only if Congress did not increase the beet area quota before 1962 crop planting time—a development considered unlikely.

Mr. CARROLL. Mr. President, a comprehensive and bold statement on our sugar problems was made last June in New York by Senator CLINTON P. ANDERSON of New Mexico, when he addressed the Sugar Club.

Senator ANDERSON called this "the year of decision on sugar." He covered the entire story of what some of us have tried to accomplish in the last 3 years in the Senate on sugar legislation and he describes clearly what we need in our revision of the Sugar Act.

Mr. President, I ask unanimous consent that this excellent statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

(Statement by Senator ANDERSON at the Sugar Club, Savoy Hilton Hotel, New York City, June 8, 1961)

THE YEAR OF DECISION ON SUGAR

Mr. President and gentlemen, this is a delightful occasion. When your president invited me, he told me that I would be the 10th and final speaker on your series of programs for this season. Since accepting the invitation—which I did with some hesitation, I admit—I have had the privilege of reviewing the subjects and, to a degree, the subject matter of the addresses delivered in this forum by my predecessors, and it has been an illuminating experience. I was impressed both by the caliber and variety of your speakers—noted leaders in the sugar industries or governments of six nations. It is rewarding merely to join such illustrious company.

Plainly the Sugar Club is a forum which has the courage to seek and consider divergent points of view and which does not shun, but rather invites, the controversial. In this atmosphere, in a forum which encourages free expression, I feel perfectly at home.

It is fitting that this year, particularly, you chose to air a variety of opinions and facts about sugar and sugar programs. For the consideration of many factors and facets is essential for arriving at wise decisions concerning future U.S. policy on sugar. And this is the year of decision on sugar.

For sound and compelling reasons, this should be the year of decision. Our national sugar policy has been the victim of delays, indecision, and drifting for nearly 2 years—ever since the true nature of the regime instituted by the bearded dictator of Cuba became plainly evident to all but those who would not see. We cannot afford to wear our blinders any longer.

To refresh our memories, let us review the record of delays, and the reasons for them, over the last 2 years.

We all remember that the Sugar Act of 1948, as amended in 1956, was due to expire at the end of 1960. So, in the early part of 1959, Members of the Congress began to confer with representatives of the sugar industry to explore what amendments, if any, should be made in the law for the period of its next extension. This was in accordance with established precedent. Most extensions of the Sugar Act wisely have been made during the year preceding the year of expiration. Sugar producers, both at home and abroad, need time to plan for the production adjustments and prepare for other changes any amendments in the act might require.

But this was 1959. Castro had just come to power. Within a few short weeks the enthusiasm with which many Americans had welcomed the Cuban revolution was being dampened by the bloodletting of the Castro firing squads. Then, on the 17th of May 1959, Castro issued his decree expropriating sugar lands without compensation. The avowed objective was to divide the large estates, including the huge corporate holdings of sugar lands, into small tracts, and to turn each small tract over to a different individual farmer. However desirable land reform may have been, it raised doubts about Cuba's future sugar production. It stirred memories of how sugar production had dropped drastically in other parts of the world—Indonesia and Mexico for example—when the large sugar estates were divided under land reform programs. The Cuban decree generated a strong feeling that until the direction of Cuba's future course became unmistakably clear, action on a long-range sugar bill should be postponed.

I do not need to remind this audience why the Cuban situation and serious questions about her future course prompted that decision. I have a well-worn chart which serves to illustrate graphically our past dependence upon Cuban sugar supplies.

In any event, the path Cuba seemed to be taking in the summer of 1959 caused the first delay in enacting sugar legislation.

By the first part of 1960, that path was crystal clear. The anti-American diatribes, which had begun as occasional rumbles, had by then risen to shrill and continuous blasts. Early in the year, Cuba completed a huge sugar deal with Russia, which included a barter of Cuban sugar for Russian "hardware." Cuba's direction was indeed clear—and the Cuban sugar quota thus became a matter of extreme importance in the foreign relations of the United States.

Recognizing this, several bills were introduced in Congress in the early months of last year which would have given the President of the United States the authority to reduce the Cuban quota if he deemed such action to be in the best interests of the United States. An adjustment of domestic quotas was included in these bills to give recognition to production levels that had been reached in the mainland cane and domestic beet areas.

In spite of continued worsening relations with Cuba and in spite of repeated requests from our President for authority over the Cuban sugar quota, action on sugar legislation was delayed and delayed. As you know, since sugar legislation involves a tax, parliamentarians have ruled that it must originate in the House. Finally, on the first day of July—only a few hours before a congressional recess for the presidential nominating conventions was scheduled to begin—the House of Representatives sent a sugar bill over to the Senate.

By that time, the issue had narrowed almostly solely to the question of granting the President the authority to set the Cuban quota in the national interest. By that time, too, with the year half gone, Cuba had been able to enter into the United States almost four-fifths, some 78 percent, of her 1960 quota—all but 700,000 tons of her original 1960 quota of 3,199,655 tons. The delays had paid off for Castro, at least.

In a memorable all-night session, July 2 and 3, we did give the President the power he so sorely needed over the Cuban quota. The Senate sought also to give him some leeway in determining where supplies to replace Cuban sugar would come from. The Senate, in fact, passed my amendment in the nature of a substitute which would have broadened his authority in this respect. Again a question of foreign policy was involved, this time concerning our relations with all of Latin America in a serious issue pertaining to the late Dominican dictator. The House bill made it mandatory to allocate Trujillo an additional share of the U.S. sugar market. It would have extended this mandatory requirement to the end of 1961. The Senate sought to shorten the time to the end of 1960, in the hope this would provide the incentive for passing more satisfactory legislation after the recess. We wound up, as you remember, with a law expiring the last day of March 1961.

We did get a sugar bill after the recess, only a couple of days before the 86th Congress was scheduled to adjourn sine die. But it was essentially the same old bill; the only principal change was to extend the law until the end of 1961. In the Senate Finance Committee, of which I am a member, we amended the bill to give the President clear authority to prevent automatic admission of additional sugar from the Dominican Republic, and to give him authority to permit American sugar producers to share in replacing Cuban sugar in the American market. Once again the House had different ideas. The result was no new law—no recognition of the critical foreign relations problems involved—only a further postponement of a genuine solution and a continuation of the disturbing trade uncertainties caused by the March 31 expiration date.

This year, the story of delay and postponement was repeated. But still there was no recognition of the needs of the domestic cane- and beet-sugar-producing industry in the bill that came over from the House, only 9 days before the act was due to expire. The Senate included my amendment which would have given domestic cane- and beet-sugar producers, rather than foreign suppliers, first opportunity to fill the former Cuban quota. This amendment lost out in the conference between the two Houses. The House report did, however, contain a pledge to begin hearings on a long-range bill during the month of May, and to give new domestic producers an opportunity to be heard. The Senate conferees also reduced the term of the bill—again in an effort to provide the incentive for earlier action on a long-range bill.

So now we have a Sugar Act that is due to expire June 30, 1962. And again we hear voices counseling delay, and more delay, on writing a long-range Sugar Act. And we see signs of the same old delaying tactics.

I am sure you whose lives and livelihood are so intimately involved in the sugar business recognize why there must be no more delay. Delay breeds uncertainties, and only a handful of speculators profit from uncertainty. For all the others involved in sugar—domestic producers, foreign suppliers, refiners, brokers, and especially consumers—the stability brought to the market and to supplies has been one of the major benefits of the Sugar Act.

The yearning for stability is not new. Recently I reread some of the testimony given in 1945 at hearings of the Special House Committee to Investigate Food Shortages, of which I was chairman. A thread running through nearly all the testimony—much of it by persons now in this room—was deep concern about uncertainties of supply and price. Fortunately, we are not now plagued by a shortage of world sugar supplies, as we were then. But we shall continue to be disturbed by marketing uncertainties of various kinds as long as our sugar policy drifts as it is now drifting.

Certainly this drifting is not satisfactory to consumers, who want and need the assurance of supplies and the price stability that a long-range Sugar Act will bring.

Certainly the cane sugar refiners should welcome greater assurance of supplies and some forward identification and designation of domestic and foreign raw sugar sources. These things, as well as relative price stability, a long-range Sugar Act will bring.

Certainly the sugar brokers will welcome a long-range act, because it will help to maintain their role in sugar marketing. The longer we drift, the greater danger there is of deeper Government involvement in the sugar business. You remember the Government involvement during and immediately after the Second World War. I remember that when I was Secretary of Agriculture I was obliged to negotiate for and purchase in one transaction the entire Cuban sugar crop for 2 full years, nearly a billion dollar deal. None of us, particularly no sugar broker, wants a return to a situation that makes that necessary again. But the longer we drift, the greater is the possibility that we will be forced into it.

Certainly our lack of firm future policy is disturbing to the foreign suppliers to our market. They want a long-range Sugar Act to spell out that policy so they may sensibly plan their production. The question of foreign sugar imports is also inextricably woven into the fabric of our relations with Latin America, and the President needs a long-range program on sugar to fit into other long-range programs for Latin America.

In the foreign field, we must remember also that the International Sugar Council will meet in Geneva in September, to consider revisions of the International Sugar Agreement for 1962 and 1963—as provided by article 42 in chapter XVIII of the agreement. To be an effective working instrument, the agreement must mesh its gears with the great national sugar systems of the world, such as the British Commonwealth system, the French system, and the U.S. sugar program. How can that be achieved when the largest national system, our own, is virtually on a month-to-month basis, with no indication of which countries will have access to our market beyond the middle of next year? I am sure that the distinguished chairman of the International Sugar Council, Dr. Ralph Stedman, who is with us this evening, will agree that all the sugar-importing and sugar-exporting nations of the world, whether or not they are included in the American program, are affected by it and will welcome our enactment of a long-range sugar act.

And certainly our own domestic cane and beet sugar producers urgently need a long-

range act, with provisions that recognize their present production levels and, to some degree at least, their tremendous production potential. Without such revisions, it is entirely possible that both the mainland cane sugar producers and the domestic beet sugar producers will be required to reduce acreage in order to keep burdensome inventories from piling up. If this occurs, if they are so penalized, may I say it would be a strange way indeed to recognize the truly magnificent way in which the continental producing areas have responded to Government invitations to increase production in recent years, so domestic offshore deficits could be effectively filled.

You will remember that the Government extended this invitation for greater continental production by lifting all restrictions on sugarcane acreage for the last 3 years and on sugarbeet acreage this year. Production available for market in the mainland cane area next year, sugar trade economists tell me, is estimated to be higher than the quota for that area under the existing law. Accumulation of additional inventories, above permissible marketings, of course, is not practical. Yet, if we continue to drift—as we are under extensions of the present law—the mainland cane area expansion, already underway in Florida, may be brought to an abrupt halt.

An even more critical situation exists in the beet sugar industry. Statisticians of the sugar business inform me that beet sugar production this year is expected to reach something between 2,600,000 and 2,700,000 tons, and that the industry will enter 1962 with the largest inventory on record, probably around 2,200,000 tons. The House Agriculture Committee has recommended that no sugarbeet acreage controls be instituted in 1962 and—because of the steadily increasing per-acre yields of beet sugar—production is likely to be about 2,700,000 tons or more next year, even if there is no new acreage. Yet, under the present law, on the basis of a realistic consumption estimate and assuming offshore domestic deficits based upon the best data now available, the beet sugar quota in 1962 would be only about 2,400,000 tons. With a 1962 production of 2,700,000 tons or more, another 300,000 tons would be added to already record inventories. If we continue to drift with the present law and there is no increase in the beet area quota, it doesn't take a high-powered statistician to see that an inventory problem of tremendous proportions is in the making. There are only two ways to avoid this: change the law or shrink the acreage.

Of course, we all recognize that, as a practical matter, a Government-decreed reduction in the domestic acreage of a sugar crop under present circumstances is out of the question. It simply would not, either from a national welfare or political point of view, make sense to cut back the acreage of a sugar crop while we are increasing the amount of sugar we import from a lot of foreign nations. It would be detrimental to the Nation's economy, unpalatable to the American people, and harmful to the American farmer—particularly if he is being paid to reduce his crop of feed grains.

We should also recognize that increasing basic continental quotas to fit the present production capacities of the two areas would do only part of the job that has to be done. Such increases would only bring quotas up to date; they would not take care of the future. To permit even a modicum of growth, to permit even a reasonable number of new American producers to supply the continuously growing American sugar market, the so-called growth formula must be revised to give a larger percentage of annual growth to domestic areas. Far from providing for any new producers, the formula in the present law does not add enough domestic quotas even to keep pace with the technological advancements of domestic producers.

For example, if sugarbeet acreage were held constant at a million acres, the beet sugar producers still would increase their sugar yields at the rate of about 50,000 tons a year. The present growth formula adds only about 35,000 tons a year to the beet quota. If it had not been for the allocation of substantial Hawaiian and Puerto Rican deficits to the beet quota in recent years, beet acreage would have had to be continuously reduced—a stiff price to pay for technological advancements, for the efficiency we admire so much in America. About 15 percent of present sugarbeet acreage is used for filling offshore domestic deficits. As you know, domestic areas have received none of the former Cuban quota. It has all been given to foreign nations.

If anyone had any doubts about the need for adjusting continental quotas, including a larger percentage of future market increases for those areas, those doubts should have been dispelled by the ground swell of interest shown for new producers at hearings before the House Agriculture Committee last month. In 2 short days, some 50 to 60 witnesses appeared, including Senators, Congressmen, farmers, and businessmen. They came from at least 15 States—spread across the Nation, literally from Maine to California, and from North Dakota to Texas and New Mexico. It was an inspiring parade of democracy in action—farmers and their spokesmen from coast to coast and border to border, asking their elected representatives for permission to produce a nonsurplus crop, a deficit crop, which they now are not permitted to grow. They were asking for permission to share—in a modest way—in supplying a portion of the American sugar market, only a small fraction of the former Cuban quota which since July of last year has been allocated entirely to foreign sugar producers.

Some of the refiners were aided by the cut in "whites," but the domestic sugar-producing industry—the farmers—received not a pound, not an ounce, of the former Cuban quota. I hope the refiners will remember that.

Fundamentally, my primary interest is in the farmers of New Mexico and other States who wants to grow sugarbeets. I would like to see permission to participate in the American sugar market given to at least some of the many thousands of American farmers who, hard pressed to find crops not in surplus, want and need to produce a sugar crop, which is not in surplus.

If American farmers are to be given this recognition of their needs, basic quotas for the continental producing areas must be realistically adapted to present production achievements, and growth for the future must be provided. This will mean adding several hundred thousand tons to the continental producers' quotas at present consumption levels, and increasing the percentage by which American producers will share in market growth in the future.

I recognize that these adjustments will require some adjustments also in allocation of our market to foreign countries. Matters of foreign policy are involved, and the President of the United States may have views on this subject—which naturally will have our full and serious consideration.

In Washington now are representatives of the sugar industries of many foreign countries that are seeking part of the Cuban quota and her share of the annual growth in our market. I hope the foreign sugar interests will continue to display the exemplary statesmanship they have displayed in the past concerning the domestic sugar producing industry. This statesmanship was exhibited so clearly by the distinguished former Secretary of the Interior, Oscar Chapman, counsel for the Mexican sugar industry, in a congressional hearing in 1955. I should like to quote from Mr. Chapman's testimony before the House Committee on Agriculture on June 25, 1955, at which time the committee was considering amendments to the Sugar Act. This quotation appears on page 274 of the printed record of the hearing; Mr. Chapman, my longtime friend, speaking in behalf of the Mexican sugar industry:

"At the very outset, I wish to make it absolutely clear that we have no quarrel whatsoever with the proposal to grant relief to the domestic sugar industry as exemplified by H.R. 5406 which is now before you. I say that in the full knowledge that that bill would have the effect of lowering the quotas that would otherwise accrue to Mexico in 1955 and 1956. Certainly the Congress has an obligation to look after the best interests of the United States first, and to foster such a domestic sugar industry as it deems consistent with those best interests. We consider it extremely inappropriate for any foreign principal to seek preferential advantage for itself by attempting to influence that judgment.

"Mexico seeks only to obtain a fair share of that portion of the U.S. market which is to be allotted among foreign producers after the domestic producers have been taken care of."

I hope I am correct in my feeling that the same statesmanlike approach is held by foreign sugar producers today.

I need not remind you that the advent of Castro in Cuba has caused a greater public awareness of our sugar program, and of our large dependence upon foreign supplies. The advent of Castro has also caused a reexamination of the sugar program's principles and operations—in the Congress, in the executive branch of the Government, in the press, and by the public at large. Particular attention has been directed to the differential which usually prevails between the raw sugar price in New York and the raw sugar price in the so-called world market. Perhaps the so-called world market is only a residual market, a dumping ground for surplus sugar that has no other place to go. We know that the price on that market is often below the actual cost of production in countries that pay even a moderate wage to the people who labor in the canefields.

We know that in times of world crisis, the price on the so-called world market skyrockets to much higher levels than the more stable U.S. price. If the total requirements of U.S. consumers were filled on the world market, the additional demand could, and probably would, send world market prices to permanently higher levels. But it takes time to explain that. Most people see only the current differential, and they wonder why foreign countries should receive an extra 2 cents or so a pound more than they would receive in the so-called world market.

There seems to be little or no objection to maintaining the present reasonable prices to consumers as long as those prices are of some assistance to the domestic sugar industry. Never have I known public and congressional regard for domestic sugar producers to be as high as it is today. Most Americans, I believe, realize that American producers pay good wages—more per hour than some foreign producers pay per day. But there is widespread questioning of the so-called premium that foreign producers receive.

Evidence of this questioning was demonstrated in the Senate only last March. Senator DOUGLAS proposed an amendment to the Sugar Act which would have captured for the U.S. Treasury the differential between the United States and the so-called world price for raw sugar. This amendment had solid support in the Senate Finance Committee and broad support on the floor of the

Senate. It was defeated only after the leadership said the Chief Executive felt that abrupt departure from past practices—without fuller consideration than time then permitted—could have an unfortunate effect on our foreign relations, particularly in Latin America.

But the underlying questions raised by the debate remain: What do the people of Latin American countries and others from which we buy sugar derive from that additional 2 cents or so a pound? Do our sugar dollars that go abroad help to promote the kind of economic and social systems that are so necessary for maintaining democratic institutions in that great area? Or do our sugar dollars merely help to solidify the beachhead societies of the wealthy elite? Do our dollars contribute to the social and economic inequalities which breed revolt and communism?

I believe our sugar dollars that go abroad can be used to promote better food, better health, better housing, better education for the masses of Latin America and elsewhere.

We have not hesitated to use our sugar program at home to achieve desirable social and economic results. The system of taxes and conditional payments—an integral part of the domestic sugar program since its inception—has implemented an equitable distribution of the domestic sugar dollar. It has provided for a fair division of returns between farmer, processor, and labor. It has enforced the elimination of hired child labor from the domestic sugar fields. It has acquired payment of Government-prescribed minimum wages to the workers in the cane and beet fields of our domestic farmers. The sugar sector is the only sector of American agriculture that has minimum wage requirements—and it has them because of the Sugar Act.

Surely there is enough wisdom in the Congress and in this administration to give better assurance that the foreign phases of our sugar program shall be more consistent with the goals of the President's great new Alliance for Progress—without jeopardizing the integrity of our sugar program or the price protection it provides to domestic producers.

There is another great challenge that must be met this year. Too long we ignored a similar challenge in Cuba. Too long we drifted with the status quo—with the established economic beachheads in Havana and, I might add, in New York. In the Cuba of today we see the results of the old distribution of our sugar dollar in Cuba. We should have the wisdom and the courage to recognize Castroism and communism in Cuba for what they are. They are not the disease. They are the symptoms. The coming of communism to Cuba was a manifestation of the existence of a social cancer which, I am sorry to say, fed in part on American sugar dollars.

We must have the courage to face up to our mistakes of the past; we must have the courage not to continue those mistakes in the future in the rest of Latin America.

We must have the courage in this year of decision to make the right decisions on sugar.

In many ways we face a situation in sugar today that reminds me of the situation we faced in 1947, when I was Secretary of Agriculture.

True, some of the factors are reversed. Then we had a friendly Cuba; now we do not. Then, Philippine production was practically zero; now, it is high. Then, domestic sugar production was down because during the war years the Government had deliberately discouraged sugar production at home in favor of crops needed for the war effort; now, domestic sugar production is up and capable of going much higher. Then, a hungry and war-torn world was crying for the wheat, the cotton, the beans, the fats and oils, which we could produce in abundance; now, that very abundance is a heavy weight depressing American agriculture. So, in many ways the situation is different today.

But there were large uncertainties and perplexing problems then, as there are now. The worries in the wake of a worldwide shooting war have their counterpart in the present worldwide war of ideologies. There were divergent views and opinions then, and there are divergent views and opinions now. There were momentous decisions to make then. There are momentous decisions to make now.

Together, in 1947, we worked through the uncertainties and divergent views, and reached a common accord. I remember many meetings with many of you in my office, hour after hour, day after day. Together with the Congress, we developed what became the Sugar Act of 1948.

This Congress and this administration, I am sure, can furnish the leadership to solve the problems of sugar.

This Congress and this administration, I am sure, will furnish the leadership to make the right decisions in this year of decision—right for all of you, right for producers, right for consumers, right for our friends across the seas and south of the border, and above all, decisions that are right for all America.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

RESOLUTION OF COMMON COUNCIL OF CITY OF BUFFALO

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Common Council of the city of Buffalo, N.Y., relating to Federal aid to cities.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FEDERAL AID TO CITIES

Whereas many of the large cities have exhausted their source of revenue and will require Federal aid in order to maintain their services to the citizens of the community and provide additional funds for salaries because of the spiraling cost of living; and

Whereas the city is continuing to importune the State of New York for additional State aid, but will require additional assistance; and

Whereas the Federal Government is providing billions for foreign aid: Be it

Resolved, That the Common Council of the City of Buffalo memoralize the Congress of the United States to consider the question of granting additional aid to cities whose financial plight hinders them from providing essential services and granting wage increases, and during such consideration to conduct hearings for the purpose of enacting necessary legislation to provide Federal aid to cities; be it further

Resolved, That the city clerk be directed to transmit copies of this resolution to the Senators from the State of New York and to the area Representatives in Congress.

ADDITIONAL BILLS AND JOINT RESOLUTION INTRODUCED

The following additional bills and joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred, as indicated:

By Mr. LONG of Louisiana:

S. 2640. A bill to require certain companies engaged in dual distribution to disclose separate annual operating data on each of their establishments which compete with independent customers of such companies in the sale and industrial use of their products; and

S. 2641. A bill to amend the Clayton Act to prohibit vertically integrated companies from engaging in discriminatory practices against independent producers and distributors; to the Committee on the Judiciary.

(See the remarks of Mr. LONG of Louisiana when he introduced the above bills, which appear under a separate heading.)

By Mr. ENGLE:

S. 2642. A bill to extend the minimum wage provisions of the Fair Labor Standards Act of 1938 to employees performing work in or related to agriculture; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. ENGLE when he introduced the above bill, which appear under a separate heading.)

By Mr. DWORSHAK:

S. 2643. A bill to authorize the construction, operation and maintenance of the Lower Teton reclamation project in the Upper Snake River Valley, Idaho, and for related purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. DWORSHAK when he introduced the above bill, which appear under a separate heading.)

By Mr. HAYDEN (for himself and Mr. BRIDGES):

S. 2644. A bill to provide for the extension of the U.S. Capitol Grounds and for other purposes; to the Committee on Public Works.

By Mr. WILLIAMS of New Jersey:

S.J. Res. 145. Joint resolution to amend the joint resolution of September 2, 1960 (74 Stat. 730), relating to the establishment of the New Jersey Tercentenary Celebration Commission; to the Committee on the Judiciary.

CONCURRENT RESOLUTIONS

AUTHORIZATION FOR SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS AFTER SINE DIE ADJOURNMENT

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a concurrent resolution (S. Con. Res. 54) authorizing the Speaker pro tempore of the House and the President of the Senate or the President pro tempore of the Senate to sign enrolled bills and joint resolutions after the sine die adjournment of Congress, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

FIXING THE DATE OF SINE DIE ADJOURNMENT OF CONGRESS

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a concurrent resolution (S. Con. Res. 55) fixing the date of the sine die adjournment of Congress, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

RESOLUTIONS

NOTIFICATION OF PRESIDENT RELATING TO ADJOURNMENT SINE DIE

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a resolution (S. Res. 224) appointing a committee to notify the President concerning the proposed adjournment of the session, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

AUTHORIZATION FOR PRESIDENT OF THE SENATE TO MAKE CERTAIN APPOINTMENTS AFTER SINE DIE ADJOURNMENT OF THE CONGRESS

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a resolution (S. Res. 225) authorizing the President of the Senate to make certain appointments after the sine die adjournment of the Congress, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

EXPRESSION OF THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a resolution (S. Res. 226) tendering the thanks of the Senate to the Vice President for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

EXPRESSION OF THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. DIRKSEN (for himself and Mr. MANSFIELD) submitted a resolution (S. Res. 227) tendering the thanks of the Senate to the President pro tempore for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

DUAL DISTRIBUTION AND FAIR-PLAY

Mr. LONG of Louisiana. Mr. President, I introduce, for appropriate reference, two related bills, the Antitrust Vertical Integration Amendments of 1962, and the Dual Distribution Reporting Act of 1962. I ask unanimous consent that the bills, together with a statement, prepared by me, relating to the bills, be printed in the RECORD.

I am not wedded to these bills as a solution of the problem, but I hope that the views of the Department will help us either to obtain passage of the legislation or find the answers that would modify it and make it more effective in achieving the overall purposes of the proposed legislation.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, the bills and statement will be printed in the RECORD.

The bills, introduced by Mr. LONG of Louisiana, were received, read twice by their titles, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 2640. A bill to require certain companies engaged in dual distribution to disclose separate annual operating data on each of their establishments which compete with independent customers of such companies in the sale and industrial use of their products:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Dual Distribution Reporting Act of 1962.'

"SEC. 2. As used in this Act—

"(a) the term 'product', whether used in the singular or plural, includes all of the meanings now or hereafter included within the terms 'purchases', 'commodities', 'goods', 'wares', merchandise', and 'products', as those terms are used in section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 730, as amended; 15 U.S.C. 13), commonly known as the Clayton Act and the Robinson-Patman amendments thereof;

"(b) the term 'establishment' means an economic unit which produces products or services, including (for illustration but not in limitation) a farm, a mine, a factory, and a store;

"(c) the term 'producer' means any establishment engaged in the production, by extraction, manufacturing, processing or otherwise, of any product; the term also means any establishment engaged in the importation of any product for sale in the domestic market;

"(d) the term 'company' means (1) an establishment operated singly, as an independent business and not as a related establishment; or (2) two or more establishments which are, or are operated, under common ownership or control, whether organized as one or more corporations or associations;

"(e) the term 'related establishment' means one of two or more establishments which are a part of the same company with reference to other establishments of that company;

"(f) the terms 'independent establishment' and 'independent company', when used in distinction or with reference to related establishments, mean an establishment and a company which are not a part of the company to which those related establishments belong;

"(g) the term 'product distributed by dual distribution' means a product (i) that is transferred or sold by its producer in regular course of business in commerce to one or more related establishments of that producer (ii) and also is sold by its producer in regular course of business in commerce to one or more independent establishments (iii) which are engaged, in any line of commerce, in direct competition with one or more of those related establishments in the sale or resale of that product or any other product derived in whole or in part through the use or consumption of that product; and

"(h) the term 'company engaged in dual distribution' means a company that includes any producer distributing one or more of its products by dual distribution: *Provided*, That no company shall be deemed to be a company engaged in dual distribution if the quantity of the product or products which it distributes by dual distribution is not substantial in the lines of commerce involved: *Provided further*, That there shall be a presumption that a company is not a company engaged in dual distribution and is therefore exempt from the provisions of this Act, if its annual net sales of all products, by dual distribution or otherwise, are less than $5,000,000; and, if its annual net sales are less than $2,000,000, the presumption shall be conclusive.

"SEC. 3. (a) Every company engaged in dual distribution shall publish annually statistical information disclosing, for each product produced by that company and distributed by dual distribution: (1) the aggregate dollar amount of that company's net sales of that product during the year to all independent establishments; and (2) the dollar amounts or values of net sales or transfers of that product from the producer thereof to each related establishment, identifying the establishment separately by name or other designation and location, and the respective amounts of sales or transfers of that product to each.

"(b) When a product is distributed in one line of commerce by dual distribution and is distributed in another line of commerce without dual distribution, the disclosure and publication required by subsection (a) of this section shall apply only to the sales and transfers of the product in the line of commerce in which it is distributed by dual distribution. When a single product is distributed by dual distribution in more than one line of commerce, or is distributed or redistributed by dual distribution at more than one level of a line of commerce, there shall be separate disclosure and publication of sales and transfers of that product, as required by subsection (a), for each such separate line and level of commerce.

"(c) For purposes of the disclosure required by this section of the value of sales and transfers of each product distributed by dual distribution, all products and sizes or specifications of products classified within the same seven-digit product code established by the Bureau of the Census in conformity with the Standard Industrial Classification Manual of the Bureau of the Budget may be regarded as a single product or product class and the data thereon may be lumped for publication. No itemization of the value of sales and transfers in greater detail or at a lower level than at the seven-digit products code level shall be required of any company engaged in dual distribution.

"SEC. 4. Every company engaged in dual distribution shall publish a separate annual operating statement for each establishment of that company which (i) receives from any other establishment of that company, whether or not a producer establishment, any product of that company distributed by dual distribution, and (ii) is engaged, in any line of commerce, in direct competition with one or more independent establishments, customers of that company, in the sale or resale of that product or any other product derived in whole or in part through the use or consumption of that product. Such annual published operating statements shall identify each reporting establishment separately and shall disclose, for each identified establishment, at least the following information: (1) total annual net sales of the establishment, with sales or transfers to related establishments and sales to independent establishments itemized in separate subtotals; (2) cost of goods sold, with costs itemized to identify separately (i) cost of products purchased or received from related establishments, (ii) cost of products purchased from independent establishments, and (iii) labor costs, if any (value added

within the reporting establishment before addition of markup); (3) operating overhead; and (4) net profit or loss from operations. The statement of operating costs on the annual statement of each reporting establishment shall disclose as a separate subitem any costs incurred by the company on behalf of the reporting establishment and in connection with its operations, but paid by or charged on the books to another establishment of the company, or to the company at large. In addition, the annual statement of each reporting establishment shall disclose (1) the beginning and ending dates of the fiscal year covered by the statement, if other than the calendar year; and (2) the total of additions to or subtractions from the capital investment of the company in the reporting establishment during the year, itemizing separately additions to capital derived from retained earnings of the reporting establishment, additions to capital of the reporting establishment derived from retained earnings of other establishments of the company, and additions to capital of the reporting establishment representing new investment.

"SEC. 5. The publication requirements of this Act shall be deemed to have been met if the information required hereby to be disclosed is published in the annual report to stockholders of the company engaged in dual distribution (or of any separately incorporated establishment thereof), and such annual report is furnished by the company to the public generally, other than stockholders, who request the same, and to the Federal Trade Commission or other board or commission having jurisdiction over the company, in such number of copies, up to one hundred as such commission or board may prescribe. Any company engaged in dual distribution which does not publish an annual report to stockholders, or which does not include in its annual report the information required by this Act to be published annually, or which does not make its annual report available to nonstockholders, shall comply with the publication requirements of this Act by furnishing the information required hereby to be published to the Federal Trade Commission or other board or commission having regulatory jurisdiction over the company, in such number of copies, up to one hundred, as the board or commission may prescribe. All such filings with any board or commission by any company engaged in dual distribution shall be open to public inspection at the offices of the board or commission and the board or commission shall furnish copies of any such publication filed with it to any person requesting the same, upon payment of such reasonable fees therefor as the board or commission may prescribe.

"SEC. 6. Every company engaged in dual distribution which shall fail to make the disclosures and publication required by this Act shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding $50,000. Any officer or member of a company engaged in dual distribution who shall be found to be responsible for the willful failure of such company to make the disclosure and publication required by this Act, or for the falsification of any information published pursuant hereto, shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding $50,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 7. The disclosure and publication requirements of this Act shall become effective for every company engaged in dual distribution for the first fiscal year of such company beginning one hundred and twenty days after the date of enactment hereof."

S. 2641. A bill to amend the Clayton Act to prohibit vertically integrated companies from engaging in discriminatory practices against independent producers and distributors:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Antitrust Vertical Integration Amendments of 1962'.

"SEC. 2. (a) The Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 730, as amended; 15 U.S.C. 12 et seq.), commonly known as the Clayton Act, is amended by inserting therein, immediately after section 2 thereof, the following new section:

"'SEC. 2A. (a) It is the policy of the Congress and the purpose of this section to apply all the prohibitions, provisions, and provisos of section 2 of this Act, as amended, to all transfers between related establishments, whenever the purposes and rationale of the 1936 amendments of section 2 of this Act (49 Stat. 1526), commonly known as the Robinson-Patman Act, will be served thereby: to wit, in those situations in which related establishments compete horizontally and directly with independent establishments, with respect to the same product or products of a producer, and with the effect or results proscribed by section 2.

"'(b) Whenever used in this section or in section 2 of this Act—

"'(1) the term "product", whether used in the singular or plural, includes all of the meanings now or hereafter included within the terms "purchases", "commodities", "goods", "wares", "merchandise", and "products", as those terms are used in section 2 hereof;

"'(2) the term "establishment" means an economic unit which produces products or services, including (for illustration but not in limitation) a farm, a mine, a factory, and a store;

"'(3) the term "producer" means any establishment engaged in the production, by extraction, manufacturing, processing or otherwise, of any product; the term also means any establishment engaged in the importation of any product for sale in the domestic market;

"'(4) the term "company" means (i) an establishment operated singly, as an independent business and not as a related establishment; or (ii) two or more establishments which are, or are operated, under common ownership or control, whether organized as one or more corporations or associations;

"'(5) the term "related establishment" means one of two or more establishments which are a part of the same company, with reference to other establishments of that company;

"'(6) the terms "independent establishment" and "independent company", when used in distinction or with reference to related establishments, mean an establishment and company which are not a part of the company to which those related establishments belong; and

"'(7) the term "price" (of a product) means and includes both (i) the price charged by a seller to an independent purchaser of a product, and (ii) the price charged, or entered on the books for accounting purposes, in actual or constructive transfers of a product from one related establishment to another.

"'(c) Whenever (i) any producer transfers any product, by sale or otherwise, to a related establishment, and (ii) also sells that product to an independent establishment (iii) which, in any line of commerce, is directly engaged in competition with that related establishment in the sale or resale of that product or any other product derived in whole or in part through the use or consumption of that product, then, for all purposes within the scope and meaning of section 2 of this Act—

"'(1) that producer and that related establishment shall be deemed to be separate persons, the producer being deemed a seller and the related establishment a purchaser of that product, notwithstanding the fact that they are parts of the same company; and

"'(2) it shall be unlawful for that producer to extend to that related establishment, or for that related establishment to induce or receive from that producer, any discrimination in price, services, or facilities, in respect of the transfer and sale of that product, in favor of that related establishment and against that independent establishment; and

"'(3) all the prohibitions, provisions, and provisos, including the defenses, of section 2 of this Act, as amended, shall be applicable and available, in respect of any such discriminatory transaction, to the producer, the related establishment and the independent establishment, in the same manner and to the same extent as if the related establishment and the independent establishment were independent competing purchasers of that product from that producer.

"'(d) (1) Whenever (i) any producer regularly transfers any product which it produces to related establishments and also sells that product to independent establishments, under circumstances which make the business of the producer in that product subject to the provisions of subsection (c) of this section, and (ii) that producer becomes unable, by reason of an excess of demand over supply, to fill promptly as received all orders for that product from all of the independent establishments which have theretofore been recognized as customers therefor, it shall be unlawful for that producer in those circumstances to discriminate against its independent establishment customers in supplying that product, arbitrarily and unfairly rejecting and refusing to fill the orders of any of those customers while continuing to supply the product to related establishments without comparable reductions in quantities or promptness of deliveries.

"'(2) It shall be prima facie evidence that no arbitrary and unfair discrimination, of the type prohibited by paragraph (1) of this subsection, exists, if the producer, in a shortage situation, sells and distributes the product in short supply to independent establishments and to related establishments by determining the percentage of the producer's total output of the product in short supply distributed through and sold to each of the producer's related establishments and independent establishment customers during the 1-year period next preceding the shortage and allocating available supplies of that product to related establishments and independent establishments in accordance with those percentages.

"'(e) It shall be unlawful for any producer transferring any product to a related establishment, or for any establishment receiving any product from a related producer, under circumstances which make the transaction subject to the provisions of subsection (c) of this section, to fail to exchange and retain among their respective business records the same documentary indicia or memoranda and accounts of the transaction as would be required in the case of a sale or purchase of the same product to or from sources outside the company, and such documents and accounts shall be preserved for the same length of time as in the case of external sales and purchases.'

"(b) Sections 11 and 16 of that Act, as amended (15 U.S.C. 21, 26), are amended by striking out the words 'sections 2, 3, 7, and 8' wherever they appear therein, and inserting in lieu thereof in each instance the words 'sections 2, 2A, 3, 7, and 8.'

"SEC. 3. The amendments made by this Act shall take effect on the first day of the

seventh month beginning after the date of its enactment."

The statement presented by Mr. LONG of Louisiana is as follows:

DUAL DISTRIBUTION AND FAIRPLAY

These two bills represent a conscientious effort to deal constructively with one of the most vexing problems facing independent small businesses today. The problem is vertical integration and the issue is fair play. I wish to state the problem, very briefly, by giving illustrations, and then to explain how my two bills would attack the problem.

I suspect that every Member of this body has received complaints from independent processors, fabricators, retailers and wholesalers in his State about the impact of vertical integration on their businesses. Let me cite a few typical—though hypothetical—examples.

Case 1—secondary manufacturing: An independent businessman manufactures certain aluminum products—let's say window and door frames. The producers of basic aluminum, his principal raw material, vie for this independent's business. They all want to sell aluminum ingot not only to him but to his competitors, the other independent manufacturers of aluminum window and door frames. One basic producer, in the usual nature of things, will get the lion's share of our typical independent's business. This particular basic producer—let's call it X Aluminum Co., by superior salesmanship, perhaps by offering a superior product or better terms, persuades our little independent doorframe maker to rely on the X Co. to furnish his requirements for aluminum ingot.

Under these circumstances, the independent manufacturer—let's call him the Y Aluminum Frame Co.—is, in a very real sense, making an investment in X brand aluminum ingot. Y Frame Co. is providing a market for X aluminum and is increasing the use and goodwill of X brand aluminum through his purchases and his expenditures of time and capital. Then, one fine day, our small businessman, Mr. Y of Y Aluminum Frame Co. learns that X Aluminum Co. has built or purchased its own plant to make aluminum window and door frames, and suddenly Y's supplier is his most powerful competitor.

Does this mean that X Aluminum Co. no longer needs or wants Y Aluminum Frame Co. as a customer for ingot? Sometimes that might be true, but usually not. Usually, the X Co. salesmen will go right on trying to sell X brand aluminum ingot to Y Frame, hoping by this means to have its cake and eat it too—hoping to continue to be both supplier and competitor to the independent frame manufacturer. This is one example of that variety of forward vertical integration operating side by side with continued partial reliance on independent customers that we have referred to in numerous publications of the Senate Small Business Committee as "dual distribution."

Case 2—wholesaling: Dual distribution may be most common today in wholesale distribution. The impact of finding one's supplier suddenly in the market as one's competitor is probably even more severe to an independent in the distributive trades than it is to an independent manufacturer. That is because the distributive trades make a heavier investment in the brand name of the supplier's product than do the independent manufacturers. Here is another hypothetical example.

AB Co. is a small business engaged in wholesale distribution and jobbing of flat glass, and in glazing contracting. Mr. B, the owner of AB Co., has elected to place his chief reliance on a particular manufacturer of a full line of flat glass products, the M Glass Co. Mr. B establishes an identity with his trade—the retail glass shops and the building contractors in his market area—as a well-stocked, competent distributor of M-brand glass. To do this, he must make heavy investments in inventory, equipment and skilled personnel, and heavy investments in advertising the M-Glass name. M. Glass Co. of course encourages him to make this investment, for they have, so Mr. B thinks, a mutual interest in promoting the goodwill and the good name of the M brand.

Well, you can guess the next move in the game. M Glass Co. opens its own warehouse—not uncommonly, practically next door to AB Co.'s warehouse and store. M Co., through its captive warehouse, cashes in on AB Co.'s efforts to make M a popular brand of glass in this local market and goes directly to the same trade that AB has developed. Who can blame Mr. B if he feels impelled to write a letter to his Senator about this turn of events.

Case 3—retailing: Another growing development in a number of industries is the manufacturer-owned retail store. In these situations, the sequence of events is frequently the same as in the hypothetical wholesaler's story I just told. A paint store, a shoe store, a tire dealer, a glass shop, a gasoline station—the list of industries could be longer—find that the very brand of product which they have invested money, time and effort to establish in their local markets will now be sold in that market by their supplier, the manufacturer.

I do not believe that the U.S. Government can or should, consistently with our tradition and our values of free enterprise, say to any manufacturer that he cannot become a competitor of his customers at any level of business—fabricating, wholesaling or retailing. It would be equally inconsistent with our free-enterprise values, which are founded in reliance on competition, to say to a manufacturer that, if he becomes a competitor of his customers, he may not pass on, in the form of lower prices, prices sometimes too low for an independent customer-competitor to meet, any savings that may be realized from such genuine and legitimate efficiencies as may, sometimes, result from an integrated operation.

Some small businessmen, newly confronted by supplier competition, have urged those drastic remedies upon the Senate Small Business Committee. Some independent manufacturers of aluminum doorframes will argue that it ought to be against the law for a producer of aluminum ingot also to make doorframes. Many independents in fabricating, wholesaling and retailing react to dual distribution of their suppliers by demanding price controls at the level of their sales. These small business people suggest a law to prohibit the dual distributing manufacturer from selling to the independents' trade at prices lower than the independents can meet.

Let me be quite clear that I must and do firmly reject both of these proposals. These suggestions would, in effect, attempt to protect freedom of enterprise by denying it; they would purport to preserve competition by legislating it out of existence.

Is there any solution to the problem, then? Can we permit dual distribution but also have fair play? I believe that the Robinson-Patman Act, the approach and the rationale of that act, suggest the answer to these hard questions.

The basic principle of the Robinson-Patman amendments to section 2 of the Clayton Act is equality of treatment by suppliers to their independent customers who are engaged in horizontal competition. For 25 years now, it has been against the law for X Aluminum Co. to discriminate in price, services, or facilities in favor of one of its independent customers who makes doorframes, if that discrimination will endanger competition by adversely affecting another independent doorframe maker who is also a customer of X. But increasing vertical integration—dual distribution—has made apparent a substantial shortcoming in the protection that the Robinson-Patman Act was intended to give to small business as a vital factor in free competition.

The loophole is this: while X cannot give price and other favors to one of its independent doorframe manufacturer customers unless it offers proportionally equal favors to all, X can give whatever advantages it wishes to its own captive doorframe plant. The same freedom to discriminate exists in the case of captive wholesale and retail distribution establishments.

I suggest that competition is no less endangered when a manufacturer discriminates in favor of a plant, warehouse or store that it owns, as to the price and terms on which it offers goods, as when it discriminates in favor of one of two or more independent plants, warehouses or stores. If the Robinson-Patman Act's rationale is still valid—and I believe it is—we should plug this loophole. We should plug it by making it as unlawful for producers to discriminate in favor of their captive stores and factories as it now is for them to discriminate in favor of one as against others of their independent-customer stores and factories.

COMPARISON WITH BENTLEY BILL

A bill was introduced in the 86th Congress by Representative Bentley, of Michigan, which was founded in these concepts but took what I believe to be an unduly indirect approach, missed one important point, and tried to go too far on another point. The bill was H.R. 2729 of the 86th Congress, which came to be known as the Bentley equal pricing bill. It was the subject of 2 days of hearings by a House Interstate and Foreign Commerce subcommittee on July 21 and 22, 1959. There was some eloquent and fairly impressive small-business testimony in support of the bill, but the Federal Trade Commission and the Department of Justice were opposed and the bill was never reported by the subcommittee. Mr. Bentley is not a member of the 87th Congress, and the bill has not been reintroduced.

The first of my bills, entitled "The Antitrust Vertical Integration Amendments of 1962" (like the auto companies, I am bringing out my 1962 models in the fall of 1961), resembles the Bentley bill in one important respect: The basic premise and purpose are essentially the same in both. The basic premise of both bills is that it is harmful to competition and also unfair for producers to charge their own captive plants and stores lower prices than they charge independent-customer plants and stores which compete horizontally with the captives. The purpose of both bills is to make such discriminations unlawful.

An important difference between my first bill and the Bentley bill is that H.R. 2729 went a step further than mine does, in that it attempted to regulate the level of prices charged by direct-selling manufacturers to consumer customers, without the intermediary services of a captive wholesale or retail distribution establishment. I recognize the problem with which Mr. Bentley was concerned in that provision of his bill, but, I reiterate, my bill would not attempt to legislate a floor under any price charged by any seller to a consumer. In those situations where it is practicable for a consumer to buy direct from a maker's factory, without any middlemen whatsoever, that would seem to me to be the course which prudence, economy and efficiency dictate be taken, and I see no reason for Congress to interfere in the process by which demand and supply considerations establish price in such transactions.

But in those situations in which a producer first induces an independent distributor or manufacturer to make an investment in plant, equipment, inventory and time in order to carry out a certain function with

regard to the producer's product, then turns around and sets up his own store or plant to perform the identical function, in direct competition with the independent, it seems to me to be simple equity and sensible economic regulation to require the producer to treat his captive and his customer alike. If the Robinson-Patman Act makes sense then this does, too.

The difference in approach, if not aim, of my bill and the first part of the Bentley bill is in the route taken to achieve the end. H.R. 2729 would have amended the Federal Trade Commission Act to make the prohibited class of discrimination an "unfair method of competition in commerce and an unfair and deceptive act or practice in commerce within the meaning of section 5" of the FTC Act. My first bill would, instead, simply amend the Clayton Act by adding a new section 2A, immediately following section 2, the price-discrimination section, to provide very explicitly that the practices which are now forbidden to a seller, for the purpose of discriminating in favor of one customer and against another, will hereafter be forbidden to a producer for the purpose of discriminating in favor of his captive plant or store and against his independent customer which competes with that captive plant or store.

Another very important difference between H.R. 2729 and my antitrust vertical integration amendments bill is that the former would have applied only to those establishments owned by a producer which operate in the field of retail distribution. My bill applies not only to retailing but also to those captive establishments of a producer which compete with the producer's independent customers in wholesaling and secondary manufacturing or processing operations.

An additional provision of my first bill, not contained in the Bentley bill, would require producers, in times of short supply brought about, for example, by strikes or fires or other disasters, not to cut off the supplies to independent customers unless supplies to captive competitors of those customers were reduced in the same proportion.

DUAL DISTRIBUTION REPORTING ACT

My second bill, entitled the "Dual Distribution Reporting Act of 1962," is intended to meet one of the most telling and forceful of the criticisms of the Bentley bill which were offered by the Federal Trade Commission at the 1959 hearings.

Speaking through its then chairman, Mr. Earl Kintner, the Commission said that enactment of the bill would be "without meaningful consequences. As a practical matter, one does not sell to himself. The price at which a manufacturer or producer delivers to its own retail outlets may be an arbitrary or bookkeeping figure and need not control the price at which those outlets resell to the consuming public.

"A manufacturer could deliver to its own retail outlets at the same price at which deliveries are made to other retailers, but the manufacturer-owned retail outlet could resell at a low markup which no independent retailer could meet."

Former Chairman Kintner put his finger here on precisely the point which is most often and most loudly decried by independent small businessmen who are suddenly confronted by competition from their suppliers. Let us consider aluminum window and doorframes once again, again simply as a hypothetical example.

A business which buys aluminum frames from a wholesaler or jobber and resells them at retail has one level of operations, one function, on which to make a profit and a livelihood—retailing. A business which buys these frames from a manufacturer and sells them at wholesale to retailers also has only one operation or function on which to make a profit—wholesaling. Similarly, the independent manufacturer who buys aluminum ingot from one of the great basic aluminum companies, makes it into frames and sells the frames to distributors has one opportunity and only one for profit—manufacturing frames. But when integration, forward or backward, occurs, a company acquires an additional opportunity for profit and profit manipulation with each new level of operations that it enters. When the integrated company feels competitive heat—or desires to apply it—at the level of retailing, let us say, it is possible for it to make retail sales at a markup of 1 percent, no percent, or perhaps even at less than cost, yet stay in business because of the profits taken at other levels—wholesaling, fabricating or basic production. A retail store which must make a profit from retailing or have no profit at all cannot long compete with a retail store which is subsidized by the profit and for the benefit of the commonly owned wholesaling, fabricating or basic production operations above it in the production-distribution chain.

That being the case, will it do any good simply to require integrated producers to levy the same prices from their captive plants and stores that they charge the independent competitors of those plants and stores? I am inclined to agree with Earl Kintner and say that it would do no good to impose such a requirement on vertically integrated companies, unless we also impose another requirement. That is the purpose of my second bill.

The theory of my Dual Distribution Reporting Act is that, if a producer influences independent small businessmen to make an investment in the product of that producer, then decides to jeopardize the independent's investment by competing with him, the producer owes the independent a duty, in equity and fairness, to operate the captive establishment on the basis of a separate profit on its own function, not as a no-profit operation subsidized by other functions of the company. The purpose of my reporting bill is to require companies engaged in dual distribution to make public certain operating data on each product and each establishment that is involved in the dual distribution process. The bill would not require a dual distributor to adhere to any particular level of prices or markup or to make any specified profit at any level of operation. It would require that information be disclosed by which competitors, consumers and the agencies that administer the antitrust laws could discern whether a particular product or a particular establishment were being utilized, not for separate profit but as a tool of power for purposes of monopolization.

In conclusion, I should like to say that, in my opinion, there would be little point or reason in enactment by the Congress of the vertical integration amendments or "equal pricing" bill, unless the Dual Distribution Reporting Act were also passed into law. The reverse, however, is not true. I can conceive of much good resulting from enactment of the reporting bill, even if the equal-pricing bill is deferred or abandoned. At the present time, no one knows, until and unless one of the appropriate Federal agencies launches an investigation or begins a legal action, utilizing subpena powers, whether or not a particular plant or store in a vast, integrated company or complex of related companies is operating for months or years at a loss, with immensely destructive consequences to independent competition in the relevant market. My reporting bill would bring these operations out into the light of day, with predictable benefits to enforcement of the older antitrust laws, the Sherman and Clayton Acts, not only by the Federal Trade Commission and the Justice Department but by private antitrust plaintiffs.

Correspondence which the Senate Small Business Committee has received over many years indicates that the problem with which these bills are concerned is very real, intense, and continuing for small businesses in numerous industries. I earnestly hope that hearings by the appropriate legislative committee or committees will be held early in the next session. In the meantime, the Senate Small Business Committee and I personally will welcome comments and suggestions on these bills. At a committee hearing, when it is called, I shall be prepared to demonstrate the nature and severity of the problems of dual distribution in greater detail, as well as the respects in which my bills would help solve those problems.

ESTABLISHMENT OF AN AGRICULTURAL MINIMUM WAGE

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill to extend the minimum wage provisions of the Fair Labor Standards Act of 1938 to employees performing work in or related to agriculture.

Agricultural labor is a matter of increasing public attention, in the Congress, in our State governments, among those directly concerned, and the public at large. The subject has many aspects and raises problems not easy of solution. The Senator from New Jersey [Mr. WILLIAMS] and his Subcommittee on Migratory Labor have made an exhaustive study of this field. As a result of those efforts the Senate this year has passed bills relating to child labor in agriculture, educational opportunities of migrant workers, registration of contractors, public health of migrant workers, and the establishment of a National Citizens Council on Migratory Labor. Other legislation in this area remains to be adopted.

A basic question is that of farm wages and the feasibility of applying a minimum wage to agriculture. It has been my conviction for some time that such a minimum wage ought to be established, and I have been giving the matter my close consideration. In preparing the proposed legislation, I have had the counsel of people with firsthand knowledge of the special problems of agriculture. A draft was circulated to a representative list of farmers in my State, and the response was excellent. Not all of these growers, who include farmers from different parts of California, producing a variety of crops, on both large and small acreage, are in full agreement with the proposal. Some have reservations about the concept, others about details of the legislation; but I was heartened by the thoughtfulness of their replies and by their generally favorable tenor. The Department of Agriculture and the Department of Industrial Relations of the State of California have furnished most useful information.

In introducing the bill, I retain an open mind as to its precise provisions. I am sure that hearings on the proposed legislation will develop more of the kind of constructive comments which I have been fortunate enough to receive from the farmers who wrote to me about the proposal. My bill would establish an agricultural minimum wage of 90 cents

an hour. It exempts the small family farm, and the farm using not more than 300 man-days of hired farm labor in each of the four preceding calendar quarters. Potential difficulties of administration with which it seeks to deal are the matter of prerequisites—board, lodging, and so forth, in section 1, and the treatment of piecework rates in section 2. The Secretary of Labor is directed to consult with the responsible State labor officials in determining compliance with piecework rates.

California ranks first among the States in agricultural production. I take pride in our famed farm products, and am concerned that they should have a favorable competitive position in the Nation's marketplaces. The institution of a national minimum wage for agriculture would improve that position in relation to other sections of the country where farmworkers receive wages lower—in some cases, much lower—than the average farm wage paid in California. I am concerned, too, that farmworkers who do not enjoy a decent standard of living should have their rightful share in national prosperity.

The legislature of the State of California has memorialized the President and the Congress of the United States to enact a national agricultural minimum wage. I ask to have included as a part of these remarks the text of that resolution, Senate Joint Resolution 20.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The bill (S. 2642) to extend the minimum-wage provisions of the Fair Labor Standards Act of 1938 to employees performing work in or related to agriculture, introduced by the Senator from California [Mr. ENGLE], was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The joint resolution presented by the Senator from California [Mr. ENGLE] is as follows:

SENATE JOINT RESOLUTION 20

Joint resolution relative to a minimum wage law for agricultural workers

Whereas farms and agricultural workers are one of the foundation stones on which our Nation rests; and

Whereas the United States is a bulwark of the free world in the fight for peace and freedom and against communism, and without a strong farm economy this Nation cannot maintain its position in the free world; and

Whereas the health and welfare of our country depends in large part on the food produced by our farms, and without sufficient experienced and competent agricultural workers, our crops cannot be properly harvested and our farms cannot prosper and play their part in maintaining a healthy and strong America; and

Whereas for the past several decades agricultural workers in many regions of the United States have not received an adequate proportion of the Nation's agricultural earnings and, in some areas of the United States, such workers have had to subsist on an extremely low annual wage as compared with other agricultural workers; and

Whereas California farmers must compete in the sale of farm products with other States having not only a more favorable freight rate, but which in addition pay wages to their farmworkers far less than those paid in California and the West, thus putting California and western agriculture at a tremendous disadvantage in the highly competitive national market for farm products; and

Whereas the Federal Government has not enacted a national minimum wage law that applies to the agricultural workers throughout the country, which wage would be of tremendous benefit to the national farm economy: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact a national minimum wage law for the agricultural workers of the Nation; and be it further

Resolved, That the secretary of the senate is hereby directed to transmit suitably prepared copies of this resolution to the President and Vice President of the United States, the Secretary of Agriculture, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF LOWER TETON RECLAMATION PROJECT IN UPPER SNAKE RIVER VALLEY, IDAHO

Mr. DWORSHAK. Mr. President, great interest has been shown by southeastern Idaho residents in the storage of water from the Lower Teton Basin on the Teton River. The proposed dam site would be approximately 3 miles east and 2 miles north of the town of Newdale, Idaho.

I am introducing a bill to authorize construction of Fremont Dam which will be a multipurpose project needed to develop the full potential of the Teton River for flood control, irrigation, power and recreation. The reservoir created by this dam would have a capacity of about 315,000 acre-feet of water and would provide approximately 200,000 acre-feet of usable storage.

Storage on Teton River is essential to the project irrigation purposes and would also be very effective for flood control for a large portion of the lower valley and adjacent Henrys Fork area lands which do not lend themselves to the construction of levee and channel works for protection.

With these brief comments I introduce this bill and request that it be referred to the appropriate committee.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2643) to authorize the construction, operation, and maintenance of the lower Teton reclamation project in the Upper Snake River Valley, Idaho, and for related purposes, introduced by Mr. DWORSHAK, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

LEGISLATIVE ACHIEVEMENTS OF 1ST SESSION OF THE 87TH CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the legislative achievements of the 1st session of the 87th Congress be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF RECORD OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE AS A SENATE DOCUMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the record of accomplishments of the Committee on Post Office and Civil Service during the 1st session of the 87th Congress be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE ACTIVITIES—REPORT OF COMMITTEE ON DISTRICT OF COLUMBIA DURING 1ST SESSION OF 87TH CONGRESS

Mr. MANSFIELD. Mr. President, on behalf of the chairman of the Committee on the District of Columbia, the Senator from Nevada [Mr. BIBLE], I ask unanimous consent that the committee be authorized to file in the CONGRESSIONAL RECORD, after the adjournment of the Congress, a report of the legislative activities of the Committee on the District of Columbia during the 1st session of the 87th Congress.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. Mr. President, for the purpose of accompanying the distinguished minority leader to inform the President of the United States that the business of the Senate for this year is done, I ask unanimous consent that the Senate now stand in recess, subject to the call of the Chair.

The PRESIDING OFFICER. Is there objection?

There being no objection, at 6 o'clock and 7 minutes a.m., the Senate took a recess, subject to the call of the Chair.

On the expiration of the recess, at 6 o'clock and 15 minutes a.m., the Senate reassembled and was called to order by the Presiding Officer (Mr. MCNAMARA in the chair).

NOTIFICATION TO THE PRESIDENT

Mr. MANSFIELD. Mr. President, the committee appointed to communicate with the President to ascertain whether he had any communications to make to the Congress has performed its duty. The President says "Thanks."

Mr. DIRKSEN. Mr. President, to amplify what the majority leader has said, there may be some belief that this was only a perfunctory observance on the part of myself and the majority leader. I assure the Senate and the country that we got the President out of bed and talked with him. We respect his wishes with reference to this session.

ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I move that the Senate adjourn sine die.

The motion was agreed to; and (at 6 o'clock and 16 minutes a.m.), Wednesday, September 27, 1961, pursuant to Senate Concurrent Resolution 55, the Senate adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT.

Pursuant to Senate Concurrent Resolution 54, agreed to September 26, 1961, the President pro tempore, on September 28, 1961, signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker pro tempore of the House of Representatives:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes;

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED AFTER SINE DIE ADJOURNMENT

The Secretary of the Senate on September 28, 1961, presented to the President of the United States the following enrolled bill and joint resolution:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the second regular session of the 87th Congress.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to sine die adjournment of the Senate, notified the Secretary of the Senate that on the following dates he had approved and signed the following bills and joint resolutions:

On September 26, 1961:

S. 29. An act for the relief of Ok Nyu Choi (Ann Wollmar);

S. 158. An act to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro;

S. 262. An act for the relief of Constantinos Georgiou Stavropoulos;

S. 263. An act for the relief of Guisseppe Giorioso;

S. 264. An act for the relief of Mr. and Mrs. Franklin Leong;

S. 547. An act for the relief of Young Jei Oh and Soon Nee Lee;

S. 553. An act for the relief of Olga G. Coutsoubinas and Spyridon G. Coutsoubinas;

S. 976. An act for the relief of Maria Trela Terpak;

S. 1355. An act for the relief of Helen Haroian;

S. 1787. An act for the relief of Giovanna Vitiello;

S. 1990. An act to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities;

S. 2237. An act to amend the Immigration and Nationality Act; and for other purposes; and

S. 2325. An act to amend the Export-Import Bank Act of 1945.

On October 3, 1961:

S. 592. An act for the relief of Nishan Der Simonian;

S. 902. An act to amend the Small Business Investment Act of 1958, and for other purposes;

S. 1053. An act for the relief of David Lew Hule;

S. 1234. An act for the relief of Max Haleck;

S. 1537. An act for the relief of Mrs. Renee Deri;

S. 1585. An act for the relief of Margherita Ferrelli D'Amico;

S. 1750. An act to strengthen the Federal Firearms Act;

S. 1786. An act for the relief of Heripsime Hovnanian;

S. 1880. An act for the relief of Johann Czernopolsky;

S. 1906. An act for the relief of Fares Salem Salman Hamarneh;

S. 1927. An act to amend further the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes;

S. 1947. An act for the relief of Annemarie Herrmann;

S. 2070. An act for the relief of Kabalan Farris;

S. 2118. An act for the relief of Dr. John Lopinto Arzaga;

S. 2272. An act to disclaim interest in certain rights in certain lands in the State of Nevada; and

S. 2393. An act to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Congress, and the National Defense Education Act of 1958, and for other purposes.

On October 4, 1961:

S. 302. An act to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes;

S. 558. An act to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia;

S. 564. An act to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Virginia, to Maryland;

S. 739. An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such act, and for other purposes;

S. 1040. An act to abolish the Federal Farm Mortgage Corporation, and for other purposes;

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California;

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes;

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses;

S. 2102. An act to redesignate the Jefferson Division of the Eastern District of Texas as the Marshall Division;

S. 2295. An act to amend the act entitled "An act for the organization, improvement, and maintenance of the National Zoological Park," approved April 30, 1890;

S. 2396. An act for the relief of the State of Louisiana;

S. 2397. An act authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537);

S. 2476. An act to amend section 207 of the Military Construction Act of 1960 in order to clarify the authority granted under such section to the Secretary of the Navy to exchange certain lands owned by the United States for lands owned by the State of Oregon;

S.J. Res. 51. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson;

S.J. Res. 66. Joint resolution to amend the joint resolution providing for membership and participation by the United States in the Inter-American Children's Institute; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

On October 5, 1961:

S. 1292. An act to amend the Act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes;

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel; and

S. 1942. An act for the relief of the State of New Hampshire.

EXTENSION OF NATIONAL DEFENSE EDUCATION ACT OF 1958

The President also notified the Secretary of the Senate that on October 3, 1961, he had approved and signed the act (S. 2393) to extend for 2 additional years the expired provisions of Public Laws 815

and 874, 81st Congress, and the National Defense Education Act of 1958, and for other purposes, and transmitted his reasons therefor, as follows:

STATEMENT BY THE PRESIDENT

It is with extreme reluctance that I am signing S. 2393, which extends for 2 years: (1) the National Defense Education Act of 1958 and (2) the expired provisions of Public Laws 815 and 874 of the 81st Congress, which provides Federal assistance to "federally impacted" schools—districts furnishing free public education to children whose parents reside or work on Federal property, or whose presence due to other Federal activity causes a sudden and substantial increase in enrollment.

(1) The extension of the NDEA without the amendments submitted by this administration merely continues the current program, without urgently needed improvements, for 2 more years—years which are crucial to the training of more teachers and the strengthening of this Nation's teaching of science, mathematics, foreign language and other essential subjects. Particularly undesirable is the continuation of the discriminatory and ineffective non-Communist disclaimer affidavit. I hope the Congress can renew its consideration of these NDEA amendments next year, regardless of the new expiration date.

(2) Far more undesirable is the continuation for 2 more years of the current aid to impacted areas program, which gives more money to more schools for more years than either logic or economy can justify. This administration recommended a reduction in the cost of this program, an increase in its eligibility requirements and local participation, its extension for only 1 year instead of 2, and its eventual absorption in a general aid-to-education program. The rejection of all of these requests highlights the air of utter inconsistency which surrounds this program.

Communities which beseeched the Federal Government to maintain nearby installations, however uneconomical, now demand that the Federal Government rescue them from the fiscal burdens these installations allegedly create. School districts originally entitled to temporary Federal assistance, during a transition period in which the costs of these federally connected children could be absorbed, now demand that the aid be continued indefinitely, without any reduction for absorption, and without regard to the local taxes paid by those parents who entered the community to work on, but not reside on, Federal property. Individuals who profess opposition to Federal aid to education on grounds of States rights, racial or religious controversy, budgetary economy, or academic freedom do not hesitate to demand this Federal aid to build schoolhouses and pay teachers' salaries in their own areas.

I am not unmindful of the problems this program is designed to meet: overcrowded and hazardous classrooms in communities whose financial resources are strained to educate these federally connected children. But I believe that overcrowded and hazardous classrooms are undesirable anywhere, whether filled by the children of Federal employees or by the children of other Federal taxpayers, and whether the local resources are strained by the location of a Federal facility or by any other cause. A quality education is a necessity for all American children, not merely those who by good fortune live in a district covered by this program.

It ill becomes those who insist that we cannot afford the expenditure of Federal funds to aid the public education of all children, to insist with equal fervor upon the passage of this unsound and uneconomical measure which aids the education of only some.

The Department of Health, Education, and Welfare advises me that a refusal to extend this program at this time, thus deferring action until the next session of the Congress, would jeopardize the entire educational effort of a substantial number of school districts dependent in large measure on these funds, and unable to find substitute sources of revenue in time to meet current outlays. Many districts are legitimately in need of this aid in order to educate a substantial majority of their students whose parents both reside and work on tax-exempt Federal property. A veto would not distinguish between those properly entitled to this assistance and those who should be making more of an effort locally. I am therefore signing this bill. But the need to improve the standards of education in this country will still be before the Congress next year; and that need must be met on a basis which, for every dollar spent, goes much further to attack our most critical deficiencies than the measure I am required to approve today.

SENATE BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to sine die adjournment of the Senate, notified the Secretary of the Senate that, on October 3, 1961, he had disapproved a bill of the Senate of the following title, together with his reason for such action:

AMENDMENT OF PROVISIONS OF LAW RELATING TO LONGEVITY STEP INCREASES FOR POSTAL EMPLOYEES

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 1459, a bill to amend the provisions of law relating to longevity step increases for postal employees.

While the supporters of this legislation are well-intentioned and its objectives sound—improvement of the within-grade provisions of the postal pay structure, and better correlation of these provisions with the related provisions affecting employees paid under the Classification Act—this bill does not achieve these objectives, despite its $60 million annual cost. Moreover, the Congress failed to provide—through enactment of the postal rate increases recommended by this administration and its predecessor—the revenues necessary to cover the current postal deficit, much less a deficit of even greater magnitude. Without new revenues this bill would increase the postal deficit to over $800 million.

The classified and postal pay structures, including the longevity and within-grade provisions are in need of extensive revision, and will receive the sympathetic consideration of this administration, with recommendations to be forthcoming at the next session of the Congress. The reforms needed are fundamental and sweeping and will require the most careful consideration by both the executive branch and the Congress. However, budgetary needs are too urgent to permit approval of this measure unattended by revenue increases, at this time.

JOHN F. KENNEDY.

THE WHITE HOUSE, *October 3, 1961.*

AMENDMENT OF WAR CLAIMS ACT, OF 1948, RELATING TO PROVISION FOR CERTAIN WORLD WAR II LOSSES—INDIVIDUAL VIEWS (PART 2 OF S. REPT. NO. 1112)

Under authority of the order of the Senate of September 22, 1961, Mr. KEATING, from the Committee on the Judiciary, submitted individual views of himself and Mr. HART to accompany the bill (S. 2618) to amend the War Claims Act of 1948, as amended, to provide for certain World War II losses, which were printed.

PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Under authority of the order of the Senate of September 25, 1961, the names of Senators CASE of South Dakota, SMITH of Maine, BOGGS, MCCARTHY, MUNDT, FULBRIGHT, HICKEY, HUMPHREY, MILLER, CAPEHART, LONG of Hawaii, WILLIAMS of Delaware, BUTLER, CURTIS, KUCHEL, and NEUBERGER were added as additional cosponsors of the joint resolution (S.J. Rec. 142) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, introduced by Mr. MCGEE on September 22, 1961.

NOMINATIONS

Executive nominations received by the Senate September 26 (legislative day of September 25), 1961:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

William C. Foster, of the District of Columbia, to be Director of the U.S. Arms Control and Disarmament Agency. (New position.)

NATIONAL SCIENCE FOUNDATION

Dr. Emanuel R. Piore, of New York, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1966, vice Glenn T. Seaborg, resigned.

FEDERAL MARITIME COMMISSION

Donald W. Alexander, of Florida, to be Maritime Administrator.

The following-named persons to be Federal Maritime Commissioners:

John S. Patterson, of Maryland, for the term expiring June 30, 1962.

Ashton Barrett, of Mississippi, for the term expiring June 30, 1963.

Thomas E Stakem, Jr., of Virginia, for the term expiring June 30, 1964.

John R. Harllee, of the District of Columbia, for the term expiring June 30, 1965.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 26 (legislative day of September 25), 1961:

COLLECTOR OF CUSTOMS

Marjorie Maki, of Minnesota, to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

POST OFFICE DEPARTMENT

The following-named persons to be members of the Advisory Board for the Post Office Department:

Carl Murphy, of Maryland.
Charles H. Earl, of Arkansas.
Paul Perocchi, of Massachusetts.
Robert MacNeal, of Pennsylvania.
James Francis Reilly, of the District of Columbia.
William C. Doherty, of Maryland.

POSTMASTERS

ARIZONA

Helen B. Roberts, Sedona.

ARKANSAS

W. Hugh Hudson, Blytheville.
Norman J. Cox, Bradford.

KENTUCKY

Lawrence H. Framme, Jr., Carrollton.
Kenneth Fern, Flemingsburg.

LOUISIANA

Robert J. LeBlanc, Abbeville.

MAINE

Mary L. Webb, Sargentville.

MICHIGAN

Maurice E. Anderson, Gladstone.
Roger A. Camfield, Gobles.

MISSISSIPPI

Frank P. Kaplan, Drew.
John W. Milner, Valden.

NEBRASKA

Ernest J. Seyler, Alma.
Bonnie A. Hogeland, Bloomington.
James I. Pedersen, Laurel.

OHIO

Daniel B. Slack, Jr., Westerville.

HOUSE OF REPRESENTATIVES

TUESDAY, SEPTEMBER 26, 1961

The House met at 11 o'clock a.m., and was called to order by the Speaker pro tempore.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 5: 3: *My voice shalt thou hear in the morning O Lord; in the morning will I direct my prayer unto Thee and will look up.*

Eternal God in these perilous days, when our pilgrimage is beset with so many difficulties, wilt Thou give us the glad assurance that we must not take counsel with our fears and accept the verdict of our frustrations for the spiritual resources are available and abundantly adequate for all our needs.

Gird us with a calm and courageous spirit and may we be confident that in all our longings and struggles to champion and serve the cause of freedom against tyranny, of right against wrong, of good against evil, we are not alone, for the God of righteousness is with us.

Now may we be strong in the Lord and the power of His might, for Thou art our God forever and ever and will be our guide even unto death and then open unto us the gateway to the larger life and receive us into Thy nearer presence. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 227]

Abernethy	Glenn	Nelsen
Adair	Goodell	Norblad
Alford	Griffin	O'Brien, N.Y.
Alger	Griffiths	Osmers
Anfuso	Hall	Pelly
Ashley	Halleck	Pilcher
Aspinall	Halpern	Pirnie
Baker	Hansen	Poage
Baring	Harris	Powell
Bass, Tenn.	Harrison, Va.	Quie
Battin	Harrison, Wyo.	Rabaut
Becker	Harsha	Rains
Bell	Harvey, Ind.	Reifel
Bennett, Mich.	Harvey, Mich.	Reuss
Berry	Hays	Riehlman
Blatnik	Hébert	Riley
Boggs	Hiestand	Rodino
Boykin	Hoeven	Rostenkowski
Breeding	Holifield	Roudebush
Brewster	Holtzman	St. George
Buckley	Horan	St. Germain
Burke, Ky.	Hosmer	Santangelo
Byrnes, Wis.	Hull	Saund
Cahill	Ikard, Tex.	Schenck
Carey	Jennings	Scherer
Cederberg	Jensen	Scott
Celler	Jones, Mo.	Shelley
Church	Judd	Short
Clancy	Karth	Sikes
Collier	Kelly	Siler
Colmer	Keogh	Sisk
Cook	Kilburn	Slack
Cooley	Kowalski	Smith, Calif.
Corman	Kyl	Smith, Miss.
Cramer	Landrum	Springer
Curtis, Mo.	Latta	Stephens
Daniels	Lesinski	Stubblefield
Davis, Tenn.	Libonati	Sullivan
Dent	Lipscomb	Teague, Calif.
Derounian	Loser	Thompson, La.
Derwinski	McDonough	Tollefson
Devine	McIntire	Tupper
Diggs	McSween	Utt
Dooley	McVey	Van Pelt
Dorn	Macdonald	Vinson
Dulski	Madden	Watts
Durno	Martin, Mass.	Weaver
Farbstein	Martin, Nebr.	Westland
Fascell	May	Wharton
Findley	Michel	Widnall
Fino	Miller, Clem	Williams
Flood	Miller, N.Y.	Wilson, Calif.
Flynt	Montoya	Yates
Frazier	Moore	Young
Frelinghuysen	Morrison	Younger
Gallagher	Moss	Zelenko
Garland	Moulder	
Garmatz	Multer	

The SPEAKER pro tempore. On this rollcall 259 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PUBLIC WORKS APPROPRIATIONS, 1962

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1268)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9076) "making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 11.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 10, 15, and 21, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,877,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$724,021,880"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$138,397,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$72,950,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the number proposed by said

amendment insert "sixty-six"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,643,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,272,600"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$52,534,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,933,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 12, 13, 14, 19, 20, and 22.

CLARENCE CANNON,
MICHAEL J. KIRWAN,
JOHN E. FOGARTY,
BEN F. JENSEN,
JOHN TABER,
Managers on the Part of the House.

ALLEN J. ELLENDER,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
LISTER HILL,
SPESSARD L. HOLLAND,
HENRY DWORSHAK,
MILTON R. YOUNG,
A. WILLIS ROBERTSON,
MARGARET CHASE SMITH,
KARL E. MUNDT,
ROBERT S. KERR,
JOHN O. PASTORE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate on the bill (H.R. 9076) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY

Corps of Engineers—Civil

General Investigations

Amendment No. 1: Appropriates $15,877,000 instead of $14,356,000 as proposed by the House and $16,479,000 as proposed by the Senate. The funds provided are to be distributed as follows:

Item	Budget estimate for fiscal year 1962	Conference allowance
GENERAL INVESTIGATIONS		
1. Examinations and surveys:		
(a) Navigation studies	$1,550,000	$2,091,500
(b) Flood control studies	4,222,000	5,606,500
(c) Beach erosion cooperative studies	200,000	211,000
(d) Special studies:		
(1) San Francisco Bay survey	400,000	400,000
(2) Ohio River Basin survey	500,000	500,000
(3) Great Lakes Harbor survey	50,000	100,000
(4) Great Lakes water levels	75,000	75,000
(5) Coordination studies with other agencies	300,000	300,000
(6) Rampart Canyon, Alaska	300,000	350,000
(7) Hurricane studies	920,000	920,000
(8) Hudson River (siltation) studies	12,000	12,000
(9) Potomac River review	368,000	368,000
(10) Colorado River, Tex	150,000	150,000
(11) Trinity River	250,000	360,000
(12) Arkansas-Red River pollution survey	275,000	375,000
(13) Lake Erie-Ohio River Canal	50,000	280,000
Subtotal, examinations and surveys	9,622,000	12,099,000
2. Collection and study of basic data:		
(a) Stream gaging (U.S. Geological Survey)	$248,000	$248,000
(b) Precipitation studies (U.S. Weather Bureau)	370,000	370,000
(c) Fish and wildlife studies (U.S. Fish and Wildlife Service)	55,000	55,000
(d) International water studies	75,000	75,000
(e) Flood plain studies	500,000	500,000
Subtotal, collection and study of basic data	1,248,000	1,248,000
3. Research and development:		
(a) Beach erosion development studies	230,000	230,000
(b) Hydrologic studies	160,000	160,000
(c) Civil works investigations	1,280,000	1,280,000
(d) Mississippi Basin model:		
(1) Construction	700,000	700,000
(2) Mississippi River comprehensive study	160,000	160,000
Subtotal, research and development	2,530,000	2,530,000
Total, general investigations	13,400,000	15,877,000

Construction, General

Amendment No. 2: Appropriates $724,021,880 instead of $681,045,880 as proposed by the House and $735,923,880 as proposed by the Senate. The committee of conference is in agreement that funds appropriated under this head should be allocated as set forth in the following tabulation:

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
ALABAMA				
Aquatic plant control. (See Louisiana.)				
Claiborne lock and dam		$75,000		$75,000
Columbia lock and dam, Alabama and Georgia	$4,700,000		$4,700,000	
Holt lock and dam	750,000		750,000	
Jackson lock and dam (fish and wildlife lands)	275,000		275,000	
Millers Ferry lock and dam		375,000		375,000
Paint Rock River	150,000		150,000	
Tombigbee River and tributaries, Alabama and Mississippi. (See Mississippi.)				
Walter F. George (Fort Gaines) lock and dam, Alabama and Georgia	15,600,000		15,600,000	
ALASKA				
Fairbanks		150,000		150,000
Juneau Harbor (small boat harbor)	1,000,000		1,000,000	
Wrangell Narrows			785,000	
ARIZONA				
Alamo Reservoir		$100,000		$100,000
Gila and Salt Rivers				50,000
Gila River Camelsback Reservoir site to Salt River	$800,000		$800,000	
Tucson diversion channel		149,000		149,000
ARKANSAS				
Arkansas River and tributaries, Arkansas and Oklahoma:				
(a) Bank stabilization and channel rectification	15,000,000		15,000,000	
(b) Navigation locks and dams		1,225,000		1,225,000
Beaver Reservoir	9,500,000		9,500,000	
Bull Shoals Reservoir, Ark. and Mo.:				
(a) Additions of units Nos. 5 and 6	1,000,000		1,000,000	
(b) Additions of units Nos. 7 and 8	1,500,000		1,500,000	

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
ARKANSAS—continued				
Dardanelle lock and dam	$9,000,000		$9,000,000	
DeGray Reservoir		$389,000	514,000	
Gillham Reservoir		120,000		$120,000
Greers Ferry Reservoir	12,500,000		12,500,000	
Maniece Bayou upstream extension		55,000		55,000
Millwood Reservoir	2,500,000		3,000,000	
Ouachita and Black Rivers 9-foot channel, Arkansas and Louisiana		250,000		250,000
Ozark lock and dam		125,000		125,000
Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana and Texas	300,000		300,000	
CALIFORNIA				
Bear Creek		67,000		67,000
Black Butte Reservoir	4,300,000		4,300,000	
Bodega Bay (channels and jetties)	185,000		55,000	
Devil East Twin Warm and Lytle Creeks	1,482,000		1,482,000	
Halfmoon Bay Harbor (Pillar Point)	1,211,000		781,000	
Imperial Beach, San Diego County—Broins (reimbursement)	27,000		27,000	
Los Angeles and Long Beach Harbors 35-foot depth in west basin—1960 act		63,000		63,000
Los Angeles County drainage area	16,000,000		16,000,000	
Lower San Joaquin River and tributaries	1,300,000		1,300,000	
Middle Creek	635,000		635,000	
Morro Bay Harbor (breakwater)	800,000		800,000	
New Hogan Reservoir	6,000,000		6,000,000	
Noyo River and harbor (breakwater)	300,000			
Ocean Side, San Diego County (reimbursement)			750,000	
Oroville Reservoir		25,000		25,000
Pine Flat Reservoir	1,621,000		1,621,000	
Playa Del Rey Inlet and Basin	524,000		524,000	
Russian River Reservoir and channel	700,000		700,000	
Sacramento River and major and minor tributaries	300,000		300,000	
Sacramento River, bank protection (initial phase)		60,000		60,000
Sacramento River, Chico Landing to Red Bluff		42,000		42,000
Sacramento River, deep water ship channel	4,300,000		4,300,000	
Sacramento River, flood control project	1,900,000		1,900,000	
Salinas River (deferred)		5,000		5,000
San Jacinto River and Bautista Creek	1,886,000		1,626,000	
Santa Cruz Harbor	300,000		300,000	
Santa Maria Valley levees	2,022,000		2,022,000	
Stewart Canyon Basin			350,000	
Terminus Reservoir	3,288,000		3,288,000	
Truckee River and tributaries, California and Nevada. (See Nevada.)				
Tuolumne River Reservoirs		21,000		21,000
Walnut Creek		90,000		90,000
West Fork Reservoir Mojave River Basin				75,000
COLORADO				
Trinidad Reservoir		200,000		200,000
CONNECTICUT				
Bridgeport Harbor, main harbor (1958 act)	1,300,000		1,300,000	
Colebrook River Reservoir		50,000		50,000
East Branch Reservoir	250,000		250,000	
Hall Meadow Brook Reservoir	1,200,000		1,200,000	
Hancock Brook Reservoir		135,000		135,000
Mad River Reservoir	1,800,000		1,800,000	
Northfield Brook Reservoir		120,000		150,000
Pawcatuck	371,000		371,000	
Silver Beach to Cedar Beach (reimbursement)	34,000		34,000	
Stamford		100,000		100,000
West Thompson Reservoir		150,000		150,000
DELAWARE				
Delaware River, Philadelphia to sea, New Jersey, Delaware, and Pennsylvania (dikes). (See New Jersey.)				
Indian River Inlet and Bay (north and south bulkheads)		25,000		25,000
DELAWARE—continued				
Inland Waterway, Delaware River to Chesapeake Bay (Chesapeake and Delaware Canal), part II (Delaware and Maryland)	$1,200,000		$1,200,000	
Wilmington Harbor, Christina River Channel and turning basin (1930 and 1960 acts)			555,000	
FLORIDA				
Aquatic plant control. (See Louisiana.)				
Central and southern Florida	13,000,000		13,750,000	
Cross Florida Barge Canal		$195,000		$195,000
Intracoastal Waterway:				
(a) Caloosahatchee River to Anclote River	1,000,000		1,000,000	
(b) Jacksonville to Miami (Fort Pierce section)	1,000,000		1,000,000	
(c) Miami to Key West (deferred)		40,000		40,000
Key West (reimbursement)	115,000		115,000	
Lake Worth Inlet to South Lake Worth Inlet, Palm Beach County (reimbursement)	6,000		6,000	
Miami Harbor		84,000		84,000
Palm Beach Harbor		58,000		58,000
Port Everglades Harbor	2,200,000		2,200,000	
St. Marks River	300,000		300,000	
GEORGIA				
Aquatic plant control. (See Louisiana.)				
Carters Dam		300,000	1,000,000	
Columbia lock and dam, Alabama and Georgia. (See Alabama.)				
Hartwell Reservoir, Ga. and S.C.	10,000,000		10,000,000	
Savannah River below Augusta, Ga. and S.C.	769,000		769,000	
Walter F. George lock and dam, Alabama and Georgia. (See Alabama.)				
HAWAII				
Kahului Harbor (east and west breakwaters)		100,000		100,000
Kawaihae Harbor			500,000	
IDAHO				
Bruces Eddy Reservoir (construction not yet authorized)				600,000
ILLINOIS				
Beardstown	1,000,000		700,000	
Calumet Harbor and River, Ill. and Ind.:				
(a) 29-foot approach channel, 28-foot outer harbor, and 27-foot entrance	400,000		400,000	
(b) Torrence Avenue to turning basin No. 5	500,000		500,000	
Calumet Harbor and River, Ill. and Ind. (breakwater)	230,000		230,000	
Carlyle Reservoir	3,500,000		3,500,000	
Chicago, Burlington & Quincy RR. bridge, including channel change	191,000		191,000	
Clear Creek Drainage and Levee District	288,000		288,000	
Dam 27, Mississippi River between St. Louis and lock and dam 26, Illinois and Missouri	1,000,000		1,000,000	
Drury Drainage District	300,000		300,000	
East St. Louis and vicinity	2,600,000		2,600,000	
Henderson County Drainage District No. 1				50,000
Henderson County Drainage District No. 2		40,000		40,000
Hunt Drainage District and Lima Lake Drainage District	900,000		900,000	
Illinois Waterway, Calumet-Sag Channel (modification), part I	5,000,000		7,700,000	
Mississippi River between the Ohio and Missouri Rivers, regulating works, Illinois and Missouri	2,000,000		2,000,000	

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
ILLINOIS—continued				
New Athens				$35,000
Perry County Drainage and Levee Districts Nos. 1, 2, and 3, Missouri and Illinois. (See Missouri.)				
Shelbyville Reservoir		$250,000		250,000
Sny Island Levee Drainage District		50,000		50,000
South Quincy Drainage and Levee District				40,000
Subdistrict No. 1 of Drainage Union No. 1 and Bay Island Levee and Drainage District	$200,000		$200,000	
The Sny Basin	4,000,000		1,000,000	
Wood River Drainage and Levee District	1,400,000		1,400,000	
INDIANA				
Calumet Harbor and River, Ill. and Ind. (See Illinois.)				
Cannelton locks and dam, Indiana and Kentucky		279,000	750,000	
Evansville	300,000		100,000	
Huntington Reservoir	250,000	53,000		53,000
Indiana Harbor—1960 act	300,000		300,000	
Levee Unit 5, Wabash River		49,000		49,000
McAlpine locks and dam (Louisville), Indiana and Kentucky. (See Kentucky.)				
Markland locks and dam, Kentucky, Ohio, and Indiana. (See Kentucky.)				
Mason J. Niblack levee	350,000		350,000	
Mississinewa Reservoir	500,000		500,000	
Monroe Reservoir	940,000		940,000	
Salamonie Reservoir	700,000		700,000	
Uniontown locks and dam, Indiana and Kentucky		125,000		125,000
West Terre Haute - Sugar Creek levee	500,000		250,000	
IOWA				
Coralville Reservoir-Mehaffey Bridge				70,000
Des Moines		40,000		40,000
Floyd River and tributaries	800,000		800,000	
Green Bay Levee and Drainage District No. 2			100,000	
Iowa River-Flint Creek Levee District No. 16	300,000		300,000	
Little Sioux River	2,700,000		2,700,000	
Missouri River Agricultural Levees, Iowa, Kansas, Missouri, and Nebraska (active portion only)			800,000	
Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska:				
(a) Sioux City, Iowa, to Omaha, Nebr	5,600,000		5,600,000	
(b) Omaha, Nebr., to Kansas City	2,800,000		2,800,000	
(c) Kansas City to the mouth	3,500,000		3,500,000	
Muscatine Island Levee District and Muscatine Louisa County Drainage District No. 13	300,000		300,000	
Rathbun Reservoir		125,000		125,000
Red Rock Reservoir	6,500,000		6,500,000	
Saylorville Reservoir		155,000		155,000
KANSAS				
Council Grove Reservoir	3,600,000		3,600,000	
Elk City Reservoir			1,000,000	
Fort Leavenworth Bridge, Kans. and Mo	150,000		150,000	
Fort Scott Reservoir				10,000
Frankfort	400,000		400,000	
John Redmond (Strawn) Reservoir	6,700,000		6,700,000	
Kansas City, Kans. and Mo	1,000,000		1,000,000	
Lawrence		65,000		65,000
Manhattan	800,000		800,000	
Melvern Reservoir		75,000		75,000
Merriam (deferred)		10,000		10,000
Milford Reservoir	2,500,000		2,500,000	
Missouri River agricultural levees, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
Ottawa	1,250,000		1,250,000	
Perry Reservoir		185,000		185,000
Pomona Reservoir	4,800,000		4,800,000	
Topeka	2,400,000		2,400,000	
Tuttle Creek Reservoir	5,000,000		5,000,000	
Wilson Reservoir	3,200,000		3,200,000	

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
KENTUCKY				
Augusta (deferred)				$15,000
Barkley Dam (Lower Cumberland), Ky. and Tenn	$22,000,000		$22,000,000	
Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)				
Capt. Anthony Meldahl locks and dam, Kentucky and Ohio	17,500,000		17,500,000	
Corbin		$60,000		60,000
Fishtrap Reservoir	1,780,000		1,780,000	
Grayson Reservoir		100,000		100,000
Laurel River Reservoir		123,000		200,000
Markland locks and dam, Indiana, Kentucky, and Ohio	13,700,000		13,700,000	
McAlpine locks and dam, Indiana and Kentucky	5,500,000		5,500,000	
Nolin Reservoir	7,200,000		7,200,000	
No. 2 Barren Reservoir	4,500,000		4,500,000	
No. 2 Green Reservoir		119,000		119,000
Sturgis (deferred)		10,000		10,000
Uniontown locks and dam, Indiana and Kentucky. (See Indiana.)				
LOUISIANA				
Aquatic plant control, Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Texas	1,000,000		1,000,000	
Bayou Lafourche and Lafourche Jump Waterway			100,000	
Calcasieu River and Pass (1960 act)			100,000	
Freshwater Bayou			100,000	
Lake Providence Channel			[2]	
Mississippi River, Baton Rouge to the gulf	2,500,000		2,500,000	
Mississippi River gulf outlet	8,500,000		8,500,000	
Ouachita and Black Rivers, Ark. and La. (See Arkansas.)				
Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana, and Texas. (See Arkansas.)				
MAINE				
Eastport Harbor	295,000		295,000	
Pepperell Cove			[1](187,000)	
South Bristol Harbor			[1](123,000)	
MARYLAND				
Baltimore Harbor and channels (1958 act)	5,000,000		5,000,000	
Inland Waterway, Delaware River to Chesapeake Bay, Delaware and Maryland. (See Delaware.)				
MASSACHUSETTS				
Chicopee Falls		75,000		125,000
Conant Brook Reservoir		50,000		50,000
Littleville Reservoir	300,000		300,000	
New Bedford, Fairhaven, Acushnet barriers	500,000		500,000	
Three Rivers		50,000		50,000
Westfield				50,000
Westville Reservoir	1,700,000		1,700,000	
MICHIGAN				
Battle Creek-Kalamazoo River	250,000			
Detroit River (enlarge Trenton Channel to 27 and 28 feet) (1960 act)	400,000		400,000	
Grand Haven Harbor (pier and revetments)	300,000		300,000	
Great Lakes connecting channels	19,100,000		19,100,000	
Holland Harbor (pier, revetment, breakwater)		68,000		68,000
Little Lake Harbor			200,000	
Manistee Harbor	300,000		300,000	
Manistique Harbor (east and west breakwater)		45,000		45,000
Menominee Harbor (1960 act), Mich. and Wis.		20,000		20,000
Menominee Harbor, Mich. and Wis. (north and south piers)	265,000		265,000	
Saginaw River (flood control)				100,000
Saginaw River	1,700,000		3,000,000	
South Haven Harbor (piers and revetment)	300,000		300,000	

See footnotes at end of table.

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
MICHIGAN—con.				
St. Joseph Harbor (piers and revetments)	$300,000		$300,000	
St. Marys River: New Poe lock	4,500,000		4,500,000	
MINNESOTA				
Duluth-Superior Harbor: (a) Outer harbor 32-foot to 27-foot channel	400,000		400,000	
(b) Inner harbor 27-foot and 23-foot channels		$75,000		$75,000
Marshall- Redwood River		144,000	294,000	
St. Anthony Falls extension	6,000,000		6,000,000	
St. Paul and South St. Paul	1,500,000		750,000	
Winona		82,000		82,000
MISSISSIPPI				
Aquatic plant control. (See Louisiana.)				
Jackson and East Jackson (Pearl River)		50,000		100,000
Pascagoula Harbor—33-foot main channel	840,000		840,000	
Tombigbee River and tributaries, Alabama and Mississippi		55,000		55,000
MISSOURI				
Bear Creek Reservoir at Hannibal	200,000		200,000	
Bull Shoals Reservoir Units 5, 6, 7, and 8, Arkansas and Missouri. (See Arkansas.)				
Dam 27, Mississippi River between St. Louis and lock and dam 26, Illinois and Missouri. (See Illinois.)				
Fort Leavenworth Bridge, Kans, and Mo. (See Kansas.)				
Kansas City, Kans. and Mo. (See Kansas.)				
Kaysinger Bluff Reservoir		200,000		200,000
Marion County Drainage District	300,000		300,000	
Mississippi River between the Ohio and Missouri Rivers—regulating works, Illinois and Missouri. (See Illinois.)				
Missouri River agricultural levees, Iowa, Kansas, Missouri, Nebraska. (See Iowa.)				
Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
Perry County Drainage and Levee Districts Nos. 1, 2, and 3, Missouri and Illinois.	400,000		400,000	
Pomme de Terre Reservoir	1,700,000		1,700,000	
South River Drainage District		36,000		36,000
St. Louis	8,500,000		8,500,000	
Stockton Reservoir		232,000		232,000
MONTANA				
Fort Peck Dam (second powerplant)	700,000		700,000	
Libby Reservoir		1,350,000		1,350,000
NEBRASKA				
Beatrice (deferred)		10,000		10,000
Missouri River agricultural levees, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
Missouri River channel stabilization, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)				
Salt Creek and tributaries	1,750,000		1,750,000	
NEVADA				
Gleason Creek		45,000		45,000
Humboldt River (deferred)				35,000
Las Vegas Wash		125,000		125,000
Truckee River and tributaries, California and Nevada	357,000		357,000	
NEW HAMPSHIRE				
Hopkinton-Everett Reservoirs	6,200,000		6,200,000	
NEW JERSEY				
Atlantic City (reimbursement)	$140,000		$140,000	
Delaware River, Philadelphia to sea, New Jersey, Delaware, and Pennsylvania (dikes)		$30,000		$30,000
Delaware River, Philadelphia Naval Base to Trenton (40-foot channel), Pennsylvania and New Jersey	12,000,000		12,000,000	
Newark Bay, Hackensack and Passaic Rivers (25-foot turning basin only)			250,000	
NEW MEXICO				
Abiquiu Reservoir	4,288,000		5,458,000	
Cochiti Reservoir		300,000		300,000
Galisteo Reservoir		100,000		100,000
Rio Grande Floodway, Cochiti to Rio Puerco	1,915,000		1,915,000	
Socorro	400,000		400,000	
Two Rivers Reservoir	3,000,000		3,000,000	
NEW YORK				
Allegheny River Reservoir, N.Y. and Pa. (See Pennsylvania.)				
Buffalo Harbor: (a) Deepen north entrance Buffalo River, entrance Buffalo ship canal	600,000		600,000	
(b) South entrance, 28-, 29-, and 30-foot channels	350,000		350,000	
Fire Island Inlet			152,880	
Great Lakes to Hudson River Waterway	770,000		770,000	
Great Sodus Bay Harbor (east and west piers)	240,000		240,000	
Herkimer	250,000		250,000	
Hudson River, New York City to Albany	5,000,000		5,000,000	
Ithaca (Cayuga Inlet)		75,000		75,000
Jamaica Bay	439,000			
Lackawanna		80,000		135,000
New York Harbor Channel from ocean to Bayside	500,000		500,000	
Ohio St. Bridge, Buffalo River	440,000		440,000	
Rochester Harbor (1960 act)	500,000		500,000	
South Amsterdam		33,000		33,000
NORTH CAROLINA				
Aquatic plant control. (See Louisiana.)				
Cape Fear River (lock No. 1 dam)	375,000		375,000	
Wilkesboro Reservoir	2,000,000		2,000,000	
NORTH DAKOTA				
Garrison Reservoir	850,000		850,000	
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)				
OHIO				
Ashtabula Harbor, 27-30-foot channels, deepen turning area (1960 act)	400,000		400,000	
Belleville locks and dam, Ohio and West Virginia	900,000		900,000	
Caesar Creek Reservoir				10,000
Capt. Anthony Meldahl locks and dam, Kentucky and Ohio. (See Kentucky.)				
Cleveland Harbor: (a) Bridge replacements, widening Cuyahoga and Old Rivers, and deepen channel in east basin of outer harbor (1958 act)		284,000		284,000
(b) 28-foot approach channel, 27-foot entrance channel, 27-foot river channel, 28 feet in West Basin (1960 act)	400,000		400,000	
Cleveland Harbor (east and west breakwaters)	200,000		200,000	
Conneaut Harbor (east and west breakwaters)		17,000		17,000
East Fork Reservoir				10,000
Fairport Harbor 27-29-foot channels and turning basin		67,000		67,000

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
OHIO—continued				
Lorain Harbor (1960 act)		$118,000	$418,000	
Markland lock and dam, Indiana, Kentucky, and Ohio. (See Kentucky.)				
Pike Island locks and dam, Ohio and West Virginia	$14,600,000		14,600,000	
Racine locks and dam, Ohio and West Virginia		75,000		$75,000
Sandusky Harbor (east jetty)		10,000		10,000
Sandusky Harbor (1960 act)	500,000		500,000	
Shenango River Reservoir, Pa. and Ohio. (See Pennsylvania.)				
Toledo Harbor (1960 act)		30,000	330,000	
West Branch Reservoir, Mahoning River	2,600,000		2,600,000	
OKLAHOMA				
Arkansas River and tributaries, bank stabilization and channel rectification and navigation locks and dams, Arkansas and Oklahoma. (See Arkansas.)				
Broken Bow Reservoir	1,000,000		1,250,000	
Canton Reservoir (embankment)	350,000		350,000	
Eufaula Reservoir	28,000,000		28,000,000	
Keystone Reservoir	27,500,000		27,500,000	
Oologah Reservoir	1,759,000		1,759,000	
Pine Creek Reservoir		100,000		175,000
Short Mountain lock and dam		250,000		250,000
OREGON				
Columbia River at the mouth (north and south jetties), Oregon and Washington	700,000		700,000	
Columbia River local protection:				
John Day River				37,000
Coos Bay (south jetty)	500,000		500,000	
Cougar Reservoir	12,000,000		12,000,000	
Fall Creek Reservoir	1,000,000		1,000,000	
Green Peter Reservoir	6,000,000		6,000,000	
Hills Creek Reservoir	1,800,000		1,800,000	
John Day lock and dam, Oregon and Washington	31,000,000		31,000,000	
Lower Columbia River bank protection, Oregon and Washington	600,000		600,000	
Lower Columbia River improvement to existing works:				
(a) Beaver Drainage District			250,000	
(b) Rainer Drainage District	381,000		381,000	
(c) Sauvie Island Drainage District	259,000		259,000	
McNary lock and dam, Oregon and Washington	285,000		285,000	
Siuslaw River (north and south jetty)	500,000		500,000	
Tillamook Bay and Harbor (north jetty)				40,000
Umpqua River (south jetty)	500,000		500,000	
Willamette River Basin channel improvements and major drainage:				
(a) West Muddy and Marys River				25,000
Willamette River Basin bank protection	500,000		500,000	
Yaquina Bay and Harbor		200,000		200,000
PENNSYLVANIA				
Allegheny River Reservoir, N.Y., and Pa.	15,000,000		15,000,000	
Bethlehem	1,900,000		1,500,000	
Blanchard Reservoir		85,000		85,000
Brookville	225,000		225,000	
Butler, Connoquenessing Creek		83,000	183,000	
Curwensville Reservoir	750,000		1,250,000	
Delaware River, Philadelphia Naval Base to Trenton (40-foot channel), Pennsylvania and New Jersey. (See New Jersey.)				
Delaware River, Philadelphia to sea, N.J., & Del., Pa. (dikes and anchorages). (See New Jersey.)				
Dam 4, Monongahela River		140,000		140,000
Elkland		25,000		25,000
Erie Harbor (1960 act)	500,000		500,000	
Kettle Creek Reservoir	1,233,000		1,233,000	
Maxwell locks and dam, Monongahela River	9,300,000		9,300,000	
Ridgway	250,000		250,000	
Shenango River Reservoir, Ohio and Pa.	7,000,000		7,000,000	
Turtle Creek	400,000		400,000	
Washington	550,000		400,000	
PUERTO RICO				
San Juan Harbor (1958 act)	$600,000		$600,000	
RHODE ISLAND				
Fox Point barrier	3,200,000		3,200,000	
Lower Woonsocket		$130,000		$270,000
Point Judith Harbor (breakwaters)	700,000		700,000	
SOUTH CAROLINA				
Aquatic plant control. (See Louisiana.)				
Charleston Harbor (anchorage area) inactive			900,000	
Hartwell Reservoir, Ga. and S.C. (See Georgia.)				
Savannah River below Augusta, Ga., and South Carolina. (See Georgia.)				
SOUTH DAKOTA				
Big Bend Reservoir	22,000,000		22,000,000	
Fort Randall Reservoir	1,000,000		1,000,000	
Oahe Reservoir, S. Dak. and N. Dak	40,000,000		40,000,000	
Vermillion River		110,000		110,000
TENNESSEE				
Barkley Dam, Ky. and Tenn. (See Kentucky.)				
Cordell Hull Dam				10,000
J. Percy Priest Reservoir (inactive)				10,000
TEXAS				
Aquatic plant control. (See Louisiana.)				
Bardwell Reservoir		145,000		145,000
Big Fossil Creek		50,000		100,000
Blieders Creek Reservoir, New Braunfels		50,000		50,000
Buffalo Bayou and tributaries:				
Brays Bayou	3,500,000		3,500,000	
Buffalo Bayou Channel (River Oaks area)			400,000	
Canyon Reservoir	3,000,000		3,000,000	
Fort Worth Floodway extension		75,000		75,000
Galveston Harbor and Channel (north and south jetties)	650,000		650,000	
Gulf Intracoastal Waterway:				
(a) Channel to Port Mansfield	2,639,000		2,639,000	
(b) Guadalupe River channel to Victoria	900,000		900,000	
(c) West Colorado River lock, east gate (minor rehabilitation)			(180,000)	
Houston ship channel:				
(a) Bend easing and widening to 36-foot depth only, phase I	3,000,000		3,000,000	
Matagorda ship channel:				
(a) 36- and 38-foot channels		405,000	500,000	405,000
McGee Bend Dam	9,600,000		9,600,000	
Navarro Mills Reservoir	3,500,000		3,500,000	
Port Aransas-Corpus Christi Waterway:				
(a) 36-foot channel and widening and realinement at bascule bridge	1,255,000		355,000	
(b) Channel to Viola (36-foot depth only)	600,000		600,000	
Proctor Reservoir	4,500,000		4,500,000	
Red River levees and bank stabilization below Denison Dam, Arkansas, Louisiana, and Texas. (See Arkansas.)				
Sabine-Neches Waterway	1,800,000		1,800,000	
San Antonio Channel	2,400,000		2,400,000	
Somerville Reservoir	500,000		500,000	
Stillhouse Hollow Reservoir	500,000		500,000	
Texas City	400,000		400,000	
Waco Reservoir	8,500,000		8,500,000	
UTAH				
Little Dell Reservoir		75,000		75,000
Weber River		50,000		50,000
VERMONT				
Burlington Harbor (breakwater)	275,000		275,000	
VIRGINIA				
John W. Flannagan (Pound) Reservoir	4,200,000		4,200,000	
North Fork of Pound Reservoir		75,000		147,000

Construction, general, State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Planning	Construction	Planning
WASHINGTON				
Colfax	$600,000		$600,000	
Columbia River at the mouth (north and south jetties), Oregon and Washington. (See Oregon.)				
Dayton		$78,000		$78,000
Everett Harbor and Snohomish River (1960 modification)	200,000		200,000	
Howard A. Hanson (Eagle Gorge) Reservoir	4,100,000		4,100,000	
Ice Harbor lock and dam	8,200,000		7,200,000	
John Day lock and dam, Oregon and Washington. (See Oregon.)				
Little Goose lock and dam		840,000		840,000
Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)				
Lower Granite lock and dam		400,000		600,000
Lower Monumental lock and dam	8,000,000		8,000,000	
McNary lock and dam, Oregon and Washington. (See Oregon.)				
Port Townsend		37,000		37,000
Sammamish River		58,000		58,000
WEST VIRGINIA				
Belleville locks and dam, Ohio and West Virginia. (See Ohio.)				
Opekiska lock and dam	3,000,000		3,000,000	
Pike Island locks and dam, Ohio and West Virginia. (See Ohio.)				
Racine locks and dam, Ohio and West Virginia. (See Ohio.)				
Summersville Reservoir	9,000,000		9,000,000	
Williamson	479,000		479,000	
WISCONSIN				
Ashland Harbor (1960 act)	$300,000		$300,000	
Duluth-Superior Harbor, Minn. and Wis. (See Minnesota.)				
Eau Galle River		$247,000		$247,000
Menominee Harbor (1960 act), Mich. and Wis. (See Michigan.)				
Menominee Harbor (south and north piers), Mich. and Wis. (See Michigan.)				
Milwaukee Harbor (north breakwater)	250,000		250,000	
Sheboygan Harbor (north breakwater and south pier)	200,000		200,000	
Sturgeon Bay and Lake Michigan ship canal (revetment)		33,000		33,000
WYOMING				
Sheridan	500,000		500,000	
Emergency bank protection	150,000		150,000	
Local protection projects not requiring specific legislation	1,000,000		1,000,000	
Small navigation projects not requiring specific legislation (costing up to $200,000), sec. 107, 1960 act	500,000		750,000	
Snagging and clearing	100,000		100,000	
Recreation facilities, completed projects	3,000,000		3,750,000	
Small authorized projects	1,500,000		2,789,000	
Fish and wildlife studies (U.S. Fish and Wildlife Service)	550,000		550,000	
Minor rehabilitation projects (costing up to $400,000)	2,500,000		2,700,000	
Reduction for anticipated savings and slippages	−50,000,000		−60,000,000	
Grand total, construction, general	706,834,000 (721,362,000)	14,528,000	708,765,880 (724,021,880)	15,256,000

[1] Eligible for selection under lump-sum appropriation for small authorized projects.
[2] Eligible for selection under small navigation projects not requiring specific legislation.

Cross Florida Barge Canal: The conferees on the part of both Houses are in agreement that the funds provided for this project are to be used only for updating the economic evaluation of the project.

Oahe Reservoir: The conferees on the part of both Houses are in agreement that not to exceed $2,000,000 of the funds provided shall be available toward the construction of the crossing over the Grand River and tributaries and necessary approach roads thereto to replace existing facilities between the town of Wakpala and the city of Mobridge which will be inundated by the waters of the Oahe Reservoir. Any costs over and above this figure which may be necessary to complete the work are to be contributed by State and/or local interests.

Small authorized projects: The amount provided for this program includes funds for the following: Apponaug Cove, Rhode Island—$200,000; Pepperell Cove, Maine—$187,000; and South Bristol Harbor, Maine—$123,000. The balance of the funds provided are to be applied to the projects included in the budget justifications and others which may be selected by the Chief of Engineers.

Amendment No. 3: Reported in disagreement.

Amendment No. 4: Reported in disagreement.

Operation and Maintenance, General

Amendment No. 5: Appropriates $138,397,000 instead of $133,272,000 as proposed by the House, and $141,246,000 as proposed by the Senate. Funds for the following items have been disallowed: Extraordinary Maintenance Program—$500,000; Dismal Swamp Waterway—$170,000; and the waterway on the coast of Virginia at Metompkin Bay, Virginia—$153,000.

General Expenses

Amendment No. 6: Appropriates $13,148,000 as proposed by the Senate instead of $13,000,000 as proposed by the House.

Flood Control, Mississippi River and Tributaries

Amendment No. 7: Appropriates $72,950,000 instead of $70,725,000 as proposed by the House and $73,700,000 as proposed by the Senate. Funds provided are to be distributed as follows:

Projects	Budget estimate for fiscal year 1962	Conference allowance
1. General investigations:		
(a) Examinations and surveys	$7,500	$57,500
(b) Collection and study of basic data	67,500	67,500
Subtotal, general investigations	75,000	125,000
2. Construction and planning:		
Mississippi River levees	2,500,000	2,500,000
Channel improvement	23,000,000	23,750,000
Memphis Harbor	400,000	400,000
Greenville Harbor	1,000,000	1,000,000
Old River control	8,000,000	8,000,000
St. Francis Basin	4,635,000	4,635,000
Lower White River	550,000	550,000
West Tennessee tributaries	500,000	500,000
Wolf River and tributaries	560,000	560,000
Lower Arkansas	530,000	530,000
Tensas Basin:		
Boeuf and Tensas Rivers, etc	1,300,000	1,790,000
Red River backwater	25,000	25,000
2. Construction and planning—Continued		
Yazoo Basin:		
Sardis Reservoir	$31,000	$31,000
Enid Reservoir	32,000	32,000
Arkabutla Reservoir	22,000	22,000
Grenada Reservoir	80,000	80,000
Greenwood	300,000	300,000
Lower auxiliary channels	570,000	570,000
Main stem	1,715,000	1,715,000
Tributaries	675,000	675,000
Big Sunflower River, etc	1,150,000	1,350,000
Yazoo backwater	500,000	500,000
Atchafalaya Basin	6,000,000	6,480,000
Lake Pontchartrain	350,000	350,000
Reduction for anticipated savings and slippages	−1,500,000	−1,500,000
Total, construction and planning	52,925,000	54,845,000
3. Maintenance	17,500,000	17,980,000
Grand total	70,500,000	72,950,000

Administrative Provisions

Amendment No. 8: Provides for the purchase of 166 automobiles instead of 160 as proposed by the House and 172 as proposed by the Senate.

TITLE II—DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

General Investigations

Amendments Nos. 9 and 10: Appropriate $6,643,000 instead of $6,523,000 as proposed by the House and $6,770,000 as proposed by the Senate, and provide that $5,520,000 of the amount shall be derived from the reclamation fund as proposed by the Senate instead of $5,423,000 as proposed by the House. The conferees of both Houses agree to the general investigations program as provided for in the Senate bill and report with the exception of the restoration of $242,000 for the Texas basins investigation.

General Investigations (Special Foreign Currency Program)

Amendment No. 11: Strikes out language proposed by the Senate providing $2,623,000 for a special foreign currency program.

Construction and Rehabilitation

Amendment No. 12: Reported in disagreement. The managers on the part of the House will offer a motion to appropriate $152,405,500 instead of $153,283,500 as proposed by the House and $153,876,400 as proposed by the Senate. The funds appropriated under this heading are to be distributed as follows:

State and project	Budget estimate for fiscal year 1962		Conference allowance	
	Construction	Advance planning	Construction	Advance planning
Arizona:				
Colorado River front work and levee system	$1,590,000		$1,700,000	
Gila project	800,000		800,000	
California:				
Central Valley project	55,337,838		55,558,338	
Colorado River front work and levee system. (See Arizona.)				
Klamath project. (See Oregon.)				
Ventura project			600,000	
Washoe project. (See Nevada.)				
Colorado:				
Collbran project	534,162		534,162	
Trinidad project		$5,200		$5,200
Idaho: Spokane Valley project. (See Washington.)				
Kansas: Wichita project, Cheney division	2,700,000		2,700,000	
Nevada:				
Washoe project, initial phase		250,000		250,000
Washoe project, Prosser Creek Dam and Reservoir	968,000		968,000	
New Mexico: Middle Rio Grande project	1,562,000		1,562,000	
Oklahoma:				
Norman project	900,000		900,000	
Washita Basin project	1,800,000		1,800,000	
Oregon:				
Klamath project	1,034,000		1,034,000	
Rogue River project, Talent division	739,000		1,359,000	
The Dalles project, western division	350,000		425,000	
Vale project, Bully Creek extension	690,000		690,000	
Texas:				
Canadian River project	4,200,000		4,200,000	
Lower Rio Grande project, La Feria division	1,200,000		1,200,000	
Lower Rio Grande project, Mercedes division	1,851,000		1,851,000	
San Angelo project	7,100,000		7,100,000	
Utah:				
Provo River project	827,000		827,000	
Weber Basin project	8,404,000		8,404,000	
Washington:				
Chief Joseph Dam project, Greater Wenatchee division	2,417,000		2,417,000	
Columbia Basin project	4,478,000		4,478,000	
Spokane Valley project		125,000		125,000
Wyoming-Eden project			150,000	
Drainage and minor construction	2,200,800		2,200,800	
Rehabilitation and betterment	3,935,000		3,935,000	
Subtotal, construction and rehabilitation (exclusive of Missouri River Basin)	105,617,800	380,200	107,393,300	380,200
MISSOURI RIVER BASIN PROJECT				
Colorado: Narrows unit		$138,500		$138,500
Kansas:				
Almena unit	$3,305,000		$2,865,000	
Cedar Bluff unit	1,493,000		1,493,000	
Glen Elder unit		199,000		199,000
Kanopolis unit		215,000		215,000
Wilson unit		58,500		58,500
Montana:				
East Bench unit	5,920,000		5,050,000	
Jefferson unit		225,750		225,750
West Bench unit		84,000		84,000
Whitehall unit		93,000		93,000
Yellowtail unit	10,840,000		11,032,000	
Nebraska:				
Ainsworth unit	3,559,000		3,259,000	
Cedar Rapids division		282,000		282,000
Farwell unit	5,955,000		5,955,000	
Frenchman-Cambridge division	3,458,000		3,458,000	
North Dakota:				
Garrison diversion unit		400,000		400,000
Heart-Butte unit			70,000	
South Dakota:				
Crazy Horse, Tower, Greenwood, Yanktown units		44,375		44,375
Garrison diversion unit. (See North Dakota.)				
Oahe unit		19,875		119,875
Wyoming: Yellowtail unit. (See Montana.)				
Transmission division	19,112,000		20,782,000	
Drainage and minor construction	1,490,000		1,490,000	
Subtotal, construction and advance planning (Missouri River Basin)	55,132,000	1,760,000	55,394,000	1,860,000
Investigations	860,000		875,000	
Other department agencies	3,000,000		2,900,000	
Total, Missouri River Basin project	58,992,000	1,760,000	59,169,000	1,860,000
Subtotal, construction and rehabilitation	166,750,000		168,280,500	
Undistributed reduction based on anticipated delays	−11,100,000		−16,397,000	
Total, construction and rehabilitation	155,650,000		152,405,000	

Missouri River Basin project: The increase of $15,000 above the House figure in the investigation program is for the Angostura unit, South Dakota. The increase of $100,000 above the House figure in the item "Other Department Agencies" is for archeological investigations.

Amendment No. 13: Reported in disagreement.

Amendment No. 14: Reported in disagreement.

Operation and Maintenance

Amendment No. 15: Appropriates $36,189,000 as proposed by the Senate instead of $36,600,000 as proposed by the House.

Loan Program

Amendment No. 16: Appropriates $13,272,600 instead of $12,679,000 as proposed by the House and $13,394,600 as proposed by the Senate. The increase above the House figure is for the Proberta Water District, California.

Upper Colorado River Basin Fund

The conferees of both Houses are in agreement that the funding program as outlined in the Senate report is to be carried out with the exception that a maximum of $2,933,500 shall be transferred to other Department of the Interior agencies for recreation and fish and wildlife facilities.

The conferees on the part of both Houses are in agreement that the planning and construction of the transmission lines for the Colorado River storage project shall proceed as provided for in the budget presentation and in the bill as it passed the House, unless the Secretary of the Interior finds it practicable and in the national interest to enter into wheeling agreements with private power interests.

Amendments No. 17 and 18: Provide that $52,534,500 of the amount appropriated shall

be made available for the "Upper Colorado River Basin Fund" and $2,933,500 shall be available for construction of recreational and fish and wildlife facilities.

Administrative Provisions

Amendment No. 19: Reported in disagreement.

TITLE III—INDEPENDENT OFFICES

Atomic Energy Commission

Operating Expenses

Amendment No. 20: Reported in disagreement. The managers on the part of the House will offer a motion to appropriate $2,352,001,000 instead of $2,352,601,000 as proposed by the House and $2,353,001,000 as proposed by the Senate. The reduction below the Senate figure is to be applied to the physical research program. Except for this change, the conferees of both Houses approve the fund distribution set out in the Senate report.

Amendment No. 21: Strikes out House language, as proposed by the Senate, providing for transfer of not to exceed $7,000,000 to the plant acquisition and construction appropriation to carry out the purposes of the cooperative power reactor demonstration program.

Plant Acquisition and Construction

Amendment No. 22: Reported in disagreement. The conferees on the part of the House will offer a motion to insert language proposed by the Senate appropriating $195,360,000 instead of $205,960,000 as proposed by the Senate. Funds programed for a Materials Research Laboratory at the University of Illinois have been deleted. The additional reduction of $5,000,000 is to be applied as a general reduction for anticipated slippages and savings.

CLARENCE CANNON,
MICHAEL J. KIRWAN,
JOHN E. FOGARTY,
BEN F. JENSEN,
JOHN TABER,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, as all Members of the House are aware, the Committee on Appropriations annually is in receipt of a plethora of requests for projects, surveys, and appropriations. This year especially, because of the requirements of national defense it has been necessary for the committee to exercise great care in its selection of projects for which appropriations would be made. We have had to deny projects which, carried to their ultimate conclusion, would require more money than is carried by the entire bill today.

But the fact that a project has not been included; that appropriations have not been made after requests from the membership—and may I say that as between the two sides of the aisle no distinction was observed; we considered merely the merits of the propositions presented to the committee—the mere fact that a project is not in the bill does not mean that it lacks merit. There are many meritorious projects, many purposes which would serve the best interests of the country, many appropriations in which the money would have been wisely expended, that we have not been able to include in the bill this year.

And of course, some items in the bill have been considerably curtailed. Wherever possible we appropriated what we thought was the minimum that would be required to take care of the project.

Neither does that imply that there was any lack of merit in the propositions. We had to exercise our judgment as to priorities and emergencies.

So in view of the many requests made to the committee, we are glad to be able to report that this bill represents an economy over last year. It is less than last year's appropriation by $77,194,325. The total in the bill as always, of course, is a prodigious sum. It is one of the large annual supply bills. It totals this year $3,908,880,980. That is a saving of more than $77 million.

The other body was of course under the same pressures we were on this side of the Capitol. They exercised perhaps a little less control, and added quite a number of projects so that it was possible in conference to get them to yield on a total of $32,045,900. The bill that we present today is that much under the Senate bill.

The budget traditionally requires the Committee on Appropriations to conserve the taxpayers' money and protect the National Treasury. We always take the position that we should not exceed the budget. We judge the efficiency of chairmen of subcommittees by the extent to which they are able to cut the budget. We take for granted that under the circumstances unless there is some special emergency each subcommittee will report a bill under the budget estimate. The budget estimate is supposed to be the ceiling.

Adhering to that rule, in this case we report a bill which is "$91,907,020 under the budget estimate, under the amount of money requested by the departments. However, in conference it is necessary to have a meeting of minds. A conference is a matter of give and take. Each side must make concessions. So we report a bill today which I regret to say is $246,179,600 over the bill as it passed the House and went to the Senate.

Of this amount over the House bill, $195,360,000 is for plant acquisition and construction for the Atomic Energy Commission. The Atomic Energy Commission is handling matters of great import to the Nation both in time of war and in time of peace, both in the cause of national defense and in the interest of national prosperity.

So that this amount over the House bill of $195 million is for plant acquisition and construction for the Atomic Energy Commission which was not in the House bill because at the time the bill passed the House, we did not have the necessary authorization. The legislative committee had not yet acted and, as you are aware, the Committee on Appropriations cannot appropriate a dollar that has not been authorized by the legislative committee having jurisdiction of the particular subject matter.

May I at this time, Mr. Speaker, express the hope that in the coming session the legislative committees will act with a little more celerity and with sufficient expedition to permit the Committee on Appropriations to consider these matters in detail and on their merits.

I am certain that some of our legislative committees could act with greater speed. I realize that in the first weeks and the first months of a session, there is an inclination to say, "Oh, well, there is plenty of time and in due time we will present a report and provide the authorization." But time passes and in the meantime the Committee on Appropriations patiently awaiting the action of the legislative committees must sit on its hands and there is nothing that the Committee on Appropriations can do to hasten the program of the session. Members say, "Why do you not bring this bill up? Why do you not come in here with a report? Why do you not get these supply bills in here in time for us to adjourn in July?" I will say to the Members of the House that I fully agree that we ought to adjourn in July. There is no reason why in normal years we should not comply with the statutory requirement and adjourn in July. But in order to do so, our good friends on the legislative committees must cooperate.

They must bring in their authorization bills. They must start to work either before the session convenes, as the Committee on Appropriations always does—or must give prompt attention to their schedules immediately after the session convenes. And if the legislative committees will bring in the authorizations on time, the Committee on Appropriations will provide appropriations on time. But, of course, our hands are tied until we have the authorization.

And that is as it should be. It is the prerogative of legislative committees to decide what to authorize, and only after the legislative committees in their wisdom have decided what they can approve, then the Committee on Appropriations in compliance with the authorization of the legislative committees can bring in the appropriation bills and be ready to adjourn on time. And that is much sooner than we have been ready to adjourn in recent years.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman from Missouri for his statement when he says that in the future, the legislative committees ought to be cranked up and get the legislation out so that the Committee on Appropriations can do its work. As I understand it, you were faced with that situation in the consideration of this bill by reason of the fact that you had to put $195 million in this bill because the authorizing legislation in behalf of the Atomic Energy Commission was not available to the Committee on Appropriations; is that about right?

Mr. CANNON. In response to the gentleman from Iowa, the gentleman from Rhode Island [Mr. FOGARTY] reminds me, as all Members of the House will recall, that one year we had all the bills reported out by Easter, and we can do it again, if you will only turn us loose.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. As I understand it, this bill is $40 million to $45 million richer than when it left the House, leaving out the Atomic Energy Commission appropriation of $195 million which was not

yet authorized when the bill was originally before the House; is that correct?

Mr. CANNON. Yes, in response to the insistence of the conferees of the other body it was necessary to increase the amount voted by the House.

As in other years the committee of conference agreed on a lump sum for the navigation and flood control studies of the Corps of Engineers. This figure included funds for the surveys put in by the House and shown in the House report—pages 4 and 5. It also includes the following studies added by the Senate.

Does the gentleman from Iowa desire time?

Mr. JENSEN. Yes.

Studies added by Senate and agreed in conference

	Budget estimate	Amount allowed by House	Recommended by Senate	Increase
NAVIGATION STUDIES				
Alabama:				
Bayou La Batre			$10,000	$10,000
Perdido Bay, Alabama and Florida	$15,000	$15,000	20,000	5,000
Alaska:				
Knik and Turnagain Arms			25,000	25,000
Seward Harbor (navigation)			10,000	10,000
Wrangell Harbor			14,000	14,000
California:				
Noyo River			7,500	7,500
San Francisco Bay to Stockton	40,000	40,000	50,000	10,000
Florida:				
Choctawhatchee Bay to the Gulf of Mexico, at Point Washington			2,500	2,500
East Pass	20,000	20,000	30,000	10,000
Ponce De Leon Inlet	15,000	52,000	38,000	−14,000
Hawaii:				
Honolulu Harbor and Barbers Point	20,000	20,000	30,000	10,000
Kawaihae Harbor			10,000	10,000
Iowa: Fort Madison			15,000	15,000
Louisiana: Mermentau River			10,000	10,000
Maine:				
Biddeford Pool Harbor			6,000	6,000
Prospect Harbor			5,000	5,000
Massachusetts:				
Green Harbor			11,000	11,000
Rockport Harbor			5,000	5,000
Michigan:				
Cheboygan Harbor			8,000	8,000
Frankfort Harbor			5,000	5,000
St. Joseph River, Michigan and Indiana			8,000	8,000
Mississippi: Bayou Casotte (Pascagoula Harbor)			30,000	30,000
New Jersey: Passaic-Hackensack-Newark Bay	25,000	25,000	35,000	10,000
New York:				
Flushing Bay			20,000	20,000
Great Lakes-Hudson River Waterway improvement	75,000	40,000	75,000	35,000
Jamaica Bay			10,000	10,000
North Carolina:				
Cape Fear River, Wilmington to Fayetteville			15,000	15,000
Northeast Cape Fear River (Wilmington Harbor)			10,000	10,000
Silver Lake Harbor			5,000	5,000
Oregon:				
Siuslaw River			6,000	6,000
Yaquina River			6,000	6,000
Texas: Freeport Harbor			15,000	15,000
Virginia: Norfolk Harbor, Thimble Shoal Channel			25,000	25,000
Undistributed			23,500	23,500
Subtotal, navigation studies	210,000	212,000	595,500	383,500
FLOOD CONTROL STUDIES				
Alaska:				
Knik River	15,000	15,000	25,000	10,000
Tenana River			10,000	10,000
Arizona: Wilcox area (Gila River and tributaries, Arizona and New Mexico)			25,000	25,000
Arkansas: Crooked Creek-Harrison			30,000	30,000
FLOOD CONTROL STUDIES—continued				
California:				
Merced River	$3,000	$3,000	$12,000	$9,000
Mokelumne River	3,000	3,000	23,000	20,000
District of Columbia: Anacostia River, D.C. and Md			40,000	40,000
Florida: Green Swamp area rivers	125,000	125,000	200,000	75,000
Georgia:				
Satilla-St. Mary-Suwannee, Ga. and Fla	35,000	35,000	50,000	15,000
Savannah River, Trotters Shoals Dam site			30,000	30,000
Hawaii: Kihei district, Maui			10,000	10,000
Indiana:				
Oil Creek, Derby			5,000	5,000
Pigeon Creek bed			10,000	10,000
Kansas:				
Arkansas River	20,000	20,000	30,000	10,000
Arkansas River and tributaries, Hutchinson, Kans., to Cimarron River			18,000	18,000
Cimarron River, N. Mex., Okla., Colo., and Kans			10,000	10,000
Kentucky:				
Humphrey Creek to Columbus, Ky. (east bank of Mississippi River)			15,000	15,000
Salt River			15,000	15,000
Louisiana:				
Harvey Canal and Bayou, Barataria			15,000	15,000
Red River, La., Ark., Okla., and Tex	60,000	60,000	100,000	40,000
Teche-Vermilion Basin			15,000	15,000
Michigan: Clinton River	20,000	20,000	30,000	10,000
Mississippi: Pascagoula River			60,000	60,000
Missouri:				
Grand River			20,000	20,000
Platte River			10,000	10,000
New Hampshire: Merrimack River, N.H. and Mass			35,000	35,000
New Jersey: Raritan River			20,000	20,000
North Carolina:				
Neuse River	50,000	50,000	60,000	10,000
Waccamaw River, N.C. and S.C			9,500	9,500
North Dakota:				
Goose River			20,000	20,000
Pembina River			20,000	20,000
Oklahoma: Kaw Reservoir site, Arkansas River, Okla	5,000	5,000	15,000	10,000
Ohio: Caesar Creek [1]		10,000		−10,000
Oregon:				
Calapooya River	20,000	20,000	30,000	10,000
Clackamas River			7,000	7,000
Thomas Creek			10,000	10,000
Texas:				
Brazoria-Galveston Soil Conservation District			16,000	16,000
Brazos River, Brazoria County			40,000	40,000
Little Brazos			15,000	15,000
Utah:				
Jordan River	10,000	10,000	15,000	5,000
Willow Creek and Price River (Colorado River above Lees Ferry, Ariz.)			20,000	20,000
Undistributed			52,000	52,000
Subtotal, flood control	366,000	376,000	1,192,500	816,500
Grand total	576,000	588,000	1,788,000	1,200,000

[1] $10,000 has been included in bill for advanced planning on Caesar Creek.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. This bill appropriates $974,883,880 for civil functions, the Army Engineers, which is $12,383,880 above the budget.

For the Department of the Interior there is $318,813,000, which is $23,502,000 under the budget.

The Atomic Energy Commission and a few other independent offices of little consequence will receive in this bill $2,615,184,000, or $80,789,000 below the budget request.

This makes a total decrease below the budget of $91,907,120 on paper. However, that saving is not quite authentic, because of the fact that we have in this bill appropriated many millions of dollars of unexpended funds which the Departments did not spend out of 1961 fiscal year funds, and which the Eisenhower administration helped save.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. JONAS. When the bill left the House it contained money to begin studies of a number of unbudgeted items; as I recall the bill contained $991,000 for about 29 unbudgeted survey items. Will the gentleman from Iowa tell the House whether additional unbudgeted items were agreed to in the conference?

Mr. JENSEN. The conferees added 55 unbudgeted survey items. I ask the chairman to correct me on that if that figure is not correct.

Mr. CANNON. Yes; the conferees agreed to 55 additional surveys.

Mr. JONAS. That number should be added to the 29 that were in the House bill?

Mr. JENSEN. Yes.

Mr. JONAS. So it would be correct to say there are about 84 unbudgeted survey items in the bill as it came from conference?

Mr. JENSEN. That is right; but in addition there were added 26 new unbudgeted construction starts.

Mr. Speaker, I feel that this bill, generally speaking, is a fair, justified bill, with one exception. It seems that there are not enough Members of this Congress who are economy minded or sufficiently economy minded at any rate to save $135 million plus of the taxpayers' dollars, due to the fact they have outvoted the Members who do not want to spend $135 million plus of the taxpayers' money which is not at all necessary for the building of transmission lines in the Upper Colorado River Basin. We did our best—we who were trying to save a few million dollars here and there—to strike from the bill those unnecessary lines which the private utilities are ready, able, and willing to build or enter into wheeling contracts to wheel energy from the hydrodams at very reasonable rates for preferred customers and others.

A small majority of the members of the committee of the House and Senate demanded that we finally spend $135 million plus of Federal funds for these completely unnecessary lines and by so doing lose over $200 million in local, State and Federal taxes. But we did get language in the report which makes it mandatory on the Secretary of the Interior to make an effort to work out wheeling contracts with the five utilities who are interested in this project. So all is not yet lost. You will find language in the bill that directs the Secretary of the Interior to try to work out such arrangement with the five private utilities in that area.

Mr. DOMINICK. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Colorado.

Mr. DOMINICK. Mr. Speaker, this is the point I want to make: The Democratic Governor of Colorado and his representative on the Upper Colorado River Water Commission, who is the former Democratic Senator and Governor of Colorado, the Colorado Conservation Board, and the utilities prior to the House vote on the last scanning of this public works appropriation bill gave every indication they hope that the full appropriation for the transmission lines on the upper Colorado River project will be as passed by the House; nevertheless, the Bureau and the Secretary of the Interior, they hope, will not spend that money unless the re-evaluation of the situation indicated there was some adverse action on the preference customers.

Is there language in the bill which would indicate that the Secretary should reevaluate those proposals prior to spending the funds appropriated under this bill?

Mr. JENSEN. Yes. There is language in the bill, but it is not very demanding. This is the language in the report:

> The conferees of both Houses are in agreement that the funding program as outlined in the Senate report is to be carried out with the exception that a maximum of $2,933,500 shall be transferred to other Department of the Interior agencies for recreation and fish and wildlife facilities.
>
> The conferees on the part of both Houses are in agreement that the planning and construction of the transmission lines for the Colorado River storage project shall proceed as provided for in the budget presentation and in the bill as it passed the House, unless the Secretary of the Interior finds it practicable and in the national interest to enter into wheeling agreements with private power interests.

And the Secretary of the Interior does have a directive from the Congress to make an attempt to ascertain whether or not it is in the best interests of all concerned that we not spend this money for these unnecessary lines, by working out a wheeling contract with the private utilities in that area.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Ohio.

Mr. BROWN. Mr. Speaker, I wish to take this opportunity to congratulate the gentleman from Iowa [Mr. JENSEN] and those of his colleagues on the conference committee who, on the part of the House, made every endeavor to properly protect free and private enterprise of the United States in this legislation, and to also protect the best interest of the taxpayers of this country.

Mr. Speaker, despite the fact that those conferees were unable to win their battle, I believe that we, the economy-minded Members, all owe a debt of thanks for their at least attempting to do so to the best of their ability in this matter.

Mr. JENSEN. I thank my distinguished colleague for his kind words.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the distinguished gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, I should like to join the gentleman from Ohio [Mr. BROWN] in congratulating the members of the conference who fought for private enterprise. I would like to ask the gentleman from Iowa [Mr. JENSEN] if he will obtain permission to revise and extend his remarks and, if possible, include an estimate of the ultimate cost of completing the unbudgeted projects that are now in this bill as it came from conference. I know those figures are not available now, but they should be available to the committee. I think the RECORD ought to show how much future spending we are buying here by putting this large number of unbudgeted items in the bill.

Mr. JENSEN. I thank the gentleman, and I shall insert such figures as are made available to me. The estimated cost of the 26 unbudgeted construction projects total $309 million plus $480 million for the San Luis unit of the Central Valley project. Potential construction costs on the 79 unbudgeted survey items are not available until the surveys are completed. Such projects must still be authorized before construction funds can be appropriated.

Mr. JONAS. If the gentleman from Iowa can do that, I think the RECORD should show it. I for one would like to have it, and I hope the figures will be placed in the RECORD so the country will know the extent to which this Congress has gone in issuing I O U's which future Congresses will have to pick up with the taxpayers' money.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from California.

Mr. GUBSER. Mr. Speaker, could the gentleman inform me as to whether or not there are construction funds in this bill and in this conference report for the construction of the Stanford linear electronic accelerator?

Mr. Speaker, I wonder if I could direct that question to the chairman of the committee, the gentleman from Missouri [Mr. CANNON] through the gentleman from Iowa [Mr. JENSEN]?

Mr. CANNON. Yes; the item is included in the bill as budgeted.

Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I thank the chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON]. I have requested this time for the purpose of asking some rather pertinent questions.

Mr. Speaker, on page 4 of the conference report which covers the appropriations for the Corps of Engineers, civil functions, Department of the Army, for general investigations and surveys I find that the Senate asked for $16,479,000. The House asked for $14,356,000. The conferees agreed on the figure of $15,877,000.

Mr. Speaker, that amount is $1,521,000 more than the House figure. It is $602,000 less than the Senate figure.

Mr. Speaker, included in these requests for surveys in the Senate bill there were three items of $30,000 each for surveys or prospective improvements on the Little Kanawha River Valley in West Virginia.

I appeared before the House Appropriations Committee on this project. Evidently I did not make it clear that this does not mean three projects, but these were surveys to determine which of the three projects was the most feasible. There was to be only one project that was involved after the surveys had been made.

Mr. Speaker, let me call the attention not only of the committee but of my colleagues to the fact that the Army Engineers and the administration have launched a program of changing the navigation levels in the Ohio River from 9 to 14 feet and have under construction now three or four, with two or three more in prospect, huge locks and dams in the Ohio River. The purpose, of course, is to supply more water. The only way you can do it is to pin the water down behind reservoirs and keep it for navigation purposes during the dry season in the Ohio River if you expect to maintain a 14-foot level for navigation.

Here is a stream that has no works on it at all in the way of reservoirs or dams, in one of the best agricultural sections of West Virginia and one in which considerable damage takes place. I thought at least that we would be able to clear these small items for the purpose of making the surveys to determine where it would be logical and feasible to make the improvement.

Mr. Speaker, I should like to ask the chairman of the Committee on Appropriations a question at this time. Will the committee give serious consideration to the importance, the necessity of these projects in the coming session of the Congress?

Mr. CANNON. Mr. Speaker, the committee was more than generous with the great State of West Virginia. When the conferees met there were nine projects for West Virginia before the committee of conference. On all but three the House agreed, and they are in the bill. Those three were not surveys. They were advanced planning items. They had been up before, some repeatedly. The Corps of Engineers made an exhaustive study of them but they were of such poor merit that the Corps of Engineers, which is a wholly impartial agency, that they were given as low a rating as 0.5 to 1 on a cost-benefit ratio.

They had been turned down before. And it was so evident that the cost-benefit ratio was so low that we had to deny them, but in connection with that denial not one of the three provided a single job to relieve the local unemployment situation.

Mr. BAILEY. Let me make the record clear. Only one of those projects at Burnsville was ever surveyed before; it qualified by a small margin. The idea was to try to justify one of the other two sites.

Mr. CANNON. But even if we had agreed to the others and even if they had been again approved, by the Corps of Engineers, they would not have provided one job to relieve the unemployment situation in West Virginia. On the other hand, we gave the gentleman every other project. We gave the State over $12 million. I might remind my distinguished friend, for whom I have the greatest regard and affection, that when the distressed areas bill was up, in which West Virginia had a large part, it was amply provided for.

The SPEAKER pro tempore. The time of the gentleman from West Virginia has expired.

Mr. HECHLER. Mr. Speaker, I have been very deeply interested in the possibility of construction of a dam across the West Fork of the Little Kanawha River just above Creston. Last December, Senator ROBERT C. BYRD invited me to accompany him on a trip down the Ohio River with representatives of the Corps of Engineers. We had a rare opportunity to make a firsthand, on-the spot study of the development work in progress and in prospect along the Ohio River and its tributaries. At Parkersburg, W. Va., where the Little Kanawha River flows into the great Ohio, we had a very fruitful conference about the prospects for a dam across the West Fork. Among the representatives at this conference was the able outdoor editor of the Parkersburg News, Mr. A. G. Fleming.

As a result of this conference, and subsequent meetings with interested citizens and representatives of the Army Engineers, Senator BYRD, Congressman BAILEY and I decided to press forward for a small appropriation to examine the feasibility of this project. The Corps of Engineers advised us that they preferred that the request for funds should include a restudy of the feasibility of three possible sites which had been authorized in 1938: West Fork, Steer Creek, and Burnsville.

At a well-attended public meeting at Spencer on January 13, Senator BYRD told representatives of four counties that he would join with Members of the House in asking for these survey funds. Congressman BAILEY and I on this side testified in support of such survey funds at a public hearing of the Public Works Subcommittee of the Appropriations Committee. Senator BYRD did likewise.

The Senate bill contained $95,000 to provide for these surveys, but this amount was stricken out by the conference committee. Mr. Speaker, I cannot accept the statement that this project will mean no jobs for West Virginia. The construction of a dam on the West Fork of the Little Kanawha River would contribute immensely to the development of the economy of central West Virginia. The construction work itself would provide hundreds of job, and the completion of the dam would open up a great recreation area which itself would be a drawing card for new industry as well as tourism. The completion of this dam would provide one of the outstanding fishing spots in the East. The West Fork is a very clean stream which is noted for the large number of fish it supports. I am convinced that the completion of a dam at this point would be a major step forward for the economy of West Virginia and the Nation.

Mr. Speaker, I want to pay particular tribute to my beloved colleague, the Honorable CLEVELAND BAILEY, for the fight he has been making for this project. I want to associate myself with his remarks and express the thanks of the people of West Virginia for the magnificent battle he has waged for a goal which I trust will be achieved next year when I hope the Congress will see fit to vote the funds for this project.

Mr. FRIEDEL. Mr. Speaker, I would like to thank Chairman CANNON and the other members of the House conference committee who worked so hard to reach agreement on this public works appropriation bill.

Although the Senate usually increases the appropriations passed by the House, this is one case in which they cut the funds for improvements to the Baltimore Harbor and the Chesapeake & Delaware Canal by $2 million. We received word that this cut was based solely on the statement of one man that the funds could not be spent in 1 year.

However, these projects have been planned for some time and are now underway. Personally, I can assure the Members of this body that we will have no trouble spending the full $5 million authorized by the House on September 13. This project will cost considerably more than $5 million and it will benefit not only the State of Maryland and the city of Baltimore but the entire country. Our ports, regardless of where they are located, are of prime importance to the Nation's growth and economy.

I am glad to see that the conferees restored the cuts made by the Senate and that we will have the full $5 million requested for these projects.

Mr. BREEDING. Mr. Speaker, I wish to express to the members of the conference committee on the public works appropriation bill the appreciation of the people of western Kansas for their consideration of flood control and reclamation projects in our State.

In a semiarid area, such as western Kansas, we are plagued by either too much water for a brief time, or too little moisture over long periods of time. That is why we are so vitally interested in projects which are designed to conserve our water resources and make them available for progress and growth.

I know I express the sentiments of all of our people when I say that I deeply regret that the conferees did not see fit to retain in the bill a $400,000 appropriation to begin construction on the Glenn Elder reclamation project. I know the money could have been put to wise use to get this urgently needed project underway. The conferees recognized the importance of the project by including in the conference report $199,000 to carry forward the preconstruction planning studies. It is my understanding that plans for the dam and reservoir are complete, and I am confident the committee will give favorable consideration to construction money in the next budget.

The people of western Kansas are likewise grateful to the committee for including $215,000 in planning money for the Kanopolis unit, and $58,500 for the Wilson unit.

These two units, when built, will provide irrigation for about 41,500 acres from reservoirs built and now being operated by the Corps of Engineers. There is a dependable water supply. The only remaining tasks are to provide the irrigation canals, laterals and drains.

Also, Mr. Speaker, I wish to thank the conferees for their consideration in making $3,305,000 available for carrying on construction work on the Almena unit in Norton and Phillips Counties. This project is going to be a valuable asset to Kansas when completed, providing as it will irrigation for more than 5,000 acres, flood controls, recreational facilities and a dependable water supply for the city of Norton.

The $1,493,000 appropriated for the Cedar Bluff unit will carry this project well toward completion, expected in 1965.

The civil functions section of the bill included $3,200,000 for Wilson Dam and Reservoir on the Saline River in Russell County. This is the second appropriation for construction and indicates the committee is determined that the project shall be carried on to completion in an orderly manner.

There are three other relatively small yet very important flood control projects now under investigation by the Corps of Engineers, and when they are submitted I am sure the House Public Works Appropriations Subcommittee will give them its usual careful and sympathetic consideration.

The proposed projects are on the Arkansas River at Dodge City and Great Bend and on the Cow Creek downstream

from Lyons, with particular reference to a drainage problem near Sterling.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 4, line 20, insert the following: *"Provided further,* That appropriations under this head shall be available to the Chief of Engineers for the purposes authorized by section 6 of the Flood Control Act of 1946 as amended by the Civil Functions Appropriations Act of 1949:".

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment to the Senate numbered 3 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 4, line 24, insert the following: *"Provided further,* That funds herein appropriated shall be available for expenditure, in addition to funds heretofore made available for the Garrison Dam project on the Missouri River, for cooperation with the North Dakota State Conservation Commission to the extent of one-half the cost of the replenishing and freshening Lake Wildwood, North Dakota, which has been interfered with by the construction of the Garrison Dam and Reservoir on the Missouri River:".

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 9, line 24, strike out "$153,283,500" and insert "$153,876,400".

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$152,405,500".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 11, line 13, insert the following: ": *Provided further,* That funds shall be available to complete the construction of and to operate and maintain within and adjacent to the Yuma Irrigation District, in the South Gila Valley, Arizona, those drainage works on which construction has heretofore been initiated pursuant to the Act of June 28, 1946 (60 Stat. 338): *Provided further,* That not to exceed $192,000 of funds made available for construction and maintenance of access roads in the Yellowtail Unit area shall be nonreimbursable".

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: Page 10, line 21, insert the following: *"Provided further,* That not to exceed $435,000 shall be available toward investigation and the emergency rehabilitation of the Dalton Gardens, Avondale, and Hayden Lake Unit, Rathdrum Prairie Irrigation projects, Idaho, to be effective only upon approval by the President of H.R. 4458, Eighty-seventh Congress."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 17, line 22, insert the following: "After October 1, 1961, the position of Administrator, Bonneville Power Administration, shall have the same annual rate of compensation as that provided for positions listed in section 2205 (b) of title 5, United States Code, so long as held by the present incumbent."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. This is another one of those attempts to raise somebody's salary. We have had those up a lot in the last few days. I am opposed to the motion.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 21, line 16, strike out "$2,352,601,000" and insert "$2,353,001,000."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$2,352,001,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 23, line 1, insert:

"PLANT ACQUISITION AND CONSTRUCTION

"For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and hire of passenger motor vehicles; $205,960,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$195,360,000."

The motion was agreed to.

On motion of Mr. CANNON, a motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days in which to extend their remarks in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERSONAL EXPLANATION

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the RECORD show that on August 31 I was present even though the RECORD of that date shows that I was absent when the conference report on S. 1983 was adopted.

I was in the Chamber about an hour before the conference report was adopted, and the House was hearing special orders. At the time the bells rang for a vote on the conference report I was in my office with several constituents. I paid no attention to the first bells, signaling a vote on the conference report, and considered they were ringing for adjournment in view of the fact that when I left the Chamber about an hour previously special orders were being heard.

Immediately after the bells rang the second time before the vote on the conference report I left my office and when I walked into the Chamber the Clerk was about halfway through the second rollcall. I stated to the Speaker when recognized in the well that I did not qualify because I was not in the Chamber when my name was called on the second rollcall. I stated further that had I been present I would have voted "no."

The RECORD of August 31 failed to show that I was present and was recognized by the Speaker.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE LATE HONORABLE PAUL BROWN

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I know all that knew him have heard with profound regret of the death of our former distinguished colleague, Hon. Paul Brown, who represented the 10th District of Georgia from the 73d until the 87th Congress. I know the deep affection in which his constituents held him and I am confident he could have remained in Congress longer had he desired to do so.

Paul Brown had many admirable qualities. He was a dedicated public servant and a man of strong friendships and loyalties. In every relationship of life he fulfilled his obligations.

As a member of the Banking and Currency Committee for almost the entire time he served in Congress, he was a hard-working, conscientious, and able member and that committee has missed his fine service and his good judgment.

May the light of the Lord's countenance shine upon him and give him peace. To his devoted widow and daughter I extend my sincere sympathy.

DISTRICT OF COLUMBIA SALES TAX

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. BROWN. Mr. Speaker, reserving the right to object, is this the so-called District of Columbia revenue bill that contains a rather strange amendment, put in by another body, which would provide, for the first time in the history of Public Laws 815 and 874, that the District of Columbia will participate in the so-called Federal impacted school area funds?

Mr. McMILLAN. I would like to state to the gentleman from Ohio that this is the District revenue bill which was amended by the other body to include impacted area funds for the District of Columbia.

Mr. BROWN. Approximately $5 million; is that correct?

Mr. McMILLAN. That is correct.

Mr. BROWN. May I ask, under my reservation of objection, one or two questions to clear up some matters for myself as well as other Members? Is it not a fact that some $32 million has been furnished to the District of Columbia in lieu of payment of taxes by the Federal Government?

Mr. McMILLAN. $30 million has been appropriated as a grant to the District this year.

Mr. BROWN. $30 million or $32 million, which was it?

Mr. McMILLAN. $30 million.

Mr. BROWN. This would, then, actually increase the Federal contribution to the District of Columbia by $5 million, making the total Federal contribution $35 million.

Mr. McMILLAN. That is correct.

Mr. BROWN. One other question under my reservation and I am finished: Has the District of Columbia, since Public Laws 815 and 874, the Federal impacted school district legislation, were enacted in 1950, ever applied for or asked for consideration under this program?

Mr. McMILLAN. I understand this proposed amendment has been considered by the House Committee on Education and Labor on several occasions, and they have turned it down on every occasion.

Mr. BROWN. And the proposal has been turned down. Has any application ever been made to your committee?

Mr. McMILLAN. No. This is the first time this proposal has ever been before the House District Committee for consideration.

Mr. BROWN. I just wanted to clear up some of the questions surrounding this matter.

Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman is going to yield time so that others may express their views on the bill; is that correct?

Mr. McMILLAN. Yes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 228]

Abernethy	Byrnes, Wis.	Dulski
Adair	Carey	Durno
Alford	Cederberg	Farbstein
Alger	Celler	Fascell
Anfuso	Church	Findley
Ashley	Collier	Fino
Aspinall	Colmer	Flood
Baring	Cook	Flynt
Bass, Tenn.	Cooley	Frazier
Battin	Corman	Frelinghuysen
Becker	Cramer	Gallagher
Bell	Curtis, Mo.	Garland
Bennett, Mich.	Daniels	Garmatz
Berry	Davis, Tenn.	Glenn
Boggs	Dent	Goodell
Boykin	Derounian	Griffin
Breeding	Derwinski	Griffiths
Brewster	Devine	Hall
Bromwell	Diggs	Halleck
Buckley	Dooley	Halpern
Burke, Ky.	Dorn	Hansen
Harris	Martin, Nebr.	Schenck
Harrison, Va.	May	Scherer
Harrison, Wyo.	Michel	Shelley
Harsha	Miller, Clem	Short
Harvey, Ind.	Miller, N.Y.	Sikes
Harvey, Mich.	Montoya	Siler
Hays	Moore	Sisk
Hébert	Morrison	Slack
Hiestand	Moss	Smith, Calif.
Hoeven	Moulder	Smith, Miss.
Holifield	Multer	Springer
Holtzman	Nelsen	Stephens
Horan	Norblad	Stubblefield
Hosmer	O'Brien, N.Y.	Sullivan
Hull	Osmers	Teague, Calif.
Ikard, Tex.	Passman	Teague, Tex.
Jennings	Pelly	Thompson, La.
Jones, Mo.	Pilcher	Tollefson
Judd	Pirnie	Tupper
Karth	Poage	Utt
Kastenmeier	Powell	Van Pelt
Keogh	Quie	Vinson
Kilburn	Rabaut	Watts
Kyl	Rains	Weaver
Landrum	Reifel	Westland
Libonati	Reuss	Wharton
Lipscomb	Riehlman	Widnall
Loser	Riley	Williams
McDonough	Rodino	Wilson, Calif.
McIntire	Roudebush	Young
McSween	St. George	Younger
Macdonald	Santangelo	Zelenko
Martin, Mass.	Saund	

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 273 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT OF COLUMBIA SALES TAX

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1267)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

"SEC. 101. (a) Section 125 of the District of Columbia Sales Tax Act (D.C. Code 47–2602) is amended by striking out '2 per centum' and by inserting in lieu thereof '3 per centum'.

"(b) Subsection (a) of section 127 of such Act (D.C. Code 47–2604 (a)) is amended to read as follows:

"'(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section.'

"SEC. 102. Section 212 of the District of Columbia Use Tax Act (D.C. Code 47–2702)

is amended by striking out '2 per centum' and inserting in lieu thereof '3 per centum'.

"SEC. 103. The amendments made by the first two sections of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act. From and after the effective date of such amendments, all references in the District of Columbia Use Tax Act to sections 125, and 127 of the District of Columbia Sales Tax Act shall be deemed to be references to such sections 125 and 127 as amended by the first section of this title.

"TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

"SEC. 201. Paragraph (1) of subsection 7 (a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (61 Stat. 353; sec. 47–1586f(a)(1), D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'(1) Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this article for the filing of such return.'

"SEC. 202. The provisions of this title shall be applicable to the taxable years beginning after December 31, 1960.

"TITLE III—REAL ESTATE DEED RECORDATION TAX ACT

"SEC. 301. DEFINITIONS.—When used in this title, unless otherwise required by the context—

"(a) The word 'District' means the District of Columbia.

"(b) The word 'Commissioners' means the Commissioners of the District of Columbia, or their duly authorized agents or representatives.

"(c) The word 'deed' means any document, instrument, or writing (other than a will and other than a lease), regardless of where made, executed, or delivered whereby any real property in the District of Columbia, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

"(d) The words 'real property' mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

"(e) The word 'consideration', except as otherwise provided in section 304 of this title, means the price or amount actually paid, or required to be paid, for real property including any mortgages, liens, or encumbrances thereon.

"(f) The word 'person' means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

"(g) The word 'deficiency' as used in this title means the amount or amounts by which the tax imposed by this title as determined by the Commissioners exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

"(h) The word 'taxpayer' means any person required by this title to pay a tax, or file a return.

"SEC. 302. EXEMPTIONS.—The following deeds shall be exempt from the tax imposed by this title:

"1. Deeds recorded prior to the effective date of the enactment of this title.

"2. Deeds to property acquired by the United States of America or the District of Columbia.

"3. Deeds to property acquired by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under the Act of December 24, 1942 (Public Law 846, Seventy-seventh Congress, chapter 826, second session), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under said Act: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"4. Deeds to property acquired by an institution, organization, corporation, or association entitled to exemption from real property taxation by special Act of Congress, which property was acquired solely for a purpose or purposes for which such special exemption was granted: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"5. Deeds which secure a debt or other obligation.

"6. Deeds which, without additional consideration, confirm, correct, modify, or supplement a deed previously recorded.

"7. Deeds between husband and wife, or parent and child without actual consideration therefor.

"8. Tax deeds.

"9. Deeds of release of property which is security for a debt or other obligation.

"SEC. 303. IMPOSITION OF TAX.—(a) There is hereby imposed on each deed at the time is is submitted to the Commissioners for recordation a tax at the rate of one-half of 1 per centum of the consideration for such deed: *Provided*, That in any case where application of the rate of tax to the consideration for a deed results in a total tax of less than $1 the tax shall be $1.

"(b) Each such deed shall be accompanied by a return under oath in such form as the Commissioners may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Commissioners may require.

"(c) The parties to a deed which is submitted to the Commissioners for recordation shall be jointly and severally liable for payment of the taxes imposed by this section: *Provided*, That neither the United States nor the District of Columbia shall be subject to such liability.

"(d) The Commissioners are authorized—

"(1) to prescribe by regulation for reasonable extensions of time for the filing of the return required by subsection (b) of this section; and

"(2) to waive as to any party to a deed the requirement for the filing of a return by such party whenever it shall be determined by the Commissioners that a return cannot be filed: *Provided*, That any waiver granted by the Commissioners to a party shall not, unless specifically authorized, be deemed to be a waiver as to any other party. Any waiver made pursuant to this subsection shall not affect the requirements of subsection (c) of this section.

"SEC. 304. ABSENCE OF CONSIDERATION.—Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Commissioners shall require. Whenever, in the opinion of the Commissioners, a return does not contain sufficient information as to the fair market value of such real property, the Commissioners are authorized to make a determination thereof from the best information available.

"SEC. 305. INVESTIGATION BY COMMISSIONERS.—The Commissioners, for the purpose of ascertaining the correctness of any return, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Commissioners promulgated hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title, or the consideration for any deed upon which a tax is imposed, are authorized to examine any books, papers, records, or memorandums of any person bearing upon such matters and may summon any person to appear and produce books, records, papers, or memorandums pertaining thereto and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided then, and in that event, the Commissioners may report that fact to the United States District Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court. Any person in custody or control of any books, papers, records, or memorandums bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Commissioners or any person designated by them of any such books, papers, records, or memorandums, or who shall obstruct or hinder the Commissioners or any person designated by them in the examination of any books, papers, records, or memorandums, shall upon conviction thereof be subject to the penalties provided in this title.

"SEC. 306. RECORDATION.—Except as otherwise provided in this title, no deed shall be recorded by the Commissioners until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

"SEC. 307. PRESUMPTIONS AND BURDEN OF PROOF.—For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all deeds are taxable and the burden shall be upon the taxpayer to show that a deed is exempt from tax.

"SEC. 308. DEFICIENCIES IN TAX.—(a) If a deficiency in tax is determined by the Commissioners, the person liable for the payment thereof shall be notified by registered or certified mail of said determination which shall include a statement of taxes due and given a period of not less than thirty days after such notice is sent in which to file a protest with the Commissioners and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty-day period, the deficiency as determined by the Commissioners shall be final. If a protest is filed within said period of thirty days, opportunity for hearing thereon shall be granted by the Commissioners, and a final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

"(b) Any deficiency in tax which has become final in accordance with the provisions of subsection (a) of this section shall, if no protest is filed, be due and payable within ten days after the expiration of the thirty-day period provided in subsection (a) of

this section or, if a protest is filed, shall be due and payable within ten days after notice of the final decision of the Commissioners upon such protest is sent to the person liable for payment of the deficiency.

"SEC. 309. PENALTIES AND INTEREST.—(a) In case of any failure to make and file a correct return as required by this title within the time prescribed by this title or prescribed by the Commissioners in pursuance of this title, 5 per centum of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed 25 per centum in the aggregate, except that when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the Commissioners may in their discretion waive, in whole or in part, the addition to the tax provided by this subsection.

"(b) The amount added to any tax under subsection (a) of this section shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of neglect.

"(c) Interest upon the amount finally determined as a deficiency shall be assessed at the same time as the deficiency, and shall be collected as a part of the tax, at the rate of one-half of 1 per centum per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is assessed.

"(d) If the time for payment of any part of a deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one-half of 1 per centum per month or portion of a month for the period of the extension. If a part of the deficiency the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at the rate of one-half of 1 per centum per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

"(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

"(f) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid.

"(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsections (c), (e), or (f) is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one-half of 1 per centum per month or portion of a month from the date when such unpaid amount was due until it is paid.

"(h) The Commissioners are authorized at the request of the taxpayer to extend the time for payment by the taxpayer of the amount of the tax imposed by this title, whether determined as a deficiency or otherwise, for a period not to exceed six months from the date prescribed for the payment of such tax.

"SEC. 310. COMPROMISE AND SETTLEMENT.—(a) Whenever in the opinion of the Commissioners there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Commissioners may compromise such tax.

"(b) The Commissioners are authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Commissioners and the taxpayer involved, or his authorized agent or representative, shall be final and conclusive and—except upon a showing of fraud, malfeasance, or misrepresentation of a material fact—the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

"(c) Any person who, in connection with any compromise under this section or offer of such compromise or in connection with any written agreement under this section or offer to enter into any such agreement, conceals from any officer or employee of the District of Columbia any material fact relating to the tax imposed by this title; destroys, mutilates, or falsifies any books, documents, or record, or makes under oath any false statements relating to the tax imposed by this title shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the municipal court of the District of Columbia, in the name of the District of Columbia, on information by the Corporation Counsel of the District of Columbia or any of his assistants.

"SEC. 311. COMPROMISE OF PENALTIES AND ADJUSTMENT OF INTEREST.—The Commissioners shall have the power for cause shown to compromise any penalty which may be imposed under the provisions of this title. The Commissioners may adjust any interest, where, in their opinion, the facts in the case warrant such action.

"SEC. 312. LIMITATIONS.—(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three years after the deed is recorded by the Commissioners and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

"(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

"(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Commissioners and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

"(f) The running of the period of limitations provided in this section on the making of assessments, or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Commissioners are prohibited from making the assessment or from collecting said tax, and for ninety days thereafter: *Provided*, That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding and for ninety days after the decision of the court, shall have become final or, if the proceeding shall have been dismissed or otherwise disposed of, for a period of ninety days after such dismissal or other disposition.

"SEC. 313. ADMINISTRATION OF OATHS.—The Commissioners are authorized to administer oaths and affidavits in relation to any matter or proceeding conducted by them in the exercise of their powers and duties under this title.

"SEC. 314. APPEAL.—(a) Any person aggrieved by any assessment of a deficiency in tax finally determined by the Commissioners under the provisions of section 308 of this title may appeal to the District of Columbia Tax Court in the same manner and to the same extent as set forth in sections 3, 4, 7, 8, 9, 10, 11, and 12 of title IX of the Act entitled "An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes", approved May 16, 1938, as amended and as the same may hereinafter be amended.

"(b) The remedy provided in subsection (a) of this section shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law but no suit by the taxpayer for the recovery of any part of the tax imposed shall be instituted or maintained in any court if the taxpayer has elected to file an appeal with respect to such tax, or any part thereof, in accordance with the provisions of subsection (a) of this section.

"SEC. 315. REFUNDS AND COLLECTION.—The provisions of section 14 of title IX of the District of Columbia Revenue Act of 1937, as added by the Act of May 16, 1938, and as amended by the Act of July 26, 1939, and as added by section 4 of the Act of July 10, 1952, and the provisions of section 1601 and section 1602 of title XVI of the District of Columbia Public Works Act of 1954 shall be applicable to the tax imposed by this title.

"SEC. 316. STAMPS.—The Commissioners are authorized to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as they may deem necessary and proper for the administration of this title.

"SEC. 317. PROMULGATION OF RULES AND REGULATIONS.—The Commissioners are hereby authorized to prescribe such rules and regulations as they may deem necessary to carry out the purposes of this title.

"SEC. 318. ABATEMENT.—The Commissioners are authorized to abate the unpaid portion of any tax due under the provisions of this title, or any liability in respect thereof, if the Commissioners determine under rule or regulation prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

"SEC. 319. ELIMINATION OF FRACTIONAL STAMPS OR DEVICES.—For the purpose of avoiding, in the case of any stamps or devices employed pursuant to authority of this title, the issuance of stamps or the employment of devices epresenting fractional parts of $1, the Commissioners are authorized, in their discretion, to limit the denominations of such stamps or devices, to amounts representing $1 or multiples of $1, and to prescribe further that where part of the tax due is a fraction of $1, the tax paid shall be paid to the nearest dollar.

"SEC. 320. GENERAL CRIMINAL PENALTY.—Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be subject to a fine of not more than $1,000, or to imprisonment of not more than one year, or to both such fine and imprisonment.

Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States attorney in and for the District of Columbia, or any of his assistants.

"SEC. 321. CRIMINAL PENALTY AS TO STAMPS.—(1) Any person who, with intent to defraud, alters, forges, makes, or counterfeits any stamp, or other device prescribed under authority of this title for the collection or payment of any tax imposed by this title, or sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, or other device, or makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, or other device; or

"(2) Fraudulently cuts, tears, or removes from any deed, parchment, paper, instrument, writing, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title; or

"(3) Fraudulently uses, joins, fixes, or places to, with, or upon any deed, parchment, paper, instrument, writing, or article, upon which a tax is imposed by this title,

"(a) any adhesive stamp, or the impression of any stamp, die, plate, or other article, which has been cut, torn, or removed from any other deed, parchment, paper, instrument, writing, or article upon which any tax is imposed by this title; or

"(b) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or

"(c) any forced or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article; or

"(4) (a) Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used; or

"(b) knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

"(c) knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any deed, parchment, paper, instrument, writing, package, or article;

shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than three years, or both.

"SEC. 322. DISPOSITION OF FUNDS.—All moneys collected under this title shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

"SEC. 323. SEPARABILITY CLAUSE.—If any provision of this title, or the application thereof to any person or circumstances, is held invalid the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 324. APPROPRIATIONS.—There are hereby authorized to be appropriated such amounts as may be necessary for the carrying out of the provisions of this title, including the use of stamps or other devices for evidencing payment of the tax imposed by this title.

"SEC. 325. EFFECTIVE DATE.—The provisions of this title shall take effect on the first day of the first month which begins on or after the sixtieth day after the enactment of this Act.

"SEC. 326. SHORT TITLE.—This title may be cited as the 'District of Columbia Real Estate Deed Recordation Tax Act'.

"TITLE IV—AMENDMENTS TO WATER RENT RATES AND SANITARY SEWER SERVICE CHARGES

"SEC. 401. Section 101 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 101; sec. 43–1520c, D.C. Code, 1951 ed.) is amended by inserting the subsection designation '(a)' immediately after 'SEC. 101', and by adding to such section the following subsection:

"'(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioners are authorized, in their discretion, to increase the rates charged by the District for water and water services furnished by the District water supply system: *Provided*, That no such increase shall exceed 25 per centum of the rate or rates in effect on January 1, 1961.'

"SEC. 402. Section 207 of title II of such Act (sec. 43–1606, D.C. Code, 1951 ed.) is amended by striking '60 per centum' wherever it occurs in such section and in each such instance inserting in lieu thereof '75 per centum'.

"SEC. 403. Section 208 of title II of such Act (sec. 43–1607, D.C. Code, 1951 ed.) is amended by adding thereto the following new subsection:

"'(c) If at any time, or from time to time, the Commissioners shall change the established sanitary sewer service charge, the sanitary sewer service charge for any period beginning prior to any such change and ending thereafter shall be prorated on a monthly basis, in accordance with the established charges prevailing in the respective periods.'

"SEC. 404. The provisions of this title shall become effective on the first day of the third month which begins after the date of enactment of this Act.

"TITLE V—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

"SEC. 501. Section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows:

"'SEC. 7. All fees and other moneys collected under this Act, including all fees collected pursuant to section 11 of the Act entitled "An Act making appropriations to the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes", approved April 4, 1938 (District of Columbia Code, sec. 40–616), and the Act entitled "An Act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center", approved June 6, 1940 (54 Stat. 241), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account within the highway fund established in the first section of the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (District of Columbia Code, sec. 47–1901). Moneys deposited in such special account shall be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this Act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this Act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment.'

"SEC. 502. The first sentence of section 8 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows: 'The Commissioners shall include in their annual budget such amounts as may be required from the highway fund established in the first section of the Act of April 23, 1924, for the purpose of carrying out the provisions of this Act.'

"SEC. 503. The District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended by renumbering section 10 thereof as section 11 and by inserting immediately following section 9 the following new section:

"'SEC. 10. Notwithstanding any provision of this Act, no real property shall be acquired under the authority of this Act for use as a parking facility on or after the date of enactment of this section, and the Commissioners and the agency are authorized to operate and maintain only those parking facilities which have been established prior to the date of enactment of this section. No such existing parking facility shall be expanded or otherwise altered except to the extent as may be necessary to permit its continued operation in the same manner as it was being operated immediately before the date of enactment of this section. This section shall not apply to (1) any parking facility which is limited to use by officers and employees of the Governments of the United States or of the District of Columbia by reason of their employment by any such Government, (2) any fringe parking facility, and (3) any parking facility located on property of the District of Columbia beneath any elevated portion of a public highway.'

"SEC. 504. All fees and other moneys which have been deposited in the special account of the Treasury of the United States before the date of enactment of this title to the credit of the District of Columbia in accordance with section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 are hereby transferred to the special account established in the highway fund by the amendment made to section 7 of such Motor Vehicle Parking Act of 1942 by section 501 of this title, and such funds shall be available for the purposes provided in such amendment to such section 7.

"TITLE VI—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

"SEC. 601. Section 9(8) of the Act of September 30, 1950 (20 U.S.C. 244 (8)), is amended by inserting "the District of Columbia," after "Guam,".

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

JOHN L. MCMILLAN,
JOEL T. BROYHILL,
Managers on the Part of the House.

ALAN BIBLE,
WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 258) to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute. The House recedes from

its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the substitute agreed to in conference are noted in the following outline, except for incidental changes made necessary by reason of agreements reached by the conferees and minor and clarifying changes.

TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES AND USE TAX ACT

Title I of the conference substitute is identical to sections 1, 2, and 3 of the House bill.

TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Section 401 of title IV of the Senate amendment amends paragraph (1) of subsection (7)(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 so as to provide that the amount of tax due the District from a taxpayer shall be due and payable in full at the time prescribed in the act for the filing of the taxpayer's return.

Effect of this change is to eliminate installment payments which are presently allowed under paragraph (1) of subsection (7)(a) of title XII. This amendment does not affect the time of payment of individual income taxes. Such taxes are, by paragraph (2) of subsection (7)(a), payable in full at the time prescribed for filing individual income tax returns.

The House bill had no comparable provisions.

Title II of the proposed conference substitute is identical with the provisions of title IV of the Senate amendment with only appropriate renumbering changes.

TITLE III—REAL ESTATE DEED RECORDATION TAX ACT

Title V of the Senate amendment creates an entirely new tax for the District of Columbia. This tax, which is imposed upon deeds submitted to the Commissioners for recordation, will produce an estimated revenue of $1,500,000 per year, and is a method of raising revenue which in various forms is in common usage in the States.

Section 501 of title V of the Senate amendment contains a number of important definitions. "Deed" is defined as any type of instrument, document, or writing (other than a will and other than a lease) which accomplishes the transfer of any interest in real property in the District. "Real property" is defined to include any kind of estate or right, legal or equitable, vested or contingent, in lands, tenements, or hereditaments located in whole or in part within the District. "Consideration" is defined as the actual purchase price paid or required to be paid for real property.

Section 502 of the Senate amendment contains the exemptions from tax. The class of deeds exempt are deeds recorded prior to the effective date of this title, deeds to property acquired by the United States and the District of Columbia, deeds to property acquired solely for an exempt purpose by institutions, organizations, corporations, associations, and foreign governments entitled to exemption under the general real property exemption statute in force in the District (act of December 24, 1942), deeds to property acquired solely for an exempt purpose by specially exempt groups, deeds securing a debt or other obligation, deeds which, without additional consideration confirm, correct, modify, or supplement a previously recorded deed, deeds between husband and wife, or parent and child, without actual consideration, tax deeds, and deeds which release property which is security for a debt or other obligation.

Section 503 of the Senate amendment imposes a tax (with a minimum of $1) upon each deed at the time it is submitted to the Commissioners for recordation at the rate of one-half of 1 percent of the consideration for the deed. This section requires that each deed submitted to the Commissioners shall be accompanied by a return under oath on a form to be prescribed by the Commissioners executed by all of the parties to the deed setting forth the consideration, the amount of tax, and such other information as the Commissioners may require. All parties to a deed (except the United States and the District of Columbia) are made jointly and severally liable for payment of the tax. The Commissioners are authorized under certain conditions to waive the filing of a return or to extend the time for the filing of a return. Section 504 relates to the tax to be paid in the case of a deed for which there was, in fact, no price or amount paid or to be paid, or where such price was nominal. This section requires, in that event, that the parties to the deed represent to the Commissioners the fair market value of the property which is the subject of the deed and, if the information provided the Commissioners is insufficient, the Commissioners are authorized to determine the fair market value of the property from the best information available to them. The tax will be based upon the fair market value of the property.

Section 505 of the Senate amendment authorizes the Commissioners to make investigations for the purpose of ascertaining the correctness of any documents filed with them in connection with a deed, including the right to examine witnesses and to require the production of records and other materials. This section also authorizes the Commissioners to administer oaths and to summon persons for the purpose of obtaining necessary information. In the event of a neglect or a refusal upon the part of a person summoned to obey the summons, provision is made for its enforcement through the U.S. District Court for the District of Columbia. In the event any person who has control or custody of materials bearing upon the matters investigated by the Commissioners refuses to permit the examination of such materials, or if any person hinders the Commissioners in making an examination, a criminal penalty is provided.

Section 506 of the Senate amendment states that the Commissioners, except as otherwise provided, shall not record a deed until the necessary return has been made, as required by the title, and the tax has been satisfied.

Section 507 of the Senate amendment provides that all deeds are presumed to be taxable, and imposes the burden of showing otherwise upon the taxpayer.

Section 508 of the Senate amendment authorizes the Commissioners to determine deficiencies in tax in cases where an improper tax has been paid. Opportunity in such cases is given to the person liable for payment of the tax to protest the deficiency and show cause or reason at a hearing why it should not be paid.

Section 509 of the Senate amendment contains provisions for the imposition of civil penalties and interest, and includes authority in the Commissioners under certain circumstances to waive penalties as well as to extend the time for the payment of a tax by the taxpayer.

Section 510 of the Senate amendment authorizes the Commissioners to compromise a tax when there is doubt as to the liability of the taxpayer or doubt as to the collectibility of the tax. The Commissioners also are authorized by this section to enter into a written agreement with a taxpayer as to the amount of his tax liability. This section provides further that where, in connection with a compromise or agreement, a person involved with that matter conceals material facts or destroys, mutilates, or falsifies books, documents, or records or makes under oath false statements relating to the tax imposed by this title, such person shall be subject to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both. Prosecutions in such matters are to be brought in the Municipal Court for the District of Columbia on information by the Corporation Counsel in the name of the District of Columbia.

Section 511 of the Senate amendment authorizes the Commissioners for cause shown to compromise penalties and adjust interest.

Section 512 of the Senate amendment contains provisions relating to the periods within which the Commissioners may make assessments of tax and may proceed in court to enforce collection of the tax imposed by this title.

Section 513 of the Senate amendment authorizes the Commissioners to administer oaths and affidavits in matters arising under this title.

Section 514 of the Senate amendment contains provisions relating to appeals to the District of Columbia Tax Court and states that the right to such an appeal shall not be an exclusive right, but that the taxpayer shall retain any other remedies which he may have under any other provision of law. However, if the taxpayer elects to proceed in the District of Columbia Tax Court he is not permitted to file a suit in another court for recovery of the tax or any part thereof.

Section 515 of the Senate amendment incorporates by reference for tax refund purposes provisions already in existence for other District taxes. This section also incorporates by reference the collection procedures available to the Commissioners under the personal property tax laws of the District.

Section 516 of the Senate amendment authorizes the Commissioners to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as the Commissioners may deem necessary and proper for the administration of this title.

Section 517 of the Senate amendment authorizes the Commissioners to prescribe rules and regulations necessary to carry out the purposes of this title.

Section 518 of the Senate amendment authorizes the Commissioners to abate the unpaid portion of any tax due, or any liability in respect thereof, if it appears to the Commissioners, under rules or regulations prescribed by them, that the administration and collection costs involved would not warrant collection of the amount due.

Section 519 of the Senate amendment authorizes the Commissioners, in the event they conclude to employ stamps or other devices for the collection of the tax, to limit the denominations of such stamps or devices to amounts representing $1 or multiples of $1. The Commissioners are further authorized to prescribe that where part of the tax due is a fraction of $1, the tax shall be paid to the nearest dollar.

Section 520 of the Senate amendment sets forth a general penalty for violations of title V in cases where no specific penalty is provided. The penalty under this section is a fine of not more than $1,000 or imprisonment for not more than 1 year, or both such fine and imprisonment, with prosecutions to be brought in the Municipal Court for the District of Columbia by the Corporation Counsel. This section provides, however, that in cases of violations which constitute felonies under this title, prosecutions shall be brought by the U.S. attorney and not by the Corporation Counsel.

Section 521 of the Senate amendment provides for a fine up to $5,000 or imprisonment up to 3 years, or both, for certain fraudulent acts relating to any stamps or devices the Commissioners may employ pursuant to this act.

Section 522 of the Senate amendment provides that all moneys collected by the Commissioners shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

Section 523 of the Senate amendment provides that if any part of title V or its application to any person or circumstances is held to be invalid, the remainder of the title and its application to other persons or circumstances shall not be affected thereby.

Section 524 of the Senate amendment authorizes appropriations for the carrying out of the provisions of this title, including use of stamps or other devices.

Section 525 of the Senate amendment makes the title effective on the 1st day of the 1st month which begins on or after the 60th day after the enactment of the act.

The House bill had no comparable provisions.

Title III of the proposed conference substitute is identical with the provisions of title V of the Senate amendment with only appropriate renumbering changes.

TITLE IV—AMENDMENTS TO WATER RATES AND SANITARY SEWER SERVICE CHARGES

Section 601 of title VI of the Senate amendment gives to the District of Columbia Commissioners authority to increase water rates by not more than 25 percent of those rates in effect on January 1, 1961. This authority is standby only so that any increases in water rates will be made only in increments as required. The additional revenues which could be produced by the maximum increase would be approximately $1.8 million.

Sections 602 and 603 of the Senate amendment authorize the Commissioners to increase, in increments as needed, the sanitary sewer service charge which is presently a maximum of 60 percent of the water rate to a maximum of 75 percent of the water rate. Such maximum increase would produce additional revenue of $2.5 million.

The House bill had no comparable provisions.

Title IV of the proposed conference substitute is identical with the provisions of title VI of the Senate amendment with only appropriate renumbering changes.

TITLE V—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

SEC. 501.—Section 4 of the House bill amends section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 to place certain moneys (principally those collected in connection with parking of vehicles) in a special account in the highway fund. Such moneys are to be available first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia by the Metropolitan Police force, second, to defray the expenses of operating parking facilities under this Act, and third, for the maintenance of highways within the District of Columbia including, but not limited to the purchase of highway equipment.

Section 501 of title V of the conference substitute is the same as section 4 of the House bill with the exception that moneys placed in the special account shall be available first, to defray the expenses of enforcing laws, rules, and regulations relating to parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this Act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this Act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment.

SEC. 502.—This section of the conference substitute is a conforming change made necessary by reason of section 501 and is identical with section 5 of the House bill.

SEC. 503.—Section 6 of the House bill added two new sections 10 and 11 to the District of Columbia Motor Vehicle Parking Facility Act of 1942. The new section 10 prohibited the authorization of persons who are not police officers to enforce parking laws, rules, or regulations.

The Senate amendment did not contain this restriction.

The proposed conference substitute does not contain this restriction.

The new section 11 added to existing law by the House bill prohibited the acquisition under authority of the District of Columbia Motor Vehicle Parking Facility Act of further real property for use as a parking facility and the Commissioners and the agency were authorized to operate and maintain only those parking facilities heretofore established. Existing parking facilities were not to be expanded or altered except to permit continued operation in the same manner as they are presently being operated.

The Senate amendment did not contain a similar provision.

The conference substitute is the same as the House bill with the exception that these prohibitions are not to apply to (1) parking facilities which are limited to use by Government officers and employees by reason of their governmental service, (2) fringe parking facilities, and (3) parking facilities located on property of the District of Columbia beneath the elevated portion of any public highway. It is intended by the conference committee that this exemption covers (A) those parking facilities for use solely by persons employed by the Federal and District Governments who are permitted to use those parking facilities by reason of their employment, (B) those fringe parking facilities, such as that presently located in the vicinity of the Carter Barron Amphitheater, which are located on the outskirts of the District of Columbia and are designed primarily for use by persons motoring to the District from outlying areas to enable them to use mass transit facilities for their transportation in the District of Columbia, thus relieving traffic congestion, and (C) those parking facilities to be located underneath the elevated portions of freeways in the District when the land is owned by the District and is principally suitable for use for parking of vehicles.

SEC. 504. This section of the conference substitute is the same as the provisions of section 7 of the House bill.

Section 8 of the House bill provided that sections 4, 5, 6, and 7 of the House bill would take effect as of July 1, 1961.

Title V of the conference substitute would take effect on enactment.

TITLE VI—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

Title IX of the Senate amendment amends Public Law 874 to include the District of Columbia. This is done for the purpose of permitting the District of Columbia to receive certain Federal payments based upon the impact upon the school system of the District of Columbia by reason of the Federal Government.

The House bill had no such provision.

Title VI of the proposed conference substitute is identical with title IX of the Senate amendment.

The Department of Health, Education, and Welfare has advised the conferees that Public Law 874, Eighty-first Congress, as amended by section 601 of the conference substitute, will require transmission of a supplemental appropriations request to the Congress for the necessary additional funds for fiscal year 1962 for payments to the District of Columbia. Consequently, section 601 of the conference substitute will not reduce the amount of funds which otherwise would have been available to the States eligible for benefits under such Public Law 874.

TITLE OF THE BILL

The Senate amendment amended the title of the bill to reflect more accurately the bill as amended by the Senate.

Since the proposed conference substitute does not contain certain of the provisions referred to in the title as amended by the Senate, the Senate recedes from its amendment to the title. Thus, the title of the bill will be that given it by the House.

JOHN L. MCMILLAN,
JOEL T. BROYHILL,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I realize every Member here is fully cognizant of the fact that this amendment, which is under consideration this afternoon, was voted down last week by the House of Representatives. We had another conference with the other body, and it seems that the conferees on behalf of the other body were of the impression that we did not properly explain the impacted area amendment to the tax bill when we considered it here last week. In fact, the three Members of the other body who attended the conference stated they had a letter from the Department of Health, Education, and Welfare stating that no funds that had been allocated for the States under the impacted area bill would be used for the proposed District school impacted area program for the District of Columbia. That was not the impression that the Members of the House had when we considered this bill last week. At least it was not my impression that these funds would be in addition to the funds allocated to the States for this purpose. That is the reason this bill is back before you today, to give the Members of the House another chance to vote on this amendment if the funds will actually not be charged to the funds allocated to the States for impacted areas.

Mr. Speaker, we were in agreement on all other amendments to the sales tax bill which we presented to the House last week in the form of a conference report. There is no reason why this bill should not have been considered long before this late date, since the House passed the sales tax bill in March, and not have to be considered here on what may be the last day that the 1st session of the 87th Congress is in session.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Virginia.

Mr. BROYHILL. Mr. Speaker, as has been pointed out by the gentleman from South Carolina [Mr. MCMILLAN], this conference report that we have before us today is the same conference report that the House by a small margin rejected last Friday. It is with great reluctance that we bring the same conference report back to the House for consideration. But, in attempting to reach a further compromise in conference, we found that the legislation

would be deadlocked unless we did make a further attempt to get the House to reconsider its action of last Friday. We understood that many Members last Friday in voting against the conference report did so in the fear that it might cost their district some funds from the impacted area program. We were assured in conference by the other conferees and by the legislative counsel who were present that this language, if it were placed in the bill as contained in the conference report, would not cost any funds from other impacted districts. The language was included in the statement of the managers on the part of the House which reads as follows:

The Department of Health, Education, and Welfare has advised the conferees that Public Law 874, 81st Congress, as amended by section 601 of the conference substitute, will require transmission of a supplemental appropriations request to the Congress for the necessary additional funds for fiscal year 1962 for payments to the District of Columbia. Consequently, section 601 of the conference substitute will not reduce the amount of funds which otherwise would have been available to the States eligible for benefits under such Public Law 874.

Mr. Speaker, I have here a copy of a letter which was sent by the Department of Health, Education, and Welfare to one of the conferees of the other body which in part reads as follows, and this is in reference to the language as contained in the conference report insofar as Public Law 874 is concerned. The letter reads, in part, as follows:

We do not have final figures on the entitlements of all jurisdictions. However, the District of Columbia's entitlement would be about $5 million. This represents approximately 2 percent of the total entitlements of all jurisdictions. If the sum of $164,346,000, contained in the supplemental appropriations bill reported out by the Senate on September 22, 1961, is enacted then the District of Columbia and all other jurisdictions would receive, according to our best estimate at this time, not less than 98 percent of full entitlement and it is quite possible that final adjusted figures may bring this up to close to 100 percent of entitlement for all jurisdictions.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from North Carolina.

Mr. WHITENER. I believe the letter which the gentleman just read appears on page 21139 of the RECORD of yesterday in the remarks of the Senator from Oregon in the other body.

Mr. BROYHILL. I understand it was inserted in the RECORD yesterday. I understand further that the other body is requesting to add another $5 million to the supplemental appropriation bill which is being considered by the other body today.

I feel we can assure the Members of this body that there is not any likelihood that if this language is adopted in this conference report it will mean any loss of funds for any other impacted area in this country. There is some concern on the part of many Members as to whether or not the District of Columbia should have been included in the impacted area program regardless of whether it takes funds from other areas or not, and that is a good argument at this point because if the District of Columia is included in the impacted area program it will not mean any more or less Federal payment to the District of Columbia. Whatever funds are necessary to balance the plan will be provided.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. BONNER. Is there any substantial reason why the District of Columbia should be included as an impacted area any more than other cities which have had large industrial plants moved into their midst recently?

There is no sense, no substance, no argument that has been advanced to justify the District of Columbia coming in as an impacted area.

I stand for Federal aid to all schools, and I do not believe that there should be partiality shown any city with respect to this question.

These impacted areas have been impacted now for 10 or 12 years. When are they ever going to become unimpacted? The result of the impact is a gain in the economy of the area, and it is absurd and ridiculous to carry on such an argument as this to an intelligent group of people.

I do not understand. I voted for the impacted area bill with my tongue in my cheek because I believed in fairness and justice to all cities and communities, that they should all be treated alike. This is a dodge and a duck and it should be done away with. We should face the real question of whether Congress is going to support the public schools of this country or not going to support them. I do not think there is anybody within the sound of my voice who can stand up and contradict the statement. It is absurd. How in the world this House can vote to add another city to this group of impacted cities I cannot understand, and it is beyond my reason of even dreaming of understanding.

Mr. BROYHILL. Permit me to state that it does not make a great deal of difference in the long run whether or not we include the District of Columbia in the impacted area program, for this reason: If we include it in the program and appropriate $5 million under the program next year the Appropriations Committee can reduce the Federal payment by a like amount. It will not make any difference as far as the cost to the Federal Government is concerned because in the long run the total cost should be the same.

The important thing we have to realize about this bill is that it will raise over $6 million in taxes in the District of Columbia this year. If it is not passed we are going to have a deficit of about $8 million and then we will have to have an increase in the Federal payment to the District of Columbia. It is a matter of principle. If you turn it down you might not have a revenue bill this year and might not be able to balance the budget of the District of Columbia this year.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. HALEY. No need has been shown for the inclusion of this item in this legislation, as far as I am concerned. My State, Florida, has had the greatest increase in population of any State in the Union, and I have a district that reflects that increase and we are not in here with a claim of an impacted area. I do not think the District of Columbia is an impacted area. I do not think anyone can come in here and say so and prove it. The District has the highest income of any area in the whole United States. This is just a back-door approach to get $4½ or $5 million out of the taxpayers of America for the District of Columbia.

I hope that the House will reject this conference report and send it back, and not permit one Member of the other body to tell the House how to write legislation, because you know and I know this would have been subject to a point of order had it come up on the floor of the House of Representatives.

Mr. BROYHILL. May I say to the gentleman it will not result in any increase in Federal payments made to the District of Columbia.

Mr. MATHIAS. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Maryland.

Mr. MATHIAS. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Virginia very fully in support of this conference report. I think it is necessary.

To the distinguished gentlemen who raised the question of making a distinction between the city of Washington, the District of Columbia, and every part of the Nation, may I say, Why do we not reverse the question and say, Why should we make such a distinction? What applies to every other community in the country should be applied to the District of Columbia.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Michigan.

Mr. FORD. The only difference is we contribute $30 million to the District of Columiba and we do not make a comparable contribution to any other city or area in the United States.

Mr. MATHIAS. There are many functions that the District of Columbia performs as the Nation's Capital which have nothing to do with the school system. The newspapers of the District of Columbia within the past several days have been carrying stories to the effect that there are deficiencies in the District of Columbia school system. If this were the best school system in the country and these deficiencies exist, this measure is necessary.

Mr. BROYHILL. The gentleman from Michigan [Mr. FORD] makes a very good point, because we do make a Federal payment to help finance the District of Columbia budget. That is the reason I say if we bring them under the Public Law 874 program we can reduce the Federal payment next year when the Appropriations Committee considers this matter.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Of course, there is a reason for the distinction. The press tells us that the tourists bring in here a million dollars a day. In addition to that, the District is asking everyone to come here, whether they have any jobs or have any training or anything else. If you are going through with this, there is no reason why we should not provide them with clothing and food as well as education, just make it a haven for anybody who comes in from the outside.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. May I say that, in my opinion, this is a matter of principle, over and above the matter of the impacted area proposition. I understand that a Member of the other body said we did not know what we were doing. I, for one, was here and I listened to all of the debate. I knew what I was doing, and I voted against the conference report. I think if we now change our position and vote for the conference report maybe the gentleman in the other body will have a point.

Mr. McMILLAN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Speaker, the gentleman from North Carolina [Mr. BONNER] was precisely right. I voted for this legislation the other day, and I am going to vote for it again today. But not because of the reasons outlined by the gentleman from Maryland [Mr. MATHIAS] and the gentleman from Virginia [Mr. BROYHILL].

I am going to vote for this conference report because I am for Federal aid to education. By no standard applicable to Public Laws 815 and 874 would the District of Columbia qualify without a special proviso and the gentlemen know that perfectly well. This is not for Public Law 815, school construction. This is for Public Law 874 only.

I am an enthusiastic supporter of the Federal Government assisting not only the District of Columbia but all 50 of the States in the maintenance and operation of their schools and for teachers' salaries which this embodies.

Now, if the only way we can get Federal aid for education is on a piecemeal basis, to have, first, the District of Columbia and then, perhaps, Texas, and then perhaps some other States, let us do it that way. The State of North Carolina might be next. By this device all States may eventually be taken care of.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am glad to yield to the gentleman from North Carolina.

Mr. BONNER. Since the gentleman mentioned my name, I voted for this bill the other day, and I want to apologize to the House. I did not think anybody in the world would have the audacity to bring into this House the proposal that is included in this bill. The gentleman from North Carolina was misinformed, and I did not understand that it had this provision. Had I understood it, I would never have voted for it.

Mr. THOMPSON of New Jersey. I understand that; but if the gentleman from North Carolina is for Federal aid to education, the only way to get it obviously is on a piecemeal basis. If we start with the District of Columbia and multiply it by 50 States, this would make $250 million.

Mr. BONNER. Will the gentleman yield further?

Mr. THOMPSON of New Jersey. I gladly yield to the gentleman from North Carolina.

Mr. BONNER. Let us put all of our cities and all of our towns that have public schools and which have to raise money under it.

Mr. THOMPSON of New Jersey. We are establishing a precedent here. We are going to pay teachers' salaries and maintenance and operation for the District of Columbia. I am for it. I think it is wonderful. I think it is tragic that we are not doing it every place else.

Mr. ROOSEVELT. Will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Speaker, I think it is a pretty sad day when instead of voting on a basic issue we turn around and, through the back door or subterfuge, try to take care of the District of Columbia, instead of facing the basic issue.

Mr. THOMPSON of New Jersey. I will say to my friend, the gentleman from California [Mr. ROOSEVELT], that this is no subterfuge. Everyone here understands that this is Public Law 874 for the maintenance and operation of the schools, and not for the construction of classroom facilities.

Mr. ROOSEVELT. If the gentleman will yield further, what right have we to give it to Washington, D.C., and not to Trenton, N.J., or Los Angeles?

Mr. THOMPSON of New Jersey. I hope they are next. I am going to ask for an amendment to Public Law 874, because we are impacted at Trenton, N.J. The whole Nation is impacted by the same standards being applied here to the District of Columbia.

Mr. ROOSEVELT. And, I want money for those purposes in my district, but this piecemeal approach is wrong in principle and my good friend's argument is a little too Machiavellian for me.

Mr. JOELSON. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Jersey.

Mr. JOELSON. Mr. Speaker, I heard a lot of talk around here when Federal aid to education was discussed that if we gave money for teachers' salaries we would be taking over local school systems and the Federal Government would be in the business of thought control. Yet, at this moment I do not hear any of the gentlemen present oppose aid for teachers' salaries.

Mr. THOMPSON of New Jersey. Those of us who advocate this know that this Federal control is a phony issue. There is no such thing. The gentleman from Virginia [Mr. BROYHILL], will tell you that under Public Laws 815 and 874 in his district there has not been 1 minute of insinuation of any Federal control. That occurs only in programs which he does not benefit from.

Mr. JOELSON. In other words, only where someone else gets the money does the program constitute thought control.

Mr. ABBITT. Would the gentleman agree with me that it would establish a precedent and from now on the District would come in and expect a share from the impacted areas fund?

Mr. THOMPSON of New Jersey. Yes, it would. And if that is the only way they can get it I think we should be for it.

Mr. WILSON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. If you will read the hearings on the appropriation request for the District of Columbia, you will find where I asked Dr. Hansen, the superintendent of schools here, how long a schoolday they had. He said the teachers went in at 9 o'clock in the morning and were out at 3. Later on he said sometimes they almost fell over each other getting out.

Mr. Speaker, in Indiana the children there are tardy if they are not in school at 10 minutes past 8, and they do not get out until 3:30.

I stated to Dr. Hansen that with 32 pupils per classroom where there should only be 30, and 27 pupils per classroom in high school where you should have a teacher-pupil ratio of 25, if he would add 1 hour per day you will take care of this classroom shortage and you will have more classrooms than you need, and you will have less than 30 pupils per teacher in the classroom. Why should we in Indiana or Virginia or anywhere else work our teachers 35 hours a week when they work 25 hours a week in the District of Columbia, and then furnish financial aid to support their 25-hour week, which is much shorter than ours? It just does not make sense to me.

Mr. McMILLAN. Mr. Speaker, in reply to the gentleman from North Carolina [Mr. BONNER], who stated that he could not understand why anyone would bring this proposal to the floor of the House of Representatives, I would like to point out to the gentleman that he must never have been in a conference with the gentleman in the other body, the gentleman from Oregon.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. BONNER. Mr. Speaker, certainly this is not in keeping with the gentleman's thinking or his way of doing business. I cannot, for the life of me, see how he can vote for his own conference report.

Mr. McMILLAN. This idea did not originate in the House, I will say to the gentleman.

Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, it is not often that on domestic issues I agree with the distinguished gentleman from New Jersey [Mr. THOMPSON], but I

wholeheartedly concur with him on this issue, that this is just a step on the road to achieve a broad program of Federal aid to education. If we approve the conference report on this occasion inevitably it will lead to the inclusion of other cities and areas in the years ahead.

Secondly, I would like to say that this is a roundabout method, a gimmick, to bypass the ordinary appropriation process. The gentleman from Virginia [Mr. BROYHILL] in effect said that. Let me give you a little history of Federal contributions to the District of Columbia.

Back in 1946 the Federal contribution was only $6 million annually to the District of Columbia. In the period 1948–54 the Federal contribution averaged about $10½ to $11 million a year. In the fiscal year 1961 it was $25 million and it is anticipated that in the fiscal year 1962 it will be $30 million.

We have not been acting irresponsibly toward the fiscal needs of the District of Columbia, and I resent this effort to try, by a gimmick, to put $5 million into the District of Columbia pot without any annual responsible analysis of the needs.

If we approve this conference report we are putting the District of Columbia under Public Law 874. Mr. Speaker, do you realize that both former President Eisenhower and now President Kennedy have recommended that Public Law 874 be revised? Both of them have contended that it was defective because it granted funds to areas that were not really federally impacted areas. But here by this action today, if you approve the conference report, you will put the District of Columbia under a defective law, as pointed out by the last President and the present President. This would be utterly irresponsible, in my opinion.

Mr. Speaker, what we should do is to amend Public Law 815 and Public Law 874 so they will coincide with its original intent, which was good. And if we do revise Public Law 815 and Public Law 874 I do not think the District of Columbia would qualify; and it should not qualify as I understand the original intent of federally impacted school legislation.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman.

Mr. ROOSEVELT. As a matter of fact, the District of Columbia has already tried to qualify and it does not qualify. So, as the gentleman said, it is nothing but a gimmick.

Mr. FORD. I understand; it is a pure, outright gimmick, to bypass the appropriation process, in which process the District of Columbia will have its day in court. According to the figures that I gave, in a period of some 15 years the Federal contribution has gone up from $6 million a year to $30 million a year. If the need is there this Congress or the next Congress will respond. Let us not make this Federal contribution by a method which cannot be defended.

In conclusion I say emphatically I do favor the revenue features of this conference report.

Mr. McMILLAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the "noes" had it.

Mr. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 97, nays 173, not voting 164, as follows:

[Roll No. 229]

YEAS—97

Addabbo	Green, Oreg.	Morgan
Addonizio	Green, Pa.	Natcher
Albert	Hagen, Calif.	Nix
Ashley	Harding	O'Hara, Mich.
Auchincloss	Healey	Olsen
Baldwin	Hemphill	O'Neill
Barrett	Henderson	Patman
Bolling	Holland	Perkins
Brademas	Inouye	Pfost
Broyhill	Joelson	Price
Burke, Mass.	Johnson, Calif.	Pucinski
Burleson	Johnson, Md.	Rhodes, Pa.
Byrne, Pa.	Jones, Ala.	Rivers, Alaska
Casey	Karsten	Rogers, Colo.
Chelf	Kearns	Rutherford
Clark	Kilgore	Ryan
Cohelan	King, Calif.	Scott
Daddario	King, Utah	Smith, Iowa
Dawson	Lankford	Smith, Va.
Diggs	Lennon	Spence
Doyle	Lindsay	Stratton
Edmondson	McCormack	Thompson, N.J.
Elliott	McDowell	Thornberry
Everett	McFall	Toll
Fallon	McMillan	Trimble
Finnegan	Magnuson	Udall, Morris K.
Fisher	Mahon	Ullman
Friedel	Mailliard	Vanik
Giaimo	Marshall	Whitener
Gilbert	Mathias	Wickersham
Granahan	Miller, George P.	Wright
Grant	Moorhead, Pa.	Yates
Gray		

NAYS—173

Abbitt	Davis, James C.	Kirwan
Alexander	Davis, John W.	Kitchin
Anderson, Minn.	Delaney	Kluczynski
Anderson, Ill.	Denton	Knox
Andrews	Dole	Kornegay
Arends	Dominick	Kowalski
Ashbrook	Donohue	Kunkel
Ashmore	Dowdy	Laird
Avery	Downing	Lane
Ayres	Dulski	Langen
Bailey	Dwyer	Latta
Baker	Ellsworth	Lesinski
Barry	Evins	McCulloch
Bass, N.H.	Feighan	McVey
Bates	Fenton	MacGregor
Beckworth	Fogarty	Mack
Beermann	Ford	Madden
Belcher	Forrester	Mason
Bennett, Fla.	Fountain	Matthews
Betts	Fulton	Merrow
Blitch	Gary	Milliken
Boland	Gathings	Mills
Bolton	Gavin	Minshall
Bonner	Goodling	Moeller
Bow	Gross	Monagan
Bray	Gubser	Moorehead, Ohio
Bromwell	Hagan, Ga.	Morris
Brooks	Haley	Morse
Broomfield	Hardy	Mosher
Brown	Hechler	Murphy
Bruce	Herlong	Murray
Cahill	Hoffman, Ill.	Norrell
Cannon	Hoffman, Mich.	Nygaard
Chamberlain	Huddleston	O'Brien, Ill.
Chenoweth	Ichord, Mo.	O'Hara, Ill.
Chiperfield	Jarman	O'Konski
Clancy	Jensen	Ostertag
Coad	Johansen	Passman
Conte	Johnson, Wis.	Peterson
Corbett	Jonas	Philbin
Cunningham	Kee	Pike
Curtin	Keith	Pillion
Curtis, Mass.	Kelly	Poff
Dague	King, N.Y.	Randall
Ray	Saylor	Taber
Reece	Schadeberg	Taylor
Rhodes, Ariz.	Schneebeli	Thompson, Tex.
Rivers, S.C.	Schweiker	Thomson, Wis.
Roberts	Schwengel	Tuck
Robison	Scranton	Van Zandt
Rogers, Fla.	Seely-Brown	Wallhauser
Rogers, Tex.	Selden	Walter
Rooney	Shipley	Whalley
Roosevelt	Shriver	Whitten
Rostenkowski	Sibal	Willis
Roush	Stafford	Wilson, Ind.
Rousselot	Staggers	Winstead
St. Germain	Steed	

NOT VOTING—164

Abernethy	Griffin	Pelly
Adair	Griffiths	Pilcher
Alford	Hall	Pirnie
Alger	Halleck	Poage
Anfuso	Halpern	Powell
Aspinal	Hansen	Quie
Baring	Harris	Rabaut
Bass, Tenn.	Harrison, Va.	Rains
Battin	Harrison, Wyo.	Reifel
Becker	Harsha	Reuss
Bell	Harvey, Ind	Riehlman
Bennett, Mich.	Harvey, Mich.	Riley
Berry	Hays	Rodino
Blatnik	Hébert	Roudebush
Boggs	Hiestand	St. George
Boykin	Hoeven	Santangelo
Breeding	Holifield	Saund
Brewster	Holtzman	Schenck
Buckley	Horan	Scherer
Burke, Ky.	Hosmer	Shelley
Byrnes, Wis.	Hull	Sheppard
Carey	Ikard, Tex.	Short
Cederberg	Jennings	Sikes
Celler	Jones, Mo.	Siler
Church	Judd	Sisk
Collier	Karth	Slack
Colmer	Kastenmeier	Smith, Calif.
Cook	Keogh	Smith, Miss.
Cooley	Kilburn	Springer
Corman	Kyl	Stephens
Cramer	Landrum	Stubblefield
Curtis, Mo.	Libonati	Sullivan
Daniels	Lipscomb	Teague, Calif.
Davis, Tenn.	Loser	Teague, Tex.
Dent	McDonough	Thomas
Derounian	McIntire	Thompson, La.
Derwinski	McSween	Tollefson
Devine	Macdonald	Tupper
Dingell	Martin, Mass.	Utt
Dooley	Martin, Nebr.	Van Pelt
Dorn	May	Vinson
Durno	Meader	Watts
Farbstein	Michel	Weaver
Fascell	Miller, Clem	Weis
Findley	Miller, N.Y.	Westland
Fino	Montoya	Wharton
Flood	Moore	Widnall
Flynt	Morrison	Williams
Frazier	Moss	Wilson, Calif.
Frelinghuysen	Moulder	Young
Gallagher	Multer	Younger
Garland	Nelsen	Zablocki
Garmatz	Norblad	Zelenko
Glenn	O'Brien, N.Y.	
Goodell	Osmers	

So the conference report was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Flood for, with Mr. Bell against.

Mr. Collier for, with Mrs. May against.

Mrs. Weis for, with Mr. Byrnes of Wisconsin against.

Mr. Kastenmeier for, with Mr. Miller of New York against.

Mr. Clem Miller for, with Mr. Colmer against.

Mr. Frazier for, with Mrs. St. George against.

Mr. Dingell for, with Mr. Dorn against.

Mr. Baring for, with Mr. Moore against.

Mr. Celler for, with Mr. Devine against.

Mr. Buckley for, with Mr. Cramer against.

Mr. Cook for, with Mr. Williams against.

Mr. Brewster for, with Mr. Harris against.

Mr. Keogh for, with Mr. Judd against.

Mr. Reuss for, with Mr. Widnall against.

Mrs. Griffiths for, with Mr. Nelsen against.

Mr. Multer for, with Mr. Jennings against.

Mr. Garmatz for, with Mr. Battin against.

Mr. Aspinall for, with Mr. Pirnie against.

Mr. Montoya for, with Mr. Kilburn against.

Mr. Farbstein for, with Mr. Scherer against.
Mr. Boykin for, with Mr. Abernethy against.
Mr. Davis of Tennessee for, with Mr. Halleck against.
Mr. Smith of Mississippi for, with Mr. Breeding against.
Mr. O'Brien of New York for, with Mr. Alford against.
Mr. Anfuso for, with Mr. Alger against.
Mr. Santangelo for, with Mr. Riley against.
Mr. Carey for, with Mr. Sikes against.
Mr. Karth for, with Mr. Stephens of Georgia against.
Mr. Blatnik for, with Mr. Van Pelt against.
Mr. Holtzman for, with Mr. Wilson of California against.

Until further notice:

Mr. Landrum with Mr. McDonough.
Mr. Moss with Mr. Hiestand.
Mr. Saund with Mr. Glenn.
Mr. Hébert with Mr. Roudebush.
Mr. Holifield with Mr. Short.
Mr. Gallagher with Mr. Cederberg.
Mr. Cooley with Mr. Dooley.
Mr. Burke of Kentucky with Mr. Garland.
Mr. Ikard of Texas with Mr. Frelinghuysen.
Mr. Shelley with Mr. Berry.
Mr. Vinson with Mr. Michel.
Mr. McSween with Mr. Harrison of Wyoming.
Mr. Pilcher with Mr. Goodell.
Mr. Harrison of Virginia with Mr. Osmers.
Mr. Powell with Mr. Martin of Massachusetts.
Mr. Daniels with Mr. Harvey of Indiana.
Mrs. Hansen with Mr. Adair.
Mr. Rodino with Mr. Church.
Mrs. Sullivan with Mr. Harvey of Michigan.
Mr. Hays with Mr. Griffin.
Mr. Sisk with Mr. Quie.
Mr. Hull with Mr. Smith of California.
Mr. Macdonald with Mr. Becker.
Mr. Fogarty with Mr. Findley.
Mr. Corman with Mr. Kyl.
Mr. Boggs with Mr. Harsha.
Mr. Young with Mr. Halpern.
Mr. Thomas with Mr. Martin of Nebraska.
Mr. Jones of Missouri with Mr. Riehlman.
Mr. Loser with Mr. Teague of California.
Mr. Moulder with Mr. Durno.
Mr. Rabaut with Mr. Curtis of Missouri.
Mr. Fascell with Mr. McIntire.
Mr. Dent with Mr. Lipscomb.
Mr. Libonati with Mr. Hoeven.
Mr. Bass of Tennessee with Mr. Hall.
Mr. Thompson of Louisiana with Mr. Hosmer.
Mr. Watts with Mr. Pelly.
Mr. Zelenko with Mr. Reifel.
Mr. Poage with Mr. Horan.
Mr. Stubblefield with Mr. Schenck.
Mr. Zablocki with Mr. Derounian.
Mr. Sheppard with Mr. Weaver.
Mr. Slack with Mr. Tollefson.
Mr. Rains with Mr. Utt.
Mr. Morrison with Mr. Wharton.

Mr. DELANEY and Mr. MORRIS changed their vote from "yea" to "nay."

Mr. KEARNS and Mr. SPENCE changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

"SEC. 101. Section 125 of the District of Columbia Sales Tax Act, as amended (63 Stat. 115, as amended; sec. 47–2602, D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'SEC. 125. For the privilege of selling certain tangible personal property at retail sale and for the privilege of selling certain selected services defined as sales at retail in this title, a tax is hereby imposed upon all vendors at the rate of 3 per centum of the gross receipts of any vendor from the sale of such tangible personal property and services: *Provided*, That the rate of tax with respect to sales of food for human consumption off the premises where such food is sold shall be 1 per centum of the gross receipts from such sales, and that the rate of tax with respect to sales or charges for any room or rooms, lodgings, or accommodations, furnished to transients by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients shall be 5 per centum of the gross receipts from such sales.'

"SEC. 102. (a) Subsection (a) of section 127 of such Act (sec. 47–2604(a), D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section.'

"(b) Subsection (c) of section 127 of such Act (sec. 47–2604(c), D.C. Code, 1951 ed., supp. VIII), is amended by striking out '3 per centum' and by inserting in lieu thereof '5 per centum'.

"SEC. 103. Section 212 of the District of Columbia Use Tax Act, as amended (63 Stat. 126; sec. 47–2702, D.C. Code, 1951, ed., supp. VIII), is amended by striking out the figure and words '2 per centum' and inserting in lieu thereof the figure and words '3 per centum'.

"SEC. 104. The provisions of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the enactment of this Act.

"TITLE II—AMENDMENTS TO DISTRICT OF COLUMBIA CIGARETTE TAX ACT

"SEC. 201. (a) Subsection (a) of section 603 of the District of Columbia Cigarette Tax Act (63 Stat. 136, ch. 146, title VI, sec. 47–2802(a), D.C. Code, 1951 ed., supp. VIII) is amended by striking out the figure and word '2 cents' and inserting in lieu thereof the figure and word '5 cents'.

"(b) The increase in tax upon cigarettes, as provided by subsection (a) of this section, shall be applicable to all cigarettes in the possession on the effective date of this title of the holder of a wholesaler's, retailer's, or vending machine operator's license under said District of Columbia Cigarette Tax Act, whether or not a stamp or stamps denoting payment of tax at the rate of tax in effect prior to the effective date of this title shall have been affixed to such cigarettes.

"SEC. 202. Within twenty days after the effective date of this title, every holder of a wholesaler's, retailer's, or vending machine operator's license under said Act shall file with the Commissioners a sworn statement in duplicate on a form to be prescribed by the Commissioners showing the number of each kind of stamps denoting payment of cigarette taxes affixed to packages of cigarettes held or possessed by such licensee or anyone for him at the beginning of the day on which this title becomes effective, and shall, at the time of the filing of said statement, pay to the Commissioners the difference between the amount of tax represented by such stamps and the amount of tax imposed by the District of Columbia Cigarette Tax Act as amended by section 201 of this title.

"SEC. 203. Within twenty days after the effective date of this title, every holder of a wholesaler's, retailer's, or vending machine operator's license under said Act shall file with the Commissioners a sworn statement in duplicate on a form to be prescribed by the Commissioners showing the number of each kind of stamps held or possessed by such licensee or anyone for him which were not affixed to packages of cigarettes at the beginning of the day on which this title becomes effective, and shall, at the time of the filing of said statement, surrender such stamps to the Commissioners. The Commissioners shall credit the amount of tax represented by the stamps surrendered against new stamps purchased by such licensees. In lieu of the credit allowed for surrendering stamps as provided in this section, the licensee shall be entitled to a refund of the amount of tax represented by the stamps surrendered as an overpayment of tax in the same manner and to the same extent as provided in section 4 of the Act of July 10, 1952 (66 Stat. 543, 546, ch. 649): *Provided*, That the requirement that the amount of refund shall not exceed the portion of tax paid during the two years immediately preceding the filing of the claim for refund shall not be applicable.

"SEC. 204. Every holder of a wholesaler's, retailer's, or vending machine operator's license under said District of Columbia Cigarette Tax Act shall keep and preserve for a period of twelve months after the effective date of this title, the inventories and other records made which form the basis for the information furnished on the sworn statements required to be filed under this title.

"SEC. 205. Any violation of the provisions of this title shall constitute a violation under the District of Columbia Cigarette Tax Act and regulations promulgated pursuant thereto.

"SEC. 206. The provisions of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the enactment of this Act.

"TITLE III—AMENDMENTS TO THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

"SEC. 301. (a) So much of section 23(a) of the District of Columbia Alcoholic Beverage Control Act, as amended (48 Stat. 319; sec. 25–124, D.C. Code, 1951 ed., supp. VIII), as reads:

"'(4) a tax of $1.25 on every wine-gallon of spirits and a proportionate tax at a like rate on all fractional parts of such gallon; (5) and a tax of $1.25 on every wine-gallon of alcohol and a proportionate tax at a like rate on all fractional parts of such gallon.' is amended to read as follows:

"'(4) a tax of $2 on every wine-gallon of spirits and a proportionate tax at a like rate on all fractional parts of such gallon; (5) and a tax of $2 on every wine-gallon of alcohol and a proportionate tax at a like rate on all fractional parts of such gallon.'

"(b) The increase in tax upon spirits and alcohol as provided by subsection (a) of this section, shall be applicable to all such beverages in the possession on the effective date of this title of the holder of a manufacturer's license, class A, a wholesaler's license, class A, or a retailer's license, under said District of Columbia Alcoholic Beverage Control Act whether or not a stamp or stamps denoting payment of tax at the rate of tax in effect prior to the effective date of this title shall have been affixed to the containers of such beverages.

"SEC. 302. Within twenty days after the effective date of this title, every holder of a manufacturer's license, class A, and every holder of a wholesaler's license, class A, and every holder of a retailer's license under said District of Columbia Alcoholic Beverage Control Act shall file with the Commissioners a sworn statement in duplicate on a form to be prescribed by the Commissioners showing the

number of each kind and denomination of stamps denoting the payment of beverage taxes on spirits and alcohol held or possessed by such licensee or anyone for him on the date on which this title becomes effective, or on the following day if the effective day be a Sunday, including stamps affixed to the containers of such beverages manufactured in or imported into the District prior to or on the effective day of this title, and shall, at the time of the filing of said statements pay to the Commissioners the difference between the amount of tax represented by such stamps at the time of purchase and the amount of tax imposed by the District of Columbia Alcoholic Beverage Control Act, as amended by this title, represented by such stamps.

"SEC. 303. Within twenty days after the effective date of this title, every holder of a manufacturer's license, class A, and every holder of a wholesaler's license, class A, and every holder of a retailer's license under said District of Columbia Alcoholic Beverage Control Act shall file with the Commissioners a sworn statement in duplicate on a form to be prescribed by the Commissioners showing the amount of spirits and alcohol, except such spirits and alcohol upon the containers of which required stamps have been affixed, held, or possessed by such licensee in the District of Columbia on the date on which this title becomes effective and state the number of each kind and denomination of stamps necessary for the stamping of such spirits and alcohol so held or possessed on and after the effective date of this title. All stamps denoting the payment of taxes on spirits and alcohol shall be sold by the Commissioners at the rate of tax as amended by this title.

"SEC. 304. Every holder of a manufacturer's license, wholesaler's license, or retailer's license under said District of Columbia Alcoholic Beverage Control Act shall keep and preserve for a period of twelve months after the effective date of this title, the inventories and other records made which form the basis for the information furnished on the sworn statements required to be filed under this title.

"SEC. 305. Any violation of the provisions of this title shall constitute a violation under the District of Columbia Alcoholic Beverage Control Act and regulations promulgated pursuant thereto.

"SEC. 306. The provisions of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the enactment of this Act.

"TITLE IV—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

"SEC. 401. Paragraph (1) of subsection 7(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (61 Stat. 353; sec. 47–1586f(a)(1), D.C. Code, 1951 ed., supp. VIII), is amended to read as follows:

"'(1) Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this article for the filing of such return.'

"SEC. 402. The provisions of this title shall be applicable to the taxable years beginning after December 31, 1961.

"TITLE V—REAL ESTATE DEED RECORDATION TAX ACT

"SEC. 501. DEFINITIONS.—When used in this title, unless otherwise required by the context—

"(a) The word 'District' means the District of Columbia.

"(b) The word 'Commissioners' means the Commissioners of the District of Columbia, or their duly authorized agents or representatives.

"(c) The word 'deed' means any document, instrument, or writing (other than a will and other than a lease), regardless of where made, executed, or delivered whereby any real property in the District of Columbia, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

"(d) The words 'real property' mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

"(e) The word 'consideration', except as otherwise provided in section 504 of this title, means the price or amount actually paid, or required to be paid, for real property including any mortgages, liens, or encumbrances thereon.

"(f) The word 'person' means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

"(g) The word 'deficiency' as used in this title means the amount or amounts by which the tax imposed by this title as determined by the Commissioners exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

"(h) The word 'taxpayer' means any person required by this title to pay a tax, or file a return.

"SEC. 502. EXEMPTIONS.—The following deeds shall be exempt from the tax imposed by this title:

"1. Deeds recorded prior to the effective date of the enactment of this title.

"2. Deeds to property acquired by the United States of America or the District of Columbia.

"3. Deeds to property acquired by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under the Act of December 24, 1942 (Public Law 846, Seventy-seventh Congress, chapter 826, second session), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under said Act: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"4. Deeds to property acquired by an institution, organization, corporation, or association entitled to exemption from real property taxation by special Act of Congress, which property was acquired solely for a purpose or purposes for which such special exemption was granted: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

"5. Deeds which secure a debt or other obligation.

"6. Deeds which, without additional consideration, confirm, correct, modify, or supplement a deed previously recorded.

"7. Deeds between husband and wife, or parent and child, without actual consideration therefor.

"8. Tax deeds.

"9. Deeds of release of property which is security for a debt or other obligation.

"SEC. 503. IMPOSITION OF TAX.—(a) There is hereby imposed on each deed at the time it is submitted to the Commissioners for recordation a tax at the rate of one-half of 1 per centum of the consideration for such deed: *Provided*, That in any case where application of the rate of tax to the consideration for a deed results in a total tax of less than $1 the tax shall be $1.

"(b) Each such deed shall be accompanied by a return under oath in such form as the Commissioners may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Commissioners may require.

"(c) The parties to a deed which is submitted to the Commissioners for recordation shall be jointly and severally liable for payment of the taxes imposed by this section: *Provided*, That neither the United States nor the District of Columbia shall be subject to such liability.

"(d) The Commissioners are authorized—

"(1) to prescribe by regulation for reasonable extensions of time for the filing of the return required by subsection (b) of this section; and

"(2) to waive as to any party to a deed the requirement for the filing of a return by such party whenever it shall be determined by the Commissioners that a return cannot be filed: *Provided*, That any waiver granted by the Commissioners to a party shall not, unless specifically authorized, be deemed to be a waiver as to any other party. Any waiver made pursuant to this subsection shall not affect the requirements of subsection (c) of this section.

"SEC. 504. ABSENCE OF CONSIDERATION.—Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Commissioners shall require. Whenever, in the opinion of the Commissioners, a return does not contain sufficient information as to the fair market value of such real property, the Commissioners are authorized to make a determination thereof from the best information available.

"SEC. 505. INVESTIGATION BY COMMISSIONERS.—The Commissioners, for the purpose of ascertaining the correctness of any return, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Commissioners promulgated hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title, or the consideration for any deed upon which a tax is imposed, are authorized to examine any books, papers, records, or memorandums of any person bearing upon such matters and may summon any person to appear and produce books, records, papers, or memorandums pertaining thereto and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided then, and in that event, the Commissioners may report that fact to the United States District Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court. Any person in custody or control of any books, papers, records, or memorandums bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Commissioners or any person designated by them of any such books, papers, records, or memorandums, or who shall obstruct or hinder the Commissioners or any person designated by them in the examination of any books, papers, records, or memorandums, shall upon

conviction thereof be subject to the penalties provided in this title.

"SEC. 506. RECORDATION.—Except as otherwise provided in this title, no deed shall be recorded by the Commissioners until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

"SEC. 507. PRESUMPTIONS AND BURDEN OF PROOF.—For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all deeds are taxable and the burden shall be upon the taxpayer to show that a deed is exempt from tax.

"SEC. 508. DEFICIENCIES IN TAX.—(a) If a deficiency in tax is determined by the Commissioners, the person liable for the payment thereof shall be notified by registered or certified mail of said determination which shall include a statement of taxes due and given a period of not less than thirty days after such notice is sent in which to file a protest with the Commissioners and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty-day period, the deficiency as determined by the Commissioners shall be final. If a protest is filed within said period of thirty days, opportunity for hearing thereon shall be granted by the Commissioners, and a final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

"(b) Any deficiency to tax which has become final in accordance with the provisions of subsection (a) of this section shall, if no protest is filed, be due and payable within ten days after the expiration of the thirty-day period provided in subsection (a) of this section or, if a protest is filed, shall be due and payable within ten days after notice of the final decision of the Commissioners upon such protest is sent to the person liable for payment of the deficiency.

"SEC. 509. PENALTIES AND INTEREST.—(a) In case of any failure to make and file a correct return as required by this title within the time prescribed by this title or prescribed by the Commissioners in pursuance of this title, 5 per centum of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed 25 per centum in the aggregate, except that when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the Commissioners may in their discretion waive, in whole or in part, the addition to the tax provided by this subsection.

"(b) The amount added to any tax under subsection (a) of this section shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of neglect.

"(c) Interest upon the amount finally determined as a deficiency shall be assessed at the same time as the deficiency, and shall be collected as a part of the tax, at the rate of one-half of 1 per centum per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is assessed.

"(d) If the time for payment of any part of deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one-half of 1 per centum per month or portion of a month for the period of the extension. If a part of the deficiency the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at the rate of one-half of 1 per centum per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

"(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

"(f) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid.

"(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsections (c), (e), or (f) is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one-half of 1 per centum per month or portion of a month from the date when such unpaid amount was due until it is paid.

"(h) The Commissioners are authorized at the request of the taxpayer to extend the time for payment by the taxpayer of the amount of the tax imposed by this title, whether determined as a deficiency or otherwise, for a period not to exceed six months from the date prescribed for the payment of such tax.

"SEC. 510. COMPROMISE AND SETTLEMENT.—(a) Whenever in the opinion of the Commissioners there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Commissioners may compromise such tax.

"(b) The Commissioners are authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Commissioners and the taxpayer involved, or his authorized agent or representative, shall be final and conclusive and—except upon a showing of fraud, malfeasance, or misrepresentation of a material fact—the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

"(c) Any person who, in connection with any compromise under this section or offer of such compromise or in connection with any written agreement under this section or offer to enter into any such agreement, conceals from any officer or employee of the District of Columbia any material fact relating to the tax imposed by this title; destroys, mutilates, or falsifies any books, documents, or record; or makes under oath any false statements relating to the tax imposed by this title shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the municipal court of the District of Columbia, in the name of the District of Columbia, on information by the Corporation Counsel of the District of Columbia or any of his assistants.

"SEC. 511. COMPROMISE OF PENALTIES AND ADJUSTMENT OF INTEREST.—The Commissioners shall have the power for cause shown to compromise any penalty which may be imposed under the provisions of this title. The Commissioners may adjust any interest, where, in their opinion, the facts in the case warrant such action.

"SEC. 512. LIMITATIONS.—(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three years after the deed is recorded by the Commissioners and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

"(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

"(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

"(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Commissioners and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

"(f) The running of the period of limitations provided in this section on the making of assessments, or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Commissioners are prohibited from making the assessment or from collecting said tax, and for ninety days thereafter: *Provided*, That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding and for ninety days after the decision of the court shall have become final or, if the proceeding shall have been dismissed or otherwise disposed of, for a period of ninety days after such dismissal or other disposition.

"SEC. 513. ADMINISTRATION OF OATHS.—The Commissioners are authorized to administer oaths and affidavits in relation to any matter or proceeding conducted by them in the exercise of their powers and duties under this title.

"SEC. 514. APPEAL.—(a) Any person aggrieved by any assessment of a deficiency in tax finally determined by the Commissioners under the provisions of section 508 of this title may appeal to the District of Columbia Tax Court in the same manner and to the same extent as set forth in sections 3, 4, 7, 8, 9, 10, 11, and 12 of title IX of the Act entitled 'An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes', approved May 16, 1938, as amended and as the same may hereinafter be amended.

"(b) The remedy provided in subsection (a) of this section shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law but no suit by the taxpayer for the recovery of any part of the tax imposed shall be instituted or maintained in any court if the taxpayer has elected to file an appeal with respect to such tax, or any part thereof, in accordance with the provisions of subsection (a) of this section.

"SEC. 515. REFUNDS AND COLLECTIONS.—The provisions of section 14 of title IX of the District of Columbia Revenue Act of 1937, as added by the Act of May 16, 1938, and as amended by the Act of July 26, 1939, and as added by section 4 of the Act of July 10, 1952, and the provisions of section 1601 and section 1602 of title XVI of the District of Columbia Public Works Act of 1954 shall be applicable to the tax imposed by this title.

"SEC. 516. STAMPS.—The Commissioners are authorized to prescribe by regulation such

methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as they may deem necessary and proper for the administration of this title.

"SEC. 517. PROMULGATION OF RULES AND REGULATIONS.—The Commissioners are hereby authorized to prescribe such rules and regulations as they may deem necessary to carry out the purposes of this title.

"SEC. 518. ABATEMENT.—The Commissioners are authorized to abate the unpaid portion of any tax due under the provisions of this title, or any liability in respect thereof, if the Commissioners determine under rule or regulation prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

"SEC. 519. ELIMINATION OF FRACTIONAL STAMPS OR DEVICES.—For the purpose of avoiding, in the case of any stamps or devices employed pursuant to authority of this title, the issuance of stamps or the employment of devices representing fractional parts of $1, the Commissioners are authorized, in their discretion, to limit the denominations of such stamps or devices to amounts representing $1 or multiples of $1, and to prescribe further that where part of the tax due is a fraction of $1, the tax paid shall be paid to the nearest dollar.

"SEC. 520. GENERAL CRIMINAL PENALTY.—Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be subject to a fine of not more than $1,000, or to imprisonment of not more than one year, or to both such fine and imprisonment. Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States attorney in and for the District of Columbia, or any of his assistants.

"SEC. 521. CRIMINAL PENALTY AS TO STAMPS.—(1) Any person who, with intent to defraud, alters, forges, makes, or counterfeits any stamp, or other device prescribed under authority of this title for the collection or payment of any tax imposed by this title, or sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, or other device, or makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, or other device; or

"(2) Fraudulently cuts, tears, or removes from any deed, parchment, paper, instrument, writing, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title; or

"(3) Fraudulently uses, joins, fixes, or places to, with, or upon any deed, parchment, paper, instrument, writing, or article, upon which a tax is imposed by this title,

"(a) any adhesive stamp, or the impression of any stamp, die, plate, or other article, which has been cut, torn, or removed from any other deed, parchment, paper, instrument, writing, or article upon which any tax is imposed by this title; or

"(b) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or

"(c) any forged or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article; or

"(4) (a) Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used; or

"(b) knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

"(c) knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any deed, parchment, paper, instrument, writing, package, or article;

shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than three years, or both.

"SEC. 522. DISPOSITION OF FUNDS.—All moneys collected under this title shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

"SEC. 523. SEPARABILITY CLAUSE.—If any provision of this title, or the application thereof to any person or circumstances, is held invalid the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 524. APPROPRIATIONS.—There are hereby authorized to be appropriated such amounts as may be necessary for the carrying out of the provisions of this title, including the use of stamps or other devices for evidencing payment of the tax imposed by this title.

"SEC. 525. EFFECTIVE DATE.—The provisions of this title shall take effect on the first day of the first month which begins on or after the sixtieth day after the enactment of this Act.

"TITLE VI—AMENDMENTS TO WATER RENT RATES AND SANITARY SEWER SERVICE CHARGES

"SEC. 601. Section 101 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 101; sec. 43–1520c, D.C. Code, 1951 ed.) is amended by inserting the subsection designation '(a)' immediately after 'SEC. 101', and by adding to such section the following subsection:

"'(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioners are authorized, in their discretion, to increase the rates charged by the District for water and water services furnished by the District water supply system: *Provided*, That no such increase shall exceed 25 per centum of the rate or rates in effect on January 1, 1961.'

"SEC. 602. Section 207 of title II of such Act (sec. 43–1606, D.C. Code, 1951 ed.) is amended by striking '60 per centum' wherever it occurs in such section and in each such instance inserting in lieu thereof '75 per centum'.

"SEC. 603. Section 208 of title II of such Act (sec. 43–1607, D.C. Code, 1951 ed.) is amended by adding thereto the following new subsection:

"'(c) If at any time, or from time to time, the Commissioners shall change the established sanitary sewer service charge, the sanitary sewer service charge for any period beginning prior to any such change and ending thereafter shall be prorated on a monthly basis, in accordance with the established charges prevailing in the respective periods.'

"SEC. 604. The provisions of this title shall become effective on the first day of the third month following the date of enactment of this Act.

"TITLE VII—INCREASE IN THE ANNUAL FEDERAL PAYMENT

"SEC. 701. Subsection (a) of section 2 of article VI of the District of Columbia Revenue Act 1947 (sec. 47–2501b, D.C. Code, 1951 ed.) is amended (1) by striking 'and the sum of $21,000,000 for the fiscal year 1959 and for each fiscal year thereafter' and inserting in lieu thereof 'the sum of $21,000,000 for each of the fiscal years 1959, 1960, and 1961, and the sum of $25,000,000 for each fiscal year thereafter', and (2) by striking from the proviso 'and $25,000,000 for the fiscal year 1959' and inserting in lieu thereof '$25,000,000 for each of the fiscal years 1959, 1960, and 1961, and $29,000,000 for the fiscal year 1962'.

"TITLE VIII—AMENDMENTS TO DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

"SEC. 801. The first sentence of section 3 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 (56 Stat. 91; sec. 40–804, D.C. Code, 1951 ed.) is amended to read as follows: 'The Commissioners, within the limits of appropriations by Congress therefor, are authorized to exercise all powers necessary and convenient to carry out the purposes of this Act, the said purposes being hereby declared to be (a) the acquisition, creation, and operation of public off-street parking facilities in the District, and (b) the maintenance of the streets, avenues, roads, highways, and freeways of the District, including the clearing of snow and ice therefrom, by the acquisition (by purchase, rental, or otherwise) of machinery and equipment and the operation and maintenance thereof and the purchase of supplies, as necessary incidents to insuring in the public interest the free circulation of traffic in and through said District.'

"SEC. 802. Section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 (sec. 40–806, D.C. Code, 1951 ed.) is amended to read as follows:

"'SEC. 7. There is hereby established within the highway fund a parking fee account, referred to in this Act as the "parking fee account", into which there shall be deposited (a) all fees and other moneys collected under this Act, including all fees collected pursuant to section 11 of the Act entitled "An Act making appropriations to the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes", approved April 4, 1938 (sec. 40–616, D.C. Code, 1951 ed.), (b) all fees collected under the Act entitled "An Act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center", approved June 6, 1940 (54 Stat. 241), and (c) all moneys derived from the sale of any property, real or personal, which was acquired or may hereafter be acquired with funds in the special account created by section 7 of this Act as approved February 16, 1942, and as amended by the Act of December 16, 1944 (58 Stat. 809), or with funds in the parking fee account. Moneys deposited in the parking fee account shall be appropriated and used solely and exclusively for the purposes set forth in this Act. As used in this Act, the term "highway fund" means the special account established in the first section of the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (sec. 47–1901, D.C. Code, 1951 ed.).'

"SEC. 803. The first sentence of section 8 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 (sec. 40–809, D.C. Code, 1951 ed.), is amended to read as follows: 'The Commissioners shall include in their annual budget such amounts as may be required from the parking fee account for carrying out the purposes of this Act.'

"SEC. 804. The unexpected and unobligated balance which on the effective date of this title is in the special account in the Treasury of the United States to the credit of the District of Columbia established by section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942, as approved February 16, 1942, and

as amended by the Act of December 16, 1944 (58 Stat. 809), is hereby transferred to the parking fee account established within the highway fund by the amendment made to such section 7 by this title and such balance shall be available for carrying out the purposes of such District of Columbia Motor Vehicle Parking Facility Act of 1942, as amended.

"SEC. 805. This title shall take effect on the first day of the first month following enactment of this Act.

"TITLE IX—AMENDMENT OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, TO INCLUDE THE DISTRICT OF COLUMBIA

"SEC. 901. Section 9(8) of the Act of September 30, 1950 (20 U.S.C. 244 (8)), is amended by inserting 'the District of Columbia,' after 'Guam,'.

"TITLE X—GENERAL PROVISIONS

"SEC. 1001. DEFINITIONS.—

"COMMISSIONERS.—Wherever the word 'Commissioners' appears in this Act it shall be deemed to mean the Board of Commissioners of the District of Columbia, or their designated agent.

"SEC. 1002. Any word or term used in any title of this Act, unless the context of this Act requires otherwise, shall have the same meaning as that applicable to such word or term in the Act to which such title applies.

"SEC. 1003. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 1004. REGULATIONS.—The Commissioners of the District of Columbia are authorized to make rules and regulations to carry out the provisions of this Act, other than title X."

Amend the title so as to read: "An Act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, to increase the annual Federal payment to the District of Columbia, and for other purposes."

Mr. McMILLAN. Mr. Speaker, I move that the House further insist on disagreement to the Senate amendment and ask for a conference with the Senate.

The motion was agreed to.

The SPEAKER pro tempore. The Chair appoints the following conferees: Messrs. MCMILLAN, WHITENER, and BROYHILL.

THE HONORABLE JOHN W. McCORMACK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, this is a memorable and historic day in the House of Representatives.

Twenty-one years ago today, that great American from Massachusetts, JOHN MCCORMACK, was elected majority leader for the first time.

He has served in that capacity longer than any man in either party in the history of the Congress.

While our beloved Speaker has been breaking records in his service as Speaker, JOHN MCCORMACK has simultaneously been setting records in the office of majority leader.

What is the nature and character of the man who has been able to compile this remarkable record?

Exceptional in many ways, JOHN MCCORMACK combines the intellectual and the spiritual with a compelling dedication to public service that has earned for him the affection of many, the enmity of very few, if any, and the respect of all.

He embodies the highest standards of excellence in a body where excellence is the rule, rather than the exception.

Throughout his long and praiseworthy career, he has maintained the principles and convictions which govern his personal conduct and his philosophy of government.

From early childhood, JOHN MCCORMACK exhibited the ability and tenacity which have brought him to national prominence.

Upon the death of his father, when JOHN was only 13, he left school and began working to support his widowed mother and to pay his way through night school.

An indication of his superior mental abilities lies in his admission to the Massachusetts bar when he was only 21 years of age.

In my years of close association with him, countless times have I been amazed at his grasp of situations, his analytical approach to problems, and his perception of the elements involved in a solution.

The versatility of his abilities and the wide range of his interests are demonstrated by his activities here in the House of Representatives.

During a single session, he took part in debate on more than 200 subjects, ranging from matters of legislative substance to philosophies of government and politics.

He is a capable advocate and a formidable opponent, as every Member of this body well knows.

JOHN MCCORMACK'S boundless energy and enthusiasm drew him early into the career where he found fulfillment of his ambition to serve the public.

He has never spared himself personally when called to the service of his party or his country.

As a delegate to the Massachusetts Constitutional Convention in 1917, he was the sponsor of an amendment providing for the public initiative and referendum in the adoption of State laws.

As soon as passage of the amendment was assured, he resigned from the convention to enlist in the Army.

JOHN MCCORMACK is a great son of Massachusetts. He is a great advocate of that State and the great New England area. He is one of the greatest Democrats our party has ever produced. But, above all this, he has always put the national interest above sectional interests; he has always put his country above his party. Year after year he has advocated legislation beneficial to North, South, East, and West.

He is truly an American representative.

His long career of public service adds up to a lifelong record of big achievements for the overall good.

This was true first as a member of the Massachusetts State Legislature and, for the past 33 years, as an outstanding Member and leader of this House.

As a new Member, JOHN MCCORMACK distinguished himself for his work toward the removal of the national-origin clause from the Immigration Act.

As a ranking member of the Committee on Ways and Means, he played an important role in enacting the historic legislation of the Roosevelt era.

From the beginning, he has been a forerunner in the fight against communism.

He served as chairman of a Special Committee Investigating Un-American Activities many years ago.

For 21 years, he has worked hand-in-hand with our beloved Speaker, guiding and directing the processes of this great legislative body.

For the past several weeks, in the difficult days which have confronted us during the eve of this 1st session of the 87th Congress, he has served, in the absence of our great and beloved Speaker, as Speaker pro tempore of the House with distinction and rare manifestations of leadership.

All these accomplishments and the abilities which made them possible have been dedicated to public service, not self-aggrandizement.

It would not be possible here to enumerate all the qualities which combine to make up JOHN MCCORMACK the leader, and JOHN MCCORMACK the man.

I would like to enumerate only a few of his unusual qualities which have made an impression on me.

First, it is JOHN MCCORMACK'S philosophy, as evidenced from his long record, that governments are instituted to protect the weak against the strong. In every individual situation, rights and interests must be protected for those who cannot protect themselves. JOHN MCCORMACK views government as that protector.

Next, JOHN MCCORMACK as a legislator and as a national leader is a man of positive convictions, a man of positive action. This has been demonstrated so many times in the great contributions he has made toward meeting the Communist threat. He has never swerved from the conviction that the United States must bargain in its international relations from a position of strength and not of weakness. He has been in the forefront of every legislative movement to strengthen the Armed Forces of the United States. He has acted affirmatively in every field designed to make the diplomacy of our country an effective instrument in the struggle for world peace and for the survival of freedom.

Thirdly, behind his whole philosophy and behind the man himself is his deep, pervading faith.

JOHN MCCORMACK is one of the most devout men I have ever known. He is in every way a Christian gentleman. Knowing him, working with him, calling him my friend—these are treasured privileges.

So on this eve of the 1st session of the 87th Congress at the end of 21 years of

service as a leader of his party in this House, I take this means of saluting one of the greatest legislators in the history of this Republic, the distinguished Speaker pro tempore and longtime majority leader, the affable, dynamic, and spiritual gentleman from Massachusetts, Mr. McCORMACK.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Kentucky.

Mr. CHELF. I want to echo heartily everything the gentleman from Oklahoma, our acting majority leader, has said here this afternoon with respect to our dear friend and colleague, the gentleman from Massachusetts, the Honorable JOHN W. McCORMACK, our Acting Speaker.

In the words of the Bible, in the First Psalm it is written—I am trusting my memory:

> Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful.
>
> But his delight is in the law of the Lord; and in His law doth he meditate both day and night.
>
> And he shall be like a tree planted by the rivers of waters, that bringeth forth his fruit in his season; his leaf also shall not wither; and whatsoever he doeth shall prosper.

I think that, therefore, the Bible itself—the Psalms—is the finest testimony we could give to the gentleman from Massachusetts, JOHN McCORMACK. He has never sat in the seat of the scornful. His delight is in the law of the Lord; he does not walk with the ungodly. Daily he meditates good, clean thoughts, and lastly, he has brought forth good fruit from his legislative labors, for the benefit of his people and his beloved country. He is a gentleman, a scholar, a great American. We all honor him today on his 21st anniversary as majority leader in the House. JOHN, may your leaf never wither, and whatsoever you do, may it prosper. I love you, and I know the entire membership of the House does likewise. You are a true friend. God bless you and yours, always.

Mr. ALBERT. I thank the gentleman.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Illinois, the distinguished minority whip and acting minority leader.

Mr. ARENDS. I join with the gentleman from Oklahoma and the Members of his majority party in paying tribute to JOHN McCORMACK on this the anniversary of his 21 years of service as the floor leader of the majority party. In so doing I am confident I speak for the Members on our side of the aisle.

The mere fact that the Members of his party have retained him in this position for 21 long years itself bespeaks the quality of his leadership and the high regard in which he is held. To be floor leader requires much more than parliamentary skill, and that the gentleman from Massachusetts certainly has. It also requires an ability to resolve differences between Members of his party as to what should or should not be done, how and when. While endeavoring to advance the interests of his own Members, he must endeavor to work with the minority to avoid strife where cooperation might be obtained.

We, Republicans, have found in the gentleman from Massachusetts a political adversary worthy of respect. We respect him as both an adversary and as our personal friend.

Since 1944 it has been my privilege to be the Republican Party whip. In this capacity I have had many occasions to consult with and to work with JOHN McCORMACK. On some of these occasions we have reached agreements on procedure that both sides of an issue may be able to present their case. On some of these occasions we have simply agreed to disagree. But on every occasion it was amicable, and I very early learned that the distinguished gentleman from Massachusetts [Mr. McCORMACK] was always a man of his word. If he made a promise or a commitment, he would keep it, come what may. His word is his bond. We all know that and we respect him for it.

To be sure, the majority floor leader is a politician and a very astute one. He is constantly alert to when he can possibly outmaneuver us parliamentary-wise and politically. He diligently searches on close issues for ways and means to outvote us. We glory in our victories over him, for we know we have met the best. We refuse to recall the many times he has lead his majority to victory.

In every legislative battle, however long and however severe, Majority Leader McCORMACK has always been fair. He has always been as gracious in victory as in defeat.

We congratulate JOHN McCORMACK. We congratulate the majority party on their choice of floor leader for these past 21 years.

Mr. ALBERT. I appreciate the remarks of the distinguished gentleman, and thank him very much.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Massachusetts.

JOHN W. M'CORMACK: 17 YEARS A MAJORITY LEADER

Mr. BURKE of Massachusetts. Mr. Speaker, on this day 21 years ago, the late Claude Parsons stood up in this House and announced that JOHN W. McCORMACK had been elected majority leader. Every Member of the House on that day was conscious, I am certain, of the great talents and abilities of the Member from Massachusetts, else he would not have been elected, but I am equally certain that few, if any, suspected that the new majority leader was to equal or surpass his predecessors in almost every mark of greatness.

We, here, today, can testify in full measure to that greatness. We can testify to the magnificence of his leadership, a leadership held by him longer than by any other man in the history of our Nation. We can testify to the wisdom of that leadership. And we can testify to the esteem in which the gentleman is held by every member of his party and of this House, an esteem he himself has generated by the force of his character, the geniality of his personality, and the honesty of his convictions and methods.

The 17 years of JOHN McCORMACK's tenure as majority leader have been among the most critical in our country's history if not in the history of the world. He has led this House under four different Presidents, including one administration of an opposing party. He helped guide us through the terrible years of World War II, a period of strenuous responsibilities. In every act to further the war effort, JOHN McCORMACK was a leader in fact as well as in title.

The problems of the postwar years were little less difficult than those of the conflict itself. Once more the majority leader was in the forefront as Congress sought to ease the country's transition from war to peace. And we should not fail to mention that JOHN McCORMACK was one of those who, in those postwar years, helped to reestablish the constitutional position Congress had held before the war. While he has always been a loyal party man, he has never hesitated to oppose any action he felt to be bad for the country.

With the coming of the cold war, the majority leader shouldered new responsibilities. He had always been, and remains to this day, an implacable foe of communism, as well as of fascism. To combat the rise of international communism, he directed the passage of those vital pieces of legislation that helped save the free world from totalitarian domination and taught the Soviets that Americans would fight for their freedoms.

The gentlemen from Massachusetts was the confidant and trusted friend of Presidents Roosevelt and Truman, and he held the respect of President Eisenhower during the three Congresses controlled by the Democrats under that Republican administration.

Now, under President Kennedy, he continues to sit in the highest councils, adding his wisdom, experience, and influence to the efforts this administration is making toward maintaining a strong and prosperous America and a free world. The outstanding legislative record of the past session of Congress is a memorial to our majority leader's greatness.

Mr. ALBERT. I thank the gentleman.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, I join the gentleman from Oklahoma in everything that he said about JOHN McCORMACK. I agree entirely with what our leader, LES ARENDS, has said about JOHN McCORMACK. As one of the older Members of this House, I have differed with JOHN on several occasions—naturally, but I have always admired him in his forthright declaration of what he thought was best for the Nation. So I am glad to join in paying tribute to JOHN McCORMACK.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, 21 years ago it was my great privilege to cast my

vote for the gentleman from Massachusetts as leader of the Democratic Party, and during this entire period of time I have never had occasion to regret this vote.

Unless you sit where the speaker is today, in the caucuses of the Democratic Party, it is very difficult to understand how many diverse problems arise because the Democratic Party is a national party with all of the divergent views that go with a party the members of which come from every section of the country; and into that very difficult situation the distinguished gentleman from Massachusetts found himself 21 years ago and without difficulty brought together the elements that comprise the majority party.

I am sure those of us who have been privileged to associate closely with the Acting Speaker feel that his word is his bond and that he can be relied upon at all times to do that which is best for our beloved Republic.

Mr. ALBERT. I thank the distinguished gentleman.

Mr. Speaker, I yield to the distinguished gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Speaker, I am happy to join in tribute to our distinguished son of Massachusetts and to congratulate him on his 21 years of leadership in this House.

I am going to talk in a somewhat more personal vein, because I am in the fortunate position of being a friend and neighbor and serving in the district adjacent to that of our distinguished Speaker pro tempore. I can tell you with what respect, if not almost reverence, his name is looked upon in the city of Boston, his home district, and indeed throughout Massachusetts.

I point out, Mr. Speaker, that he comes by his leadership in this body naturally. He was trained in a good school; he was Democratic leader of the Massachusetts State Senate some years past.

As one who campaigns in a neighboring district, I know what a hard worker he is. From the early rising of the sun until its setting anyone who travels around the district finds that JOHN MCCORMACK has been there doing something for the people of the district he serves.

The people of Massachusetts have been greatly blessed in some of their representatives in the Congress of the United States. At one time that State was privileged to have from its delegation both the majority leader and the minority leader; but I think it is to their credit, sir, that no undue advantage was taken of that situation. We all recognize the extreme fairness and justice of our distinguished Speaker pro tempore in everything he handles.

I conclude with a final anecdote. There was a friend of mine who was much looked up to in Massachusetts as a statesman and scholar, the late Benjamin Loring Young. He was speaker of the house in Massachusetts when our Speaker, pro tempore, JOHN W. MCCORMACK, was a member of the State legislature. Mr. Young told me that one time JOHN MCCORMACK came to him and asked what he would recommend him to read as books to enlarge his knowledge of politics and government. Mr. Young told me:

> I mentioned several heavy tomes, one of them being "The Supreme Court in United States History" by Charles Warren, in two volumes, and some other books. To my surprise, within a very short while JOHN W. MCCORMACK was back again with the very same question, saying that he had read all those volumes which I had recommended to him.

That is the type of man we have as Speaker pro tempore. He has richly deserved every honor that has come to him. As a Massachusetts friend and neighbor I congratulate him and wish him future health, happiness, and success in everything he undertakes.

Mr. ALBERT. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, it is with a very deep and sincere appreciation of the honor accorded me that I welcome this opportunity to join with the gentleman from Oklahoma in his beautiful tribute to the well-loved gentleman from Massachusetts, JOHN W. MCCORMACK, on the 21st anniversary of his assuming the leadership of this House.

As one who has been close to JOHN on a personal basis perhaps more than any other Member, I look upon him as a confidant and a true friend in the most wonderful sense of that word. I do not have the language at my command to really tell you how much I appreciate and value all of the things which he has done through the years for the Massachusetts delegation here in the Congress, and particularly for me.

JOHN and I have our offices in the same building and as a consequence we frequently lunch together. Thus I have had more of an opportunity than many others to sit with him on numerous occasions and to become the benefactor of his wisdom, counsel, and his thoughtfulness. I know JOHN. I know him well. Because I have been so fortunate I can say that there is no finer man in public life.

We speak today about his great record of the past. He has served as a member of the Massachusetts Legislature. He has served as a member and the Democratic leader of the Senate of Massachusetts. He has served here for 33 years and for the past 21 he has been our own beloved Democratic leader. JOHN has met with kings. He has met with diplomats. He has met with prime ministers. Always he has served in a spot of prominence because his colleagues recognized his greatness and wanted him to represent them. There is no more sincere compliment, nor more splendid reward that can be given to any man than the warm respect and confidence of his fellows. That regard I know JOHN MCCORMACK has enjoyed, and has more than richly deserved.

I think that perhaps one of the interesting elections that the gentleman from Massachusetts, JOHN MCCORMACK, loved more than any other, was the primary of 1956. It was at that time the people of America were thinking in terms of nominating a man for President of the United States. A newspaperman wrote a small article in his paper stating that he thought the gentleman from Massachusetts, JOHN MCCORMACK, would be an excellent candidate. That thought snowballed. On primary day, although his name was not on the ballot, it was written in by the people of the city of Boston 14 to 1. Those who voted that day clearly showed how very much they thought of JOHN MCCORMACK and this was some 28 years after he had first entered public life in the city of Boston. It was a terrific demonstration of the remarkable love and affection which they hold for him.

Mr. Speaker, it is a privilege for me to join in this salute to you from your colleagues of today, to remember and speak for your colleagues from the past, and to say that all of us hope that you will continue to share yourself with us for many, many years to come.

Mr. ALBERT. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, I would like to join with my colleagues on both sides of the aisle in the tribute being paid the majority leader and the Speaker pro tempore, JOHN W. MCCORMACK, today for his 21 years of service as majority leader in the House of Representatives.

I am compelled, by honesty and candor, to admit that I have never voted for my good friend, JOHN MCCORMACK, to become majority leader during the years we have served together in the House, for one very good reason. That is, I have never been able to convince him, although we have had considerable discussion on the subject, that he should change his party affiliation and become a Republican so those of us who knew him, who honored him, who respected and loved him on this side of the aisle might be in position to vote for him.

I have served more than 22 years with JOHN MCCORMACK in the House of Representatives. During most of that time Mr. MCCORMACK has represented his party on the Committee on Government Operations, on which I have represented my own party. During those years we have had many matters to discuss, not only within the committee, but here on the floor of the House as well.

Mr. Speaker, I can agree with all that has been said, as to JOHN MCCORMACK being a man of not only great distinction and great ability, but also of absolute honor and trustworthiness. I have never known a single time that JOHN MCCORMACK has ever, even by a hair's breadth, wavered from any commitment he has ever made. It has sometimes been difficult, I know. In fact, I have seen the occasion, when as we say in Ohio, it sort of "took the hide off" for him to keep a commitment he had made, but JOHN MCCORMACK always did exactly that.

Mr. Speaker, we honor and respect him for his distinguished service, and the fact that he is a man of his word, a man upon whom we can always depend when we go to him with any problem or any question—knowing that the answer he gives us will be a direct and honest one. So today we are happy to join in saluting the gentleman from Massa-

chusetts, JOHN W. MCCORMACK, as a great American.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. Mr. Speaker, I want to join with the gentleman from Oklahoma [Mr. ALBERT] in paying tribute to JOHN MCCORMACK as majority leader and as Speaker pro tempore. Most of those who have spoken here previously come from parts of the country where JOHN MCCORMACK originated and where he is well known. But I want to assure you that his service is recognized in my part of the country, the Far West.

Mr. Speaker, I am happy to stand here and pay tribute to him today. May I say that he is one man who epitomizes Kipling's statement—who can "walk with kings, nor lose the common touch."

Mr. WILSON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. Mr. Speaker, I want to concur in everything that has been said about the distinguished Speaker pro tempore and majority leader who has served for 21 years in that capacity. I came here just 21 years ago, and served in this body the first year that Mr. MCCORMACK was majority leader. I well remember some differences we had, but I have never felt that I was getting anything but the best advice. In other words, he took me behind the woodshed several times, as my father used to do, but it was always in the hope that he might make a better man of me.

Mr. Speaker, I appreciate the warmth and kindness that was shown to me. I know every Member of this House has also appreciated the warmth and kindness shown toward them by our good friend from Massachusetts, Mr. MCCORMACK.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Louisiana.

Mr. WILLIS. Mr. Speaker, I am happy indeed to associate myself with the sentiments expressed by the gentleman from Oklahoma [Mr. ALBERT] and others. My good friend, the gentleman from Pennsylvania, said a while ago that the Democratic Party as a national party includes members with divergent views. Perhaps I come from a section of our great country where I and others symbolize that divergency. I want to say, however, that in the 14 years I have been here at such times as there have been disharmony JOHN MCCORMACK was always ready to graciously pour the soothing oil of understanding and tolerance to restore good feelings.

Mr. Speaker, JOHN MCCORMACK is a great fighter, a great leader and a great debater. He does not ask for quarter when that is the temper of the day, and takes them on as they come. But we all respect him because we can rely on his word. He has a great mind. He is a great Democrat, a great Christian, and a great friend of the common people of our Republic. Under his leadership these past 21 years have been very fruitful and very useful. I wish him well in his future years and aspirations.

Mr. MCMILLAN. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from South Carolina.

Mr. MCMILLAN. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Oklahoma, and my other colleagues on the floor of the House. I do not know of any man who has ever served in this House who deserves and who is better qualified for the position as leader or Speaker of this House than JOHN MCCORMACK.

Mr. Speaker, I have had on numerous occasions an opportunity to call on Mr. MCCORMACK for advice. On every occasion he has willingly given me good advice on the problems confronting me as chairman of the District Committee, and other problems. I certainly want to congratulate the gentleman from Massachusetts on the fine record he has made in the Congress of the United States. We are extremely fortunate to have a man of his stature to lead us today.

Mr. BENNETT of Florida. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Florida.

Mr. BENNETT of Florida. Mr. Speaker, I feel humble at this time, because I know everyone wants to say something out of his heart about the great man to whom we are paying tribute at this time and I do not feel that I am particularly qualified as a speaker; but as a person who comes from an area where, as someone has indicated, there are differences of viewpoint, I would like to say that there have been disagreements but there has never been any disagreeableness. There has always been an effort by Congressman MCCORMACK to help solve the problems, and I think it has resulted in a strengthening of our country.

Mr. Speaker, I am very deeply grateful that I have served in this great Congress of the United States under the fine leadership of JOHN MCCORMACK. I have trusted him and relied upon him as a gentleman at all times and I always will.

We all think of him as a "team" man. He is a "team" man for America. He is a "team" man in our party. We think of him as a "team" man in many respects concerning the things he does. But there is one "team" quality that he has evidenced in his lifetime that has not yet been mentioned here, which I appreciate myself as a happily married man. I have received a great deal of inspiration in seeing the love and affection that exists between Mr. MCCORMACK and Mrs. McCormack. It has always been a great pleasure for me to observe that, and to me it embodies all the fine qualities of manhood and the good Christian life of a great American.

So I am happy to pay this tribute to him and his wonderful wife.

Mr. ALBERT. I thank the gentleman for a very fine contribution.

Mr. MCCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. MCCULLOCH. Mr. Speaker, I should like to give the House my estimate of my good friend, JOHN MCCORMACK. He is a man of great ability, high courage, and complete integrity. He suits me and I am notoriously hard to please.

Mr. ALBERT. I thank the gentleman.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Speaker, I wish to associate myself with the gentleman from Oklahoma and his fine speech about our Speaker pro tempore, the Honorable JOHN MCCORMACK. Mr. MCCORMACK has shown fine qualities of leadership. He has rendered service to his party that cannot be estimated. He is a patriotic American citizen and the whole country should be grateful to him for the services he has rendered. I was for him the first time he was a candidate for majority leader and I have voted for him ever since. I have been proud of the work he has done and of the service he has rendered not only to our party but to the Nation.

Mr. MCCORMACK is a man of great ability. He has an alert mind and ready wit. He has courage and honor that is recognized by those who serve with him and which gives him great influence and prestige. I know his State and the Nation are grateful to him, and I join in all the good things that have been said by the distinguished gentleman from Oklahoma, Mr. ALBERT, about our able Speaker pro tempore.

Mr. ALBERT. I thank the very distinguished gentleman.

Mr. THORNBERRY. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Texas.

Mr. THORNBERRY. Mr. Speaker, on behalf of my Democratic colleagues who are Members of the Texas delegation in Congress, I am happy to join today in paying a deserved tribute to the Acting Speaker of the House, the great majority leader of the House, Mr. MCCORMACK, on this the 21st anniversary of his service as majority leader. Mr. MCCORMACK is a man who can be an idealist and a realist at the same time. He is a man with a great heart and an understanding of all the problems of this Nation. I have heard him say many times that he recognized the problems of those of us who come from one section of the country, and he understands, of course, that our reaction to a given issue might be different from that which would be his.

I think that one of the great examples of a friendship is the relationship between Mr. MCCORMACK and the great Speaker of the House, the Honorable SAM RAYBURN. It will go down in history, I suspect, as one of the finest relationships that exist in public life, their ability to work with each other, coming from different sections, as they do, with the knowledge that this House has to function in the best interests of our country as a whole.

Also Mr. MCCORMACK and the Vice President of the United States have been fast friends from the time that the Vice President, the Honorable LYNDON B.

JOHNSON, came to this House as the Representative of the congressional district which I am privileged to represent. I have heard the majority leader tell of his fine relationship with the former Vice President and former Speaker of the House, the Honorable John N. Garner, a relationship which he has never forgotten.

So we are happy today to pay tribute to Mr. MCCORMACK on his 21st anniversary, not only because of his great record in terms of years but because of his ability to work with people in order to carry out and to perform what is best for this Nation.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, I, too, wish to join in paying tribute this afternoon to the Acting Speaker of the House of Representatives. When I first came to this body I was fortunate enough to be placed on the Committee on Government Operations. There we had a small Special Subcommittee on Donable Property, of which the Acting Speaker was the originator and its developer through the years. During those times I had occasion to spend considerable time with the Speaker, and he took more than the usual amount of time with me as a new Member of Congress. We talked one day for well over an hour, which was a great honor for a freshman Member of Congress. In the course of that deliberation we found a common interest in a great man, John Foster Dulles. I found that the Speaker had the same real faith in this man, who led our foreign policy during 6 years of the Eisenhower administration. We shared the conviction that this man had masterfully served the Nation and the free world. Around this highly regarded man I found a real warmth and friendship with our Speaker which has not diminished. I am sure that that friendship and that warmth will continue over the years. I pay him high tribute at this time.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the dean of the gentlewomen of the House, the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Speaker, it is a privilege for a Member from the distaff side of the House to join in this delightful anniversary. For myself I think there is no one in the House who has shown more courtesy to the women than the Speaker pro temopre.

It is his coming of age today, 21 years. I was 21 last January. I find it difficult to believe that it is 21 years since I came here. Between us, Mr. Speaker, we have quite a record. As I go back to the very early days of my service, I recall there was a war on. We needed nurses very badly. I put in a bill for nursing and for nurses, but I could not move it at all. Then I met up with the Speaker pro tempore in the hall one day and I said, "I don't know what I am going to do." He said, "Why don't you ask me?" So I did. That bill went through whizzing, and there was not a vote that I remember against it. I remember being told then in the innocence of my youth in the House that that was something special. Everyone seemed eager to see the bill pass.

Again, Mr. Speaker, I would like to thank you once again as an individual, as all of the soldiers of that war thank you, as well as the nurses who went in at that time. You were most kind, you were most generous, you were deeply understanding. So you have continued to be.

I want to add my brief mite to all the good things that have been spoken of you today, in which I join.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Speaker, it gives me a great deal of pleasure to join here today in this most deserved tribute to our distinguished Speaker pro tempore. When I first came to the House of Representatives, it was my privilege to serve on the then Committee on Expenditures in the Executive Departments. So I early had opportunity to know the gentleman from Massachusetts and his great ability. Some years ago, I had the privilege and the honor of introducing Honorable JOHN MCCORMACK to a group here in Washington, and I said then, what I repeat now, that in all his service to all the causes that he has served—his God, his country, the House of Representatives, the Democratic Party—he has always been motivated by the same thing, and that is the dictates of his conscience. So, to me, it is a very real privilege to have the opportunity to join the gentleman from Oklahoma and others in paying this tribute to our Speaker pro tempore.

Mr. ALBERT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GREEN].

Mr. GREEN of Pennsylvania. Mr. Speaker, I join with our distinguished acting majority leader, the gentleman from Oklahoma [Mr. ALBERT], in congratulating our Speaker pro tempore, the gentleman from Massachusetts, JOHN W. MCCORMACK, on this the 21st anniversary of his election as majority leader of the House of Representatives. We the Philadelphia delegation, are very thankful for the friendship we have had with the gentleman from Massachusetts, JOHN MCCORMACK, since we arrived on the scene in the House of Representatives some 16 years ago. The gentleman from Massachusetts, JOHN MCCORMACK, has always been a great friend. He has been a great fighter for the administration. He has been a great fighter for his party and he makes every sacrifice that is necessary to help his fellow Members of the Congress. I want to take this opportunity to thank you personally from the bottom of my heart, Mr. MCCORMACK, for being allowed the privilege of being counted as one of your friends. I know that I am speaking for the entire Philadelphia delegation when I wish to our esteemed leader, Mr. MCCORMACK, and to Mrs. McCormack Godspeed and good wishes.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MORSE].

Mr. MORSE. Mr. Speaker, it is with deep humility that I rise as a new Member of this body to join in tribute to one of the great Americans. I have been privileged to know our Speaker pro tempore for a number of years even though I have been a Member of this body for only 9 months. My predecessor representing the Fifth Congressional District of the State of Massachusetts was a lady of great discrimination, and the affection and respect that she had for Mr. MCCORMACK knew no bounds. In my relationship with our distinguished Speaker pro tempore, he has shown himself to be a man who fears God, who loves America, a man who is devoted to his party and who has certainly earned the friendship of all of us. Mr. Speaker, I would like to thank you for that friendship.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I now yield to the gentleman from Massachusetts [Mr. BOLAND].

A GREAT STATESMAN: JOHN W. M'CORMACK

Mr. BOLAND. Mr. Speaker, I join with the acting majority leader in this magnificent tribute to an outstanding American.

I have been a friend of JOHN MCCORMACK since my service here in the House, and knew him for a few years prior to my coming here to Congress in 1953. I know of no man in the Commonwealth of Massachusetts who has been a more dedicated or devoted public servant than he has been. The honors which have been conferred upon him by his own district, of course, could have been conferred upon him by the people of every district in the Commonwealth of Massachusetts. I come from western Massachusetts and, of course, JOHN MCCORMACK is not the Congressman from our area but in a sense we have looked upon JOHN MCCORMACK as our Congressman at Large from the Commonwealth of Massachusetts. He has been ever willing to help all of the new Members that I have seen arrive here in the 9 years that I have served in this body. He has been anxious to give them little tidbits of information and little articles and stories for them to insert in the CONGRESSIONAL RECORD which might help them back home in their own districts. He has been ever ready to call a member of a committee and to say there is a particular member who has a problem in his district, and you are sitting in the committee and can help him—will you go along? This has been, I think, the hallmark of his success in this body insofar as the esteem and regard of his fellow Members is concerned.

Fortunate parliaments and nations that sense impending years of crises choose great statesmen to guide them. The House of Representatives on this day 21 years ago, shortly before World War II began, chose JOHN WILLIAM MCCORMACK to be House majority leader; through the treacherous years since then, he has time and time again proved to be a great statesman.

Through the Roosevelt, the Truman, the Eisenhower, and now the Kennedy years, JOHN MCCORMACK has participated in the most important councils of our Nation and has profoundly influenced

the fate of our United States, its friends, and its enemies.

This man, who has been House majority leader longer than any predecessor, has long fought for legislation to strengthen our country domestically and internationally.

His early years as House majority leader, the same years that Sam Rayburn was starting his long and distinguished tenure as Speaker of the House, were filled with responsibilities brought on by the Second World War. During those times, he promoted legislation to convert and control manpower, to get money and supplies for the war effort, to formulate reasonable labor policies, and to establish price controls. JOHN MCCORMACK fought intense battles over the pay-as-you-go income tax plan, and fought particularly hard for subsidies to deserving businesses and for the soldiers ballot. He was an important backer of the lend-lease bill, and he led the movement for temperate antistrike legislation in wartime.

JOHN MCCORMACK, even before World War II began, was famous for his patriotism and his exposure of Communist and Fascist activities in this country. Also, as a leading member of the House Ways and Means Committee, he was widely known for his knowledge of taxes and other financial matters. Before he came to Congress, he was known for his contributions to the Massachusetts State Legislature in which he served for 10 years, and in the Massachusetts Constitutional Convention.

After the Second World War, JOHN MCCORMACK helped lead the fight to repeal the emergency grants of power to the President, to abolish the war agencies, and to reestablish the constitutional position that Congress had before the war.

When the cold war started, JOHN MCCORMACK directed the passage of the Marshall plan for aid to Europe, the Economic Cooperation Administration bill and program, measures for aid to the North Atlantic Treaty system, and aid to Greece and Turkey.

In recent times, JOHN MCCORMACK has been in or behind almost every major congressional battle, from civil rights to foreign aid.

Through his efforts and accomplishments, JOHN MCCORMACK has built a growing legend about himself; few monuments are as tall.

JOHN MCCORMACK could have had higher honors in our Commonwealth of Massachusetts. He could have been mayor of Boston without any difficulty. He could have gone to the Senate long before others went who are now in higher places; but he chose to stay in this body because, as SAM RAYBURN said, this is a great body, and he loves it very much. He loves the people who are here, and the manner in which he has served indicates that this is precisely the kind of service he has given in all the years of his membership here.

So, as one who is indebted to him for advice, counsel, assistance, and the help he has given to me, I am delighted to join with the other Members of this body in paying this great tribute to him on the occasion of his 21st anniversary as majority leader of this House. I also want to pay tribute to Mrs. McCormack for her devotion and companionship to our majority leader during his many long anxious hours and years of trial and tribulation in the Halls of Congress in World War II and the subsequent cold war years. We all know of their love and mutual understanding and pray God that Congressman and Mrs. McCormack will enjoy many more years together.

Mr. ALBERT. I thank the gentleman from Massachusetts.

I now yield to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, I wish to join the gentleman from Oklahoma and my other colleagues in paying tribute to a great American, the gentleman from Massachusetts, JOHN MCCORMACK, our Speaker pro tempore, on the 21st anniversary of his election as majority leader of the House.

When I came to the House 20 years ago the distinguished gentleman from Massachusetts was then serving as majority leader. I have had the opportunity over the years to observe the skillful manner in which he has handled many difficult situations during his service as majority leader of the House.

Some years ago I had the privilege of serving with JOHN MCCORMACK on the Committee on Expenditures in the Executive Departments. I was chairman of the subcommittee investigating expenditures in the State Department. The gentleman from Massachusetts [Mr. MCCORMACK] was a most valuable and important member of that subcommittee, and I greatly enjoyed working with him. Through that association I learned to appreciate his many sterling qualities and to know him better. During the past 3 years I have served with him on the House Committee on Science and Astronautics, I feel confident that when the history of the space age is written the name of JOHN MCCORMACK will be prominently mentioned as a pioneer in our space program, and one who deserves much of the credit for our achievements in outer space He has devoted a great deal of his time and energy to making the United States supreme in the space race. I have observed his deep devotion to this Nation and his concern for our survival in this critical period of world history.

It has been a delightful experience to know JOHN MCCORMACK. He is an integral part of this House and I have deep affection for him. I want to thank him for the many courtesies he has extended to me, and which his continued success and much happiness in the years ahead.

Mr. ALBERT. I thank the gentleman from Colorado and yield to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, in behalf of the Members of the Democratic delegation from Brooklyn and myself I should like to add a brief but nonetheless sincere word expressing felicitations on the occasion of the 21st anniversary of the majority leadership of the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK.

I have come to know the gentleman from Massachusetts, JOHN MCCORMACK, quite well over these many years. I should always be grateful to him for the many words of splendid advice he has given me over those years. We all know that the gentleman from Massachusetts, JOHN MCCORMACK, is a most effective, highly conscientious public servant, who has made the House of Representatives his life. When we discuss his hard work and his devotion to his duties as the majority leader for 21 years we must not lose sight of the fact that his beloved helpmate, Mrs. McCormack, is entitled to some of the credit, too, because she is JOHN'S constant, faithful companion and consultant. JOHN and Mrs. McCormack are a charming couple, and it has been a real pleasure to have known them over these many years. With God's blessing, I wish them many, many more years of good health and happiness.

Mr. ALBERT. I thank the gentleman and yield to the gentleman from Minnesota [Mr. ANDERSEN].

Mr. ANDERSEN of Minnesota. Mr. Speaker, during the 23 years it has been my privilege to serve in this great body I have seen probably 1,000 men and women come and go as Members of the House of Representatives. I do not believe that in all that time there has been a man of greater integrity, a more splendid gentleman or a greater American than the Acting Speaker of the House, JOHN W. MCCORMACK. I have the highest respect for him. May he have a great many more years to enjoy the success he so rightfully deserves.

Mr. ALBERT. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Speaker, I commend the gentleman from Oklahoma for taking this time to felicitate our distinguished Speaker pro tempore on the 21st anniversary of his becoming majority leader of the U.S. House of Representatives. This is not only the 21 years of his role as majority leader, but, whether our Speaker pro tempore realizes it or not, this is also the 21st year of my great privilege and pleasure of being acquainted with him. It was in May 1940, if I remember correctly, that he came to my community with the then Member of Congress from the 11th District of North Carolina to speak at a meeting over which I had the pleasure of presiding. He brought with him at that time his very lovely lady, Mrs. McCormack, whom our friend from New York [Mr. ROONEY] has mentioned. Throughout these years Mrs. Whitener and I have had the very great privilege of being a friend of these two wonderful and lovable people.

During World War II—even though our friend, the Speaker pro tempore, probably does not remember—I was the recipient of two or three letters from him. As we corresponded during the war, I thought how wonderful it was that one as busy as he would take the time to write to one who was from another part of the country.

Five years ago when I was honored to come here to serve with the distinguished Speaker pro tempore and the

other Members of the House of Representatives, one of the first to greet me was this friend whom I had known from having met him in 1940, and during another visit to our community when he spoke at the commencement exercises at one of our great colleges, Belmont Abbey College in Belmont, N.C.

On the morning of my arrival here in my new office, how honored I was, and how honored my friends were, that he took the time to come by the office to visit and to welcome me to the Congress, and to say "Hello" to the friends from home who had come here to join me as I commenced congressional service.

I could say many, many things which are in my heart, but I know others would like to speak. I can only say I believe those indications or considerations that this great man gives to one who perhaps is undeserving of that sort of consideration marks him as the type of man we know him to be. He is one who is thoughtful of others while at the same time fully measuring up to all of the terrible responsibilities of leadership in a great nation in time of war and in time of peace.

Mr. ALBERT. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, on the occasion of a 21st birthday, one is supposed to become of age. A few days ago we passed a bill that said when you had attained 21 years of age you were permitted to vote in the District of Columbia. But the gentleman whom we are honoring at this time became of age many, many years ago. That fact was recognized when the members of his party elected him as majority leader 21 years ago today.

On this anniversary I would like to join with his friends in congratulating him and wishing him well. In this day and age when people are even afraid to put their convictions down on paper, it is a privilege to know and to be associated with a man whose word is his bond. The reputation of JOHN W. MCCORMACK in the House of Representatives is that of a person who will tell you that he will or will not do something, and keep his word. JOHN W. MCCORMACK'S word is worth more than gold or precious stones, higher tribute cannot be paid to any man. It is a pleasure to know and do business with JOHN W. MCCORMACK.

I wish him not only for the present but for the future everything that his heart desires.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I am sure every Member of this body on both sides of the aisle joins in his heart in the salute which is being accorded today to a great American, the Honorable JOHN W. MCCORMACK, of Massachusetts. A great leader of his party, and one of the principal architects of its policies—having served on more than one occasion as chairman of the platform committee in national conventions—JOHN MCCORMACK has won the regard and respect of all his colleagues as an even greater patriot and American. He has demonstrated time and time again in this House that his principles and his convictions are above section and above party.

Always a man of his word, JOHN MCCORMACK has also won the affection and respect of his colleagues as a man of character, of integrity, of courage and of devotion to God, to duty and to country. I have treasured the opportunity of serving with him in this body, and I am sure America is a better and a stronger nation today because of his long and constructive service.

Mr. ALBERT. I thank the gentleman.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Speaker, the gentleman from Oklahoma [Mr. ALBERT], referred to the fact that the Speaker pro tempore was one of the trusted lieutenants of my father when he was President of the United States. It so happens that I had the opportunity to know rather intimately the close relationship between the President and the majority leader. I remember well in 1945 when I returned for the fourth inauguration, it was obvious, I think, to many who saw that inauguration that my father was not well. I remember saying to him as I left to return to the Pacific that I hoped somehow that he would not feel that any of the problems which he was facing and would have to face would become overbearing. I always remember what he said to me about JOHN MCCORMACK. He said, "In the first place, JOHN MCCORMACK has been a great leader from a political sense. But, better than that, he has been a true friend, a friend who would always tell me the facts and the truth. There are not too many of that kind of people in political life."

Mr. Speaker, I appreciate this opportunity and the privilege of saying to JOHN MCCORMACK that, as the son of a father who was close to him in the service of his country, I know my father considered JOHN MCCORMACK to be one of the great statesmen those many years ago, and after all of this time, if he could be here, I am sure he would say to JOHN MCCORMACK and, yes, to Mrs. McCormack, that here was a man who had the ability to grow with his country, to meet its ever-changing needs and ever-changing vistas which the challenge of our time has brought to his and my beloved country.

Mr. Speaker, I know I speak not only for myself, but for all of my family when I say that it is a privilege to join with my colleagues in this well-deserved tribute to a great American.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, it is a pleasure to join in the tribute which we are today paying to JOHN W. MCCORMACK, of Massachusetts, on the occasion of his 21st anniversary as leader of the House of Representatives.

It is indeed fitting that at the close of this session we pause and pay our respects to a man who for many years has been guiding the legislative branch of our Government, and the day-to-day program of this assembly. This is no easy task. It brings with it increased responsibilities and few rewards. And from time to time it can bring conflicts when those of us on these benches do not always see eye to eye with him and attempt to reject his counsel. But whatever differences of opinion these conflicts create, our respect for his integrity is made the stronger and no Member of this body is held in higher esteem than he.

My State of Massachusetts is the home of many fine men who enrich our society. JOHN MCCORMACK is one of them. But we do not selfishly claim him for ourselves alone—it would be wrong of us to do so. He belongs as a leader in our Nation. We pay tribute to him today as an American who has spent years in devoted and dedicated service to the House of Representatives, and to his country. We congratulate him on this anniversary and wish him many more decades of good health in which to serve this House. To him, and his loyal partner, Mrs. McCormack, we wish them health and happiness together so that in the golden years of life they may harvest the rich dividends and spiritual satisfaction so ably earned as an incident of dedicated loyalty to their family, the House of Representatives, and this great Nation of ours.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I would like to join in these tributes that are being paid today to our distinguished Speaker pro tempore. As a matter of fact, I too had the opportunity to meet him and to come to know him almost 21 years ago when I was privileged to serve as an assistant to a Congressman from the State of Massachusetts. I remember being impressed not only with the way in which JOHN MCCORMACK and his office staff went out of their way to be helpful to a new Congressman and to his staff, but also with the dynamic and forceful leadership which he exhibited on the floor of this House, as I sat occasionally watching in the gallery and had the opportunity to observe his efforts to build up the strength of this Nation against the Nazi threats from abroad. And I also had the opportunity to observe the forceful leadership which our great majority leader gave President Roosevelt, to which the gentleman from California [Mr. ROOSEVELT] has just referred.

So it was a very special privilege for me, some 18 years later, Mr. Speaker, to have the chance to come back here again as a Member of this body from the great State of New York. And I was pleased, though not of course at all surprised, to find that JOHN MCCORMACK was still, 18 years later, providing the same forceful and dynamic brand of leadership to this Congress that he had provided back in the dark days of 1941 and 1942. He is a great and dynamic party leader but,

more than that, Mr. Speaker, JOHN MCCORMACK is a great American. I want to say it has been a privilege to know him for these 21 years and to have the privilege to serve with him as a Member of this great House of Representatives.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Tennessee.

Mr. EVINS. Mr. Speaker, I should like to join with the acting majority leader, the gentleman from Oklahoma [Mr. ALBERT] and other colleagues, in paying a tribute to our distinguished Acting Speaker, Hon. JOHN W. MCCORMACK, of Massachusetts.

JOHN W. MCCORMACK is a great leader, a gentleman in the truest sense of the term, and a great American. I am proud to be his friend. Although a native son of Massachusetts and a great Representative of his people and his State, there is one thing I should like to reemphasize about the character and service of JOHN MCCORMACK and that is that he is not a man who is provincial in his outlook, but he has a national point of view. He is an all-American. As one of the truly great leaders of this House of all times I am pleased that I am privileged to join with others in saluting JOHN W. MCCORMACK—a legislator with a heart of gold. I want to wish for JOHN, our leader, many more years of service in this Congress. Congressman MCCORMACK has earned many honors in his lifetime but there are other honors which he justly deserves to earn as a great Democratic leader.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from California.

Mr. DOYLE. Mr. Speaker, as I have sat here during this hour of magnificent and deserved tributes being so cordially made to JOHN MCCORMACK, I realize that I cannot even think of matching these magnificently worded expressions of faith, trust, admiration, appreciation, and good will for the wonderful services of Hon. JOHN MCCORMACK. So I humbly say this: I join in and adopt for myself every word that has been here spoken about you, my great friend, JOHN MCCORMACK, and I want to multiply all their tributes to you 10,000 times 10.

I think of JOHN MCCORMACK in two particular ways, as a result of these privileged 15 years that I have been here as a Member with him. First, as a friend who has always made allowances and always understood; and as one who has always been a booster of other Members of the House JOHN MCCORMACK has no peer. Second, I think of JOHN MCCORMACK as truly a great and able humanitarian. Mrs. Doyle joins me in these words of tribute to him because she, too, thinks of JOHN MCCORMACK as I do. We both give greetings to you, JOHN MCCORMACK, and to your lovely wife, and hope you will live many more years and stay in at least the same position you are in now. We felicitate you.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, on behalf of the West Virginia delegation I rise to join my colleagues in paying tribute to a great American. To me he is emblematic of those qualities which have made this a great Nation, those qualities of integrity and honor, justice, love, and mercy. I think he is one of the finest gentlemen I have had the privilege of knowing through the years. And when history gives its final judgment of his actions and his deeds I am sure he will be ranked with the great statesmen of this land, as a leader of his party, and not only of his party, but of all the diverse groups that make up America, the land to which all the free peoples are looking. JOHN MCCORMACK has that vision and that foresight to meet the challenge and to help all of us as leaders of our people to meet this great challenge in the space age. I look to him for leadership, as does every other Member of this House.

I say to him and his good wife, may your pathway through life from here on lie through green pastures and beside the still waters. I am sure that the blessed wishes of every sincere person of this House will go with you.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Speaker, as dean of the Wisconsin delegation, and speaking in behalf of the Wisconsin delegation on both sides of the aisle, we want to join in this well-earned tribute being paid to JOHN MCCORMACK. We wish him Godspeed and good luck.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. Speaker, the small but sincere voice of the 50th State of the Union, Hawaii, joins this House in paying tribute to Mr. MCCORMACK. We are grateful to him for his many gifts—the gift of friendship, the gift of understanding, the gift of leadership. To you, our beloved JOHN MCCORMACK, in behalf of the people of Hawaii I say "Aloha."

GENERAL LEAVE TO EXTEND

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD, and all Members who have spoken today may be permitted to revise and extend their remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I am delighted to join in this merited tribute to our majority leader and Speaker pro tempore, JOHN W. MCCORMACK. This distinguished son of Massachusetts entered Congress just one term following my entrance to this great body. He and I have enjoyed a warm and close friendship throughout these many years. We have worked together, without regard to partisanship, on matters affecting the welfare of Massachusetts and New England, and of our common country as well. He has always been a kind and generous man, ever ready and willing to lend a helping hand to his colleagues on either side of the aisle whenever they had a just and meritorious cause.

JOHN MCCORMACK has been a stanch fighter for real Americanism. Dedicated Democrat though he is, he never permitted partisanship to interfere with what he conscientiously believed to be in the best interests of his beloved country.

There has never been a more industrious and hard-working Member of the House of Representatives, which he loves so well.

On this 21st anniversary of his service as majority leader, I extend him and Mrs. McCormack my felicitation and best wishes for many more years of good health and happiness.

Mr. BATES. Mr. Speaker, I welcome this opportunity to join with my colleagues in paying tribute to a distinguished American, the Honorable JOHN W. MCCORMACK, the Speaker pro tempore, from the Commonwealth of Massachusetts.

The accolades expressed here today are, primarily, manifestations of his unusual talents of leadership. It is in this role that his fame has rightly become known. Certainly in the arena of debate, he has few peers. He is a fighter, yet, not belligerent. He is firm but not inconsiderate of another's view. He can be a stout antagonist without being antagonistic. Of him, these qualities are well known.

Still, when I think of JOHN MCCORMACK it is not to these qualities that my thoughts are directed, as admirable as they might be. I look more to his inner self than to his apparent characteristics which we have all observed.

First, he is a religious man and a devoted husband. These aspects of his life are so interwoven that they emerge as one when I think of him. To him, these are personal and precious values and he accords to them both a high degree of respect and devotion. They are the spring from which many fine qualities emerge. These he treasures most.

Another rich treasure to him is his word. This, once given, is to him a solemn obligation. It is a bond not lightly given but, once committed, is immutable and executed to the fullness of his power.

There is another quality which he has that has always impressed me. He always has time, no matter how occupied he might be, to lend a helping hand. While he is the Democratic leader, I have heard many Republicans extol this virtue which he exercised in their behalf. More than just listen, he also acts as effectively as he can. Somehow I feel that after he has cooperated in this regard, he emerges with as much satisfaction as the one upon whom the favor was bestowed.

More can be said, Mr. Speaker, of this man. Yet, these are reasons enough for me to rise today and join with the Members of the House in paying tribute to a man I like to call my friend.

Mr. VAN ZANDT. Mr. Speaker, as a longtime friend of our esteemed colleague from Massachusetts, the Honorable JOHN MCCORMACK, majority leader and serving

temporarily as Speaker of the House, it is a pleasure to join in the heartfelt tribute of respect and affection being tendered our distinguished colleague on the 21st anniversary of his election as majority leader.

It was my great privilege to make the acquaintanceship of JOHN MCCORMACK in the early 1930's in my capacity as commander in chief of the Veterans of Foreign Wars of the United States for three consecutive terms. The bonds of friendship grew stronger upon my election to Congress in 1938 as a Member of the 76th Congress at a time when JOHN MCCORMACK had served nearly six full terms in the House of Representatives. Despite the fact that we are of a different political faith, we have always maintained the highest mutual respect for each other and for our individual principles. This experience has been the lot of many of us, "on the other side of the aisle," who regard JOHN MCCORMACK with respect and affection for the important place he occupies in the Congress of the United States. While one may differ with JOHN MCCORMACK'S viewpoint, there is never any question over his sincerity of purpose or his dedication to the highest American ideals.

When I resigned my seat in Congress during the 1st session of the 78th Congress to report for active military service in World War II, I recall the warm words of farewell from the lips of our colleague, JOHN MCCORMACK. During the military campaign in the Pacific area, I heard from JOHN MCCORMACK from time to time and his letters contained a lot of encouragement.

The Democratic Party has a stalwart son in JOHN MCCORMACK and as evidence of his high regard in Democratic Party circles, the fact that he has served as Democratic whip, majority leader and is temporarily serving by appointment as Speaker of the House of Representatives, attests the honors bestowed upon him by his fellow Democrats. In conclusion, I wish to take this opportunity to join in the salute to my good friend, JOHN MCCORMACK, on this important anniversary in his public life and to wish him continued success and a full measure of contentment.

Mr. TRIMBLE. Mr. Speaker, it is with much pleasure that I join my colleagues today in tribute to a great American, Mr. MCCORMACK, on the 21st anniversary of his election as majority leader. He has done a splendid job.

A few days ago we paid similar tribute to another great American, Mr. RAYBURN, on the 21st anniversary of his election as Speaker of the House. America has been fortunate to have these men. They are true Americans.

Mr. MORGAN. Mr. Speaker, today marks the 21st anniversary of our beloved colleague JOHN W. MCCORMACK as our majority leader. That JOHN MCCORMACK has been our leader so long is a tribute not only to his outstanding ability but to the excellence of our system of Government which has kept so dedicated and able a public servant in the position where his great talents could be used so well for the benefit of our Government and our people.

JOHN MCCORMACK'S entire career has been brilliantly marked by his devotion to public service in many capacities, beginning with the Massachusetts House of Representatives, and in the Massachusetts Senate where he became the Democratic leader, as well as by his distinguished career in the U.S. House of Representatives. I consider it an honor and a great privilege to serve in the Congress under his brilliant leadership, and I am proud and happy to number myself one of his close personal friends and admirers as well as his associate in this great legislative body.

Mr. CUNNINGHAM. Mr. Speaker, I join with my colleagues in praising a really great American, JOHN MCCORMACK. Of course, everything said about him is true. But the greatest impression Mr. MCCORMACK has made upon me is the fact that he is a man of integrity. JOHN MCCORMACK is a man who keeps his word. You can always depend upon him when he makes a promise. His honesty at all times is beyond question. America and the world need more men like JOHN MCCORMACK.

Mr. ULLMAN. Mr. Speaker, the people of the Pacific Northwest are indebted to our beloved majority leader for his dedication to all the United States during the last 21 years. I salute JOHN MCCORMACK for his courage, his statesmanship, his integrity, and his Americanism. For the past 21 years, as the majority leader of this great body he has been an able and farseeing instrument of history. Congratulations to JOHN MCCORMACK and best wishes for many more years of distinguished service to his country.

Mr. O'BRIEN of New York. Mr. Speaker, may I add my few words to the many expressions of appreciation uttered here today. I, too, have a thousand reasons to be grateful to our distinguished Speaker pro tempore.

Not the least of these was his invaluable help in the difficult and historic effort which resulted in the addition of two shining new stars to the American flag.

Mr. Speaker, you will long remember this date, September 26, 1961. It is the 21st anniversary of your election to the high office of majority leader. More than that, however, it is the date on which the great House of Representatives poured out its heart to you, a great American statesman.

Mr. NATCHER. Mr. Speaker, I am delighted to have the opportunity to pay my respects to our majority leader and Speaker pro tempore the Honorable JOHN W. MCCORMACK, of Massachusetts.

My people in Kentucky will tell you that every great man is a good listener and is kind and considerate. Certainly this applies to my friend, JOHN W. MCCORMACK. When I was first elected a Member of this great body on August 1, 1953, and was subsequently sworn in as a Member in January of 1954 I was privileged to meet and to seek guidance and assistance of the Speaker pro tempore. Every new Member, regardless of party, can depend upon receiving every assistance from this great man, and this to me is one of the true characteristics of an outstanding leader.

As a member of the Committee on Appropriations, I was designated as one of the members on the Select Committee on Astronautics and Space Exploration in the year 1958. My friend, JOHN W. MCCORMACK, was chosen as chairman of this select committee and the Honorable JOSEPH W. MARTIN, JR., of Massachusetts, was selected as the ranking minority member on this particular committee. One of the happiest and most interesting years of my life was spent on this select committee which after long and arduous hearings prepared and brought to the floor of the House the bill which promulgated our present-day space program. At that time we were at the threshhold of the space age, having passed through successfully the industrial and atomic ages. Under the leadership and guidance of JOHN W. MCCORMACK, this select committee performed its task well and received the commendation of the Congress of the United States.

Our Speaker pro tempore has a lovely wife, and this, to me, is another indication of the character and judgment of this distinguished statesman. He represents the finest as a gentleman and as a true statesman. I salute my friend, JOHN W. MCCORMACK.

Mr. BOW. Mr. Speaker, many have spoken today in tribute of JOHN W. MCCORMACK. I must agree with the many fine things that have been said of this distinguished gentleman.

To me personally he has been kind, thoughtful, and friendly.

There is much more that could be said, Mr. Speaker, but may I simply say my life has been made richer by being able to say he has been my friend.

Mr. GAVIN. Mr. Speaker, I, too, wish to join with my colleagues in paying tribute to my very good friend, JOHN W. MCCORMACK.

Since coming to Congress, he has been my good friend whose friendship I value very highly.

JOHN has dedicated and devoted his life to public service and to the welfare of his State and Nation.

On all problems he has responded with the alacrity of a man who is the willing servant of public duty, and always with the same resourcefulness which has never failed him in any of the fields of action in which he has been called upon to play his part.

He is a great American and has turned in a magnificent record in the Congress of the United States. He has won for himself the hearty commendations of the Members on both sides of the aisle.

My wish for JOHN and his wife is good health, happiness, and all the good things in life over the years that lie ahead.

Mr. RYAN. Mr. Speaker, it is a pleasure for me to join the gentleman from Oklahoma [Mr. ALBERT] and my other colleagues in paying tribute to the distinguished Speaker pro tempore upon the 21st anniversary of his election as majority leader.

It has been a real privilege for me to know JOHN MCCORMACK. I have found him to be warm and understanding and anxious to share his wealth of experience with other Members. He has been espe-

cially helpful to the new Members, and I am happy to have the opportunity before this session adjourns to record my great appreciation and to pay tribute to this outstanding American statesman.

Mr. KEARNS. Mr. Speaker, it is a privilege and an honor, Mr. Speaker, as one of your thousands of loyal and devoted admirers to join in paying tribute to you today on your 21st anniversary of service either as majority or minority leader of the U.S. House of Representatives—and now as Speaker pro tempore.

Your record of service and statesmanship speak louder than any eulogy that could be given you because you have "performed," and your performance will have a lasting influence on this body and on the Nation and it will be a challenge to all those who come after you and serve in the House of Representatives.

Mr. O'HARA of Illinois. Mr. Speaker, I regard it as one of the outstanding privileges of my life to be in this historic Chamber on this occasion. The names of SAM RAYBURN and JOHN W. MCCORMACK forever will be linked together in the history of our country, of the Congress, and of the Democratic Party.

Earlier in the session the House gave proper observance to the day on which SAM RAYBURN completed a service as Speaker twice as long as that of any Speaker who had preceded him in that high and exalted office. That was a day in history that will be remembered by all privileged to be present and to participate.

Today we are richly privileged to be present at and to participate in observance of the day on which JOHN W. MCCORMACK completes a service as majority leader longer than that of any other person in the long history of the House. This, too, is a day in history.

The gentleman from Massachusetts, JOHN W. MCCORMACK, as is the gentleman from Texas, SAM RAYBURN, is numbered among the alltime greats in the world of legislation. To have served with them in this body has been an experience most enriching. To be present on these anniversary occasions, marking high marks in legislative careers that probably never will be equaled, is something that we will treasure in memory. It is something that will give a personal pride to our descendants in the generations to come who, reading of SAM RAYBURN and JOHN W. MCCORMACK in the history books, can say their ancestors too were there, colleagues of these legislative alltime greats.

From the bottom of my heart I join with my colleagues in tribute of admiration and affection for our beloved Speaker pro tempore. A finer gentleman never lived nor one who sought more sincerely to serve his God, his country, and his fellow man.

Mr. KEITH. Mr. Speaker, it is with real pride that I join my colleagues today in honoring our distinguished majority leader, the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK, on the occasion of his 21 years of leadership in the ranks of the Democratic Party in the House of Representatives.

The gentleman from Massachusetts, JOHN MCCORMACK has worked unceasingly for the residents of his district, the Commonwealth of Massachusetts, and the Nation as a whole.

The Massachusetts delegation has relied heavily on his wisdom and know-how in both the individual problems of our congressional districts and for our Bay State. We are proud indeed of the bi-partisan front we have presented in behalf of each other.

I am particularly grateful to the gentleman from Massachusetts, JOHN MCCORMACK, for the many hours he has worked for my own district—for the New Bedford-Fairhaven-Acushnet hurricane barrier. He has introduced legislation to help the city of New Bedford with this project, and the local officials concerned with this problem are indebted to and have expressed their gratitude to Mr. MCCORMACK for his untiring efforts in their behalf.

We in Massachusetts consider the gentleman from Massachusetts, JOHN MCCORMACK, our "Mr. Democrat" just as we consider JOE MARTIN "Mr. Republican." I know that I speak for all the Members here when I wish JOHN many more years of service to his Nation.

Mr. O'BRIEN of Illinois. Mr. Speaker, I think everyone knows where TOM O'BRIEN stands. I and the Illinois delegation are with Speaker SAM RAYBURN, and Majority Leader MCCORMACK, first, last and all the time. Mrs. O'Brien joins me in congratulations and all good wishes to the gentleman from Massachusetts, JOHN MCCORMACK, and Mrs. McCormack. He has made a record as majority leader that will stand forever. Mrs. McCormack is entitled to her share of the credit. Not even as great a man as JOHN MCCORMACK could make such a record without the help of a mighty fine wife.

Mr. PHILBIN. Mr. Speaker, I am grateful indeed to my friend, the distinguished majority whip and acting majority leader, for according me this opportunity to join in this most impressive outpouring of the sincere sentiments of the House in tribute to the great American, who is so capably and graciously presiding over the House.

I am very proud, on this felicitous occasion, to extend my heartiest congratulations to my distinguished and beloved friend, the gentleman from Massachusetts, Speaker pro tempore and majority leader, the Honorable JOHN W. MCCORMACK, upon the 21st anniversary of his leadership in our great House of Representatives.

Many fine and richly deserved compliments have been paid to our most gifted leader and I am certain that nothing I may say could possibly adequately portray the tremendous contributions of this truly eminent statesman of wide renown and enduring fame.

His devoted, effective service of many years is so well known to Members of this House, to the people of his great district, the Nation, and indeed the world, that I feel a sense of real humility that anything I might say concerning the historical, monumental work of this great American would be like carrying coals to Newcastle.

The career of the gentleman from Massachusetts, JOHN W. MCCORMACK, is in truth a great saga of the most progressive, as well as the most troublous and restive of the unprecedented and fabulous era in which we live. JOHN MCCORMACK is made of precious stuff. He is endowed with great gifts and priceless talents and by virtue of outstanding ability, lofty character, industry, resourcefulness, and hard, unceasing work, he has risen to the topmost rank in the greatest legislative body in the world and in the public affairs of the Nation.

He has been a great and inspiring leader, responsible for steering through the Congress in war and peace some of the most epochmaking legislation in the long, glorious history of the Nation, the trusted confidant and adviser of Presidents, loyal friend and counselor and invaluable helpmate of our great, illustrious Speaker, the gentleman from Texas, SAM RAYBURN. Unswerving in purpose, vigorous of action, undaunted of spirit, humane of impulse, broad, tolerant, and generous in nature, JOHN MCCORMACK, has carved for himself an enviable niche in American parliamentary history, and has won the admiration, devotion, and affection of his colleagues and a secure place in the hearts of his fellow Americans.

He has served the House and his country with superb and tireless devotion. He has given of himself, his energies, and his great talents with a willingness, enthusiasm, and unselfish spirit that indelibly mark him as the great patriot that he is.

I am highly privileged indeed to pay him my humble but heartfelt tribute for his many years of service, his outstanding and brilliant leadership, his memorable achievements, and for the humane qualities, persevering loyalty and warm, vibrant friendships that have endeared him to all those who have ever served with him and all those who know him.

There may be many reasons, to be sure, for the memorable achievements and accomplishments of this great American statesman and leader. They are too numerous to mention here. But I would be most remiss if I did not allude to his gracious, charming helpmate, his devoted and beloved wife, Harriet McCormack, who has been, not only his constant companion, but his most trusted confidant and most valuable adviser.

That there are other and greater honors and public responsibilities in store for the gentleman from Massachusetts, JOHN MCCORMACK, is obvious, and I wish him and his dear wife, Harriet, many more years of affectionate comradeship, every measure of success and happiness in the future, and an abundance of all those graces which come from the Divine Maker. May they have many very happy returns of this noteworthy day.

The gentleman from Massachusetts, JOHN W. MCCORMACK, abundantly attests the fact that true humility is usually the principal ingredient in the personality and character of great men.

His splendid intellectual powers, many times recognized by leading universities

of the country who conferred high degrees upon him, the high stations he has reached, and his many notable achievements have never obscured the basic qualities of strong faith, high courage, exalted patriotism and profound spiritual and religious beliefs that are so much a vital part of our cherished friend and highly esteemed leader.

Loyalty to his friends and loyalty to the great causes to which he is pledged have been and are an integral part of his very being. Love of country and God have been and are his watchwords, desire to help his fellow man a dominant instinct and determination and perseverance in defending his country against its enemies, foreign and domestic, and courageously battling against the evil Communist conspiracy aiming to destroy our free institutions, has been an ever-present and deep motivation of his daily work.

Masterful in understanding and use of parliamentary law, skillful in the ways of negotiation and compromise, yet resolute in his purpose to carry through to victory for any cause he espouses, for his ideals and principles, the gentleman from Massachusetts [JOHN MCCORMACK] has demonstrated, not only to his colleagues of the political arena, but to the whole world, that he is an inspired and resourceful champion and fighter for the things in which he believes, capable of giving everything he has to promote human betterment and broaden the horizons of freedom and hasten the cherished reality of universal peace and a world governed by the rule of law.

The gentleman from Massachusetts, JOHN MCCORMACK, is, in fact, Mr. House of Representatives himself, because he has spent the best years of his life in this distinguished body and there is no one who has worked more ably or zealously to uphold the rules, the honor and the luster of the House, or make it a better instrument for the expression of popular government, and the advancement of man in this great space age, than our humane, political dynamo from south Boston.

Great son of Massachusetts, brilliant, intelligent and vibrant, so inspiring and inspired as he points the free way for the Nation and the world, our esteemed colleague, never falters, never hesitates, always moves forward with dispatch, great skill and ability and determination to carry out the vital missions of high responsibility that are entrusted to him.

Of great mind, great heart and great spirit, JOHN MCCORMACK ranks with our greatest leaders and it is the greatest privilege and pleasure for me to hail and salute him on this happy anniversary of his House leadership. May the good Lord continue to keep and guide him and his beloved helpmate.

Mr. RHODES of Pennsylvania. One of the deep privileges that come with serving in the Congress of the United States is to be associated with some of the great men and women who have served in this House of Representatives.

In my 13 years as a Member of the House, it was my great pleasure to become closely associated with many able and respected leaders who have made a great contribution not only to the people of their districts but to the Nation. During the period which I have served, I have found no one who is more dedicated, more capable, informed, helpful, and friendly, than the gentleman from Massachusetts, our Speaker pro tempore, JOHN W. MCCORMACK.

On this day, the 21st anniversary of his service as majority leader and leader of the Democratic Party in the House, I join with my colleagues on both sides of the aisle in paying respects and my personal tribute and thanks to Mr. MCCORMACK for his fine and devoted leadership and for the friendship and cooperation he has always shown to me.

I remember, in particular, how much he meant to me when I was a freshman Congressman. At that time, and ever since, he has been more than willing to give of his valuable time to lend a helping hand and to give advice and helpful suggestions.

JOHN MCCORMACK is a credit to the Democratic Party. He is a great public servant who has contributed substantially to our Nation's social and economic progress and to the strength our country enjoys today. He was a valuable and devoted member of the Roosevelt team during the New Deal years and played an important role in bringing the Nation out of the depression of the 1930's, and in the enactment of the great social reform programs that were passed by the Roosevelt administration.

He is a devout Christian and has been one of the Nation's foremost and effective fighters against communism and all other brands of totalitarian tyranny. He understands that the most effective method in fighting communism is to wipe out the breeding places where people live in poverty and distress and without hope. He proved that action speaks louder than words.

I know that many people in my own district, particularly the aged, the less fortunate, and the average citizen generally, are better off today because of the leadership and service of men like our Speaker pro tempore.

May he enjoy many more years of good health and strong leadership; for the Nation as well as the Democratic Party needs men of the strong character and practical idealism which the gentleman from Massachusetts, JOHN MCCORMACK, reflects.

Mr. ROUSH. Mr. Speaker, I join with my colleagues, Republicans and Democrats, in honoring the gentleman from Massachusetts, JOHN W. MCCORMACK, on this the 21st anniversary of his election as majority leader of the House of Representatives. I am proud to be associated with this great American and to be able to say "he is my friend." Indeed, Mr. MCCORMACK has been a friend. I have benefited from his wisdom during the past 3 years. I have been inspired by his leadership. I have had my own faith in God and country strengthened by his great spiritual strength and steadfast patriotism.

We honor a great American today. May God continue to bless him with good health, a keen mind, and spiritual fortitude.

Mr. MACK. Mr. Speaker, today I have heard one of the finest tributes ever paid to a Member of Congress.

I have known the gentleman from Massachusetts, JOHN MCCORMACK, for more than 12 years. I know of no one more deserving of the tributes paid to him today.

It is a great privilege for me to join with my colleagues in honoring our majority leader who has served so capably in this position of leadership for 21 years.

During these 12 years that I have served in this House I have treasured his friendship. I have appreciated his advice and counsel. He is a man of high character with an intimate and sympathetic understanding of the problems of his fellow man.

I hope that he will continue to share his talents by providing leadership in the House of Representatives for many years to come.

To our distinguished majority leader and to Mrs. McCormack I extend my best wishes upon the occasion of this important anniversary in his career as a statesman and in the history of this legislative body.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, it is a privilege to associate myself with the remarks of the acting majority leader, the gentleman from Oklahoma, in paying tribute to our able majority leader on the occasion of the 21st anniversary of his election to that post.

Our Speaker pro tempore, JOHN MCCORMACK, has a record that speaks for itself. He has served his party and his country during the most perilous times of our existence. The job he was elected to do has not been an easy one. But he has done the job admirably, and in so doing has won the admiration and respect of all who know him.

I shall always remember my first meeting with the majority leader. Shortly after I was first elected to the Congress I went to Boston and called upon him at his office there. He was gracious and helpful in advising me at that time, and he has provided the same kind and friendly advice whenever I have called upon him since.

The Democratic Party, the House of Representatives and the United States of America have benefited from the dedicated service of the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK.

Mr. DONOHUE. Mr. Speaker, it is a particular personal pleasure to join with my colleagues here in extending heartfelt congratulations to you upon this most eventful occasion of the 21st anniversary of your most dedicated and effective leadership in this greatest legislative body in the world.

Through past years of peril and danger into these recent times of gravest challenge to our domestic security and international prestige you have been entrusted with, and discharged with preeminent effectiveness, the highest legislative responsibility perhaps ever thrust upon one man in the history of this Nation.

It may be true that basic qualities of leadership are born within man but it

is even more true that studied and persevering effort is required for the development and application of such original talent. In my opinion no man who ever served in this body has more exhaustively, more conscientiously, more patriotically or more effectively developed his God-given blessings of leadership and exercised them in the completely unselfish service of his country, his State, and his home community.

It is an amazing and mystifying fact, and perhaps the most noteworthy testimony to your unique character, that beyond the burdens of tremendous responsibility imposed upon you, you still found time in your day and night to give counsel, guidance, encouragement, sympathy, and legislative courage to new Members coming into this body. More than anything else it is unquestionably this unwavering demonstration of your ever-ready willingness to help colleagues in their official duties, as well as personal affairs, that has endeared you to your fellow Members and gained for you their highest respect and affection.

There are very few, if any, men in the political life of America who have been tendered so many degrees and decorations of all kinds and from every institution in recognition of your superior knowledge, leadership and patriotic devotion. You have accepted and assumed them all with your characteristically quiet humility and with the unselfish sense of these tributes conferring honors upon this body generally and not yourself personally and individually. All of these unheard of and unpublished acts of innate humility and deepest courtesy are well recognized by your colleagues and make you even more beloved by our membership.

We are also very conscious and well aware of your special dedication to your most cultured and distinguished wife, Harriet, who has been your chief inspiration through the years of your heavy public responsibilities. You and the Lord alone know how many tributes, honors and prestige occassions you have politely declined in order to attend upon your great lady in the little personal time permitted to a man with your duties.

Because of all these qualities and virtues recognized in your public and personal life, of indestructible integrity and unsurpassed competence of leadership, the name of the gentleman from Massachusetts, JOHN MCCORMACK, has become a legend in our political life and will be enshrined forever in the most glorious pages of our national legislative history.

Mr. Speaker, all the people in, and those of us from your native State of Massachusetts, are particularly proud on this auspicious day as we lead the prayers of our colleagues that divine providence will continue to bless your gallant lady and yourself with good health through many more years of devoted love and further bestow upon this Nation the good fortune of preserving your sustained leadership here for eventual triumph over the perilous dangers still confronting us.

Mr. MONAGAN. Mr. Speaker, I am happy to join my colleagues in expressing our universal admiration and respect for a great American, our majority leader and Acting Speaker, the Honorable JOHN W. MCCORMACK.

I have served with the gentleman from Massachusetts on the Committee on Government Operations, and I have had the privilege of working with him on the Subcommittee on Donable Property, of which he is chairman. In these circumstances I have had the opportunity to get to know JOHN W. MCCORMACK for the fine upright man that he is and to admire him for his outstanding qualities.

JOHN W. MCCORMACK'S outstanding attribute is that of loyalty. He has been loyal to his party, to his church, and to his country. His work as an outstanding Democrat under three Democratic Presidents has been a substantial factor in the adoption by Congress of much of the worthwhile legislation of the Roosevelt, Truman, and Kennedy administrations.

Not the least of JOHN W. MCCORMACK'S achievements is the beautiful relationship existing between himself and his beloved wife, which is admired by all who know this devoted couple.

I wish for the gentleman from Massachusetts, JOHN W. MCCORMACK, many years of continuing service in the best interests of the United States of America.

Mr. GALLAGHER. Mr. Speaker, few men, in this body that over the years has known many great men, have had devotion and respect in such large measure and over so long a period as the very able and distinguished majority leader and Acting Speaker, the gentleman from Massachusetts [Mr. MCCORMACK].

What, I am certain, has generated such devotion is the kind, wise, and gentlemanly manner in which the majority leader has treated his colleagues, both senior and junior. As one of the latter, I have experienced on more than one occasion, the helping hand offered by this experienced legislator. My way, as a freshman Member, and since, has been made easier in the knowledge that I could at any time turn to him for advise and counsel. He has extended his hand of friendship and guidance to the new Members and because of this we have had a better understanding of our Government and our country. The outstanding service he has rendered his country as a Member of this House is a monument to his greatness. His character encompasses all that is truly demanded of greatness—honesty, fairness, sincerity, intellect, and dedication to right causes.

He has had bestowed upon him many more honors than come to most men in a lifetime, yet he has remained unassuming, a man of quiet dignity. Perhaps it would have been better merely to have summed up all of our words in one statement: He has served his God and his country in such a manner as to be an example for all men.

Mr. ROGERS of Florida. Mr. Speaker, I, too, would like to express my great respect, admiration, and affection for the distinguished gentleman from Massachusetts, the Honorable JOHN MCCORMACK.

As a freshman Member of this House, I found that there were some difficult problems to be solved. I went to the majority leader to discuss these problems and I found him to be not only understanding and helpful but an advocate in my cause to help solve these problems for my district. I am sure many Members of the House have had this same experience which all of us will remember. Here is a man who has given years of devoted service in a position of extreme importance and high leadership and yet is always willing to take the time to help and guide younger Members of the House.

I shall always remember his kindnesses to me and count his friendship as one of the great experiences during my service in Congress. His Christian ideals, his dedication to America, and his devotion to duty make the gentleman from Massachusetts, JOHN MCCORMACK, an outstanding leader not only of the Democratic Party but an outstanding leader of our country.

Mr. JONAS. Mr. Speaker, I wish to join colleagues in paying respects to the present occupant of the chair, Speaker Pro Tempore JOHN W. MCCORMACK. Today is a significant one in the life of longtime Majority Leader MCCORMACK because it marks the 21st anniversary of his election to that very important position.

Members of the minority have had a firsthand opportunity to realize the extraordinary ability and forcefulness of the Speaker pro tempore as he led his forces as majority leader in the legislative battles that have occurred during the past 21 years. During the 9 years I have served in this body, I have had an opportunity to observe the strong leadership exercised by Speaker Pro Tempore MCCORMACK as he served his party most efficiently and effectively as majority leader. He can use ridicule and sarcasm when the occasion calls for it but he can also be calm, moderate, gentle and persuasive. Whichever tactic he employs, he is one of the most compelling men in debate that it has been my privilege to hear.

It was once my privilege to serve with the distinguished gentleman from Massachusetts [Mr. MCCORMACK] on a special subcommittee of the Committee on Government Operations. Our subcommittee was charged with the responsibility of revising the so-called Donable Property Act, the law under which the Federal Government donates surplus property to educational and charitable organizations. We worked closely together on this problem for nearly a year and the result has turned out to be of tremendous benefit to the communities in various States of the Union that are participating in the program.

During that year I had the opportunity of sitting with the distinguished gentleman from Massachusetts in a committee hearing room almost daily and out of that intimate association, in work we both enjoyed doing, I came to form an even higher regard and affection for Mr. MCCORMACK.

The distinguished gentleman from Massachusetts has been uniformly courteous and kind to me over the years and I not only hold him in the highest esteem as a distinguished legislator and leader but have great affection for him as a

friend and associate. I am happy to join with my colleagues today in paying our respects to him on this significant occasion and wish also to extend to him my sincere good wishes for a relaxing and refreshing holiday, and my best wishes also for long life, good health, and peace of mind during the years that lie ahead.

Mr. CANNON. Mr. Speaker, it was my misfortune to be in attendance on conference committees meeting on the other side of the Capitol when tributes were being paid here in the House to our Acting Speaker, the Honorable JOHN MCCORMACK, of Massachusetts, and am taking advantage of the first opportunity to join with our distinguished majority whip and acting majority leader, the gentleman from Oklahoma [Mr. ALBERT], in the great outpouring of admiration and affection and appreciation given Mr. MCCORMACK in the closing hours of the session.

As the unanimously elected Speaker pro tempore of the House of Representatives, to serve during the temporary indisposition of our beloved Speaker RAYBURN, he has been suddenly and unexpectedly projected into one of the most important, most difficult, and most responsible positions that could fall to the lot of even as experienced and able a man as he is.

It is the glory of our form of government that in time of greatest need there are always available men qualified and seasoned to meet the occasion.

By happy coincidence the election of JOHN MCCORMACK as Speaker pro tempore falls on the 21st anniversary of his election as majority leader of the House. While Speaker RAYBURN has been breaking all records in length of incumbency as Speaker, JOHN MCCORMACK has been as industriously and as effectively breaking all records in length of incumbency as majority leader. And in all the long line of illustrious men who have preceded him in that position he holds his own not only in length of service but in ability and capacity and achievement as well.

And in a much shorter list of exceptional men who have served as Speaker pro tempore he again leads in length of service and certainly in the intricacy and precedent-shattering difficulty of the problems presented in the closing days of the session of this particularly critical Congress.

He is not only a great leader, an astute parliamentarian and a master strategist but he also is gifted with those qualities of mind and temperament so requisite to the exacting duties of the speakership of the greatest deliberative assembly of our time and in world legislative history.

We wish for him and Mrs. McCormack a richly merited and long-deferred vacation and continued health, happiness, and contentment in an ever-widening field of service.

The SPEAKER pro tempore. (Mr. MCCORMACK). I can assure my distinguished colleagues that I deeply appreciate the remarks that have been made about me. I value very much the fact that my good friend, CARL ALBERT, got this time, although I had no knowledge of what he intended, I can assure you. When I recognized him, I heard the voice of Lew Deschler say, "Recognize the gentleman from Oklahoma," and I assumed he was going to submit a unanimous-consent request. But I deeply appreciate it.

While I do not deserve the nice things that have been said about me, yet, Mrs. McCormack and I are both happy that you feel the way about me that you do, as indicated by your expressions.

I love this body. Some of the Members have kindly referred to the fact that in bygone years strong efforts were made in Boston and Massachusetts to have me run for other offices. I valued such offices very much and respected them very much, but I never had any desire to serve in any other body than the National House of Representatives. I believe that service to our people is the most important thing in connection with public life. I felt and I knew that I could render the very maximum degree of public service of which I was humanly capable by serving in this great body. So I love the House of Representatives.

Every Member with whom I have ever served and with whom I am serving now has always had and now has my profound respect and friendship. Again, feeling the inadequacy of words as I do in expressing my thoughts to you, I express my sincere thanks for the tribute you have paid me today.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate requests that the House return to the Senate the bill (H.R. 8320) entitled "An act to amend the Freeport Harbor project, Texas."

AMENDING DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

Mr. MCMILLAN. Mr. Speaker, I call up the conference report on the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended.

The Clerk read the title of the bill.

The Clerk read the conference report, as follows:

CONFERENCE REPORT (H. REPT. NO. 1264)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5968) to amend the District of Columbia Unemployment Compensation Act, as amended, having met, after full and free conference, have been unable to agree.

GEORGE HUDDLESTON, JR.,
FERNAND J. ST. GERMAIN,
JOEL T. BROYHILL,
Managers on the Part of the House.

WAYNE MORSE,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert: "That section 1(b)(5)(G) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (D.C. Code, sec. 46–301), is amended to read as follows:

"'Nonprofit Organizations

"'(G)(1) service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; (2) service performed in a sheltered workshop owned or operated by an organization described in section 501(c)(3) of the Internal Revenue Code which is exempt from income tax under section 501(a) of such Code other than service performed by instructors, foremen, or other regular staff of the workshop. As used in this subparagraph the term "sheltered workshop" means a facility conducted for the purpose of (i) carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or (ii) of providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market;'.

"SEC. 2. Section 1 of said Act approved August 28, 1935, as amended (sec. 46–301, D.C. Code, 1951 ed.), is amended by adding at the end thereof the following:

"'v. "Insured work" means employment for employers.'

"SEC. 3. Section 3(c)(8) of said Act approved August 28, 1935, as amended (sec. 46–303(c)(8), D.C. Code, 1951 ed.), is amended by adding the following:

"'iv. Any employer, at any time, may voluntarily pay into the unemployment compensation fund an amount in excess of the contributions required to be paid under the provisions of this Act, and such amount shall be forthwith credited to his reserve account. His rate of contribution shall be computed, or recomputed, as the case may be, with such amount included in the calculation. To affect such employer's rate of contribution for any year, such amount shall be paid not later than thirty days following the mailing of notice of his rate of contribution for such year and not later than one hundred and twenty days after the commencement of such year: *Provided*, That such amount, when paid as aforesaid, shall not be refunded or used as a credit in the payment of contributions in whole or in part.'

"SEC. 4. Subsections (b), (c), and (d) of section 7 of said Act approved August 28, 1935, as amended (sec. 46–307 (b), (c), and (d), D.C. Code, 1951 ed.), are amended to read as follows:

"'(b) An individual's "weekly benefit amount" shall be an amount equal to one twenty-third (computed to the next higher multiple of $1) of his total wages for insured work paid during that quarter of his base period in which such total wages were highest, with such other following limitations. If an individual's weekly benefit amount is less than $8, it shall be $8. The Director shall determine annually a maximum weekly benefit amount by computing 50 per centum of the average weekly wage paid to employees in insured work, and shall on or before January 1 of the calendar year in which it shall be effective announce by publication in at least one newspaper of general circulation in the District, the maximum weekly benefit amount so determined. Such computation shall be made by determining gross wages reported as paid for insured work by employers in each twelve-month period ending June 30, and dividing said gross wages by a figure resulting from fifty-two times the average of midmonth employment reported by employers for the same period. For the period from the effective date of this Act to December 31, 1961, the maximum weekly benefit amount shall be determined and announced

by the Director in accordance with the foregoing formula on the basis of wages and employment in the twelve-month period ending June 30, 1960. The maximum weekly benefit amount so determined and announced for a calendar year shall apply only to those claims filed in that year qualifying for maximum payment under the foregoing formula: *Provided*, That all claims qualifying for payment at the maximum weekly benefit amount shall be paid at the maximum weekly benefit amount in effect when the benefit year to which the claim relates was first established, notwithstanding a change in said amount for a subsequent calendar year: *Provided further*, That if the maximum weekly benefit amount is not a multiple of $1, then said maximum weekly benefit amount shall be computed to the next higher multiple of $1.

"'(c) To qualify for benefits an individual must have (1) been paid wages for employment of not less than $130 in one quarter in his base period, (2) been paid wages for employment of not less than $276 in not less than two quarters in such period, and (3) received during such period wages the total amount of which is equal to at least one and one-half times the amount of his wages for the quarter in such period in which his wages were the highest. Notwithstanding the provisions of clause (3), any otherwise qualified individual, the total amount of whose wages during such period is less than the amount required to have been received during such period under such clause, may qualify for benefits if the differences between the amounts so required to have been received and the total amount of his wages during such period does not exceed $70, but the amount of his weekly benefit, as computed under section 7(b), shall be reduced by $1 if such difference does not exceed $35 or by $2 if such difference is more than $35.

"'An individual voluntarily leaving employment without good cause and who is receiving or has applied for a pension or retirement of any kind, whether under a governmental or private plan or under the Social Security Act, may not have wages used in the computation of a claim for benefits under this Act if—

"'(A) earned prior to such voluntary leaving, and

"'(B) the employer or employers involved contributed in whole or in part to the pension, retirement, or old-age and survivors insurance.

If such individual has previously established a current benefit year the claim shall be redetermined for the remainder of such benefit year, eliminating all wages coming within the conditions (A) and (B) of this section: *Provided*, That for purposes of this subsection an individual who is separated from employment because of a company rule as to maximum age or pursuant to a union-employer agreement as to maximum age shall not be deemed to have left his employment voluntarily: *Provided further*, That this subsection shall not be applicable to any person who makes application for a pension or retirement compensation and is denied such pension or retirement compensation or is found to be ineligible therefor. The Board is authorized to provide by regulation for determining whether an individual subject to the provisions of this subsection has voluntarily left his employment without good cause.

"'(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to thirty-four times his weekly benefit amount.'

"SEC. 5. Section 7(f) of said Act approved August 28, 1935, as amended (sec. 46-307(f), D.C. Code, 1951 ed.), is amended by striking '$30' and inserting in lieu thereof 'the established maximum benefit amount'.

"SEC. 6. Clause (b) of section 9 of said Act approved August 28, 1935, as amended (sec. 46-309, D.C. Code, 1951 ed.), is amended to read as follows:

"'(b) that he has during his base period been paid wages for employment by employers equal to those required by subsection (c) of section 7.'

"SEC. 7. (a) Section 10 of said Act approved August 28, 1935, as amended (sec. 46-310, D.C. Code, 1951 ed.), is amended by striking the second sentence from subsections (a), (b), and (c).

"(b) Section 10 of said Act approved August 28, 1935, as amended, is further amended by striking subsections (d) and (e) and inserting in lieu thereof the following:

"'CONDITIONS PRECLUDING DENIAL OF BENEFITS

"'(d)(1) Benefits shall not be denied to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (A) if the position offered is vacant due directly to a strike, lockout, or other labor dispute; (B) if the wages, earnings, hours, or other conditions of the work offered are less favorable to the individual than those prevailing for similar work in the locality; (C) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

"'(2) Compensation shall not be denied to any otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the Board, and such individual shall be deemed to be otherwise eligible for any such week despite the provisions of section 9(d) and subsection (c) of this section.

"'FAILURE OF AN INDIVIDUAL TO ATTEND A TRAINING OR RETRAINING COURSE WHEN APPROVED

"'(e) If any individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, to attend a training or retraining course when recommended by the manager of the employment office or by the Board and such course is available at public expense, he shall not be eligible for benefits with respect to any week in which such failure occurred.'

"SEC. 8. This Act shall take effect on the first day of the first calendar quarter following its enactment."

Mr. McMILLAN. Mr. Speaker, I move that the House insist upon its disagreement to the amendment of the Senate and ask for a further conference with the Senate.

The motion was agreed to.

The SPEAKER pro tempore. The Chair appoints the following conferees: Messrs. JAMES C. DAVIS, ST. GERMAIN, KEARNS, and BROYHILL.

H.R. 8320, FREEPORT HARBOR PROJECT, TEXAS

The SPEAKER pro tempore. The Chair lays before the House the following message from the Senate, which the Clerk will read.

The Clerk read as follows:

Ordered, That the House of Representatives be requested to return to the Senate the bill (H.R. 8320) entitled "An Act to amend the Freeport Harbor project, Texas".

The SPEAKER pro tempore. Without objection, the request is granted.

There was no objection.

CHINESE COMMUNIST REGIME AND THE UNITED NATIONS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, the Congress of the United States has repeatedly expressed its opposition to the seating of the Chinese Communist regime in the United Nations. On August 31 of this year a unanimous vote of the House sustained and upheld this opposition. The Senate acted likewise on July 28.

There is no doubt in my mind that the American people are in full accord with their Congress. There is unanimous feeling across the length and breadth of this Nation that the Communist Chinese regime, repeatedly branded as guilty of crimes against humanity and the crime of aggression, shall not be permitted to become a member of the United Nations if that organization is to retain at least a cloak of decency.

It is for this reason that I view with dismay and alarm the accounts which appeared in the public press over the last few days relating to a parliamentary maneuver which would permit Communist China to slip into the United Nations.

The maneuver would consist of bypassing the Security Council of the United Nations which, under the charter, would have to recommend the admission of a new member. Obviously, if that question were to be submitted to the Security Council, the legitimate Government of China—and, I had hoped, the United States as well—would exercise their veto power in order to prevent the admission of the criminals from Peiping.

However, the press reports state that the smuggling of Communist China into the United Nations would apparently be perpetrated not on the basis of admission of a new member, but occur via the procedural route of recognizing the credentials or, as the newspapers put it, of examining the question of "who represents China."

That maneuver would permit the question of seating of the Peiping gang to be brought up in the General Assembly where there is no veto. Thus, the governments opposing the admission of Communist China would be unable to do more than vote in the negative and—I have no doubt—find themselves in the minority.

It appears that the U.S. delegation to the United Nations is to become a party to this subterfuge at least through tacit acquiescence in the ugly maneuver.

If that reprehensible scheme succeeds, Mr. Speaker, the U.S. delegation to the United Nations will not only violate the trust of the American people, but will find itself in contempt of the repeatedly expressed sense of the Congress.

An ineffectual and timid "nay" cast by the United States in the General Assembly of the United Nations will not

change the fact that somehow we have condescended to play along with the evil forces which have long sought to exclude the rightful representatives of China from the United Nations and to welcome into that organization the criminal oppressors of the people of China.

CONGRESSMAN JOHNSON OPPOSES A SALES TAX FOR WISCONSIN

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. JOHNSON] may revise and extend his remarks at this point in the RECORD and include extraneous matter and tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, many of the letters received from my constituents in Wisconsin's Ninth Congressional District reflect a deep concern over the efforts of Wisconsin's Republican Legislature to abandon our historic adherence to the principle of taxation according to ability to pay and to shift the burden of State taxation from the rich to the poor by attempting to put over a general sales tax.

Although it is not a matter with which I am directly concerned as a Representative in Congress, I am happy to state my position on this controversial question: I am opposed to a sales tax. I believe that Wisconsin's financial needs can be met through continued reliance on the income tax, particularly if this tax is administered through the system of withholding that has worked so well at the Federal level.

I commend Gov. Gaylord Nelson, of Wisconsin, for his veto of the Republican sales tax bill. Terrific pressure was applied to Governor Nelson by Republicans and newspapers in order to attempt to coerce him into signing the sales tax bill. His resistance to this pressure is typical of the stubborn courage of his Norwegian ancestry, an ancestry shared by so many in the Ninth Congressional District.

Mr. Speaker, I believe that my position and that of Governor Nelson and the Democratic Party of Wisconsin is the right position. I believe that in opposing the Republican sales tax drive, we are correctly representing the people of the Ninth District. At the Pierce County Fair last week, fairgoers were asked whether they favored the Republican sales tax bill. The answers: yes, 141; no, 783; not voting, 150.

Neither of the Republicans who represent Pierce County in the legislature chose to stand up to their party's big-business bosses in order to carry out the wishes of their constituents as expressed in this poll. Robert P. Knowles, of New Richmond, played an important role in pushing this deceptive special interest bill through the State senate, and Assemblyman Robert L. Johnson, of Mondovi, caved in under the pressure to vote for this scheme.

Those Ninth District legislators who did vote against this sales tax bill were State Senators Howard Cameron, of Rice Lake, and Davis Donnelly, of Eau Claire, and Assemblymen Clifford Dorr, of Chippewa Falls, Frank Nikolay, of Abbotsford, John Pritchard, of Eau Claire, Bill Ward, of New Richmond, and Tom St. Angelo, of Cumberland. All but one of these are Democrats.

Those who voted to saddle Wisconsin citizens with a sales tax were Robert Knowles, State Senators Raymond Bice, of La Crosse, and John Potter, of Port Edwards; Assemblymen Robert Johnson, William E. Owens, of Menomonie, Thomas Barland, of Eau Claire, and Merlin J. Peterson, of Black River Falls. I am proud that there is no Democrat on this list.

I ask permission to insert in the RECORD an editorial on this subject from Madison's Capital Times of August 31, 1961. I would also like to include Governor Nelson's veto message.

[From the Capital Times, Aug. 31, 1961]

SALES TAXERS THREATEN GOVERNOR WITH BANKRUPTCY FOR THE STATE

The expected fury has broken over Governor Nelson because of his veto of the Republican sales tax bill.

It comes, of course, from the Republican legislators and leaders who put the bill over though they have never told the voters of this State that they favored such a tax.

And it comes, too, from economic interests who want to shift the tax burden to those least able to pay while the bankers continue to get their tax privileges and the expense account racket flourishes under which the well-heeled enjoy luxury living at public expense.

We hope that the people of Wisconsin, who have never been consulted about whether this State should abandon its tradition of basing taxes on ability to pay, will note the bold threats of the sales tax backers to throw this State into bankruptcy because they did not get their way.

They are now voicing publicly the threats that they have been making privately—to force this State into a "Michigan situation" under which State payrolls could not be met and student enrollments had to be cut back. In Michigan, as here, a Republican legislature tried to force a Democratic Governor to accept a sales tax.

Here is the threat from J. H. Fennema, president of the Wisconsin State Chamber of Commerce, one of the principal groups supporting the sales tax:

"Let every legislator who fought so hard for this tax reform bill be aware of one more fact: Governor Nelson must get his $60 million from somewhere or he will lead Wisconsin into economic chaos just as former Gov. G. Mennen Williams did to the State of Michigan a few years ago."

Here is the threat from Senator Gerald Lorge, Bear Creek Republican whose switch in the Senate made possible the passage of the sales tax bill:

"The Governor throws Wisconsin into the same fiscal stalemate that Michigan had under the Democrat Governor "Soapy" Williams. I, for one, will not vote for a surtax to balance the budget."

What they are saying to the Governor is this:

"You take our sales tax or we'll bankrupt the State."

Has there ever been a more brazen enunciation of the philosophy of rule or ruin?

Let's put this issue in perspective.

If Wisconsin is forced into a "Michigan situation," it will not be the responsibility of the Governor.

He ran on a platform which said specifically:

"We are opposed to the enactment of a general sales tax in Wisconsin for whatever purpose and whatever form."

The Democratic legislators honored that pledge to the people. The Democratic Governor has honored it by his veto.

The Republicans who passed the sales tax bill did so without telling the voters they would do it. The 1960 GOP platform never mentioned the sales tax.

The 1961 Republican convention at Eau Claire this year refused to take a stand on the sales tax even though its legislative leaders were then drafting the sales tax legislation.

There were not more than a handful of Republican legislators who dared tell the voters in the 1960 campaign that they would vote for a sales tax.

This sales tax bill was put over by a campaign of deceit unrivaled in recent political history.

When the sales taxers in this State threaten a "Michigan situation," let them remember that the stalemate in Michigan was settled by a referendum in which the sales tax question was submitted to the people.

In Wisconsin the Republicans have not dared to go to the people directly in a referendum. Nor have they dared even to take a position in a campaign in which they told the people where they stand.

If the Republican majority in the legislature plunges this State into bankruptcy the people will know where to hang the responsibility.

MESSAGE OF GOV. GAYLORD NELSON ON THE SALES TAX BILL, S. 707, AUGUST 30, 1961

I am vetoing the tax bill passed by the legislature. I do not believe that the supporters of the original bill fully understood how various groups of taxpayers would be affected by their proposal. Certainly, nobody knew the impact of this bill after 31 separate amendments were adopted.

This bill raises an enormous amount of new tax revenue, shifts and shuffles tax burdens without design, and results in a total tax structure that is no better than the present structure, and in many cases infinitely worse.

The bill does not measure up to any acceptable standard of tax revision. Furthermore, it does not balance the State's budget for the next 2 years, and it falls $55 to $65 million short of balancing the 1963–65 budget. This means that the next legislature would again be confronted with the task of raising additional revenue within a matter of 13 or 14 months after this measure became effective.

This tax bill ignores the basic philosophy of the blue ribbon committee of leading Wisconsin citizens who studied this problem for 20 months.

The bill does nothing to equalize local property tax burdens on homeowners, although these taxes are now 10 times as high in some Wisconsin communities as in others.

The bill fails to provide any substantial sum to hold down these property taxes in future years.

The claimed tax relief for industry to encourage economic growth turns out to be a reduction of only 3.8 percent.

The claimed relief for Wisconsin farmers is nonexistent; in fact, farmers would pay almost $1 million a year more in taxes.

The sales tax provision is not "progressive," as has been claimed. Unlike our State income tax, which ranges from 1 percent in the lowest income bracket to 8½ percent in

the highest brackets, this sales tax would take a steadily decreasing share of total income in every bracket over $6,000. This is a regressive tax by any economic definition.

Finally, this bill uses $34 million in sales taxes to forgive State taxes on 1961 income over $10,000, which means that almost 4 million Wisconsin citizens would pay sales taxes to forgive extra income taxes on the 50,000 residents who make more than $10,000 a year.

This legislation contains equally unjust, if less important provisions, but these are the major considerations that have led me to veto the tax bill passed by the legislature.

1. The blue ribbon tax committee consisted of outstanding Republicans, Democrats, and independents who worked tirelessly at their task. They unanimously concluded that tax revision should finance not only the current budget, but budgetary needs for future years. This bill does neither.

The Republican-controlled legislature has already adopted a 1961–63 budget and other new acts that require an additional $56 million. This tax bill provides only $51 million. Thus, the bill is already $5 million short of current needs. In addition, since no State has ever been able to install a sales tax within 60 days of enactment, the delay in preparing the bill means that its provisions could not possibly take effect until a month later than planned, thereby costing another $15 million and bringing the shortage to $20 million. Finally, the legislature has also adopted an additional $8 million in spending bills that now await my action. If I were to approve these, this tax bill would fall a total of $28 million short of the expenditures they themselves have approved for the next 2 years.

Under this bill, the shortage would be compounded in 1963–65. It would produce $535 million in the next biennium, including all existing sources of State revenue. But the 1963–65 budget is expected to total between $590 and $600 million, due almost entirely to the educational and welfare needs of a growing population. This means that the tax bill would fall $55 to $65 million short of balancing the 1963–65 budget, leaving the next legislature with the exact problem which we have today and which genuine tax revision is designed to solve. And if the deficit of $28 million for the current biennium is added to this figure, the total shortage would reach $83 to $93 million in 1963–65. This shortage was not anticipated by the legislature when the bill was passed. I am certain that neither this legislature nor the public is prepared to accept the provisions of this measure and then very shortly be confronted with the dilemma of finding additional sources for more revenue for the next biennium.

These are conservative figures carefully prepared. The revenue figures on the tax bill have been prepared by the career civil servants in the research division of the State tax department. During the last eight State administrations, biennial budgets have increased by an average of 25 percent, compared to an average increase of 21 percent in my own two terms as Governor. The $590 to $600 million estimate for 1963–65 is based on the average 19 percent increase over the last four State administrations and the average 21 percent over the last three administrations. Since Republican Governors headed two of the last four administrations, and since one or both houses of the legislature during this entire period have been controlled by Republicans, they have controlled the size of the budget at all times. Thus, the $590 to $600 million budget estimate for 1963–65 is not open to serious question, especially since the blue ribbon committee predicted 1965 expenditures in this same range, regardless of which political party was in power.

2. The blue ribbon committee insisted that before any new State taxes were imposed, the present formulas for distributing State taxes to local communities should be changed to provide relief that would tend to reduce the disparity in local property tax burdens. In fact, the committee gave this change as much importance as all the combined changes it recommended in tax collections.

I am in complete agreement with the committee. There have been many disagreements over what elements should be included in tax revision. However, every thoughtful critic of our tax structure has agreed that a substantial change in our distribution system is fundamental to any revision. My position has been clearly stated on this issue on numerous occasions in the past 3 years. In an appearance before the Joint Committee on Finance several weeks prior to the drafting of this bill, I stated that "I could not support any tax bill that would return added State revenue to a community which already gets $6 for each dollar of property tax it raises locally, when 113 communities in Wisconsin now get less than 6 cents for every dollar of property tax imposed."

Yet this is exactly what the present tax bill does. Under this bill, 40 percent of all the sales taxes used for property tax relief would go to communities where property taxes are already lower than the statewide average.

Moreover, the problem of redistribution cannot be separated and enacted later. Equalization of property tax burdens is possible only at a time such as this, when revision can provide added State funds to relieve property taxes in communities where they are high without forcing a corresponding reduction in State funds to other communities.

It is unreasonable and impractical to speak of increasing taxes now, distributing the increased funds under the present unfair formulas, and revising distribution later. Once every community in Wisconsin has a vested interest in a larger share of State revenues, no legislature is ever going to cut back some for the benefit of others, regardless of the existing inequities. The proof of this is the fact that the State's present sharing formulas were established in 1917 and 1925, and they have never been changed despite everyone's admission that they are inequitable.

3. The blue ribbon committee agreed that basic tax revision not only should finance the State's budgetary needs for a number of years, but also should provide substantial funds to support the local property tax base in future years. While this bill does provide annual common property tax relief of $42.3 million starting in fiscal 1963, its property tax relief provision suffers from two serious defects.

As noted above, it does not provide a satisfactory method for distributing property tax relief funds. Furthermore, the annual growth of sales tax revenues set aside for property tax relief provided for in this bill amounts to only $1.5 million per year. Inasmuch as property taxes are expected to increase at an annual rate of $40 million, including a $20 million increase due to higher rates and assessments, this $1.5 million growth is wholly inadequate property tax relief.

4. The blue ribbon committee recommended tax relief for industry to encourage economic growth. This tax bill provides a net reduction of 3.8 percent of State and local taxes now paid by industry.

Under the present State law, all industry in Wisconsin—including both manufacturing and construction—would pay $144 million in State and local taxes, including real property, personal property, and corporate income taxes. Under this tax bill, Wisconsin industry would pay $138.5 million in State and local taxes, including real property, corporate income, and sales taxes. Thus, while the $5.5 million reduction looks impressive at first glance, it actually amounts to relief of less than 4 percent.

When all other factors determining plant location are considered, including labor supply, proximity to markets, and transportation, it becomes obvious that this small tax reduction would not be an important factor in plant location. This modest reduction in business taxes is helpful and I endorse the objective. Nevertheless, it does not accomplish a fraction of what has been claimed for it by some of its strongest advocates. Much of the support for this measure has been induced by the assumption that it will have a significant effect on economic growth. Obviously, this claim for the bill far overstates the case.

5. While Wisconsin farmers are the most depressed economic group in the State—and therefore the group most deserving of tax relief—the present tax bill would actually increase their total State and local tax burden by $900,000 a year.

Under this tax bill, farmers would pay a total of $21.5 million in sales taxes, including $9.3 million on purchases for their farms and $12.2 million on purchases for their families. In return, they would receive total relief of $20.6 million, including $15.3 million on personal property (livestock) and $5.3 million on real property. Thus, farmers would pay $21.5 million in sales taxes, and receive only $20.6 million in property tax relief.

6. It has been repeatedly asserted that this sales tax is "progressive." Whatever other arguments may be made for this tax, it cannot be supported on this ground. Both those who support and oppose this tax should at least be correctly informed on this point. It is not based on ability to pay. It takes a smaller and smaller share of total income for each $1,000 of income over $6,000.

Most of the necessities of life are taxed, including food, clothing, heat, utilities and essential household supplies. In return, the bill grants a $12 credit per year for each dependent, which means that $400 of purchases for each dependent are exempt from the sales tax.

This is equal to a sales tax exemption on $1.10 of purchases a day for each dependent, an amount totally inadequate to cover the necessities I have listed, to say nothing of the other essentials of life.

Moreover, a sales tax that does not exempt the essentials cannot ever be progressive, since those in the higher brackets spend a far greater share of their incomes on nontaxable items such as investments and travel. The average family man with a $6,000 income would spend 70 percent of his income on items subject to the sales tax, while the same man with a $20,000 income would spend only 39 percent of his income on items covered by the sales tax.

7. It would seem patently unfair to ask all Wisconsin citizens to pay $34 million in sales taxes in order to forgive additional 1961 State income taxes for the 3 out of 100 who make more than $10,000. Yet this is precisely what is done in the withholding provisions of this bill.

My own withholding plan forgave all overlapping funds the State would collect by converting to the withholding system. Since the State's financial year runs from July to July and since withholding would not start until next January, only 6 months' taxes

could be withheld by next July to pay for the current fiscal year. I proposed to cancel out this 6-month overlap in collections by forgiving everyone's State taxes on the first $10,000 of his 1961 income, which would mean complete forgiveness of 1961 income taxes for 97 percent of all Wisconsin taxpayers.

The present tax bill not only forgives the overlapping income tax collections which amount to $90 million, but also uses $34 million in sales taxes to forgive taxes on 1961 income over $10,000.

The 50,000 Wisconsin residents making more than $10,000 would, of course, pay Federal taxes on the extra amount forgiven under this bill. But 39,000 of these people are in Federal tax brackets where they would retain at least 65 percent of the added windfall from sales tax revenues—and this would offset their own sales taxes for a substantial period of time.

As for the 300 residents with the largest incomes, it is true that they are in Federal tax brackets which might take 90 percent of the $15,000 additional forgiveness they would receive on the average under this bill. But this is just one more reason for rejecting the forgiveness plan, since 90 percent of the sales tax funds used to provide forgiveness will be of no benefit to the 300 residents, but will go directly to the Federal Treasury.

I believe it is unwise to use sales tax revenues to forgive income taxes, regardless of how much is retained by the individual and how much is turned over to the Federal Government.

I know of no other State that has forgiven an amount in excess of the overlap in income tax collections. Advocates of this proposal point to the New York State forgiveness plan, but New York combined forgiveness with a sizable income tax rate increase in the highest brackets, and also eliminated the deductibility of Federal income taxes. On balance, New York's plan paralleled my proposal in forgiving only the overlapping income tax collections.

8. The tax package recommended by the blue ribbon committee called for raising $85 million from the sales tax and an additional $50 million from the income tax. This bill raises $189 million from the sales tax, or $104 million more than proposed by the committee. The bill raises less from the income tax, not more as recommended by the committee. The committee also specifically stated that "to gather an additional $135 million from a 3-percent sales tax in our judgment would be too high as an initial impact." Yet the proposed sales tax raises $54 million more than the committee deemed "too high."

9. The blue ribbon committee originally approved 100-percent replacement of personal property taxes on inventories and livestock; but on further consideration, a majority of the committee voted for only partial replacement of personal property taxes, with the extra funds to go for real property tax relief for homeowners and renters. A more equitable balance between real and personal property tax relief was also proposed by the Milwaukee Association of Commerce and the State chamber of commerce in their subsequent tax bill, which granted equal relief for both kinds of property taxes.

Yet the present tax bill provides 100-percent relief for personal property taxes, while limiting real property tax relief to 4 percent in 1962 and 8.46 percent in 1963.

There should be a far greater balance between personal and real property tax relief, especially since both are poorly related to ability to pay. It would seem only justice to provide a more equitable balance between property tax relief for Wisconsin's 1 million households and relief for the 200,000 owners of personal property—especially when we remember that these 200,000 would share equally in whatever real property tax relief is granted, on both their business properties and their homes.

The 100-percent replacement of personal property taxes in the present bill also creates an administrative and financial monstrosity that defies solution. On the basis of past experience, this replacement is estimated to cost $58 million in 1963. But in this case past experience is misleading. For one thing, inventories will not be reduced on the May 1 deadline as in the past. For another, there will be an overwhelming incentive to build these inventories to the highest possible level, since all taxes on them will be replaced by the State and since the more communities can collect in this way, the less they will have to collect locally from real property taxes.

These two factors could easily cost the State $10 to $15 million more than the $58 million now projected for 100 percent replacement of personal property taxes, and this would simply mean an additional shortage of that amount in the already inadequate funds provided in the bill.

I have listed what I consider to be nine substantial shortcomings of this tax bill.

Nevertheless, I do not intend my objections to this bill as a criticism or reflection on the efforts of its authors or the majority party which passed it in the legislature. I recognize that many conscientious and sincere legislators worked hard and long in its preparation. I realize that some important features were omitted and some undesirable features included because a majority vote could not be secured in any other way.

Some faults in the measure were due to the complexity of the issue and the limited time within which it was attempted to conceive and adopt it. This is obviously the case insofar as the revenue shortage is concerned.

Furthermore, I am convinced that the significant omission of any redistribution plan was due in major part to a lack of understanding by some legislators of its fundamental importance to basic revision.

So far as basic tax revision is concerned, it is obvious that there are some philosophical and political differences between the Republicans and Democrats over what elements should be included. Nevertheless, thoughtful and responsible leaders of both parties recognize the importance of accomplishing basic revision now. Therefore, I am convinced that we can and must compromise our differences and work out a constructive solution beneficial to our State.

Sales tax burden, family of 4, by adjusted gross income class per sales tax proposal of bill No. 707, S

Adjusted gross income	Taxable consumer expenditures	Gross sales tax	Net sales tax after $48 credit refund	
			Amount	Percent of adjusted gross
$2,000	$1,800	$54.30	$6.30	0.03
$3,000	2,490	74.70	26.70	.89
$4,000	3,100	93.00	45.00	1.13
$5,000	3,675	110.25	62.25	1.25
$6,000	4,200	126.00	78.00	1.30
$7,000	4,620	138.60	90.60	1.29
$8,000	5,000	150.00	102.00	1.28
$9,000	5,310	159.30	111.30	1.24
$10,000	5,700	171.00	123.00	1.23
$12,500	6,375	191.25	143.25	1.15
$15,000	6,900	207.00	159.00	1.06
$20,000	7,800	234.00	186.00	.93

Prepared by the Research Division, Wisconsin Department of Taxation, Aug. 28, 1961.

General property tax levies, 1959, 1961, and 1962; general property tax credits, 1961 and 1962, per proposals of bill No. 707, S., for selected Wisconsin municipalities by full value tax rate brackets

	Number	1959 actual levies			Estimated general property tax credit		
		General property tax levies	Levies on inventories [1]	Balance of property tax levies	1961 levies (payable 1962)	1962 levies (payable 1963)	Biennial total
Under 15 mills	51	$5,533,220	$557,371	$4,975,849	$230,580	$533,295	$763,875
15 to 20 mills	203	41,683,333	5,019,489	36,663,844	1,705,560	3,944,690	5,650,250
20 to 25 mills	589	133,511,679	15,800,114	117,711,565	5,473,530	12,659,408	18,132,938
All municipalities under 25 mills	843	180,728,232	21,376,974	159,351,258	7,409,670	17,137,393	24,547,063
All Wisconsin municipalities		447,047,860	53,469,976	393,577,884	18,300,000	42,325,000	60,625,000

[1] Includes levies on livestock, merchants' stock and manufacturers' stock.

Prepared by Research Division, Wisconsin Department of Taxation, Aug. 28, 1961.

Summary of general fund-general purpose revenues, 1957–59 biennium through 1963–65 biennium including provisions of bill No. 707, S.

General fund-general purpose revenues	1957–59 biennium (actual)	1959–61 biennium (actual)	1961–63 biennium (estimated)	1963–65 biennium (estimated)
All taxes, except income, State share	$118,000,000	$138,700,000	$149,200,000	$160,400,000
Income taxes, State share	192,600,000	228,700,000	215,500,000	271,400,000
Sales taxes, State share			97,250,000	71,500,000
Department revenues, unappropriated	24,500,000	30,200,000	30,200,000	30,300,000
Pending revenue bills			700,000	1,500,000
Total	335,100,000	397,600,000	492,850,000	535,100,000

NOTES

(1) All taxes except income show an increase of $20,000,000 between the 1957–59 biennium and the 1959–61 biennium; however, $8,000,000 of this increase was due to an abnormally large jump in inheritance tax collections. Inheritance tax collections are currently running at an annual rate of $14,000,000, or $1,000,000 per year less than in the 1959–61 biennium.

(2) Income and sales taxes for the 1961–63 biennium and 1963–65 biennium are estimated on the basis of provisions contained in bill No. 707, S.

(3) Pending revenue bills include bills passed by the legislature, but not yet acted upon by the Governor. The major bill pending is an income tax measure relating to financial institutions.

Prepared by Research Division, Wisconsin Department of Taxation, Aug. 28, 1961.

Sales tax paid by farmers and property tax relief for farmers under substitute amendment 1, S., to bill No. 707, S., as amended, fiscal year 1962–63

A. Sales tax on farm consumers:	
Estimated total sales tax from consumers	$153,650,000
Estimated percent of farm population (1) (percent)	11.9
Estimated gross sales tax for farm consumers (rounded)	$18,300,000
Less credit refunds (11.9 percent of $51,100,000) (rounded)	$6,100,000
Estimated net sales tax for farm consumers	$12,200,000
B. Sales tax on farm business:	
Estimated total sales tax on goods for business (2)	$39,900,000
Estimated percent applying to farming (3) (percent)	23.3
Estimated sales tax on farm business (rounded)	$9,300,000
C. Total sales tax on farmers	$21,500,000
D. Personal property tax relief for farmers:	
Estimated tax relief for farmers on personal property (100 percent relief) (4)	$15,300,000
E. Real property tax relief for farmers:	
Estimated real property tax on agriculture on 1962 assessments payable in 1963 (5)	$61,400,000
F. Estimated real property tax relief for farmers (8.6 percent of $61,400,000)	$5,280,000
G. Total property tax relief (D+F)	$20,580,000
H. Net additional burden on farmers (C−G)	$920,000

NOTES

(1) 11.9 percent is based on an estimated farm population of 470,000 for 1960 out of a total 1960 census population of 3,951,777 for the State. The 470,000 figure is a rounded figure between two separate estimates of 463,000 and 478,000. The 463,000 figure is an estimate of a staff member of the U.S. Department of Agriculture. The 478,000 figure is estimated by taking 12.1 percent of the 1960 census population of 3,951,777. The 12.1 percent is based upon the assumption of a decrease in Wisconsin farm population from 1950, in direct proportion to the decrease in farm population of the United States from 1950 to 1960. The percentage of farm population in Wisconsin in 1950 was 21.1 percent (725,000 out of 3,435,000 per statistical abstract 1960, p. 16). The percentage of farm population in the United States in 1950 was 15.2 percent (23,048,000 out of 151,328,000 per statistical abstract 1960, p. 16). The percentage of farm population in the United States in 1960 was 8.7 percent (15,635,000 out of 180,004,000 per Bureau of Census Publication AMS (p. 27) No. 29 dated April 18, 1961). The 8.7 percent for the United States in 1960 is to the 15.2 percent for the United States in 1950 as the Wisconsin farm population percent in 1960 is to 21.1 percent for Wisconsin in 1950. The Wisconsin farm population percent in 1960 is thus computed to be 12.1 percent; 12.1 percent of the 1960 census population of 3,951,777 is 478,165.

(2) The total estimated sales tax receipts from business purchases for fiscal year 1962–63 is estimated at $41,400,000. From this is deducted $1,500,000 sales tax receipts from business purchases of services. The remainder of $39,900,000 is the total estimated sales tax receipts from business purchases on goods.

(3) In the impact study, "Wisconsin's State and Local Tax Burden," on page 87, the total estimated sales tax receipts for 1956 from business purchases of goods using the ingredient rule was estimated at $33,052,943. The total estimated sales tax receipts for 1956 from farm business purchases of goods with feed, seed, and fertilizer exempt was $7,700,558. The estimated farm business sales tax receipts on goods were 23.3 percent of the estimated total business sales tax receipts on goods.

(4) During the past 5 years for which data is available (1955 through 1959) the tax on farm personal property has averaged 26.2 percent of the total tax on the three categories of personal property exempt under this bill. This estimate is 26.2 percent of the $58.4 million personal property tax exemption for 1962.

(5) Farm real property taxes as a percentage of total property taxes have trended downward over the past 5 years from a high of 14.7 percent in 1955 to a low of 12.2 percent in 1959. A conservative projection of this trend indicates that farm real property taxes in 1962 will be approximately 11 percent of total property taxes. This figure is 11 percent of total 1962 property taxes estimated at $558.4 million.

Prepared by Research Division, Wisconsin Department of Taxation, August 25, 1961.

Net tax relief on manufacturing and construction under substitute amendment 1, S., to bill No. 787, S. as amended, fiscal year 1962–63

1. Estimated real property tax on manufacturing and construction real estate on 1962 assessments payable in 1963 (1)	$60,866,000
2. Estimated tax relief on manufacturing and construction real estate (8.6 percent of $60,866,000)	$5,234,000
3. Estimated personal property tax on machinery, tools, and patterns on 1962 assessments payable in 1963 (2)	$13,960,000
4. Estimated tax relief on machinery, tools, and patterns (8.6 percent of $13,960,000)	$1,201,000
5. Estimated amount of tax relief applicable to manufacturers and construction contractors (90 percent of $1,201,000)	$1,081,000
6. Estimated personal property tax on furniture and equipment on 1962 assessments payable in 1963 (3)	$9,493,000
7. Estimated tax relief on furniture and equipment (8.6 percent of $9,493,000)	$816,000
8. Estimated amount of tax relief applicable to manufacturers and construction contractors (20 percent of $816,000)	$163,000
9. Estimated personal property tax relief on stocks of manufacturers and construction contractors payable in 1963 (4)	$25,988,000
10. Estimated total property tax relief to manufacturers and construction contractors (total of items 2, 5, 8, and 9 above)	$32,466,000
Sales tax on manufacturing and construction:	
11. Estimated total sales tax on goods for business, 1962–63	$39,900,000

Net tax relief on manufacturing and construction under substitute amendment 1, S. to bill No. 707, S. as amended, fiscal year 1962–63—Continued

12. Estimated percent applying to manufacturing and construction. (Derived from table 9, "Wisconsin's State and Local Tax Burden," p. 87) (percent)	69.73
13. Estimated sales tax on manufacturing and construction	$27,020,000
14. Net tax relief to manufacturing and construction (item 10 minus item 13) (4)	$5,446,000

NOTES

(Prepared by the Research Division, Wisconsin Department of Taxation, Aug. 25, 1961)

(1) Manufacturing real property taxes as a percentage of total property taxes have averaged 10.9 percent for the 5 years 1955 through 1959. This estimate is 10.9 percent of the $558.4 million estimated total property taxes for 1962.

(2) The personal property tax on machinery, tools, and patterns as a percentage of total property taxes has averaged 2.5 percent for the 5 years 1955 through 1959. This estimate is 2.5 percent of total 1962 property taxes estimated at $558.4 million.

(3) The personal property tax on furniture and equipment as a percentage of total property taxes has averaged 1.7 percent over the 5 years 1955 through 1959. This estimate is 1.7 percent of total 1962 property taxes estimated at $558.4 million.

(4) This is a long-term figure. During the first 2 years there will be an additional $2.8 million or a total of $7.9 million net tax relief due to the exemption of construction contracts.

NOTES TO TABLES ON MANUFACTURING AND FARM BURDEN

(Prepared by the Research Division, Wisconsin Department of Taxation)

With respect to the table treating the burden on manufacturing and construction industry, utilities were not included in the overall calculations. This is because of the blue ribbon committee's concern with the industrial location question. Utilities, obviously, are not involved in this question.

If utilities are included, the totals would be as follows:

Total manufacturing, construction, and utility sales taxes	$28,868,000
Total property tax relief	36,466,000
Net tax relief	7,598,000

The original table was compiled before the fiscal effects of changing the imposition of the tax from the vendor to the buyer were finally determined. This amendment reduces total sales tax collections by an estimated $3 million per year, with a corresponding reduction in real property tax relief from 8.6 percent, as used in the table, to 8.46 percent. Thus, real property tax relief is somewhat overstated in both this and the farm burden tables.

In the farm burden table the treatment of several factors could result in relatively minor changes in either direction in the burden comparison, none of which would change the totals by more than a half million dollars. For example: (1) Use of the 8.46 percent real property tax relief figure (instead of 8.6 percent) would reduce the real property tax relief figure by about $90,000. (2) In estimating the real property tax figure for 1962–63, it was estimated conservatively that the tax on farm real property would amount to 11 percent of total

general property taxes. The trend over the past 5 years in this ratio indicates a figure of 10.7 percent. Use of this percentage would have reduced real property tax relief by about $140,000. (3) In computing the business tax paid by farmers, $1.5 million of taxes on business services included in this bill were not included in the calculations. These services had not been included in the basic impact study analysis. Inclusion of these service taxes would have increased farm business sales taxes about $350,000. (4) One of our two farm population estimates indicates that farmers and their families constitute 12.1 percent of our total population, rather than the 11.9 percent figure used in our calculations. If the former estimate had been used, farmer consumer taxes would have been $200,000 more than the figure used. (5) The total figure of $153 million consumer sales taxes used in the basic farmer consumer tax calculations included about $4 million of tax which would be paid by out-of-State tourists. Had the total been reduced by this amount, farmer consumer sales tax would have been about $500,000 less.

If any or all of these factors were considered in the calculations, the net effect would not significantly affect the basic farm burden analysis.

State aids and total school costs

[In millions]

Year	Total school operating costs [1]	State aids	State aid increase	State support as percent of total costs
1955–57	$356.2	$64.6		18.1
1957–59	433.3	88.4	$23.8	20.4
1959–61 [2]	517.0	122.2	33.8	23.6
1961–63 [2]	610.0	145.9	23.7	23.9
1963–65 [2]	719.8	172.0	26.1	23.9

[1] Total cost: Includes operating and transportation costs, but does not include construction and debt costs.
[2] Estimated.

Source: "1961–63 General Fund Executive Budget in Brief," p. 19, for data through fiscal 1961–63. The 1963–65 biennium figures project the same rate of growth as in the preceding biennium.

General fund condition statement (excluding 707, S.), 1961–63 biennium, assuming Governor will sign all other pending measures as of Aug. 12, 1961, date of legislative recess

Estimated deficit July 1, 1961	[1] —$318,971
Estimated general-purpose revenues:	
General fund executive budget bill (ch. 191)	[2] 436,212,942
Other revenue measures passed through Aug. 12, 1961	525,769
Subtotal, gross revenues	436,738,711
Less: Tax simplification bill 537A, revenue loss	—7,960,000
Net estimated revenues	428,778,711
Total estimated available, 1961–63	428,459,740
Estimated appropriations from general fund:	
General fund executive budget bill (ch. 191)	492,049,374

[1] Tentative estimate pending complete closing of State's fiscal books on Sept. 15, 1961.

[2] Includes estimate for 20-percent surtax on individual incomes for 1961–63 in the amount of $50,100,000 on initial assessments. Pursuant to S. 71.17 of the statutes, the 20-percent surtax expired with calendar year 1960, or equivalent fiscal year.

General fund condition statement (excluding 707 S.) 1961–63 biennium, assuming Governor will sign all other pending measures as of Aug. 12, 1961, date of legislative recess—Continued

Estimated appropriations from general fund—Continued	
Other appropriation measures passed through Aug. 12, 1961	[3] $4,802,653
Subtotal, gross appropriations	[4] 496,852,027
Less: Estimated lapsed balances	—4,500,000
Net estimated appropriations	492,352,027
Additional revenue required as of Aug. 12, 1961 (excluding 707 S.)	[5] 63,892,287

[3] Includes $490,883 in fiscal measures which do not provide appropriation authority.

[4] Includes $1,253,553 in fiscal measures not signed as of Aug. 19, 1961, by the Governor.

[5] Does not include any measures deferred to the fall session of the 1961 legislature. It is estimated such measures will aggregate approximately $46,000,000, excluding tax-raising or budget-balancing measures.

TV NETWORKS AND THE RIGHT TO KNOW

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Today, Mr. Speaker, the image, the prestige, and the influence of the United States is at a high level throughout the world as a result of the timely and inspiring address by President Kennedy to the United Nations yesterday.

The President brought new hope to people everywhere who fear the threat of totalitarian tyranny and nuclear war.

Like many of my colleagues, Mr. Speaker, I was most anxious to hear the President's message which I felt sure would be rebroadcast on television last night since most of us did not have the opportunity to see and hear the original broadcast.

My disappointment was shared by many of you and by many citizens when none of the TV stations rebroadcast the President's important message to the people of the world.

After I had the chance to read President Kennedy's address, I was more than disappointed. I was shocked to think that the opportunity to hear President Kennedy's thrilling and inspiring message was denied to so many people of his own country.

There is no doubt in my mind that the President's message will live forever as one of the world's great historic documents. There is still time, Mr. Speaker, for the networks to right this wrong done to the American people to whom the airways really belong.

Mr. Speaker, I commend the President on his courageous and forthright address which he delivered before the United Nations yesterday. There can be no doubt that President Kennedy's address will long be remembered as one of the most significant statements of the principles and aspirations of the American people.

In his address, the President made clear our Nation's peaceful intentions by clearly repeating the vows which he made in his inaugural address. Yesterday he reiterated these vows when he said:

> I pledge to you that we shall never commit nor provoke aggression, that we shall never flee nor invoke the threat of force, that we shall never negotiate out of fear, and we shall never fear to negotiate.

The President also stressed the responsible view of firm but flexible negotiations for meeting the Berlin crisis. The need for astute and skillful negotiations, as I stated yesterday during the discussion on Berlin, is essential for reaching a peaceful solution to the growing tensions in that area.

As proof of our quest for peace, President Kennedy also laid before the world body a new plan for total world disarmament. There can be no doubt that the problem of increasing armaments must be dealt with before it reaches uncontrollable dimensions. And may I add that this is the first total disarmament plan which our Nation has ever put forth for serious study and examination.

And in addition to all of this, Mr. Speaker, the President provided a blueprint for the effectiveness, if not the survival, of the United Nations itself. He is to be commended on his opposition to the Soviet troika system to administer the world body. As he mentioned in his address:

> A triumvirate * * * or any rotating authority in the United Nations administrative office would replace order with anarchy, action with paralysis, confidence with confusion.

The high moral tone of the President's message is a reflection of the American ideals of self-determination, rule of law, and freedom for all. I am confident that every American will stand behind the statements and commitments made to the world yesterday by President Kennedy.

In editorials on the President's address, two great American newspapers, the Washington Post and the New York Times, paid a high tribute to President Kennedy, both of which I include herewith. I also include an excellent statement by Chalmer H. Roberts, staff reporter of the Washington Post:

[From the Washington Post, Sept. 26, 1961]

THE PRESIDENT'S APPEAL

President Kennedy's address at the United Nations General Assembly must rank as a great state paper by reason of its happy facility of phrase, the intrinsic merit of its proposals and the solemnity of the occasion.

The President came directly and eloquently to the point on the major issues upon which he touched. He properly denounced the Soviet proposals for a troika Secretary General as a plan to "entrench the cold war in the headquarters of peace." His disarmament proposals put the United States at last in the right tactical and strategic posture. His discussion of the Berlin crisis exhibited firmness in principle and flexi-

bility in method, appropriately emphasizing that "there is no need for a crisis over Berlin and if those who created this crisis desire peace, there will always be peace in Berlin." His description of the challenge of Laos and South Vietnam should make the uncommitted countries see that crisis in perspective. His plans for a "U.N. Decade of Development" were effectively summarized. His discussion of colonialism pointedly contrasted the freedom of all but 2 percent of hitherto dependent peoples from outside rule with the continuing subjection of the peoples living under "governments installed by foreign troops" of the Soviet Empire.

The President's manner was firm, emphatic and sincere. No one could believe it a mere oratorical flourish when he said: "We shall be remembered either as the generation that turned this planet into a flaming pyre or the generation that met its vow to save succeeding generations from the scourge of war." It was a solemn, sober and deadly earnest man who warned at the end of his address: "Together we shall save our planet, or together we shall perish in its flames."

Only time will disclose whether such words are wasted upon the Soviet Union; whether either his appeal for peace or his warning that we have the will and weapons to defend a just cause will be heard; whether the grim facts of the world crisis any longer are open to the arbitrament of reasoned words. We must now wait upon the events of the crucial 10 months of which the President spoke. We will wait in better spirit and in firmer resolve because our cause has been well stated. What words can do for our purpose, our principles and our policy they now have done.

[From the New York Times, Sept. 26, 1961]

FIRMNESS AND REASON

I

In his penetrating, measured address yesterday, President Kennedy brilliantly outlined to the United Nations the American position on some of the most crucial questions facing the world, and in doing so he brought the United States into an even closer working relationship with the U.N. and its Charter than it has had in many years.

He did this while the Russians, who want neither a strong U.N. nor a strong Secretariat, sat dourly on their hands. He offered the world, as he said, a policy of "firmness and reason;" and he reminded the world that "until all the powerful are just"—a day still far off—"the weak will be secure only in the strength of this Assembly." In the development of the United Nations "rests the only true alternative to war;" and "mankind must put an end to war—or war will put an end to mankind."

The President's speech was in no sense belligerent; but it was firm, it was positive, it was direct and it was clear. In his discussion of the U.N., of disarmament, of colonialism, of Berlin, the President issued a multiple declaration of peace to the Russians, but backed it up with the unmistakable resolve of this Nation to stand by its principles and its irrevocable commitments.

II

In challenging the Soviets to a "peace race" to replace the present arms race, President Kennedy outlined and then submitted to the General Assembly the boldest and most comprehensive disarmament plan ever put forward. It again places the United States on record as seeking "general and complete disarmament in a peaceful world"—a goal that has been Premier Khrushchev's favorite but deceptive propaganda device.

The American plan envisages an immediate treaty obligating all nations, which would include not only Soviet Russia but also France, to ban further nuclear tests. It also calls for an immediate resumption of disarmament talks (which had been interrupted by the Soviets) to reach the final goal in three stages, until all armies and all armaments—including the nuclear—have been eliminated to the point that no nations would be capable of waging aggressive war.

The achievement of this goal, however, depends on two conditions. The first, to be started in the first stage, is the establishment of a truly international control organization within the framework of the United Nations to verify the completion of each step before the next is taken, so no nation could derive individual advantage in the process. The second is a United Nations emergency force to keep the peace, as already provided in the charter but never created on a permanent basis.

III

Meanwhile, the world faces a grave crisis which, unless resolved in peace, would make all disarmament illusory. This crisis has been created by the Soviet threat of war over Germany and Berlin and Communist guerrilla warfare in Laos and Vietnam.

President Kennedy took extra pains to nail down Premier Khrushchev's big lie that it is the West which threatens war to prevent the Soviets from signing an East German peace treaty. And the President offered negotiations not only on Germany and Berlin but also on a solution which would recognize "the historic and legitimate interests of others in assuring European security." Such negotiations might include the German borders, German armament and safeguards against German aggression. The Kennedy disarmament plan would bar the transfer of nuclear weapons to now nonatomic nations, including Germany.

The President again called on the Soviets to accord to all Berlin, both East and West, and to the whole German people the right of self-determination. That principle, he pointed out for the benefit of the anticolonialists in the Assembly, has freed all but a fraction of the former Western colonies, but, though espoused by Premier Khrushchev, has not yet managed to reach the Communist empire.

With that as a background, the President made it plain again as emphatically as he could that the Western Powers are determined to defend their responsibilities in Berlin at any risk or cost. The choice of peace or war is Premier Khrushchev's, not ours. The United Nations can have no illusions on this point. We have chosen peace; what Mr. Khrushchev chooses, no one yet can say.

[From the Washington Post, Sept. 26, 1961]

KENNEDY, WITH NOBLE THOUGHTS, CONCILIATORY MOOD, MEETS BIG TEST

(By Chalmers H. Roberts)

UNITED NATIONS, N.Y., September 25.—An American President speaking to the United Nations General Assembly is expected to be noble in thought, practical in ideas, imaginative in scope and conciliatory in mood.

President Kennedy was all those things here today. His speech was beautifully written, one of his best. It was well delivered. And it had meaning. Even Soviet Foreign Minister Andrei Gromyko was moved to tell him, "You were in very good form today."

The effect of such a speech however, depends on how well and how hard his Secretary of State, his Ambassador to the U.N. and all the others push to accomplish the aims he set forth. For diplomacy is a never ending game; there is no perfect solution, as the President noted today, to such problems as that of Berlin.

The decibles on the applause meter here count for little, for the U.N. is not a body of sovereign individuals like the U.S. Senate. It is a collection of diplomats, all of them tied by telephone and cable to governments thousands of miles away. It was, after all, to those governments and to their publics that Mr. Kennedy was chiefly speaking.

He looked surprisingly youthful as he spoke, telling the world what he thinks must be done to avoid "that dark and final abyss." Yet as one of the keepers of the keys, or rather pushbuttons, he made Armageddon sound as though it really could happen. For those who have been saying lately that he lacked the will to use nuclear weapons, he declared his Government has "both the will and the weapons."

It was not exactly a message of hope and cheer though there were visions of the world without nuclear weapons and of a world made richer by his proposed United Nations decade of development. Yet this was not an angry or tough speech, either. His disillusionment with a lot of the so-called neutrals did not show through too sharply. Indeed, he even plucked a line from the Belgrade Conference communique to back his own disarmament scheme.

Mr. Kennedy sought to make a lot of governments face the facts: The fact of the destructiveness of the Soviet scheme, and of the Soviet leaning schemes, for replacing Dag Hammarskjold; the fact of the nuclear sword of Damocles, hanging by the slenderest of threads; the fact that self-determination should apply on both sides of the Iron Curtain; the fact of men knifed in their homes in faraway Laos as well as the noisy Soviet-created threat to the world's peace over Berlin.

He said nothing really new about Berlin. He repeated a willingness to find an honest bargain, a pledge never to "fear to negotiate" yet not to "negotiate out of fear."

But he set the backdrop in somber words, indeed. "The next 10 months," he said "may well decide the fate of man for the next 10,000 years. And we in this hall shall be remembered either as the generation that turned the planet into a flaming pyre or the generation that met its vow to save succeeding generations from the scourge of war."

It is evident that a critical problem for the President is to make his words credible in Moscow. Nikita Khrushchev knows all about the possibilities of that flaming pyre but he does not seem to think Mr. Kennedy will ever push the button.

A single speech will never convince Khrushchev; it may not even convince many of the assorted diplomats here. Yet a dominant impression his speech today left was the tone of hard, cold steel beneath the well-chosen words. This was not a man long bemused by the happy prospect of a disarmed world. Rather it was a man facing the realities of Berlin and of Laos and of the successor problem here at the U.N.

The President is a pragmatist, not a dogmatist. He sees peace as less a military or political problem than, as he put it, "a problem of politics and people." Today he was putting his best foot forward, especially for those here who were getting their initial firsthand impression of him, as well as for the world at large. And it was a first-rate effort.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I would like to join the gentleman in stating that I believe the President's speech yesterday at the United Nations was one of the great speeches of our century. I think all of us are indebted to the many great newspapers which did reprint the full text of the speech to make it available to the people. I join in voicing regret that it was not rebroadcast on television last night in order that many working people of the country, who did not have access to TV earlier in the day, could have an opportunity to hear it.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield.

Mr. BOLAND. Mr. Speaker, I want to join with the gentleman in his protest that the President's complete speech was not telecast last evening. That speech will go down as one of the great speeches of history. It should have been rebroadcast to the people of America in its entirety. I am sure it will be assessed as one of the most important speeches made in the United Nations, one that appealed directly to the uncommitted nations of the world, the neutral nations. I think this speech yesterday saved the United Nations.

Mr. Speaker, I consider President Kennedy's speech so monumental and important that I include, under unanimous consent heretofore granted, the New York Times editorial of today, and the entire text of the speech, to be printed herewith as a part of the permanent record of the House of Representatives:

[From New York Times, Sept. 26, 1961]

FIRMNESS AND REASON

I

In his penetrating, measured address yesterday, President Kennedy brilliantly outlined to the United Nations the American position on some of the most crucial questions facing the world, and in doing so he brought the United States into an even closer working relationship with the U.N. and its Charter than it has had in many years.

He did this while the Russians, who want neither a strong U.N. nor a strong Secretariat, sat dourly on their hands. He offered the world, as he said, a policy of "firmness and reason"; and he reminded the world that "until all the powerful are just"—a day still far off—"the weak will be secure only in the strength of this Assembly." In the development of the United Nations "rests the only true alternative to war"; and "mankind must put an end to war—or war will put an end to mankind."

The President's speech was in no sense belligerent; but it was firm, it was positive, it was direct and it was clear. In his discussion of the U.N., of disarmament, of colonialism, of Berlin, the President issued a multiple declaration of peace to the Russians, but backed it up with the unmistakable resolve of this Nation to stand by its principles and its irrevocable commitments.

II

In challenging the Soviets to a "peace race" to replace the present arms race, President Kennedy outlined and then submitted to the General Assembly the boldest and most comprehensive disarmament plan ever put forward. It again places the United States on record as seeking "general and complete disarmament in a peaceful world"—a goal that has been Premier Khrushchev's favorite but deceptive propaganda device.

The American plan envisages an immediate treaty obligating all nations, which would include not only Soviet Russia but also France, to ban further nuclear tests. It also calls for an immediate resumption of disarmament talks (which had been interrupted by the Soviets) to reach the final goal in three stages, until all armies and all armaments—including the nuclear—have been eliminated to the point that no nations would be capable of waging aggressive war.

The achievement of this goal, however, depends on two conditions. The first, to be started in the first stage, is the establishment of a truly international control organization within the framework of the United Nations to verify the completion of each step before the next is taken, so no nation could derive individual advantage in the process. The second is a United Nations emergency force to keep the peace, as already provided in the charter but never created on a permanent basis.

III

Meanwhile, the world faces a grave crisis which, unless resolved in peace, would make all disarmament illusory. This crisis has been created by the Soviet threat of war over Germany and Berlin and Communist guerrilla warfare in Laos and Vietnam.

President Kennedy took extra pains to nail down Premier Khrushchev's big lie that it is the West which threatens war to prevent the Soviets from signing an East German peace treaty. And the President offered negotiations not only on Germany and Berlin but also on a solution which would recognize "the historic and legitimate interests of others in assuring European security." Such negotiations might include the German borders, German armament and safeguards against German aggression. The Kennedy disarmament plan would bar the transfer of nuclear weapons to now nonatomic nations, including Germany.

The President again called on the Soviets to accord to all Berlin, both East and West, and to the whole German people the right of self-determination. That principle, he pointed out for the benefit of the anti-colonialists in the Assembly, has freed all but a fraction of the former Western colonies, but, though espoused by Premier Khrushchev, has not yet managed to reach the Communist empire.

With that as a background, the President made it plain again as emphatically as he could that the Western Powers are determined to defend their responsibilities in Berlin at any risk or cost. The choice of peace or war is Premier Khrushchev's, not ours. The United Nations can have no illusions on this point. We have chosen peace; what Mr. Khrushchev chooses, no one yet can say.

TEXT OF THE PRESIDENT'S ADDRESS TO THE UNITED NATIONS, SEPTEMBER 25, 1961, NEW YORK CITY

Mr. President, honored delegates, ladies and gentlemen, we meet in an hour of grief and challenge. Dag Hammarskjold is dead. But the United Nations lives. His tragedy is deep in our hearts, but the task for which he died is at the top of our agenda. A noble servant of peace is gone. But the quest for peace lies before us.

The problem is not the death of one man—the problem is the life of this organization. It will either grow to meet the challenge of our age—or it will be gone with the wind, without influence, without force, without respect. Were we to let it die—to enfeeble its vigor—to cripple its powers—we would condemn the future.

For in the development of this organization rests the only true alternative to war—and war appeals no longer as a rational alternative. Unconditional war can no longer lead to unconditional victory. It can no longer serve to settle disputes. It can no longer concern the great powers alone. For a nuclear disaster, spread by winds and waters and fear, could well engulf the great and the small, the rich and the poor, the committed and the uncommitted alike. Mankind must put an end to war—or war will put an end to mankind.

So let us here resolve that Dag Hammarskjold did not live—or die—in vain. Let us call a truce to terror. Let us invoke the blessings of peace. And, as we build an international capacity to keep peace, let us join in dismantling the national capacity to wage war.

II

This will require new strength and new roles for the United Nations. For disarmament without checks is but a shadow—and a community without law is but a shell. Already the United Nations has become both the measure and the vehicle of man's most generous impulses. Already it has provided—in the Middle East, in Asia, in Africa this year in the Congo—a means of holding violence within bounds.

But the great question which confronted this body in 1945 is still before us—whether man's cherished hopes for progress and peace are to be destroyed by terror and disruption—whether the foul winds of war can be tamed in time to free the cooling winds of reason—and whether the pledges of our Charter are to be fulfilled or defied: pledges to secure peace, progress, human rights and world law.

In this hall, there are not three forces, but two. One is composed of those who are trying to build the kind of world described in articles I and II of the Charter. The other, seeking a far different world, would undermine this Organization in the process.

Today of all days our dedication to the Charter must be maintained. It must be strengthened first of all, by the selection of an outstanding civil servant to carry forward the responsibilities of the Secretary General—a man endowed with both the wisdom and the power to make meaningful the moral force of the world community. The late Secretary General nurtured and sharpened the United Nation's obligation to act. But he did not invent it. It was there in the Charter. It is still there in the Charter.

However difficult it may be to fill Mr. Hammarskjold's place, it can better be filled by one man rather than by three. Even the three horses of the troika did not have three drivers, all going in different directions. They had only one—and so must the United Nations executive. To install a triumvirate, or any rotating authority, in the United Nations administrative offices would replace order with anarchy, action with paralysis, and confidence with confusion.

The Secretary General, in a very real sense, is the servant of the General Assembly. Diminish his authority and you diminish the authority of the only body where all nations, regardless of power, are equal and sovereign. Until all the powerful are just, the weak will be secure only in the strength of this Assembly.

Effective and independent executive action is not the same question as balanced representation. In view of the enormous change in membership in this body since its founding, the American delegation will join in any effort for the prompt review and revision of the composition of United Nations bodies.

But to give this Organization three drivers—to permit each great power to decide its own case—would entrench the cold war in the headquarters of peace. Whatever advantages such a plan may hold out to my own country, as one of the great powers, we reject it. For we far prefer world law, in the age of self-determination, to world war, in the age of mass extermination.

III

Today, every inhabitant of this planet must contemplate the day when this planet may no longer be habitable. Every man, woman, and child lives under a nuclear sword of Damocles, hanging by the slenderest of threads, capable of being cut at any moment by accident or miscalculation or by madness. The weapons of war must be abolished before they abolish us.

Men no longer debate whether armaments are a symptom or a cause of tension. The mere existence of modern weapons—10 million times more powerful than anything the world has ever seen, and only minutes away from any target on earth—is a source of horror, and discord and distrust. Men no

longer maintain that disarmament must await the settlement of all disputes—for disarmament must be a part of any permanent settlement. And men may no longer pretend that the quest for disarmament is a sign of weakness—for in a spiraling arms race, a nation's security may well be shrinking even as its arms increase.

For 15 years this Organization has sought the reduction and destruction of arms. Now that goal is no longer a dream—it is a practical matter of life or death. The risks inherent in disarmament pale in comparison to the risks inherent in an unlimited arms race.

It is in this spirit that the recent Belgrade Conference—recognizing that this is no longer a Soviet problem or an American problem, but a human problem—endorsed a program of "general, complete, and strictly an internationally controlled disarmament." It is in this same spirit that we in the United States have labored this year, with a new urgency, and with a new, now-statutory agency fully endorsed by the Congress, to find an approach to disarmament which would be so far reaching yet realistic, so mutually balanced and beneficial, that it could be accepted by every nation. And it is in this spirit that we have presented with the agreement of the Soviet Union—under the label both nations now accept of "general and complete disarmament"—a new statement of newly agreed principles for negotiation.

But we are well aware that all issues of principle are not settled—and that principles alone are not enough. It is therefore our intention to challenge the Soviet Union, not to an arms race, but to a peace race—to advance together step by step, stage by stage, until general and complete disarmament has been achieved. We invite them now to go beyond agreement in principle to reach agreement on actual plans.

The program to be presented to this Assembly—for general and complete disarmament under effective international control—moves to bridge the gap between those who insist on a gradual approach and those who talk only of the final and total achievement. It would create machinery to keep the peace as it destroys the machines of war. It would proceed through balanced and safeguarded stages designed to give no state a military advantage over another. It would place the final responsibility for verification and control where it belongs—not with the big powers alone, not with one's adversary or one's self—but in an international organization within the framework of the United Nations. It would assure that indispensable condition of disarmament—true inspection—and apply it in stages proportionate to the stage of disarmament. It would cover delivery systems as well as weapons. It would ultimately halt their production as well as their testing, their transfer as well as their possession. It would achieve, under the eye of an international disarmament organization, a steady reduction in forces, both nuclear and conventional, until it has abolished all armies and all weapons except those needed for internal order and a new United Nations Peace Force. And it starts that process now, today, even as the talks begin.

In short, general and complete disarmament must no longer be a slogan, used to resist the first steps. It is no longer to be a goal without means of achieving it, without means of verifying its progress, without means of keeping the peace. It is now a realistic plan, and a test—a test of those only willing to talk and a test of those willing to act.

Such a plan would not bring a world free from conflict or greed—but it would bring a world free from the terrors of mass destruction. It would not usher in the era of the superstate—but it would usher in an era in which no state could annihilate or be annihilated by another.

In 1945, this Nation proposed the Baruch plan to internationalize the atom before other nations even possessed the bomb or demilitarized their troops. We proposed with our allies the disarmament plan of 1951 while still at war in Korea. And we make our proposals today, while building up our defenses over Berlin, not because we are inconsistent or insincere or intimidated, but because we know the rights of free men will prevail—because while we are compelled against our will to rearm, we look confidently beyond Berlin to the kind of disarmed world we all prefer.

I therefore propose, on the basis of this plan, that disarmament negotiations resume promptly, and continue without interruption until an entire program for general and complete disarmament has not only been agreed but has been actually achieved.

IV

The logical place to begin is a treaty assuring the end of nuclear tests of all kinds, in every environment, under workable controls. The United States and the United Kingdom have proposed such a treaty that is both reasonable, effective, and ready for signature. We are still prepared to sign that treaty today.

We also proposed a mutual ban on atmospheric testing, without inspection or controls, in order to save the human race from the poison of radioactive fallout. We regret that that offer was not accepted.

For 15 years we have sought to make the atom an instrument of peaceful growth rather than of war. But for 15 years our concessions have been matched by obstruction, our patience by intransigence. And the pleas of mankind for peace have met with disregard.

Finally, as the explosions of others beclouded the skies, my country was left with no alternative but to act in the interests of its own and the free world's security. We cannot endanger that security by refraining from testing while others improve their arsenals. Nor can we endanger it by another long, uninspected ban on testing. For 3 years we accepted those risks in our open society while seeking agreement on inspection. But this year, while we were negotiating in good faith in Geneva, others were secretly preparing new experiments in destruction.

Our tests are not polluting the atmosphere. Our deterrent weapons are guarded against accidental explosion or use. Our doctors and scientists stand ready to help any nation measure and meet the hazards to health which inevitably result from the tests in the atmosphere.

But to halt the spread of these terrible weapons, to halt the contamination of the air, to halt the spiraling nuclear arms race, we remain ready to seek new avenues of agreement, our new disarmament program thus includes the following proposals:

First, signing the test-ban treaty by all nations. This can be done now. Test ban negotiations need not and should not await general disarmament.

Second, stopping the production of fissionable materials for use in weapons, and preventing their transfer to any nation now lacking in nuclear weapons.

Third, prohibiting the transfer of control over nucler weapons to states that do not own them.

Fourth, keeping nuclear weapons from seeding new battlegrounds in outer space.

Fifth, gradually destroying existing nuclear weapons and converting their materials to peaceful uses.

Finally, halting the unlimited testing and production of strategic nuclear delivery vehicles, and gradually destroying them as well.

V

To destroy arms, however, is not enough. We must create even as we destroy—creating worldwide law and law enforcement as we outlaw worldwide war and weapons. In the world we seek, the United Nations Emergency Forces which have been hastily assembled, uncertainly supplied and inadequately financed will never be enough.

Therefore, the United States recommends that all member nations earmark special peace-keeping units in their armed forces—to be on call of the United Nations—to be specially trained and quickly available—and with advance provision for financial and logistic support.

In addition, the American delegation will suggest a series of steps to improve the United Nations machinery for the peaceful settlement of disputes—for on-the-spot fact-finding, mediation and adjudication—for extending the rule of international law. For peace is not solely a matter of military or technical problems—it is primarily a problem of politics and people. And unless man can match his strides in weaponry and technology with equal strides in social and political development, our great strength, like that of the dinosaur, will become incapable of proper control—and like the dinosaur vanish from the earth.

VI

As we extend the rule of law on earth, so must we also extend it to man's new domain: outer space.

All of us salute the brave cosmonauts of the Soviet Union. The new horizons of outer space must not be driven by the old bitter concepts of imperialism and sovereign claims. The cold reaches of the universe must not become the new arena of an even colder war.

To this end, we shall urge proposals extending the U.N. Charter to the limits of man's exploration in the universe, reserving outer space for peaceful use, prohibiting weapons of mass destruction in space or on celestial bodies, and opening the mysteries and benefits of space to every nation. We shall further propose cooperative efforts between all nations in weather prediction and eventually in weather control. We shall propose, finally, a global system of communications satellites linking the whole world in telegraph and telephone and radio and television. The day need not be far away when such a system will televise the proceedings of this body to every corner of the world for the benefit of peace.

VII

But the mysteries of outer space must not divert our eyes or our energies from the harsh realities that face our fellow men. Political sovereignty is but a mockery without the means of meeting poverty and illiteracy and disease. Self-determination is but a slogan if the future holds no hope.

That is why my Nation—which has freely shared its capital and its technology to help others help themselves—now proposes officially designating this decade of the 1960's as the "U.N. Decade of Development." Under the framework of that resolution, the United Nations' existing efforts in promoting economic growth can be expanded and coordinated. Regional surveys and training institutes can now pool the talents of many. New research, technical assistance, and pilot projects can unlock the wealth of less developed lands and untapped waters. And development can become a cooperative and not a competitive enterprise—to enable all nations, however diverse in their systems and beliefs, to become in fact as well as in law, free and equal nations.

VIII

My country favors a world of free and equal states. We agree with those who say

that colonialism is a key issue in this Assembly. But let the full facts of that issue be discussed in full.

On the one hand is the fact that, since the close of World War II, a worldwide declaration of independence has transformed nearly 1 billion people and 9 million square miles into 42 free and independent states. Less than 2 percent of the world's population now lives in dependent territories.

I do not ignore the remaining problems of traditional colonialism which still confront this body. Those problems will be solved, with patience, good will, and determination. Within the limits of our responsibility in such matters, my country intends to be a participant and not merely an observer, in the peaceful, expeditious movement of nations from the status of colonies to the partnership of equals. That continuing tide of self-determination, which runs so strong, has our sympathy and our support.

But colonialism in its harshest forms is not only the exploitation of new nations by old, of dark skins by light—or the subjugation of the poor by the rich. My Nation was once a colony—and we know what colonialism means; the exploitation and subjugation of the weak by the powerful, of the many by the few, of the governed who have given no consent to be governed, whatever their continent, their class, or their color, and that is why there is no ignoring the fact that the tide of self-determination has not reached the Communist empire where a population far larger than that officially termed "dependent" lives under governments installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, and free elections, and free newspapers, and free books, and free trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every corner of the globe.

IX

Finally, as President of the United States, I consider it my duty to report to this Assembly on two threats to the peace which are not on your crowded agenda, but which causes us, and most of you, the deepest concern.

The first threat on which I wish to report is widely misunderstood: The smoldering coals of war in southeast Asia. South Vietnam is already under attack—sometimes by a single assassin, sometimes by a band of guerrillas, recently by full battalions. The peaceful borders of Burma, Cambodia, and India have been repeatedly violated. And the peaceful people of Laos are in danger of losing the independence they gained not so long ago.

No one can call these wars of liberation. For these are free countries living under governments. Nor are these aggressions any less real because men are knifed in their homes and not shot in the fields of battle.

The very simple question confronting the world community is whether measures can be devised to protect the small and weak from such tactics. For if they are successful in Laos and South Vietnam, the gates will be opened wide.

The United States seeks for itself no base, no territory, no special position in this area of any kind. We support a truly neutral and independent Laos, its people free from outside interference, living at peace with themselves and with their neighbors, assured that their territory will not be used for attacks on others, and under a government comparable (as Mr. Khrushchev and I agreed at Vienna) to Cambodia and Burma.

But now the negotiations over Laos are reaching a crucial stage. The ceasefire is at best precarious. The rainy season is coming to an end. Laotian territory is being used to infiltrate South Vietnam. The world community must recognize—all those who are involved—that this potent threat to Laotian peace and freedom is indivisible from all other threats to their own.

Secondly, I wish to report to you on the crisis over Germany and Berlin. This is not the time or the place for immoderate tones, but the world community is entitled to know the very simple issues as we see them. If there is a crisis it is because an existing peace is under threat—because an existing island of free people is under pressure—because solemn agreements are being treated with indifference. Established international rights are being threatened with unilateral usurpation. Peaceful circulation has been interrupted by barbed wire and concrete blocks.

One recalls the order of the czar in Pushkin's "Boris Godunov": "Take steps at this very hour that our frontiers be fenced in by barriers. * * * That not a single soul pass o'er the border, that not a hare be able to run or a crow to fly."

It is absurd to allege that we are threatening a war merely to prevent the Soviet Union and East Germany from signing a so-called treaty of peace. The Western Allies are not concerned with any paper arrangement the Soviets may wish to make with a regime of their own creation, on territory occupied by their own troops and governed by their own agents. No such action can affect either our rights or our responsibilities.

If there is a dangerous crisis in Berlin—and there is—it is because of threats against the vital interests and the deep commitments of the Western Powers, and the freedom of West Berlin. We cannot yield these interests. We cannot fail these commitments. We cannot surrender the freedom of these people for whom we are responsible. A peace treaty which carried with it the provisions which destroy the peace would be a fraud. A free city which was not genuinely free would suffocate freedom and would be an infamy.

For a city or a people to be truly free, they must have the secure right, without economic, political or police pressure, to make their own choice and to live their own lives. And as I have said before, if anyone doubts the extent to which our presence is desired by the people of West Berlin, we are ready to have that question submitted to a free vote in all Berlin and, if possible, among all the German people.

The elementary fact about this crisis is that it is unnecessary. The elementary tools for a peaceful settlement are to be found in the Charter. Under its law, agreements are to be kept, unless changed by all those who made them. Established rights are to be respected. The political disposition of peoples should rest upon their own wishes, freely expressed in plebiscites or free elections. If there are legal problems, they can be solved by legal means. If there is a threat of force, it must be rejected. If there is desire for change, it must be a subject for negotiation and if there is negotiation, it must be rooted in mutual respect and concern for the rights of others.

The Western Powers have calmly resolved to defend, by whatever means are forced upon them, their obligations and their access to the free citizens of West Berlin and the self-determination of those citizens. This generation learned from bitter experience that either brandishing or yielding to threats can only lead to war. But firmness and reason can lead to the kind of peaceful solution in which my country profoundly believes.

We are committed to no rigid formula. We see no perfect solution. We recognize that troops and tanks can, for a time, keep a nation divided against its will, however unwise that policy may seem to us. But we believe a peaceful agreement is possible which protects the freedom of West Berlin and allied presence and access, while recognizing the historic and legitimate interests of others in assuring European security.

The possibilities of negotiation are now being explored; it is too early to report what the prospects may be. For our part, we would be glad to report at the appropriate time that a solution has been found. For there is no need for a crisis over Berlin, threatening the peace—and if those who created this crisis desire peace, there will be peace and freedom in Berlin.

X

The events and decisions of the next 10 months may well decide the fate of man for the next 10,000 years. There will be no avoiding those events. There will be no appeal from these decisions. And we in this hall shall be remembered either as part of the generation that turned this planet into a flaming funeral pyre or the generation that met its vow "to save succeeding generations from the scourge of war."

In the endeavor to meet that vow, I pledge you every effort this Nation possesses. I pledge you that we shall neither commit nor provoke aggression—that we shall neither flee nor invoke the threat of force—that we shall never negotiate out of fear, we shall never fear to negotiate.

Terror is not a new weapon. Throughout history it has been used by those who could not prevail, either by persuasion or example. But inevitably they fail—either because men are not afraid to die for a life worth living—or because the terrorists themselves came to realize that free men can not be frightened by threats, and that aggression would meet its own response. And it is in the light of that history that every nation today should know, be he friend or foe, that the United States has both the will and the weapons to join free men in standing up to their responsibilities.

But I come here today to look across this world of threats to the world of peace. In that search we cannot expect any final triumph—for new problems will always arise. We cannot expect that all nations will adopt like systems—for conformity is the jailor of freedom, and the enemy of growth. Nor can we expect to reach our goal by contrivance, by fiat or even by the wishes of all.

But however close we sometimes seem to that dark and final abyss, let no man of peace and freedom despair. For he does not stand alone. If we all can persevere—if we can in every land and office look beyond our own shores and ambitions—then surely the age will dawn in which the strong are just and the weak secure and the peace preserved.

Ladies and gentlemen of this Assembly—the decision is ours. Never have the nations of the world had so much to lose—or so much to gain. Together we shall save our planet—or together we shall perish in its flames. Save it we can—and save it we must—and then shall we earn the eternal thanks of mankind and, as peacemakers, the eternal blessing of God.

Mr. Speaker, the reaction to President Kennedy's speech, in Congress and throughout the world, was heartwarming. Praise for the President's forthright and forceful presentation of the world situation cut across party lines. Republicans and Democrats were unanimous in complimenting the strong and statesmanlike approach of the President.

I am sure that President Kennedy's speech will have a profound effect upon the neutral and uncommitted nations in the cold-war struggle that now is raging between East and West. The leaders of these nations must realize now, if they did not before, that the only hope they have for survival and independence is through an effective United Nations.

Mr. Speaker, I am confident that the leaders of the neutral and uncommitted nations will not permit this world organization to wither and die. The alternative is too horrible to comprehend.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FOREIGN AID

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, it is my wish to announce to the Members that within another 50 minutes or an hour we expect to have a foreign aid appropriation bill back on the floor of the House. We hope for final passage.

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, I am very glad to hear that an agreement has been reached by the conferees on the foreign aid appropriation bill for fiscal year 1962. I have been informally informed that the figure of slightly under $4 billion has been agreed upon, and from the information at my disposal I believe this is a reasonably fair solution and conclusion to this problem.

May I say in addition, if this conference report is approved, and if there is any emergency or crisis that does arise, the President in January may ask for a supplemental, or if there is a crisis before January, of course the Congress could be called back immediately.

Mr. BROWN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN. Mr. Speaker, I ask for this time to inquire of the gentleman from Louisiana [Mr. PASSMAN], whether or not the conference report on the foreign-aid bill will come to the floor of the House before or after we have the opportunity to pass on the first supplemental for 1962?

Mr. PASSMAN. Mr. Speaker, without any information as to whether or not the House leadership will first call up the mutual security bill or the supplemental bill, I believe if we have our conference report ready and they are still debating the supplemental in the other body, that the leadership will call up the mutual security conference report. I may say, however, that the conference report is substantially under $4 billion, and we should not indicate that we have a bill with anywhere near the $4 billion magic figure in new funds, that the administration wanted.

Mr. BROWN. If I recall correctly, after the Congress had acted on the then foreign-aid appropriation bill a year or so ago most of the amount reduced or cut out of that bill was inserted in the supplemental bill that followed without the knowledge of most Members of the House. I was informed a few minutes ago that following the action of the House in eliminating the $5 million item from the conference report on the District of Columbia revenue bill, that $5 million was immediately added by the other body as an item or additional appropriation for the District of Columbia, in lieu of the payment of taxes in the still pending supplemental appropriation bill which of course means thwarting the will of this House. It is an action that some of us on this side of the Capitol resent.

Mr. PASSMAN. I should like to say that as far as I am concerned, I am not going to give any encouragement to any appropriation for foreign aid in the supplemental bill. The proposed conference report will provide the fattest foreign-aid bill we have had in about 9 years.

CONGRESS SHOULD NOT ADJOURN SINE DIE

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, we are undoubtedly nearing the close of the session. I hope that the Members of the House will think very deeply before they vote on the question of adjournment. I have had considerable support given to my suggestion of last Friday, by various Members who tell me that their people back home want the Congress to stay in session, not recess or not adjourn sine die.

As I said before, Mr. Speaker, when the adjournment resolution comes before the House for consideration I shall do my best to secure a rollcall upon that resolution, in the hope that we in this great body will not give away to the executive department our right to call ourselves back into session. No one can foretell today the events of the next 3 months.

FOREIGN POLICY OF THE UNITED STATES IN RELATION TO AFRICA AND THE CONGO

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am happy to report to the House the warm reception throughout the continent of Africa of the memorable address of the Honorable G. Mennen Williams, Assistant Secretary of State for Africa, before the Women's Democratic Club of the 10th Congressional District of Virginia at Arlington, Va., on September 21, 1961. It is no overstatement to remark that no address on the foreign policy of the United States as it relates to Africa, and with especial application to the Republic of the Congo, has resulted in such a high measure of understanding of the United States as the champion of independence and the protector not only of the people of Africa in their quest for broader horizons of life but also of the territorial integrity of the new emerging nations.

As the chairman of the African Subcommittee, I am privileged to present to the House, on this closing day of the 1st session of the 87th Congress, the full text of Assistant Secretary Williams' historic address. It sets forth with convincing clarity the position of the United States and of the United Nations. The acclaim with which it has been received in the new African nations is a strong indication that what the Assistant Secretary of State for Africa said to a group of women in Virginia was what is in the minds and the thinking of the women and the men in the new nations, springing from colonialism as did the United States in the yesteryears, to take their rightful place among the free and sovereign powers of the world.

Mr. Speaker, I urge the thoughtful reading of Governor Williams' address by my colleagues and Americans generally.

The address follows:

ADDRESS BY THE HONORABLE G. MENNEN WILLIAMS, AT ARLINGTON, VA., SEPTEMBER 21, 1961

Events of the last few days have brought us to a testing time for all that America stands for. Your President and your Government, and you as American citizens, are confronted with a formidable array of crises, each one challenging our national ingenuity, our strength and determination, our sense of purpose and dedication.

These perils press in on us because of our position of leadership, because of our power and responsibilities in the world.

The question of Berlin imperils the freedom of the 2¼ million West Berliners—and the United States is committed to their freedom. The hopes for freedom of other millions are bound up in this issue. The Soviet Union has chosen to multiply dangerously the tensions so visible. The step of outright Soviet aggression here could plunge Europe and all the world into catastrophe.

A 3-year moratorium on atomic testing was cynically terminated by Moscow just 3 weeks ago. With this act the hopes and sensibilities of humanity were bludgeoned aside. To this brandishing of arms the United States has had no choice but to resume its own tests underground. The Soviet Union has chosen not only to poison the atmosphere which envelops the earth, but also that atmosphere of conciliation and construction and higher goals which is the breath of hope to all the people of the world.

Now, when it is most needed, one of the great institutions for keeping the peace is gravely threatened. Dag Hammarskjold is dead. As Secretary General of the United Nations, he kept open the paths of peace and progress. His untimely death is mourned by all mankind, save only by the new imperialists of the Communist bloc.

Who can forget the tantrum of Khrushchev, the shoe pounding and the vitriolic language, when he found he could not

thrust aside Dag Hammarskjold? Who can misread the frustration behind this tantrum, brought on by the Soviets' failure to reap the whirlwind they had sown in the Congo? Who can forget the overwhelming verdict of the General Assembly, supporting the United Nations action in the Congo in the face of the Russian onslaught? And who can doubt the Communist intention, ever since, to undermine and disrupt this U.N. structure which orders so much of our political world?

There is something strangely morbid in the Communist reaction to the crisis which now affects the United Nations.

To cripple the United Nations would be to smash the machinery through which disarmament, the control of outer space, and the development of emerging nations may be achieved. Such a blow would disintegrate the symbol and safeguard of peace, and strike at the security of every nation.

In these circumstances the greatest jeopardy would fall not to the United States and the North Atlantic Community, which have great powers to defend themselves and to smash aggression. The greatest jeopardy would be to the smaller nations, so many of them born to independence under the liberating principles of the charter and the watchful protection of the United Nations organization.

What is morbid in the Soviet attitude, it seems to me, is the antagonism it holds for the positive purposes which the United Nations serves. It is not hard to see that a powerful dictatorship can cause immense difficulties in the functioning of the U.N. But it is hard to believe that the yearnings and achievements of mankind—the positive purposes—will lose their force at this point in time, when unprecedented numbers of nations and peoples have come to share the blessings of freedom and independence.

Does the Soviet Union, obsessed with an ideology of total tyranny, fear the enlargement of freedom which has taken place in the last 16 years? Then it is alone in this. The United States welcomes and encourages and works for the enlargement of freedom, especially so in the United Nations. The newly independent nations, including those which proclaim their nonalinement, are eager to assert their freedom and build up their societies without outside intervention. In this they can count on the support of the United States.

So I believe that the Soviet Union, seeking to prey on the confusion and disorder it promotes, will find it has miscalculated again. The nations of the free world are not likely to submerge their personalities in constructing a single monolithic answer to the blusterings and threats of the Russians. But they will make common cause in asserting and defending their freedom. The United Nations, as Ambassador Stevenson has said, is mankind's sole common instrument of politics; it offers the best hope of holding the gains which new nations have made, of putting an end to outside imperial control, of preventing local disputes from spiraling into general war.

National leaders I have met on my trips to Africa, or during their visits here, are very well aware of these facts and have shown that they are by positive support of the U.N. They appreciate how greatly the United Nations can help to keep the cold war out of Africa.

The history of the Congo troubles offers eloquent testimony to this. Without question, the cold war would now have spread its virus dangerously in Africa but for the United Nations action in the Congo. Last summer the Russians were pouring military equipment and advisors into the Congo, outside U.N. channels, and promoting disorder and civil war. They were expelled, and thereupon they attempted to censure the U.N. operation and weaken its capacity to act. A special emergency session of the General Assembly rebuffed this effort and reaffirmed full support for the U.N. operation by a 70-to-0 vote.

The Congo operation is the greatest peacekeeping effort ever undertaken by the U.N. Consider the problem which confronted the world community a year ago July.

The Congo Republic was less than 2 weeks old when its military forces went into open rebellion. The Belgians sent troops back into the country, and the richest province, Katanga, declared its secession. On July 12, the Congolese Government appealed to the United Nations for military aid "to protect the national territory of the Congo against the present external aggression." The Security Council met. Three days later, contingents of African troops under U.N. command were already on the scene in the troubled area.

Grave moments have since beset the U.N. mission to the Congo. Yet without any comparable experience in mounting an operation of this kind, the U.N. has maintained a multi-national army of up to 20,000 men in the Congo. It has kept up essential services through a small army of technical experts and administrators. It has prevented outside intervention and forestalled civil war. It has made possible the formation of a new central government with parliamentary sanction.

Believing in self-determination, respecting the independence of African nations, we supported the U.N. action in the Congo to prevent unilateral intervention—from whatever quarter. We pledged to work only through the U.N., in support of its resolutions. These resolutions called for the restoration of order, the preservation of the territorial integrity of the country, the reestablishment of constitutional government and the withdrawal of foreign military personnel.

The purpose of the U.N. operation, and of our support, was and still is to permit the Congolese to work out their own solutions to their national problems. That solution has recently been brought closer than ever. Under President Kasavubu, and with the vital assistance of the U.N., the Congolese Parliament recently established a new government offering, at last, the prospect of a reunited Congo.

Let me tell you something of the present government.

Mr. Adoula, whom I met on my latest trip to Africa, is both dynamic and able. I am confident he is particularly well qualified as Prime Minister. His cabinet is basically moderate and was installed following the unanimous vote of approval by the Congo Government. The present government is fully determined to maintain the Congo's independence from all outside interference.

The formation of this government cut away the basis for the separatist and Communist-supported regime in Stanleyville. There remained the question of the secessionist regime in Katanga Province, headed by Moise Tshombe.

It is important to understand the relationship of Katanga to the rest of the country. The Congo has existed as a clearly defined and unified territory for three-quarters of a century. The Katanga never even had a provincial parliament but was only an administrative unit of the central administrative authority. The present boundaries of the Congo (including Katanga) were agreed to by all the Congolese leaders at the Brussels Conference in January 1960 which established the basis for the Congo's independence.

Article 6 of the fundamental law of the Congo says: "The Congo constitutes, within its present frontiers, an indivisible and democratic state." Representatives from Katanga were at Brussels and agreed to this charter, although no one was there representing provinces as such but as members of political parties, some of which were local in nature. The people of Katanga, like their brothers in other sections of the Congo, participated in the national elections in May 1960 for the purpose of electing representatives of the Central Parliament in Leopoldville.

In short, there is no warrant whatsoever for the idea of Katanga separtism.

The Congo needs all of its regions to remain economically viable. The Congo as a whole has always needed the income from the mineral production of Katanga, and Katanga in turn needs the labor force, the markets, and the transportation facilities of the rest of the Congo. We, and the U.N. membership, also support maintenance of political unity. We have opposed separatism on the part of both the Stanleyville and Elisabethville regimes. Separatism on the part of one province could only encourage separatism on the part of others or civil war, or both. Clearly the welfare of the Congo depends on active participation by all regions in the process of government.

The U.N. therefore, has been encouraging Mr. Tshombe to join the Central Government.

The United Nations operations in Katanga in recent days were directed to carrying out the several U.N. Security Council resolutions, dating from July 13, 1960, and including that of February 21, 1961. Among other things, these called for a withdrawal from the Congo of foreign military personnel and political advisers. The U.N. force in the Katanga began rounding up these officers on August 28. As of that date, despite the above resolutions and repeated attempts to negotiate their withdrawal, some 500 foreign officers and noncommissioned officers remained with the Katanga army. To insure against resistance, the U.N. on the same day seized key communications points in Elisabethville and surrounded Katanga army units in their camps, without, however, making any attempt to disarm them. The operation met with no resistance, either from the Katanga population or the troops. The latter in fact were quite cooperative with the U.N. program. However, over 100 of these foreign military personnel went into hiding before they could be picked up by the U.N.

Since then, these individuals, plus an increasing number of European civilians and mercenaries in the city have participated in an active campaign of harassment and provocation against the U.N. Accordingly, the U.N. felt obliged to regain control of communications points, particularly the radio station, and to round up and remove the remaining foreign military personnel. But in the meantime these same individuals organized a resistance movement and incited military action against the United Nations forces. The fighting which resulted has been suspended, according to latest reports, by a cease-fire.

Katanga secessionism has obstructed the clear aims of the United Nations. It is, furthermore, viewed with alarm as promoting instability on the African continent. In addition, substantial outside influence has been exerted in favor of continuing secession of the Katanga, again clearly in opposition to U.N. resolutions.

As matters stand now, the U.N. will have to make renewed and perhaps redoubled efforts if civil war is to be avoided in the Congo. We are exerting all our efforts to support them in restoring peace and bringing about the reunification of the Congo. It was for this very purpose that Mr. Hammarskjold traveled to the Congo and then flew on his ill-fated mission to Rhodesia, where he was to meet with Mr. Tshombe.

We keenly regret that violence and loss of life have attended the United Nations actions in Katanga. We hope that the political dialog will now be resumed. We never

envisaged the U.N. action in the Katanga as a means of destroying Tshombe, nor did the United Nations. The Secretary General's effort to contact Mr. Tshombe and bring him back to active participation in the political life of the Congo is tragic evidence of that. We will therefore do everything appropriate to facilitate a peaceful reintegration of the Katanga, but we are convinced that for this purpose the U.N. must remain in a position of strength in order to fulfill its mandate.

It is in this delicate situation that the United Nations will find one of its severest tests, now that its dedicated leader has fallen. It is our strong hope and belief that the lessons of the Congo will at this time be clearly read by those most concerned.

The U.N. has shown, in the Congo, its capacity to act on behalf of these nations. That fact, that barrier to Soviet ambitions, was the cause of the Communist onslaught on the office of the Secretary General. I do not think the member states of the U.N. intend now to see the clock set back in the Congo. And if that is so, they will, I am convinced, see the United Nations through its present crisis.

The responsibilities of peace, the promise of what the U.N. has so far built for them and with them, are too evident to be mistaken in this hour. The principles which we uphold are widely shared, and I think we can draw great encouragement from this fact as we come to grips with our own broad responsibilities in the world at this time of crisis.

THE TIME FOR ACTION IS NOW

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, on September 22 the fight for civil rights was carried an important step forward. On that day the Interstate Commerce Commission approved, with slight modifications, a set of regulations proposed by Attorney General Robert Kennedy to eliminate discrimination in interstate bus travel.

The regulations prohibit interstate bus carriers from discriminating against individuals on the basis of race, color, creed, or national origin and from utilizing terminal facilities which are segregated. The carriers are required to post signs in buses stating, "Seating aboard this vehicle is without regard to race, color, creed, or national origin, by order of the Interstate Commerce Commission." The same notice is to be printed on tickets. And terminal facilities must have a notice stating that the regulations in effect on board buses are applicable to them. The carrier is required to report to the Commission any interference by any person or body politic with the observance of these regulations.

The promulgation of these regulations is in a large measure a result of the freedom rider movement. The freedom riders through courage, determination, and peaceful methods not only proved the existence of discrimination in interstate bus travel, but shocked the Nation into recognizing the need for action to correct the injustice. This decision is an important step forward in vindicating the valor of the freedom riders. The regulations must be vigorously enforced, and only time will tell how effective they are.

The action of the Interstate Commerce Commission is a battle won in the war against discrimination. But the war must continue. Laws must be enacted to further insure that Negroes and other minority groups have full rights of citizenship—laws which fully protect voting rights, eliminate discrimination in employment, housing and other areas of economic and social activity; laws which insure that Negro children have equal opportunity for education; laws which guarantee the freedom of all citizens. The time for action is now.

On July 20, 1961, in the brief which I submitted to the Interstate Commerce Commission in support of the regulations proposed by the Attorney General, I stated:

> The United States is in a position of world leadership at a time when our system is facing a serious challenge. Two-thirds of the world's people are colored, and we will be judged by our ability to afford equal protection and equal rights to all U.S. citizens. When we fail to accomplish this, we fail to provide moral leadership.
>
> But perhaps an even more compelling reason for Federal action is that U.S. citizens are being discriminated against in violation of our fundamental principles. The time has come for the Federal Government to use every means available to protect our citizens and to uphold the principles upon which our country was founded.

SUPPLEMENTAL APPROPRIATION BILL

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I was amazed to hear the gentleman from Michigan [Mr. FORD] take the floor a moment ago, even before the conference report on the foreign giveaway bill had landed on the House floor, and suggested that a supplemental appropriation might be necessary even though this bill provides approximately $4 billion for foreign handouts. It would be virtually impossible to become more careless with the taxpayers' money than that.

FEDERAL AID TO EDUCATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, while many favor Federal aid to education, there is more or less disagreement, not only as to the selection of those who are to receive the benefits, as to what should be sponsored and taught, but there seems to be a suggestion from some that only those who show superior signs of ability—and in some scientific fields—should receive Federal assistance.

Perhaps my conclusions are wrong, but there seems to be a tendency for the Federal Government to ignore the average child or youth, but, because of recent advancement and discoveries, we should give immediate substantial aid to, as stated, further educate the gifted and those who possess so-called superior minds in specified fields, especially those dealing with our National defense.

It may be helpful to refer to the views of Benjamin F. Miessner, president and owner of Miessner Inventions, Inc., presently retired but still inventing electronic devices and who, as of June of this year, held over 200 patents. He is a Member and Fellow of the Institute of Radio Engineers since 1937 and a life member of the Veteran Wireless Operators Association, Inc.

The article to which reference was made appears in the July, 1958 issue of Proceedings of the IRE, an official publication of the Institute of Radio Engineers, which is a professional society of electronics engineers, many of whom are outstanding in our defense efforts.

Mr. Miessner wrote as follows, and I read:

> ON THE MASS EDUCATION OF SCIENTISTS[1]
>
> Our President and Congress are now, as an aftermath of the Soviet satellite excitement, embarking on a crash program of mass education. But, it is nothing short of fallacious and dangerous nonsense to assume that the expenditure of billions for a mere, if great, increase in our annual crop of B.S., M.A., and Ph. D. graduates will keep us astride or ahead of our ideological and mortal enemies abroad; the kind of brains we need cannot be brought with all the world's billions.
>
> You can dump, into every willing mind in the country, all the separate bits of physical knowledge which man has accumulated through the ages, but there is scant assurance that they will retain them; nor can you assume that those minds will have and will add that mysterious catalyst which we call creativeness.
>
> This requires something more than putting known A and B and C together in ways already done by others to produce old or new and useful combinations of knowledge. More often than not, it requires a still higher degree of creativeness: the addition of a new, hitherto-unknown ingredient, x, which he himself must invent. Even before this there must be in that mind a nonconformity which is ever dissatisfied with the status quo, dreaming and scheming of better ways and means to solve man's problems.
>
> Only a few have the rare ability. These are the inventive-minded pioneers who chart the courses of the future highways of progress. These are the uncommon men. Educating, to the nth degree, as many as you like of the others, can never give them that magic touchstone of creative passion.
>
> Archimedes had it; Fulton and Eli Whitney and Singer had it; Morse, Bell, Tesla, Goodyear, Edison, Ford, the Wrights, DeForest, and a few other also had it. But they were hardly a handful among millions, equally or better trained in science.
>
> Our quest then, as Harvard's Dr. Pusey and Du Pont's Greenewalt have emphasized, must be for these uncommon, creatively-endowed men, these very special "geese who lay golden eggs" of technological progress, without whom we would still be living like the Neanderthal man.

[1] Received by the IRE, Feb. 10, 1958.

Our great industrial laboratories would have us (and their stockholders) believe that their project teams of so-called experts can and do solve all of our scientific and engineering problems, but this is only wishful thinking. For one thing, "too many cooks spoil the broth." For another, history belies this commercial propaganda.

Examine the records of all of the great milestones along the road of our progress, and you will find that practically all were planted there by sheer outsiders. In science, literature, painting, sculpture, music, architecture, it is always the same; the uncommon, oftimes frenzied, single mind, with nary a thought of money, has created the greatest of man's accomplishments. No group of experts in any field ever created anything great, or ever will.

From all reports, the U.S.S.R. has had sense enough to search out, and to provide every conceivable stimulus and reward, for its creatively endowed citizenry. But we, in sharp contrast, have been sitting complacently on our bottoms, secure in the delusion of our scientific omniscience. We have allowed to drift, into a miserably inadequate, even hostile, climate, what once was a fertile and flourishing one for invention. Our patent output has fallen to almost one half in 30 years. Who hasn't heard that a patent is only an invitation to a tremendously expensive law suit?

Educating our talented young men in science is fine, for the facts of science and the ability to use them are some of the building blocks of tomorrow's jig saw puzzle, but all the trained seals of that type can, without creativity, do no more than the old tricks.

What is far more important is a vast improvement in the inventive climate. That means working facilities, recognition, and rewards. With such proper encouragements we need never fear for our security today or our leadership tomorrow.

My own thought is that, while at present it may be necessary to give special aid to those who may give especial help toward our national defense, if aid of any kind from any source is to be given toward helping educate our people, we should be sure that the program, whether to be carried out by parents or others, begins early in the lives of those who are to be taught, not confined to supposedly superior intellectuals.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that at the conclusion of the regularly scheduled business of the House and all other special orders for today that I may be permitted to proceed for 5 minutes on the topic: "Is the Congress Mentally Ill?"

Mr. BOW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOW. Is that a proper subject for debate on the floor of the House?

Mr. HOFFMAN of Michigan. Mr. Speaker, I submit neither the Chair nor the gentleman from Ohio [Mr. Bow], can tell until they hear it.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. HOFFMAN] asked unanimous consent that after all other special orders he be permitted to address the House for 5 minutes. That is the gentleman's unanimous consent request?

Mr. HOFFMAN of Michigan. Yes, Mr. Speaker.

The SPEAKER pro tempore. What the gentleman from Michigan [Mr. HOFFMAN] talks about is a matter for him to determine, and then a matter for the Members.

Is there objection to the request of the gentleman from Michigan?

There was no objection.

SUCCESSOR TO DAG HAMMARSKJOLD

Mr. BRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRAY. Mr. Speaker, the tragic death of Dag Hammarskjold has left the United Nations without a Chief Executive at one of the most critical periods in the history of that Organization. Only a miracle can save the United Nations.

The problem of finding a suitable successor to Mr. Hammarskjold will test the United Nations anew. The Khrushchev suggestion for a three-member executive is obviously unworkable, and will surely be rejected. However, what is needed at the moment is a temporary head to keep the Organization from foundering completely in the next few weeks. It will take a man of the greatest stature in the world to save the U.N.

I believe that Dwight D. Eisenhower is the man who can fill this need and whose appointment would be heralded with joy and relief throughout the world. He has demonstrated time and again that he is loved and esteemed more than any other person in the world. He is also respected for his principles, integrity, and complete dedication to peace and freedom.

It was Eisenhower who played such a vital role in freeing many nations and millions of people from the yoke of Nazi and Fascist tyranny. It was Eisenhower who helped to fashion the NATO forces for the collective security of the free nations. It was Eisenhower who presented to the United Nations the "atoms-for-peace plan" which earned such universal acclaim. And it was Eisenhower who, during his 8 years in the White House, persistently pursued every avenue which might lead to a lasting peace and freedom and dignity.

For the past several months he has enjoyed a well-deserved rest, but I have no doubt he would respond to any call to duty in the interest of that which has been nearest to his heart, the cause of peace. His calm and steady influence would be a great asset to the United Nations in the uncertain and perilous weeks to come.

Mr. Speaker, I hope that our Ambassador to the United Nations will suggest the name of Dwight D. Eisenhower for the temporary chairmanship and solicit the support of other nations which I believe would be overwhelming favorable.

ON THE IMPORTANCE OF HISTORY

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL], may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, on several occasions I have spoken in the House on the importance of learning and understanding our own history; on many other occasions outside of Congress I have suggested that our public schools give greater accent and importance to the study and learning of history, and together with you and the Members of the Congress, we have on occasions participated in programs that recalled some of the thrilling moments in our heritage and without exception these have been well received. The most significant and thrilling ones included the joint session of the Congress where Carl Sandburg spoke so eloquently on the life, contrasts and contributions of Lincoln. Almost its equal, I believe, was the reenactment of the 100th anniversary of Lincoln's first inaugural. Both of these, and others, I believe, have served to quicken our interest in history and at the same time strengthen our faith in representative government.

Since the act creating the Civil War Centennial Commission was passed, the Commission, in cooperation with the State commissions and others have brought forth some interesting commemorations that are worthwhile, significant and of great value to us as we seek to revive, review and relearn the great and thrilling lessons that have come from some of our tragic experiences. Time will not allow enumeration of them but I do want to call to your attention an outstanding address given by Prof. John Hope Franklin of Brooklyn College in New York City, entitled, "Learning To Live With the Past," which is a superb contribution to the commemoration program and to the literature that has been and will be brought forth as we commemorate that interesting, tragic and thrilling development in our history 100 years ago.

Therefore, under unanimous consent I include the remarks of this distinguished student and citizen in the RECORD.

LEARNING TO LIVE WITH THE PAST

(Address delivered by Prof. John Hope Franklin, vice chairman, at the first statewide assembly of the New York Civil War Centennial Commission, Albany, N.Y., April 17, 1961)

A most formidable task for a people who would learn to live with their own history is that of proving worthy of its greatness, overcoming its sordidness, and knowing the difference between the two. The capacity to make this distinction, in large measure, depends on the extent to which history and tradition have provided values and criteria by which to make the proper judgments. In the course of this country's history we early enjoyed an abundance of such experiences. We learned in the 17th and 18th centuries that independence was preferable to tyranny, and we moved steadily in that direc-

tion. We learned that tolerance was a sign of greater strength and wisdom than bigotry, and we engraved on our national conscience a promise that we would learn tolerance. History taught us that human freedom was more becoming to a civilized community than the barbarism of slavery; and in increasing numbers we became committed to that view.

In the brief history of our country we have had the great variety of experiences that have provided a context for the crystallization of our values. We have seen triumph and defeat, joy and sadness, pleasure and pain, greatness and meanness. In the crucible of conflict and controversy we have hammered out a conception of a way of life that, at once, excites our imagination and challenges our ingenuity. It is a way of life that places the highest premium on the freedom of the individual, the equality of all, and justice on the basis of an objective evaluation of the person and his cause. If the conception remains unrealized, it is no less real and no less worthy; and in the crucible of conflict and controversy we have also developed some capacity to judge what aspects of what experiences contribute toward the realization of the goals we seek.

One of the greatest tests we have ever faced regarding our capacity to live with our history and to profit from its lessons is now before us. As we approach the centennial of our greatest national tragedy we do so with humility and, indeed, with some trepidation. We can make of this occasion a banal and blasphemous travesty or we can make of it an inspiring moment of rededication. We can regard it as an unpleasantness to be forgotten or we can seize upon it as an opportunity to learn to live with our past. We can turn our face from it as a child would hide from a picture of horror or we can look it squarely in the face hoping to prove worthy of its moments of greatness and attempting to overcome its moments of baseness and infamy. It is indeed an exciting and challenging test from which we cannot escape any more than we can escape truth or history or the tides or the seasons.

We would not want to be guilty of refusing to live with our past merely because an incredible display of poor taste and even sacrilege has already attempted to caricature and blaspheme this great moment in our national history. The ludicrous, mocking speeches, the hideous and barbarous celebrations, and the wild, irresponsible attacks on those who saved this Union in its darkest hour impel us to remember and to proclaim to the entire world that the struggle to preserve this Union and the fight to achieve liberty for all persons was, after all, this Nation's finest hour. It would be a mark of enormous ingratitude as well as a mark of great insensitivity if we who believe the Civil War was a triumph for civilized man did not say so. It would be an indication that we were trying to escape history or were refusing to live with it if we did not see in this great struggle important lessons for the present and significant suggestions for the future.

The lessons of the war have the greatest significance for this country as it seeks to realize the more perfect Union of which the Founding Fathers dreamed. Their lessons have the profoundest importance for this country as it undertakes to build on the dream of freedom and equality for all its people that was expressed so eloquently on so many occasions by our wartime President, Abraham Lincoln. For surely the war taught us that the preservation of the Union was of supreme importance; and the intervening century has certainly validated this lesson. Surely the war taught us that human freedom is the highest goal of civilized society; and the intervening century has indicated that there is much yet to be learned in this regard. Indeed, the war taught us that magnanimity, tolerance, forbearance were the hallmarks of unity and brotherhood; and the intervening century suggests to us that in a dozen different ways these hallmarks are flouted.

It was the man who led this country through the dark hours of bloody, civil war who, at the end of the war, set the tone of peace and reconciliation that could well guide us in our remembrance of the war and its goals. Abraham Lincoln was not interested in crushing the adversary so that he could stride over the battle ruins in vulgar vanity. He realized that there could be no lasting victory unless the talents and resources that produced it were used with equal diligence in making and keeping the peace. His visit to the fallen Confederate capital in the closing days of the war was not a tour of triumph but a sobering experience filled with challenge. To a group of Negroes in Richmond, he said, "I am but God's humble instrument but you may rest assured that as long as I shall live no one shall put a shackle to your limbs, and you shall have all the rights which God has given to every other free citizen of this Republic." Even earlier he had said that efforts to deny the Negro his rights and his freedom were also "calculated to break down the very idea of free government, even for white men, and to undermine the very foundations of free society." The war merely confirmed his views. He knew that there could be no just and lasting peace where legally enforced inequality prevailed. He knew that there could be no equivocation about simple, decent humane treatment of human beings.

In his remarks to the Negroes at Richmond, Lincoln spoke to our generation as well as to his own. To his own generation he urged that the people should move with steadfastness and determination toward securing and protecting the rights of all the citizens of the Republic. It involved, as he said, more than binding up the Nation's wounds and caring for those who fought in the war and for their dependents. It also involved doing "all which may achieve and cherish a just and lasting peace among ourselves and with all nations." To our generation he calls for a continuation of the effort to create a just and lasting peace. While the intervening century has seen some steps in the direction of a just peace, there is still an enormous amount of unfinished business. He could not finish it. Succeeding generations would not finish it.

We in this generation can complete the task of creating a more perfect union and securing the rights of all persons if we seize this opportunity that is now ours. We can use the observance of the Civil War Centennial to rededicate ourselves to the task and, in the spirit of those who gave so much in the way of sacrifices and their very lives during the war, push ahead to the goal of perfecting our democracy. We cannot do this by growing beards and simulating the appearance of mid-19th century militant swains. We cannot do this by appropriating millions of dollars to put on sham battles and going through ludicrous ceremonies that make a mockery of that tragic period and of this solemn moment of remembrance. We cannot do this by attacking President Lincoln, whose name some of us are unworthy to utter, and by seeking to create more than a breath of scandal around the name of everyone who fought to save this Union. We cannot do this by invoking the archaic and anachronistic arguments of the secessionists in order to defy and nullify the Supreme Court decisions today.

We can best observe the centennial of the Civil War by redoubling our efforts to complete the task begun by those who fought and died to preserve the Union, eradicate the barbarism of slavery, and establish equal rights for all people. We shall observe it in this State by appropriate measures and activities that will indicate our understanding of the deep significance and the great implications of the war and its outcome. We shall do no violence to the memory of any man or woman on either side of the war. We shall subscribe to the view that our responsibility is as great for us today as it was for those who a century ago gave their all for a cause in which they believed. We shall through our own rededication accept the challenge of Lincoln to finish the task that he began. We shall make a part of our observances, indeed, a part of our lives the words he uttered in 1856, when he said:

"The human heart is with us; God is with us. We shall again be able not to declare that 'all States as States are equal,' nor yet that 'all citizens as citizens are equal,' but to renew the broader, better declaration, including both these and much more, that 'all men are created equal.'"

If we observe the centennial of the Civil War in this spirit, we shall not have escaped history, but we shall have learned to live with it. We shall, in a small measure have proved worthy of the great legacy that has been handed down to us by those who served their Nation and their consciences during the Civil War.

JOB'S DAUGHTERS

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, before this session of Congress adjourns, I want to pay tribute to an extraordinary group of girls who, in my opinion, are making a great contribution to the American way of life.

In August of this year, about 25 girls belonging to Bethel 26, Job's Daughters, Raytown, Mo., were in Washington, D.C., following their attendance at the Supreme Session of the International Order of Job's Daughters held at Richmond, Va., August 17, 1961. They were under the competent direction of Mrs. Lela Myers, guardian. This group sponsored a precision military drill team representing the State of Missouri in the National Drill Team Competition at Richmond, Va. These girls deserve the sincere congratulations of everyone in the Fourth Missouri District because through their hard work they placed second in the finals in national competition and missed the grand prize by only a fraction of 1 percentage point.

The highlights of their visit in Washington, D.C., began with a specially conducted tour of the White House, where pictures were taken on the White House grounds, and then a drill performance on the Washington Monument grounds. This was followed by a tour of the Capitol and attendance at a session of the House of Representatives and the Senate. In the evening they had the opportunity to witness a formal dress parade of the U.S. Marines and performances by special drill units at Marine Barracks.

We want to say that we were very much impressed with the training and

conduct of this group of fine young people, and their at ease behavior exhibited an excellent deportment equal to their precision as a drill team.

The object of the order is to band together girls for spiritual and moral upbuilding, to seek knowledge, to teach love of God, love of country, respect for its flag, love of home and family and reverence for the teachings of the Holy Scripture.

Girls ranging in age from 12 to 20, with proper Masonic relationship and upon thorough investigation are eligible for membership.

It is our understanding there are about 1,500 Bethels in 33 States; 11 in Australia, 65 in Canada, and 2 in the Philippines, with about 150,000 active members.

It is a great honor and privilege for me to recognize today and pay much deserved tribute both to Bethel 26, Job's Daughters, Raytown, Mo., and to all other members of Job's Daughters. The results of their good spiritual and moral training showed itself during their trip to Washington on August 18, proving beyond a doubt the value of such an investment in our youth.

RECESS

The SPEAKER pro tempore. The House will stand in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 4 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore at 5 o'clock p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers.

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1745. An act to amend the act of August 9, 1955, relating to the regulation of fares for the transportation of schoolchildren in the District of Columbia.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1292. An act to amend the act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9076) entitled "An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes."

FOREIGN ASSISTANCE APPROPRIATION ACT, 1962

Mr. PASSMAN submitted the following conference report and statement on the bill (H.R. 9033) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1270)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9033) "making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 11, 12, 23, 28 and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 16 and 26 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,112,500,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: Restore the matter stricken out and inserted by said amendment, and amended to read as follows: "including $2,800,000 for ocean freight, $2,000,000 for Atoms for Peace, and $22,600,000 for the malaria eradication program, $296,500,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Surveys of investment opportunities: For expenses authorized by section 232, $1,500,000."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: Restore the matter stricken out and inserted by said amendment, amended to read as follows: "$425,000,000, including $15,000,000 for supporting assistance for Spain as authorized by section 402."; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$275,000,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,500,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,500,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$3,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: Restore the matter stricken, amended to read as follows: "(not to exceed $69,533,000)"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: Restore the matter stricken and inserted, amended to read as follows:

"SEC. 102. None of the funds herein appropriated (other than funds appropriated under the authorization for 'International organizations and programs') shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation and other water and related land resource programs and projects proposed for construction within the United States of America as per circular A–47 of the Bureau of the Budget, dated December 31, 1952."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,089,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: Restore the matter stricken, amended to read as follows:

"LIMITATION ON OPERATING EXPENSES

"Not to exceed $1,300,000,000 (of which not to exceed $800,000,000 shall be for development loans) shall be obligated during the current fiscal year for other than administrative expenses."

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"TITLE V—PEACE CORPS

"Funds appropriated to the President

"For expenses necessary to enable the President to carry out the provisions of the Peace Corps Act, including purchase of not

to exceed sixteen passenger motor vehicles for use outside the United States, $30,000,000."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 13, 18, 19, 20 and 27.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
CLARENCE CANNON,
JOHN TABER,
JOHN J. RHODES,
Managers on the Part of the House.

CARL HAYDEN,
ALLEN J. ELLENDER,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
JOHN O. PASTORE,
LEVERETT SALTONSTALL,
KARL E. MUNDT,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9033) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—FOREIGN ASSISTANCE

Funds appropriated to the President

Economic Assistance

Amendment No. 1—Development loans: Appropriates $1,112,500,000 instead of $1,025,000,000 as proposed by the House and $1,200,000,000 as proposed by the Senate.

Amendment No. 2—Development grants: Appropriates $296,500,000 instead of $259,000,000 as proposed by the House and $334,000,000 as proposed by the Senate; earmarks $2,800,000 for ocean freight, $2,000,000 for Atoms for Peace, and $22,600,000 for the malaria eradication program; and deletes Senate language making the funds available until expended.

Amendment No. 3—Development grants: Reported in disagreement.

Amendment No. 4—Surveys of investment opportunities: Appropriates $1,500,000 instead of $3,000,000 as proposed by the Senate, and deletes Senate language making the funds available until expended.

Amendment No. 5—Supporting assistance: Appropriates $425,000,000 as proposed by the Senate instead of $400,000,000 as proposed by the House; earmarks $15,000,000 for Spain instead of $25,000,000 additional appropriation as proposed by the Senate; and deletes Senate language making the funds available until expended.

Amendment No. 6—Contingency fund: Appropriates $275,000,000 instead of $175,000,000 as proposed by the House and $300,000,000 as proposed by the Senate. P.L. 87-195, the authorization act, authorized $300,000,000 for this purpose. In arriving at the amount of $275,000,000, the managers on the part of the House were able to secure agreement with their conference proposal of $237,500,000 to which they, in the final settlement, agreed to add $37,500,000 by deleting a like amount from the unobligated carryover of funds (in Amendment No. 15) otherwise agreed to. In addition, the House managers agree that of the $69,533,000 of carried-over unobligated funds, $8,900,000 shall also be available for the Contingency Fund.

Amendment No. 7—Administrative expenses: Deletes Senate language relating to purchase of automobiles. It is understood that the twenty-five vehicles allowed by both House and Senate versions are for new additional equipment.

Amendment No. 8—Administrative expenses: Appropriates $47,500,000 instead of $45,000,000 as proposed by the House and $50,000,000 as proposed by the Senate.

Military Assistance

Amendment No. 9: Authorizes the use of not to exceed $24,500,000 for administrative expenses instead of $24,000,000 as proposed by the House and $25,000,000 as proposed by the Senate.

Amendment No. 10: Deletes Senate language relating to the construction of facilities for the training of foreign military personnel.

Amendment No. 11: Appropriates $1,600,000,000 as proposed by the House instead of $1,700,000,000 as proposed by the Senate.

Amendment No. 12: Deletes Senate language making the funds available until expended.

Amendment No. 13: Reported in disagreement.

Department of State

Amendment No. 14: Appropriates $3,000,000 instead of $6,000,000 as proposed by the Senate.

Amendments Nos. 15 and 16: Make available not to exceed $69,533,000 of unobligated funds.

General Provisions

Amendment No. 17: Restores House language relating to criteria for water or related land resource projects, amended to exclude its application on programs carried out by international organizations and programs.

Amendments 18, 19, and 20: Reported in disagreement.

TITLE II—DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

Ryukyu Islands, Army

Administration

Amendment No. 21: Authorizes $3,500 for contingencies of the High Commissioner instead of $3,000 as proposed by the House and $4,000 as proposed by the Senate.

Amendment No. 22: Appropriates $7,089,000 instead of $6,089,000 as proposed by the House and $7,835,000 as proposed by the Senate. The increase is to be used for salary increases for native Ryukyuan teachers.

Amendment No. 23: Authorizes $1,722,000 for administrative and information expenses as proposed by the House instead of $1,835,000 as proposed by the Senate.

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

Amendment No. 24: Limitation on operating expenses: Restores House language amended to provide a limitation of $1,300,000,000 on the total program of which not to exceed $800,000,000 shall be for development loans. The Senate has proposed to delete the entire limitation and the House proposal had allowed $1,170,000,000 for the total program of which not to exceed $600,000,000 was for development loans.

TITLE V—PEACE CORPS

Amendment No. 25: Appropriates $30,000,000 instead of $40,000,000 as proposed by the Senate.

TITLE VI—GENERAL PROVISIONS

Amendment No. 26: Inserts reference symbol as proposed by the Senate.

Amendment No. 27: Reported in disagreement.

Amendment No. 28: Deletes Senate proposal relating to validation of obligations incurred subsequent to July 1, 1961.

Amendment No. 29: Changes section number as proposed by the House.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
CLARENCE CANNON,
JOHN TABER,
JOHN J. RHODES,
Manager on the Part of the House.

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 9033) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

Mr. GROSS. Mr. Speaker, is there to be no explanation of what was done in this conference report?

Mr. PASSMAN. Mr. Speaker, I shall give a complete explanation immediately following the adoption of the conference report.

Mr. TABER. Mr. Speaker——

Mr. PASSMAN. Would the gentleman prefer to have that now?

Mr. TABER. I think that would be well.

Mr. PASSMAN. Mr. Speaker, I withdraw my motion, and yield myself such time as I may consume.

Mr. Speaker, the conference report before the House for consideration is, in my opinion, the very best that could be brought back on the part of the managers for the House.

Section I of the bill, as it passed the House, called for $3,657,500,000. The Senate increased the bill to $4,196,600,000.

The conference report before you for title I, in effect calls for $3,877,100,000, which is an increase of $219,600,000 over the original House figure, but $319,500,000 below the amount of the Senate bill.

The House also agreed to make available $107,033,000, of unobligated balances from prior-year appropriations, which was an increase of $57,033,000 over the amount allowed by the House bill. In reaching a final agreement, the managers on the part of the Senate agreed to the House conference position, provided we would transfer from the unobligated balances $37,500,000 to the contingency fund, which would increase that fund to $275 million, but would reduce the unobligated balances provided in the bill to $69,533,000.

For reasons which I doubt that any member, including the chairman of the committee, will ever know, we accepted this proposal. However, it does not involve any increase in the actual outlay of cash for fiscal 1962. In effect, the bill is written to show that we provided more new funds than we actually did make available. So as to keep it in context and understandable the report before you will show for section I new funds in the amount of $3,914,600,000.

For the Peace Corps, the Senate put in $40 million, and the conference agreement calls for $30 million.

There is no disagreement between the two bodies on the amount for the Inter-American Development Bank and the International Development Association.

For the Ryukyu Islands, the Senate increased the amount over the House to $7,835,000, which was an increase of $1,746,000. In conference we agreed to $7,089,000.

Mr. Speaker, even with the reductions, the bill before you is the fattest foreign aid bill we have had in the 7 years it has been my privilege to serve as chairman of the Subcommittee on Foreign Operations Appropriations. Without a doubt, we have provided more money, yes, much more money, than is actually needed. But, I question whether there has ever been a bill with any more interference and unfounded claims than we have had in dealing with the present one.

If any Members might think it is an easy job to handle the appropriation for this worldwide, in effect, relief program, I can assure that service on the committee would mean that in the future they would offer less criticism of those of us who are trying to put some degree of sense into this complex and complicated program.

I would be remiss in my duties as chairman of the Foreign Operations Appropriations Subcommittee if I should not say that in my opinion the program will fall of its own weight in due time, because of the frightening adverse effect it is having on our worldwide dollar deficit and our diminishing gold reserves, plus the fact that our generosity has been such that we are no longer competitive on the world market overall.

I should like to repeat that this has been a most difficult bill to handle. There have been a lot of magic figures suggested, and many people in high places have been downright unreasonable about demanding that facts be ignored as to the needs and that some unrealistic figure be substituted, so as to appease those in high places. I thank God that the integrity of this comtee, in the end, prevailed.

I must pay tribute to those stanch Americans, VAUGHAN GARY, CLARENCE CANNON, JOHN TABER, JOHN RHODES, HUGH ALEXANDER, GEORGE ANDREWS, and BILL NATCHER, who stood the acid test under unprecedented pressure. In the other body I must pay tribute to that outstanding and distinguished Senator from Louisiana, ALLEN ELLENDER, who willingly conferred with me at midnight's lonely hour in order to help bring about the final compromise that sent this conference report back to this floor.

I submit at this point a tabulation of the bill now before you:

Summary of mutual assistance appropriation bill, 1962

	Budget estimates to date	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimates	House	Senate
Title I—Foreign Assistance	$4,775,500,000	$3,657,500,000	$4,196,600,000	[1] $3,914,600,000	−$860,900,000	+$257,100,000	−$282,000,000
Title II—Ryukyu Islands	6,835,000	6,089,000	7,835,000	7,089,000	+254,000	+1,000,000	−746,000
Title IV—Treasury Department	171,656,000	171,656,000	171,656,000	171,656,000			
Title V—Peace Corps	40,000,000		40,000,000	30,000,000	−10,000,000	+30,000,000	−10,000,000
Grand total	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000	+288,100,000	−292,746,000

[1] In addition, $69,533,000 of prior year unobligated balances continued available.

Mr. Speaker, in concluding these remarks, I want to insert in the RECORD detailed data relating to foreign aid by the United States for the period from July 1, 1945, through June 30, 1961. This enlightening material has been especially prepared at my request by the Legislative Reference Service of the Library of Congress, and I submit it herewith:

FOREIGN AID BY THE UNITED STATES FOR PERIOD JULY 1, 1945, THROUGH JUNE 30, 1961

(Prepared for the use of Congressman OTTO E. PASSMAN)

A preliminary estimate of all U.S. foreign aid to all areas of the world for period July 1, 1945–June 30, 1961, is as follows:

[In millions of dollars]

Europe (48.74 percent)	44,124.4
Far East (22.66 percent)	20,516.7
Near East (10.69 percent)	9,680.8
South Asia (6.35 percent)	5,749.2
Latin America (5.92 percent)	5,362.9
Africa (1.52 percent)	1,376.7
Nonregional (refugees, children, etc.) (4.10 percent)	3,715.5
Total	90,526.6

Other aid not counted in total:

International banking organizations	4,875.2
Soviet alined nations, not currently receiving aid	674.0
Albania	20.0
Czechoslovakia	191.0
Hungary	27.0
East Germany	17.0
U.S.S.R.	419.0

The breakdown for each region is:

[In millions of dollars]

Aid to 17 European entities:

France	9,431.4
United Kingdom	8,685.6
Italy (plus Trieste)	5,641.9
Germany (Federal Republic)	4,997.1
Netherlands	2,450.3
Yugoslavia	2,280.3
Belgium-Luxembourg	1,949.5
Spain	1,631.0
Austria	1,170.9
Norway	1,082.0
Denmark	856.9
Poland	514.5
Portugal	402.2
Ireland	146.2
Berlin	131.0
Sweden	108.9
Iceland	70.2
Regional	2,574.3
Total (48.74 percent)	44,124.4

Aid to 12 Far Eastern entities:

Korea	5,029.6
Formosa (Taiwan)	4,161.1
Japan	3,574.0
Vietnam	2,118.5
Philippines	1,675.7
Indochina (undistributed)	1,535.0
Thailand	632.6
Indonesia	583.5
Laos	374.4
Cambodia	298.1
Burma	94.5
Malaya	22.2
Regional	417.2
Total (6.35 percent)	5,749.2

Aid to 11 Near Eastern entities:

Turkey	3,491.6
Greece	3,213.4
Iran	1,195.2
Israel	793.3
United Arab Republic	438.8
Jordan	303.0
Lebanon	89.9
Iraq	67.0
Saudi Arabia	46.6
CENTRO	25.0
Yemen	17.0
Total (10.69 percent)	9,680.8

Aid to 5 south Asian entities:

India	3,071.9
Pakistan	1,430.9
Afghanistan	182.9
Ceylon	74.9
Nepal	43.5
Regional	945.1
Total (6.35 percent)	5,749.2

Aid to 24 Latin American entities:

Brazil	1,698.5
Mexico	630.3
Argentina	537.9
Chile	512.7
Peru	388.7
Colombia	319.3
Bolivia	221.8
Guatemala	149.6
Venezuela	104.0
Ecuador	96.4
Haiti	92.6
Uruguay	80.2
Costa Rica	80.1
Panama	75.7
Nicaragua	53.1
Cuba	52.0
Paraguay	42.6
Honduras	40.5
West Indies Federation	17.0
El Salvador	16.7
Dominican Republic	8.9
Surinam	2.9
British Guiana	1.9
British Honduras	1.6
Regional	138.1
Total (5.92 percent)	5,362.9

Aid to 29 African entities:

Morocco	307.7
Tunisia	255.2
Ethiopia and Eritrea	181.3
Libya	180.0
Liberia	116.3
Congo (Leopoldville)	78.3
Sudan	53.5
Rhodesia and Nyasaland	33.3

Aid to 29 African entities:	
Nigeria	16.4
British East Africa	14.2
Kenya	7.4
Tanganyika	4.5
Uganda	1.1
Regional	1.2
Somali Republic	13.3
Mozambique	12.5
Entente States	8.8
Dahomey	1.4
Ivory Coast	.4
Niger	.7
Upper Volta	1.3
Undistributed	5.1
Ghana	6.6
Guinea	3.8
Senegal	3.6
Mali, Republic	2.5
Cameroun	2.1
Togo	1.9
Mauritania	1.5
Sierra Leone	1.0
Malagasy Republic	.5
Equatorial states	.2
Other Africa	7.1
French	6.1
Portuguese	.3
Sterling	.7
Regional	75.4
Total (1.52 percent)	1,376.7
Aid to nonregional entities: Nonregional (4.10 percent)	3,715.5

There are 121 so-called independent national entities in the world. The United States has given aid to the majority of the 120 other nations—104. Of this number 90 are still receiving aid. In addition to this group assistance is also being rendered to about 40 dependent colonies and territories and international organizations.

During the period July 1, 1945, through June 30, 1961, certain countries received the predominant share of the $90.5 billion in aid extended by the United States. The totals are given in descending order in the succeeding tables.

Twenty-two countries each received more than $1 billion in aid or $71.5 billion of the $90.5 billion expended; i.e., 79 percent of the total.

Countries that received more than $1,000,000,000

[In millions of dollars]

France	9,431.4
United Kingdom	8,685.6
Italy	5,641.9
Korea	5,029.6
Germany (Federal Republic)	4,997.1
Formosa (Taiwan)	4,161.1
Japan	3,574.0
Turkey	3,491.6
Greece	3,213.4
India	3,071.3
Netherlands	2,450.3
Yugoslavia	2,280.3
Vietnam	2,118.5
Belgium-Luxembourg	1,949.5
Brazil	1,698.5
Philippines	1,675.7
Spain	1,631.0
Indochina	1,535.0
Pakistan	1,430.9
Iran	1,195.2
Austria	1,170.9
Norway	1,082.0
Total (79 percent)	71,515.4

Twenty-seven countries each received between $100 million and $1 billion in aid or $9.7 billion of the $90.5 billion expended; i.e., 10.68 percent of the total.

Countries that received between $100,000,000 and $1,000,000,000

[In millions of dollars]

Denmark	856.9
Israel	793.3
Thailand	632.6
Mexico	630.3
Indonesia	583.5
Argentina	537.9
Poland	514.5
Chile	512.7
United Arab Republic	438.8
Portugal	402.2
Peru	388.7
Laos	374.4
Colombia	319.3
Morocco	307.7
Jordan	303.0
Cambodia	298.1
Tunisia	255.2
Bolovia	221.8
Afghanistan	182.9
Ethiopia	181.3
Libya	180.0
Guatemala	149.6
Ireland	146.2
Berlin	131.0
Liberia	116.3
Sweden	108.9
Venezuela	104.0
Total (10.68 percent)	9,671.1

Forty-three countries each received between $1 million and $100 million in aid or $1.4 billion of the $90.5 billion expended; i.e., 1.58 percent of the total.

Countries that received between $1,000,000 and $100,000,000

[In millions of dollars]

Ecuador	96.4
Burma	94.5
Haiti	92.6
Lebanon	89.9
Uruguay	80.2
Costa Rica	80.1
Congo (Leopoldville)	78.3
Panama	75.7
Ceylon	74.9
Iceland	70.2
Iraq	67.0
Sudan	53.5
Nicaragua	53.1
Cuba	52.0
Saudi Arabia	46.6
Nepal	43.5
Paraguay	42.6
Honduras	40.5
Rhodesia and Nyasaland	33.3
Malaya	22.2
Yemen	17.0
West Indies Federation	17.0
El Salvador	16.7
Nigeria	16.4
Somali Republic	13.3
Mozambique	12.5
Dominican Republic	8.9
Kenya	7.4
Ghana	6.6
Tanganyika	4.5
Guinea	3.8
Senegal	3.6
Surinam	2.9
Mali Republic	2.5
Cameroun	2.1
British Guiana	1.9
Togo	1.9
British Honduras	1.6
Mauritania	1.5
Dahomey	1.4
Upper Volta	1.3
Uganda	1.1
Sierra Leone	1.0
Total (1.58 percent)	1,434.0

Various nonregional international organizations received $3.7156 billion of the $90.5 billion expended; i.e., 4.10 percent of the total.

The rest of the aid of $4.19 billion, i.e., 4.6 percent of total aid was spent among various regional groupings such as:

[In millions]

Europe	$2,574.3
Far East	417.2
South Asia	945.1
Latin America	138.1
Africa	75.4

and a few smaller nations and dependent areas which received less than $1 million apiece during the last 16 years.

HERMANN FICKER,
Economist in International Finance and Trade, Economics Division, Legislative Reference Service, the Library of Congress.

AID—GRANTS OR LOANS—EXTENDED BY THE UNITED STATES TO 104 OF THE 120 OTHER NATIONS OF THE WORLD (SO-CALLED INDEPENDENT ENTITIES)

(Prepared for the use of Congressman OTTO E. PASSMAN)

Aid for period July 1, 1945–June 30, 1961

A. WESTERN ALINED (53)

[In millions of dollars]

Members of U.N. (42):		
Argentine	x---	537.9
Australia	xx--	-------
Belgium	x---	1,949.5
Bolivia	x---	221.8
Brazil	x---	1,698.5
Canada	xx--	-------
Chile	x---	512.7
China (Taiwan)	x---	4,161.1
Colombia	x---	319.3
Costa Rica	x---	80.1
Denmark	x---	856.9
Dominican Republic	x---	8.9
Ecuador	x---	96.4
El Salvador	x---	16.7
France	x---	9,431.4
Greece	x---	3,213.4
Guatelmala	x---	149.6
Haiti	x---	92.6
Honduras	x---	40.5
Iceland	x---	70.2
Iran	x---	1,195.2
Italy	x---	5,641.9
Japan	x---	3,574.0
Luxembourg	xx--	-------
Mexico	x---	630.3
Netherlands	x---	2,450.3
New Zealand	x---	11.0
Nicaragua	x---	53.1
Norway	xx--	1 082.0
Pakistan	x---	1,430.9
Panama	x---	75.7
Paraguay	x---	42.3
Peru	x---	388.7
Philippines	x---	1,675.7
Portugal	x---	402.2
Spain	x---	1,631.0
Thailand	x---	632.6
Turkey	x---	3,491.6
Republic of South Africa	x---	-------
United Kingdom	x---	8,685.6
Uruguay	x---	80.2
Venezuela	x---	104.0
Nonmembers of U.N. (11):		
Andorra	----	-------
Bahrein	----	-------
Federal Republic of Germany	x---	4,997.1
Republic of Korea	----	5,029.6
Kuwait	----	-------
Maldive Islands	----	-------
Monaco	----	-------
Muscat and Oman	----	-------
Qatar	----	-------
San Marino	x---	-------
Trucial Oman	----	-------

B. SOVIET ALINED NATIONS (15)

Members of U.N. (10):		
Albania	xx--	20.0
Bulgaria	----	-------

Aid for period July 1, 1945–June 30, 1961—Continued

B. SOVIET ALINED NATIONS (15)—continued

[In millions of dollars]

Members of U.N. (10):		
Byelorussia	xx	-------
Cuba	x	52.0
Czechoslovakia	xx	191.0
Hungary	xx	27.0
Poland	x	514.5
Rumania	----	-------
U.S.S.R.	xx	419.0
Ukraine	xx	-------
Nonmembers of U.N. (5):		
Red China	----	-------
East Germany	xx	17.0
North Korea	----	-------
Mongolia	----	-------
Peoples' Republic of Vietnam	----	-------

C. NEUTRALIST OR NONALINED NATIONS (52)

Members of U.N. (46):		
Afghanistan	x	182.9
Austria	x	1,170.9
Burma	x	94.5
Cambodia	x	298.1
Cameroun	x	2.1
Central African Republic	x	(1)
Ceylon	x	74.9
Chad	x	2.0
Congo (Leopoldville)	x	78.3
Congo (Brazzaville)	x	(1)
Cyprus	x	(1)
Dahomey	x	1.4
Ethiopia and Eritrea	x	181.3
Finland	x	87.0
Gabon	x	(1)
Ghana	x	6.6
Guinea	x	3.8
India	x	3,071.9
Indonesia	x	583.5
Iraq	x	67.0
Ireland	xx	146.2
Israel	x	793.3
Ivory Coast	x	.4
Jordan	x	303.0
Laos	x	374.4
Lebanon	x	89.9
Liberia	x	116.3
Libya	x	180.0
Malagasy	x	.5
Malaya	x	22.2
Mali	x	2.5
Morocco	x	307.7
Nepal	x	43.5
Niger	x	.7
Nigeria	x	16.4
Saudi Arabia	x	46.6
Senegal	x	3.6

[1] Unspecified.

Aid for period July 1, 1945–June 30, 1961—Continued

C. NEUTRALIST OR NONALINED NATIONS (52)—continued

[In millions of dollars]

Members of U.N. (46):		
Somalia	x	13.3
Sudan	x	53.5
Sweden	xx	108.9
Togo	x	1.9
Tunisia	x	255.2
United Arab Republic	x	438.8
Upper Volta	x	1.3
Yemen	x	17.0
Yugoslavia	x	2,280.3
Nonmembers of U.N. (6):		
Bhutan	----	-------
Liechtenstein	----	-------
Mauritania	x	1.5
Switzerland	xx	1.8
Republic of Vietnam	x	2,118.5
Sierra Leone	x	1.0

A. WESTERN ALINED (53)

1. U.N. members (42):	
States currently receiving U.S. aid	38
States do not receive any aid now	4
2. Non-U.N. members (11):	
States currently receiving aid	3
States have never received aid	8

B. SOVIET ALINED (15)

1. U.N. members (10):	
States currently receiving aid	2
States have never received aid	2
States do not receive any aid now (Ukraine and Byelorussia were included in lend-lease to Russia during World War II.)	6
2. Non-U.N. members (5):	
States have never received aid	4
State does not receive any aid now	1

C. NEUTRALIST NATIONS (52)

1. U.N. members (46):	
States do not receive any aid now	2
States currently receiving aid	44
2. Non-U.N. members (6):	
States have never received aid	2
States currently receiving aid	3
State does not receive any aid now	1

Recapitulation

1. Independent entities or nations (+United States)	120
U.N. members (+United States)	98
Non-U.N. members	22
2. Nations currently receiving aid	90
U.N. members receiving aid	84
Non-U.N. members receiving aid	6

Aid for period July 1, 1945–June 30, 1961—Continued

Recapitulation—Continued

3. Nations currently receiving aid	90
Western alined	41
Soviet alined	2
Neutralist	47
4. Nations who have received aid, but not now	14
Western alined	4
Soviet alined	7
Neutralist	3
5. Nations who have never received aid	16
Western alined	8
Soviet alined	6
Neutralist	2
6. Other nations	120
Nations who have received aid	104
Nations who have never received aid	16

NOTES

1. Division of world into three groups is based on best current knowledge of known alinements. There is no official list which delineates the nations according to their alinements. The designations are the generally accepted ones. The Soviet-alined nations are according to the Battle Act designations of Iron Curtain countries. In the latest foreign-aid discussions in Congress no attempt was made to make a specific list of countries that belong to the Soviet bloc.

2. Some countries, like Yugoslavia, are placed in neutralist camp because of no known military alliance.

3. Smaller self-governing entities are included in the 121 nations of the world because of their possible U.N. membership.

4. Ukraine and Byelorussia are voting members of the United Nations, but received aid under lend-lease given Russia as a whole.

5. Many other non-self-governing entities, colonies, or dependencies are also receiving aid from the United States. Some are slated for possible independence and U.N. membership in the future. Entities receiving aid are Kenya, Tanganyika, Uganda, Cambodia, Algeria, Nyasaland, Northern and Southern Rhodesia, and many colonies such as Angola, Mozambique, Surinam, Hong Kong, and similar entities or international organizations, numbering around 40.

6. x denotes nations currently receiving aid. xx denotes nations not now receiving aid. Others have never received aid.

HERMANN FICKER,
Economist in International Finance and Trade, Economics Division, Legislative Reference Service, the Library of Congress.

Comparisons of per capita income and per capita gross national product of various nations, which have received aid from the United States for the period of July 1, 1945, through June 30, 1961, for the years 1949 and 1959

[Prepared for the use of Congressman OTTO E. PASSMAN]

Countries	Aid received	Per capita income 1949	Per capita GNP 1959	Countries	Aid received	Per capita income 1949	Per capita GNP 1959
	Millions				*Millions*		
France	$9,431.4	$482	$1,146	Israel	$793.3	$389	$1,070
United Kingdom	8,685.6	773	1,272	Thailand	632.6	36	97
Italy	5,641.9	235	578	Mexico	630.3	121	293
Korea	5,029.6	35	61	Indonesia	583.5	25	51
Germany (Federal Republic)	4,997.1	320	1,140	Argentina	537.9	346	372
Formosa (Taiwan)	4,161.1	27	108	Poland	514.5	300	563
Japan	3,574.0	100	350	Chile	512.7	188	521
Turkey	3,491.6	125	167	United Arab Republic	438.8	100	139
Greece	3,213.4	128	350	Portugal	402.2	250	239
India	3,071.9	57	74	Peru	388.7	100	150
Netherlands	2,450.3	502	898	Laos	374.4	(1)	65
Yugoslavia	2,280.3	146	189	Colombia	319.3	132	243
Vietnam	2,118.5	(1)	149	Morocco	307.7	Under 50	143
Belgium-Luxembourg	1,949.5	582	1,263	Jordan	303.0	Under 50	118
Brazil	1,698.5	112	210	Cambodia	298.1	(1)	98
Philippines	1,675.7	44	166	Tunisia	255.2	Under 50	158
Spain	1,631.0	(1)	313	Bolivia	221.8	55	55
Indochina	1,535.0	(1)	(1)	Afghanistan	182.9	50	51
Pakistan	1,430.9	51	60	Ethiopia	181.3	38	45
Iran	1,195.2	85	169	Libya	180.0	Under 50	135
Austria	1,170.9	216	731	Guatemala	149.6	77	172
Norway	1,082.0	587	1,180	Ireland	146.2	420	601
Denmark	856.9	689	1,263	Berlin	131.0	----------	1,142

See footnotes at end of table.

Comparisons of per capita income and per capita gross national product of various nations, which have received aid from the United States for the period of July 1, 1945, through June 30, 1961, for the years 1949 and 1959—Continued

[Prepared for the use of Congressman OTTO E. PASSMAN]

Countries	Aid received	Per capita income 1949	Per capita GNP 1959	Countries	Aid received	Per capita income 1949	Per capita GNP 1959
	Millions				*Millions*		
Liberia	$116.3	$38	$124	Somali Republic	$13.3	Under $50	$40
Sweden	108.9	790	1,518	Mozambique	12.5	Under 50	Average 93
Venezuela	104.0	322	1,062	Dominican Republic	8.9	75	232
Ecuador	96.4	40	201	Kenya	7.4	Under 50	102
Burma	94.5	36	53	Ghana	6.6	Under 50	171
Haiti	92.6	40	67	Tanganyika	4.5	Under 50	61
Lebanon	89.9	125	391	Guinea	3.8	Under 50	52
Uruguay	80.2	(331)	198	Senegal	3.6	Under 50	182
Costa Rica	80.1	125	412	Surinam	2.9	(1)	Estimate 334
Congo (Léopoldville)	78.3	Under 50	90	Mali Republic	2.5	Under 50	51
Panama	75.7	183	381	Cameroun	2.1	Under 50	Average 93
Ceylon	74.9	67	131	British Guiana	1.9	(1)	Estimate 334
Iceland	70.2	476	901	Togo	1.9	Under 50	Average 93
Iraq	67.0	85	151	British Honduras	1.6	(1)	Estimate 334
Sudan	53.5	Under 50	76	Mauritania	1.5	Under 50	Average 93
Nicaragua	53.1	89	211	Dahomey	1.4	Under 50	Average 93
Cuba	52.0	296	389	Upper Volta	1.3	Under 50	Average 93
Saudi Arabia	46.6	40	167	Uganda	1.1	Under 50	58
Nepal	43.5	(1)	52	Sierra Leone	1.0	Under 50	70
Paraguay	42.6	84	132	Niger	.7	Under 50	Average 93
Honduras	40.5	83	197	Malagasy Republic	.5	Under 50	Average 93
Rhodesia and Nyasaland	33.3	2(101) (—)	(160) (79)	Ivory Coast	.4	Under 50	Average 93
Malaya	22.2	(1)	265	Equatorial States (Africa)	.2	Under 50	Average 93
Yemen	17.0	40	86	Central African Republic		Under 50	Average 93
West Indies Federation	17.0	(1)	360	Congo Brazzaville		Under 50	Average 93
El Salvador	16.7	92	200	Gabon		Under 50	Average 93
Nigeria	16.4	Under 50	79				

OTHER FREE WORLD STATES NOT RECEIVING AID

Canada		$870	$1,983	Finland		$348	$882
Switzerland		849	1,424	Republic of South Africa		264	412
New Zealand		856	1,510	Cyprus		(1)	403
Australia		679	1,480	Jamaica		(1)	400

[1] Not available.
[2] Southern Rhodesia.

NOTE 1.—Comparative GNP data expressed in paper dollars or current market prices do not exist for the year 1949.

NOTE 2.—A rough comparison, however, is possible between per capita income and GNP figures if a common "rule of thumb" is applied [or if a weighted average percentage is added to the per capita income:], adding

a. an average of 15 percent [is added] to the per capita figures for 1949 for so-called industrialized countries.

b. an average of less than 5 percent [is] [added] to the per capita figures for 1949 for the so-called underdeveloped countries. Here the per capita income figure corresponds nearly to the per capita gross national product figure [as there is practically no industry to speak of].

NOTE 3.—An average per capita GNP figure for 1959 for Latin American tropical areas is estimated at $334 by the International Cooperation Administration. The corresponding average for tropical Africa is 93 for 1959.

NOTE 4.—1949 data are taken from the U.N. Statistical Papers Series E, No. 1, 1950. 1959 statistics are from the estimates of GNP by the Office of Statistics and Reports, ICA, Apr. 10, 1961.

Compiled by Hermann Ficker, Analyst in International Finance and Trade, Economics Division, Legislative Reference Service, The Library of Congress.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Texas.

Mr. MAHON. I assume that it is the hope of the gentleman from Louisiana, as it is my hope and the hope, I am sure, of most Members, that it will not be necessary for the executive branch to obligate or spend all the funds that are provided in this bill. I hope large sums can and will be saved. I have expressed this hope to the President.

Now would it be fair to say that the gentleman from Louisiana would be very happy if it should develop that a very substantial amount of funds, which are provided here, are not actually needed and are not actually utilized during the current fiscal year?

Mr. PASSMAN. I want to say that there is, in my opinion, going to be at least one-half billion dollars of the money that is in this bill which will not be needed, and which cannot be prudently obligated and usefully and soundly expended.

Mr. MAHON. Will not the gentleman from Louisiana be happy if that is the result and we are able to save those additional funds?

Mr. PASSMAN. The gentleman from Louisiana will never give encouragement to a philosophy that we can afford to appropriate excessive funds in the hope that they will not spend it. Any time you give them too much money, they are going to try to find places to give it away. I believe in keeping the fat out of the bill, and putting some sense into it, and not in appropriating money to throw away. That is about the same as giving a child $2 to make a $1 purchase in the expectation that when he comes back home he will have $1 left.

Mr. MAHON. In that statement the gentleman has expressed precisely my own views. The gentleman has cut the bill as far as he could, hence my expression of hope that even additional savings could probably be made.

Mr. PASSMAN. The committee made these adjustments.

Mr. MAHON. But now that the funds have been provided, does not the gentleman from Louisiana feel that the officials of the executive branch should be encouraged to save all the funds that they possibly can save? No one should want excess appropriations, but neither do we want excessive expenditures—that is even worse than excessive appropriations.

Mr. PASSMAN. May I say to the distinguished gentleman from Texas that this is probably the last year that the Congress will have any reasonable degree of control over this program. Each Member of this body may, of course, interpret what we have done this year in his own way. We have gained a principle in not keeping the back-door financing method. But any time you write legislation stating, and I paraphrase, "Here is $1,500 million in development credit, and if you make the commitments, we are going to provide the money"—you know and I know that legally the Congress has the right to cut it, but you probably could not muster 15 votes in support of that position. So, it appears obvious that next year the Congress will have very little chance to substantially reduce the funds for this worldwide spending program. That is the opinion of the gentleman from Louisiana.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Virginia.

Mr. GARY. May I add to what the gentleman from Louisiana has said in further answer to the question raised by our colleague, that when the President signed the authorization bill he said that great attention and consideration should be given to those nations which share the views of the United States. The other body put practically the same language into this appropriation bill when it went over there, which language is as follows:

It is the sense of the Congress that in the administration of these funds great attention and consideration should be given to those nations which share the views of the United States on the world crisis.

May I say, we also hope that the converse will be true and that no consideration will be given to the so-called neutrals that try to kick our teeth down our throats every time they get a chance.

I am hopeful that is going to be a great source of savings during the coming year, and that, therefore, there will be a substantial balance at the end of the year.

Mr. PASSMAN. I thank the distinguished gentleman from Virginia, but knowing how the bureaucrats operate, I would say that the chances are that they are, at least on paper, allocating money this afternoon to some of those so-called neutrals who are kicking us in the pants.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Texas [Mr. MAHON] hopes that all the money will not be spent. We all live in hope, even if we die in despair and I am afraid that many of us are going to die in despair if we wait for that miracle to happen. The way to shut off the spending is not to appropriate the money. I would hope to be here long enough to see the day when these foreign giveaway programs, that are contributing so much to the eventual bankruptcy of this country, are actually cut. Now this bill does not represent a cut. This provides an increase over the House figure. I commend the gentleman from Louisiana and the members of his subcommittee for the efforts they made and in which efforts they succeeded in preventing enactment of an even worse bill. They made at least an effort to stop this wanton disregard for American taxpayers.

I want to say just this to my friend from Louisiana—a moment ago he came close to saying it. I want to say that we fought one of the most ludicrous sham battles in this House of Representatives that has ever been fought over the issue of back-door spending in connection with the foreign aid bill. Of course, the ability to make commitments is the key to it, and the foreign aiders will go ahead and make commitments for projects and programs far into the future. Thus you have back-door spending just as effectively as though it had been voted. That was a sham battle. The only way to stop this program from bankrupting the country is to cut it off or cut it right down to the bone.

Mr. PASSMAN. May I say to the distinguished gentleman that I, of course, do not agree with him that we did not cut this bill, but I do agree that we were unable to reduce it sufficiently. When the bill goes to the other body they have the right, under the Constitution, to make amendments. Then, when we go to conference we try to iron out the differences. I think that when you consider all of the money bills we deal with we have a record for sound economy and fiscal sanity in this subcommittee, the majority of the Members of which have fully supported me in my position try to take some of the fat out of the bill, I think the record will show that we have made the largest percentage of reduction year in and year out in this bill than for any other money bill before the Congress.

I hope the gentleman will support the committee and adopt the conference report.

I now yield to the distinguished gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Just a few days ago the gentleman heard, as did the rest of us, the gentleman from Virginia [Mr. SMITH] and the gentleman from Ohio [Mr. BROWN] tell us that whenever the downtown spenders could get their hands on money they would spend it. Does the gentleman agree or disagree?

Mr. PASSMAN. I do not think they have won any medals for not spending money which the Congress appropriated.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. HARDY. I want to compliment the gentleman and the conference committee on their accomplishment. I want to express some disappointment that the language in that part of the bill relating to the furnishing of information was amended.

I see that the same escape clause, apparently has been agreed to that was contained in the authorization bill.

Mr. PASSMAN. That is correct.

Mr. HARDY. Mr. Speaker, while it puts me in a very difficult position, I think I can appreciate the futility of trying to do anything about this at this time, but sooner or later the Congress is going to have to assert its prerogative in some way to get this information.

Mr. PASSMAN. I would say to the distinguished gentleman that should the President direct an agency to withhold information I am sure they would not provide that information to the committee. The agency is not going to disobey the orders of the President. I regret this situation, but I think that is the way the issue will turn out.

Mr. HARDY. Of course, we have had that experience in times past; nevertheless, since we do have the power of the purse I think we should cut off funds or make the provision of funds contingent upon the furnishing of information which Congress requires.

Mr. PASSMAN. I would support such an amendment but I certainly doubt that we would get sufficient votes to adopt it.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. PILLION. The gentleman has made reference to the international balance of payments. As I understand the situation, our international balance of payments continues to be adverse and our position is in danger.

In the gentleman's opinion is foreign aid a major contributing factor to our adverse international balance of payments and is there possibly a serious run which develops a drain upon our resources?

Mr. PASSMAN. I would certainly think so, because through the program we make available the dollars. In the past 10 years we have been so generous in giving away our dollars that some of our friends abroad are using these dollars and buying our gold. Our gold reserves have dwindled from $23½ billion 10 years ago down to $17 billion. During that same 10 years, foreign nations have increased their dollar credits from $10 billion to $22 billion and this condition is getting worse every day.

Mr. PILLION. I commend the gentleman and the members of his committee for a very fine job.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from California.

Mr. SHEPPARD. I want to compliment the gentleman for the manner in which he has presented this bill and to extend to him a congratulatory concept that the gentleman knows the basis for all of his bills that he presents.

However, from his comments I am inclined to believe he overlooked what is a major factor, or one of them at least, and that is that appropriations are made upon the premise of legal authorization. Is that correct?

Mr. PASSMAN. That is correct.

Mr. SHEPPARD. Under those circumstances it might be well if the Congress would itself quit authorizing, then demanding expenditures thereafter. In other words, let us not split the infinitive, let us do the whole job across the board.

Mr. PASSMAN. In response to the gentleman's statement, I should like to say that the Congress, in its wisdom during the past 7 years has, as of now, assuming House approval and Senate concurrence, reduced the amount of money requested by the executive branch by an aggregate in excess of $5 billion. We have always understood that the Committee on Foreign Affairs and the Committee on Foreign Relations necessarily spend most of their time fixing policy. They leave it up to the Appropriations Committee, of course, to provide the money needed to meet the requirements. That is what we have been doing during the past 7 years, while also cutting some of the waste from the program, and it is a record of which the committee is justly proud.

Mr. LINDSAY. Mr. Speaker, the foreign aid appropriations bill which the conference committee has sent us contains one provision which merits especial note. I refer to section 108 which reads as follows:

> SEC. 108. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine.

Members will recall that identical language was contained in the foreign aid appropriation legislation enacted last year and in 1959. Members will also recall that very similar language was contained in the House version of the authorization bill recently enacted but that

this language was modified in conference in the interests of an abbreviated statement of policy.

Section 108 means what it says—this free Government of ours will not countenance distinctions made abroad between one American citizen and another for reasons of race or religion. The Congress intends that this policy be given full effect as was made clear in the brief discussion of this section at the time it was adopted by the House two weeks ago on September 5. It was made clear in the Senate where the committee report states, in part:

> The committee urges the executive departments concerned to give force to the sense of the Congress as expressed in this section in the administration of the foreign assistance program to the extent feasible and by other appropriate means.

Our historic national tradition has made this policy clear—in 1885 when the United States refused to accept the protests of Austria-Hungary on the appointment of our ambassador to that kingdom because the designee's wife was of the Jewish faith; in 1911 when the United States abrogated the trade treaty with Czarist Russia which had been in effect since 1832 on the grounds of Russian mistreatment of American citizens of the Jewish faith; in 1924 when we protested to the Swiss on the exclusion of American Mormon missionaries; in our 1938 protests to Fascist Italy on the exclusion of American Jews; and in more recent years, during the previous administration, our inclusion of American Negroes as guests at U.S. Embassy receptions in apartheid South Africa—and without incident.

In effect, in section 108 of the bill before us the Congress has given voice to a tradition long established and with ample precedent in our dealings with foreign powers. Unfortunately, there are those charged with conducting aspects of our foreign affairs—which in these complex times is no longer confined to diplomatic chores but ranges afield to economics and to military policy—who think in terms of a doubtful popularity of the moment rather than principle and who overlook the policy set by both tradition and this Congress. But in forfeiting principle, we forfeit respect.

When we send Public Law 480 grains to the United Arab Republic and abide with that nation's dictation that the food cannot be shipped in U.S. bottoms owned or operated by Americans of the Jewish faith, we sacrifice principle and respect. When we stand by without firm protests and permit the Saudi Arabs to exclude Americans of the Jewish faith from even a few minutes' use of a commercial airport terminal facility built with U.S. taxpayer funds, we forfeit principle and respect. When a foreign power refuses to let one of our own colleagues, a Member of this body, visit installations built under this and similar legislation, and such a refusal produces only the weakest of reactions from our Department of State, we have traded our birthright of principle and respect for a mess of popularity porridge—and, as experience has sadly taught us, porridge with all the vitamins removed.

Contrast this if you will. The Kingdom of Morocco, a member of the Arab League, last week announced that a leading Moroccan Jew, R. Bennaroch, has been appointed to a high post in the Ministry of War. Other Moroccan Jews occupy other Moroccan posts of responsibility in the Sherifien Government. Yet our State Department quails at the sending of Americans of the Jewish faith to positions in Morocco or other Arab lands in the fear of offending and in the hope, one must assume, of winning their good will. Such appeasement may have won some momentary acknowledgment—but we have but to look at the record of recent months and years to see that it has purchased us nothing substantial in the way of friendship. Rather it has encouraged these countries to pull feathers from the eagle's tail.

Mr. Speaker, it is not my purpose to long detain this body by dwelling on the obvious. I merely wish to make known to the executive departments concerned that it was with serious intent that the Congress in its wisdom chose to include section 108 in the pending bill—and it is our intent that the policy it sets forth be given full force. In addition, I would suggest that when the executive departments submit the reports required by the foreign aid authorization bill that they make special reference to actions under section 108 of the pending bill and under section 102 of the authorization bill which contains language different in content but similar in spirit so that the Congress and the people may know that we hold firm to our principles and that we cherish not only the respect of our sister nations but also our own national self-respect. Such periodic reports are indeed very much to be desired and it is my intention at the proper time to make a formal request of the responsible department for their submission.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Danis Reservation in Florida; and

H.R. 8320. An act to amend the Freeport Harbor project, Texas.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. ELLENDER, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, and Mrs. SMITH of Maine to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to the Senate amendment to the bill (H.R. 3572) entitled "An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota."

The message also announced that the Senate further insists on its amendment to the bill (H.R. 5968) entitled "An act to amend the District of Columbia Unemployment Act, as amended", agrees to the further conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MORSE, Mr. BIBLE, and Mr. PROUTY to be the conferees on the part of the Senate.

SUPPLEMENTAL APPROPRIATION ACT, 1962

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BOW. Mr. Speaker, reserving the right to object, and I do so in order to propound a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state the parliamentary inquiry.

Mr. BOW. Mr. Speaker, my parliamentary inquiry is this: If an objection is made to sending this to conference, the supplemental appropriation bill, whether or not the Speaker will then refer the bill to the committee having charge of the bill and that committee return the bill to the House in the Committee of the Whole House for the consideration of the Senate amendments as provided in "Cannon's Precedents" on page 115, and whether or not the House then can work its will in the Committee of the Whole House on each amendment of the Senate under the 5-minute rule, report the bill back to the House, and then move to send the bill to conference?

The SPEAKER pro tempore. The parliamentary inquiry involves several different fields, related, but nevertheless separate.

Mr. BOW. Mr. Speaker, I shall be glad to state them separately.

The SPEAKER pro tempore. The gentleman is clearly within his rights. In the first place, this is a procedure that the present occupant of the chair has no recollection of ever having taken place during his period of service in this body, and the Chair is informed, for many years prior thereto.

When objection is made the leadership of the House is confronted with the problem as to what action should be taken in order to get the bill to conference as quickly as possible. The Chair, while not answering the parliamentary inquiry with reference to the committee

and committee action and coming back to the House, and then to the Committee of the Whole, would frankly state to the gentleman that the present occupant of the chair would employ every method under the rules in order to get the bill from the Speaker's desk to conference.

Mr. BOW. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOW. Mr. Speaker, inasmuch as these amendments of the Senate are in the nature of charges against the Treasury of the United States, I will ask this parliamentary inquiry:

Is it not then necessary under the rules and procedures as found in volume 5 of the Procedure of the House of Representatives that the bill be sent to the committee and then considered in the Committee of the Whole before sending it to conference?

The SPEAKER pro tempore. It is the opinion of the Chair that the answer which the Chair gave to the first part of the gentleman's parliamentary inquiry also answers this inquiry: that if objection is made, the Chair would feel constrained, insofar as the Chair is capable of accomplishing it, to have the bill taken from the Speaker's desk and sent to conference under the rules without reference to the committee.

Mr. BOW. I thank the Chair, and withdraw my reservation.

Mr. GROSS. Mr. Speaker, further reserving the right to object, if the conference report should go to the Rules Committee for a rule, would it be possible for the Rules Committee to vote out a rule sending the bill to committee?

The SPEAKER pro tempore. The answer is in the affirmative to that parliamentary inquiry.

Mr. GROSS. Mr. Speaker, then I object.

The SPEAKER pro tempore. Objection is heard.

Mr. PASSMAN. Mr. Speaker, a final word before yielding to the distinguished former chairman of this committee, the gentleman from New York [Mr. TABER].

It has been a privilege to work with you and to work for you. I think that when the dust is settled and you have had an opportunity to study the figures you will realize that this committee had no choice but to maintain its integrity, and to move on the basis of the actual facts. I have always contended that if you bring a bill out based on facts, and you can support those facts, in the end, right will prevail.

I repeat, Mr. Speaker, I hope the House will approve the conference report so that we may dispose of the amendments and for one time be able to say that the foreign assistance bill passed during daylight hours, instead of during the lonely hours of the night, or at 3 or 4 o'clock in the morning.

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include two tables which I have caused to be prepared.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PASSMAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I rise to renew my unanimous-consent request to take from the Speaker's table the bill I mentioned a while ago, the supplemental appropriation bill, and send it to conference.

May I say to my distinguished friend from Iowa that I think the point of view the gentleman is representing now coincides pretty well with that of the House conferees. There are some items in there that I know he is deeply interested in and the House shares his point of view. May I say this to my good friend from Iowa, if he will be good enough to withdraw his objection and let the conferees go to work, we will do our best to bring back to the House a reasonably good bill.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, this deficiency appropriation bill now contains approximately $1 billion. It has been increased by nearly a half billion dollars by the other body.

Mr. THOMAS. It was about $300 million. I have not seen the final details, I will say to my friend, but this is approximately correct. The other body added some 33 items totaling in the neighborhood of, and I am not too sure about that, $300 million. But one-fourth of that was for the airport bill. So the remainder has to do with some small items on which we hope the point of view of the House will prevail.

Mr. GROSS. I hope the gentleman understands the position that the gentleman from Iowa is in as well as the position of every other Member of the House.

Mr. THOMAS. We do and we appreciate it.

Mr. GROSS. Outside of the $5 million for aid to schools in the District of Columbia, I do not have any knowledge of what is in this deficiency appropriation bill as it has been increased by the other body. I want to know what is in this bill.

Mr. THOMAS. We are going to give the gentleman from Iowa ample time, when we get back, so that we can advise him as to what the conferees have done.

Mr. GROSS. I am confident that other Members want to know what is in this bill as well as the gentleman from Iowa. This effort to obtain information is not for the convenience exclusively of the gentleman from Iowa.

Mr. THOMAS. We hope to be able to give our colleagues ample time when we come back. We appreciate the efforts of the gentleman from Iowa.

Mr. GROSS. I have no desire to hold up the House.

Mr. THOMAS. Of course, the gentleman from Iowa does not want to do that.

Mr. GROSS. But this is not a good way to legislate. We do not have one single word or figure in print so that we may know what is in this bill which has been increased very substantially both as to items and money over and above what it was when it left the House.

Mr. THOMAS. I cannot disagree with one word that the gentleman is saying and neither, I am sure, will any Member of the House disagree, and we will now bind the House conferees to submit all the information that is available, and we will have plenty of information, on every item contained in this bill and we will do our best to bring back a reasonably good bill.

Mr. GROSS. That is not the point altogether. I would like to know what is in this bill before you go to conference so that I will know what has been done. I have a lot of faith in the gentleman and his colleagues on the committee but I do not have unlimited faith at this late hour in the session.

Mr. THOMAS. I hope that the gentleman from Iowa will trust his House conferees. I repeat that we will try to do a good job on behalf of the House.

Mr. GROSS. Is there anything wrong with spending an hour or less under a rule discussing this matter? Is there anything wrong with getting just a little better acquainted with what is in this $1 billion bill before you go to conference? It will be mighty late when you come back from the conference. This is the penalty the Members pay when they try to consider important legislation under these circumstances. Neither is this in the best interests of the people we represent.

Mr. THOMAS. I hope we do not spend too much time over there, and I have every reason to believe that we should not spend too much time. I hope the gentleman will permit the unanimous-consent request to go through.

The SPEAKER pro tempore. The Clerk will report the title of the bill.

Mr. GROSS. Mr. Speaker, that will not be necessary. I object.

The SPEAKER pro tempore. Objection is heard.

FOREIGN ASSISTANCE APPROPRIATION ACT OF 1962—CONFERENCE REPORT

Mr. PASSMAN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, in my opinion, this conference report certainly provides all of the money which even the most ardent devotee of the mutual security program could ask for expenditures in the next fiscal year. I am not going to take a lot of time and I am not going to cover all of the bill. I just want to address myself to one portion of it, and that is to the contingency fund.

Mr. Speaker, the contingency fund in the past has referred to all of the items of the mutual security including military assistance, development loans, and all of the other items which go to make up this rather large bill. This year there is a difference. The contingency fund refers only to activities in title I and it leaves out the military assistance portion of the bill. Instead, in section 451 of Public Law 87-195, the authorizing legislation, there is a provision for $300

million to be transferred, if necessary, from our own military stocks to the military assistance program which we support around the world.

It is true that the $300 million, or any part of it, which is used is to be replaced from appropriations in the following year if such appropriations are made. Nothing is said about what occurs if such appropriations are not made, but I can say to you without fear of contradiction, Mr. Speaker, that the funds, whatever they may be, which are transferred in accordance with section 451 will form a new floor for the military assistance appropriation for years to come.

So this is a real contingency fund, just as real as the other contingency fund which we have appropriated in years past. And now, may we look again at the regular contingency fund which has been changed so that it no longer refers to the military? It refers only to development loans, development grants, supporting assistance, and the other categories which we commonly call economic aid.

As we examine this item, Mr. Speaker, we find the $275 million which is provided in the conference report is $25 million more than was provided last year in the contingency fund; and bear in mind that that was a contingency fund which was to be used not only for economic aid but also for military aid.

The plain result, Mr. Speaker, is that we have provided to the President not $250 million in contingency assistance as we have before, but we have provided him $575 million in contingency funds for the mutual assistance program in all of its categories.

I think there is no doubt but what the funds which have been provided are amply adequate for the program. I do not think it is any secret to any Member of the House that if I had my way this amount would be much less than it now is. However, legislation is always a matter of give and take, and I think that I can with all candor congratulate the conferees on the part of the House, particularly the distinguished gentleman from Louisiana [Mr. PASSMAN], the gentleman from New York [Mr. TABER], the gentleman from Missouri [Mr. CANNON], and my good friend from Virginia [Mr. GARY], on the fine work they have done as conferees. I think this a good conference report not only for this body but to the devotees of the program and to some Members of the other body who were conferees.

This program, I feel, Mr. Speaker, will continue unabated for the next year, and I say this with some degree of feeling I wish I did not have. I wish I could say something else, but this is the way it will be.

Mr. SCRANTON. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. SCRANTON. In addition to the $575 million contingency fund is there anything in the conference report about the use of counterpart funds which constitute a kind of contingency fund?

Mr. RHODES of Arizona. The only thing which is specifically provided is $108,000. I will say to the gentleman that all of the funds which are appropriated are appropriated in dollars. If counterpart funds are available they can be expended, but counterpart funds are not appropriated; the amounts are appropriated as dollars.

Mr. SCRANTON. One other question: When the distinguished gentleman from Louisiana was explaining the conference report he referred to the $25 million additional in money for the contingency. fund. Does this have reference to some other portion of the bill?

Mr. PASSMAN. Mr. Speaker, will the gentleman yield that I may answer?

Mr. RHODES of Arizona. Yes, I yield to the gentleman from Louisiana.

Mr. PASSMAN. For the benefit of the gentleman I will restate what I said in my previous remarks: In reality it was an advantage for the House to accept the proposal worked out, originally initiated by the great Senator from Louisiana, Senator ELLENDER.

The original House position of last evening prevails, that we would agree to transfer $37,500,000 out of unobligated funds, $107,033,000, to the contingency fund, which indicated a $37,500,000 increase in new funds.

When we made the transfer out of the unobligated funds we likewise reduced the unobligated funds by that amount. Consequently, we placed a limitation then in the bill that we only reappropriated $69,033,000. So in subsequent days and weeks if we should discover there is an additional $100 million of unobligated funds available, those funds will go back to the Treasury. That certainly was a victory for the House.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. PASSMAN. Mr. Speaker, I yield the gentleman 3 additional minutes. I hope the gentleman understands the compromise.

Mr. RHODES of Arizona. I think the gentleman is correct in his explanation as he is always correct.

Let me say one other thing about the contingency fund. Unfortunately, I think it is a matter of public knowledge that in many instances this contingency fund has been used for one contingency only and that contingency is that the House and Senate did not appropriate as much money for this program as the people downtown would like to have appropriated. As far as I am concerned, as one member of this committee, let me say that I hope in the future the law will be abided by. It will be noticed in section 451 of this bill that the contingency fund is to be used by the President only when he determines such use to be important to the national interest. The gentleman from Louisiana has stated many times great chunks of the contingency fund are obligated the very day after the bill becomes law. To me that is not a contingency and I, for one, do not intend to stand for this type of thing in the future.

We appropriate this money for an emergency, something that is important to the United States of America. It is not to be used as a fund by which the people downtown can circumvent the wishes of the Congress, as I am afraid they have done in the past.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Massachusetts.

Mr. CONTE. Can the gentleman from Arizona tell me whether any money in this bill is earmarked for any particular country?

Mr. RHODES of Arizona. As far as I know, the only money which is earmarked for a particular country is $100,000 of counterpart funds for Poland, and the sum of $15 million which has been earmarked for the supporting assistance portion of this bill for the Spanish nation.

Mr. CONTE. Can the gentleman tell me whether the $15 million that has been earmarked for Spain was earmarked by the House of Representatives?

Mr. RHODES of Arizona. The answer to the gentleman's question is in the negative. It was earmarked in the other body, and the amount earmarked was $25 million.

Mr. CONTE. Does the gentleman agree with me during the hearings we were told this program in Spain was fading out and that this would be the last year of the program?

Mr. RHODES of Arizona. There was a conversation which indicated that Spain no longer needed the amount of money which has been appropriated. The gentleman will also recall that Spain received $25 million, and this is a reduction. However, I am sure the gentleman also recalls this is not as large a reduction as the House felt was advisable under the circumstances.

Mr. CONTE. Can the gentleman tell me whether the Senate conferees or anyone in the Senate made out a case or gave any logical reason why money should be earmarked for Spain, the only country in the entire world that money is earmarked for?

Mr. RHODES of Arizona. Well, of course, as a conferee and since I did sign the conference report, I would have to say to the gentleman from Massachusetts that the gentleman from Arizona tried not to act illogically. Therefore, the answer of the gentleman from Arizona would have to be in the affirmative—that there was a logical case worked out, but the gentleman from Arizona could not say it was an adequate case.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The question was taken; and the Speaker pro tempore announced that the "ayes" appeared to have it.

Mr. JOHANSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 192, nays 81, answered "present" 3, not voting 158, as follows:

[Roll No. 230]

YEAS—192

Addabbo	Ford	Mosher
Addonizio	Fountain	Murphy
Albert	Friedel	Natcher
Arends	Fulton	Nix
Ashley	Gallagher	O'Brien, Ill.
Auchincloss	Gary	O'Brien, N.Y.
Avery	Gathings	O'Hara, Ill.
Ayres	Giaimo	O'Hara, Mich.
Bailey	Gilbert	Olsen
Baldwin	Granahan	O'Neill
Barrett	Gray	Ostertag
Barry	Green, Oreg.	Passman
Bass, N.H.	Green, Pa.	Perkins
Beckworth	Gubser	Peterson
Bennett, Fla.	Hagen, Calif.	Philbin
Blatnik	Harding	Pike
Boland	Hardy	Pillion
Bolling	Healey	Price
Bolton	Hechler	Pucinski
Brademas	Henderson	Randall
Brewster	Herlong	Rhodes, Ariz.
Bromwell	Holland	Rhodes, Pa.
Brooks	Huddleston	Rivers, Alaska
Broomfield	Inouye	Roberts
Broyhill	Jarman	Robison
Burke, Mass.	Joelson	Rogers, Colo.
Byrne, Pa.	Johnson, Calif.	Rooney
Cahill	Johnson, Wis.	Roosevelt
Cannon	Jones, Ala.	Rostenkowski
Chamberlain	Karsten	Ryan
Chelf	Kastenmeier	St. Germain
Chenoweth	Kearns	Schneebeli
Chiperfield	Kee	Schweiker
Clark	Keith	Schwengel
Coad	Kelly	Scott
Cohelan	Keogh	Scranton
Conte	King, Calif.	Seely-Brown
Corbett	King, N.Y.	Selden
Cramer	Kirwan	Shelley
Curtin	Kluczynski	Sheppard
Curtis, Mass.	Kornegay	Sibal
Daddario	Kowalski	Smith, Iowa
Dague	Kunkel	Spence
Dawson	Lane	Stafford
Delaney	Lankford	Staggers
Denton	Lesinski	Steed
Diggs	Lindsay	Stratton
Dingell	McCormack	Taylor
Dominick	McDowell	Thompson, N.J.
Donohue	McFall	Thompson, Tex.
Downing	Madden	Thornberry
Doyle	Magnuson	Toll
Dulski	Mahon	Trimble
Dwyer	Mailliard	Udall, Morris K.
Edmondson	Marshall	Ullman
Elliott	Mathias	Vanik
Ellsworth	Matthews	Wallhauser
Everett	Merrow	Walter
Evins	Miller, George P.	Whalley
Fallon	Milliken	Wickersham
Farbstein	Monagan	Wright
Feighan	Moorhead, Pa.	Yates
Fenton	Morgan	Zablocki
Finnegan	Morse	
Fogarty		

NAYS—81

Abbitt	Gavin	Meader
Alexander	Goodling	Mills
Andrews	Grant	Minshall
Ashbrook	Gross	Moeller
Ashmore	Hagan, Ga.	Moorehead, Ohio
Baker	Haley	Morris
Beermann	Hemphill	Murray
Belcher	Hoffman, Ill.	Norrell
Betts	Hoffman, Mich.	Nygaard
Blitch	Hull	O'Konski
Bonner	Ichord, Mo.	Pfost
Bow	Jensen	Poff
Bray	Johansen	Ray
Brown	Jonas	Reece
Bruce	Kilgore	Rogers, Fla.
Burleson	Kitchin	Rogers, Tex.
Casey	Knox	Roudebush
Clancy	Laird	Rousselot
Cunningham	Langen	Rutherford
Davis, James C.	Latta	Saylor
Dole	Lennon	Schadeberg
Dowdy	McCulloch	Shipley
Fisher	McMillan	Shriver
Forrester	McVey	Smith, Va.
Taber	Whitener	Wilson, Ind.
Thomson, Wis.	Whitten	Winstead
Tuck	Willis	

ANSWERED "PRESENT"—3

Andersen, Minn.	Davis, John W.	Rivers, S.C.

NOT VOTING—158

Abernethy	Hall	Pelly
Adair	Halleck	Pilcher
Alford	Halpern	Pirnie
Alger	Hansen	Poage
Anderson, Ill.	Harris	Powell
Anfuso	Harrison, Va.	Quie
Aspinal	Harrison, Wyo.	Rabaut
Baring	Harsha	Rains
Bass, Tenn.	Harvey, Ind	Reifel
Bates	Harvey, Mich.	Reuss
Battin	Hays	Riehlman
Becker	Hébert	Riley
Bell	Hiestand	Rodino
Bennett, Mich.	Hoeven	Roush
Berry	Holifield	St. George
Boggs	Holtzman	Santangelo
Boykin	Horan	Saund
Breeding	Hosmer	Schenck
Buckley	Ikard, Tex.	Scherer
Burke, Ky.	Jennings	Short
Byrnes, Wis.	Johnson, Md.	Sikes
Carey	Jones, Mo.	Siler
Cederberg	Judd	Sisk
Celler	Karth	Slack
Church	Kilburn	Smith, Calif.
Collier	King, Utah	Smith, Miss.
Colmer	Kyl	Springer
Cook	Landrum	Stephens
Cooley	Libonati	Stubblefield
Corman	Lipscomb	Sullivan
Curtis, Mo.	Loser	Teague, Calif.
Daniels	McDonough	Teague, Tex.
Davis, Tenn.	McIntire	Thomas
Dent	McSween	Thompson, La.
Derounian	Macdonald	Tollefson
Derwinski	MacGregor	Tupper
Devine	Martin, Mass.	Utt
Dooley	Martin, Nebr.	Van Pelt
Dorn	Mason	Van Zandt
Durno	May	Vinson
Fascell	Michel	Watts
Findley	Miller, Clem.	Weaver
Fino	Miller, N.Y.	Weis
Flood	Montoya	Westland
Flynt	Moore	Wharton
Frazier	Morrison	Widnall
Frelinghuysen	Moss	Williams
Garland	Moulder	Wilson, Calif.
Garmatz	Multer	Young
Glenn	Nelsen	Younger
Goodell	Norblad	Zelenko
Griffin	Osmers	
Griffiths	Patman	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Durno for, with Mrs. Church against.

Mr. Vinson for, with Mr. Rivers of South Carolina against.

Mr. Corman for, with Mr. John W. Davis against.

Mr. Judd for, with Mr. Andersen of Minnesota against.

Mr. Flood for, with Mr. Baring against.

Mr. Boykin for, with Mr. Thompson of Louisiana against.

Mr. Morrison for, with Mr. Moore against.

Mr. Halleck for, with Mr. Dorn against.

Mr. Wilson of California for, with Mr. Colmer against.

Mr. Van Zandt for, with Mr. Flynt against.

Mr. Riehlman for, with Mr. Abernethy against.

Mr. Nelsen for, with Mr. Williams against.

Mr. Martin of Massachusetts for, with Mr. Jennings against.

Mrs. May for, with Mr. Lipscomb against.

Mr. Widnall for, with Mr. Riley against.

Mr. Stubblefield for, with Mr. Collier against.

Mr. Burke of Kentucky for, with Mr. Adair against.

Mr. Miller of New York for, with Mr. Harris against.

Mrs. Weis for, with Mr. Roush against.

Mr. Cooley for, with Mrs. St. George against.

Mr. Hébert for, with Mr. Anderson of Illinois against.

Mr. Tupper for, with Mr. Sikes against.

Mr. Byrnes of Wisconsin for, with Mr. Young against.

Mr. Cook for, with Mr. Scherer against.

Mr. Devine for, with Mr. Harrison of Virginia against.

Mr. Frelinghuysen for, with Mr. Battin against.

Mr. Reifel for, with Mr. McSween against.

Mr. Bates for, with Mr. Pilcher against.

Mr. Garland for, with Mr. Stephens against.

Mr. Celler for, with Mr. Curtis of Missouri against.

Mr. MacGregor for, with Mr. Hall against.

Mr. Patman for, with Mr. Derwinski against.

Mr. Aspinall for, with Mr. Poage against.

Mr. Johnson of Maryland for, with Mr. Landrum against.

Mr. Buckley for, with Mr. Alger against.

Mr. Powell for, with Mr. Van Pelt against.

Mr. King of Utah for, with Mr. Mason against.

Mr. Breeding for, with Mr. Teague of Texas against.

Until further notice:

Mrs. Griffiths with Mr. Baker.

Mrs. Sullivan with Mr. Osmers.

Mr. Anfuso with Mr. Short.

Mr. Boggs with Mr. Teague of California.

Mr. Montoya with Mr. Younger.

Mr. Bass of Tennessee with Mr. Derounian.

Mr. Clem Miller with Mr. Dooley.

Mr. Carey with Mr. Norblad.

Mr. Sisk with Mr. Pirnie.

Mr. Zelenko with Mr. Michel.

Mr. Watts with Mr. Kyl.

Mr. Moss with Mr. Harvey of Michigan.

Mr. Daniels with Mr. Griffin.

Mr. Slack with Mr. Glenn.

Mr. Jones of Missouri with Mr. Siler.

Mr. Fascell with Mr. Westland.

Mr. Dent with Mr. Utt.

Mr. Rabaut with Mr. Findley.

Mr. Smith of Mississippi with Mr. Cederberg.

Mr. Davis of Tennessee with Mr. Bell.

Mr. Frazier with Mr. McDonough.

Mr. Santangelo with Mr. Kilburn.

Mrs. Hansen with Mr. Horan.

Mr. Loser with Mr. Harrison of Wyoming.

Mr. Garmatz with Mr. Martin of Nebraska.

Mr. Saund with Mr. McIntire.

Mr. Ikard of Texas with Mr. Hosmer.

Mr. Holtzman with Mr. Harsha.

Mr. Karth with Mr. Halpern.

Mr. Thomas with Mr. Pelly.

Mr. Rodino with Mr. Schenck.

Mr. Libonati with Mr. Smith of California.

Mr. Rains with Mr. Fino.

Mr. Multer of New York with Mr. Wharton.

Mr. Hays with Mr. Quie.

Mr. Holifield with Mr. Hoeven.

Mr. Rains with Mr. Berry.

Mr. Moulder with Mr. Tollefson.

Mr. Reuss with Mr. Springer.

Mr. Macdonald with Mr. Goodell.

Mr. RIVERS of South Carolina. Mr. Speaker, I have a live pair with the gentleman from Georgia [Mr. VINSON]. I voted "nay." If he were present he would have voted "yea." I therefore withdraw my vote of "nay" and vote "present."

Mr. JOHN W. DAVIS. Mr. Speaker, I have a live pair with the gentleman from California [Mr. CORMAN]. I voted "nay." If he were present he would have voted "yea." I therefore withdraw my vote of "nay" and vote "present."

Mr. ANDERSEN of Minnesota. Mr. Speaker, I have a live pair with the gentleman from Minnesota [Mr. JUDD]. I voted "nay." If he were present he would have voted "yea." I therefore withdraw my vote of "nay" and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 2, line 12, insert:

"Development grants, special authorization: For assistance authorized by section 214(b) at the discretion of the President for an American sponsored trade school in Poland, $100,000, to remain available until expended, to be used to purchase foreign currencies which the Department of the Treasury may determine to be excess to the normal requirements of the United States."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: Strike out the word "trade" and strike out the words "to remain available until expended,"

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 3, line 22, insert: ": *Provided*, That to the extent that these funds have not been otherwise previously programed amounts equivalent to the value of orders issued pursuant to the special authority granted in section 510(a) shall be used to reimburse the appropriations financing the replacement of goods or services furnished pursuant to such orders."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 7, line 25, insert:

"SEC. 110. Any obligation made from funds provided in this title for procurement outside the United States of any commodity in bulk and in excess of $100,000 shall be reported to the Committees on Appropriations of the Senate and the House of Representatives at least twice annually: *Provided*, That each such report shall state the reasons for which the President determined, pursuant to criteria set forth in section 604(a) of the Foreign Assistance Act of 1961, that foreign procurement will not adversely affect the economy of the United States."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 8, line 10, insert:

"SEC. 111. Public Law 87-195, approved September 4, 1961, is amended by inserting the following after the enacting clause: 'That this Act may be cited as "The Foreign Assistance Act of 1961".'"

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein.

Mr. HOFFMAN of Michigan. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I yield to the gentleman from California [Mr. ROUSSELOT].

Mr. PASSMAN. Mr. Speaker, may I say that I agreed to yield to the gentleman from California but was waiting until we got to the proper place in the bill.

Mr. ROUSSELOT. I thank the gentleman.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AN AUTHORITY PREDICTS THE FUTURE OF SOCIALISM

Mr. ROUSSELOT. Mr. Speaker, in my research on the trend of socialism in the United States, I came across an interesting periodical called the Partisan Review, which contained a remarkable article in the issue dated May–June 1947.

The Partisan Review, while available to all readers, is actually read only by professional intellectual Socialists of all shades, from the out and out pro-Communist to the Fabian-Keynesian Socialist. It is just as much a trade magazine as the American Medical Journal or the Law Review. It is, like the Medical Journal and Law Review, boring beyond words to any outside of the profession it serves. Therefore the Partisan Review is almost unknown outside the professional leftist group and they use it to inform each other of their plans and projects.

The remarkable article I spoke of—the lead article in the issue of the Partisan Review, dated May–June 1947—was written by Arthur Schlesinger, Jr., former professor of history at Harvard, and now high in the counsels of the Kennedy administration.

It is a blueprint of the plan for turning the people of the United States over to a monolithic Socialist-Fascist-Marxist type of tyranny. It was written in 1947. I urge everyone to read it. You will see how far this country has advanced under the guidance of such men as this former Harvard professor, and you can see how much further it will advance, if we do not guard ourselves against and become aware of the machinations of such people as Mr. Schlesinger and his prototypes.

The text of the article follows:

THE FUTURE OF SOCIALISM, III—THE PERSPECTIVE NOW

(By Arthur M. Schlesinger, Jr.)

The Soviet experience has put the century-old debate between capitalism and socialism in a useful new perspective. Before the First World War, the case against socialism was generally made in terms of efficiency, the case against capitalism in terms of morality: that is, socialism was conceded to be good in principle but not to work; capitalism was conceded to work but not to be good in principle. After the Second War, we see a reverse tendency a disposition to admit the inefficiency of capitalism and justify it as providing the margin on which liberty and democracy may subsist; a disposition to believe that the very efficiency of socialist management necessarily squeezes out freedom. After all which system has more successfully dehumanized the worker, fettered the working class, and extinguished personal and political liberty?

The very shift in polemics suggests that both arguments have indulged in what Whitehead has called the fallacy of misplaced concreteness—the error of mistaking abstractions for concrete realities. The fact probably is that a great many of the criticisms urged against the abstractions "capitalism" and "socialism" alike are actually the defects, not of a particular system of ownership, but of industrial organization and the postindustrial state whatever the system of ownership. Industry and government are the basic evils; they institutionalize the pride and the greed, the sadism and the masochism, the ecstasy in power and the ecstasy in submission, which are the abiding causes of the troubles of the world.

In this light anarchism becomes the only faith for a moral man. Organization is man's solution to his sense of guilt. The very fact of organization attenuates personal moral responsibility; and, as organization becomes more elaborate and comprehensive, it becomes increasingly the instrumentality through which moral man indulges his natural desire to commit immoral deeds. "A crime which would press heavily on the conscience of one man, becomes quite endurable when divided among many." The state is only the climax of secular organizations—that "semihuman tiger or ox, stalking over the earth," Thoreau called it, "with its heart taken out and the top of its brain shot away"—and the totalitarian state concentrates in itself all the evil of organization by annihilating all the gaps and rivalries which make for freedom in a more loosely organized society.

The Socialist state is thus worse than the capitalist state because it is more inclusive in its coverage and more unlimited in its power. Organization corrupts; total organization corrupts totally. The Socialist state justifies itself on the ground that the concentration of power is necessary to do good; but it has never solved the problem of how you insure that power bestowed to do good will not be employed to do harm, especially when you remove all obstacles to its exercise. Soviet socialism has the added disadvantage that it was born in violence. The emotions of revolution in an industrial age can no more be localized than the emotions of modern war itself. Violence breeds its special hatreds and aggressions, which twist the normal hatreds of society into new and ugly forms. The habit of violence is hard to abandon, especially when it has worked in the past. A revolutionary elite always has the wistful conviction, based on experience, that it is easier to dispose of opposition by firing squads than by arguments.

The trouble with anarchism is, not at all that it is wrong, but that it is irrelevant.

It may have its values as a mystique, but it is nonsense as a way of meeting the explosive problems of an atomic age. Its overt expressions, such as conscientious objection in times of war, tend to be morally vulgar and intellectually contemptible. Industrial organization and the postindustrial state are here to stay. The problem is not how to escape them but how to master them—or, more probably, how to live with them.

IS DEMOCRATIC SOCIALISM POSSIBLE?

Neither communism, with its despotism, nor capitalism, with its instability, nor fascism, with its combination of the two, provide attractive solutions to the problem of how to live with modern industry and the modern state. Is there another possibility? Has non-Communist, libertarian socialism a future? Abstracting the question for a moment from current political actualities, one must answer that there is no inherent reason why democratic socialism should not be possible.

If socialism (i.e., the ownership by the state of all significant means of production) is to preserve democracy, it must be brought about step by step in a way which will not disrupt the fabric of custom, law, and mutual confidence upon which personal rights depend. That is, the transition must be piecemeal; it must be parliamentary; it must respect civil liberties and due process of law. Socialism by such means used to seem fantastic to the hard-eyed melodramatists of the Leninist persuasion; but even Stalin is reported to have told Harold Laski recently that it might be possible.

The classical argument against gradualism was that the capitalist ruling class would resort to violence rather than surrender its prerogatives. Here, as elsewhere, the Marxists enormously overestimated the political courage and will of the capitalists. In fact, in the countries where capitalism really triumphed, it has yielded with far better grace (that is, displayed far more cowardice) than the Marxist schema predicted. The British experience is illuminating in this respect, and the American experience not uninstructive. There is no sign in either nation that the capitalists are putting up a really determined fight. Liberal alarmists who feel that the clamor of a political campaign or the agitation of hired lobbyists constitutes a determined fight should read the history of Germany. In the United States an industrialist who turned a machinegun on a picket line would be disowned by the rest of the business community; in Britain he would be sent to an insane asylum. Fascism arises in countries like Germany and Italy, Spain and Argentina, where the bourgeois triumph was never complete enough to eradicate other elements who believe in what the bourgeoisie fears more than anything else—violence, and who then used violence to "protect" the bourgeoisie.

There seems no inherent obstacle to the gradual advance of socialism in the United States through a series of New Deals. In 1933, Frances Perkins has reported, the coal operators pleaded with the Government to nationalize the mines. They offered to sell "to the Government at any price fixed by the Government. Anything so we can get out of it." The Government was not ready to take over the coal mines in 1933, as it was not ready to take over the banks, as it was not ready to keep the railroads in 1919. But the New Deal greatly enlarged the reserves of trained personnel; the mobilization of industry during the war provided more experience; and the next depression will certainly mean a vast expansion in Government ownership and control. The private owners will not only acquiesce in this. In characteristic capitalist panic, they will demand it.

Government ownership and control can take many forms. The independent public corporation, in the manner of TVA, is one; State and municipal ownership can exist alongside Federal ownership; the techniques of the cooperatives can be expanded; even the resources of regulation have not been fully tapped. The more varieties of ownership the better: liberty gets more fresh air and sunlight through the interstices of a diversified society than through the close-knit grip of collectivism. The recipe for retaining liberty is, not rationalization, but muddling through—a secret long known to the British who, as D. W. Brogan has put it, "change anything except the appearance of things."

Socialism, then, appears quite practicable within this frame of reference, as a long-term proposition. Its gradual advance might well preserve order and law, keep enough internal checks and discontinuities to guarantee a measure of freedom, and evolve new and real forms for the expression of democracy. The active agents in effecting the transition will probably be, not the working class, but some combination of lawyers, business and labor managers, politicians, and intellectuals, in the manner of the first New Deal, or of the Labor government in Britain.

But we must return this question to the actualities from which up to now it has been abstracted. The process of backing into socialism in the contemporary world is not so simple as it sounds. Too many forces are working, some wittingly, some not, to obstruct that process. They can be discussed under three heads: the death-wish of the capitalists; the betrayal of the intellectuals; and the counterrevolution of the Soviet Union.

THE DEATH WISH OF THE CAPITALISTS

Marxist folklore, we have seen, has always overrated the bourgeoisie. The capitalists have certainly been great organizers of production and, in this process, great exploiters of the downtrodden. But their confidence, intelligence, and ruthlessness have always dwindled as they got farther away from the factory or countinghouse. They have constituted a plutocracy, not an aristocracy. They have never been, in the political sense, an effective governing class.

A plutocracy is trained to think in terms of business dealings and not of war, in terms of security and not of honor, in terms of class and not of nation. With their power dependent on the continued convertibility of pieces of paper, they dread anything which might upset the fragile conventions of economic society. They lack the instinct, energy, and courage to govern. The shift which saved Britain in 1940 suggests some of the contrasts. Chamberlain reflected the sentiments of the business community—the longing for quiet, the hatred of violence, the terror of social upheaval. Churchill's instincts were those of an imperial aristocracy, bold, vigorous, somewhat contemptuous of trade, with power founded, not on finance, but on land, tradition, and sense of nationality. "There is something to be said for government by a great aristocracy which has furnished leaders to the nation in peace and war for generations," Theodore Roosevelt once observed; "even a democrat like myself must admit this. But there is absolutely nothing to be said for government by a plutocracy, for government by men very powerful in certain lines and gifted with the money touch, but with ideals which in their essence are merely those of so many glorified pawnbrokers."

The bourgeoisie consequently has always had to turn for protection to some non-bourgeois group. Without such protection, as Schumpeter puts it, it is "unable not only to lead its nation but even to take care of its particular class interest. Which amounts to saying that it needs a master." In England the business classes have had the aristocracy, and now the Socialists, to protect them. In America when the chips were down the businessmen have always been bailed out by the radical democracy, often under aristocratic leadership; the Jeffersons, Jacksons, Lincolns, Wilsons, Roosevelts.

This normal political incompetence of the capitalists has recently been exaggerated by a gradual disappearance of the capitalist energies themselves: it is this combination which justifies the term "death wish." Not only does the bourgeoisie lack the skill to protect itself; it is increasingly lacking in the will to protect itself. The capitalist system, in effect, has killed its own interest in survival. The rise of big business, the development of mass production and mass organization, have slowly taken the guts out of the idea of property. The spread of rationalism has set in motion a skepticism which holds no social authority sacred. Capitalism at once has strengthened the economic centralization and loosened the moral bonds of society. The result is a profound instability which invites collectivism as a means of restoring social discipline. As Schumpeter puts it, capitalism "socializes the bourgeois mind." Eventually the roots of capitalist motivation will wither away.

Even in America, the capitalist fatherland, the death-wish of the business community appears to go beyond the normal limits of political incompetence and geographical security. After the First World War Trotsky predicted that American capitalism would now make its stunning debut on the world stage. Instead, American capitalism crept back into bed and pulled the covers over its face. It responded to the challenge of nazism by founding the America First Committee. It responded to the opportunities opened up by the Second World War by rushing to dismantle the instrumentalities of American military and economic influence in the name of balancing the budget.

The foreign policy of the business community is characteristically one of cowardice rationalized in terms of high morality. The great refusal to take on the Russians today is perfectly typical. That doyen of American capitalists, Joseph P. Kennedy, recently argued that the United States should not seek to resist the spread of communism. Indeed, it should "permit communism to have its trial outside the Soviet Union if that shall be the fate or will of certain peoples. In most of these countries a few years will demonstrate the inability of communism to achieve its promises, while through this period the disillusioned experimenters will be observing the benefits of the American way of life, and most of them will seek to emulate it." On this ground Kennedy has opposed all foreign loans from the British loan on.

We are confronted today with the picture of New Dealers trying to launch a positive foreign policy over the vigorous protests of the business groups which that policy will protect. Fearing change, fearing swift action because it might portend change, lacking confidence and resolution, subject to spasms of panic and hysteria, the American business community is too irresponsible to work steadily for the national interest, or even for its narrow class interests. At least the English business community has been persuaded by experience that it should accede to the political leadership of the aristocracy or, more recently, of the Socialists—of any group which will govern. But the American business community continues to resist the radical democracy, like a drowning man threshing out at his rescuer.

In so doing, it may destroy the possibility of a peaceful transition to socialism. In its panic it may yield to the most ruthless blackmailer—externally to the Soviet Union, internally to any political gangster promising security—and thereby dissipate the nation's capacity to control its process of change. "Experience shows that the middle classes allow themselves to be plundered

quite easily," Sorel wrote, "provided a little pressure is brought to bear, and that they are intimidated by the fear of revolution." This growing capitalist irresponsibility is the symptom of the death wish: It is Samson in the temple.

THE BETRAYAL OF THE INTELLECTUALS

Official liberalism was the product of the enlightenment, crossfertilized with such things as unitarianism, science, bourgeois complacency, and a belief in progress. It dispensed with the absurd Christian myths of sin and damnation and believed that what shortcomings man might have were to be redeemed, not by Jesus on the cross, but by the benevolent unfolding of history. Tolerance, free inquiry, and technology, operating in the framework of human perfectibility, would in the end create a heaven on earth, a goal accounted much more sensible and wholesome than a heaven in heaven.

This rejection of the dark and subterranean forces in human nature acquired a kind of protective coloration in a century of peace and prosperity, like the nineteenth. Insight into evil became the property of a few disreputable aesthetes and a few obstinate Christians. But the rationalists were betrayed by their own god in the twentieth century when history went back on them and unleashed the terror. Freud, Kierkegaard, Sorel, Nietzsche had charted patterns of depravity while the sun of optimism was high in the sky. As it sank, practical men, like Hitler, Stalin, Mussolini, transformed depravity into a way of life.

Much more than a generation divides the liberals who denied evil from those who accept it. The word evil is here a designation, not an explanation; but, whether you use the vocabulary of religion or psychoanalysis or antirationalism, whether you invoke Augustine or Freud or Pareto, there are moody and destructive impulses in man of which official liberalism has taken no serious account. Louis Jaffe recently wrote of Justice Brandeis, "One felt that nothing in his system prepared Brandeis for Hitler." Brandeis was among the more realistic of his generation: how much more unprepared were the readers of the liberal weeklies, the great thinkers who sought to combat nazism by peace strikes, the Oxford oath, and unilateral disarmament.

The type of the official liberal today is the fellow traveler or the fellow traveler of the fellow traveler: see the columns of the New Republic and the Nation. For the most chivalrous reasons they cannot believe that ugly facts underlie fair words: however they look at it, for example, the U.S.S.R. keeps coming through as a kind of enlarged Brook Farm community. Nothing in their system has prepared them for Stalin. The official liberal differs from the Communist, who knows what he is doing. He differs from the New Dealer, who has learned some of the facts of life from the exercise of responsibility and is consequently deeply hostile to the Communist. The official liberal runs interference for the Communist with a system of intellectual evasion and subterfuge that results directly from a desperate attempt to square a superficial and optimistic creed with a bitter century.

Many contemporary radicals have rejected these sunny meditations. Silone, Koestler, Malraux, Niebuhr, Orwell, Dos Passos, Hemingway, Macdonald; the very names suggest a range of perceptions and anxieties unknown to the columns of the New Republic. In this new version, man becomes at once greater and more pitiable, more aspiring, and more frustrated, more hallowed, and more doomed. This image stands up better in the century of Buchenwald. But the men who are possessed by it are still under official malediction as tired liberals, judases, and apostles of disillusion.

If you believe man to be essentially good, you commit yourself to the endless task of explaining why he does not always behave that way. A simple way out is to affirm that, in spite of appearances to the contrary, he really is performing the good. In the course of this solution the liberal intellectual generates myths which he comes to prefer to actualities, especially if the actualities are uncomfortable (as they usually are). The addiction to myth is of course increased by the fact that the liberal has denied himself such traditional outlets for credulity as religion.

The susceptibility to wishfulness, the need for the sustaining myth, the disbelief in man's urge to destroy—all combine to reduce the capacity for critical judgment which the intellectual's detachment from social loyalties should confer upon him. This is the real trahison des clercs. Instead of contributing clarity, logic, and rigorous insistence on facts, the liberal intellectual has been more and more devoting his ingenuity to laminating his favorite myths. He has failed wretchedly to live up to his obligation to provide intellectual leadership.

One myth, to which the liberal has clung in the face of experience with the imperturbable ardor of an early Christian, is the mystique of the proletariat. This myth, given its classical form by Marx, himself so characteristically a bourgeois intellectual, states that the action of the working class will overthrow capitalist tyranny and establish by temporary dictatorship a classless society. Its appeal lies partly in the intellectual's sense of guilt over living pleasantly by his wits instead of unpleasantly by his hands partly in the intellectual's somewhat feminine fascination with the rude and muscular power of the proletariat, partly in the intellectual's desire to compensate for his own sense of alienation by immersing himself in the broad maternal expanse of the masses. Worship of the proletariat becomes a perfect fulfillment for the frustrations of the intellectual.

Of course, this is not the whole story. There was considerable prima facie support for the myth. The beginnings of trade union organization at one time may have promised a serious future for an organized proletariat. But there is no point in keeping up the pretense a century later. The trade union movement is as clearly indigenous to the capitalist system as the corporation itself, and it has no particular meaning apart from that system. In a Socialist society its functions are radically transformed: it becomes, not a free labor movement, but a labor front. Even in England, as Sir Walter Citrine remarked on joining the Coal Board, strikes can no longer be trade union instruments in a nationalized industry. Unions inevitably become organs for disciplining the workers, not for representing them.

Indeed, the whole conception of the proletariat as an agency of change is meaningless. The technical necessity for organization instantly sets in motion a tendency toward oligarchy; separate interests arise between leadership and rank and file; and a working class committee after a short time will stand for, not the working class, but its own bureaucratic instinct for survival.

Moreover, workers as a mass have rarely had the impulses attributed to them by Marxism. They too often believe in patriotism or religion, or read comic strips, go to movies, play slot machines and patronize taxi dance halls: in one way or another, they try to cure their discontent by narcotics rather than by surgery. Thus they are rarely swept by the proper mass emotions. The general strike is in principle the most potent weapon in the world, but it always remains potent in principle. The great moment for the general strike was perhaps 1914; but, even had Jaurès survived, the working classes would have succumbed to the bugle, the flag, and the military parade. Marx recognized that many workers were not Marxists and so invented a classification called the Lumpenproletariat in which were dumped those who did not live up to theory. Lenin recognized this too and so invented a disciplined party which, announcing itself the only true representative of the proletariat, ruthlessly shot down dissenters. No country has more spectacularly abandoned a belief in the working class than the U.S.S.R.

For these various reasons, the mystique of the working class has faded somewhat since the First World War. In its place has arisen a new mystique, more radiant and palpable, and exercising the same fascinations of power and guilt: the mystique of the U.S.S.R. Each success of the Soviet Union has conferred new delights on those possessed of the need for prostration and frightened of the responsibilities of decision. In a world which makes very little sense, these emotions are natural enough. But surrender to them destroys the capacity for clear intellectual leadership which ought to be the liberal's function in the world. In an exact sense, Soviet Russia has become the opiate of the intellectuals.

THE COUNTERREVOLUTION OF THE SOVIET UNION

The capitalist death-wish and the liberal treachery are more or less unconscious obstacles to a tranquil passage to socialism. The role of the Soviet Union, on the other hand, is highly intelligent, purposeful, and determined. The U.S.S.R. perceives clearly that the most deadly foe of communism is not the reactionary, whose blind folly will only speed the disintegration of his own society. The serious enemy is really the radical democrat who proposes to solve the problems of unemployment and want without enslaving the masses and setting up a police state.

So long as Churchill lived in Downing Street, Moscow knew that Britain offered no competition in the struggle for Europe. But the victory of the Labor Party in the summer of 1945 brought new hope to all the people of Europe who still had freedom of political expression. It signalized an alternative to Moscow which promised the same economic advantages—and with political liberty in place of the NKVD. It was at this point that the U.S.S.R. stepped up its attack on the Socialist parties and began its concerted policy of hammering at the weak points, strategic and ideological, of the already crumbling British Empire.

The Communist war against the Second International has been a brilliant success. The Social Democratic parties of Europe have remained steadfast in their traditions of caution, feebleness, and inactivity. They appear to be doomed today, because the working class does not trust their determination to carry out reforms, and the middle class does not trust their determination to resist communism. When the Communists do succeed in finally absorbing or destroying the Socialists, they will have virtually attained their objective of destroying the center and reducing the alternatives to the red and the black. The crime of the U.S.S.R. against the world is its determination to make experiments in libertarian socialism impossible.

What are the motives of the Soviet campaign against the West? "The trouble with Russia," Schumpeter has observed with considerable truth, "is not that she is Socialist but that she is Russia." If the Romanovs had pushed through industrialization and ridden out its political consequences, Russia would be confronting the world with much the same immediate problems of expansion—with the same thrusts into Western Europe, the Mediterranean, the Middle East, and China. But Czarist Russia would not have been able to multiply its national strength with the tremendous political weapon of communism.

The exception makes a good deal of difference. Imperial Russia could be dealt with

like Imperial Germany; its objectives would have been inherently limited by the clash of one nationalism with another. But nazism gave Germany a potent ideological weapon, and communism is infinitely more exportable than nazism. As a social faith, it can penetrate to every corner of the world and rally its fifth columns wherever injustice and poverty exist. Communism gives Russian expansionism its warhead. On a prearranged signal, the Russian drive can explode internally in every country on the globe.

Russian national objectives are limited; Communist international objectives are not. Experience has shown that a nation can sustain unlimited objectives for only a limited time. The fervor of a crusade wears a people out; after a time the country relapses from the messiah business into its national routine. The problem is to prevent the Soviet Union from breaking out of the reservation during its period of messianic intoxication.

THE ROLE OF THE ARMED TRUCE

British policy under Chamberlain presents a model of how not to undertake a campaign of containment. The U.S. is faced with the same situation today, only the geographical margins of tolerance are greater with the U.S.S.R. than they ever were with Germany. Reduced to its fundamentals, the American problem is to arrange the equilibrium of forces in the world so that, at every given moment of decision, the Soviet general staff will decide against aggressions that might provoke a general war on the ground that they present too great a military risk. At the same time, the U.S. must not succumb to demands for an anti-Soviet crusade nor permit reactionaries in the buffer states to precipitate conflicts in defense of their own obsolete prerogatives. Fascism has receded, but it has not disappeared.

The United States must maintain a precarious balance between a complete readiness to repel Soviet aggression beyond a certain limit and complete determination to demonstrate within this limit no aggressive U.S. intentions toward the U.S.S.R. It must commit itself, economically, politically, and militarily, to the maintenance of this balance over a long period. Given sufficient time, the Soviet internal tempo will slow down. The ruling class will become less risk-minded, more security minded. Greater vested interests will develop in the existing order; Russia itself will begin to fear the revolutionary tendencies which modern war trails in its wake. The squabbles between the Gallicans and the ultramontanes will dilute the ardor of national Communist parties; they too will develop stakes in an existing national order, if only in order to hold on to a mass following. At the same time, U.S. backing to the parties of the non-Communist left and U.S. support for vast programs of economic reconstruction may go far toward removing the conditions of want, hunger, and economic insecurity which are constant invitations to Soviet expansion.

Can the United States conceive and initiate so subtle a policy? Though the secret has been kept pretty much from the readers of the liberal press, the State Department has been proceeding for some time somewhat along these lines. Both Byrnes and Marshall have perceived the essential need—to be firm without being rancorous, to check Soviet expansion without making unlimited commitments to an anti-Soviet crusade, to invoke power to counter power without engaging in senseless intimidation, to encourage the growth of the democratic left. The performance has often fallen below the conception; but the direction has been correct. Men like Ben Cohen, Dean Acheson, Charles Bohlen have tried to work out details and whip up support for this admittedly risky program.

It is risky. It may at any moment tumble over into the ideological crusade. In addition, its proponents must combat the deathwish of the capitalists, as exemplified by Mr. Kennedy, and the befuddlement of the fellow travelers, as exemplified by Mr. Wallace, both of whom unite in opposing a policy of resistance to Soviet expansion. The triumph of either the Kennedy or the Wallace views, if there is much difference between them, would mean the triumph of the radical expansionists in the Politburo, for it would remove all present obstacles to the Soviet conquest of Europe.

But can the United States embark on any program of resistance to Soviet expansion without itself moving toward fascism? There is certainly a short-run tendency in critical situations toward reliance on reactionaries as counter to Communists, because they are the only people who can match violence with violence. In a divided land like China or Greece the non-Communist left, men who believe in debate and civil liberty, cannot stand up for long against men, whether of the extreme right or of the extreme left, who believe in rifles.

But over the long term the United States cannot develop a dependence on the right, if only because the right is a bad practical investment. A program of containment requires a ring of stable and satisfied countries around Russia—countries whose internal well-being provides a first line of defense against Communist penetration. At this stage in the world's history, the right cannot provide such governments. The very logic of events may force even a right-wing government in this country to support left-wing governments abroad, just as the Truman government is entertaining the thought of giving Greece the New Deal it has driven out of Washington. Far from leading to fascism at home, a program of containment may after a certain period lead to greater power for American labor. Just as it was necessary to bribe the business community to take part in the struggle against fascism, so it may be necessary to bribe the labor movement to take part in a struggle against communism. Whatever else may be said about a "permanent war economy," at least wages are high, employment is full, and the economy is relatively stable and productive.

All this presupposes, of course, that Marshall has not only the ability to develop his policy but also the backing to carry it out. The backing, rather than the policy itself, presents the serious question. A democracy is politically unreliable at best; the American democracy is notoriously unreliable on all questions of maintaining a continuous foreign policy. Between the irresponsibility of the capitalists, the confusion of the intellectuals, and the impotence of the working class, there may arise a state of irresolution which produces a political vacuum; and a political vacuum inevitably attracts activists—gangsters, terrorists, and totalitarians.

At this point the responsibility of the intellectual becomes manifest. Some one must serve as the custodian of honesty and clarity in a turbulent and stricken society. Some one must restore a serious sense of the value of facts, of the integrity of reason, of devotion to truth. Some one must provide intellectual leadership. As capitalism crumbles through the world, we know that any path which can preserve peace and freedom is narrow and hazardous. Our instruments must be as precise as possible, our analysis as dispassionate, our conclusions as honest and objective as we can make them. One false step may plunge the world into atomic war or deliver it into totalitarian darkness.

The intellectual must not be deflected from his responsibility by inherited dogma. It is clear today that Marx's method was often better than his own application of it. Experience is a better master than any sacred text. The experience of a century has shown that neither the capitalists nor the workers are so tough and purposeful as Marx anticipated; that their mutual bewilderment and inertia leave the way open for some other group to serve as the instrument of change; that when the politician-manager-intellectual type—the New Dealer—is intelligent and decisive, he can get society to move just fast enough for it to escape breaking up under the weight of its own contradictions; but that, when no one provides intellectual leadership within the frame of gradualism, then the professional revolutionist will fill the vacuum and establish a harder and more ruthless regime than the decadent one he displaces; and that the Communist revolutionist is winning out over the Fascist and is today in alliance with an expanding world power which will bring every kind of external pressure to bloc the movement toward democratic socialism.

These seem to me the actualities of the day. If their acceptance means discarding Marx, let us by all means discard Marx. Too much left-wing political thinking is a form of scholasticism. We must make our own prognosis. If you say that the intellectual is a frail reed upon which to lean, you are probably guilty of understatement. But at least serious thinking is his job. Let him work at it for a time. He is more likely to escape from his confusion than the capitalist from his irresponsibility or the worker from his impotence. Serious intellectual direction may give our politics a cogency and a firmness which will maintain the equilibrium of forces and avert the war with Russia. If we can avoid this war, if we can contain the counterrevolution of the U.S.S.R. within clearly marked limits, we have a good chance to test the possibilities of a peaceful transition into a not undemocratic socialism. But, if our leadership and determination falter, neither democracy, socialism, nor anything else will have any more of a future than Hiroshima or Nagasaki.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: On page 8, line 14, insert:

"SEC. 112. It is the sense of Congress that in the administration of these funds great attention and consideration should be given to those nations which share the view of the United States on the world crisis."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of Senate numbered 20 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: On page 14, line 3, insert "or (B) a certification by the President that he has forbidden the furnishing thereof pursuant to such request and his reason for so doing."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein

with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following: "or (B) a certification by the President, personally, that he has forbidden the furnishing thereof pursuant to such request and his reason for so doing".

Mr. PASSMAN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, this amendment offered by the Senate vitiates the action taken by the House when, I believe almost unanimously, the House adopted an amendment offered by the gentleman from Virginia [Mr. HARDY] to the appropriations bill to use the power of the purse in obtaining documents from the executive branch of the Government, particularly from the Office of Inspector General, Foreign Assistance, relating to expenditure of foreign aid funds.

The amendment offered by the gentleman from Virginia merely restored to the bill before the House something which had been in the law ever since the Office of Inspector General and Comptroller of the State Department was created. It is true the language was not identical, but the purpose was the same. The only change in the language offered this year by the gentleman from Virginia was of a perfecting nature.

The Senate added an escape clause, which I call the Presidential escape clause, providing that the Inspector General, Foreign Assistance, would not have to honor a request for information from the Congress or from the General Accounting Office, provided the President would certify that he had forbidden the information to be given.

In other words, the Senate emasculated the provision with teeth in it for which the gentleman from Virginia [Mr. HARDY] has been fighting for years to uphold the power of Congress to find out what happens to public funds.

Mr. Speaker, this is not a partisan matter. It is a matter of upholding the power and the prestige of the Congress as one of the three great coordinate branches of our Government. Every Member of this House, regardless of political affiliation, should be jealous of the power and prerogatives of the body of which he is a member.

To the extent that bureaucrats are enabled to insulate their spending of public monies and their exercise of functions and powers delegated to them by the Congress from the scrutiny of the Congress and the General Accounting Office, we strengther the bureaucracy, we weaken the Congress, and we deprive the Congress of knowledge about the public business necessary to intelligent legislative decisions in granting power and appropriating funds.

Mr. Speaker, this motion to recede and concur in the Senate amendment should be defeated.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I am happy to yield to the gentleman from Virginia.

Mr. HARDY. I appreciate the gentleman from Michigan [Mr. MEADER] calling attention to this. This is an amendment which the House ought to turn down. I shall vote against it.

Mr. PASSMAN. Mr. Speaker, I would like to say to the distinguished gentleman that we attempted to settle this issue in conference, in line with the provisions of the Hardy amendment. We did add the word "personally" so that it would conform with the authorizing legislation. I want to assure the gentleman that I have supported the Hardy amendment in the past, and I shall support it in the future. But when you come to the question of making progress in conference in an attempt to reach agreement on a bill as controversial and as important as this one, somewhere along the way you must give now and then. I think the gentleman understands, as I do, that if we had written in the language suggested, in all probability, until such time as something more positive could have been worked out, the President would have—or, I am assuming that he would have—informed the department heads to ignore the requests. I hope that next year we will get this bill far enough in advance so we can perfect this type of provision, instead of attempting to write the bill on the last day; that we may have time to work it out, if it requires 6 weeks, 8 weeks or 10 weeks, in order to have right prevail.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I am delighted to yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. As I understand the gentleman's position, he agrees that this is a good and necessary amendment?

Mr. PASSMAN. Does the gentleman from Michigan mean the Hardy amendment?

Mr. HOFFMAN of Michigan. Yes.

Mr. PASSMAN. The record speaks for itself. I have been supporting the Hardy amendment for years. I will say to the gentleman that we brought back, in the circumstances, the very best bill that it was possible to work out. Certainly, we had to recede to some extent, but in this matter we did add one word, "personally," which makes it comply with the law. But the President himself must sign that certification.

Mr. HOFFMAN of Michigan. The only purpose of the amendment is to enable the House to learn how much money is spent; is that correct?

Mr. PASSMAN. That is my understanding.

Mr. HOFFMAN of Michigan. And without the amendment we cannot get the information as to when, where, how, or by whom the billions are spent, can we?

Mr. PASSMAN. That is my information.

Mr. HOFFMAN of Michigan. Then why should we not reject the amendment rather than recede and concur?

Mr. PASSMAN. Does the gentleman know of any way to maintain a position every time in these conferences? If so, will the gentleman impart that knowledge to me next year?

Mr. HOFFMAN of Michigan. I have been confronted with this or a similar situation for 25 years, and the other body has told us what to do. Until we insist upon our rights we will be pushed around.

Mr. PASSMAN. The other body has not told the gentleman from Louisiana what to do. If the gentleman will look at the record he will find that to be a statement of fact. I do not think they tell the gentleman from Michigan what to do, either.

Mr. HARDY. Mr. Speaker, I wish to express my appreciation to the gentleman from Louisiana [Mr. PASSMAN] and his conferees for the work they have done. Nevertheless, I think this amendment should be voted down.

Mr. HOFFMAN of Michigan. Those responsible for waste or inefficiency must be discharged, a system of strict accounting established, if we are ever to get efficiency or prevent corruption in the expenditure of the billions we appropriate for foreign aid—mutual security. Something the gentleman from Virginia [Mr. HARDY] has been trying to do for several years. Which he cannot do unless he can force the needed facts out of the executive departments.

Mr. PASSMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 116, noes 55.

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 152, nays 119, present 1, not voting 162, as follows:

[Roll No. 231]

YEAS—152

Abbitt	Conte	Green, Oreg.
Addabbo	Corbett	Green, Pa.
Addonizio	Curtis, Mass.	Hagen, Calif.
Albert	Daddario	Harding
Andrews	Dawson	Healey
Arends	Delaney	Hechler
Ashley	Denton	Holland
Auchincloss	Diggs	Inouye
Avery	Dingell	Jarman
Bailey	Donohue	Joelson
Baldwin	Doyle	Johnson, Calif.
Barrett	Dulski	Johnson, Wis.
Barry	Dwyer	Jones, Ala.
Beckworth	Edmondson	Karsten
Blatnik	Elliott	Kastenmeier
Boland	Ellsworth	Kee
Bolling	Everett	Kelly
Bolton	Fallon	Keogh
Bonner	Farbstein	King, Calif.
Brademas	Finnegan	Kirwan
Brewster	Fogarty	Kluczynski
Broomfield	Forrester	Kowalski
Burke, Mass.	Friedel	Lane
Byrne, Pa.	Gallagher	Lankford
Cahill	Gary	Lesinski
Cannon	Giaimo	Lindsay
Chenoweth	Gilbert	McCormack
Clark	Granahan	McDowell
Coad	Grant	McFall
Cohelan	Gray	Madden

Magnuson	Passman	Smith, Iowa
Mahon	Perkins	Spence
Marshall	Peterson	Stafford
Matthews	Pfost	Staggers
Merrow	Philbin	Steed
Miller, George P.	Pike	Stratton
Mills	Price	Taber
Moeller	Pucinski	Thomas
Moorhead, Pa.	Rhodes, Ariz.	Thompson, Tex.
Morgan	Rhodes, Pa.	Thornberry
Murphy	Rivers, Alaska	Toll
Murray	Roberts	Trimble
Natcher	Rogers, Colo.	Tuck
Nix	Roosevelt	Udall, Morris K.
O'Brien, Ill.	Rostenkowski	Ullman
O'Brien, N.Y.	Ryan	Vanik
O'Hara, Ill.	St. Germain	Wallhauser
O'Hara, Mich.	Schwengel	Wickersham
Olsen	Seely-Brown	Willis
O'Neill	Shelley	Yates
	Sheppard	Zablocki

NAYS—119

Alexander	Gathings	Moorehead, Ohio
Anderson, Minn.	Gavin	Morris
Ashbrook	Goodling	Morse
Ashmore	Gross	Mosher
Ayres	Gubser	Norrell
Baker	Hagan, Ga.	Nygaard
Bass, N.H.	Haley	O'Konski
Beermann	Hardy	Ostertag
Belcher	Hemphill	Pillion
Bennett, Fla.	Henderson	Poff
Betts	Herlong	Randall
Blitch	Hoffman, Ill.	Ray
Bow	Hoffman, Mich.	Reece
Bray	Huddleston	Rivers, S.C.
Bromwell	Hull	Robison
Brooks	Ichord, Mo.	Rogers, Fla.
Brown	Jensen	Rogers, Tex.
Broyhill	Johansen	Roudebush
Bruce	Jonas	Rousselot
Burleson	Kearns	Rutherford
Casey	Keith	Saylor
Chamberlain	Kilgore	Schadeberg
Chelf	King, N.Y.	Schneebeli
Clancy	Kitchin	Schweiker
Cramer	Knox	Scranton
Cunningham	Kornegay	Selden
Curtin	Kunkel	Shipley
Dague	Laird	Shriver
Davis, James C.	Langen	Sibal
Dole	Latta	Smith, Va.
Dominick	Lennon	Taylor
Dowdy	McCulloch	Thomson, Wis.
Downing	McMillan	Walter
Feighan	McVey	Whalley
Fenton	Mailliard	Whitener
Fisher	Mathias	Whitten
Ford	Meader	Wilson, Ind.
Fountain	Milliken	Winstead
Fulton	Minshall	Wright
	Monagan	

PRESENT—1

Davis, John W.

NOT VOTING—162

Abernethy	Derwinski	Hosmer
Adair	Devine	Ikard, Tex.
Alford	Dooley	Jennings
Alger	Dorn	Johnson, Md.
Anderson, Ill.	Durno	Jones, Mo.
Anfuso	Evins	Judd
Aspinall	Fascell	Karth
Baring	Findley	Kilburn
Bass, Tenn.	Fino	King, Utah
Bates	Flood	Kyl
Battin	Flynt	Landrum
Becker	Frazier	Libonati
Bell	Frelinghuysen	Lipscomb
Bennett, Mich.	Garland	Loser
Berry	Garmatz	McDonough
Boggs	Glenn	McIntire
Boykin	Goodell	McSween
Breeding	Griffin	Macdonald
Buckley	Griffiths	MacGregor
Burke, Ky.	Hall	Martin, Mass.
Byrnes, Wis.	Halleck	Martin, Nebr.
Carey	Halpern	Mason
Cederberg	Hansen	May
Celler	Harris	Michel
Chiperfield	Harrison, Va.	Miller, Clem
Church	Harrison, Wyo.	Miller, N.Y.
Collier	Harsha	Montoya
Colmer	Harvey, Ind.	Moore
Cook	Harvey, Mich.	Morrison
Cooley	Hays	Moss
Corman	Hébert	Moulder
Curtis, Mo.	Hiestand	Multer
Daniels	Hoeven	Nelsen
Davis, Tenn.	Holifield	Norblad
Dent	Holtzman	Osmers
Derounian	Horan	Patman
Pelly	Schenck	Tollefson
Pilcher	Scherer	Tupper
Pirnie	Scott	Utt
Poage	Short	Van Pelt
Powell	Sikes	Van Zandt
Quie	Siler	Vinson
Rabaut	Sisk	Watts
Rains	Slack	Weaver
Reifel	Smith, Calif.	Weis
Reuss	Smith, Miss.	Westland
Riehlman	Springer	Wharton
Riley	Stephens	Widnall
Rodino	Stubblefield	Williams
Rooney	Sullivan	Wilson, Calif.
Roush	Teague, Calif.	Young
St. George	Teague, Tex.	Younger
Santangelo	Thompson, La.	Zelenko
Saund	Thompson, N.J.	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. John W. Davis with Mr. Corman.
Mr. Colmer with Mr. Berry.
Mr. Jennings with Mr. Riehlman.
Mr. Boykin with Mr. Pelly.
Mr. Flood with Mr. Moore.
Mr. Buckley with Mrs. St. George.
Mr. Dorn with Mr. Siler.
Mr. Sikes with Mr. Tupper.
Mr. Abernethy with Mr. Wharton.
Mr. Williams with Mr. Younger.
Mr. Smith of Mississippi with Mr. Scherer.
Mr. Johnson of Maryland with Mr. Mason.
Mr. Baring with Mr. McIntire.
Mr. Libonati with Mr. Kyl.
Mr. Clem Miller with Mr. Judd.
Mr. Patman with Mr. Harsha.
Mr. Fascell with Mr. Hall.
Mr. Moss with Mr. Griffin.
Mr. Corman with Mr. Bates.
Mr. King of Utah, with Mr. Bell.
Mr. Ikard of Texas with Mr. Quie.
Mr. Dent of Pennsylvania with Mr. Byrnes of Wisconsin.
Mr. Pilcher with Mr. Wilson of California.
Mr. Landrum with Mr. Cederberg.
Mr. Garmatz with Mr. Frelinghuysen.
Mr. Stephens of Georgia with Mr. Smith of California.
Mr. Flynt with Mr. Nelsen.
Mr. Hébert with Mrs. May.
Mr. Riley with Mr. Glenn.
Mr. Watts with Mr. Miller of New York.
Mr. Evins with Mr. Van Zandt.
Mr. Rabaut with Mr. Findley.
Mr. Stubblefield with Mr. Chiperfield.
Mr. Rooney with Mr. Curtis of Missouri.
Mr. Loser with Mr. Martin of Massachusetts.
Mr. Burke of Kentucky with Mr. Horan.
Mrs. Griffiths with Mr. MacGregor.
Mr. Hays with Mr. Michel.
Mrs. Sullivan with Mr. Lipscomb.
Mrs. Hansen with Mr. Hiestand.
Mr. Roush with Mr. Goodell.
Mr. Saund with Mrs. Church.
Mr. Daniels with Mr. Alger.
Mr. Frazier with Mr. Becker.
Mr. Carey with Mr. Martin of Nebraska.
Mr. Alford with Mr. Hoeven.
Mr. Davis of Tennessee with Mr. Adair.
Mr. Harris with Mr. Halleck.
Mr. Jones of Missouri with Mr. Derounian.
Mr. Celler with Mr. McDonough.
Mr. Montoya with Mr. Kilburn.
Mr. Reuss with Mr. Derwinski.
Mr. Karth with Mr. Short.
Mr. Holtzman with Mr. Van Pelt.
Mr. Anfuso with Mrs. Weis.
Mr. Harrison of Virginia with Mr. Durno.
Mr. McSween with Mr. Garland.
Mr Multer with Mr. Anderson of Illinois.
Mr Poage with Mr. Harrison of Wyoming.
Mr. Rodino with Mr. Harvey of Indiana.
Mr. Holifield with Mr. Battin.
Mr. Scott with Mr. Collier.
Mr. Powell with Mr. Halpern.
Mr. Macdonald with Mr. Norblad.
Mr. Bass of Tennessee with Mr. Devine.
Mr. Cooley with Mr. Fino.
Mr. Moulder with Mr. Hosmer.
Mr. Rains with Mr. Pirnie.
Mr. Thompson of Louisiana with Mr. Schenck.
Mr. Santangelo with Mr. Dooley.
Mr. Morrison with Mr. Weaver.
Mr. Boggs with Mr. Teague of California.
Mr. Teague of Texas with Mr. Utt.
Mr. Sisk with Mr. Springer.
Mr. Aspinall with Mr. Widnall.
Mr. Young with Mr. Tollefson.
Mr. Vinson with Mr. Osmer.
Mr. Thompson of New Jersey with Mr. Westland.

Mr. JOHN W. DAVIS. Mr. Speaker, on this vote I have a live pair with the gentleman from California [Mr. CORMAN]. I was present and voted "no." Had he been present, he would have voted "aye." I therefore withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

TAKING THE BILL H.R. 9169 FROM THE SPEAKER'S TABLE AND SENDING IT TO CONFERENCE

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 479 Rept. No. 1271), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, with the Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby, disagreed to and that the conference requested by the Senate on the disagreeing votes of the two Houses be, and the same is hereby, agreed to.

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 479 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 479?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 479.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] pending which I yield myself such time as I may consume.

Mr. Speaker, I shall make this as brief as I can. Some of the Members of the House may not have been present when the incident arose which made this rule desirable. However, this relates to the bill that has just been passed by the Senate, the supplemental appropriations bill. As the bill came back to the House, it had some items in it that Members did not feel ought to be contained therein. There was one item in particular that raised a good deal of ire here in the House.

We had up this morning, for instance, this item of about $5 million for impacted school aid to the District of Columbia.

We had it in the conference report several days ago and it was defeated. It went back to the other body and came back again and today, by a vote of 2 to 1, the House again rejected that item.

I voted for the conference report. I voted for the item. But this is not any way to run a railroad. It comes back this afternoon with that item inserted by the other body and is again presented to us on the same day.

I am told that there are some other minor items of a similar character that were taken out of conference reports and put back in. Therefore, many Members of the House felt that they would like to know just what was going to be done about this before they agreed to any more conferences.

I shall yield to the gentleman from Texas [Mr. THOMAS], who is the chairman of the subcommittee and who will be our man on the conference that is expected to take place. I am sure he can give reassurances as to these items that should come out and probably will.

Mr. Speaker, at this time I should like to yield such time as he may consume to the gentleman from Texas [Mr. THOMAS]. Will the gentleman be good enough to advise the House what we may hope for when this bill goes to conference?

Mr. THOMAS. Mr. Speaker, I do not know what to say to the distinguished chairman of the Committee on Rules other than that I personally voted, as the House did twice, on this matter. My guess is that the majority of your conferees voted against this item. I do not know whether it would be proper for me to say anything more than to tell you that I doubt that that item will be back here when it comes over.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Pennsylvania.

Mr. WALTER. I understand that the Senate inserted some legislation in this bill providing for appropriations in contemplation of the enactment of legislation that was not considered. Have I the assurance of the gentleman from Texas that his conferees will not agree to legislation written in this appropriation bill?

Mr. THOMAS. I will say to our distinguished friend from Pennsylvania that it would be in violation of all the rules of the House; there is no authorization for it and it ought to go out the window without any further ado.

Mr. WALTER. I understand that, but it has been done before.

Mr. AVERY. Mr. Speaker, will the gentleman yield to me?

Mr. THOMAS. I yield to the distinguished gentleman from Kansas.

Mr. AVERY. A brief study of the conference report, I notice, shows two substantial items that have been added by the other body because of the recent passage of the Mexican labor bill, one item for $429,000 and another item for $534,000, a total of approximately $1 million.

Can the gentleman tell us if that is the amount of money that has been appropriated over the years for this program, or does that reflect an increase?

Mr. THOMAS. As soon as we can get this rule adopted the committee is going to take a look at two or three of those items. They were put in by the other body without our having an opportunity to look them over. We are going to look them over and we are going to do the best we can.

Mr. AVERY. I have implicit faith in the gentleman's ability to negotiate these items and state the case of the House. Are those items that have been previously appropriated, or are they about the same?

Mr. THOMAS. I could only give the gentleman my best guess on the subject. I think they are.

Mr. AVERY. The gentleman thinks they are about the same.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman know whether the conference report contains an increase in the clerk hire for the other body?

Mr. THOMAS. That is one I can answer positively: $532,000, $5,000 per Senator. I have not found out what the other $32,000 is for.

Mr. GROSS. Was that in the bill as it came over to the House?

Mr. THOMAS. Yes.

Mr. GROSS. Let me say to the gentleman that only a few days ago in the supergrade bill that went through the House there was included an increase in pay for staff members of committees of the House of Representatives. I happened to be on that conference, and the Members of the other body vigorously opposed it, and I am sure would have held up the conference on the bill had that item not been stricken out. This is not at all fair for them to now turn around a few days later and put in this bill an increase in pay for their staffs. I hope the gentleman will see to it that this item comes out of the bill, among many others, because only as late as 3 or 4 days ago they turned the House down flatly on any increase in pay for certain members of our staffs.

Mr. THOMAS. Tell us more about that. If I understand the gentleman correctly, that violates the longtime existing rule of comity between the bodies. Will the gentleman give us a little more detail on that? I am surprised to get that information, but I welcome it.

Mr. GROSS. There was a provision in the so-called supergrade bill which provided for an increase in pay for a limited number of committee staff personnel in the House.

Mr. THOMAS. That is different.

Mr. GROSS. That went out in conference because the Members of the other body refused to accept it. I am sure the gentleman from Georgia [Mr. JAMES C. DAVIS] will corroborate what I said. He is chairman of the subcommittee which handled the House bill.

Mr. THOMAS. I appreciate what the gentleman has said.

Mr. GROSS. There is no difference.

Mr. THOMAS. Something that affects every Member of this House and every Member of the other body; under a longstanding rule neither interferes with the other.

Mr. GROSS. I submit that Members of the other body interfered only a few days ago.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Virginia, the chairman of the Rules Committee, has explained the situation that confronts us. The Rules Committee did meet. It did grant a rule to send this bill to conference. This resolution was reported with the understanding, of course, that it would take a two-thirds vote to adopt it.

Statements were made on behalf of the minority and by some Members of the majority that before the resolution was brought to the floor for consideration we should hold conferences with those Members who will be designated as members of the conference committee to ascertain whether or not they would attempt to sustain the position of the House on some of these amendments that were placed in this bill.

The other body, contrary to the usual procedure, I can assure you, as the gentleman from Virginia explained, placed one of those items in the bill 30 minutes after the House for the second time had rejected the $5 million item for the District of Columbia to take care of the schools here under the so-called Public Law 874. They put that in the bill within 30 minutes after the House for the second time had rejected it by a 2-to-1 vote. It was put in in spite of the fact that the authorization for all appropriations for the District of Columbia is only $32 million, of which $30 million has already been appropriated, and therefore would be subject to a point of order, at least under the rules of the House.

Let me also say to you, in that bill there were inserted items by the other body, that is, in the pending legislation, items that had been included in other appropriation bills, which had come before the House, and the other body had gone to conference, and the amendments or the items had been rejected by the conferees, and the conference report rejecting those items had been adopted by the House and by the other body. In spite of all that, the items were reinstated in this particular bill. There are those of us who feel very strongly that the time has come when the House must stand upon its own

rights and protect its own privileges and its own positions in connection with these appropriation bills because under the Constitution, as you know, these appropriation measures should originate in the House. Yet, slowly over the years we have seen a continual attrition or wearing away of the rights of this body by the actions of the other body on appropriation bills.

I would like, if I may, for a moment or so to ask the gentleman from New York [Mr. TABER], the ranking Member on our side on the Committee on Appropriations if he will state just what his understanding of the present situation is and what he believes the position of the House conferees on these particular matters will be in connection with this legislation.

Mr. TABER. There was about $570 million in the bill, as it passed the House. The other body has added $200 million to it. Some of the items that they put in are decidedly questionable. I could not vote for this school proposition for the District of Columbia. It is illegal and amounts to the same thing as larcency. But the other items would have to be considered on their merits as we get to them. I have looked over the list of the items in the report we have available of the Senate committee and almost every item in it I have marked down to see that it was either reduced or thrown out.

Mr. BROWN. As I understand it, the subcommittee turned down that amendment having to do with the Nubian monument.

Mr. TABER. I would like to correct what I said a little earlier. I said that the other body had added $200 million. The increases run to $500 million instead of $200 million although we had been informed outside earlier that it was $200 million.

Mr. BROWN. In other words, if I understand the gentleman correctly, the bill, as it passed the other body, carried an amount better than double the amount appropriated by the House of Representatives. Some of those additions are necessary because of the enactment of laws or authorizations since the bill was before the House, but a great many of them were not and, as I understand the gentleman's position, it is that he intends to defend the specific position of the House on those particular items where these increases are.

Mr. TABER. Absolutely; without any question.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield.

Mr. BOW. The House bill has been increased by the report of the other body by $487,850,000, but they added on the floor during consideration of the bill somewhere around $12 million; so, actually, there is about a half-billion-dollar increase over the amount as it left the floor of the House.

Mr. BROWN. I thank the gentleman from Ohio, a member of the Subcommittee on Supplemental Appropriations.

Now, if I may turn to the ranking member of the subcommittee, the gentleman from Iowa [Mr. JENSEN], I would like to ask him in substance the same question as I propounded to the gentleman from New York.

Mr. JENSEN. Will the gentleman restate his question, please?

Mr. BROWN. I would like for the gentleman from Iowa to answer, if he will, the questions that I put to the gentleman from New York [Mr. TABER]: That is, as to your position as a member of this conference committee as to these items that have been added to the bill contrary to the wishes of the House and contrary to the action taken in the past by both bodies in many instances in rejecting such items.

Mr. JENSEN. I am sure the gentleman and the Members of the House will recall that when this bill came to the floor a week or so ago from the Subcommittee on Deficiency Appropriations I made some rather sketchy remarks about the bill.

I do want to say in answer to the gentleman's question which he propounded to the distinguished gentleman from New York [Mr. TABER] that I shall do everything in my power as a minority member of the conferees, which I presume I will be—that I will do everything in my power to see to it that such items as the House has already voted on relative to the District of Columbia item—I shall certainly insist, and I am sure that the chairman of the conferees on the part of the House will insist that the Senate yield to the managers on the part of the House on that item. I presume almost every Member of this body has sat in conference with the other body. Generally when the other body refuses to yield on a matter which the House has already acted on the managers on the part of the House simply do not yield, cannot yield to the Senate version where the Senate has again inserted an item on which the House has already taken a position. Generally the only way we can settle the argument in conference is simply to say that we will take the item back to the House for a separate vote and, of course, every member of the conference knows that the House will support the House conferees on matters of that nature. Generally then the managers on the part of the other body will capitulate, because they know there is no point in their insisting further.

There are some other items in this bill which our subcommittee of the House struck from the bill in committee that are back in the bill as it comes from the other body.

I am sure that the managers on the part of the House in this conference will insist that those items also be stricken.

Mr. BROWN. I want to thank the gentleman from Iowa very much for his statement. With the statements that have been made by the gentleman from Texas, chairman of the Subcommittee on Supplemental Appropriations, and the gentleman from Iowa [Mr. JENSEN] and the gentleman from New York [Mr. TABER] we can be assured if this resolution is adopted and the bill is sent to conference our representatives, the managers on the part of the House, will stand firm in behalf of the positions that have been taken on these various items by the House in the past and often by the other body as well.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Chair appoints the following conferees on the part of the House: Messrs. THOMAS, KIRWAN, CANNON, JENSEN, and TABER.

AMENDING LIFE INSURANCE ACT OF THE DISTRICT OF COLUMBIA—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 244)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 7482, "To amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended."

This legislation would allow District of Columbia life insurance companies to establish special voting and management procedures with respect to variable annuity contracts. It represents an attempt to reconcile conflicting requirements of the District of Columbia Life Insurance Act and the Investment Company Act of 1940, with a view to permitting District of Columbia life insurance companies to sell both variable annuities and conventional types of life insurance.

The purchaser of a variable annuity depends largely upon the efficiency and skill of the management in selecting and managing the underlying portfolio securities for the return upon his investment. Under these circumstances it is important, as the Investment Company Act of 1940 recognizes, that he have a voice in the control of his company. H.R. 7482 fails to give adequate recognition to this basic principle.

Even approval of H.R. 7482 would not free life insurance companies to sell variable annuities without complying with the Investment Company Act. The problems under that act are left wholly unresolved by H.R. 7482. Furthermore, in an effort to solve a local District of Columbia problem, the bill could have unfortunate consequences. Although an effort was made in the legislative history to avoid the possibility that the measure might mislead some States into assuming that it was a satisfactory solution, that danger still exists.

The Securities and Exchange Commission has been studying the problem of reconciling with the provisions of the Investment Company Act the operations of life insurance companies which desire to sell variable annuities. I am confident that in the near future the Commission will be in a position to offer a suggested program for solution of this problem.

JOHN F. KENNEDY.

THE WHITE HOUSE, *September 26, 1961.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal; and, without objection, the bill and message will be referred to the Committee on the District of Columbia and ordered to be printed.

There was no objection.

ASSEMBLY OF CAPTIVE EUROPEAN NATIONS SCORES INDIFFERENCE TO SELF-DETERMINATION

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, in two recent actions, the Assembly of Captive European Nations has sent telegrams to President Sukarno and to the foreign ministers of the Western Powers. I am including the content of these telegrams in the CONGRESSIONAL RECORD because I feel they tell a story. The ACEN is not seeking charity but only a more lucid understanding of our mutual interests at a time when the very existence of freedom in Western Europe is in jeopardy. These telegrams deserve the thoughtful consideration of the entire membership of the House.

ACEN CONVEYS GRIEVANCES TO INDONESIAN AND MALINESE EMISSARIES ON BELGRADE CONFERENCE'S BIAS CONCERNING RIGHT TO SELF-DETERMINATION

The Assembly of Captive European Nations in identical telegrams to Presidents Sukarno and Keita of Indonesia and Mali, respectively, voiced its disappointment over the indifference shown by the Belgrade Conference toward the legitimate quest for self-determination of the peoples of captive Europe, the non-Russian peoples in the Soviet Union proper, and the scores of millions in China, Tibet, North Korea, and Vietminh.

The telegrams to the Belgrade Conference's emissaries to President Kennedy read:

"The Assembly of Captive European Nations, free voice of the forcibly silenced peoples of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania, feel enjoined to register with Your Excellency the disappointment of the people in our homelands in the face of the shocking discrepancy between the endorsement given by the conference of heads of nonalined nations to the principle of self-determination and its lopsided interpretation of the application of this universally recognized right to concrete situations. We refer specifically to the blatant contrast between the strong call made for the termination of Western colonial rule in the few isolated spots in which this dying form of imperial control still survives and the studious silence observed by the Conference in regard to the only virulent and expanding colonialism of our times, the colonialism of the Soviet Union and its junior partner in Peiping.

"There can be no valid moral or political justification for the indifference shown by the Conference toward the legitimate quest for self-determination of 100 million people in the captive lands of Europe, of 95 million non-Russians in the Soviet Union proper and of scores of millions in China, Tibet, North Korea, and Vietminh. The true explanation of this attitude becomes apparent in the light of the failure of the Conference to condemn the Soviet Union for the resumption of the nuclear tests and of the wide endorsement given to the Soviet position on Berlin, on foreign bases and on disarmament. These actions cast a serious doubt on the contention of nonalinement upon which the governments represented in the Conference had based their claim to a significant role in world affairs.

"We are aware that the 25 nations which were represented at the Belgrade Conference are anxious to preserve their hard-earned independence and that their people aspire to live in true freedom. We are therefore hopeful that they will soon come to recognize that Soviet imperialism constitutes the only real danger to their independence and freedom and consequently will oppose any alinement with policies pursued in furtherance of the clearly established and openly proclaimed Soviet aim of world conquest. We furthermore trust that these nations will come to aline themselves with all nations subjugated to alien rule, as well as with a worldwide drive to bring about respect for and observance of human rights in the sure knowledge that in this era of devastating weapons, genuine democracy, that is, effective control of government by the people, represents the only reliable safeguard against an annihilating war."

ACEN SENDS COPY OF TELEGRAM TO PRESIDENT KENNEDY

In sending the telegram addressed to the Belgrade Conference emissaries to President John F. Kennedy, ACEN said:

"* * * we trust that you will find it appropriate to point to the double standard observed both inside and outside the United Nations by the governments represented at the Belgrade Conference in regard to self-determination. The peoples of our homelands would take comfort from the knowledge that the leader of the greatest democracy has forcefully called for a single moral and political standard on this matter of vital concern to them.

CENTRAL EUROPE'S IMPORTANCE AS WAR DETERRENT EMPHASIZED IN ACEN TELEGRAM TO FOREIGN MINISTERS MEETING IN WASHINGTON

In identical telegrams to U.S. Secretary of State Dean Rusk, Foreign Secretary the Earl of Home of Great Britain, and Foreign Ministers Couve de Murville and Dr. Heinrich von Brentano of France and the Federal Republic of Germany, respectively, the Assembly of Captive European Nations emphasized to the four Foreign Ministers gathered for a common strategy meeting in Washington, the importance of the deterrent power represented by the captive nations of East Central Europe in helping to defeat the grand strategy of the Soviet Union, aimed at control of West Berlin and eventually over the whole of Europe.

The telegrams, over the signatures of ACEN Chairman Vaclovas Sidzikauskas and Secretary General Brutus Coste, read:

"The decisions you and your colleagues from France, Germany and the United Kingdom will take these days are bound to affect for better or worse the future of all European nations, free or enslaved. It is therefore incumbent upon the assembly of captive European nations to place before you its considered views on some of the momentous problems your governments will be confronted with in the near future.

"We hold that the moves the Soviet Union is preparing to strangle freedom in Berlin are decisive steps in a strategy designed to extend gradually Soviet power over the whole of Europe. It is our confident belief that this grand strategy can be defeated without plunging mankind into a catastrophic war.

"It is our further belief that the captive nations could bring to this end a significant contribution.

"In combination with the conventional forces of NATO in Europe, the troublemaking capability of the captive peoples on the Soviet lines of communication could constitute an alternative deterrent of real effectiveness at a time when Khrushchev no longer seems prepared to believe that to maintain their position in Berlin the Western Powers are prepared to go to any length. The point, however, is that to compel the Soviet ruler to reckon with a substantial risk factor in Eastern Europe, urgent steps are required on the part of the Western Powers to offset the damaging effect of their setbacks and their neglect of the captive nations in recent years. Hope today is dim in Eastern Europe and faith in the West is at the lowest. Yet, it is in the power of the West to bolster these sources of the spirit of resistance.

"The basic requirements are a consistent posture of firmness in the coming crisis and an unmistakable identification with the aspiration of the captive peoples. It is urgently necessary to convince the people of captive Europe that they have ceased to be an object of pity or occasional oratory and have become an objective of Western policy. With this in mind we trust: (1) that in any negotiations they may conduct with the Soviet Union they will oppose to Soviet pressures for a Berlin solution an overall European peace plan providing for the liquidation of the abnormal division of Europe by the honest application of the universally recognized right of self-determination; (2) that regardless of the prospects of securing the required majorities, the Western Powers will jointly bring before the 16th General Assembly of the United Nations the question of the denial of self-determination in the captive countries and will call for free elections under rigorous safeguard and international supervision; (3) that the Western Powers will take urgent steps to inscribe the Hungarian question on the agenda of the 16th U.N. General Assembly; (4) that they will desist from further actions and moves giving international respectability to the satellite regimes and compounding the adverse effects of past acts of recognition.

"The Assembly of Captive European Nations also feels enjoined to warn that any action by which the Western Powers would directly or indirectly sanction the political status quo in central and eastern Europe is bound to produce consequences detrimental both for their moral authority and security. A security treaty covering any of the captive nations or comprising satellite regimes among its signatories would be a case in point. We must furthermore caution against the idea that the troublemaking capability of the captive peoples can be set in motion at will, in retaliation to Soviet aggressiveness on Berlin, and independently of a clear and prior Western commitment to the goal of freedom for the nations concerned.

"In presenting its views the assembly gives assurance that the peoples of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania have enough political maturity not to engage in untimely overt actions or uprisings should the Western Powers undertake the suggested actions.

"Trusting that the views of our assembly will receive your earnest consideration, we wish complete success to your deliberations."

FORCED INTO BANKRUPTCY

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, in the July–August issue of the Johnson National Drillers' Journal, an extremely interesting article appeared entitled "Forced Into Bankruptcy." It gives a thought-provoking analysis of the impact of Government spending policies which are virtually driving business into bankruptcy and in turn destroying untold job opportunities. I urge the Members of the House to read it:

FORCED INTO BANKRUPTCY

When are we U.S. taxpayers going to stop kidding ourselves? We can be pretty shrewd in our private business affairs and quite efficient about running a household budget, but when it comes to managing our fiscal affairs on a local, State, or National level, it's bring out the loaded dice, Pa, here they come again. We're over 21 and presumably have learned a few of the basic facts of living in this world—but still we're suckers for the idea that we can get something for nothing.

What happens to us? Why can't we face up to the fact that 1 tax dollar going to Washington cannot by any stretch of the imagination get us $20 back, unless there's some high-grading going on somewhere.

Maybe we shed our responsibility as individuals when confronted by the mass of government organizations promising to take care of us.

Maybe we're hypnotized by the economists—they're like Custer's Indians—who're hired to puff on the Washington financial pipe and dreamily assure us that national debt is a fairy tale but deficit spending is the gospel, unadulterated, box seat ticket to the full-length, double feature of the horn of plenty and the fountain of youth. All in one easy, exciting, comforting, 400 horsepower moonlight package. Nothing down and forever to pay.

And we love it.

If we didn't our elected Members of Congress would never pass a multibillion-dollar till tapper which, under the guise of urban renewal, would allot a town $478 for every man, woman, and child of its 1,800 population—to completely remodel its business district, all three blocks of it. Or $1,100,000 to another city, which felt it couldn't finance a $234,000 sewer repair job by itself, but now, after the grant, can issue $350,000 in bonds for a new civic center without even raising the tax rate.

No, if we didn't believe our pipe dream, this sort of thing could not be.

But the examples cited above are true, and are of the very smallest cases. Some of the big ones are too fantastic to be believed.

And if we didn't approve, our elected representatives would not dare allow a situation to exist which bypasses constitutional directive and permits Federal agencies to draw virtually unlimited sums from the U.S. Treasury without congressional appropriation. Our Constitution states that "no money shall be drawn from the Treasury but in consequence of appropriations made by law." When money is taken without proper authority in private life, what is it called?

The situation not only exists, it seems to have the full blessing of everyone concerned. Secretary Douglas Dillon is quoted as estimating that such Treasury handouts now total some $108 billion, of which not one-third has been repaid. This bypass of authority began as an extreme emergency measure under the Reconstruction Finance Corporation in the 1930's, to provide quick funds for that agency's loans. Yesterday's extreme emergency, it seems, has become today's common fund. Writing an I O U for our children to look at later in dismay makes the practice morally acceptable by today's standards.

Our forefathers could talk in plain language and lay the facts on the table for open discussion. Maybe we can't do that anymore.

The fact remains, as it always has, that you can't get something for nothing. Plenty of politicos have made careers out of telling us differently, and we seem to want to believe them. But every request to Santa Claus has to be paid for somewhere along the line, if it's to be granted. Every plan, project, and program for which we want Federal funds someone has to work for it, and the bigger the proposition, the longer and harder the work.

It is possible to bankrupt a nation—it has happened in our time—and a couple of our own States have come to the brink in the last year or so. Could we possibly do without a few of our governmental services, bureaus, offices, staffs, and plans? It will take more than a shake of the head to change the setup. And if we think it will change by itself, we're kidding ourselves all over again.

TRIBUTE TO ROGER MARIS

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, before we adjourn I wish to take this occasion to pay appropriate and a most deserved tribute to a nationally known constituent—Roger Maris. Although born in Minnesota and although his family moved him at an early age to North Dakota, Maris has of his own choosing made Raytown, Mo., his home. Raytown is a city of about 20,000 in the suburban perimeter of Kansas City, and in the heart of the Fourth Missouri Congressional District.

We live in an age in which world tension and crises seem to have become commonplace. This long, hot summer which is drawing to an end has been especially trying because of Russian space achievements and the Berlin situation, two of the areas of cause for grave concern. During such a time, any relief or diversion from our many worries is certainly to be welcomed.

Such an alleviation has been provided by Roger Maris and his teammate Mickey Mantle in their race to close the "home run gap."

In a total disregard of odds and statistics, these two athletes have combined to produce more home runs than have ever been hit by two members of the same team, and in so doing, they have aroused a tremendous interest and following among the American people. They have given us something to think about besides Berlin, bombs, and Reds.

Roger Maris, in particular, has stirred the imagination of the American people. Only 27 years old, this young athlete has accomplished in 5 short years in the majors, a feat which few former players were able to accomplish in their entire careers. His selection as the American League's most valuable player in 1960, stands now as a mere prelude to the "swatacular" show that he put on this season. The 59 home runs that he hit this year in 154 games seem all the more remarkable when one remembers what players have failed to match them. Such players as Lou Gehrig and Ty Cobb failed to threaten Babe Ruth's record. Only Ruth himself hit more than 59 and Jimmy Fox and Hank Greenberg ran their total up to only 58. Besides being able to hit home runs, Roger is an above-average fielder and runner. He is an all-around athlete but more than that he is regarded as a solid substantial citizen in the community in which he lives. We feel sure that if Ruth's record was to have been broken, Babe would have wanted someone like Roger Maris to do the breaking.

Although Roger hits his home runs in New York and other cities, we prefer to think that he gets his inspiration from his real "home base," which is in Raytown in the Fourth Missouri District, where he spends the off season—a peaceful, tranquil place where the air is pure and unpolluted and where he enjoys life with his family. We also like to think that the time which he spent with the nearby Kansas City Athletics in 1958 and 1959 provided him with the added skill and polish necessary for him to rise to stardom.

We thank Roger Maris for providing the American public with a change of interest which has boosted its morale at a time when such a boost was so sorely needed.

DEMOCRACY IS PROMOTING NATIONAL PROSPERITY AND NATIONAL DEFENSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CANNON] is recognized for 30 minutes.

Mr. CANNON. Mr. Speaker, on June 23, 1917, the Speaker of the House, officially welcoming the visiting delegation from the Republic of Russia said:

When our fathers proclaimed this Republic at Philadelphia July 4, 1776, there was only one other republic on earth—Switzerland—and the fathers were not certain this one would live until Christmas. Now, thanks to Almighty God, there are 27 republics in the world.

In a large sense we made them every one—not by conquering armies, not by the mailed hand, but by the wholesomeness of our example, by teaching all creation that men can govern themselves.

Of these 27 republics Russia is the newest and the biggest. It dazzles the imagination to think that she may be under free institutions, possessing as she does 180 million people and one-sixth of the land on the globe.

In that hour, when Russia after centuries of despotism under the czars had briefly espoused democratic government, every recognized nation in the world had embraced at least the forms of democracy. And Speaker Clark expressed the universal opinion of mankind that democracy had at last finally and permanently triumphed around the world.

The same faith was expressed by President Kennedy half a century later when

he said at the great ovation tendered him on his 44th birthday:

The dominant fact of the 20th century is that liberty grew and spread around the world.

What disillusionment has followed. What seemed to hopeful humanity to be the refulgence of a new day was but the flash of opening storm.

And today, after two world wars "to make the world safe for democracy," out of the 99 nations composing the United Nations—and others not admitted—only the Scandinavian and Benelux countries, Switzerland, the United Kingdom and Ireland, Canada and the United States, Costa Rica, Chile and Uruguay, Australia, New Zealand, and Israel support governments indisputably democratic.

In the World Wars of 1917 and 1941 which followed, the United States demonstrated not only the advantages of democracy in promoting national prosperity but its capacity for national defense as well.

At the conclusion of the Second World War the United States stood alone as the greatest military power the world had ever seen. We had the greatest army, more planes, more tanks, more ships than any other nation, and in our teeming cities, more wealth and greater productive capacity than all the rest of the world combined.

All nations, the military powers of every continent, were delighted to be associated with us and flocked to our standard and our leadership in the organization of nonaggression compacts of mutual assistance and defense. And we expended billions of dollars in the construction of airbases in every country contiguous to Russia and its satellites.

Almost overnight the wheel turns and our allies are withdrawing. Our position as an ally and a military power is dramatically weakened.

The Icelandic Althing has insisted on the removal of our northern base. France has notified us to leave and specifically interdicts nuclear weapons or warheads on French soil. Britain has banished American forces from four bases which cost us $50 million to build and mobs are demonstrating against our submarine bases in north Scotland.

American forces have been notified to abandon our Saudi Arabia airbase at Dhahran.

Democracy itself is repudiated. In Korea we have for years expended vast sums in schools, hospitals, commissions, libraries and other facilities to establish a democratic government and democratic institutions.

We have contributed food, arms, and medical supplies, established modern police forces for cities, organized and drilled armies and supplied munitions and transportation and conducted free elections.

Yet in 1 hour, the entire fabric of democratic government vanished and no one seemed to care. There was no protest and apparently no regrets. An entire nation trained in democratic ideas and ideals for more than a decade accepted dictatorship without comment and no one seemed to miss freedom.

At the close of the Spanish-American war, Cuba was ceded to the United States. The world took for granted it would be annexed and made a dependency or a part of the United States. Instead, we rehabilitated the country, organized public schools, founded a sound banking system, and encouraged the establishment of a new nation. Again, as in Korea, a communistic dictator took over; and recently when opportunity was afforded, the people, who had enjoyed a half century of self-government—an opportunity to rise against the usurpers, no one rose.

Throughout the world, to which, nation by nation, we have contributed so much, a black storm of hatred and insult and violence is rising.

Our Vice President, on a good will tour of South America, was set upon by a mob in Venezuela and stoned and spat upon while native police stood by disinterestedly.

Greece, whom we befriended through the years, would not allow our planes to refuel at Athens.

Austria, whom we saved from Soviet clutches, sent jetplanes to keep our transports from flying across one corner of her Tyrol.

In Bolivia the American envoy's visit coincided with bloody rioting, and in Lima riot squads using tear gas grenades were necessary to protect him, while hostile students adopted resolutions of protest. In Bogotá his limousine was stoned by frenzied students waiting at the university, and two bombs were found at the country club where he was to speak.

The President of the United States himself, invited to pay an official visit to Japan, was turned back by violent riots, and in Paris he was personally abused and insulted in the most provocative language by the head of the Russian government while foreign diplomats looked on in ill-concealed delight.

American planes have been repeatedly shot down by Russian aircraft and there has been no accounting. And provocations multiply.

Why this change in less than a decade from the pinnacle of fame and power and the respectful adulation and appreciation of a ransomed and delivered world to a position subject to contempt and enmity around the globe?

The answer is simple. The world stood by, hat in hand, when we had power and military might. Now that we have dropped to a second-class power the world turns to a greater power, Russia, the exponent of ruthless, brutal, irresponsible, military despotism.

Of course there are jingoists who insist that the United States can whip any nation on earth with one hand tied behind—and I hope it is so—and along with every other Member of the Congress I am doing everything I can to make it so, but all calm, dispassionate, appraisals by impartial authorities concede that Russia has 174 divisions to our 17, all better equipped; that they have 5 times the number of submarines and are turning them out more rapidly; that they are superseding bombers with intercontinental ballistic missiles with nuclear warheads, and stockpiling missiles with ranges of 8,000 miles and an accuracy at that distance of less than 2 miles from the target, and any one of them could destroy an American city.

Our situation is identical with that of England when at the close of the First World War, obsessed with the idea of the invulnerability of her navy, she ignored developments in airpower. Then when Hitler's bombers were on the horizon, Chamberlain bought such time as he could at Munich by the most humiliating concessions and when driven into war, unarmed and unprepared, was saved by the American Expeditionary Force.

But in America the improvidence is even more incomprehensible. Although the atomic bomb and nuclear propulsion are American inventions and we first produced them, Russia in 15 short years has forged far ahead in their application to modern warfare and in the scientific domain in which they had their inception.

Russia put the first satellite in orbit. We have never yet been able to penetrate the stratosphere.

Russia took the first and only picture of the hidden side of the moon. Our scientists had decided we would never be able to map the other side, when a complete photograph of it was printed in the local papers. The Russians had obligingly given it to us.

They fired the first shot to hit the moon. Our observers through our own telescopes saw the reaction when the missile struck the surface of the planet.

The Russians put the first man in orbit and brought him safely back to earth—the greatest scientific achievement in the history of man, a feat we have not yet been able to duplicate.

They have built the largest hydroelectric plant in the world, two and a half times the size of the great Bonneville Dam.

They have just exploded the 16th nuclear bomb—incidentally evidencing their contempt for world opinion—and all the neutral nations, which have been uniformly condemning the United States for developing the atomic bomb, are filled with admiration and ready to mold United Nations procedure to Soviet policy. The astonishing performance of the Belgrade Conference, just adjourned, in ignoring Russia's flagrant violations of international law in filling the atmosphere with radiated fallout, and castigating the West on colonialism is typical. And nations which have only been able to sustain their economy through aid generously extended by the United States, were among the most vociferous.

All world barometers indicate that through the last decade, respect for the United States has declined drastically while Russian prestige has mushroomed with the vapor of her exploding bombs and her soaring satellites.

When we contemplate in agonized astonishment the drop of the United States from supreme power and influence in so short a time, when our newspapers carry daily accounts of the preeminent achievements of our enemies, a people just emerging from barbarism, when we realize the deadly danger which menaces

us and our form of government and our way of life, and all Christian civilization, we are inevitably confronted with the question, "Why?"

What irresistible influence could possibly have brought us in so short a time to this sudden and undeserved catastrophe? How is it that we find ourselves and our Nation so unexpectedly on the brink of the precipice?

The answer is plain—inept leadership. With closed eyes and closed minds, blind and deaf to the screaming lessons of history and the wildly gesticulating signs of the times, we have driven at top speed and incredible dissipation of national wealth and resources into the mouth of perdition.

The watchmen upon the towers have failed us. The Pentagon and the committees of the House and Senate, following the admirals in blind obsession, have failed to realize that the whole military philosophy of the era has been changing. They have failed lamentably to understand the revolution which has been taking place in the technology of war. They have been living in the past, in the days of French 75's and no man's land and fixed bases. They cannot appreciate the fact that battles are no longer won with bayonets and wars are no longer won with battles and that modern warfare is a matter of chemistry and machinery and worldwide targets, and that casualties include entire cities with all inhabitants and millions of noncombatants in remote sections of the country.

The admirals of the U.S. Navy stubbornly refused to consider aircraft as anything more than toys until a small Japanese plane sank two of the finest and newest warships in the British Navy and airplanes hardly larger than kites sank decommissioned American warships in Hampton Roads.

But being finally convinced against their will that 2 and 2 were 4, they leaped into the front seat of the bandwagon and grabbed the lines and devised the aircraft carrier, the most elaborate, the most expensive, and the most vulnerable ship that ever sailed the seas. Still insisting fatuously that the Navy was the first line of defense, they starved other branches of the service in order to pour into the carriers every resource at their command. Engineers, technicians, artisans, skilled mechanics were monopolized, the choicest materials and all the attention and emphasis that the service could bring to bear, were concentrated on the carrier program. Year after year the admirals appeared before the House and Senate committees on the Hill, and the committees promptly and docilely recommended the authorizations and appropriations requested.

A task force of carriers, with auxiliaries, tenders, destroyers, and service ships cost in excess of a billion dollars. They travel at the rate of 36 miles an hour in this supersonic age and are as fragile as an eggshell.

So, while Russia concentrated on submarines and missiles, down at the Pentagon protocol was observed meticulously and clerks filed away tons of reports on unimportant details and America's war power steadily dwindled.

The 1960 budget contained no funds for construction of additional submarines or Polaris except for advance components, a notable and disastrous gap in the deployment of both.

The admiralty was not interested in either missiles or submarines, and as a result, the congressional committees were not interested. Oblivious to what was happening before their eyes, they passed up any hope that we would be ready with modern weapons when the the test of war came.

For example in the spring of 1957, only a few months before the sputnik was launched, Admiral Raborn waited in an anteroom most of the day before he was called before the House subcommittee. Admiral Raborn briefly outlined the Polaris system and its relation to the nuclear-driven submarine and its tremendous impact on modern armament.

He explained that it would be powered by a solid propellant, a feature which of itself would naturally attract attention.

He told of its phenomenal range of 1,500 miles and pointed out that when launched from a nuclear-powered submarine it would fill our greatest need—powerful Navy retaliation from the sea.

He made it plain that this remarkable combination of nuclear submarine and atomic missile would be all but invulnerable.

Nothing more revolutionary, or more needed in national defense, could have been suggested and yet no one was interested. No member of the committee asked even a perfunctory question. The chairman asked if there were any questions. There were none and Raborn was dismissed. His testimony had taken 5 minutes. And when he left the room national security went with him.

When the committee reconvened for the following session of Congress and the question of the Polaris program was again brought before the committee, although the sputnik had in the meantime alerted and alarmed the entire Nation, the committee showed no interest and Secretary of Defense McElroy without further consultation ordered acceleration of the program without waiting on the committee.

The same lethargy toward submarine and missile programs and the same obsequious deference to the admiralty characterized every other committee of the two Houses dealing with national defense.

But history has a way of balancing the equation. In great national need a great national figure rises to meet the occasion. Adm. Hyman Rickover is such a man. In my considered opinion, he has rendered the greatest service to the Nation of any man since Lincoln. But for him and the nuclear-propelled submarine, supplemented by Adm. William F. Raborn's Polaris, our situation today would be hopeless. In the secret depths of the sea, with no entangling base arrangements to be made with foreign governments, the submarine cannot be found and it cannot be destroyed. In constant radio contact with Washington, it can swiftly emerge in range of any Russian city or military installation and carries 16 Polaris missiles each of which is capable of destroying an entire city and its environments. As time runs out on the gallant SAC only the *Nautilus* and her sister nuclear propelled vessels can deter a brutal, consciousless aggressor from an unprovoked attack and the murderous extinction of the American people.

The admirals made every effort to stop the work of Admiral Rickover and drive him from the Navy. Only his personal appeal to President Eisenhower gave him makeshift working quarters and the opportunity to save the Nation.

Had the United States in these crucial years followed Russia's example and put the thought, emphasis, and resources we wasted on carriers into missiles, we would have been the first into the stratosphere and would undoubtedly have been preeminent today in military power and world leadership.

Effort was repeatedly made to break the hypnotic power of the admirals over the House committeemen and divert the vast sums being spent for carriers to neglected defense items—submarines and missiles in particular. Only recently in writing the annual appropriation bills, were we able to get motions through the subcommittee to eliminate them. And even then the Senate invariably restored them.

When President Eisenhower had been in office only 3 days, we went down to the White House to see him and urge him to intercede and stop the mad carrier program. As we know now, President Eisenhower leaned over backward to avoid any implication of interfering with Navy procedure. He listened attentively and gently indicated that he believed the carriers would be effective in minor operations. Incidentally, we realize now that America will never again participate in a limited war. Any future war will be for keeps, with all chips down, and every nuclear weapon utilized. It is tragic to think that America might still be predominant and world peace assured if the President had disregarded interservice protocol and eliminated the carriers.

In the meantime, belatedly, the aircraft carrier craze has fallen of its own weight. Although we devoted something like 15 years to building carriers to the exclusion of important defense weapons and spent billions of dollars on the fallacious carrier program, all mention of it has disappeared from current reports and all reference to carriers or anything pertaining to them has vanished from the daily newspapers.

President Kennedy has avoided in all messages and recommendations any reference to carriers or the carrier program. Much too late it is a dead issue. The incredible carrier program has been sunk without a trace.

Not only were those engaged on the nuclear propulsion research and the Polaris denied adequate facilities but they were constantly subjected to galling demands of rank. Officious and critical demands for evaluation, reports, justifications and inspection, took time and energy which should have been devoted to study, research and fabrication

and reduced morale and delayed progress.

Congressional committees added to the difficulties. After completely neglecting the projects—once they began to appear in the newspaper headlines—every committee and subcommittee which could claim jurisdiction called on them to appear for long and exhausting hearings to recount over and over again the same testimony and insisted on having reports on the most sensitive and revealing phases of the work, and newspapers carried every item that could be gleaned. Much of the data which enabled Russia to capitalize on American discoveries and inventions was secured from newspapers and official reports of congressional committees and executive departments.

It is to be hoped that we have progressed to the point where in the future our technicians and scientific executives can be protected from this irksome and officious exploitation.

It is now an accepted maxim, conceded by responsible military authorities throughout the world that in any future war no military force can survive under attack on the surface of the earth. Only those in the air, underground or beneath the sea will survive.

President Kennedy has reversed the program. In suggesting the assignment of American naval support for international operations, he has always specified submarines and has never mentioned carriers.

The long program calling for the construction of aircraft carriers has been abandoned. The last budgets have carried no funds for the construction of new carriers and the Navy has awarded no carrier contracts. After spending 15 years and billions of dollars preparing the one great weapon to be ready when needed, we now find that all the time and money and emphasis devoted to this huge Frankenstein is utterly wasted and the carriers are useless and will be driven up the nearest river as far as they can go as soon as war is declared or fighting starts. It is the most colossal national debacle in all military history.

The sole purpose of all military appropriations in this session and all future sessions—if there are future sessions—is to deter foreign predators from attack. In this darkest and most dangerous period in our annals the nuclear powered missile firing submarine is the most effective deterrent to war and the most assured implement of permanent world peace. We desperately need more of them—and our intercontinental ballistic missiles are still too recently in the experimental stage but there may be enough. It is late but perhaps not too late.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Speaker, I certainly want to compliment the gentleman from Missouri [Mr. CANNON] for his statement. I was the mayor of the city of Omaha where the headquarters of the Strategic Air Command is located. I know the views that the gentleman from Missouri expresses about the carriers are the very same views that are expressed by General LeMay.

Mr. CANNON. General LeMay said 3 years ago, and nobody has since denied it, that within 2 hours after the fighting started not a single vestige of the American Navy would remain afloat, except the submarines.

Mr. CUNNINGHAM. If the gentleman will yield further, I would like to say that I am personally convinced of the value of the Polaris submarine. I have a very close personal friend who has his roots in Nebraska, and who is a graduate of West Point, who is now in the Bureau of Ships. He has for the last several years been instrumental in working on the Polaris submarine. He called on me just last week and said that he was frustrated, that there are so many administrative decisions and orders and so much bureaucracy surrounding the program now that it has become of age that he wondered whether he should get out of it. So, I hope that the distinguished chairman of the Appropriations Committee will see to it that these people who know the Polaris submarine and are dedicated to it will not be frustrated and have any reason to remove themselves from Government service, because we need them very, very much.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

ACTIVITIES OF THE HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a report on the activities of the House Committee on Science and Astronautics.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I submit herewith the following report on the activities of the House Committee on Science and Astronautics:

ACTIVITIES OF THE HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS

INTRODUCTION

The Committee on Science and Astronautics is the newest committee of the House of Representatives, organized in 1959 and now completing its third year.

As a standing committee, it exercises legislative jurisdiction over outer space, including exploration and control thereof, science scholarships, and scientific research and developments.

It also exercises legislative jurisdiction over astronautical research and development, including resources, personnel, equipment, and facilities, and over the following executive agencies of the Government: The Bureau of Standards (including standardization of weights and measures and the metric system), the National Aeronautics and Space Administration, the National Aeronautics and Space Council, and the National Science Foundation.

The committee is the only committee of Congress with general jurisdiction in the field of science.

ACTIVITIES DURING 1961

The committee was extremely active during its third year in its hearings and investigations in the fields of science and astronautics. During the 1st session of the 87th Congress, the committee compiled this record:

1. Conducted 25 investigations whose scope ranged from nuclear propulsion to a study of international air laws and treaties.

2. Held 109 hearings on 15 different subjects ranging from a broad review of the Nation's space program to a study of the feasibility of adopting the metric system of weights and measures in the United States.

3. Issued 26 reports on a variety of legislative and investigative matters.

Reports (investigative)

During the 1st session of the 87th Congress, the committee issued the following nonlegislative reports:

1. Research Needs for Salt Water Conversion (H. Rept. 71. Also listed as Committee Print Serial a).

2. Military Astronautics (H. Rept. 360. Also listed as Committee Print Serial f).

3. Project Rover (H. Rept. 377. Also listed as Committee Print Serial d).

4. The Organization of the U.S. National Space Effort (staff study of Dec. 30, 1960. Released May 16, 1961, as a committee print).

5. Project Mercury, 2d Interim Report (H. Rept. 671. Also listed as Committee Print Serial h).

6. Annual Review of the National Science Foundation (H. Rept. 670. Also listed as Committee Print Serial g).

7. Equatorial Launch Sites—Mobile Sea Launch Capability (H. Rept. 710. Also listed as Committee Print Serial i).

8. National Bureau of Standards and the Space Program (H. Rept. 711. Also listed as Committee Print Serial k).

9. The National Meteorological Program (committee print, July 13, 1961).

10. Space Orbital Rendezvous (H. Rept. 909. Also listed as Committee Print Serial j).

11. Expandable Space Structures (H. Rept. 910. Also listed as Committee Print Serial m).

12. Commercial Applications of Space Communications Systems (H. Rept. ——. Also listed as Committee Print Serial o).

13. Small Business Participation in the NASA Research and Development Programs (staff study, released as a committee print dated Sept. 25, 1961).

14. Science, Astronautics, and Defense (committee print, May 12, 1961).

Reports (legislative)

The committee issued these legislative reports during the first session under the following titles:

1. To Amend Section 201 of the National Aeronautics and Space Act of 1958 (H.R. 6169 revising the Space Council. H. Rept. 225, Apr. 13, 1961).

2. To Authorize Appropriations to the National Aeronautics and Space Administration for Salaries and Expenses, Research and Development, Construction of Facilities, and for Other Purposes (H.R. 6874, H. Rept. 391, May 12, 1961).

3. Amending the National Aeronautics and Space Act of 1958 (H.R. 8095, H. Rept. 747, July 20. 1961).

4. Providing for a Survey To Determine the Practicability of Adopting the Metric System of Weights and Measures (H.R. 2049, H. Rept. 785, July 25, 1961).

5. To Amend the National Science Foundation Act of 1950 To Require Certain Additional Information To Be Filed by an Applicant for a Scholarship, or Fellowship, and for Other Purposes (H.R. 8556, H. Rept. 1029, Aug. 15, 1961).

Reports (miscellaneous)

1. Report on the 11th Annual Meeting of the International Astronautical Federation (committee print, Feb. 24, 1961).

2. A Chronology of Missile and Astronautic Events (H. Rept. 67. Also listed as Committee Print Serial b).

3. Panel on Science and Technology (H. Rept. 243. Also listed as Committee Print Serial e).

4. Air Laws and Treaties of the World (committee print, May 11, 1961).

5. Report of the Activities of the Committee on Science and Astronautics (1st sess., 87th Cong.) (H. Rept. ——) (Also listed as Committee Print Serial q).

6. Proposed Studies on the Implications of Peaceful Space Activities for Human Affairs (H. Rept. 242. Also listed as Committee Print Serial c. Copies of this publication are no longer available from the committee).

7. Practical Values of Space Exploration (revised study) (H. Rept. ——). (Also listed as Serial l.)

Printed hearings

The committee issued the following printed hearings on legislative and investigative subjects:

1. Discussion of U.S. Satellite Tracking System (Feb. 15, 1961. Listed as Committee Publication No. 1).

2. Research and Development for Defense (Feb. 16–22, 1961. Listed as Committee Publication No. 2).

3. Project Rover (U.S. Nuclear Rocket Development Program) (Feb. 27–28; Mar. 1–7, 1961. Listed as Committee Publication No. 3).

4. Space Propulsion Technology (Mar. 6–10, 1961. Listed as Committee Publication No. 4. Copies of this publication are no longer available from the committee).

5. H.R. 6169—A Bill To Amend the National Aeronautics and Space Act of 1958 (Apr. 12, 1961. Listed as Committee Publication No. 5).

6. Discussion of Soviet Man-in-Space Shot (April 13, 1961. Listed as Committee Publication No. 6).

7. 1962 NASA Authorization (Parts 1, 2, and 3) (Mar. 13–23, Apr. 10–17, July 11–12, 1961. Listed as Committee Publication No. 7).

8. Defense Space Interests (Mar. 17–23, 1961. Listed as Committee Publication No. 8).

9. The National Bureau of Standards and the Space Program (May 11–12, 1961. Listed as Committee Publication No. 9).

10. Equatorial Launch Sites—Mobile Sea Launch Capability (May 15–16, 1961. Listed as Committee Publication No. 10).

11. Annual Review of the National Science Foundation (May 17–18, 1961. Listed as Committee Publication No. 11).

12. Inflatable Structures in Space (May 19, 1961. Listed as Committee Publication No. 12).

13. Orbital Rendezvous in Space (May 23, 1961. Listed as Committee Publication No. 13).

14. The Metric System (June 28–29, July 21, 1961. Listed as Committee Publication No. 14).

15. To Amend the National Aeronautics and Space Act of 1958 (June 5–13, July 10–13, 1961. Listed as Committee Publication No. 15).

16. National Meteorological Satellite Program (July 25–27, 1961. Listed as Committee Publication No. 17).

17. Communications Satellites (May 8–10, July 13–17, Aug. 1–10, 1961. Listed as Committee Publication No. 19).

18. Awards of Fellowships and Scholarships Under the NSF Act (June 15–16, July 20–21, Aug. 15, 1961. Listed as Committee Publication 16).

19. Contemporary and Future Aeronautical Research (Aug. 1–8, 1961. Listed as Committee Publication No. 18).

20. H.R. 1—National Academy of Science Bill (Mar. 28–29, May 24–25, 1961. Listed as Committee Publication No. —).

21. Patent Policies Relating to Aeronautical and Space Research (May 26, June 1–8, June 20–22, Aug. 14–17, 1961. Listed as Committee Publication No. 20).

Investigations

During the 1st session of the 87th Congress the committee conducted 25 investigations or studies, many of them leading to public hearings at which various facets of the Nation's space program and of the Nation's scientific and technological status were explored.

The following subjects held the committee's attention:

1. Nuclear propulsion.
2. Space propulsion technology.
3. Department of Defense space reorganization.
4. U.S. satellite tracking capabilities.
5. Saline water conversion.
6. Communications satellites.
7. National space booster program.
8. Soviet manned orbital space shot.
9. Nonprofit research organizations.
10. Mobile sea launch capabilities.
11. The space program of the National Bureau of Standards.
12. Orbital rendezvous of satellites.
13. Inflatable structures in space.
14. Equatorial launch sites.
15. Manned lunar exploration.
16. Project Mercury.
17. International air laws and treaties.
18. Federal fellowships and scholarships.
19. National meteorological satellite program.
20. Futuristic aircraft development.
21. Small business participation in the national space program.
22. Research and development in the Antarctic.
23. Satellite inspection and interception (Project Saint).
24. Research and development of air traffic control.
25. Research and development in electronic computers and their applications.

MAJOR SUBJECTS UNDER INVESTIGATION

Research needs for salt water conversion

American scientists estimate that in 5 to 25 years the relative scarcity of fresh water will present the United States with a national problem.

It is an established fact that an increasing number of localities in the Nation are feeling a serious fresh water pinch. During the extended drought period of 1957 several hundred communities reported shortages of water.

In view of the early prospects for nationwide water difficulties, the committee undertook an intensive study of the progress being made in the basic research aspects of saline water conversion. Discussions were held with scientists, technicians, and others who are leading the effort to find economical ways and means of demineralizing presently unusable water.

As a result of the study, the following conclusions were reached:

(1) The United States is likely to be the first of the large technological nations to find itself seriously threatened by fresh water shortages.

(2) The worsening trend in the water picture is accelerating. In 1940 dependable supplies of natural fresh water in the United States exceeded the rate of use by 109 billion gallons a day. In 1960, the rate of use surpassed dependable supplies by 8 billion gallons a day.

(3) Shortage problems can be reduced by better methods of water treatment and reuse, more and better natural fresh water storage, reduction of reservoir evaporation, improved management, etc. Indications are, however, that all of these methods combined may not be sufficient to keep pace with prospective use rates. Large-scale saline water conversion, therefore, may be the only ultimate solution.

(4) New estimates of water use and supply suggest that the critical period, by which time economical conversion methods may be essential, will begin about 10 years earlier than it has been customary to predict—i.e., by 1970 rather than 1980.

(5) Refinement of technological salt water conversion methods now known can help the situation markedly. Very likely, however, the best methods have not yet been conceived. In either case, additional and continuing basic research is a strong necessity.

(6) While American research, particularly applied research, on salt water conversion appears to be moving with some dispatch, it is nonetheless proceeding at a pace which promises to be inadequate in view of the time and need factors involved.

(7) No single method of conversion is ever likely to satisfy the water requirements of all locales. Thus it is important to continue research on a variety of methods. Support of local and State governments for specialized research pitched to local needs appears desirable.

(8) Present levels of Federal support do not permit adequate coordination of work being done in allied basic research.

(9) Nations comprising some 60 percent of the earth's land surface are naturally arid and in growing need of water. Other nations are joining the water-hungry group.

(10 Research on saline water conversion abroad appears to be limited in scope and spotty in conduct. Some worthwhile concepts exist, but they are not presently being pursued with vigor. Emphasis is currently on the demineralization of brackish water rather than sea water.

(11) The United States is in a strategic position to reap more than material benefits from an effective salt water conversion program—if it produces the first truly efficient and economical systems for converting sea water.

(12) Property rights in conversion processes and equipment are an important phase of the research program. At present they do not appear to be retarding the total effort, but conflict over them may become intensified in the future and require additional attention.

Project Rover—U.S. nuclear rocket development program

This is the program which, it is hoped, will lead to the development of a nuclear space engine. The results so far have proven very promising and the work is being undertaken jointly by the National Aeronautics and Space Administration and the Atomic Energy Commission.

Nuclear enthusiasts admit that very difficult problems must be solved before a nuclear rocket will be a reality, but they contend that these problems do not involve scientific breakthroughs, and that the rewards are great enough to justify a much greater effort. More money will be required for this greater effort, of course; but if nuclear propulsion systems become available earlier than now programed, a great deal of money now scheduled to be spent for huge chemical systems in the late 1960's may be saved.

A decision on the relative merits of the nuclear rocket and the so-called Nova chemical rocket someday may have to be made. Even today there are some who believe that one effort would seem to duplicate the other, and that doing both would appear to be ex-

orbitant and wasteful. Whether or not this is a valid conclusion remains to be seen.

In any event, supporting enormous chemical systems while ignoring nuclear rockets has been described as "flirting with obsolescence," a conclusion with which the committee concurs. Basic policy decisions must be made in the near future, and the 1962 budget may be critical, since it will tend to establish direction and emphasis.

As a result of its investigation, the committee made the following recommendations:

1. The National Aeronautics and Space Administration should step up the pace of Project Rover by selection of engine and vehicle contractors at the earliest practicable date.

2. The Space Nuclear Propulsion Office should be provided with sufficient authority effectively to direct the progress of Project Rover.

3. The talents of the staff of the Los Alamos Scientific Laboratory should be utilized in research on advanced and higher power reactors to the extent possible, while industrial contractors should perform the engineering tasks associated with the Nerva engine development.

4. The National Aeronautics and Space Administration should reevaluate its present level of funding for facilities at the Nevada test site with the objective of providing adequate support and test facilities by the time they are needed.

5. The highest national priority—DX—should be assigned to the nuclear rocket development program. Project Rover should be accelerated and should receive all necessary support from both the National Aeronautics and Space Administration and the Atomic Energy Commission.

Project Mercury

Project Mercury is currently this Nation's effort to place a man in space at the earliest possible time. Since its inception, both the National Aeronautics and Space Administration and the Department of Defense have mapped out more comprehensive manned space flight programs.

However, these later projects, named Apollo and Dyna-Soar, must depend upon the successful development of larger space boosters such as Saturn, Titan II, Atlas G, or perhaps a newly conceived large solid rocket arrangement. Because Apollo and Dyna-Soar depend upon as yet unflown, larger boosters and are designed to project more than one man into earth orbit, it is not expected that either of these projects will be capable of placing manned payloads in orbit for 6 to 8 years.

Project Mercury is expected to provide many answers for these future manned space programs—answers which must be obtained concerning manned space flight environment, and man's ability to perform a useful function in space as soon as possible. Consequently, Project Mercury is being prosecuted by NASA, assisted by the DOD, with the utmost sense of urgency. Mercury enjoys top national priority as approved by the President of the United States. It carries DX priority rating.

Project Mercury represents the Wright brothers phase of space flight. It is sure to appear as crude and derring-do to future generations as the clumsy wood and cloth kits of aviation's bygone era. Both represent major phases in man's technological development. Both have experienced controversial criticism on the one hand and admiration for the courage, dedication, and vision of the men who strive for achievement on the other hand.

Because of the importance of the man-in-space program and the cost involved, the committee has made a continuing study of the progress being made. An initial report on the project was made to the House January 27, 1960. A new report designed to bring the study up to date was submitted to the House May 26, 1961.

In the second report the committee came to the following conclusions:

Project Mercury is a tremendously complex undertaking. It involves concurrent efforts in research, development, engineering, manufacturing, test, and training.

Project Mercury is one of the most comprehensive research and development programs ever undertaken in this country with respect to manned flight. A major problem is the necessity to attempt to "man rate" the Redstone and Atlas rocket vehicles which were not designed for manned reliability. The reliability of these two vehicles is the ultimate key to the success of Mercury. The first manned Redstone, a major Mercury milestone, was successfully achieved May 5, 1961.

Project Mercury is actually two research and development programs joined together by the capsule—the ballistic flight program utilizing Redstone, and the orbital program utilizing Atlas. The suborbital and orbital phases of Mercury each have different complex problems to solve and each contribute equally to achieving the ultimate goal of manned-orbital flight.

Project Mercury is progressing satisfactorily. Some slippage has occurred, but it is not out of line when considering the complexity of the development and past history of other large research and development programs.

Project Mercury will make a valuable pioneering contribution to following manned-space flight programs, such as the NASA Apollo and the DOD Dyna-Soar projects.

DOD-NASA coordination in the prosecution of Project Mercury is outstanding in every respect. Both organizations are dedicated to the success of this country's only current man-in-space program.

The cost of successfully completing Project Mercury could exceed $500 million, dependent upon the success of meeting the flight-test target goals as presently scheduled. Again, consideration must be given to the fact that Project Mercury is, in fact, two parallel research and development programs joined by the space capsule development. Booster reliability will be the key to increased program costs.

Project Mercury continues to move forward in an atmosphere of confidence apparent to all concerned. Morale is high, hours are long, the astronauts are busy and fit. The team is dedicated to a single goal—the achievement of successful manned-orbital flight.

Equatorial launch sites—Mobile sea launch capability

Hearings were held to investigate the desirability of the United States acquiring an equatorial launch site for civilian space programs and for military space operations. The feasibility and desirability of developing a mobile sea launch capability were also investigated as a possible alternative to acquiring an equatorial site.

Studies by NASA and the Department of Defense are being conducted at the present time. However, certain interim observations have been made and the evidence seems to point to the conclusion that establishing a permanent landsite at the Equator in the foreseeable future would not be worth the cost. The potential increase in overall performance in U.S. space activities would not be commensurate with the size of the investment required.

With respect to development of a mobile sea launch capability, the committee concluded that a mobile sea launch capability of various types might some day be required. Most witnesses before the committee took the position, however, that a demonstrable need must be shown in terms of accomplishing objectives not otherwise possible or savings of such magnitude as to justify the expenditure for its creation, or both. Neither the National Aeronautics and Space Administration nor the Department of Defense witnesses stated that such a need exists today.

The committee has a continuing interest in these matters and it is the view of the committee that the Nation's space programs must not be permitted to be adversely affected by lack of adequate facilities, and that all alternative methods of meeting the requirements of these programs should be thoroughly considered.

Space orbital rendezvous

The task of achieving orbital rendezvous in space is one which is holding the attention of both U.S. and Soviet scientists. Both nations look forward to the day when giant space platforms will be orbiting the earth, replenished regularly with fuel, material, and human occupants. When that day comes, man will have taken a great step forward in conquering space.

As a result of a study of the problems that surround the successful rendezvousing of space vehicles, the committee reached the following conclusions:

1. The research and development being done on the problems of orbital rendezvous are important to many planned future missions. These include: (a) Refueling spacecraft in orbit; (b) repair of expensive equipment in orbit; (c) rescue of crews in disabled spacecraft; (d) allowing a crew to enter orbit with a proven launch vehicle to join up with a very large but still experimental main craft; (e) assembly of large space stations; (f) assembly of major expeditions to the moon or planets; (g) crew relief and rotation at permanent space stations; (h) military defensive and offensive operations.

2. The accomplishment of orbital rendezvous would be a convincing demonstration of our ability to go where and when we wish in space, and would be the measure by which we could make realizable plans for almost any future space application.

3. Orbital rendezvous would find useful payoffs in the operation of advanced communications, weather, and other reconnaissance systems; it would allow the maintenance of permanent laboratories in space; it would allow the mounting of versatile expeditions to other natural bodies in space; and it would lie at the heart of most military space operations if that need should arise.

4. Orbital rendezvous can be accomplished in accordance with a planned timetable, but will require careful attention to development in many interrelated techniques including: (a) Tracking, (b) engine control, (c) guidance and command, (d) ability to launch at a chosen time, (e) sensing and remote handling devices, (f) coupling and transfer means, (g) inspection techniques, and (h) launch vehicles of sufficient size as to carry the necessary equipment and added fuel for maneuver.

5. Some of the leadtimes for advanced orbital rendezvous techniques may be fairly long so that the necessary early and cheaper stages should be undertaken promptly. Simple rendezvous might be demonstrated within about 2 years; more complicated maneuvers are 5 to 10 years away; full and virtually unlimited use of the technique may not appear until the decade after that.

6. Both the civilian and the military applications of the technique are likely to prove important, so both NASA and the Department of Defense have an interest in pursuing such work.

7. There seems inherent in these dual interests a danger of competing and overlapping programs, with doubt as to where the lines should be drawn. The committee was not wholly convinced that coordination is adequate today in light of the actual testimony received from the witnesses who described the Aeronautics and Astronautics Coordinating Board (panels on unmanned and manned spacecraft) as the mechanism now being used. Each official witness was a little vague in his knowledge of the work done in orbital rendezvous by the other major agency.

Commercial applications of space communications system

Extensive hearings were held this session on the commercial applications of space communications systems. Eight days of hearings were held, during which representatives of private industry and interested Government agencies testified.

Communications satellite systems appear to represent the first business suitable for commercial operation using space technology and great interest has been shown by industry in the commercial potential of such a system. This fact raises a large number of public policy questions. Some of these may require action by the Congress. All will require a high degree of coordination among the various executive agencies which have responsibilities for such matters as regulation of the communications industry, supervision, and coordination of research and development for space programs, conduct of U.S. foreign relations, and preserving the competitive nature of American free enterprise.

The committee considers communications satellite programs, commercial and military, an integral part of the U.S. space effort. Developments in space communications systems will affect other programs in space and vice versa. Therefore, NASA will be required to closely supervise and monitor the research and development of the various proposed systems. The committee takes the position that irrespective of how the question of ownership and operation of a commercial satellite communication system is settled, the research and development phase should proceed rapidly and should not be permitted to be delayed because of disagreements over business or financial arrangements. The noncommercial public interest in such a communication system, especially the unique international aspects, requires an intense interest and a continuing major role on the part of the Government.

The committee concluded that every effort should be made to develop the detailed information which will be needed by American negotiators in time for the extraordinary conference of the International Telecommunications Union in 1963. In the meantime, because of the vast public interest in this development, the committee recommends that the Government retain as much policy flexibility as possible with respect to such matters as ultimate ownership and operation of the system so that the noncommercial public interests will be afforded maximum protection.

LEGISLATION

Five bills were approved by the committee during the first session. Action was also begun on two other bills, but was not completed. The major pieces of legislation reported by the committee and approved by the House of Representatives were the annual authorization of funds for the space agency and revision of the Space Act of 1958.

The legislative histories of the bills follow:

H.R. 6169 (a bill to amend section 201 of the National Aeronautics and Space Act of 1958):

This was an administration measure sponsored by the late Representative Overton Brooks, Democrat, of Louisiana, revising the organizational setup of the National Aeronautics and Space Council. It provided that the Vice President instead of the President should serve as Chairman; decreased the Council's membership to five, in place of the maximum nine permissible under the original act, by limiting membership to Government personnel; clarified the Council's responsibility for assisting the President in formulating policy governing the Nation's space activities; and broadened the Council's field of coordination to include all Federal departments and agencies which are or may become involved in the national space endeavor.

The committee held a hearing on the bill and reported it to the House April 13. It passed the House April 17, was approved by the Senate April 20, and was signed into Public Law 87-26 by the President April 25.

H.R. 6874 (a bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes):

This was an administration measure sponsored by the late Mr. Brooks authorizing funds for the Federal space agency for the 1962 fiscal year beginning July 1, 1961. The full committee and 4 subcommittees met 23 times on the bill in both public and executive sessions before reporting it to the House May 12. It passed the Senate June 28. It was approved by a conference committee July 19 and the conference report was adopted by the House and Senate July 20. It was signed into Public Law 87-98 on July 21.

The measure as enacted into law authorized $1,784,300,000, the full amount requested by the administration. The amount subsequently appropriated by Congress was $1,671,750,000, a reduction of $112,550,000 in the amount authorized.

H.R. 8095 (a bill to amend the National Aeronautics and Space Act of 1958, as amended, and for other purposes):

This bill was an administration measure introduced by the late Mr. Brooks revising the space law. The measure (1) provides the National Aeronautics and Space Administration with authority to indemnify contractors against unusually hazardous risks arising out of research and development contracts, (2) eliminates the defunct Civilian-Military Liaison Committee of NASA and the Department of Defense, (3) authorizes NASA to settle past patent infringement claims, (4) gives NASA authority to waive payment and performance bonds otherwise required in construction contracting, and (5) empowers NASA to lease real property to others for a nonmonetary consideration.

The committee and a special subcommittee met in public and executive sessions eight times on the measure and it was reported to the House July 20. It was approved by the House August 7.

H.R. 2049 (a bill providing for a survey to determine the practicability of adopting the metric system of weights and measures):

This measure was sponsored by Chairman George P. Miller (Democrat of California). It would direct the National Bureau of Standards to determine through investigation, research, and study the practicability of the adoption by the United States of the metric system of weights and measures. The agency would be given 3 years in which to complete its study. The metric system is regarded technically speaking, as more simple to use than the system of English units because it is decimal and therefore requires little or no translation. Its proponents feel that commercially the metric system is essential to enable the United States to compete better with countries able to supply drawings, specifications, plans, and goods to metric standards.

The committee and a subcommittee held three public and executive sessions and reported the bill to the House July 25.

H.R. 8556 (a bill to amend the National Science Foundation Act of 1950 to require certain additional information to be filed by an applicant for a scholarship or fellowship, and for other purposes):

This bill, sponsored by the late Mr. Brooks, was designed to close a loophole in the law through which a graduate student convicted of contempt of Congress for refusing to state whether he was a Communist received a $3,800 fellowship from the Government. The fellowship was subsequently revoked.

The bill makes it unlawful for members of organizations cited as being Communist by the Subversive Activities Control Board to apply for any Federal scholarship or fellowship or to use such an award.

The bill further provides that an applicant applying for a fellowship after October 1, 1961, must advise the National Science Foundation whether he has ever been convicted of any crime, other that juvenile crimes or minor traffic violations. The measure also empowers the Foundation to refuse or revoke any financial grant whenever the Foundation believes such action would be in the best interests of the United States.

The committee held six public and executive sessions on the measure and reported it to the House August 24, 1961.

H.R. 1 (a bill to provide for the establishment of a National Science Academy):

This bill was introduced by Representative VICTOR ANFUSO (Democrat of New York) and was similar to a measure he sponsored in the previous Congress. A subcommittee held four hearings on the bill, but no final action was taken by the subcommittee during the first session.

H.R. 1934 and H.R. 6030 (identical bills to amend the National Aeronautics and Space Act of 1958, and for other purposes):

These measures were sponsored by Representative EMILIO DADDARIO (Democrat of Connecticut) and Representative BROOKS, respectively. They are designed to amend the patent provisions of the Space Act. The bills' language is identical with a provision in an Omnibus Space Act revision measure (H.R. 12049) which was approved by the committee and passed by the House last year. No action was taken by the Senate.

A special subcommittee held nine public hearings on the bills, but no final action was taken by the subcommittee during the first session.

CRAMER ANSWERS ATTORNEY GENERAL ROBERT F. KENNEDY BY SCORING THE ATTORNEY GENERAL FOR FAILURE TO SUPPORT STRONGER ANTICRIME MEASURES

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, I am sure many of my colleagues read George Dixon's column in the Washington Post and Times Herald a few days ago, in which the Attorney General was reported as being irked by my complaints that I had been unable to consult with him regarding my interest in strong anticrime legislation, and specifically the establishment of an Office on Syndicated Crime, with the purpose of collecting, evaluat-

ing, and disseminating information concerning the organized rackets.

I addressed a letter to the Attorney General reviewing the record and stating the facts, particularly in view of his very clear suggestion that he was categorizing me as one of the Members of Congress whose aim is to throw monkey wrenches into his program, which, of course, as the record will clearly show is not true. On the record, I have been an ardent fighter against organized crime, perhaps even more than the Attorney General himself, and have expressed myself as being concerned about the half-hearted approach of the Attorney General on fighting organized crime evidenced by his refusal to push some of the proposals I have made, and his failure to get through Congress three of his major anticrime measures this session, which should have been accomplished with his strong leadership.

I include a copy of my letter to the Attorney General, stating the facts of the case, and asking for a conference with him to discuss further legislation in the coming session.

SEPTEMBER 22, 1961.

HON. ROBERT F. KENNEDY,
The Attorney General,
Washington, D.C.

DEAR MR. KENNEDY: When I read Mr. George Dixon's column in the Washington Post last week, in which he reported you were "irked" by my complaints that I had been unable to consult with you regarding our mutual interest in anticrime legislation and that you were "never inaccessible" to "Members of Congress who desire to discuss matters of law and justice" with you, even if their aim is to "throw monkey wrenches" into your program, I was shocked and dismayed. As an ardent and long-standing backer of measures to bring under effective control the organized crime menace which confronts our country, I am the last Member of Congress on whom you can pin the label of "a monkey wrencher of your program." The record will show that I have been one of the stanchest allies you have—and enemies the organized racketeers have—on Capitol Hill.

As one who has repeatedly and unsuccessfully attempted to consult with you and to enlist your advocacy for even additional anticrime measures of my own, I hardly think these comments worthy of you as the highest law enforcement authority in the land.

The record will show this, as well as the fact that I am no Johnny Come Lately to the anticrime legislative field. Indeed, my credentials date as far back and possibly further than your own. Almost since my entry into Congress, I have advocated programs to curb the interstate crime threat which plagues our land—to the tune of a $22 billion annual "take."

Time and again I introduced measures aimed at the syndicates, only to watch them die aborning in a disinterested Congress. This session, I embodied all of my previous proposals, together with several new ones, in an omnibus crime bill. Designated H.R. 6909, this measure was referred to the House Judiciary Committee, of which I am a member. For your information, the Cramer bill embraced every one of the anticrime proposals sponsored by you which could properly come before the Judiciary Committee. Significantly, my bill was the only one this session which did so.

The following chart speaks for itself on whether or not I supported your current anticrime drive—or perhaps, stated a bit more accurately, whether you supported mine.

Kennedy program	Advocated in this Congress by Cramer (H.R. 6909)	Advocated in previous Congresses by Cramer	Advocated by former Attorney General Rogers
Interstate travel in furtherance of organized crime.	Yes	Yes	No.
Transmission of gambling information.	Yes [1]	Yes	Yes.
Fugitive felon	Yes	Yes	Yes.
Wagering paraphernalia.	Yes	Yes	Yes.
Compelling testimony	Yes	Yes	Yes.
Transportation of gambling devices.	Yes	Yes	Yes.
Obstruction of agency investigations.	Yes	No	No.

[1] Similar curb.

Thus, far from being a footdragger or obstructionist in the anticrime field, I have been in the forefront of the battle. And, insofar as your own vaunted anticrime program is concerned, I supported it wholeheartedly at this session of Congress and, indeed, in all but two cases, in previous ones.

If there is any disagreement at all between us, it is because I feel the program sponsored by you does not go far enough or deep enough. To do the job that needs to be done, additional measures are, I believe, necessary. It was to secure your support and advocacy for such further measures that I have sought to see you. I felt I might win your approval of these proposals which I believe are the sine qua non of an adequate program.

These new titles are likewise embraced in H.R. 6909:

Additional Cramer program	Now or in the past advocated by Mr. Kennedy	Advocated by former Attorney General Rogers
Office on Syndicated Crime	Yes [1]	No.
Outlaw terroristic criminal offenses.	No	Yes.
Outlaw criminal business expenditures.	No	Yes.
Wiretapping relating to organized crime.	Yes	No.

[1] Broad crime commission.

I have been especially interested in the establishment of an Office on Syndicated Crime. Originally urged by rackets-buster Milton Wessel, such an Office would assemble, correlate and disseminate intelligence from all sources, Federal and State, relating to organized crime.

How can we hope effectively to fight organized crime if we don't know what it is, who is involved, how it operates, and how far it permeates our society?

Since you yourself had urged the creation of a Federal Crime Commission, a little over a year ago, which goes much farther than my proposal, and had renewed your advocacy during the recent presidential campaign, I cannot understand why, now that you are in a position to implement your idea, you have abandoned it. I cannot understand how I am monkey wrenching your program simply because I have not given up the fight for a sound syndicated crime information center to help local law enforcement agencies.

The merit of a crime clearinghouse is unquestioned. I make this statement not on my own authority, but rather on the authority of every recognized witness who testified before our Judiciary Committee during our recent hearings on organized crime. Sadly, the only opposition to my Office on Syndicated Crime proposal came from you and your assistant, Mr. Miller.

Since, for some unexplained reason, breaking entirely with committee custom and practice, those hearings have not yet been printed, I cannot send you a copy of them in order that you might peruse and confirm my statement.

It is certainly true, as Mr. Dixon reported, that I quizzed you briefly, during your appearance before our committee. I had been given special permission to participate in the hearings due to Chairman CELLER's recognition of my longstanding and active interest in the anticrime field.

Unfortunately, my omnibus bill, H.R. 6909, was not officially before the subcommittee at the time. This, despite the fact that a subsequently introduced measure (H.R. 7039) was. It was not until several days after the hearings had begun that the chairman officially took cognizance of my bill and then only in a limited fashion.

So it was that, when the opportunity to question you was afforded me, far from discussing my measure, you pleaded ignorance of it. You had not seen or read it and thus were not familiar with its contents. And, as I recall the situation, when I attempted to press you on one of my legislative suggestions, I was summarily cut off by the chairman and the hearings were adjourned.

Since that time I have attempted, on numerous occasions, to discuss aspects of my program with you to enlist your advocacy for them. My attempts, regretably, have met with failure. But attempts there were—whether or not your secretaries kept a record—and I was shunted off to some of your many assistants whenever I asked to discuss anticrime measures.

Of course, it is true that we did, on one occasion, "break bread and ice" together. I remember that intimate gathering well. I am sure that others of the 34 members of the Judiciary Committee present did also. While it is probably true that no topic of conversation was barred at that luncheon, it is certainly also true that you were consumed with and directed the conversation at the luncheon largely toward securing a pay raise for Justice Department personnel. While I attempted to discuss at length organized crime on that occasion, I was less than successful.

But setting the record straight is of secondary importance to the far more pressing problem of effectively curbing the crime moguls who are gnawing at the moral vitals of America and sapping its economic vitality. Thus, despite our present impasse, I suggest you join me in my continuing anticrime fight on the legislative front. Much remains to be done, including three of your own proposals not enacted this session—immunity of witnesses, obstruction of justice, and gambling devices shipment.

I should, therefore, appreciate a meeting with you, not your subordinates, at the earliest opportunity in planning for the 1962 legislative allout anticrime effort.

In addition, I strongly urge the following:

1. That J. Edgar Hoover be permitted to testify at our future hearings, which was denied even during the 1961 hearings;

2. That you make available to the House Judiciary Committee the two reports—Mafia-Italy and Mafia-Sicily—which you heretofore refused to furnish on committee request;

3. That you give further consideration to supporting additional measures to fight organized crime, particularly the Office on Syndicated Crime proposal embodied in H.R. 6909.

I look forward to our meeting in the near future. I am hopeful it will produce useful and worthwhile results.

With kindest personal regards, I am,

Sincerely,

WILLIAM C. CRAMER,
Member of Congress.

CRAMER'S EFFORT TO SAVE FLORIDA'S FREE INTERSTATE HIGHWAY SYSTEM DESPITE CONSTRUCTION OF SUNSHINE STATE PARKWAY TOLL ROAD WINS BUREAU OF PUBLIC ROADS APPROVAL AND GAINS HEADWAY PROVIDING IT IS NOT NOW CONTRACTED AWAY BY TOLL AUTHORITY

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, for months since the State of Florida announced its intention to construct the extension of the Sunshine State Parkway, presently existing from Miami to Fort Pierce, to Orlando and Ocala and Wildwood, I have been fighting to preserve all parts of the Interstate System that might be affected by this toll road, which includes Interstate 75 serving the west coast and Interstate 95 serving Florida's east coast, and thus paving the way for proper planning for the parkway as well.

It has been my consistent effort to make certain that the State of Florida would take no toll road action that would jeopardize the free Interstate System as has happened in a number of other States where those States have lost Federal matching funds because the State has built competing toll roads, obviously at the time without realizing the long-range result. Being familiar with these precedents, as one of the ranking members on the Public Works Committee and the Roads Subcommittee of the House, and having consulted with the Bureau of Public Roads on the question, I felt it my duty to prevent the State of Florida from suffering financial loss and the partial destruction of the free highway system, perhaps unwittingly, in its planning for the parkway extension.

PROPOSALS AFFECTING INTERSTATE 75 ON FLORIDA'S WEST COAST

Earlier in the year, in a cooperative manner, I pointed out to the new Bryant administration in Florida the effects of its proposals at that time which definitely would have imperiled Florida's free system Interstate 75 on the west coast.

These objections have resulted in the State withdrawing its program to insert a 77.2 mile toll trap into Interstate 75 between the towns of Alachua and Wildwood as a substitute for equal mileage on the free Interstate System in the same area connecting that toll link up with the new turnpike extension past Orlando south to Fort Pierce.

Since that time, Governor Bryant has denied he ever made such a proposal, but the record speaks for itself and I cite that record hereafter.

First, in the March hearings before our Special Subcommittee on Federal-Aid Highways, on March 9, 1961, under interrogation by me, Mr. W. C. Peterson, division engineer, Bureau of Public Roads, Tallahassee, Fla., the following record of the testimony will show he testified as follows:

Mr. CRAMER. I have one other question. You indicated that your fundamental problem was lack of a long-range program which is needed, and I understand presently there is now, under the new administration, discussions about rerouting the Sunshine Parkway which is the toll facility going down the east coast of Florida, and there was considerable discussion under the previous administration and a lot of negotiation, was there not, in determining whether to integrate a portion of that expressway into the Interstate System, or whether to permit the State to parallel the toll facility, with a freeway, was there not?

Mr. PETERSON. That is right.

Mr. CRAMER. And that problem was finally worked out, after lengthy consultations?

Mr. PETERSON. Yes, sir.

Mr. CRAMER. And now, after some 5½ years, since the Interstate System was supposedly fixed, the State finds itself in a position, as far as your responsibilities are concerned, of having to contemplate a new location for that expressway, Orlando to the north, is that correct?

Mr. PETERSON. What I know about that is that I attended a meeting at the road board about a month ago. A man was there who was in charge—I guess he is with the Sunshine State Parkway, and they had a consulting engineer, and they asked Mr. Anderson, our regional engineer, to attend this meeting. What they proposed to do is extend the Sunshine State Parkway from Fort Pierce northwestward to Orlando, from Orlando to Gainesville and from Gainesville to Ocala, and then north to the little town called Alachua, where we already have the interstate under construction, making this a toll facility. That will then eliminate approximately 85 miles of the interstate between there. And we were alerted that is what they were about to do, and I don't know what decision will be made.

Mr. CRAMER. In other words, initially, as I understood it, the parkway was to go through Gainesville and over to Jacksonville, is that correct?

Mr. PETERSON. That is right.

Mr. CRAMER. And all agreements were reached and plans were made with regard to permitting the Interstate System to also have a route covering the east coast of Florida from Jacksonville to Miami and it was done in a way that was in conformity with your regulations, is that correct?

Mr. PETERSON. That is right.

Mr. CRAMER. As I understand the regulations, you cannot have an Interstate System freeway in close proximity, paralleling a toll facility. Is that correct?

Mr. PETERSON. As far as I know, you cannot, because you are conflicting with free enterprise. I believe that was the decision they made on Highway 9 down there and they set up certain stipulations that if the toll road authority would agree to letting them build the parallel facility, would give them a letter to that effect, and other understandings, they could build it.

Mr. CRAMER. If, in fact they build this parkway from Gainesville to Alachua, you say they will lose 85 miles on the present Interstate System?

Mr. PETERSON. On present 75, sir.

Mr. CRAMER. Where does 75 go from and to in that area?

Mr. PETERSON. Route 75 comes from Valdosta, Ga., where you hit the State line, through Lake City, down through the central part of the State, and goes eventually into Tampa.

Mr. CRAMER. In the Alachua-Ocala area?

Mr. PETERSON. That is right.

Mr. CRAMER. So, therefore, that could possibly mean Florida would lose its allocation on interstate money for 85 miles of the interstate road presently approved, is that right?

Mr. PETERSON. That would have to be decided by higher echelons. I don't know whether that is right or not, sir. I presume that is correct. We made the 1961 estimate, we have it completed and whether or not this would be deducted from that estimate, I don't know.

Mr. CRAMER. Would it result in a person traveling on 75 having to use a portion of the parkway, which is a toll facility, in order to negotiate the full route?

Mr. PETERSON. That is right, he would have to ride 85 miles on a toll facility.

Mr. CRAMER. Isn't that contrary to the basic policies of the Interstate System program, that it should be freeways?

Mr. PETERSON. Well, I believe it is, but I can't be certain about those things. Those are legal questions, I believe.

Mr. CRAMER. The reason I mentioned it is, here is another example, right or wrong, on the long-range merits and I am not suggesting whether it is right or wrong, but here is an example, is it not, of where lack of long-range planning in Florida becomes very difficult from your standpoint, is that not correct?

Here is a very substantial change in the routing of the Sunshine Parkway, which can affect the Interstate System measurably, being made by the new administration, after you have relied for some 6 years under the previous administration that the route was fixed. Is that correct?

Mr. PETERSON. That is my understanding, yes, sir.

Mr. CRAMER. That is all.

Secondly, after further consideration of the matter and consultation with some of the representatives of the Florida State Road Board, including Tom Cobb, attorney, indicating that they were quite adamant in their position proposing this toll trap insertion in Interstate 75 under their fallacious belief that Florida would be reimbursed by the Federal Government if this substitution took place, I asked Mr. Peterson to reduce to writing the specifics of this proposal. A copy of those specifics follows:

Mr. CRAMER, as I understand it, is interested in how the proposed turnpike extension would affect Interstate Route 75.

On the attached map we have shown the present location of FAI Route 75 by a solid black line. The approximate location of the Florida Turnpike is shown by a solid green line from Fort Pierce to a point where it would connect with relocated FAI Route 75. From that point northward to a point north of the town of Alachua, it is understood that FAI Route 75 would be relocated approximately as shown by the dashed green line and would be financed with bond funds and operated as a toll road. The location shown by a dashed black line is the portion of FAI Route 75 that would be relocated to tie into the toll portion but still financed with Interstate funds as a free facility.

Mr. CRAMER also desired that we furnish him with the length and estimated cost of the portion of FAI Route 75 which would be eliminated due to its inclusion in the proposed turnpike extension.

Between points B (Wildwood) and C (Alachua) on the attached map, the estimated cost is $29.2 million and the length is 77.2 (plus-minus) miles.

Third, it is obvious that the State had under consideration such a proposal and

the Governor himself was fully aware of it, as he acknowledged in an interview with the Orlando-Sentinel which follows:

BRYANT DEFENDS 40-MILE TOLL ROAD NEED—CRAMER CHARGES ON FEDERAL ROAD FUND LOSS CHALLENGED

(By Robert W. Delaney)

TALLAHASSEE.—Disagreement with a charge by Congressman WILLIAM CRAMER that the rerouting of the State turnpike will cost Florida $30 million in Federal funds was voiced yesterday by Gov. Farris Bryant.

CRAMER complained that the Bryant plan for extending the turnpike through central Florida in place of the interstate highway along the stretch from Leesburg to Citra, would do "violence to the basic concept of the Interstate Highway Act of 1960 which envisions freeways throughout America."

Bryant's proposal calls for using turnpike funds to construct about 40 miles of toll road from those two points and then branching off from the interstate route with the toll road continuing toward Jacksonville and the freeway going toward Gainesville.

CRAMER had complained about people being forced to pay tolls on 77 miles of "what is now programed as a freeway." But Bryant pointed out it will be only about 40 miles.

Bryant said, "We cannot possibly build all of the Interstate System that is programed for Florida, in the foreseeable future, in the next 10 or 12 years."

He said that under the present Federal program, "which may change a dozen times before we're through," Florida will get $35 to $50 million each year in Federal interstate funds and that it will all be utilized.

As noted by Mr. Peterson, the loss of this insertion would be about $30 million of Federal matching funds, and if reduced to the extent, as proposed by the Governor, of some 40 miles, it would mean the loss of about $20 million.

CRAMER BLASTS TOLL HIGHWAY REROUTING—$30 MILLION LOSS SEEN IN BRYANT ROAD PLAN

(By Geoffrey Drummond)

WASHINGTON.—Florida stands to lose almost $30 million in interstate highway construction under a proposal by the Bryant administration, Representative WILLIAM C. CRAMER, Republican, of Florida, charged yesterday.

And, he said, users of the central Florida free interstate system—Interstate 75 from Georgia through Gainesville and Ocala to Tampa, St. Petersburg, and the west coast—would be forced to pay tolls on a 77-mile road section now scheduled as a freeway.

According to the U.S. Bureau of Public Roads, the plan of the State road board (SRB) is to relocate the Sunshine State Parkway from its present Fort Pierce terminus through Ocala and Gainesville rather than up the east coast through Jacksonville as originally programed.

The parkway, under this plan, would intersect Interstate 75 near the city of Wildwood and rejoin Route 75 at the town of Alachua, some 77 miles to the north.

This would be a toll facility, according to the roads bureau report to CRAMER, and would be paid for by State toll road bond funds.

The State is requesting some 20 miles of interstate construction from Bushnell (at Route 75) to Wildwood to link up the toll facility, the roads bureau said. It said this section would be a free road constructed with interstate funds.

The Interstate 75 section to be replaced by the toll parkway would be dropped from the system, the report said.

CRAMER noted that this cutting out of an interstate section represents a loss of almost $30 million in funds to the State. He said the construction estimate was provided by the roads bureau.

CRAMER, a member of the special House Roads Investigating Subcommittee, said: "I can see no way the State can recoup this loss of interstate highway."

CRAMER said the Roads Bureau had not yet approved the rerouting and pledged he would oppose its doing so.

"This proposed insertion of a toll road into an existing and approved interstate highway, which feeds the entire west coast of Florida, does violence to the basic concept of the Interstate Highway Act of 1956 which envisions freeways throughout America," CRAMER said.

He labeled as "wishful thinking" any hope that Congress would reimburse Florida for toll road construction.

The interstate terminal points are fixed by the 1956 act, CRAMER noted, adding that therefore Florida cannot tack on the lost 77 miles to another section of interstate.

He also noted that the Federal interstate regulations prohibit building an interstate section parallel to toll roads in competition with them.

He said it was "very unlikely" the Congress would approve more mileage to Florida to recoup the loss.

CRAMER said the rerouting was an "absurd approach that will rob Florida of $30 million in Federal matching funds and turn a major freeway into a partial toll road."

CRAMER said the SRD rerouting came to his attention during the recent roads subcommittee hearings on Florida roads by testimony of W. C. Peterson, U.S. Bureau of Public Roads division engineer for Florida.

CRAMER requested a report from Peterson which he said confirmed the proposed rerouting.

One obvious effect of the rerouting would be to channel interstate traffic down through the center of the State. It also would, apparently, aid in paying off the toll facility bonds through funneling traffic off the interstate onto the toll road.

I trust this lays to rest the question as to whether there was such a plan and the fact that it has now been abandoned, I am sure largely because of my objection, speaks for itself. My objection follows:

It appeared the State would ignore my objection to the insertion of a toll trap on Interstate 75, therefore I introduced H.R. 6324 which would require approval of the Senate and House Public Works Committees before such a toll trap could be substituted for the programed free highway. This was reported in the Clearwater Sun, May 18 as follows:

CRAMER SUGGESTS CURBS ON INTERSTATE TOLL ROADS

WASHINGTON, D.C.—Congressman WILLIAM CRAMER has urged the House Federal Highways Subcommittee to approve legislation requiring congressional approval of the insertion of toll roads, bridges and tunnels as part of the Interstate System.

The Republican Congressman introduced the bill after learning the Bryant administration was planning to insert 77 miles of toll road into the free Interstate 75 from Wildwood to Alachua.

CRAMER contends this will result in a loss of $20 to $30 million in Federal matching funds.

He also noted that under the Collins administration the State lost $20 million in Federal matching funds by inserting 44 miles of toll roads into Interstate 95 between Fort Pierce and West Palm Beach.

CRAMER explained that the U.S. Bureau of Public Roads contends it has power to approve the integration of future toll facilities in the Interstate System without further action or review by Congress. The Cramer bill will require congressional approval before the insertion can be made by a State.

"Some review is necessary if the free and defense concepts of this program are to be preserved," CRAMER told the subcommittee.

He noted that a large number of applications for insertion of the toll facilities in the Interstate System are now pending before the Bureau of Public Roads.

"Inclusion of the toll facilities would in many instances subvert the free concept of the Interstate System as set forth in the 1956 Highway Act which said all highways constructed under the act shall be free from tolls of all kinds," CRAMER said.

"Their inclusion doubles taxes of the road users who are already paying road-user taxes, including the recently extended gas tax, with the understanding that they will have upon completion of this system a network of integrated freeways as set forth in the act," he added.

CRAMER said Florida, Delaware, Maryland, Massachusetts, and Oklahoma are the States where construction of toll roads in the Interstate System is completed, underway, or contemplated.

Having lost this abortive effort to insert a toll trap into Florida's Interstate System on the west coast, the Bryant administration's next proposal was to shift that same section of Interstate 75 some 8 miles east to connect up with the toll parkway at an additional cost of $3 million to the Federal Government. This was summarily turned down by the Bureau of Public Roads as not being economically justified. This plan, of course, would have had the effect of changing a substantial portion of the route location of Interstate 75 which has supposedly been fixed since 1956 under the Interstate and Defense Highway Act which was passed.

A new alternate proposal has been submitted and approved by the Bureau which requires relocation of a minimum of mileage in the Wildwood area and a minimum additional Federal cost. This plan seemed sound and I asked the Bureau's approval of it and such approval was recently given by the Federal Government.

So much for Interstate 75 on the west coast, and the Bryant administration's proposal to affect it adversely with its proposed toll road plans. Because of my objections, proper planning resulted.

PROPOSALS AFFECTING INTERSTATE 95 ON FLORIDA'S EAST COAST

There already being in existence the bobtailed Sunshine State Parkway bebetween Miami and Fort Pierce, a brief review of what happened there clearly indicates what could happen in the area of the extension of the parkway.

In 1957 the State road department, under the Collins administration, requested the Bureau to insert a 44-mile toll trap, between a point 8 miles north of Palm Beach and extending to Fort Pierce, into the Interstate 95 system, which resulted in the integration of the toll road into the free system, also the loss of some $20 million to the State in Federal matching funds. This is true because State annual allocations is on the basis

of the amount of free mileage. Florida has thus lost about $1 million annually in reduced allocations since 1957. However, the Bureau did approve the freeway paralleling the toll road between the point 8 miles north of Palm Beach and Miami on the basis that traffic was justified by 1973, the end of the construction period under the existing interstate and defense highway program.

At the same time, the State, on the bobtail turnpike, entered into a bond issue indenture with the bondholders that no free competing highway would be built during the life of the issue without the approval of the bondholders. The effect of this restriction appears obvious in that the bondholders contractually can try to stop the State from connecting up any interstate links that may have been built in the competing area during the life of the bonds, meaning until 1994.

Whether this will be the result will not be known until the State attempts to connect up that missing link. This restriction certainly does jeopardize the competing free system, in that it is obvious the State in entering into such a contract puts the full faith of the State behind the agreement and would have to breach the contract to connect up the missing link if the bondholders objected, even in 1973 at the end of the program. The further obvious effect is that the completion of that interstate link is being held up and will be at least until 1973, assuming bondholder approval can be acquired then.

Realizing this result and that considerable precedent existed for the refusal of the Bureau to approve subsequent applications of States where toll roads serving the same traffic corridor had been constructed, I conferred with Mr. Frank Turner, Assistant Commissioner, Bureau of Public Roads, about the possible effects on Interstate 95 to the north between Fort Pierce and Daytona Beach in the event the parkway extension was programed from Fort Pierce to Orlando-Ocala.

FEDERAL ROADS BOARD BACKS CRAMER—IS BRYANT RIGHT, OR CRAMER, ON TURNPIKE-FREEWAY HASSLE?

(By David Kraslow)

WASHINGTON.—Florida motorists should be forgiven if they are confused about what's to be with the proposed Interstate 95 expressway from Jacksonville to Miami.

They get one story from Gov. Farris Bryant, another from Representative WILLIAM CRAMER, of St. Petersburg, the State's only Republican Congressman and a member of a House subcommittee investigating the Interstate Highway System.

Bryant says CRAMER is playing politics and twisting facts when he says that a section of Interstate 95 would be jeopardized by an extension of the Sunshine State Parkway from Fort Pierce to Orlando.

Bryant says both roads will be constructed.

The facts, however, as this reporter knows them, seem to support CRAMER'S position.

At issue is whether Florida will lose 135 miles of interstate expressway and at least $60 million in Federal money if the Bryant administration insists on extending the parkway.

The 135 miles comprise the Daytona Beach to Fort Pierce stretch of the projected Interstate 95. The Federal share of building that portion of the expressway is estimated at $60 million to $75 million. (Uncle Sam pays 90 percent of the cost of the Interstate System.)

CRAMER said he was told flatly by the Federal Bureau of Public Roads that the Daytona-Fort Pierce section of Interstate 95 would be canceled if the parkway (a toll road) were extended from Fort Pierce to Orlando.

He said the Bureau told him the parkway extension "so closely parallels" the proposed interstate route "as to make the latter infeasible."

He quoted the Bureau as saying there would not be enough traffic within the life of the Interstate System to justify paralleling the toll road with the freeway. The Interstate System is supposed to be finished by 1972.

In a prepared statement handed newsmen, CRAMER did not name his source at the Bureau. Under questioning by this reporter, however, CRAMER—with some apparent reluctance—identified him as Francis Turner, Deputy Commissioner and Chief Engineer. Turner is a highly regarded career official.

Two days later, Bryant issued his counterblast.

The Governor criticized what he called an attempt by CRAMER to "embarrass a dedicated public servant." The reference was to Turner.

Bryant said Turner did not tell CRAMER what CRAMER said Turner told him.

"Mr. Turner tells us, with restraint proper for a public servant." Bryant reported, "that the Congressman used his own judgment in drawing conclusions from routine answers given him to his general inquiries into the status of our plans."

I did not hear what Turner told Bryant, nor did I hear what he told CRAMER.

But I did hear what he told me.

I telephoned Turner at his home several hours after CRAMER issued his statement.

Turner was not as flat in his statements to me as CRAMER had made him sound, but he generally confirmed what CRAMER had said.

Turner said the Bureau's cancellation of Interstate 95 between Daytona and Fort Pierce would not be "automatic" if the parkway is extended. But he said there is a "good probability" that this would happen.

If the parkway is extended, he said, the Bureau would go through the regular procedure to determine formally if the roads are closely parallel and whether traffic justifies both roads.

But he indicated the Bureau already has made an informal determination. Given the facts of the situation, he said, it is not difficult to "put two and two together."

Turner also confirmed something else CRAMER had said.

CRAMER said that if Bryant insists on extending the parkway and wants to do it immediately, this can be done with U.S.-backed financing and without putting tolls on the Fort Pierce-Orlando leg.

He said the interstate highway law permits States to float "anticipation bonds" to speed up construction of toll-free interstate roads.

Under this plan, the Fort Pierce-Orlando portion of the parkway would be designated as part of Interstate 95 and the Federal Government would pay 90 percent of the cost.

The State would borrow money to start construction immediately and would be reimbursed before 1972 by allotments from the Federal interstate highway trust fund.

Although this plan also would result in knocking out the more direct Interstate 95 route from Daytona to Fort Pierce, CRAMER said, at least Florida wouldn't lose the 90 percent Federal money.

In any event, CRAMER said, if the parkway is extended, the motorist can forget about a direct expressway route between Jacksonville and Miami.

He would ride Interstate 95 from Jacksonville to Daytona, take Interstate 4 southwest to Orlando then turn again at Orlando onto the parkway to Miami.

The only point on which Bryant and CRAMER appear to be in agreement is that motorists would prefer the more direct route and a free road.

Turner estimated the less direct Jacksonville-Miami route via Orlando will be some 20 miles longer than the presently authorized Interstate 95 route running straight from Daytona to Fort Pierce.

The results of that conference and a review of the precedents, and a study of the problem by Cliff Enfield, present minority counsel of the House Committee on Public Works, and former general counsel for the Bureau under the Eisenhower administration, were called to the attention of the State and immediately was met with a scathing attack on me headed by the Governor.

I have ridden the difficult path toward preservation of Interstate 95 and thus facilitating, also, the construction of the parkway by trying to get Bureau approval of this free road, despite precedents to the contrary, and it has been a difficult one which I have single handedly attempted to chart the path and with overwhelming criticism from those who have not lived with these highway problems as I have for the past 7 years. This resistance resulted in the State's absolute refusal to file an application with the Bureau for a clarification of the issue by requesting approval of Interstate 95 in view of plans to build the parkway, until a very recent date when the pressure to do so became too great.

REPRESENTATIVE CRAMER FLAYS ROAD ACTION LACK—STATE EFFORT URGED ON FREE, TOLL LINKS

(By Dick McHenry)

COCOA BEACH.—U.S. Representative WILLIAM C. CRAMER, of St. Petersburg, lashed out last night at the State's inactivity in getting free Interstate 95 and toll Sunshine State Parkway approved by the Federal Government.

"The State should join in and help resolve this issue," CRAMER told a gathering of Brevard County Republicans which met for a dinner here at the Starlite motel.

"It's inexcusable that we should run the risk of losing $60 million in matching funds," he said.

He said the $60 million may be lost by the State in Federal matching funds if a guarantee was not obtained for both Sunshine State Parkway and Interstate 95 from Daytona Beach to Fort Pierce.

"There is no sense in treating the patient after death," CRAMER quipped.

Florida's only Republican congressman pointed out that the State had already lost $20 million under the Collins' administration on Interstate 95 from Fort Pierce to West Palm Beach by inserting a toll facility into the proposed free interstate system.

He also said the Bryant administration plans to insert a toll section into Interstate 75 between Alachua and Wildwood.

The congressman proposed a solution to the problem would be Governor Bryant's obtaining, before construction of the toll turnpike, "a written commitment from the U.S. Bureau of Roads."

He concluded that this guarantee should state that Interstate 95 between Daytona Beach and Fort Pierce, "will be approved despite the existence of the toll turnpike."

In an effort to force the State's hand, not being able to understand its reluctance to make proper application, I in-

troduced a bill, H.R. 8770 to specifically provide that Interstate 95 could be constructed by the State despite plans to build the parkway. The Bureau testified before our Roads Subcommittee and substantiated my position that a serious problem existed, but suggested that the State would have to make application before the issue could be settled. I renewed my request for such an application August 22, during the hearings held on that date by the Roads Subcommittee. A résumé of the hearings as reported by the Clearwater Sun follows:

UNITED STATES TO TAKE NO HAND IN STATE'S TOLL ROAD FIGHT

WASHINGTON.—The U.S. Public Roads Bureau will take no official hand in Florida's toll road versus freeway controversy unless or until the State makes formal application for Interstate 95 funds, a top-ranking highway official said here Tuesday.

Deputy Commissioner F. C. Turner told a House Public Works subcommittee the Bureau is "inclined to believe" Florida's long-range traffic needs can support both the Sunshine State Parkway toll link and an Interstate 95 section from Daytona Beach to Fort Pierce.

But he said there is not "nearly enough information" now available as a basis for any decision, and that the State administration and the Florida road department are the only ones who can supply that data.

Turner estimated a department decision could be made in "about 30 days" after receipt of the application.

Approval of Interstate 95 funds, he said, would hinge on answers to the following three questions:

1. Would the proposed toll road from Fort Pierce to Orlando be adequate to meet anticipated traffic needs up to 1975 without the freeway extension?

2. Would it serve local as well as interstate traffic requirements?

3. Would construction of Interstate 95 jeopardize the financial structure of the bonds issued for the Sunshine State Parkway?

REQUIREMENTS

Turner spelled out those requirements in testimony on a bill by Florida's Representative WILLIAM C. CRAMER calling for an advance commitment by the road department that the tollway proposed by Gov. Farris Bryant wouldn't interfere with the State freeway system.

And he strongly inferred, without putting it into so many words, the Bureau thinks there might be such a conflict.

CRAMER, who openly admits his bill is designed to force a showdown on the controversy in the light of the State's refusal to get a clarification, promptly underlined what appeared to be Turner's reservations on this point.

He read into the record stipulations under which the State proposes to issue bonds for the toll road, as follows:

ASSURANCES

"To the extent they may legally do so, the authority, State road department and other appropriate agencies of the State of Florida shall adopt such resolutions or other proceedings and give such assurances to the company as shall be necessary to satisfy the company that no free roads or toll roads shall be constructed as long as the revenue bonds to be issued to finance said Orlando extension are outstanding, which will materially and adversely affect the revenue to be derived from said Orlando extension."

Turner conceded, under CRAMER's quizzing on that score, that considerable "pressure" could be exerted by bondholders against the construction of Interstate 95.

He also acknowledged, however, that backers of the interstate road would have a strong argument for construction of 95 as an important defense link along the State's east coast for missile and other military traffic—something the toll road wouldn't provide.

ACTION URGED

CRAMER, in urging the subcommittee action to force the decision, ran into opposition from Chairman FALLON, of Maryland, who objected that it wasn't the subcommittee's job to dictate a single State's decision.

But the Floridian got strong backing from three other lawmakers—Representatives SCHERER, of Ohio, SCHWENGEL, of Iowa, ROBINSON, of New York, and CLARK, of Pennsylvania.

Each noted that his own State has lost substantial freeway system mileage because of toll road construction—the thing CRAMER fears may happen in Florida.

And SCHERER joined CRAMER in attacking the Florida administration.

"It seems to me, he said, that if Florida goes ahead with the toll road without advance clearance, it will be adverse to the interests of the State. It looks like a move in the interests of the bondholders not the people."

DATA FOR BRYANT

In light of Turner's testimony, CRAMER didn't push for immediate action on his bill but said he wanted the subcommittee to look into the matter again as soon as the Roads Bureau has reached a decision.

Meanwhile, he arranged for copies of the day's testimony to be sent to Governor Bryant and the State road department.

CRAMER URGES INTERSTATE 95 AID FIRST—STATE LOSS IN FEDERAL FUNDS SEEN

WASHINGTON.—Representative WILLIAM C. CRAMER, Republican, of Florida, yesterday challenged Gov. Farris Bryant of Florida to get a firm commitment of Federal aid for Interstate 95 between Daytona Beach and Fort Pierce before extending the Sunshine State toll parkway.

CRAMER urged the State to obtain a written commitment from the Bureau of Roads unequivocally stating that (the 135-mile stretch on Interstate 95) will be approved, despite the existence of the competing limited-access turnpike.

In a statement CRAMER also:

1. Challenged the Bryant administration "to obtain a written commitment from the bondholders (of the State toll parkway) stating they will have no objection to the construction of Interstate 95, to be completed by 1972."

2. Asserted that a comment on the Interstate 95 matter Wednesday by Rex M. Whitton, Federal Highway Administrator, "confirms and substantiates my position."

Bryant wants to extend the Sunshine State Parkway from Fort Pierce to Orlando and on to Wildwood, where it would connect with Interstate 75, coming down from Georgia and going on to lower west coast cities.

CRAMER said last week Florida will lose $60 million in Federal aid assistance on Interstate 95 if the Fort Pierce-Orlando toll parkway is built.

CRAMER said then that Francis Turner, Deputy Commissioner of the Bureau of Roads, had told him the Bureau wouldn't approve money for the interstate freeway if the toll road was built, because they would too closely parallel one another.

Bryant says both highways will be justified.

Federal Highway Administrator Whitton was asked Wednesday what bearing the toll road would have on Federal aid for the Daytona Beach-Fort Pierce stretch on Interstate 95.

"If the State should determine to build the toll road between Fort Pierce and Orlando it would be the Bureau's routine procedure to inquire of the State when projects are proposed on Interstate 95 between Daytona Beach and Fort Pierce as to whether construction with interstate funds on that location would jeopardize the bonds of the toll road," Whitton said.

My request that proper application be filed was also reported by the Clearwater Sun on August 25, 1961, as follows:

CRAMER SAYS STATE MUST ASK INTERSTATE 95 OK

WASHINGTON.—Florida's Representative WILLIAM C. CRAMER is renewing, in light of new testimony from the Public Roads Bureau, a demand that the State administration apply immediately for approval of the Daytona to Fort Pierce link in Interstate 95 before proceeding with plans for extending the Sunshine State Parkway.

He has spelled that out in telegrams to Gov. Farris Bryant and the State road board and will also send transcripts of the Roads Bureau testimony to both groups.

CRAMER calls the immediate action "imperative" as the only means of officially determining whether construction of the toll road between Fort Pierce and Orlando would jeopardize Interstate 95 and the rest of the State's future freeway system.

The Floridian based his latest demand on comments from Deputy Commissioner F. C. Turner of the Roads Bureau before a House Public Works subcommittee Tuesday.

FUTURE POTENTIAL

Turner told the lawmakers the Bureau "is inclined to believe" Florida has the future traffic potential for both the toll road and at least some type of extension of Interstate 95. But he said there is not nearly enough information available for a firm decision and that the State would have to furnish such data in connection with an application for the interstate project.

He conceded the Bureau is considering the possibility that the interstate link might be only a two-lane road instead of the divided four-lane highway which CRAMER and other interstate backers want. He said, however, there had been no firm decision on that score.

Turner emphasized that the Roads Bureau has no jurisdiction in the freeway versus toll controversy in the absence of a formal application for the interstate project.

NEED ASSURANCE

Turner also cleared up another point in the matter when he made it clear the Bureau will not approve a small section of Interstate 95 such as a proposed 6-mile project in the Cape Canaveral area unless there is firm assurance the State plans to finish the whole 135-mile section from Daytona to Fort Pierce prior to 1972.

Tuesday's hearing was staged to consider a Cramer bill calling for a Government guarantee that the toll road wouldn't jeopardize the Interstate System.

In light of Turner's testimony, CRAMER withdrew his request for immediate action on that measure and instead asked that the subcommittee take another look at the situation after the Roads Bureau has received and acted upon the Florida application.

Even Governor Bryant's office admitted that the highway bill I introduced was meritorious:

ASSURES ROAD 95 FUNDS—BRYANT AID SEES MERIT IN CRAMER'S HIGHWAY BILL

TALLAHASSEE, August 18.—A spokesman for Gov. Farris Bryant gave backhanded approval Friday to a bill introduced by Representative WILLIAM C. CRAMER, Republican, of Florida, to guarantee construction of Interstate 95 between Daytona Beach and Fort Pierce.

"Mr. CRAMER's idea for assuring the construction of I–95 through congressional action seems to have merit," said John Evans, Bryant's press aid.

"It will offer protection for this road from recession, national emergency, or any one of a multitude of other facts bearing on Federal highway programs."

Bryant and CRAMER have been at loggerheads over the State's road program for the past several months. A particular point of contention has been extension of the Sunshine State Parkway between Fort Pierce and Wildwood, and the 135-mile segment of the interstate highway from Daytona Beach to Fort Pierce.

CRAMER has contended the turnpike, which would be a State toll road, would parallel I–95 and therefore jeopardize its construction under Federal provisions of the interstate program.

In a statement issued Sunday and reaffirmed today, Bryant said the two superhighways would form "two sides of a triangle, which obviously are not parallel."

CRAMER introduced a bill in Congress Thursday that would guarantee construction of the Daytona Beach-Fort Pierce segment of I–95. The move came after a public works committee hearing at which Bureau of Public Roads Administrator Rex Whitton testified "conditions" would be attached to construction of I–95 if Bryant carried through plans to extend the turnpike from Fort Pierce to Wildwood.

He said the public works committee, of which he is ranking member, had scheduled a hearing on the bill for next Tuesday.

I insert copy of my statement before the Roads Subcommittee on my bill to save I–95 August 21, 1961:

TESTIMONY BY U.S. REPRESENTATIVE WILLIAM C. CRAMER, REPUBLICAN, OF FLORIDA, ON BEHALF OF HIS BILL H.R. 8770, WHICH PROVIDES THAT THE INTERSTATE SYSTEM IN FLORIDA SHALL NOT BE AFFECTED BY STATE CONSTRUCTION OF THE SUNSHINE STATE PARKWAY EXTENSION, DELIVERED BEFORE ROADS SUBCOMMITTEE, AUGUST 21, 1961.

Mr. Chairman, members of the committee, I have requested these hearings as the result of my determination that Florida's free interstate system shall remain free, shall not be prejudiced by any action of the State or Federal Government, and shall be adequate to serve our country's defenses.

Florida has announced its intention to build the Sunshine State Parkway and recently validation proceedings were filed. This proposed toll road's effect on the free highway system in Florida is the subject of these hearings.

When the Federal Bureau of Public Roads Administrator, Rex Whitton, testified before this committee last week on this issue it became apparent that the State of Florida had not asked that the Bureau make a decision on the issue involved—despite my urgent pleas—and that some action would thus have to be taken by someone to make sure that Florida's free system is protected and that the construction of the turnpike will not prejudice that system.

I am sure the members of this committee and the Bureau are familiar with decisions in similar situations where, as evidenced by the report filed in January by the Comptroller General of the United States in his review of cost estimates for completion of the Interstate and Defense Systems in January of 1958. Therein, he quotes examples in Texas and Massachusetts where the Bureau denied the States authority to construct links on the already designated Interstate System because of the existence of a toll road.

In these instances, these competing freeways on the Interstate System were not parallel with the toll roads in the sense they were close by, but instead were many miles away. Massachusetts lost $92 million, Texas lost $36 million and Kansas lost 112 miles or about $65 million because of the existence of turnpikes capable of serving similar traffic corridors.

Thus, on precedent, it cannot be gainsaid that the Bureau of Public Roads has denied the States the right to construct free roads on the Interstate System because of the existence of toll roads serving the same traffic corridor. This, I do not want to see happen in Florida because of the construction of the Sunshine State Turnpike, thus losing Florida 135 miles and $60 million in Federal funds.

Likewise, on the record, in instances where the Bureau has approved free route locations which serve the same traffic corridor, such approvals have usually been subject to the conditions that no projects are to be advanced to construction on the free route until it is clearly demonstrated that the toll road cannot carry the traffic and the construction will not jeopardize toll road bonds. If this attachment of conditions to what is now an unencumbered free interstate Route 95 would be the result of building the Florida Turnpike, which I hope is not the case, then I think the State should be advised of this before it goes ahead and mortgages our free system to the bondholders.

It is my hope that this committee, after hearing the Administrator, will come to the conclusion that I think should be drawn in the Florida case—that the construction of the Sunshine State Turnpike should not affect adversely Florida's interstate system—that Florida can go ahead with the construction of this vital link in our Interstate and Defense Highway System that serves Florida's teeming east coast that is growing in leaps and bounds—and of equal importance, that an adequate highway will be usable by Cape Canaveral and other defense requirements.

It is inconceivable that the Bureau or Congress would fail to give an unconditional green light to the interstate link that connects Cape Canaveral, on which the eyes of the world are focused in the missile and outer space races and which is a vital cog in our efforts to catch up to and surpass the Soviets.

This hearing thus has significance that far transcends Florida and its problems. Our defense, our outer space efforts are affected. The integrity of the Interstate and Defense Highway System as a free system, free from the injection of toll traps wherever possible throughout the country, is at stake. Because similar problems will arise in the future, the States, the country, and Congress should have an understanding of the problem and how it is being handled.

This is a unique opportunity for the Bureau and for Congress to render a service. It is unique because this is the first situation to my knowledge where Congress has been appraised of problems that may arise by virtue of the construction of a toll road before it is under commitment or construction. Thus, before the State proceeds, before it is inextricably committed to a toll road program, there is an opportunity—and I think a duty—for all questions to be answered, for decisions to be made, and for a clear road to be paved for Florida's proper and adequate highway program for the future.

COMMITTEE ON PUBLIC WORKS,
July 25, 1961.

To: Hon. WILLIAM C. CRAMER.
From: Clifton W. Enfield, minority counsel (formerly general counsel, Bureau of Public Roads).
Subject: Incorporation of toll roads in the Interstate System.

As you know, the provisions of the Federal-Aid Highway Act of 1956 (now codified as 23 U.S.C. sec. 129) for the first time authorized the Secretary of Commerce to approve as part of the Interstate System any toll road then or thereafter constructed which meets the standards adopted for the system. Shortly after the enactment of this act the Department of Commerce established a policy for the incorporation of toll roads as a part of the Interstate System and for the construction of free sections of the Interstate System which compete with toll roads for traffic within the same traffic corridor. This policy has frequently been reaffirmed, and it was last stated by Rex M. Whitton, Federal Highway Administrator, before the Committee on Public Works in his testimony on H.R. 5821, as follows:

"When a State proposes a toll facility as a part of the Interstate System, the proposal is analyzed in light of all circumstances which exist with respect to the particular toll facility and interstate route involved. Of course, a controlling factor is the statutory requirement that toll facilities may be approved as part of the Interstate System only when such action will promote the development of an integrated system. In addition to this, three specific considerations are used as guides in determining whether a toll road can be accepted as an interstate highway location or whether the interstate location should be constructed along a parallel alinement. These considerations are:

"1. Whether the toll facility will be adequate to accommodate safely and efficiently the type and volume of traffic, both local and interregional, forecast for the year 1975;

"2. Whether the toll facility will adequately meet local needs as well as those of interstate commerce; and

"3. Whether construction of an alternate free facility will jeopardize the financial structure of the toll facility."

There is inherent in this policy statement a prohibition against constructing any interstate free route in the vicinity of a toll road which will adequately serve the traffic needs of the traffic corridor through which it runs until 1975 and if the construction of such a free route would jeopardize the financial structure of the toll road.

Subsequent to enactment of the 1956 act, and in response to expressions of concern by persons interested in assuring the financial structure of existing toll facilities, the Secretary of Commerce on September 10, 1956, issued a press release, a copy of which is attached hereto, wherein among other things he stated:

"There is no intention whatever of building any interstate routes paralleling a toll road which until 1975 will adequately serve the traffic needs of the area through which it runs."

This policy has prevailed continuously since its enunciation and as far as I know is still the policy of the Department of Commerce. This policy has also been made known to the Congress, and it apparently has received congressional approval by acquiescence. It was fully brought to the attention of the Congress by a report to the Subcommittee on Public Roads of the Committee on Public Works of the United States Senate by the Comptroller General of the United States, in connection with his review of cost estimates for completion of the National System of Interstate and Defense Highways, which report was submitted on May 16, 1958. On page 19 of the Comptroller General's report, a copy of which is attached hereto, reference is made to this announced policy to the Secretary of Commerce, and it was commented upon in hearings before a Subcommittee of the Committee on Public Works of the United States Senate on August 12, 1958, in connection with hearings of the subcommittee on the report of the Comptroller General.

In applying this policy to the proposed extension of the Sunshine State Parkway in

Florida, it would appear, according to Bureau standards previously applied, that if interstate Route 4 from Daytona Beach to Orlando and that section of the Sunshine State Parkway (which is to be constructed as a toll road) from Orlando to Fort Pierce can adequately serve the traffic needs until 1975 within the corridor between Jacksonville to Miami, that a free section of interstate Route 95 between Daytona Beach and Fort Pierce would not be justified nor would its construction be consistent with the previously announced policy of the Secretary of Commerce.

It is understood that the general location of interstate Route 95 between Daytona Beach and Fort Pierce has already been approved by the Bureau of Public Roads, and should the Sunshine State Parkway be extended as a toll road from Fort Pierce to Orlando so as to connect with interstate Route 4 and provide an adequate traffic facility between Fort Pierce and Daytona Beach prior to construction of the free section of interstate 95 between Fort Pierce and Daytona Beach the decision as to whether or not to construct such free section would necessarily have to be made by the Bureau of Public Roads whenever the first project on this section is submitted for program approval by Public Roads. Such program submission may be for either preliminary engineering, right-of-way acquisition, or construction, and before giving approval thereto in carrying out the announced policy of the Department of Commerce it would be necessary for Public Roads to determine if the combination of the Sunshine State Parkway and interstate Route 4 between Daytona Beach and Fort Pierce will adequately serve traffic in the area until 1975 and if construction of the free section of the Interstate System to be initiated by the project submitted for programing approval would jeopardize the financial structure of the toll road. Presumably if these two determinations are answered in the affirmative, based upon the announced policy of the Secretary of Commerce, approval of a project leading to construction of the free section would not be given by Public Roads.

There are at least three precedents, as I recall, for Public Roads' refusal to approve the location of a free interstate route where a parallel toll road will adequately serve traffic in the area until 1975 and where construction of the free road would jeopardize the financial structure of the toll road.

Such a situation existed with respect to a free route of the Interstate System proposed by the States of New York and Massachusetts between Albany, N.Y., and Lee, Mass., which would parallel the New York Berkshire Throughway and a part of the Massachusetts Turnpike, both of which are toll roads, for a distance of approximately 41 miles and on a location varying from 2 to 8 miles north of the toll road. The proposed free section in New York was estimated to cost $61.7 million and the portion in Massachusetts $30.5 million, for a total estimated cost of $92.2 million. The Bureau of Public Roads did not approve the specific location of this proposed free section but insisted that the toll roads, which were determined to be adequate for service of traffic in the area until 1975, should be the location of the interstate highway. The two States ultimately selected the toll roads as the interstate route, and Public Roads has approved the same.

The State of Texas proposed the route of a free section of the Interstate System between Fort Worth and Dallas parallel to and up to approximately 10 miles distance from an existing toll road. This free section was estimated to cost approximately $36 million. Public Roads refused to approve this location because it was determined that the toll road would adequately serve traffic in the area until 1975, and the toll road was subsequently designated as the interstate route between these two cities.

In each of the above instances the action of Public Roads pertained to the withholding of approval of a specific location of an interstate route as proposed by a State. It is recognized that Public Roads has already approved the location of Interstate Route 95 in Florida, generally along the present route of U.S. 1; however, there is also precedent for Public Roads requiring the designation of a route differing from one previously approved where a toll road will adequately serve traffic in the area until 1975. Prior to the enactment of the Federal-Aid Highway Act of 1956, which, as previously pointed out, first authorized the incorporation of toll roads in the Interstate System, Public Roads approved the location of an interstate route that generally paralleled the Kansas Turnpike, which is a toll road, between Wichita and Kansas City for a distance of about 220 miles. Following enactment of the 1956 act, Public Roads requested the State to revise the location of the parallel free route and include the entire length of the Kansas Turnpike as the interstate route location between Wichita and Kansas City.

The State objected to this change on the grounds that (1) the Kansas Turnpike is not actually in the same traffic corridor as the proposed free route, (2) the proposed location of the interstate route would serve numerous towns and a population of nearly one-half million people, and (3) the turnpike will not adequately serve local needs, as intended by the 1956 act.

A compromise agreement was ultimately reached between the State and Public Roads whereby a part of the Kansas Turnpike between Wichita and Emporia was designated as the route of the Interstate System in lieu of 112 miles of the designated free road in the same general area. The remaining 108-mile section of the designated free route which paralleled the Kansas Turnpike between Emporia and Kansas City, at distances varying up to approximately 40 miles, was retained as the interstate route.

In instances where Public Roads has approved free route locations of the Interstate System which parallel toll roads such location approvals have often, if not always, been subject to the conditions that no projects are to be advanced to construction on the free route until it is clearly demonstrated that the toll road cannot carry the traffic and the construction will not jeopardize toll road bonds. With regard to this later condition Public Roads has usually required a written statement from the toll road authority that construction of the free route will not jeopardize the financial structure of the toll road.

Application of the announced policy, of the Department of Commerce, not to build an interstate road serving the same traffic corridor as a toll road which until 1975 will adequately serve the traffic needs of the area through which it runs might be applied with different effects under different situations based upon the facts of a particular case. In interpreting and implementing this policy with respect to construction of Interstate System 95 between Daytona Beach and Fort Pierce it is required that the following determinations must be made to permit construction of Interstate System 95 even though it would generally parallel Intersate System 4 and the proposed extension of the Sunshine State Parkway within the same traffic corridor between Daytona Beach and Fort Pierce:

1. That IS–4 and the toll road will not adequately serve local needs of the industrial, commercial, and residential areas which are building up along the route and particularly in the vicinity of Cape Canaveral and will not adequately serve the defense requirements.

2. That highway users generally prefer the proposed route of IS–95 between Daytona Beach and Fort Pierce over the longer and more circuitous route provided by IS–4 and the proposed extenstion of the Sunshine Parkway.

3. That traffic counts would justify both limited-access routes.

In light of the announced policy of the Department of Commerce not to construct a free interstate route paralleling a toll road which will adequately serve traffic in the area until 1975 and the aforementioned precedents where this policy has been applied to designate a toll road as the interstate route rather than a parallel free road proposed by the State, before proceeding with the proposed toll road extension, if the State of Florida does not intend to abandon construction of presently designated IS–95 between Daytona Beach and Fort Pierce, it would appear to be in the interest of the State to secure from Public Roads an interpretation of its policy as applied to the facts existing in Florida and a commitment from Public Roads that construction of the proposed extension of the Sunshine State Parkway will not be a basis for Public Roads withholding approval of construction projects on IS–95.

The local newspapers reported "Bryant Says CRAMER To Get What He Asks, But No Credit" when the State finally made application as I had recommended. That article follows:

BRYANT SAYS CRAMER TO GET WHAT HE ASKS, BUT NO CREDIT

(By Ann Waldron)

TALLAHASSEE.—Gov. Farris Bryant is going to do exactly what Representative WILLIAM CRAMER, of St. Petersburg, wants him to do.

But he would have done it anyway, and he doesn't want CRAMER to get credit for it.

"It's as though he were seeing that I start home for dinner and then he asks me to go home for dinner," said the Governor—rather crossly—at his press conference yesterday. "But I'm going. And I'm going after he asks me to go."

CRAMER has demanded loudly that the Governor apply for a Bureau of Public Roads decision on construction of Interstate 95 between Fort Pierce and Daytona Beach before going ahead with bond validation proceedings on the turnpike.

The Governor said yesterday that you can't ask the Bureau of Public Roads for a theoretical decision on a hypothetical project.

"But you must submit a specific project for their approval," he said. "And that's what we're doing. We are proceeding in orderly and due course. We have submitted plans for construction of Interstate 95 in the Canaveral area. The Bureau of Public Roads will reply to that before the turnpike bonds go on sale."

Following the State's final application, I requested that the Bureau approve the application for an unequivocal commitment that Interstate 95 could be constructed even with the parkway extension.

Interestingly enough this position finally began to sink in and even one of the candidates for the Democratic nomination for Congress in the newly created 11th District, which includes the Cape Canaveral area, to be served by Interstate 95, agreed with my position and asked that the Governor follow my recommendations. I include an article

from the Cocoa Tribune of August 18, 1961, quoting his remarks:

ROUNDTREE LAUDS CRAMER'S STATEMENT ABOUT ROADS

William H. (Bill) Roundtree, Cocoa-Rockledge attorney, who is a Democratic candidate for Congress in the new 11th Congressional District, issued the following statement today:

"Florida needs all of the new highways that can be constructed. The issue that confronts us is priorities and costs. It has been painfully obvious for many years that Brevard County has the State's number one road problem, and the greatest need for new roads. Accordingly, the road needs of Brevard County should be solved first. Any commitment to extend the turnpike toll road before assuring the completion of four laning of U.S. 1, and construction of Interstate 95 in Brevard County, is sheer folly.

"Gov. Farris Bryant should get an absolutely firm agreement in writing from the Federal Bureau of Roads before committing the State to extend the turnpike toll road to Ocala, or to Orlando. I suggest that he call personally on Federal Highway Administrator Rex Whitton to get this agreement.

"The Federal and State Governments have established that Interstate 95 is to built as part of the Federal-aid Highway system. In 1956 the Federal-aid Highway Act provided that the Federal Government would pay 90 percent of the cost, plus future maintenance. Interstate 95 is to be built from Jacksonville to Miami. The toll road from Miami to Fort Pierce parallels the proposed route. The State of Florida lost some 20 million dollars in Federal road funds because of the construction of the turnpike toll road. If the turnpike is extended to Ocala, or to Orlando, the State will lose many more millions of dollars by having to pay off existing bonds and then having to pay the cost of refinancing the whole toll road with new bonds. Oh, what a joyous date for the bond dealers.

"In addition and even more costly, there is the distinct probability that if the turnpike toll road is extended to Ocala, or to Orlando, the Federal Bureau of Roads will not go forward with the construction of Interstate 95, because both these roads would serve the same traffic corridor. Florida would then lose more than $60 million more.

"Congressman CRAMER is absolutely correct in warning the public as to both of these costs, namely, the cost of refinancing the turnpike bonds and the loss of Federal road funds. He is the ranking minority member of the Special Subcommittee on the Federal-Aid Highway Program in the House of Representatives. He is not playing politics. Anyone who would take the time to read this subcommittee's reports on the Federal highway program would immediately recognize that he knows whereof he speaks. He is talking good, plain commonsense to the people of Florida. I heartily commend him."

It is interesting to note in making its submission to the Bureau, the State, by letter under signature of William T. Mayo, administrator of interstate highways for Florida, clearly showed that if I had not raised this issue the State would not have undertaken a study of the problem and submitted the necessary evidence to free Interstate 95 from adverse effects of the parkway. I quote from that letter as follows:

The need for the study developed from certain allegations to the effect that FAI–95 could not be approved from Daytona Beach to Fort Pierce, if the Sunshine State Parkway was extended to the vicinity of Wildwood, because the Sunshine State Parkway would handle a major portion of the I–95 traffic if I–95 was not built.

Based upon the studies and reports submitted together with the announced intention of the State to update and accelerate construction in the general area under controversy, the State submitted a request for the construction of two links in Brevard County from State 520 west of Cocoa north to State Road 46, a distance of 21.7 miles, and 10.3 miles south of Melbourne to State Road 514. The Bureau approved the applications pursuant to my request.

Preceding action on this request, which took place September 19, the State had applied for bond validation on the parkway extension, which hearings took place September 14, and validation was approved. At those validation hearings it was brought out prior to and during those validation proceedings that the State turnpike authority had entered into an agreement in the bond indenture with the bond house of Dillon, Read & Co., that the State would build no competing free roads. Copy of a newspaper article concerning this follows:

THE AGREEMENT SAYS NO COMPETING ROADS

TALLAHASSEE.—There is an agreement of sorts that the State will not build competing highways if the Florida State Turnpike is extended.

Section 7.16 of the bond indenture (the contract with the bondholders) reads:

"Certain projects. The authority covenants that it will not construct any other turnpike project, in addition to the project to be constructed and financed under this indenture, if the construction of such other turnpike project will materially and adversely affect the revenues. The authority covenants that whenever there shall come to the attention that any Federal, State, or other agency shall project or plan the construction, improvement, or acquisition of any highway or other facility which may be materially competitive with any part of the turnpike system and in the same traffic corridor it shall cause the traffic engineers to make a study of the effect of such proposed highway or facility upon the operations of the turnpike system. If, in the opinion of the traffic engineers, such highway or facility may be materially competitive with any part of the turnpike system, the authority covenants that it shall not agree or consent to the construction, improvement, or acquisition thereof unless it can then comply with the earnings tests for the issuance of additional bonds."

C. H. Peterson, consultant engineer for the turnpike authority, said this would be no legal bar to the State building competitive roads, but added that it would be in most instances a practical bar.

No State would want to jeopardize its credit by doing anything which would hurt its outstanding bonds.

The Federal Bureau of Roads has a rule that it will not approve for construction any section of the interstate which would jeopardize bonds owed on turnpikes.

John F. Fowler, a vice president of Dillon, Read—New York bond house managing the turnpike bond issue—said the bankers have no agreement with the State about competing roads.

Fowler said the eight bond houses in the banking combine view Interstate 95 as the only important competition to the turnpike.

He said the bankers had discussed Interstate 95 with Governor Farris Bryant and that Bryant had "adopted a timetable on which we are relying."

"The statement of policy which the Governor has issued is the one on which we are relying," Fowler said.

The policy referred to is that Interstate 95 will be completed in 1972—the last year of the interstate program.

Exhibits introduced in yesterday's validation hearing shows that when Interstate 95 is open to traffic in 1973, income of the turnpike will drop from $17 million a year to $12 million despite an increase in tolls from Fort Pierce to West Palm Beach.

The $12 million a year, though, would be enough to pay off the debt on the turnpike—if traffic on the turnpike comes up to engineering estimates.

During the court hearing on the validation proceedings, John Hammer, chairman of the turnpike authority, testified that when Interstate 95 was opened for traffic from Daytona Beach to Fort Pierce, even as late as 1973, $5 million of the $17 million income to the toll road would be lost, or about 30 percent of the revenue. Mr. Hammer has stated consistently, however, that in his opinion the two roads were not "competitive" although the testimony is clearly to the contrary. Assuming that they would be considered noncompetitive, as Mr. Hammer declares, and it being essential that this final element be clarified before the bonds are sold, on September 21 I addressed a letter to the Governor after reading a strongly worded attack by him against me which was most misleading, I requested that the State remove I–95 from this contractual restriction. This would thus prevent the bondholders in 1973 from objecting to connecting up such links of I–95 as might be built between now and then in order to make it a usable segment in competition with the Parkway. So far the State has shown no inclination to acquire such an unequivocal agreement. This is perhaps understandable in view of the fact that this present Bryant administration will not have to be answerable during its 4 years in office, but whatever administration is in office in 1972 and 1973 will have to meet the objections of the bondholders if the present administration is not farsighted enough to avoid that unhappy eventuality. I, therefore, challenge the Bryant administration again to follow through with my second recommendation, having followed my first one suggesting that an unequivocal commitment from the Bureau be acquired, my second suggestion being that the State get a written withdrawal from the effect of the indenture provision excluding construction of competing free highways specifically relating it to Interstate 95. This puts in focus the present status and problem still remaining.

A copy of my letter to Governor Bryant follows:

SEPTEMBER 21, 1961.

HON. FARRIS BRYANT,
Governor of the State of Florida,
Tallahassee, Fla.

DEAR GOVERNOR: I have just read your recent statement concerning the future of the free Interstate System and the turnpike in which you, in an obvious effort to mislead the people of Florida by playing a numbers game, stated that I opposed the relocation of I–75 serving the west coast of Florida in order to connect up with the turnpike, which, of course, is utterly false when you full well know that my concern has been, since you

dropped your abortive plan to insert a toll trap into I–75 over my objections, to preserve I–95 on the east coast and thus clear the way for construction of the turnpike without running the risk of an adverse effect by the turnpike on the free system.

The record of the Bureau of Public Roads, and of our Roads Subcommittee of the House Public Works Committee, will clearly substantiate this and will disprove your effort to confuse the issue.

The record will show the following:

First, that I introduced a bill asking for approval of I–95, testified to that effect, and stated that it was my hope that the Bureau, after the State has submitted an application as I requested, would approve that application. This application was finally made on the date of the bond validation proceedings and, pursuant to my request, has been approved.

Second, that I have requested, and have so advised you, as well as Mr. Hammer, chairman of the turnpike authority, then if approval is to mean anything, then it is imperative that the turnpike authority enter into an agreement with the bond houses in behalf of the future bondholders that they shall have no right to object to the completion of I–95 at any time despite their obvious concern over its effect on the turnpike bond financing. I am sure you are well aware that the turnpike authority has entered into an agreement, as contained in the indenture filed with the court, to the effect that no competing freeways will be built without the approval of the bondholders. Mr. Hammer testified that some $5 million revenue would be lost if I–95 were completed as late as 1973, which apparently is the State's plan of delayed construction, and thus would reduce by some 30 percent the toll revenue. Likewise, your submissions to the Bureau indicate that completion of the toll road would reduce traffic on I–95.

Thus, it becomes obvious that unless the State, having followed my initial recommendation for making application to the Bureau for approval of I–95, follows it up by acquiring a written commitment from the bond houses on behalf of the bondholders that I–95 is specifically excluded from the restriction against building free highways that will funnel traffic from the toll road, that the bondholders will have an absolute veto right over the completion of I–95 anytime during the life of the bonds.

I repeat this request to you although I realize that this matter would not come to a head during your administration but rather in some future administration whose program would be to complete I–95, thus reduce the tolls on the turnpike, and thus run smack into the restrictive provision against such completion as contained in the present indenture unless I–95 is specifically excluded from it. I am asking that you use your good offices to make certain that such an agreement removing I–95 from the present provision, which otherwise mortgages this free road to the whims of the bondholders, be entered into.

Third, if you will recall, my objection on I–75 many months ago was to the abortive proposal of the State to inject a toll road therein, as a Bureau of Public Roads representative in Tallahassee stated under oath before our committee, was the State's plan—a plan to insert 79 miles of toll road into I–75 on the west coast and thus lose the State some $30 million in Federal matching funds. When this evidence was brought out, your road board representatives who were in attendance at the hearings claimed that they were not concerned because Florida could receive reimbursement in the form of money or additional mileage for this loss. When I proved beyond a doubt that this was not the case, that Florida would lose the money and the west coast of Florida would end up with a toll trap to boot, this effort to sweeten the turnpike bond issue program was dropped.

I am sure you recall that you were quoted in the Orlando newspaper as having stated that it was correct that your administration was considering the injection of a toll trap into I–75 but that it was 40 instead of 79 miles and Florida would thus have lost some $20 to $25 million instead of $30 million. Apparently, this plan too was dropped due to my objection.

I, at no time, opposed the present proposal to connect the turnpike with I–75. The Bureau did raise some legitimate questions when it was proposed to relocate a substantial portion of I–75 at the additional Federal cost of at least $3 million and the State was requested to submit alternative plans. I recommended the approval of these alternative plans, which the Bureau has now approved. The result of this change of plans is that the taxpayers save about $2½ million and everyone in the areas involved is not adversely affected by lengthy relocation. The initial toll-insertion and lengthy relocation plans were poor plans and your administration admitted it by withdrawing them and replacing them with the present sound plan.

I am sure you are well aware that this is now, and has been, my position and it is not my intention to permit your administration to attempt to confuse the people of Florida by playing a numbers game, attempting to confuse my position or trying to convince the people that your turnpike authority has not entered into an agreement that gives the bondholders control over the completion of I–95 when the court records prove to the contrary. I renew my request that the present issue be settled by the simple solution of getting in writing a commitment that the bondholders will not object in the future to the early completion of I–95 despite their present contractual agreement to the contrary.

May I say further that since this issue has been raised, I am glad that the State administration has finally developed a construction program on some of the missing links of I–95, but I am disturbed that at the same time the turnpike authority is contracting to permit the bondholders to prevent its completion if they wish to do so during the life of the bonds—meaning possibly A.D. 2001.

With best wishes, I am,

Sincerely,

WILLIAM C. CRAMER,
Member of Congress.

I trust this fully documents this single-handed and most difficult fight to save Florida's free highways and to facilitate a sound toll-road program as well.

IS THE CONGRESS MENTALLY ILL?—IS THAT OUR DEFENSE?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN], is recognized for 5 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, reliable information came to me that within the last 10 or 15 days the House had passed 240 bills. Will someone in the House advise me as to the accuracy of that information?

The SPEAKER pro tempore. The Chair will state that that is not a parliamentary inquiry. The Chair is not in a position to answer.

Mr. HOFFMAN of Michigan. Mr. Speaker, I was not making it with the idea that it was a parliamentary inquiry. It was a request for information. Perhaps one of the reading clerks will be helpful to me.

The SPEAKER pro tempore. The Chair does not have that information. I suggest the gentleman refer to the calendar or to the bill clerk.

Mr. HOFFMAN of Michigan. Mr. Speaker, I do not need unanimous consent to do that, do I?

The SPEAKER pro tempore. The gentleman is correct.

Mr. HOFFMAN of Michigan. Inasmuch as the information came from a reliable source, permit me to speak briefly on the question whether the Congress is mentally ill or whether we are only mentally and physically exhausted. I ask unanimous consent, Mr. Speaker, to include certain portions of a decision rendered by the circuit court of appeals here in the District which defines and distinguishes between a mental disease and a defect.

The SPEAKER pro tempore. The Chair hopes the gentleman is not submitting that as evidence of his original statement.

Mr. HOFFMAN of Michigan. It is just the court's opinion; well, yes, it is evidence, but not very strong evidence, of responsibility for a criminal act, if I may be permitted to do so.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

IS THE CONGRESS MENTALLY ILL? IS THAT OUR DEFENSE

Mr. HOFFMAN of Michigan. Mr. Speaker, a Congressman's first duty is to protect the national security, the national sovereignty, and the public welfare.

From the date when the right to a trial by jury was first established, the one test as to the individual's responsibility was whether he knew the difference between right and wrong. The standard as to whether conduct is right or wrong is established by the thinking of the majority. If one lived among cannibals, eating a mother-in-law or the British officer, Lt. Simon Donaldson and his wounded companion, Pvt. William Mackay, by natives in Katanga, was no offense, while here cannibalism is not only a crime—murder—but horrible, revolting, and unthinkable.

But thinking and standards have changed and a year or two ago a U.S. court in the District of Columbia established a new doctrine, that is, that one accused of crime "is not criminally responsible if his unlawful act was the product of mental disease or mental defect."

Inasmuch as the mentality or the state of mind of all of us varies in some degree, today if one who has committed a crime has money, a capable lawyer, or even just the lawyer, he can escape punishment by having relatives or friends detail abnormal—real or imagined—acts committed by him since he was a child, embody them in a hypothetical question, call a psychiatrist—an expert in mental diseases—who will, answering the hypothetical question and assuming the facts stated in the question to be true, express the opinion that the individual charged

is suffering from a mental disease or has a mental defect.

Hence, unless the prosecution can establish beyond a reasonable doubt that the defendant is sane, a verdict of not guilty must be returned. The individual then goes to a mental institution—here in Washington, to St. Elizabeths—and if thereafter other experts viewing him determine that he is sane, as sometimes occurs, he is discharged. The crime goes unpunished, and as happened here, the defendant murders several other individuals.

Inasmuch as it is the duty of the Congress to protect the security of the Nation and the welfare of the people and obviously threatened by war, as we now are, there being somewhere a limit to our ability to finance and successfully carry on a war, is the Congress justified in continuing to dissipate its resources in nonessential activities and expenditures, however desirable, when they do not tend to maintain or increase our military strength?

On September 25 the President told us that, while we wished to avoid war, we would continue our effort to extend aid, bring freedom to people throughout the world, that we would not desert West Germany.

If Khrushchev backs his words with action, devastating war is just over the horizon.

Rightly the President has called for and Congress has appropriated billions upon billions for national defense. The President is calling men from their homes into the armed services, sending advance detachments overseas.

The threat of a war which might destroy us is with us. This being true, is the Congress lessening our ability to make possible a successful military defense?

We have a national debt of more than $288 billion. We now pay an annual interest charge of almost $9 billion—for which we get nothing at all except a postponement of the payment date.

The Democratic chairman of the House Committee on Appropriations, which is charged with appropriating your tax dollars, from the well of the House, recently said we were spending each hour of every 24-hour day $1 million more than we took in. That is, each day we add $24 million to our national debt. Each day increases the annual interest payment—water over the dam, under the bridge—money down a rathole.

Inasmuch as to be successful in war a nation must be economically, financially sound and highly productive, as well as being able to produce courageous, skilled fighting men, is it not a sign of a mental disease or defect when the Congress, knowing however distant it may be, there is a limit to our natural resources, our manpower and our productive ability, continues to spend public funds on enterprises which, however desirable and helpful, do not contribute to our war potential, our ability to make our future secure?

Is the Congress showing sound mental judgment when, knowing the threat of an immediate war from a foe acknowledged to be almost our equal if not our superior in productive ability and military might, it authorizes the expenditure of a billion dollars, as we did, for a trip to the moon? War, if it comes, will not be fought on the moon. How will that expenditure, however desirable from a scientific standpoint it may be, contribute to the situation now confronting us?

Is there something wrong with our mentality or judgment when we authorize, as we recently did, the expenditure of $20 million on an aquarium in one of Washington's federally owned buildings? Does that expenditure at this time indicate a mental or other defect?

By Executive order the President established a Peace Corps and in his contingent fund had money to operate it. Yet he insisted the Peace Corps be made permanent, although the State Department already had authority and money to do everything which a Peace Corps, made up of young American volunteers, can do. This at a cost of additional millions.

The other day we were asked to create an Advisory Council—more millions—to help the Government to devise a cultural program.

Do the last two actions and many other similar ones prove that, in preparing to protect our individual freedom and our national security, we are using good judgment?

The list of additional expenditures, none of which will contribute to the winning of a war, might be extended indefinitely.

Just one more incident. The Congress permitted, refused to rebuke or disown, a representative of the State Department who, without any authority, pledged us to give South American countries $20 billion. This when we all know that in Congress rests the sole authority to authorize the expenditure of your dollars. We must either make good on the promises of our representatives who have no authority to create such obligations, or repudiate those who speak for the administration.

Mr. Speaker, permit me to again ask as in the beginning: Is the Congress suffering from some mental disease? Does it have a mental defect?

Is it getting ready to win a threatened disastrous war?

Has it in mind, as its primary purpose, the future security of our country or is it helping the executive department or both political parties shop around for votes—for support from minority groups—from those who always, one way or another, by fair means or foul, make a profit out of war, out of the misery and suffering—many times the death—of those who are called upon to fight a war?

Today we are asked to continue encouraging people without training or prospect of employment to become residents of the District and other cities, knowing as we do that we must, at least for the present, furnish them homes, food, clothing and, according to the present bill, educational opportunities—thus adding to the Nation's already overwhelming burden, thus lessening our ability to make adequate defense if war comes.

It has been said too often my vote has been "no." Would you have me, when a cold war is on, when a hot war threatens, vote away your dollars which are needed for our national defense?

THE NEED FOR ORE CARRIERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. O'NEILL] is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, I read in the Washington Post of Monday, September 25, in Drew Pearson's column, how he gave praise to Representative CARL VINSON and also to Congressman HÉBERT of Louisiana because of the great interest that that committee has shown in the program of the U.S. Government concerning property of defense contractors that the United States built or installed on their property. I certainly hope Mr. VINSON and Mr. HÉBERT look into this matter thoroughly. I certainly hope that the U.S. Government gets its full return; none of us have any great sympathy for the big defense contractors of the Nation who have done exceptionally well.

Mr. Speaker, also in the article he mentions that Bethlehem Steel Co. is trying to get a $15 million Government subsidy for two ore carriers, but they were stopped by the alert Secretary of Commerce Luther Hodges. Some 4 or 5 months ago, the Speaker pro tempore, Mr. MCCORMACK, Congressman JAMES BURKE who represents the Quincy area of Massachusetts where the huge Bethlehem Shipbuilding concern is located and myself—and I have the Bethlehem Shipbuilding Repair Division in my East Boston District—went over to see Mr. Hodges with regard to getting a subsidy for ore carriers for the Bethlehem Shipyard.

We are interested in the welfare of 5,000 men that are going to be laid off within a month in the Bethlehem Shipyard in Quincy. We are interested in the welfare and the economy of the area of our locale. We are interested in the defense of the Nation. We are interested in the problem of the ships. We have a great port up in our area. We have great shipyards up there. A quarter of the economy of the south shore area depends on the shipyards, and depends on the great Boston Harbor.

There has not been an ore carrier built in the United States since 1946. At that time Bethlehem Steel built two ore carriers. The construction of these two ships would mean employment of 3,000 men, who are due to be laid off in a short time for a period of a year and a half to 2 years.

We were asking for $14 million as a subsidy. Bethlehem Steel intends to build two ore carriers. If we do not get this subsidy, what is the Bethlehem Ship Co. going to do? It is going to go to Holland, where it can build those two ships at the price it would normally spend without the subsidy.

It is interesting to note that there are at the present time only four American-flag ore carriers in existence, the ones built by Bethlehem under a construction

subsidy in 1946, and these are now obsolete. There are 146 ore carriers built abroad since 1946.

On August 17, Mr. BURKE, and Mr. MCCORMACK and I wrote a joint letter to Secretary Hodges asking him under the act of 1946 if he would again consider and give to the Bethlehem Shipyard in Quincy, Mass., a subsidy. This is the telegram we received on September 11, 1961:

I have held up replying to your letter of August 17 on the subject of Bethlehem Steel Corp.'s application for construction differential subsidy on the building of two ore carriers pending a thorough review of the entire matter. I have now reached the conclusion that it would not be feasible to approve Bethlehem Steel's application as a matter of policy until: (1) the Secretary of Defense determines that the construction of the two ore carriers proposed takes priority over the construction of liner-type vessels in our regular ship replacement program.

Mr. Hodges, in answer to that part of your telegram stating that "the Secretary of Defense determines that the construction of the two ore carriers proposed takes priority over the construction of liner-type vessels in our regular ship replacement program," let me say that the only four American-flag ore carriers in existence today are the ones built by Bethlehem under a construction subsidy in 1946 and these are now obsolete. It is their present intention to replace these with two 51,000-ton American-flag ore carriers. For your information there have been 146 ore carriers built abroad since 1946. None have been built in the United States with the exception of the four mentioned. I have been informed by good sources from the Navy Department that even though they could be converted into two transports they would be of utmost importance for the purposes for which they are designed—to carry ore.

Second, he says in the telegram:

The chairmen of the House and Senate Appropriations Committees advise this Department that funds allocated for the construction of liner-type vessels may be diverted to the construction of the ore carriers under consideration.

Well, Mr. Secretary Hodges, with reference to that part of the telegram, there are funds in existence from the low bids received in connection with the ship replacement program of the last year. It is my understanding there was $18 million available. Therefore, it is not necessary and it has never been necessary to obtain permission from the chairmen of the House and Senate Appropriations Committees.

This has always been done at the discretion of the Maritime Administrator in the past. A simple notification to the chairman has always made it acceptable. I understand Secretary Hodges, from my conversation with him in the presence of Speaker pro tempore MCCORMACK and Mr. BURKE, said he was opposed to subsidies. It is all right to be opposed to subsidies, if you are opposed to subsidies in the whole program. But, I wonder where North Carolina and South Carolina would be today if they did not have the subsidies on cotton and if they did not have the subsidies on peanuts. It is all right to be against subsidies when you are against subsidies in the other fellow's backyard, but I wonder what the economy of the Carolinas would be today if they did not have these subsidies. Their very economy depends upon these subsidies, and yet the Secretary of Commerce is hiding behind this telegram which was sent to Mr. MCCORMACK, Mr. BURKE and myself. This is the law of the land. This law was passed in 1946. It was the will of the Congress that we subsidize shipbuilding in this country and, yet, the Secretary of Commerce, Mr. Hodges, hides behind a telegram of this nature.

Here we have been during the last 3 weeks pondering and delaying, and today they came in with a compromise bill adding another $187 million to a bill that carries close to $4 billion in it that we are giving away to the nations of the world. Yet, in our area we have 5,000 people who are about to be unemployed, and we are asking for $14 million out of the $18 million that they have of surplus funds. I appeal to Mr. Hodges, the Secretary of Commerce. I appeal to Mr. Martin of the Maritime Commission to reconsider this matter. Think of the welfare of our area. Think of the economy of the area. Think of the dark and gloomy Christmas and Thanksgiving holidays that are going to come for the families of these men whom it is our duty to try to help. Yes, we should help the underprivileged nations of the world, but let us help those at home too.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I desire to associate myself with the remarks of my distinguished colleague from Massachusetts. I concur in every statement that he has made here today. In Quincy, Mass., and in the East Boston section, we have approximately 5,000 men who are about to lose their jobs. These conditions are especially to be deplored when we realize that merely by a stroke of the pen, the Secretary of Commerce, Luther Hodges, could approve this subsidy, and I remind my colleagues he would be approving this subsidy under the law of the land, the law that provides that these ships should be built here in the United States. The employment that would be afforded by the building by these ships would take care of 3,000 men. The drain on the unemployment compensation funds alone, if these 3,000 men lose their jobs, will approximate close to $6 million, and it will mean a loss of over $27 million in salaries to these workers. It also means a loss in corporation taxes to the State and the Nation. And, of course, a loss in individual income taxes to the U.S. Treasury. Yet, we find Secretary of Commerce Luther Hodges sitting down there quietly, unconcerned about the plight of these men, heads of families who are about to lose their jobs. They are about to be thrown on the unemployment rolls. There will be great loss to businessmen and merchants in the area, to landlords, and to banks that are waiting for payments to be made on mortgaged homes. It will cause undue hardship in an area that has already been suffering from the impact of adjoining depressed areas. It is unbelievable to me, Mr. Speaker, that the Secretary of Commerce cannot recognize the facts and approve this petition so that these ships can be built here in the United States so as to protect the jobs of the 3,000 persons who would be employed in such shipbuilding.

GOVERNMENT SPENDING

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Iowa is recognized for 3 minutes.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, ever-increasing Government spending is not a budget problem or a bank-statement type of problem alone. It is a constitutional issue.

Every addition to the spending power of the executive branch alters the Constitution because it affects the separation of powers which the Constitution set up among the three branches, and it alters the checks and balances by which each branch was kept in place.

Big spending inevitably swells the executive power while it diminishes the legislative and judicial branches. Inevitably the executive wields such power over Congress and the courts, as to make restraints from the other branches virtually impossible.

The Executive with large spending powers is cumulatively assuming the legislative function because under congressionally delegated power and in too many instances he has been given the right to decide policy issues and the size and shape of the executive agencies.

With the growth of delegated power to the Executive the courts become the mouthpiece of the Executive because dissenting judges are no longer appointed. Judges who will change judicial precedents most radically are favored over those who hold to the historic interpretation of the Constitution.

Historically the great threat to freedom has been the use of armed forces by those who aspire to dictatorship. In the industrial-money economy the same end can be achieved by those who assemble vast pools of spending money to buy obedient "armies" who carry out their directives in politics, business, and the press.

Hitler demonstrated, 1932–36, that the unlimited spending power is as useful in establishing dictatorship today as armed uprising was in earlier times.

The spenders would like to build up the myth that opponents of spending are pennypinchers, who care nothing for people, and never see any issue in larger terms than balance sheets.

We take our stand on the ground that the executive power must be limited. When we add vast spending powers to its administrative and police

powers, it becomes unlimited government, going down the steep slope to tyranny and dictatorship, however cleverly veiled.

We take the position taken by the American colonists that we want no unlimited executive power in this country, whether it is the Royal Governors and the Redcoat armies of George III, or the welfare State with its spending bureaucracy of the New Deal, Fair Deal, and New Frontier.

We say that the Republican Party has missed a great historic opportunity. It has been satisfied only to cut Executive spending a little here and a little there. The Republican Party has signally failed to point out that excessive Executive spending is usurpation, and an erosion of the Constitution as effective as an attack upon it.

When will the Republican Party wake up and take up its task to cut down every spending avenue through which the spenders have worked systematically to erode the Constitution piece by piece without a sound?

True Republicans in cooperation with constitutional Democrats have only one task—to make war on the destruction of our Constitution at every point where the new absolutism is at work.

CENTRAL INTELLIGENCE AGENCY

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Connecticut [Mr. DADDARIO] is recognized for 1 hour.

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, it is my purpose to use this time to initiate a discussion on what I believe to be one of the most vital issues of American government today: the role and organization of intelligence.

The collection and processing of information by all agencies of the Government is a continuing process. It is vital to the success of any government that all sources be exploited to the maximum degree, and that such information be weighed and processed with calm judgment so that the facts and estimates on which decisions may be taken—decisions that affect the survival of us all—will be as complete and sound as man can assure.

It has been almost 20 years since Pearl Harbor—but that disaster showed how scattered our intelligence activities were. Congress insisted, after the war, on a more unified approach. The success of the Office of Strategic Services, during World War II, proved the necessity for an instrument of special capabilities to assist in this effort. As time has passed and the need for a superior intelligence capacity has grown, worries have been aroused over just how efficient our intelligence community may be, and whether we do, indeed, have the best coordination of such activities that could exist.

It is apparent that Congress needs to exercise and must exercise more supervision and surveillance over this effort. We see and hear changes in the existing establishment, some excuses for past mistakes, promise of better things, but we do not have sufficient information on which to base our own judgment of these matters, so long as no committee exists to oversee the entire intelligence community.

Many Members of Congress have spoken frankly to me of their concern about this arm of executive government. They recognize, as many have said, that intelligence is the foremost line, the outpost line of our defense. It is needed, and must be organized, to provide guidance to the policy, to the economic defense, as well as to the military defense of the United States.

It has been said that it is common knowledge the Central Intelligence Agency will soon lose its present Director, who has intentions of retiring soon. Another will be chosen to succeed him. The present Director has enjoyed the full support of the Congress. What guidelines are being followed—and should be followed—in the search for a successor? This question, too, is a matter of concern to the Congress.

Congress, therefore, should consider seriously the establishment of a watchdog committee on the intelligence community. In a time of particular tension, all Members have a right to be assured that every step is being taken to secure the information necessary in connection with their ultimate responsibility under the Constitution in matters affecting war. The Members have a right to be aware of matters pertaining to the national interest arising from covert intelligence operations. They have a responsibility and a right to exercise close supervision over the use of public funds. And they have a constitutional responsibility, above all, to define the limits of executive power.

I do not propose to discuss any information based on classified matters. I do not intend to venture in my prepared remarks toward the brink of classified information, and I will not refer to published information regarding intelligence activities of this country which is founded on speculation—even where that speculation may be, to my personal knowledge, well founded.

I will offer, at the conclusion of my remarks, a resolution for the establishment of the type of committee I have in mind.

INTELLIGENCE: WHAT IS IT?

Basic to any discussion of this problem is an agreed interpretation of the word "intelligence." The best definition that I have encountered is that used by the Clark Task Force of the Hoover Commission, which defined intelligence in these terms:

> Intelligence deals with all the things which should be known in advance of initiating a course of action.

It follows that intelligence, then, is not restricted to the glamorous work of cloak-and-dagger operators. The military definition strips it further of any idea of glamour. According to military definitions, intelligence is a product resulting from the collection, evaluation, analysis, integration, and interpretation of all information which concerns one or more aspects of foreign nations or of areas of operations and which is immediately or potentially significant to planning.

Basically, intelligence is hard work, often tedious work, well planned, systematically organized, and carefully supervised. It seeks facts concerning men, situations, and conditions and is ruthless in its evaluation of those facts and verification of them. Intelligence is carefully produced information to make sure that an executive decision—and it matters not whether it is in business, industry, or government—is made with due regard to existing circumstances. It has been estimated that upward of 98 percent of intelligence needed is available through completely open sources if one knows what he needs and where to get it. Roger Hilsman, State Department Director of Intelligence and Research, estimated that 40 to 60 percent of the information the United States needs about the world comes from the normal processes of diplomatic reporting, when he testified before the Rooney subcommittee this year.

To those who believe that intelligence always refers to military intelligence, I would point out that military intelligence, in specific applications, may embrace the whole range of information about a foreign country or area of operations. What about the weather? What about the government? What are the people like? What are the facts about its geography, its industry, its economy, its health and disease problems? The National Aeronautics and Space Administration, the Department of Commerce, the Department of Health, Education, and Welfare, the Department of Agriculture—all the large departments and many of the smaller ones not only have special needs for intelligence, but capabilities for producing it as well.

In short, intelligence is not just a source of concern to the Department of Defense. Virtually every department or agency has some interest in collecting information which may be of use in guiding its daily actions. And, further, just about everyone is a potential producer of intelligence. In the private sector, business and industry energetically collects information and processes it to bear on economic decisions. The major task that faces this Government, if it is to have the best intelligence product, is to coordinate all sources and agencies.

For some years prior to World War II, the major weakness in our national intelligence situation concerned the failure to coordinate the information-gathering activities of the different agencies, to plan and exercise surveillance over the requirements of intelligence for national decisions, and to institute aggressive programs to fill in the gaps which would have been disclosed by such correlation and comparative analysis. It was to rectify this error, so sharply underscored in later years by disclosure that the necessary information to evaluate Japanese intentions at Pearl Harbor was contained in various files, that the President, in

1941, created the Office of Coordinator of Information.

Its mission was made clear to Maj. Gen. William J. Donovan: To try to bring together all information and intelligence bearing on national policy and decisions and to provide such information quickly and speedily to the decisionmaker—the President of the United States.

I can well remember the circumstances in which this office developed into the Office of Strategic Services during World War II. I knew General Donovan and cannot pay too high a tribute to his ability, dedication and foresight in the work which he performed as head of that organization and in behalf of the United States.

From this Office, our Government began to develop a much strengthened intelligence capability which, in the brief span of the war years, clearly demonstrated the necessity for a continuation of this type of work. Following the war, considerable time and discussion went into preserving as much of this capability as possible and in forging a peacetime instrument which could secure the necessary information for our policymakers.

What is the process whereby information is gathered and turned into intelligence? It is axiomatic that the intelligence effort is never fully a successful one, for the intelligence cycle is an endless one, going from one phase to another and changing with the changing circumstances and conditions. To these ever-shifting problems must be added the difficulties presented by the secretive nature of governments which are anxious to deny information to their rivals. Such actions take the form of great effort to obscure and camouflage technological advances as well as political intentions, thus creating major obstacles in the field of evaluation and judgment. Judge Learned Hand could well have been talking about intelligence and policymaking when he observed:

> Life is a series of judgments based on insufficient evidence.

So is policymaking.

The purpose of an intelligence organization is to make the evidence as complete as possible—and this should be the aim of our intelligence community at all times, and especially in days of tension and global peril.

Accepting the analogy of the wheel, or cycle, let us begin a description of the intelligence process with the collection of information. As I have noted, information is collected by anyone who needs to make a decision. The businessman collects information on which to plan his sales program—market data. To some extent, businessmen have sought information of vital importance without regard to law, as in pricing matters, or in the search for valuable resources. The House will recall a theft of maps of potential oilfields, which took place some years ago. That crime disclosed that there is a very vigorous interest on the part of competing oil companies and oilmen in the knowledge of regions where oil may exist. Or take the aviation industry. The competition for a successful design in Government defense procurement is vigorous, as we all know. Some years ago, one company took elaborate precautions to safeguard its proposal and the technical data pertaining to it—but the day bids were opened, a gift box was delivered containing an exact duplicate mock-up and a chiding note as well.

Consider the question of collecting information about the United States. There are libraries, with encyclopedias covering every subject. There are geographies for terrain studies. There are industrial publications. Our Government Printing Office provides a prepaid deposit account service through which one depositor in Moscow alone ordered $5,721 worth of publications last year—after discount—that were undoubtedly intended for use in Russia. None of these were classified publications.

Most of the information which is available concerning the United States is available from the other developed countries of the world as well. It is, of course, subject to discount in the different countries according to the degree of censorship which may exist and the control exercised over contents of these publications. But we subscribe to journals and publications of foreign nations just as they subscribe to ours. We would do so even if there were no national policy needs—we have a continual need to be informed of what is happening in fields of common interest.

Most of this type of gathering information is rather prosaic and, as a matter of fact, is producing a veritable torrent of information from some sources. This does not necessarily mean that we are securing the right kind of information, or useful information, or processing it so that it gets to the right place at the right time. The mere digestion of foreign language publications is a massive job in itself, perhaps requiring computers that will memorize the facts and store them for immediate reference when they are needed.

The second phase of production of intelligence, then, is the processing, or distilling of information into intelligence. At each level, or in each department, reports must be weighed, verified according to the facilities available at that center and under the circumstances in which the collection center is operating. This is the phase that begins the separation of rumor and fact and, in essence, evaluation.

A raw report coming from the field is put through a series of tests for reliability and accuracy. Both qualities are defined from experience gathered over a period of time and taking into consideration the measure of actual organizational control exercised over the source and agency. A source having established its reliability over a period of time is assigned greater credibility. As such information may be verified by other independent sources, the original source would attain a greater degree of credibility.

At the central collection point, where other facts and figures are available, the intelligence expert seeks to fit this piece into the puzzle, a composite picture in which the information of various independent agencies and sources has blended to produce an accurate portrait of the subject matter. The intelligence specialist then analyzes the portrait in relation to the questions he must answer. His analysis must be as objective in character as it is possible to obtain, for upon it the intelligence consumer will be expected to make his conclusions as they affect his courses of action.

The ultimate obligation of the intelligence agency is to the policymaker, who must be provided with all facts and figures pertinent to the situation and must be made to take notice of them—in short, to receive a report dealing with all things that should be known in advance of initiating a course of action. But while such a report may be provided, there is a grave question of how many times policymakers may have had facts within their grasp and have disregarded them.

Now how do the facts get to the policymakers? This is the next step in the intelligence cycle—dissemination. When the raw information has been carefully processed and intelligence has been produced, it must be gotten to those who need it and can use it. This phase is both vertical and lateral. It must be rushed to the forward outposts where it may help bring new facts into perspective. It must be distributed widely to agencies working on parallel problems, so that they, too, may use it to bring their work into new perspective. And it must, of course, go to the top to guide the policymaker.

The problem of dissemination of processed information is a grave one. For one thing, this is an area in which problems of counterintelligence become acute. If finished intelligence is disclosed to the public gaze, it may betray the sources and methods used to obtain such intelligence, or the information that underlies it. Obviously, then, the antagonist would move to dry up those sources or to achieve control over them.

Let us take a case that has been current in the press this year. It is a case which occurred in Great Britain, a nation extremely security conscious in these matters. But early this year, a foreign office official was arrested and given an unusually heavy sentence. Little about his case was made known. Only the charge, and the severe sentence, indicated to the general public that the Government had felt much was at stake. At the same time, another British official was killed in a distant country. One newspaper theorized that the cases were related—there was evidence to substantiate it—and that the real charge against the first official was that information had been betrayed which led to the compromise of the other official and his death at enemy hands.

It is vital that the most effective secrecy be maintained in the areas of operations, sources, and methods. This is one reason why the act which established CIA laid a heavy responsibility upon the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure.

Yet a balance must be struck with respect to dissemination. Intelligence is of no use unless it gets where it is

needed in time for its use. Any doubt as to whether outposts should be alerted should always be resolved in favor of supplying the information—that was a lesson of Pearl Harbor. It is better to err on the side of making too much information available than too little. But while the information or the intelligence may be given, the security of the source may remain guarded.

Collection—processing, or evaluation, and then dissemination. What is the next step? It is to identify the gaps in this intelligence and to plan a systematic collection effort to fill in the gaps. Basically, it begins with reference to what we need to know, for we cannot concentrate on a narrow set of facts and assume that we have covered all areas of danger. With constant reference to the information and intelligence we have, we establish the elements we require to supplement or verify that picture so as to identify the courses of action.

We have, as I have pointed out, many existing agencies collecting information, and many resources that can be applied to this effort. These are all usually engaged in supporting their own responsibilities. But there must be a central or coordinating agency to meet the needs of the President, to establish requirements relating to national policy and to lay such specific orders on the separate agencies as are needed. These directives and requests must be issued in coherent and clear-cut terms. Those responsible for the preparation of orders and instructions must be fully aware of the capabilities and the situation of an actual or possible enemy. They must also be aware of the capabilities of the collection agencies, as well as their reliability. An extreme or unrealistic order to a collection agency can result in failure in many ways—possibly even in compromise and death if the agency undertakes to secure more than it can reasonably be expected to accomplish.

What lesson should be drawn from this? Obviously the central authority must be thoroughly familiar with the capabilities and resourcefulness of the departments working with it. There must be excellent liaison and coordination to insure that full exploitation is made of the means—but that such means are not wasted through unrealistic expectations. If the latter occurs, a natural consequence is to dismiss the idea of full use of such resources and establish duplicate or parallel agencies.

Planning, then, is another phase in the intelligence cycle. Planning must be continuous at all levels—but it is at the central or coordinating authority that the greatest responsibility lies.

FAULTS IN THE PRESENT ESTABLISHMENT

If planning is the most important part of the intelligence process—and there could be considerable discussion over whether the phases are coequal—then it follows that the Central Intelligence Agency, as the designated coordinating authority, deserves the most careful scrutiny by Congress. Let me review briefly what responsibilities are assigned to CIA under the statute which established it.

First, CIA must advise the National Security Council on matters concerning such intelligence activities of the Nation as affect the national security. The National Security Council is the principal advisory organization available to the President to bring together the threads of policy in foreign affairs. Its composition includes the Secretaries of State and Defense.

Second, CIA is directed to recommend policies concerning the coordination of all intelligence efforts in the Government. In practice, the Director of Central Intelligence sits as chairman of a committee on which all departments—military or otherwise—having intelligence missions are represented.

Third, the CIA analyzes such intelligence and sees that it gets to those who should have it. This does not prevent other agencies from continuing to make their own evaluations of the information they have. The Director of Central Intelligence is, however, given the important responsibility of seeing that intelligence methods and sources are not exposed and betrayed.

Fourth, CIA has a general clause giving it the authority to perform what are described as services of common concern to all the separate agencies.

Fifth, it may carry out special assignments given it by the National Security Council.

In recent years there have been a number of incidents in which CIA has been informally, at least, identified as having participated in events which did not redound to the credit of the United States. The recent Cuba situation is one of the more burning cases. The U–2 incident before that raised this question. Criticism of the oversea operations of CIA in general for their failure to mesh into overall policy has been voiced.

In the years since the creation of CIA in 1947, following upon postwar reorganization of central intelligence efforts, that Agency has grown year by year. In many ways it has become stronger and more effective. But in the absence of surveillance by Congress with respect to its role in the intelligence community, it has become a rather sprawling organization. Its secret functions have become confused with its overt functions. It has enjoyed a freedom from control which has permitted waste and encouraged some abuses of power. Often its covert operations have bordered on open activities. The very fact that all functions of CIA enjoy the same cloak of security has led to a disregard for security. When every document is marked "secret" or "top secret," it leads to carelessness with those matters that do deserve the highest security classification. Gilbert and Sullivan put it this way: "When everyone is somebody, then no one's anybody."

The time has come to analyze the functions which are coming under one roof in the new CIA headquarters at McLean and to examine them carefully and make them responsible to democratic government. This must be done without harming the central core of an intelligence effort that has been in existence since 1941 and which has been nursed and strengthened by a succession of dedicated persons. The role of the Central Agency must be clearly defined as to perform those functions not being executed or incapable of being executed at departmental levels. And its coordinating role must be to strengthen the valuable intelligence-gathering capabilities within those departments and agencies—not to assume their duties.

There is some reason to believe that part of CIA's spectacular growth has occurred in just this fashion—doing jobs that other agencies ought to be doing, duplicating effort in other instances. This has led to a natural feeling in many areas that CIA ought to be cut back to size, broken up, stripped of some of its functions. But it is here that Congress ought to proceed most warily. For there is no congressional committee specifically designated to oversee the entire intelligence community—as I shall propose there should be—and yet if the functions of any part of that community are altered, it may affect the product of all of it—and it may affect the decisions that are made on the basis of such intelligence—decisions that could be intimately interwoven with the survival of the United States.

How does this relate to the present organization of intelligence activities in the U.S. Government? Basically, we can agree that the intentions are good; the postwar planners sought to coordinate the various information-gathering services, to insure them protection against unwarranted disclosure, to give them sufficient prestige so the product would be respected at the highest levels, and to maintain some of the capabilities that made our wartime intelligence agencies effective.

Yet I think it is a matter of common agreement among those who are most informed regarding our intelligence activities that we are not as effective as we were. Why not? There are a multitude of reasons. We cannot claim the services of some of the most talented operatives in time of peace. We face a different and often more difficult task than we did in 1941, and we have been slow to face up to the type of assignment we must undertake. And, I think, we have not strengthened the independent sources which are available to us.

Basically, the problem of improving our intelligence organization for national policy deserves congressional attention.

DANGERS OF IMPENDING CHANGES

If, after analysis, we agree that the CIA establishment and the intelligence community deserve careful review and correction where prescribed, what are the problems posed by the changes now being made or proposed?

There are certain perils, for instance, in the recent directive setting up a Defense Intelligence Agency. While some of this has been aired on the floor of Congress, through publication of a memorandum sponsored by the Veterans of Foreign Wars, and through articles written by an expert military correspondent, I am unaware that the House has had an opportunity to pass on these problems. I

would agree that this particular change is within the province of a standing committee which is entitled to the full respect of the House, but I would submit that its results may have a bearing on the total product of the intelligence community and transcend the responsibilities of that committee.

Considering that every commander should have an intelligence adviser on his staff, it is logical that the Secretary of Defense should have someone to whom he may turn—even though the directive carefully specifies that he may exercise control of the DIA only through the Joint Chiefs of Staff.

Under this new DIA, the Director will organize, direct, manage, control, review, coordinate, and supervise, intelligence resources, watch the execution of plans and programs, and meet the intelligence requirements of components of the Department of Defense. He will also meet priority requests levied by the U.S. Intelligence Board.

This new Director of Defense Intelligence is charged with developing estimates to forward to the U.S. Intelligence Board. He is to work out a general plan for intelligence requirements and assign relative priorities to specific agencies. He, however, also may have counterintelligence responsibilities as they may be assigned. I do not quarrel with the assignment of negative, or counterintelligence duties to what is established as a positive agency, but I do express concern over the extent of such counterintelligence authority as may be vested in him.

At the present time, the Director of Defense Intelligence is to be one of the Department of Defense representatives on the U.S. Intelligence Board. His agency will develop and produce all DOD intelligence estimates and DOD information and contributions to national estimates for the U.S. Intelligence Board. Such estimates and contributions may indicate differences in analysis and evaluation. But if such an agreed estimate is then considered in the preparation of the final estimate, which also may indicate, by footnotes, any differences of opinion, how much will the nonconcurring opinions of the three separate departmental intelligence offers weigh in the final product? And suppose, at some future time, the U.S. Intelligence Board itself is reorganized by a simple directive to reduce Defense representation to this new DIA man alone? What then?

I would hope, at any rate, that Congress will have some committee at that time to take a long and vigorous look at such a proposal as it affects the total intelligence capability of the Government.

A second cause of concern in the recent reorganization of the national intelligence programs is the role of Gen. Maxwell Taylor, as the President's military representative. He has a mission of being an adviser and staff officer to the President within the intelligence field. He has a responsibility, assigned by the President, of watching the function of the intelligence apparatus of the Government to assure the President it meets the future needs of the Government. He is to work closely with the Foreign Intelligence Advisory Board to see that maximum use is made of its recommendations.

I am happy that the President has chosen a man of General Taylor's ability and acknowledged professional competence to serve as an adviser. But I am puzzled by the nature of his duties with respect to intelligence. As a former military attaché and a special operations emissary himself, General Taylor is not a stranger to the hazards and complications of the field. But I would like a clearer statement with respect to his relationship to the U.S. Intelligence Board.

In the U.S. Intelligence Board, over which the Director of Central Intelligence presides, are brought together the intelligence representatives of the Department of State, the Department of Defense, the military services and the other departments which have capabilities in collection or analysis. Included on the Board are representatives of the Federal Bureau of Investigation and of the Atomic Energy Commission. The USIB draws on the knowledge and experience of private organizations, as well as educational institutions. Obviously here is an element of great strength in producing the ultimate in estimates toward national policy. Yet not only is General Taylor's relationship to this institution undefined, but its operations, too, are without congressional oversight. Were there such an oversight, I am confident that unresolved questions such as those I have posed would be less numerous in the minds of Congress.

A third factor of concern are the recommendations purportedly made by the Kilian Committee for reorganization. These have not been made public officially, to my knowledge, and so I will not discuss them here. But I emphasize that there is no congressional committee instructed by this organization to examine such matters and their bearing upon intelligence policy.

A fourth factor has been examined in the hearings of the Appropriations Subcommittee on State, Judiciary, and Justice, under the able chairmanship of Mr. ROONEY. This is a proposal within the Department of State for a reorganization of functions of that Department's Bureau of Intelligence and Research. The new director spoke ably and well of some of his plans and studies for tightening up and making the Bureau more manageable. The Secretary of State thinks there should be more attention to what is called "policy-oriented research." I am advised that the general presentation was not sufficient to sway the judgment of this Congress, but I propose that these decisions, reviewed as a matter of control of appropriations only, must have an impact on the total intelligence picture.

As a last point in this discussion of events taking place outside the general field of Congress, I mention again the possible change in leadership at the Central Intelligence Agency. Mr. Dulles has often mentioned that he came down from New York about 11 years ago for a 6 week tour of duty. That tour is now ending, from all signs, and the search is on for a qualified successor.

Mr. Dulles himself has set some high standards for such a man. He has said that in the key positions of the agency must be men who are prepared to make intelligence a life work, not merely a casual occupation or stepping stone. The Agency should be directed by a relatively small but elite corps of men with a passion for anonymity and a willingness to stick at that particular job. They must be prepared to find their reward primarily in the work itself and in the service they render their Government, rather than in public acclaim. He felt that whoever took the post of Director of Central Intelligence should make that his life work. He attributed the success of the FBI to the fact that the Director has been on the job for a sufficient period of years to build up public confidence and esprit de corps in his organization and high prestige.

Mr. Dulles's views may have changed somewhat during his long trusteeship. For one thing, he has accepted speechmaking assignments on occasion, something that continues to astonish the intelligence organizations of other nations. He has become quite accessible to congressional committees. And it is probable that he conceives his role now more as he described it in an interview in 1954 when he said:

> In intelligence, you have to take certain things on faith. You have to look to the man who is directing the organization and the result he achieves. If you haven't someone who can be trusted, or who doesn't get results, you'd better throw him out and get somebody else.

I personally prefer Mr. Dulles' earlier guidelines than the later. I believe strongly that we must depend on an institution, not a man, and that the organization for obtaining a good intelligence product must depend on dedicated, selfless individuals.

I would agree with him wholeheartedly in his belief that the appointment as Chief of Central Intelligence must be free from political interference and I would add that it must be wary of persons committed too deeply to any political philosophies. The task of an intelligence agency and its director is to be as objective and thorough as possible in gathering and processing information. The addition of an element of predisposition would be fatal. At this time, I think we need a tough-minded, independent administrator to supervise this work. We need someone who will deal ruthlessly with incompetence, impatiently with slipshod performance and insatiably with the quest for information. Only such a man, backed up loyally by the man he serves, working in relative protection from any need to be a public relations expert, can produce the type of intelligence this Nation deserves.

Intelligence is a serious business. So is the choice of a man to direct this effort.

WHAT CAN THE CONGRESS CONTRIBUTE TO THE INTELLIGENCE PROCESS?

Someone must take a continuing interest in the intelligence community and

be fully aware of the guidelines to the choice of a new director, the task before him and the best way to help him carry it out. That there are serious weaknesses in national intelligence, few should question. There are some obvious steps that should be taken to improve the product.

First, there ought to be an appraisal of the planning and operational experience of the agencies contributing to the intelligence community. The military agencies, for instance, have had long years in this field, and yet one of the most serious charges leveled against the competence of our total intelligence product is that intelligence has often been a stepchild in the military services. It is a waystation on the route to promotion. How does this affect the product?

Second, consider the training for information gathering and intelligence production within all agencies, and particularly the Central Intelligence Agency. We need to know if an organization is adequate to do its job, and if the use made of the intelligence, once secured, is proper and efficient. We are not seeking the great at the moment. We are in search of the good and the efficient. We are in search of the organization and framework within which they will work. How is a man trained to take his place in the organization? There are those who believe that intelligence is one of the liberal arts; that any man with a degree of some kind can take his place in the field. Believe me, intelligence is an applied art.

I have gone through many instances and many missions where this lesson has been forcibly driven home. The study of the locale and the circumstances, the use of facilities and instruments of intelligence, the careful planning, the operational factors, the alternatives, the cover plans, the recovery, all figure into any intelligence mission.

I am interested in the practical, not the theoretical. I am concerned with the working intelligence organization, the improving organization. I think this Nation has been confused this year by too much talk about paramilitary operations, as if they constituted intelligence effort. There is such a thing as operational intelligence, where extra effort is needed to influence the collection of information. But paramilitary operations are just that, with the emphasis on military. If they belong any place in our plans, they belong in the Department of Defense.

I have discussed the different parts of an intelligence organization that go to make up the finished product. Let me warn briefly of some factors that should affect congressional supervision—indeed should be encouraged by the proper kind of congressional supervision. Information gathering must be a self-sustaining factor. Such operations must be responsive to requirements from the top, but they cannot be so tied to a communications line or to an inflexible organization that they can be identified and destroyed.

Agents must be free to seek information without rigid books of rules to guide them. What, after all, causes a man in some alien world to provide information to another nation? We have a wealth of information in the files of the Committee on Un-American Activities speculating on this matter from cases uncovered within our own country. Some want power. Some want money. Some want revenge. Most have political motives. They want to change the course of events in which their own lives have become unsatisfactory. In such cases, information is only a by-product to them. They are seeking their own ends; they view the passage of information to someone else as a means to that end.

Within such a framework, and with the recognition that among the people with whom an intelligence agent may deal, the petty motives are not the most prevalent, it is possible to build a strong network of informers. With the judicious use of funds, loyalties may be created. The desire for political change within one's country has proven a most powerful motive over the years for inducing such new loyalties. Eventually these loyalties may be sufficient to provide a means of influencing the course of events. No one has seen Communist agents shrink at sabotage or even assassination. In wartime, as here in 1917, agents may be hired to destroy critical facilities.

But none of this is possible on the basis of short-term planning. Such growth of a network must be sustained by continued requirements and continued reward. It may be that in the life of an agent, not one shot will be fired. What, then, will continue to draw his best effort, his continued service? How can funds be developed, or programs, that will insure continuity and improvement?

This short analysis has shown some of the difficulties that Congress must consider in supporting an intelligence agency as it builds a foundation for steady and reliable information. That agency cannot deal only with intellectuals, or even with normal persons. It must look to the neurotic, such as William Joyce; the traitor, like Benedict Arnold; the criminal, or the subject of blackmail, like Col. Alfred Redl. And it is no surprise that many people shrink away from such associations. One of the most famous remarks in American history, uttered by a totally decent and honorable man, was: "Gentlemen don't read other people's mail." But the consequence of that statement was to deny the United States information it needed for its own protection and security in dealing with people who were not gentlemen.

Espionage is an unlawful activity. It is punishable by death. Historically it has been distasteful. Yet no activity is more delicate or vital to the effectiveness of modern government engaged in fighting for survival. Is it necessary to conduct activities that may be distasteful to the general public of any democratic country? The real argument is that we have a stake in freedom, and in freedom everywhere. As a result, we must know what is being done to subvert freedom, and we must be prepared to act when necessary to intercept and defeat such subversion.

The tools and instruments of such action are highly trained and well-equipped personnel. They must not be identifiable. They must not be exposed to danger because too many know their mission. They must be protected with every resource at the Government's command. This is why Congress first entrusted authority to the Director of Central Intelligence and bade him to see that no unauthorized disclosure of agency methods was made. The most regrettable part of recent failures in this area has been the disclosure of people and methods.

Let me recapitulate briefly what Congress can contribute to the improvement on the national intelligence program. It can oversee the methods of training and planning for intelligence operations. It can weigh the quality and performance of the component parts of the intelligence community. It can make suggestions for improvement and it can spur action where a necessary program has been slighted.

Specific corrections needed in our intelligence agencies today are an improvement in the choice and development of experienced personnel for intelligence; improvement in planning and execution of projects to guarantee that all possible failures have been systematically recognized and safeguards constructed; better coordination of the parts played by all agencies and departments; better utilization and development of departmental intelligence arms; ruthless elimination of inadequate personnel; and strict compliance with policies intended to improve the intelligence capability.

It may be argued that these are critical times and we cannot afford to tamper with our organization for intelligence. The same argument might have been proposed at the time of Pearl Harbor. I may point out that the faults disclosed at Pearl Harbor stimulated the postwar effort to build a permanent and effective intelligence organization. We are in the midst of many administrative changes in our organization for intelligence. Congress has a responsibility to act.

Can it do so responsibly and effectively? I think the record shows it can.

A JOINT COMMITTEE ON THE INTELLIGENCE COMMUNITY

We need a Joint Committee on the Intelligence Community to oversee the intelligence community, to define the limits of its actions, to assure ourselves of the competence and effectiveness of its components and its methods, and to assist the community in raising its standards. Such a committee would also serve as a safeguard to regulate the growth of what can be a most dangerous element in a democracy. I want to recognize this danger candidly, for throughout history those who served commanders and kings as sources of information have sometimes turned that power to their own use—especially when they had counterintelligence authority as well.

This was a matter of great concern to the Congress when it first established the Central Intelligence Agency. I believe it acted wisely in confining CIA operations

to areas outside this country. Yet I may respectfully point out that the Cuban situation clearly involved planning and training within this country, and if we are to utilize fully the resources and capabilities within the Nation's boundaries, it entails activity of some size here.

The Congress must establish a committee which has the authority to explore the way in which our intelligence community is growing. There are legitimate fears that this might lead to compromise of secret information. I, myself, would place the utmost safeguards on the handling of covert operations, and limit the amount of information regarding them, as well as certain details of sources and intelligence agencies. But I would not concede for one instant that legislative oversight means loss of information or loss of discretion. Actually, the information which now prevails is much more prone to defects. Virtually all committees have a call on the services of the Director of Central Intelligence. A study made for me by the Legislative Reference Service in mid-September discloses that he appeared before six different committees on seven separate occasions this year. In addition, another committee has a call on him but this committee carries its own secrecy so far that it would not release any information on his appearances.

This practice of appearances by Mr. Dulles before different committees confuses the intelligence picture and perpetuates a myth—that all intelligence comes from the top. Any line outfit will fall prone to waiting for higher headquarters to provide an intelligence or estimate if it believes that such reports will waive its own necessity to send out patrols. And yet the reports of patrols are, more often than not, the basis of the estimates that are ultimately received. In point of fact, many committees are asking CIA for information that could have been gathered and evaluated by the departments directly under their supervision.

I see this trend from the Committee on Science and Astronautics on which I serve. It is true that CIA has certain added duties in the field of science, but the National Aeronautics and Space Administration should be well aware of what is being done by other nations in the field in which it has the acknowledged experts. From time to time, NASA has produced reports on comparative efforts, which certainly reflect the views of NASA, but which usually invoke the magic name of CIA in order to share any blame that may accrue. If every commander should have an intelligence officer on his staff, then NASA certainly deserves to use its technical brains in behalf of the common effort and in its own interest.

Let us consider again the question of discretion on the part of the Joint Committee on the Intelligence Community which I propose. At the present time, although Mr. Dulles appears before different committees in response to invitation, only two committees of the House have asserted general jurisdiction over the specific Central Intelligence Agency, and both have, through members or the respective chairmen, asserted to the House that they are kept aware of activities of the Agency. Yet no one would say that the members of these committees have been indiscreet with the information entrusted to them. Indeed, just the opposite is more likely to be heard—that even basic information on this Agency is difficult to obtain by the Members of the House, and that it is only when CIA's work is compromised in some way that some details come to the attention of Members who are responsible to their constituencies for appraisal of the executive branch.

I want to present, however, as the best example of congressional discretion, the Joint Committee on Atomic Energy. Ever since this committee was established under the chairmanship of the late Senator Brien McMahon, of Connecticut, its record of maintaining secrecy about critical and important matters has been outstanding. It has high standards of security—and I pay tribute to them. I have recently reviewed some of the regulations set forth by the committee staff to control its work, with the approval of the chairman, and they are excellent.

These regulations impose on each staff member a duty to be aware of proper handling of classified information. They constitute a thorough briefing on the different classifications, the penalties for unauthorized disclosure, and the individual responsibility that is required. Needless to say, each staff member is subject to a background investigation before being hired and has clearance only on a need-to-know basis. A security officer maintains surveillance over compliance with regulations.

The physical security of the committee rooms is excellent. For purposes of security and efficient operations, the rooms are divided into an outer reception room, and an inner exclusion area for the use of classified materials. No visitor is admitted to the inner exclusion area without an escort and registration. No classified information is permitted to be discussed in the outer reception room.

Specific instructions are also on record for the handling and receipt of classified documents from other agencies. The committee makes broad use of couriers, rather than the mail. With the concurrence of the chairman, it insists where possible on use of documents only within its own quarters, rather than circulating them freely. It imposes its own security classifications on materials originating within the committee, and handles them with the same care provided in military regulations. Much of its authority comes, of course, from the broad grant of responsibility in the Atomic Energy Act.

The committee makes use of expert personnel from other agencies charged with security duties in order to reinforce its own security. Inspections may be conducted at regular intervals to check on security provisions. Precautions are taken against invasion of the committee's hearing rooms. Now the committee is in the process of moving from the Capitol quarters to new quarters especially designed and planned to assure maximum security.

I cite this to point up the attention to detail which a responsible committee has taken. Without question, the Congress can take great pride in the security record of the Joint Committee on Atomic Energy. Beginning with care in the selection of personnel and progressing through maximum physical security to strict regulations in the handling of classified information, the committee has shown great responsibility and discretion in critical and sensitive areas.

In itself, this sets guidelines as well as a precedent for the Joint Committee on the Intelligence Community. The personnel of the committee must be selected with care. The staff must have equal professional and technical qualities. It would do no good to establish oversight of a critical area without men who have the intelligence and imagination to conduct their mission with responsibility, discretion, and vigor.

What is that mission? The first task is to conduct a survey of the existing elements of the intelligence community, with particular reference to the Central Intelligence Agency, and report to the Congress such legislative or statutory changes as may be needed to make it a more effective instrument. For some years, aside from frequent efforts to bring it under control, the only legislative changes I have seen have been those put forth by the Agency itself.

The second task is to set the goals for intelligence. In recent years, there is some evidence that successes have been few and far between, even though the effort has increased. There is some evidence that the Agency has been willing to spend large sums without a realistic weighing of costs and benefits. It has been subject to a Government disease which consists of following the fashions—plunging into purchases of the newest and latest fads. Although I believe in the integrity of those men entrusted with intelligence expenditures, Congress should have some means more responsive to the membership to determine such trends, and the authorization and need therefor.

The third task is to set up continuing surveillance and examination of the functioning of the Agency, insofar as nonsensitive functions are concerned. There will be a battle over where this line—between sensitive and nonsensitive—is drawn, but the Congress must insist that it be drawn as far forward as possible. The library, the research grants, the routine travel—all deserve close supervision. I believe firmly that we must guarantee secrecy to the covert operations of our intelligence arm, but I would be strict in defining covert or clandestine.

The fourth task is to insure that the responsibilities laid on the intelligence community by the Congress are being met. The present Central Intelligence Agency is often accused of being too unwieldy, too loosely coordinated, and often lacking in efficient top level direction.

I have left to this point another positive benefit of congressional oversight of the intelligence community. It is the confidence that can result, both in Congress and among the general public,

from knowledge that this community and the Central Intelligence Agency is under constant and watchful attention, with constructive criticism where needed, measured against a yardstick of performance. As the Hoover Commission noted when it recommended a Joint Committee on Foreign Intelligence, such a congressional committee could collaborate with the President's special advisory committee on matters of special importance to the national security. It would fulfill the task force's hopes that the public could be kept assured of the essential and trustworthy accomplishments and it could promote awareness of the significance of intelligence.

CONCLUSION

I, therefore, recommend that we take steps to establish a Joint Committee on the Intelligence Community, which would concern itself with the legislative oversight and authorization of activities vital to the intelligence arm of our national operations. I am introducing a concurrent resolution to that effect at the conclusion of these remarks.

Membership on this Joint Committee would include designated members of the respective Committees on Foreign Affairs and Foreign Relations; the two Armed Services Committees; the Joint Economic Committee, the Joint Committee on Atomic Energy, the Senate Committee on Aeronautical and Space Activities and the House Committee on Science and Astronautics, and the Committees on Government Operations.

Members of each of these committees would be appointed to fill the vacancy on the Joint Committee on the Intelligence Community by the Speaker of the House or the President of the Senate, as the case may be. Nothing in this resolution would derogate from the authority of the Central Intelligence Agency subcommittees of the respective Committees On Appropriations to review appropriations for that agency.

We must improve the oversight of and the functioning of the intelligence arm of our Government. This is a world of revolution and chaos. We talk a great deal about revolution, but we seldom face up to its challenge. We talk about rising aspirations, and we look anxiously to a social and economic system that will meet those needs. We believe in stability. But the facts of the cold war are that one power seeks to irritate and aggravate social tensions, to exploit injustice, to impose social and economic systems while we wait hopefully for the adoption of freedom as a way of life. These pressures, this constant attack on the status quo, is what characterizes the Soviet threat.

Intelligence operations are at their best in just such a chaotic condition. They seek both to create such conditions and to exploit them. This is a lesson that communism learned well. By preventing the attainment of stability, by encouraging dissatisfaction with those systems that work honestly toward that goal, communism creates a desire for order at all costs and it moves to take advantage of that feeling.

If this no man's land is so suitable for such operations, why does not the West seek to exploit them as well? Partly because the West declines to exploit misery and partly because the West seeks stability and therefore refrains from activities which would tend to destroy it. Yet it must be painfully clear to many that we are refusing battle when we do that, refusing to meet a direct challenge from the forces of confusion. We must determine whether we must first meet such challenges and conquer them so that we create the conditions in which such stability can be nourished.

This is an undercover war, a gray area of unrecognizable enemies. In this area, intelligence operations constitute the only nonpassive weapon at the disposal of any government. If properly used, it can obtain information of vital significance to national policy; it can covertly implement such policy in areas where orthodox diplomacy is chained; it can eliminate enemy surprises of both a political and military nature; and it can attack and defeat communism and force it on the defensive.

I know there is a feeling this can be done with social and economic weapons. The cold war, the protracted war, are all expressions of a feeling that we must find and fight the aggressive expansionism of communism with every resource at our command. But these programs, too, avoid coming to grips with the force that is used to promote instability and chaos to defeat them.

Without meeting this challenge, the United States will continue to be forced back on a line beyond which it cannot retreat—and a line on which it could have a choice of total war or nothing. The proper use of functional intelligence is a vigorous weapon in the hands of freedom, and one that deserves to be employed.

To be employed properly, it must be made of good material, honed to the best degree, and controlled at all times. This, in a democratic society, is a major responsibility. It calls for a joint congressional committee to discharge this awesome responsibility.

POLITICS AND PEOPLE—A PLATFORM FOR PEACE

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Ohio [Mr. FEIGHAN] is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, as we look back on the 1st session of the 87th Congress all of us are mindful of the unfinished business we came here to conclude. But some of us are mindful of the urgent business which arose after this Congress convened and which remains unfinished. In my judgment, the most urgent business to come before this Congress is the Berlin crisis, that is the third Russian-provoked crisis over the future of Berlin and the German nation. This business, this crisis, arose after this Congress convened. Congress responded to the new military programs proposed by President Kennedy for the defense of Berlin and the free world community, and this response on the whole has brought greater strength and versatility to our defense capabilities. What needed urgently to be done to secure the strongest position of military preparedness for our country has been done so far as authorization of programs and funds by the Congress is concerned. Every Member of the House has a right to some satisfaction for this record.

Military preparedness alone will not produce the just and peaceful resolution of the problems relating to Berlin and Germany. It is, however, a condition sine qua non to meeting the worldwide challenge of Russian Communist imperialism, of which the crisis on Berlin and East Germany is a vital part.

There is an urgent need for all of us to look beyond military preparedness to that plateau of international life which offers a just and lasting peace. President Kennedy in his stirring address before the General Assembly of the United Nations offered this admonition for those who may be inclined to the narrow view:

> For peace is not solely a military or technical problem—it is primarily a problem of politics and people.

Politics and people, then, are the key to the kind of universal peace our Nation now seeks and has sought throughout its history.

This concept is not a new one. It has fermented in the minds of great thinkers and outstanding statesmen over the centuries. But there is something novel about it in our times and the manner in which President Kennedy has provoked the concept has the ring of greatness. For too long our national purposes have been burdened down with dehumanized economic proposals and dull technological details, all lacking sufficient appeal to stir the hearts and souls of the common man. As a nation we have been talking to the few while ignoring the many and too much of our talk has been with the miserable few who tyrranize the multitudes in that vast area of the world behind the Iron Curtain. We have paid dearly for this self-imposed isolationism from the common man of the world. The greatest price we have paid has been the surrender of our traditional role in the international arena on politics and people to the Russians. And the consequences of that default are all too painfully evident.

President Kennedy has left no doubts that he intends to wrest the initiative from the Russians in the international arena on the basic questions of politics and people. He began his drive to restore our Nation to its traditional role in international political affairs with his answer to the Russian aide memoire on Berlin and East Germany. In that reply he served notice that our country was prepared to reach a peaceful solution to the problems of Berlin and East Germany through application of the universally accepted principle of self-determination. The proposal went to the heart of the substance of politics and

people. The appeal of that challenge lifted the hopes of the European peoples on both sides of the Iron Curtain. That is, their hopes for a peace with justice for all the peoples of central-east Europe. The Russians shied off from this peaceful proposal while unleashing their confusion techniques through their worldwide propaganda machine. Those confusion techniques sought to bury the President's peaceful proposal in a deluge of fake charges, not the least of which was placing the Russian label on imperialism on that peaceful proposal.

It was in these circumstances that I introduced House Concurrent Resolution 354, which would have placed Congress squarely behind President Kennedy's proposal for a peaceful settlement of Berlin and East Germany on the basis of self-determination. Other resolutions on the Berlin crisis were introduced which in my opinion were generally too legalistic, too cold toward the great human issue involved, too heavily weighted with military considerations and too much out of tune with the "politics and people" aspects of President Kennedy's policies. It was for these reasons that I objected under the unanimous-consent rule when House Concurrent Resolution 351 was scheduled to come before the House. I was informed when I made the inquiry on the floor of the House, that Members would not be given the opportunity to offer amendments on that resolution and that debate would thereby be limited to the chorus of "yeas," which, as many Members feel, is unbecoming to the greatest political forum in the world. I had no other alternative but to object.

Members of the House who were directly concerned with the pending resolutions on the Berlin crisis adjusted their differences of opinion, with the constructive assistance and helpful leadership of the distinguished chairman of the House Foreign Affairs Committee. A revised resolution was prepared and printed as a committee print and readied for consideration by the House. That revised resolution was scheduled to come before the House on August 7. Members of Congress will recall that many had to adjust their plans to be present on that date, feeling that the matter at issue was serious and that it was vitally important for Congress to register its meaningful support for the firm position taken by President Kennedy. It was a matter of great disappointment to the membership of the House when consideration of House Concurrent Resolution 351, as revised, was removed from the calendar and the House failed to take action in support of President Kennedy. The chairman of the Committee on Foreign Affairs and the Members who worked out the revised resolution with him bear no responsibility for the failure of the House to act on this issue.

It is significant to note that President Kennedy, in his address before the General Assembly of the United Nations, gave spirited proof of his intention to press the case of self-determination as the mediator in the disputes between the Russians and the West. He again challenged the Russians to apply this principle to the unresolved issues. He went further than the position taken in his reply to the Russian aide memoire when he warned the Russians "that the tide of self-determination has not yet reached the Communist empire." This warning urged the Russians to give up their empire of force, terror, and despotism before the tidal wave of nationalism, that is, the powerful wave of national independence, shatters it and the Russian nation along with it. Then he went a step further and put this political challenge before the entire membership of the United Nations:

> Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every part of the globe.

Let there be no doubts that President Kennedy has entered the international political arena or that he intends to dominate the central issue of "politics and people" in that arena. It is time that Members of Congress were given the opportunity to stand up and be counted on this issue. I regret that the House adjourned without giving the Members this opportunity. The full voice of Congress is yet to be heard on this vital question of the day.

PATRICK HAYES, AMERICA'S LEADING CULTURAL STATESMAN, SPEAKS OUT ON THE FEDERAL ADVISORY COUNCIL ON THE ARTS

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. KEARNS] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KEARNS. Mr. Speaker, in his 1955 message on the state of the Union President Eisenhower urged the Congress to enact into law legislation to establish a Federal Advisory Council on the Arts in the Department of Health, Education, and Welfare.

President Eisenhower said:

> In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities.

During the presidential campaign last fall Vice President Richard M. Nixon strongly endorsed the proposed Federal Advisory Council on the Arts. In the Saturday Review of October 29, 1960, Vice President Nixon wrote:

> This Council should make recommendations to the President and Congress as to the best line of Federal action in support of artistic endeavor. It might also be helpful in suggesting steps by which State and local governments might stimulate private cultural activities.
>
> Legislation to create such a Council has been introduced in Congress with broad bipartisan backing. I support this idea and will work for its passage.

In the same issue of the Saturday Review President Kennedy declared:

> The platform of the Democratic Party proposes a Federal advisory agency to assist in the evaluation, development, and expansion of cultural resources of the United States. We shall support legislation needed to provide incentives for those endowed with extraordinary talent as a worthy supplement to existing scholarship programs.
>
> If the people send me to the White House, I shall push this program. A gifted child deserves the finest education this Nation can provide. He is a national asset, whether his gift is to paint, write, design a jet airliner or a dramatic set, or explore the cosmos with a radio telescope. His worth cannot be estimated in the ledgers of the budgeteers

Legislation to establish a Federal Advisory Council on the Arts passed the Senate without opposition in 1956 under the cosponsorship of Senator Herbert H. Lehman, Democrat, and Senator H. Alexander Smith, Republican.

Undoubtedly, if President Kennedy had shown the same interest in, and zeal for this legislation which President Eisenhower has consistently shown this legislation would be on the statute books today. He has not lifted a finger to get this bill passed. He has not pushed for it, as he promised he would.

Unlike President Eisenhower, President Kennedy has not spoken out in support of the Federal Advisory Council on the Arts. He did not refer to it in his 1961 message on the state of the Union. He has not referred to this legislation since the people sent him to the White House. He has not yet pushed this legislation himself in any way which is discernible to the naked eye. Our cultural leaders want to know, and they are asking, why? He let our distinguished colleague, the gentleman from New Jersey, carry the heavy burden of this legislation alone on the floor of the House on September 20, and September 21. The Senate, completely controlled by the Democrats, has not even held hearings on Senator HUMPHREY'S Fine Arts Council bill. Why?

One can only wonder what President Kennedy had in mind when he promised the American people:

> If the people send me to the White House, I shall push this program.

When is the President going to begin to push this program? In 1962? In 1963? In 1964? A whole year, nearly, has passed, and no push is in sight.

Was this only campaign oratory, or campaign rhetoric? Or will the President ask the Congress to enact it when he delivers his 1962 state of the Union message?

Certainly the Soviet Union is pushing its art programs, and they are exporting them to this country to influence our citizens. The Soviet Union is exporting its programs to other nations, as well, in a coldly calculated attempt to win friends and influence people around the world.

The Soviet Union is supporting the arts at home. We do not agree with what they are doing with the arts, but we are doing very little to counteract it, and we are doing nothing at all to support our own arts at home.

In the October 1961 issue of McCall's magazine the great playwright, a former colleague, Mrs. Clare Boothe Luce, wife of the great publisher of Time and Life magazines, Henry Luce, writes that our

Government does less toward the support of art and culture than any civilized nation. She points out that Soviet Russia spends a great deal on cultural programs. To win the cold war, says Mrs. Luce, "we must gain ascendancy over the minds of men."

However, says Mrs. Luce, "We have sorely neglected the role a nation's art and culture play in accomplishing this."

I include the editorial by Mrs. Luce in the October 1961 issue of McCall's, to which I have referred, and the text of the Sunday, September 24, 1961, broadcast by Patrick Hayes, our Nation's leading cultural statesman, over radio station WGMS, Washington, D.C.'s good music station, dealing with the Federal Advisory Council on the Arts:

[From McCall's magazine, October 1961]

PORTFOLIO

(By Mrs. Clare Boothe Luce)

Our Government does less toward the support of art and culture than any civilized nation. In fact, almost nothing. Soviet Russia spends a great deal on cultural programs, and all the free nations of Europe subsidize, to some extent, their art and artists. To win the cold war, we must gain ascendancy over the minds of men. We have sorely neglected the role a nation's art and culture play in accomplishing this. We have impressed people by our intellectual attainments, material possessions (including armaments), and power. But it is only through a nation's arts and literature that other nations discover it has a soul.

Although we have created a great political and economic democracy, we have not yet created a great cultural democracy—a democracy that vigorously, consciously, and purposefully helps bring the enduring values of the arts into our own daily lives as well as to the peoples of other lands. I think, however, that the United States is on the eve of a tremendous and fruitful cultural explosion, which could be triggered by Government recognition and support of the performing and other arts.

Congressmen have been battling public apathy (and private pressures), ever since I can remember, in an effort to provide Federal encouragement to cultural activities. A great deal of legislation has been introduced in Congress toward this important goal. In his 1955 state of the Union message, President Eisenhower said, "The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities." He proposed a permanent Federal Advisory Commission, under the Department of Health, Education, and Welfare. The proposal passed the Senate but was too late for action in the House.

[From Radio Station WGMS, Washington, D.C., Sept. 24, 1961]

THE FEDERAL ADVISORY COUNCIL ON THE ARTS

(By Patrick Hayes)

I now turn to that awesome document, the CONGRESSIONAL RECORD, of last Wednesday, September 20, the 87th Congress, 1st session, page 20496. Topic: "Federal Advisory Council on the Arts." Congressman FRANK THOMPSON of New Jersey arose and said:

"Mr. Speaker, I move to suspend the rules and pass the bill H.R. 4172 to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States, as amended."

Then the Clerk read the entire bill, with which all of you are generally familiar from more than a few mentions in this Sunday commentary and from articles in the Washington press.

After a brief exchange between Congressman GROSS, of Iowa, and Congressman KEARNS, of Pennsylvania, about a second to the motion, Mr. THOMPSON gave a brief summary of the background and purposes of the bill—pointing out that the proposed Advisory Council was originally recommended by former President Eisenhower and is now recommended by President Kennedy; that the Council was to be advisory only, to aid and encourage the Nation's cultural development; that no appropriation was requested other than enough to support a small staff within the Department of Health, Education, and Welfare, about $100,000. Then Mr. KEARNS made a point of order that a quorum was not present. He agreed to withdraw the point of order on condition that Mr. GROSS would withdraw his demand for a second to the motion.

Mr. THOMPSON then revealed that the House Committee on Education and Labor had approved the bill for full consideration by the House of Representatives.

Then two cosponsors of the bill, both Republicans from New York, Congressmen HALPERN and LINDSAY, spoke eloquently in support of the bill. Mr. HALPERN said that the bill would have an important impact on American cultural activities, pointing out that such recognition of the arts in America is long overdue, and that creative cultural activity would be encouraged—and at the same time the legislation should by no means be considered an attempt to direct the course of creativity nor regarded as a Government-regulated program of artistic endeavor.

Then Mr. KEARNS, long a champion of such legislation in support of the arts in America, spoke at length in favor of the bill. He referred to the published statements by both Mr. Kennedy and Mr. Nixon last fall when both were candidates for the Presidency—both highly in favor of such a step. Then still others spoke in favor—pointing to the long and impressive list of citizens who have testified, in person and by mail, including Governor Rockefeller, of New York.

At this point in the proceedings it is clearly established that the bill has solid bipartisan support. An impressive group of Democrats and Republicans are for it.

Then Congressman GROSS spoke as follows: "Mr. Speaker, I do not know too much about the arts, but I do know we are more than $290 billion in the red in this country; that we are spending $9 billion a year on interest on that debt; we are already in the hole in this fiscal year, less than 3 months old, to the extent of $6 billion, according to the Secretary of the Treasury, and we will be lucky to get out by June 30 of next year, the end of the present fiscal year, with less than $10 billion additional to the Federal debt, according to the estimates of some people who ought to have a good idea of what is going on financially. I am sure the spending of $100,000 each year for this purpose, for culture, can very well wait until we have a balanced budget in this country and start retiring the Federal debt. I just do not see any necessity for this kind of business at this time."

Even if you are a speed reader, you pause when you come to a passage like that one. Then Congressman SMITH of Virginia spoke, saying: "The thing that troubles me is—and since it was brought to the floor this afternoon I have asked everybody that seemed to know anything about this bill—What are the arts? And there is where I display my ignorance. I do not know. What does it include? What is it about? I suppose fiddle players would be in the arts and the painting of pictures would be in the arts. It was suggested that poker playing was an artful occupation. Is this going to subsidize poker players that get into trouble?

Mr. GROSS. I agree with the gentleman. I, too, am troubled—perhaps because I do not understand and appreciate all the arts and culture.

Then for five full, three-column pages of fine print the argument goes on. There is patient explanation that it is not a subsidy bill, it is an advisory measure, it is a step to dignify and recognize an important segment of the national life. Points were made about possible conflict of interest in the case of members of the proposed council. The discussion veered off into an analysis of why the Metropolitan Opera was nearly closed for the coming season.

Then on page 20504 I find that I personally got into the discussion, with two quotations, one from testimony before Congressman THOMPSON'S subcommittee and one from a broadcast about New York State's partial-subsidy program now in effect in music, dance, and theater. My remarks were affirmative—I am in favor of a Federal Advisory Council on the Arts, as sponsored by Congressmen THOMPSON and KEARNS and a host of others in both parties. Now we come to the final stage of the floor debate in the House:

"The SPEAKER pro tempore. The question is, Will the House suspend the rules and pass the bill, H.R. 4172, as amended?"

The question was taken, and on a division (demanded by Mr. GROSS) there were 44 yeas; 36 nays.

Since a two-thirds majority was required for passage, the bill lost. Then Mr. THOMPSON spoke:

"Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

"The SPEAKER pro tempore. Under the order of the House of September 18 further proceedings on this bill will be postponed until tomorrow."

This meant that the bill had one more chance. There was a vote on Thursday. Again a two-thirds majority was required. It wasn't even close. There was not even a simple majority in favor of the bill—the vote was seven less than a simple majority. It is hard to find the words with which to encourage Congressmen THOMPSON and KEARNS and the others to keep up the good fight. We do thank them for their valiant labors in the vineyard.

DISTRICT OF COLUMBIA TAX BILL

Mr. JOHN W. DAVIS. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, on Friday I voted to reject the conference report on H.R. 258, the District of Columbia tax bill. I based my objection to this bill primarily on the understanding given to many Members of the House that to include the District of Columbia in Public Law 874 would substantially decrease the moneys available to other areas now receiving aid under the impacted area program.

I have been assured, however, by the Office of the Secretary of Health, Education, and Welfare that the funds provided in the supplemental appropriations bill now pending before Congress will be sufficient so that, at the very least, there would be a reduction of only 2 percent

for each jurisdiction, and that it is probable that each jurisdiction will receive its full entitlement.

With this explanation, there is now reason to believe that other impacted areas in the United States will not suffer if H.R. 258 is enacted. In view of the fact that adequate funds for education in the District of Columbia were not passed by Congress in the District of Columbia appropriations bill this year, and because I feel a responsibility to the young people of our Nation's Capital, I shall support the conference report at this time, even though the bill as it now stands is not ideal.

FORTY-EIGHT BANK MERGERS PENDING BEFORE FEDERAL BANKING AGENCIES

Mr. JOHN W. DAVIS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PATMAN. Mr. Speaker, last Friday, September 22, I sent letters to the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Federal Deposit Insurance Corporation, requesting a list of all bank merger applications pending before these agencies. My purpose in making this request was to supply Members of Congress with a list of such bank merger applications, so that a close watch can be made, pending the changeover in the Comptroller's office. It would be contrary to the public interest to rush through a lot of bank mergers during this interim period without full consideration of the various factors the agencies are expected to examine, including particularly the effect on competition or tendency to monopoly.

In all, there are 48 bank mergers now pending before the 3 agencies. The breakdown is as follows:

	Pending	Opinion of Department of Justice		
		Adverse	No objection	No report
Comptroller of the Currency	28	18	4	6
Federal Reserve Board	11	7	1	3
Federal Deposit Insurance Corporation	9	1	5	3
Total	48	26	10	12

Also included in the above tabulation is an indication of the opinions submitted by the Department of Justice to the 3 banking agencies regarding the 48 pending bank mergers. Thus, 26 of the 48 mergers would have an adverse effect on competition, according to the Antitrust Division. The Division had no objection to 10 other mergers. The remaining 12 have not yet been reported on, since 30 days have not elapsed since the application for merger was filed.

In the case of the Comptroller of the Currency, 18 of the 28 pending bank mergers would have an adverse effect on competition, according to the Antitrust Division. In the case of the Federal Reserve, 7 of the 11 cases now pending would adversely affect competition. In the case of the Federal Deposit Insurance Corporation, one of the nine pending merges would adversely affect competition, according to the Antitrust Division.

Included herewith is a list of the pending bank mergers for each of the three agencies:

COMPTROLLER OF THE CURRENCY,
September 25, 1961.

The following is a list of all pending applications to consolidate, merge, and purchase assets and assume liabilities, on file in the office of the Comptroller of the Currency:

CONSOLIDATIONS

Commercial National Bank of Peoria, Peoria, Ill., and the Central National Bank & Trust Co. of Peoria, Peoria, Ill.

Baltimore National Bank, Baltimore, Md., and County Trust Co. of Maryland, Glen Burnie, Md.

The Third National Bank & Trust Co. of Springfield, Springfield, Mass., and Hampden National Bank & Trust Co. of Westfield, Westfield, Mass.

Asbury Park-Manasquan National Bank, Asbury Park, N. J., and the Merchants Trust Co. of Red Bank, Red Bank, N.J.

The Clinton National Bank, Clinton, N.J., and the First National Bank of Clinton, Clinton, N.J.

Haddonfield National Bank, Haddonfield, N.J., and First National Bank of Collingswood, N.J.

The National Bank of Ocean City, Ocean City, N.J., and the Merchants National Bank of Cape May, Cape May, N.J.

Valley National Bank of Long Island, Valley Stream, N.Y., and Osborne Trust Co., East Hampton, N.Y.

The Farmers National Bank & Trust Co. of Ashtabula, Ashtabula, Ohio, and the Citizens Banking & Saving Co. of Conneaut, Conneaut, Ohio.

The Harrisburg National Bank, Harrisburg, Pa., and Harrisburg Trust Co., Harrisburg, Pa.

The First National Bank of Beaumont, Beaumont, Tex., and Security State Bank & Trust Co. of Beaumont, Beaumont, Tex.

MERGERS

Milan State Bank, Milan, Mich., into National Bank & Trust Co. of Ann Arbor, Ann Arbor, Mich.

National Bank of Westchester, White Plains, White Plains, N.Y., into the First National City Bank of New York, New York, N.Y.

The First National Bank of Olean, Olean, N.Y., into Chautauqua National Bank of Jamestown, Jamestown, N.Y.

First National Bank in Highland Falls, Highland Falls, N.Y., into the First National Bank of Poughkeepsie, Poughkeepsie, N.Y.

The First National Bank of Marion, Marion, N.C., into First Union National Bank of North Carolina, Charlotte, N.C.

The Chatham Bank, Siler City, N.C., into First Union National Bank of North Carolina, Charlotte, N.C.

The Conneaut Banking & Trust Co., Conneaut, Ohio, into the Northeastern Ohio National Bank of Ashtabula, Ohio, Ashtabula, Ohio.

The Quarryville National Bank, Quarryville, Pa., into the Lancaster County National Bank, Lancaster, Pa.

Bank of Florence, Florence, S.C., into the Citizens & Southern National Bank of South Carolina, Charleston, S.C.

The First National Bank of St. Johnsbury, St. Johnsbury, Vt., into the Howard National Bank & Trust Co. of Burlington, Burlington, Vt.

The Commercial Trust & Savings Bank, Lynchburg, Va., into the Lynchburg National Bank & Trust Co., Lynchburg, Va.

Petersburg Savings & American Trust Co., Petersburg, Va., into First & Merchants National Bank of Richmond, Richmond, Va.

The First National Bank of Everett, Wash., into Seattle-First National Bank, Seattle, Wash.

PURCHASE OF ASSETS AND ASSUMPTION OF LIABILITIES

The First National Bank & Trust Co. of Hamilton, Hamilton, Ohio, buying the Oxford National Bank, Oxford, Ohio.

The First-Knox National Bank of Mount Vernon, Mount Vernon, Ohio, buying the Danville Bank, Danville, Ohio.

The Old National Bank of Spokane, Spokane, Wash., buying Walla Walla National Bank, Walla Walla, Wash.

The Union National Bank of Clarksburg, Clarksburg, W. Va., buying the Merchants National Bank of West Virginia at Clarksburg, Clarksburg, W. Va.

APPLICATIONS PENDING BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM UNDER SECTION 18(c) OF THE FEDERAL DEPOSIT INSURANCE ACT, AS AMENDED

NAMES OF BANKS INVOLVED, TYPES OF ACTION, DATE APPLICATION RECEIVED BY BOARD

1. United California Bank, Los Angeles, Calif., and the Southwest Bank, Inglewood, Calif.; merger; May 2, 1961.

2. Wells Fargo Bank American Trust Co., San Francisco, Calif., and the Farmers & Merchants National Bank of Santa Cruz, Santa Cruz, Calif.; merger; June 2, 1961.

3. Elston Bank & Trust Co., Crawfordsville, Ind., and the Waynetown State Bank, Waynetown, Ind.; purchase of assets, etc.; July 13, 1961.

4. United California Bank, Los Angeles, Calif., and the First National Bank, La Verne, Calif.; merger; July 17, 1961.

5. Liberty Bank & Trust Co., Buffalo, New York, and Exchange Bank, Oakfield, N.Y.; merger; July 25, 1961.

6. The Fifth Third Union Trust Co., Cincinnati, Ohio, and Norwood-Hyde Park Bank & Trust Co., Norwood, Ohio; purchase of assets, etc.; July 25, 1961.

7. Farmers State Bank of Alto, Alto, Mich., and the Edwin Nash State Bank, Clarksville, Mich., consolidation; July 31, 1961.

8. Chemical Bank New York Trust Co., New York, N.Y., and Long Island Trust Co., Garden City, N.Y., merger; August 3, 1961.

9. The Chase Manhattan Bank, New York, N.Y., and Hempstead Bank, Hempstead, Long Island, N.Y., merger; August 28, 1961.

10. The Hackensack Trust Co., Hackensack, N.J., and the Bank of Saddle Brook & Lodi, Saddle Brook, N.J., merger; September 8, 1961.

11. The Elyria Savings & Trust Co., Elyria, Ohio, and the First Wellington Bank, Wellington, Ohio, consolidation; September 19, 1961.

FEDERAL DEPOSIT INSURANCE CORPORATION,
September 25, 1961.

The Northwestern Bank, North Wilkesboro, N.C., and the Bank of Elkin, Elkin, N.C.

The Northwestern Bank, North Wilkesboro, N.C., and the Surry County Loan & Trust Co., Mount Airy, N.C.

Saline State Bank, Wilber, Nebr., and Wilber State Bank, Wilber, Nebr. (asset purchase and deposit assumption).

The Central Jersey Bank & Trust Co., Freehold, N.J., and the First National Bank of Bradley Beach, Bradley Beach, N.J.

Producers Bank & Trust Co., Bradford, Pa., and Smethport National Bank, Smethport, Pa. (asset purchase and deposit assumption).

Franklin Bank (a proposed new bank), Franklin, Ill., and Franklin Savings Bank, Franklin, Ill. (asset purchase and deposit assumption).

First State Bank, Eddyville, Ky., and Citizens Bank, Kuttawa, Ky. (consolidation: Resulting bank will be Citizens State Bank of Lyon County, New Eddyville, Ky.).

Hollidaysburg Trust Co., Hollidaysburg, Pa., and First National Bank of Williamsburg, Williamsburg, Pa. (asset purchase and deposit assumption).

Citizens National Bank of Orlando, Orlando, Fla., and Central Trust Co. of Orlando (noninsured), Orlando, Fla. (temporarily abandoned).

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. What is the present parliamentary situation in the House?

The SPEAKER pro tempore. The Chair is receiving individual requests from Members.

Mr. HOFFMAN of Michigan. When that is finished what will be the order of business?

The SPEAKER pro tempore. Then we will take a recess subject to the call of the Chair.

PERSONAL EXPLANATION

Mr. KASTENMEIER. Mr. Speaker, on rollcall No. 229 on the conference report on the bill H.R. 258, earlier this afternoon I was absent, being in attendance in New York at the President's signing of legislation creating a U.S. Arms Control and Disarmament Agency.

I should like the RECORD to show that had I been present to answer I would have voted "yea."

Mr. HOFFMAN of Michigan. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. If a point of no quorum is made does that automatically mean we get a recess?

The SPEAKER pro tempore. We are going to get a recess pretty quickly in any event.

WOMEN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 15 minutes.

Mr. STAGGERS. Mr. Speaker, the greatest need in this modern complex world is the power to understand it. The interests of the world are so many and so diverse that it is almost impossible for any one individual to acquire even a slight knowledge of all of them. Most of us are absorbed with one special interest, or at the most with a limited number of interests, and we find it difficult to believe that all the interests of the world are interrelated, and that the progress of one interest depends on the progress of many others.

Within the last two centuries a number of writers have attempted to put into words some clear understanding of the whole of human progress. Voltaire is an example. He explained:

> I wish to write a history, not of wars, but of society; and to ascertain how people lived in the interior of their families and what were the arts they commonly cultivated. * * * I want to know what were the steps by which mankind passed from barbarism to civilization.

Much more recently, the Beards, Charles and his sister Mary, have attempted to do the same thing for American civilization. In the beginning of their story they assert that a great age of enlightenment and elevation requires personalities, many-sided and concentrated. The Revolutionary period provided just such personalities. They upset tradition, particularly the tradition that progress in human welfare belonged peculiarly to the select few. Also, the tradition that civilization is concerned primarily with the so-called cultural accomplishments, the arts and letters which had adorned castles and palaces and cathedrals. The ideals so forcefully set forth by such leaders as Franklin and Jefferson, both of whom were cultured in the arts, demanded that the discoveries of science and the values of trade and industry should be put to work for the common man and spread to every segment of society. They understood quite well that all the activities of men are interrelated, and that one cannot advance while leaving all the others behind.

In the history of social philosophy there is nothing more interesting than the tardy recognition accorded to the fact that modern business enterprise rests upon the whole heritage of Western civilization—its religious disciplines, its laws and morals, its crafts and skills, its sciences and arts, its tastes and appreciations. If this is doubted, consider what would happen if a shrewd capitalist should erect a factory in an African jungle and then look around for a competent labor supply and an appreciative market for electrical appliances. Business enterprises are built upon a heritage of civilization, and they are likely to be civilized just in proportion as they understand the history of their heritage. They are in turn the makers of civilization as well as patrons of the arts. In some mysterious way thought and the materials of life evolve together.

One classic example of this is the invention of gunpowder which, at first blush, seems to have no relation to civilization. But gunpowder, with its accompanying engines, made necessary the development of competent specialists in military affairs, and released a large proportion of the population of every country from the responsibility of fighting with bows and arrows and pikes and swords. "In this way immense bodies of men were gradually weaned from their old warlike habits, and being, as it were, forced into civil life, their energies became available for the general purposes of society and for the cultivation of the arts of peace which had formerly been neglected. The result was that the human mind, instead of being solely occupied with war or theology, now struck into a middle path, and created those great branches of knowledge to which modern civilization owes its origin." If a single matter of gunpowder could make such "contributions to civilization," what may be said of the possibilities of electricity in the hands of modern enterprise? Or of atomic energy? Is it not possible that 5 centuries from now the beginnings of a new moral and intellectual order may be traced to the first whirling dynamo?

Business enterprise cannot survive and develop without civilization. It is sometime fancied that employers of labor desire only robots to attend their engines and wheels. This apparent desire seems reinforced in an age of increasing automation. In a system of very restricted production it might be possible for capitalism to succeed in a small way with its workers as cogs—assuming that a cog can follow a master design. But a system of mass production in great variety could never appear in a nation of pure robots. A human robot needs only food and shelter, and that is all he got in the age of privilege. Modern machine industry, particularly modern American industry, requires a civilized people to operate it.

It is at this point that the predominating position of women in the picture becomes evident. Being involved in the whole process of human evolution from top to bottom, in war and in peace, as bearers of the heritage and workers in the arts and sciences, women stand in a peculiar relation to the psychological centrum, the market, around which all modern industry revolves, and to the periphery where it affects all culture. Although from Caesar's day onward, strong men have denounced "those things which tend to effeminacy," as a brutal matter of fact without those very things there would be little more than caves and barracks or bare monastic walls in the wide world. Women are now the chief buyers of goods, including letters and arts, and so within generous limits the directors of business enterprise and taste. Women in the United States pay taxes on many billions of dollars of personal income. They receive 70 percent of the estates left by men, and nearly as much of the estates left by women. In a burst of prophecy, one statistician tells us that, assuming a continuance of the same rate of transfer, all the property of the country will be in the hands of women by the year 2035.

Also, women are entering the service of the machine in ever increasing numbers. The benefits of the machine have freed them from the enslavement of domestic toil, and they find it challenging to devote their energies and their skills

to tasks outside the home. This, too, upsets all the traditions of ancient societies. It gives women a far more active position in the unfolding of modern civilization. We see many effects of the change, and some of them we denounce as bad. But the general effect has been to humanize society, to make Government and industry and science and the arts all more subservient to human well-being. As a consequence, civilization has made more and greater advances in our lifetimes that in centuries of ancient history. This is the genius of democracy, and American exploitation of that genius is the outstanding contribution of this Nation to modern progress.

The successive steps by which American women achieved their commanding position in American life are really giant strides. The first immigrants to the Virginia colony were all men. Women came a dozen years later, to be auctioned off to the highest bidder. In the Massachusetts colony, the earliest settlers brought their women with them. They participated in the hardships incident to building crude shelters and foraging for sufficient food. There was no time anywhere for luxuries. The women suffered the greater privation. It was no novelty for men to live the life of adventurers. But never before in history had women traveled so far from what comforts of life they had enjoyed to seek new homes in wild and savage surroundings. Yet there is no record that they regretted the step they had taken.

As the settlements grew in numbers, men moved inland. In the van were hunters and trappers. These generally had a family on or near the frontier. There the family planted a truck patch of corn, beans, turnips, cabbage, and potatoes. While the hunter was searching for game in the forests or fishing in some neighboring stream, the wife and children vigorously hoed among the tangled weeds and tough grasses of the garden, and warded off as best they could the attacks of wild animals and still wilder Indians. In all its phases the mode of living was crude, much more crude than they had hitherto known. If, amid these rough surroundings, the hunter himself was content, it could not often be said that his wife was equally satisfied with her share in the contest. Nearly always she was a reluctant fugitive from a civilization of a higher order and could not help pining for the softer things of older societies. Usually she was a pathetic figure in her coarse dress of linsey-woolsey and deep sunbonnet, performing in terrifying loneliness the humble duties of her household.

In the wake of the man with a rifle came the seekers of permanent homes. In the Northwest, and usually in the Southwest, the leader in this next phase of occupation was the man with the plow, or, to speak more correctly, the family with established habits of domestic economy—the farming group who understood and loved the steady and sober industry of the field, the housewife who was a mistress of the thousand arts that created comfort, security, and refinement. Immigrants of this type soon substituted well-constructed frame or brick dwellings for their first log cabins. They cleared broad acres of well-tilled land, and combined with their neighbors to open roads through the woods, fling rude bridges across the streams, and build churches and schoolhouses. Often, before the first generation of pioneers was ready to surrender to their children, little settlements had grown into thriving villages where, as a traveler through the Ohio country in 1836 declared, "broadcloths, silks, leghorns, crapes, and all the refinements, luxuries, elegancies, frivolities and fashions are in vogue." A few of the more ingenious men developed into manufacturers and millers on a small scale; business enterprise with all its implications commenced. Thus rapidly advanced civilization.

The next step in the forward movement came with the expansion of industrialism. Say the Beards: Another important element in the changing economic and social order of the middle period was the women who flocked from their native homesteads and from the immigrant ships to the mills, offices, schoolrooms, and stores. Women had laid the foundation of the textile business in colonial America; at their wheels and looms they had nourished it throughout the handicraft age. When at length the steam engine drew the industry away from firesides to factories, they naturally followed it, their labor remaining the basis of that industry. Of the 6,000 persons employed in the cotton mills of Lowell in 1836, nearly 5,000 were young women from 17 to 24 years of age, the daughters of farmers from the different New England States.

Indeed, in all except the heavier metal industries, women were an essential factor; by the middle of the century more than a hundred trades were employing them and they were also to be found behind the counters in great mercantile establishments. And as they streamed from their homes the rigid domestic system inherited from the colonial age began to crumble. The theory, the law, and the politics of the facts soon reflected the economics. It was no accident that the women's rights movement rose among the maids and matrons of the industrial North.

Like every other class in history called forth by economic processes, the new industrial workers of America, as their numbers mounted, began to draw together in associations and evolve ideas of defense and aggression. In all the important towns of the young Republic, unions began to appear. Startled by the growing power of their workmen, masters resorted to the courts, attempting through indictments and prosecution to dissolve the alining forces that loomed before them. But they could not stay by judicial decrees the movement of consolidation. In 1836 there were 53 unions in Philadelphia, 52 in New York, 23 in Baltimore, and 16 in Boston; among women workers as among men the beginnings of association had appeared. It was still many a long and hard year, of course, before these associations were fully accepted by employers and the public alike. Standing alongside the men in the fight were such feminine names as Margaret Fuller, the Molly Maguires, Ida M. Tarbell, and many others.

In the 1840's, feminism came to the front as one of the disturbing factors in political life that could not be ignored. The accumulation of moderate fortunes which enabled the belles of New York to shine under the chandeliers also gave education and leisure to thousands of women who never saw the ballroom of a brownstone mansion. The significant feature of femininity in the middle period was not the inherited passion for salons done in red and green, but the invasion of women into fields of industry, science, education, letters, and especially civic affairs. Women in open revolt against the masculine supremacy crystallized in the common law, energetically engaged in formulating political programs which contemplated sex equality. If liberty was the grand catchword for all, if opportunities for advancement were to be opened to all, high and low, then where did women stand? That question had been asked softly in the 18th century. In the mid-19th it was asked in tones that could be heard by every editor, preacher, politician, and voter. The lone cry had become a chorus. In 1848 a Woman's Rights Convention was held at Seneca Falls in the State of New York. The convention issued a Woman's Declaration of Independence setting forth again the grand principles of liberty and equality. Faithful to precedent, too, it presented a list of grievances, after the manner of the bill of indictment drawn against George III: the men had monopolized the lucrative professions and employments, they had closed the colleges of higher learning against women, they had taxed her to support a government in which she had no voice, they had deprived her of property earned by her own labor, they had called her civilly dead at marriage, they had assigned her a lowly place in the church, and all in all they had put her in the status of serfdom.

The implications were evident: political, economic, and intellectual equality. The agitation for equal suffrage was gaining rapidly and would have gone far in the sixties if the antislavery movement and the Civil War had not induced women temporarily to put aside their cause for one that seemed even more impelling. Yet they made some progress. In the domain of civil liberty, champions of the new cause demanded for married women, among other things, the right to hold and acquire property and to enjoy exemption from liability for their husband's debts. In the masculine world, this claim raised a storm. The real reason was obvious but the good reason advanced was to the effect that the women, in managing property, would be thrust into the hard scenes of the busy world and suffer a diminution of their charms. Mississippi was the first State to emancipate women from tutelage in the matter of property, followed rapidly by New York, Indiana, Pennsylvania, California, and Wisconsin.

After the Civil War, woman suffrage was once more brought out of the parlor and the academy. A rallying cry was given while Congress was attempting to

nationalize suffrage by enfranchising the freedmen of the South, and champions were declaring that no person's civil liberties were safe without the ballot. With a relevancy that could hardly be denied, the feminists now asked why the doctrine did not apply to women, only to receive a curt answer from the politicians that send them flying to the platform to make an appeal to the reasoning of the public at large.

The appeal fell largely on deaf ears. The freedmen were given the ballot, but not the women. Here and there over the Nation a few gains were made. Wyoming, a new State admitted to the Union in 1888, was the first to grant full suffrage. For three decades the feminists beat their bare fists against granite walls, winning here and there the right to vote in some local elections, but awakening little more than amusement among those who sat on high political thrones. After the advent of the 20th century, a few States in the Far West emulated Wyoming. It still required another great war to bring matters to a climax. World War I drew millions of men from farm, market, industry, the professions, and government itself. Heavy demands on all types of activity called for a vast new army of workers. Women took the places of men and became the deciding factor on the production front in winning the war. Suddenly, the war being over, all resistance to woman suffrage collapsed. In the summer of 1920, the 19th amendment was declared part of the law of the land. The fruit of a hundred years of agitation and social development had finally been garnered.

Having won the ballot, enlarged economic opportunities, freedom to bob their hair, wear men's clothes, smoke and swear, and extensive powers in the domestic relation, women looked for new fields of enterprise. At this point a group of the intransigents demanded "absolute and unconditional opportunity" in every sphere. They proposed an amendment to the Federal Constitution providing that there should be no discriminations against women on account of sex in any National or State legislation. Specifically, the more extreme of this feminist school called for a repeal of all protective legislation not applicable also to men, such as laws limiting the hours of women workers and closing the sex to the heavier and more dangerous trades such as mining and brickmaking. In other words, they asserted in effect the physical equality of the sexes and insisted upon freedom to compete with men on the same footing all along the line.

How far they have advanced toward this new frontier can be determined by a casual survey of the current scene. What I have mentioned so far is but a few of the highlights of a movement which has altered society to the point where there is no significant difference between men and women economically, educationally, socially, or politically.

The big question, of course, is: How do women use the new freedom? From a political standpoint, political campaigns are designed to appeal to women voters. Their votes may be, and often are, decisive. Yet there is no clear evidence that their votes are different from the votes of the men of their family. There is evidence that fewer of them do vote. They appear not to value the vote as highly as they had expected. There is a lingering impression that politics are more or less degrading, and that no really nice person would besmirch herself with them. This impression must be erased, and finally. The fight against corruption in public and private life should appeal with irresistible force to women, and the fight can be won in the battle of ballots. It is also the peculiar province of women to continue the social reform which they have advanced at the expenditure of prodigious effort. The social world around us is afflicted with many and grave evils, in spite of all the advancement in human welfare. It is to the battle against all these that women are called in this great era of decision.

RECESS

The SPEAKER pro tempore (Mr. ALBERT). The Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 8 o'clock and 22 minutes p.m.) the House stood in recess, subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore at 2 o'clock and 22 minutes a.m. on Wednesday, September 27, 1961.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9033) entitled "An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes."

The message announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 3 and 27 to the above-entitled bill.

The message also announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 54. Concurrent resolution authorizing the signing of enrolled bills and joint resolutions after final adjournment; and

S. Con. Res. 55. Concurrent resolution fixing the date for final adjournment of the 1st session of the 87th Congress.

The message also announced that the Senate had passed the following resolutions:

S. RES. 224

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed the business of the session and are ready to adjourn unless he has some further communication to make to them.

S. RES. 225

Resolved, That notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ALBERT. Mr. Speaker, I offer a preferential resolution, House Resolution 480.

The Clerk read as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

The SPEAKER pro tempore. The Chair appoints the gentleman from Oklahoma [Mr. ALBERT] and the gentleman from Illinois [Mr. ARENDS] to wait on the President.

SUPPLEMENTAL APPROPRIATION BILL, 1962

Mr. THOMAS submitted the following conference report and statement on the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1272)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14, 25, 35, 36, 37, 38, 57, 58, 76, 77, 81, 84, 85, 87, and 90.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 6, 9, 10, 11, 15, 16, 20, 26, 29, 30, 31, 32, 33, 39, 40, 41, 42, 45, 59, 60, 61, 66, 68, 69, 70, 72, 74, 75, 78, 89, 91, 92, 93, 97, and 98, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$900,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"NATIONAL BUREAU OF STANDARDS

"Research and technical services

"For an additional amount for 'Research and technical services', $1,500,000, of which not to exceed $475,000 shall be available for payment to the 'Working capital fund', Na-

tional Bureau of Standards, for additional capital."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$285,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$70,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,300,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$145,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$150,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$150,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$55,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$13,500,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$162,500"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$35,000,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the matter stricken by said amendment, insert "MASS TRANSPORTATION LOANS AND GRANTS"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter stricken by said amendment, insert "OPEN SPACE LAND GRANTS"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$350,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$412,500"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,415,000"; and the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$363,500"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"OFFICE OF SALINE WATER

"Salaries and expenses

"For an additional amount for 'Salaries and Expenses', $3,500,000, to remain available until expended, including an additional amount of $130,000 for administration and coordination."

And the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,250,000"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"PRESERVATION OF ANCIENT NUBIAN MONUMENTS

"(*Special foreign currencies*)

"For purchase of Egyptian pounds which accrue under title I of Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, $4,000,000."

And the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$675,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 12, 17, 18, 21, 22, 23, 27, 34, 44, 52, 54, 55, 62, 67, 79, 80, 82, 83, 94, 95, and 96.

ALBERT THOMAS,
MICHAEL J. KIRWAN,
CLARENCE CANNON,
BEN F. JENSEN
(with reservations),
JOHN TABER
(with reservations),
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
ALLEN J. ELLENDER,
LISTER HILL,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
LEVERETT SALTONSTALL
(except 81),
MILTON R. YOUNG,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9169) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments namely:

DEPARTMENT OF AGRICULTURE

Statistical Reporting Service

Amendment No. 1—Salaries and expenses: Appropriates $20,000 as proposed by the Senate.

Agricultural Stabilization and Conservation Service

Amendment No. 2—Emergency conservation measures: Reported in disagreement.

Farmers Home Administration

Amendment No. 3—Loan authorizations: Authorizes an additional $8,000,000 for loans under the Act of August 28, 1937, as amended, as proposed by the Senate, in lieu of the House language stipulating availability of $8,000,000 for this purpose from the contingency fund of $37,500,000 made available in the regular 1962 appropriation bill.

Amendment No. 4—Salaries and expenses: Appropriates $1,500,000 instead of $1,000,000 proposed by the House and $2,000,000 proposed by the Senate.

DEPARTMENT OF COMMERCE

General Administration

Amendment No. 5—Participation in Century 21 Exposition: Appropriates $900,000 instead of $1,000,000 proposed by the Senate.

Bureau of the Census

Amendment No. 6—Salaries and expenses: Appropriates $185,000 as proposed by the Senate instead of $148,000 as proposed by the House.

National Bureau of Standards

Amendment No. 7—Research and technical services: Appropriates $1,500,000 instead of $2,204,000 as proposed by the Senate, of which not to exceed $475,000 is available for transfer to the working capital fund instead of the $700,000 proposed by the Senate.

Weather Bureau

Amendments Nos. 8 and 9—Meteorological satellite operations: Provide that not to exceed $285,000 of the appropriation, instead of $270,000 in the House bill and $300,000 in the Senate bill, may be paid to the Bureau's salaries and expenses appropriation for the current year and that not to exceed $600,000 as proposed by the Senate instead of $540,000 as proposed by the House, may be paid to the General Services Administration for construction of office space.

Area Redevelopment Administration

Amendments Nos. 10 and 11—Headings: Delete certain items in House bill and insert a heading as proposed by the Senate.

Amendment No. 12—Operations: Reported in disagreement.

Amendment No. 13—Grants for public facilities: Deletes the Senate provision. This item will be covered in the motion to be offered with respect to Amendment No. 12.

Amendment No. 14—Area redevelopment fund: Deletes the Senate provision. This item will be covered in the motion to be offered with respect to Amendment No. 12.

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army

Amendment No. 15—Rivers and Harbors and Flood Control: Appropriates $5,000,000 for Operation and maintenance, general, as proposed by the Senate.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

Amendment No. 16—Inserts heading as proposed by the Senate.

Amendment No. 17—Payments to school districts: Reported in disagreement.

Amendment No. 18—Assistance for school construction: Reported in disagreement.

Amendment No. 19—Defense educational activities: Appropriates an additional $70,000 instead of $100,000 proposed by the Senate.

Amendment No. 20—Expansion of teaching in education of the deaf: Appropriates $1,575,000 as proposed by the Senate.

Public Health Service

Amendment No. 21—Chronic diseases and health of the aged: Reported in disagreement.

Amendment No. 22—Community health practice and research: Reported in disagreement.

Amendment No. 23—Hospital construction activities: Reported in disagreement.

Amendment No. 24—Water supply and water pollution control: Appropriates $5,300,000 instead of $5,000,000 proposed by the House and $5,600,000 proposed by the Senate.

Amendment No. 25—Assistance to refugees in the United States: Strikes out the appropriation of $13,000,000 proposed by the Senate. Since the conferees on the legislative bill authorizing this appropriation have not been able to agree, the President should give consideration to making some provision from available contingency funds.

American Printing House for the Blind

Amendment No. 26—Education of the blind: Appropriates an additional $270,000 as proposed by the Senate.

Howard University

Amendment No. 27—Plans and specifications: Reported in disagreement.

Office of the Secretary

Amendment No. 28—Salaries and expenses: Appropriates $145,000 additional instead of $150,000 as proposed by the Senate.

Amendment No. 29—Juvenile delinquency and youth offenses: Appropriates $8,200,000 as proposed by the Senate.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 30: Inserts heading as proposed by the Senate.

Amendment No. 31—Executive Mansion and Grounds: Appropriates an additional $165,000 as proposed by the Senate.

Amendment No. 32—National Aeronautics and Space Council: Appropriates an additional $225,000 for salaries and expenses as proposed by the Senate.

Amendment No. 33—Council of Economic Advisers: Appropriates an additional $170,000 for salaries and expenses as proposed by the Senate.

Amendment No. 34—Funds appropriated to the President: Reported in disagreement.

INDEPENDENT OFFICES

Federal Aviation Agency

Amendments No. 35, 36, 37, 38, and 39—Grants-in-aid for airports: Appropriate $150,000,000 proposed by the House instead of $225,000,000 proposed by the Senate and provide for allocation of this sum over the two fiscal years 1962 and 1963 instead of the three-year period 1962–1964, and strikes the legislative contingency clause carried in House bill.

Federal Home Loan Bank Board

Amendment No. 40: Inserts heading proposed by the Senate.

Amendment No. 41—Expenses, Federal Home Loan Bank Board: Provides an additional $140,000 as proposed by the Senate, of the Board's funds for administrative and nonadministrative expenses.

Amendment No. 42—Limitation on expenses, Federal Savings and Loan Insurance Corporation: Provides an additional $75,000 of the Corporation's funds for administrative expenses as proposed by the Senate.

Federal Mediation and Conciliation Service

Amendment No. 43—Salaries and expenses: Appropriates $150,000 instead of $140,000 proposed by the House and $160,000 proposed by the Senate.

General Services Administration

Amendment No 44—Additional court facilities: Reported in disagreement. While plans are being developed the GSA should not alter buildings which are only for temporary occupancy. In these instances arrangements should be made to use local or State courtrooms when necessary.

Historical and memorial commissions

Amendment No. 45—George Washington Carver Commemorative Commission: Strikes out, as proposed by the Senate, the appropriation of the House for this purpose.

Housing and Home Finance Agency

Amendment No. 46: Appropriates $150,000 for Salaries and Expenses of the Office of the Administrator instead of $100,000 as proposed by the House and $215,000 as proposed by the Senate.

Amendment No. 47: Authorizes $55,000 for expenses of travel instead of $50,000 as proposed by the House and $65,000 as proposed by the Senate.

Amendment No. 48: Appropriates $13,500,000 for Urban Planning Grants instead of $12,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

Amendments Nos. 49 and 50: Authorize $162,500 for administrative expenses for Housing for the Elderly Fund instead of $125,000 as proposed by the House and $200,000 as proposed by the Senate; and appropriate $35,000,000 for the revolving fund instead of $30,000,000 as proposed by the House and $40,000,000 as proposed by the Senate.

Amendment No. 51: Restores title proposed by the House.

Amendment No. 52: Reported in disagreement.

Amendment No. 53: Restores title proposed by the House.

Amendment No. 54: Reported in disagreement.

Amendment No. 55: Reported in disagreement.

Amendments Nos. 56 and 57: Appropriate $350,000 for Public Facility Loans instead of $300,000 as proposed by the House and $400,000 as proposed by the Senate; and delete proviso proposed by the Senate.

Public Housing Administration

Amendment No. 58—Low rent public housing program: Strikes out the appropriation of $250,000 proposed by the Senate.

Interstate Commerce Commission

Amendment No. 59—Payment of loan guaranties: Appropriates $14,700,000 as proposed by the Senate.

National Capital Transportation Agency

Amendment No. 60: Inserts heading as proposed by the Senate.

Amendment No. 61—Salaries and expenses: Appropriates an additional $85,000 as proposed by the Senate.

Amendment No. 62—Land acquisition and construction: Reported in technical disagreement. The agreement provides that the funds appropriated are for acquisition of land for extra-wide median strips on Route 66 (Va.) and Route 95 (Md.).

Securities and Exchange Commission

Amendment No. 63—Salaries and expenses: Appropriates $412,500 instead of $375,000 proposed by the House and $450,000 proposed by the Senate.

Selective Service System

Amendment No. 64.—Salaries and expenses: Appropriates $3,415,000 instead of $3,000,000 proposed by the House and $3,830,000 proposed by the Senate. The conferees are agreed that the increase above the House bill shall be used solely for local boards.

Small Business Administration

Amendment No. 65—Salaries and expenses: Appropriates $363,500 instead of $350,000 proposed by the House and $377,000 proposed by the Senate.

Amendment No. 66—Revolving fund: Appropriates $160,000,000 proposed by the Senate instead of $130,000,000 proposed by the House.

General provision

Amendment No. 67: Reported in disagreement.

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Amendment No. 68: Inserts heading as proposed by the Senate.

Amendment No. 69—Education and welfare services: Appropriates an additional $750,000 as proposed by the Senate.

Amendment No. 70—Revolving fund for loans: Appropriates $4,000,000 as proposed by the Senate.

Office of Saline Water

Amendment No. 71—Salaries and expenses: Appropriates $3,500,000 including $130,000 for administration and coordination instead of $4,175,000 including $175,000 for administration and coordination proposed by the Senate.

National Park Service

Amendment No. 72—Management and protection: Appropriates an additional $25,000 as proposed by the Senate.

Amendment No. 73—Construction: Appropriates $2,250,000 instead of $2,000,000 proposed by the House and $4,115,000 proposed by the Senate.

Office of Territories

Amendment No. 74—Trust Territory of the Pacific Islands: Appropriates $200,000 as proposed by the Senate.

Geological Survey

Amendment No. 75—Surveys, investigations, and research: Appropriates an additional $100,000 as proposed by the Senate.

Office of the Secretary

Amendment No. 76—Salaries and expenses: Appropriates $200,000 as proposed by the House instead of $500,000 proposed by the Senate.

DEPARTMENT OF LABOR

Office of the Secretary

Amendment No. 77—Area redevelopment activities: Restores House language stricken by the Senate.

Bureau of Employment Security

Amendment No. 78: Inserts heading as proposed by the Senate.

Amendment No. 79—Compliance activities, Mexican farm labor program: Reported in disagreement.

Amendment No. 80—Salaries and expenses, Mexican farm labor program: Report in disagreement.

DEPARTMENT OF STATE

Administration of foreign affairs

Amendment No. 81—Salaries and expenses: Appropriates $1,950,000 as proposed by the House instead of $2,768,112 as proposed by the Senate.

Amendment No. 82—Arms control and disarmament activities: Reported in disagreement.

Amendment No. 83—United States Citizens Commission on NATO: Reported in disagreement.

Educational exchange

Amendments Nos. 84 and 85—Center for Cultural and Technical Interchange Between East and West: Appropriate $3,300,000 as

proposed by the House instead of $3,800,000 as proposed by the Senate and provide that no part of the appropriation shall be used to pay any individual in excess of $20,000 as proposed by the House instead of $22,500 as proposed by the Senate.

Preservation of ancient Nubian monuments

Amendment No. 86—Special foreign currency program: Appropriates $4,000,000 for the purchase of Egyptian pounds to preserve monuments in the United Arab Republic and Sudan as proposed by the Senate.

Intergovernmental Committee for European Migration

Amendment No. 87: Strikes out the $7,000,000 proposed by the Senate for contributions for the Intergovernmental Committee for European Migration. The conference committee is agreed that the President may use contingency funds for this program as he may determine.

TREASURY DEPARTMENT

Bureau of Customs

Amendment No. 88—Salaries and expenses: Appropriates $675,000 instead of $600,000 proposed by the House and $750,000 proposed by the Senate.

LEGISLATIVE BRANCH

Senate

Amendment No. 89: Inserts heading as proposed by the Senate.

Amendment No. 90—Salaries, officers and employees: Deletes the proposal of the Senate to increase the basic clerk hire allowance for Senators.

Contingent expenses of the Senate

Amendment No. 91: Inserts heading proposed by the Senate.

Amendments Nos. 92 and 93—Furniture and miscellaneous: Appropriated $16,650 and $263,000, respectively, as proposed by the Senate.

Amendment No. 94—Senate restaurants: Reported in disagreement.

House of Representatives

Amendment No. 95: Reported in disagreement.

Amendment No. 96—Penalty mail costs: Reported in disagreement.

CLAIMS AND JUDGMENTS

Amendments Nos. 97 and 98: Insert document reference and appropriate $37,850,905 as proposed by the Senate instead of $36,540,637 as proposed by the House.

ALBERT THOMAS,
MICHAEL J. KIRWAN,
CLARENCE CANNON,
BEN F. JENSEN
(with reservations),
JOHN TABER
(with reservations),
Managers on the Part of the House.

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H.R. 9169) and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. TABER. Mr. Speaker, I object.

The Clerk read the conference report.

Mr. TABER. Mr. Speaker, I make a point of order against the conference report, and I refer especially to the paragraph on page 30, under the title of "Preservation of Ancient Nubian Monuments—Special Foreign Currency Program":

For purchase of Egyptian pounds which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, $4,000,000 to remain available until expended.

Mr. Speaker, to my mind that appropriation is not covered by the statute on which it is based. When we went over there—to the conference—and marked it up, I understood it was to be brought back for a separate vote. I did not hear anything else or any talk except that they were going to knock off a couple of words: "to remain available until expended."

Mr. Speaker, I feel that I should read section 104(k) which is referred to in the amendment:

To collect, collate, translate, abstract, and disseminate scientific and technological information and to conduct and support scientific activities overseas including programs and projects of scientific cooperation between the United States and other countries such as coordinated research against diseases common to all mankind or unique to individual regions of the globe. No foreign currency shall be used for the purpose of this section unless specific appropriations be made therefor.

To my mind, this authorization was not covered by the language of section 104(k). In my opinion, it does not include the sort of operation that is mentioned here. It does not have proper authority for an appropriation of this character. It does not authorize purchase of currency.

Mr. Speaker, I think that covers what I had in mind.

The SPEAKER pro tempore. Does the gentleman from Texas desire to be heard on the point of order?

Mr. THOMAS. Mr. Speaker, I would like the privilege of addressing the Speaker on this item.

Mr. Speaker, it is not an easy matter to disagree with our able and distinguished citizen and Member of this House, the Honorable JOHN TABER. He has been here a long time and is really an outstanding Member and I want to give him due credit. But may I respectfully say that as much as I admire our distinguished friend he has stated a perfect case in favor of this item. Let me first call the attention of the Speaker to the exact language on page 30 of the bill:

For purchase of Egyptian pounds which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that act, $4 million to remain available until expended.

Let us see what 104(k) says:

To collect, collate, translate, abstract, and disseminate scientific and technological information—

That is exactly what you are doing here.

conduct and support scientific activities overseas—

Mr. Speaker, how much more definite could that be?

cooperation between the United States and other countries such as coordinated research—

And so forth.

Mr. Speaker, that language is very definite and it certainly covers this like a blanket.

I cannot see any escape from it.

Is that all, now, Mr. Speaker? May I read to the Chair section 502(c) of the Mutual Security Act of 1954, as amended:

It is the sense of the Congress that prompt and careful consideration should be given to participation by the United States in an internationally financed program which would utilize—

What?

foreign currencies available to the United States—

To do what?

to preserve the great cultural monuments of the Upper Nile.

Can it be any more specific than that?

Mr. Speaker, I respectfully submit that our able and distinguished friend's point of order should be overruled.

Mr. TABER. Mr. Speaker, if the Chair will permit, the point on which this question is to be determined is the authority in section 104(k). There is nothing there that authorizes an appropriation for the purchase of Egyptian pounds. That is what this appropriation is made for.

Mr. GROSS. Mr. Speaker, may I be heard on the point of order very briefly?

The SPEAKER pro tempore. The Chair will be glad to hear the gentleman.

Mr. GROSS. This is in the nature of a rescue mission and does not conform on that basis to the language in 104(k) of the code.

The SPEAKER pro tempore. Does the gentleman have anything further to say?

Mr. GROSS. That is all, Mr. Speaker.

The SPEAKER pro tempore (Mr. MCCORMACK). The Chair is prepared to rule.

The gentleman from New York makes a point of order against the conference report in connection with the amendment on page 30, which reads as follows:

For the purchase of Egyptian pounds which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, for the purposes authorized by section 104(k) of that Act, $4 million to remain available until expended.

The Chair has carefully studied the provisions of section 104(k), the organic law, which includes among other things:

To promote and support programs of medical and scientific research, cultural and educational development, health, nutrition, and sanitation: *Provided*, That foreign currencies shall be available for the purpose of this subsection (in addition to funds otherwise made available for such purposes) only in such amounts as may be specified from time to time in appropriation acts:

Mr. WHITTEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The Chair will adopt latitude, and will entertain the parliamentary inquiry.

Mr. WHITTEN. Mr. Speaker, as chairman of the committee that has to ask appropriations for agriculture, do I understand this is to be charged up to the expense of the agricultural program?

The SPEAKER pro tempore. It is not the purpose of the Chair to determine what the appropriation is for. The Chair is passing on the point of order.

Continuing what the Chair has said, it is the opinion of the Chair that section 104(k) justifies the language contained in the conference report, and the Chair overrules the point of order.

Mr. VANIK. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state the point of order.

Mr. VANIK. Mr. Speaker, I desire to reserve a point of order against the conference report on the ground that it contains appropriations which are not authorized by law and which go beyond both the House bill and the Senate amendments. I would like to inquire of the gentleman from Texas what this does to the mass transit program, the area redevelopment program, the open space program, and the low-rent demonstration projects.

Mr. THOMAS. In my humble judgment, what we are seeking to do is to make these four programs work, and there is not one thing in the conference report that will have any effect in the direction of not making them work. We are trying to help you make them work.

Mr. VANIK. Will the gentleman advise me what appropriations are made in the conference report? I would like to have this information for the RECORD because we are voting on a bill now that as of this point we know very little about.

Mr. THOMAS. Let us take the first item you mentioned, your area redevelopment program. That is the first one in the bill here. What we do is to supply every penny of cash that the agency asked for in loans and grants. Then, when it comes to administrative expenses, those two items were raised in the committee of conference. May I state to my distinguished friend that there were either 9 or 10 Members representing the other body in conference and the vote was unanimous. So it is not our purpose to try to hurt the program. We are trying to make it work. Every penny that they ask for is in the bill for loans and grants.

Mr. VANIK. In other words, including the four items of the mass transit program and the area redevelopment program, the open space program and the low rent demonstration projects?

Mr. THOMAS. No. The low rent demonstration program is authorized at $5 million. There is no year limit on it. For the first year, we put $2 million in and we suggested to the other body in conference, if they thought it ought to be raised, we would raise it to whatever amount they thought. So it was the consensus of opinion of everybody, with not one dissenting vote, that the $2 million was all they could use in the first year. Bear in mind, this is not a 1-year program. This is a no-year limit program.

Mr. VANIK. But the funds you are allocating are limited to about what you expect 1 year's needs would be?

Mr. THOMAS. If they need any more than that, they can come back in January and I give my friends the assurance that they will get what they think they will need.

Mr. VANIK. I will say to the gentleman from Texas, I think we are boxed in on this one and on that basis, and with the gentleman's explanation, I withdraw my point of order.

The SPEAKER pro tempore. The point of order is withdrawn.

Mr. THOMAS. Mr. Speaker, may I take a very few minutes—I know my colleagues are tired, but I want to give them every bit of information I have and if they want something that is beyond what knowledge I may have at the moment, the rest of us are here and we will be glad to supply it.

Now let us go back to the dollar marks. When this bill left the House it was trimmed down through points of order and through what we did here to about $600 million. It went to the other body and they added about 35 new amendments. Now let me explain this. What they added was the result of laws this body helped to pass, namely, in the way of new legislation. The House did not have an opportunity to consider and pass upon them in supplemental money requests because they were sent to the other body after the bill passed the House. There is not one item as I recall here that the House has ever turned down. The other body added about $283 million to finance those amendments. Your conferees agreed and reduced that amount by roughly 10 percent. It was a cut of 10 percent, but bear in mind that 70 percent or over $200 million of that $283 million was in two items. What were they? They were for payments to school districts and for construction in the impacted school areas. But let me say this, there have never been any two items more popular as far as I can recall.

The remaining items were smaller in dollar amounts.

What it adds up to, Mr. Speaker, is that we are bringing back 21 or 22 amendments in disagreement. How many of those 21 or 22 amendments are actually in disagreement? How many? One, only one; and we are going to ask you for a separate vote on it.

Do you know how much money is involved in that amendment? There is not a dollar in it; it is purely language, a postal frank matter that concerns the other body and our own.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Florida.

Mr. HALEY. What the gentleman is saying to the House is this: You have passed the legislation, now then you have got to face up to it and pay the bill. Is that not correct?

Mr. THOMAS. I cannot disagree with my able friend too strongly. We all did it.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Pennsylvania.

Mr. WALTER. For upward of 10 years the United States has been a member of the Intergovernmental Committee for European Migration. This year the statutory provision for that membership was taken out of the mutual assistance bill and dealt with in special legislation which was not enacted into law. The Senate, however, wrote a provision in the measure now under consideration for our participation in this program. I understand from the very hasty glance I had at the report that this item was deleted from the bill. Does that mean that funds are not available for the United States to continue its participation in this very worthwhile operation?

Mr. THOMAS. It is out; the gentleman is right. There are many barrels with cash available to finance this program.

Mr. WALTER. Where are the barrels?

Mr. THOMAS. There is one small one which contains only $275 million, the so-called contingency fund under the foreign assistance program.

Mr. WALTER. If the gentleman will yield at that point, as I understand, that fund is available only for emergency situations, and certainly where legislation has been provided no emergency exists.

Mr. THOMAS. We placed it in the report and we suggested to the administration that they use those funds if they saw fit to do so, if they needed them. There they were, and we attempted to say, go ahead and spend what funds you have.

Mr. WALTER. Who is meant by "they"? The President of the United States?

Mr. THOMAS. The administration.

I now yield to my friend, the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I thank the gentleman. First of all, is my understanding correct that the language which would have given the employees of the Senate a pay increase was stricken in the conference?

Mr. THOMAS. I think that deserves some clarification. The answer is "Yes." We suggested to our colleagues on the other side that we did not want to disrupt the comity that exists between the two bodies. We suggested that perhaps some of the Members on the House side were not too happy over some treatment they received at the other end of the Capitol.

They disagreed with that statement. We said, "Now, here is some language we want to put in this bill." The gentleman knows what the language is, and the House does too. It was language proposed by the legislative committee on some other matters. They said that it was subject to a point of order. We said, "We agree, but we will take it back to our body and run the risk of having it raised." Someone said, "Well, we would rather withdraw the item of $537,000." We suggested to them "If that is your choice you write your own ticket; we are not going to disrupt the harmony that exists. We will withdraw ours." We said we would withdraw ours.

Mr. GROSS. If the gentleman will yield, I am not concerned with any further history. The Senate provision is out of the bill, is it not?

Mr. THOMAS. That is correct.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I am in charge of a subcommittee myself, as the gentleman knows. I do not know of anyone I would trust more than the gentleman from Texas. I was a lawyer when I came here. I am not a farmer yet.

Mr. THOMAS. Still one of the best in this House.

Mr. WHITTEN. I am asking this question, not being a farmer. I have had problems in the last 2 or 3 weeks. The White House, I am told, is insisting that the Congress cut down the cost of the farm program. In my judgment, its attitude is going to result in more and more costs. I made this clear to the President and to the Secretary of Agriculture. I want to read from the Senate report, and I understand the conference group has gone along with it:

> Preservation of ancient Nubian monuments (special foreign currency program). For this item, the committee recommends the full budget request of $4 million to carry out the President's recommendations with respect to the preservation of ancient monuments in the United Arab Republic and the Sudan.

They are building a dam; they are flooding the area, and we are picking up the check for saving the monuments, and we are charging it up to the American farmers. In my office I have a lot of statements whereby the President of the United States and the Secretary of Agriculture are complaining about the cost of agriculture.

May I ask the gentleman, Is this to be charged up once again to the American farmers?

Mr. THOMAS. I do not think so, I may say to the gentleman. You will recall there are literally thousands and thousands of towns over there. You will recall further we have a lot of surplus commodities in our warehouses and we cannot get rid of them.

Mr. WHITTEN. May I ask the gentleman what his interpretation of the word "purchase" is. Let us get technical. What is the meaning of that word?

Mr. THOMAS. The gentleman knows the facts and I know them too. We appropriate, they have to go to the Treasury, and it is taking out of one pocket and putting into the other.

Mr. WHITTEN. What is the meaning of the word "purchase"?

Mr. THOMAS. It means what the gentleman thinks it does.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Ohio.

Mr. VANIK. I would like to inquire of the gentleman from Texas as to an item. In checking over the conference report I find at the time I made my point of order nothing was said about the fact that the mass transit program was reduced from a $75 million program to a $42,500,000 program. The gentleman assured me that these programs would be substantially in accordance with what the legislative committee recommended.

Mr. THOMAS. Again we submitted to our conferees in the other body this suggestion: We said that these two items have been cut. You have lots of grants in there. I believe it was $50 million for loans and $25 million for grants.

Mr. VANIK. That was the authorization.

Mr. THOMAS. Yes. They could not possibly spend it. They had no plans. They had no rules and regulations. The only specific thing in the act was that as far as the grant money is concerned such grants shall not be used for major long-term capital improvement. They could not make grants to a private corporation for a product, namely, equipment, and integrate it into a private system like the District of Columbia has.

Mr. Speaker, I assure the gentleman we suggested to them that if they thought this figure was too low and if they needed more, name it, and we will help them.

Mr. VANIK. Will the gentleman yield further?

Mr. THOMAS. I yield to the gentleman.

Mr. VANIK. The legislative act had already been determined by the House and it had already decided that this program would be a $75 million program.

Mr. THOMAS. The people who administer it had no positive ideas.

Mr. Speaker, may I make this suggestion? We will invite the gentleman from Ohio [Mr. VANIK] down to the hearings of the Subcommittee on Independent Offices of the Appropriations Committee when we meet in January, and we will ask the gentleman and the Administrator, Mr. Weaver, who is perhaps one of the ablest men that ever filled that job, and if the gentleman from Ohio [Mr. VANIK] will agree with the Administrator on this program, whatever the gentleman says is needed, it will be in there.

Is that fair enough?

Mr. VANIK. Can we count on the assurance of the gentleman from Texas?

Mr. THOMAS. All right; I will give it to you.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Ohio.

Mr. BOW. Mr. Speaker, the gentleman has said that there are no items in this bill as it has come back here for action by the House that have ever been turned down——

Mr. THOMAS. Turned down by the House, Mr. Bow.

Mr. BOW. I call the gentleman's attention to item No. 83 which provides $100,000 for the NATO Advisory Commission.

Mr. THOMAS. There is one exception, and the gentleman from Ohio [Mr. Bow] has put his finger on it. I beg the gentleman's pardon.

Mr. BOW. On the one exception I put my finger on——

Mr. THOMAS. It had no budget estimate, either, and we cut it down to what? From $122,000 to $100,000, and that is a reappropriation—not new money.

Mr. BOW. My objection to that—and the House is going to have a chance to vote on it, and I hope the House will keep this in mind—is that this very item was before the House in the last 2 weeks.

The gentleman from New York [Mr. ROONEY], chairman of the Subcommittee on State, the Judiciary and related agencies, decided it was not needed, but the other body put it in our bill. We went to conference and the other body agreed that it should come out. There is no estimate for it. Now it is back in here again in less than 2 weeks. It has been put in this bill. I certainly hope that when the House comes to a vote on this disagreeing amendment that it will vote with its committee, with the House, and will vote against this $100,000. It does not seem right to me that we go to conference and work it out in conference when once that committee prevails, and within 2 weeks we find the same item back in a supplemental.

Mr. THOMAS. Mr. Speaker, the gentleman is right. This is one item that is back here on which the House has worked its will and has supported the gentleman from New York [Mr. ROONEY].

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, with reference to the Nubian monuments, that item was not considered by the House. It was deleted, was it not, by the subcommittee which the gentleman from Texas heads?

Mr. THOMAS. I said "by the House," and I stay by that language. The committee unanimously cut it out. I was one who voted to take it out. Does the gentlemen from Iowa want to know why we agreed to this?

Mr. GROSS. Is it not true that this $4 million is but the foot in the door, and that this will likely cost about $70 million?

Mr. THOMAS. I hope not. It could be true.

Mr. GROSS. Is not that the estimate of the total cost of this thing?

Mr. THOMAS. That is the prospective cost that it could be over a number of years, but I hope it will not be anything approximating that.

Mr. GROSS. Let me ask the gentleman about the increased appropriation for the East-West Cultural Institute in Hawaii. Was that raised?

Mr. THOMAS. May I say to my distinguished friend that it was not increased, but it was decreased. The figure in there is exactly the same as it was when it left the House. In other words, we struck out the increase of $500,000 entered by the other body.

Mr. GROSS. The other body had it up to $3.8 million.

Mr. THOMAS. They receded. We will put it like that. It is exactly the same figure as when it left the House.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I shall be delighted to yield to my distinguished friend, the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I call the gentleman's attention to amendment No. 19, the Office of Education, Defense Educational Activities. There was a Senate amendment for the same purpose in the Department of Health, Education, and Welfare bill this year.

Mr. THOMAS. That is the item that my colleague, a member of the subcommittee, the gentleman from Ohio [Mr. Bow] has just discussed.

Mr. TABER. No, I believe it is not.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Ohio.

Mr. BOW. This is the second one.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Wisconsin.

Mr. LAIRD. In the conference between the House and the Senate on the HEW-Labor appropriation bill this item was deleted. This is another item which the House of Representatives has turned down during this current session and it is back here again to face us in this supplemental appropriation bill.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I would like to call attention to amendments 25 and 87, the first amendment having to do with assistance to refugees in the United States, and the second to European migration.

Mr. Speaker, I would like to suggest that the report of the conferees suggesting that these items be taken from the contingency fund for the mutual security program perhaps fails to understand the reason for the contingency fund. The contingency fund is to be used by the President of the United States for items which are unforeseen at the time the money is appropriated and items which are important to the welfare of the United States. And I think I almost quote from the law, that it is not to be used, as I understand, as a convenient receptacle for items which cannot be agreed upon by conferees.

I am afraid that these two items being disposed of as they are at least violate the spirit if not the letter of the law which was passed by both the House and the Senate.

Mr. THOMAS. Mr. Speaker, may I say to my friend that I cannot disagree with him too much. There is not any money in the bill for either of the two items; that is, our language is not mandatory. We are not asking the Chief Executive to do anything illegal. We let it go at that.

Mr. RHODES of Arizona. As I understand it, it was not the intent of the conferees actually to dictate to the Executive, or to do anything in any manner except to be permissive, which right he already had by law, anyway.

Mr. THOMAS. That is right.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman.

Mr. ROOSEVELT. If I may return for a moment to the Nubian affair, is it a fact that the money which will be used for that, instead of being the available funds in Egyptian pounds will come from American dollars; is that the fact?

Mr. THOMAS. That is correct.

Mr. ROOSEVELT. Will the gentleman justify that in view of the fact that we have so much of Egyptian pounds?

Mr. THOMAS. The law is clearly defined that when these foreign currencies are in the Treasury, before we can get them out, we must take the cash and go over there and pay them, so that we are taking the funds out of one pocket and putting it into another.

Mr. ROOSEVELT. So, having obtained Egyptian pounds, we are buying our money once again all over again?

Mr. THOMAS. And paying ourselves with our own money.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. Mr. Speaker, I should like to pay a tribute to the conferees at this time.

Mr. THOMAS. Good. Keep talking.

Mr. WICKERSHAM. Mr. Speaker, I am sure we cannot all agree on everything, but I believe we can all agree that the conferees have endeavored to do a good job. I am certain that all Members would agree at this time on one thing, and that is that our Speaker pro tempore and our acting majority leader [Mr. McCORMACK], respectively, the gentlemen from Massachusetts and Oklahoma, have each done a wonderful job during the absence of our great Speaker, SAM RAYBURN.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. Mr. Speaker, I yield to my beloved friend from Iowa, a member of the committee, Mr. JENSEN.

Mr. JENSEN. Mr. Speaker, I certainly do not want this session to come to a close feeling that this conference report comes back to the floor with unanimous approval of all the members of the conference committee; because certainly that is not the case.

The facts are that this supplemental bill is possibly the greatest fraud that I have seen since I have been a Member of this House which has been imposed on the taxpayers of America. There are a few items in this bill that are justified but, generally speaking, most of the items in this bill should never have come to the Congress as supplemental budget requests.

Mr. Speaker, unless this Congress starts stopping this kind of business, one of these fine days the Congress might just as well throw up its hands and go home before it even gets started, because we have a terribly contagious disease that has infected most of the agency heads in this Government of ours. They bring up a budget request in the regular budget and we cut them a little, possibly a couple of percent on an average, and then they keep spending as though they had all the money in the world; and then soon, in this instance before this session of Congress was 45 days old, budget requests for so-called supplementals were sent to this House in the amount of over half a billion dollars.

Mr. Speaker, I, along with many other Members of this House, have made great protest against any such action, but with little effect. However, I hope we will get a lot more recruits when the next session of Congress convenes. Please let us try to stop this kind of business. Unless we do, pretty soon this gang that is spending us into bankruptcy will ruin America and there will be no reason for the Congress to ever convene again.

Mr. THOMAS. I wish to thank our able friend from Iowa for his observation.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If I had my choice, I would select the gentleman from Texas to head the Supplemental Appropriations Subcommittee, but I would suggest that history shows that for 15 years we had a supplemental subcommittee which took up those things which other Subcommittees on Appropriations had turned down. After 15 years it developed that each department held back those things that they could not get through the regular subcommittees for the supplemental group, which cannot deal with all the background. Not only that, but whatever was turned down through the regular procedure they carried on an appellate basis to the supplemental subcommittee.

I should like to say, Mr. Speaker, with the permission of the gentleman from Texas, that nobody could do a better job than he has done, but nobody can handle this situation. I hope and I trust that next year the Appropriations Committee will have the courage to leave these matters in the hands of those who know the whole background, because once again we have had demonstrated that whatever they do not get in one place they go to a new group and get approved.

I wish to repeat, if I could name the members of the Supplemental Appropriations Subcommittee I would name every man on it. There are none finer in Congress. But nobody can handle the job, and tonight the conference report demonstrates that fact.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Speaker, I should like to say that I, as a longtime member of the Committee on Appropriations, would not have anyone as chairman of the deficiency subcommittee other than the distinguished and capable gentleman from Texas [Mr. THOMAS]. You can be sure when Mr. THOMAS goes to conference with the other body he is going to do his best to uphold the will of the House. So, Mr. Speaker, I cannot agree with my distinguished friend, the gentleman from Mississippi. When we get into conference, we are confronted with situations where it is a matter of give and take and I would place my faith in the hands of my distinguished friend from Texas [Mr. THOMAS] and I mean this sincerely.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I do not want my friend, the gentleman from New York, to outdo me as to my good opinion of the gentleman from Texas. If I did not make it clear, I want to make it clear now. I have the utmost confidence in the gentleman, and while I do not think

I have to prove it, if I had to prove it, if I had the privilege of nominating the chairman, the gentleman from Texas is the one I would nominate.

Mr. THOMAS. My colleague from Mississippi is a gentleman and a scholar.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, on a point of parliamentary procedure, is a motion to recommit at this point in order?

The SPEAKER pro tempore. A motion to recommit is not in order until after the previous question is ordered.

Mr. CONTE. I thank the Speaker.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. I will be very brief, but let me see if I get this straight. This bill is how much above the House figure and what is the total cost to the taxpayers?

Mr. THOMAS. Total appropriations in the conference bill, including about $202 million of direct appropriations to replace back-door financing, is about $1,126 million.

Mr. GROSS. One billion, one hundred and twenty-six million dollars, and this is the first deficiency appropriation bill and it comes less than 3 months after the beginning of the fiscal year.

Mr. THOMAS. That is correct.

Mr. GROSS. Have we passed a deficiency appropriation bill, if I may ask the gentleman, in his memory—have we passed a deficiency appropriation bill previously before the Congress adjourned at the end of the first session of the Congress?

Mr. THOMAS. It is the usual and common practice, yes.

Mr. GROSS. To pass a deficiency appropriation bill?

Mr. THOMAS. Yes.

Mr. GROSS. But, certainly not in this amount.

Mr. THOMAS. Congress has stayed on the job and worked longer this year than usual. This is the most modest one that I have seen in a long time, if I remember correctly, aside, of course, from correcting back-door spending and new legislation.

Mr. GROSS. This is the most modest deficiency appropriation bill and it calls for more than $1 billion dollars? Let the record show that I am unalterably opposed to the bill.

Mr. THOMAS. Sometimes there are bills with tremendous items involving large sums in one item instead of having 100 or 125 items totaling $1 billion. One item could involve that amount of money. Suppose it was national defense? This bill is also to fund a number of newly authorized programs. Let us be frank with ourselves. This was pointed up in the statements made earlier by our friend, the gentleman from Florida [Mr. HALEY], our friend, the gentlemen from Mississippi [Mr. WHITTEN], and the statement of our venerable and distinguished friend, BEN JENSEN. We passed these things and now the executive branch of the Government must seek funds to do the job that we told them to do. If there is any quibble over it, I will take my part of the blame.

Mr. GROSS. The gentleman does not mean to say that all of this is attributable to newly authorized programs?

Mr. THOMAS. No, I do not mean to say that, but a good part of it is. As I pointed out to you a while ago, a large part of the total increase over the House bill is in two items for the impacted school area bills.

Mr. Speaker, I would like to insert in the RECORD a brief summary table on the bill:

Budget estimates considered	$1,134,639,841
Bill as passed House	573,040,923
Bill as passed Senate	1,068,503,903
Conference amount	1,125,333,341
Conference amount compared with:	
Bill as passed House	+552,292,418
Bill as passed Senate	+56,829,438
Budget estimates	−9,306,500

Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the previous question was ordered.

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. CONTE. I am.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. CONTE moves to recommit the report with instructions that the managers on the part of the House insist upon their disagreement to Senate amendment No. 86.

Mr. ROONEY. Mr. Speaker, is that the Nubian Monuments?

The SPEAKER pro tempore. The question is on the motion.

Mr. CONTE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CONTE. Is the motion debatable?

The SPEAKER pro tempore. It is not debatable.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that amendment No. 86 be read by the Clerk.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Senate amendment No. 86: On page 30, line 1, insert:

"PRESERVATION OF ANCIENT NUBIAN MONUMENTS

"(*Special foreign currency program*)

"For purchase of Egyptian pounds which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, $4,000,000 to remain available until expended."

The SPEAKER pro tempore. The question is on the motion to recommit.

Mr. CONTE. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

Mr. CONTE. Mr. Speaker, I demand a division.

The House divided; and there were—yeas 99, nays 112.

Mr. CONTE. Mr. Speaker, I demand tellers.

Tellers were refused.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and forty Members are present, a quorum.

So the motion to recommit was rejected.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 2, line 6, insert the following:

"AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

"*Emergency conservation measures*

"For an additional amount for 'Emergency conservation measures' to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, and the Supplemental Appropriation Act, 1958, including necessary administrative expenses, $5,000,000, to remain available until expended."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 5, after line 11, insert the following:

"OPERATIONS

"For necessary expenses, not otherwise provided for, of the Area Redevelopment Administration, including not to exceed $4,500,000 for technical assistance, as authorized by section 11 of the Area Redevelopment Act (Public Law 87-27), rent in the District of Columbia, and hire of passenger motor vehicles, $11,000,000: *Provided*, That funds made available for administrative expenses of carrying out the functions of the Area Redevelopment Administration may be consolidated into a single expense fund account."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"AREA REDEVELOPMENT ASSISTANCE

"For necessary expenses of the Area Redevelopment Administration, including not to exceed $3,375,000 for technical assistance as authorized by section 11 of the Area Redevelopment Act (Public Law 87-27), not to exceed $40 million for public facility grants as authorized by section 8 of such act, not to exceed $122,500,000 for loans and participations as authorized by section 6 and public

facility loans as authorized by section 7 of such act, and not to exceed $4,875,000 for expenses not otherwise provided for herein, including rent in the District of Columbia and hire of passenger motor vehicles, in all, pursuant to authority of section 23 of such act, $170,750,000: *Provided*, That no part of this appropriation shall be used for administrative expenses in connection with loans and participations financed or to be financed with funds borrowed from the Secretary of the Treasury."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: On page 7, after line 13, insert the following:

"PAYMENTS TO SCHOOL DISTRICTS

"For an additional amount for 'Payments to school districts', $169,346,000: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 2393, Eighty-seventh Congress, or similar legislation."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$145,593,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: On page 7, after line 18, insert the following:

"ASSISTANCE FOR SCHOOL CONSTRUCTION

"For an additional amount for 'Assistance for School Construction', including not to exceed $90,000 for necessary expenses during the current fiscal year of technical services rendered by other agencies, $37,092,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 2393, Eighty-seventh Congress."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein with an amendment, as follows: In lieu of the sum of $37,092,000 named in said amendment, insert "$30,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: On page 8, after line 16, insert:

"CHRONIC DISEASES AND HEALTH OF THE AGED

"For an additional amount for 'Chronic diseases and health of the aged', including carrying out section 316 of the Public Health Service Act, $7,075,000; and in addition, $2,000,000 to be transferred from the appropriation for 'Community health practice and research' in the Department of Health, Education, and Welfare Appropriation Act, 1962: *Provided*, That $6,000,000 of the appropriations granted under this head shall be available only for allotments and payments to States pursuant to section 314(c) of the Public Health Service Act for establishing and maintaining adequate community services for the chronically ill and aged: *Provided further*, That any State's allotment for general health purposes under section 314(c) of such Act shall also be available at the discretion of the State for establishing and maintaining adequate community services for the chronically ill and aged: *Provided further*, That this paragraph shall be effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the sum of $7,075,000 named in said amendment insert "$7,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: page 9, after line 10, insert:

"COMMUNITY HEALTH PRACTICE AND RESEARCH

"For an additional amount for 'Community Health Practice and Research', $400,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$375,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 9, line 16, insert:

"HOSPITAL CONSTRUCTION ACTIVITIES

"For an additional amount for 'Hospital construction activities', for grants or loans for nursing homes under part G of title VI of the Public Health Service Act, as amended, $9,000,000: *Provided*, That this paragraph shall become effective only upon the enactment into law of H.R. 4998, Eighty-seventh Congress."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$8,500,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 12, line 21, insert:

"HOWARD UNIVERSITY

"Plans and specifications

"For an additional amount for 'Plans and specifications', including a hospital building and related facilities, as authorized by law, $300,000 to remain available until expended."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$250,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 14, line 6, insert:

"FUNDS APPROPRIATED TO THE PRESIDENT

"Disaster relief

"For an additional amount for 'Disaster relief', $15,000,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 17, line 8, insert:

"ADDITIONAL COURT FACILITIES

"For expenses, not otherwise provided for, necessary to provide, directly or indirectly, additional space, facilities and courtrooms for the judiciary, including alterations and extension of Government-owned buildings and acquisition of additions to sites of such buildings; rents; furnishings and equipment; repair and alteration of rented space; moving Government agencies in connection with the assignment and transfer of space; preliminary planning; preparation of drawings and specifications by contract or otherwise; and administrative expenses; $2,990,000, to remain available until expended."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$2,500,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: Page 19, line 7, insert:

"MASS TRANSPORTATION DEMONSTRATION GRANTS

"For administrative expenses in connection with grants for mass transportation demonstration projects, as authorized by section 103(b) of the Housing Act of 1949, as amended (42 U.S.C. 1453; 75 Stat. 166), $60,000."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of

the Senate numbered 52 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"For necessary expenses in connection with loans including purchase of securities and obligations in connection with mass transportation facilities, as authorized by clause (2) of section 202(a) of the Housing Amendments of 1955, as amended, and grants in connection with mass transportation demonstration projects, as authorized by section 103(b) of the Housing Act of 1949, as amended, including not to exceed $157,500 for administrative expenses, $42,500,000: *Provided*, That no part of this appropriation shall be used for administrative expenses in connection with loans including the purchase of securities and obligations which are to be financed with funds borrowed from the Secretary of the Treasury or grants to be made requiring payments in excess of the amount herein appropriated therefor."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: Page 19, line 14, insert the following:

"OPEN SPACE LAND

"For administrative expenses in connection with grants to aid in the acquisition of open-space land or interests therein, and with the provision of technical assistance to State and local public bodies (including the undertaking of studies and publication of information), as authorized by title VII of the Housing Act of 1961 (75 Stat. 183), $125,000."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 54 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"For expenses in connection with grants to aid in the acquisition of open-space land or interests therein, and with the provision of technical assistance to State and local public bodies (including the undertaking of studies and publication of information), $35,000,000: *Provided*, That not to exceed $110,000 may be used for administrative expenses and technical assistance, and no part of this appropriation shall be used for administrative expenses in connection with grants requiring payments in excess of the amount herein appropriated therefor."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 55: On page 21, line 3, strike out "Low Rent Housing Demonstration Programs".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"LOW INCOME HOUSING DEMONSTRATION PROGRAMS

"For low income housing demonstration programs pursuant to section 207 of the Housing Act of 1961, $2,000,000: *Provided*, That not to exceed $20,000 of this appropriation may be used for administrative expenses, and no part shall be used for administrative expenses in connection with contracts to make grants in excess of the amount herein appropriated therefor."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 62: On page 22, line 13, insert:

"LAND ACQUISITION AND CONSTRUCTION

"For necessary expenses for the National Capital Transportation Agency for acquisition of land, or interests therein, and for incidental construction, for transit facilities, as authorized by law $2,550,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2397, Eighty-seventh Congress, or similar legislation, authorizing said agency to carry out part 1 of its transit development program."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein with an amendment, as follows: in lieu of the sum named in said amendment insert "$1,000,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 67: Page 24, below line 17 insert

"GENERAL PROVISION

"Section 206 of the Independent Offices Appropriation Act, 1944 (5 U.S.C. 16a), is amended by inserting '(a)' after 'SEC. 206' and by adding at the end thereof the following new subsection:

"'(b) In all cases in which under the Constitution or laws of the United States oaths are authorized or required to be administered, such oaths may be administered by the Vice President of the United States.'"

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 67 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 79: Page 28, below line 1 insert:

"COMPLIANCE ACTIVITIES, MEXICAN FARM LABOR PROGRAM

"For an additional amount for 'Compliance activities, Mexican farm labor program', $429,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H.R. 2010, Eighty-seventh Congress."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 80: Page 28, line 8:

"SALARIES AND EXPENSES, MEXICAN FARM LABOR PROGRAM

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', $594,000, to be derived from the Farm labor supply revolving fund: *Provided*, That this paragraph shall be effective only upon the enactment into law of H.R. 2010, Eighty-seventh Congress."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 80 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 82: Page 28, line 20, insert:

"ARMS CONTROL AND DISARMAMENT ACTIVITIES

"For necessary expenses, not otherwise provided for, for arms control and disarmament activities, as authorized by law $1,000,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2180 or H.R. 9118, Eighty-seventh Congress, or similar legislation."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 83: Page 29, line 5, insert:

"UNITED STATES CITIZENS COMMISSION ON NATO

"Not to exceed $122,000 of the amount appropriated under this head in the Second Supplemental Appropriation Act, 1961, shall remain available until June 30, 1962."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 83 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 94. Page 32, line 19, insert:

"SENATE RESTAURANTS

"For an additional amount for 'Senate Restaurants', $25,000: *Provided*, That the unobligated balances remaining in the appropriations for Senate Restaurants, fiscal years 1960 and 1961, are hereby made available for payment to the Architect of the Capitol for deposit in the special deposit account created by Public Law 87-82, approved July 6, 1961."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 95. Page 33, line 4, insert "For payment to Mollie M. Brooks, widow of Overton Brooks, late a Representative from the State of Louisiana, $22,500."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 96. Page 33, line 13, strike out:

"PENALTY MAIL COSTS

"Funds available for expenses as authorized and necessary under section 2 of Public Law 286, Eighty-third Congress, shall be available for expenses, as now authorized by law, of delivery to postal patrons of mail matter under congressional frank."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House insist on its disagreement to the amendment of the Senate numbered 96.

Mr. THOMAS. Mr. Speaker, this is the last motion that we are going to offer and on this motion, I ask for the yeas and nays.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that whatever the business is may be read again so that we may know what we are voting on.

The SPEAKER pro tempore. Without objection, the Clerk will read the Senate amendment and the motion.

The Clerk again reported Senate amendment No. 96 and the motion offered by Mr. THOMAS.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Ohio.

Mr. BOW. Will the gentleman from Texas tell us what is involved in this? I am sure there are quite a few Members who are not familiar with this.

Mr. THOMAS. I will be glad to do so and I think the gentleman's request is a very timely one. This matter concerns this body and the other body, and refers to penalty mail. This does not require one additional dollar, but it directs the Post Office Department to use their own funds and accept the frank for mail addressed to the box holder. Here is the point involved. We all use the frank, some more and some less. I think it is a grand thing. It seems that those who use it are those who usually stay here the longest. My trouble is, perhaps, that I do not use it enough. But I just want you to let me give you the benefit of my experience, and I am sure that that experience is going to coincide exactly with yours. I am not speaking of the trouble and expense that it is to the Members, but I am talking of the expense to the Post Office Department in handling this mail. You will send out a batch of mail of, perhaps, 2,000 or 3,000 pieces. Five or ten percent of that mail will come back to you because of a wrong address. The Post Office Department has had to handle it. It has cost them money to handle it and to send it back. You correct the address and you send the mail back again. Again the Post Office Department has to handle it and the chances are that 5 percent or 10 percent of that batch will come back, and the same thing happens on every batch of big mail that you send out. The Post Office Department will have to handle one piece of mail not once and not twice but sometimes three times. That is what costs money. This box holder address will absolutely do away with that. I suggest that this makes sense and I hope you give us a "yea" vote on this motion.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. GROSS. This, as I understand, is the free mailing privilege for Members of Congress?

Mr. THOMAS. Exactly like you have now.

Mr. GROSS. And a Member of Congress can send mail to any box holder or occupant in any city or town or rural route? Is that correct?

Mr. THOMAS. I think it is supposed to be. I believe some officials further down the line decline to do it. This language merely urges them to do it again.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. Will the gentleman from Iowa permit me to yield to the gentleman from Virginia, a member of the committee?

Mr. GROSS. Certainly.

Mr. GARY. Is it not true that the rural Members have it now and do not have to put the names on rural mail? This simply extends to Members representing towns and cities exactly the same privilege that now is enjoyed by rural Members?

Mr. THOMAS. That is my understanding exactly.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Is there any way to limit the use of the frank by Members of Congress?

Mr. THOMAS. No; I think it encourages them to use it.

Mr. BAILEY. I am thinking of an incident that occurred here some 2 or 3 years ago where one Member of Congress mailed out 840,000 pieces of mail in opposition to proposed legislation.

Mr. THOMAS. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

REPORT FROM COMMITTEE TO NOTIFY PRESIDENT

Mr. ALBERT. Mr. Speaker, your committee appointed to join a committee of the Senate to inform the President that the Congress is ready to adjourn, and to ask him if he has any further communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communication to make to the Congress.

PROVISION FOR SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I call up for immediate consideration a privileged Senate resolution, Senate Concurrent Resolution 55.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses shall adjourn on Wednesday, the 27th day of September 1961, and that when they adjourn on said day they stand adjourned sine die.

Mr. ALBERT. Mr. Speaker, I move the previous question on the resolution.

Mr. ANDERSEN of Minnesota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ANDERSEN of Minnesota. Mr. Speaker, in case the privilege is not given to Members to vote by yea and nay on this particular motion will it not be equally possible for a Member of the House to request a yea-and-nay vote on the final adjournment of the House?

The SPEAKER pro tempore. The answer to that is in the affirmative; the gentleman can submit the request.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. ANDERSEN of Minnesota) there were—yeas 192, nays 6.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I object to the vote on the ground a quorum is not present, and make the point of order a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and thirty-two Members are present, a quorum.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. ANDERSEN of Minnesota. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. ANDERSEN of Minnesota. Mr. Speaker, the provisions of the Legislative Reorganization Act of 1946 are applicable to both Houses.

Mr. Speaker, I quote section 132 as follows:

Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress.

Mr. Speaker, I make a point of order against the resolution.

The SPEAKER pro tempore. The Chair is aware that we have a state of national emergency, and overrules the point of order.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORITY TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. ALBERT. Mr. Speaker, I call up Senate Concurrent Resolution 54, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That notwithstanding the sine die adjournment of the two Houses, the Speaker pro tempore of the House of Representatives and the President of the Senate or the President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Will we get an opportunity to vote in the negative?

The SPEAKER pro tempore. The Chair put the question.

Mr. HOFFMAN of Michigan. But we cannot hear in the back of the Chamber.

SECOND SESSION, EIGHTY-SEVENTH CONGRESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S.J. Res. 144) fixing the beginning of the 2d regular session of the 87th Congress.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second regular session of the Eighty-seventh Congress shall begin at noon on Wednesday, January 10, 1962.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. CLANCY. Reserving the right to object, Mr. Speaker, and I shall not object, I take this time to make an announcement.

Today the Cincinnati Baseball Club won the National League championship by beating Chicago by a score of 6 to 3, and as a result of Pittsburgh defeating Los Angeles this evening by a score of 8 to 0.

Mr. Speaker, it has been 21 years since Cincinnati last won the championship. Those of us from the Queen City, of course, welcome these results with great delight.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. CLANCY. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Is the gentleman available for requests for tickets?

Mr. CLANCY. I will make an announcement following my statement.

Mr. Speaker, I would like to take this opportunity to congratulate the ball club, Bill DeWitt, and Manager Hutchinson for the fine job they did this year. I sincerely hope that all of you who intend to attend the world series in Cincinnati will do so. You will be cordially welcomed. I can also say that the hospitality will be unequaled. I regret to say that I myself have not a ticket at this time.

Mr. ROONEY. Mr. Speaker, further reserving the right to object, I should like to say that as far as I am concerned, as a former Dodger rooter, this is all utterly unimportant to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

REPORTS OF THE COMPTROLLER GENERAL OF THE UNITED STATES

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 481) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, notwithstanding the sine die adjournment of the House, reports of the Comptroller General of the United States made to the Congress pursuant to the Government Corporation Control Act (31 U.S.C. 841 et seq.), shall be printed during such adjournment as House documents of the second session of the Eighty-seventh Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO RECEIVE MESSAGES FROM THE SENATE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the first session of the 87th Congress, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered, subsequent to the adjournment of Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PRINTING OF REPORTS FILED BY INVESTIGATING COMMITTEES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations, may be printed by the Clerk as reports of the 87th Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXTENSION OF REMARKS BY COMMITTEE CHAIRMEN AND RANKING MINORITY MEMBERS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the chairmen of all the standing committees and subcommittees of the House may extend their remarks up to and includingg the publication of the last RECORD and to include a summary of the work of their committees; also that the ranking minority member of such standing committee or any subcommittee may have the same permission to extend their remarks and to include a summary, if they desire, from their point of view, separately from that of the chairman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

BUSINESS WOMEN'S WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentlewoman from Idaho [Mrs. PFOST] may extend her remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. PFOST. Mr. Speaker, the 175,000 members of the National Federation

of Business and Professional Women's Clubs, Inc., in the United States are now making preparations for their annual observance of Business Women's Week from October 1 through 7.

Celebrating the 42d anniversary of the founding of the organization, the observance is being carried out with the appropriate theme, "Womanpower—A Dimension in Democracy."

During the event, business and professional women in all walks of life will be honored throughout the country for their services in their community, their State and their Nation.

Women are playing an increasingly important role in America, and the Business and Professional Women's Clubs speak for a sizable segment of this womanpower.

The object of the organization is to extend opportunities to business and professional women through education along lines of industrial, scientific, and vocational activities, and to foster contacts between women in this country and women of similar interests abroad.

The organization's 3,500 clubs have as their driving force the development of their members in their personal stature as individuals and as leaders dedicated to the service of their communities. Members also actively seek to promote global understanding through active contact with similar women's organization's abroad.

The three major projects of the National Federation this year are: First, a program of executive training for women in cooperation with leading universities of the Nation; second, a conference of Business and Professional Women of the Americas; and third, pledge of $100,000 to construct a nurse home for Free Chinese Nurses who have been trained through their Chinese nurses projects.

The President of the United States has said of the Business and Professional Women's Clubs:

> The support of organizations such as yours is important to the realization of the progress possible to us.

Thus is the organization helping to build a new dimension in democracy.

OUR REPUBLIC FORM OF GOVERNMENT PREVENTS "MOBOCRACY"

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROUSSELOT] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, on September 23 the gentleman from Illinois [Mr. ROMAN C. PUCINSKI] spoke to our fellow Members about the dangers of "mobocracy." I wish to associate myself with the thoughtful remarks that the gentleman from Illinois made at that time. He is to be complimented for bringing the important aspects of protecting ourselves against "mobocracy" or mob rule and pointing out so clearly how our republic form of government in effect accomplishes this very effectively.

Mr. Speaker, during the past years there has been a great deal of discussion as to what kind of a government we really have in this country and the protection that it offers us against the extremes of mob rule on the one hand and dictatorial forms of oppression on the other. Because discussion on this subject is extremely healthy, I have taken this time today to review what many fine people have said about this in the past and are saying today.

The fact is that we do have a republic form of government, not a democracy. This does not mean that we do not believe in democratic principles. We certainly do, and we practice them. But by definition, our form of government is a republic. Now to make sure that we start off this discussion with a proper understanding of definitions, let me quote from Webster's Unabridged Dictionary as follows:

> Democracy: Government by the people; government in which the supreme power is retained by the people and exercised * * * directly.
>
> Republic: A state in which the sovereign power resides in a certain body of the people (the electorate), and is exercised by representatives elected by, and (in theory at least) responsible to, them; a commonwealth; also, the form of government by which such a state is governed. The term "republic" is used to designate states differing widely in their constitution. Republic now often specifically implies such a free popular government in which there are no classes having any exclusive political privileges and in which the electorate includes at least the great body of adult inhabitants; under constitutional restrictions

After a great deal of trial and error on the part of our Founding Fathers, we arrived at a republic form of government as the best method of protecting the freedoms of all groups—large and small. Ben Franklin, as he came out of the Constitutional Convention in Philadelphia on September 17, 1787, was asked by a woman, "Mr. Franklin, what kind of government have you given us?" Mr. Franklin replied, "A republic, if we can keep it"—(Henry Butler Allen, "Meet Dr. Franklin," Franklin Institute, 1943, Philadelphia, page 118.

A great deal of thought was given by our Founding Fathers to the matter of whether we should have a democracy as a form of government or a republic. James Madison wrote in No. 10 of the Federalist Papers:

> Complaints are everywhere heard from our most considerate and virtuous citizens, equally the friends of public and private faith, and of public and personal liberty, that our governments are too unstable; that the public good is disregarded in the conflicts of rival parties; and that measures are too often decided, not according to the rules of justice, and the rights of the minor party, but by the superior force of an interested and overbearing majority. * * * It will be found, indeed, on a candid review of our situation, that some of the distresses under which we labor, have been erroneously charged on the operation of our governments; but it will be found, at the same time, that other causes will not alone account for many of our heaviest misfortunes; and particularly, for that prevailing and increasing distrust of public engagements, and alarm for private rights, which are echoed from one end of the continent to the other. These must be chiefly, if not wholly, effects of the unsteadiness and injustice, with which a factious spirit has tainted our public administrations.
>
> If a faction consists of less than a majority, relief is supplied by the republican principle, which enables the majority to defeat its sinister views, by regular vote.
>
> A pure democracy, by which I mean a society consisting of a small number of citizens, who assemble and administer the Government in person, can admit of no cure from the mischiefs of faction. A common passion or interest will, in almost every case, be felt by a majority of the whole; a communication and concert, results from the form of government itself; and there is nothing to check the inducements to sacrifice the weaker party, or an obnoxious individual.
>
> A republic, by which I mean a government in which the scheme of representation takes place, opens a different prospect, and promises the cure for which we are seeking.
>
> The two great points of difference, between a democracy and a republic, are, first, the delegation of the government, in the latter, to a small number of citizens elected by the rest; secondly, the greater number of citizens, and greater sphere of country, over which the latter may be extended.
>
> The effect of the first difference is, on the one hand, to refine and enlarge the public views, by passing them through the medium of a chosen body of citizens, whose wisdom may best discern the true interest of their country, and whose patriotism and love of justice, will be least likely to sacrifice it to temporary or partial considerations.
>
> The other point of difference is, the greater number of citizens, and extent of territory, which may be brought within the compass of republican, than of democratic government; and it is this circumstance principally which renders factious combinations less to be dreaded in the former, than in the latter. The smaller the society, the fewer probably will be the distinct parties and interests composing it; the fewer the distinct parties and interests, the more frequently will a majority be found of the same party; and the smaller the number of individuals composing a majority, and the smaller the compass within which they are placed, the more easily will they concert and execute their plans of oppression. Extend the sphere, and you take in a greater variety of parties and interests; you make it less probably that a majority of the whole will have a common motive to invade the rights of other citizens; or if such a common motive exists, it will be more difficult for all who feel it to discover their own strength, and to act in unison with each other. Besides other impediments, it may be remarked, that where there is a consciousness of unjust or dishonorable purposes, communication is always checked by distrust, in proportion to the number whose concurrence is necessary.

In article IV, section 4 of the Constitution of the United States, we find the underlying premise that guaranteed that under this Union we would have a republic form of government:

> The United States shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic Violence.

Of course, even today we realize each time we pledge allegiance to the flag that it is a republic which we have to protect us against the onslaught of abuses that can arise in an improperly balanced form

of government. I quote the "Pledge of Allegiance":

I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

On January 5, 1961, former President Harry S. Truman made this statement on the CBS television program, "Our Election Day Illusion: The Beat Majority":

Under the electoral college system, every State has its proper representation just as it has in the Congress of the United States. This is a government by representation. It's a republic. It's not a democracy.

In the Washington Daily News of January 23, 1961, and April 3, 1961, the columnist, Lyle C. Wilson, discusses very concisely the type of government that we actually have and the guarantees that it provides. In his column of January 23, Mr. Wilson said:

A REPUBLIC, WE ARE

(By Lyle C. Wilson)

Master of ceremonies at last week's inaugural was Senator JOHN J. SPARKMAN, a Democrat, of course, and from Alabama.

Senator SPARKMAN rates high marks for his precise choice of words. The moment came in Senator SPARKMAN's brief introductory remarks to refer to the machinery or method of government of the United States. With discrimination unusual among politicians, Senator SPARKMAN avoided the error of describing the United States as a democracy.

Politicians commonly do refer to the United States as a democracy, prefacing the word in most instances with the adjective great. They pronounce the word "grrrrrrrate," rolling those r's like a tumbleweed in a TV western.

Thus they mislead the young fry and their elders who may be listening. Great it is, but the United States is no democracy. It is a representative republic and was so set up by the gentlemen who drafted the Constitution. Some truly great Democrats were among the authors of that document, but they avoided democracy in almost every phase of the Constitution where a choice had to be made.

There is, in fact, no mention in the Constitution of the political system known as democracy. The authors knew the word and the system but in their time it is plain enough that they had little faith in it. They held the people in considerable esteem and sought to make secure for the people the liberty of freemen. But the drafters of the Constitution had scant faith in the ability of the people to rule.

The voice of the people was centered by the Founding Fathers in the House. In the Senate were the spokesmen or representatives of the federated States. The people elected their President and Vice President, not directly but rather remotely.

The presidential choice was by the electors who were representatives of the people but better equipped with education and judgment to choose the Nation's Chief. That, in any case, was the way the Constitution's authors wanted it to be.

They did not, however, foreclose a democratic form of government for the United States if, in their wisdom, the representatives of the people so desired. The courts have held that this choice, as between a representative republic and a democracy, is one reserved for the legislative or political branch of the Government. The choice is being made a little at a time.

The Congress has made use of this green light by variously extending and guaranteeing the franchise—to women, for example, in the 19th amendment, to Negroes by amendment and subsequent legislative acts. The 14th amendment, for example, made a Negro a citizen of the State of his residence as well as a citizen of the United States. This was a major breakthrough against the theory of States rights which held that a citizen was not in contact with the national Government except, of course, through his representatives.

Another move toward democracy and away from the constitutional ideal of representative government was the 17th amendment for direct election of Senators. There are persons who believe the representative form is best. They define democracy as "a counting of all the heads, empty or not."

And in his column of April 3, he wrote:

A GRAB BAG OF SORTS

(By Lyle C. Wilson)

To a man up a tree, the John Birch Society seems to be some kind of grab bag. It contains some or many things you might want and some or many things you would not want at all.

Newspaper readers from coast to coast are getting now the first nationally told story of the society. There will be rather angry discussions from now on, because many supporters of the John Birch Society will defend what they like about it and ignore the rest.

Society founder Robert Welch has put the society on the spot by his charge that Dwight D. Eisenhower and others nationally known for their public service are Communists. A supporter of the society might choose to ignore that embarrassing factor, however, to defend the society as a hard-knuckled battler against the Communist conspiracy in the United States.

This society has other appealing aspects. Society mail, for example, usually bears stickers with this legend: "This is a republic, not a democracy—let's keep it that way."

One of the sharpest denunciations of the John Birch Society uttered in Congress so far was by Vice Chairman THOMAS J. DODD, Democrat, of Connecticut, of the Senate Internal Security Committee. Senator DODD is a topflight anti-Communist himself. He denounced the charges of Communist affiliation made by Mr. Welch against Mr. Eisenhower and others.

Senator DODD did not complain, however, against the society's preference for a republic over a democracy. Senator DODD would go along with the John Birch Society on that. So, too, would a great many other thoughtful Americans. This may surprise citizens who have been taught by ignorant persons that the United States was set up to be a democracy. No such thing. The Constitution established a representative republic. There is no good word for democracy in the U.S. Constitution.

Senator DODD touched on the subject last November in a New York speech.

"A republic, as we all know," he said, "is a form of government in which sovereign power is exercised by elected representatives; not by people, but by elected representatives. A republic is better * * * than a pure democracy, because pure democracy on any wide scale always leads to dictatorship, for the simple reason that a great mass of people cannot be sufficiently informed, and has no effective means of registering its will. On come the crowd manipulators, the Julius Caesars and the Robespierres, to assume dictatorial powers on the pretense that they speak in the name of the people. * * * There is thus a terrible serpent lurking in the flowery verbiage which adorns democracy."

My friend Bill Hassett said it more simply many years ago when he told me: Democracy is a political system in which you get all of the heads together and count them; empty or not.

Finally, in the January 1961, issue of American Opinion, a monthly magazine published by the John Birch Society, there appeared an article which defines the difference between a democracy and a republic. The text reads:

ON THE DIFFERENCES BETWEEN A DEMOCRACY AND A REPUBLIC

Historically both words, "democracy" and "republic" have been used with a wide variety of meanings and shades of meanings. Nor is there any denial that these shades overlap to some extent. But there is a tendency, permitted by even some of the best dictionaries, to regard democracy as the generic term, and a republic as merely one species of democracy. This is not supported by either etymology or history.

The word "democracy" comes from the Greek and is concerned from the very beginning with the form of rule, or the source of governmental power and the method by which it is exercised. It meant rule by the people instead of rule by an autocracy or oligarchy. And so rapidly and completely did demagoguery cause this rule by the people to degenerate into mobocracy that by the time of Aristotle it was considered very unflattering to any government to speak of it as a democracy.

The word "republic" comes from the Latin, and designates only "the public affairs" or the "common weal," without regard to how those public affairs are conducted or the common well-being is achieved. None of the Greek city states, in which democracy originated, ever had a republic, or anything resembling one. But since then, and before the Communists deliberately prostituted so much of our language into deceptive reversals, the term has been applied, almost universally and with ready acceptance, to such widely different states as Rome in its earliest centuries, Venice, Poland in the 16th through the 18th centuries, the United Netherlands Confederation of the same period, the Swiss Republic, various French Governments, and the United States of America. Some of these were monarchies (even at times absolute monarchies), some were oligarchies, and some were representative democracies, so far as the form of government is our concern. But what made these states republics, in the minds of statesmen and political scientists and historians and the informed public, was the fact that each of them (in theory, anyway) was ruled according to the well-established laws—whether set forth by statutes, by precedents, or by written constitutions—and not simply by the whim of the monarch, or of the oligarchy, or of a temporary majority of the voters. "The rule of laws, not men," is one of the soundest of all the copybook maxims. And it is the essence of the whole difference between a democracy and a republic. Democracy is the rule of men, not bound by laws—or tradition or precedent—whenever mob psychology can be built up by demagogs to support the demagogs' disdain for the restrictions of law. A republic is rule subject to laws—and tradition and precedent—which laws cannot be changed except by due and deliberate process according to their own provisions.

Except when utilized by very small units, such as a tiny Greek city-state or an American township or village, democracy has never worked satisfactorily as a form of government. Especially when the size of the unit becomes such that pure democracy is no longer practicable, and it is necessary for the voters to select representatives to make the actual decisions and do the governing for them, does the deterioration into a mobocracy always become rapid and disastrous. The whole life cycle of a representative democracy, from early stability through mobocracy and murderous cruelty

to counterrevolution and stability once again, was telescoped by the French Revolution into a period of a few short years. This was because of the excessive steam pressure of the forces at work. But the pattern was an exact one for the course of a representative democracy, as a form of government for large units, nevertheless.

Although our Republic was established before the French Revolution had supplied this horrible example, our Founding Fathers were well aware of the faults and dangers of a democracy. They wanted no part of one for our National Government. In fact, while our Constitution goes so far as to guarantee a republican form of government to each of the several States, it does not even mention a democracy or a democratic form of government once. And one of the very few times the Federalist Papers (which tell us most of what we know about the thinking that went into our Constitution) even mention a democracy, is in Federalist Paper No. 10, where Madison does so in order to show us its disadvantages.

If Washington and Hamilton and Jefferson and Madison and all of the other great men of our Constitutional Convention had not believed that a constitutional republic was the best of all forms of government, they would have provided something else. For theirs was a clean slate on which to write. They did so believe, and both man's age-old experience with government and his most carefully reasoned theories support their choice.

But a republic, even if in the form of a monarchy or an oligarchy, does presuppose the ultimate responsibility of the governors to the governed. A king "by divine right" cannot head a republic, but only a king by—in theory, anyway—the consent of the governed. So that the governed do have the inherent right, and usually the opportunity, to make changes even in the basic laws through which the republic functions. And when the governmental form is the same as that of a "representative democracy," the danger of a breakdown of the legal guardrails of the republic is always present and usually becomes worse with time. So that the greatest fault of a republic is the likelihood of its deteriorating into a democracy. And of this, too, our forefathers were well aware. When Benjamin Franklin was asked, at the end of the Constitutional Convention, "What have you given us, Mr. Franklin?" his answer was: "A republic, Madam, if you can keep it."

His fear was well founded. For today, because of the utterly unjustified and steadily increasing violation and disregard of our Constitution itself, we have already gone far toward losing that protection of laws, against the schemes of demagogs and the whims of the electorate, which made us a republic instead of a democracy. The formerly slow erosion of our constitutional guarantee became a rapid rotting away under the Franklin Roosevelt administration and those which have succeeded it. First, the executive department began to attack and circumvent the Constitution. Then the legislative department began supinely to surrender its rights and to fail in its duties under the Constitution. And then the judicial department began, in brazen and criminal violation of the oaths of office of individual justices, to change the Constitution by fiat of the Supreme Court, and of lesser courts. Until today the conversion of our Republic into a democracy and the preparatory steps for making it a mobocracy are already far advanced. With the tyranny of a completely lawless dictatorship as the ultimate stage and goal.

Of course none of this just happened. The tremendous forces at work, deliberately to speed up this degeneration of our Republic, can best be typified by the large foundations. They have for decades been working under the secret but visible directive: So to change the economic and political structure of the United States that it can be comfortably merged with Soviet Russia. They have set the pace for the whole demagogic tribe that—many of them unaware of where they were heading or who was pushing them—has sought not only to make us a democracy but to convince the American people that we are supposed to be a democracy. For acceptance of that change, from a republic, is an all-inclusive step of tremendous importance on the road to the rule of a Communist tyrant, with neither laws nor precedents nor traditions to restrict his cruel power. The glorification of "majority rule" as the unchecked and immediate arbiter of the fate of minorities and majorities alike is the great and dangerous criminal fraud, which our forefathers so much feared, and tried as well as they knew how to prevent.

In summary, democracy is government by majority vote, whether direct in a pure democracy or by one step removed in a representative democracy. It provides no protection of the rights of minorities nor even of the best interests of the majorities themselves, against the sudden whims of the electorate or the results of the voters' gullibility. And those who, through ignorance or greed or indifference, will allow their glorious republic to be converted into so despicable a pretense of civilized government, deserve the ultimate enslavement into which that transition is designed to lead them. But the framework of what was given us by our ancestors is not yet destroyed. The destruction now going on can be stopped and inner damages can—with enough determination—still be repaired. Ours is a Republic, not a democracy. Let's keep it that way.

Now, Mr. Speaker, I have not attempted to present an erudite paper on why it is important to remember that our type of government is a republic, but it does not hurt once in a while, because we so often confuse the term "democracy" with the true kind of government that we have, to refresh our memories in order that we may better appreciate the freedoms guaranteed us in this country.

There are some who would lead us to believe that the Constitution of the United States and the Declaration of Independence are outmoded or are things of the past which are to be regarded as antiques. This does not mean we should not discuss whether they are or are not outmoded, but it does mean that we have to take the time to appreciate the freedoms which the international Communist conspiracy in all of its devious techniques is trying to take away from us.

There are some Americans who were disturbed when Pitney-Bowes early this year declared a policy of disallowing the use of the slogan "This is a republic, not a democracy. Let's keep it that way," in its postage meters. I sincerely hope that Pitney-Bowes will rescind this policy, because this slogan serves to remind us that we do live in a republic and that it is not always easy to keep the fires of freedom burning without holding in check the force of tyranny on one hand and mob rule on the other.

THE LEGISLATIVE REFERENCE SERVICE STAFF

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, several times in the past I have spoken on the importance of the Library of Congress to the people of our country, the various repositories for books in our country and to the Congress.

Also, I have spoken about the interesting and worthwhile contributions made by some of the key and important people in that organization. Because I have had reason to know about the public service, the devotion and dedication of David Mearns, Chief of the Manuscript Division, and because I felt that the Members of the Congress and the people who read the CONGRESSIONAL RECORD should know something of this important department and of the contribution made by its leaders, I called attention, in the CONGRESSIONAL RECORD of August 25, 1960, to the marvelous achievements and contributions Mr. Mearns made to the Library of Congress and, therefore, to his country, and indicated that all of us should be eternally grateful for great Americans like David Chambers Mearns.

Then, at a later date, and because I was impressed with the overall program of the Library of Congress, I talked at some length about Dr. L. Quincy Mumford, Librarian of Congress, and of the marvelous leadership he has given the Library and its staff through the years. In this speech which I made on the House floor, January 18, 1961, I also called attention to the overall program and the broad scope of this Library which I chose to call the Acropolis of America and the Citadel of Liberty.

Mr. Speaker, I also reminded my colleagues at that time that if truth leads to freedom, then this could also be called the Fortress of Freedom.

In March of this year, I was invited to talk at the International Crossroads Prayer Breakfast which meets every Sunday morning at the YMCA. Because of the nature of this audience, I chose to talk on "The Library of Congress as a Force for World Peace Through Cultural Communications," and I pointed out that culture may be said to be accrued education.

And education is the open road to communication. And once you have these—education and its handmaiden, communication—you have the beginnings of a major breakdown of prejudice: racial, religious, cultural.

There are certain important repositories of world culture.

In a very active and dynamic sense this institution the world over—the Young Men's Christian Association—is a great center of deposit for the cultures, the thinking, the religious outlook, the education, and the recreation of whole varieties of people in the family of mankind.

Libraries to be sure are everywhere the repositories of world culture. And they have been since the days of Alexandria of antiquity. In this sense and in our

time the Library of Congress occupies a special and a very dominant place.

Now I like to think of a library not as a museum although it is that, too.

Rather I like to think of a library as a workshop and a think shop where we carry out the admonition to seek the truth.

I like to think of a library as a scintillating, interesting, exciting, strength-giving, and dynamic force for broad human understanding.

The reason the United Nations is perpetually pleading for peace, peace when there is no peace, is because the basis for human understanding does not exist among the peoples of the earth. It is one of the tragedies of mankind that misunderstanding can be quickly and easily engendered. But understanding and mutual appreciation are difficult to come by.

There is nothing I believe more strongly as a politician who must appeal to people and present himself to them for their approval, than this simple truth—that is, it is impossible to hate people you know. It is possible to hate individuals and whole peoples if you know them somewhat. It is possible to form dislikes and nurture them out of some kind of perverse satisfaction. But there is no such thing as really knowing your man, or knowing your people, or of being fully informed, and then finding in information and in knowledge a basis for dissension or disagreement. Oh, it may very well be that your problem is not that you do not know the other man; but rather that the other man does not know you. And ignorance, whether on your side of the fence, or the other side of the fence, is just as destructive.

That is why I feel it so important to disseminate as a living and vibrant force the sum of human knowledge. That is why I am so proud that the Library of Congress may be singled out as one factor in justifying America's leadership of a free mankind. The Library of Congress is not a warehouse for old and new books. It is not a massive edifice for miles upon miles of bookshelves and decks and stacks and dry-as-dust volumes about a dead past and a stagnant present and an unexplored future.

For me the Library of Congress is the cultural showcase of America; just as a library anywhere may be or should be a cultural showcase—an influence to make good men able and able men good.

It is a living testimony of our interest in all of mankind from the dim days of antiquity to the immediate moment. It is a humming, busy, cultural factory and inventory of ideas and policies and living action and progress. It is concerned not only in hewing out new paths in library science as such; it is concerned with providing for men everywhere, the free and the slave, the half-free and the half-slave, the truths about the condition of man.

Today, Mr. Speaker, I want to talk about a very important department of that Library; a section of the Library that devotes most of its time to the welfare of Congress itself—the Legislative Reference Service.

Mr. Speaker, with each passing session of Congress I am more and more impressed, almost to the point of being overwhelmed, by the depth and range of a Congressman's responsibilities. There are scores of issues and problems on which we have to master the facts, come to a decision, and cast our vote.

But our legislative responsibilities go way beyond the resolution of these varied and complex issues. They encompass a thousand and one matters on which each one of us must be informed if he is truly to represent his constituency with its myriad of interests, problems, predicaments, and questions.

We all recognize that legislative responsibilties cannot be delegated. Our job is, however, made easier and more manageable by all of those who supply us with information and research assistance relevant to our work. The sources of such help are many: our own office staff members, and in at least my case by a college research team, and the members of the committee staffs; the staff of the Office of Legislative Counsel and of the Coordinator of Information; and many other employees of the House. Frequently our information comes from the departments and agencies of the executive branch, and also from nongovernmental sources. To all who help us in these varied ways we are deeply indebted.

There is still another very important group that I am moved to say something about today. These are the members of the staff of the Legislative Reference Service. Earlier this year I commented about the Librarian of Congress and the service rendered by the Library of Congress generally, and what it means to Congress and to the Nation. In singling out now the personnel of the Library who work in the Legislative Reference Service, I am merely supplementing what I said a year ago about the important part this great institution plays in the life of Congress.

We all know what the Legislative Reference Service is and, in a general way at least, what it does. We in Congress would be remiss if we failed to recognize its value and to pay a few words of tribute to the members of the staff of this small but extremely useful agency. It is my purpose now on behalf of the Congress, and particularly on my own behalf, to praise the superb services of the staff of this unique agency.

This group of about 200 people—not 200 researchers, but 200 persons altogether, including typists, messengers, reference assistants, library services personnel, and administrative staff—managed somehow to answer over 84,000 congressional inquiries last fiscal year—think of it, 84,000 inquiries—covering as wide a range of topics as could be imagined. Many of our requests are easily answered, of course. But many are complex and many are far more difficult than they seem to us to be. Very often, their importance to our work is very great indeed. Moreover, unavoidably, we are usually in a hurry for an answer, and, also unavoidably, a lot of us are apt to bombard the Service all at once when a particular issue comes to the fore.

Under these circumstances, it requires not only professional competence to do a good job but a great deal more. Members of the Legislative Reference Service staff, whether attorneys, economists, historians, or political scientists, must cover a broad subject matter area, yet be able at the drop of a hat to come up with highly specialized knowledge on almost any aspect of their subject. They have to work under extreme pressure of deadlines, always acutely sensitive to the fact that any mistake, inaccuracy, or omission can be highly embarrassing to the requesting Member, as well as to the Library. They must adapt continuously and sometimes intuitively to the varied needs and modes of operation of the many hundreds of Members and congressional staff people who place the requests.

My observation is that the high standards of performance characteristic of the Service are due as much to a certain intangible spirit of service as to professional competence. I find it difficult to give exact definition to this quality, but it is evidenced in the staff's anxiety to give the utmost assistance to any Member who calls on them, regardless of his party or position. They are always ready to meet any emergency, regardless of the hour or the day.

I am sure it will not be taken amiss by his colleagues in the Service if I single out one individual for purposes of illustrating my comment about the importance of a spirit of service. It so happens that my experience as chairman of the Joint Committee on Arrangements for the Commemoration Ceremony marking the 100th Anniversary of the Inaugural of Abraham Lincoln last March gave me a special opportunity to witness once again at first hand the dedicated work of William A. Coblenz, who was assigned by the Service to assist the committee. I am sure that numerous comparable illustrations of service going well beyond the call of duty can be found.

It is almost a literal fact that Bill Coblenz devoted his life for a short period to the work of the committee. I think we gave him the title of "Director of Tableau," but no title can describe what he did. He helped us to select and direct the cast for the inaugural ceremony, prepared the script, including the instructions and the cues, supervised the rehearsal, worked with the narrator, made provisions for dealing with all sorts of emergencies and mishaps that might conceivably occur, helped to coordinate the activities of the joint committee with the program of the board of trade and other interested local committees and groups, and throughout all stages of the preparation and thereafter kept the committee informed as to what was going on.

All this could not be done in normal Government work hours. Coblenz never had to be pressed to work overtime. He took the initiative in seeing what needed to be done and cheerfully and uncomplainingly, in fact enthusiastically, served the committee night and day, including weekends, to insure that the ceremony would be conducted with all the dignity and authenticity due the occasion.

In addition, I might point out that Mr. Coblenz has been helpful to me as he

has to many Members of the Congress in many other ways. He has been and is the behind-the-scenes writer of excellent dissertations on subjects that are pertinent to the functioning of the Congress itself and the problems it must wrestle with daily.

Besides that, as chairman of the joint committee that was responsible for the joint session in commemoration of the 150th anniversary of the birth of Abraham Lincoln, I can say that he was the principal author of its report. This report has been given accolades in the press. Some have said it is one of the best reports ever written of an event in the Congress. It is already a collector's item. I am glad to testify that but for his talents and those closely associated with him in the technical production of this document, we would not now have this fine literary asset by the Congress of the United States.

I would like the citation of this example of loyalty and service to be regarded as a symbol of my gratitude to all those devoted staff members, in the Legislative Reference Service and elsewhere in the Library of Congress, who do so much, so willingly and so well, to ease our burden and to enrich our preparation for meeting the ultimate responsibilities we cannot pass on to anyone. Their competence, and their ever-present readiness to serve the Congress of the United States, quietly and unobtrusively, is one of our most precious assets.

May I particularly mention the Legislative Reference Service researchers who have given aid to me during the 2-year period from August 1959 through August 1960. In addition to staff members who have prepared bill analyses and other short reports, the following have furnished me with longer and more complex replies to my requests:

Raymond Celada (American Law Division).

Catherine S. Corry and Mrs. Esther Dudgeon (Economics Division).

Andrew F. Westwood (Foreign Affairs Division).

Mrs. Doris Whitney, John Rodgers, and Selwyn Walter (History and Government Division).

Tom Wilder (Natural Resources Division).

Dr. Dorothy Schaffter and Mrs. Dorothy M. Bates (Senior Specialists Division).

In describing the assistance which the Legislative Reference Service has given me I have mentioned chiefly the preparation of reports, but I do not want to emphasize this kind of assistance to the exclusion of all others. Every Member has been faced with the need to discuss a legislative problem and to seek unbiased, expert counseling before he must decide upon the solution which he will support. The staff members of the Service have often furnished such assistance to me. They have a realistic sense of a Congressman's point of view; they have expert information and experience enabling them to grasp the problem promptly and to review its implications; they never "advise" a Member but they are competent to suggest alternative solutions and to discuss their respective merits; they have no loyalties to political parties, or geographical areas, or economic interests—only their loyalty to the Member whom they are serving and their larger loyalty to the Congress for whom they all have the utmost respect. Such counselors are invaluable.

What makes the Legislative Reference Service the kind of agency which I have been describing in terms of deep respect? I suppose that question cannot be fully answered. Probably there is not a single cause. But I am absolutely certain that a careful study of the service would reveal that Dr. Ernest S. Griffith, its director from 1940 to 1958, and Dr. Hugh L. Elsbree, director from 1958 to the present, are the two major influences which make the service operate with great efficiency, high professional standards, and the utmost concern for being of real help to the committees and the Members of Congress. Granted that the staff are the individuals through whom these qualities are demonstrated, still the final credit must go to the director. Dr. Griffith and Dr. Elsbree believe so sincerely in the purposes of the Legislative Reference Service that their influence has extended, through the chiefs of the different divisions, to every research worker and to members of the staff who furnish administrative service to the researchers. It is one thing to furnish service which is acceptable from the standpoint of efficiency and professional skill—but it is quite another matter to perform such service with enthusiasm and with complete devotion to the interest and convenience of the Member. The efficiency and professional standards of the Legislative Reference Service can be measured, but the spirit in which their work is performed is an imponderable. Dr. Griffith and Dr. Elsbree are to be credited with the double achievement of creating and maintaining a service to the Congress which is not only highly efficient and professionally expert, but is dedicated to making that service of utmost usefulness in the functioning of the Congress.

Mr. Speaker, it is with pleasure that I take this opportunity to make this record known to you and to publicly salute this superb service furnished us by so many dedicated, devoted and selfless public servants of which we have so many in the Library of Congress.

BIBLIOGRAPHY ON THE WORLD COMMUNIST MOVEMENT

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRUCE] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BRUCE. Mr. Speaker, it is of the utmost importance that Americans who wish to learn more about the Communist force that seeks to destroy our way of life know that valuable reference material exists.

There are many books and pamphlets published on the subject, but they all do not measure up to the standard of reliability that is demanded by the very nature of the conflict.

To provide a helpful guide to our citizens on reading in this field I am placing the following bibliography in the CONGRESSIONAL RECORD. Because a book or other publication does not appear on this list is not an indication it is unreliable. A considerable number of good works are omitted because the list would otherwise become too unwieldy.

I believe this is the first comprehensive bibliography of this type placed in the CONGRESSIONAL RECORD since the then Senator Richard M. Nixon inserted "Bibliography on World Communism," prepared by the American Legion in 1952.

The list that follows was prepared by the All American Conference to Combat Communism and was published by the Catholic War Veterans of the U.S.A., a member of the conference, in pamphlet form with an introduction. Copies may be obtained from the Catholic War Veterans, 1411 K Street NW., Washington 5, D.C.

Books marked with an asterisk are especially recommended by the compilers for high school and public libraries. I have added two titles at the end because of their importance, "Cold War and Liberation" and "Congress and the American Tradition."

I wish to include two speeches I made in the Congress dealing with the enemy. "The National Committee to Abolish the Un-American Activities Committee," given on May 3 is an exposé of that Communist front which today is one of the most active in the country. The second, given on June 12, "H.J. Res. 444—The Victory Resolution," includes two sections of documentation; first, "Declarations of Hostile Intent by the World Communist Movement," and second, "Findings, Resolutions, and Condemnations of the World Communist Movement in U.S. Law, Presidential Proclamations, and Treaties Binding on the United States."

[Titles preceded by an asterisk (*) are especially recommended for high school and public libraries]

BOOKS

"Black Book on Red China." Hunter. Bookmailer, 1958, $2: An authority on Chinese communism gathered firsthand reports at Hong Kong from refugees on what life is like under the Communists. Excellent source material on the Communist destruction of Christian churches and persecution of religious behind the Bamboo Curtain.

*"Brainwashing in Red China." Hunter. Vanguard, $3.75: Hunter was the first American to bring back the whole horrible story of Communist mass braintwisting to make their victims actually believe that white is black and that criminality is really "building a new and better world." Important.

"Child of the Revolution." Leonhard. Regnery, 1958, $6.50: The son of a poor German Communist family is brought up by the Soviet secret police to become a trained and cynical apparatchik and Russian. An absorbing adventure story with keen psychological insights.

*"Century of Conflict." Possony. Regnery, $7.50: Probably the single most important book on this list. Should be in every library in the land. Public, high school, and college. The whole range of Communists tactics and every facet of the whole complex pattern of Communist pattern for world conquest.

"Communism and Christ." Lowry. Morehouse-Gorham. A minister who gave up his pulpit to devote his full time to furthering education on communism, writes what is

one of the best general summaries on the basic antagonism separating two worlds—christianity and communism.

"Communism and Christianity." D'Arcy. Devin-Adair, 1957: A Catholic priest considers the fundamental moral problem posed by communism and the task of all Christians in defending their common faith against it.

*"Communism in Our World." Caldwell. John Day, 1956, $2.75: A small but excellent little book written especially for 12 to 16 age group. Just what is communism? is graphically explained by an expert in simple English. Should be in every school library.

"The Fallacy of Communism." Saar. Meador, Boston, 1956: An Estonian refugee only in the country a few years sums up in simple English the basic fallacies and hidden dangers of communism. An elementary treatise excellent for 12 to 16 age group.

*"Democracy Versus Communism." Colgrove. Van Nostrand, 1957: The institute of fiscal and political education commissioned Dr. Colgrove a recognized anti-Communist scholar to prepare a special textbook for school use. A few minor defects but in the main still one of the best works available explaining to student the basic differences and values between democracy and communism.

*"Guide to Anti-Communist Action." Bouscaren. Regnery, 1959: A distinguished political scientist and nationally known authority on communism draws up a blueprint for intelligent and effective countersubersive action.

HIGHLY RECOMMENDED

*"The Freeman's Library." Hazlitt. Van Nostrand: A bibliography of the world's outstanding literature on human freedom and individual liberty. Some 550 classics from Aristotle to Rebecca West are listed and described. Should be in every library.

"I Led Three Lives." Herbert Philbrick. Gossert & Dunlap, Inc., $1.49: Philbrick's own story of how he found himself being used in a communism youth movement, reported to the FBI and was instructed to remain and serve his country as an undercover agent. The thrilling story of his life as a Communist—FBI undercover agent—a respectable businessman.

"I Was a Slave in Russia." Noble. Devin-Adair, 1959: An American boy, born in Detroit, is trapped in Nazi Germany at the end of World War II. Accused by the Soviet secret police of the usual phony charge of espionage, young Noble is sentenced to 9 years in Soviet slave labor camps. One of the few Americans ever to survive to tell his incredible story to the West. Exciting reading.

"I Was a Spy." Miller. Bobbs Merrill, 1960: Unfortunately a badly misnamed but otherwise excellent book by a housewife who penetrated the Communist Party as undercover agent for the FBI. Fascinating and yet instructive story. Girls will enjoy this book immensely. Authentic—revealing.

"Lost Illusion" (paperback). Utley. Regnery, 1960, $1.25: The heartwarming autobiography of an idealistic young English girl who fell for communism in college, married a Russian, bore a son in the land of the Soviets only to see her husband vanish into the night in tow of the dread GPU never to be seen again. A paperback reprint of a book first published in 1948.

"In the Name of Conscience." Khokhlov. McKay, 1959, $4.50: A trained and disciplined Soviet secret police officer is assigned to murder a leading German anti-Communist. His wife, a Christian, sacrifices her own life and that of their infant son to urge him to defect to the West and tell all about the total immorality of the Soviet leadership. One of the truly great books of our time. Belongs next to Whittaker Chamber's monumental "Witness."

*"Masters of Deceit." J. Edgar Hoover. Holt, 1958, $5: The Director of the FBI tells the whole story of communism in America, how Communists operate, and how best to protect oneself against their machinations and trickery. One of the most important books on this subject to appear in a long time.

*"Primer on Communism." Cronyn. Dutton, 1957: A paperback which answers 200 questions on communism. Highly recommended for school and classroom use in grade and high schools. Life under communism as taken directly from Soviet sources.

*"Our Secret Allies." Lyons. Duell, Sloan, Pearce: The famous writer on communism, Eugene Lyons, whose "Assignment in Utopia" first ripped the propaganda veil off the hideous face of communism makes a strong case for the people of Russia as offering the Achilles heel through which the whole rotten structure of communism can some day be toppled to the ground. A most important work.

*"The Naked Communist." Skousen Ensign Publishing Co., Salt Lake City, 1958: Probably one of the best all-round handbooks on the whole subject of communism. Excellent for teaching and textbook use. Easily readable, large type, no tedious quotations from Marxist sources. Highly recommended.

"The Hidden Russia." Krasnov. Holt & Co., 1960: The grandson of a Czarist general and famous writer is trapped by the Russians in Yugoslavia at the end of the war. His father and grandfather were hanged by the Soviets while he spent 10 years in Soviet horror camps. Finally released a few years ago he lived just long enough to write this most remarkable and worthwhile book before dying last year in South America. Not for queasy stomachs.

*"The Continuing Struggle." Walker. Athene Press, 1958: A scholarly yet highly readable treatise on Red China by one of America's leading authorities. Makes a most effective source of authentic material on whether or not we should recognize Red China. Will demolish pro-Communists and other apologists for Mao Tse-tung who argue "but after all the Communists do exercise effective control over mainland China." A most important work.

"The Story of Mary Liu." Hunter. Farrar Strauss and Cudahy, 1957: The deeply moving story of a Chinese Christian girl whose faith enabled her to triumph over both a terrible physical handicap and the diabolic persecution of the Communists bent on eradicating every vestige of Christianity in China. Excellent book for girls.

*"The Techniques of Communism." Budenz. Regnery, 1954: The former editor of the Daily Worker who in 1945 left the Communist conspiracy to return to the religion of his youth compiles what is still one of the best handbooks on Communist operating methods. Highly readable—very important.

*"The Web of Subversion." Burnham. John Day, 1954: One of our leading authorities on communism summarizes in a compact and fast-reading book the entire sickening story of Communist espionage and infiltration into our Government started way back in 1934 by an obscure and almost unknown party functionary, Harold Ware. One of the best books available in a field now adequately covered by a considerable library.

*"You Can Trust the Communists." Schwarz. Prentice Hall, 1960: The famous Australian physician turned anti-Communist lecturer produces his first book on the subject. Just published. Takes you inside the Communist mind as very few other books ever have been able to do. One of the most important books published since "Witness."

* "Witness." Chambers. Random House, 1952: Still one of the truly great autobiographies of this century. A latter-day Dante writing with brilliance takes you on a personally conducted tour to the lower depths and inferno of underground communism. No amount of reading in communism can be considered complete without "Witness." An absolute "must" for those who find it hard to understand "why anyone should want to become a Communist."

IMPORTANT RECENT BUT ADVANCED BOOKS

The following titles should be found on the shelves of any important college library. While not necessarily too abstruse or "heavy" most of them do presuppose some basic preparatory reading. These titles have been used at the National War College seminars for Reserve officers and represent the consensus of a group of outstanding authorities who arranged the curriculums and compiled the recommended reading lists.

"Protracted Conflict." Kintner, Cottrell, Strausz-Hupe. Harper, New York, 1959: A companion volume to "Century of Conflict." One of the 10 most important books ever written on the cold war.

"American Strategy for the Nuclear Age." Neff and Hahn. Anchor, New York, 1960: Another volume of the "10 most important books" in this field. A symposium on all aspects of the crisis of our time by 30 or more of the country's top experts. Very, very important.

"Neither War Nor Peace." Seton-Watson. Praeger, 1960: A penetrating analysis of the titanic problem of survival posed for the West by world communism.

"Imperial Communism." Bouscaren. Public Affairs Press, Washington, D.C., 1953: A highly readable summary for student level on all aspects of world communism.

"The Soviet Secret Police." Wolin & Slusser. Praeger, 1957: Probably one of the best compendiums available on the secret state within a state—the Soviet secret police and its farflung network covering the world and reaching into every crack and crevice of Western society. The side of communism which most Communists do not know anything about.

"Soviet Espionage." Dallin. Yale University Press, 1955. Not quite up to Slusser and Wolin but nevertheless a highly readable general history of the main activity of the Soviet secret police all over the world—espionage and terror.

"Peaceful Coexistence." Kulski. Regnery, 1959: Another of the 10 most important books on communism written by a great scholar and renowned authority on the Soviets. Very important to any comprehensive understanding of just what Khrushchev is trying to put over with his "peaceful coexistence" confidence game.

"Communist China and Asia." Barnett. Harper, 1960: A detailed appraisal of the challenge posed to this country by the rapidly rising Communist state of Mao Tse-tung and Chou En-lai. Very important.

"The Language of Communism." Hodgkinson. Pitman, New York, 1954: A British expert compiles a very important glossary of Communist idion, "Aesopian language," and "newspeak." A codebook as it were without which the beginner has the greatest difficulty penetrating Communist obscurantist lingo.

"In Every War But One." Kinkead. Norton, 1959: A deeply disturbing analysis of why so many American POW's in Korea succumbed to Communist brainwashing and became "progressives."

"Shanghai Conspiracy." Willoughby. Dutton: The amazing story of the greatest spy in all history, Dr. Richard Sorge, written by Gen. MacArthur's former chief of intelligence. Absorbing.

*"For the Skeptic." Munson. Bookmailer, New York: A very valuable digest of the highlights of some 22,000 pages of congressional reports and hearings on all aspects of Communist espionage, subversion, and infiltration of the Government at policymaking levels.

*"America Faces World Communism." Bouscaren. Vantage: Excellently prepared work on the Communist problem facing this country by one of our outstanding experts.

*"Key to Peace.' Manion. Heritage Foundation: A positive answer to communism written by one of the great constitutionalists, Dean Clarence Manion. Distributed nationwide to the schools by the American Legion.

*"Wedemeyer Report." Wedemeyer. Holt: Firsthand account and memoirs of a great American soldier whose report on China and Korea was suppressed for several years. Should be in every library. Very important book.

"Tito—Moscow's Trojan Horse." Draskovich. Regnery: A Yugoslav diplomat and authority on communism debunks the myth that Tito is some sort of decent humane Communist whom we can lure away from Moscow. Excellent historical reference work.

"The Conscience of the Revolution." Daniels. Harvard University Press: Another brandnew and very important book. The little known story of opposition within the monolithic state of the U.S.S.R.

Other titles—Fiction

"Nineteen Eighty-four." Orwell. Harcourt: Also reprinted in paperbacks. A former British Communist and brilliant satirist describes what life will be like under the universal Communist state. One of the most important books available to those seeking an insight into Communist mentality.

"A Ride to Panmunjon." Thorin. Regnery: A young Navy pilot falls into Communist hands during the Korean war. Firsthand and first-class account of Communist brainwashing by one who learned how to beat it out of his own resources and character. Written as a novel, it is practically an autobiography.

"The Fall of a Titan." Gouzenko. Norton: The Soviet code clerk who defected in Montreal in 1945 to make the first revelations of Soviet mass espionage against the United States in time of war writes a powerful, first-rate novel on the Communist system.

Other titles—Nonfiction

"Beyond Containment." Chamberlain. Regnery, 1953: Still one of the best primers on Communist power manipulation. Chapter VI extremely valuable because of its masterly exposé of 10 basic fallacies about communism still held by many leading Americans.

"A Concise History of the Communist Party of the Soviet Union." Reshetar. Praeger, 1960: Fills a longfelt need for a detailed and objective history of the Communist Party of Russia. Based almost entirely on official Soviet documents with Communist mythology and hokum carefully filtered out.

"How Communists Negotiate." Joy. Macmillan, 1955: An American admiral learns the hard way across the negotiation table just how Communists operate. A very important book, particularly for those old-fashioned Americans who still believe that men of good will can settle their differences no matter how far apart they may be, "if they will only get together and talk things over."

"Red Star Over Cuba." Weyl. Devin-Adair, 1960: A former Communist in the same underground cell as Alger Hiss documents the incredible story of State Department bungling over Fidel Castro. Weyl proves that Castro was a trusted Communist as far back as 1949. Very important book. New, 50-cent paperback has chapter on the tragic Cuban invasion.

Government reports

(Most of the following titles can still be secured directly from the Government Printing Office, Washington, D.C.)

"The Communist Conspiracy," basic Communist documents in five volumes, 1956, $5.60.

"Handbook for Americans," the Communist Party, how it works: Senate Internal Security Subcommittee, 30 cents.

"Congressional Investigations of Communism," a summary index of all publications; 1918–55, $1.25.

"Crimes of Khrushchev," four parts, House Committee on Un-American Activities, 70 cents.

"The Great Pretense," a symposium on the 20th Congress of the Communist Party of Russia, 45 cents.

"Guide to Subversive Organizations and Publications," HCUA, 1957, 45 cents.

"Language as a Communist Weapon," Possony. HCUA, 1959, 20 cents.

"Patterns of Communist Espionage," HCUA, 1959, 25 cents.

"The Shameful Years," 30 years of Soviet espionage in the United States, HCUA, 1951, 25 cents.

"Soviet Total War," two volumes, a symposium by some 120 authorities on all aspects of the Communist threat, HCUA, 1956, $2.75. (An invaluable compendium which should be in every library.)

PAMPHLETS

"Communism, America's Mortal Enemy," Dr. Fred Schwarz. "Tactics and Methods of Communism," Dr. J. B. Matthews. "How the Communists Control Thoughts and Attitudes." Herbert Philbrick. "Communist Indoctrination," Maj. William Mayer. (All four may be secured for a dollar from the national education program, Searcy, Ark.)

"Communism—A Disease," Dr. Fred Schwarz, 10 cents. (Dallas Freedom Forum, Post Office Box 7351, Dallas, Tex.)

NEWSLETTERS

"Counterattack," 257 West 57th Street, New York, N.Y., $24 per year.

"Freedoms Facts," All-American Conference, 917, 15th Street, NW., Washington, D.C., $3 per year.

"Communist Line Bulletin," Institute for Community Education, Rose and Oak Streets, Flushing, N.Y., $3 per year.

"The Firing Line," American Legion, Post Office Box 1055, Indianapolis, Ind., $3 per year.

"The Tablet," 1 Hanson Place, Brooklyn, N.Y., $4 per year.

HIGHLY RECOMMENDED

"A Forward Strategy." Strausz-Hupe, Possony. Harper, 1961, $5.95: A companion volume to the very important "Protracted Conflict" published in 1959. Undoubtedly the single most important book to a full understanding of the present world crisis. A complete blueprint on how to reverse the long trend of reverses and defeats suffered by the West at the hands of advancing world communism.

"Brainwashing from Pavlov to Powers." Hunter. The Bookmailer, New York: Latest work by an acknowledged authority on a diabolic new "science"—brainwashing. Indispensable to any understanding of why Communists and most of their work still continue to baffle and befuddle the so-called best brains on our side.

"The Soviet Design for a World State." Goodman. Columbia University Press, 1960, $6.75: Probably one of the best college level textbooks available on aspects of Soviet power techniques. Should be in every college library.

"American Might and Soviet Myth." Campaigne. Regnery, 1960, $3.95: Some plain hard facts to dispel the present pessimistic and defeatist attitude assumed by so many of our leaders vis-a-vis the Soviets. Should be in all high school libraries.

"The Edge of War." Atkinson. Regnery, 1960, $6: One of our leading scholars of Communist power techniques reduces to laymens' language the problems facing us today and what we must do to avert ultimate disaster.

"The Challenge of Coexistence." Kovner. Public Affairs Press, Washington, D.C., $3.25: A timely and important book explaining just what Khrushchev and the Communists have in mind when they insist that we have no other alternative but a global nuclear holocaust if we do not accept what they call "peaceful coexistence." For high school and college libraries.

"The Moulding of Communists." Meyers. Harcourt Brace, 1960, $5: A most important work by one of our outstanding authorities setting forth just how a strange new human type, the dedicated hard-core Communist, is drop-forged in the ideological steel mills of communism. Recommended for college libraries but its terminology is a bit tough for high school level and the average reader.

ALSO RECOMMENDED

"Ten Years of Storm." Chow Ching-wen. Holt Rinehart & Winston, $6: Another very important contribution to the now well filled library of documentation on Red China. Indispensable to anyone preparing to argue against recognition of Communist China. Suitable for both high school and college use.

"The Communist Persuasion." Winance. P. J. Kennedy, $4.50: A Catholic priest learns firsthand through torture and unbelievable degradation just what the Chinese Communists mean by "brain cleansing of bourgeois errors." Highly readable.

"American Communism and Soviet Russia." Draper. Viking, $8.50: The best of the series financed by the Fund for the Republic on all aspects of communism in American life.

"Neither War Nor Peace." Seton-Watson. Praeger, $7.50: The well-known British authority on the U.S.S.R. brings up to date a previous work on the power politics of the Kremlin. Suitable for high schools and colleges.

"Khrushchev, the Making of a Dictator." Paloczi-Horvath. Atlantic, Little Brown, $4.95: The well-known Hungarian writer makes a worthwhile contribution to the otherwise well hidden biography of Stalin's successor to the Soviet purple. Well written.

"Cold War and Liberation." John F. O'Conor. Vantage, New York, $7.50: Completely indexed and referenced, this is one of the most valuable books to appear in recent years. It traces the failures of the free world's policies in regard to the world Communist movement from its takeover of Russia to the present and draws important conclusions from those failures.

"Congress and the American Tradition." Burnham. Regnery: A clinical study of the gradual erosion of the constitutional powers of Congress and the importance of Congress to the maintenance of our unique American political system as a bulwark against the Communist onslaught.

PERSONAL EXPLANATION

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. CHAMBERLAIN], may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, on August 21 I was not present for rollcall No. 160, final passage of H.R. 8384, and would like to record my position for the RECORD. If present, I would have voted "yea." On August 28 I was absent for rollcall Nos. 169, 170, and 171, engrossment and third reading, and final passage of H.R. 8181, and H.R. 7176, respectively. If present, I would have voted "nay" on rollcall Nos. 169 and 170 and "yea" on rollcall No. 171.

COMPENSATION OF STATIONERY CLERK AND ASSISTANT STATIONERY CLERK

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 331) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective on the first day of the first month which begins after the date this resolution is agreed to, the basic compensation of the stationery clerk shall be at the rate of $4,600 per annum, and the basic compensation of the assistant stationery clerk shall be at the rate of $3,600 per annum. The additional amounts necessary to carry out this resolution shall be paid out of the contingent fund of the House of Representatives until otherwise provided by law.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL CLERK, STATIONERY ROOM

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 402) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives compensation for the employmeent of one additional clerk, Office of the Clerk of the House (stationery room), at a basic salary of $2,160 per annum.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMPENSATION OF ASSISTANT TALLY CLERKS

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 449) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective on the first day of the first month following the adoption of this resolution, the basic compensation of the assistant tally clerk, numbered 2 (minority), office of the Clerk of the House of Representatives, shall be at the rate of $5,500 per annum. The additional amount necessary to carry out the provisions of this resolution shall be paid out of the contingent fund of the House until otherwise provided by law.

With the following committee amendment:

Strike out all after the resolving clause and insert the following:

"That, effective on the first day of the first month following the adoption of this resolution, the basic compensation of the assistant tally clerk, numbered 1, office of the Clerk of the House, shall be at the rate of $6,000 per annum; and the basic compensation of the assistant tally clerk, numbered 2 (minority), office of the Clerk of the House, shall be at the rate of $5,500 per annum. The additional amounts necessary to carry out the provisions of this resolution shall be paid out of the contingent fund of the House until otherwise provided by law".

The committee amendment was agreed to.

The resolution was agreed to.

The title was amended so as to read: "Relating to additional salary for the assistant tally clerks numbered 1 and 2, office of the Clerk of the House".

A motion to reconsider was laid on the table.

NORTH ATLANTIC TREATY PARLIAMENTARY CONFERENCE

The SPEAKER pro tempore. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, the Chair desires to announce that the Speaker has appointed as additional members of the U.S. group of the North Atlantic Treaty Parliamentary Conference the following Members on the part of the House: Mr. ARENDS, Mr. WESTLAND, Mr. DEVINE, Mr. LINDSAY.

THE BUDGET AND APPROPRIATIONS RÉSUMÉ, 1ST SESSION, 87TH CONGRESS

Mr. CANNON. Mr. Speaker, for the information of the House and the country and in accord with customary procedure, I include tabulations and related data summarizing the work of the 1st session of the 87th Congress on the budget—both supplementals for fiscal year 1961 and the main budget for fiscal year 1962.

The most authoritative data available on back-door appropriation provisions in legislative bills outside established appropriations channels is also included. Comprehensive summary of all features of the budget, including disposition of the revenue recommendations and revised executive estimates of collections and disbursements, will not be available for a few weeks when the executive branch will issue the so-called midyear review.

All these factors will join with action on the spending bills to influence the final results and the latest official executive prediction of a $5,290 million budget deficit for the current fiscal year 1962.

Mr. Speaker, omitting the back-door bills, 17 appropriation measures have been processed—3 having to do with fiscal year 1961 and 14 for the current fiscal year 1962 including those just reported from conference.

We are aware of the tendency to charge the Committee on Appropriations with the lateness of the adjournment. But responsibility lies elsewhere. We marked time for weeks on the two regular bills just completed. We could and would have reported them earlier had we been free to act.

The appropriations schedule has been delayed inordinately as a result of the growing practice of processing authorization bills annually and the unexplained lateness in handling them this year especially as everyone is aware the rules of the House forbid appropriations until authorized by basic law. In the present session for example, the foreign aid authorization bill passed the House August 18 and did not become law until September 4.

Similarly, the authorization bill for atomic energy construction was so long delayed that in the interest of expedition we reported the public works appropriation bill without it and were forced to depend on the other body supplying this section of the bill.

Of course the last supplemental bill is traditionally and logically last—at early or late adjournment.

So, Mr. Speaker, if the House really wants to expedite conclusion of necessary business, let them earlier provide the authorizations—or dispense with the growing practice of annually reprocessing the authorizations.

Budget estimates of appropriations submitted to the House for action this session, and reported from the Committee on Appropriations, totaled $82,003,135,076. This does not include the permanent appropriations which recur automatically under existing law without annual action by Congress. The January budget estimates totaled $9,188 million of which $8,500 million is for the annual interest cost on our climbing public debt. These amounts are subject to revision—probably slightly upward—in the next few weeks when the executive revisions are released.

I should say that these requests are from the January budget of the previous administration as revised by the present administration.

Against the $82,003,135,076, the Committee on Appropriations made reductions totaling $2,870,320,125, recommending to the House a total of $79,132,814,951. With the exception of the Labor-HEW bill, on which Congress has developed a special addiction to excess, every bill from the committee was reported below the budget requests.

The House went above the committee recommendations by $213,925,856. As sent to the other body, the bills aggregated $79,346,740,807. That is $2,656,394,269 below budget requests considered by the House.

Budget estimates of appropriations considered in the other body total $91,597,448,053, or $9,594,312,977 above what the House acted upon. Principally, this involved certain items of reimbursement to the CCC capital fund and accelerations of the defense program. The totals as adopted by the other body are $90,527,894,168, or $11,181,153,361 above the House. Every bill is above the House figure. It is $1,069,553,885 below the budget considered by the Senate.

The appropriation bills, as finally enacted, total $86,606,487,273. This is below the budget estimates by $4,990,960,780. However, all is not savings. Two items submitted early in the session on the supplemental for 1961, totaling $3,459,525,000, were deleted before passage and later resubmitted in reduced amounts for inclusion in the regular 1962 bills. As previously noted, the $9,188 million tentatively estimated for permanent appropriations would be in addition to the $86,606,487,273.

The total is about $12,972 million above the appropriations in the session last year.

Details by bill are included in the following table:

Table of appropriation bills, 87th Cong., 1st sess., as of Sept. 27, 1961

[Does not include any back-door appropriation bills. Also excludes permanent appropriations]

Bill No.	Title	House							
		Budget estimates to House	Date reported	Amount as reported	Amount reported compared with budget estimates	Date passed	Amount as passed	House action compared with—	
								Budget estimates	Amount reported
	1961 SUPPLEMENTALS								
H.R. 5188	3d supplemental	$1,235,482,769	Mar. 3	$773,493,619	−$461,989,150	Mar. 7	$803,506,119	−$431,976,650	+$30,012,500
H.R. 6518	Inter-American program	600,000,000	Apr. 20	600,000,000		Apr. 25	600,000,000		
H.R. 7712	4th supplemental	88,024,000	June 16	47,214,000	−40,810,000	June 19	47,214,000	−40,810,000	
	Total, 1961 supplementals	1,923,506,769		1,420,707,619	−502,799,150		1,450,720,119	−472,786,650	+30,012,500
	1962 APPROPRIATIONS								
H.R. 5954	Treasury-Post Office	5,371,801,000	Mar. 24	5,281,865,000	−89,936,000	Mar. 28	5,281,865,000	−89,936,000	
H.R. 6345	Interior [1]	782,387,000	Apr. 14	752,319,000	−30,068,000	Apr. 18	753,319,000	−29,068,000	+1,000,000
H.R. 7035	Labor-HEW	4,282,148,081	May 15	4,327,457,000	+45,308,919	May 17	4,327,457,000	+45,308,919	
H.R. 7208	Legislative	105,647,577	May 19	104,353,335	−1,294,242	May 22	104,353,335	−1,294,242	
H.R. 7371	State, Justice, Judiciary	795,891,202	May 29	751,300,050	−44,591,152	June 1	751,300,050	−44,591,152	
H.R. 7444	Agriculture	6,089,244,000	June 2	5,948,566,000	−140,678,000	June 6	5,948,466,000	−140,778,000	−100,000
	Loan authorizations	(612,000,000)		(629,900,000)	(+17,900,000)		(629,900,000)	(+17,900,000)	
H.R. 7445	Independent offices	8,625,561,000	June 2	8,424,098,000	−201,463,000	June 7	8,404,098,000	−221,463,000	−20,000,000
H.R. 7577	General Government-Commerce	666,278,000	June 8	626,958,000	−39,320,000	June 13	626,958,000	−39,320,000	
H.R. 7851	Defense	42,942,345,000	June 23	42,711,105,000	−231,240,000	June 28	42,711,105,000	−231,240,000	
H.R. 8072	District of Columbia	(292,438,188)	July 10	(268,172,400)	(−24,265,788)	July 12	(268,122,400)	(−24,315,788)	(−50,000)
	Loan authorization	(24,600,000)		(29,000,000)	(+4,400,000)		(29,000,000)	(+4,400,000)	
	Federal payment	39,753,000		32,753,000	−7,000,000		32,753,000	−7,000,000	
H.R. 8302	Military construction	1,047,568,000	July 21	886,768,000	−160,800,000	July 25	883,359,000	−164,209,000	−3,409,000
H.R. 9033	Foreign assistance	4,993,991,000	Sept. 1	3,555,245,000	−1,438,746,000	Sept. 5	3,835,245,000	−1,158,746,000	+280,000,000
H.R. 9076	Public works	3,732,038,000	Sept. 6	3,662,548,500	−69,489,500	Sept. 13	3,662,701,380	−69,336,620	+152,880
H.R. 9169	Supplemental	604,975,447	Sept. 12	646,771,447	[2] +41,796,000	Sept. 15	573,040,923	−31,934,524	−73,730,524
	Total, 1962 appropriations	80,079,628,307		77,712,107,332	−2,367,520,975		77,896,020,688	−2,183,607,619	+183,913,356
	Total, all appropriations	82,003,135,076		79,132,814,951	−2,870,320,125		79,346,740,807	−2,656,394,269	+213,925,856
	Total, loan authorizations	(636,600,000)		(658,900,000)	(+22,300,000)		(658,900,000)	(+22,300,000)	

See footnotes at end of table.

Table of appropriation bills, 87th Cong., 1st sess., as of Sept. 27, 1961—Continued

[Does not include any back-door appropriation bills. Also excludes permanent appropriations]

Bill No.	Title	Senate							Final action			Increase or decrease compared to budget estimates to date
		Budget estimates to Senate	Date reported	Amount as reported	Date passed	Amount as passed	Senate action compared with— Budget estimates	Senate action compared with— House action	Date approved	Amount as approved	Public Law No.	
	1961 SUPPLEMENTALS											
H.R. 5188	3d supplemental	$5,275,213,127	Mar. 24	$4,762,637,970	Mar. 27	$4,637,419,970	−$637,793,157	+$3,833,913,851	Mar. 31	$1,694,055,637	87-14	[1] −$3,581,157,490
H.R. 6518	Inter-American program	600,000,000	May 3	600,000,000	May 9	600,000,000			May 27	600,000,000	87-41	
H.R. 7712	4th supplemental	88,024,000	June 20	47,214,000	June 27	47,214,000	−40,810,000		June 30	47,214,000	87-74	−40,810,000
	Total, 1961 supplementals	5,963,237,127		5,409,851,970		5,284,633,970	−678,603,157	+3,833,913,851		2,341,269,637		−3,621,967,490
	1962 APPROPRIATIONS											
H.R. 5954	Treasury-Post Office	5,371,801,000	May 25	5,327,631,000	June 1	5,327,631,000	−44,170,000	+45,766,000	Aug. 21	5,298,765,000	87-159	−73,036,000
H.R. 6345	Interior [2]	782,387,000	June 2	822,649,850	June 7	813,399,850	+31,012,850	+60,080,850	Aug. 3	779,158,650	87-122	−3,228,350
H.R. 7035	Labor-HEW	5,004,281,081	July 25	5,161,380,000	Aug. 2	5,161,380,000	+157,098,919	+833,923,000	Sept. 22	4,915,965,000	87-290	−88,316,081
H.R. 7208	Legislative	136,082,802	July 18	135,432,065	July 20	135,432,065	−650,737	+31,078,730	Aug. 10	135,432,065	87-130	−650,737
H.R. 7371	State, Justice, judiciary	795,891,202	Aug. 14	761,452,550	Aug. 30	762,038,550	−33,852,652	+10,738,500	Sept. 21	756,422,550	87-264	−39,468,652
H.R. 7444	Agriculture	6,089,244,000	June 15	5,967,382,500	June 20	5,967,457,500	−121,786,500	+18,991,500	July 26	5,967,494,500	87-112	−121,749,500
	Loan authorizations	(612,000,000)		(725,500,000)		(725,500,000)	(+113,500,000)	(+95,600,000)		(725,500,000)		(+113,500,000)
H.R. 7445	Independent offices	9,174,561,000	July 25	9,098,614,500	July 31	9,098,769,500	−75,791,500	+694,671,500	Aug. 17	8,966,285,000	87-141	−208,276,000
H.R. 7577	General Government-Commerce	666,278,000	June 23	650,438,200	June 27	650,438,200	−15,839,800	+23,480,200	Aug. 3	641,135,800	87-125	−25,142,200
H.R. 7851	Defense	46,396,945,000	Aug. 1	46,848,292,000	Aug. 4	46,848,292,000	+451,347,000	+4,137,187,000	Aug. 17	46,662,556,000	87-144	+265,611,000
H.R. 8072	District of Columbia	(292,827,398)	Sept. 13	(270,438,360)	Sept. 14	(270,438,360)	(−22,389,038)	(+2,315,960)	Sept. 21	(270,067,897)	87-265	(−22,759,501)
	Loan authorization	(24,600,000)		(29,000,000)		(29,000,000)	(+4,400,000)			(29,000,000)		(+4,400,000)
	Federal payment	39,753,000		32,753,000		32,753,000	−7,000,000			32,753,000		−7,000,000
H.R. 8302	Military construction	1,047,568,000	Aug. 14	1,020,146,750	Aug. 22	1,020,146,750	−27,421,250	+136,787,750		951,690,750		−95,877,250
H.R. 9033	Foreign assistance	4,993,991,000	Sept. 13	4,416,091,000	Sept. 15	4,416,091,000	−577,900,000	+580,846,000		4,123,345,000		−870,646,000
H.R. 9076	Public works	4,000,788,000	Sept. 20	3,940,926,880	Sept. 23	3,940,926,880	−59,861,120	+278,225,500		3,908,880,980		−91,907,020
H.R. 9169	Supplemental	1,134,639,841	Sept. 22	1,060,894,578	Sept. 26	1,068,503,903	−66,135,938	+495,462,980		1,125,333,341		−9,306,500
	Total, 1962 appropriations	85,634,210,926		85,244,084,873		85,243,260,198	−390,950,728	+7,347,239,510		[4] 84,265,217,636		−1,368,993,290
	Total, all appropriations	91,597,448,053		90,653,936,843		90,527,894,168	−1,069,553,885	+11,181,153,361		[4] 86,606,487,273		[1] −4,990,960,780
	Total, loan authorizations	(636,600,000)		(754,500,000)		(754,500,000)	(+117,900,000)	(+95,600,000)		(754,500,000)		(+117,900,000)

[1] Major reductions include 2 items submitted directly to Senate (S. Doc. 19): (1) $2,969,525,000 to restore funds of Commodity Credit Corporation. Entire estimate disallowed in conference; $1,951,915,000 resubmitted for 1962 in budget estimates for Agriculture (H. Doc. 155); (2) $490,000,000 for "Payment to the Federal extended compensation account." Reduction made by Senate. Resubmitted to Senate for 1962 in Labor-HEW bill (S. Doc. 30).

[2] Includes borrowing authority as follows: Budget estimate, $15,000,000; House reported and passed, $10,000,000; Senate reported and passed, $10,000,000.

[3] Does not reflect comparability adjustments of $11,500,000 due to substitution of direct appropriations for borrowing and contract authority. Actual reduction is $150,004,000.

[4] In addition, permanent appropriations (interest on the debt is by far the largest item) recurring under basic law and not requiring annual action by Congress were estimated at $9,188,000,000 in the January budget. This estimate is subject to some revision—probably slightly upward.

NOTE.—Indefinite appropriations in the bills are included in this table.

BACK-DOOR APPROPRIATIONS AND PROVISIONS

The Senate not only insistently continues to increase the regular appropriation bills, but now originates appropriations through back-door appropriations. In this session back-door spending exceeded all previous records.

The requests in 11 identified back-door bills of the session total $28,670 million. The other body originated or concurred to the extent of $27,196 million. The back-door totals of the House aggregate $19,561 million.

Final amounts aggregated the staggering total of $19,673 million.

I include the most authoritative compilation available of the identified back-door provisions of this session:

New authority to obligate the Government carried in identified legislative bills, 1st sess., 87th Cong.

PUBLIC DEBT BORROWING, CONTRACT AUTHORITY, USE OF RECEIPTS, AND AUTHORITY TO USE EXISTING AUTHORITY

[Please note that for some bills no amounts are shown; thus the grand totals understate the situation]

Bill and subject	Executive requests		Senate	House	Enacted	Enacted compared with executive requests—	
	Full basis	Basis comparable to enacted				Full basis	Comparable basis
1. Veterans' direct loans, multiyear (H.R. 5723; Public Law 87-84) (public debt)	[1]	[1]	$1,050,000,000	$1,050,000,000	$1,050,000,000	+$1,050,000,000	+$1,050,000,000
2. Area redevelopment, multiyear (S. 1; Public Law 87-27) (public debt)	[2] ($300,000,000)	[2] ($300,000,000)	[3] 300,000,000	[3] (300,000,000)	[3] 300,000,000	+300,000,000	+300,000,000
3. Agricultural commodities, sales for foreign currencies, for calendar year 1961 (S. 1027; Public Law 87-28) (contract authority involving subsequent reimbursement of CCC)	[4] 2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000		
4. Special milk program for fiscal year 1962 (S. 146; Public Law 87-67) (contract authority involving subsequent reimbursement of CCC)	[5] 105,000,000	[5] 105,000,000	105,000,000	105,000,000	105,000,000		
5. Special feed grain program for 1961 (H.R. 4510; Public Law 87-5) (contract authority involving subsequent reimbursement of CCC)	[6]	[6]	[6]	[6]	[6]		
6. Housing Act of 1961, multiyear (S. 1922; Public Law 87-70) (Public debt and contract authority):							
(a) FNMA, special assistance (public debt)	750,000,000	750,000,000	750,000,000	[7] 1,550,000,000	[7] 1,550,000,000	+800,000,000	+800,000,000
(b) College housing loans (public debt)	1,350,000,000	1,000,000,000	1,350,000,000	1,200,000,000	[8] 1,200,000,000	−150,000,000	+200,000,000
(c) Public facility loans (public debt)	50,000,000	50,000,000	50,000,000	500,000,000	450,000,000	+400,000,000	+400,000,000
(1) Mass transportation loans (public debt)			100,000,000		50,000,000	+50,000,000	+50,000,000
(d) Urban renewal grants (contract authority)	[9] 2,500,000,000	[9] 2,500,000,000	[9] 2,500,000,000	[9] 2,000,000,000	[9] 2,000,000,000	−500,000,000	−500,000,000
(e) Public housing (contract authority):							
(1) Annual contributions	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000		
(2) Demonstration grants	[11] (10,000,000)	[11] (10,000,000)	[11] (10,000,000)		[11] 5,000,000	+5,000,000	+5,000,000
(f) Open space land grants (contract authority)	[12] (100,000,000)	[12] (100,000,000)		[12] (100,000,000)	[12] 50,000,000	+50,000,000	+50,000,000
(g) Mass transportation demonstration grants (contract authority)	[13] (10,000,000)	[13] (10,000,000)	[13] (50,000,000)		[13] (25,000,000)	(+15,000,000)	(+15,000,000)
(h) Farm housing loans (public debt)	[14] 207,000,000	[14] 207,000,000	[14] 207,000,000	[14] 407,000,000	[14] 407,000,000	+200,000,000	+200,000,000
Total, housing bill	8,003,000,000	7,653,000,000	[15] 8,103,000,000	8,803,000,000	8,858,000,000	+855,000,000	+1,205,000,000
Loans	(2,357,000,000)	(2,007,000,000)	(2,457,000,000)	(3,657,000,000)	(3,657,000,000)	(+1,300,000,000)	(+1,650,000,000)
Grants	(5,646,000,000)	(5,646,000,000)	(5,646,000,000)	(5,146,000,000)	(5,201,000,000)	(−445,000,000)	(−445,000,000)
7. Cape Cod National Seashore Park (S. 857; H.R. 5786; Public Law 87-126) (contract authority)	[16] (16,000,000)	[16] (16,000,000)	16,000,000	[16] (16,000,000)	[16] (16,000,000)		
8. Federal aid to airports, 5 years (H.R. 6580; S. 1703; H.R. 8102) (contract authority)	375,000,000	225,000,000	375,000,000	[16] (375,000,000)	[17] (225,000,000)	−375,000,000	−225,000,000
9. Mutual security loans, 5 years (H.R. 8400; S. 1983; Public Law 87-195) (public debt borrowing, use of certain repayments, and contract authority):							
(a) Public debt borrowing for development loans	7,300,000,000	7,300,000,000	7,987,000,000	[18]	[19] (7,200,000,000)	−7,300,000,000	−7,300,000,000
(b) Use of receipts from old loans for development loans	[20] 1,487,000,000	[20] 1,487,000,000				−1,487,000,000	−1,487,000,000
(c) Drawdown on Defense stocks and services for military assistance purposes (Defense can incur obligations in anticipation of reimbursement) (sec. 510)	400,000,000	400,000,000	200,000,000	400,000,000	300,000,000	−100,000,000	−100,000,000
(d) Use of foreign currencies (House, sec. 611; Senate, sec. 612)	[21]	[21]	[21]	[21]	[21]		
Total, mutual security	9,187,000,000	9,187,000,000	8,187,000,000	400,000,000	300,000,000	−8,887,000,000	−8,887,000,000
10. Highway Act of 1961 (H.R. 6713; Public Law 87-61) (diversion of general fund revenues to "trust" fund; contract authority):							
(a) Diversion of ⅓ of 10 percent tax on trucks, buses, and trailers [22]			1,660,000,000	1,803,000,000	1,660,000,000	+1,660,000,000	+1,660,000,000
11. Agricultural Act of 1961 (H.R. 6400; H.R. 8230; S. 1983; Public Law 87-128):							
(a) 1962 wheat program (use of CCC funds involving subsequent reimbursement of CCC)			[6]	[6]	[6]		
(b) 1962 feed grain program (contract authority and use of CCC funds involving subsequent reimbursement of CCC)			[6]	[6]	[6]		
(c) Agricultural commodities, sales for foreign currencies (contract authority involving subsequent reimbursement of CCC)	[23] 7,500,000,000	[23] 4,500,000,000	[23] 4,500,000,000	[23] 4,500,000,000	[23] 4,500,000,000	−3,000,000,000	

See footnotes at end of table.

New authority to obligate the Government carried in identified legislative bills, 1st sess., 87th Cong.—Continued

PUBLIC DEBT BORROWING, CONTRACT AUTHORITY, USE OF RECEIPTS, AND AUTHORITY TO USE EXISTING AUTHORITY

[Please note that for some bills no amounts are shown; thus the grand totals understate the situation]

Bill and subject	Executive requests		Senate	House	Enacted	Enacted compared with executive requests—	
	Full basis	Basis comparable to enacted				Full basis	Comparable basis
11. Agricultural Act of 1961 (H.R. 6400; H.R. 8230; S. 1983: Public Law 87-128)—Continued							
(d) Famine relief (contract authority involving subsequent reimbursement of CCC)	[24] $1,500,000,000	[24] $900,000,000	[24] $900,000,000	[24] $900,000,000	[24] $900,000,000	−$600,000,000	
Total, Agricultural Act	9,000,000,000	5,400,000,000	5,400,000,000	5,400,000,000	5,400,000,000	−3,600,000,000	
Grand total (as to amounts listed)	28,670,000,000	24,570,000,000	27,196,000,000	19,561,000,000	19,673,000,000	−8,997,000,000	−$4,897,000,000

[1] Department endorsed need for some legislation, but no specific request was submitted by the administration. Bill extends over 6 years.
[2] Recommended usual-type authorization of appropriation to 3 revolving funds plus use of receipts derived from operations. House concurred.
[3] For 3 revolving funds plus use of receipts derived from operations.
[4] For calendar year 1961 only (to a total of $3,500,000,000).
[5] Originally submitted as part of the general farm bill, to be financed in this manner for fiscal 1962 and thereafter through the more usual annual advance appropriation.
[6] Amounts not precisely determinable.
[7] Basis for this figure is set out on pp. 54-55, H. Rept. 447.
[8] For 4-year period; full executive request and Senate bill were for 5-year period.
[9] For 4-year period.
[10] Represents estimated maximum cost of annual contributions for 100,000 units of public housing to be paid out over period 40 to 45 years. See pp. 55-56, H. Rept. 447.
[11] Regular authorization for appropriation in Executive request and Senate bill. House bill made no provision. Bill changed at conference stage to contract authority.
[12] Regular authorization for appropriation. Senate bill made no provision. Bill changed at conference stage to contract authority.
[13] Part of, and included in, item 6(d), urban renewal grant authority.
[14] Executive request and Senate bill proposed a 5-year extension of availability of the uncommitted balance of previous authority otherwise due to expire on June 30, 1961. (Amount variously estimated at $267,000,000 to $235,000,000; actually turned out to be $227,612,000). House bill and final version extend such balance and add $200,000,000 additional—limited, however, to a 4-year period. See pp. 57-58, H. Rept. 447.
[15] Excludes $1,200,000,000 carried in Senate bill for veterans direct loans inasmuch as the program is also accounted for in the first bill listed in tabulation.
[16] Regular authorization for appropriation.
[17] Changed to 3-year period.
[18] Usual form of appropriation authorization—$1,200,000,000 for fiscal 1962 only.
[19] Authorizes this amount to be appropriated over 5 years, 1962-66, but confers authority on the President to make agreements "committing" such appropriation authorizations, "subject only to the annual appropriation of such funds."
[20] Officially estimated at $287,000,000 for 1962 and $300,000,000 for each succeeding year.
[21] Precise amounts not identified.
[22] While technically this is not "New authority to obligate the Government," it has the same effect insofar as general budget totals and results are concerned in that it is, in final effect, the same as an expenditure from the general fund. Amounts shown taken from p. 12, S. Rept. 367. "New authority to obligate the Government" carried in the law, and requested, is $11,560,000,000 for the interstate program over the period through 1972; but it is against the highway "trust" fund, not the general fund. Not shown here are the executive proposals (1) to increase new obligating authority for the A-B-C program; (2) to shift financing of forest and public land highways from the general fund to the "trust" fund; and (3) to redivert aviation gas tax revenues from the "trust" fund to the general fund. They are not shown because action was postponed to a later time.
[23] Enacted and Senate bills for 3 calendar years 1962-64. Full executive request was 5 years 1962-66. House was for 3 years 1962-64 with no limit, but in order to avoid gross distortion of totals and comparisons, $4,500,000,000 is arbitrarily inserted.
[24] Full executive request was for 5 calendar years 1962-66. Senate, House, and enacted are for 3 calendar years 1962-64.

RECORDBREAKING 1962 BUDGET

Mr. Speaker, all fiscal recommendations start with the President. This session's appropriations were based largely on the January budget of the previous administration as amended by the present administration. As originally submitted in January, the budgets for both fiscal years 1961 and 1962 appeared optimistic in the extreme, especially as to revenue assumptions. They were balanced by including untenable assumptions and contingencies as documented in the RECORD of January 16.

The razor-thin estimate of a $79 million surplus for fiscal year 1961 was premised on enactment, by April 1, 1961, of a proposed postage rate increase. That one item of $160 million converted a certain deficit to a paper surplus. The postal increase did not materialize.

It also assumed budget receipts in fiscal 1961 of $79 billion, but only $77,577 million was collected. That must be charged to unwarranted budgetary predictions by the previous administration obviously erroneous as the fiscal year was more than half completed when the changeover was made.

That budget, as to both fiscal years 1961 and 1962, violated every rule of prudence in not allowing clear safety margins as a hedge against overestimates and as provision for unforeseen national defense measures which have since materialized.

It again proposed, like every budget since the war, another extension of the Korean war tax rates 8 years after the close of the war.

It also proposed new and additional taxes, a higher tax on gas, and a new jet fuel tax.

It was a record-breaking budget in several respects.

It proposed, for 1962, the highest tax take in any year, either in time of war or peace, since the beginning of the Republic.

It proposed record peacetime spending.

It proposed an all-time high for our mushrooming national debt.

It proposed record spending for nondefense items.

There would not have been a single budget surplus in any of the last 8 years if war taxes had not been continued. Without extension of war taxes and additional proposed revenue legislation, the 1962 budget received in January was in the red by at least $3 billion as shown in the RECORD of last January 16.

THE LAST 8 YEARS

Mr. Speaker, fiscal year 1961 closed last June 30 and with it the books were closed on the 8 fiscal years 1954–61 under the stewardship of the previous administration. The trial balance has been struck. And the books are dangerously out of balance. The business of the U.S. Government operated at a loss. Income is down. Expenses are up. Assets are impaired and debts are higher.

The balance sheet shows that in these 8 years of record national income and tax take we still lost $22 billion. We took in more, but we spent it and borrowed more—and spent that.

In consequence, we owe more than ever before. We not only have not paid anything on account, we have hiked the debt.

And in doing that we have hiked and rehiked the cost of living and lowered and relowered the purchasing power of the dollar. The result is more dollars that buy less and less. And families that live more meagerly. We are appropriating more and more for nondefense items—money we do not have for things we could get along without.

In consequence, we are ill prepared to defend ourselves and lacking in the self-discipline to do anything about it. As a prominent leader so accurately said only last year:

> We have to recognize that there are two things that this country, rich though it is, powerful though it is, simply cannot afford: We cannot afford an atomic war, and we cannot afford a debasement of our currency.

Mr. Speaker, who, in the face of the current machinations of the Kremlin, our ever-increasing debt, the ever-decreasing purchasing power of the dollar, and the ever-increasing loss of gold—who can deny that we face both prospects?

At the very heart of our national finances is a simple, inescapable fact, easily grasped by every Member, and easily understood by everyone else, including Khrushchev. It is that our Government—any government—like individuals and families, cannot spend and spend more than they take in without courting disaster. With governments, continued deficits and inflationary spending inevitably lead to debasement of currency. That is an inescapable lesson of history.

Statistics indicate that in 1949, Federal budget spending was 15.3 percent of the gross product. In 1961, it is 15.8 percent.

From 1949 to 1961, the gross product increased exactly 100 percent. In the

same period, Federal budget spending slightly outdistanced that, increasing 106 percent. In the same period, the net Federal budget deficit was $36,800 million. The Federal debt increased by $36,200 million to a total of $289 billion.

The cost of living in the same period increased by 24 percent.

And the buying power of the dollar dropped 20 percent. This is something every family can understand.

Here are the figures:

Gross national product, budget expenditures, surplus or deficit, public debt, price index, and value of dollar, 1949–61

[In billions of dollars where applicable]

Year	GNP in the current prices	GNP in 1960 prices	Net budget expenditures (fiscal year)	Budget expenditures as percent of GNP	Surplus or deficit (fiscal year)	Federal public debt (end of fiscal year)	Consumer Price Index 1947-49=100	Purchasing value of dollar 1939=100 cents
1949	258.1	334.2	39.5	15.3	−1.8	252.8	101.8	58.3
1950	284.6	362.3	39.5	13.9	−3.1	257.4	102.8	57.8
1951	329.0	391.8	44.0	13.4	+3.5	255.2	111.0	53.5
1952	347.0	406.6	65.3	18.8	−4.0	259.1	113.5	52.3
1953	365.4	425.2	74.1	20.3	−9.4	266.1	114.4	51.9
1954	363.1	416.6	67.5	18.6	−3.1	271.3	114.8	51.7
1955	397.5	449.6	64.4	16.2	−4.2	274.4	114.5	51.9
1956	419.2	459.1	66.2	15.8	+1.6	272.8	116.2	51.1
1957	442.8	467.6	69.0	15.6	+1.6	270.5	120.2	49.4
1958	444.5	459.9	71.4	16.1	−2.8	276.3	123.5	48.1
1959	482.8	491.0	80.3	16.6	−12.4	284.7	124.6	47.7
1960	504.4	504.4	76.5	15.2	+1.2	286.3	126.5	47.0
1961	[1] 516.1	[1] 510.1	81.5	15.8	−3.9	289.0	127.6	46.6
1949–61	+100%	+52%	+106%		−36.8	+36.2	+24%	−20%

[1] 2d quarter annual rate.

BUDGET RECEIPTS AND EXPENDITURES

Mr. Speaker, in partial substantiation of statements made, increased spending in the last 8 years, fiscals 1954–61, and the latest tentative estimates for the current fiscal year 1962—and these latter ones are subject to further refinement—are shown in the following trial balance taken directly from official Treasury and budget statements.

As will be noted we spent in the 8 years $22 billion more than our revenues. The shortage was covered by borrowing.

Also, in the fiscal year 1961 just closed, we spent as much as was expended in the first 135 years of the Republic.

The tables show that in these last few years we have enjoyed the highest national revenues, in war or peace, of any nation on earth—in all recorded time and yet have gone steadily deeper in debt.

Since January, the tax collector, working diligently bringing in these unprecedented billions, still failed to get enough to cover expenses. The Treasury has been going further in the red $1 million every hour since the turn of the year.

Net budget receipts, expenditures, and deficit (−) or surplus (+), 8 years 1954–61

[In billions of dollars]

Fiscal year	Net budget receipts	Net budget expenditures	Deficit (−) or surplus (+)	Public debt, beginning of year
Fiscal 1954 (from July 1953)	64.4	67.5	−3.1	266.1
Fiscal 1955	60.2	64.4	−4.2	271.3
Fiscal 1956	67.8	66.2	+1.6	274.4
Fiscal 1957:				
(a) With highway trust fund	72.0	69.8	+2.2	
(b) Without it	70.6	69.0	+1.6	272.8
Fiscal 1958:				
(a) With highway trust fund	70.6	72.9	−2.3	
(b) Without it	68.6	71.4	−2.8	270.5
Fiscal 1959:				
(a) With highway trust fund	70.0	83.0	−13.0	
(b) Without it	67.9	80.3	−12.4	276.3
Fiscal 1960:				
(a) With highway trust fund	80.3	79.5	+0.8	
(b) Without it	77.7	76.5	+1.2	284.7
Fiscal 1961:				
(a) With highway trust fund	80.5	84.2	−3.7	
(b) Without it	77.6	81.5	−3.9	286.3
Totals, 8 years:				
(a) With highway trust fund	565.8	587.5	−21.7	
(b) Without it	554.8	576.8	−22.0	
Fiscal 1962 (latest official executive estimates of July 26, 1961), subject to revision:				
(a) With highway trust fund	[1] 85.7	[1] 90.9	−5.2	
(b) Without it	82.4	87.7	−5.3	[2] 289.0

[1] For the highway trust fund, unrefined January budget figures are used.

[2] Debt limit for fiscal 1962 is $298,000,000,000.

THE FEDERAL PUBLIC DEBT

The public debt is at an alltime high. This morning's Treasury statement shows the arresting figure of $292,841,381,980.94.

The peak in World War I was $26,596,701,648.01.

The peak in World War II was $279,213,558,897.10. Most of our debt up to 1947 was unavoidably accumulated through war expenditures.

The lowest postwar debt was $251,530,468,254.82 on April 30, 1949. We were making progress in paying off the war debt.

The debt on January 2, 1953, when the previous administration took office, was $267,393,784,247.66.

Eight years later, January 3, 1961, on the eve of relinquishment of office, the national debt had climbed to $290,174,764,757.12 as a result of spending beyond record national tax revenues, primarily for nondefense purposes. That is what happened in 8 years. The increase of $22,780,980,509.46 in 8 years equals the national debt accumulated in the first 130 years of the Republic.

As a result, the Federal public debt on August 31 last represented a mortgage of $1,595 against every living American. If State and local debts are included, the per capita mortgage debt approximates $2,000—or $8,000 for the average family of four.

Appraised on a fiscal year basis, the debt was $266,071,061,638.57 on June 30, 1953, when they assumed full fiscal year responsibility. On June 30, 1961, it was $288,970,938,610.05, an increase of $22,899,876,971.48.

Revision of the old debt ceiling of $275 billion has been reduced to an annual routine gesture. It has been raised 8 years in succession and now stands at $298 billion. It will have to be raised again if the budget is not decisively balanced.

We have tried for years to stabilize the debt and convert more of it from short-term bills and notes to longer term bonds. But they have not succeeded and will not succeed until financial stability is restored. The debt is on a treadmill. Instead of lengthening the average maturity, it has been further shortened. Approximately $80 billion comes due and must be refunded this year. That situation will obtain so long as we keep spending more than we take in.

It has reached the point where merely the interest, the carrying cost on the debt, now amounts to $8,600 million. Reduced to simple terms, the annual interest amounts to $23,561,000 a day; $16,362 every minute of every hour of every day and every night of the year. Only 23 years ago expenditures for the entire Government were less than it costs today for carrying charge on the debt.

Average length and maturity distribution of marketable interest-bearing public debt [1]

[In millions of dollars]

End of fiscal year or month	Amount outstanding	Maturity classes					Average length	
		Within 1 year	1 to 5 years	5 to 10 years	10 to 20 years	20 years and over	Years	Months
1953	147,335	65,270	36,161	15,651	28,662	1,592	5	4
1960	183,845	70,467	72,844	20,246	12,630	7,658	4	4
1961	187,148	81,120	58,400	26,435	10,233	10,960	4	6
1961—January	189,320	75,613	70,836	18,684	13,211	10,976	4	6
February	189,919	80,054	67,007	18,683	13,203	10,973	4	6
1961 March	186,520	76,622	61,007	27,658	10,262	10,970	4	7
April	188,147	78,731	60,541	27,654	10,254	10,968	4	6
May	188,893	78,896	62,349	26,438	10,245	10,965	4	6
June	187,148	81,120	58,400	26,435	10,233	10,960	4	6

[1] All issues classified to final maturity except partially tax-exempt bonds, which are classified to earliest call date.

Source: Office of Debt Analysis in the Office of the Secretary.

DEFENSE AND NONDEFENSE SPENDING

Perhaps the most common misconception about these ever increasing expenditures is that they are necessitated by defense and security considerations. But we have repeatedly demonstrated otherwise. The House, the press, and the country are increasingly aware that it is the nondefense expenditures that unbalance the budgets; that increase the deficits; that expand the national debt; that inflate the cost of living; that rob the dollar of its buying power; that make long-term Treasury bonds hard to sell; that encourage other nations to demand gold rather than dollars in payment for exports and services.

The following tabulation of official figures show in summary:

In fiscal 1961 closed June 30 last, major national security spending was only $500 million more than spent in fiscal 1954, but other expenditures were up $16,200 million—an increase of 81 percent in 8 years.

Assuming materialization of present tentative official estimates for the current fiscal year 1962, major national security spending, as recently accelerated, would be only $4,200 million above fiscal 1954 but nondefense items would reach the incredible sum of $19,200 million above what was spent in 1954—up 93 percent. Borrowing money in time of national peril for things we could get along without or at least should amortize as we go, instead of loading more debt on future generations not here to call us to account for such irresponsibility, is indefensible.

Net budget expenditures—Defense and nondefense

[In billions]

Fiscal year	Major national security		All other programs		Total net budget expenditures	
	Defense, military	Total	As per budget	Including highway trust fund	As per budget	Including highway trust fund
Fiscal 1953 (Korean war year)	$43.6	$50.4	$23.7	$23.7	$74.1	$74.1
Fiscal 1954 (beginning July 1953)	40.3	46.9	20.6	20.6	67.5	67.5
Fiscal 1955	35.5	40.6	23.8	23.8	64.4	64.4
Fiscal 1956	35.8	40.6	25.6	25.6	66.2	66.2
Fiscal 1957	38.4	43.3	25.7	26.5	69.0	69.8
Fiscal 1958	39.1	44.1	27.3	28.8	71.4	72.9
Fiscal 1959	41.2	46.4	33.9	36.6	80.3	83.0
Fiscal 1960	41.2	45.6	30.9	34.0	76.5	79.6
Fiscal 1961 (to July 1961)	43.2	47.4	34.1	36.8	81.5	84.2
Comparisons:						
(a) Increases during last 8 fiscal years (1954-61)	+2.9	+.5	[2] +13.5	[4] +16.2	+14.0	[1] +16.7
(b) 1961 over last war year (1953)	−.4	−3.0	+10.4	+13.1	+7.4	[3] +10.1
Fiscal 1962 (latest official executive estimates of July 26, 1961), subject to revision, probably upward	46.6	51.1	36.6	[7] 39.8	87.7	[7] 90.9
Comparisons:						
1962 tentative figures compared with last year (1961)	+3.4	+3.7	+2.5	+3.0	+6.2	+6.7
1962 tentative figures compared with 1954	+6.3	+4.2	[5] +16.0	[6] +19.2	+20.2	+23.4

[1] Represents 25-percent increase, 1961 over 1954.
[2] Represents 13-percent increase over war year of 1953.
[3] Represents 65-percent increase over 1954.
[4] Represents 81-percent increase over 1954.
[5] Represents 80-percent increase over 1954.
[6] Represents 93-percent increase over 1954.
[7] Includes $3,200,000,000 for the highway fund, as shown in January budget.

NOTE.—Highway trust fund began with fiscal year 1957.

COST OF LIVING—VALUE OF THE DOLLAR

The official cost-of-living barometer reaches a new high-water mark practically every 30 days. The latest peak is a new high. And the value of the dollar drops—it also hit a new low of 46.4 cents.

I include a chart which discloses the inevitable inflationary results of spending beyond income.

Consumers Price Index and purchasing power of the dollar

	Consumer Price Index (1947–49=100)		Purchasing power of the dollar [1] (calendar year 1939=100 cents)
	All items	Foods	
Years:			
1939	59.4	47.1	100.0
1940	59.9	47.8	99.2
1941	62.9	52.2	94.4
1942	69.7	61.3	85.2
1943	74.0	68.3	80.3
1944	75.2	67.4	79.0
1945	76.9	68.9	77.2
1946	83.4	79.0	71.2
1947	95.5	95.9	62.2
1948	102.8	104.1	57.8
1949	101.8	100.0	58.3
1950	102.8	101.2	57.8
1951	111.0	112.6	53.5
1952	113.5	114.6	52.3
1953	114.4	113.8	51.9
1954	114.8	112.6	51.7
1955	114.5	110.9	51.9
1956	116.2	111.7	51.1
1957	120.2	115.4	49.4
1958	123.5	120.3	48.1
1959	124.6	118.3	47.7
1960	126.5	119.7	47.0
Selected months:			
1946—June	79.8	72.1	74.4
1950—June	101.8	100.5	58.3
1957—December	114.1	113.8	52.1
1958—December	123.7	118.7	48.0
1959—December	125.5	117.8	47.3
1960—June	[2] 126.5	120.3	47.0
July	[2] 126.6	120.6	46.9
August	126.6	120.1	46.9
September	[2] 126.8	120.2	46.8
October	[2] 127.3	120.9	46.7
November	[2] 127.4	121.1	46.6
December	[2] 127.5	121.4	46.6
1961—January	127.4	121.3	46.6
February	127.5	121.4	46.6
March	127.5	121.2	46.6
April	127.5	121.2	46.6
May	127.4	120.7	46.6
June	[2] 127.6	120.9	46.6
July	[2] 128.1	122.0	46.4

[1] As measured by the BLS Consumer Price Index.
[2] New record high.

Office of the Secretary of the Treasury, Office of Debt Analysis, Aug. 25, 1961.

TENUOUS U.S. GOLD POSITION

Foreign creditors have sharply reminded us in language we ought to understand, and heed, that if we do not show more respect for our once peerless dollar we are courting fiscal chaos. From January 1958 to January 1961 they demanded over $5 billion in gold in lieu of dollars. The precipitate outflow of gold in the last 6 months of the calendar year 1960 has abated but we are still losing. The situation has dropped from the headlines but it remains extremely tenuous. The question is, with these recurring deficits and the further erosion in the value of the

dollar, when will the outflow resume momentum?

On June 30, 1961, our supply of gold at Fort Knox was down to $17,600 million of which $11,400 million was legally reserved as backing for our currency and deposits at the rate of 25 cents on the dollar. That leaves a margin of only $6,200 million to cover possible foreign claims of $18,900 million—three times the margin. What recourse will we have if foreign holders of dollars demand gold?

I include these statistics in elaboration:

Gold assets of the United States

Date or period	Assets	Change during the year or month
Dec. 31, 1957	$22,780,675,342	
Dec. 31, 1958	20,534,104,913	−$2,246,570,429
Dec. 31, 1959	19,456,135,794	−1,077,969,119
Dec. 30, 1960	17,766,797,708	−1,689,338,086
Decline in gold holdings in 3 years, 1958-60		−5,013,877,634
Trends during calendar year 1960:		
1st 6 months (to July 1, 1960)	19,322,069,926	(−134,065,868)
2d 6 months (to Dec. 30, 1960)	17,766,797,708	(−1,555,272,218)
Aug. 31, 1961 (8 months of calendar 1961)		−$315,754,358
Trends during calendar year 1961:		
Jan. 31, 1961	$17,440,954,133	(−325,843,575)
Feb. 28, 1961	17,372,724,944	(−68,229,189)
Mar. 31, 1961	17,387,999,932	(+15,274,988)
Apr. 28, 1961	17,389,617,266	(+1,617,334)
May 31, 1961	17,403,054,122	(+13,436,856)
June 30, 1961	17,550,069,960	(+147,015,838)
July 31, 1961	17,526,867,491	(−23,202,469)
Aug. 31, 1961	17,451,043,350	(−75,824,141)

Source: Daily Treasury Statement.

Our tenuous gold position

[In billions of dollars]

End of calendar year—	U.S. gold stock	Gold stock (above required 25-percent backing for currency and deposits)	Possible foreign claims	Potential shortage of gold
1957	$22.9	$10.8	$14.9	$4.1
1958	20.6	8.5	15.6	7.1
1959	19.5	7.3	17.7	10.4
1960	17.8	6.1	18.8	12.7
3-year change	−5.1	−4.7	+3.9	+8.6
January 1961	17.5	6.2	18.4	12.2
February 1961	$17.4	$6.2	$18.4	$12.2
March 1961	17.4	6.1	18.7	12.5
April 1961	17.4	6.2	18.4	12.2
May 1961	17.5	6.4	18.6	12.2
June 1961	17.6	6.2	18.9	12.7
Change, December 1957–June 1961	−5.3	−4.6	+4.0	+8.6

Source: Department of Commerce.

U.S. balance of payments deficits

[Millions of dollars]

Period	U.S. receipts (recorded)		U.S. payments (recorded)					Balance on recorded transactions (net payments (−) or receipts (+))	Unrecorded transactions—errors and omissions (net receipts)	Increase in foreign gold and recorded liquid dollar assets through transactions with the United States
	Exports of goods and services	Foreign long-term capital (net)	Imports of goods and services	U.S. grants and capital (net)						
				Total [1]	U.S. Government grants and capital	Private capital				
						Total	Direct			
1953	17,081	206	16,644	3,041	2,055	369	721	−2,398	296	−2,102
1954	17,949	244	16,088	3,788	1,554	1,619	664	−1,683	167	−1,516
1955	20,003	346	17,937	4,007	2,211	1,211	779	−1,595	446	−1,149
1956	23,705	530	19,829	6,017	2,362	2,990	1,859	−1,611	643	−968
1957	26,733	361	20,923	6,451	2,574	3,175	2,058	−280	748	+468
1958	23,325	24	21,053	6,153	2,587	2,844	1,094	−3,857	380	−3,477
1959	23,709	555	23,537	[2] 5,152	[2] 1,986	2,375	1,372	−4,425	528	−3,897
1960	27,300	297	23,327	7,454	2,750	3,856	1,094	−3,184	−648	−3,832
	Seasonally adjusted annual rates									
1960—1st quarter	26,260	748	23,700	5,896	2,328	2,776	1,376	−2,588	132	−2,456
2d quarter	27,312	600	24,096	6,072	2,780	2,440	1,040	−2,256	−568	−2,824
3d quarter	27,416	92	23,496	7,588	2,420	4,340	1,624	−3,576	−848	−4,424
4th quarter	28,212	−252	22,016	10,260	[3] 3,472	[4] 5,868	[4] 2,736	[3 4] −4,316	−1,308	[3 4] −5,624
1961—1st quarter	28,380	476	21,912	8,308	3,548	3,920	1,860	−1,364	212	−1,152
2d quarter [5]	27,160	[6]	22,040	[6]	[6]	[6]	[6]	[6]	[6]	[7] +800

[1] Includes remittances and pensions not shown separately.
[2] Excludes $1,375,000,000 increase in U.S. subscription to International Monetary Fund.
[3] Includes U.S. subscription to International Development Association of $74,000,000 ($296,000,000 at annual rate).
[4] Includes single direct investment transaction of $370,000,000 ($1,480,000,000 at annual rate).
[5] Preliminary; not charted.
[6] Not available.
[7] Includes special debt repayment on U.S. Government loans of $650,000,000 ($2.6 billion at annual rate).

NOTE.—Data exclude goods and services transferred under military grants.

Source: Department of Commerce.

Time is running out. All but essential expenditures should be deferred until a more propitious time.

Mr. Speaker, when Congress votes to spend more the Government must sell more bonds to finance the increased spending.

First. When Congress votes to spend more than we take in, the dollar depreciates. Your money buys less.

Second. When Congress votes more money, the cost of living goes up for every family in America. Prices increase in every store.

Third. When Congress votes more money it is harder to get a loan. And interest is higher.

Fourth. When Congress votes to spend more your savings are worth less. Your old age will be harder than you expected.

Fifth. When Congress votes to spend for things we have been doing without and can continue to do without, your life insurance will do less for your family and your fire insurance will not build your house back.

Sixth. When Congress keeps on voting to spend more your pension will not support you as well, and your social security will not provide as much security.

Seventh. When Congress votes to issue more bonds and borrow more money, gambling on Wall Street grows more frenzied and the crash is that much nearer.

Eighth. When Congress keeps on spending after we have used up all our income, inflation burns higher and you have less confidence in Congress and the Government.

Ninth. When Congress keeps on spending, taxes must go up instead of down.

Tenth. When Congress spends and spends our allies lose faith and want to compromise with the enemy. Our enemies gain confidence and refuse to disarm.

Eleventh. When Congress spends for nondefense pressure groups, war is nearer. Khrushchev is just waiting until Congress spends us into bankruptcy.

Every time Congress votes to spend a dollar we do not have for things we can get along without, they are voting you and your family and your Nation into greater danger and shorter rations.

Time is running out.

THE 1ST SESSION OF THE 87TH CONGRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the 1st session of the 87th Congress is about to close. Without now going into detail as to its accomplishments, this session will compare most favorably with any first session of any preceding Congress. This is not an occasion for any observations that might be considered political or controversial of any nature. The first session of this Congress met at a time and at a tense and trying period in the history of this world era. Confining myself to the field of national defense and foreign policy, this Congress has cooperated effectively with President Kennedy in providing funds for greater national defense and supported the President in a firm foreign policy. The Members can go home with the knowledge of a job well done.

In the temporary absence of Speaker RAYBURN and acting for him, I convey to you the sincere thanks of the Speaker for the many considerations you have shown him, and I say this without regard to party affiliation. I extend the Speaker's thanks to the leadership on both sides of the aisle, to CARL ALBERT, Democratic whip and now acting majority leader, the duties of which position he has performed in a superb manner; and to the able and understanding leaders of the Republican Party, CHARLIE HALLECK and LES ARENDS.

The health of Speaker RAYBURN, thank God, is improving and I know I express the thoughts of all of my colleagues when I send to Speaker RAYBURN the message that we are looking forward to next January when he will be back with us again. Without regard to our party affiliation, we are all proud of Speaker RAYBURN, one of the greatest Americans in our country's history.

As a Member of the House, but particularly as majority leader, I express my sincere thanks to each and every one of you for the many kindnesses to me. On the leadership level, I am most grateful to CHARLIE HALLECK and LES ARENDS, my Republican friends, for their understanding cooperation, and to CARL ALBERT for the great support he has constantly given to Speaker RAYBURN and to me. The three of them are leaders, real leaders living up to the high traditions of the great leaders of yesterday.

To our Chaplain, Reverend Braskamp, I express our sincere thanks for his inspirational invocations which appeal to all of us without regard to our religious convictions.

To the one and only Lew Deschler, the No. 1 parliamentarian of the world, I extend my sincere thanks as well as the thanks of the Speaker and of the leadership and the Members on both sides of the aisle for his notable contributions. What a book some qualified person could write about Lew Deschler, not only a book about the No. 1 parliamentarian of the world, but a book about his years of experience and wisdom and the powerful behind-the-scenes influence in the legislative history of our country that he has exercised for many years in the Halls of Congress.

To the other officers and employees of the House—all of them including the fine young pages who will be among the future leaders of America, I extend our thanks.

For the Speaker and myself, I wish every Member and your loved ones a happy and a restful period between now and next January.

For Speaker RAYBURN and myself, I again thank you for the considerate cooperation you have extended to us.

I have the pleasure now of conveying to the Members a personal message from Speaker RAYBURN.

About 10:30, last evening Washington time, Mrs. McCormack and I called and talked with the Speaker. We had a chat with him. The Speaker asked me to tell you that he is proud of the record that this session of the Congress has made. But I know you will all be very happy to hear the following message he asked me to give you. The Speaker asked me to tell you, and I quote:

His doctor says he is getting better every day and before many days, he will be himself again and he will be back here next January.

The Speaker also asked me to convey another personal message to the Members, and I quote:

To say, "Hello," to all the boys and the ladies in the House and he is sorry he is not with us in the closing days of this session, but he will be with us next January.

Godspeed to all of you and your loved ones.

THANKS AND APPRECIATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, may I echo the remarks of the distinguished Speaker pro tempore with reference to the achievements of the 1st session of the 87th Congress? In terms of major positive legislative enactments this session stands out as one of the most productive in recent years.

We all regret that our great and beloved Speaker is not here to participate in the closing hours of this session. We are heartened by the report that his health is improving and that he will be fit and once again at the helm when we reconvene in January. He is our captain. This House loves him.

For my own part, may I say that it has been a priceless privilege to serve under the leadership of our Speaker and our majority leader. For their confidence in me, and for their many kindnesses to me, I shall be forever grateful.

Speaking for our great leaders and certainly for myself, may I take this means of thanking Members of the House for their cooperation and for the dedicated service which they have rendered on behalf of our country. May I extend my hand across the aisle and express my appreciation to Republican Members of the House for their many acts of kindness and consideration. I want particularly to thank the distinguished minority leader, Mr. HALLECK, and the distinguished minority whip, Mr. ARENDS. They have cooperated with the majority leadership in trying to expedite the business of the House on all occasions. They are men of their word: their word is their bond. It is true that we have often had strong differences with them, particularly with respect to domestic affairs, and this is as it should be in a free parliamentary body, and in a free country.

Mr. Speaker, I think the record of this Congress will show that in all its broader aspects we have maintained our bipartisan foreign policy. I am sure, Mr. Speaker, that the record of this Congress will show, and that our enemies, actual or potential, should know that in matters of national defense we are one people; we are a united nation.

Mr. Speaker, to all the Members of the House, to the officials and employees of the House, may I say you have worked hard; you have worked long; you deserve a good rest. Thank you for a job well done.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for such time as I may need at this early hour of the morning.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. ARENDS. Mr. Speaker, I am sure I express what is in the minds of each and every Member on this side of the aisle in saying that we are indeed happy to hear that the Speaker is well on the road to recovery and will be back with us in January. He has had our prayers. We see in him a truly great man—a man devoted to the welfare of his country and one who loves this House. His greatness is attested by the fact he has served as Speaker longer than any other in the history of the country. The entire country respects him.

Let me also say for the Members on this side of the aisle that we appreciate the splendid work of the Speaker pro tempore and the acting majority leader. We have given our full cooperation on matters of defense and foreign policy. After all, we are as one as Americans in matters dealing with the security of this great Nation. To the cause of security, peace, and freedom we pledged our support, and we earnestly sought to carry it out to the best of our ability. In the field of national defense and foreign policy we have sought to demonstrate the unity of our country. That is as it should be.

I am glad we have had this unanimity of opinion. I am glad we have had this bipartisan effort. We must continue to work together in firmness for our rights and the cause of freedom, with determination to be strong and with firmness and strength preserve the peace of the world.

The Republicans thank the Speaker pro tempore and acting majority leader for their public recognition of our cooperation with them in defense and foreign policy matters.

BERGEN COUNTY SPACE-AGE WORKSHOP, 1961

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, just 2 years ago, I was privileged to report on the first aviation workshop conducted in Bergen County, N.J. At the conclution of that report, I urged that this particular endeavor be encouraged by my colleagues in all parts of the country—so that the American people would have a better understanding of the problems of aerospace power. Today I would like to report back to the Members of Congress on the progress shown in New Jersey on this most worthy program.

Sponsored again by the Bergen County Education Association and the U.S. Air Force, represented by two dedicated Air Force reservists and the New Jersey wing of the Civil Air Patrol, the second workshop was conducted in Bergen County, N.J., from February through May of this year. At the same time, another workshop was conducted in Union County, N.J., along the same pattern and with the guidance and counsel of this same group.

Like the first Bergen County space-age workshop, this second venture set a new mark for inservice training on aerospace for professional educators. Registration for the 1959 workshop was about 580; for this 1961 workshop the official registration passed 750.

As in the 1959 workshop, I was privileged to serve as honorary chairman for this 1961 program. Planning for these two workshops was started the previous summer. My report—which was published in the CONGRESSIONAL RECORD, September 14, 1959—went thoroughly into the needs and objectives of the broad program of education for our citizens, so I shall confine myself here to details of this specific activity in my district.

The workshop was comprised of 10 sessions—each of about 2 hours' duration; the sessions were held in the afternoons of alternate Wednesdays, at the Paramus High School in Paramus, N.J.

Here is the complete program:

February 15, 1961: First session, "Aviation, the Aerospace Age, and the Teacher," by Dr. Mervin K. Strickler Jr., Federal Aviation Agency, Washington, D.C.

Second session: "Astronomy in the Space Age," by Dr. Franklyn M. Branley, associate astronomer, American Museum, Hayden Planetarium, New York City.

March 1: Third session, "Biomedical Aspects of Manned Space Flight," by Dr. G. Dale Smith, staff scientist, National Aeronautics and Space Administration; "World Military Forces," by Col. Donald F. Slaughter, USA, Industrial College of the Armed Forces, Washington, D.C.

Fourth session: "Geopolitics," by Col. Joseph J. Huddleston, USAF, Industrial College of the Armed Forces.

March 15: Fifth session, "Significance of Rockets," by Dr. W. M. Mebane, secretary, Thiokol Chemical Corp., Bristol, Pa.

Sixth session, "Space Communications," by Jackson V. Michaels, Division Chief, U.S. Army Signal Research and Development Laboratory, Fort Monmouth, N.J.

March 29: Seventh session, "What Is NASA?" by James V. Bernardo, Chief, Educational Services, NASA.

Eighth session, "Observing the Weather From Meteorological Satellites," by Dr. William K. Widger, Jr., Assistant Chief, meteorological satellite program, NASA.

As the discussion groups were so well received in the first workshop, this time the program was planned to provide two full sessions for this activity: the 9th and 10th sessions, on April 12. There were 10 groups conducted for both sessions—with attendance at each ranging from 35 to 250. Each group had its own chairman—as well as an eminently qualified discussion leader. The full list of these discussion groups follows—with their subjects, chairmen and leaders:

1. "Space Age Science" (elementary level):

Chairman: Mr. Waldro Kindig, principal, Dwight Morrow High School, Englewood, N.J.

Discussion leader: Mr. Leonard Davenport, science teacher, Hofstra College, New York.

2. "Aerospace Mathematics" (secondary level):

Chairman: Mr. William Dunn, principal, Paramus High School, Paramus, N.J.

Discussion leader: Dr. Evan Maletsky, Montclair State College, Montclair, N.J.

3. "Rockets" (all grade levels):

Chairman: Dr. Gile Warren, curriculum director, Westwood High School, Westwood, N.J.

Discussion leader: Mr. Walt Oberti, test engineer, Reaction Motors, Denville, N.J.

4. "Communications in Space" (all grade levels):

Chairman: Mrs. Henrietta Miller, elementary school principal, Lodi, N.J.

Discussion leader: Mr. Raymond Fisher, New Jersey Bell Telephone Co., Newark, N.J.

5. "Astronomy" (afternoon 7–12; evening K–6):

Chairman: Mr. George Dykstra, elementary school principal, Ramsey, N.J.

Discussion leader: Mr. Dean Laux, assistant to principal, junior high school, Glen Rock, N.J.

6. "Meteorology" (all levels; two classes):

Chairmen: Mr. Donald Duff, principal, Northern Valley Regional High School, Demarest, N.J.; Mr. Emil Cavallini, supervising principal, Upper Saddle River, N.J.

Discussion leaders: Maj. Carl B. Fountain; 1st Lt. Paul Janota, USAF, McGuire Air Force Base, N.J.

7. "Problems of Space":

Chairman: Lt. Col. Margaret Dunn, New Jersey Wing, Civil Air Patrol (and high school mathematics teacher, Bloomfield, N.J.).

Discussion leader: Mr. David Anderton, technical editor, McGraw-Hill Publishing Co., New York, N.Y.

8. "Space Age Classroom Projects" (all levels):

Chairman: Miss Kathryn Stilwell, faculty member, Westwood High School, Westwood, N.J.

Teacher panel: Miss Julia Strang and Mr. Edward Tarabokea, of Ridgewood; Mrs. Judith Grief and Mr. Edward Gallagher, of Ramsey, N.J.

9. "Special Weapons" (afternoon K–6; evening 7–12).

Chairman: Mrs. Katherine E. Doyle, elementary school principal, Wood Ridge, N.J.

Discussion leader: Mr. Charles Ekstein, Chief of Antiaircraft Missile Section, Picatinny Arsenal, N.J.

Rutgers School of Ceramics also had an exhibit on display showing their part in the development of rockets and other telemetric instruments. This was under the direction of Dr. Koenig, of the Rutgers University faculty, New Brunswick, N.J.

One of the major problems in conducting a program of this nature is the procurement of qualified speakers—and supporting study literature—for the lecture and discussion sessions. My office was able to make a modest contribution to this phase of the program. We received excellent cooperation from military and civilian agencies of the Government—as well as from private industry. Particularly noteworthy was the support rendered by the Federal Aviation Agency, the National Aeronautics and Space Administration and the Industrial College of the Armed Forces; also by the National Aviation Education Council, and, of course, the various components of the U.S. Air Force.

Nearly 500 of the registrants also went on one of two field trips to McGuire Air Force Base—as the final phase of the workshop. The first of these was scheduled on Saturday, April 22—and the second on Saturday, May 6. Through the close cooperation of the base commander and various unit commanders, the educators were treated to an extended guided tour—as well as orienta-

tion flights in transport-type aircraft. The tour included the base meteorological office, Air Defense Command's interceptor ready areas—with various static displays arranged specially for the group. They were also taken through the Bomarc missile area and the SAGE defense control center.

Through the cooperation of the National Security Seminar division of the Industrial College of the Armed Forces, several of the registrants were enrolled in one of the regional seminars conducted by that institution. This seminar was scheduled for May—at Newark, N.J.—and the various boards of education in Bergen county granted special leave for attendance at the full or partial course. This was an unexpected addition to the program—and one that made a marked impression on all of the registrants; it obviously was a superb contribution to the instructional matter of the workshop program. The workshop sessions were given excellent news coverage by the press throughout northern New Jersey. The timeliness of the various topics—and the internationally recognized stature of so many of the lecturers—simplified the task of putting this story of our national aerospace effort before a vast audience over an extended period of time. Even though this is recognized as a basic element of the aerospace or aviation education program, it is my belief that we, in the Bergen County workshop, were successful to an unusual degree.

We feel that this is a most significant contribution to our national strength—particularly in these days, when the press is full of conflicting reports on our accomplishments in these fields. Favorable reaction to the lecture series was unanimous—not only from the educators themselves, but also from civic leaders and the general public.

Objective evaluation of the entire program was maintained by questionnaires at each double session—and a special summary questionnaire which was completed during the field trips to McGuire AFB. It is interesting to note that 97 percent of the respondents agreed that aerospace education is vital to national aerospace power—and that 95 percent felt that this program should be expanded. It is also important that 80 percent would recommend the course for other teachers—and 71 percent were in favor of an advanced course to follow this one.

That, Mr. Speaker, is the report on the actual program for the second Bergen County Space-Age Workshop. But that is not the end of my report. Even now, this small group of dedicated educators and citizen-soldiers are organizing three more such operations in the State of New Jersey. Their past efforts have been so obviously successful—and have met with such enthusiastic acceptance on every side—that they are encouraged to continue to devote their time and experience to the expansion of this vital public service. I could not close my report without proper acknowledgment of the work done by this small group. First of all, the members of the workshop planning committee of the Bergen County Education Association—those farsighted educators who recognized the critical need for this type of professional improvement and were willing to devote their time again to the second venture. This committee was headed by Dr. Harold T. Shafer, director of instructional services for Ridgewood schools, in Ridgewood, N.J. Dr. Shafer is also one of the Air Force reservists whom I mentioned as providing the initial spark and leadership for this undertaking. As an educator and a military man, Dr. Shafer made an ideal general chairman for the workshop. His unquestioned stature in the education field—and his personal interest as a citizen-soldier—combined to make a most important contribution to the success of the workshop.

Mr. Leslie D. Wilding, chairman of the Bergen County Education Association professional improvement committee—and an elementary school principal in Ramsey, N.J.—assisted Dr. Shafer in general coordination; he also supervised advance registration and all financial matters for the workshop. Mr. Donald Duff, principal, Northern Valley Regional High School, Demarest, coordinated all evaluation of the project and assisted with general publicity. Mr. George Dykstra—like Mr. Wilding, an elementary school principal from Ramsey—organized all attendance details and worked closely with Mr. William Dunn, principal of the Paramus High School, which provided the site for the entire workshop. Mr. Dunn, his superintendent, board of education and school staff all deserve a vote of thanks for their important behind-the-footlights contributions to this workshop. Mr. Waldro Kindig, principal, Dwight Morrow High School, Englewood; Mr. Kindig supervised all session chairmen and the presentation of the guest lecturers during the full series. Dr. Gile Warren, curriculum coordinator, Westwood High School, Westwood; Dr. Warren supervised the hospitality subcommittee, assisted with session chairmen and aided with the advance arrangements for the field trips to the airbase.

On the Air Force side of the workshop team, we must recognize the efforts of the following: Lt. Col. John S. Edwards Jr., Air Force Reserve—now retired—again accepted the responsibility for planning and coordinating all Air Force support. It was largely through his efforts that the workshop was a success. Maj. Harold T. Shafer was mentioned above as the general chairman. Capt. Jackie L. Humphrey, U.S. Air Force liaison officer, New Jersey Wing, Civil Air Patrol; Captain Humphrey assisted the committee in the procurement of speakers and literature, expedited the travel arrangements and, in general, gave a welcome assist to any problem area as it arose. Outstanding among the Civil Air Patrol personnel who worked on the project were: Lt. Col. Margaret Dunn, staff member of the New Jersey Wing, and Maj. Harold Spencer, commander of the Bergen County Squadron, Civil Air Patrol—along with cadets from his unit who assisted throughout all sessions and for both field trips.

Others who, although not directly connected with the workshop, made important contributions to its success by their generous support included: Col. Taras T. Popovich, USAF deputy commander, New York Air Defense Sector, Air Defense Command; Lt. Col. Edward R. Kandel, USAF information officer, 1611th Air Transport Wing, MATS; Maj. John S. Humke, USAF secretary of the McGuire AFB officers open mess. All three of these officers were instrumental in the successful handling of the exceptionally large field trip groups at McGuire AFB.

In addition, we are indebted to Col. Robert S. Puckett, USAF; Col. Donald F. Slaughter, USA; and Col. Joseph J. Huddleston, USAF, all of the Industrial College of the Armed Forces; Colonel Puckett for his generous support in programing speakers as well as the added attendance at the regional seminar—and the others for volunteering their services as guest speakers for the workshop sessions.

It is a pleasure to also acknowledge the exceptional efforts and guidance provided the committee by many of this Nation's outstanding authorities on aerospace education. Noteworthy among these were the following: Dr. Mervin K. Strickler, office of public education, Federal Aviation Agency; Mr. James V. Bernardo, Chief of Educational Services for the National Aeronautics and Space Administration, and Mr. John Sims, of the same office. Mr. Sims, in particular, was of invaluable assistance in helping the committee select and procure speakers and study material.

I feel, Mr. Speaker, that acknowledgment is also due the hundreds of classroom teachers and school administrators who devoted the many long hours required for successful completion of this program. I feel that we can all be proud of this practical demonstration of the outstanding skills which so many of our citizens have so willingly given toward insuring the future strength of our country.

Again, I would like to close with the same appeal that I voiced just 2 years ago: If we are to maintain our position of world leadership, our people must be informed of the problems confronting us in aerospace technology. The development of this necessary understanding requires a major education effort; to accomplish this end, we must avail ourselves of the collective skills and dedication of our professional educators and the citizen-soldiers of our Reserve forces. As the Bergen County Space-Age Workshop has so clearly demonstrated for the second time, this is a vital resource which is more than adequate for even such a formidable task.

RESIDUAL OIL IMPORTS

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Massachusetts [Mr. CONTE] is recognized for 60 minutes.

Mr. CONTE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Speaker, since early in 1959 I, as did several of my colleagues in the Congress, advanced with considerable persistence the united cause of the New England States and the Northeast, against the inequalities of the residual oil import restrictions as included in the March 1959 Presidential proclamation. The Presidential proclamation imposes certain quotas on the importation of crude oil and its derivatives into the United States from Latin America. When, at that time, the Office of Civil and Defense Mobilization recommended to the President the imposition of these import restrictions, ostensibly for national security reasons, I rose on the floor of this Chamber to implore my colleagues to resist this move, warning that the restrictions would actually impose illogical hardships on American industry and economy.

I predicted in the spring of 1959 that the effect of the oil imports quota program would be to place residual oil supplies below demand, increase prices to northeastern consumers beyond all reason, and place small users of this fuel, such as hospitals and apartment houses, at a considerable disadvantage to those distributors and facilities large enough to maintain long-term contracts for fuel supplies. I further warned that these restrictions would inhibit normally unobstructed trade practices amongst fuel distributors, generally create an upward trend of prices to the competitive disadvantage of the east coast consumers, and impose wasteful and periodic untimely hidden rises in the cost of living on the residents of New England.

In preparing this text, I went back through my files on the residual oil matter, and reviewed the several statements I made before this body, and various committees, concerning this dilemma that today is still so very oppressive to the New England economy. At first I was pleased, then disturbed, and now appalled to realize that, with only minor exceptions and alterations, any of these statements I delivered throughout the past 2½ years, are apropos this very day.

Mr. Speaker, throughout these 2½ years, the New England congressional delegation has appealed to the Department of the Interior, to the President, and to the Congress, asking that this bureaucratic misdemeanor be amended, and to return the New England oil industry to its rightful position within a free enterprise system. Our efforts have been to no avail, and we find that still we must stand again, our position reinforced by fact, and repeat our plea to apparently unsympathetic ears.

Samuel Johnson once said:

> That fellow seems to have but one idea, and that is a wrong one.

Evidently, Mr. Speaker, this is the regard with which I and my New England colleagues are held by the authorities in charge of the oil imports program.

Since the inception of the import quotas, despite futile and sometimes frantic efforts on the part of the Office of Civilian and Defense Mobilization to alleviate the annual winter crises resulting from the restrictions, the facts are painfully evident:

First, the inclusion of residual oil in the oil import program does not serve the announced intent of the program.

Second, despite steadily increasing demand for residual fuel, domestic production, uneconomic by American refining processes, continues to dwindle.

Third, by blocking the normal competitive procedures, the entire Northeast has been placed at a disadvantage with other geographic areas and markets;

Fourth, residual oil imports neither retard normal domestic oil markets, nor have any depressive effect on the bituminous coal industry;

Fifth, the entire effect of the program is dangerously inflationary to the New England economy, and has actually retarded business growth in that area.

Specifically, it is possible to point to dozens of areas within the New England fuel market and show where warnings and predictions of the past 2 years have materialized within that period despite the insistence of the various authorities that the oil program is beneficial to our national effort.

The actual price of residual oil within the Northeast has always been a bone of contention to the New England delegation. We have constantly warned that in this area we were undergoing more than normal inflationary increases. In the New England region, since imposition of the restrictions, the price per barrel of this vital fuel has risen 30 cents. It is significant to note that the first price increase in the summer of 1959 occured at a time when prices of residual oil are normally low. Authorities in the oil industry attribute this directly to the oil imports program.

One of the original contentions of the Office of Civilian and Defense Mobilization in justification of imposing restrictions on residual oil imports was the theory that such action would stimulate exploration of more oilfields by the domestic producers in search of further supplies of residual to accommodate the greatly increased market for that type of fuel. We argued then, and can prove now, that this is entirely untrue. As a matter of cold fact, despite increased demands for residual, the oil industry has actually cut back its exploration due to oversupplies of crude oil. Also those familiar with this problem are aware, I am sure, of the circumstances of residual production by American refineries. I remind you that domestic refining processes are so designed that the production of residual fuel from crude is becoming increasingly less profitable, and that herein lies the true reason for decreased production at home. This fact has never been denied by the American oil industry because it would simply be poor business sense on the part of a refinery to expend capital to produce more expensive, less profitable products. It is ridiculous to expect them to do otherwise.

Advocates of restrictions maintained, in 1959, that it was dangerous for us to rely so heavily on foreign supplies of fuel, that it was better to develop our own industry to meet our demands and to achieve a self sustaining position in case international supply lines were severed in time of world conflict. At the time we pointed out the lack of reason in this line of thinking, maintaining that, in fact, it was better to purchase oil from foreign sources and simultaneously conserving our own sources of oil for that very emergency. The advantage of such a policy is evident beyond need for explanation.

Mr. Speaker, above all else, however, and regardless of the verification of predictions and warnings, and the substantiation of theories in this entire dispute, we must always return to the hard core of the argument, the actual bone of contention. We must always redirect our attention to the true substance and issue under discussion, that is, the coal industry and its claim that the importation of residual oil into this country has a dangerous depressive effect on that industry. While the Government has never justified residual restrictions on the basis of the effect on the coal industry, nor have they even hinted that this factor was a consideration, the coal industry has been considerably less subtle about their implication and anyone even remotely familiar with the problem recognizes their influence as instrumental in the maintenance of the quotas. It would be needlessly redundant for me to expound our case against the coal industry. We have made our charge and they have failed to refute it. The appalling fact of the matter is that we must constantly repeat our case. Coal production is down, the coal industry blames the oil users and pins its "pie in the sky" hopes on the recovery of its once-prized New England market. They are not going to get it. Even if they do manage to pirate away this market, it will not salvage their industrial ills.

Mr. Speaker, without a fragment of doubt, the northeastern area of the United States, with winter fast approaching, must again gird itself for its annual onslaught of residual oil havoc. The problems are the same as in past winters, the shortages will occur again; prices will continue to rise; dealers will again be caught short, and the cycle will turn, revolve continuously, and New England consumers will feel the price squeeze. We have already spent two winters paying for the mistakes of poor judgment, and our patience and pocketbooks are beginning to feel more than slightly tried.

Mr. Speaker, the most serious consequence of restrictions on the importation of residual oil has resulted from the most logical conclusion of the program—residual oil import quotas are costly to everybody. These quotas, which cost the New England consumer over $30 million per year, hit the small consumer hardest in his fuel and electric bills, and discriminate against our chances for new industrial growth. The Boston Edison Power Co., one of the largest users of residual in the New England area, had to raise its rates to the 4.9 million consumers it serves. This is repeated time

and time again, in other instances throughout New England.

Mr. Speaker, this is the time for action. I call upon the Office of Civil and Defense Mobilization, recently renamed the Office of Emergency Planning, to remove this stranglehold from the throats of the people of the New England area. Even now, at the very time that the Office of Emergency Planning is evaluating in a formal adjudicatory process the petitions and rebuttals of hard-pressed New England consumers, the Small Business Committee of the House has initiated an investigation of the domestic energy industry and has circulated throughout the Nation a questionnaire which could serve to preserve for posterity this unjust system.

I want it to be known, Mr. Speaker, that this is a deliberate effort by the barons of the coal industry to perpetuate this terrible drain on our New England economy. All question of propriety aside—for we shall not consider whether this is an effort to interfere with the adjudicatory process underway within the administration—any objective observer reading the questionnaire which has been circulated by subcommittee No. 4 of the House Small Business Committee must conclude that it will elicit only those answers which will serve the interest of the fuel-producing industries.

Nowhere is there any question about increased costs to the consumer. Nowhere is there any question about whether the New England consumer has an adequate supply of the fuel he vitally needs. Nowhere is there any question as to whether employment has been aided in the fuel-producing industries by the existence of these quotas. Even a conscientious coal mineowner who desired the removal of residual quotas would find it impossible to say so.

I submit, Mr. Speaker, that another questionnaire should be prepared which seeks out the truly vital questions and which concerns itself not with the profits of fuel-producing industries but with the welfare of the consumer and the Nation.

I would hope, Mr. Speaker, that the committee would concentrate on small business rather than with the perpetuation of the big oil, gas, and coal interests. I say let it look to the small business, the drugstore in Pittsfield, the machine tool company in North Adams, who will day in and day out support with artificially high prices for fuel and electricity the profits of the giants of the oil and coal industries.

I call upon the Subcommittee of the House Select Committee on Small Business, under the able leadership of our colleague, the gentleman from Oklahoma, TOM STEED, to investigate this situation as it has the power and authority to do. After ascertaining the facts I know there will be only one recommendation emanating. It is this: remove the restrictions and prevent any further damage to the economy of New England.

PERSPECTIVE ON BERLIN

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I have noted with interest and approval the statements and comments which in recent days have been made by a number of Members of the House expressing the view that every possible effort must be made to honestly and honorably negotiate the differences underlying the Berlin crisis.

This is only commonsense. I am aware, of course, of the bleating protests from some quarters that negotiation can only result in advantage to the Communist camp and that we must stand firm and, presumably, silent. These are the voices that fail to distinguish between negotiation and appeasement, and in my view the doctrine they espouse is dangerous because it is manifestly lacking in commonsense.

The military might of the United States, into which Americans have poured hundreds of billions of dollars in recent years, can serve a variety of purposes. Perhaps the highest and best of these is to enable us to discuss and negotiate Western-Communist bloc differences from a position of strength.

Another Munich is not the greatest danger we face today. That lesson was learned in 1938. The greatest danger confronting us is the kind of unreasoning fear of appeasement which can paralyze a people into intransigent positions. Catastrophe is then all but inevitable.

Mr. Speaker, never has it been more important for us to have faith in ourselves and in the resolve of our President, for this faith is the essential ingredient of the very liberty we seek to maintain.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BATTIN (at the request of Mr. ARENDS), as of Saturday, September 23, for the remainder of the session, on account of illness in his family.

Mr. KING of Utah, for an indefinite period, on account of official business.

Mr. FLOOD (at the request of Mr. WALTER), on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CONTE, for 1 hour, today.

Mr. O'NEILL, for 10 minutes, today.

Mr. GROSS, for 3 minutes, today.

Mr. EDMONDSON, for 15 minutes, today.

Mr. RANDALL, for 15 minutes, today.

Mr. KEARNS, for 20 minutes, today.

Mr. FEIGHAN, for 30 minutes, today.

Mr. DADDARIO, for 1 hour today, to revise and extend his remarks, and include extraneous matter.

Mr. STAGGERS, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MCCORMACK (at the request of Mr. PUCINSKI) and to include a speech.

Mr. STRATTON and to include extraneous matter.

Mr. RYAN and to include extraneous matter.

Mr. ROOSEVELT.

Mr. PETERSON.

Mr. PIKE.

Mr. FEIGHAN in three instances and to include extraneous matter.

Mr. DIGGS and to include extraneous matter.

Mr. HERLONG.

Mr. ROBERTS.

Mr. RHODES of Pennsylvania.

Mr. RANDALL.

Mr. MCCORMACK (at the request of Mr. DONOHUE) and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $283.

Mr. STAGGERS after the close of this session of Congress.

Mr. TABER and to include tables.

Mr. PATMAN (at the request of Mr. JOHN W. DAVIS) to extend his remarks in the body of the RECORD and include extraneous matter.

(The following Members (at the request of Mr. LANGEN) and to include extraneous matter:)

Mr. SAYLOR in three instances.

Mr. KEARNS.

Mr. SCHWENGEL.

Mr. CURTIS of Massachusetts.

Mr. KEITH.

Mr. RHODES of Arizona.

Mr. AVERY.

Mr. BRAY.

Mr. SCHERER.

Mr. MATHIAS.

Mr. SHRIVER.

Mr. BARRY.

Mr. VAN ZANDT in three instances.

Mr. HOFFMAN of Michigan.

(The following Members (at the request of Mr. JOHN W. DAVIS) and to include extraneous matter:)

Mr. EVINS.

Mr. BREEDING.

Mr. BARING.

Mr. JOHNSON of Wisconsin.

Mr. MOELLER.

Mr. PUCINSKI.

Mr. STAGGERS in three instances.

(The following Member (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. FLOOD.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4998. An act to assist in expending and improving community facilities and

services for the health care of aged and other persons, and for other purposes;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual rate contracts with shippers and consignees, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund; and

H.R. 8444. An act to amend the act of August 12, 1955, relating to elections in the District of Columbia.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 739. An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such act, and for other purposes;

S. 1186. An act to facilitate the protection of consumers of articles of merchandise composed in whole or in part of gold or silver from fraudulent misrepresentation concerning the quality thereof, and for other purposes;

S. 1728. An act to amend section 510 of the Merchant Marine Act, 1936, to provide for the trade-in of obsolete vessels in connection with the construction of new vessels, either at the time of executing the construction contract or at the time of delivery of the new vessel; and

S. 1942. An act for the relief of the State of New Hampshire.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with the provisions of Senate Concurrent Resolution 55, the Chair declares the 1st session of the 87th Congress adjourned sine die.

Accordingly (at 4 o'clock and 21 minutes a.m.) Wednesday, September 27, 1961, the House adjourned sine die.

BILLS ENROLLED AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that on the following dates that committee had examined and found truly enrolled bills of the House of the following titles:

On September 27, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On September 28, 1961:

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes; and

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker pro tempore by Senate Concurrent Resolution 54, 87th Congress, he did on the following dates sign enrolled bills of the House of the following titles:

On September 27, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian and other lands, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On September 28, 1961:

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota; and

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker pro tempore by Senate Concurrent Resolution 54, 87th Congress, he did on September 28, 1961, sign an enrolled bill and joint resolution of the Senate of the following titles:

S. 1292. An act to amend the act of June 19, 1918, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes; and

S.J. Res. 144. Joint resolution fixing the beginning of the 2d regular session of the 87th Congress.

BILLS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On September 26, 1961:

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund; and

H.R. 8444. An act to amend the act of August 12, 1955, relating to elections in the District of Columbia.

On September 28, 1961:

H.R. 84. An act to establish the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual-rate contracts with shippers and consignees, and for other purposes;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers;

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On September 22, 1961:

H.R. 2655. An act for the relief of Mrs. Pamela Gough Walker;

H.R. 3863. An act for the relief of Woody W. Hackney, of Fort Worth, Tex.;

H.R. 4458. An act to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho;

H.R. 7035. An act making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 7500. An act to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower;

H.R. 7916. An act to expand and extend the saline water conversion program being conducted by the Secretary of the Interior;

H.R. 8406. An act to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan, and for other purposes;

H.R. 9030. An act to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act;

H.J. Res. 109. Joint resolution designating the 17th day of December 1961 as "Wright Brothers Day"; and

H.J. Res. 499. Joint resolution authorizing a celebration of the American patent system.

On September 26, 1961:

H.R. 115. An act for the allocation of costs on the Wapato-Satus unit of the Wapato Indian irrigation project;

H.R. 1325. An act for the relief of Mrs. Seto Yiu Kwei;

H.R. 1333. An act for the relief of A. N. Deringer, Inc.;

H.R. 1369. An act for the relief of Zsuzsanna Reisz;

H.R. 1378. An act to authorize the Secretary of the Interior to enter into an exchange of certain land in Madera County, Calif., with Mary Saunders Moses;

H.R. 1394. An act for the relief of Laszlo Hamori;

H.R. 1399. An act for the relief of Mrs. Josefa Pidlaoan and daughter, Annabelle Pidlaoan;

H.R. 1422. An act for the relief of Mrs. Agavni Yazicioglu;

H.R. 1459. An act for the relief of EN/2 Hideo Chuman, U.S. Navy;

H.R. 1496. An act for the relief of Aloysius van de Velde;

H.R. 1532. An act for the relief of Jeanine Ruth Tabacnik;

H.R. 1550. An act for the relief of Jesus Garza Lopez;

H.R. 1551. An act for the relief of Kim-Ok Yun;

H.R. 1569. An act for the relief of Isei Sakioka;

H.R. 1581. An act for the relief of Maria Falato Colacicco;

H.R. 1583. An act for the relief of Mrs. Chung-Huang Tang Kao;

H.R. 1614. An act for the relief of Byron K. Efthimiadis;

H.R. 1630. An act for the relief of Carma Pereira de Bustillos;

H.R. 1646. An act for the relief of Joan Josephine Smith;

H.R. 1714. An act for the relief of Nicholas J. Katsaros;

H.R. 1898. An act for the relief of Isabel Brown;

H.R. 1901. An act for the relief of Georgia J. Makris;

H.R. 2136. An act for the relief of Hajime Misaka;

H.R. 2145. An act for the relief of Joginder Singh Toor;

H.R. 2179. An act for the relief of Essie V. Johnson;

H.R. 2280. An act to provide for the withdrawal of certain public lands 40 miles east of Fairbanks, Alaska, for use by the Department of the Army as a Nike range;

H.R. 2281. An act to reserve for use by the Department of the Army at Fort Richardson, Alaska, certain public lands in the Campbell Creek area, and for other purposes;

H.R. 2282. An act to provide for the withdrawal from the public domain of certain lands in the Ladd-Eielson area, Alaska, for use by the Department of the Army as the Yukon Command training site, Alaska, and for other purposes;

H.R. 2283. An act to provide for the withdrawal from the public domain of certain lands in the Big Delta area, Alaska, for continued use by the Department of the Army at Fort Greely, and for other purposes;

H.R. 2308. An act to amend the Ship Mortgage Act, 1920, with respect to its applicability to certain vessels;

H.R. 2334. An act for the relief of Washington George Brodber Bryan;

H.R. 2555. An act to authorize pay with respect to civilian employees of the United States in cases of emergency evacuations, to consolidate the laws governing allotment and assignment of pay by such employees, and for other purposes;

H.R. 2585. An act relating to the credits against the employment tax in the case of certain successor employers and to provide an election for past taxable years with respect to the determination of gross income from mining in the case of quartzite and clay used in the production of refractory products;

H.R. 2615. An act for the relief of Dr. Victor Wang Ta Ng and his wife, Alice Siu Har Ng;

H.R. 2666. An act for the relief of Adelina Benedict (nee Rosasco);

H.R. 2822. An act for the relief of Gregoire A. Kublin;

H.R. 3007. An act for the relief of Alberto Luciano (Rocchi) Rosasco;

H.R. 3133. An act for the relief of Mrs. Maria A. Schmoldt;

H.R. 3393. An act for the relief of Istvan Zsoldos;

H.R. 3404. An act for the relief of Elemer Christian Sarkozy;

H.R. 3718. An act for the relief of Matthias Nock, Jr.;

H.R. 3920. An act to authorize an exchange of land at the Agricultural Research Center;

H.R. 4028. An act for the relief of Lennon May;

H.R. 4221. An act for the relief of Sylvia Abrams Abramowitz;

H.R. 4384. An act for the relief of Richard Fordham;

H.R. 4484. An act for the relief of Miss Liu Lai Ching;

H.R. 4499. An act for the relief of Mrs. Margaret Ruda Daniel;

H.R. 4553. An act for the relief of Zbigniew Ryba;

H.R. 5136. An act for the relief of Compton Jones and Hulbert Jones;

H.R. 5138. An act for the relief of Francisco Joaquim Alves;

H.R. 5141. An act for the relief of Vito Recchia;

H.R. 5334. An act for the relief of Mrs. Helena Sullivan;

H.R. 5486. An act to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication;

H.R. 5613. An act for the relief of Fernando Manni;

H.R. 5735. An act for the relief of Steven Mark Hallinan;

H.R. 6007. An act to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office;

H.R. 6141. An act to amend the act of September 1, 1954, in order to limit to cases involving the national security prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes;

H.R. 6158. An act for the relief of Adolphe C. Verheyn;

H.R. 6193. An act to authorize the Secretary of Agriculture to convey certain lands in the State of Wyoming to the county of Fremont, Wyo.;

H.R. 6494. An act to provide for withdrawal and reservation for the use of the Department of the Air Force of certain public lands of the United States at Nellis Air Force Range, Nevada, for defense purposes;

H.R. 6729. An act to provide for the disposal of certain lands held for inclusion in the Cape Hatteras National Seashore Recreational Area, N.C., and for other purposes;

H.R. 7057. An act relating to the determination of gross income from the property for taxable years prior to 1961 in the case of certain clays and shale which were used in the manufacture of certain clay products;

H.R. 7358. An act to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment;

H.R. 7576. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes;

H.R. 7873. An act for the relief of Mrs. Maria Gonzalez Fernandez Long;

H.R. 8236. An act to authorize the use of funds arising from judgments in favor of any of the Confederated Tribes of the Colville Reservation;

H.R. 8302. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 8341. An act to authorize the Secretary of the Interior to conduct a study covering the causes and prevention of injuries, health hazards, and other health and safety conditions in metal and nonmetallic mines (excluding coal and lignite mines);

H.R. 8414. An act to amend section 5011 of title 38, United States Code, to clarify the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property;

H.R. 8490. An act to amend the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended;

H.R. 8678. An act to provide for the conveyance of a portion of the Henry G. Shirley Memorial Highway and other highways on the Pentagon road network to the Commonwealth of Virginia, and for other purposes;

H.R. 8762. An act to amend the Small Business Act;

H.R. 9080. An act to authorize the Philadelphia, Baltimore, & Washington Railroad Co. to construct, maintain, and operate

branch sidings over First Street SW. in the District of Columbia;

H.R. 9118. An act to establish a U.S. Arms Control and Disarmament Agency;

H.J. Res. 358. Joint resolution authorizing the President to issue annually a proclamation designating the third week in March as National Poison Prevention Week, in order to aid in bringing to the American people the dangers of accidental poisoning; and

H.J. Res. 558. Joint resolution providing for printing of "Cannon's Procedure in the House of Representatives."

On September 27, 1961:

H.J. Res. 225. Joint resolution to create a regional agency by intergovernmental compact for the planning, conservation, utilization, development, management, and control of the water and related natural resources of the Delaware River Basin, for the improvement of navigation, reduction of flood damage, regulation of water quality, control of pollution, development of water supply, hydroelectric energy, fish and wildlife habitat, and public recreational facilities, and other purposes, and defining the functions, powers, and duties of such agency.

On September 29, 1961:

H.J. Res. 542. Joint resolution relating to the admission of certain adopted children.

On September 30, 1961:

H.R. 9033. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9076. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes;

H.R. 9096. An act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes; and

H.R. 9169. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

On October 3, 1961:

H.R. 84. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 1507. An act for the relief of Capt. Jacob Haberle;

H.R. 2010. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 2279. An act to provide for the withdrawal from the public domain of certain lands in the Granite Creek area, Alaska, for use by the Department of the Army at Fort Greely, Alaska, and for other purposes;

H.R. 3132. An act for the relief of Lucille Collins;

H.R. 3401. An act for the relief of Salvatore Cairo;

H.R. 4917. An act for the relief of Albany County, N.Y.;

H.R. 5343. An act to amend section 5021 of title 18, United States Code;

H.R. 5754. An act to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon, Portugal, October 31, 1958;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to authorize ocean common carriers and conferences thereof serving the foreign commerce of the United States to enter into effective and fair dual-rate contracts with shippers and consignees, and for other purposes;

H.R. 6834. An act to amend section 35 of title 18, United States Code;

H.R. 7259. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Western District of Louisiana, Lafayette Division, holding court at Lafayette, La.; and

H.R. 8871. An act to amend the Federal Employees' Compensation Act of 1960.

On October 4, 1961:

H.R. 468. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 470. An act to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended;

H.R. 1777. An act to amend title 18 of the United States Code to prohibit the transportation of fraudulent State tax stamps in interstate and foreign commerce, and for other purposes;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 2640. An act for the relief of Yoko Takayashiki;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 2732. An act to amend section 303(c) of the Career Compensation Act of 1949 to authorize the Secretaries concerned to prescribe a reasonable monetary allowance for the transportation of house trailers or mobile dwellings;

H.R. 3019. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes;

H.R. 3575. An act to authorize longer term leases of Indian lands on the Dania Reservation in Florida;

H.R. 3587. An act to provide outpatient medical and dental treatment for veterans of the Indian wars on the same basis as such treatment is furnished to veterans of the Spanish-American War, and to extend the time within which certain children eligible for benefits under the War Orphans Educational Assistance Act of 1956 may complete their education;

H.R. 4317. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, and for other purposes;

H.R. 4357. An act to increase monthly disability and death compensation payable pursuant to the War Hazards Compensation Act;

H.R. 4682. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa;

H.R. 4750. An act to amend section 6(a) of the Virgin Islands Corporation Act;

H.R. 4797. An act for the relief of certain aliens;

H.R. 5490. An act to provide for more effective participation in the Reserve components of the Armed Forces, and for other purposes;

H.R. 6122. An act for the relief of Maria Luisa Reis nee Loys;

H.R. 6668. An act to amend title 10, United States Code, with respect to annuities based on retired or retainer pay, and for other purposes;

H.R. 7377. An act to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, to provide certain additional research and development positions, and for other purposes;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7726. An act to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence;

H.R. 7854. An act to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes;

H.R. 7888. An act to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof;

H.R. 7890. An act to authorize the Postmaster General to dispose of certain land, and for other purposes;

H.R. 8099. An act to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund;

H.R. 8383. An act to further amend section 201(1) of the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H.R. 8444. An act to amend the act of August 12, 1955, relating to elections in the District of Columbia;

H.R. 8558. An act to amend section 303(a) of title 23, United States Code, relating to the organization of the Bureau of Public Roads, and for other purposes;

H.R. 8765. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 8958. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Midwest City, Okla.;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens;

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; and

H.J. Res. 569. Joint resolution to waive certain provisions of the Atomic Energy Act of 1954 so as to permit the agreement for cooperation between the United States and France to be made immediately effective.

On October 5, 1961:

H.R. 4998. An act to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes;

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard;

H.R. 8320. An act to amend the Freeport Harbor project, Texas;

H.R. 8876. An act to amend the Internal Revenue Code of 1954 to permit the use of identifying numbers; and

H.R. 9053. An act to amend title II of the National Defense Education Act of 1958 with respect to the periods for which loans under that title are made.

HOUSE BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT

The message further announced that the President had disapproved a bill of the House of the following title:

INCOME TAX TREATMENT OF CERTAIN LOSSES SUSTAINED IN CONVERTING FROM STREET RAILWAY TO BUS OPERATIONS

I am withholding my approval from H.R. 8652 relating to the income tax treatment of certain losses sustained in converting from street railway to bus operations.

Although the bill is drafted in general language, it is designed for the relief of one taxpayer, the Twin City Rapid

Transit Co., of Minneapolis, Minn. Under present law, taxpayers are allowed a 3-year carryback and a 5-year carryforward of the net operating losses of a given year. The bill would permit Twin City Rapid Transit Co. an additional 5-year carryforward period commencing in 1960 in which to deduct certain losses sustained in converting from street railway to bus operations.

The losses were incurred in 1953 and 1954, when the company was managed by officers who were subsequently found guilty of conspiracy to defraud the company. The position of the company is, in essence, that the management converted rapidly from a street railway to a bus system in order to complete its fraudulent activities quickly, intentionally disregarding the income tax consequences.

I can see no reason for making an exception to the policy of uniform treatment under the net operating loss carryover provisions of the taxing statutes under these circumstances. First, the extent to which tax considerations governed or would have governed the conversion from street railway to bus operations is necessarily uncertain. Secondly, assuming that the fraudulent conduct of the management of the company made it impossible to deduct all the losses sustained, it would be unfair to shift the consequences of that dereliction to the public through special tax relief. The stockholders of the company were certainly in a better position than the general public to guard against the misconduct of their officials. Thirdly, approval of this legislation is inconsistent with orderly tax administration. It discriminates in the treatment of taxpayers similarly situated and grants relief retroactively.

Although disapproval of this legislation may reduce the ability of the company to postpone or avoid a request for increases in its rates of fare, that fact should not be used to modify the tax system to shift the burden of losses from the taxpayer and the local community to the country as a whole.

JOHN F. KENNEDY.

THE WHITE HOUSE, *October 4, 1961.*

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1345. A letter from the Director, U.S. Information Agency, transmitting drafts of proposed private bills as follows: "A bill for the relief of Daniel E. Moore," and "A bill for the relief of James N. Tull"; to the Committee on the Judiciary.

1346. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Treasury Department for "Salaries and expenses, Division of Disbursement" for the fiscal year 1962, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1347. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report to the Committee on Science and Astronautics of the House of Representatives pursuant to section 3 of the act of July 21, 1961 (75 Stat. 216, 217), and submitted to the Speaker of the House of Representatives pursuant to rule XL of the House of Representatives; to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee on Ways and Means. H.R. 5193. A bill to amend the Internal Revenue Code of 1954 to impose import taxes on lead and zinc; with amendment (Rept. No. 1269). Referred to the Committee of the Whole House on the State of the Union.

Mr. PASSMAN: Committee of conference. H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 1270). Ordered to be printed.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 479. Resolution taking the bill H.R. 9169 from the Speaker's table and sending it to conference; without amendment (Rept. No. 1271). Referred to the House Calendar.

[*Submitted September 27 (legislative day, September 26), 1961*]

Mr. THOMAS: Committee of conference. H.R. 9169. A bill making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes. (Rept. No. 1272.) Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 331. Resolution relating to the basic compensation of the stationery clerk and the assistant stationery clerk; without amendment (Rept. No. 1273). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 402. Resolution providing for an additional clerk in the House stationery room; without amendment (Rept. No. 1274). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 449. Resolution relating to additional salary for the assistant tally clerks Nos. 1 and 2, Office of the Clerk of the House; with amendment (Rept. No. 1275). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONTE:

H.R. 9452. A bill to amend title 38, United States Code, to provide vocational rehabilitation, education and training, mustering-out and loan guarantee benefits for veterans called or ordered to active duty, or whose enlistments are extended, after July 30, 1961, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COOK:

H.R. 9453. A bill to promote the preservation, for the public use and benefit, of certain portions of the shoreline areas of the United States; to the Committee on Interior and Insular Affairs.

By Mr. GEORGE P. MILLER:

H.R. 9454. A bill to establish a system for the classification and compensation of engineering, scientific, and related positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROUSSELOT:

H.R. 9455. A bill to deny the use of the U.S. postal service for the carriage of Communist political propaganda; to the Committee on Post Office and Civil Service.

By Mr. FOGARTY:

H.R. 9456. A bill to provide for the production and distribution of educational and training films for use by deaf persons, and for other purposes; to the Committee on Education and Labor.

By Mr. FULTON:

H.R. 9457. A bill to provide for recognition of Federal employee unions and to provide procedures for the adjustment of grievances; to the Committee on Post Office and Civil Service.

H.R. 9458. A bill to provide for the establishment of a Bureau of Senior Citizens within the Department of Health, Education, and Welfare; to provide for an Assistant Secretary to the Department of Health, Education, and Welfare to direct said Bureau; to authorize Federal funds to conduct and encourage research and studies into the fields of gerontology, geriatrics, and allied problems of senior citizens; assist in the operation of projects to help senior citizens, and for other purposes; to the Committee on Education and Labor.

By Mr. LANE:

H.R. 9459. A bill to amend section 2733 of title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of $10,000 or less; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 9460. A bill to allow credit or refund of gift tax erroneously paid by reason of treating nontaxable divisions of community property as gifts; to the Committee on Ways and Means.

By Mr. MORSE:

H.R. 9461. A bill to amend section 303(a) of the Career Compensation Act of 1949 to permit the payment of per diem to reservists attending service schools in the same manner as per diem is paid to members of the Regular components attending such schools; to the Committee on Armed Services.

By Mr. OLSEN:

H.R. 9462. A bill to place in trust status certain lands on the Flathead Indian Reservation in Montana; to the Committee on Interior and Insular Affairs.

By Mr. RANDALL:

H.R. 9463. A bill to create the Freedom Commission and the Freedom Academy to research and develop an integrated, operational science to win the nonmilitary part of the global struggle between freedom and communism and to train Government personnel, private citizens, and foreign students in this science; to the Committee on Un-American Activities.

By Mr. RYAN:

H.R. 9464. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses; to the Committee on Interstate and Foreign Commerce.

By Mr. BEERMANN:

H.R. 9465. A bill to deny the use of the U.S. postal service for the carriage of Communist political propaganda; to the Committee on Post Office and Civil Service.

By Mr. FULTON:

H.R. 9479. A bill to provide for the issuance of a Federal fishing stamp, to give the consent of Congress to a compact relating to the use of a Federal-State fishing stamp in connection with noncommercial fishing licenses for nonresidents of States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RANDALL:

H.R. 9480. A bill to provide for a study by the Secretary of the Interior of strip-mining operations in the United States and for a

report to Congress of the results of such study, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CUNNINGHAM:

H.J. Res. 589. Joint Resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

H.J. Res. 590. Joint resolution declaring Communist arms and munitions contraband in the Western Hemisphere and making provisions to enforce the same; to the Committee on Foreign Affairs.

By Mr. ROUSSELOT:

H.J. Res. 591. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

By Mr. BEERMANN:

H.J. Res. 592. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

By Mr. ASHBROOK:

H.J. Res. 593. Joint resolution expressing declaration of will of the American people and purpose of their government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

By Mr. DADDARIO:

H. Con. Res. 401. Concurrent resolution to establish a Joint Committee on the Intelligence Community; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 9466. A bill for the relief of Sfc. Jesse O. Smith; to the Committee on the Judiciary.

By Mr. DELANEY:

H.R. 9467. A bill for the relief of Sabina Krystyna Bienkowska Zacharewicz; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 9468. A bill for the relief of Dr. Charles C. Yu; to the Committee on the Judiciary.

By Mr. FULTON:

H.R. 9469. A bill for the relief of Charles L. Kays; to the Committee on the Judiciary.

By Mrs. GRANAHAN:

H.R. 9470. A bill for the relief of Maria Vento Ruggeri; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 9471. A bill for the relief of Alice Fellin; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 9472. A bill for the relief of Janina Tekla Gruszkos; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 9473. A bill for the relief of Kenneth F. Miller; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H.R. 9474. A bill for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera; to the Committee on the Judiciary.

By Mr. ROUSSELOT:

H.R. 9475. A bill for the relief of the victims of the Cal-Poly air disaster; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H.R. 9476. A bill for the relief of Erasmo Puccio; to the Committee on the Judiciary.

By Mr. TOLL:

H.R. 9477. A bill to waive the statute of limitations in a certain case; to the Committee on the Judiciary.

By Mr. WALTER:

H.R. 9478. A bill for the relief of Maj. Y. P. Tom; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Representative Francis E. Walter, of Pennsylvania, Before the Disabled American Veterans Convention, St. Louis, Mo., August 22, 1961

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. McCORMACK. Mr. Speaker, it is a pleasure for me to include in my remarks an address delivered by the gentleman from Pennsylvania [Mr. WALTER] at the convention of the Disabled American Veterans, held in St. Louis, Mo., on August 22, 1961. There is no person throughout America who is better qualified to make an address on the subject that he did than the gentleman from Pennsylvania [Mr. WALTER], for no one knows better than Congressman WALTER, the evil intent and purposes of international communism. There is no man who has fought more courageously to expose Communist activities in America than has the gentleman from Pennsylvania [Mr. WALTER].

The address follows:

ADDRESS BY REPRESENTATIVE FRANCIS E. WALTER, OF PENNSYLVANIA, TO THE DISABLED AMERICAN VETERANS CONVENTION, ST. LOUIS, MO., AUGUST 22, 1961

It is always a pleasure for me to address any veterans' group. It is a particular pleasure for me to address you, the members of the Disabled American Veterans who have not only fought for your country and the principles on which it is founded, but have suffered for it in a way that most veterans, such as myself, have not.

I am going to discuss the most important question of our day. It is a question of great interest to all veterans, a subject they know much about, which they dislike intensely and, I am sure, hope they will never experience again. I am referring, of course, to war. More important, I would like to say a few words about what you can do to prevent it.

Are we going to get into a war over Berlin? This is a question that is paramount in the minds of millions of Americans—and also Germans, Frenchmen, Britons, and the peoples of many other nations. If war comes over Berlin, it will drastically affect the lives of a large part of the earth's population. For this reason, it is a matter of deep concern to hundreds of millions of people.

If we do not have war over Berlin, will it develop over the future of Laos, Quemoy and Matsu, the Congo, or any one of the world's many other trouble spots where the forces of freedom are meeting head on with those of communism?

I am certain that for years to come we will have wars, but that they will be small, local wars—in Asia, Africa, and Latin America. I am certain of this because 81 of the world's Communist parties have openly declared, in a statement adopted unanimously in Moscow and released last December 7, that they will foment and support such wars—and they are powerful enough to do it.

Khrushchev said the same thing in his now famous—or notorious—speech of January 6 this year. The Soviet Communist Party has also forcefully proclaimed the same doctrine in the draft program, made public on August 1, which will be presented for adoption at its 22d Congress in October. This program is a blunt declaration of war against all free men and nations, and it pinpoints the United States as the No. 1 enemy of Communists everywhere.

While I feel certain that we will see many small wars in the years ahead, I also feel certain there will be no war on U.S. soil—if we are strong enough. I firmly believe that war will not develop over Berlin—if the United States and other free nations see to it that their strength—military, economic, political, and spiritual—is always greater than that of our Communist enemy.

Khrushchev, the Soviet Communist Party, and all the Communist parties of the world have declared war on us, yes—but not all-out nuclear war. It is a war of destruction by subversion and every other means short of all-out military conflict.

This type of war we cannot possible avoid. We are in it, whether we want it or not. Our enemy has not only started it, but is fighting it vigorously with all means at his command. We can, if we choose, turn our backs on this reality. But if we do so, we will be merely guaranteeing either our eventual enslavement under communism or the total nuclear war we want to avoid and which, I believe, we can avoid.

If we turn our backs on this war, the enemy, because he will be unopposed, will inflict a whole series of defeats on us—military, and also economic, political, diplomatic, and psychological. His power will grow steadily. Ours will wane just as steadily. Before long, the day will come when he will feel confident that he is so strong and we are so weak that he can deliver an ultimatum—surrender or face annihilation.

Perhaps, we will not even have the luxury of surrender. When this day comes, so much of the world will be under Communist rule and there will be so many millions of restive and rebellious people enslaved by Communism—and intensely hating their Communist governments—that the Kremlin will face a tremendous danger of internal rebellion that could sweep through the Communist world and destroy it. It will literally be sitting on a powder keg.

Could Moscow then risk the "peaceful" absorption of some 190 or 200 million Americans into its empire—freedom-loving Americans known for their dedication to liberty and their spirit of revolt against oppression?

Is it not quite possible that, under these conditions, Moscow would believe that it first had to unleash some nuclear missiles to teach us Americans a lesson? And then, as its forces occupied our Nation after this nuclear destruction, would it not also feel that millions of our people would have to

be liquidated to make sure that the survivors had really learned the lesson of nonresistance? Who would be liquidated? Why, the most dangerous elements, of course—our political leaders, our clergymen, educators, lawyers, businessmen—everyone, young or old, male or female, who might offer, or attempt to lead, resistance.

The reality that confronts our country and every American today is awesome and, if you think it through, truly frightening. There is no use trying to kid ourselves on this point.

Today, we are faced with these alternatives: We win the war short of all-out nuclear war that the Communists of the world have declared on us, or else we will surely suffer: (1) tremendouc nuclear destruction, or (2) limited nuclear destruction, plus liquidation of many millions of our citizens and incorporation of the survivors into the Soviet totalitarian state.

Moreover, there is not much time. Communists are confident today that victory will be theirs before this century is out; in other words, within the lifetime of many of us who are here today.

The issue we face is not war or peace. Peace, in the real sense of the word, is out. The only choice we have is what kind of war we will fight. Are we going to have an all-out, nuclear war, or are we going to prevent one by winning what is euphemistically called the "cold war"?

As Americans, we can make only one choice—to win the so-called cold war.

How do we do it?

Inasmuch as this is a war, we must apply the principles of warfare.

First, we must know our enemy. This is the first rule of all warfare. You cannot fight an enemy you do not know. Get the facts. Study communism. Know communism's objectives and the means it is using to achieve them. The minimum knowledge required for all American citizens who want to make any contribution at all to our country's victory in this conflict is familiarity with communism's basic doctrines, strategy and tactics; knowledge of its line or position on current national and international issues; the names of the more important Communist fronts and organizations, worldwide and here in the United States. You should also be acquainted with the names of the leading Communists and fellow travelers both here and abroad.

I cannot overemphasize the importance of this rule. It is no more than commonsense, yet many people overlook it. They want to, and try to, fight communism, yet they really know little about it. A general who committed his troops to battle without first attempting to learn all he possibly could about the strength and disposition of the enemy forces, about the tactics favored by the opposing commander, without fully utilizing his intelligence and reconnaissance units before the engagement, would be summarily dismissed as incompetent. If by chance he won a battle, it would be pure luck. The many cold war battles we must fight are too important and deadly in their cumulative effects to trust their outcome to chance. We must enter them as trained troops with the knowledge and skills that are the foundation of victory.

For some years now, the American people have been contributing millions of dollars annually to research on cancer and heart disease, because they know that these killers will be conquered only after we have learned what causes them, promotes their development, and what the carriers are. They know that diseases which killed many millions of people in the past have now almost been wiped out by study which uncovered their true nature, made it possible to destroy or inhibit their carriers and to develop immunity to them among their potential victims.

The same understanding and knowledge of communism on the part of our leaders and a large part of the American people—who play so important a role in influencing policy—is absolutely necessary to this country's successful conduct of the cold war.

Rule 2—Action. Knowledge that is not put to use is wasted. You can become a true expert on communism, but you will contribute absolutely nothing to the survival of our country and the defeat of its enemy unless you have the will to do, to translate your knowledge into deeds that weaken and contribute to the defeat of communism.

Apathy, smugness, indifference, failure to act, and a "let George do it" attitude on the part of millions of Americans has, for years, been one of our greatest weaknesses and a major ally of the Kremlin. Much of the success achieved by the relatively small number of Communists in the world—about 36 million in a total population of 2 billion—is due to the fact that they are activists. They are doers. They do not sit back waiting for others to change the world. They have assumed that task themselves, though they know they are tremendously outnumbered and that the odds against them, on a purely numerical basis, are great.

3. Get the help of others. Don't fight alone unless it is absolutely necessary—and it rarely is. Two heads are better than one. Ten men are more powerful than two. In union there is strength.

It has often been said—and truthfully—that for every Communist Party member in this country, there are 10 others who are ready and willing to do the work of the party. But it is also true that for every informed, active anti-Communist, there are hundreds of other Americans ready and willing to come to the defense of their country and to fight its enemies. Their only trouble is that they are asleep or afraid to act because they feel they do not know enough to act effectively.

It is up to you to wake up those who are asleep, to impart your knowledge to those who do not know enough, or if you, too, lack it, to study with them to develop the knowledge needed for effective action.

4. Organize your helpers and plan your actions. Mere numbers are not enough. Actions that are not carefully considered and planned are not enough. An excellent book on communism, published quite a few years ago, has a very revealing title. It is called the Organizational Weapon. The U.S. Communist Party, the worldwide Communist movement and all their actions and campaigns are carefully organized. This is another key to the tremendous advances they have been able to make with relatively small numbers. Unless you have equal organization and planning, you cannot hope to engage in any conflict with the Communists and come out on top. A small, well-organized force with a definite plan of action will usually defeat a force larger in number but disorganized and acting without plan.

You, as members of the DAV, are already organized. You have at your disposal a readymade, important weapon. What are you doing with it? What can you do with it to insure your country the victory it must win?

Here are a few ideas:

To date, the major weakness of the free world in this struggle has been ignorance of communism. For years, the Kremlin's gains in all parts of the world have been attributable primarily to this. We cannot hope to win unless this condition is changed.

What is being done in your individual communities to alter this situation? Are courses revealing the true nature of communism being taught in your schools so that the citizens of tomorrow will not have the same handicap so many of our generation had in recognizing their enemy and perceiving what had to be done to protect their freedom? If such courses are not being given, what have you done to see that they become a part of your local school curriculum?

How about your local libraries, which are among the most powerful opinionmaking community institutions? If the people in your community are not as well informed as they should be on the subject of communism, is it because your library has failed to stock the kind of books which will give them the information they so vitally need? Hundreds of worthwhile books covering all facets of communism have been published. Too few of these books can be found on library shelves where, in some cases, Communist-serving books abound. We are paying for this fact today—with crises over Berlin, Laos, and other strategic areas.

As taxpayers who support schools and libraries, you have a right to a voice in what they do—and you should exercise that voice to see that they make the maximum contribution to the preservation of the Nation for which you have fought and in which your children will have to live when you are gone.

If your library lacks funds, have you thought of making, or of getting others to make, gifts to it of outstanding books on communism?

How good a job is your local press doing when it comes to keeping the people of your community informed on the key issues in our battle for survival? If it isn't doing what it can and should be doing, isn't it possible that a visit—or a flood of letters—to the editor could change this?

Do you yourself know what the key issues of today are? Do you know Moscow's major objectives as of this moment?

On January 20 of this year, Gus Hall, boss of the U.S. Communist Party, made a major speech to the party's national executive committee. In this speech, he emphasized five issues as the important ones on which the party was to concentrate its activities. On May Day of this year, the party called on all Americans to demand that our Government take certain actions. On the basis of these two recent Communist directives, the following are the top issues of the day—because they are the Communists' most important, immediate cold war objectives:

1. Universal disarmament.
2. The complete abolition of nuclear weapons testing.
3. The dismantling of U.S. overseas defense bases.
4. The dissolution of NATO, SEATO, and other free world defense alliances.
5. An end to the cold war.
6. The adoption of the policy of peaceful coexistence.
7. Reestablishment of friendly relations with Cuba.
8. Recognition of Red China and its admission to the U.N.
9. Demilitarization of Berlin.
10. The ending of colonialism everywhere.

After these 10 points comes another one of major importance to the Communist Party because it always has a place in their platforms and directives:

Abolish the Un-American Committee.

These demands are revealing in several ways.

1. Notice that not 1 of the top 10 objectives of the U.S. Communist Party has anything to do—at least directly—with what might be called the positive promotion of communism in the United States. Party demands for nationalizing certain industries and other internal communizing steps are way down on its priority ladder. Every 1 of these 10 demands concerns U.S. foreign policy and, specifically, U.S. policy toward the Soviet Union. These demands are, in themselves, proof that the U.S. Communist Party

is nothing but the traitorous tool of a foreign enemy power. The demands the U.S. Communists parade as theirs are all made in Moscow.

2. Notice, too, that the first demand of the Communist Party which concerns internal affairs is for the abolition of the Committee on Un-American Activities. This, too, has nothing to do—directly—with communizing the United States, though all of you, I am sure, can see the gimmick in it. The party gives abolition of the committee first priority among all domestic issues because it wants free rein to carry out its subversive activities. Its aim is to destroy, not to build.

3. Further, these demands reveal, I believe, that the U.S. Communist Party has no hope of achieving power in this country legitimately. They reveal that it is counting on Moscow to conquer this country and that it is meanwhile doing everything it can to help the Kremlin in this task by promoting the adoption of U.S. policies which will weaken this country and, at the same time, build Soviet power.

I can assure you that every Communist and fellow traveler in this country is today doing everything he can to whip up support among the American people for these objectives.

How much are you doing to oppose them?

They are writing letters to newspapers, to the White House, the State Department, to Members of Congress. Are you doing the same?

They are introducing resolutions in parent-teacher associations, civic groups and community organizations of all types, and even in political parties. Are you actively opposing them in these groups?

Have you informed yourselves on such subjects as disarmament, nuclear weapons testing, recognition of Red China and the demilitarization of Berlin so that you can debate and defeat the agents of the enemy on these issues?

These are things that must be done by the American people—in all parts of the country—if we are to win the cold war and thus escape the devastation of nuclear missile bombardment.

There are other things you can—and should—do:

If Communist fronts are promoting these and other Soviet objectives in your community, they should be exposed and rendered ineffective.

When patriotic, anti-Communist organizations, individuals and Government agencies are made the targets of character assassination attacks by the Communists and their allies who want, above all else, to destroy them, you should go to their defense.

Keep informed about legislative and policy proposals for combating internal subversion and Communist advances abroad. Throw your weight behind those which are sound and get others to do the same.

You should do everything in your power to assist the development of an effective nationwide civil defense program.

When you uncover facts on subversive activity—as opposed to idle rumor and gossip—you should pass this information on to your local FBI office or to the Committee on Un-American Activities.

Remember that the Communists' major weapons are deceit, subterfuge and concealment. Your best weapon is, therefore, exposure, which is no more than the revelation of the truth about the activities of a criminal conspiracy and its adherents. Never be ashamed to use it.

Never resort to violence or illegal actions of any kind. This helps the Communists and discredits the anti-Communist cause. Stick to lawful means.

Avoid unfounded attacks on any individual or organization. Be scrupulous about your evidence and the rules of fairplay before making any charges. Again, the anti-Communist cause has been hurt if you have to retract an ill-considered charge you cannot substantiate.

At the same time, never backtrack or retreat when you know you are right. Stick to your guns. Resolve that although you are unjustly attacked and subjected to various pressures, you will not yield.

Don't surrender any group to the Communists. If you find that some organization to which you belong is being infiltrated, don't abandon it and give the Communists carte blanche to take it over. Bring the matter out into the open and organize your forces for a showdown fight. Don't resign from any group until it has become clear that the Communists have attained so much power in it that their grip cannot be broken.

Remember that there is no quick and easy solution to the problem of communism. The power and influence of the Communists in this country and elsewhere can be destroyed only in the way they were created; that is, by the concerted efforts of many thousands of people extended over a period of years.

Actually, you are limited in what you can do to help your country win this most decisive of all wars only by how much you really want to do. The more you study, the more deeply you become involved in this problem, the more you will find you can do—if you have the will to act.

Our enemy is the most dangerous this country has ever faced. He is powerful, clever, tricky. As strong as he is, however, and despite all the weapons and resources he has at his command, the fate of this country and the outcome of this war is not in his hands.

It is in your hands, in the hands of the American people. There is no question in my mind but that it is in the most capable hands, that you will not fail your country, that you will fight this war as you have others, and that victory—not atomic annihilation or Soviet occupation—will be ours.

Report to the People by Congressman Walter H. Moeller, 10th District, Ohio

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EXTENSION OF REMARKS

OF

HON. WALTER H. MOELLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MOELLER. Mr. Speaker, as the 1st session of the 87th Congress draws to a close, I believe every conscientious Congressman has an obligation to the citizens of his district to report and analyze the accomplishments and shortcomings of the session. I would like to take this opportunity, therefore, to review for the people of the 10th Congressional District of Ohio the record of the current session.

1. DEFENSE AND FOREIGN POLICY

There is no doubt that the greatest problem we face, and the one that is uppermost in the minds of the people of this country, is the question of dealing with the worldwide Communist conspiracy. On this question, the present Congress has responded, with unprecedented speed and with an impressive display of bipartisan national unity, to the President's call for increased military and space programs to meet the growing Russian and Chinese Communist challenges.

MILITARY BUILDUP

The defense budget has been increased by nearly $6 billion to provide for additional aircraft, missiles, naval vessels, and more conventional weapons. Congress also authorized the President to call up 250,000 members of the Ready Reserve—Reserve and National Guard components—and extend the tours of those now on active duty, to beef up the armed services in the face of renewed threats in central Europe and to free nations around the world.

CIVIL DEFENSE

Included in the new defense appropriation are some $300 million to make a start toward the first meaningful civilian defense program we have ever had. Civil defense has been, to my mind, our greatest failure; it is really appalling to think that, while we spend billions upon billions on military armament, and other billions on foreign military and economic aid, we have not, until this year, provided any real protection for the millions of our citizens who will bear the brunt of a nuclear attack should it come at some time in the future.

NATIONAL SPACE PROGRAM

The recent Russian space feats serve to accentuate the big increase voted by the 87th Congress in our national space program. Though the $1.7 billion approved this year is a 75-percent increase over 1960, it represents a relatively small amount when compared to the $47 billion military appropriation—but, at least, it should start us on the road to matching and eventually surpassing the Russians in this vital field. As a member of the House Space Committee, I can assure you that, in the future world, the nation which gains strategic control of space will be in a dominant position among the other nations of that world. In short, our national space program is no pie-in-the-sky program, but, rather, it is absolutely essential to our national survival.

FOOD FOR PEACE

By authorizing the sale of an additional $2 billion worth of surplus agricultural commodities to friendly nations overseas this year, Congress has taken a giant step toward relieving the market-depressing surpluses here at home—and, at the same time, putting them to good use around the world in combating the grinding poverty of the underdeveloped nations—which, in itself, serves as a major Communist talking point in selling their "line" to unsuspecting countries.

FOREIGN AID

The foreign military and economic assistance program advocated by the President would make an excellent study in the parliamentary processes of the legislative branch of the National Government. This measure took over a month to make its way through the House and Senate to final Presidential signature. In the interim, Congress junked the administration's request for authority to borrow from the U.S. Treasury to finance long-term loans—the so-called back-door method of financing—and reasserted the all-important principle of congressional control of the purse strings, by requiring annual appropriation of all

funds expended under the act. This development assured strong bipartisan support of the bill. Former President Eisenhower, and other high-ranking Republican Members of Congress, also called for passage of the foreign aid bill.

With the House and Senate compromising on a final dollar figure, the foreign military and economic assistance program voted this year is substantially the same as similar measures passed during the last administration.

NEW LOOK IN FOREIGN POLICY

In addition to the military and space program increases, which signal our firm intention to withstand whatever pressure the Communists choose to apply, Congress also adopted two new programs in the foreign policy field in an attempt to reverse the current trend in world affairs which seems headed toward an eventual nuclear catastrophe.

The first of these, a bill to establish an Arms Control Agency that would emphasize our Nation's peaceful intentions, concentrate the work of all Federal, State, and local disarmament groups, and work out practical and effective alternatives to nuclear war, enjoyed the wholehearted bipartisan support of former President Eisenhower and former Secretary of Defense Gates. This bill in no way indicates a willingness to disarm unilaterally, which, to my mind, would be the height of folly, but, rather, shows a readiness to explore all avenues of approach to lessen world tension and to disarm only if other nations do likewise.

The Arms Control Agency bill was almost identical to the National Peace Agency bills I introduced last year and again this session. The Berlin crisis and the resumption of nuclear weapons testing make it imperative that we initiate, without delay, specific and concrete steps to insure that the chance for an enforcible nuclear test ban and a controlled system of world disarmament does not fall by the wayside.

If we are to defend and preserve our heritage of freedom and our treasured American way of life, we must find a practical and honorable way out of the world's present difficulties.

The second innovation in the foreign policy field was the passage of legislation creating a permanent Peace Corps program. The Peace Corps idea has been widely accepted by Americans of all ages, particularly those in their twenties and thirties, and by the underdeveloped nations in need of skilled technical assistance for their internal development projects. For example, Ohio State University will train a Peace Corps volunteer group starting this October for agricultural extension and demonstration work in the Punjab region of India.

Although I believe we must be extremely careful in selecting and training these young Americans for volunteer service around the world, I also feel that the Peace Corps idea represents the kind of new, imaginative program we desperately need to get the free world's quest for a just and lasting peace off dead center.

2. DOMESTIC LEGISLATION

On the domestic front, the 1st session of the 87th Congress has acted decisively to end the economic recession and start the Nation on the road to recovery. The many pieces of legislation passed and the many executive actions taken to end the slump have already improved the business and employment picture dramatically. However—and I feel it is almost impossible to overemphasize this fact—unemployment is still running nearly 7 percent of the total work force, nationwide, and at far higher levels in chronically depressed areas such as the 10th District.

I do not intend to let up in my fight to get adequate programs to counteract so-called hard-core unemployment problems. Though production nationally has now reached and exceeded prerecession levels, and gross income has risen sharply in the last 7 months, there are still two groups who have not benefitted from the recovery: (1) the 5 percent of those laid off during the recession who have not been rehired because of such factors as mechanization and automation of equipment, management reorganizations, and a continuing rise in labor productivity, and (2) those in economically depressed areas, such as our own, which have not shared in the general recovery.

Mr. Kennedy has promised to support additional measures next January, if the condition of these two groups does not improve substantially by that time.

I intend to do my utmost to see that, since Congress feels that the necessity of offering friendly nations around the world assistance with their economic problems, Congress also sees the much greater necessity of helping the economically underprivileged in our own country help themselves out of their economic difficulties.

Permit me to list briefly the major domestic measures enacted this year which have contributed so much to the strengthening of our economy.

UNEMPLOYMENT AID

Three measures—temporary unemployment compensation extension, provision of similar benefits for unemployed railroad workers, and aid to dependent children of unemployed parents—helped alleviate some of the worst suffering caused by the recession.

MINIMUM WAGE

Passage of the increase and extension of the minimum wage law—the first extension of coverage enacted in over 20 years—assures that within 4 years the 23.9 million workers now covered by the act and the 3.6 million newly covered workers will receive at least $1.25 per hour—certainly a minimum for those attempting to support a family in this period of rising prices.

SOCIAL SECURITY

The Social Security Act was also liberalized this year to provide a modest but long overdue measure of relief for our elderly and needy citizens.

HOUSING

The first substantial improvement and revamping of the Housing Act in over 12 years was passed and signed into law this summer. Many of the provisions of this comprehensive measure should be of great help to the hard pressed communities of the 10th District.

WATER POLLUTION CONTROL

The Water Pollution Control Act was materially strengthened by a greatly improved program for a broad Federal-State-local attack on this menacing problem.

AGRICULTURE

Although the general farm program enacted was a none too satisfactory measure, net farm income this year is expected to be up some 10 percent over 1960—to the highest levels since the Korean war. In addition, the feed grain program passed in March gives some indication of pointing the way out of our present dilemma of continuous overproduction and ever rising farm subsidy payments.

AREA REDEVELOPMENT

The legislation which appears to offer the best opportunity for real, meaningful assistance to the counties and communities of the 10th District is the Area Redevelopment Act, signed by the President on May 1. This measure, twice vetoed by the last administration, establishes a self-help economic development program, placing a premium on local initiative and local leadership. It is my sincere hope that the efforts we have already made in the 10th District, and the work planned for this fall and winter, will pay off in the form of more jobs, a better business climate, and improved economic conditions for the people of southeast Ohio.

CIVIL RIGHTS

In the civil rights field, Congress passed legislation extending the life of the President's Civil Rights Commission for another 2 years. The Commission is now releasing comprehensive reports and recommendations to ensure equal civil rights and equal opportunity to all our citizens in the vital fields of voting, education, housing, employment, and the administration of justice.

The present administration has taken more aggressive and vigorous action in the civil rights field than any other administration in history. More qualified Negroes have been appointed to top judicial and policymaking executive department positions in the past 8 months than in all administrations since the turn of the century combined. The President's Committee on Equal Employment Opportunity is making great strikes in eliminating racial discrimination in the Federal departments as well as in hiring for work on Government contracts. And the Justice Department has for the first time taken the initiative in school and voting cases and to assure equal treatment for interstate travelers.

Most important of all, perhaps, is the fact that the President has thrown the full moral weight of his office into the fight for equal rights and first class citizenship for every American. All these things are being accomplished in a quiet, effective and nondisruptive manner, but with the firm conviction that the blessings of this democracy are for all to

share without regard to race, creed, color or national origin.

3. BUDGET AND TAX OUTLOOK

All this legislation, particularly the defense, space, and anti-recession increases, often means more to the average American in terms of the net effect it will have on his taxpaying pocketbook. In this connection, Dr. Walter Heller, Chairman of the President's Council of Economic Advisers, recently stated that, unless the deepening world crisis necessitates further military expenditures, we can look forward to no tax rate increase next year.

This is certainly good news for the hard-pressed American taxpayer. Despite large budget increases, due primarily to our military buildup, Dr. Heller's group, as well as experts from the Budget Bureau and the Treasury Department, predict that tax receipts will rise as the Nation's economy recovers from the recession—so much so that taxes will not have to be increased—and we can expect a balanced budget within 2 years.

The estimate for the current fiscal year—1962—calls for a deficit in the neighborhood of $5½ billion. This, however, compares favorably with the last postrecession year of 1959, when the Eisenhower administration sustained the biggest peacetime deficit in American history—over $12 billion.

RECESSION NOTE

Those who have opposed this year's antirecession measures, and who, at the same time, have been outspoken critics of deficit spending, might see the inconsistency of that legislative opposition from this startling fact: all fiscal experts here agree that, with full employment, there would have been budget surpluses in excess of $6 billion in both fiscal 1961, just ended, and in fiscal 1962—even after taking the increased appropriations into consideration.

TAX REFORM

The predictions on tax reform legislation are somewhat guarded. The administration proposed a series of such programs this year, including a liberal increase in the business tax depreciation schedule to encourage private investment in new plant and equipment. To offset the loss in tax revenues this would entail, Mr. Kennedy also proposed closing several loopholes in the present tax law. But opposition from all sides prevented consideration of the reform program during the current session. Administration leaders promise a renewed attempt next year to improve the tax code—but the degree of success they meet will depend on their ability to resolve the conflicting claims of all the special interest groups which have virtually paralyzed every attempt to reform and equalize the tax burden in the past 6 years.

INFLATION—THE DANGER OF A NEW WAGE-PRICE SPIRAL

Every thinking American is vitally concerned that a creeping inflation does not further decrease the sound value of the dollar and eat away at his hard-won family earnings. The President has voiced this universal concern in his recent request to both labor and management to show moderation and self-restraint in the current auto and steel labor contract negotiations.

Since these basic industries have the power to set the wage-price pattern for the entire country, it is my earnest hope that, in the national interest, labor will moderate its contract demands and management will agree to absorb as much of the final wage increase granted as possible without passing it on to the consumer.

The times are too critical and our country is faced with too many external dangers to permit the placing of individual or group self-interest ahead of the national interest. It should be remembered that a strong, noninflationary economy is as important to our national survival as the maintenance of a strong military establishment.

4. CONCLUSION

This completes my summary of the accomplishments of the 1st session of the 87th Congress, one of the longest and most productive in memory. I believe, if next year's session continues the constructive and progressive trend established in 1961, the 87th Congress will go down in history as one of the most enlightened and forward-looking Congresses in recent times.

As we move on into the 1960's, the opportunities and challenges will be tremendous—but likewise, the dangers perilous and close at hand. It ill behooves the citizens, the Congress, or the President of the greatest democracy on earth to fail to meet the responsibilities of this critical hour. All Americans—of whatever faith, creed, color, or political affiliation—must unite to reaffirm again in this generation that free men, under God, can live and work in freedom, and be able to pass these blessings on for future generations to enjoy.

Tax Rate Reform and the National Security

EXTENSION OF REMARKS

OF

HON. A. S. HERLONG, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HERLONG. Mr. Speaker, on many occasions my friend and distinguished colleague on the Ways and Means Committee, the gentleman from Tennessee, HOWARD H. BAKER, and I have, in discussing our companion bills, H.R. 2030 and H.R. 2031, to reform Federal tax rates and methods, pointed out that their enactment would contribute to military preparedness. This is just as true in the present as in the past. A dynamic, growing economy provides the strongest base for our national security.

As the amount of capital in a country grows, so does its economy. This is a law of economics. It is true of any type of economy, whether socialized or communized or free enterprise as in America. When capital is accumulated, it will be used. When it is not accumulated, or is destroyed, it cannot be used. These are simple facts of economic life.

History, judgment, faith in freedom tell us that where capital accumulation and use are not subjected to disproportionate taxation, a free enterprise system will outperform all other economic systems.

When testifying before the Ways and Means Committee on May 3, Secretary of the Treasury Douglas Dillon stated:

As we look back over the past century we see that our record of economic growth has been unmatched anywhere in the world. But of late we have fallen behind. From a historic growth rate of 3 percent per annum in gross national product (1909–56, in constant prices), we have fallen to 2 percent in the latter part of the 1950's. In the last 5 years Western Europe has grown at double or triple our recent rate and Japan has grown even faster. While there is some debate as to the precise annual growth rate of the Soviet economy, CIA estimates that their GNP grew at a rate of 7 percent in the 1950's. Clearly, we must improve our performance. Otherwise, we cannot maintain our national security, we cannot maintain our position of leadership in the eyes of the world, and we cannot achieve our national aspirations.

Subsequently, President Kennedy launched a new military buildup. While judgments may differ as to the direction and emphasis of our military program, all thinking Americans are agreed that military preparedness and security come first in the order of things.

Mr. Speaker, our concern is not with the increase in military spending, which we have supported, but with the change in attitude in regard to the economics of growth which seems to have accompanied the increase. We hear that the increase in spending in the public sector will underwrite greater growth in the private sector of the economy. This not only is wrong in theory, it is disproved by the record. The recent inadequate growth record which Secretary Dillon cites follows years of continued buildup in public spending, a trend which continued right through the years of inadequate growth. What the Government takes in private income and capital simply represents a transfer to public spending of what otherwise would be spent or invested in the private economy. When increased Government spending is deficit financed, we run the risk of "hot money" which creates more inflation and subtracts from economic values.

Just as an army fights on its stomach, so does a government live off its economy. The greater the needs of government, the greater will be the demands on the economy. The increased military spending provides greater rather than less reason for releasing the tax blocks to economic growth.

The time for action is already late. In recent years, the economies of major foreign countries have grown more rapidly than ours because more of their current income has gone into capital formation. It has been reported by Mr. Allen Dulles, Director of the Central Intelligency Agency, that upward of 30 percent of Russia's gross national product is channeled into capital formation. The

rates of leading Western countries in 1959 are as follows:

Gross domestic capital formation, percent of GNP, 1959

Germany	23
Austria	23
Italy	21
France	18
Belgium	17
Britain	15
United States*	15

*Source: Department of Commerce.
Source: Statistical yearbook, 1960, United Nations, table 166, p. 471.

Mr. Speaker, our problem domestically is that business expenditures for new plant and equipment have shown little net growth over the past decade, as shown by the following figures—in constant dollars—1960 value:

Business expenditures for new plant and equipment, 1951 through 2d quarter 1961

[Billions of dollars, adjusted to 1960 price level]

1951	32.3
1952	33.0
1953	34.7
1954	32.6
1955	34.0
1956	39.1
1957	38.8
1958	31.3
1959	32.6
1960	35.7
1961 (2d quarter)	34.6

Mr. Speaker, our legislation is designed to gradually reform the tax rates and methods which unduly restrain new capital accumulation and destroy too much capital already accumulated. It has built-in procedures for postponing scheduled income tax rate reductions in the event of budget unbalance thus providing all necessary priority to increased military spending. However, it should not be believed that it is increased military spending which thwarts the enactment of this critically needed legislation. Instead, it is the continued and persistent increase in spending on domestic programs.

The universal support which has been given to President Kennedy in his decision to increase military spending does not extend to domestic spending. Instead, there has been widespread reaction that it is past time to clamp down in the domestic area. We believe this reaction represents the true feeling of a majority of the Nation's citizens. Certainly, it is consistent with the general public interest in reforming the tax structure to permit the greater growth in the private economy which would mean adequate good jobs for all who are willing and able to work; increased productivity, so that wages and salaries will buy more, living standards will advance more rapidly, and as a nation we will be able to compete more effectively with foreign producers; more revenue from a greater and more productive tax base, thus strengthening our capacity to meet whatever demands military preparedness may involve over the years ahead; a counterforce to a new surge of inflation, thus protecting our gold reserves and position of world financial leadership; enhancement of our prestige and influence in the world, and increase of our power for initiative in the contest with communism.

We have been greatly encouraged by the support our bills have received from diverse groups and people throughout the country. But we do not wish to mislead anyone. The Federal Government is at a point where it has got to make choices. It cannot just slide along with increased domestic spending and hope that some way or other the opportunity for thorough surgery on our uneconomic tax structure will open up. That opportunity can be created, but it will not just happen.

However, unless the choice is made to tighten domestic spending in 1962, carryover of the tax problem until 1963 will not improve the opportunity for favorable and adequate action. Every commitment for additional domestic spending simply uses up revenue dollars which otherwise could be applied to tax rate reform.

The choice has to be made that more capital for more growth through tax rate reform is more important to the public welfare than any competitive spending on any and all domestic programs.

Until recently, it was understood that the administration planned to submit for congressional action next year a plan for a thorough overhauling of the tax structure. Now, there are indications that action is no longer expected until a new Congress is elected in the fall of 1962 and takes over in 1963. This would project us into the mid-1960's before moderation in tax rates could be expected to have significant beneficial effect on the economy.

There seems to be some belief in Washington that the prospects for rapid recovery from the recent recession diminish the need for early action on tax rate reform. Nothing could be further from the truth. We also had rapid recoveries from the preceding recessions, but these did not prevent the poor overall growth record cited by Secretary Dillon. To make certain that the recovery is transformed into a period of more substantial and sustained growth, the relaxation of the tax blocks should have begun this year. The next best time is next year. To put off the problem until 1963 would be to invite a new lag in growth and employment.

Mr. Speaker, while the Congress is in adjournment, we hope that the administration and the congressional leaders of both major political parties will give new thought and attention to the plight of our economy under the present tax structure. It is not enough to think big in regard to the Nation's military needs. We must think big in regard to our domestic needs for more capital if we are to have the full strength and security which the private economy is capable of providing.

We regret that it was not practical to bring our bills to a legislative decision this year. However, we do want all of our friends and allies, in and out of Congress, who support this legislation to know that we will continue to urge its enactment. We hope that opportunity for enactment will come next year, and will do all that we can to bring about this opportunity. It is a time for working harder, not relaxing. The Government can make the choice for more growth in the private economy instead of more growth in total Federal spending, if it will. Our country will be a better place in which to work and live, and more secure in its freedom, when tax rates are moderate at all points.

Supplemental Appropriation Act, 1962

EXTENSION OF REMARKS
OF
HON. JOHN TABER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. TABER. Mr. Speaker, your committee presents a bill to this House which is $860,900,000 below the budget estimate for foreign aid. There are some other minor items providing a further reduction of $10 million.

The committee and the members of the conference committee who were thinking about it are very much disturbed about this situation.

Mr. Speaker, the United States at this moment has a debt of $295 billion. Last year we had a deficit of $3,900 million for the 12 months ending June 30, 1961. To August 31 this fiscal year, we were running behind $5 billion, while for the first 18 days of September, we ran behind $1,584 million, a higher rate than last year.

That is one of the reasons why some of us feel so strongly we cannot support a bill for foreign relief, which is plunging our country into deeper and deeper debt over the years. The people who have been operating this thing, and especially those who have promoted this development loan business without knowing enough about it to realize what their situation is and what the situation of the country is, are convincing more and more thinking people every year that we must quit the business of dumping $4 billion in 1 year out the window, where it is doing the people of this country no good at all.

Next year, when we sit down to mark up a bill of this kind, if we do it for as large an amount as is being demanded this year, there is going to be no escape from wildcat inflation. There is no question but what there will be a deficit exceeding $20 billion this fiscal year which ends on June 30 next, and that is going to be followed by wildcat inflation.

I hope that the people of the United States will come to realize what they are doing to our country for there can be no salvation unless the people come to realize how necessary it is to balance our budget and conserve our resources.

I am submitting herewith tables that show not only regular appropriations from the U.S. Treasury, but the "back door" authorizations to withdraw funds from the Treasury. The back-door authorizations run to $19,673 million. The

regular and permanent appropriations will run more than $93 billion. The total authorizations to expend given by this first session of the 87th Congress will run to over $113 billion.

This means that with prospective receipts we can expect our national debt to expand about $20 billion to $315 billion.

How can we ever expect to have a balanced budget if we are going to continue that sort of riotous spending? Bankruptcy and terrific inflation are all that I can see ahead, face to face with these figures.

The tables that are referred to follow:

Table of regular appropriation bills, 1st sess., 87th Cong.

Title	Budget estimates to House	House action	Budget estimates to Senate	Senate action	Conference final	Increase or decrease compared to budget estimates
3d supplemental	$1,235,482,769	$803,506,119	$5,275,213,127	$4,637,419,970	$1,694,055,637	−$3,581,157,490
Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	
4th supplemental	88,024,000	47,214,000	88,024,000	47,214,000	47,214,000	−40,810,000
Total, 1961 supplementals	1,923,506,769	1,450,720,119	5,963,237,127	5,284,633,970	2,341,269,637	−3,621,967,490
1962 appropriations:						
Treasury-Post Office	5,371,801,000	5,281,865,000	5,371,801,000	5,327,631,000	5,298,765,000	−73,036,000
Interior	782,387,000	753,319,000	782,387,000	813,399,850	779,158,650	−3,228,350
Labor-HEW	4,282,148,081	4,327,457,000	5,004,281,081	5,161,380,000	4,915,965,000	−88,316,081
Legislative	105,647,577	104,353,335	136,082,802	135,432,065	135,432,065	−650,737
State, Justice, judiciary	795,891,202	751,300,050	795,891,202	762,038,550	756,422,550	−39,468,652
Agriculture	6,089,244,000	5,948,466,000	6,089,244,000	5,967,457,500	5,967,494,500	−121,749,500
Loan authorizations	(612,000,000)	(629,900,000)	(612,000,000)	(725,500,000)	(725,500,000)	(+113,500,000)
Independent offices	8,625,561,000	8,404,098,000	9,174,561,000	9,098,769,500	8,966,285,000	−208,276,000
General Government—Commerce	666,278,000	626,958,000	666,278,000	650,438,200	641,135,800	−25,142,200
Defense	42,942,345,000	42,711,105,000	46,396,945,000	46,848,292,000	46,662,556,000	+265,611,000
District of Columbia	(292,438,188)	(268,122,400)	(292,827,398)	(270,438,360)	(270,067,897)	(−22,759,501)
Loan authorization	(24,600,000)	(29,000,000)	(24,600,000)	(29,000,000)	(29,000,000)	(+4,400,000)
Federal payment	39,753,000	32,753,000	39,753,000	32,753,000	32,753,000	−7,000,000
Military construction	1,047,568,000	883,359,000	1,047,568,000	1,020,146,750	951,690,750	−95,877,250
Foreign assistance	4,993,991,000	3,835,245,000	4,993,991,000	4,416,091,000	4,123,345,000	−870,646,000
Public works	3,732,038,000	3,662,701,380	4,000,788,000	3,940,926,880	3,908,880,980	−91,907,020
Supplemental	604,975,447	573,040,923	1,134,639,841	1,068,503,903	1,125,927,341	−8,712,500
Total, 1962 appropriations	80,079,628,307	77,896,020,688	85,634,210,926	85,243,260,198	84,265,811,636	−971,265,020
Total, all appropriations	82,003,135,076	79,346,740,807	91,597,448,053	90,527,894,168	86,607,081,273	−4,990,372,280
Total, loan authorizations	(636,600,000)	(658,900,000)	(636,600,000)	(754,500,000)	(754,500,000)	(+117,900,000)

"Back door" bills, 1st sess., 87th Cong.

Title	Executive requests	Senate action	House action	Enacted
Veterans' direct loans, multiyear (public debt)		$1,050,000,000	$1,050,000,000	$1,050,000,000
Area redevelopment, multiyear (public debt)	($300,000,000)	300,000,000	(300,000,000)	300,000,000
Agricultural commodities, sales for foreign currencies (contract authority)	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Special milk program (contract authority)	105,000,000	105,000,000	105,000,000	105,000,000
Housing Act (public debt and contract authority)	8,003,000,000	8,103,000,000	8,803,000,000	8,858,000,000
Cape Cod National Seashore Park (contract authority)	(16,000,000)	16,000,000	(16,000,000)	(16,000,000)
Federal aid to airports (contract authority)	375,000,000	375,000,000	(375,000,000)	(225,000,000)
Mutual security, 5 years (public debt, contract authority, use of certain repayments)	9,187,000,000	8,187,000,000	400,000,000	300,000,000
Highway Act (contract authority, diversion to "trust fund")		1,660,000,000	1,803,000,000	1,660,000,000
Agricultural Act	9,000,000,000	5,400,000,000	5,400,000,000	5,400,000,000
Total	28,670,000,000	27,196,000,000	19,561,000,000	19,673,000,000

Corry, Pa.: A Town That Is Proud To Stand on Its Own Feet

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. KEARNS. Mr. Speaker, in Erie County, in the 24th District of Pennsylvania, is a town by the name of Corry—known for its potatoes, its diversified industry, and its community spirit.

This community of less than 8,000 has a highly active chamber of commerce, and under the leadership of its secretary, Stewart A. "Doc" Long, its enterprising citizens—through their own initiative—went out and raised over $125,000 for an industrial development fund that has resulted in four fine new plants being established in Corry. This large sum came from outright subscriptions, with no strings attached other than the assurance that the money would not be given away.

Mr. Speaker, Corry exemplifies what other communities in the United States can do with public spirit and a real effort. As their Congressman, I am proud of these citizens and wish to take this opportunity to recognize their efforts and zeal, which I know will be an example and an inspiration to other communities.

The Muzzling of Maj. William E. Mayer

EXTENSION OF REMARKS
OF
HON. GORDON H. SCHERER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. SCHERER. Mr. Speaker, the alleged political activities of General Walker are only an excuse for getting rid of a competent, outspoken opponent of Communist penetration and subversion.

The real reason for muzzling the military is to remove one of the irritants that prevent the creation of a favorable climate in which the Stevensons, Bowleses, Schlesingers, and so forth, might negotiate with and appease the Kremlin. The muzzling of Maj. William E. Mayer is proof of the fact that Walker's alleged political activities are not the real reasons for his persecution.

The Members of Congress may be interested in my letter of September 22, 1961, to Senator STROM THURMOND, in which I discuss the Major Mayer matter and its relation to the policy of this administration in clamping down on the military's discussion of Communist aggression:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 22, 1961.

Hon. STROM THURMOND,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: First, let me congratulate you on your splendid and tireless efforts which resulted in the Senate's decision to investigate the muzzling of our military men in connection with their informing and instructing the boys in the service and others about the strategy and techniques of the Communist conspiracy to subvert the free world as part of its drive for world domination.

From what I know as a member of the Committee on Un-American Activities, it is shocking and incomprehensible that the administration should prevent anyone, much less our informed military officers, from instructing men in the armed services and the American people about the dangers and

subtleties of the new weapon of modern warfare, namely, Communist internal subversion.

We're spending billions to protect this Nation from the missiles and nuclear weapons of the Soviets if the current struggle develops into a shooting war. At the same time we would deprive our boys and people of knowing how to defend themselves from the weapons that are presently being used against them in the so-called cold war.

Frankly, Senator, I'm actually sick inside about this and other soft-on-communism policies we are following, because we're losing this fight on all fronts. I did not intend to make a speech in this letter, since you know these things as well, if not better, than I.

My real purpose in writing you is to call to your attention a stupid and frightening incident of muzzling which those responsible for this edict cannot brush aside on the basis that the officer muzzled is an eccentric, uninformed, or mixing politics with his pronouncements.

Maj. William E. Mayer, now assigned to the Army Command and General Staff College, was the chief neuropsychiatrist of the U.S. Army in charge of the task force responsible for the rehabilitation of returned American prisoners of war who had been unbelievably brainwashed by the Chinese Communists.

For your information, I am enclosing a copy of Major Mayer's address made some time ago before the Freedom Foundation. This address was taped and has been heard since by many people. The Taft Broadcasting Co. of Cincinnati, as a public service, recently broadcast this taped speech of Major Mayer.

The people of the Cincinnati area were so impressed with what Dr. Mayer had to say that, as a result of public demand, he was invited to make a television appearance over the Taft station, WKRC–TV, at which time he answered questions of a panel concerning his experience with Communist brainwashing techniques.

Xavier University and Our Lady of Cincinnati College, in my district, as a result invited him to speak on the same subject matter. The major accepted enthusiastically. But the other day Major Mayer was compelled to cancel these appearances.

I am herewith enclosing a copy of the lead editorial of the Cincinnati Enquirer of Wednesday, September 20, 1961, entitled "The Plague Hits Cincinnati." This exceptionally well-written editorial states the case against the muzzlers far better than I can. As the Enquirer editorial points out:

"Major Mayer is no wild-eyed fanatic, no crank, no crackpot. He is, instead, a solemn, thoroughly informed, articulate young physician, whose splendid talents led to his appointment as chief neuropsychiatrist in the Army task force responsible for rehabilitating American prisoners in the Korean war * * * he knows, perhaps better than any other American, the shortcomings and the inadequacies that converted one-fourth of our Korean war prisoners into collaborators and one-tenth into informers."

The Enquirer editorial concluded with this statement:

"Here was a brilliant, dedicated, thoroughly equipped young American with a story that his fellow Americans needed to hear. That he has now been denied the opportunity to tell that story is an outrage for which 'stupid' is too charitable an adjective."

As you know, the 81 Communist Parties met in Moscow last December. It was decided there that an all-out effort had to be made to discredit and destroy anti-Communist organizations and activities, particularly in the United States. It is appalling but within a few weeks after that Moscow meeting there began in this country an all-out attack on anti-Communist persons and programs. I don't need to document for you the innumerable incidents that have taken place. Your investigation will no doubt disclose who started the agitation to kill the anti-Communist Defense Department seminars, which were originally inaugurated as a result of a National Security Council suggestion in 1958.

May I respectfully suggest that your committee inquire as to whether or not the muzzling of the military could be part of the program of certain people in the State Department who feel that they can negotiate a settlement with the butchers of the Kremlin of the world tensions created by them in their drive for world domination. Perhaps your committee could determine whether these starry-eyed appeasers helped promote this idea of the muzzling of the military in order that there might be created a more favorable climate or atmosphere in which they could carry on their negotiations with the Kremlin. Could it be that these State Department appeasers feel that the attacks on the Communist conspiracy by the military are an irritant that must be removed because it prevents a favorable climate or atmosphere? To my mind it is a combination of the two factors I have discussed in this letter which led to the muzzling of the military and the removal of the film of the Communist-inspired riots against the Committee on Un-American Activities from Defense Department training courses.

In any event, the case of Maj. William E. Mayer, in my opinion, would be an excellent one with which to start your investigation because the authors of this muzzling policy cannot excuse this frightening directive on the pretense of political meddling.

Sincerely yours,

GORDON H. SCHERER.

The American Legion at Its 1961 National Convention Held at Denver, Colo., Commended Cherokee Textile Mills, Sevierville, Tenn., for Standing Firm Against Criticism for Using as a Slogan on Its Outgoing Mail—"Ours Is a Republic, Not a Democracy—Let's Keep It That Way"

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. VAN ZANDT. Mr. Speaker, the following news articles by the Associated Press and United Press International appeared in Knoxville, Tenn., newspapers and reveal the action taken by the American Legion at its recent national convention held at Denver, Colo., at which time it commended the Cherokee Textile Mills of Sevierville, Tenn., for refusing to cease using on its outgoing mail the slogan, "Ours Is a Republic, Not a Democracy. Let's Keep It That Way."

[From the Knoxville Journal, Sept. 15, 1961]

LEGION BACKS SEVIERVILLE FIRM'S STAND

DENVER, September 14.—The American Legion has thrown its support behind a Tennessee textile firm in a controversy with the Post Office Department over a slogan on mailed material.

The company is the Cherokee Textile Mills of Sevierville. Beginning last spring, the firm on outgoing mail stamped this slogan: "Ours is a republic, not a democracy. Let's keep it that way."

A resolution approved at the Legion convention yesterday said the Post Office Department informed the owner of the mailing meter that the slogan was "objectionable and misleading," and "of a political or ideological nature."

The meter company, Pitney-Bowes Co., demanded that Cherokee return the meter and the Tennessee firm refused, the Legion resolution said.

The Legion said it commends the Cherokee company for its resolve in standing firm against this unwarranted invasion of its rights as an American citizen.

[From the Knoxville News-Sentinel, Sept. 14, 1961]

MILL PRAISED FOR POSTAL SLOGAN

DENVER, September 14.—The American Legion national convention yesterday commended the Cherokee Textile Mills of Sevierville, Tenn., for "standing firm against this unwarranted invasion of its rights" by the U.S. Post Office Department and Pitney-Bowes Co.

Cherokee has been using a slogan in its mailing meter which says, "Ours is a republic, not a democracy. Let's keep it that way."

A resolution, originated by California Legionnaires, stated that the Post Office has informed the Tennessee mill it considers the motto "objectionable and misleading" and "of a political or ideological nature."

Pitney-Bowes, the resolution went on, has made demands that the die and the mailing meter, which it manufactured and owns, be returned. Cherokee has refused.

The Legion resolution said the veterans organization itself "reaffirms its belief in this Nation as a republic, not a democracy."

The Cherokee Textile Mills expressed its appreciation to the American Legion in the following public "thank you" announcement:

THANK YOU, LEGIONNAIRES

We appreciate the honor bestowed upon us.

America can be saved from self-destruction, but only by the people back home, not by the politicians in Washington.

Only by returning to trust in God and to the Constitution can freedom be made secure. Only the people back home can place American patriots in Congress and weed out party hacks who place personal and party greed above the welfare of their country.

A Congress filled with patriots would cause the Communist conspiracy to collapse as a house of cards. Such a Congress would restore to America that God-given freedom that has been so tragically voted and adjudicated away by unscrupulous officeholders of both parties.

The courageous action by the Cherokee Textile Mills in refusing to yield to pressure tactics has revived nationwide interest in the age-old controversy regarding the use of the terms "republic" and "democracy" in describing the American form of government.

It is recalled that in 1953 I had the honor of being awarded the George Washington Gold Medal by the Freedoms Foundation of Valley Forge, Pa., for my magazine article titled "The United States Is Not a Democracy, It Is a Republic—Long Live Our Republic."

In view of the national attention being given our form of government, I wish to include in my remarks at this point the magazine article which was published

in the June 1953 issue of the National Republic magazine:

THE UNITED STATES IS NOT A DEMOCRACY, IT IS A REPUBLIC—LONG LIVE OUR REPUBLIC

Mr. VAN ZANDT. Mr. Speaker, it is time for the American people to delete from their vocabulary the word "democracy" when referring to our form of government. History tells us that our Government is and always has been a Republic, and the following facts will support this statement.

The United States of America was established as a constitutional republic. When the Constitutional Convention had completed its labors, a citizen of Philadelphia asked Benjamin Franklin what kind of a government had been set up. Franklin replied, "A republic—if you can keep it."

The word "democracy" is not found in either the Declaration of Independence or the Constitution. Thomas Jefferson, the founder of the Democratic Party, always spoke of "the Republic," or "our republican form of government."

In all the state papers of Presidents for the first 125 years—from George Washington to Woodrow Wilson—there is no reference to the United States of America as a democracy. Julia Ward Howe did not style her great patriotic anthem "The Battle Hymn of the Democracy."

James Madison distinguished sharply between "republic" and "democracy." Said Madison:

"Democracies ever have been spectacles of turbulence and contention, have ever been found incompatible with personal security or the rights of property, and have been, in general, as short in their lives as they have been violent in their deaths."

In 1848 William H. Seward said:

"Democracies are prone to war, and war consumes them."

But centuries earlier Aristotle had written—in 322 B.C.:

"A democracy, when put to the strain, grows weak and is supplanted by oligarchy."

That is why we always have a demand for Government controls in times of emergency. The same warning was heard in declining Rome, when Seneca said, in A.D. 63:

"Democracy is more cruel than wars or tyrants."

In 1918 Woodrow Wilson described World War I as a "crusade to make the world safe for democracy." But with the end of the Wilson era, the word passed quickly from our popular vocabulary.

Beginning in 1933—the year President Franklin D. Roosevelt extended diplomatic recognition to Communist Russia—we became a democracy again, and since that time a tremendous Government-supported propaganda has been directed to all young people, to teach them to scorn those who insist this Nation was established as a republic.

Article IV of the Constitution provides:

"The United States shall guarantee to every State in this Union a republican form of government."

All the historical evidence shows that we were a republic from 1789 until about 1933. Who decided we should then become a democracy, and why? Bequeathed to us by 20 years of New Deal democracy, we have only the tragic rolls of 1,435,000 battlefield casualties, and a staggering Federal debt of $267 billion.

Although Communist Russia is recognized universally as the most tyrannical dictatorship in all human history, the Moscow meeting of the Communist Internationale, in 1935, formally decreed that the Soviet Union should henceforth be described as a democracy.

Soon the principal Communist-front organizations throughout the world began to incorporate the words "democracy" or "democratic" in their title. Thus, in 1935, we find in the United States such Communist organizations as the American League for Peace and Democracy, the Church League for Industrial Democracy, the North American Committee To Aid Spanish Democracy, and many more. By 1940 there were more than 60 Communist-front organizations in the United States, each with the word "democracy" or "democratic" in its corporate title.

For more than 20 years we have watched a determined worldwide campaign to make the words communism and democracy synonymous. On the occasion of Stalin's death, in March 1953, the national committee of the Communist Party in the United States described the passing of the Communist dictator as "a tragedy to all democratic humanity."

Under our Republic, government is the servant of the people; under the distorted concepts of godless communism, democracy has become the master of the people.

The 87th Congress Has a Notable and Impressive Record

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. EVINS. Mr. Speaker, the 1st session of the 87th Congress has compiled an impressive record of significant achievement and accomplishment.

Few Congresses, if any, during this century have faced graver crises and more important decisions than the 87th. In January the Nation and the Congress faced a multitude of great problems and challenges. These included the previous problem of an economic recession which posed a real danger of turning into a depression; the threat to peace posed by the belligerent and arrogant leaders of the Communist bloc countries; increasingly strong evidence that we were less advanced in certain areas of space exploration, missile development and overall military might than we should be; significant evidence that our foreign aid programs of the past years had not been as effective and as instrumental in winning friends as the Nation had needed; and a general realization that the Nation was drifting without purpose and that we lacked leadership and a sense of direction.

President Kennedy in his state of the Union message recognized that "things will get worse before they get better" but addressed himself to establishing programs and policies that would start the Nation moving again.

The President delivered or transmitted to the Congress 15 messages on major legislative programs, along with 45 major administration bills and a series of Government reorganization plans. There were 12,000 bills introduced during the session.

The Congress after much study and debate on the numerous matters before it passed 33 major legislative enactments—a new high mark in legislative history.

The Congress concentrated on the all-important task of building up the Nation's total strength to meet the challenges at home and abroad.

As a result of actions taken during this session of the Congress, our country is now engaged in a broadscale buildup of our military strength which extends to every part of the Military Establishment. At the same time, we are embarking on long-range programs to build up our domestic economy and are endeavoring to strengthen our foreign ties and improve our relations with the friendly and the uncommitted nations around the world.

It is appropriate that we review in some detail some of the achievements of this important session.

THE DOMESTIC BUILDUP

The most immediate and pressing of the problems we faced in January was that of a recession which saw a postwar peak in unemployment and a reduction of national productivity in some industries by as much as 50 percent. The President and the Congress acted quickly to deal with these problems.

Under authority previously granted by congressional acts, the President eased the tight-money policy which in the view of many economists had contributed to bringing about the recession. The Congress has passed a number of measures to provide for an expanding economy and to encourage a higher rate of economic growth.

AGRICULTURE

For the past several years we have seen our agricultural economy declining while surpluses of crops and the cost of obtaining and storing them increased by billions. While farm incomes decreased, the cost of Government programs of assistance to farmers increased, and billions of bushels of surplus crops lay unused, eating up storage costs.

The new administration and the Congress has been able to take steps to break this vicious circle. An emergency feed grain program was enacted into law early in the session, providing for a 1-year voluntary cut in acreage of feed grain crops and increased price supports for the participating farmers.

Meanwhile the Congress considered and after much study and work enacted a broad-scale and long-range farm program—the Agricultural Act of 1961.

Emergency relief in droughts and other disasters caused by the forces of nature, has also been provided in a new Federal farm assistance program.

AREA DEVELOPMENT

The Congress followed up the quick emergency measures to improve the economy with legislation for comprehensive longer range programs to strengthen and increase the growth of our productivity. One of the serious problems of our time has been the development of depressed areas in various sections of our country, and in the rural areas particularly, as a result of the movement of industry from one section to another, the depression of such formerly great industries as coal mining, and the fact that higher mechanization of farming provides fewer employment opportunities for our farm population.

This year we passed the Area Redevelopment Act and it has become law and is now in effect.

The 4-year program launches a wide attack on the twin problems of unemployment and industrial decline in urban areas, and the growing problem of underdeveloped rural areas. The $394 million 4-year program sets up a loan fund for the development of new industrial facilities, and also authorizes both loans and grants to assist local communities in the construction of new public facilities. It provides technical aid for long-range planning at the local level. It encourages the local communities to engage in the important work of technical training and retraining, which is increasingly essential in this day of automation. This program has been rather aptly described as operation "seed corn" for the American community.

NEW HOUSING ACT

Another major legislative achievement was the passage of the 5-year $4.9 billion housing program. This greatly expanded housing program provides a vast array of tools for financing and building a better order in the towns and cities of America. The provisions for FHA mortgage financing for low- and moderate-income families have been extended on liberalized terms. The new act authorizes Federal grants for urban renewal projects and open space development. Congress has provided for loans for needed college dormitory construction.

Farm housing and housing for elderly citizens has also been authorized and extended. The public facilities loan program for cities has been extended to aid our cities both large and small in financing needed municipal improvements.

Practically every city and town in our State of Tennessee is participating in one or more aspects of this legislation, authorized and expanded by Congress, to assist community development and industrial growth and development.

SMALL BUSINESS AIDS

The Congress has granted the Small Business Administration a greater role in Federal procurement policy in order to assist small business to participate in Government contracts and subcontracts on a broader scale. We have provided additional lending authority for the Small Business Administration and for the small business investment companies in order that they may assist small business enterprises of the Nation.

As chairman of Subcommittee No. 1 of the House Select Committee on Small Business charged with overseeing the operations of the SBA, I have urged administrators of this potentially great agency to take more positive and vigorous action in using the tools provided by the Congress for assisting our small business community. It is indeed gratifying to see those potentialities being used more vigorously by the new SBA Administrator, Mr. John E. Horne.

RESOURCES DEVELOPMENT

In the public works appropriations bill of 1961, Congress has provided funds for new starts in resources development at a faster pace than in previous years. The Corps of Engineers, the TVA, our Reclamation Bureau, the Atomic Energy Commission, our National Park Service, the Rural Electrification Administration, and our great regional power programs will all expand their activities under new legislative actions of this session of Congress. In our public works program we are making greater capital investments in America, to preserve and develop our natural resources in response to increasing demands of our swiftly growing population. Decreasing water, forest and mineral resources—and actual scarcities in some areas—underscore the urgency of this need which Congress has recognized as important in the public interest.

A new Water Pollution Control Act was approved during this session—evidencing the Nation's concern for an adequate water supply. Another act increases the funds for grants to States and interstate agencies for both operation and construction of new sewage plants, thus encouraging and stimulating the purification of our water supply throughout the Nation.

ROADS

This Congress has aided the work of building a stronger America by advancing the new Federal interstate highway construction program. To keep that program for a system of some 40,000 miles of superhighways on schedule, Congress increased the Federal Government's share from $25 to $37 billion. The new authorization extends for an additional 2 years the incentive bonus for States to enter into agreements for control of billboard advertising along the interstate highway.

SOCIAL SECURITY

Congress took action to increase the minimum old-age insurance benefits for our elderly citizens, liberalized the disability provision of the act, and provided that men may exercise the option to retire at 62 instead of 65, with benefits adjusted accordingly.

The Social Security Act was amended to permit States to use matching Federal grants to aid children of the needy and unemployed.

VETERANS

Congress extended the GI home loan bill for World War II and Korean war veterans until July 25, 1967, and authorized $1.2 billion in appropriations to veterans for direct loans in rural and small-town areas.

Funds were approved for compensation and pensions, hospital and medical care programs and other vital services to our veterans in a Veterans' Administration budget of approximately $5 billion. Included were funds for continuation of our veterans' hospital construction and modernization program.

JUDGES

Legislation creating 73 new Federal judgeships, greatly needed, was approved by Congress. Three of these authorized will be in Tennessee.

SECURITIES

A 2-year study of the Nation's stock exchanges by the Securities and Exchange Commission was ordered by the Congress, on the initiative of the House.

EDUCATION

Congress extended the National Defense Education Act for 2 years and provided for a program for impacted school areas, with Federal funds to be channeled to communities with heavy concentrations of Federal employees with schoolchildren crowding local school districts throughout the country. These two bills were important parts of the administration's comprehensive education program which were considered during this lengthy session. The fight for needed assistance for public school construction, college facilities, college student loans, and scholarship recommendations will be reconsidered in the next session.

TRADE, TRAVEL, AND TRANSPORTATION

Congress took positive steps to encourage development of our tourist industry, through passage of an act for establishment of a new Office of International Trade and Travel in the Department of Commerce. This program is designed to give coordinated planning and vigorous promotion both at home and abroad to measures which will stimulate travel in this country by tourists from overseas.

To provide assistance to the distressed transportation industries, particularly the railroads, Congress expanded the Interstate Commerce Commission's authority to make loans to railroads for a period of 27 months—to June 30, 1963.

Congress passed several laws, also, to assist aviation and to promote aviation safety.

We approved a bill authorizing $300,000 for the United States to participate in the 1964–65 New York World's Fair.

REORGANIZATION

These, in the main, were the domestic legislative actions which kept Members of Congress on the double quick through the long 1961 session. There are, inevitably and as usual, some who feel that Congress accomplished too little and some who think it achieved too much. However, by any standard, this was an exceptionally productive and positive session on Capitol Hill. For a new start toward a total American effort in the domestic sphere, the 1st session of the 87th Congress set a pace that has not been matched since the 1st session of the 73d Congress, which made the first 100 days of President Franklin D. Roosevelt's administration famous.

NATIONAL DEFENSE BUILDUP

There were no recommendations before Congress this session more important than those to provide for our Nation's military buildup which President Kennedy proposed and the Congress provided.

The Congress approved a record peacetime budget of some $46.6 billion—an increase of $6.4 billion over the defense appropriations for fiscal 1961. This is $4.8 billion more than was requested for national defense in the budget of the previous administration.

The extra defense dollars are going to provide greater national strength and a better overall defense program.

Funds are included for the buildup of our logistical and military transport

forces, for expanded military construction, for civil defense shelters and other civil defense projects.

While funds are included for more rockets and more weapons of the very expensive highly technical type, funds are also included for improved light rifles and the standard military hardware necessary to fight any type of war.

Increased defense appropriations will provide for a bigger Army, Navy, Air Force, and Marine Corps.

Total U.S. forces are to number 2,743,227. This includes an Army of 1,008,000, a Navy of 657,000, a Marine Corps of 190,000, and an Air Force of 888,227.

The new military program is designed to give us a strong nuclear striking force which could survive any initial attack and thereby provide a strong deterrent against nuclear war. It is also designed to provide a force capable of meeting any small aggressive action promptly and decisively. The overall program will give us greater power and greater flexibility—capable of meeting any war threat.

In short, the military buildup represents comprehensive and balanced preparedness on a scale that this Nation never before attempted except in a period of declared hostilities.

BUILDING STRONGER ALLIANCES

Alliance for progress, food for peace, and the Peace Corps are works that identify a vastly expanded American effort, undertaken during this session of Congress, to strengthen our international alliances, build friends, and buttress the foundations of freedom around the world.

Most Americans apparently agree that foreign aid is an essential part of our overall defense strategy. Our military assistance programs help to support armed forces and installations abroad that would take a great many more of our American tax dollars and much of our own manpower if we were trying to go it alone. Our economic and technical assistance programs are designed to create conditions which contribute vitally to the maintenance of strong friendly governments around the world.

ANOTHER TREATY ACTION

Twenty of the twenty-one republics of Latin America formally joined with us in launching the Alliance for Progress in the recent Inter-American Economic Conference at Uruguay with Castro's Cuba definitely excluded from the program so long as Cuba remains under Communist domination.

Even before this alliance was breaking new ground in Latin America earlier this year the Congress provided funds for the previously authorized Latin American assistance program by appropriating $600 million. This included $100 million for disaster relief in Chile and another $100 million for loans and grants by the International Cooperation Administration.

Congress also gave new scope to strengthening our allies through passage of the Agricultural Trade Development and Assistance Act. Under an expanded food-for-peace program, $2.5 billion worth of surplus farm commodities will be shipped overseas during the months ahead for needy people around the world.

THE PEACE CORPS

Congress approved the new Peace Corps as a new aid and a new idea to give our Nation's youth a chance and opportunity to work for understanding and promotion of the cause of peace.

Too often we have provided guns to our friends instead of understanding. Too often have we tried to buy allies with impersonal dollars instead of personal relationships. This new program stresses the importance of the need today for our country to be understood for what we are, not a group of materialists serving only mammon, but a Nation of free men and free women believing in the virtues of freedom, liberty, and democracy.

The Peace Corps, recommended by President Kennedy, will screen applicants thoroughly before they are accepted into the Corps for oversea service. After 3 months of rigorous training in the United States, the volunteer Peace Corps men will be sent overseas for 21 months of service in teaching and training in designated countries.

Other important actions taken by Congress, at this session, to strengthen America's position in international affairs, include extension of the Sugar Act, with its continuation of the President's authority to exclude Cuban sugar imports; ratification of the treaty between the United States and Canada for cooperative development of the Columbia River, a bill strengthening the Fugitive Felon Act, which provides new legal weapons to deal with such international crimes as the hijacking of airplanes.

These numerous legislative actions all add up to a giant stride toward a total American effort in the economic defense and diplomatic affairs to battle for freedom.

We have thus set in motion legislative actions to build up and strengthen our Nation on three fronts—military, economic, and the international or diplomatic.

The complete job of assuring the continuation of freedom and liberty cannot be done in one session of the Congress nor in one decade but we have begun and the Nation is now moving forward again with new purpose and with restored vigor with which to meet the crisis-filled world.

Where Are We Heading?

EXTENSION OF REMARKS

OF

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. QUIE. Mr. Speaker, with the deep concern over survival which pervades the minds of the citizens of our country now that the Soviet Union has embarked on atmospheric nuclear tests, and the dangers involved in the Berlin crisis, it is a bit difficult to think back on the 1st session of the 87th Congress which is now history and analyze the successes of the session, as well as its shortcomings. When we went into session in January, the economy of our country was uppermost in our minds, although the mounting Soviet challenge never left us. First, we wondered what kind of a program the President would propose, and how he would conduct himself in international affairs. I can point up the direction in which he intended that this Government should go in two ways: First, there was a clear-cut desire to further the centralization and expansion of the Federal Government. Second, there was clear-cut evidence of the desire to secure responsibilities in the executive branch which traditionally and constitutionally have reposed in the Congress. As we look at the successes, partial successes, and failures of the administration in various areas of legislation, it will be possible to analyze the position we are in now, and in what might be attempted next year. On the international scene, we were discouraged and disappointed with the reverses in Laos, and in Cuba. I hope that the administration will now show the kind of leadership in the Berlin crisis which will enable the people who are presently free to remain free. In order to secure unquestionable military strength, we must forge ahead in research and development and appropriate the tremendous amounts of money necessary. It is significant that during this last session, the Congress has not been asked to cut back expenditures nor have revenues been increased to prevent a deficit. The economic recovery is now evident, and some indications are that this is the beginning of a boom. However, it is of the utmost importance in these crucial times to hold down domestic spending, budget in the black rather than the red, and in so doing we may achieve economic stability as well as military stability.

AGRICULTURE

You are all familiar with the action taken this year in the field of agriculture. The new feed grains bill was passed early in the session, which contained three features which I have been advocating ever since coming to the Congress, that is, payment-in-kind as an inducement to reduce production, voluntary retirement of acres and price supports contingent upon compliance with the program. I am still concerned about the policies the Secretary of Agriculture might use in disposing of the surplus commodities reflecting the cash payments which were made to retire acres from production. This authority could drive down the prices of feed grains, which would be detrimental to the Midwest, but helpful to the feed-deficit areas of the East and the South. The omnibus farm bill was passed without the requests of the Secretary of Agriculture in which he desired to have the Congress transfer to him its responsibility to write farm legislation. I am pleased we extended the feed grains legislation for another year, and provided for a 1-year 10-percent reduction in wheat, and extension of the

important laws, such as the National Wool Act, Public Law 480, the special school milk program, and improvements in our farm credit laws. Next year, we can look forward to studies and legislation to provide for a long-range farm program especially affecting feed grains, wheat, and sugar. All these programs are due to expire next year. The Agricultural Marketing Agreement Act was expanded slightly, permitting additional commodities to make use of marketing orders. It is imperative that farmers and individuals involved in related industries thoroughly study the ramifications of all proposed new programs because what is enacted next year may stand on the books and affect agriculture for a long time to come.

EDUCATION

Early in the session, we began consideration of a general Federal aid to school construction and teachers' salary bill. The administration included the extension of Public Law 815 and Public Law 874, aid to federally impacted areas laws, as a part of the package since that law is so well accepted and 319 Members of Congress have districts which receive aid through them. This issue soon became embroiled in a controversy over the desirability and constitutionality of providing Federal aid to private and parochial elementary and secondary schools. When the National Defense Education Act was considered for extension and revision, since it was due to expire next year, the controversial Federal aid to private and parochial elementary and secondary schools was added to the National Defense Education Act, providing for loans for construction to these schools, but not for public schools in a similar way. The Rules Committee refused to schedule the three major education bills before the House because of this controversy, and therefore, Federal aid to higher education, which would have provided for construction of academic facilities and financial assistance grants to students received the same fate. Later on, an effort was made by some to pass a school construction aid bill along with the extension of present laws authorizing Federal aid to federally impacted school areas and NDEA. This was undesirable to the large majority of the House of Representatives since the bill was not actually limited only to those areas of need as desired by many in order to give limited meaningful aid, nor was it desired by many proponents of broad Federal aid to elementary and secondary schools since it provided nothing for teachers' salaries. With these series of defeats, the Congress extended federally impacted areas laws and the National Defense Education Act for 2 years, thereby enforcing any aid to elementary and secondary schools—if considered next year—to be voted on its own merits. The disappointment in education legislation to me was twofold. The proposed additional assistance to higher education was shelved even after the need was clearly demonstrated and accepted by most to be within a Federal responsibility. Second, after a thorough study on rehabilitation and special education, not enough was done to forward the needed improvements in these areas. It is my hope that further work in these areas will be conducted next year.

FOREIGN AID

The big controversy in the foreign aid legislation was not whether it should be passed or not, nor even over the amount of funds authorized. It was, rather, whether a new policy should be adopted providing the administration with long-range—5 years—planning authority plus funding of the program through Treasury borrowing—back-door financing—which would have circumvented the Congress right for financial review which it presently has through annual appropriations. I support long-range planning authority, but annual appropriations. The House, in its enthusiasm to show that it would not condone Treasury borrowing to finance the development loan funds, adopted a bill which even provided for annual authorization. Later, the House-Senate conferees worked out the difference in a very acceptable manner. The foreign aid bill was adopted, and shortly thereafter, the Appropriations Committee reported its bill to finance this authorization—$1,112,500,000 will be provided for the Development Loan Fund, $296,500,000 for development grants, $275 million for the President's contingency fund, and $1,600,000,000 for military assistance. When the House Committee on Appropriations cut the military assistance grant to $1.3 billion, I thought this was an unwise move and supported a motion to increase this amount by $300 million. I thought the administration justified its request for the larger amount for military assistance which goes to improve the fighting capabilities of our allies.

DEPRESSED AREAS—MINIMUM WAGE

This session passed a depressed areas bill. I supported the retraining and relocation of workers phase of the bill, although I did not feel sufficient emphasis was placed on retraining. I believe that workers who have lost their jobs because of basic changes in the economy and technology must be encouraged to learn other skills which are in demand. I opposed the method of financing this legislation, which, again, is the back-door financing approach. This session also approved a minimum wage bill which increased wages for those affected by the bill to $1.15 to be increased to $1.25 in 3 years. This legislation also includes many intrastate businesses of certain volumes. I believe the various State legislatures should legislate minimum wages for strictly intrastate businesses, and the Federal Government should confine itself to businesses in interstate commerce.

PEACE CORPS

After much discussion, the House approved the establishment of a Peace Corps for the next 3 years. Previously, the Peace Corps was operating under a Presidential order. The legislation thus gave legislative approval, and approved $40 million for its operation.

ARMS CONTROL AGENCY

The House also approved the establishment of an arms control agency. I supported this legislation since I felt that in the past our officials representing us in international conferences have too often not been certain what should be proposed because of indecision on the policy level. There, of course, cannot be any disarmament now under the stress of the international situation. However, there is a need for a continuing study of the scientific, economic, political, legal, social, psychological, military, and technological factors related to arms and arms control, and this would be the specific responsibility of the permanent agency.

SOCIAL SECURITY

This session of Congress revised the social security program by increasing the minimum benefit from $33 to $40 a month, and allowing men to retire at 62 with lower benefits. We also increased survivors benefits by 10 percent and reduced eligibility requirements. Social security taxes were increased one-eighth of 1 percent on both employer and employee, and three-sixteenths of 1 percent for self-employed individuals.

HOUSING

The administration's urban development bill providing for a $4.9 billion housing program is now law. This legislation allows the Federal Government to bypass State governments to establish direct lines of finance and control from the Federal Government to the cities. The bill permits the use of Federal funds to buy and set aside land to be released later for public use. There is also a strong element of "backdoor spending" in the bill, that is, borrowing directly from the Treasury without a specific authorization from the Appropriations Committee or committing the Government to spend certain amounts before receiving an authorization from the Appropriations Committee. Examples of such "backdoor spending" are the public housing contract assistance and urban renewal grant contract assistance.

NATIONAL DEFENSE

In all, Congress authorized slightly more than $49 billion for national defense during this past session; there is a bipartisan, all-out effort here in Washington to build up our military forces to meet not only the current Berlin crisis, but any potentially dangerous situation anywhere in the world. This general buildup includes $12.5 billion for the construction of aircraft, missiles, and naval vessels; it continues the B–52 bomber production programs, provides for 2 new nuclear-powered missile frigates and steps up the Polaris submarine production to 29 by 1964, instead of 1967. Congress also authorized the President to call up to 250,000 reservists and National Guardsmen for active duty of not more than 1 year and to extend training periods. Other authorizations include the construction and improvement of our missile sites and nuclear submarine bases; also, research on solid and nuclear propellants as well as the development of the latest weapons for use in conventional warfare.

HIGHWAYS

More than $11.5 billion was appropriated by this session of Congress for the

completion of Interstate and Defense Highway System as scheduled by 1972, and to bring Federal apportionments for primary, secondary, and urban programs from $925 million to $1 billion annually. Congress also fixed Federal gas and diesel tax at 4 cents per gallon, raised the levies on tires, tubes, retread rubber, and on heavy trucks and buses.

WATER POLLUTION

Because of the greatly increasing demands for additional water supplies—a demand that will be a major challenge within 10 years—Congress expanded its water pollution control program and increased grants to the States and interstate agencies from $3 million annually to $5 million for operations through June 30, 1968. This session also increased its appropriation for the construction of treatment works from $50 million to $100 million annually, and substituted a sliding-scale formula for the present 30-percent limitation on Federal grants.

QUESTIONNAIRE RESULTS

Having considered some of the major legislation which has been acted on during this session of the 87th Congress, I also want to take note of the views of my constituents in the Minnesota First District. In April of this year, I sent out some 110,000 questionnaires. Of this total, more than 10 percent mailed their replies—an unusually high return. I believe this indicates that the citizens in my district have a great interest and concern about their Government; it also indicates that they want their representative in Washington to know what they are thinking on important issues. Here are the results of my 1961 questionnaire:

Do you think that our civilian defense program has been satisfactory? Yes, 43.06 percent; no, 42.14 percent; no opinion, 14.80 percent.

A Peace Corps of young Americans should be established under Federal auspices for oversea development work? Yes, 54.08 percent; no, 32.62 percent; no opinion, 10.30 percent.

To restore greater confidence in the dollar and halt the drain of gold overseas, we should return to high tariffs and trade restrictions against other countries? Yes, 36.11 percent; no, 47.65 percent; no opinion, 16.24 percent.

Reduce our military forces overseas? Yes, 27.10 percent; no, 55.21 percent; no opinion, 17.69 percent.

Curtail oversea travel by American citizens and restrict duty-free merchandise they can purchase abroad? Yes, 48.86 percent; no, 34.89 percent; no opinion, 16.25 percent.

Reduce our production costs and increase our production to compete more effectively in the world market? Yes, 78.56 percent; no, 9.14 percent; no opinion, 12.30 percent.

Remove American businessman's incentive to invest in dollar-rich oversea countries? Yes, 51.03 percent; no, 20.07 percent; no opinion, 28.90 percent.

Should the Federal Government establish a Freedom Academy which would conduct courses for community leaders in both the United States and abroad on the Communist threat, and to develop a "counterscience" against the Communists? Yes, 63.61 percent; no, 20.25 percent; no opinion, 16.14 percent.

Should Congress enact a farm program which, among other things, would enable the Secretary of Agriculture to set market prices and enable Government marketing of major quantities of agricultural production through the Commodity Credit Corporation? Yes, 27.73 percent; no, 53.87 percent; no opinion, 18.40 percent.

Do you favor loans to private and parochial schools, both elementary and secondary as suggested, similar to loans for colleges and universities? Yes, 20.15 percent; no, 76.48 percent; no opinion, 3.37 percent.

Should we continue to oppose the admission of Red China to the United Nations? Yes, 70.57 percent; no, 20.04 percent; no opinion, 9.39 percent.

If another attempt to reach an agreement with Russia to ban nuclear testing should fail, should we resume underground testing? Yes, 75.20 percent; no, 12.94 percent; no opinion, 11.86 percent.

To assist economically-distressed areas, do you approve of: Federal grants-in-aid to the States to establish industry? Yes, 41.96 percent; no, 42.08 percent; no opinion, 15.96 percent.

A Federal rehabilitation program to retrain and relocate workers in other fields? Yes, 58.48 percent; no, 29.88 percent; no opinion, 11.64 percent.

Finally, one could not survey the work of this session of Congress without noting the grave state of world affairs—a situation which has deteriorated steadily while the work of this Congress has proceeded.

I do not believe that this country's foreign policy should be based on the mere containment of the Communists. Our foreign policy should, rather, be dedicated to the great task of forcing what has been a steadily advancing communism into a steady retreat and withdrawal from countries which it has enslaved. Consequently, I believe first it is wisdom for our country to build its military forces not just to meet the current threat in Berlin, but to insure our security regardless of where the threat to peace comes from. I have often thought that it is one of the unfortunate, elemental facts of our time that countries under dictatorships tend to be overconfident when assessing the military capability of our country. This was surely the case both in World War I and in World War II. I believe it is now also true, though a prudent man might find it difficult to understand why this should be. During peaceful days, we are concerned about our own families, our own endeavors, and our own communities. This is a privilege we expect to enjoy in a country such as ours. It is, in fact, what accounts for the deep-seated pride in being Americans. But, however difficult it is to arouse our people, once this occurs, our enemies in the past have found that we prosecute war with an almost fanatical energy. This fact is in no way a boast; it is a fact of history, and I believe Americans are now willing to do whatever they can for their country.

How can it be, then, that those who would now violate their agreements with our country in an attempt to enslave even more millions could underestimate an aroused American Nation? I am convinced in my own mind that the vast majority of Americans will tolerate no further concessions to the forces of communism. If negotiations are called for based on the assumption of the Communists that there must be some Western concessions, then I oppose such negotiations. I believe the line has been drawn, not just in Berlin, but around the world. In negotiations the demand on our part should be for the rights and freedom of peoples behind the Iron Curtain as in all other countries of the world.

For human beings by the millions to face the prospects of a nuclear war is one of the enormous and terrifying facts of this era. But millions of Americans have, in the past, been willing to pay the supreme sacrifice rather than bow to foreign domination or foreign terrorization. Any man who would say there is nothing worse than death, I would think such a man dead already. Worse than death itself is human freedom denied; worse than death is moral depravity. Worse than death is a life void of a belief in God and the freedom to practice that belief. I decry the morally bankrupt slogan popular in some minority groups in England—the slogan "Better Red than dead."

There was an American in an equally cruel era of our history who had another slogan that stirs my heart and mind today just as it stirred our ancestors almost two centuries ago. Patrick Henry said it best, and we still remember, "Give me liberty or give me death." That, I believe, is the conviction and nobly defiant stand that most worthily recommends itself to all Americans in these days of crisis.

Nuclear Bombs, Their Effects and How To Protect Against Them

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. VAN ZANDT. Mr. Speaker, with the resumption of nuclear bomb tests the average American is confused as to the result in radiation fallout and how to protect against it.

To assist in promoting a better understanding of fallout and its effects the following questions and answers have been prepared by the staff of the Joint Congressional Committee on Atomic Energy:

NUCLEAR BOMBS: THEIR EFFECTS AND HOW TO PROTECT AGAINST THEM

I. WHAT ARE SOME OF THE EFFECTS OF NUCLEAR BOMBS?

Question. What is fallout?

Answer. The radioactive debris from a nuclear detonation which has been deposited on the earth after having been airborne is what is meant by fallout. This debris could be in the form of solids such as dust which would be seen or individual atoms which could not be seen. It could fall in dry form or it could be brought down by rain or snow.

Question. What kinds of fallout do we have to deal with?

Answer. Local or close-in fallout occurs within the first 10 to 20 hours after detonation. Intermediate fallout (which is in the troposphere) takes place during the first few weeks after the explosion. Delayed or distant fallout (which is in the stratosphere) is the slow dropping of radioactive particles

from the air over a period of years. The latter may cover the entire earth although of course it would be greatly diluted and therefore of much less danger.

Question. What kinds of radiation are we subjected to?

Answer. The main kinds of radiation from fallout that may affect man are beta particles (fast moving electrons) and gamma rays (similar to X-rays). These kinds of radiation also exist naturally although their concentrations are so low that they are not hazardous.

Question. What radioactive elements are the major hazard?

Answer. There are hundreds of radioactive elements which are called isotopes. Only a few are dangerous. Most of them decay to a harmless state very fast. Many of the isotopes released by nuclear weapons lose their radioactivity before they reach the earth. A few, such as strontium and cesium, remain radioactive for a long time.

Question. What other radioactive debris might be hazardous which is in fallout besides strontium and cesium?

Answer. It was indicated in both the 1957 and 1959 hearings of the Joint Committee on Atomic Energy, of which I am a member, on fallout from nuclear weapons tests that strontium 90 and cesium 137 are still considered the greatest hazard in worldwide (distant) fallout. In addition carbon 14 is also considered a potential long-term hazard.

Question. What is radioactive half life?

Answer. Half life is the time required for a radioactive substance, called an isotope, to lose 50 percent of its activity by decay. Therefore, the radioactive isotope called strontium 90 which has a half life of 28 years loses one-half of its activity every 28 years. Each radioactive isotope has a distinct half life.

Question. How long does fallout last?

Answer. Fallout dangers are primarily concerned with strontium 90 and cesium 137. They both have a half life of about 28 years. In the event of nuclear war a period of 2 weeks is considered minimal for shelter protection.

Question. What other harmful effects result from nuclear detonations besides fallout?

Answer. Blast, thermal (heat), and immediate radiation. We'll talk more about these effects later.

Question. What hazard is there from the ingestion of radioactivity?

Answer. Strontium and cesium are beta emitters and become ingested by the eating of milk, food, or water, which has been contaminated by fallout. Strontium, as well as some of the other chemical elements is a bone seeker. The ultimate harm done to the biological system it inhabits is made progressively worse because it concentrates in the bone structure where the beta radiation it gives off destroys the blood-making material in the bone marrow.

Question. What are radiation genetic effects?

Answer. These are inheritable changes, mostly mutations, produced by the absorption of ionizing radiations. The biological significance of low levels of radioactivity is still largely unknown.

Question. What are the allowed amounts of radioactivity taken internally?

Answer. Tolerance levels or maximum permissible amounts for biological system uptake have been specified for many of the radioactive isotopes. These are very small amounts usually stated in terms of millionths of a unit of radioactivity per ounce of food or water. The permissible amounts are much lower than the amounts at which radiation effects have been observed.

II. EFFECTS OF NUCLEAR BOMBS ON HUMANS

Question. What are the effects of a 10-megaton bomb on an average city?

Answer. It would dig a crater 240 feet deep and 2,500 feet in diameter. Brick apartment houses would be destroyed out to a radius of 7 miles from the point of detonation. Wooden buildings would burn up to a radius of 25 miles from the point of detonation.

Question. What are the effects of a 10-megaton bomb on man himself?

Answer. Blast injuries from flying debris would occur out to a radius of 7 miles from the detonation. The area affected would cover 150 square miles. Second degree burns (blistering) on the bare skin would occur out to a radius of 25 miles. The area affected would cover 2,000 square miles.

Question. What are the radiation effects of a 10-megaton bomb?

Answer. Initial nuclear radiation of 700 roentgens or more which would result in death to unprotected persons and would cover a radius of 2 miles or an area of 12.5 square miles. Fallout assuming a 15-knot wind would deposit 450 roentgens 150 miles downwind, 25 miles across and over an area of 2,500 square miles.

Question. What are the blast effects on humans from nuclear weapons?

Answer. Primary effects from the blast wave are: lung damage, rupture of the ear drums.

Secondary effects result from flying fragments propelled with great force by the blast wave.

Tertiary effects result in the human body becoming a missile propelled by the blast wave.

Question. What are the thermal effects on humans?

Answer. Casualties are produced from:

(a) Fires caused by direct combustion from the heat from the bomb.

(b) Skin burns.

(c) Temporary and permanent blindness from the intense light of the fireball.

Question. What are the immediate radiation effects on humans at the time of the blast?

Answer. To answer this we must first define a "roentgen" in lay language: "A roentgen is a unit used to express the amount of radiation a person or object is exposed to."

Exposure of the whole body to the following doses produces the indicated results:

(a) Instantaneous doses of 5,000 or more roentgens produce immediate shock resulting in death within a few hours.

(b) Doses of 800 to 5,000 roentgens produce fever, nausea, and vomiting within a few hours resulting in death within 1 or 2 weeks.

(c) Doses of 450 to 700 roentgens also produce fever, vomiting and nausea within hours but only about one-half of the individuals so exposed would die.

Doses of less than 200 roentgens would produce only mild symptoms of nausea and vomiting but complete recovery can be expected.

III. PROTECTION FROM NUCLEAR BOMBS

Question. What need is there for civil defense shelters?

Answer. In an atomic war, blast, heat and initial radiation would kill millions of people near ground zero of the detonation. Many millions can be saved by use of shelters from the resulting fallout. Any kind of material between you and the fallout (as well as distance) will cut down on the radiation reaching you.

In Joint Committee hearings (1959) it was brought out that civil defense preparedness could reduce the fatalities in an assumed attack on the United States from about 25 percent of the population to about 3 percent. Instead of killing 50 million the deaths could be reduced to about 5 million. Under present conditions such an attack would cost the lives of about 50 million people with some 20 million sustaining serious injuries. It was also brought out that more than 96 million people in the United States do not live in or near likely target areas and could be expected to survive by using properly supplied and adequate shelters.

Question. What kinds of shelter materials are recommended?

Answer. Concrete, bricks, sand, metal and earth are adequate materials for protection. Equivalent shielding effects among several materials are as follows: 8 inches of concrete (minimum required) equals 12 inches of earth equals 16 inches of bricks equals 30 inches of wood. In most of the country, everywhere except in areas hit by the heaviest fallout, these thicknesses would give ample protection for a fallout shelter.

Question. What size shelter would be needed?

Answer. An allowance of 10 square feet per person for a family shelter is adequate.

Question. Could absolute protection from fallout be provided by shelters?

Answer. Yes. Expert studies and tests conclude that buried shelters located in groups under school playgrounds, parks, parking areas, and in industrial plants would provide adequate protection from fallout.

Question. What would these shelters cost?

Answer. These shelters providing fallout protection and blast protection up to 10 pounds per square inch could be constructed for $100 per person sheltered.

Question. Could people live in these shelters for 2 to 3 weeks?

Answer. Yes. They would have living and sleeping accommodations, toilet facilities, water facilities, their own power supply and a filtered air system.

SOME GENERAL DATA ON NUCLEAR BOMBS

Question. What is a kiloton?

Answer. A kiloton is a unit used to specify the size of a nuclear bomb. It is equal to the explosive power of 1,000 tons of TNT. For example, the Hiroshima bomb had a yield of 20,000 tons of TNT equivalent (20 kilotons). A megaton is equivalent to 1 million tons of TNT.

Question. How much TNT or other chemical explosives were used in World War II?

Answer. The total amount of bombs and shells used by all combatants in World War II was the equivalent of less than 3 megatons. Khrushchev the other day talked of a 100-megaton bomb. This single bomb would be equivalent to 30 times all of the bombs and shells used during the 6 years of World War II.

Question. How much TNT would be required to have the explosive effect of one 20-megaton bomb?

Answer. A 20-megaton bomb in the form of TNT would require a railroad train of boxcars stretching diagonally across the United States from New England to California.

Tribute to Frank Boyden, Headmaster of Deerfield Academy

EXTENSION OF REMARKS
OF
HON. HASTINGS KEITH
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. KEITH. Mr. Speaker, as an alumnus of Deerfield Academy, I should like to join my colleague, the gentleman from Massachusetts [Mr. CONTE], in tribute to a distinguished humanitarian who is completing his 60th year as headmaster of Deerfield Academy, one of America's great independent schools. Dr. Frank L. Boyden is today revered

not only in the world of education, but throughout the world at large for his understanding of, and faith in, boys. Never one to restrict his efforts solely to the promising student, his faith in boys who were problems to others as well as themselves has been justified a thousand times as they have assumed positions of leadership in the armed services, in the professions, in business, in government, and, of course, in education. It is no exaggeration to say that Dr. Boyden has molded the character of his times through the sense of responsibility which he instilled in his students. As a lover of horses, of baseball, and of boys, Dr. Boyden and Mrs. Boyden, too, today receive the respect and affection of "the sons of Deerfield" from all corners of the globe. It is my privilege to be counted among this fortunate band. My experience under the warm but watchful eye of the great headmaster remains a cherished part of my heritage as I pay tribute to a great American.

UHF Versus VHF

EXTENSION OF REMARKS
OF

HON. KENNETH A. ROBERTS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ROBERTS. Mr. Speaker, I have been much concerned over a situation which has arisen as a result of an order recently issued by the Federal Communications Commission on deintermixture. This concerns some eight major cities, and I believe, if carried out, will ultimately spread to possibly every other city in the country that now enjoys very high frequency reception. In effect, the order of the Commission requires the cities affected to utilize ultra high frequency in lieu of very high frequency, thus depriving many areas of all reception.

For the benefit of my colleagues whom I know are most interested in this matter I include, under unanimous consent, the various bills and resolutions that have been introduced in this Congress to this particular matter in the RECORD at this point:

H. R. 9267
[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES
September 16, 1961

Mr. ROBERTS introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to delete the assignment of any television frequency between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) made to any community on or prior to September 1, 1961, for the purpose of having all commercial and educational television stations in that community operate on frequencies outside the frequency band between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels)".

SEC. 2. Such section 303 is further amended by adding at the end thereof the following new paragraph:

"(s) Have authority to require that apparatus designed to receive television pictures broadcast simultaneously with sound be capable of receiving all frequencies allocated by the Commission to television broadcasting, including frequencies between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) so allocated on September 1, 1961, and to prescribe minimum performance capabilities for such apparatus appropriate to such requirement, when such apparatus is traded, shipped, or transported in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public."

SEC. 3. Title III of such Act is amended by adding at the end thereof the following new section:

"PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION SETS

"SEC. 330. No person shall trade, ship, or transport in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public, apparatus described in paragraph (s) of section 303 unless it complies with the requirements prescribed by the Commission pursuant to the authority provided in that paragraph: *Provided,* That this section shall not apply to carriers transporting such apparatus without trading in it."

H. R. 9277
[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES
September 18, 1961

Mr. Moss introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to delete the assignment of any television frequency between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) made to any community on or prior to September 1, 1961, for the purpose of having all commercial and educational television stations in that community operate on frequencies outside the frequency band between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels)".

SEC. 2. Such section 303 is further amended by adding at the end thereof the following new paragraph:

"(s) Have authority to require that apparatus designed to receive television pictures broadcast simultaneously with sound be capable of receiving all frequencies allocated by the Commission to television broadcasting, including frequencies between 54 megacycles and 216 megacycles (very high frequency channels) so allocated on September 1, 1961, and to prescribe minimum performance capabilities for such apparatus appropriate to such requirement, when such apparatus is traded, shipped, or transported in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public."

SEC. 3. Title III of such Act is amended by adding at the end thereof the following new section:

"PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION SETS

"SEC. 330. No person shall trade, ship, or transport in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public, apparatus described in paragraph (s) of section 303 unless it complies with the requirements prescribed by the Commission pursuant to the authority provided in that paragraph: *Provided,* That this section shall not apply to carriers transporting such apparatus without trading in it."

H. R. 9291
[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES
September 19, 1961

Mr. ANDERSON of Illinois introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to delete the assignment of any television frequency between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) made to any community on or prior to September 1, 1961, for the purpose of having all commercial and educational television stations in that community operate on frequencies outside the frequency band between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels)".

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SEC. 3. Title III of such Act is amended by adding at the end thereof the following new section:

"PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION SETS

"SEC. 330. No person shall trade, ship, or transport in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public, apparatus described in paragraph (s) of section 303 unless it complies with the requirements prescribed by the Commission pursuant to the authority provided in that paragraph: *Provided*, That this section shall not apply to carriers transporting such apparatus without trading in it."

H. R. 9293

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

September 19, 1961

Mr. HEMPHILL introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to delete the assignment of any television frequency between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) made to any community on or prior to September 1, 1961, for the purpose of having all commercial and educational television stations in that community operate on frequencies outside the frequency band between fifty-megacycles and two hundred and sixteen megacycles (very high frequency channels)".

SEC. 2. Such section 303 is further amended by adding at the end thereof the following new paragraph:

"(s) Have authority to require that apparatus designed to receive television pictures broadcast simultaneously with sound be capable of receiving all frequencies allocated by the Commission to television broadcasting, including frequencies between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) so allocated on September 1, 1961, and to prescribe minimum performance capabilities for such apparatus appropriate to such requirement, when such apparatus is traded, shipped, or transported in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public."

SEC. 3. Title III of such Act is amended by adding at the end thereof the following new section:

"PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION SETS

"SEC. 330. No person shall trade, ship, or transport in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public, apparatus described in paragraph (s) of section 303 unless it complies with the requirements prescribed by the Commission pursuant to the authority provided in that paragraph: *Provided*, That this section shall not apply to carriers transporting such apparatus without trading in it."

H. R. 9322

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

September 20, 1961

Mr. RILEY introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to delete the assignment of any television frequency between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) made to any community on or prior to September 1, 1961, for the purpose of having all commercial and educational television stations in that community operate on frequencies outside the frequency band between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels)".

SEC. 2. Such section 303 is further amended by adding at the end thereof the following new paragraph:

"(s) Have authority to require that apparatus designed to receive television pictures broadcast simultaneously with sound be capable of receiving all frequencies allocated by the Commission to television broadcasting, including frequencies between fifty-four megacycles and two hundred and sixteen megacycles (very high frequency channels) so allocated on September 1, 1961, and to prescribe minimum performance capabilities for such apparatus appropriate to such requirement, when such apparatus is traded, shipped, or transported in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public."

SEC. 3. Title III of such Act is amended by adding at the end thereof the following new section:

"PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION SETS

"SEC. 330. No person shall trade, ship, or transport in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public apparatus described in paragraph (s) of section 303 unless it complies with the requirements prescribed by the Commission pursuant to the authority provided in that paragraph: *Provided*, That this section shall not apply to carriers transporting such apparatus without trading in it."

H. R. 9349

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

September 21, 1961

Mr. MACK introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To amend the Communications Act of 1934, so as to clarify the intent of Congress with respect to the authority of the Federal Communications Commission in the allocation of television channels

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended by adding at the end thereof the following new paragraphs:

"(ff) 'Very high frequency band' means that part of the radio spectrum between thirty and three hundred megacycles.

"(gg) 'Ultra high frequency band' means that part of the radio spectrum between three hundred and three thousand megacycles."

SEC. 2. Subsection (b) of section 307 of the Communications Act of 1934 (47 U.S.C. 307) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the Commission, in allocating television channels in the very high frequency and ultra high frequency bands, (1) to give any undue or unreasonable preference or advantage to any particular municipality, locality, or region, or (2) to subject any particular municipality, locality, or region to any undue or unreasonable prejudice or disadvantage."

H. RES. 450

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

August 31, 1961

Mr. THOMSON of Wisconsin submitted the following resolution; which was referred to the Committee on Interstate and Foreign Commerce

RESOLUTION

Whereas the Federal Communications Commission has sought congressional appropriations in excess of $2,000,000 for the purpose of conducting a special engineering study of telecasting on ultrahigh frequencies to explore the effectiveness of ultra-high-frequency television service, to determine the proper place of ultrahigh frequencies in our nationwide television system, to provide required additional information upon which basic administrative decisions on television channel allocations can properly be made, and to inquire into ways and means of improving ultra-high-frequency receivers and antennas; and

Whereas the Eighty-sixth Congress, on the basis of the foregoing requests, has appropriated funds in the amount of $2,000,000 for the conduct of such an experimental Commission study of ultra-high-frequency telecasting to be held in New York City; and

Whereas the Commission's ultra-high-frequency study is now only in the preparatory stage with operations not scheduled to commence until late 1961 and the final results thereof pursuant to a six-month extension recently requested of Congress by the Commission not scheduled to be ready until January 1963, or thereafter; and

Whereas it is recognized at the Commission and throughout the broadcasting industry that under the present state of the art, very high frequency channels and service are directly superior to the ultrahigh frequency in terms of wider coverage, receiver and antenna characteristics, and more widespread distribution of very high frequency receivers; and

Whereas the Commission, without awaiting the conduct or results of its experimental study of the ultrahigh frequency has, by proceedings instituted on July 27, 1961, now proposed to take far-reaching allocations actions which would require the deletion of existing very high frequency channels on an ad hoc basis in a number of American cities and would compel the very high frequency stations operating thereon to abandon their wider coverage very high frequency service so as to shift over to ultra-high-frequency channels and service; and

Whereas the results of the Commission's experimental ultra-high-frequency study

for which substantial funds were appropriated would demonstrably be critical to any proper evaluation of the pending Commission proposals to delete existing very high frequency channels and service in favor of the ultrahigh frequency: Now, be it and it is hereby

Resolved, That it is the sense of the House of Representatives that the Federal Communications Commission should take no further action in those proceedings instituted by it on July 27, 1961, which would look to or would compel any television station operating on a very high frequency to shift therefrom to an ultrahigh frequency, until the Commission's pending ultra-high-frequency study shall have been completed and a full and detailed report on the procedures, data, findings, and results of such study shall have been made readily available to the Congress and to the public.

H. RES. 457

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

September 14, 1961

Mr. ANDREWS submitted the following resolution; which was referred to the Committee on Interstate and Foreign Commerce

RESOLUTION

Resolved, That the House of Representatives is opposed to the Federal Communications Commission's conducting any proceedings or taking any other action looking toward the involuntary change of any commercial or educational television station from a very high frequency to an ultra high frequency until at least six months after the study of ultra high frequency television broadcasting for which funds were appropriated by the Eighty-sixth Congress shall have been completed and a full, complete, and detailed report on the procedures, findings, and results of such study, together with data collected during the study, shall have been made readily available to the Congress and to the public.

H. RES. 469

[87th Congress, 1st Session]

IN THE HOUSE OF REPRESENTATIVES

September 18, 1961

Mr. GRANT submitted the following resolution; which was referred to the Committee on Interstate and Foreign Commerce

RESOLUTION

Resolved, That it is the sense of the House of Representatives of the United States of America that the present very high frequency television channels (channels 2–13) are particularly well suited to providing reliable high technical quality television service to the public throughout wide areas, especially in small and medium-sized communities and in the rural, farm, and other outlying sections of the Nation, that the present very high frequency channels are therefore absolutely essential to a nationwide television system in the public interest and none of them should be wasted, that stations now operating on the present very high frequency channels provide television service which is especially vital to the public, and that it would be contrary to the public interest for the public to be deprived of, or to have impaired, the television service it now receives from the existing stations operating on the present very high frequency channels; and be it further

Resolved, That it is therefore the sense of the House of Representatives of the United States of America that the Federal Communications Commission should not conduct any proceedings, or adopt or promulgate any rule or order, or take any other action which looks toward or which would require a commercial or educational television station now operating on one of the present very high frequency television channels (channels 2–13) to change its operations to any channel other than another of the present very high frequency television channels (channels 2–13).

Facts, Foreign Policy, and Victory

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

AND

HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

I—RHODES REMARKS

Mr. RHODES of Arizona. Mr. Speaker, recently a conference of so-called uncommitted or neutral nations concluded its business in Belgrade, Yugoslavia.

I will not dwell on the sordid results of that conference since they have already been dealt with extensively by Members of the Congress and by the Nation's press. But I cannot avoid commenting that their incredible actions should have come as no surprise to anybody. Even the appellation "uncommitted" or "neutral," proudly borne by these nations, should have given sufficient warning to all the world as to the course they would follow in any showdown between East and West. For who on the face of this earth who possesses decency, moral sense, or bravery could remain uncommitted when the choice presented lies between liberty or slavery, between the principles exemplified by Western Christian civilization and the diabolical machinations of the worldwide Communist conspiracy, a conspiracy drenched in the blood of countless millions of human beings?

Mr. Speaker, the unjustifiable failure of these nations to condemn aggression by the U.S.S.R. against all mankind cannot be excused upon the grounds of ignorance. The innate and inherent evil of the Communist conspiracy has time and again been exhibited for all the world to see. It has shown its slack-jawed, leering face in countless atrocities, in the wholesale butchery of freedom-starved Hungarian patriots, in the demonic suppression of millions of its subjugated peoples, and in countless lies, deceits, and treacheries.

No, Mr. Speaker, it was not a lack of knowledge of the nature of Soviet communism and its works which impelled the neutrals to scorn the free and embrace the oppressor. Nor do I think it was a lack of decency or moral sense. It is opportunism of the most blatant kind. It is an opportunism which sees a clear-cut determination on the part of the Soviets to win and a lack of such a will in the West. It is an opportunism which is born of the fear engendered by Soviet displays of raw power.

Mr. Speaker, the real importance attached to the shameful results of this conference of frightened men lies not in its groveling before circuslike displays of Soviet might but in the fact that it has exposed the utter bankruptcy of an American foreign policy which is based upon the currying of the whimsical and capricious favor of such weak reeds.

It is the failure of this senseless policy which concerns us and to which my colleague and I will address ourselves this afternoon.

As the cold war moves into its decisive phase, the geographic locations of the uncommitted nations assume great significance. A Communist Africa, or an Africa torn asunder by Communist-inspired chaos and made ripe for quick conquest by Soviet forces, threatens the entire southern flank of NATO.

Continued Soviet penetration of Latin America, carried on from the newly acquired Communist base in Cuba, poises a dagger at the underside of the United States.

Soviet domination of, or Soviet-inspired neutralism in, India would endanger all of southern Asia and cut vital communications links between NATO and SEATO.

Thus, Mr. Speaker, I do not argue that the uncommitted nations are unimportant or that they should be ignored. But I do insist that any policy which seeks to win them to our cause through semantics, financial giveaways or good example ignores the more important aspects of the cold war. Such a policy can bring us to disaster for it estops us from taking steps which can bring us victory and leads us into actions which can bring us only to defeat.

We speak of "propaganda victories" as if vast armies were added to the forces of the free world each and every time Khrushchev exposes his aggressive intent.

But I must ask, Mr. Speaker, if these are victories, what have we won? The answer is that nothing has been won. For in all our concern to follow domestic and international policies which will be pleasing to the uncommitted nations we have overlooked the unpleasant fact that when we speak in the tongues of the angels of our virtues and our enemy's sins, we speak only to ourselves.

Our allies know which side is right and which side is wrong. They have already made their choice to stand at our side, for the freedom they seek to defend is their freedom as well as ours. They do not need contsant reminders from us concerning our moral righteousness.

The uncommitted of the world are also aware of the side on which justice lies. But they cannot afford to concern themselves with anything quite so sophisticated as the distinction between who is right and who is wrong.

They can only pay attention to the question of who is going to win and who is going to lose. For they recognize that their survival depends upon their ability to choose the winning side in a struggle in which they cannot avoid choosing sides.

In our preoccupation with "What will the uncommitted think?" we have com-

mitted acts of weakness that guarantee a loss of respect amongst those who only admire strength, which includes most of the uncommitted nations.

Mr. Speaker, we stand face to face with an enemy which never ceases to remind us, through word and deed, that he intends to conquer and enslave us. To date our response has been timid and childlike in its naivete. We pray about winning men's minds through good works and charity while our enemies win men's bodies through subversion and aggression, and paralyze their minds through fear. We have become devotees of the very word "negotiation," disregarding the cold facts which tell us that you cannot negotiate your own destruction. We kneel before the altar of the United Nations, disregarding the fact that this body is being gradually subjugated to serving Soviet aims. But we have not done that which must be done to win the struggle into which we have been forced.

Mr. Speaker, we are running out of time. It is not yet too late—we can still win. But in order to do so we must have a policy of victory and in order to formulate such a policy we must first face facts.

Fact No. 1 is so simple that it has escaped many of our leaders. It is that we are fighting for survival. And that survival can only be attained by a total victory over those who would destroy us. There is no middle way; our enemies will not permit it.

Once we accept this fact we can begin to fight. Until we do we are helpless in our purposelessness.

Fact No. 2: Once embarked on a policy of victory we must at all costs avoid doing anything, anything at all, which will assist the enemy or render to him comfort and encouragement. For it should be obvious to all that anything that helps our enemy hurts us.

Fact No. 3: Unpleasant though it might be we must face the fact that the victory we seek involves risks. This victory cannot be had cheaply. If we are unwilling to take risks we are unworthy of victory. As Benjamin Franklin put it, "He who sacrifices liberty for safety's sake deserves neither liberty nor safety." Recognition of this fact demands sacrifice as well as risk. It involves willingness to dig in and prepare to face whatever consequences our quest for victory and peace bring upon us.

Fact No. 4: By virtue of the abundance which God has heaped upon us, and the initiative, willpower, and ingenuity which He has seen fit to imprint upon the American character, the United States is today the leader of the free world. Recognition of this fact demands acceptance of the full responsibilities of that leadership. For if the leader will not lead what can be the fate of the followers?

Fact No. 5: We have entered into the final phase of the struggle for freedom. We must recognize the lesson of recent years. Time is our enemy, not our friend. In the 16 years since the end of World War II the Soviet Union has risen from the ashes of that struggle to a power which dominates a third of mankind. This rise to great power will not cease merely because we desire that it should. It will continue, and Soviet subversion round the world will continue to weaken and conquer its victims. If we are to seek victory as the only alternative to defeat we must accept the lateness of the hour and act accordingly. Our every word and deed must be carefully calculated and executed. Above all, commonsense must, in every case, prevail over sophistry. Intricate and involved diplomatic maneuvering which served a civilized world for many centuries has no great place in this struggle. Today our situation demands not a Richelieu but a Stonewall Jackson.

Mr. Speaker, I have touched upon the failure of our foreign policy, such as it has been. I have outlined the basic facts which must be recognized before a reasonable foreign policy can be formulated. I have avoided partisanship because the survival of our liberty rises far above political maneuver. Should we lose the present struggle the chains with which we will be bound will be nonpartisan.

I will now yield to my colleague, the gentleman from California [Mr. LIPSCOMB], who will outline the foreign policy, the strategy for victory, which we believe is indicated by the facts which I have discussed.

I commend his remarks to the President, to this body, and to our fellow citizens. This policy is, in our opinion, the only course which this Nation can follow. There is no other way if liberty is to live on in this world.

II. LIPSCOMB REMARKS

Mr. LIPSCOMB. Mr. Speaker, I thank the gentleman from Arizona for his concise examination of the facts of life in the cold war.

These facts taken together demand a policy of realism, firmness, resolve and a willingness to sacrifice. Above all they demand that we seek victory, final and complete.

Mr. Speaker, in recent months the voice of weakness and appeasement has been heard in the land. It is a voice which speaks in trembling tones of negotiation and accommodations. It speaks of war, even a war to preserve Western Christian civilization, as unthinkable.

It justifies its weakness by claiming that the policy of "calibrated surrender" which it advocates is realistic and one of reason. It places supreme value upon materialism, it worships not God but gadgetry, not heaven but real estate. Its accents are those of the highly educated but its creed is the cowardice of craven fools. In its extreme, but sole logical conclusion, it bleats "better Red than dead."

For it cherishes not the ideals by and for which men live but only life itself. In the end its goal is mere animal survival—survival at any price.

Mr. Speaker, we do not address ourselves to those who speak in this shrill voice for they are insensible to the reason of courage—to the creed of brave and free men.

We speak instead to the vast majority of our fellow Americans who, despite years of exposure to the incessant voice of unreality which equates love of country with chauvinism and courage with extremism, have remained steadfast if inarticulate in their determination to preserve our liberty and traditions.

One hundred years ago the Northern States fielded a magnificent fighting force—the Army of the Potomac. For 4 long years this army displayed unbelievable courage and devotion. And for 4 long years it suffered tragically because of inept and indecisive leadership. But yet, there was not a single day in this 4 years in which the will of the men of this army to triumph was diminished by one whit. As it moved from bloody field to bloody field, from disaster to disaster, it retained the will to fight, and die if need be, the will to win. The greatness of this army lay in the fact that it endured. And in the end its endurance was rewarded by sound leadership and eventually, victory.

Mr. Speaker, the great majority of the American people might be compared today to that great army.

Though they have suffered humiliating defeat upon humiliating defeat they continue to endure and to keep alive the will to win. They have seen nations whose independence was first secured by the United States turn viciously and unjustly against them, as in the case of Cuba.

They have distributed the hard-won fruits of their labors to nations who now turn their backs upon us in our hour of need. They have shed their blood on foreign fields only to see that which they fought to preserve destroyed and new tyrannies arise to replace those which they so gallantly disputed.

But they have never wavered. They stand ready today to sacrifice whatever the struggle demands of them. And they deserve a leadership which can match their devotion and courage. They deserve a policy which can attain that which they seek: peace with honor and freedom for all mankind.

Such a policy, Mr. Speaker, cannot be formulated until our leaders accept and recognize the facts which the gentleman from Arizona has just discussed.

Mr. Speaker, in my remarks I shall expound upon the conclusions to which these facts point.

Fact No. 1: That we are now engaged in a struggle for the survival of liberty and that this struggle can only end in victory or defeat makes it imperative that we adopt victory as our goal.

There are those among us—the "ostrich policy" advocates—who refuse to accept the words of our enemy that he seeks to destroy us. Their heads buried in the sands of appeasement they fail to see that every day, in every part of the world, the international Communist conspiracy moves forward aggressively, positioning itself so as to be better prepared to strike at us at the propitious moment.

Instead they continue to hope against all hope and reason that somehow this enemy, flushed with successes to which they themselves have contributed by their unwillingness to recognize our peril, will abandon his ever-increasing efforts to destroy us.

We must accept without reservation the fact that we are engaged in a war and that the only acceptable conclusion

in this war is victory. For the only alternative to victory in this struggle is defeat.

Having accepted this fact we must then begin to plan for the winning of this victory. And we must disregard the notion that the enemy can be persuaded by words alone to yield to our desire for peace and freedom for all mankind.

Thus this first element in our policy of victory would prevent us from entering into negotiations with the enemy when there is nothing about which to negotiate, as in the case of Berlin.

Given the aggressive nature of communism the conference table is only another weapon in the cold war for the Soviets. We must avoid letting ourselves be put into positions in which this weapon can be pointed at our heads.

All legal and other considerations aside, the maintenance of the status quo in Berlin is essential to our national security. At the present moment we cannot hope for more than the status quo, but we cannot accept less. Negotiations over the Berlin situation, conducted under the Communist gun, can only achieve a victory for the enemy. We cannot concede a single thing and no rational person could expect the enemy to make any concession. But the mere fact that we permitted ourselves to be forced into a conference through the enemy's aggressiveness would constitute a major victory for world communism.

There have been suggestions that we might concede recognition of the Oder-Nesse boundaries between Poland and East Germany. But such a concession would represent a severe blow to our ally, West Germany, which rightfully looks forward to the reunification of their homeland in its entirety. Such a concession would be an act of cowardice and a travesty in our relationships with West Germany.

We should set preconditions for any negotiations on Berlin. Among them should be the immediate reopening of the borders between East and West Berlin and destruction of the wall recently erected on that boundary.

Until such preconditions as this are met we should consider negotiations impossible.

Fact No. 2 demands that we would avoid giving aid or comfort to the enemy, surely a self-evident fact. In addition to demanding that we cease all of the disgraceful trade in strategic goods with the enemy and his satellites which has recently reached startling proportions, this fact might also indicate the need to stop all trade with the Sino-Soviet bloc and such a possibility should be thoroughly studied.

Given the economic and industrial backwardness of the enemy trade in any goods helps him to gird for the conflict for which he prepares. Such trade is sheer madness.

We must deny aid to all these nations under the suasion of the Kremlin.

We must impress upon our allies the danger of such trade and seek to persuade them with every means at our command to desist from carrying on such trade. We must avoid trade with those who experience shows us will reship goods consigned to them to the Soviet bloc. In short we should give serious consideration to an absolute embargo under dictatorships tend to be overconhaste we must abandon the maniacal practice adopted in recent months of shipping subsidized surplus American foodstuffs and grains to the Soviet Union courtesy of the pocketbook of the American taxpayer. It is madness to feed an enemy when the lack of sustenance in his homeland can create unrest and thus become our ally.

We must look carefully at every proposal to judge if it is something which the enemy desires. Recognition of Red China is one of the cherished goals of world communism. Ample proof exists that such a step would be of enormous benefit to the enemy. It must therefore be resisted. And despite the hot denials of those in the administration who have, by their ambiguous acts and statements, brought us to the brink of this disaster, we can prevent admission of Red China to the United Nations. We can prevent it despite such statements as that made by U.N. Ambassador Adlai Stevenson on "Meet the Press" Sunday, September 17, to the effect that there was little or nothing this Nation could do to prevent the seating of Red China.

We can prevent it simply by making amply clear to all the world that we will not tolerate such a step. Admission of this international bandit, continually in violation of the U.N. Charter, would violate that charter and destroy any effectiveness of that body as an instrument of world peace.

We must state without reservation our determination to prevent this crime from taking place. The United States pays by far the greater share of the costs of this body. It distributes enormous sums to a large majority of the members of the United Nations. If we are willing to make clear our determination in this matter even if it means abandonment of the United Nations, we will prevail.

Our attitude toward the admission of Outer Mongolia should be similar since this, too, will help the enemy.

Further, we must recognize certain highly unpleasant facts about the United Nations itself. We must recognize that, in the guise of fulfilling its mission as a peacemaker in the Congo, it has rendered a tremendous service to the enemy by attempting to destroy, by force of arms, the only effective anti-Communist and pro-Western group in that strife-torn area, Katanga. It has set the stage for the eventual takeover of the Congo by the Communist-leaning followers of the late Patrice Lamumba by encouraging a coalition government with these Soviet stooges occupying places of power.

It has done this in complete disregard of the fact that such coalition governments inevitably lead to Communist domination. History will record that the enslavement of 600 million Chinese came as the direct result of the adoption of a coalition government by the Chinese.

We learned this bitter lesson too late, having precipitated the formation of a coalition government which included the Chinese Reds. We cannot afford to permit the United Nations the luxury of learning such lessons as this through experience.

This and other similar acts by the U.N. make it imperative that, if we are to continue to support this body, it must cease forthwith to render aid and comfort to the enemy. If it does not it has ceased to be a friend of peace and becomes instead an ally of our enemy and an enemy of liberty.

In this, as in all other areas, we must be realists and not idealists.

Fact No. 3 demands that we be willing to accept the risks inherent in a policy of victory without flinching.

Any such policy involves risks. We must be prepared to take them. When the enemy rattles his sabers we must not scurry for cover, muttering vaguely about negotiations on the way. We must instead stand resolute and firm. We must recognize the fact that nuclear warfare is far less appetizing to the enemy than it is to ourselves. We must also realize that fear of such a war, and a determination to avoid it at all costs, is an open invitation to the enemy for expanded aggression on a massive scale. We must make amply clear that we reserve unto ourselves the decision to use nuclear weapons at any time and any place where our national security demands it. It must be our decision, and not the enemy's to decide what points of issue are worth fighting such a war.

All qualifications aside we must put the enemy on notice of our willingness to fight a nuclear war if only to avoid having to fight one. Experience has shown that the Soviet Union will withdraw whenever their bluff is called. This was the keystone in the Eisenhower policy and it must become the foundation of the policy of this administration. It was best expressed by Theodore Roosevelt when he said, "Speak softly, and carry a big stick." Unfortunately, in recent months this policy has been interpreted to mean "Speak strongly, carry a big stick, and make abundantly clear to the enemy that you are afraid to use it."

Fact No. 4 involves acceptance by the United States of world leadership. We must recognize the fact that we bear the heavy responsibility for the maintenance of freedom in the world.

Our strength is the strength of the free world; our weakness the weakness of the free world.

In the past our refusal to accept the duties of leadership has led to fear and suffering in Laos, South Vietnam, Cuba, Latin America, Algeria, Angola, and soon to be, in Mozambique.

We have opened all of Latin America to Communist penetration and eventual conquest by our indecisive if not cowardly policy on Cuba.

The failure of the United States to stand firm behind our ancient ally, France, in its hours of desperation in Algeria and at Bizerte, has brought suffering and despair to Algeria. It has seen the Algerian rebel leadership pass firmly into the hands of Soviet stooges. It has drained France of its wealth, its manhood and, most dangerously of all, its unity.

A similar disaster threatens another old friend, Portugal in its provinces of Angola and Mozambique. The Communist inspiration of the troubles in these areas has been plain for all to see. And yet we stand aloof in this desperate struggle, stooping only to cast a cowardly vote in the U.N. against a friend to aid a foe.

The people of Cuba lay pressed neath the heel of Communist tyranny and all of Latin America trembles as the Cuban based agents of the Kremlin move in their midst, intent upon creating chaos and from chaos, conquest. And we here too remain aloof, offering to the threatened people to the south a shield of paper dollars when they seek to avoid the bullets of Communist maneuvering. In place of strength and leadership we give them money and then wonder why they begin to hold us in contempt. It is because we have, in our weakness of character, been contemptible.

We must assert our leadership in all these areas, and in all the world. We must crush the Red serpent in its Cuban nest and we must do so forthwith. The international situation permits no other solution.

We must make clear our support of our friends, including France and Portugal in their efforts to work out long-term, equitable solutions to the problems attending the development of nationalism in colonial territories. Also, however, we must make clear that we will stand with them against Communist aggression in those territories, hiding under the guise of nationalism.

We must, in all these matters act in our national interest, for in so doing, we act in the interest of freemen everywhere. Our position of free world leadership demands no less of us. Failure to accept our responsibilities threatens not only ourselves but all free nations as well.

If we seek to impress the uncommitted of the world we must display not only the strength that we possess but our willingness to use that strength whenever and wherever freedom is endangered. If we will show to the world our absolute and unshakable determination to win over the forces of despotism and slavery they will stand beside us in this struggle secure in the knowledge that we are there should they need us to protect them from Communist domination.

Fact No. 5 is self-evident. The struggle has reached its decisive phase. Recent actions by the Kremlin show that they are now attempting to bring the struggle to a swift and victorious conclusion.

Displaying raw and unbridled force they seek to intimidate the United States and its allies with threats of the force they display. We must not permit ourselves to be intimidated by this circus-like display but must, instead, make clear to Khrushchev that the unparalleled power at our disposal stands behind our will to resist.

We must commence to take actions designed to put the Kremlin off balance.

We must take every advantage offered us by the seething unrest in the satellites and in Red China. We must expose to the world the vast weaknesses of the Sino-Soviet bloc rather than to help to propagandize their unproven strengths and shabby circus tricks.

Finally, we must acknowledge to all the world our determination to bring this struggle to a victorious end with dispatch and resolve.

We have outlined, in its barest essentials, a strategy for victory. The administration might well pay heed to our words. We stand at a crossroads which on one side leads to peace and liberty and on the other to slavery and death.

This administration can go down through all the ages as the leadership which destroyed mankind's greatest threat. Or it can be despised by all generations to come as the leadership which led the world into chains. The choice is here. It must be made. God willing, we will choose to win.

Statement of Hon. John L. McMillan, Chairman, Committee on the District of Columbia, U.S. House of Representatives

EXTENSION OF REMARKS
OF
HON. JOHN L. McMILLAN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. McMILLAN. Mr. Speaker, it is regrettable that it now appears that the 1st session of the 87th Congress will adjourn prior to the enactment of the District of Columbia revenue bill. The membership of the House District Committee has been very diligent in undertaking to complete action upon this bill in order to provide the greatly needed revenue to the District of Columbia. No fault can properly be placed upon our committee or upon the House of Representatives for the failure of the act to pass.

On March 18, 1961, the House of Representatives passed and sent to the Senate a revenue bill which increased the District sales tax by 1 cent. This bill was not acted upon by the Senate until August 26, 1961, at which time many new taxes and other provisions were added. Thereupon conference committees were appointed by the House and Senate and after conference a bill was agreed upon in which the House conferees agreed to several of the new proposals contained in the Senate bill.

When the conference report came before the House of Representatives it was rejected because of the Senate provision seeking to extend the provisions of the so-called impacted area school funds law to include the District of Columbia. Upon a rollcall vote the House rejected this provision and the conferees of the House and Senate again met and submitted a conference report which left unchanged the previous conference report with reference to extension of the impacted area school funds law to the District of Columbia. Notwithstanding the diligent efforts of the House conferees to sustain the second conference report it was again rejected by the House of Representatives upon a rollcall vote.

Again, the undersigned, as chairman of the House Committee on the District of Columbia, requested the appointment of conferees in the hope that the bill could be salvaged. The Speaker appointed conferees and those conferees have been and are now willing to meet with Senate conferees with the view of making every reasonable effort to bring an acceptable revenue bill out of conference.

When officials of the Senate were contacted, we were advised that some Senate conferees had departed from the District of Columbia and that the Senate would not be willing to go forward with this revenue bill. This position was being taken, we were advised by Senate officials, because of the strong feeling for the Morse amendment—impacted school funds application—to the District revenue bill and that it would not be deemed suitable to hold further conference in absence of the conferees.

It is estimated that the failure to enact the revenue bill deprives the District of Columbia of approximately $1 million per month at a time when such funds are vitally needed to balance the current District budget. Had the Senate acted upon this legislation in March 1961, when it was sent to that body from the House of Representatives it would have already yielded a large sum of money through the new sales tax provisions. The failure of the Senate to participate in further conference and make another effort to resolve the differences between the two bodies upon the one issue in dispute can have no effect other than to deprive the government of the District of Columbia of millions of dollars in revenue during the coming months while the Congress is in recess.

The unfortunate result experienced in this legislation cannot properly be attributed to the District of Columbia Committee of the House of Representatives or to the membership of the House. We have made every possible effort to get agreeable and workable revenue legislation for the District.

Old-Age Survivors and Disability Insurance—Past Major Changes in the Law

EXTENSION OF REMARKS
OF
HON. LAURENCE CURTIS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CURTIS of Massachusetts. Mr. Speaker, I include with these remarks a summary of past developments of the old-age survivors and disability insurance law prepared for me by the Legislative Reference Service of the Library of Congress under the direction of Miss Helen E. Livingston of the Education and Public Welfare Division of that service.

This summary was first prepared 2 years ago and was inserted in the CONGRESSIONAL RECORD, volume 106, part 7, page 8938.

Miss Livingston has now brought this summary down to date, including the social security amendments of this year, Public Law 87–64. My insertion reprints the summary previously inserted to which has been added the new material.

BRIEF DESCRIPTION OF THE DEVELOPMENT OF THE OLD-AGE SURVIVORS AND DISABILITY INSURANCE LAW

The social security system provides two kinds of assistance for the aged, dependent children, and the severely disabled in this country: (1) a social insurance plan, commonly known as social security, financed by tax contributions by workers and their employers and paying benefits on the basis of these contributions, and (2) Federal grants-in-aid for State plans for persons (including the blind) who can demonstrate need as defined by the State. This memo will be limited to a brief description of the development of the insurance, or social security plan.

In summary it could be said that three basic features of the social insurance program have remained unchanged since the system was established in 1935: (1) Benefits are paid as a matter of right to insured persons, without a need test; (2) the benefits are related to earnings, as contrasted with uniform or flat benefits to everyone; and (3) the system is financed entirely by equal payroll contributions for employers and employees (and related payments by the self-employed) as contrasted to systems financed from the general revenues. The system has always been on a self-supporting contributory basis (a requirement of the law since the 1950 amendments) without a general subsidy from the Federal Government.

The three major policy changes made by the Congress since 1935 were: (1) The shift of emphasis in 1939 from the private insurance principle based on individual equity to a family program through the payment of benefits to dependents and survivors rather than exclusively to the individual worker; (2) the change in 1950 from a plan primarily for workers in commerce and industry moving toward a universal plan for practically all individuals and families in the country dependent upon earnings of any kind; and (3) the addition of a new program for the severely disabled, accomplished by the disability freeze (a form of waiver of premium) in 1954, and by authorizing benefits for disabled persons aged 50 and over in 1956. Attached is a résumé of major features of the Social Security (OASI) Act showing changes made by the Congress since the system was first established in 1935.

MAJOR FEATURES OF THE SOCIAL SECURITY (OASI) PLAN SHOWING CHANGES MADE BY CONGRESS

Social Security Act of 1935 (Public Law 271, 74th Cong.)

Coverage: Workers under age 65 in commerce industry (about 3 out of 5 of the labor force).

Type of benefit: Old-age benefits to the worker when he retired at or after age 65 together with cash-contribution refunds to survivors when the wage earner died and to living workers aged 65 who had not been in covered employment long enough to qualify for benefits.

Benefit amount: Weighted in favor of the worker with short service or low wages but increased for those who had contributed for many years.

Contribution rate: 1 percent each for employers and employees on wages up to $3,000 a year. [The original tax rate was scheduled to increase, by steps, to 3 percent each by 1949 but, through so-called tax freeze legislation by the Congress it was held at the 1-percent rate until 1950.]

Retirement test: [1] Benefits canceled by any earnings from regular employment.

Nineteen hundred and thirty-nine amendments (Public Law 379, 76th Cong.)

Coverage: Extend to workers over 65.

Type of benefit: Extended to certain dependents of retired workers (aged wives, children under 18) and survivors (widows and children under 18) of deceased workers.

Benefit amount: Revised to reduce emphasis on length of contributions but still gave credit for each year of service. "Money back" guarantee eliminated. [In effect deemphasizing these features in favor of dependent and survivor—or "family"—benefits.]

Average primary benefit at the end of 1941 (first year benefits were paid), $22.60.

Contribution rate: The change did not ultimately become effective because of the "tax freeze" noted above.

Retirement test: [1] Allowed earnings of $14.99 per month from covered employment with no loss of benefit.

Nineteen hundred and fifty amendments (Public Law 734, 81st Cong.)

Coverage: Considerably extended to some 10 million jobs, chiefly the nonfarm self-employed (except members of specified professions), regularly employed farm and domestic workers, employees of nonprofit institutions (on a group elective basis), and State and local government employees not covered by a retirement system (at the option of the employer).

Type of benefit: Extended to aged dependent husbands of women workers.

Benefit amount: Roughly doubled through a revised benefit formula (still weighted in favor of low-income workers), with a related increase for beneficiaries already retired. Repealed provision giving credit for each year of service, and related benefit to more recent earnings.

Average primary benefit prior to amendments was $43.86.

Contribution rate: 1½ percent each for employers and employees on wage up to $3,600; to rise, by steps to 3¼ percent each in 1970 and thereafter.[2]

Retirement test: Allowed earnings of $50 or less per month with no reduction in benefits, but benefit deducted for each month earnings exceeded this amount.

Nineteen hundred and fifty-two amendments (Public Law 590, 82d Cong.)

Coverage: No change.

Type of benefit: No change.

Benefit amount: Increased benefits by about 15 percent (around $5). Average benefit in 1952: $49.25.

Contribution rate: No change.

Retirement test: Allowed earnings of $75 or less per month with no reduction in benefits, but benefit deducted for each month earnings exceeded this amount.

Nineteen hundred and fifty-four amendments (Public Law 761, 83d Cong.)

Coverage: Extended to another 10 million workers in the course of a year, including self-employed farmers, more domestic and farm workers, State and local government employees under retirement systems (at the option of the employer and the election of the group covered), ministers, and all self-employed professional groups previously excluded except lawyers, dentists, doctors, and other medical groups. (About 9 out of 10 workers in the labor force now covered.)

Type of benefit: The "disability freeze" provision—essentially a "waiver of premium" clause was adopted to maintain both the insured status of severely disabled workers at any age, and their benefit amount.

Benefit amounts: Increased by about 15 percent by a change in the benefit formula. Average old-age benefit: $59.14 at end of 1954.

Contribution rates: Increased to 2 percent each for employers and employees on wages up to $4,200 to increase to a maximum of 4 percent in 1975 and thereafter.

Retirement test: Allowed earnings of $1,200 a year, with one benefit deducted for each $80 or fraction thereof above this amount, except that no earnings could be deducted for any month in which earnings were $80 or less.

Nineteen hundred and fifty-six amendments (Public Law 880, 84th Cong.)

Coverage: Self-employed lawyers, dentists, and all medical groups (except physicians) and members of the uniformed services.

Type of benefit: Provided benefits for severely disabled persons aged 50 and over; age for women lowered to 62 paying full benefits for widows at that age but actuarially reduced benefits for widows and women workers unless they delay retirement to age 65.

Benefit amounts: No change.

Contribution rate: Increased to 2¼ percent each for employers and employees (the additional one-fourth percent to finance the disability benefits plan through a separate trust fund) to increase to a maximum of 4¼ percent in 1975 and thereafter.

Retirement test: No change.

Nineteen hundred and fifty-eight amendments (Public Law 85–840)

Coverage: Minor extensions.

Type of benefit: Provided benefits for the dependents of severely disabled persons aged 50 to 64, inclusive.

Benefit amounts: Increased by 7 percent. Average old-age benefit: $66.04 in late 1958.

Contribution rate: Increased to 2½ percent each for employer and employees on wages up to $4,800 to increase, by steps, to 4½ percent in 1969 and thereafter.

Retirement test: No change except that no earnings can be deducted for any month in which earnings were $100 (formerly $80) or less.

Nineteen hundred and sixty amendments (Public Law 86–778)

Coverage: Minor extensions.

Type of benefit: Provided benefits for severely disabled persons regardless of age.

Benefit amounts: No change.

Fully insured status: Coverage for one-third of quarters after 1950 (or after age 21) and up to disability or age of retirement (or death if earlier).

Contribution rate: No change.

Retirement test: Provided that, for earnings between $1,200 and $1,500—$1 in benefits would be deducted for each $2 of earnings and, above $1,500 the deduction would be on a $1 for $1 basis.

Nineteen hundred and sixty-one amendments (Public Law 87–64)

Coverage: Minor extensions.

Type of benefits: No change.

Benefit amounts: Minimum benefit increased from $33 to $40, and widows' benefit increased from 75 percent of husbands' primary benefit to 82.5 percent of this amount. Also eligibility age for men lowered from 65 to 62 paying actuarially reduced benefits. (The reduction rate for men workers is the same as that for women workers.)

Fully insured status: Coverage for one-fourth of quarters after 1950 (or after age 21) and up to disability or age of retirement (or death if earlier).

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[1] Also known as "work test" or "income limitation."

[2] The rate for the self-employed is 1½ times the employee rate.

Contribution rate: Increased to 3⅛ percent each for employer and employee on wages up to $4,800 to increase, by steps, to 4⅝ percent in 1968 and thereafter.

Retirement test: Changed the $1 benefit deduction for each $2 of earnings range to $1,200 to $1,700 with $1 for $1 reduction thereafter.

The following table reflects the increase in the average monthly old-age benefit in payment status:

End of year	
1940	$22.60
1941	22.70
1942	23.02
1943	23.42
1944	23.73
1945	24.19
1946	24.55
1947	24.90
1948	25.35
1949	26.00
1950	43.86
1951	42.14
1952	49.25
1953	51.10
1954	59.14
1955	61.90
1956	63.09
1957	64.58
1958	66.35
1959	72.78
1960	74.04

First Missourian To Head American Legion

EXTENSION OF REMARKS
OF
HON. WM. J. RANDALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. RANDALL. Mr. Speaker, the highest honor which the American Legion can bestow was recently conferred upon Mr. Charles L. Bacon, of Kansas City, Mo., when he was elevated to the office of National Commander at the convention recently adjourned in the city of Denver, Colo. While there is a personal honor for Commander Bacon, it is also a great honor for the State of Missouri because he is the first and only Missourian ever to become National Commander of the giant veterans organization of 2,600,000 members.

Commander Bacon's elevation to this high office climaxed an arduous and carefully planned three-year campaign by his fellow Legionnaires from Missouri. So convincingly did he become the choice that four other candidates withdrew from consideration and were not even nominated.

Fellow-Missourians will further honor Mr. Bacon at a program designated as a nation homecoming celebration in Kansas City, Mo., on November 10–12. This will be a part of a large and significant observance for the rededication of the world famous Liberty Memorial as a monument to International Understanding. This famous memorial was erected shortly after the conclusion of World War I.

It has been our pleasure to know Charley Bacon as a successful lawyer in Kansas City. He is a graduate of Missouri Valley College, and is vice president of the college board of trustees. He obtained his law degree at the University of Missouri.

More particularly, it has been our pleasure to work very closely with Commander Bacon as a member of the House Veterans' Affairs Committee.

We predict a banner year for the American Legion under his leadership. In his acceptance speech, he said:

I know that it is your conviction as it is mine, that the more successful we make all the programs of the American Legion today, the stronger and better will be the America of tomorrow.

Congratulations to you, Charley Bacon. Congratulations to your fellow Legionnaires for their wise selection of a leader. All Missouri is proud of you.

Lesya the Ukrainian

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. FEIGHAN. Mr. Speaker, on Sunday, September 24, a full-length bronze statue of Lesya Ukrainka, Ukrainia's most famous poetess, was unveiled and dedicated in ceremonies held in the Ukrainian Cultural Gardens in Rockefeller Park, Cleveland. Under leave previously granted, I include the message I prepared for this occasion:

LESYA THE UKRAINIAN

Larysa Kosacheva, known to the literary world as Lesya Ukrainka, is a symbol of the rich Ukrainian culture, a mirror of the sufferings borne by the Ukrainian people and a good omen for the future of the Ukrainian nation.

Like the great Shevchenko and Franko, to whom her lifetime work is bound by the gift of genius and the power of expression, she was born into an age of ruthless censorship imposed by the imperial Russians. Her life, much like that of Shevchenko, was marked with great suffering and human tragedy. Stricken with tuberculosis at an early age, she became bedridden for long periods of time and confined to a world of books and great ideas. Through her talented mother, Olha, she came to know the literatures of the world and through them grew up in an atmosphere that reflected the thinking and literary movements of contemporary Europe.

The era of Lesya Ukrainka was marked by the efforts of the Russian czars to stamp out Ukrainian consciousness of being a separate and distinct people from the Muscovites. In 1863 Count Valuyev, a Russian political minister, issued this infamous dictum which was strictly enforced, "There never was, is not now, and never will be a Ukrainian language." This prohibition was followed up in 1876 by an imperial ukase which prohibited the printing of books or the importation of books in the Ukrainian language, while making compulsory use of the term "Little Russian" when making reference to Ukraine. Much of the Ukrainian gentry and educated class accepted this process of Russification and allowed themselves to be absorbed into the Russian manner of thinking.

During this period of great trial for Ukraine, it was the women of the villages in that country who saved the nation from complete demise. While it had become popular among the gentry to accept Russification, the Ukrainian women on the whole rejected it as distinctly unfashionable and indeed degrading. It was the stern stand on this question taken by Ukrainian women, particularly at the village level, that kept the spirit of the nation alive. The writings of Lesya "the Ukrainian" reflect this brave spirit of Ukrainian women. To me, one poem among her many stands out as expressive of that indomitable spirit which has held the Ukrainian nation together during its long period of trials and suffering at the hands of imperial despots. That poem is Vain Tears, which merits special attention on this occasion:

VAIN TEARS

Laments and groans are all around,
Irresolute, faint challenges,
Complaints against vile destiny,
And foreheads bowed in bitterness.
And all the time we still bewail
Our Ukraine's ancient misery;
With tears we wait the coming day
For chains to break and set us free.
Such tears the more inflame our wounds,
Delay their healing, make them ache.
Our chains might rust from falling tears,
But of themselves they'll never break.
What use are such despondent moods?
For turning backwards 'tis too late.
Much rather let us set to work
And strive a future to create.

I commend the Ukrainian Women's League, Cleveland chapter, for the initiative that they have taken to make possible a statue of Lesya Ukrainka in the Ukrainian Cultural Gardens of Cleveland. In honoring this immortal poetess, you pay tribute to the courage and indomitable spirit of Ukrainian women of all ages.

Russian Colonialism, the U.N., and House Resolution 211

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. FLOOD. Mr. Speaker, recently I addressed this body on the subject of "Hammarskjold, the Russian Troika, and the Necessity of a Special House Committee on Captive Nations"—CONGRESSIONAL RECORD, September 21, 1961, pages 20573–20576. My chief theme was the central issue of colonialism in U.N. Assembly debate and the urgency for us to pinpoint this on the only real remaining imperialist and colonial power on earth, namely Russia, operating both within the U.S.S.R. and beyond this legalistic facade.

It was most gratifying to witness the President emphasizing this very point in his address to the U.N. Assembly. His remarks underscore further the necessity of a Special House Committee on Captive Nations. Relevant to the issue of colonialism, I request that the remarks made by the President be printed in the RECORD. I also ask that the congratulatory telegram sent by Dr. Lev E. Dobriansky, chairman of both the

Ukrainian Congress Committee of America and the National Captive Nations Committee, be printed in the RECORD:

FAVORS U.N. DEBATE ON COLONIALISM

My country favors a world of free and equal states. We agree with those who say that colonialism is a key issue in this Assembly. But let the full facts of that issue be discussed in full.

On the one hand is the fact that, since the close of World War II, a worldwide declaration of independence has transformed nearly 1 billion people and 9 million square miles into 42 free and independent states. Less than 2 percent of the world's population now lives in "dependent" territories.

I do not ignore the remaining problems of traditional colonialism which still confront this body. Those problems will be solved, with patience, good will, and determination. Within the limits of our responsibility in such matters, my country intends to be a participant, not merely an observer, in the peaceful, expeditious movement of nations from the status of colonies to the partnership of equals. That continuing tide of self-determination has our sympathy and our support.

But colonialism in its harshest forms is not only the exploitation of new nations by old, of dark sins by light—or the subjugation of the poor by the rich. My nation was once a colony—and we know what colonialism means; exploitation and subjugation of the weak by the powerful, of the many by the few, of the governed who have given no consent to be governed, whatever their continent, class, or color.

And that is why there is no ignoring the fact that the tide of self-determination has not yet reached the Communist empire where a population far larger than that officially termed "dependent" lives under government installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, free elections, free newspapers, books and trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscites in every part of the globe.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Your remarkable and forward-looking address to the U.N. Assembly earns the admiration and appreciation of every American. We heartily endorse the forthright challenges you offered to that body in a spirit of humanism and reason. Your challenge to discuss in full the subject of colonialism throughout the Communist empire, meaning within the Soviet Union itself, has our strongest support. On this we look forward to a full and courageous disclosure of all the facts.

With warmest personal regards,
Sincerely,

LEV E. DOBRIANSKY.

The Mishawaka Times

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BRADEMAS. Mr. Speaker, for the first time, beginning on September 5, 1961, the citizens of Mishawaka, Ind., have their own daily newspaper.

In this era when the rising costs of production discourage the creation of new daily newspapers, the birth of the Mishawaka Times is an encouraging sign.

Although Mishawaka was first incorporated as a city in 1869, the city has never had a daily newspaper. Following 2 years of research, Publishers John Dille and John A. Scott, of Elkhart, Ind., were convinced that Mishawaka, with a population of 34,000, could support a daily paper. The managing editor of the Times is James P. McNeile.

I am pleased to salute the Mishawaka Times and to wish it well in the pursuit of truth and service to the Mishawaka community.

At this point in the RECORD I include the text of President Kennedy's telegram to Mayor Joseph Canfield of Mishawaka concerning the new paper:

Hon. JOSEPH CANFIELD,
Office of the Mayor,
City Hall, Mishawaka, Ind.:

Congressman BRADEMAS has told me that your city will have a daily newspaper for the first time in 33 years. I know that this must be a great satisfaction to the people of Mishawaka and to you personally as their chief executive of the city.

A daily newspaper can be a dynamic factor in a city's progress and prosperity. Moreover, a free press can contribute to the citizens of the individual community just as it can educate the entire Nation.

I wish the Mishawaka Times and the people of Mishawaka every success in this endeavor.

JOHN F. KENNEDY.

The Iowa Plan for Growth and Progress in Higher Education: A Solution to the Needs of Higher Education

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. SCHWENGEL. Mr. Speaker, a few weeks ago I received a report from my research team at the State University of Iowa which showed that 27 percent of those parents who wanted to send their children to college cannot afford to do so.

Further, the report indicated that college and university enrollment is increasing at the rate of 5 percent per year. Thus, if present trends continue, by 1970, 50 percent of all Americans between 18 and 24 years of age will be enrolled in colleges and universities.

These figures are disturbing. The Nation may lose the potential contribution of many capable young people because the cost of a higher education is becoming prohibitive. With the increasing enrollment, the facilities and faculties of our colleges and universities will be very heavily taxed. It will be necessary to turn away many, many capable students.

This situation is one which must not be allowed to materialize. This Nation, at this juncture in its history, must train and develop every young person who has ability and capability. We cannot afford to lose a single individual.

In releasing this report to the press, I very briefly outlined a plan which, I believe, would do much toward meeting and solving this problem.

My education proposal, which I have chosen to call the Iowa plan for growth and progress in higher education—because it is very largely the product of work done by my research team at the State University of Iowa—consists of two phases:

Phase I would grant either a tax credit or a tax deduction to the parents of college students or to the student, depending on who incurred the expenses. I have introduced three pieces of legislation which would accomplish this.

Phase II contains some novel, interesting and, I believe, practical proposals which would greatly encourage parents to provide for their child's higher education.

The purpose of this plan is to assist parents in making advance financial preparation for a college or university education. At the same time, there would be created a vastly expanded and, I believe, adequate loan fund from which colleges and universities could borrow in order to expand their faculties, facilities, and programs providing they could prove the need and their ability to repay.

One of the proposals which we are now studying includes granting to the parents or guardian a $50 tax credit each year for each child up to age 18 or entrance into college—whichever is first—providing that an investment certificate was purchased at a private financial institution or from the Government. These certificates, which would be negotiable only at an institution of higher learning would create a loan fund upon which colleges and universities could borrow. When the child enters college his account at that institution would be credited in the amount—maximum $900 plus interest—of certificates purchased to age 18. The amount credited would be disbursed in four annual payments. In case the child did not attend college the account established for him would revert to the Treasury.

Another proposal to which we are giving some thought is one that would combine a tax credit and a tax deduction. The plan would work in the following manner:

First. A parent or guardian would receive a tax credit of $50 per year per child up to age 18 or entrance into college—whichever was first—if a $50 investment certificate was purchased.

Second. A parent or guardian would receive a $100 tax deduction if an additional investment certificate, in the amount of $100, was purchased. This would amount to a tax savings of about $20.

It is my hope that early in the next session I can introduce legislation to set up phase II.

The public and editorial response to these proposals has been very favorable.

There are several aspects of this plan which I want to make very clear.

This plan would encourage the general as well as the specialized education. While we need engineers, scientists, mathematicians, and foreign language specialists, we must not ever slight the humanities.

Under this plan there would be no strings attached as to the use of the certificates at the time they were negotiated except that the student must meet and maintain the academic standards of the institution in which he was enrolled.

Investment certificates would be purchased from private financial institutions—such as banks, savings and loan institutions and insurance companies—and perhaps as bonds from the Treasury.

This plan would provide a much needed fund upon which institutions of higher learning could borrow in order to expand their physical facilities providing only that they could show need and the ability to repay.

This fall, I plan to hold a series of conferences with business leaders, financiers, and educators regarding these proposals in order to work out the details thereof and in order to solve several problems. Preliminary conversations indicate that these consultations will be helpful and that in this way we can work out the remaining problems. It appears now that there are no problems regarding this plan which are insoluble.

I am convinced that a plan, such as the Iowa plan for growth and progress in higher education, can and will meet the problems of higher education which are confronting us. It will meet them without instituting Federal control. It will meet them without introducing the religious question. It will meet them by granting some financial assistance to parents and by encouraging parents to make advance financial preparation for their children's higher education.

I plan to expend considerable effort on these proposals because I think that they are correct and because they are needed.

Report to the People of the Eighth Congressional District of Wisconsin—XV

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Eighth Congressional District of Wisconsin on my voting and attendance record for the 1st session of the 87th Congress.

The report includes all rollcall votes and all quorum calls. Its purpose is to collect in one place and in concise form information which is scattered through some 20,000 pages of the CONGRESSIONAL RECORD.

The descriptions of the bills and the amendments or motions in the report are for purposes of identification only; no attempt is made to describe the legislation completely or to elaborate upon the issues involved. This word of caution is advisable in view of the fact that the descriptions used are, for the most part, taken from the official titles of the bills, which, unfortunately, do not always reflect the nature or true purpose of the legislation. Upon request, I will be pleased to furnish more complete information concerning any particular bill, as well as a summary of the issues involved and the reasons for my vote.

The furnishing of this report continues a service I began in the 1st session of the 80th Congress. This is the 15th report of my voting and attendance record. These 15 reports show how I voted on 1,921 questions in the House of Representatives. Based on quorum calls and the record votes, they also show an attendance record of 94 percent.

87th Cong., 1st sess.

Roll-call No.	Date 1961	Measure, question, and result	Vote
1	Jan. 3	Quorum call	Present.
2	Jan. 3	Election of Speaker. (Rayburn 258, Halleck 170.)	Halleck.
		H. Res. 1, barring George O. Chambers from taking oath as Representative pending investigation by House Administration Committee of congressional election in Indiana's 5th District.	
3	Jan. 3	On motion to order previous question (to prevent debate). (Adopted 232 to 166.)	Nay.
4	Jan. 31	Quorum call	Present.
		H. Res. 127, enlarging the Rules Committee from 12 to 15 members:	
5	Jan. 31	On agreeing to resolution. (Adopted 217 to 212.)	Nay.
6	Mar. 1	Quorum call	Present.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
7	Mar. 1	On passage. (Passed 392 to 30.)	Yea.
		H. Res. 167, authorizing funds for the Committee on Un-American Activities for 1961:	
8	Mar. 1	On adoption of resolution. (Adopted 412 to 6.)	Yea.
		H.R. 5188, making supplemental appropriations for fiscal 1961:	
9	Mar. 7	On amendment providing an additional $29,990,000 for aid to schools in impacted areas. (Adopted 339 to 62.)	Nay.
10	Mar. 8	Quorum call	Present.
11	Mar. 8	Quorum call	Present.
12	Mar. 9	Quorum call	Present.
		H.R. 4510, providing for a special program for feed grains for 1961:	
13	Mar. 9	On motion to recommit with instructions to delete section permitting Secretary of Agriculture to drive down market price by selling Government-owned corn and grain sorghums at 17 percent below price-support price. (Rejected 196 to 214.)	Yea.
14	Mar. 9	On passage. (Passed 209 to 202.)	Nay.
15	Mar. 10	Quorum call	Present.
16	Mar. 15	Quorum call	Absent.
		H.R. 4510, providing for a special program for feed grains for 1961:	
17	Mar. 21	On adoption of conference report. (Adopted 231 to 185.)	Nay.
18	Mar. 21	Quorum call	Present.
		H.R. 5463, amending and extending the Sugar Act to Dec. 31, 1962:	
19	Mar. 21	On motion to suspend rules and pass bill. (Passed 284 to 129.)	Yea.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
20	Mar. 22	On adoption of conference report. (Adopted 363 to 31.)	Yea.
21	Mar. 23	Quorum call	Present.
		H.R. 5000, authorizing certain construction at military installations:	
22	Mar. 23	On amendment requiring feasibility study before authorizing $3,812,000 for transferring Food and Container Institute from Chicago, Ill., to Natick, Mass. (Adopted 269 to 145.)	Yea.
23	Mar. 23	On passage. (Passed 412 to 0.)	Yea.
24	Mar. 23	Quorum call	Present.
25	Mar. 23	Quorum call	Present.
26	Mar. 24	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage to additional workers on basis of dollar volume of sales of employer:	
27	Mar. 24	On amendment substituting language increasing minimum wage to $1.15 an hour and extending coverage to additional workers on basis of interstate operations test. (Adopted 216 to 203.).	Yea.
28	Mar. 24	On motion to recommit. (Rejected 196 to 224.)	Nay.
29	Mar. 24	On passage. (Passed 341 to 78.)	Yea.
30	Mar. 28	Quorum call	Present.
31	Mar. 29	Quorum call	Present.

87th Cong., 1st sess.—Continued

Roll-call No.	Date 1961	Measure, question, and result	Vote
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
32	Mar. 29	On motion to recommit with instructions to substitute bill H.R. 3043. (Rejected 126 to 291.)	Yea.
33	Mar. 29	On passage. (Passed 251 to 167.)	Nay.
34	Apr. 11	Quorum call	Present.
35	Apr. 13	Quorum call	Present.
36	Apr. 18	Quorum call	Present.
37	Apr. 19	Quorum call	Present.
		S. 912, providing 70 additional circuit and district judgeships:	
38	Apr. 19	On passage. (Passed 336 to 76.)	Nay.
39	Apr. 20	Quorum call	Present.
		H.R. 6027, liberalizing certain social security benefits and increasing social security tax:	
40	Apr. 20	On passage. (Passed 400 to 14.)	Yea.
41	Apr. 25	Quorum call	Present.
		H.R. 6518, making appropriations for inter-American social and economic program and the Chilean reconstruction program:	
42	Apr. 25	On passage. (Passed 330 to 82.)	Yea.
43	Apr. 26	Quorum call	Present.
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
44	Apr. 26	On adoption of conference report. (Adopted 223 to 193.)	Nay.
45	May 3	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage on dollar-volume test:	
46	May 3	On adoption of conference report. (Adopted 230 to 196.)	Nay.
		H.R. 6441, increasing annual Federal grants for sewage treatment works from $50,000,000 to $100,000,000 and the overall limit from $500,000,000 to $1,000,000,000:	
47	May 3	On motion to recommit with instructions to reduce annual funds to $75,000,000 and overall limit to $750,000,000 and to require States after June 1964 to match all funds in excess of $50,000,000 annually. (Rejected 165 to 256.)	Yea.
48	May 3	On passage. (Passed 308 to 110)	Nay.
49	May 4	Quorum call	Present.
50	May 9	Quorum call	Present
51	May 10	Quorum call	Absent.
52	May 11	Quorum call	Present.
		H.R. 2010, extending Mexican farm labor program for 2 years:	
53	May 11	On passage. (Passed 231 to 157)	Yea.
		H.R. 6094, increasing annual salary ceiling for Council of Economic Advisers personnel from $345,000 to $2,000,000:	
54	May 11	On motion to recommit with instructions to reduce salary ceiling to $700,000. (Rejected 151 to 196.)	Not voting.[1]
55	May 11	On passage. (Passed 209 to 137.)	Nay.
56	May 15	Quorum call	Present.
57	May 16	Quorum call	Present.
		H. Res. 284, providing for consideration of H.R. 4614, establishing a U.S. Travel Service in Department of Commerce:	
58	May 16	On agreeing to resolution. (Adopted 241 to 70.)	Nay.
59	May 16	Quorum call	Present.
60	May 17	Quorum call	Present.
		H. Con. Res. 226, expressing sense of Congress favoring collective sanctions by the Organization of American States against Castro government of Cuba:	
61	May 17	On motion to suspend rules and pass resolution. (Passed 404 to 2.)	Yea.
		H.R. 4614, establishing a U.S. Travel Service in Department of Commerce:	
62	May 17	On passage. (Passed 305 to 104.)	Nay.
63	May 24	Quorum call	Present.
		S. 1852, authorizing additional construction of aircraft, missiles, and naval vessels in fiscal 1962:	
64	May 24	On passage. (Passed 402 to 0.)	Yea.
		H.R. 1986, repealing provision intended to prevent railroads from charging higher rates for carrying non-first-class mail than for carrying express matter:	
65	May 25	On motion to recommit with instructions to add amendment requiring the ICC to publish the difference in rates paid to the railroads by the Post Office and Railway Express Agency for carrying similar weight commodities. (Rejected 16 to 346.)	Nay.
66	June 1	Quorum call	Present.
		H.R. 7371, making appropriations for Departments of State and Justice, the Judiciary, and related agencies for fiscal 1962:	
67	June 1	On passage. (Passed 256 to 71.)	Yea.
68	June 6	Quorum call	Present.
69	June 6	Quorum call	Present.
		H.R. 7444, making appropriations for Department of Agriculture for fiscal 1962:	
70	June 6	On amendment reducing the $250,000,000 for agricultural conservation program to $150,000,000. (Rejected 184 to 196.)	Not voting.[1]
71	June 6	On passage. (Passed 320 to 65.)	Not voting.[1]
72	June 7	Quorum call	Present.
73	June 8	Quorum call	Present.
74	June 8	Quorum call	Present.
		H.R. 7446, providing 1-year extension of existing corporate normal-tax and of certain excise-tax rates:	
75	June 8	On motion to recommit with instructions to add language repealing the 10-percent transportation tax. (Rejected 189 to 196.)	Yea.
76	June 8	On passage. (Passed 295 to 88.)	Yea.
77	June 12	Quorum call	Present.
		H.R. 7053, providing that evidence should not be inadmissible in the District of Columbia courts solely because of a delay in arraignment (qualifies Mallory rule):	
78	June 12	On motion to recommit. (Rejected 104 to 252.)	Nay.
79	June 13	Quorum call	Present.
80	June 14	Quorum call	Present.
81	June 15	Quorum call	Present.
		H. Res. 303, disapproving the President's reorganization plan for the Federal Communications Commission:	
82	June 15	On agreeing to resolution. (Agreed to 303 to 77.)	Yea.
		H. Res. 302, disapproving the President's reorganization plan for the Securities and Exchange Commission:	
83	June 15	On agreeing to resolution. (Rejected 176 to 212.)	Yea.
84	June 19	Quorum call	Present.
		H.R. 6765, authorizing an amendment to charter of the International Finance Corporation permitting investment in capital stock:	
85	June 19	On motion to suspend rules and pass bill. (Passed 329 to 18.)	Yea.
		H.R. 7712, making supplemental appropriations for fiscal 1961:	
86	June 19	On passage. (Passed 292 to 63.)	Yea.
87	June 20	Quorum call	Present.
		H. Res. 304, disapproving the President's reorganization plan for the Civil Aeronautics Board:	
88	June 20	On agreeing to resolution. (Rejected 178 to 213.)	Yea.
		H. Res. 305, disapproving the President's reorganization plan for the Federal Trade Commission:	
89	June 20	On agreeing to resolution. (Rejected 178 to 221.)	Yea.
90	June 21	Quorum call	Present.
91	June 21	Quorum call	Present.
92	June 21	Quorum call	Present.
93	June 21	Quorum call	Present.
94	June 22	Quorum call	Present.
		H.R. 6028, authorizing $4,900,000,000 in Federal housing programs over 4 years:	
95	June 22	On motion to recommit with instructions to substitute bill extending existing programs for 1 year with a $1,100,000,000 authorization. (Rejected 197 to 215.)	Yea.
96	June 22	On passage. (Passed 235 to 178.)	Nay.
97	June 26	Quorum call	Present.
98	June 26	Quorum call	Present.
		H.R. 7677, increasing the national debt limit:	
99	June 26	On passage. (Passed 231 to 148.)	Yea.
100	June 27	Quorum call	Present.
101	June 27	Quorum call	Present.
102	June 27	Quorum call	Present.
103	June 28	Quorum call	Present.

See footnotes at end of table.

87th Cong., 1st sess.—Continued

Roll-call No.	Date 1961	Measure, question, and result	Vote
		H.R. 7851, making appropriations for the Department of Defense for fiscal 1962:	
104	June 28	On amendment deleting a provision prohibiting price differentials in favor of economically depressed areas. (Rejected 173 to 239)	Nay.
105	June 28	On passage. (Passed 412 to 0.)	Yea.
		S. 1922, authorizing $4,880,000,000 in housing programs over 4 years:	
106	June 28	On adoption of conference report. (Adopted 229 to 176.)	Nay.
		H. Res. 354, providing for a House of Representatives flag:	
107	June 29	On agreeing to resolution. (Rejected 108 to 270.)	Not voting.[1]
		H.J. Res. 225, granting the consent of Congress to the Delaware River Basin compact:	
108	June 29	On motion to recommit with instructions to limit Federal Government to nonvoting representation and exclude Federal Government from any financial responsibilities of the commission. (Rejected 92 to 257.)	Yea.
		H.R. 187, providing for judicial review of orders for deportation:	
109	July 10	On motion to suspend rules and pass bill. (Passed 304 to 60.)	Yea.
		H.R. 5786, providing for the establishment of Cape Cod National Seashore:	
110	July 10	On motion to suspend rules and pass bill. (Passed 278 to 82.)	Nay.
111	July 13	Quorum call	Present.
		H.J. Res. 435, providing for observance of the Department of Agriculture centennial:	
112	July 17	On motion to suspend rules and pass resolution. (Adopted 367 to 12.)	Yea.
		H.R. 2555, providing for advanced pay for civilian Government employees in emergency evacuations:	
113	July 17	On motion to suspend rules and pass bill. (Passed 285 to 86.)	Yea.
114	July 19	Quorum call	Present.
115	July 19	Quorum call	Present.
		H.R. 6874, authorizing appropriations for the National Aeronautics and Space Administration:	
116	July 20	On adoption of the conference report. (Adopted 354 to 59.)	Yea.
		H. Res. 328, disapproving the President's reorganization plan for the National Labor Relations Board:	
117	July 20	On agreeing to resolution. (Adopted 231 to 179.)	Yea.
		H. Res. 336, disapproving the President's reorganization plan for the Federal Maritime Board and Maritime Administration:	
118	July 20	On motion to discharge the Committee on Government Operations from further consideration of H. Res. 336. (Rejected 184 to 215.)	Yea.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
119	July 25	On amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 241 to 170.).	Nay.
120	July 25	On passage. (Passed 408 to 0.)	Yea.
121	July 26	Quorum call	Present.
122	July 27	Quorum call	Present.
123	July 31	Quorum call	Present.
		S.J. Res. 120, authorizing the President to order 250,000 members of the Ready Reserves to active duty for up to 12 months and to extend present Armed Forces tours of duty:	
124	July 31	On agreeing to the resolution. (Passed 403 to 2.)	Yea.
125	Aug. 1	Quorum call	Present.
126	Aug. 2	Quorum call	Present.
		S. 2311, authorizing additional appropriations for aircraft, missiles, and naval vessels, to meet possible Berlin crisis:	
127	Aug. 2	On Passage. (Passed 406 to 0.)	Yea.
		H.R. 30, granting the consent of Congress to the northeastern water and related land resources compact:	
128	Aug. 2	On motion to recommit with instructions to limit participation of Federal Government to nonvoting representation. (Rejected 139 to 261.)	Yea.
129	Aug. 3	Quorum call	Present.
		S. 1643, providing wheat and feed grains program for 1962, and extending other farm laws (Agricultural Act of 1961):	
130	Aug. 3	On adoption of conference report. (Adopted 224 to 170.)	Nay.
131	Aug. 3	Quorum call	Present.
		H.R. 7856, reorganizing Federal Communications Commission to permit the FCC Board to delegate its functions in adjudicative cases to employees:	
132	Aug. 3	On passage. (Passed 198 to 150.)	Nay.
		H.R. 7728, authorizing the Secretary of a military department to sell goods and services to private aircraft owners:	
133	Aug. 7	On motion to suspend rules and pass bill. (Passed 307 to 78.)	Nay.
134	Aug. 8	Quorum call	Present.
		H. Res. 404, providing for House-Senate conference on H.R. 7576, authorizing appropriations for the Atomic Energy Commission for fiscal 1962:	
135	Aug. 8	On motion to table (kill) motion to instruct the House conferees not to agree to Senate amendment providing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Rejected 164 to 235.)	Nay.
136	Aug. 8	On motion to instruct the House conferees not to agree to Senate amendment authorizing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Adopted 235 to 164.)	Yea.
137	Aug. 8	Quorum call	Present.
		H.R. 8033, authorizing the Interstate Commerce Commission to delegate certain duties to employee boards:	
138	Aug. 8	On passage. (Passed 212 to 174.)	Nay.
139	Aug. 9	Quorum call	Present.
		H. Res. 406, providing for the consideration of H.R. 6882, providing an Assistant Secretary of Labor, to handle the problems of women workers:	
140	Aug. 9	On adoption of the resolution. (Adopted 369 to 16.)	Yea.
141	Aug. 9	Quorum call	Present.
		H.R. 6302, transferring Freedmen's Hospital, District of Columbia, from Federal Government to Howard University:	
142	Aug. 9	On passage. (Passed 321 to 61.)	Yea.
143	Aug. 10	Quorum call	Present.
		H.R. 7851, making appropriations for the Department of Defense for fiscal 1962:	
144	Aug. 10	On adoption of conference report. (Adopted 383 to 0.)	Yea.
145	Aug. 10	Quorum call	Present.
146	Aug. 14	Quorum call	Absent.
147	Aug. 14	Quorum call	Absent.
148	Aug. 14	Quorum call	Absent.
149	Aug. 14	Quorum call	Absent.
150	Aug. 15	Quorum call	Absent.
151	Aug. 15	Quorum call	Absent.
152	Aug. 15	Quorum call	Absent.
153	Aug. 16	Quorum call	Present.
154	Aug. 16	Quorum call	Absent.
155	Aug. 17	Quorum call	Present.
156	Aug. 18	Quorum call	Present.
		H.R. 8400, authorizing foreign economic and military aid in fiscal 1962:	
157	Aug. 18	On passage. (Passed 287 to 140.)	Yea.
158	Aug. 21	Quorum call	Present.
159	Aug. 21	Quorum call	Present.
		H.R. 8384, providing Federal penalties for airplane hijacking and other crimes committed aboard commercial aircraft:	
160	Aug. 21	On motion to suspend rules and pass bill. (Passed 373 to 5.)	Yea.
161	Aug. 21	Quorum call	Present.
162	Aug. 22	Quorum call	Present.
163	Aug. 22	Quorum call	Present.
		H.R. 7763, authorizing planning for U.S. participation in the New York World's Fair in 1964 and 1965:	
164	Aug. 22	On motion to suspend rules and pass bill. (Passed 353 to 42.)	Yea.
165	Aug. 23	Quorum call	Present.
166	Aug. 24	Quorum call	Present.
		H.R. 84, subsidizing lead and zinc producers:	
167	Aug. 24	On passage. (Passed 196 to 172.)	Nay.
168	Aug. 24	Quorum call	Present.
		H.R. 8181, authorizing $20,000,000 for a National Fisheries Center and Aquarium in the District of Columbia:	
169	Aug. 28	On engrossment and 3d reading of bill. (Ordered 223 to 120.)	Not voting.[2]
170	Aug. 28	On passage. (Passed 208 to 135.)	Not voting.[2]

See footnotes at end of table.

87th Cong., 1st sess.—Continued

Roll-call No.	Date 1961	Measure, question, and result	Vote
		H.R. 7176, providing for a national hog cholera eradication program:	
171	Aug. 28	On passage. (Passed 337 to 3.)	Yea.
172	Aug. 29	Quorum call	Present.
		H.R. 8773, increasing readjustment payments to Armed Forces Reserve personnel involuntarily released from active duty:	
173	Aug. 29	On passage. (Passed 394 to 0.)	Yea.
174	Aug. 29	Quorum call	Present.
		H.R. 6242, exempting certain Department of Justice attorneys from the salary ceilings in their civil service classification:	
175	Aug. 29	On passage. (Rejected 172 to 223.)	Nay.
176	Aug. 30	Quorum call	Present.
		H.R. 8890, authorizing a program of Federal aid to education:	
177	Aug. 30	On motion to consider bill under Calendar Wesnesday procedure. (Rejected 170 to 242.)	Nay.
178	Aug. 30	Quorum call	Present.
		H.R. 8028, authorizing $30,000,000 for studying juvenile delinquency:	
179	Aug. 30	On amendment restricting pilot projects to the District of Columbia. (Rejected 187 to 217.)	Yea.
		S. Con. Res. 34, expressing the sense of Congress that Communist China should not be seated in the United Nations:	
180	Aug. 31	On adoption of resolution. (Adopted 395 to 0.)	Yea.
		S. 1983, authorizing foreign economic and military aid:	
181	Aug. 31	On adoption of conference report. (Adopted 260 to 132.)	Yea.
182	Sept. 5	Quorum call	Present.
183	Sept. 5	Quorum call	Present.
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
184	Sept. 5	On amendment increasing military assistance by additional $300,000,000. (Adopted 242 to 151.)	Nay.
185	Sept. 5	On passage. (Passed 270 to 123.)	Yea.
186	Sept. 6	Quorum call	Present.
187	Sept. 6	Quorum call	Present.
		H.R. 9000, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
188	Sept. 6	On motion to suspend rules and pass bill. (Passed 378 to 32.)	Nay.
189	Sept. 6	Quorum call	Present.
		H.R. 8723, amending the Welfare and Pension Plans Disclosure Act:	
190	Sept. 6	On motion to suspend rules and pass bill. (Rejected 245 to 161, a ⅔ vote being required.)	Nay.
		H.R. 8666, promoting educational and cultural exchanges between the United States and other nations:	
191	Sept. 6	On motion to suspend rules and pass bill. (Passed 329 to 66.)	Yea.
192	Sept. 6	Quorum call	Present.
193	Sept. 11	Quorum call	Present.
194	Sept. 12	Quorum call	Present.
195	Sept. 12	Quorum call	Present.
196	Sept. 13	Quorum call	Present.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
197	Sept. 13	On motion to disagree to Senate amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 212 to 185.)	Nay.
		H.R. 7371, making appropriations for Departments of State, Justice, and the Judiciary:	
198	Sept. 13	On motion to agree with Senate amendment extending the life of the Civil Rights Commission to September 1963. (Adopted 300 to 106.)	Yea.
		H.R. 9076, making appropriations for civil functions administered by the Department of the Army, Department of the Interior, Atomic Energy Commission, and the Tennessee Valley Authority for fiscal 1962 (Public Works):	
199	Sept. 13	On motion to recommit with instructions to eliminate funds for Upper Colorado River Basin transmission lines. (Rejected 182 to 224.)	Yea.
200	Sept. 13	On passage. (Passed 377 to 31.)	Nay.
201	Sept. 13	Quorum call	Present.
		H.R. 7576, authorizing appropriations for the Atomic Energy Commission:	
202	Sept. 13	On adoption of conference report and approval of construction of electric generating facilities at Hanford, Wash. (Rejected 155 to 251.)	Nay.
		H.R. 8102, extending the time for making grants under the Federal Airport Act:	
203	Sept. 13	On motion to agree with Senate amendment fixing extension at 3 years. (Adopted 396 to 4.)	Yea.
204	Sept. 14	Quorum call	Present.
		H.R. 7500, providing for a Peace Corps:	
205	Sept. 14	On passage. (Passed 287 to 97.)	Nay.
206	Sept. 15	Quorum call	Present.
		H. Res. 455, providing for a conference with Senate on H.R. 2010, extending Mexican farm labor program:	
207	Sept. 15	On adoption of resolution. (Adopted 243 to 135.)	Yea.
		H. Res. 464, providing for the consideration of committee substitute amendment to H.R. 7927, adjusting postal rates:	
208	Sept. 15	On motion to order previous question (to prevent debate). (Rejected 142 to 222.)	Nay.
209	Sept. 16	Quorum call	Present.
		S. 2393, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
210	Sept. 18	On motion to suspend rules and pass bill. (Passed 342 to 18.)	Not voting.[2]
		S. 1459, adjusting longevity step increases for postal employees:	
211	Sept. 18	On motion to suspend rules and pass bill. (Passed 361 to 4.)	Not voting.[1]
		H.R. 5751, providing for notification to recipients that his mail may contain Communist propaganda from abroad and providing for return to sender:	
212	Sept. 18	On motion to suspend rules and pass bill. (Passed 369 to 2.)	Not voting.[1]
		H.R. 8914, amending the Soil Conservation and Domestic Allotment Act regarding participation in 1962 feed grain program:	
213	Sept. 18	On motion to suspend rules and pass bill. (Rejected 213 to 149, a two-thirds vote being required.)	Not voting.[2]
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
214	Sept. 18	On motion to suspend rules and pass bill. (Passed 305 to 53.)	Not voting.[2]
215	Sept. 19	Quorum call	Absent.
		H.R. 9118, establishing U.S. Arms Control Agency:	
216	Sept. 19	On passage. (Passed 290 to 54.)	Not voting.[1]
217	Sept. 20	Quorum call	Absent.
218	Sept. 20	Quorum call	Absent.
		H.R. 7500, providing for a Peace Corps:	
219	Sept. 21	On adoption of conference report. (Adopted 253 to 78.)	Not voting.[2]
		H.R. 5628, providing Federal funds to study the establishment of a botanic garden in Hawaii:	
220	Sept. 21	On motion to suspend rules and pass bill. (Rejected 215 to 125, a ⅔ vote being required.)	Not voting.[2]
		H.R. 4172, establishing a Federal Council on the Arts:	
221	Sept. 21	On motion to suspend rules and pass bill. (Rejected 166 to 173.)	Not voting.[2]
222	Sept. 22	Quorum call	Absent.
		H.R. 258, increasing the District of Columbia sales tax:	
223	Sept. 22	On adoption of conference report. (Rejected 142 to 159.)	Not voting.[2]
224	Sept. 23	Quorum call	Absent.
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
225	Sept. 23	On adopt on of conference report. (Adopted 228 to 71.)	Not voting.[2]
		H.R. 9118, establishing U.S. Arms Control Agency:	
226	Sept. 23	On adoption of conference report. (Adopted 252 to 50.)	Not voting.[1]
227	Sept. 26	Quorum call	Absent.
228	Sept. 26	Quorum call	Absent.
		H.R. 258, increasing the District of Columbia sales tax:	
229	Sept. 26	On adoption of conference report. (Rejected 97 to 173.)	Not voting.[2]
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
230	Sept. 26	On adoption of conference report. (Adopted 192 to 81.)	Not voting.[1]
231	Sept. 26	On motion to agree with Senate amendment providing that foreign aid Inspector General need not honor a request for information from Congress if the President certifies he has forbidden him to do so.	Not voting.[2]

[1] Absent. If present, would have voted "yea." [2] Absent. If present, would have voted "nay."

Goals of the New Frontier—The People's Right To Know

EXTENSION OF REMARKS
OF
HON. JOHN E. MOSS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. MOSS. Mr. Speaker, as the 1st session of the 87th Congress closed, President John F. Kennedy took an action which can mean a saving of $1 million a year in the cost of Government operations.

I refer to the President's Executive Order 10964 which amended Executive Order 10501, the Government regulation controlling information classified for military security reasons. The amendment, establishing a system to remove outdated security stamps from the great bulk of military security documents, is one of the important achievements so far in the long fight to force the Federal Government to recognize the people's right to know.

The thin veneer of new leadership which has been superimposed on the massive bureaucracy since January is not enough, of course, to prevent secrecy-minded career officials from equating secrecy with good government. But if the new administration continues at the pace it set during the first 8 months, it may be possible to prevent secrecy from becoming a way of life in Government.

The Kennedy amendment to Executive Order 10501 is an action the House Government Operations Committee first urged on the executive branch in June 1958, pointing out it would cut down the high cost of secrecy. A staff analysis of the effect of the Kennedy amendment indicates that a saving of $1 million a year in Government operating costs is a conservative estimate. It is based on an estimated $48,000 saving in handling classified documents now stored in warehouses; a $712,500 saving in handling classified documents in current use and a $248,000 saving in the replacement of safes to store the classified materials. The savings will be possible because the new system President Kennedy has established downgrades the military security material from top secret to secret to confidential at regular intervals, and the great bulk of the material will be declassified after 12 years. The Kennedy order also cut out an unnecessary requirement that the documents be stored in expensive fireproof safes.

The attempts by the Congress and the press to force the Federal Government to honor the people's right to know will promote governmental economy and efficiency. But even more important is the prime necessity for an informed populace in a democratic society, for the deceit of secrecy nurtures totalitarian government. This idea has been forcefully expressed by President Kennedy, both as a candidate and since taking office—and the support of a President who is clearly on record in favor of the greatest possible flow of Government information is a powerful new weapon in the fight for freedom of information.

Most of the information problems which the previous administration left on the doorstep of the new administration have been solved with President Kennedy's support in the war the press and Congress have been waging against growing Government secrecy. And there is a hopeful note in the fact that new information problems which have cropped up since the Kennedy administration took over have, in most cases, been solved. An example of fast action by the new administration to solve left-over information problems is the case of the secret meetings which an Eisenhower administration task force had held to engineer a new regulation permitting water to be pumped into commercial hams. The new Secretary of Agriculture immediately removed the "administratively confidential" stamp from records involved in the watered ham decision and ordered public hearings on the whole issue. In the case of compromise settlements of liquor law violations—a secrecy problem which the press first brought to the Treasury Department's attention 10 years ago—the new administration ordered all settlements with moonshiners, bootleggers, or other violators made public.

The leaders of the new administration also moved fast to solve the information problems which developed after they took over the responsibility of Government. At the White House, for example, the President's advisers at first went along with a Civil Service Commission proposal to issue regulations prohibiting the public disclosure of all "official" information, but the restrictive language was revised when the potential effect of the restriction was forcefully brought to the attention of the White House. And the National Aeronautics and Space Administration—after receiving numerous complaints from the press and Congress about secret tests of nonmilitary rockets at the Wallops Island test site—agreed to permit press coverage of future scientific tests.

The Treasury Department at first decided that information about nonprofit organizations granted tax exemption would be available only in one Washington office, but after contacts from Members of both the House and the Senate the agency decided the information could be made available by mail. The new Treasurer of the United States also blocked an attempt by a Federal Reserve bank to demand concessions from a press photographer in exchange for the bank's cooperation on a story. The Air Force blocked an attempt by a unit commander to retaliate against a civilian employee who had written a letter of complaint to a Senator, and a list of "administrative" aircraft set aside for VIP transport jobs was declassified and made public following a number of congressional complaints.

The initial reaction of the new officials of the Kennedy administration, as they faced the military security information problems which have plagued democratic government since its inception, appeared to be based on a desire to hide the ugly facts of international life from the American public. At first, both the President and his Secretary of Defense seemed to lean toward greater restrictions on public access to military information when U.S.-Russian relations became strained. The President, in the prepared text of a newspaper convention speech, discussed "the need for far greater official secrecy" and urged the press to impose a "self-restraint" on the publication of news of possible value to a potential enemy. The Secretary of Defense, in testimony before Congress during the same month of the President's speech, appeared to urge a pollyanna attitude toward the Nation's defense system. He said that information critical of defense capabilities should be replaced by statements praising our weapons, but he later explained he was suggesting such misinformation should be given to Russians only, not the American public.

The initial confusion in the handling of military security information problems was overcome as the leaders of the new administration settled down to the job of running the huge Defense Department, taking a calmer view of the problems. In an off-the-cuff speech after the first U.S. astronaut flight was successful in a blaze of publicity, the President himself emphasized and reemphasized the strength a free society can bring to bear against a secret society. And the new administration, following a congressional recommendation made repeatedly to earlier administrations, directed military men to stick to military matters in their public speeches.

Finally, the new Secretary of Defense established new public information policies for his agency, and the new policies placed strong emphasis on the need to keep democratic society informed on issues of national defense. This action—coupled with the President's new order to remove outdated security stamps from tons of Government documents—shows that the new administration has developed a firm resolve to protect the people's right to know. Translating that resolve into effective information practices will be one of the crucial challenges the Kennedy administration faces.

Duplicity in the Peace Corps

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. DEROUNIAN. Mr. Speaker, I was shocked by the deletion of the provision of the Peace Corps legislation which materially affects the composition of the groups sent to the Arab and other countries, action which is a further indication of the duplicity practiced by the

Democratic Party, and on September 21 wired President Kennedy concerning this, as follows:

SEPTEMBER 21, 1961.

The PRESIDENT,
The White House,
Washington, D.C.:

I am shocked by the action of the House of Representatives deleting from the Peace Corps legislation the provision that "the Peace Corps shall not perform services in any foreign country in which, by reason of law or official policy, any member of the Peace Corps will be discriminated against because of his race, creed, or color." The deletion of this provision will materially affect the composition of those groups sent to the Arab and other countries. You have repeatedly stated, before you were President and thereafter, that you are against any action of discrimination because of race, creed, or color. Do you intend to approve this legislation?

Respectfully,

STEVEN B. DEROUNIAN,
Member of Congress.

Remarks of A. Willis Robertson, in Newport News, Va., September 25, 1961, at a Luncheon Honoring Gen. Frank F. Everest

EXTENSION OF REMARKS
OF

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. DOWNING. Mr. Speaker, the commanding general of the Air Force's Tactical Air Command of the United States, Gen. Frank F. Everest, a great American and a great military leader, is retiring from active duty. He has served his Nation selflessly for more than 33 years.

This past Monday, September 25, 1961, several hundred prominent Virginians attended a luncheon in General Everest's honor. All of us were privileged to hear a brief but eloquent address by our distinguished U.S. Senator from Virginia, A. WILLIS ROBERTSON, along with an uncommonly fine address by General Everest himself.

In addition to knowing of the high regard that Senator ROBERTSON and all of us from the tidewater area of Virginia have for General Everest, I believe my colleagues would be interested in reading our able Virginia Senator's comments on the vital subject of civil defense. Also I believe my colleagues would be interested in seeing General Everest's remarks on the Tactical Air Command.

Under leave to extend my remarks, I would like to have the addresses made by Senator ROBERTSON and General Everest placed in the RECORD and I heartily commend both of them to the attention of the membership of this body:

REMARKS OF SENATOR A. WILLIS ROBERTSON, IN NEWPORT NEWS, VA., SEPTEMBER 25, 1961, AT A LUNCHEON HONORING GEN. FRANK F. EVEREST

I take great personal pleasure in honoring Gen. Frank F. Everest today on the occasion of his retirement. General Everest is an old friend. We have shared many a memorable fishing and hunting expedition together. For me, he brings to mind the words of the Book of Ecclesiastes, where it is written: "A faithful friend is a strong defense: and he that hath found such an one hath found a treasure."

General Everest is retiring after more than 30 years of active duty. During this time, he has served his country well in many capacities. General Everest, in fact, is one of a small number of American airmen who rank among the pioneers of military aviation in this country. He was one of all too few Americans who championed the cause of air power before World War II. After the war began, he helped to organize, train, and shape the air force that contributed so much to our victory.

The persistence that General Everest has shown as an advocate of air power can be personally attested, I know, by General Twining. During the war, General Twining's plane crashed in the Pacific Ocean. An air search combed the face of the deep in vain and was about to be called off as hopeless. General Everest insisted, however, on trying once more, and directed further flights. Before long a B–17 sighted General Twining's raft. Soon the general, like Jonah, was able to walk again upon the dry land.

General Everest's career has been long and meritorious. Born in Council Bluffs, Iowa, he graduated from the U.S. Military Academy in 1928 and launched his aviation career shortly thereafter. Once we entered World War II, General Everest's duties brought him a variety of major assignments in the South Pacific Theater, where he was awarded a Silver Star for gallantry in action. He later was assigned to Air Corps Headquarters in a variety of planning capacities.

After the war ended, General Everest assumed command of the Yukon sector of the Alaskan Air Command. Subsequently he served tours of duty in Washington, Korea, and Europe. Upon returning in 1959 as commander in chief of the U.S. Air Forces in Europe, General Everest rounded out his career as commander of the Tactical Air Command at Langley Air Force Base.

I salute General Everest today, then, both as a valued friend and as a distinguished public servant. His contributions to our defense strength, which have been so notable, must now be carried on by others. In this troubled age of atomic power, all of us have responsibilities for our defense, whether we are in military or civilian life.

In this connection, one of my concerns is civil defense, and particularly fallout shelters in which I hold a special interest as chairman of the Senate Banking and Currency Committee that considers housing legislation, as chairman of the Joint Senate-House Committee on Defense Production, and as a member of the Defense Subcommittee of the Senate Appropriations Committee.

Those of you who live or work in the Newport News and Norfolk area recognize the need for adequate civil defense and the importance of fallout shelters in an area which could be brought under enemy attack. Newport News contains the largest private shipyard in the world, as well as vital defense centers and installations.

Here, as in other parts of the country, numerous buildings, tunnels, underground passages, and other structures can offer civil defense protection for large numbers of people. Steps are being taken to identify and outfit as many structures as possible. The Defense Appropriations Act of 1962 provided over $200 million for civil defense, of which nearly half is for a national program for identifying and marking available community shelter space in existing structures, and for improving shelter space in Federal buildings.

But community shelter in existing buildings can accommodate only a fourth or so of our total population, and available Federal aid for fallout shelters can be applied only toward public structures. Every private citizen and private business needs to take steps now to assure greater fallout protection. Only a little effort may bring large results, since fallout radiation decays rapidly and becomes only one-tenth as lethal after 7 hours and only a hundred after 2 full days.

As an indication of what can be done privately, I would like to mention the case of the First National Bank in my hometown of Lexington, Va. Wholly on its own, the bank refurbished its basement as a fallout shelter and stocked it with canned goods and drinking water as well as with microfilms of bank records. This space can accommodate 15 to 20 people in case of emergency. The results were accomplished without great inconvenience and without the use of public funds.

The present occasion has lead me to make a few remarks about what all of us can do to assure our future defense, just as it has brought us here to honor what one man has done in the past for us all. As before, it will take initiative, courage, and persistence to overcome the numerically superior forces arrayed against us, but we can succeed nevertheless.

Members of our Senate breakfast group know how I delight to tell how a superior ground army of the Philistines was defeated during the reign of King Saul. The Philistine army was encamped in one spot of the valley, the Israelites under King Saul in another. Day after day Goliath paraded between the two armies, challenging all comers in defiant terms. No one had the courage to accept his challenge until the day David, a shepherd boy, appeared before King Saul and asked the privilege of doing so.

David had few missiles—only "five smooth stones out of the brook." Goliath scornfully watched David approach, perhaps saying to himself: "With one stroke of my right hand, off goes his head." But David said to Goliath. "Thou comest to me with a sword, and with a spear, and with a shield: but I come to thee in the name of the Lord of hosts."

That was a difference, but it was the winning difference.

Let us then, continue to put our trust in the Almighty in facing the future. And let us all wish General Everest Godspeed in whatever endeavors he may undertake in the years ahead.

REMARKS OF GEN. F. F. EVEREST AT THE PENINSULA CHAMBER OF COMMERCE TESTIMONIAL BANQUET ON SEPTEMBER 25, 1961

Mr. Toastmaster, Judge Smith, Senator ROBERTSON, honored guests, members of the Peninsula Chamber of Commerce, I am happy to be with you today, but at the same time I regret that it is the last time for me to join you, at least as an active member of the Air Force.

Mrs. Everest and I have enjoyed the privilege of being a part of your community for the past 2 years. Military people grow accustomed to moving constantly and of making new friends, but we never find it easy to say goodby.

In recent years this has become more significant because the military and civilian communities have blended into a single entity, sharing common interests and enjoying warm relationships through mutual understanding.

'Twas not always this way. There was a time when the military was virtually cut off from the civilian world, and neither group knew much about the other. There was no chance for understanding because there was little communication between the two.

The change started with World War II when total mobilization left few American homes untouched. Since that time, despite

the premature demobilization in 1946, we have lived in a climate of fluctuating tensions, but there has been a steadily increasing recognition of the continuing need for strong military forces in being.

It would be impossible for a democratic nation to maintain such forces without public support. The intermingling of the military and civilian communities, the side-by-side living and the common interests, have produced a high decree of harmony and mutual respect.

But the change goes even deeper than this. The American people have become acutely aware of international affairs, and this has led to a better understanding of our role in the cause of world peace. Not only have we as a nation, and as individuals, accepted the fact of free world leadership, but we know that our responsibilities will not diminish so long as there remains a threat to freedom anywhere.

In accepting this fact, we know that the high cost of maintaining an adequate defense is justified, because the stakes are of the highest—they include the dignity of man and his basic freedoms. Our strength does not rest alone with the military, but flows from a sense of national urgency and the unanimous approval of the American people for the course we have taken and the effort that is required to maintain sufficient defense forces.

Technology and science have given us aircraft, machines and weapons with fantastic potentials. Supersonic planes and ballistic missiles have collapsed time and distance, and today there literally is no target out of reach, and no place to hide.

Soon man will conquer space, to further compress the shrinking globe and draw the nations of the world into an even tighter community of interacting and often conflicting societies. This time of rapid technological change is made even more significant by the presence of political and sociological disordered throughout the world.

Because many of these things—the complexities of technocracy, the stresses and strains of the competition between the Western democracies and the Communist world, and the constantly shifting sands of world affairs—cause considerable apprehension, we tend to overlook basic fundamentals. We often lose sight of our most precious resource: people.

In this age of automation, we in the military worry more about people than anything else. Despite the current fascination with computers and automation, the greatest computer ever devised is still the human brain.

Science will never be able to build an electronic brain that can exercise judgment, generate original thoughts, or demonstrate courage and love of liberty. Nor will there ever be a machine dedicated to God and country.

Thus, man, because he has a brain and a soul, will continue to be the key to the kind of national defense we have now and will need in the years ahead.

For us in Tactical Air Command this has a special meaning. TAC is a powerful command, designed to accomplish a variety of jobs and with the ability to move quickly to any corner of the world. And the backbone of our force is the professionally qualified, highly motivated airman.

Take for example the tactical fighter pilot of today. He is combination pilot, navigator, bombardier, radio operator and flight engineer. He has made lonely ocean crossing a commonplace occurrence, enduring long hours of grueling work, making precision rendezvous with aerial tankers and often faced with adverse weather at his oversea landing point. And every day he must work diligently to stay ready for instant response to any emergency.

For all his loneliness in flight, he is never quite alone. Working with him are equally skilled men providing support in reconnaissance, communications, tanker operations, maintenance and all the activities that are required to keep him ready for combat.

These people are highly skilled, but their skills are not static. They constantly train to maintain and improve their capabilities. They are professionals in every sense of the word.

Too often we fall into the easy habit of accepting a stereotyped picture of military life and military people. Some citizens in the past must have thought the military consisted of men who came into the service, did nothing but patricipate in military exercises, fought if the Nation was forced into war and after 30 or more years of life in various parts of the world they could look forward to a comfortable retirement.

This never was the case, but it is grotesquely untrue now. There is no room in the military for a man who cannot think and who cannot grow steadily in ability and potential. Too much depends on each individual. He is too important economically and, more precisely, he has a large share of our security in his hands. The fighter pilot of today carries a greater burden of responsibility than was ever before imposed on one individual fighting man.

The American people are gaining a better understanding of the military man, Regular and reservist alike, and in the weeks and months ahead this understanding will grow.

There can be no doubt that the future holds little promise for an appreciable relaxation of world tensions. President Kennedy has urged Americans to accept this fact and to be prepared for the sacrifices that will be required of us in pursuing a determined course of defending freedom wherever and whenever it is threatened, employing whatever means may be necessary.

The men of Tactical Air Command have this sense of determination and dedication. They demonstrate this daily in carrying out their duties and in constantly sharpening their professional skills. I can pay them no greater tribute than to say I am confident that they will acquit themselves magnificently, no matter what the future holds.

I am equally confident that they will continue to receive the public support they must have to do the job. This is the kind of support they have received from you down through the years, and is a reflection of common interests and mutual respect.

Annual Tour of My Congressional District

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. VAN ZANDT. Mr. Speaker, as the 1st session of the 87th Congress draws to a close, which by the way was one of the longest peacetime sessions we ever had, I am looking forward to a visit and a talk with the people whom I have the honor to represent in the Congress of the United States.

Ever since coming to Congress in January 1939, with the exception of 3½ years of naval service during World War II, it has been my practice following the adjournment of each session of Congress to make an annual tour of my district which carries me into every community. As will be noted from the following schedule, in addition to meeting constituents in my Altoona office, office hours are held in the lobby of post offices and in some instances hotels of the various communities, so that my constituents can stop to say hello, to inquire of some Federal legislation or to discuss a problem they may have with the Federal Government.

I am pleased, Mr. Speaker, to announce the schedule of my annual tour of the 20th Congressional District of Pennsylvania comprising Blair, Centre, and Clearfield Counties.

On Wednesday, October 4, I shall be in my Altoona office, room 335–337, Central Trust Building—Telephone WIndsor 4–8932—from 2 to 6 p.m. and on Thursday, October 5 from 9 a.m. to 5 p.m., except during the lunch period.

On Friday, October 6, and Saturday, October 7, the following schedule will be observed:

FRIDAY, OCTOBER 6, 1961 (BLAIR COUNTY)

Tyrone: lobby of post office, 9 to 10:30 a.m.

Bellwood: lobby of post office, 11 a.m. to 12 noon.

Hollidaysburg: lobby of Capitol Hotel, 1:30 to 3 p.m.

SATURDAY, OCTOBER 7, 1961 (BLAIR COUNTY)

Roaring Spring, lobby of Eldon Inn, 9 to 10 a.m.

Martinsburg, lobby of post office, 10:30 a.m. to 12 noon.

Williamsburg, lobby of post office, 1 to 2 p.m.

Claysburg, lobby of post office, 2:30 to 3:30 p.m.

THURSDAY, OCTOBER 12, 1961 (CENTRE COUNTY)

Port Matilda, lobby of post office, 1:30 to 2 p.m.

Millheim, lobby of post office, 2:30 to 3 p.m.

Centre Hall, lobby of post office, 3:30 to 4 p.m.

State College, lobby of State College Hotel, 4:30 to 6 p.m.

Bellefonte, lobby of Penn Belle Hotel, 7 to 8:30 p.m.

FRIDAY, OCTOBER 13, 1961 (CLEARFIELD COUNTY)

DuBois, lobby of General Pershing Hotel, 9 to 10:30 a.m.

Grampian, lobby of post office, 11 to 11:30 a.m.

Mahaffey, lobby of post office, 12 noon to 12:30 p.m.

Curwensville, lobby of Park Hotel, 1 to 2 p.m.

Clearfield, lobby of Hotel Dimeling, 2:30 to 4 p.m.

FRIDAY, OCTOBER 20, 1961 (CENTRE AND CLEARFIELD COUNTIES)

Coalport: lobby of post office, 1 to 2 p.m.

Madera: lobby of post office, 2:30 to 3 p.m.

Houtzdale: lobby of post office, 3:30 to 4 p.m.

Osceola Mills: lobby of post office, 4:30 to 5 p.m.

Philipsburg: lobby of post office, 6 to 8 p.m.

These visits in the various cities and towns are as informal as we can possibly make them and workers, businessmen, and housewives are urged to drop

by the temporary office in their hometown. No appointments are necessary and all persons are welcome to come as they are.

As I stated before, I maintain a district office in the Central Trust Building at Altoona, Pa. It is open 5 days a week to serve the residents of the 20th Congressional District.

If I should be out of the office on official business there is always a competent member of my staff available to answer questions or to assist in every way possible.

I welcome all those who may have a problem of great importance to themselves to meet with me when I am in their community or on this annual congressional tour of our district.

Goals of the New Frontier: U.S. Arms Control and Disarmament Agency

EXTENSION OF REMARKS
OF
HON. ROBERT W. KASTENMEIER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. KASTENMEIER. Mr. Speaker, in his profound and moving address to the General Assembly of the United Nations, President Kennedy expressed the view of most thoughtful Americans that "mankind must put an end to war—or war will put an end to mankind."

The President's eloquent statement was followed by a proposal for general and complete disarmament under full international control. His solid stand for this objective was greeted by wide acclaim throughout the world.

The President's expression of hope and his endorsement of an ideal were not mere words and eloquence. They were the expression of an idea which the President spoke about during the campaign and an idea central to the whole notion of the New Frontier. Moreover, as this session of Congress demonstrated, it is an idea which we believe to be worthy of the best efforts of the country.

As the session of Congress ended, a bill to create a U.S. Arms Control and Disarmament Agency was passed. The bill, as initially approved, won 290 out of 341 votes in the House and 73 out of 87 votes in the Senate. These powerful demonstrations of congressional approval for a serious new approach to disarmament underline both our backing for the President and our interest in a new approach to peace.

The Arms Control and Disarmament Agency will fill a great gap in our policymaking machinery. Unfortunately, U.S. disarmament efforts have suffered from a lack of expert advice, lack of research support and lack of adequate preparation throughout much of the postwar period.

Our disarmament negotiators have returned from the conference table time and again to complain of inadequate backstopping and incomplete and unresolved instructions from home. Clearly, something had to be done to coordinate policy formulation and rationalize our research program for disarmament.

The President's new Agency was designed to fill this gap by John J. McCloy, his Special Adviser on Disarmament. The Agency will take the place of a small Disarmament Administration within the State Department. Its functions will be to coordinate research, policymaking, negotiating, and public information on disarmament. Its research mandate will be as broad as the greatest problems of peace; it will cover all aspects of the political, economic, legal, technical, and military approaches to the problems. New ways to keep the peace in a disarmed world will be studied; as will the economic aspects of disarmament.

With this broad mandate, the Agency's Director should be well prepared to formulate sound proposals for arms control and disarmament under full inspection. Basing himself in solid research, the Director will also be able to make his position known directly to the President; for the legislation gives him the rank of an Under Secretary of State and cites him as the adviser of both the President and the Secretary of State for all disarmament matters. This unique setup is designed with a specific purpose in mind. All too often past disarmament problems have occurred because the man in charge did not have sufficient status to resolve disarmament disputes between the various agencies. In order to make his position clear and to insure full coordination and compliance with a final policy decision, the Director is made the President's personal adviser. Once the President decides on a given proposal, therefore, the new Director will have sufficient status to insure that it is carried out.

Since the Director must also carry out his mandate through negotiations, he must be the adviser of the Secretary of State for this special aspect of the problem. In formulating research he is the President's man; in negotiating the fruits of research he works hand in hand with the Secretary of State and is designated as his adviser.

The new Agency should do much to clarify the problem of disarmament and to put us in position to offer challenging new approaches to the Russians on this question. Already the people working in this area have shown their competence by presenting the U.S. first complete disarmament treaty in Geneva this spring. Our test-ban proposals indicated our seriousness of purpose but also—by being the very first of their kind—proved that we had not been well prepared in the past. Henceforth we should be in position to present such detailed and thoroughly prepared proposals at each step of disarmament negotiations.

The President has proposed that William C. Foster head the new Agency. Foster is a well respected Republican who headed the Marshall plan after Averill Harriman and who has served in many high capacities in the Defense Department. It is to be expected that Foster and the new Agency will now begin the serious and complicated work of laying out a new American position for world disarmament.

There is no doubt that the U.S. Arms Control and Disarmament Agency is a major step forward. It fulfills the promise of the Democratic platform and underlines the serious hope of all Americans and all mankind. It is truly, as its statement of purpose indicates, a new "agency of peace."

The Record of the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. ALBERT. Mr. Speaker, the 1st session of the 87th Congress has been one of the most productive in history. This record has been the result of the joint efforts of a Democratic Congress and a Democratic administration. It has been likened to the memorable first 100 days of the Roosevelt administration. In March 1933, it was closed banks and soup lines. In January 1961, it was sagging farm prices, rising unemployment, stifled credit, and unfavorable balances of payments.

President Kennedy's watchword has been action—action on behalf of the American economy and action on behalf of American security. His dynamic leadership has strengthened America's position, both domestically and internationally. Where the Eisenhower administration maintained the status quo, the Kennedy administration took the initiative. Where President Eisenhower used the veto, President Kennedy has offered constructive proposals to move America forward.

As his first official act, President Kennedy ordered the distribution of surplus food to those hardest hit by the recession. He urged Congress to enact—and Congress enacted—area redevelopment legislation which President Eisenhower had vetoed. He urged Congress to enact—and Congress enacted—the most comprehensive housing program in more than a decade. He urged Congress to enact—and Congress enacted—a wage and hour statute increasing the minimum wage and broadening coverage under this law for the first time in many years.

The Congress passed and the President signed a feed grains bill. Congress passed and the President signed the most far-reaching comprehensive farm bill since I have been a Member of this body. This Democratic Congress passed and a Democratic President signed legislation making 600,000 additional persons eligible for increased social security benefits and earlier retirement. This Democratic Congress, cooperating with a Democratic President, produced 33 major items of legislation for the American people.

The result of all this is a stronger America. Economically, we are looking forward to a year of record prosperity. Every major economic indicator points up. After falling for three consecutive quarters, the gross national product rose by 3 percent in the second quarter of 1961. At least half of this $15 billion increase is due to administration programs. Chairman Walter Heller of the Council of Economic Advisers estimated it will reach a rate of $565 to $570 billion in the spring of 1962. If this estimate is realized, our economy is growing at a rate of nearly 10 percent annually.

Every sector of our economy is expanding. Manufacturing production increased by 11 percent from February to August; in the preceding 6 months, manufacturing output had declined 7 percent. Inventories, responding to higher sales, were growing in contrast to cutbacks early in the year. Business outlays for capital goods—both buildings and equipment—are rising and surveys indicate investment expenditures will pick up substantially by the end of the year. Housing starts are up one-third from the recession low to more than 1.3 million in June, July, and August. Net farm income, estimated at $12.8 billion, will be the highest in 8 years, and net income per farm is expected to set a new record while costly surpluses are being cut.

Individual Americans have more money in their pockets with the personal income rate up $16 billion to a record $422 billion. Extended unemployment compensation, increased surplus food distribution, and the feed grains program added $800 million to private purchasing power. Wages and salaries increased by $13 billion. Corporate profits before taxes stood at $45 billion, an annual rate $5½ billion above the first quarter of the year. Four million more Americans were working in July than in January with experts predicting substantial declines in unemployment in the near future. We are moving rapidly toward full employment, a condition our economy has not enjoyed since early 1957.

In international financing, President Kennedy reversed the drain on our gold reserves, stabilizing the value of the dollar and reassuring the world of the soundness of the American economy. After 16 months of consistent declines, our monetary stock increased this spring. That increase has continued. For the first time since 1958, August reports showed a $17 million inflow of gold.

President Kennedy let our potential enemies and the world know that henceforward we would operate from a position of strength, not weakness, and he backed his words with action. He, with the cooperation of Congress, doubled our Polaris submarine program insuring a full operational fleet 3 years sooner than originally scheduled. He increased long-range missile programs, expanded naval and ground forces, and stepped up troop carrier plane procurement, increasing the mobility of our forces. President Kennedy, with the cooperation of this Congress, has moved to give us alternatives other than capitulation or nuclear holocaust.

John Kennedy stepped into office in the midst of a world terrified by sputniks and frightened by the progress Russia was making in missiles. He answered by stepping up every phase of our space technology, taking the positive position that our space goals in this age were to make the United States not the second best, but the undisputed leader among the nations of the world.

Where legislation was needed, he requested it and the Congress responded with major legislative enactments in almost every legislative field.

We submit to the American people the record of this session solely upon the basis of its value to our people and to the continuation of our way of life. We will enter the next session resolved not to stand on our past record but to move forward with further goals designed to strengthen our country and to expand our economy.

We have no alternative but to move forward. The standard of living of our people demands it. The security of our country and of the free world demands it.

With the death of Dag Hammarskjold, the United Nations confronts the greatest test in its troubled history. With the Berlin crisis deepening, America faces a challenge to her principles and to her very existence. With the Khrushchev appetite seemingly insatiable, communism threatens to gorge on the souls of free peoples everywhere.

At this turning point in history, the virility and the strength of the United States, the health of her economy, the versatility and might of her Armed Forces, and, above all, the determination of her people, are indispensable to our leadership in the free world and our capacity to insure the preservation of human dignity. The stakes are high; the problems difficult. What we do in the 2d session of the 87th Congress may be our supreme test. We will not fail our responsibilities.

The Outlook for Jobless Negroes

EXTENSION OF REMARKS
OF
HON. CHARLES C. DIGGS, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 27, 1961

Mr. DIGGS. Mr. Speaker, Secretary of Labor Arthur Goldberg's recent address on "The Outlook for Jobless Negroes" is one which I hope will be widely read by the American public and by Negro citizens whose peculiar dilemma it discusses. While Secretary Goldberg does not minimize the burden of racial discrimination which saddles a segment of the citizens of our Nation with a disproportionate share of unemployment, he offers information which should be made as available as it is possible to make it on what the Federal Government has done to help in this problem and he renders sound advice which cannot be too-oft repeated:

THE OUTLOOK FOR JOBLESS NEGROES

(By Secretary of Labor Arthur Goldberg)

(Because he bears the major burden of job discrimination and lack of education, the Negro also suffers most unemployment, but his future can be brighter than it is.)

There were 5 million unemployed Americans this spring.

Nearly a million of these unemployed were Negroes.

Almost 1 out of every 8 Negroes was unemployed, compared to the white group's rate of almost 1 out of 16.

As you can see, Negroes were hit twice as hard as the white group when it came to having work.

Unfortunately, these proportions are nothing new. A period of unemployment such as our Nation underwent the past few months simply dramatizes what has been prevalent and obvious to the statistician and sharply realized by the nonwhite worker in the United States who has suffered its inequity all these years.

Among the jobless Negroes, almost one-half, 460,000, were without work 15 weeks or longer.

Almost twice as many Negroes as in the white group were forced to work part time this spring.

Without belaboring the facts further, it is obvious that the Negro has been saddled with a disproportionate share of the country's unemployment problem.

He has made up a good proportion of the so-called hard-core unemployed in the United States.

And his job outlook will not improve in the stiffening competition for work foreseen in the years ahead unless he helps himself while we attempt to help him.

I say this knowing full well the job discrimination that the American Negro has faced since the Civil War. I say this knowing full well the barriers he still must overcome, socially, economically, and politically.

I also say this knowing that it is more difficult for Negroes to get jobs commensurate with their training.

But, I say this because of a few immutable facts about the long-term unemployed Negro worker which goes beyond past discrimination.

When unemployment begins to rise in this country, it first hits all workers, white or black, earning livelihoods in the unskilled occupations. These are the jobs which need little or no education and training. These are also the jobs that have been disappearing from American industry since the turn of the century when one out of every eight manual workers was unskilled. Last year this group represented 1 out of every 20.

The need for more education and skill in jobs available is increasing rapidly. Even semiskilled and skilled workers have felt the pinch in recent years.

The Negro, mainly through no fault of his own, has been, generally, the worker with the least education, the least training. Thus, he is usually holding down more of the poor, unstable jobs than other citizens. When a recession or depression occurs, the Negro becomes the classic unemployment statistic, the greater problem, once again.

But we are truly living in a time of transition. Opportunities for all men to gain an education, learn a trade, earn a better living, are opening doors closed tightly within our recent memory.

How can the American Negro help himself in these times? He can help himself by looking to the future and what it promises, rather than to the past and what it has been. This applies not only to the breadwinner today but also to the advice he gives his children and the steps he takes to keep his children in school.

It is true that the security which the American Negro seeks cannot be achieved without opportunity. But opportunity cannot be grasped without ability. And ability does not express itself without education and training.

Therefore, the Negro must prepare himself now, whether he is in high school or college or earning a living, to meet the increasing competition for the better jobs, the jobs which require training and education and intelligence, the jobs which will generally provide a living even when times are bad.

Now is the time for everyone, white or black, to get all the education he can get, or refine his salable skills to meet the increasing demand for skilled workers.

Jobs and careers that may have been beyond the attainment of the Negro 20 years ago are becoming available today. Much of this has been accomplished by national leadership in the destruction of discriminatory barriers. Just as much has been done by the American Negro in standing up for his rights.

The Federal Government is doing something about opening doors to these jobs and careers. President Kennedy has created a new arm in the executive branch called the President's Committee on Equal Employment Opportunity to make sure that the color of a man's skin or his religion or nationality is not a bar to employment. The Vice President is chairman of this committee and I am vice chairman, with Assistant Secretary of Labor Jerry R. Holleman directly responsible to me for its operation. We are applying the equal opportunity premise immediately within those industries which have Government contracts.

One of the most frequent reasons we are given for the nonemployment or lack of promotion of Negro workers is that they do not have the necessary educational background, or that they do not have the training.

Many times these reasons are merely excuses. More often it is the truth.

This is not the time to look back for the reasons underlying the truth. We are aware of all of them.

We must look ahead to see what can be done to make the present reasons for the discriminatory practices merely excuses. For we can battle excuses with truth if truth is on our side.

Here is where the Negro must help himself. He must be willing to overcome his physical environment, his social status, his economic depression, by learning. The Federal Government intends to help.

The administration has already taken measures to deal with some of the factors inducing unemployment, which, in alleviating for all Americans, will, of course, aid the Negro's problem as well.

Since considerable numbers of workers have already been displaced by automation and technological change, a manpower development and training bill has been introduced in the Congress as a remedial measure. The proposal provides for on the job, classroom, and other types of vocational training with Federal retraining allowances up to a maximum of 52 weeks.

Another bill has been introduced which would provide training programs for youths between 16 and 22 years of age. This group historically, in good times or bad, has an unemployment rate three times as high as the rest of the work force. Negro youth have an even higher rate, something like six times as high.

This legislation, if enacted, would provide for on-the-job training for this age group with the Federal Government sharing the expense; would provide job opportunities to gain experience in public service work operated by State and local governments; and a Youth Conservation Corps for young men to work in camps at the national forests and parks, and State forests and recreation areas.

As you know, President Kennedy has already signed into law the Area Redevelopment Act, intended to provide various kinds of assistance to areas of persistent unemployment. The act provides loans to encourage new industry and expansion, occupational training of unemployed or underemployed workers.

To meet the challenge of automation, I have established a new Office of Automation and Manpower to help find the answers to this growing problem to our industry, which is adding to our unemployment problems.

These next 10 years will make all the difference in the world to working Americans. The key will be education and training for the future.

The Negro must be in the position to make the grade. While it must be mainly his own effort, he can be sure that his Government, this administration, is going to help. The measures I have mentioned briefly are intended for those Americans suffering the most in these changing times.

The hard core, the continual unemployment among the nonwhite citizens of this Nation must be, will be, softened by the cooperative efforts of all of us.

President Kennedy's words at his inaugural should be remembered: "Ask not what your country can do for you—ask what you can do for your country."

The American Negro, by striving for more education and job training, will be doing for his country by doing for himself.

I do not believe anyone could ask for more—or for less.

Panama Canal Treaties: Total Revision Demanded in Panama

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FLOOD. Mr. Speaker, over the past few years, I have made many addresses, in and out of the Congress, and issued numerous press releases on the subject of the Caribbean danger zone, in which the Panama Canal is a key target.

As the result of long study of the subject, it has been possible to predict events long before they occurred and to give timely warning to the Congress and other proper authorities. Although my worst fears have been more than justified, any satisfaction that may be derived from having been accurate in prediction is a sterile one.

Mr. Speaker, I would emphasize that the end of the deteriorating situation in the Caribbean is not yet in sight. In Cuba, there is a Soviet satellite and recently on the opposite side of that strategic sea it has found a counterpart in British Guiana, forming part of the Red link now being forged in the Caribbean.

The latest news from the isthmus is that the Republic of Panama is making ready to demand a total revision of the Panama Canal treaty structure, which I have long foreseen, and have repeatedly endeavored to meet with a valid program to safeguard our vital interests.

In order that the Congress, the Executive, and the Nation at large, may be fully informed, I quote a recent feature story in an influential isthmian newspaper and my own press release of September 7, 1961, which follow:

REPUBLIC OF PANAMA MAY SEEK BIG HIKE IN CANAL ZONE ANNUITY—PANAMANIAN FLAG IN ZONE COULD ALSO BE TREATY BID

Panama will seek a massive increase in the annuity the United States pays for the use of the Canal Zone when President Roberto F. Chiari's administration makes its bid for "total revision" of the United States-Panama treaties governing the Panama Canal, informed sources believed today.

Leading Panamanian officials have frequently said the present $1,930,000 annuity is unrealistically low for a reliable, commercial enterprise in an age when the United States is expending billions around the globe on projects which are nebulous by comparison.

President Chiari is expected to catalog Panama's claims in his state of the nation address at the October 1 opening of the new session of the National Assembly. At his press conference yesterday he confined himself to saying that he would seek an increase in the "direct benefits" Panama's economy derives from the canal.

Second Vice President Jose D. Bazan has given some indication on administration thinking regarding the $1,930,000 Canal Zone annuity when he compared it to the $8 million plus which the United States pays Libya for the use of a single airfield—Wheelus.

Some officials have indicated informally that $10 million might be regarded as an acceptable Canal Zone annuity for the time being, but there is general unwillingness to give any advance line on Panama's bid before the hard bargaining begins.

During his victorious presidential campaign Chiari also declared himself in favor of the Panamanian flag flying beside the Stars and Stripes wherever the U.S. flag is flown officially on the Canal Zone. It is therefore regarded as probable that this will be among Panama's claims.

But yesterday the President limited himself to saying: "We must reach a position in which we have no more claims to make. For this, total revision (of existing treaties) is necessary."

It is understood that while Panama has not yet formally communicated its call for treaty revision to Washington, U.S. officials have been told that such a call is coming up.

Presumably an official request for recognition of the treaties would follow Chiari's state of the nation address.

The most recent treaty governing United States-Panama relations was the Remon-Eisenhower treaty, signed in 1955. A principal provision of this treaty was the increase of the annuity by $1,500,000 from $430,000.

The original United States-Panama treaty is dated 1903, shortly after Panama won its independence from Colombia. Revisions were incorporated in the 1936 treaty, negotiated during the administration of President Harmodio Arias.

Independent estimates have put the Panama Canal's total direct and indirect annual contribution to the economy of Panama at about $60 million, or a sum roughly equivalent to the country's national budget.

However, this total includes many items which could not be expected to be included in Chiari's list of "direct benefits."

The President charted Panama's economic dependence on the canal yesterday by tracing the fluctuation in the average per capita income in Panama.

This figure stood at $380 in 1945, when the U.S. Military Establishment in the Canal Zone remained close to its wartime peak.

Came 1951 and the rundown of the Canal Zone military to peacetime normalcy, the average annual per capita income in the Republic had fallen to $317.

It was only in 1959, after 14 years of effort to strengthen Panama's peacetime economy, that the average per capita income edged back up to the $380 of 1945.

Chiari revealed that his administration has set itself the target of boosting this figure by $10 yearly from here on out.

Means to achieve this aim include:

Wider distribution of the national income. Chiari has frequently said that Panama's rich should do more to share the nation's bounty with the poor.

A development program encouraging private initiative, rather than by supplanting it with the government's own efforts.

The construction of 10,000 housing units by the government over a period of 5 years—a total investment of $34,250,000.

The building of a number of new hospitals and health centers throughout the country, including a regional hospital at Aguadulce, a new psychiatric hospital and a colony for the mentally ill at Los Santos and the enlargement of the Santo Tomas Hospital at a total cost of $16,718,000.

Completion of the Inter-American Highway and the construction of 12 feeder roads (the third phase of the government's road plan) at a total cost of $76,120,000.

Electric power for interior communities and rural areas of Panama and Colon at a total cost of $24,985,000.

Industrial survey, promotion and financing to the tune of $4 million.

The construction of a number of hotels and beach resorts as tourist attractions.

An increase in agricultural production through rural credit organizations with emphasis on the cultivation of rice, corn, grain, coffee, and cattle raising. Total cost, $7,125,000.

President Chiari also revealed that:

1. The budget for the coming year would be $65 million.

2. The deficit up to the end of August was $9.9 million, but the administration was confident of reducing it to $2.5 or $3 million by the end of the year.

3. There would be no cabinet changes for the present, although Minister of Labor, Health and Social Welfare Dr. Sergio Gonzalez Ruiz has signified his intention of returning to his medical practice upon his return in 6 weeks from a social security conference in Turkey.

4. The determination of his government to take over the printing of the lottery tickets.

Caribbean Danger Zone: Program for Its Security

(By Congressman Daniel J. Flood, of Pennsylvania)

The pro-Communist election victory in British Guiana on August 21, followed by vicious attacks on the United States in the U.N. on August 24 by Fidel Castro's Cuban delegate about our Guantanamo Naval Base and by the Soviet delegate about our military bases in Puerto Rico, have again focused world attention on the Caribbean danger zone immediately to the south, despite high tensions over Berlin.

With Cuba already a Soviet satellite and British Guiana as a new one, both flanks of the Atlantic approaches of the Panama Canal are covered by Communist beachheads, advantageously located for the next steps in the long-range plan for Caribbean conquest through the processes of infiltration and subversion.

The key targets in this plan are the strategic, historic isthmian canal route areas, Panama and Nicaragua.

In Panama, our legal position, weakened on September 17, 1960, by an ignominious surrender to radical elements to fly the flag of Panama over the Canal Zone territory, is under continuous attack by the same forces, at times requiring strong handling by the Government of that Republic. In Nicaragua, the United States is well supported, which fact has also made the humane government of that country a prime object for subversive attack. Thus, the ring around the Caribbean is being rapidly forged to make that sea a Red lake.

The program that would adequately meet the Caribbean crisis is:

1. Making definite and reaffirming the principles of the Monroe Doctrine as applying to intervention in the Western Hemisphere by subversive forces known as the international Communist conspiracy.

2. Making definite and reaffirming U.S. policies for exclusive sovereign jurisdiction over the Panama Canal.

3. Forming an adequate Caribbean patrol force on a permanent basis.

4. Upholding exclusive U.S. control over the Guantanamo Naval Base and retaining the Connally amendment unimpaired.

The time for action by the Congress and the President in these policy matters has come. If not taken before adjournment the same influences that led to striking the U.S. flag in the Canal Zone will again have unrestricted freedom and can be counted upon to bring another ignominious surrender. If the United States flag is struck at Guantanamo our country will lose the Panama Canal.

I urge all Americans and patriotic organizations to write or wire their views on these questions immediately to their Senators and Representatives, the Secretary of State, and the President, and, after adjournment of the Congress, to follow through with personal and group interviews.

Goals of the New Frontier—Health and Welfare

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. RHODES of Pennsylvania. Mr. Speaker, today our Nation is in a violent struggle for the minds and hearts of men. Newly independent, and in most cases, underdeveloped, nations of the world are looking at both the United States and the Soviet Union as a means of finding their blueprint for the future.

The problems which these nations face are formidable. Whether or not their problems will be met in an atmosphere of freedom or totalitarian tyranny, will depend to a large extent on how we in America care for our own social and economic needs. If we as a nation can provide a greater amount of social justice within our free society, than the Soviets with their ruthlessness, there can be no doubt as to what path the newborn nations will take toward national self-realization.

One of the greatest challenges which faces our free society, and every other society, is that of providing an adequate program of health services and benefits for all our people regardless of their financial position.

The health of any nation is the key to its own future. It is an extremely important factor in determining its economic vitality, the morale and efficiency of its citizens, and success in achieving its national goals.

OUR HEALTH NEEDS

Here in America much has been done to provide a healthful life for our people. Yet, much remains to be done. Although we are now spending more than $25 billion a year for health services, there are major deficiencies in the quality and distribution of these services.

All too often our new medicines and new methods opening the way to a fuller and more useful life, are beyond the reach of those who need them most. Financial inability, inadequate community resources, and shortages of trained personnel prevent too many people from reaping the benefits of medical knowledge.

As President Kennedy said in one of his important campaign statements:

> In no area is progress more vitally needed than in the area of health. We must provide Federal grants for the construction, expansion, and modernization of medical schools, dental schools, and schools of public health. We must provide loans and scholarships for medical students. We must provide grants for renovating our older hospitals. We must provide long-term grants for increased medical research, including basic research. We must expand our efforts for rehabilitation.

THE PRESIDENT'S PROPOSALS

To fulfill this important campaign pledge, President Kennedy sent a special message to Congress on health and hospital care on February 9 of this year.

In addition to the President's proposal for medical care for the aged through the social security program, this message outlined bold and progressive programs in the fields of health personnel, medical research, care of our youth, vocational rehabilitation, and community health facilities.

HEALTH PERSONNEL

To help alleviate the critical shortage of doctors throughout the Nation the President proposed a 10-year program to expand training facilities in medical and dental schools through construction grants and a program of 4-year medical scholarships. The need for more physicians throughout the Nation is pressing. Merely to maintain the presently inadequate physician-population ratio of 133 physicians per 100,000 population, 3,600 more medical students must be graduated annually than were graduated in 1959. Unfortunately, Congress has failed to act on this important legislation. It remains as unfinished business for the next session which convenes in January.

MEDICAL RESEARCH

In the area of medical research there is also much to be done, Mr. Speaker. A recent survey made by the U.S. Public Health Service concluded that tremendous unnecessary loss of life, health, and

money has resulted from the failure to use new research findings. At that time the Public Health Service determined that 40,000 yearly deaths from cancer could be eliminated; that 40 million children do not have protection from tooth decay afforded by fluorinated water; that 20,000 persons die yearly from preventable rheumatic fever attacks and rheumatic heart diseases, that 60,000 new cases of tuberculosis occur every year although there are well-known ways to prevent its spread; and finally, that 17 million persons have chronic disability and a high proportion fail to receive care that would reduce handicapping effects.

These facts clearly indicate that we have fallen down in the past in providing adequate protection for our people. To begin progress again President Kennedy proposed increases in the annual Federal grants for health research facility construction, now authorized under the Public Health Service Act, from $30 to $50 million. Here again an important proposal was put off in this session of Congress because of other urgent economic and defense needs.

In his message, the President pointed out the need for increased attention to the health of our children. Since 1950 our Nation has slipped from 6th to 10th place among the advanced nations of the world in the saving of infant lives. Each year some 400,000 babies are born with congenital malformations, and untold numbers begin life mentally retarded, afflicted by cerebral palsy, or suffering from other serious conditions which require prompt and effective care and additional research.

CHILD HEALTH

In this important area of national concern President Kennedy proposed the establishment within the National Institutes of Health, a National Institute of Child Health and Development which would include a Center for Research in Child Health as well as other broad ranging health research activities not now covered by the specialized work of the existing institutes. He also asked for increased appropriations for existing Children's Bureau programs covering child health and welfare, and asked the Secretary of Health, Education, and Welfare to study and report on the adequacy of existing school health programs.

COMMUNITY HEALTH SERVICES

Let it not be thought, however, that this Congress did nothing in the field of public health. It did enact one very important bill, the Community Health Services and Facilities Act of 1961.

The purpose of this measure is to improve community health services and facilities for our aged people and for the chronically ill, and for research in seeking the causes and cure of crippling diseases. It provides matching funds for improved nursing home programs, home health care plans, and outpatient diagnostic services. This bill also authorizes increased funds for the construction of public and nonprofit nursing homes.

The need for this legislation was pressing. With the lengthening of our life span in America the problems of chronic illness have increased. More than half of the 17 million persons over 65 years of age, excluding those in institutions, have some kind of chronic health problem that interferes with their daily living according to data collected by the National Health Survey of the Public Health Service. The survey also shows that chronic illness is not peculiar to the elderly. It also effects the middle-aged, the young adults, and children as well.

Public health personnel and others in the field of health are faced with the problem of most effectively and most economically ministering to the health needs of those afflicted with chronic illnesses. They point out time and time again that many of these people could be adequately cared for in nursing homes or in their own homes under adequate programs. The purpose of the bill which Congress enacted is to aid the State governments in making such nursing homes and programs available.

THE TASK AHEAD

As I have indicated, there is much to be done to provide our people with a better opportunity for a more healthful life. I feel that Congress has taken a great step forward in passing the President's Community Health Services and Facilities Act of 1961. Yet much remains to be done. There st remains the medical care to the aged program, and proposals for increased health personnel, medical research, child health, and vocational rehabilitation. The President has shown what must be done, Mr. Speaker, now it is up to Congress to act on his proposals.

Summary of Findings and Conclusions of the Subcommittee on the National Labor Relations Board

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. PUCINSKI. Mr. Speaker, I should like to call attention of my colleagues to the summary of findings and conclusions of the subcommittee which recently concluded its investigation of the National Labor Relations Board.

This subcommittee was authorized by the Honorable ADAM C. POWELL and the members of the House Committee on Education and Labor.

As chairman of this subcommittee, it is my hope that the National Labor Relations Board and the General Counsel will implement the findings of our subcommittee as quickly as possible. I believe the findings and conclusions of this subcommittee represent a sincere effort to make the National Labor Relations Board a more effective instrument for carrying out national labor policy in our country.

I do not agree with the views expressed in the minority report that our hearings were either a forum for criticism of the Board as constituted under the previous administration, or that our recommendations are a forerunner to the repeal of the Taft-Hartley Act.

Anyone who will take the trouble to study the transcript of proceedings of this subcommittee will find that the hearings were conducted in a completely impartial manner and that exceptional efforts were made to assure the minority on the subcommittee full opportunity to cross-examine at length those witnesses who had presented testimony criticizing Board procedures.

The transcript will further show that this subcommittee had analyzed procedures of the Board prior to the Eisenhower administration and that indeed the sole purpose of this investigation was to afford Congress an opportunity to review the operating procedures of this very important agency of Government established by an act of Congress.

As regards any suggestion that the findings and conclusions represent an effort to repeal the Taft-Hartley Act, anyone taking the time to read the subcommittee's report will have to conclude such a conclusion is totally unfounded. It would appear that those who make such suggestions have not read the subcommittee's recommendations.

As chairman of this subcommittee, I am in complete agreement with the Honorable ROBERT GRIFFIN, of Michigan, a member of the subcommittee, who, in his separate views of the report, stated that these hearings have served a useful purpose and that they can indeed serve as a basis for some constructive legislation.

The subcommittee's findings and conclusions follow:

ADMINISTRATION OF THE LABOR-MANAGEMENT RELATIONS ACT BY THE NLRB

(Summary of findings and conclusions of the Subcommittee on the National Labor Relations Board, House Committee on Education and Labor)

1. The subcommittee finds that in many areas and in many industries, the policy of the United States as set forth in the Labor-Management Relations Act of 1947—to encourage the practice and procedure of collective bargaining—is not being effectuated. Despite over 25 years of statutory prohibition and widespread publicity, the number of unfair labor practices grows, rather than diminishes, and at an alarming rate. Some of the causes, and proposed remedies for this situation, are set forth below.

THE DELAY PROBLEM

A. In representation (election) cases

1. The subcommittee finds that it takes entirely too long between the petition for an election (to determine whether or not employees want to be represented by a union) and the actual holding of the election. In large part this delay stemmed from a bottleneck at the Labor Board level. This aspect of the delay problem promises to be alleviated by the delegation of authority put into effect on May 15 of this year which gives Labor Board regional directors final authority in these matters, subject to a discretionary right of appeal to the Labor Board.

2. The subcommittee finds that one reason for the delay in representation cases lies in the fact that the Labor Board permits time-consuming hearings when there is no seriously contested issue to be heard. The subcommittee recommends that the Labor Board give serious consideration to adopting pretrial investigatory techniques designed to prevent abuse of its processes by dilatory tactics in representation cases.

B. In unfair labor practice cases

1. The subcommittee finds that there is an unconscionable delay in the processing of unfair labor practice cases which renders final Labor Board decisions almost nugatory and futile. This delay stems in large part from the ever-increasing caseload of the Labor Board members and can be resolved, at least in part, by greater delegation of authority to the trial examiners who hear the cases. Therefore, the subcommittee recommends that the Labor Board give consideration to adopting regulations which would curtail the scope of the review in run-of-the-mill cases and afford more time in the tough cases which call for thoughtful deliberation. The subcommittee suggests that the Labor Board study the practices of other agencies—the Atomic Energy Commission, the Civil Aeronautics Board, the Federal Trade Commission, the Department of Health, Education, and Welfare, etc.—which have adopted a restricted and discretionary type of review in comparable situations.

2. The subcommittee further finds that a partial reason for the caseload, and hence the delay in unfair labor practice cases, lies in the inadequate remedies of the Labor Board. Labor Board orders constitute in many situations no more than a "slap on the wrist." They are both too little and too late. They constitute, in the words of one witness, "a license fee for union busting." The subcommittee recommends that the Labor Board reconsider the problem of remedies with an eye to taking the profit out of unfair labor practices.

3. The subcommittee finds that the caseload of unfair labor practice cases, and hence the consequent delay, is caused in part by the fact that some attorneys actually advise their clients to engage in such practices. The subcommittee recommends that the Labor Board adopt regulations providing for the disbarment of such attorneys from further Labor Board practice for a period commensurate to the offense.

THE ENFORCEMENT AND REVIEW OF LABOR BOARD ORDERS

The subcommittee finds that there is much needless delay in enforcement of Labor Board orders. The losing party delays, lingers, and waits because disobedience of a Labor Board order is not punishable until it is enforced by court action. The subcommittee recommends legislation modeled after the provisions of the Federal Trade Commission Act, which would make violation of Labor Board orders punishable by contempt unless petition for judicial review is filed within a period of 30 days following issuance of the Labor Board order.

THE GENERAL COUNSEL AND THE ISSUANCE OF COMPLAINTS IN UNFAIR LABOR PRACTICE CASES

The General Counsel, by statute, is given absolute authority over the issuance of complaints in unfair labor practice cases. If he does not believe that a charge filed with him makes out a case, he can refuse to process the matter before the Labor Board and the charging party has no recourse, appellate or otherwise. Despite claims of elaborate precautions in the field and on appeal in Washington, to insure that all meritorious cases are processed, there is sufficient reason to conclude that the General Counsel, at least in the past, has taken only the "sure thing." This conclusion is fortified by the past refusal of the General Counsel to specify his reasons for refusal to process a case. The subcommittee acknowledges that the present General Counsel has almost doubled the number of complaints issued.

The subcommittee recommends that section 10(b) of the act be amended to provide that the General Counsel shall issue a complaint whenever he has reason to believe that a violation of the act may have occurred, and to require the General Counsel to serve on the charging party a summary report of his reasons for refusing to issue a complaint whenever he declines to do so.

USE OF INJUNCTIONS

A. Section 10(1): The mandatory injunction provision

The subcommittee finds that section 10(1) cases, once the court injunction has been issued, have not been expedited in the administrative process. The Labor Board Rules and Regulations require that such cases "shall be given priority" (sec. 102.97), but there are so many cases given priority that this is apparently meaningless. The subcommittee recommends that the Labor Board give these cases expeditious treatment by new devices and techniques such as: Permitting the respondent to appeal directly to the Board on the basis of the facts found by the court which issued the injunction; by denying all requests for extensions of time; by curtailing the number of days permitted in filing complaints, answers, exceptions, and other legal documents; by establishing a special "expediting" section at the Board level for treating such cases.

This subcommittee further finds that the statutory provisions requiring, automatically, that the "officer or regional attorney" seek a court injunction whenever he has reasonable cause to believe a "charge" is true and that a complaint should issue, has resulted in hardship in many situations. The subcommittee, therefore, recommends that the statute be amended so as to give the Labor Board officials opportunity to exercise their discretion in whether or not to petition for the issuance of a court injunction.

B. Section 10(j): The discretionary injunction provision

The names of Norris and La Guardia are constant reminders of the dangers inherent in conducting labor-management relations by way of injunctions. Nevertheless, this subcommittee finds that injunctions are now utilized extensively against union activities and to an almost nonexistent extent against employer unfair labor practices. Failure to utilize the 10(j) discretionary injunction often results in irreparable injury. This subcommittee, therefore, recommends that the Labor Board give careful consideration to greater utilization of the 10(j) injunction in situations when unfair labor practice charges are filed and the Board finds reasonable cause to believe that such unfair labor practice is continuing and will be continued unless restrained, and will cause irreparable property or personal injury or injury to the exercise of rights guaranteed by section 7. Illustrative are the situations of flagrant and aggravated acts of picket line force and violence, the situations of repeated discharge of union adherents, the situations where employers or unions flagrantly refuse to bargain in good faith, and the situations wherein the employer threatens to intimidate his employees by closing the plant or shifting work to affiliated factories.

PROBLEMS OF FREE SPEECH

A. The use of "race-hate" speech

This subcommittee condemns the utilization of "race-hate" propaganda in connection with labor-management disputes. There has been considerable testimony that such appeals to "race hate" are in violation of section 8A1 of the Labor Act and should be held as an unfair labor practice by the Board. However, other witnesses, equally critical of "race hate" appeals, raised the question whether the constitutional guarantee of free speech protected such utterances, contemptible as they may be, and questioned whether such appeals could be held to constitute an unfair labor practice under 8A1. The committee recommends that the Labor Board provide an adequate opportunity for this matter to be resolved by the U.S. Supreme Court. Meanwhile vigorous enforcement of the President's policy to refrain from contracting with employers who discriminate in employment would go a long way toward discouraging such appeals.

B. The captive audience

The subcommittee finds that in many situations the employer utilizes the captive-audience technique to present his views to his employees on company time and on company property; and that in contrast, the union is deprived of all effective techniques and media for communicating with the employees. This prevents a full discussion and a full understanding of the issues, and effectively deprives employees of their rights to self-organization. The subcommittee recommends that the Labor Board reexamine its Livingston Shirt doctrine with an eye to adopting a policy of equal opportunity in presentation of issues. Should the employer choose to march his employees to a captive-audience meeting, the union should be allowed equal time in discussing the issues. Should the employer choose to mail out literature to all his employees, the union ought to have the right to have its views mailed to the same employees by the employer at the union's expense. The Landrum-Griffin amendments of 1959 require more than this equality and fairness in internal union elections. A representation election ought to be conducted with the same degree of fairness.

Community Pressure

The subcommittee finds that community pressure often denies citizens of the United States of "rights, privileges, or immunities secured by the Constitution and laws" and that this deprivation often occurs "under color of statute, ordinance, regulation, custom or usage." It follows that the situation can best be handled under the civil rights statutes, and this subcommittee recommends that whenever an appropriate situation be raised in a Labor Board proceeding, that the Labor Board inform the Department of Justice of this fact.

The subcommittee further recommends that suggestions for changes in procedures before the Board prepared by the labor law section of the American Bar Association be adopted with no further delay. The subcommittee's investigations have confirmed findings by McKinsey & Co., Inc.—a private management consultant firm—that gross mismanagement and lack of adequate standards have contributed to long delays in dealings with the Board. The subcommittee agrees that regional offices waste precious time because practically all decisions must be cleared through the Washington office of the Chief Counsel or the Board. It urges the McKinsey & Co. recommendations be implemented as soon as possible, including greater autonomy for regional officers, so that bureaucratic redtape can be reduced to a minimum or eliminated.

Review of the 1st Session, 87th Congress by Representative Melvin Price, 24th Congressional District of Illinois

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. PRICE. Mr. Speaker, the record of the 1st session of the 87th Congress has been one of extraordinary activity—producing more affirmative legislation

than any other session, certainly, since the end of the Second World War.

Three factors, as I see it, were responsible.

First. The Government was under the leadership of the same party in both the executive and legislative branches. A Democratic President had the advantage of a Democratic majority in the Congress heading the responsible committees and the leadership.

In the last 6 years of the Eisenhower administration, the Republicans were unable to hold control of Congress, and even in the first 2 years the Republican legislative majorities were paper-thin. Democrats cooperated honorably with the Republican President on all decisive issues of foreign policy. But on many domestic issues, divided control simply meant a stalemate.

Second. The times were ripe for action to meet piled-up problems. Many issues had been debated for years and had been the subject of extensive committee hearings. Many programs approved in 1961 would have been enacted earlier, though perhaps in a more limited form, had Congress not been confronted with the actuality or threat of a Presidential veto.

Third. The leadership of President Kennedy proved vigorous and informed. The President had spent 14 years in the House and Senate and he understood many issues in the same frame of reference that Congress did. In addition, he showed consistently the instinct for action that was revealed during the campaigns leading up to the elections last November. It seems to many of us that he showed himself in harmony with a deep desire of the American people to break out of the long postwar confussions and move boldly into a future that promises something better than nuclear destruction.

A summary of congressional actions in the first session shows this record:

A new farm program was put into effect and broad new approaches were made toward the protection of city workers from the most damaging effects of the rise and fall of the business cycle.

An unusually large number of major laws were passed in the area of public services and substantial improvements were made in existing services.

A start was made toward revising the tax system in the direction of greater equity and of business stimulation.

A start of great importance was made toward basic improvements in providing sound educational opportunity, equality of job opportunity, and protection of the health of our older people.

Our foreign policies were maintained firmly, and I am happy to report that in this area the Republican minority in Congress gave the President generous bipartisan support.

Significant new steps were taken toward revision of our foreign economic aid programs—a revision that should help check the abuses in these programs and also make them more effective.

A beginning was made—a vital beginning—toward rebuilding our armed services to provide them the ground force and tactical muscle to meet the sudden emergencies of Soviet Union pressure, of limited or "brush fire" wars, of sudden explosions in corners of our dangerous world.

In my own work in the House, I have continued service on the House Committee on Armed Services and the Joint Congressional Committee on Atomic Energy.

These are important committees and I take seriously my work on them.

It was a source of particular gratification that President Kennedy, facing the crisis on Berlin, chose first to strengthen the ground and tactical forces. I protested years ago when the Eisenhower administration began cutting this strength, misled by its own slogan about getting "more bang for a buck." This was acceptance of a doctrine implying that any future collision would inevitably end in nuclear war.

I refused then—and I refuse now—to believe that we have no better answer. We must have flexible power, flexible power-in-being, to employ appropriate means to meet many kinds of pressure.

On one subject, I strongly disagreed with the President—his refusal to restore the drive for the B–70 manned bomber, with a prospective 2,000-miles-an-hour speed. Both Houses of Congress insisted on voting funds to push ahead with development of the B–70, and I earnestly hope that the White House and Department of Defense will reconsider their tentative decision not to spend the money.

There was satisfaction, also, in seeing a food-stamp plan put into effect after the previous administration had refused to use the authority Congress had granted.

I was a House sponsor of the bill, passed in 1959, authorizing the plan to employ our farm surplus to give better nourishment to needy families. Mr. Eisenhower's Secretary of Agriculture, Mr. Benson, declined to put it into effect. A food-stamp plan proved useful during the Second World War, and I am happy that our program has now been started on a pilot-project basis by Secretary of Agriculture Freeman.

I have been naturally deeply concerned with Army Engineers and other watershed projects in St. Clair and Madison Counties, and I am happy to report substantial progress.

Surveys for the east side levee and sanitary district are within a few months of completion, partly because we were able to obtain more money to finance them.

All preliminary work has been finished for the Hog River and Pig Creek project in the Mascoutah area, which falls within the agricultural watershed program. Final approval has been given by the Committees on Agriculture of both House and Senate and this means that actual work should start soon.

We can anticipate final approval next year of the Kaskaskia River channelization project, which when completed will open up a large area of southern St. Clair County to industrialization. This has been approved by both the Army Engineers and the Budget Bureau and final congressional authorization is expected in the 1962 omnibus rivers and harbors bill. We were able to get continuation of funds for Carlyle Reservoir operations, which are part of the Kaskaskia program.

The new Athens Flood Wall program will go into construction planning soon as the result of appropriation of $35,000 to the Corps of Engineers. This means the initial phase of construction for the flood wall will follow.

A year ago in writing a review of the last Congress, I pointed out that after 8 years of the Eisenhower administration there was "an accumulation of piled-up needs." Without disparaging the integrity of the former President, I cited shortages in schools, hospitals, college and university facilities, in our social security programs, in housing and farm programs. His administration, fighting to hold the line against these programs, had a vested interest in continuing the record of opposition.

The record this year is entirely different.

Congress with administration backing passed social security amendments broadening benefits for an estimated 4.4 million persons—and also provided for financing the increased benefits by higher payroll taxes.

Minimum benefits were raised from $33 a month to $40; widows' benefits were raised to 82.5 percent of husbands' benefits; men as well as women were given the right to claim benefits at age 62; increases were made in the Federal contribution for old-age assistance; beneficiaries were given the right to earn as much as $1,800 a year without sacrificing social security claims. The slightly higher taxes allowed this program to be put into operation with full fiscal protection of the system.

Congress passed an omnibus housing bill—a new program allowing a broader attack on urban blight and slums and offering some help to cities in meeting the difficulties of traffic congestion and outmoded transit systems. Mr. Eisenhower repeatedly vetoed less comprehensive housing bills.

Congress passed a new authorization increasing the program of Federal aid to assist communities in cleaning up our polluted river systems. Mr. Eisenhower for 2 years had tried to get Congress to kill the smaller program already in existence.

Congress increased authorized funds to complete the Interstate and Defense Highway System over a 10-year period—and showed a sense of fiscal responsibility by approving taxes to pay for the expenditures in a manner that Senator BYRD of Virginia said would "meet all the apportionments."

Congress passed a new minimum wage law, raising to $1.25 an hour the minimum wage in interstate industry and expanding the protections of the law to 3.6 million workers not previously covered. The benefits go into effect gradually over a 4-year period so as to give business time to adjust.

This was the first time since the original Fair Labor Standards Act of 1938 was passed that coverage under the law had been broadened by amendments

rather than narrowed. A new principle was established—that employees of great retail and other service industries have as much claim to basic wage protection as industrial workers. The Eisenhower administration blocked this kind of bill. In the Kennedy administration, Congress passed the program.

The Kennedy administration and the new Congress came into office at a time of sharp business recession. This recession was not acknowledged by the former administration during the political campaign—but it was a grim fact of life.

Recovery from the 1958–59 Eisenhower recession was never completed; unemployment ranged at about 5 percent in 1959–60, and by December 1960, had climbed back to almost 7 percent of the work force in a new recession.

The impact of automation and the shift of industry from old fields to new ones offer a serious challenge to our system. We have begun to develop programs that acknowledge its seriousness.

Congress passed a bill to extend benefits under unemployment compensation—and the bill provided for Federal advances to the States, to be repaid by increased payroll taxes, rather than through so-called Federal loans to the States, such as the 1958 Eisenhower temporary program offered—no State in fact has repaid any loans under that program.

Congress, at President Kennedy's request, passed a bill expanding the aid to dependent children program so that assistance would go to families where a father was unemployed—through no fault of his own—as well as to families where the father was too ill to work or had actually deserted the children.

Congress passed a new depressed areas bill to extend Federal loans, grants, and technical guidance to both urban and rural areas where industries have petered out and where joblessness is severe and chronic. Former President Eisenhower twice vetoed similar bills.

Congress took the first steps toward meeting the basic problems of automation by setting up a training and retraining program to equip workers with new skills they need to work in new industries and types of jobs.

Some enlightened democracies have long had such training programs, but never before Mr. Kennedy had any American President proposed that we recognize our full educational responsibility. We do not want ablebodied men, whose jobs have disappeared through automation or whose skills are outmoded, to sit in idleness and live in the despair of public relief.

Our business community has made a steady recovery from the recession. All the important statistics point to a rising level of business activity, which will mean both greater employment and profitable enterprise.

It should be clearly understood, however, that the 87th Congress and the Kennedy administration will not be satisfied with any so-called recovery that leaves great pools of unemployment at anything like a 5-percent level. The President has already announced he will submit proposals next year for permanent improvements in our jobless compensation system, in our tax system, in other programs that stimulate business and provide cushions against recessions. Our economic system spreads its rewards among millions of people, and we recognize our responsibility to help it work effectively for all our people.

The 1st session of the 87th Congress saw new approaches toward a long-range farm program to meet our needs.

The basic change has been one in philosophy; we look upon the productivity of our farms in food and fibers as a blessing instead of a curse.

We have a rapidly growing population, and the time is coming when we shall have immediate need for our abundance. There are hungry people in the world, and we have now a food-for-peace program that is searching for ways to use our surpluses more effectively.

Congress this year passed a new feed grains program and extended it for a second year. We passed an omnibus program providing new weapons for the Secretary of Agriculture in attacking the present problem of surpluses.

Still other weapons may be needed—but a change in attitude was the first thing. In the Eisenhower administration the Secretary of Agriculture tried to attack surpluses by decreasing price supports, which simply gave farmers an incentive to raise bigger crops to avoid a loss of revenue, and the surplus program cost more money than ever before. We intend to pursue a different course—with diligence and with a sense of stewardship.

We are heading into a budget deficit of an estimated $5.3 billion for the fiscal year ending next June 30. This results, however, from clear and special circumstances.

A major portion arises from the $3.5 billion in additional defense expenditures requested by the President as a result of the challenge of the Soviet Union on free Berlin.

Another major factor is Mr. Kennedy's realistic revision of the revenue calculations of the last Eisenhower budget. That budget did not take sufficiently into account the loss of revenue in corporation and individual income taxes that would result from the then-unacknowledged recession.

When business activity drops and people are laid off jobs, Government income suffers. Mr. Kennedy's Budget Bureau has estimated that revenues will be $1.4 billion lower for fiscal 1961 and 1962 than Mr. Eisenhower's Budget Bureau estimated them.

In the 1958–59 Eisenhower recession the loss of revenue and the rise in spending were so sharp that there was a whopping $12 billion deficit in fiscal 1959. Nothing approaching that figure is in prospect now.

We are putting our affairs in order and handling them in a businesslike way. The leakage of gold to other countries was halted. Steps have been taken—including action by Congress to reduce duty-free purchases by Americans abroad and to encourage visits to the United States by tourists from abroad—to equalize the balance of payments.

A beginning has been made on streamlining the independent agencies of the Government such as the Civil Aeronautics Board, the Federal Trade Commission, the Maritime Commission. Reorganization plans for the Federal Communications Commission and National Labor Relations Board were blocked, but modified plans are certain to be offered again.

As business improves and the administration pursues policies to reduce the level of long-term and chronic joblessness, Government revenues will rise again. With a steady growth rate, the economy can carry the burden of our necessary Defense Establishment and sustain the high level of social services our people desire and deserve in our modern democracy.

Congress stood firmly behind President Kennedy as the Berlin crisis sharpened, and I am convinced that our people are together on his pledge that we will gladly negotiate at any time for a peaceful settlement of all disputes with other nations—but that we will never sacrifice the freedom of Berlin and the North Atlantic Alliance that is the shield of the whole free world.

Some departures have been made in foreign policy—many of the greatest importance.

Action was completed on a new program of international economic cooperation when the Senate ratified a program instituted during the Eisenhower years.

The Kennedy administration developed a tremendously expanded program for economic development of our neighbors in Latin America—the Alliance for Progress that formed part of the President's inaugural address and was given flesh and structure at the Inter-American Economic and Social Conference at Punta del Este, Uruguay.

The Peace Corps was set up—the nucleus of what I believe will be substantial numbers of American young people working in many nations as representatives of all that is best in America.

There was legislation this year to extend the life of the Civil Rights Commission. There was substantial progress in other ways.

President Kennedy made it publicly clear that he thought the Supreme Court was right in 1954 when it outlawed racially segregated public schools as unconstitutional. In all the years that people tried, they could never get such a public declaration from former President Eisenhower. The moral force of the White House has been thrown for the first time behind implementation of the Court's decision.

The Department of Justice has been increasingly active in pushing voting rights cases in areas where the voting rights of some citizens seem to have been denied.

The Department of Justice moved to halt terrorism and rioting against the constitutional right of citizens to travel freely in interstate transportation and to travel without personal humiliation. The Kennedy administration summoned no paratroopers; it sent in U.S. marshals to uphold the civil processes of the law.

The administration moved also, and decisively, to spread job opportunities for citizens who are members of minority groups. The new Committee on Equal Employment Opportunity is moving to enforce Executive orders against race discrimination in hiring workers on work done under Government contract. An equal chance at a job, an equal chance to vote—these are the keys to progress for all human beings.

The 1st session of the 87th Congress was not able to complete action on all major programs. School aid and health care for the aged under the social security system were left for next year. Major tax revision was left for next year.

The record of work actually done, however, is long, and there is every prospect that from the groundwork laid in 1961 we can move to complete the program.

Public Education at the Crossroads

EXTENSION OF REMARKS
OF
HON. FRANK CHURCH
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. CHURCH. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I made before the Illinois Association of Secondary School Principals at Urbana, Ill.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PUBLIC EDUCATION AT THE CROSSROADS

(An address by U.S. Senator FRANK CHURCH, Democrat, of Idaho, before the Illinois Association of Secondary School Principals, Urbana, Ill.)

The general theme of my address this evening is public education at the crossroads. For the discussion of this subject, I have, of course, no professional qualifications. I cannot speak to you as an educator. My profession is law, and my career is, at present, that of a U.S. Senator. Senators these days are sometimes concerned about education, just as educators are sometimes concerned about Senators. The overriding concern of both ought to be an educational system that will nourish and safeguard freedom in our land.

The stark, central fact about the world today is that it is split into two parts, half slave and half free. To state it so is not to speak idly. In essence, one-half is dedicated to personal freedom; the other half subordinates personal freedom to the demands of the State. It is abundantly clear that, in the Communist half of the world, tyranny, in the sense of the cruel and arbitrary exercise of despotic power, is in fact deeply entrenched. In our half, while personal freedom under law is by no means the universal reality, it is the dominant objective.

Tyranny, of course, is not new to the world. Our forebears have suffered it, in one form or another, and have contended against it, at one time or another, for centuries. But never was there a time when tyranny presented so mortal a threat to freedom as now. The ancient tyrant rested his rule on spearpoints; yesterday's tyrant depended on muskets; today's tyrant has all the awesome weapons of modern technology at his command. In the time of our own Revolution—and in the time of the French Revolution—it was still possible for a people to organize against a tyrant, arm themselves with small arms, and take possession of half a country, even before news of the revolt reached the Crown. In those times, it was still possible for the farmer and the merchant to seize his rifle, join a citizens' army, and fight against the tyrant's troops on somewhat equal terms. This kind of revolution has been a part of our Western tradition, and it has become a part of our concept, taught to us in our classrooms, and accepted by most of us almost as an article of faith, that people oppressed by tyranny will not endure it long, but will rise in revolt against it and break its yoke. Truth, we are fond of saying, once crushed to earth, will rise again.

I think that the time has come when we must reexamine this premise. The cinder brick wall that now closes off East Berlin is a stark symbol of how modern tyranny can impose itself on a whole people. The compelling picture of the East German sentinel leaping over the barbed wire barrier in a desperate jump for freedom, which you must have seen recently in our newspapers, the vivid accounts of East German families crashing through the wall in runaway trucks, the stirring stories of old men and women who leap from second and third story windows into the streets of West Berlin from houses along the borderline, all serve only to emphasize that a people subjected to modern tyranny have only one recourse left to them: escape.

Lest you say that I dramatize too much, and that I point, for illustration, to captive Germans in a satellite country under the boot of the Russian Goliath, let me remind you of a very different case in point, which, I believe, will even better illustrate my argument—not the case of the little rump country of East Germany, but the earlier case of all Germany, of Nazi Germany, familiar to us all.

Hitler was a modern tyrant whose power to retain the reins of government was surely put to the ultimate test. He achieved control of Germany, without ever having won majority support. Once chancellor, he arrogated to himself dictatorial powers, and crushed all opposition to his rule. He ordered Germany into a war that was not, even in the beginning, popular with his people. After the blitzkrieg victories, the war became a hopeless stalemate. Inexorably, the tide of battle turned; Germany was bled white on the battlefields of Europe; her armies were destroyed in Africa; her major ally, Italy, tottered and collapsed before the invading Allied armies, and Hitler's partner, the sawdust Caesar, was shot down in the streets of Milan, and hung by his boots for the crowds to revile. Two years before the war ended, it had become clear that there was no possible way for Germany to win. Yet, the German tyrant, thought mad by members of his own high command, continued doggedly to hold control. Hitler was dictator and Hitler remained dictator, while his armies, bludgeoned and beaten, retreated back toward the capital. Hitler was dictator and Hitler remained dictator, while the great cities of Germany were pounded into rubble by massive fleets of bombers, against which there was no shield. There was no place to hide. There was no way to win. And sane men, many of whom held high positions in the army and in the Government, conspired together in an effort to stop the bloodshed by deposing Adolph Hitler. But Hitler was dictator and Hitler remained dictator, until there was nothing left of Germany but the black and twisted ruins of Berlin. Germany stopped fighting when Hitler stopped living, his life taken by his own hand in a bunker under the rubble of his smashed chancery. I saw what was left of that chancery the last time I visited Berlin. It is just a pile of broken stone and masonry, a fitting monument.

The point I make is this: Modern tyranny, once it takes possession of a people, has the implements with which it can preserve its power indefinitely. It has armored divisions and highly mobile troops for swift dispatch into any corner of the country where trouble brews. It has secret police who mix constantly with the people and who, by wire or wireless, can instantly apprise the capital of any planned uprising long before it can be effectively launched. What's worse still, is that modern tyranny has the means with which to remold the minds of the people. The newspapers, the magazines, the radio and television programs, can be so efficiently censored and directed by the tyrant, the schools and universities can be so rigidly disciplined, that the people can be taught, in time, to accept what the state directs, and to forget what the truth may be. Never before, in all the history of the world, has a tyrant commanded any tools to compare with those he can now possess. Never before could a people be so completely captured and controlled. This is why I say, with the deepest conviction, that we must not let the tyranny of our times engulf what is left of the free world. For if tyranny triumphs throughout the world at large, it will plunge mankind into an age of darkness that could last a thousand years.

To prevent the new tyranny, which is Communist imperialism, from engulfing the free world, we have been long engaged in what has come to be known as the cold war. It may last for generations. To wage it will tax our strength and stamina, as nothing we have known before. To win it, in the long run, will depend upon the wisdom and understanding of the American people, which is the aggregate product of our educational system.

In these times it would be difficult to imagine anyone envying American educators. Your burdens are many. Not the least of them is finding ways to cope with the mercurial shifts of public opinion that wash against you.

We have been afflicted of late with much panic, and panic, sufficiently prolonged, can be fatal to freedom. Only a few years ago, an inquisition of sorts took place in this country. It reached into the field of education. Who can forget the raging controversies over loyalty oaths and the contents of textbooks? American educators, more than any other group, resisted these pressures. In resisting, often against heavy odds, the bullying of people whom you knew to be without qualification for passing upon either the philosophy or methods of our educational system, you reflected great credit upon yourselves and your profession.

More recently, in the wake of the Russian sputniks, the country made what seemed to be a turnabout-face. Having escaped, a bit battered but intact, from the acute era of Russophobia, you were next confronted with a ground swell of demands that you remold our American educational system overnight, if you please, in imitation of the Russian system. But, once again, you kept your bearings against the pressures of the opposite extreme. Both extremes were, of course, quite wrong.

A nation's educational system is the most important instrumentality by which its national values are served. It would be hard to imagine two nations whose values differ more absolutely than do those of the Soviet Union and the United States. Does it not follow that we should expect equal differences in the schools that each would devise to nurture and develop these values? Their education system is plainly designed to serve the needs of a rigid, doctrinaire, and authoritarian society. Ours is designed, or should be, to serve the needs of a free society.

I cannot emphasize too strongly my belief that, when we lay the measuring rod against our education system, we ought not to think in terms of comparison with Russia. For example, frantic warnings were but recently sounded that the Russians are turning out 125,000 graduates each year in the sciences, while only half that many are being graduated annually in the United States. Indeed, to read the comment in our magazines and press, one would have concluded that, unless a student has majored in physics, chemistry, and mathematics, he hasn't been educated at all. I suggest we should remember that Russia was but recently a feudal country; she is engaged in a massive effort, from a very late start, to develop the kind of industrial economy we have taken a century to build. Her need is feverish for competent technicians and engineers. The question we should ask ourselves is not whether we are presently keeping pace with Russia in the number of technicians we graduate each year, but whether we are meeting the needs of our own industry and defense. If we are failing to do this, then the Government should furnish such added inducement, including scholarships, as may be necessary to attract the number of science students our own needs require.

Just as this must be true where quantity is concerned, so also it must be true where considerations of quality are concerned. Here, the question we should ask ourselves is, not how our school curriculum compares with that of Russia, but rather, how is it serving the needs of our own country and the ends of a free society?

Such is the standard by which I would measure our sysvem of public education in America. It is a harder standard than the Kremlin need apply to Russian schools, for the burden of American education is not only to train chemists, physicists, and engineers, but also to equip each student, regardless of his chosen craft, to accept and intelligently discharge the self-governing responsibilities that attend citizenship in a free country.

If you agree with what I have said thus far, I hope we are not now about to part company. I have posed the question of whether public education in America is fully meeting our own needs as a nation, and whether it is fulfilling its responsibilities to serve the ends of freedom.

I fear it is falling short of this goal.

The chief burden of my doubt is this: Do our schools stimulate our young people to the utmost? Do we require of them their full potentials? If not, we are wasting time and talent, both of which may be vital to our survival in freedom.

The critics of our secondary schools say that our typical high school graduate has had only a sketchy exposure to such demanding courses as chemistry, physics, and mathematics; that he has been permitted, while still too young to make responsible decisions, to act as the architect of his own course of study; that he has filled his time with "snap" courses; that he has probably played in the band, learned to dance, and may have tasted local fame by starring in the football or basketball team; that he knows how to get along well with the teachers and his fellow classmates, but he hasn't learned much. These critics charge that scholastic standards in our high schools are geared for the slower students, with the result that the abler students are neither challenged nor stimulated by their work, but develop a distaste for study, and, in the end, grow bored with school, spending much of their time in a frantic search for diversion.

Perhaps these criticisms are overstated; certainly they are not true of every high school. But if there is any truth in the charges, and I think there is, then it is time for us to reappraise some of the tenets basic to American education today.

There is much to be said in defense of the emphasis given to personality adjustment in our schools. But the emphasis goes too far, I think, when it causes a corresponding deemphasis on subject matter. John Dewey's great work well suited the needs of our country in his time. Prior to the First World War, we had the era of Pax Britannica. There had been almost a century of peace, progress, and prosperity. The Golden Age had come, and Dewey's emphasis on social adjustment, on the development of balanced and happy personalities, was natural. It harmonized with the times.

The Nation, in that day, was still caught up in the excitement of educating and training the tide of immigrants streaming to our shores. Adjustment indeed was a real problem, a real goal to be sought. The teacher who faced a babble of tongues and cultures in her classroom could see that the schools had as much of a role to play in adjusting youth to citizenship, as in educating youth to citizenship.

But times have changed. Our national assimilation is nearly complete. Our schools now have other and more pressing responsibilities than student adjustment. If we are to win the cold war for freedom's sake, we must discover, draw out, and develop our talent to the fullest. It is time, I think, in our own interest, to shift the emphasis back to subject matter, to make courses more challenging and more stimulating for all.

I recognize this proposal cannot be made without at once raising a host of further questions. If courses were to be made harder, you may ask, what is to be done for the slower student, or even the average student. I would answer: endeavor, insofar as possible, to give to each student a course commensurate with his abilities.

This would make for unequal treatment, it may be said, which is not only contrary to the traditions of free public schools, but undemocratic as well. I would answer: The true democratic principle is to afford to each student an equal opportunity. To give to each an equal opportunity does not mean to give to each an equal dose.

I recognize that it is much easier to make this proposal than to put it into effect. Your patience and ingenuity have already been strained in keeping a "standard" education up to standard for our burgeoning school population. To offer more for the gifted, and to establish alternative courses of study, will require enlarged facilities, additional training for teachers, and more money. This is a responsibility that local, State, and Federal governments must stand ready to assume.

I know this proposal may not be popular. It might cause a storm in each community, and doubtlessly would involve teachers in many more unpleasantries with parents. I make it because I think it is right. The important thing to remember is that the minds of our young are like the mines of the earth, and the richest ore may lie deepest. We owe it to our country, as well as to our young, to get from each his full potential. Is there another way to do it?

No appraisal of American public education, however brief, should overlook the tradition of anti-intellectualism in this country, and the mark it has left upon our schools.

With the end of the Revolutionary War, our young Union soon became preoccupied with the problems of settling the land and conquering a continent. Our land was vast and rich. Our faces were ever set against the raw frontier. The pioneer tradition has done much to shape our national character. This tradition does not breed intellectualism. Pioneering requires more action than thought. The cloistered, reflective life it holds in disdain.

We were nurtured at our birth as a nation by the great minds of the 18th century. But as we pushed our frontiers westward, we turned away from the heritage of Jefferson and Hamilton. It is significant, I think, that William Henry Harrison was elected President of the United States on no more of a platform than a catchy slogan, a log-cabin birth, and a taste for hard cider.

Even today this legacy of anti-intellectualism is everywhere present. A person with an intellectual bent is an "egghead." The "absentminded professor" is everybody's joke.

Our schools, likewise have been affected. A carnival atmosphere prevails at many of our colleges. Their impact upon their communities depends, not so much upon the quality of their faculties and academic programs, as upon the successes or failures of their athletic teams on the playing fields. The students are absorbed in extracurricular activities. Social life and good times sometimes seem to receive more emphasis, in and out of the classroom, than does the pursuit of learning. If courses in the physical sciences are being avoided because they are hard, then the clear implication is that alternative courses in history, political science, and literature, which ought to be equally hard, are made attractive by their ease.

Whether or not the public schools have contributed materially to anti-intellectualism in America, it is clear that they have suffered much from it. Can the schools help to cure the affliction?

Certain things, at least, can be done. Teachers and administrators can make it their business to accent the academic side of school life. Recognition, in the classroom and in the community, should be increasingly accorded to those who excel in scholarship. And teachers, at every level, should fight the temptation to withdraw into the cloistered life; they should work, rather, to bring academic activities to public attention. Teachers should be civic leaders. They should strive to participate actively in the affairs of their communities. The more that they will do this, the more will grow the general regard for them and their profession.

Government, too, has a role to play in helping to restore respect for learning. It is clear that the schools need money for new classrooms, for improved salary schedules, for all kinds of equipment which grows daily more expensive. The continued neglect of these things results in a downgrading of the prestige of schools and teachers, and of the intellectual side of life for which they stand. I am disappointed that an expanded program for financing these improvements passed the Senate but failed in the House this year. Federal aid to education, under legislation that will insure continued local control of our schools, is badly needed and needed now.

Let me conclude by saying that, perhaps, I should have said at the outset, that I feel genuinely honored to be here. If I have been overly critical, remember it has not been so long since I sat in the classroom, and this has been my first chance to talk back to so many teachers. If I have dwelt too much on what seem to me to be your shortcomings, it is only because there is not time enough to pay proper tribute to your accomplishments.

I thank you for being teachers, a noble calling, too poorly paid.

I thank you for having preserved the liberal arts, and for having withstood the pressure to turn the grade school into a trade school.

I thank you for the integrity you have shown in your unremitting efforts to keep intellectual freedom alive in America. It is on this ground alone that the cold war can be won; that we may emerge from it as free human beings, preserving the precious principles and institutions which give meaning to our conviction that what seems right

today may change tomorrow, that final answers to the great questions involving the destiny of man have not been given, but must be sought anew by each generation. The right to change, to evolve, to grope for meaning, to question even the most fundamental assumptions, must never be abandoned.

Yours is our youth.
Yours is the future.

The Pressure of Fear

EXTENSION OF REMARKS
OF
HON. HOWARD W. ROBISON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ROBISON. Mr. Speaker, on Saturday evening, September 30, it was my pleasure to address the 41st reunion of the 27th Division Association at Binghamton, N.Y. Under leave to extend my remarks, I herewith include the text of my address:

REMARKS OF REPRESENTATIVE HOWARD W. ROBISON, OF NEW YORK, TO 41ST ANNUAL REUNION OF 27TH DIVISION ASSOCIATION, INC., BINGHAMTON, N.Y., SATURDAY EVENING, SEPTEMBER 30, 1961

It is a very distinct honor, and I deem it a high privilege, to have been invited to attend and speak to this, the 41st annual reunion of the 27th Division Association. You veterans of "New York's own" division can be justly proud of the services rendered in defense of your beloved Nation in two World Wars. I need not add that we of New York State are equally proud and grateful.

Your division insignia—the letters "N. Y. D." (for New York Division), united in a circle with the constellation of Orion (in honor of your former commander, Maj. Gen. John Francis O'Ryan)—bears mute but eloquent evidence of the courage and valor of the men who wore it in France at Ypres, along the Somme River, and in Flanders, and then, 25 years later, at Makin, Eniwetok, Saipan, and Okinawa, remote islands that most Americans had not heard of prior to 1944, but thereafter islands whose names will be forever etched in our memory.

The cost to you of the ultimate victory which you brought home to us cannot be measured in bare statistics, but—for the record—it is, in part, shown by official Army records in this fashion: World War I, killed in action, 1,785; wounded, 7,201; and World War II, killed in action, 1,512; wounded, 4,980; captured, 1; and missing, 40. Your total casualties, from action in both wars, thus adds up to 15,519, and some evidence of your devotion to duty, and the fact that you were a remarkably cohesive fighting unit, is shown by that one of the above categories that states, simply, for World War II—in some of the ruggedest and bloodiest combat ever known—the enemy captured but one of your number.

Your specific honors include two Distinguished Unit Citations and three of your number were awarded the Congressional Medal of Honor. But perhaps your highest honor rests in the certain knowledge that you, and those others who are now no longer with you except in spirit, have truly earned the everlasting gratitude of your fellow citizens for (in these familiar words), "* * * conspicuous bravery above and beyond the call of duty."

Now, once again, your Nation is facing a new crisis—perhaps the greatest crisis in its history. Discouraging as this must be to you and others like you who bled and died in the cause of freedom, and who hoped and prayed that never again would the scourge of war make its mark upon this world, the hot metal of international conflict bids fair to spill over the restraining mold of reason, and those who cherish freedom have again reached the testing place. And, once again, it would appear that only the faith and courage of the people of the United States of America can stay the progress of tyranny.

Perhaps we should not find this so surprising, for the history of mankind clearly shows that each age has faced its own conflicts, each generation its own challenges. On a gravestone in a Concord, Mass., cemetery, we find this epitaph: "My son, that which I bequeath you, you must own anew if you would keep it." The Revolutionary soldier who dictated that epitaph knew—as we should know—that freedom is not something to be handed down from generation to generation, but rather must be earned anew by each succeeding generation. Perhaps, in the end, that is what makes it so precious.

The face of the tyrant who now threatens to bury us is a relatively new face, but the form of the tyranny he represents has not changed through the ages. Something else has changed, however, that may, in turn, be changing us, and it is this that I wish to talk to you about.

Near the end of World War II—fought, among other things, ironically enough, to save our present enemy from annihilation—a new and fantastic sort of weapon was dropped from the skies on the people of a city in Japan that most of us had never heard of before. Before the strange, mushroom-shaped cloud that has since become the trademark of nuclear explosions disappeared into the stratosphere, the world, as we had known it, changed—never again to be the same.

Principally, this was so because overnight the nature of war had changed. Nuclear arms had now so diminished the advantages traditionally associated with victory in war that no rational power could accept the idea of waging such a new war as matter of policy.

We came out of World War II holding in our own hands a monopoly on this new form of mass destruction. We were awed by our responsibility. We were also fearful that our monopoly might not last—since nature does not for long play favorites in yielding up its secrets. And so, we made a sincere and determined effort to place atomic ingredients under some form of international control, hoping thereby to save succeeding generations from the very sort of atomic-arms race that is today subjecting much of mankind to the moral temptations implicit in terror.

Back then, a few saw a measure of hope in all this. Albert Einstein, whose brain had helped develop this new source of energy, said: "Since I do not foresee that atomic energy is to be a great boon for a long time, I have to say for the present that it is a menace. But perhaps it is well that it should be, for it may intimidate the human race into bringing order into its international affairs which, without the pressure of fear, it would not do."

However, neither Einstein nor most of the rest of us reckoned as we should have, for no more than did Hitler has it ever sought to conceal its ultimate intentions—with a rogue nation that was bent on world conquest and saw, here, an unexpected opportunity to use that "pressure of fear" to achieve its own tyrannical ends.

So, in 1946, that rogue nation vetoed our plan to put nuclear ingredients under United Nations supervision. Then, with the help of American and British traitors, it stole our atomic secrets, and it girdled itself with nuclear rockets and bombs which it rattled ominously while it sliced away at the foundations of freedom here and there throughout the world as a butcher slices at salami.

This policy of nuclear blackmail worked for the tyrant whenever we wavered, as we sometimes did. However, whenever we stood firm, as at Berlin in 1948, at Lebanon in 1958, and whenever we refused to give ground as at Quemoy and Matsu, the tyrant backed off, though never swerving from its ambition to eradicate every vestige of freedom and dignity and truth from all the nations of the world.

But still we tried. We even imposed upon ourselves a moratorium on nuclear testing, and, right up to the end of that parade of men from Washington who, briefcases in hand, wore a weary path to and from Geneva, we hoped that across the conference table from us were surely men of reason and good will who—given enough time—would come to reason and then we might have peace in our time.

However—as you know—that time ran out some 30 days ago, and, showing the depths of his duplicity, the man who a year ago said:

"Should any side violate the obligations [on testing] to which it has committed itself, the instigator of such violations will cover itself with shame and it will be condemned by the peoples of the world,"—that man set off a series of well-planned and long-planned atmospheric explosions of nuclear devices.

He has produced thereby—as he fully intended—not only the type of radioactive fallout that everywhere endangers human health, but a sort of "psychological fallout," too, that may be far more dangerous, and it is this that I wish to ask you to think about.

The so-called neutral nations of the world were meeting at Belgrade even as Khrushchev set off the first three of those explosions. Were they so mad at the Russians that they hastened to our side in this global conflict? Hardly. The best they could muster was an expression of "faint regret" at what Khrushchev had done, and then they sent Nehru of India—muttering: "The foul winds of war are blowing once again. There are atomic tests, and the world grows fearful"—off to placate Khrushchev, and two lesser lights to Washington to urge us to appease the tyrant by seeking some way to ease the tensions the tyrant had created over Berlin.

Since then, the voices of appeasement have been raised elsewhere abroad—openly the question is being asked: "Might it not, after all, be better to be Red than dead?"

And, I regret to say, that even here at home—in what we used to call the "cradle of liberty"—that same question is being silently considered by those who believe that we have been painted into such a corner over Berlin that our only alternatives are appeasement or nuclear warfare.

For instance, a distinguished religious paper (the name of which I will give you if you wish), recently carried an article declaring that—in this current crisis—our alternatives are no longer peace or war, but "peace with slavery or total destruction."

The author went on to say that while always before America has chosen the hard road to freedom—freedom from King George, or fight—freedom for the slaves, or fight—safety for democracy, or fight—that this won't work now.

"We have done it before," he says, "but we cannot do it again." He ends by saying: "Let us pray."

Now, there is certainly nothing wrong with prayer, and I suspect that many Americans are praying over this physical and moral crisis of ours already, and that many more will resort thereto before the next few months are over.

However, what I think is wrong, and dangerously wrong about this sort of analysis of our dilemma is that it assumes that the certain result of standing firm at Berlin will be a nuclear war. This is based on the further assumption that Mr. Khrushchev is

more willing to accept the consequences of a nuclear holocaust than are we. I doubt that he is, unless he is a madman as was Hitler, in which event we might as well abandon hope anyway.

But why should Khrushchev seem, now, so supremely confident? Is it because he believes that he senses a shift of American will and purpose? I think it must be that—since, despite his testing tactics, whatever nuclear advantage there is probably still rests with the Western Powers. During the Eisenhower years, we followed a policy of massive retaliation, partly with the thought in mind that Khrushchev's concept of psychological fallout worked both ways. Perhaps this was not a wholly satisfactory policy—certainly it was not entirely popular with all of our own citizens nor with many of the so-called neutral nations. It was especially unpopular with the Soviets—for obvious reasons. But it was effective because it was based on a position of courage and of strength.

Earlier this year, President Kennedy declared that we must try to find ways and means for providing ourselves with a wider choice than humiliation or nuclear war. I voted for the additional funds he said were necessary to improve our limited war capabilities, but I wonder if we have not unintentionally overstressed such thinking to a point where Khrushchev thinks we have now decided to reserve our nuclear deterrent for use only in the event of a direct attack upon us.

That assumption would seriously increase the danger of miscalculation—if, in fact, such a decision has not been made. William L. Shirer, in his book, "The Rise and Fall of the Third Reich," describes how the German generals advising Hitler shook in their boots, in the late 1930's, at the thought of going to war against the powers then opposing Hitler—powers that had a potential military strength vastly superior to that of Germany. However—do you remember Neville Chamberlain and his umbrella? Hitler was led to discount the will and ability of those powers to use their collective strengths, and the result was something you men well know.

And so I think—although the President made an indirect reference to this in his excellent United Nations address last Monday—we must at once make it unmistakably clear to Khrushchev that, if necessary, we will resort to nuclear weapons in order to carry out our solemn commitments to the people of West Berlin.

Beyond that, I further think that it is time for us to begin to fight fire with fire. What do I mean?

Well, for too long now we have wrung our hands before the altar of world opinion—whatever that is—wondering whether it would be nice to test our aging supply of atomic weapons and what the world might think of us if we did. For too long we have failed to look with honest eyes at the morality of the sort of neutralism that was displayed at Belgrade. For too long we have failed to look with cold eyes at the enemy bent on destroying us and at what we must do to stay him.

So, I would suggest that now is the time to pressure Khrushchev wherever he is weak, even as he pressures us. Now is the time to put him on the defensive, and to get off the defensive ourselves, by using against him every political, psychological, and economic weapon we may have, instead of reserving them for a more serious threat than that he has created at Berlin. I would further suggest that we take another look at the United Nations, abandoning some of our idealistic thinking about it, and begin to use it—including our never-used veto power in its Security Council—to gain our own objectives. I think we must fight the admission of Red China to the U.N. with the same fervor we fight our domestic political campaigns, abandoning any thought of the inevitability of defeat. Finally, I also think we should refuse to negotiate away the future value of the people of the so-called captive nations—our "Cubas" behind the Iron Curtain—by agreeing to recognize East Germany as a sovereign state, and thus in principle accepting the whole Soviet satellite empire, merely to reaffirm something we already have, namely, the right of free access to West Berlin.

Now, all of these things, I admit, contain a considerable degree of calculated risk, and, if tried, may enhance the possibility of destruction. I also know that the consequences of nuclear warfare—though probably overemphasized, would be terrible indeed. But I doubt that, for a free people with a heritage such as ours, the consequences of surrender would be any less terrible.

And it is my further judgment that if we really wish to avoid the day when our alternatives are only humiliation or nuclear war, we must take this risk of drawing a line at Berlin and saying: "Here we stand, and, if necessary, here we die."

Let us, then, recognize the pressure of fear for what it is. Let us learn to live with it as the settlers who came to this area nearly 200 years ago, and who then later on pushed America's frontier across the Great Plains, learned to live with the ever-present danger of attack by burning, pillaging savages. Let us learn to subdue that pressure with the same courage shown by those of you who manned the trenches in France and the foxholes in those Pacific islands. Let us understand that Khrushchev is hoping that his stepped-up psychological fallout will eventually neutralize our courage and paralyze our will. Let us also realize that he wants us to believe that already our only alternatives are peace with slavery or total destruction, when, in fact and in truth, our real alternatives still are victory or defeat.

The moral temptations implicit in terror are all around us. Their only antidotes are that combination of a passion for liberty, of courage, and that form of discipline that springs from within—self-discipline—and of course, of faith—which combination has heretofore always marked the American people—a combination summed up in the words of the psalmist who, when his nation was threatened, cried: "Wait on the Lord, be of good courage, and He will strengthen thine heart; therefore will not we fear, though the earth be removed and the mountains be cast into the midst of the sea."

We Need Leadership and the Will To Win in Our Struggle With World Communism

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. ASHBROOK. Mr. Speaker, one of the most disappointing aspects of our administration's foreign policy during the past 8 months has been a general backing away from the life-and-death challenge of the international Communist conspiracy. Have we ruled ourselves out of competing with the Reds for the minds of men? Have we come to the juncture in our Nation's history when we lack the courage to fight affirmatively for our ideals against the most tyrannical, godless force ever known in the world? Or is it because there is a fundamental belief that a Communist is not really a Communist and their threats are not really threats. Many in this country honestly believe that world communism presents no imminent danger. I suggest that the facts do not support this contention.

Communism is the No. 1 domestic and international problem of the United States of America and poses our greatest threat and challenge. The State Department has indicated that it does not understand the nature of the Communist conspiracy. Its unfortunate history is one of concession, appeasement, retreat and weakness. I suggest that this is not the temper of American opinion nor an indication of the resolve of our people to recognize our enemy, understand them for what they are, how they operate and what they plan as well as their resolve to take the steps necessary to win in this struggle. It may seem inconsistent to state this, since the President must assume responsibility for the conduct of the State Department, but I feel that President Kennedy understands the Communists. His record in the House of Representatives indicated he had a basic awareness of the threat of international communism.

My concern comes largely from what the President and the administration leave unsaid. My concern stems further from the unmistakable conclusion that one must reach after following the 8-month record vis-a-vis the Soviet Union that we are afraid to take the initiative, afraid, to win, in effect, in this struggle which will determine whether this planet is to be free or slave. The State Department internationalists have charted our course in a manner which indicates their overall preoccupation is with their desire to come up with a "draw" in the Russia-United States conflict even though the record is replete with evidence that the Russians are playing the game to win and are, unfortunately, doing just that. To win requires the taking of risks, that point should be made clear. However, our State Department is operating on the assumption that war is the worst thing that can happen. War would be hell but who can argue that living under communism is worse than either the threat of war or war itself?

No one could disagree with what President Kennedy told the Nation on the Berlin speech. On Monday of this week, he made another fine address to the United Nations and gave eloquent testimonial to our peaceful intentions and aspirations. However, in my judgment the real point was missed then as it has been by the State Department in the past 8 months and ever since the end of World War II. The United States must develop the plan, develop the leadership which will bring about a victory of the forces of freemen over the forces of slavery. No where do we get any indication that this is to be desired or even considered. This vital point is lacking in our foreign policy today more than at any time since 1945.

While our overall policy during the Truman and Eisenhower administrations was not as strong as the free world longed for, by no stretch of the imagination did it go to the extreme that we have seen in 1961. Suddenly the State Department adopts a policy which I refer to as one of "civility." Under the doctrine of "civility" the Russians are treated as if they are responsible members of the world community of nations, that they want peace and that the only problem is to find mutual ground for accord, negotiation and concession. Along the way, we have seen our Goverment delete strong references to communism, encourage diplomatic recognition of puppet states, make available surplus grain to Russia and the Iron Curtain countries, open our postal system to the flow of Communist junk mail and commit many other foolhardy blunders to conjure up the right spirit from our foe. Let us trace this policy which is supposed to bring about peace and harmony and see how it squares with American concepts, American security and our hopes for a free world safe from subversion, war and threats against individual liberties.

First, it almost seems redundant to go over Communist history but some Americans still hold to the idealistic mirage that communism really is not so bad, that it represents more of a land reform or collective experiment. From the beginning, the Communist credo has clung to but one philosophy. This was that capitalism would eventually be destroyed and world communism would be instituted. Along the way, anything was proper to achieve these ends from murder and deceit to internal subversion and the conquest of peaceful countries. The record of Communist perfidy needs not to be recounted. Their words have been belied on every turn by their deeds. They have been at war against us incessantly from the beginning. They were at war against us when President Roosevelt opened the gate by giving them the respectability of diplomatic recognition from this country in 1933. They were at war with us at the very time we were sending them lend lease supplies and fighting with them against the Fascist overlords, Hitler and Tojo. They are at war against us now but we do not want to admit it. Unfortunately, our State Department does not seem to know it. We are still living under a Presidential proclamation of December 16, 1950, which states in part:

PROCLAMATION 2914

Whereas world conquest by Communist imperialism is the goal of the forces of aggression that have been loosed upon the world; and

Whereas if the goal of Communist imperialism were to be achieved, the people of this country would no longer enjoy the full and rich life they have with God's help built for themselves and their children; they would no longer enjoy the blessings of the freedom of worshiping as they severally choose, the freedom of reading and listening to what they choose, the right of free speech including the right to criticize their Government, the right to choose those who conduct their Government, the right to engage freely in collective bargaining, the right to engage freely in their own business enterprises, and the many other freedoms and rights which are a part of our way of life; and

Whereas the increasing menace of the forces of Communist aggression requires that the national defense of the United States be strengthened as speedily as possible:

Now, therefore, I, Harry S. Truman, President of the United States of America, do proclaim the existence of a national emergency.

Why do we turn our backs on the facts? They are clear. They are convincing. Certainly no one can allege that the Communists can be trusted more in 1961 than in 1950. Exactly the opposite allegation would be closer to the truth. What, then, are we doing in face of this national emergency?

One of the first things this administration did was to censor a speech of Adm. Arleigh Burke who was supposedly under the misapprehension that the Communists were our enemies and was going to say so publicly in an address. The White House announced that henceforth there would be no derogatory references to the Communists and all speeches would be cleared with the White House first. This was followed by the Defense Department memorandum which withdrew the program known as Operation Blue. This program had been used successfully to educate our servicemen on their enemy—the Communists. General Walker was rebuked for his anti-Communist activities on the grounds that he invaded the political field.

In his January 20 inaugural speech, President Kennedy referred to a "new start" which his administration would take in regard to our dealings with the Reds. Strong statements were made concerning Cuba and Laos but in both cases our action did not match the words. In Cuba we withheld vital support from an invasion which on admission of our officials was prompted by U.S. participation, and Cuba officially went into the Communist camp. After being humiliated, our officials then supported an abortive "tractors for prisoners" deal and set the tone for our national posture.

In late June, the Commerce Department, with State Department approval, announced that it would henceforth permit sales of subsidized farm commodities to the Soviet Union and its European bloc. What could be more ridiculous? The one factor which makes war unlikely is the lack of food in Russia and the Iron Curtain countries. So what do we do—we help them out with this, their greatest problem. Congress has expressed its strong disapproval of this policy.

In June, the Congress discovered that we were playing the role of a real sucker in the United Nations. U.S. dollars were used by the administration to pay into the U.N. Special Fund for the Congo operation to make up for the share which the Soviet Union refused to pay. Their assessment was made under article XVII of the U.N. Charter; they refused to pay, and this administration used $5 million from the President's contingent fund and $10 million from the mutual security fund, literally giving it in direct aid to our enemy. That is not all. The administration has recommended increased aid to Yugoslavia and Poland under the theory that they are not in the Communist orbit. This flies directly into the face of facts. On July 13 of this year a joint communique was issued by the U.S.S.R. and Yugoslavia which expressed great satisfaction with relations between the two countries which it states "are developing normally and the positions are similar or coincide on the major international questions."

Yet this administration looks forward to a new round of conciliatory gestures toward Tito. Study a few examples of the export licenses granted by our Commerce Department which authorize shipment of material to Yugoslavia. On July 12, licenses granted for shipment of $639,000 in iron and steel scrap; August 4, another license for $639,000 worth of scrap metal; August 16, license approved for shipment of $354,412 in copper scrap; August 28, license approved for shipment of $732,000 in iron and steel scrap. All of this, mind you, to a "neutral" nation which finds its relations developing "normally" with Russia and whose positions are similar or coincide on the major international questions.

Since 1948, U.S. Customs Bureau officials have been under orders to screen Communist propaganda coming into this country of the junk mail variety. Let me make it clear that no one objects to letters which are of a first class nature, from individual to individual. Here we are talking about hundreds of thousands of tons of Communist mail which is coming into the country to be delivered free. During the Truman and Eisenhower administrations, if this mail were determined to be political, it was intercepted. Since March 17, under order of the Kennedy administration, the plug was pulled on this flood of propaganda mail and the Communists have had a field day sending their trash to our youth. Pressed for an answer, the Post Office Department gave this official answer for stopping the 13-year-old program of intercepting unwanted and unsolicited propaganda:

The program had no intelligence value and it interfered with efforts to improve East-West relations.

Here we see the key to the sorry story of our relations with the Communist international conspiracy during these past 8 months. Improve East-West relations by softening our criticisms of the Communists, refrain from focusing attention on the fact that they are our avowed enemy, do not call attention to their lies, deceit, treachery—just hope, hope that sooner or later they will be moved by a spirit of justice and fairness to settle all of the problems of the world. This, I suggest, is not only naive, it is completely bankrupt and presents a serious danger to our national security.

The President has followed this policy and has cautiously refrained from strong words in talking of our enemy. Take the Captive Nations Declaration as a good example. This was an unfortunate example of this soft policy. The 86th Congress provided for the designation of the third week in July as "Captive Nations Week," and urged the President to make

a yearly declaration until these nations are freed from the Communist yoke. In 1959, President Eisenhower made a strong declaration which referred to the "nations throughout the world which have been made captive by the imperialistic and aggressive policies of Soviet Communism" and to "Soviet-dominated nations." No doubt was left in any mind that we considered the Russian leaders as the captors, the oppressors. Contrast this to the appeasing declaration issued this year:

TEXT OF THE PRESIDENT'S PROCLAMATION ON CAPTIVE NATIONS WEEK 1961

Whereas by a joint resolution approved July 17, 1959 (73 Stat. 212), the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as "Captive Nations Week," and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

Whereas many of the roots of our society and our population lie in these countries; and

Whereas it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations:

Now, therefore, I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 16, 1961, as "Captive Nations Week."

I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom.

Not one reference to the mortal enemy of the United States but rather a hope for "the just aspirations of all people for national independence and freedom."

My colleagues, we see everywhere a complete breakdown of our Government's determination to defeat international communism. Do we honestly think we can come out of this life and death struggle with a "draw?"

We see the same policy manifesting itself in the behind-the-scenes efforts of prominent members of this administration to accomplish the diplomatic recognition of Red China and Outer Mongolia. Many factors suggest that the deal has already been made. Following the conference between Prime Minister Macmillan and President Kennedy, the Associated Press on April 12 reported from London:

In a reversal of longstanding policy, President Kennedy's administration has decided not to oppose U.N. debate next fall on Red China's bid for a seat in the United Nations, informed diplomats reported today. Instead, the United States is working on a new strategy to keep Peiping out of the world body—at least until 1962. The diplomats said Mr. Kennedy told British Prime Minister Macmillan at their meeting last week he needs at least 12 months to prepare Americans to accept the Red Chinese into the world organization.

We are being prepared now, make no mistake of that. Public indignation has forced the administration to ostensibly oppose the admission but the same end is being accomplished. Only this week, on Tuesday, September 26, Ambassador Adlai Stevenson gave one more indication of this frightfully soft approach to communism in his declaration at the United Nations that the United States will not obstruct the admission of Communist Outer Mongolia to the U.N. He did not make it clear whether our country would vote to recommend this Communist country for membership or abstain from the voting but in either case it could be decisive of the issue. Here once more is the wornout policy of doing business with the Communists. We have been doing business with them for 28 years and the cause of freedom has lost over one-third of the world in the process. They will continue to do business with us as long as they can bargain away our very lives.

Think of that. We will not obstruct the recognition of Outer Mongolia. Owen Lattimore has been on an extended tour there. He and others of his type give two reasons for such recognition.

First, they say, this will encourage diversity within the Communist bloc. Second, it will give us a listening post in the Far East. Recognition of Outer Mongolia implies acceptance of the fiction that this satellite is an independent state, responsible for its own foreign policy. This is absurd but, more important, recognition will do immeasurable damage to the U.S. position in the Far East since it represents another instance of appeasement.

All in all, this 8-month record is indeed a sorry one for the American people. It signals the fact that we are not really in the battle with the Russians. We are content to drift and appease.

A DOMESTIC ISSUE?

Is communism merely an international issue or is there a bona fide threat of internal subversion? Note well what the man most qualified to say, J. Edgar Hoover, Director of the FBI, told a House Appropriations Subcommittee this spring:

The Communist Party, U.S.A., during the past year has stepped up its activities among the youth of our Nation. In addition to their youth work, the Communists devoted considerable effort toward infiltration of our industries and unions, in improving their agitation and propaganda machinery, in exploiting the prevailing international political climate in an effort to make Soviet policies more acceptable to American public opinion, and in rebuilding their influence among all segments of our society. (Hearings on H.R. 7371 (State, Justice, judiciary appropriation bill) before a subcommittee of the House Appropriations Committee, House of Representatives, 87th Cong., 1st sess., Mar. 6, 1961. U.S. Government Printing Office. (P. 423.))

He further stated that the Soviet intelligence setup is the most extensive in history and yet, I would add, we expect to "improve East-West relations." He said:

The Soviet intelligence services have reorganized, multiplied their contacts with the American people, and have become aggressively bolder in spearheading their espionage offensive against the United States. The intelligence organizations of the satellite countries, carefully coordinated under Soviet leadership and control, have gained increasingly in experience and ability.

The current, widespread ramifications of the Soviet bloc espionage networks which today extend throughout the entire United States, have indicated a realistic need for a further tightening of our security on the homefront. While the Communists speak of peace, their intelligence setup is the most extensive in world history. (Ibid., p. 425.)

There is nothing partisan in the fight to destroy Communist subversion. Two of the most dedicated Americans in this battle are Senator THOMAS DODD, Democrat, of Connecticut, and Representative FRANCIS WALTER, Democrat, of Pennsylvania. Both men have recognized that one of our greatest dangers comes from bureaucrats in Washington who either out of design or ignorance are selling the line that Communists are not really out to destroy us and we must be more friendly with them. Take the frightening and absurd views of one of the U.S. Information Agency's top officials which was brought to light by the dedicated patriot, Senator DODD. In a recent speech he told his colleagues:

The most alarming evidence I have yet noticed of the weakness in our propaganda effort was the speech made on Monday, September 4, by Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis.

This speech advanced the general theme that we are not too different from the Communists, after all. At the conclusion of my remarks, I shall insert in the RECORD the text of Dr. White's speech; but at present I should like to give a brief and, I believe, fair description of its contents.

Dr. White contends the following:

That we and the Communists are waging a joint battle against mutual suicide.

That we err in not recognizing that the Russians are afraid of us and that many of their seemingly aggressive policies originate in this defensive fear.

That while the Soviets may appear aggressive in Berlin, they have a genuine desire to stabilize the situation there, based upon a sincere fear of aggression by the West.

That we are too inclined to look upon Communist leaders as villains and that we overestimate the evil of Communist dictators.

That we are too ready to dismiss the words of the Soviet leaders as lies when most of the time they are saying what they really think.

Then, in what surely must number among the great understatements of this century, Dr. White throws in these bromides:

He says that, in a sense, Soviet leaders are "less representative" of their own people than we are. He points out that their meaning of democracy is "rather different" from ours and that they are, therefore, "less democratic" than we are. He concedes that we are "less aggressive" and "less imperialistic" than they are. He ventures that "relatively speaking" we are more truthful than the Communists.

Dr. White, in conceding that we are more truthful than the Communists, implies that this difference is only in degree rather than in kind. He condemns the U–2 incident and our assistance to the Cuban freedom fighters as matters for which we should be blamed.

In another portion of his speech, Dr. White credits Khrushchev with having knocked "large holes" in Stalin's Iron Curtain, apparently unaware that a few weeks ago Khrushchev closed the largest hole in the Iron Curtain by building a concrete wall across the center of Berlin that is more literally an Iron Curtain than Stalin ever erected.

These are strange statements indeed to come from a man who is responsible for advising USIA on the most effective means of winning the ideological conflict with the Communists.

Apparently Dr. White feels there is not much of a conflict after all and that differences between us and the Communists are mere delusions and misunderstandings.

It is, I feel, a matter of shame for a Senator to have to refute on the floor of the Senate such statements from a U.S. official.

First, we are not engaged in any joint battle at the side of the Communists against mutual suicide. They, and they alone, threaten the world with destruction. If we are to have a nuclear holocaust, it is they who will cause it and nothing could be more false than the assumption that, somehow, we and the Communists are struggling together against the threat of nuclear annihilation, as though that threat had some independent status, some autonomous power of its own.

Second, I cannot believe that the brutal aggression of the Communists in East Berlin, in Tibet, in Laos, in South Vietnam, in Indochina, in South Korea, and other places, or the similar aggression which swallowed up all of Eastern Europe and China, is motivated by fear of the West. It is, rather, a logical and systematic implementation of the frequently declared aim of the Communists to subjugate the entire world. I hope that, after the fall of 1 billion persons to Communist tyranny since 1945, there are only a few left who maintain that these patently aggressive and inhuman acts were defensive, natural acts based upon fear. The fact that such a thesis is still being advanced by one of our leaders in psychological warfare is to me a cause of shock and almost of despair.

Third, Dr. White's thesis that Soviet actions in Berlin are based upon a genuine desire to stabilize the situation there, thus fending off Western aggression in the future, is incredible in view of the facts.

The Communists have forced crisis after crisis in Berlin with the objective of forcing us out, gobbling up Berlin, and so undermining the free world position there as to cause all of Germany and all of Europe to fall within the Communist orbit.

The Communist purpose in Berlin is aggression and no other. And if the leaders of our own USIA cannot grasp this fact, if they do not have the comprehension to understand our enemy and his motives, whom can we expect to understand?

Fourth, Dr. White feels that the American people are too inclined to look up on the Communist leaders as villains and that we overestimate their evil.

Here is a group of men in Moscow who have deliberately murdered 20 million people, through planned starvation, through assassination, through mass executions, through the slow living death of concentration camps and slave labor camps.

Here is a group of men who have enslaved 1 billion human beings and turned them into faceless cogs in the Communist machine.

Here is a group of men who have waged systematic warfare upon the basic tenets of our religious and philosophic heritage, men who will embrace any evil if it advances the Communist cause.

In the face of this, what can be said for a division chief in our USIA who feels that we overestimate the evil of our enemies?

Fifth, Dr. White chides us for being too ready to dismiss the words of Soviet leaders as lies when most of the time "what they say is fairly close to what they really think." What a remarkable statement this is.

Does Dr. White believe that the Soviet charges against us of germ warfare in Korea were made in good faith?

Does he believe that they were saying what they really thought when they tied us up in nuclear test ban negotiations while at that very time they were setting up the series of nuclear tests which are now taking place?

Does he believe that they were acting in good faith when they broke more than 1,000 solemn treaties which they had entered into?

The list of their perfidy is infinite.

It need not be recounted here.

What is unbelievable is that an American USIA official could make the statement that most of the time Soviet leaders are saying what they really think.

Sixth, the understatements of Dr. White to which I previously referred are actually incredible misstatements.

The Soviets are not merely less representative of their people than we are. They are not representative of their people at all in any real sense. They are enemies and enslavers of their people.

They are not less democratic than we are. They are not democratic in any sense; they are totalitarian in every sense.

Their meaning of democracy is not "rather different" from ours, as Dr. White alleges. There is no room for democracy at all in their ideology and they are avowed enemies of it.

I suppose we should be grateful to Dr. White that, after years of scientific research and evaluation, he can proclaim that we are less aggressive and less imperialistic than the Soviets. But the truth is that we are not aggressive at all and they are completely aggressive. The truth is that we are not imperialistic at all and they are the most imperialistic clique that ever existed.

Seventh, as for Dr. White's condemnation of the U–2 flights and our assistance to the Cuban freedom fighters, I have this to say.

The truth is that the U–2 flights were not only blameless but highly praiseworthy and necessary actions that contributed substantially to the security of this Nation and to its protection against surprise attack by the Soviets.

The truth is that our error in assisting the Cuban freedom fighters was that we did not give enough help to those who were striving to rescue their country from the grim oppression of a Communist dictatorship, maintained in power by Communist arms.

We can expect our enemies to attack us on these points; we can expect neutralists and those who are more committed to vague concepts of internationalism than they are to the life or death question of national security to find fault with these actions. But should we expect an official of our own U.S. Information Agency to make such attacks? If USIA is not for us, whom can we expect to be for us?

This is incredible but a good example of what is going on while we and our countrymen are sleeping. How do such men get into key positions of Government, you ask? The record of Communist infiltration in Government is a long one and needs no documentation here. Yet many of those color blind bureaucrats come in the front door. Representative WALTER blasted his own administration on the floor of the House on July 6 because of bad judgment in appointing unqualified men to sensitive positions. He said, in part:

According to press reports which appeared in several newspapers within the last 2 weeks, Mr. Salvatore Bontempo and Mr. Michel Cieplinski, have been selected to be appointed, respectively, to the posts of Administrator and Deputy Administrator of the Bureau of Security and Consular Affairs of the Department of State.

Having acquainted myself with the background of both alleged nominees, I believe that both appointments have been made, or are about to be made, in violation of the law, Executive orders, existing regulations, and even of the most recent order issued by President Kennedy regarding full reports and detailed information on individuals considered for important administration positions. * * *

Both nominees come directly from the field of strictly political activities neither of them having ever been associated with matters affecting internal security, immigration, issuance of passports, and determination of citizenship and nationality, although all of those matters are within the purview of the law which they would be called upon to administer.

The Bureau of Security and Consular Affairs is one of the most important offices in the Department of State, indeed, one of the more important offices of the entire executive branch of the Government. Not only is internal security of the Nation involved in the Bureau's operations but so is the security supervision of diplomatic and consular establishments and personnel as well as the very fate of hundreds of thousands of U.S. citizens and aliens who leave this country or come to the United States each year. Both nominees are entirely foreign to the important and technically involved field in which they are about to operate. By their appointment, violence is done not only to the law, to Presidential orders but also to the best interests of good government.

Mr. Speaker, having spent well over a quarter of a century in politics, I certainly recognize the necessity of paying up political debts. I am by no means an adversary of that reality of our political life. However, I deeply believe that payment of political indebtedness to individuals should not be in conflict with national interests, and that persons who for political reasons may be deserving of rewards should not obtain them at the expense of such interest, or be entrusted with duties for which they are not qualified.

In the case of Messers. Bontempo and Cieplinski, a perusal of their professional records and past experience most certainly disqualifies them from the respective positions for which they appear to have been selected.

Mr. Speaker, I cite these two statesmen at length because they highlight the overall internal threat to this country. All too few bureaucrats see the sinister nature of the Communist threat. At a time when we have a vigorous Communist Party working against us internally, many raise their voices against the House Committee on Un-American Activities, one of the forces which is working to protect us from communism. I have shown the film "Operation Abolition" on numerous occasions in my home district and I am always amazed at the number of people who seem to see a danger in it but rarely say a critical word against the Communists. At the end of this address I am including an answer to the critics of this film—a film which shows, as J. Edgar Hoover puts it, that "it can happen here"—prepared by my colleague, Representative JOHN ROUSSELOT, of California.

The Communists and their fellow travelers are working day and night in our very midst. Yet, through our predisposition to think only the best of our fellow men we at once are making their work easier. Communist-front organizations are flourishing. Anti-Americanism is openly proclaimed. Our book shelves and magazine racks abound with Socialist-Communist thought. Currently, a smear book, "The Un-Americans" is on the paperback book stands. It is a conscious effort on the part of a questionable American to tarnish the House Committee on Un-American Activities. The author, Frank J. Donner, is described

only as a constitutional lawyer. On February 16, 1959, HUAC issued a report titled "Communist Legal Subversion: The Role of the Communist Lawyer." At page 35, the following appears concerning this "constitutional lawyer":

FRANK J. DONNER, NEW YORK

Frank Donner was identified by a number of witnesses before this committee as a member of a Communist cell comprised of lawyers employed by the National Labor Relations Board in Washington, D.C.

Herbert Fuchs, a former Communist who had helped to organize this cell in 1937 and actively participated in it until his transfer from Washington in 1942, testified on December 13, 1955, that Frank Donner was one of the NLRB lawyers who joined his conspiratorial Communist group.

On December 14, 1955, Mortimer Riemer, another former member of the Communist cell in the NLRB, confirmed Fuchs' testimony regarding Frank Donner. Donner was again identified by ex-Communist Harry Cooper on March 1, 1956.

Frank Donner, on June 28, 1956, appeared as a witness before this committee. Although admitting he was employed by the NLRB from 1940 until 1945 in the Litigation Section, he invoked the first and fifth amendments when he was questioned concerning Communist Party membership and affiliations. Mr. Donner was confronted with a U.S. Civil Service Commission questionnaire he had signed on June 2, 1943, while employed by the NLRB. On this official form, he had replied "No" to a question as to whether or not he held membership in a Communist organization. Conceding that the signature was his, Mr. Donner nevertheless invoked the fifth amendment when asked by the committee if he had been truthful in his statement to the U.S. Government.

Frank Donner was recently named general counsel for the United Electrical, Radio and Machine Workers of America. This Communist-controlled union, which was ousted by the CIO in 1950, is a recognized bargaining agent in many of our vital defense industries. The UE in a recent pamphlet described its new counsel as being recognized as one of the foremost authorities on NLRB law. It failed to mention that Donner was publicly identified as being a member of a conspiratorial Communist cell while employed as an attorney at the NLRB in the 1940's.

This fifth amendment author and the small band of overt sympathizers of the same ideology are meeting with little actual support but they are serving their purpose. Many people have become confused as to communism. Those who are patriotically fighting this subversive movement are often made the target of smear and derision. Some, like General Walker who was officially described as "eccentric," are being vilified and destroyed. As to the frantic efforts by certain elements seeking "abolition" of the House Committee on Un-American Activities, Representative WALTER states:

The anemic public response to this campaign is heartening and augurs well for the abiding patriotism, circumspection, and intelligence of most Americans.

The battle, however, is going on. Until we officially brand the Communist international conspiracy as an enemy, the result will be in doubt.

The masters of the Kremlin have enslaved over 900 million people. Their conquest of 15,500,000 square miles represents 26 percent of the land area of the earth with over 30 percent of its population. Each day they promote their plans to nick away at more and more of the free world. Can anyone doubt that they are our avowed enemies? Why do so many get fooled by the false facade, the thin veneer of their professions for peace and humanity?

The basic truth that should be etched on our consciences after 28 years of perfidy by the Communists since the Roosevelt administration accomplished the recognition of Russia is that it is sheer suicide for freemen to appease or accommodate the totalitarian leaders of that atheistic country. We only deceive ourselves when we feel that a doctrine of civility will bring peace to the world. We only deceive ourselves when we hopefully contemplate disarmament without the first ingredient of Russian defeat or collapse. While Khrushchev speaks of peaceful coexistence he continues the policy of war and murder, buying precious time from the free world. Any hope of negotiation and agreement with or concession from the Soviets is unreal. Our true challenge is to develop a policy which will set our sights on an overall victory for the free world over the Communist tyrants.

For that reason, I have joined several of my colleagues in introducing the "victory resolution." It is predicated on the thesis that we must win and to do so we must first set our entire effort toward defeating those who would destroy us. This resolution, House Joint Resolution 593, declares that a "state of hostility" exists in the world and that "the abuses and usurpations of the global aggression" are "no longer tolerable." Therefore, "it hereby is, and henceforth shall be, the indomitable will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the world Communist movement." The resolution directs the President to prepare for the approval of the Congress a program to achieve this total victory. The resolution is as follows:

HOUSE JOINT RESOLUTION 593

Joint resolution expressing a declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement

Whereas numerous findings, resolutions, and condemnations in United States law, Presidential proclamations, and treaties which bind the United States, proclaim that the world Communist movement pursues invariably the same object, world conquest, and evinces a clearcut design to reduce all peoples under its absolute despotism; and

Whereas the supranational world Communist movement does not represent the Russian and other peoples under its totalitarian control, but rather, in violation of their legitimate national aspirations, commands their lands and resources as an industrial-military base for its global campaign; and

Whereas the world Communist movement operates on every level of human activity, using all conceivable pressures—ideological, psychological, economic, military, paramilitary, etc.—to bring about a widening influence and ultimately absolute control over every human thought, aspiration, and action in the nations it subverts and conquers; and

Whereas the United States of America has taken numerous steps including the use of Armed Forces to withstand the global aggression of the world Communist movement in certain areas in various foreign countries and within our borders; and

Whereas these steps which constituted a determination to resist certain individual thrusts of that aggression, in their totality have not met the full challenge of the global state of hostility that has been declared in dogma and prosecuted in deed by the world Communist movement; and

Whereas the nature of the threat demands the engagement of the full will of the American people against the hostile universal dedication of the enemy, and the application of a complete global policy to meet and defeat on every front the widespread coordinated forces of the world Communist movement: Therefore be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled, That a state of hostility exists, and, finding no longer tolerable the abuses and usurpations of the global aggression unjustly thrust upon men by the world Communist movement, in order to bring peace and security to this Nation and the family of nations and to realize the hopes expressed in law for the freedom of Communist-enslaved peoples, it hereby is and henceforth shall be, the indomitable national will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the world Communist movement in all its names, its parties and sections, and to this great end we urge similar action by all independent nations and humbly beseech the strength and guidance of Almighty God; and be it further

Resolved, That the President shall prepare for the approval of the Congress a program to achieve this total victory.

We speak with frustration and wonderment when we consider the so-called neutral or uncommitted nations. We ask ourselves how anyone but an opportunist can fail to see there is really no choice except freedom or slavery in the battle of East and West. Before we condemn the "neutrals" too loudly must we not admit that, looking through their eyes, we see the struggle as one where the Communists are dedicated to winning while the United States, the leader of the forces of freedom vacillates and continues bankrupt policies of concession and appeasement? Did not the recent Belgrade Conference of "neutrals" offer the best exposé of the sheer stupidity of our policies? Are we afraid to admit this? Does this conference give an indication of who they think is going to win and who is going to lose?

I have recounted only a few of our questionable policies here. The network of internal subversion is extremely vast and intricate. The international network of the Communist conspiracy represents a dedicated threat to our hard-won freedoms. We will not win against that force by concession or appeasement, by relaxing our guard, by allowing their mail to flow freely, by selling them our surplus grain, by selling them strategic material, by weakly allowing them to ridicule the U.N. Charter, by a doctrine of civility. Quite the opposite, if we set our sights on ultimate victory for freedom we will quickly determine that anything which helps them hurts us. We will reverse our drift and reassert our leadership and in these late hours of our struggle tip the balance toward the cause of freedom.

The article by JOHN H. ROUSSELOT follows:

THE TRUTH ABOUT "OPERATION ABOLITION"

(By Congressman JOHN H. ROUSSELOT)

Charge: The demonstrators were not Communist inspired and Communist led.

Fact: George Christopher, mayor of San Francisco, quoted from the San Francisco Examiner, May 18, 1960: "The mayor said that in his opinion last Friday's riot was Communist directed and that for the most part, unknowing and misguided students were innocent pawns of trained Communist agitators skilled in crowd control tactics."

J. Edgar Hoover, quoted from "Communist Target—Youth": "It is vitally important to set the record straight on the extent to which Communists were responsible for the disgraceful and riotous conditions which prevailed during the House Committee on Un-American Activities hearings. It is vitally important that not only the students involved in that incident, but also students throughout the Nation when Communists hope to exploit in similar situations, recognize the Communist tactics which resulted in what experienced west coast observers familiar with Communist strategy and tactics have termed the most successful Communist coup in the San Francisco area in 25 years."

Judge Albert A. Axelrod, presiding judge at the San Francisco Municipal Court where those arrested at the riots appeared, made the following statement quoted on page A2 of the Washington Post, December 25, 1960: "I very definitely agree with the view of FBI Director J. Edgar Hoover that the city hall riot of last May 13 was instigated by Communist subversives."

To clarify his position, which had been distorted in some quarters, Mayor Christopher made the following statement in his office on January 18, 1961: "Known Communists, and I repeat this emphatically, known Communists were in the lead of this demonstration." The students were dupes who joined some of these causers of agitation believing it as innocent and harmless.

Charge: The San Francisco police were brutal in their handling of the students. No witnesses have been produced who can verify that the rioters provocated the physical conflict.

Fact: J. Edgar Hoover, as quoted from "Communist Target—Youth": "One of the judges in a municipal courtroom in the city hall ordered the mob dispersed because the noise made it impossible for him to hold court. When an attempt was made to carry out the order, the crowd responded by throwing shoes and jostling the officers. An officer warned that firehoses would have to be used if the crowd did not disperse, but the crowd, instigated by Communists who had maneuvered themselves into strategic positions, became more unruly. One of the demonstrators provided the spark that touched off the flame of violence. Leaping a barricade that had been erected, he grabbed an officer's nightstick and began beating the officer over the head. The mob surged forward as if to storm the doors, and a police inspector ordered the firehose turned on. At a party meeting on the night of May 20, 1960, Archie Brown (ed. note: Archie Brown is second in command of the Communist Party in California) disclosed how the party intended to use a followup campaign with campus students as the target. He stated that the party planned to emphasize 'police brutality' as a rallying cry to attract sympathy of student groups."

Dave Hope, reporter, stated in an article on January 25, 1961, in the Oakland Tribune: "I was there. I was in the committee room, in the hallway, on the rotunda. I mingled with the demonstrators, watched the picket lines." On the following day in the Oakland Tribune in another riot article, he said, "I didn't hear any orders, but I did hear the police ask, even beg, the students to be quiet and to leave the city hall. All through the morning the police were polite and courteous. Even when the mob's mood turned ugly after the noon recess, and the hose was brought out, the students were warned repeatedly for a period of at least 10 minutes before the water was turned on. That didn't happen until one student grabbed an officer's nightstick and slugged him with it." It has been claimed that no one was ever charged for this; however, that is dead wrong. Hope went on to say, "* * * Robert J. Meisenbach, a University of California student who was then living in Berkeley, was arrested and charged with assault."

In the January 25 article, Hope went on to say, "Police were careful not to use excessive force. When two or three officers carry out one person, they're being gentle. The party never gets rough until it's man for man. So there was no chance for martyrdom, and this was disappointing. Martyrs must above all else be dignified. You can't be a martyr when, soaking wet, you're skidded unceremoniously down a flight of stairs on the part of your anatomy that should have been spanked more frequently in your childhood."

The San Francisco Chronicle, Saturday, May 14, 1960, in a lead article on page 1, reported that eight policemen and four students were injured. By the ratio of injuries it would appear that the so-called brutality was felt more by the police than the students.

Charge: The film is edited, distorted, cut of sequence and deliberately slants the facts.

Fact: Obviously, the film is edited, as is every film ever made. Three days of hearings, including the interviews of 46 witnesses, cannot be shown in a 45-minute film without editing and omission of most of the material. One thing is certain—the film does not show anything which in fact did not occur during the period of the hearings.

If, as has been claimed, there had been religious students present who wore armbands to distinguish them from the other protestors, the bands would have been visible in the film. For certainly, the films scanned the crowd in a most comprehensive way and any armbands present could not have been deleted from the film.

There are two errors in the film: One, Harry Bridges is shown leaving the city hall and the accompanying editorial comment says this was shortly before the riots. In fact, he arrived shortly after the rioters had been cleared by the use of fire hoses. The important fact is that Harry Bridges was there. Two, a sequence taken on Saturday was included in the Thursday sequence. David Hope stated in the Oakland Tribune, January 25, 1961, "It is astonishing that no more serious mistakes were made in putting the film together and drafting the commentary."

Mayor Christopher, in his statement of January 18, 1961, summed up by saying, "The pictures I believe speak for themselves. They are true. They are authentic. They tell the real story and, of course, at the same time, they are most unfortunate, to say the least."

Charge: The hearing room was unfairly "stacked" with those sympathetic to the committee.

Fact: J. Edgar Hoover, in "Communist Target—Youth", stated, "approximately 25 percent of the spectators in the room were individuals under subpena, and their friends, relatives, attorneys, and sympathizers. This group applauded and cheered the antics of Brown and Brodsky and booed, hissed, and ridiculed the committee at every opportunity."

Seven Baptist ministers from the San Francisco Bay area, who were in attendance at the hearings, issued a joint statement which was printed on May 17, 1960 in the publication of the Foothill Baptist Church, 1530 Foothill Boulevard, Oakland 6, Calif., which stated, in part: "We sat in the rear of the room (hearing room) on a raised platform where we could easily observe the proceedings, right in the midst of the student demonstrators. We studied the crowd carefully for hours and could easily discern which were the masterminds of the mob riots. It is our certain conviction that this indefensible demonstration against law and order was conceived, planned, and directed by a few hard-core Communist agitators who were carrying out their textbook orders on insurrection with classic success."

These statements, as well as the film sequences taken within the hearing room, make it all too plain that, if anything, too many persons actively opposed to the Committee on Un-American Activities were inside the hearing room.

Charge: Sheriff Carberry of San Francisco stated, "There was no act of physical aggression on the part of the students."

Fact: The above quotation was attributed to Sheriff Carberry by Paul Jacobs in his article attacking the film which was published in the November 24, 1960 issue of the Reporter magazine. On December 6, 1960, Sheriff Carberry issued the following statement concerning the above quote:

"I did not make that statement. I do not know the author of the article, Paul Jacobs, and have never spoken to him, and have never been interviewed by him.

"I was on the scene on Thursday and Friday (May 12 and 13) up to luncheon time when I went for a luncheon conference with the chairman of the committee, Mr. WILLIS. The disorders took place during the luncheon and I was in no position to know anything about them.

"I did not make that statement."

Charge: The film fails to name non-Communist groups by whom the protest against the committee was endorsed.

Fact: No one disputes that assertion. The important fact here is that those who were part of the rioting group responded to the orders and directions of known, identifiable Communists. Furthermore, the HCUA might have been subject to justifiable criticism, if in the course of naming and identifying the known Communists who are shown in the film, the names of other, non-Communist groups and persons were mentioned. The HCUA showed admirable and patriotic restraint in not identifying those groups so that the groups could not be subjected to "guilt by association."

Charge: Judge Axelrod, presiding judge of the San Francisco municipal court where the rioters were brought, stated, "I am convinced that they (the rioters) are not engaged in subversive activities nor in spreading subversive propaganda."

Fact: In a news article in the December 25, 1960 Washington Post, dateline San Francisco, December 24, 1960 (AP), Judge Axelrod is quoted as saying, "At no time did I condone their conduct. A single sentence (ed: the one quoted above in the charge) from my decision, quoted out of context, created that false impression." After the sentence quoted above, the judge went on to say, "However, they chose the wrong means to accomplish their purpose and let themselves become victims of those who profit by creating unrest, riots and the type of conduct which is outlawed by the penal code section I have quoted. As the result, they were arrested, fingerprinted, and photographed, and their efforts achieved a directly opposite result."

Charge: The film used to make "Operation Abolition" was obtained by the HCUA improperly and before the private TV stations which took the film could view it. Also, no credit lines are given. Furthermore, the sale of this film by a private firm is in violation of the copyrights of the stations which took the films.

Fact: The film was obtained by subpena, which is the normal legal way that evidence is obtained by any investigatory body or court of law. The TV people who took the film made no objections to this procedure. A copy of the film was made by Video Productions, Inc., Washington, at the request of the HCUA and quickly returned to the stations.

No credit lines were placed on the film because the film was presented as an official document of the HCUA to be submitted to Congress. In such cases, credit lines are not normally included, for the document is officially authenticated by the presenting committee and not by a private individual or firm.

No copyright infringement suits have been filed against Video Productions, Inc., nor are any planned, so far as is known.

Charge: The film must be inaccurate because of all the furor and controversy that it has created.

Fact: Dave Hope, writing in the Oakland Tribune of January 25, 1961, sums it up: "From the audience reaction (to the film) I would say it is extremely effective and that is why extraordinary effort is made to discredit it. Few people have seen Communists in action. Here they are shown when called before the hearing, screaming imprecations, insults, and contempt at a committee of the U.S. Congress. Almost maniacal in their challenge to law and order, they present an ugly picture that cannot be adequately described in words but becomes all too vivid in the film. * * * For those who took part in the riot and their apologists, the film is just too accurate, too revealing. That's why it is so bitterly attacked."

Progress Report to the People of the Eighth Congressional District of Indiana

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EXTENSION OF REMARKS
OF

HON. WINFIELD K. DENTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. DENTON. Mr. Speaker, I am proud to submit the following "Progress Report" to the people of the Eighth Congressional District of Indiana.

In this report, I have set out what I believe to be the accomplishments of the Congress and the administration during the past session of the Congress. I have pointed out accomplishments for the Eighth District of Indiana. This has been a Congress of hard work and progress, and I am proud of its record. I am also proud of the new Kennedy administration. We have leadership and confidence again in the saddle. I herewith submit my "Progress Report" for the 1st session of the 87th Congress to the House of Representatives:

PROGRESS REPORT TO THE PEOPLE OF THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA

The end of the 1st session of the 87th Congress is here. It has been a very busy and productive session for all America and the entire free world. As has been my custom in the past, I am again this year briefly reviewing for the people of my district, some of the major accomplishments of the Congress and the administration.

First, to the local scene, I would like to focus attention on some projects and accomplishments of the past several months as they affect the Eighth District. When the new Democratic administration took over the reins of Government in January of this year, the Eighth District, like many other parts of the country, was in the grips of a severe recession. President John F. Kennedy sought action. The Congress responded by providing some of the most positive and progressive legislation to come out of Washington since the days of the first Roosevelt Congress and his "100 days."

Let's look at the record. The recession, for all practical purposes, is over. While unemployment in the district and around the country is still high, it has slumped off quite a bit. While there remains much to be done to improve the situation in areas like Pike County, the city of Evansville and others, the situation has improved. Progress has been made.

With passage of the Area Redevelopment Act, those areas of the district suffering from the effects of the recession have been offered hope and financial assistance from the Federal Government in order to relieve their problems. Some $394 million is provided under the act to assist communities, such as Evansville, to improve their community facilities, to attract new industries, to retrain workers displaced by the recession, and to enable these communities to start growing again. This program will be an effective aid to the district. The depressed areas bills of previous Congresses had been vetoed by former President Eisenhower. One of the first such bills introduced was one which I sponsored several years ago. I also introduced this legislation again this year, and am greatly pleased with the results.

Evansville has already presented its overall economic program, required under the new Area Redevelopment Act, passed by the Congress, to the administrator of the program. It has been approved by the agency, enabling the city to qualify for Federal loans and grants. City needs, such as sewer and street improvements, will be emphasized in requesting funds and other assistance.

The eighth district will also benefit from the rural areas redevelopment program, administration of which is being handled by the Department of Agriculture. Under it, as provided by Congress, four district counties at this time have been certified as eligible to submit overall economic programs. When these are approved, the counties will be eligible for assistance in the form of loans and grants to stimulate economic growth in the areas, improve community facilities, recreational improvements, and for other purposes. Other counties in the district may be eligible under this program in the future. The four certified at this time are: Clark, Crawford, Harrison, and Perry.

Let's look at flood control. Here, we scored a "grand slam." We received just about everything which we asked for. It works out this way, as approved by the Congress in the public works appropriations bill for fiscal year 1962:

Cannelton locks and dam: $750,000 for construction.

Levee No. 5, Wabash River: $49,000 for planning.

Mason J. Niblack levee: $350,000 for construction.

Mississinewa Reservoir: $500,000 for construction.

Monroe Reservoir: $940,000 for construction.

Salamonie Reservoir: $700,000 for construction.

Uniontown locks and dam: $125,000 for planning.

McAlpine locks and dam: $5,500,000 for construction.

Markland Dam: $13,700,000 for construction.

Evansville floodwall: $100,000 ($200,000 of previously approved funds available for this project—specifically then, $300,000 is available).

Additionally, some $10,000 is included in the public works appropriation bill for a flood control survey on Pigeon Creek, near Evansville. Some $5,000 is also included for similar work on Oil Creek in Perry County.

Watershed projects in the Eighth District this year include the following: the Middle Fork of Anderson River in Perry and Crawford Counties, where nearly 70,000 acres of land will form a watershed protection and flood control project. Applications are presently pending in the Department of Agriculture for the following watershed programs: Crooked Creek in Spencer; Muddy Fork of Silver Creek in Clark, Floyd, and Washington; North Branch of Little Pigeon Creek in Spencer and Warrick; Pigeon Creek in Gibson, Warrick, Vanderburgh, and Pike; Stucker Fork in Clark; Lost Creek in Orange, Lawrence, Washington, and Dubois; Little Pigeon Creek in Warrick, Spencer, and Pike. The first watershed project in the country to be approved under the act passed by Congress in August of 1954 is located in Perry County in the Eighth District.

I am very much in favor of these projects, as they provide much needed flood control and recreational facilities which will be a real asset to the entire district. I will naturally follow through on these projects and do all that I can to help them along.

Other developments of importance to the people of the Eighth District include:

1. General Services Administration declaring some 67 acres at the Indiana Arsenal, Charlestown, surplus, thus allowing Clark County to acquire 40 acres of this land for use as a 4–H Club fairground.

2. Reactivation of part of the facilities at the Indiana Arsenal, Charlestown, to provide ammunition needed in the additional national defense buildup * * * will provide from 300 to 375 additional jobs for an area hard hit by unemployment.

3. Passage of the Lincoln Boyhood National Memorial bill * * * both Houses of the Congress have approved this bill, but it will have to go to conference committee to iron out minor differences.

4. Selection of the southern route for Interstate Highway No. 64 will mean the road will be close to Evansville and will permit better integration and supplementation of the highway and water modes of transportation—will be near the area which has the greatest potential for future growth of those considered for the route.

5. New Albany received approval from the Housing and Home Finance Agency of its workable program for community improvement through the elimination of slums and blight. This approval must precede Federal loans and grants for urban renewal projects and for low-rent housing projects.

6. Evansville received a Federal advance of $37,594 to undertake preparation of a general neighborhood renewal plan for the south center urban renewal area.

7. Jeffersonville received a Federal advance of $109,032 to undertake preparation of a general neighborhood renewal plan for the Port Fulton urban renewal area.

8. The Louisville District, Corps of Army Engineers, awarded Traylor Bros. Inc., Evansville construction firm, a contract for the construction of the dam and appurtenances at the McAlpine locks project on the Ohio River. Amount of the contract: $8,811,000.

9. Charlestown received approval of its application for community facility improvements program. This enables the city to receive Federal assistance in the form of loans and grants for slum clearance and rehabitation for public housing.

10. The Rural Electrification Administration granted the Smithsville Telephone Co. a loan in the amount of $246,000. Will provide better telephone service for the people of Posey County as well as many others.

11. Congressional approval of the Federal judgeship bill provides for 73 new Federal judges. Indiana received two of these, one for the southern and one for the northern district of the State. (My amendment to the judgeship bill secured the two judges for Indiana, instead of just one as provided in the original bill.)

12. White County Bridge Commission bill passed by both Houses of Congress as an amendment to a bill which would authorize annual audits of certain interstate bridges and determine the length of the terms of office of their commissioners. (I think that we are finally nearing the end of a long, hard fight to make this bridge a "free" one—as it certainly should be after this long period of time. We will attempt to get final action on this bill at the next session of Congress.)

13. Army Ordnance has just awarded a contract in the amount of $6,746,001 to the Liberty Defense Powder Corp., a division of the Olin Mathieson Chemical Corp., for the production of propellants. The work will be carried out at the firm's Charlestown, Ind., Arsenal, and at the facility on the Wabash River at Newport, Ind. This will provide an assist to the economy of the Clark-Floyd County area.

I am particularly pleased that several of my proposals, either incorporated in bills which I introduced at this session, or similar bills, have been passed by the Congress and signed into law by the President. These include:

H.R. 4403: So-called Denton depressed areas bill—very similar to S. 1 (Senator DOUGLAS, of Illinois), which passed Congress and became law under the title of Area Redevelopment Act. Will be of great assistance to areas of chronic and persistent unemployment such as Evansville. Became law this year.

H.R. 4406: Federal judges for Indiana—my bill provided for two additional Federal district judges for the State of Indiana, one for the southern and one for the northern district. Passed as part of the Federal judgeship bill providing 73 additional Federal judges. Became law this year.

H.R. 4408: White County Bridge Commission bill—to provide for the annual audits of bridge commission's books—terms of office of commissioners, etc. Passed both Houses of Congress, as part of general bridge audit bill. Must have minor differences ironed out. Passage seems likely early in next session. (Final victory is in sight in the long battle to make the White County Bridge a free one.)

H.R. 3518: To transfer certain land in Clark County, located at the Indiana Arsenal, Charlestown, to the 4–H Club of Clark County; legislation was not necessary as I was able to arrange for the transfer of this property from the Army to the General Services Administration. GSA has declared 67 acres of this land "surplus," thus allowing the 4–H Club of Clark County to apply for the 40 acres which they want for use as a fairgrounds.

H.R. 2470: Bill to establish lasting Lincoln Boyhood National Memorial at site of Abe Lincoln's home in Spencer County—for 14 years of his life—has passed both Houses of the Congress, and after minor differences are ironed out in conference committee early next session, it will most likely be speedily approved by Congress and become law.

H. Res. 169: To establish a committee of the Congress to study the effects of automation—because of the interest shown in this bill and those introduced by other Members of Congress, a special subcommittee of the House Education and Labor Committee, headed by Congressman ELMER J. HOLLAND, Democrat, of Pennsylvania, began a study of this problem.

Administration accomplishments on the domestic front.

To combat the recession:

Temporary unemployment compensation extension: Passed 63 days after taking office.

Aid to dependent children of the unemployed.

Area redevelopment: Most comprehensive bill ever offered—first to pass; Eisenhower had vetoed earlier versions.

Social security amendments: Included first reduction in the age of retirement for males—62—almost 5 million people will receive new or increased benefits.

To get the country "moving again":

Housing: The most comprehensive housing program in the history of Congress; major expansion of urban renewal, public housing, housing for the elderly, college housing; first major middle-income housing—3 percent downpayment; first aid to local mass transportation; first protection of open spaces in urban areas.

Water pollution control: 5-year doubling of program to provide benefits to 5,000 communities with 42 million people.

Minimum wages: $1.25 an hour and first increase in expansion of coverage (3.6 million), since 1938 original passage.

Space: Authorized trip to moon and beyond.

Community health facilities: Nursing homes for the aged, hospital rehabilitation, community services for the aged.

Agriculture: The best farm income year since the Korean war; emergency feed grain bill, reduction in acreage will be 3 times larger than best prior year, will help reduce great grain storage costs; omnibus farm bill, most comprehensive since 1938, expanded use of marketing orders—first wheat and feed grain programs since World War II; revisions of farm credit; Great Plains conservation program; expanded school milk; food for peace increased; savings to the taxpayers estimated at $800 million.

Further administration progress includes:

Federal judgeship bill passed: Provides 73 additional Federal judges.

Balance of payments position much better: (Under Kennedy administration leadership, our holdings of gold and convertible currencies increased by approximately $60 million during the second quarter of this year); gold outflow stopped, slight gains reported, in March of this year we had, for the first time since October of 1959, an increase in our supply of gold; that month, we showed an increase in our favor of $15 million.

Office of International Travel established: To promote foreign travel in this country.

Civil defense: First serious shelter program.

Federal aviation and highway bills passed.

As a sidelight to this discussion, I would like to mention the fact that as a member of the House Appropriations Committee, I have this year, as I have in years past, worked for, and voted for, the adequate funds necessary for the construction of hospitals under the Hill-Burton Act, and for the research made necessary in the fight to determine the cause and cure for the following: Cancer, heart trouble, mental illness, contagious diseases, nervous disorders, allergies, and other diseases such as diabetes.

ADMINISTRATION ACCOMPLISHMENTS ON FOREIGN FRONT

The Kennedy administration inherited some of the worst problems in the foreign affairs field of any that previous Presidents had found when they took the oath of office. The Congo, Laos, Cuba, Berlin were all inherited from the old, previous administration. The Republicans had painted a rosy picture—both on the domestic and the foreign fronts. "All is well," was their cry. Yet, all was not well, at home or abroad. The situation on the homefront has been greatly improved under the effective leadership of Jack Kennedy and the intelligent men and women who are helping him in the new administration. The recession has been effectively stopped; unemployment is being cut back gradually, but firmly; the economy is on the upswing again. Business is good. In other words, the country "is on the move again."

The President has taken a firm hold on matters overseas, and the confidence of our allies and their people in this country is again being restored to the place where it should have been for the past 8 years. The former administration had swept foreign problems under a "rug of indifference." Kennedy has taken hold, and is proving to the whole world that this country will not be pushed around. We will stand firm on Berlin. On the United Nations. On disarmament through effective control mechanisms. Let's look at some of the trouble spots around the globe and the action that the Kennedy administration has taken:

World danger spots:

1. Berlin: A firm and resolute position; additional forces sent to back up insistence on continued Western rights, and continued freedom for the city.

2. Laos: Military debacle in January may be converted into neutral and independent state by virtue of our successful insistence upon a cease-fire before negotiations, and on supervised guarantees of independence. Allied policy is now unified again there.

3. South Vietnam: Vastly increased military assistance and the Vice President's trip have strengthened Diem government and its resistance to guerrilla infiltration.

4. Latin America: Despite setback in Cuba, more accomplished than any other time since Roosevelt's "good neighbor policy," objectives are to strengthen democratic relations, isolate communism and Castroism; (a) Alliance for Progress: funds voted, Uruguay Conference a success—emphasis on social reform and education as well as growth; (b) special assistance to Bolivia, Brazil, Venezuela, Argentina, and Chile; (c) increased broadcasts, trade agreements and defense coordination.

5. The Congo: Even though the situation there is still confusing, the early forceful stand of the United States against Soviet interference helped the United Nations and local leaders to work out a stable and independent government.

6. Angola: Where U.S. vote in the United Nations won great acclaim in the Afro-Asian bloc as showing the new U.S. leadership for the principle of self-determination.

7. Other: Quiet, but effective U.S. statesmanship helped to prevent more serious crises in the Dominican Republic, Tunisia, Thailand, and elsewhere.

Major Kennedy administration initiatives in foreign affairs include the new, 5-year mutual security program, with a new agency to handle the program. The administration has promised that it will insure a program free from waste, corruption and inefficiency as was fairly prevalent under the previous handling of the foreign aid program. The 5-year provision of the program will insure long-range planning with foreign countries on various aid projects, but will also leave the control of the purse strings in the hands of the Congress, where it should be.

Establishment of the Peace Corps brings to the assistance of the Government dedicated men and women of all ages with all types of training and specialities. They will go out among the peoples of the underdeveloped countries around the globe and help them to help themselves. They will live with them, eat their food, live in the same kind of homes, ride the same modes of transportation. They will help erase the image of the "Ugly American." Further progress overseas will come with the establishment of the Arms Control Agency, which will work on the pressing problem of disarmament.

I return to the people of the Eighth Congressional District of Indiana with the

knowledge that this Congress has done more for the American people than any Congress in almost 30 years. We now have a leader in the White House. We have world respect again. We have the confidence of our allies. We have a country on the move again.

Nothing can stop us, as a Nation or as a party, from moving ahead. For both are composed of the most enlightened, the best educated and the most warmhearted people on earth.

Resolutions at New England Governors' Conference

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. DADDARIO. Mr. Speaker, with the increased emphasis on reserve readiness in the Armed Forces of the country, it is important that we look to see that the best possible facilities and training are available to our troops.

Gov. John N. Dempsey, of Connecticut, has taken a great deal of interest in these matters, both as Lieutenant Governor and now as Governor. He has particularly watched the development of the National Guard troops of Connecticut, and has visited personally the troops of the 43d Infantry Division, a Connecticut, Rhode Island, and Vermont organization, while they were undergoing active duty for training at Camp Drum, N.Y.

Camp Drum is an inactive Army reservation which is opened each year for the field training of all Reserve and National Guard divisions in the 1st Army area. As such it receives intensive use during this training cycle. Indeed, I am told it takes in the largest number of reserve troops for such training of any such installation in the country, including seven divisions.

Obviously the quality of the training which these reserve officers and National Guard officers and the active Army can give their troops depends considerably on the maintenance of the training facilities and the modernization of the ranges and roads. Governor Dempsey, however, has alertly noted that the camp was originally designed as an armored division training center; that it has been used intensively over the years with consequent deterioration of roads, training areas and communications, and now offers the 90,000 troops who train there during a given summer something less than perfection.

I am sure the 1st Army, under Lt. Gen. Edward O'Neill, and the Department of the Army itself, have given careful consideration to the needs of the camp and have furnished what improvements they can within priorities demanded by the budgets approved by Congress. But modernization has been effected in some regular camps, although possibly not to the degree desired. Installation of trainfire ranges, to bring rifle training up to date, for instance, has not been completely effected.

If we are to raise the level of training in our Reserve forces so that it parallels, where possible, the training given Active Army troops, and thus insures that the Army of the United States will be in a better stage of preparedness, I think we should review the modernization of all such installations as Camp Drum. That would include, I assume, Indiantown Gap, Pa.; Camp McCoy, Wis.; A. P. Hill Military Reservation, Va.; Camp Pickett, Va., which is now being used as such a training center; and Camp Ripley, Minn.; among others. It might also require additional improvements for Active Army training centers such as Fort McClellan, Ala., and Fort Hood, Tex.

Certainly the status of these facilities deserves attention as part of our overall program to improve Reserve readiness. I submit the resolution of the New England Governors in behalf of such steps at Camp Drum, N.Y., for your attention.

RESOLUTION OFFERED BY GOV. JOHN DEMPSEY, OF CONNECTICUT, TO NEW ENGLAND GOVERNORS' CONFERENCE AT KENNEBAGO LAKE, MAINE, SEPTEMBER 11, 1961

Whereas today's international tensions emphasize the increased training needs of the National Guard and the Reserves; and

Whereas essential to the fulfillment of these needs are training facilities comparable to those of a modernized Army; and

Whereas, Camp Drum at Watertown, N.Y., annually used by more than 90,000 troops from the New England States, New York, and New Jersey for instruction and field duty, is in need of more modern facilities if these troops are to attain the required state of readiness: Now, therefore, be it

Resolved, the New England Governors' Conference urges that a program of modernization of its facilities be undertaken with all possible speed; and be it further

Resolved, That the Governors of the New England States join with the Governors of New York and New Jersey in any cooperative effort which may be required in behalf of such a modernization program.

Legislative Review of Activities During 87th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. MANSFIELD. Mr. President, this has not been an ordinary session of Congress, if indeed there is such a thing. It was marked by a change of administration in the White House, and by a change of leadership in the Senate. It began in a period of economic recession and adjourned in a time of international crisis.

Nevertheless, the agenda of this Congress was, in many respects, familiar. Several of the major bills it considered and adopted had been offered before, but had failed of ultimate adoption. Area redevelopment; minimum wage; omnibus housing; major amendments to our farm programs; long-term commitments to our foreign-aid program; these are distinguished parts of a substantial legislative record, at last written into law.

Great credit is due to the sponsors and managers of these bills, for their determination to see them enacted after long years of frustration. Great credit must also be paid to the new administration, for the intelligence and vigor with which it presented its program to the Congress. It is not too much to say that our efforts for a progressive legislative program in Congress would have been frequently unavailing without the concern and counsel of the Executive.

The accomplishments of this session are a testimonial to the good sense and vitality of the American system. Divided on election day, partisan on the stump, diverse in our interests, we can still meet in the National Legislature to do the country's business, without the enduring rancors that have plagued many nations of the world.

The Democratic Party, commanding majorities in both Houses, must take the major responsibility for the achievements, the postponements, and the shortcomings of this session. But in reality neither success nor failures are the property of one party. They are the property of each man and woman who serves the people in Congress, and ultimately of the people themselves, who have entrusted us with the management of their public business.

What follows is an accounting of that trust during the 1st session of the 87th Congress.

ECONOMIC AREA—AGRICULTURE

Omnibus farm bill: Enacted a major farm bill to reduce wheat and feed grain surpluses; authorized Secretary to consult with farmers, farm organizations, and other groups to develop new farm programs; extended the Agricultural Trade and Development Act to December 31, 1964; consolidated and modernized the Farmers Home Administration; extended the Wool Act for 4 years to March 31, 1965; extended Great Plains conservation program to December 31, 1971; authorized a 5-year extension of the school milk program to be paid by direct appropriations; and extended the Veterans' Administration and armed services milk program to 1964, with CCC furnishing the funds—Public Law 87–128.

Feed grains: Authorized a 1-year emergency price support for the 1961 crop of corn at $1.20 a bushel with the other feed grains to be supported at fair and reasonable levels in relation to corn, in an effort to raise the incomes of feedgrain producers and to reduce the mounting surpluses of feed grains in Government hands—Public Law 87–5.

Drought relief: Enacted a temporary 1-year program authorizing the sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price-support levels and permitting grazing of livestock on grasslands idled by the soil bank and other conservation programs or moving hay on these lands in or near drought areas—Public Law 87–127.

Farm loans: Increased proportion of appropriated farm loan funds available

for individual farms with debt over $10,000 from 10 percent to 25 percent to help meet the rapid and increased cost of farming—Public Law 87–8.

Mexican farm labor: Extended and revised the Mexican farm labor program for 2 years, to December 31, 1963; prohibited infringement upon the rights of domestic workers—Public Law 87–345.

Cotton farmers' relief: Authorized emergency relief to cotton farmers where floods have made it impossible to plant—Public Law 87–37.

Farm credit: Liberalized farm credit laws to: permit installment payments on Federal land bank loans to be scheduled more frequently than semiannually if desirable to the borrower; permit Federal land bank loans to be made to corporations set up by farming families—now restricted to persons—extend from 5 to 7 years the permissible maturity of intermediate-term loans; require in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans—Public Law 87–343.

GENERAL ECONOMY

Federal unemployment compensation: Authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks—in an effort to ease the unemployment problem throughout the country—Public Law 87–62.

Aid to dependent children: Authorized a 14-month program, from May 1, 1961, through June 1962, of aid to dependent children, permitting States to aid needy unemployed parents and their children who are not now eligible for aid in which the Federal Government participates; and increased by $3 the minimum amount to which the Federal Government will participate on a matching basis in State programs carrying out the special medical care provision for recipients of old-age assistance—Public Law 87–31.

Railroad unemployment compensation: Approved benefits of a similar nature for unemployed railroad workers under the Railroad Unemployment Insurance Act—Public Law 87–7.

Railroad retirees: To bring the railroad retirees in line with the beneficiaries of social security, this amendment to the Railroad Retirement Act permits men without 30 years service to receive reduced annuities upon reaching age 62; and reduced from 3 to 1 year the required time which must elapse after marriage before a wife or husband, otherwise qualified, may receive the annuity—Public Law 87–285.

Minimum wage: Increased minimum wage to $1.25 (from $1) and extended coverage to 3.6 million additional workers—Public Law 87–30.

Area redevelopment: Established the Area Redevelopment Administration in the Department of Commerce, and authorized a 4-year program of $300 million in loans and $94 million in grants for industrial plants and public facilities in economically distressed areas—Public Law 87–27.

Social security: Increased minimum old-age insurance benefits and benefits to widows under the Social Security Act; provided reduced benefits to men at 62; liberalized disability provisions; increased tax for workers and employers by one-eighth of 1 percent; increased (for 1 year) the amount of public assistance payments for old age assistance, aid to the blind, and aid to the permanently and totally disabled—Public Law 87–64.

Manpower Training Act of 1961: Authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problems by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority to unemployed persons including those in farm families with a net income of less than $1,200 a year—S. 1991.

Housing Act of 1961: Enacted a housing program, authorizing $4.9 billion in new funds. The act provides for a new 2-year experimental plan of low-interest rate, 35-year mortgage loans for middle-income housing (except in hardship cases the mortgages may be extended to 40 years); requires a 3-percent downpayment on low-income housing, with a permissive inclusion of settlement costs; authorizes $75 million for mass transportation systems, and $50 million for "open space" grants; and includes a reauthorization of approximately 100,000 public housing units—Public Law 87–70.

FHA: Increased by $1 billion the mortgage insurance authorization of FHA—Public Law 87–38.

Veterans' home loans: Extended direct and guaranteed home loan programs for World War II veterans to July 26, 1967; and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967—Public Law 87–84.

Federal Aid Highway Act: Enacted the Federal Aid Highway Act of 1961, revising the original estimated authorization for 41,000-mile, 13-year program of interstate highways by increasing the Federal Government's share from $25 billion to $37 billion; extended for 2 years the incentive bonus for States to enter into agreements for billboard controls—Public Law 87–61.

Federal Airport Act extension: Extended the Federal Airport Act for 3 years to June 30, 1964, and authorized a total appropriation of $225 million, or $75 million annually—Public Law 87–255.

Small business loans: Increased by $20 million the amount that the Small Business Administration may commit for loans under their regular business loan program, which will enable SBA to continue its loan program without interruption for approximately 1 month—Public Law 87–198.

Small business amendments: Increased SBA's revolving fund by $105 million which, in addition to the $20 million approved in Public Law 87–198, increases the total SBA revolving fund to $1,125 million—Public Law 87–305.

Small Business Investment Act: Increased limit on amounts Small Business Administration may lend small business investment corporations and on latters' investments in individual enterprises—Public Law 87–341.

ICC loans: Extended for 27 months (to June 30, 1963) authority of Interstate Commerce Commission to make loans to help ease the credit difficulties of railroads—Public Law 87–16.

Small towns and rural counties: Established a 20-member bipartisan Commission on Problems of Small Towns and Rural Counties to study and investigate Federal policies and programs relating to the economic needs and problems of these areas. (S. 1869.)

Water pollution control: Authorized an additional $270 million to help communities construct sewage treatment plants to control water pollution, thus raising the annual limit on grants from $50 million yearly to $80 million for fiscal 1962, $90 million for fiscal 1963, $100 million for fiscal 1964, through and including 1967. In addition, this measure increased from $3 to $5 million the annual Federal matching grants to States to administer water pollution control programs and extended the program through June 30, 1968, and authorized $5 million a year for the Secretary to use to develop demonstration program to treat sewage, to measure pollutants, and to evaluate the effects of sewage treatment—Public Law 87–88.

Debt limit: Increased the public debt limit by $13 billion to $298 billion through June 30, 1962—Public Law 87–69.

Lead-zinc subsidy: Aided the domestic lead-zinc industry by authorizing a 4-year program of stabilization payments for small mineowners—75 percent for lead and 55 percent for zinc of the difference between 14½ cents a pound and the market price whenever the market falls below 14½ cents—Public Law 87–347.

Mid-State reclamation project, Nebraska: Authorized construction of the mid-State reclamation project in Nebraska and provided for its inclusion in the Missouri River Basin project. Estimated cost is $81,467,000, repayable within the 40-year contract period. (S. 970.)

San Juan-Chama: Authorized $221 million in appropriation to construct the Navajo Indian irrigation project and the San Juan-Chama project, to irrigate land and help stabilize the economy of the water deficient Rio Grande and Canadian Basins. (S. 107.)

Illinois River: Authorized a $58 million project to improve and deepen the channel of the Kaskaskia River in Illinois to enable coal producers to transport coal by barges at reduced rates to permit competitive market pricing. (S. 520.)

TRADE AND COMMUNICATIONS ECONOMY

Foreign trade: Expands Commerce Department services to importers and exporters and accelerates programs to promote foreign trade. (S. 1729.)

Ship trade-ins: Liberalized the law regarding obsolete trade-ins by authorizing the Federal Maritime Commission

to take trade-ins either when the owner signs the contract for construction or purchase of a new vessel or—at the owner's option—within 5 days of the delivery date of the new vessel. (S. 1728—Public Law 87——.)

Dual-rate shipping: Permanently legalized the operation of steamship conferences and dual systems of contracts for shippers and strengthened the antimonopoly provisions—Public Law 87–34.

Steamship operators: Authorized steamship operators under subsidy contracts to use part of their required reserve for research and planning—Public Law 87–271.

Broadcasting: Liberalized antitrust law to validate certain contracts for television broadcasting of professional sports games—Public Law 87–331.

Civil antitrust investigations: Authorized the Attorney General to compel the production of documents required as evidence in civil antitrust investigations—S. 167.

Duty-free allowance: Reduced the duty-free exemption from $500 to $100 through June 30, 1963, to counter our unfavorable balance of payments—Public Law 87–132.

AEC sales: Accelerated property sales to stimulate the economic growth of atomic energy communities—Public Law 87–174.

Metal scrap: Extended to June 30, 1962, the existing suspension of import duties on metal scrap—Public Law 87–110.

Corporate excise extension: Extended for an additional year the existing 52 percent corporate income tax rate, excise tax rates on automobiles, liquor, and tobacco, and taxes on local telephone calls and passenger transportation, thus preventing a loss of revenue of some $2.5 billion—Public Law 87–72.

Clay and shale—tax treatment: Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile—Public Law 87–312.

Income-tax returns: Curbed tax evasion by assigning identifying numbers to all taxpayers—Public Law 87–397.

Unemployment tax credits: Prevented double taxation in the case of Federal and State unemployment taxes arising as a result of a technical deficiency in the Federal tax law—Public Law 87–321.

Federal savings and loan: Strengthened the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation created as a reserve credit facility for savings and home mortgage credit institutions—Public Law 87–210.

VETERANS' AID

Disabled veterans' compensation increase: Provided increases in rates of service-connected disability compensation (to reflect cost-of-living increases since last compensation raise in 1957) ranging from 2.6 to 16.7 percent, depending upon degree of disability; restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. (H.R. 879.)

Disability benefits: Increased weekly disability benefits for longshoremen and harbor workers to $70 (from $54); provided comparable increases in death cases from $81 to $105; and increased statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000—Public Law 87–87.

Veterans' widows: Increased payments to veterans' widows. (Public Law 87–268.)

INTERNATIONAL AREA

Foreign assistance authorization: Authorized a total appropriation of $4,253,500,000 for fiscal 1962; a long-term (5-year) Development Loan Fund program authorizing an appropriation of $1.2 billion for fiscal 1962 and $1.5 billion for each fiscal year from 1963 to 1966; and established a new foreign aid agency. (Public Law 87–195.)

Latin American aid: Appropriated $600 million for Latin-American aid program, which includes $100 million in disaster relief for Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants by the International Cooperation Administration—Public Law 87–41.

OECD: Ratified the creation of the Organization for Economic Cooperation and Development consisting of 18 European member nations, the United States, and Canada, to promote economic stability and an orderly growth of the economies of the member states.

OECD—Permanent representation: Authorized the President to appoint, subject to Senate confirmation, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provided for the cost of U.S. participation in OECD including salaries of the American representative and his staff. U.S. share is 25 percent of the OECD budget which will run to about $5 million annually. (S. 2423.)

Battle Act revision: Strengthen U.S. policy abroad by authorizing the President to permit economic aid to Iron Curtain countries, except the Soviet Union and Communist-held areas of the Far East, when he considers it important to U.S. security. (S. 1215.)

Foreign bank tax exemption: Exempted foreign central banks from payment of taxes in this country on interest accrued from ownership of U.S. Government securities not used or held for commercial purposes—Public Law 87–27.

Peace Corps: Carried out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples to help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for all mankind—Public Law 87–293.

Disarmament: Established a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament—Public Law 87–297.

U.S. Travel Service: Established a U.S. Travel Service in the Department of Commerce to promote and encourage tourist travel from abroad—Public Law 87–63.

Surplus as aid: Authorized disposal of additional $2 billion in surplus commodities under the Agricultural Trade Development and Assistance Act—Public Law 87–27.

Sugar Act: Extended the Sugar Act of 1948 for 15 months to June 30, 1962, fixing quotas of domestic and foreign producers; and continuing the President's authority to exclude Cuban sugar imports and reallocate its quota—Public Law 87–15.

Agricultural aid: Authorized the administration to continue and expand the use of our agricultural abundance in helping needy people in the less developed countries through development programs under title II of Public Law 480, Agricultural Trade Development Act—Public Law 87–92.

Alien Orphan Adoption Act: Made permanent and expanded the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas—Public Law 87–301.

Refugee Assistance Act: Authorized aid for resettlement of refugees-escapees from Iron Curtain countries abroad and those seeking asylum here from Cuba; and authorized the President to use up to $10 million in any fiscal year in order to meet unexpected refugee and migration developments important to the national interest—H.R. 8291.

Repatriation assistance: Enacted an emergency 1-year repatriation assistance program to provide temporary assistance to U.S. citizens and dependents of U.S. citizens returning from abroad without available resources. Aid can consist of money payments, medical care, temporary billeting, or other goods or services needed for the health and welfare of the recipients—Public Law 87–64.

Caribbean Organization: Authorized the President to accept on behalf of the United States the agreement establishing the Caribbean Organization; the participation of Puerto Rico and the Virgin Islands in the Organization; made available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act; and authorized the Secretary of State to appoint a U.S. observer to the Organization. Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area—Public Law 87–73.

Fulbright Act: Authorized legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad—Public Law 87–153.

Cultural exchange: Consolidated all cultural and educational exchange programs in an effort to promote these programs to a more important position in

our foreign relations. The exchange programs combined are the Fulbright Act, the Smith-Mundt Act, the Finnish-Debt Payments Act, the Mutual Security Act of 1954, as amended, the Agricultural Trade Development and Assistance Act of 1954, and the International Cultural Exchange and Trade Fair Participation Act of 1956—Public Law 87–256.

U.S. food reserve: Expressed an interest in exploring with other nations the possibility of establishing an international food and raw materials reserve under the United Nations and related international organizations to acquire and store in appropriate countries raw or processed farm products and other raw materials exclusive of minerals.

Export-Import Bank: Authorized Export-Import Bank to guarantee and insure U.S. exporters and importers against political and credit risks of loss in foreign countries—Public Law 87–311.

Red China: Expressed as the sense of the Congress that:

First. The United States should continue to support the Government of the Republic of China as the representative of China in the United Nations;

Second. The United States shall continue to oppose seating of the Chinese Communist regime in the U.N. so long as that regime persists in defying the principles of the U.N. Charter; and

Third. The American people support the President in not according diplomatic recognition to the Chinese Communist regime.

International Finance Corporation amendment: Amended the charter of the IFC to allow purchase of capital stock to encourage private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise—Public Law 87–185.

Mercy fleet: Supported the establishment by the President of a White Fleet—a force of mercy ships to assist in disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the public health field and other works of technical assistance.

Inter-American Children's Institute: Continued U.S. participation in and contributions to the Inter-American Children's Institute—Public Law 87–365.

NATO: Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a commission established to explore means of increasing cooperation and unity of purpose among NATO countries—Public Law 87–116.

United States-France: Provided immediate effectiveness for atomic cooperation for mutual defense purposes between the United States and France—Public Law 87–363.

Loans to friendly nations: Authorizes loan of naval vessels to certain friendly nations—Public Law 87–387.

TREATIES

Belgium treaty: Ratified a commercial treaty with Belgium to provide protection for property and interests of American citizens and companies in Belgium and to assure fair and nondiscriminatory treatment in commercial, industrial, and financial activities, in return for like assurances in the United States.

Brazil: Ratified a treaty of extradition with Brazil.

Columbia River: Ratified a treaty between the United States and Canada for cooperative development of the Columbia River.

Geneva radio regulations: Ratified the Geneva radio regulations containing a number of provisions relating to the international regulation of radio communication to assist the United States in carrying out its scientific efforts in radio astronomy and space research.

German war bonds: Ratified a second agreement with Germany for the validation of East German dollar bonds to enable owners of these bonds to establish they were acquired from legitimate sources and not through Soviet sources in Berlin at close of World War II.

International Telecommunications Convention: Ratified Executive J which continues in effect the principal provisions of the International Telecommunications Convention to maintain and extend international cooperation of the improvement and rational use of telecommunications of all kinds.

Load line: Ratified a modification to the International Load Line Convention.

Oil pollution: Ratified the International Convention for the Prevention of Pollution of the High Seas by Oil.

Vietnam treaty: Ratified a commercial treaty with Vietnam to provide protection for property and interest of American citizens and companies in Vietnam and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities, in return for like assurances in the United States.

Pollution of sea by oil: Implemented the International Convention for the Prevention of the Pollution of the Sea by Oil, which prohibits discharge of oil from tankers and imposes fines and penalties for violations—Public Law 87–167.

DEFENSE AND SPACE EXPLORATION AREAS

Ready Reserves: Granted authority, requested by the President, to call to active duty up to 250,000 ready reservists, authority to continue until July 1, 1962; and to grant discretionary authority to the Secretary of Defense to extend enlistments, appointments, and other service obligations up to 12 months, which would otherwise expire on July 1, 1962—Public Law 87–117.

Alien enlistment: Authorized peacetime enlistments in the Army and Air Force by persons who have been lawfully admitted to the United States for permanent residence—Public Law 87–143.

Military procurement: Authorized $12.4 billion procurement program for aircraft, missiles, and naval vessels for fiscal 1962—Public Law 87–53.

Military: Clarified the reemployment provisions of the Universal Military Training and Service Act—Public Law 87–391.

Additional military procurement authorizations: As requested by the President, authorized additional funds to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the Navy and Air Force; to provide increased air and sea lift; and to expand our antisubmarine warfare program. The overall request for additional authorization for procurement of weapons, equipment, and ammunition was $1,753 million; however, of this amount, additional authorizations are required only for $958,570,000—Public Law 87–118.

Military construction: Authorizes $831 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases—Public Law 87–57.

Aeronautics and Space Council: Reactivated and strengthened the usefulness of the Aeronautics and Space Council, and provided that it be administered by the Vice President—Public Law 87–26.

NASA authorization: Authorized $1,784,300,000 for the National Aeronautics and Space Agency—Public Law 87–98.

Civil aviation insurance: Extended until 1966, for 5 years, title XII of the Federal Aviation Act of 1958, to provide that in the event of war the Nation's civil air fleet would have adequate insurance coverage for war risks—Public Law 87–89.

War hazards: Increased monthly disability and death compensation payable under the War Hazards Compensation Act—Public Law 87–380.

Military: Amended the Uniform Code of Military Justice to provide specific authority for prosecution of bad check offenses—Public Law 87–385.

Marine Corps: Improved the combat effectiveness of the Marine Corps by providing for the expanded assignment of supply-duty-only officers to unrestricted duty—Public Law 87–123.

Emergency evacuation: Provided for advances in pay to Armed Forces personnel in cases of emergency evacuation of dependents from oversea areas—Public Law 87–188.

Coast Guard—temporary appointments: Extended to January 1, 1964, the authority of the President to make temporary appointments in the Coast Guard, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law—Public Law 87–257.

AEC authorization: Authorized $270,440,000 for a total of 40 new AEC projects including the Stanford linear electron accelerator and electric generating facilities—Public Law 87–315.

AEC omnibus amendments: Enacted numerous amendments to the AEC Act designed to provide a better framework and to help us keep pace with emerging developments in atomic energy. Amendments included the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the LAEA as a center for distribution of special nuclear materials, and the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to

help start an experimental plan for reprocessing fuel elements—Public Law 87–206.

Air Force promotions: Provided a temporary program through June 30, 1963, for promotion for all active duty Air Force officers below the grade of colonel—Public Law 87–194.

Reserves: Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, and other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary—Public Law 87–378.

WELFARE AND GENERAL GOVERNMENT AREAS

EDUCATION AND TRAINING

Aid to education: Enacted a $2,550 million 3-year Federal-aid-to-education program for school construction and increasing teachers salaries. (S. 1021.)

Impacted areas—NDEA extensions: Enacted bill which extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose. Also, extended for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instruction in science, mathematics, and modern foreign languages—Public Law 87–344.

College housing: Increased the loan authorization by $300 million for each of the 4 years beginning July 1, 1961, through 1964—Public Law 87–70.

Educational TV: Authorized Federal grants up to $1 million for any State to purchase TV transmission equipment for educational purposes, providing the State or sponsoring agency furnish the land, building, and guarantee to operate and maintain the channel. (S. 205—H.R. 132.)

Educational opportunities for migratory farm families: Authorized a 5-year program to aid in educating children of migratory workers. The Federal Government is to pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. (S. 1124.)

Freedmen's Hospital: Transfers Freedmen's Hospital to Howard University as its teaching hospital—Public Law 87–262.

Juvenile delinquency: Authorized a program of Federal grants to communities and nonprofit agencies of $10 million a year for 3 years to aid in financing projects to combat juvenile delinquency—Public Law 87–274.

Geodetic Survey: Improved and expanded the Coast and Geodetic Survey Act of 1948 to induce qualified scientists and mathematicians to join the service—Public Law 87–233.

Nurses scholarships: Extended for 4 years (to June 30, 1965), $5 million a year program for grants and scholarships for training of practical nurses under Vocational Education Act—Public Law 87–22.

Vocational teacher training: Authorized two 1-year programs of Federal grants for training teachers of the deaf, and advanced training of speech pathologists and audiologists—Public Law 87–276.

HEALTH AND SOCIAL PROBLEMS

Migratory health services: Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. (S. 1130.)

National Advisory Council on Migratory Labor: Established a 15-member Council to advise the President and Congress on the operation of Federal law, regulations, programs, policies, and all other matters relating to migratory agricultural labor to provide a better understanding of conditions, needs, and long-range solutions of this problem. (S. 1132.)

Public facility loans: Provided eligibility to Indian tribes for assistance under the public facility loan program, title II of the Housing Amendments of 1955. Under present law, eligibility for loans under the public facility loan program is limited to "municipalities and other political subdivisions and instrumentalities of States." This provision has been interpreted as not including Indian tribes which resulted not only in discrimination but an inconsistency since all tribes are eligible for low-rent public housing, housing for the elderly, and assistance under the Area Redevelopment Act. (S. 2454.)

Major disasters: Authorized assistance to be given by the Federal Government to Guam, American Samoa, and the Trust Territory of the Pacific Islands in case of a national disaster. (S. 1742.)

Community health services: Expanded and improved community health services and facilities for the health care of the aged, construction of nursing homes, and training of public health personnel—Public Law 87–395.

Mass transit: Authorized a new $75 million program to help overcome commuting problems in cities; $25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment—Public Law 87–70.

RESOURCE BUILDUP

Saline water conversion program: Extended the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorized a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount—Public Law 87–295.

Air pollution: Extended air pollution control authorization to June 30, 1966, provided for public hearings, and authorized $5 million a year to finance the studies. (S. 455.)

Shoreline areas: Authorized the Department of Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks. Authorized the Department of Agriculture to study appropriate shorelines within the Nation's 186 million acres of national forests. Each department is to report its findings and recommendations within 2 years. Authorized $400,000 for each survey and a grand total of $25 million of matching funds to assist the States in acquiring State shoreline areas. (S. 543.)

Wilderness bill: Established a national wilderness preservation system providing that any time within 10 years, the President may recommend to Congress the permanent inclusion within the wilderness system areas totaling approximately 54 million acres. (S. 174).

Point Reyes National Seashore: Authorized an appropriation of $14 million to acquire land to preserve, for public recreational purposes, Point Reyes National Seashore in California. (S. 476).

National fuels study: Approved a resolution authorizing the Senate Interior Committee to make an investigation and study of the current and prospective Government policies, to determine changes for an effective national fuels policy. Report of the findings to be submitted by January 31, 1961. (S. Res. 105.)

Oceanography: Established a national 10-year program of oceanographic and Great Lakes research to promote commerce and navigation, to secure the national defense, to expand ocean, coastal and Great Lakes resources and to enhance the public health and general welfare. (S. 901.)

Wabash River Commission: Established a Wabash Basin Interagency Water Resources Commission to coordinate Federal, State, and local plans for developing the water and land resources in the Wabash River Basin. (S. 811.)

Cape Cod Park: Established Cape Cod National Seashore Park to preserve for public enjoyment the scenic, scientific, and historic features of the cape—Public Law 87–126.

Migratory waterfowl conservation: Authorized a 7-year migratory waterfowl conservation program permitting advances to States to purchase necessary lands—Public Law 87–383.

CRIMINAL LAWS STRENGTHENED

Circuit judges: Created 73 additional U.S. district and circuit court judgeships to help ease the present workload and overcrowded court calendars—Public Law 87–36.

Tax Court judges' widows and dependent children: Provided a system of annuities for the surviving widows and dependent children of judges of the Tax Court of the United States—Public Law 87–370.

Judgment and compromise settlement: Provided for the swift payment of judgments and compromise settlements against the U.S. Government won by State and foreign claimants—Public Law 87–187.

Jury commissioners: For the first time since 1884, increased the fees of jury commissioners in the U.S. district courts from the present $5 to $10 per diem for each day employed in the performance of duties. (S. 1899).

Agency investigations: Prohibits obstruction of any lawful inquiry or investigation by the Department of Justice or Treasury and strengthens prohibitions against injuries to persons furnishing information in connection with the inquiry. (S. 1665.)

Gambling devices: Broadened the definition of gambling devices to cover additional types of machines manufactured for gambling purposes, and requires detailed records of all such devices shipped in interstate commerce. (S. 1658.)

Racketeering enterprises: Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities—business enterprises involving gambling, bootlegging, narcotics, etc.—Public Law 87–228.

Transmission of bets: Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gambling. Exempts information carried for use of the press and wireless communication—Public Law 87–216.

Waogering paraphernalia: Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers games, or similar games carried by means other than common carrier in the usual court of its business, but allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal—Public Law 87–218.

Felons: Extended Fugitive Felon Act to all felonies—Public Law 87–368.

Espionage: Extended laws against espionage and censorship to acts committed anywhere in the world—Public Law 87–369.

Tax stamps: Made it a Federal crime to transport fraudulent State tax stamps in interstate commerce—Public Law 87–371.

Plane hijacking: Made airplane hijacking a Federal crime subject to a possible death penalty—Public Law 87–197.

Aircraft claims: Authorized immediate payment of up to $1,000 to anyone who might suffer injury or personal damage as a result of an accident involving military aircraft or missiles—Public Law 87–212.

Supplemental air carriers: Provided a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. Provides that a carrier may request and be authorized to perform limited services supplemented to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized (S. 1969.)

REORGANIZATION AND GOVERNMENT AIDS

Government reorganization: Restored the authority of the President to submit plans for the reorganization of the Government—Public Law 87–18.

Civil Rights Commission: Extends the life of the Commission for 2 years, or until September 30, 1963—Public Law 87–264.

HEW: Authorized two additional Assistant Secretaries—one to handle international affairs, the second to handle medical and scientific matters. (S. 2073.)

Labor: Authorized an additional Assistant Secretary to perform functions relating primarily to the employment and effective utilization of women in our labor force—Public Law 87–137.

FTC reorganization: Provided for the reorganization of the Federal Trade Commission to expedite the present workload—plan No. 4. Effective July 9.

CAB reorganization: Authorized the reorganization of the Civil Aeronautics Board to provide greater flexibility and a more expeditious handling of CAB cases—plan No. 3. Effective July 3.

Maritime reorganization: Authorized reorganization of Maritime Board—plan No. 7. Effective August 12.

ICC: Authorized reorganization of Interstate Commerce Commission—Public Law 87–247.

FCC reorganization: Authorized FCC to delegate functions in adjudicatory cases to expedite and improve the administrative process—Public Law 87–192.

SEC reorganization: Authorized the Securities and Exchange Commission to delegate certain of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of such delegations—S. 2135.

SEC investigation: Authorized $750,000 for the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules, for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963—Public Law 87–196.

Internal revenue employees: Appropriated funds for an additional 4,265 Internal Revenue Service employees—Public Law 87–159.

Alien employment: Removed the prohibition against Department of Commerce employing alien scientists and technicians in an effort to relieve a general shortage of personnel in scientific, engineering, and technical areas. (S. 2236.)

Travel expenses: Increased the allowances of Government employees for traveling expenses when on official business. Increases include from $10 to $16 per diem allowances and from 10 to 12 cents a mile by private automobile—Public Law 87–139.

Interstate commerce—Property destruction: Strengthened existing Federal law by making it unlawful to destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose—Public Law 87–221.

Rural carriers: Increased equipment allowance for rural mail carriers to 12 cents a mile. (S. 189).

Postal employees: Extended to employees in the postal field service the same salary-retention protection in cases of reduction in grade as provided under the Classification Act since 1956—Public Law 87–270.

Scientific and supergrades: Authorized an additional 480 supergrade positions and 280 additional scientific positions for the executive branch—Public Law 87–367.

NSLI special dividend: Authorized the payment of a special insurance dividend averaging from $100 to $150, for those veterans who have RS or W insurance. The RS insurance is entirely term insurance and the premium increases at the end of each 5-year period. The W insurance is both term and permanent, with the increased rate at the end of each 5-year period—Public Law 87–223.

ELECTIONS AND THE WHITE HOUSE

Federal election laws: Passed a clean-elections bill to strengthen our electoral system, provide more realistic ceilings on campaign expenses, make available at the State level information on campaign financing, and provides for a tax credit for political contributions to candidates for Federal office or to political committees acting for such candidates. (S. 2426.)

National conventions: The Senate adopted unanimously a resolution expressing as the sense of the Senate that the party conventions held every 4 years to nominate candidates for President and Vice President should not be commenced prior to the first Monday in September of the year in which the election is to be held. (S. Res. 141.)

District of Columbia elections: Implements the 23d amendment to the Constitution giving the residents of the District of Columbia the right to vote for President and Vice President; retains the voting age at 21 and provides for a 1-year residency requirement—Public Law 87–389.

White House: Established the White House as a national monument—Public Law 87–286.

STATUS OF MAJOR POINTS OF PRESIDENT'S LEGISLATIVE PROGRAM, 87TH CONGRESS, 1ST SESSION

ACTIONS COMPLETED

(Asterisk (*) denotes President Kennedy's original 16 points)

*1. Federal unemployment: Extended Federal unemployment compensation for additional 13 weeks—Public Law 87–6.

*2. Feed grains: Enacted an emergency feed grains program for the 1961 crop—Public Law 87–5.

*3. OECD: Ratified convention establishing Organization of Economic Cooperation Development—ratified March 16.

*4. Government reorganization: Reinstated the President's authority to reorganize the Government—Public Law 87–18.

*5. Distressed areas: Authorized $394 million distressed areas program—Public Law 87–27.

*6. Needy children: Authorized temporary program to permit States to aid needy unemployed parents and their children under Federal-State assistance program for 15 months to June 1, 1962—Public Law 87–21.

*7. Minimum wage: Extended coverage and increased minimum wage—Public Law 87–30.

*8. Judgeships: Provided for additional circuit and district judgeships—Public Law 87–35.

*9. Social security: Expanded social security benefits for an additional 4.4 million persons—Public Law 87–64.

*10. Travel service: Established International Travel Service in Commerce—Public Law 87–63.

*11. Community Facilities Act (H.R. 4998—Public Law 87–395).

12. Peace Corps (H.R. 7500—Public Law 87–293).

13. Disarmament Agency for World Peace—Public Law 87–297.

14. Agriculture Act of 1961—Public Law 87–128.

15. Foreign aid authorization—Public Law 87–195.

16. Railroad unemployment: Extended railroad unemployment compensation for an additional 13 weeks—Public Law 87–7.

17. Columbia River Basin: Ratified Columbia River Joint Development Treaty with Canada. Ratified March 16.

18. Sugar Act: Extended the Sugar Act of 1948, fixing quotas of domestic and foreign producers for 15 months to June 30, 1962; continued the President's authority to exclude Cuban sugar imports and reallocate its quota—Public Law 87–15.

19. Ready Reserves: Authorized recall of 250,000 ready reservists—Public Law 87–117.

20. Procurement: Authorized additional funds for aircraft, missile and naval vessels—Public Law 87–118.

21. Foreign tax treatment: Unified tax treatment on earning assets of foreign central banks—Public Law 87–29.

22. Food for peace: Authorized $2 billion increase in title I authority of Agricultural Trade Development Act to continue sale of surplus agriculture products for local currencies—Public Law 87–28.

23. Mass transportation: Increased Federal assistance to State and local governments—Public Law 87–70.

24. German bonds: Ratified German bond treaty. Ratified May 4.

25. Extradition treaty: Ratified extradition treaty with Brazil. Ratified May 16.

26. Loadline convention: Ratified loadline convention modification. Ratified May 16.

27. Oil pollution: Ratified oil pollution treaty. Ratified May 16.

28. Treaty of Friendship with Belgium: Ratified September 11.

29. Treaty of Amity With Republic of Vietnam: Ratified September 11.

30. Geneva Radio Regulation Convention: Ratified September 25.

31. International Telecommunications Convention: Ratified September 25.

32. Latin American aid: Appropriated $600 million for Latin American aid—Public Law 87–41.

33. Construction: Military construction authorization—Public Law 87–57.

34. Procurement: Military procurement authorization—Public Law 87–52.

35. Tax rates: Extension of existing corporate and excise tax rates—Public Law 87–72.

36. Highway Act: Amended Federal-Aid Highway Act raising $9.6 billion in additional revenues for the Federal-aid highway program and increasing by $11.5 billion the authorizations for interstate and defense highways for 1963–71—Public Law 87–61.

37. Housing: Enacted a $4.9 billion housing program expanding existing programs and new programs of assistance for moderate-low income families, and for the elderly—Public Law 87–70.

38. Public debt: Increased debt limit by $13 billion to $298 billion—Public Law 87–69.

39. CAB reorganization: Plan 3, reorganization of Civil Aeronautics Board authorizing the Board to delegate any of its functions to expedite adjudications and rulemaking proceedings. Effective July 3.

40. FTC reorganization: Plan 4, reorganization of Federal Trade Commission to delegate functions to expedite the work of the Commission. Effective July 9.

41. Maritime reorganization: Reorganization of Maritime functions. Effective August 12.

42. Supergrades and scientific positions increased—Public Law 87–367.

43. VA direct loans: Extended direct and guaranteed home loans programs for World War II veterans to July 26, 1967; and for Korean veterans to Februray 1, 1975; authorized an additional $1.2 billion for direct loans programs through fiscal 1967—Public Law 87–84.

44. NASA: Authorized Vice President to head Space Council—Public Law 87–26.

45. Cape Cod: Authorized additional seashore recreational areas—Public Law 87–126.

46. College housing: Authorized $300 million annual 4-year program—Public Law 87–70.

47. Labor: Authorized one additional Assistant Secretary—Public Law 87–137.

48. FCC: Reorganization—Public Law 87–192.

49. ICC: Reorganization—Public Law 87–247.

50. AEC: Authorization—Public Law 87–315.

51. Saline water: Extended and expanded the program—Public Law 87–295.

52. Juvenile delinquency—Public Law 87–274.

53. Civil Rights Commission: 2-year extension—Public Law 87–264.

54. Small Business Act Amendments—Public Law 87–198, Public Law 87–305.

55. Aid to airports—Public Law 87–255.

56. Strengthen anticrime—Public Laws 197, 216, 218, 228.

57. Impacted areas: NDEA, 2-year extension—Public Law 87–344.

58. Delaware River compact: Partial enactment of Water Resources Planning Act—Public Law 87–328.

59. District of Columbia elections—Public Law 87–389.

60. Appropriations:

Third supplemental, 1961—Public Law 87–14.

Fourth supplemental, 1961—Public Law 87–74.

Agriculture, 1962—Public Law 87–112.

General Government matters, 1962—Public Law 87–125.

Interior, 1962—Public Law 87–122.

Legislative, 1962—Public Law 87–130.

Independent offices, 1962—Public Law 87–141.

Defense, 1962—Public Law 87–144.

Treasury-Post Office, 1962—Public Law 87–159.

Labor-HEW—Public Law 87–290.

Military construction—Public Law 87–302.

State-Justice-judiciary—Public Law 87–264.

District of Columbia appropriations—Public Law 87–265.

Foreign aid—Public Law 87–329.

Public works, Public Law 87–330.

Supplemental—Public Law 87–332.

PASSED SENATE

*61. Battle Act: Revision of Battle Act (S. 1215). Passed May 11.

*62. Education: Overall aid to education (S. 1021). Passed May 25. House delayed further action to next year.

63. Office space: Create a Commission on Presidential Office Space (S. 51). Passed July 7.

64. HEW: Authorized two additional Assistance Secretaries (S. 2073). Passed July 27.

65. Oceanography: Ten-year oceanography program (S. 901). Passed July 28.

66. Manpower training (S. 1991): Passed August 23 (H.R. 8399). House Calendar.

67. Shorelines (S. 543): Passed August 28.

68. SEC: Reorganization (S. 2135): Passed September 1.

69. Wilderness bill (S. 174): Passed September 6.

70. Air pollution control study: Extended to June 30, 1966 (S. 455). Passed September 20.

71. Educational TV (S. 205): Passed March 21. (H.R. 132, House companion on House Calendar.)

72. Commerce: Additional Assistant Secretary (S. 1456). Passed May 26—H.R. 6360, House companion on House Calendar.

IN CONFERENCE

73. Refugee resettlement (H.R. 8291).

74. Compensation: Increased rates for disabled service-connected veterans (H.R. 856).

HOUSE CALENDAR

75. Postal rates: Increase (H.R. 7927).

PASSED HOUSE

76. Conflicts of interest (H.R. 8140): Passed August 7.

COMMITTEE ACTION

77. Water Resources Planning Act (S. 2246, H.R. 8177). Hearings concluded August 16. (H.J. Res. 225, Delaware River compact, partial enactment of this request.)

78. Constitutional amendment outlawing poll tax (S.J. Res. 81, H.J. Res. 404): Senate and House held hearings.

ACTION POSTPONED UNTIL NEXT YEAR

*79. Aid to medical education and research (S. 1072): Senate Labor has completed hearings but the House committee did not take any action.

*80. Aged: Health care for aged (S. 909, H.R. 4222). House must act first.

81. Tax revisions: House Ways and Means concluded hearings. House must act first.

82. Department of Urban Affairs (S. 1633): Senate Calendar.

83. Youth Corps: Youth employment opportunities and Youth Corps (S. 404). Senate Calendar.

84. Pension Plans Disclosures Act Amendments (S. 2520): Senate Calendar. (H.R. 8723, House failed to suspend rules, 245–161, so Senate action was postponed to next year.)

*85. Higher education (S. 1241): Senate Calendar. Action postponed, however, due to the fact that the Rules Committee of the House killed the House bill.

Summary of legislative record

SENATE ACTIVITY

	82d 1st	83d 1st	84th 1st	85th 1st	86th 1st	87th 1st
	Jan. 3–Oct. 20	Jan. 3–Aug. 3	Jan. 3–Aug. 2	Jan. 3–Aug. 30	Jan. 7–Sept. 15	Jan. 3–Sept. 27
Days in session	172	125	105	133	140	146
Hours in session	996:46	763:35	559:41	860:44	1009:48	1005:00
Total measures passed by Senate	1,060	848	1,325	1,210	1,052	1,133
Senate bills	411	342	574	612	434	459
House bills	429	320	566	346	375	433
Senate joint resolutions	14	22	22	22	21	25
House joint resolutions	29	21	20	54	32	27
Senate concurrent resolutions	23	25	25	24	34	23
House concurrent resolutions	19	14	21	28	24	23
Senate resolutions	135	104	97	124	132	143
Public laws	255	288	390	316	383	401
Confirmations	26,069	23,420	39,897	44,620	43,567	48,962

DIGEST OF LEGISLATION PASSED BY THE U.S. SENATE

AGRICULTURE

Agriculture Act of 1961

S. 1643: Public Law 87–128, approved August 9, 1961:

This measure, as enacted into law, extends numerous important agricultural programs such as the Great Plains conservation program, the Wool Act, and Public Law 480; it contains wheat and feed grain programs for 1962; consolidated and simplified the agricultural credit laws administered by the Farmers Home Administration; and provided for advisory consultations with farmers in developing future agricultural programs.

The major provisions are:

TITLE I—SUPPLY ADJUSTMENT AND PRICE STABILIZATION

1. Consultation on agricultural programs: Authorized the Secretary of Agriculture to consult with farmers, farm or commodity organizations, and other interested groups in developing new or revising existing agricultural programs involving supply adjustments or marketing regulations through marketing orders, quotas, or price supports. The advisory recommendations accepted would be incorporated in proposals to be submitted to Congress.

2. 1962 wheat program: Required, as a condition for price supports, a mandatory 10-percent cut in wheat acreage allotments, with a 45-percent payment in cash or kind for diverting the 10-percent cut to soil conserving uses. Authorized an additional voluntary 30-percent diversion with payments in cash or kind of 60 percent. Any producer can divert up to the larger of (1) 40 percent of his allotment or (2) the smaller of 10 acres or the highest planted acreage of wheat in 1959, 1960, or 1961, whichever is greater. Permits advances of 50 percent to any participating producer.

Increased the farm marketing excess (the amount subject to penalty) and increased the penalty from 45 percent to 65 percent of parity.

Reduced the 15-acre exemption to 13½ acres, or the highest acreage planted for harvest in 1959, 1960, or 1961, whichever is smaller.

Repealed permanently the 200-bushel exemption from marketing quotas.

Authorized the Secretary to increase durum wheat acreage allotments if necessary to meet demand requirements—3-year program beginning with 1962.

3. Feed grain program: Required, as a condition of eligibility for price support, that the producer divert 20 percent of his corn, grain sorghum, or barley acreage to conserving uses in return for a 50-percent payment in cash or kind.

Authorized an additional 20-percent reduction in corn, grain sorghum, or barley acreage, with a 60-percent in-kind payment.

Authorized the producers to plant castor beans, safflower, sunflower, sesame, or guarbeans on diverted acreage in lieu of payment.

Provided exemption of malting barley from the feed grain diversion program up to 110 percent of their average 1959–60 barley acreage.

Permitted the Secretary to limit participation in the feed grain program for 1962 if he determines such was necessary because of an emergency created by a drought or other disaster or to prevent or alleviate a shortage in the commodity.

4. Marketing orders: Expands eligibility list for marketing orders to include cherries or cranberries for canning or freezing; lambs, turkeys, peanuts (but no peanut products), apples produced in Michigan, New York, New England, Maryland, New Jersey, Indiana, and California; and all other commodities not now covered except honey, cotton, rice, wheat, corn, grain sorghum, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock, soybeans, cottonseed, flaxseed, poultry (other than turkeys), eggs (other than turkey hatching eggs), fruits and vegetables for canning or freezing (other than those specifically covered), and apples (other than those specifically covered).

Prohibits the importation of oranges, onions, walnuts, and dates (other than dates for processing) which do not meet the grade, size, quality, or maturity requirements of orders applicable to the domestic commodities. At present, this restriction applies only to tomatoes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, and eggplants.

5. Wool Act: Extended the National Wool Act for 4 years through March 31, 1966.

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

Extended Public Law 480, the Agricultural Trade Development Act, through December 31, 1964—a 3-year extension.

Provided title I authority of $4.5 billion for 3 years, 1962 through 1964, with a limit of $2.5 billion in any one year (oversea surplus commodity sales).

Authorized the use of foreign currencies for dollar sales to American tourists.

Required 5 percent of the proceeds of title I sales in each year to be set aside in amounts and kinds of foreign currencies specified by the Secretary of Agriculture for agricultural market development and required such amount of sale and loan proceeds as the Secretary determines necessary, but not less than 2 percent, to be convertible into currencies of other foreign nations for market development activities in countries which are or may become dollar markets.

Continued present limitation of $300 million, plus carryovers, in surplus commodities for emergency disaster relief abroad and economic development (title II).

TITLE III—AGRICULTURAL CREDIT

Consolidated and simplified the authorities administered by the Farmers Home Administration for real estate, operating, emergency, and water facilities' loans.

Provided a $60,000 indebtedness limit on Farmers Home Administration farm real estate loans.

Limited indebtedness of associations for soil and water conservation loans to $500,000 in direct loans, and $1 million in insured loans.

Provided for a $35,000 indebtedness limit on operating loans.

Authorized loans to soil conservation districts for purchase of conservation equipment.

Authorized emergency loans in areas suffering from natural disaster.

TITLE IV—GENERAL

Extended the period for making Great Plains conservation program contracts to December 31, 1971.

Extended school milk program through June 30, 1967, to be paid by direct appropriations.

Extended Veterans' Administration and armed services milk program through December 31, 1964.

Agricultural trade—Authorization increases

S. 1027: Public Law 87–28, approved May 4, 1961:

Authorizes a $2 billion increase in title I authority of Public Law 480, making a total of $3.5 billion, plus any unused authority carried over from 1960.

Title authorizes the President to enter into agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies, which are then used for a number of purposes for the benefit of the United States and the purchasing country.

The total authorization available for calendar year 1961 was $1.5 billion, plus $335 million, carried over from calendar year 1960, which had been committed.

Agricultural trade development—Title II extension

S. 1720: Public Law 87–92, approved July 20, 1961:

This measure continues the authority contained in title II of Public Law 480, by repealing section 601(a)(2) of the Mutual Security Act of 1960, which limited to June 30, 1961, the authority of the administration to continue and expand the use of our agricultural abundance in helping needy people in the less developed countries

through development programs which are not feasible under title I of Public Law 480.

Under title II, food can be used or payment of wages-in-kind for labor intensive projects such as soil conservation dams, irrigation, and drainage canals, wells, roads, and other similar activities, which will relieve hunger and unemployment and, at the same time, contribute to the economic development of the recipient country.

Amendments to farm credit laws

S. 1927: Public Law 87-343, approved October 3, 1961:

Amends the farm credit laws: (1) Permits installment payments on Federal credit banks to be scheduled more frequently than semiannually if desirable to the borrower because of his income pattern. (2) Permits loans to be made to corporations, set up by farming families; now loans can be extended only to "persons." (3) Extends from 5 to 7 years the permissible maturity of intermediate-term loans. (4) Requires in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans; any more that might be contributed past the 3½ percent would be accepted. (5) Combines the revolving funds of the production credit association, which hasn't a demand for all its funds, and the intermediate credit bank, which has need for more funds. (6) Provides for the liquidation of any assets of any cooperative association in a bank when that cooperative might disband.

Animal quarantine

S. 860: Passed Senate July 25, 1961. Pending in House Agriculture Committee:

In order to strengthen the animal quarantine laws and close a number of gaps and loopholes, this measure increases seizure authority of the Department of Agriculture; clarifies the Department's authority to restrict imports; increases authority for inspection and for sanitary regulations; and provides for injunctive authority.

Cotton farmers

H.R. 7030—Public Law 87-37, approved May 20, 1961:

An emergency measure to bring relief to cotton farmers whose land has been unplantable because of recent floods, or whose plantings have been washed out. Thousands of acres of cotton land are under water or are so wet that farmers cannot plant them. Thus, this bill will permit those farmers to transfer their acreage allotment to another farm within the county or in an adjoining county where they can plant on higher ground.

Disaster area lands

S. 2113—Public Law 87-62, approved June 29, 1961:

Authorizes the Department of Agriculture, for a 1-year period following enactment, to permit hay to be harvested from conservation reserve acreage where necessary to alleviate hardship caused by drought or other natural disaster. To be eligible for such relief, the Governor of the State must certify and the Secretary of Agriculture must determine the need.

Drought relief

S. 2197: Public Law 87-127, approved August 7, 1961:

To relieve the drought stricken farmer, Congress enacted a 1-year emergency program authorizing sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price support levels.

The act also permits grazing of livestock on grasslands idled by the soil bank and other conservation programs, or moving of hay on these lands in or near drought areas.

Emergency feed for wildlife

S. 614: Public Law 87-152, approved August 17, 1961:

Authorizes the use of surplus grain (from CCC) by the States for emergency use (to prevent starvation) in feeding resident game birds and other wildlife.

Farm operating loans

H.R. 1822: Public Law 87-8, approved March 29, 1961:

To help meet the rapidly and substantially increased cost of farming, this measure amends the Bankhead-Jones Farm Tenant Act to provide a 15-percent increase in the amount of funds which may be used for making operating loans to borrowers whose operating loan indebtedness exceeds $10,000.

The present ceiling of 10 percent was exhausted by March 1 of this year.

Feed grains program

H.R. 4510: Public Law 87-5, approved March 22, 1961:

By an overwhelming majority, the Congress passed a 1-year emergency price support for the 1961 crop of corn at $1.20 per bushel with the other feed grains to be supported at fair and reasonable levels in relation to corn; support to be conditioned on retirement of 20 percent of feed grain producing acreage.

The primary purposes of the measure are to raise incomes of feed grain producers and to reduce the mounting surpluses of feed grains in Government hands.

In order to receive the $1.20 price support provided by the bill, the producer must retire 20 percent of his feed grain producing acreage. If he chooses to do so, he may retire an additional 20 percent. Payment for the first 20-percent acreage reduction will be in cash or kind; payment for the additional 20-percent reduction will be in kind. The level of payment for the first 20-percent retirement will be based on 50 percent of what he might have grown on the retired acreage; for the second 20 percent, on 60 percent of what he might have grown on the additional acreage retired.

In lieu of the unlimited authority, given the Secretary by the House bill, to dispose of grain in Government stocks at less than market prices, the conference report provides that payments in kind are to be made in negotiable certificates created under the payment-in-kind program. Other Government stocks moving into the market will continue to be subject to existing law, which provides for sale at not less than 105 percent of the support price, plus carrying charges.

It is anticipated that the program, with at least 70 percent participation, will result in the production of from 500 to 700 million bushels less than were produced last year. Government storage facilities are now severely taxed to provide for existing surpluses. The current program provides supports of about $1.05 per bushel, with no acreage retirement condition.

Hog cholera—Eradication

S. 1908: Public Law 87-209, approved September 6, 1961:

Establishes a national hog cholera eradication program under the direction of the Secretary of Agriculture to restrict the interstate movement of hog cholera virus. Also directs the Secretary to establish an advisory committee of 12 members with a member of the Department as chairman. The committee will help determine the plans of the eradication program and help carry out the program.

Livestock loans—Temporary

S. 1710: Public Law 87-106, approved July 26, 1961:

Extends temporarily until December 31, 1961, the authorization of the Secretary of Agriculture to make emergency loans to established livestock owners who, due to drought, increased production costs, and lowered prices for their products, are forced to seek assistance. The authorization is due to expire July 14, 1961. It is included in the administration's agriculture bill (S. 1643) but due to the fact that this bill has not yet been acted upon the Secretary of Agriculture feels this measure important enough for action as a separate bill to cover the existing emergency until the omnibus bill is completed.

Mexican farm labor program

H.R. 2010: Public Law 87-345, approved October 3, 1961:

Extended the Mexican farm labor program for 2 years until December 31, 1963, and amended the act to (1) require that employers reimburse the United States up to $15 maximum for essential expenses of the program, except salaries and expenses of personnel engaged in compliance activities; (2) prohibit Mexican workers from being made available in any area unless reasonable efforts have been made to attract domestic workers at wages, standard hours of work, and working conditions comparable to those offered to foreign workers; (3) prohibit any employer of Mexican labor from using these workers in other than temporary or seasonal occupations and from operating or maintaining power-driven, self-propelled harvesting, planting or cultivating machinery, except in specific cases to avoid undue hardship; (4) prohibit Mexican workers from engaging in some processing activities.

Perishable agricultural commodities—Amendments

S. 1037: Passed Senate September 1, 1961. Pending in House Agriculture Committee:

This measure amends the Perishable Agricultural Commodities Act to:

Improve and clarify provisions dealing with the eligibility for license, or for employment by licensees, of persons guilty of specified acts and persons affiliated with them;

Authorize an increase in license fees from $25 a year to a rate not to exceed $50, except retail dealers and brokers of frozen fruit and vegetables may not be increased beyond the $25;

Eliminate the Export Apple and Pear Act from the acts administered with license fees received under the Perishable Agricultural Commodities Act; and authorize appropriations to carry out the Export Apple and Pear Act;

Regulate the use of trade names by licensees to prevent deception;

Provide that opportunity for an oral hearing need not be provided in reparation cases unless the amount in dispute exceeds $1,500, instead of $500;

Make it clear that in an appeal from a reparation order, bond must be filed within 30 days after entry of the order and require that the bond be in cash, negotiable securities, or the undertaking of a recognized surety company; and

Defer license suspension in case of appeal until all judicial appeals have ended.

Special milk program—Extension

S. 146: Public Law 87-67, approved June 30, 1961:

This bill extends the special milk program for children 1 year until June 30, 1962, and authorizes $105 million of Commodity Credit Corporation funds to carry out the program.

The program, which has been in effect since 1954, authorizes the Department to reimburse schools participating in the school lunch program at the rate of 4 cents per half pint in excess of the half pint provided in the lunch. Other schools are reimbursed at the rate of 3 cents per half pint, and child care institutions at the rate of 2 cents per half pint. At present there are about 85,500 schools and other institutions participating in the program.

Sugar Act extension

H.R. 5463: Public Law 87–15, approved March 31, 1961:

This measure continues the President's authority to establish the sugar quota for Cuba through June 30, 1962, at a level found to be in the national interest but, in no event, in excess of the Cuban quota under the basic quota system of the Sugar Act.

It gives special consideration to Western Hemisphere countries and to those countries purchasing U.S. agricultural commodities when additional purchases are made from foreign nations without regard to allocations.

The President's authority is continued to obtain refined sugar if raw sugar is not reasonably available.

If the President sets the Cuban quota at less than its basic quota, the amount of the reductions are to be distributed as follows:

(1) An amount equivalent to Cuba's share in any domestic area production deficit may be assigned exclusively to other domestic areas; and then

(2) To five nations whose quotas have been between 3,000 and 10,000 tons, a sufficient quantity of sugar to bring each up to 10,000 tons These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then

(3) To the Republic of the Philippines 15 percent of the remainder; and then

(4) To other countries having quotas under the act (except those five nations mentioned in (2) above) the remaining 85 percent in amounts prorated according to the basic quotas established by the act, "except that any amounts which would be purchased from any country with which the United States is not in diplomatic relations need not be purchased"; and then

(5) If additional amounts of sugar are needed, purchases may be made from any other foreign nation without regard to allocations, but with consideration given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities.

Surplus food—College home economics

S. 1873: Public Law 87–179, approved August 30, 1961:

Amends the act which permits surplus agricultural and dairy products to be supplied to certain authorized high schools for use in home economics classes. It proposes that this authorization be extended to college students if they also use the same facilities and instructors that are now in use in the high schools.

Tobacco allotments—Transfers

H.R. 1022: Public Law 87–200, approved September 6, 1961:

Permits tobacco farmers who have agreed to limit their production to lease or transfer up to 5 acres of land for 1-year periods, during 1962 and 1963, to another farmer who produces the same kind of tobacco. Farmers having small allotments find that in some years planting would be uneconomical. The crop produced from the leased lands would be considered as coming from the farm from which the allotment is transferred.

APPROPRIATIONS

Table of appropriation bills, 87th Cong., 1st sess., including indefinites

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase or decrease compared to budget estimates	Public laws
			House	Senate			
	1961 SUPPLEMENTALS						
H.R. 5188	3d supplemental	$5,275,213,127	$803,506,119	$4,637,419,970	$1,694,055,637	−$3,581,157,490	87–14
H.R. 6518	Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000		87–41
H.R. 7712	4th supplemental	88,024,000	47,214,000	47,214,000	47,214,000	−40,810,000	87–74
	Total, 1961 supplementals	5,963,237,127	1,450,720,119	5,284,633,970	2,341,269,637	−3,621,967,490	
	1962 APPROPRIATIONS						
H.R. 5554	Treasury-Post Office	5,371,801,000	5,291,865,000	5,327,631,000	5,298,765,000	−73,036,000	87–159
H.R. 6345	Interior	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350	87,122
H.R. 7035	Labor-HEW	5,004,281,081	4,327,457,000	5,161,380,000	4,915,965,000	−88,316,081	87–290
H.R. 7208	Legislative	136,082,802	104,353,335	135,432,065	135,432,065	−650,737	87–130
H.R. 7371	State, Justice, judiciary	795,891,202	751,300,050	762,038,550	756,422,550	−39,468,652	87–264
H.R. 7444	Agriculture	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	−121,749,500	87–112
	Loan authorizations	(612,000,000)	(629,900,000)	(725,500,000)	(725,500,000)	(+113,500,000)	
H.R. 7445	Independent offices	9,174,561,000	8,404,098,000	9,098,769,500	8,966,285,000	−208,276,000	87–141
H.R. 7577	General Government-Commerce	666,278,000	626,958,000	650,438,200	641,135,800	−25,142,200	87–125
H.R. 7851	Defense	46,396,945,000	42,711,105,000	46,848,292,000	46,662,556,000	+265,611,000	87–144
H.R. 8072	District of Columbia	(292,827,398)	(268,122,400)	(270,438,360)	(270,067,897)	−(22,759,501)	87–265
	Loan authorization	(24,600,000)	(29,000,000)	(29,000,000)	(29,000,000)	(+4,400,000)	
	Federal payment	39,753,000	32,753,000	32,753,000	32,753,000	−7,000,000	
H.R. 8302	Military construction	1,047,568,000	883,359,000	1,020,146,750	951,690,750	−95,877,250	87–302
H.R. 9033	Foreign assistance	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000	87–329
H.R. 9076	Public works	4,000,788,000	3,662,701,380	3,940,926,880	3,908,880,980	−91,907,020	87–330
H.R. 9169	Supplemental	1,134,639,841	573,040,923	1,068,503,903	1,125,333,341	−9,306,500	87–332
	Total, 1962 appropriations	85,634,210,926	77,896,020,688	85,243,260,198	84,265,217,636	−1,368,993,290	
	Total, all appropriations	91,597,448,053	79,346,740,807	90,527,894,168	86,606,487,273	−4,990,960,780	
	Total, loan authorizations	636,600,000	658,900,000	754,500,000	754,500,000	+117,900,000	

AVIATION

Aircraft accident claims

H.R. 7934: Public Law 87–212, approved September 8, 1961:

Authorizes immediate payment of not more than $1,000 to anyone who might suffer injury or personal damages as a result of an accident involving military aircraft or missiles. As a result of such accidents there may be urgent need to, for example, buy food and secure lodgings. Payments that might be made are not admission by the Government of liability; however, accidents involving missiles or aircraft are usually a clear case of liability.

Crimes on aircraft

S. 2268: Public Law 87–197, approved September 5, 1961:

This bill is designed to combat recent aircraft hijacking by applying Federal criminal law to crimes committed on aircraft in air commerce. These incidents have focused attention on the need for additional laws covering such crimes. There are Federal laws as well as State laws which are now applicable in many instances; however, few specifically meet the unique problems including the venue problem, which arise while aircraft are in flight. This measure fills the gaps by making criminal certain acts of violence which, if committed within the special maritime and territorial jurisdiction of the United States, would be crimes as defined by sections 113, 114, 111–13, 1363, or 2111 of title 18, United States Code, if committed on board an aircraft in flight in air commerce. Included are varying degrees of murder, manslaughter, attempt to commit murder or manslaughter, malicious destruction of property, and robbery.

Any person who obtains or attempts to obtain control of an aircraft by unlawful force or threat of force will be subject to a fine of not more than $10,000 or imprisoned for not more than 20 years, or both. If the act was committed with the use of a dangerous weapon, imprisonment may be for life but not less than 20 years, or by death if the jury so directs. One who assaults, intimidates, or threatens to interfere with a flight crew member in a way as to interfere with his duties to safely operate the aircraft will be subject to a fine of up to $10,000 or imprisonment for not more than 20 years, or both. If a deadly or dangerous weapon is used, the penalty may be imprisonment for life but not less than 20 years.

An act which constitutes the crime of piracy if committed aboard a vessel on the high seas will constitute a crime if committed aboard an aircraft in flight in air commerce, punishable by imprisonment for life or for not less than 20 years, or by death if the jury so directs. This amendment to the Federal Aviation Act defines aircraft piracy to mean any seizure or exercise of control by force or violence or threat of force or violence, and with wrongful intent, of an aircraft in flight in air commerce.

To knowingly impart or convey false information concerning an attempt or alleged attempt to unlawfully obtain control of an aircraft, to interfere with a flight crew member, or to commit piracy will be subject to a fine up to $1,000 or imprisonment up to 1 year, or both.

With the exception of any municipal, county, or State government, or the Federal Government, and others who may be au-

thorized under appropriate regulations issued by the Federal Aviation Agency, any person who, while aboard an aircraft operated by an air carrier in air transportation, carries on or about his person a concealed deadly or dangerous weapon or attempts to board an aircraft with such a weapon will be subject to a fine of up to $5,000 and imprisonment up to 5 years, or both.

All violations mentioned above will be subject to investigation by the FBI.

Venue: The trial of any offense under this act will be in the district in which the offense is committed; or, if the offense is committed out of the jurisdiction of any particular State or district, the trial will be in the district where the offender, or any one of two or more joint offenders, is arrested or is first brought. If the offender or offenders are not arrested or brought into any district, an indictment or information may be filed in the district of the last known residence of the offender or of any one of two or more joint offenders, or if no residence is known the indictment or information may be filed in the District of Columbia. Whenever the offense is begun in one jurisdiction and completed in another, or committed in more than one jurisdiction, it may be dealt with, inquired of, tried, determined, and punished in any jurisdiction in which the offense was begun, continued, or completed, in the same manner as if the offense had been actually and wholly committed therein.

The Administrator of FAA can authorize any air carrier to refuse transportation to a passenger or to transport property when, in the opinion of the carrier, it might prove inimical to safety in flight.

Federal Airport Act extension

H.R. 6102: Public Law 87-255, approved September 20, 1961:

Extends the Federal Airport Act for 3 years, to June 30, 1964, and authorizes a total of $225 million, with $75 million to become available for obligation each year.

Earmarks $7 million a year for the development of airports, to provide separate facilities for general aviation and thus relieve congestion at airports. Federal participation in constructing terminal buildings is restricted to costs directly related to the safety of persons at the airport.

Prohibits the approval of any project which does not include provision for installing certain specified landing aids such as high-intensity runway lighting as determined by the Administrator to be required for safe and efficient handling of traffic at the particular airport. Increased the Federal share of the installation of such aids from 50 percent to a maximum of 75 percent.

Provides that funds allocated to a State under the apportionment formula which are not obligated within 2 fiscal years shall become available for use in any State, at the discretion of the Administrator.

Requires publication by January 1 each year of the proposed program for airport development during the next fiscal year.

Amends the Federal Aviation Act to authorize various departments of the Federal Government to pay for space in public airports necessary in the performance of their duties.

Meteorology research

S. 681: Passed Senate Februray 16, 1961; returned to Senate February 23, 1961—Reconsideration motion pending:

This measure is designed to remove any doubt as to the Weather Bureau's existing authority to enter into research contracts for other than air navigational problems with public and private agencies (such as universities), thus permitting research contracts in all areas of meteorological science.

The specific authority under section 3 of the Federal Aviation Act authorizing the Weather Bureau to enter into these contracts has, upon occasion, been strictly construed as requiring a direct relationship to aeronautics and, though most of them do, this relationship is not always apparent; consequently, statutory questions have arisen. Thus, this measure clarifies the Bureau's authority to take advantage of highly specialized research facilities such as those found in universities.

In addition, this measure, at the discretion of the Chief of Bureau, authorizes the use of public funds for telephone services in private residences in isolated areas to carry into effect the basic enabling laws authorizing collection and distribution of information on weather conditions throughout the United States. In these semi-isolated or isolated locations, the Weather Bureau field facilities are not open on a 24-hour basis thus there must be some other means of contacting these isolated employees so they can post and disseminate storm warnings and other urgent information to the public.

Naval aviation—Golden anniversary

House Joint Resolution 398: Public Law 87-43, approved May 27, 1961:

In commemorating the 50th anniversary of naval aviation, to be celebrated June 6 through June 11, 1961, in Pensacola, Fla., this resolution authorizes the Secretary of Treasury to design and manufacture a galvano, for use as a plaque, to be presented to the Secretary of the Navy on this occasion.

Naval aviation has significantly contributed to the defense of the United States and through its training programs for friendly governments has contributed to the defense of the free world. This celebration will contribute greatly to the educational and cultural welfare and to the defense of the people of the United States by highlighting the great traditions of naval aviation.

Presentation to Maj. Gen. Benjamin D. Foulois, retired

Senate Joint Resolution 108—Passed Senate August 21, 1961. Pending in House Armed Services Committee:

Presents the Distinguished Flying Cross to Major General Foulois, U.S. Air Force, retired. He was in charge of the first airplane owned and used by the Army, commanded the first aero squadron to Mexico in 1915, served as Chief of the Air Service of the American Expeditionary Forces in France in World War I and was Chief of the Air Corps from 1931 until his retirement in 1935.

Special meteorological services

S. 680—Passed Senate June 29, 1951. Pending in House Interstate and Foreign Commerce Committee:

This bill authorizes the Secretary of Commerce to conduct certain meteorological services in cooperation with or at the request of States, counties, cities, or other local government units, private organizations, or individuals. Authority is granted for the Secretary to receive payment of the cost of such work or services, in whole or in part, from the government units, private organizations, or individuals in whose behalf the work or study was made. Such payments may be in funds or property or both. Requires that all funds received are to be deposited in a separate account in the Treasury for use in paying the costs of such work or services, for making refunds, or for crediting appropriations from which the cost of such work or service may have been paid.

Although the bill authorizes payment for the work or service, whether or not it is required is discretionary with the Secretary.

Supplemental air carriers

S. 1969: Passed Senate August 28, 1961. Passed House amended September 18, 1961:

This measure provides a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. It provides that a carrier may request and be authorized to perform limited services supplemental to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized. The bill would:

Grant statutory interim operating rights, in the nature of temporary "grandfather" rights, to existing holders of supplemental air carrier certificates who have performed a portion of the service authorized by their present certificates.

Make clear that a supplemental certificate is primarily a certificate for charter service and provide that the Board may, when the public convenience and necessity require, also authorize individually ticketed service.

Make clear that supplemental air carriers are not eligible for subsidy payments.

Permit the Board to issue a special operating authorization for temporary service between particular points during periods when regular service is inadequate.

Permit the Board to impose civil penalties for violations of title IV of the act relating to economic regulations.

Amend the Federal Aviation Act to provide for a statutory definition of charter service.

Make clear that a regularly certificated carrier cannot also be certificated as a supplemental carrier.

Enable the Board to make a determination of fitness based upon considerations peculiar to the type of supplemental transportation for which authority is sought.

This legislation was requested by the Civil Aeronautics Board as a result of the decision of the U.S. Court of Appeals for the District against Civil Aeronautics Board, which determined that the Board lacked authority under existing law to issue limited certificates.

War risk insurance extension

S. 1931: Public Law 87-89, approved July 20, 1961:

Extends for 5 years until 1966 title XIII of the Federal Aviation Act of 1958, which provides that in the event of war the Nation's civil air fleet would have adequate insurance coverage for war risks. Commercial aviation war risk policies are issued with automatic termination clauses in the event of outbreak of a major war.

Wright Brothers Day

House Joint Resolution 109: Public Law 87-291, approved September 22, 1961:

Gives the President the authority to designate December 17 of each year as Wright Brothers Day in commemoration of the first successful airplane flight by Orville and Wilbur Wright on December 17, 1903.

COMMUNICATIONS

American Samoa radio licenses

S. 1589: Passed Senate July 25, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill authorizes the Federal Communications Commission to issue radio operator licenses to natives of American Samoa who are nationals of the United States and owe allegiance to it, but to whom full citizenship has not been extended.

Under existing law the FCC may issue radio operator licenses only to citizens of the United States and in certain cases to foreign nationals in the field of aviation.

Communication facilities—protection

S. 1990: Public Law 87-306, approved September 26, 1961:

Amends section 1362 of title 18 of the United States Code as a further protection of the internal security of the United States by providing penalties for malicious damage to certain communication facilities.

The amendment provides that whoever willfully or maliciously injures or destroys any of the works, property, or material of any radio, telegraph, telephone or cable, line station, or system, or other means of communication, operated or controlled by the United States, or used or intended to be used for military or civil defense functions of the United States whether constructed or in process of construction, or willfully or maliciously interferes in any way with the working or use of any such line, or system, or willfully or maliciously obstructs, hinders, or delays the transmission of any communication over any line, or system, will be fined up to $10,000 or imprisoned for not more than 10 years, or both.

In the case of any works, property, or material, not operated or controlled by the United States, however, this section does not apply to any lawful strike activity, or other lawful concerted activities for the purposes of collective bargaining or other mutual aid and protection which do not injure or destroy any line or system used or intended to be used for the military or civil defense functions of the United States.

Federal Communications Act—Amendment

S. 1288: Passed Senate April 28, 1961. Pending in House Interstate and Foreign Commerce Committee:

Permits the Federal Communications Commission in certain situations to waive the annual inspection required under the statutory provision for a period not to exceed 30 days, upon a finding that the public interest would be served.

Under the present act, every ship of the United States must have the equipment and apparatus inspected at least once each year by the Commission, and there is no flexibility beyond the expiration of a 12-month period. In certain cases this creates a hardship on commercial vessels returning to the United States from extended foreign voyages. The ship radio station must be inspected at the first port of call rather than at a port selected by the shipowner for reasons of economic and operational convenience. Thus, this additional 30 days will provide the flexibility considered necessary and desirable.

Telecasting of professional sports contests

H.R. 9096: Public Law 87-331, approved September 30, 1961:

Authorizes the member clubs of a professional football, baseball, basketball, or hockey league, to pool their separate rights in the sponsored telecasting of their games and to permit the league to sell the resulting package of pooled rights to a television network without violating the antitrust laws. It also provides that such package contracts cannot be used to impair college football gates receipts through network telecasts of professional football contests at times when college games are normally played.

CRIME

Agency or department investigations

S. 1665: Passed Senate July 28, 1961. Pending in House Judiciary Committee:

Prohibits, subject to a fine of not more than $5,000 or imprisonment of not more than 5 years, or both, the obstruction of any lawful inquiry or investigation by the Department of Justice or the Department of the Treasury, and prohibits injury to any person on account of his furnishing or having furnished information in connection with any inquiry.

This will aid in protecting any witnesses who give necessary testimony prior to court proceedings from intimidation or coercion, a protection not now provided under the law.

Bad check offenses

H.R. 7657: Public Law 87-385, approved October 4, 1961:

Amends the Uniform Code of Military Justice by adding section 923a which would make specific the terms of the authority for prosecution of bad check offenses, thus creating a specific statutory authority for such a prosecution against members of the Armed Forces. None of the statutes under which violations are now prosecuted are entirely appropriate due to numerous technical problems in pleading or proving any bad check case.

Escape of juvenile delinquents

S. 1954: Passed Senate September 19, 1961. Pending in House Judiciary Committee:

Imposes a fine of $1,000 or 1 year in prison, or both, as a penalty for a juvenile delinquent under 18 who escapes or attempts to escape from the custody of the Attorney General or his authorized representative for violation of any law not punishable by death or life imprisonment and if the Attorney General has not specifically directed the institution of criminal proceedings.

Espionage laws—Extension

H.R. 2730: Public Law 87-369, approved October 4, 1961:

Deletes section 791 of title 18 of the United States Code, which has the inadvertent effect of limiting venue relative to acts of espionage and censorship, to acts committed in the United States or within the admiralty and maritime jurisdiction of the United States. By repealing this section, venue will be extended worldwide as to citizens of the United States committing these acts.

False bomb information

H.R. 6334: Public Law 87-338, approved October 3, 1961:

Strengthens the present law on imparting false bomb information by making it a misdemeanor knowingly (but without malice) to impart or convey such false information, and by making it a felony to convey such false information willfully and maliciously or with a reckless disregard for human life.

Federal Youth Corrections Act

H.R. 5343: Public Law 87-336, approved October 3, 1961:

The purpose of this bill is to correct an existing inconsistency in the Federal Youth Corrections Act. At present a youth offender who has been committed or incarcerated is entitled, on discharge, to have his conviction set aside. However, a youth offender who is not committed but instead is placed on probation by the court is not entitled to this benefit. This bill now makes available to a youth offender placed on probation the same benefits as the youth offender who has been committed to a correctional institution.

Fugitive Felon Act

H.R. 468—Public Law 87-368, approved October 4, 1961:

To combat organized crime and racketeering, this bill amends the Fugitive Felon Act to bring within its scope any fugitive who travels in interstate or foreign commerce to avoid prosecution, or custody or confinement after conviction, for any crime or an attempt to commit any crime, punishable by death or imprisonment for a term of more than 1 year under the laws of the place from which the fugitive fled.

Gambling devices

S. 1658—Passed July 28, 1961. Pending in House Interstate and Foreign Commerce Committee:

Broadens the definition of gambling devices to cover additional types of machines (other than those defined under present law) manufactured for gambling purposes. Requires detailed records be maintained with respect to the acquisition and disposition of gambling devices that might be shipped or intended to be shipped in interstate and foreign commerce.

An inventory record of all devices sold, delivered, or shipped must be kept and must be open at any time for inspection by agents of the Federal Bureau of Investigation.

Racketeering enterprises

S. 1653: Public Law 87-228, approved September 13, 1961:

Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities (business enterprises involving gambling, bootlegging, narcotics, or prostitution or investigations of narcotic or liquor law violations). Also prohibits the use of mails or interstate and foreign commerce transportation to those with the intent of committing any crime of violence to further any "unlawful activity" or who might otherwise promote or manage any "unlawful activity." The penalty for violation: $10,000 or 5 years in prison or both.

Testimony—Compulsion

S. 1655: Passed Senate July 28, 1961. Pending in House Judiciary Committee:

This bill authorizes compulsion of testimony and grants of immunity to witnesses in cases of graft, bribery, and extortion under the Taft-Hartley Act and the Hobbs Anti-racketeering Act.

Transmission of bets

S. 1656: Public Law 87-216, approved September 13, 1961:

Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gambling. Information carried for use of the press and wireless communication of information are not included. Any common carrier, subject to the jurisdiction of the FCC, must discontinue or refuse to lease, furnish, or maintain any such facility after being notified in writing by a Federal, State, or local law-enforcement agency that such services are being used for transmitting or receiving gambling information. The penalty for violation: $10,000 fine or 2 years imprisonment or both.

Wagering paraphernalia

S. 1657: Public Law 87-218, approved September 13, 1961:

Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers game or similar games carried by means other than common carrier in the usual course of its business (allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal). The penalty for violation: not more than $10,000 or imprisonment for not more than 5 years, or both.

DEFENSE

AEC authorization

H.R. 7576: Public Law 87-315, approved September 26, 1961:

Authorizes total appropriations of $270,440,000 for the Atomic Energy Commission. An important item included in this authorization is $111 million for the linear electron accelerator at Stanford and the balance is new construction funds for 40 AEC projects.

AEC—Omnibus amendments

H.R. 8599: Public Law 87-206, approved September 6, 1961:

This measure is considered as the AEC omnibus bill of 1961.

Amendments include (1) the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the IAEA as a center for distribution of special nuclear materials; (2) the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to help start an experimental plant for reprocessing fuel elements; (3) extends hearing times for the program, "Development, Growth, and State of the Atomic Energy Industry"; (4) makes regulations concerning patent rights of atomic inventions; (5) sanctions the AEC's practice of not releasing all of the reports of an inventor's atomic inventions unless due to special circumstances; (6) transfers back to the State of California exclusive jurisdiction which the United States now exercises over portions of the AEC Livermore site; and (7) permits, at the discretion of the Commission, those persons having security clearance granted by another Government agency to fulfill security specifications of the AEC.

Career Compensation Act—Clarification

H.R. 4324: Public Law 87–103, approved July 25, 1961:

Makes more uniform the language of the Career Compensation Act of 1949 regarding reenlistment within 3 months from the date of discharge. The law now uses both "90 days" and "3 months" which has caused confusion and overpayment of reenlistment bonuses of the extra days that occur because of 31-day months. The uniform term would be 3 months.

Coast Guard—Temporary appointments

H.R. 8719: Public Law 87–257, approved September 21, 1961:

Extends the authority of the President to make temporary appointments in the Coast Guard, until January 1, 1964, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law, whichever occurs earlier.

Emergency evacuation payments

H.R. 7724: Public Law 87–188, approved, August 30, 1961:

Authorizes advance payment of the basic pay of any member of the Armed Forces to a dependent who might be evacuated in an emergency from any oversea area. The advance pay would not be anything over and above the basic pay and could be drawn not to exceed 2 months in advance.

Enlistment of aliens

H.R. 181: Public Law 87–143, approved August 17, 1961:

This measure authorizes peacetime enlistments in the Army and the Air Force by persons who have been lawfully admitted to the United States for permanent residence.

Under existing law, in peacetime a person may not be accepted for original enlistment unless he is a citizen of the United States or has made a legal declaration of intention to become a citizen; however, section 4a of the Universal Military Training and Service Act provides for registration and induction into the Armed Forces of male aliens under certain conditions. Many of these aliens, after serving a part of their military obligation, would like to enlist and make a career in military service but, because of assignment overseas or other circumstances, they are unable to comply with the requirement that an alien must make a legal declaration of intention to become a citizen of the United States before he may be accepted for enlistment.

Thus, this bill eliminates the requirement that an alien must have made a legal declaration of his intention to become a citizen of the United States before he is eligible to enlist in the Army or the Air Force. And, in the future, the Army and the Air Force will permit persons to enlist who can furnish proof of lawful admission to the United States for permanent residence.

Family separation allowances

H.R. 6244: Public Law 87–207, approved September 6, 1961:

Relieves members or former members of the Armed Forces who, in good faith, received a family separation allowance between February 28 and September of 1958. The allowance was withdrawn after September because it was determined that the Defense Secretaries hadn't the authority to make them under existing law. The allowance was for servicemen who, because of inadequate living facilities or because dependents were not permitted, could not take their families to their assigned post and had to maintain two homes—one in the United States and one abroad. Those who accepted the allowance would not have to pay back the Government; those who have paid back any part of the allowance can request a refund from the Government.

Marine Corps supply officers

H.R. 4328—Public Law 87–123, approved August 3, 1961:

This bill eliminates the supply-duty-only officers category in the U.S. Marine Corps and authorizes their reassignment as officers not restricted in duty performance, to improve the combat effectiveness of the corps by providing for the expanded assignment of these officers whose skills lie primarily in the supply field.

Under existing law Marine Corps officers may be appointed as supply-duty-only officers in the grade of captain and above and, as a result, promotions for these officers is restricted to vacancies within this category.

This bill enables these officers to be reassigned on active duty lists of the Marine Corps (except the incumbent Quartermaster General) as officers not restricted in duty which will permit them to compete against unrestricted officers for promotion to the next higher grade.

Military construction authorization

H.R. 5000—Public Law 87–57, approved June 27, 1961:

This measure provides construction and other related authority for the Department of Defense, within and outside the United States, and authority for construction of facilities for the Reserve components, in the total amount of $893,947,750.

A breakdown of the authorizations:

Army:	
Inside continental United States	$76,918,000
Outside continental United States	37,243,000
Classified	6,245,000
Emergency construction	10,000,000
Total	130,406,000
Navy:	
Inside continental United States	79,239,000
Outside continental United States	8,136,000
Classified	40,969,000
Emergency construction	10,000,000
Total	138,344,000
Air Force:	
Inside continental United States	$146,868,000
Outside continental United States	32,293,000
Classified	285,300,000
Emergency construction	10,000,000
Total	474,461,000
Defense:	
Military family housing	8,650,000
Missile and space programs	27,000,000
Deficiency authorizations:	
Army	4,930,000
Navy	39,700,000
Air Force	3,359,000
Total	47,989,000
Reserve components:	
Army National Guard	22,682,750
Army Reserve	12,505,000
Naval and Marine Corps Reserves	7,794,000
Air National Guard	18,606,000
Air Force Reserve	4,865,000
Total	66,156,750
Deficiency authorizations:	
Army National Guard	28,000
Army Reserve	73,000
Naval Reserves	152,000
Air National Guard	363,000
Air Force Reserve	29,000
Total	645,000
Grand total of all authorizations	893,947,750

Military procurement authorization

S. 1852: Public Law 87–53, approved June 21, 1961:

This measure authorizes $12,571 million for the procurement of aircraft, missiles, and naval vessels for fiscal 1962. The specific types of aircraft, missiles, and naval vessels to be procured are not designated in the bill in order to provide the Defense Department with more flexibility in this program. In the event of reprograming, however, the Department will notify the Committees on Armed Services and Appropriations before implementing the proposed changes.

Pertinent breakdown:

Aircraft:	
Army	$211,000,000
Navy and Marine Corps	1,585,600,000
Air Force (of which $525,000,000 is authorized only for the procurement of long-range manned aircraft for the Strategic Air Command)	3,841,200,000
Missiles:	
Army	550,800,000
Navy	606,400,000
Marine Corps	27,000,000
Air Force	2,792,000,000
Naval vessels, Navy	2,957,000,000
Total	12,571,000,000

Military procurement authorizations—Additional

S. 2311—Public Law 87–118, approved August 3, 1961:

Authorized additional appropriations, as requested by the President on July 26, 1961, to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the

Navy and Air Force; to provide increased air and sea lift; and to expand our anti-submarine warfare program. The overall request for additional authorizations for the procurement of weapons, equipment, and ammunition was for $1,753 million; however, of this amount additional authorizations are required only for $958,570,000.

Summary of authorizations

Category and service	Appropriation title	Additional fiscal year 1962 NOA requiring authorization
Aircraft:		
Army	Procurement of equipment and missiles, Army	$36,700,000
Navy and Marine Corps	Procurement of aircraft and missiles, Navy	281,400,000
Air Force	Aircraft procurement, Air Force	(211,500,000)
	Airlift modernization, Air Force	(82,600,000)
Subtotal, aircraft		612,200,000
Missiles:		
Army	Procurement of equipment and missiles, Army	33,770,000
Navy	Procurement of aircraft and missiles, Navy	262,200,000
Marine Corps	Procurement, Marine Corps	
Air Force	Missile procurement, Air Force	8,800,000
Subtotal, missiles		304,770,000
Naval vessels: Navy	Shipbuilding and conversion, Navy	41,600,000
Grand total		958,570,000

Museum Advisory Board

H.R. 4659—Public Law 87-186, approved August 30, 1961:

Establishes a National Armed Forces Museum Advisory Board of the Smithsonian Institution of 11 members, 9 appointed by the President and the Secretary of the Smithsonian and Defense (ex officio). The members would serve without pay but would be reimbursed for necessary expenses. They would advise the Regents of the Smithsonian as to the portrayal of exhibits depicting the contributions which the Armed Forces have made—not only in matters in time of war but in those matters that provide a powerful deterrent to war.

National Guard

S. 1342—Public Law 87-83, approved July 6, 1961:

Permits members of the National Guard who voluntarily participate in reenacting the Battle of First Manassas to be treated for the purpose of death and burial benefits, physical disability retirement, and other benefits provided by Federal law as if they were performing training duty, with the exception of pay and allowances.

Transportation facilities will also be furnished by the Government.

Naval Reserve officers' status

H.R. 4349—Public Law 87-109, approved July 21, 1961:

Provides that the commissions received by Naval Reserve Officers' Training Corps graduates shall be considered to be of the same status as those received by U.S. Naval Academy graduates. In this same status a Reserve officer will also have to apply, as an Academy graduate must, to terminate his service. Now such an officer must petition if he desires to stay in the service. This requirement cuts down the eagerness of young officers to stay in the service and creates the impression that they are considered second-class officers.

Navy diving duty pay

H.R. 4323—Public Law 87-145, approved August 17, 1961:

This bill repeals existing law authorizing various forms of pay for personnel engaged in diving duty and establishes a maximum rate of $110 a month as special pay for military personnel performing diving duty. Under this bill, the Secretary of the Navy will establish a flat rate of $110 for all officers performing diving duty and a scale of from $55 to $100 a month for enlisted personnel depending upon skill and experience. At present, there are three separate types of pay now authorized for persons performing diving duty which will be repealed by this act.

Ready reservists

Senate Joint Resolution 120—Public Law 87-117, approved August 1, 1961:

Authorizes the President to order up 250,000 ready reservists to active duty for not longer than 12 months; part of the increased strength needed will be accomplished by added inductions, additional enlistments, and increased officer procurement. The President can also extend terms of enlistments and appointments where there might be a shortage of trained personnel in areas of critical need in the foreseeable future. The forces called will be those necessary to build up a balanced fighting unit; priority will be for persons who have not previously fought a war or served long periods of active duty and those whose occupation is not essential to maintain the national health, safety, or interest. As many troops as 250,000 may be called up under this authorization.

Reemployment rights—UMT

H.R. 8765—Public Law 87-391, approved October 4, 1961:

Amends the reemployment provisions of the Universal Military Training and Service Act to:

Reinforce the reemployment protection of those who perform additional military service under present conditions (250,000 reservists ordered to active duty under Public Law 87-117 of August 1, 1961).

Remove a requirement that rejectees must request a leave of absence from their employer to determine their physical fitness to enter the Armed Forces.

Assure those who are called for preinduction examinations and subsequently accepted or rejected are entitled to remain in their employment pending their induction or rejection.

Reserves—Participation

H.R. 5490: Public Law 87-378, approved October 4, 1961:

Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, for as the law now stands, service is either for 1 or 3 years.

Other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary in place of the required 6-month active duty requirement. Also includes penalty provisions for those who fail to actively participate during terms of service in either the Active Reserve or the National Guard.

Troop command

H.R. 7722: Public Law 87-142, approved August 17, 1961:

This act provides permissive authority for officers of the Army Medical Service to exercise command outside the Army Medical Service when directed by appropriate authority.

Under existing law, a commissioned officer of the Army Medical Service is not entitled to exercise command because of his rank except within the Army Medical Service.

This legislation will permit a qualified officer of the Medical Service Corps to be utilized on the same basis as officers of other technical services.

DISTRICT OF COLUMBIA

Alcoholic Beverage Control Act Amendments

H.R. 256: Public Law 87-238, approved September 14, 1946:

Provides for collecting taxes on alcoholic beverages in the District of Columbia by a monthly reporting system. This will require the wholesaler to furnish a monthly statement showing the quantity of beverage subject to taxation which was sold by him during the calendar month, and to pay the tax on the quantity sold. This method has been in use for sometime in the District on the taxation of beer and wine.

This will eliminate the present tax-stamp method which requires that alcoholic beverage taxes be collected by the use of stamps, sold by the Collector of Taxes.

Bus fares—Schoolchildren

S. 1745: Passed Senate September 26, 1961:

Authorizes the District of Columbia government to reimburse each common carrier required to transport schoolchildren at reduced fares (10 cents), the difference between the reduced fare and the lowest adult fare (20 cents).

Compulsory school census

S. 560: Passed Senate September 1, 1961. Pending in House District Committee:

Provides that all children below the age of 18 be listed in the school census. Now, children between the ages of 3 and 18 must be listed; the new ruling would be helpful to school officials in making projections of future enrollments. The census will be taken as often as requested by the Superintendent of Schools and the Board of Education.

The bill also provides for a designation on the census form as to whether the school attended by the child is public or private, to help in determining how crowded the conditions may be in the public schools.

Contract approval

S. 1651: Passed Senate June 16, 1961. Pending in House District Committee:

This bill keeps pace with the rising number of contract approval actions which District law requires the Commissioners to act upon. The Commissioners are authorized to delegate to any Commissioner, or officer, employee, or agency of the District of Columbia government, the authority to approve contracts of $100,000 or less.

Court fees

S. 558: Public Law 87-349, approved October 4, 1961:

This bill eliminates an existing situation with regard to a District of Columbia statute where the District of Columbia is required to pay certain fees assessed by the district courts (which it either wholly or in large measure supports), but is exempted from paying costs.

Credit unions in District of Columbia

H.R. 6495: Public Law 87-249, approved September 14, 1961:

Amend the Life Insurance Act of the District of Columbia to permit credit unions to issue life insurance to their members not in excess of the member's savings in the credit

union, or more than $2,000, whichever is smaller.

This will enable credit unions in the District to provide life savings insurance for their members which now must be obtained outside the District, resulting in a loss of local business and revenue.

District of Columbia hospital extension

H.R. 4913—Public Law 87-79, approved June 30, 1961:

This measure extends the Federal grant authority of the District of Columbia Hospital Center Act for 1 year, from June 30, 1961, to June 30, 1962.

This act has the dual purpose of providing the District and other interested Federal agencies with additional time to formulate a coordinated program of Federal assistance to George Washington University Hospital and other hospitals in the metropolitan area, and also preserves the present program of expanding private hospitals in the District through Federal grants provided under the provisions of the Hospital Center Act.

Divorce

S. 1761—Passed Senate September 11, 1961. Pending in House District Committee:

This bill amends existing law relating to residence requirement for divorce, legal separation, annulment of marriage, and maintenance of children and former wives in the District of Columbia by providing:

1. Regardless of where cause of action arose, either party may sue for divorce in the District if he or she has been a resident of the District for 1 year.

2. If marriage occurred outside the District, annulment proceedings may be brought if either party has been a resident of the District for 1 year. To annul a marriage performed in the District, either party may bring the action so long as one of the parties is an actual bona fide resident of the District at the time the action is brought.

3. To affirm the validity of any marriage, whether performed within or without the District, action may be maintained if either party resides in the District at the time the suit is brought.

4. Reduced to 1 year (from 2) the period of desertion as a ground for absolute divorce.

5. Reduced to 3 years (from 5) period of voluntary separation without cohabitation as a ground for absolute divorce.

6. Eliminated the words "involving moral turpitude" from the description of a felony conviction and sentence for not less than 2 years to a penal institution, when this is used as a cause for the divorce.

7. Reduced to 1 year (from 2) the waiting period for enlarging a limited divorce to an absolute divorce, measured from the time the parties separated.

8. Required a divorced father to maintain his minor children; and a former husband who has obtained a foreign ex parte divorce and who has been served personally with process in the District must maintain his former wife if so ordered by the court.

Elections

H.R. 8444: Public Law 87-389, approved October 4, 1961:

To implement the 23d amendment to the Constitution providing that District residents may vote in the presidential elections, this measure will:

Retain 21 as the minimum age for qualified voters in the District.

Abolish permanent registration and require all qualified voters to register in the year in which the presidential election is held.

Liberalize requirements relating to absentee registering and voting, but permit only the physically incapacitated to register by absentee.

Establish procedures for presidential elections to be selected in two ways:

(1) By certification of the executive committee recognized by the national committee of a major political party, that is, a party which has had its candidates for electors of President and Vice President on the ballot in each of five States in the last election.

(2) Any other party may have its candidates for electors submitted to the Board of Elections by presenting a petition to the Board signed by at least 5 percent of the registered qualified voters as of July 1 immediately preceding the election.

Require an elector to take an oath or solemnly affirm that he or she will vote for the candidate of the party he has been nominated to represent; and that it shall be his duty to vote this way in the electoral college.

Provide that only the names of the candidates of each political party for President and Vice President shall be placed on the ballot.

Make provision for a substitute appointment by the party committee in case the candidate for elector dies, resigns, or becomes unable to serve.

Require a 1-year residency in the District before one has the privilege of voting.

Require that nominees for presidential electors must qualify as voters and must have been residents of the District for 3 years.

Forbid the sale of alcoholic beverages on the day of the presidential election and during the hours when the polls are open, except sales by pharmacists on physicians' prescriptions.

Fire Department workweek

S. 1292: Public Law 87-399, approved October 5, 1961:

Reduces the present 60-hour workweek of officers and members of the firefighting division of the Fire Department of the District of Columbia to a 56-hour average workweek.

Gambling in the District of Columbia

H.R. 4669: Public Law 87-259, approved September 21, 1961:

Strengthens the law relating to gambling in the District by authorizing forfeiture to the District of property seized in connection with a gambling violation.

The procedure prescribed for forfeiting property is a libel action brought in the municipal court by the Corporation Counsel. Unless good cause is shown to the contrary, the property is forfeited to the District and may be made available for the use of any agency of the District government or may be disposed of as the Commissioners may, by order or regulation, provide. Where there are bona fide liens against forfeited property, the property may be sold at public auction; however, before the bona fide lienholder is satisfied, the District's costs for the public auction must first be paid.

Healing Arts Practice Act amendment

H.R. 8032—Public Law 87-248, approved September 14, 1961:

Allows the Commissioners of the District of Columbia to utilize the facilities of a nationally recognized examining board to examine and evaluate the professional skill of any graduate from any foreign medical school in order that the Commissioners may issue a license for these doctors to practice in the District. Also, makes it possible for a graduate of a medical school registered under the Healing Arts Practice Act to be given credit for a degree regardless of whether the school became unregistered after his graduation.

Indecent publications

H.R. 4670—In conference:

This bill strengthens existing law against indecent publications by authorizing forfeiture to the District of Columbia of property used in connection with a violation of the law relating to indecent publications. It also provides for enjoining as a public nuisance any place where persons resort or congregate to violate the indecent publication law of the District of Columbia.

Juvenile court judges—Two additional

S. 486—Passed Senate September 1, 1961. Pending in House District Committee:

This measure provides for the appointment of two additional juvenile court judges for the District of Columbia, making a total of three. The two new judges will be appointed by the President and confirmed by the Senate. The judges appointed as a result of this measure will serve for a 10-year term, or until his successor is appointed and qualified. To qualify, one must:

1. Be a member of the District of Columbia bar for a period of 5 years preceding his appointment.

2. During a period of 10 years immediately preceding appointment have been a resident of the District of Columbia or of the metropolitan area of the District for at least 5 years of which not less than 3 years must immediately precede appointment. Metropolitan area means Montgomery and Prince Georges Counties in Maryland, and Arlington and Fairfax Counties and the cities of Alexandria and Falls Church in Virginia.

3. Have a broad knowledge of social problems and procedures and an understanding of child psychology.

This bill provides that the present judge of the court shall continue in office and be considered as occupying one of the three positions of judge provided in this legislation.

The chief judge, to be designated by the President, will receive $18,000 a year, and the associate judges will receive $17,500 a year.

Juvenile division—Youth correctional center

S. 2299—Passed Senate September 7, 1961. Pending in House District Committee:

Establishes a juvenile division within or in connection with the District of Columbia Youth Correctional Center and authorizes the judge of the juvenile court to commit to this division children 15 years of age or older which will provide the District with an adequate institution to rehabilitate older, more aggressive, juvenile delinquents.

Learners' driving permits

S. 1291—Passed Senate June 16, 1961. House Calendar:

This bill raises the fee for driving permits for learners in the District of Columbia from $1 to $2 to pay the cost of a traffic safety education program.

Life insurance

H.R. 7044—Public Law 87-245, approved September 14, 1961:

This legislation permits domestic District of Columbia life insurance companies to acquire common stocks of any other insurance company for the purpose of acquiring subsidiaries or affiliates. Limits the total investment to an amount equal to the investing company's capital, surplus, and contingency reserves in excess of the minimum statutory requirements of $150,000.

Thus, this amendment permits life insurance companies in the District of Columbia to compete on an equal basis with companies incorporated in other States. It permits companies to diversify by becoming allied with insurance fields such as fire, casualty, health, and accident. These changes will strengthen the domestic companies and provide more security and service to their policyholders.

Marital property rights

H.R. 7265—Public Law 87-246, approved September 14, 1961:

This measure amends the District of Columbia Code to provide a new basis for determining certain marital property rights. It establishes a uniform succession of both real and personal property and expressly provides for payment of debts, administration expenses, and taxes out of the decedent's real property if there is a deficiency of personal property.

Restores the inchoate right of dower and expressly provides that all existing sections

of the District of Columbia Code relating to dower be construed to apply to both husband and wife.

Expands the existing form for renunciation to permit not only election of the legal share of real and personal property, but election of dower in lieu of the legal share of the real property.

Provides for election of dower in lieu of the legal share of intestate real property of the deceased spouse.

Provides for renunciation by a guardian or other fiduciary for an infant, incompetent, or person under disability.

Provides a limitation on the share of the surviving spouse filing a renunciation can receive in derogation of the mill. The renouncing spouse is limited to one-half of the net estate, or in the case of election of dower in lieu of the legal share of the real property, to one-half of the net personal property and dower in the real property.

Clarifies existing provisions of the code relating to the interest of a spouse where there is a valid antenuptial or postnuptial agreement, by expressly permitting the surviving spouse to take a devise or bequest which the other spouse has voluntarily made to him or her.

Municipal Court—Jurisdiction

H.R. 3222—Public Law 87-242, approved September 14, 1961:

Confers jurisdiction on the municipal court for the District of Columbia over certain counterclaims and cross-claims in any action in which the municipal court had initial jurisdiction. This jurisdiction is now limited to cases of counterclaims and cross-claims when the value of the claims is not in excess of $3,000. Any claims for more than $3,000, although initial action is in the municipal court, is referred to the U.S. district court. This means that litigation must be dealt with by two courts, thus making the settling of cases a longer and more costly procedure than necessary.

Municipal court small claims branch

S. 561—Public Law 87-203, approved September 6, 1961:

Raises the dollar limit on cases admissible to the small claims and conciliation branch of the district court, from $50 to $150, to keep pace with the trend in small claims, which in recent years have declined sharply in number where they are below $50, but increased in number where they are between $50 and $150. This will better utilize the small claims branch, and at the same time entitle more litigants to enjoy the advantage of the branch's simplified procedures.

Perjury statute

S. 2356—Passed Senate September 1, 1961. Pending in House District Committee:

Makes the District of Columbia perjury statute applicable to those persons who make false statements, under oath, when applying for licenses or renewal of licenses as insurance agents and brokers in the District of Columbia.

This act will further protect purchasers of insurance in the District of Columbia from being deceived and defrauded by dishonest insurance salesmen.

Physical therapy

S. 1762—Public Law 87-280, approved September 22, 1961:

Requires that all physical therapists be registered under the provisions set down by this act and carried out by the Commissioners of the District of Columbia, unless these therapists are exempt under terms of other acts as specified, such as those employed under the immediate supervision of a licensed medical doctor. A board of examiners is to be appointed; they are to examine any applicant for a license to practice physical therapy. The Commissioners or whomever they may delegate are authorized to hold studies and investigations when necessary. A register of approved schools is to be kept.

Police force—Strength

H.R. 7218—Public Law 87-60, approved June 27, 1961:

This bill raises the authorized minimum limit of the Metropolitan Police Force of the District of Columbia from 2,500 to 3,000 (at present the force has 2,714 members, 214 above the minimum level) to provide more adequate protection for citizens of the District.

Privileged communications—Clergymen

H.R. 5488—Public Law 87-318, approved September 26, 1961:

Prohibits District of Columbia courts from examining any minister of religion in connection with communications made to him in his professional capacity without consent of the party involved.

Public assistance—Consolidation

S. 914—Passed Senate September 7, 1961. Pending in House District Committee:

This bill consolidates various statutes on District of Columbia public assistance; makes uniform in all types the requirement of relatives to contribute to aid and establishes residence qualifications.

The acts consolidated are: Old-age assistance, aid to the blind, aid to dependent children, aid to the permanently and totally disabled, and general assistance authorized in appropriation acts for the District of Columbia.

Makes uniform in all categories a 1-year residence requirement for public assistance eligibility and applies the same uniformity requirements as to the responsibility of relatives to contribute to the support of the applicant. Thus, this measure requires the husband, wife, father, mother, or adult child of a recipient of public assistance or of a person in need of public assistance to be responsible for the support of the needy person in proportion to the ability of the relative to contribute to his support. The recipient of assistance or a person in need of assistance or the Commissioners may bring legal action to require support from the designated relatives while, under existing law, only the District of Columbia is empowered to sue responsible relatives.

Regulate the height of buildings

S. 1529—Public Law 87-281, approved September 22, 1961:

Amends the act regulating the height of buildings in the District of Columbia. This bill eliminates the limitation that no buildings in a medium- or high-density apartment area could be over eight stories high; the limitation remains that no building in such an area could be over 90 feet high. This limitation will allow an increase from 8 to 10 stories for apartment buildings and would simplify the construction plans and lower the building costs per living unit.

Remove dangerous buildings

S. 557—Passed Senate September 1, 1961. Pending in House District Committee:

Authorizes the Commissioners of the District of Columbia to require that unsafe structures be vacated under penalty of $300 fine or up to 30 days' imprisonment as figured after 5 days' notice to repair or take corrective action has been given. A fine not to exceed $50 per day will be charged against anyone who fails to carry out any repair required by the Commissioners.

This measure also establishes that any work undertaken to correct unsafe conditions which has been paid by the District of Columbia government is to be assessed against the property and to be collected as taxes; the "grace period" during which interest is not charged is cut to 60 days from 90 days and the interest charged is changed from 10 percent per annum to one-half of 1 percent per month.

Retired Government personnel—District of Columbia schools

S. 502—Passed Senate September 7, 1961. Pending in House District Committee:

Permits retired Federal employees to teach in the District of Columbia school system without loss or reduction in Federal retirement pay; also permits District of Columbia teachers who have reached the mandatory retirement age to accept Federal positions without loss or reduction of teachers' retirement pay.

Under existing law, retired Government personnel teaching in District of Columbia schools are forced to accept salaries reduced by the amount of their retirement annuity. As this law is applicable only in the District, the Maryland and Virginia schools benefit greatly by the utilization of the broad experience of retired Federal employees in teaching capacities.

Retirement—Policemen and firemen

S. 1918—Passed Senate September 7, 1961. Pending in House District Committee:

Extends benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired, or who died in the service of any such organization prior to the effective date of the 1957 act, or who retired prior to the effective date. Thus, under this bill, a widow and one child now receiving $150 a month will be increased to $200 a month.

Places on a complete parity the protection accorded the surviving dependents of men who died prior to the effective date of the 1957 amendments and the survivors of men who died after the effective date of the amendments.

These new benefits will be made effective the first day of the first month following the date of enactment.

Stream Valley Park

S. 588—Passed Senate June 16, 1961. Pending in House Public Works Committee:

This bill increases the authorization for acquiring and developing the Stream Valley Park projects, to extend them from the District of Columbia into Maryland. This would make grant authorizations to Maryland for these projects equal to those made for Virginia for similar projects in 1952.

Tax increase

H.R. 258—House disagrees to conference report:

Provides for means of collecting needed revenue for supplementing the District of Columbia budget. There is a $21.3 million deficit in the District of Columbia proposed budget, due to the cut in the Federal contribution to pay the expenses of the District of Columbia government and also due to the mandatory increases in District of Columbia government employees.

The increases in taxes include an increase to 3 percent from 2 percent on sales tax with no change on present 1-percent tax on groceries and imposes a tax upon each deed at the time it is submitted at one-half of 1 percent of the consideration of the deed, with certain specified exemptions.

Provides for the establishment of a parking fee account within the highway fund of the District of Columbia. The account would receive the revenue of all parking meters and other revenue acquired under the operations of the Motor Parking Facility Act and all the revenue now in the motor vehicle parking fund. The money will be used to maintain roads and highways and pay for the removal of snow and ice from the streets.

Provides for standby authority for the District of Columbia government to raise water rates and sanitary sewer service charges by as much as 25 percent to meet continuing construction and operating costs.

Permits the District of Columbia to be considered as an impacted area in order to receive Federal payments for school construction purposes.

Teachers College

S. 1328—Passed Senate September 1, 1961. Pending in House District Committee:

Establishes a junior college division within the District of Columbia Teachers College leading to a degree of associate in arts. It will affect particularly the 175 to 200 graduates of the District public schools who are capable of college level study but who are not financially able to obtain a college education as well as those 200 to 250 students who are capable of some but not complete education at the college level. The Commissioners are authorized to establish and determine tuition rates; it is suggested that $100 be charged for tuition and the school fees combined for those taking a full college program.

Tissue banks licensing

S. 2321—Passed Senate September 1, 1961. Pending in House District Committee:

Aids in the development of reconstructive medicine by authorizing licensing of tissue banks in the District of Columbia and facilitates the ante mortem and post mortem donations of human tissue. A person may, by written agreement, donate any part of his body, at the time of his death to the tissue bank. The bill amends existing law to facilitate the movement and transfer of the deceased within the District by authorizing the Commissioners to control this movement by appropriate regulations, as the transfer of tissue must be made within a very few hours after death has occurred.

Under present law, a burial permit by the health officer of the District, countersigned by the coroner, must be obtained, and it is also unlawful to destroy any part of the deceased's body within 4 hours of death. Also permits the coroner to allow tissue to be removed from any body in his custody or under his jurisdiction, subject to the approval of the person having a right to the body.

Trading stamps in the District of Columbia

H.R. 7622—Public Law 87-262, approved September 21, 1961:

Authorized the use of trading stamps by the merchants and retailers in the District of Columbia. In reality, this bill repealed in its entirety the District's present gift enterprise law prohibiting the use of such promotional devices.

Traffic Act

S. 559—Passed Senate June 16, 1961, pending in House District Committee:

This bill raises the maximum allowable imprisonment term for violations of District traffic laws from 10 to 90 days.

Unemployment Compensation Act amendments

H.R. 5968—In conference:

Amends the District of Columbia Unemployment Compensation Act to bring it in conformity with existing wages in the District of Columbia by—

1. Extending the provisions of the District of Columbia Unemployment Compensation Act to employees of certain nonprofit religious, charitable, educational, and humane organizations not presently covered by the act;

2. Permitting voluntary payments upon the part of employers into the unemployment compensation fund to protect experience ratings previously earned;

3. Establishing the maximum weekly benefit amount each year as 50 percent of the average wage of all covered workers in the District of Columbia;

4. Extending the duration of benefit payments from the present maximum of 26 weeks to a uniform 34 weeks for all eligible claimants unemployed for that period of time;

5. Removing the provisions in existing law requiring cancellation of benefits in the case of individuals who are disqualified by reason of voluntary leaving, discharge for misconduct, or refusal to accept suitable work;

6. Prohibiting certain individuals from receiving unemployment compensation if they voluntarily retire without good cause and have applied for or are receiving a pension or retirement;

7. Tightening the qualifying provision of the present law by deleting the so-called step back under which an individual cannot qualify for benefits more than two levels below that otherwise indicated by his high quarter earnings; and

8. Providing that benefits not be denied to an otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the District of Columbia Unemployment Compensation Board.

Unsanitary buildings—Condemnation

S. 563—Passed Senate September 1, 1961. Pending in House District Committee:

Amends a sanitation law of the District of Columbia to correct certain deficiencies in specifying uniform administrative measures. Under the bill, when a building is condemned and the District government makes any repairs or demolishes the building, the cost of the repairs is assessed as a tax against the property. This tax may be paid within 60 days and there will be no interest charged. If after 60 days the tax is not yet paid, interest would be charged at one-half of 1 percent a month or fraction of a month. If after 2 years the tax remains unpaid, the property is liable for sale at the next tax auction.

The bill also provides a uniform system of notifying the owner of the condemned property of the action taken against the property by the Board for the Condemnation of Insanitary Buildings.

Washington Home for Foundlings

H.R. 6798—Public Law 87-226, approved September 13, 1961:

Authorizes the Washington Home for Foundlings to establish and support an agency which will seek to place orphaned children in foster homes instead of maintaining a home or building for the reception and support for the children. Also authorizes the erection and maintenance of a separate building for the care and treatment of men, women, and children who are afflicted with cancer. Former legislation authorized cancer treatment only for women.

Woodrow Wilson Memorial Bridge

S. 564—Public Law 87-358, approved October 4, 1961:

This bill apportions the expense of operating and maintaining the Woodrow Wilson Memorial Bridge, on an equal basis, between Virginia, Maryland, and the District of Columbia.

ECONOMY

AEC Community Act—Amendment

S. 1622—Public Law 87-174, approved August 30, 1961:

To accelerate property sales and stimulate the economic growth of atomic energy communities, this amendment reduces from 1 year to 90 days the waiting period prior to a negotiated sale by the Atomic Energy Commission in disposing of atomic energy community property.

The Commission desires to terminate the community disposition program as quickly as possible by sale transfers of Government-owned property into private ownership.

Area redevelopment

S. 1—Public Law 87-27, approved May 1, 1961:

As a demonstration of the Senate's "persistence," it has, for the fourth time, passed a $451 million program in an effort to aid in alleviating the suffering in distressed areas hit by unemployment and underemployment—where it is substantial and continuous—not temporary and seasonal.

This 4-year program declares its purpose to be one of Federal help for areas needing economic redevelopment, to expand their economic activities, and provide employment wherever possible by—

Authorizing the President to appoint an Area Redevelopment Administrator in the Department of Commerce (confirmed by the Senate) to receive compensation equal to an Assistant Secretary. The Administrator is to perform such duties under the act as are assigned to him by the Secretary of Commerce.

Creating an Area Redevelopment Advisory Board to advise the Administrator. The Board is to be composed of the Secretary of Commerce as Chairman and seven other department and agency heads.

Requiring the Secretary to appoint a 25-member National Public Advisory Committee on area redevelopment, composed of representatives of labor, management, agriculture, State, and local governments and the general public.

Authorizing $300 million in Treasury-financed loans—

(1) To industrial areas for constructing new factory buildings, rehabilitating and converting existing buildings for industrial use, redeveloping land and purchasing facilities, including machinery and equipment in cases of demonstrated need;

(2) For rural areas for similar type loans; and

(3) For construction, alteration, and expansion of public facilities in both industrial and rural areas.

Authorizing an appropriation of $75 million for public facility grants to be used in areas where the project could not be undertaken without the grant.

Including an antipirating provision which prohibits Federal assistance for relocating an existing business enterprise from one area to another.

Setting up eligibility requirements which must be met before assistance can be obtained.

Limiting loans for private projects to 25 years, and up to 40 years for public facilities.

Authorizing grants of $4.5 million to help redevelopment areas evaluate developing potentialities for economic growth.

Making urban renewal grants available to industrial redevelopment areas for nonresidential projects—under existing urban renewal programs.

Authorizing an annual appropriation of $10 million for retraining subsistence payments by the Department of Labor to unemployed workers who are undergoing training for a new job under the vocational training program.

Terminating the program as of June 30, 1965.

Council of Economic Advisers

H.R. 6094—Public Law 87-49, approved June 16, 1961:

This act removed the ceiling on appropriations for salaries for menbers, staff, and other employees of the Council of Economic Advisers, and thus leaves to the regular appropriations machinery of Congress to decide each year what sums are required to support the expanding work of the Council.

Among many other functions, the Council advises the President on the state of the economy and policies to promote full employment, economic growth, and reasonable price stability. Problems of international

economic policy as they relate to these goals are demanding an increasing share of the Council's attention. The President has also asked the Council to take on additional responsibilities relating to natural resources and public works, manpower problems, economics of disarmament, and several other fields.

Dependent children—Aid

H.R. 4884—Public Law 87-31, approved May 8, 1961:

This bill will—

1. Authorize a 14-month program, from May 1, 1961, through June 1962, to permit States to aid needy unemployed persons and their children who are not now eligible for aid in which the Federal Government participates.

2. Use the same matching formula as is used in the present Federal-State aid to dependent children.

3. Require the State agency administering the expanded aid to dependent children program to enter into cooperative arrangements with the State agency administering the public employment offices in order to try to obtain employment for the parent.

4. Require that State welfare agencies enter into cooperative arrangements with the State vocational education agency for retaining unemployed parents.

5. Give the States the option to exclude from the benefits of the bill individuals who are receiving unemployment compensation.

6. Extend until 60 days after the close of the next regular session of the legislature, the effective date of the Flemming ruling which would have denied Federal matching funds to States who have terminated assistance to children in a home determined to be unsuitable unless the State makes other provisions for the children affected.

7. Allow the States the option of bringing needy dependent children under the program where a court of competent jurisdiction finds that the children are not receiving proper care and protection in their own homes and gives responsibility to the State agency to place them in approved foster family homes.

8. Increase from 80 to 100 percent Federal financing of grants for training of public welfare personnel from July 1, 1961, through June 30, 1963.

9. Authorize the use of appropriations to the Department of Labor for its administration of the employment security program to pay costs involved in borrowing State employment security personnel for the recently enacted Temporary Extended Unemployment Compensation Act.

10. Increase by $3 the maximum amount to which the Federal Government will participate, on a matching basis, in State programs carrying out the special medical care provision of 1960 for recipients of old-age assistance (from $12 to $15). Effective July 1, 1961.

11. Increase the $9 million overall ceiling on public assistance grants to Puerto Rico—by $75,000 for fiscal 1961 and by $300,000 for fiscal 1962.

12. Include all States, Puerto Rico, Virgin Islands, District of Columbia, and Guam.

Federal unemployment compensation extension

H.R. 4806—Public Law 87-6, approved March 24, 1961:

To help ease the unemployment problem throughout the country, Congress authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks.

These additional payments are to be made available to unemployed workers who have exhausted their benefit rights under a State program after June 30, 1960, and before April 1, 1962.

It provides for financing by advances from the Treasury which will be repaid by a temporary increase in the net Federal unemployment tax of four-tenths of 1 percent on the existing wage base of $3,000, effective for calendar years 1962 and 1963.

The act requires that temporary unemployment compensation be reduced by amounts received as a retirement pension or annuity under a public or private retirement plan provided, or contributed to, by a base period employer. Thus an individual would not be permitted to receive unemployment benefits under the bill, without reduction for retirement benefits, if both types of payments arise by reason of service for the same employer.

The statutory limitation on amounts which may be granted to States for administration of their unemployment security systems is increased to $385 million (from $350 million) for the fiscal year ending June 30, 1961, and to $415 million for the fiscal year ending June 30, 1962.

The agency administering the State law is required to furnish the Secretary of Labor information relating to the personal characteristics, family situation, and employment of background of individuals entitled to temporary extended unemployment compensation under this act (on a sample basis).

ICC—Loan guarantee

H.R. 1163—Public Law 87-16, approved April 1, 1961:

This law extends for 27 months (to June 30, 1963) the time during which the Interstate Commerce Commission can help ease the credit difficulties of the railroads by guaranteeing loans made by private or public institutions to railroads in economic distress.

The guaranty is limited, however, to capital improvement and maintenance loans maturing within 15 years.

Railroad unemployment insurance extension

H.R. 5075—Public Law 87-7, approved March 24, 1961:

Congress unanimously approved additional temporary unemployment benefits to unemployed railroad workers who have after June 30, 1960, and before April 1, 1962, exhausted all their rights to benefits under the Railroad Unemployment Insurance Act.

The maximum number of additional days would be 65 (13 weeks), but these benefits cannot exceed in any individual case 50 percent of the amount of unemployment benefits which could be paid to the unemployed worker in the benefit year.

The act authorizes the Treasury to provide in advance the funds needed to pay for these temporary benefits, estimated to be $24 million. It adds temporarily, for the years 1962 and 1963, one-quarter of 1 percent to the rate of contribution now required of railroad employers to pay for the benefits regularly provided. These advances will be repayable primarily from the additional money contribution.

Small business increase

H.R. 8922—Public Law 87-198, approved September 5, 1961:

This measure increases by $20 million the amount that the Small Business Administration may commit for loans under their regular basis loan program. This will enable SBA to continue its business loan program without interruption for approximately 1 month.

Small Business Act amendments

H.R. 8762—Public Law 87-305, approved September 26, 1961:

Increases the Small Business Administration's revolving fund by $105 million to enable the agency to operate its lending programs through fiscal year 1962. The bill also provided for SBA, the Defense Department, and the General Services Administration to develop cooperatively within 90 days a small business subcontracting program. Before the Defense Department and GSA officials promulgate any subcontracting regulations, they must seek the concurrence of SBA. Should SBA not concur, the issue must be referred to the President.

Small Business Investment Act amendments

S. 902—Public Law 87-341, approved October 3, 1961:

The Small Business Investment Act of 1958 was designed to increase the supply of long-term loans and equity capital for small-business concerns. It provided incentives for private investors to form small-business investment companies, licensed and regulated by the Small Business Administration, to supply venture capital and long-term loans to small businesses. It authorized SBA to make loans to State and local development companies engaged in lending to small businesses.

Amends the Small Business Investment Act of 1958. Major changes in the act are:

1. The amount of subordinated debentures of a small business investment company which the Small Business Administration may purchase was increased from $150,000 to $400,000.

2. The amount of its capital and surplus that a bank may invest in an SBIC was increased from 1 percent to 2 percent.

3. The amount of section 303(b) loans which SBA may make to an SBIC was set at $4 million, provided funds are not available from private sources.

4. The amount of funds from any source which an SBIC may furnish to a business concern was fixed at $500,000. A larger amount will require SBA approval.

5. SBA was given authority to institute administrative proceedings to suspend licenses of SBIC's for violation of the act or regulations.

6. SBA's revolving fund SBIC operations was increased by $75 million.

EDUCATION

College housing

S. 1922—Public Law 87-70, approved June 30, 1961:

Increased the loan authorization for college housing by $300 million for each of the 4 years beginning July 1, 1961, through 1964, and increased the limitation for other educational facilities by $30 million for each of the same 4 years.

Education of Blind Act amendment

H.R. 9030—Public Law 87-294, approved September 22, 1961:

Authorizes wider distribution of books and special instruction materials for the blind by increasing the appropriations and the functions of the American Printing House for the Blind.

Federal aid to education

S. 1021—Passed Senate May 25, 1961:

The Senate, by a vote of 49 to 34, passed the Federal Aid to Education Act providing a 3-year program of Federal grants to the 50 States, the District of Columbia, Puerto Rico, Wake Island, Guam, American Samoa, and the Virgin Islands to help local school districts support their public elementary and secondary schools.

Eight hundred and fifty million dollars is authorized to be appropriated in each year of the program (a total of $2,550 million) and the Federal funds may be used by the local school districts of the States and outlying possessions for the following purposes:

1. Employment of additional public school teachers and increase of teachers' salaries.

2. Construction and equipping of public school facilities.

3. Other maintenance and operating costs of public elementary or secondary schools.

4. Special educational pilot, demonstration, or experimental projects as determined by the State educational agencies.

The allotment of Federal funds among the States follows an equalization formula which is based on the State's relative number of school-age children (5 to 17, inclusive) and relative income per pupil.

Adequate safeguards to insure State and local control of public education were included by providing that "in the administration of this title (1), no department, agency, officer, or employee of the United States shall exercise any supervision or control over the policy determination, personnel, curriculum program of instruction, or the administration or operation of any school or school system."

The bill provides that States shall distribute Federal funds for employing more teachers and raising teachers' salaries, school facilities construction, and other maintenance and operating costs, to local school districts whose needs in these areas are greatest and which are least able to finance the costs. Provision is made for a hearing before the State education agency for any local school district whose application for Federal funds is denied by the State agency.

The bill makes provision for reduction, not exceeding one-third of the total for any year, of a State's allotments in the second and third years of the program, in case local and State support for public school financing is not maintained and improved, apart from Federal aid funds received under the program.

The bill provides that up to $150,000 a year of a State's allotment may be used for State agency administrative costs under the program.

Title II of the act provides for continuation of both Public Laws 815 and 874 as currently in effect for a period of 3 more years. These laws are also extended to cover American Samoa. Finally, provision is made for a full report of the operation of these laws, as continued, including an analysis of the relation between Federal payments under these laws and those under title I of the act.

Impacted areas-NDEA extension

S. 2393—Public Law 87-344, approved October 3, 1961:

This measure—

1. Extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose.

2. Extends for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instructions in science, mathematics, and modern foreign languages by authorizing (1) payments to States to acquire needed laboratory and other special equipment for use in providing this instruction and to remodel laboratory or other space used for such equipment; (2) payments to States to expand and improve supervisory services in public elementary and secondary schools in the three above fields; and (3) loans to private nonprofit elementary and secondary schools for the same types of special equipment and remodeling for which grants to States may be made.

Juvenile Delinquency Act of 1961

S. 279—Public Law 87-274, approved September 22, 1961:

This measure is a 3-year program, 1962-64, designed to combat juvenile delinquency by—

1. Authorizing grants or contracts to States and municipalities and other public and nonprofit agencies, including institutions of higher learning or research, to be used to demonstrate and develop improved methods to prevent, control, and treat juvenile delinquency. Grant recipients must contribute money, facilities, or services as required by the Secretary.

2. Authorizing grants or contracts with States, municipalities, public and private nonprofit agencies, including institutions of higher learning to be used to train personnel, develop courses, fellowships, and traineeships, with travel and subsistence allowances as determined necessary by the Secretary of Health, Education, and Welfare. Grant recipients must contribute money, facilities, or services.

3. Requiring the Secretary to make studies, investigations, and report his evaluation of the effectiveness of the program. The Secretary is required to cooperate with and give technical assistance to the recipients, and provide short-term training and instruction in technical matters relating to the program.

4. Authorizing the Secretary of HEW to appoint technical or other advisory committees to advise him on the administration of the act.

5. In addition to the 50 States, the act will cover the District of Columbia, Virgin Islands, Puerto Rico, and Guam.

6. Authorizing an annual appropriation of $10 million for all programs.

Library facilities and services

S. 464—Passed Senate June 29, 1961. Pending in House Judiciary Committee:

This measure amends the Library Services Act of 1956, to grant the consent of Congress (as required by Congress) for States to enter into a compact or agreement with each other to develop or operate library facilities and services.

Migratory farmworkers—Educational opportunities

S. 1124—Passed Senate August 25, 1961. Pending in House Education Committee:

Authorizes a 5-year program to aid in the education of the children of migratory workers. The Federal Government will pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. Federal assistance will be given the States to help defray costs for education during the regular school session; the child must attend school in a State for at least 5 days before assistance would be available; $300,000 would be provided annually for summer schools for migratory children; $250,000 would be granted annually to provide interstate planning and coordination of the educational program; $200,000 annually would be authorized to help pay for pilot projects for fundamental, practical education for adult migratory workers. The program would be administered by the U.S. Commissioner of Education.

The trend in library work is to larger units of service—for example, centralized book purchasing and cataloging for an entire region—in order to utilize available resources in the most economical and efficient manner. Such cooperative arrangements are of the greatest importance in raising the level of library service throughout the country. It is only through such arrangements that some of the smaller States and some of the less populous ones can afford to provide the library resources and services that they should and they want to provide. The interstate compacts will serve as the means to develop and enlarge the scope of the services that libraries can render to the people of the Nation.

Scholarships—Eligibility

S. 539—Public Law 87-153, approved August 17, 1961:

Permits legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad.

The original act limited this aid to American citizens. However, through inadvertence or by an interpretation of the statute, the people of American Samoa were not considered American citizens and, as a result, could not qualify for or receive financial assistance to continue their education abroad, as originally contemplated by the act.

By removal of this barrier, it is possible for these people to qualify in the same manner as other American citizens who pursue advanced education abroad.

Training for teachers of deaf

S. 336—Public Law 87-276, approved September 22, 1961:

This act establishes a 2-year program to assist in training additional teachers for the deaf. It authorizes appropriations of $1.5 million annually to higher education institutions which are approved as training centers for teachers of the deaf.

Provides for grants-in-aid to assist in providing and improving courses of training and study and to establish scholarships for qualified persons who wish to enroll in these training courses.

Provides for an advisory committee, composed of persons with special knowledge and interest in training teachers of the deaf and in teaching deaf children, to review the program and applications for grants-in-aid.

The national shortage of classroom teachers of the deaf began during World War II and has become more acute each year. It is the task of the teacher of the deaf to bridge the gap between the deaf child's world of silence and the world of sound and hearing, the world of language and speech. The success with which a deaf child is able to bridge this barrier, to develop language and proportionately to minimize his great educational handicap, depends upon the skill, the understanding, and the professional training of his teacher.

TV—Education

S. 205—Passed Senate March 21, 1961. H.R. 132—House Calendar:

The measure authorizes a 5-year program grant to the States and the District of Columbia to establish or improve the educational television broadcasting facilities in our public schools, colleges, and in adult training programs. The Federal aid, however, can be used only to provide the equipment needed for television broadcasting, including closed circuit television, and the group and the States must provide the buildings and the land required. No one State may receive more than $1 million in grants.

Requires applicants to provide assurance satisfactory to the Commissioner of Education that necessary funds will be available to operate and maintain the facilities.

Grants assurance that the Commissioner of Education will not have any control over television broadcasting, nor can he amend any provision or requirement under the Federal Communications Act.

Requires each participant to maintain records as prescribed by the Commissioner, including a full disclosure of the amount of aid received and the manner in which it was used. In addition, the recipient must disclose the amount and sources of other aid used in the operation of the facility.

War orphans education extension

H.R. 3587—Public Law 87-377, approved October 4, 1961:

This measure provides additional time within which certain children may complete a program of education under the War Orphans Educational Assistance Act of 1956. The class of eligibles afforded additional time is limited exclusively to persons whose opportunities for an education under the act have been impaired by virtue of their residence in the Republic of the Philippines.

Additional time will be available to a person who had not reached his 23d birthday

on June 29, 1956, and resided in the Philippines during all or part of the period June 29, 1956, through June 18, 1958.

The 1956 act provided that the educational assistance could be afforded only to an eligible person enrolled in a school or other educational institution in the United States, its territories, or possessions. This provision prohibited eligible persons residing in the Philippines from receiving assistance under the program while enrolled in a Philippine educational institution. In 1958, Congress removed this barrier by permitting the eligible orphans to pursue their educational program in their home country, but failed to grant the additional entitlement of 36 months to make up the original 5-year grant.

FEDERAL EMPLOYEES

Air Force officers—Promotion

H.R. 7809—Public Law 87-194, approved September 1, 1961:

Provides a temporary program for promotion for all active duty Air Force officers below the grade of colonel. The program would continue until June 30, 1963; up to 4,000 promotions could be made for the grade of lieutenant colonel and 4,000 promotions could be made to the grade of major. This would cover about 80 percent of those in the promotion zones for these grades.

Armed Forces house trailers allowance

H.R. 2732—Public Law 87-374, approved October 4, 1961:

Authorizes Department of Defense to set allowances, up to 36 cents a mile for transporting house trailers of members of the Armed Forces.

Coast and Geodetic Survey Commissioned Officers Act

S. 685—Public Law 87-233, approved September 14, 1961:

Improves the Coast and Geodetic Survey Commissioned Officers Act of 1948 by offering inducements to qualified scientists and mathematicians to join the service. Temporary promotions would be granted if necessary or desirable by the Secretary of Commerce; there could be retirement benefits received after 20 years of service instead of the present 30 years; promotions from permanent grade of ensign may be temporarily made by the President to the grade of lieutenant junior grade whenever vacancies exist, as well as personal fringe benefits.

General of the Army Eisenhower

S. 1173—Public Law 87-3, approved March 22, 1961:

At the request of President Kennedy, former President Eisenhower is restored to his military rank of General of the Army.

General Eisenhower, in lieu of his military pay and allowances, will receive the compensation and other benefits conferred on former Presidents of the United States by an act of Congress in 1958. The compensation, as former President, is $25,000 a year for life, plus an additional $50,000 a year for an office staff, suitable office space, and the franking privilege.

The 1958 act also entitles the widow of a former President to $10,000 a year, upon waiver of any annuity or pension right provided by the Federal Government.

Government employees—Retirement

H.R. 6141—Public Law 87-299, approved September 26, 1961:

This measure continues, clarifies, and strengthens the prohibition contained in the act of September 1, 1954, against the payment of a civilian annuity or military retired pay to any person who has committed an offense against the national security of the United States or who refuses to testify before a duly constituted judicial or congressional proceeding on a matter relating to national security.

Restores civilian annuity benefits and military retired pay, including survivorship benefits to a number of widows and children, which, under the 1954 act, had been denied because of committing a variety of offenses not related to national security.

National Guard employees

H.R. 4785—Public Law 87-224, approved September 13, 1961:

Authorizes the Federal Government to pay the employer's share of the costs of retirement plans which are entered by civilian employees of the National Guard. Also authorizes withholding the employees' contribution from the salaries of these same employees when they enter State or territorial sponsored plans providing retirement, disability, or death benefits. At present the Government provides withholding services for these employees only if they are participating in State retirement systems.

Oversea teachers' pay

S. 841—Public Law 87-172, approved August 30, 1961:

This measure—

1. Amends a provision of the Defense Department Overseas Teacher's Pay and Personnel Practices Act, which authorizes payment of allowances during summer recesses to oversea Defense Department teachers when they have agreed in writing to serve for the next school year. Existing statute requires that, if for any reason a teacher does not report for duty at the start of the next school year, he must repay his summer allowance. This measure permits him to retain it if the cause of his failure to report for duty (death, serious illness) is considered valid by the Defense Department.

2. Also makes uniform the definition of "year" as "school year" rather than as "twelve months," to correct certain administrative confusion.

Panama Canal Company

H.R. 3156—Public Law 87-252, approved September 16, 1961:

Provides the Panama Canal Company with immunity from attachment or garnishment of salaries owed to its employees in order to protect the Company from having to process a large number of salary levies because of overextended credit to low-income employees of the Company by local merchants.

Postal employees—Retention benefits

H.R. 7043—Public Law 87-270, approved September 21, 1961:

This bill extends to employees in the postal field service the same salary retention protection in cases of reduction in grade as provided employees under the Classification Act since 1956.

It validates certain statutory salary increases made pursuant to Civil Service Commission regulations but ruled improper by the General Accounting Office.

And it also makes ineligible for salary retention protection certain employees whose reduction in grade results from a temporary promotion to a higher grade.

Under this bill (and the Classification Act since 1956) an employee whose reduction in grade level is not the result of a demotion for personal cause, is not at his own request, and is not the result of a reduction in force due to a lack of funds or curtailment of work, will continue to receive his former rate of pay for a period of up to 2 years following the date his position is reduced to a lower grade level. However, the bill does require that the employee must have served for 2 continuous years in the postal field service at the same or a higher salary and that his work at all times during the period was satisfactory or better.

Reservists—Travel allowances

H.R. 4786—Public Law 87-164, approved August 25, 1961:

Makes uniform for all Reserve personnel, either on active duty or inactive, with or without pay, the allowances for transportation as specified under the Career Compensation Act, section 303(a). Now, Reserve personnel ordered to training duty without pay are not authorized the travel allowances provided for other Reserve personnel.

Retirement eligibility—Minority service

H.R. 6597—Public Law 87-165, approved August 25, 1961:

Nullifies a decision made by the Comptroller General stating that service performed prior to the minimum statutory age for enlistment does not count in determining retirement eligibility. This decision, if it were enforced, would create hardships for any already retired personnel whose service might be ruled insufficient to receive retirement benefits. Also each retirement case might have to be considered separately due to varying statutory age minimums over the years.

Retirement fund—Interest rate

S. 739—Public Law 87-350, approved October 4, 1961:

Provides a method of fixing a fair and equitable rate of interest on money borrowed by the U.S. Treasury from the civil service retirement and disability fund. Now the interest is equal to the average coupon rate borne by all marketable interest-bearing obligations of the United States that are not callable for 5 years. The new method would make investments callable in 4 years at which time the Secretary of the Treasury may then reinvest in other interest-bearing obligations of the United States with interest rates currently being paid in the open market for new borrowings. Investors in the retirement fund will be benefiting from more current interest rates paid by the Government.

Retirement increases—Permanent

H.R. 5432—Public Law 87-114, approved July 31, 1961:

This measure authorizes the use of the civil service retirement and disability fund to pay increases in annuities and survivorship benefits.

Cost-of-living increases were granted to certain retirees and survivors who, on August 1, 1958, were receiving or were entitled to receive annuities based on service which terminated prior to October 1, 1956. When the measure was enacted, it provided that initially the increases should be paid from the civil service retirement and disability fund but that on and after July 1, 1960, the increases would terminate unless Congress appropriated funds to cover the cost. Thus the increases provided by the 1958 act are on a year-to-year basis, fully dependent on an annual appropriation for their continuance. Funds have been provided each year and, under present economic conditions, there is no prospect of abolishing the increases in the foreseeable future. Thus the Civil Service Commission recommended that the increases be made permanent and paid from the civil service retirement and disability fund, which this bill does.

Rural carriers—Equipment allowance

S. 189—Passed Senate July 27, 1961. Pending in House Post Office and Civil Service Committee:

Increases the basic equipment allowance for rural mail carriers from 10 cents a mile or $3.50 a day to 12 cents a mile or $4.20 a day, whichever is greater. This allowance is intended to amortize the equipment used by rural carriers, cover insurance rates, buy oil and gas, etc. Only one increase for rural mail carriers has been made in 10 years, not enough to cover the rising cost of upkeep for their equipment.

Scientific and supergrade increase

H.R. 7377—Public Law 87-367, approved October 4, 1961:

Authorizes an additional 480 supergrade positions and 280 additional scientific positions for the executive branch.

The supergrades are GS–16, GS–17, and GS–18. Three hundred and fifty-six of the supergrades are authorized for the general pool of the Civil Service Commission to be allocated to the various agencies where justified and needed. Fifty may be allocated only upon approval of the President and for agencies or functions created after the effective date of this act, 14 may be allocated only to the U.S. Arms Control and Disarmament Agency when created, 4 may be allocated only to the Federal Home Loan Bank Board, and 6 may be allocated only to the Immigration and Naturalization Service of the Department of Justice, 35 for the Department of Defense, and 15 for the National Security Agency of the Department of Defense.

In the area of scientific-type positions, 80 such new positions are provided for the Department of Defense, 13 for the Federal Aviation Agency, and 4 for the National Aeronautics and Space Council. However, with reference to NASA, 65 such new positions may be established on or before March 1, 1962, 35 more beginning March 1, 1962, and ending June 30, 1962, plus 35 more after July 1, 1962, or an aggregate of 135 such new positions. The salary range for the new scientific and professional positions will be from $12,500 to $19,000 a year, except (1) the maximum salary for the 13 new positions for FAA will be $19,500, and $21,000 maximum for 17 new positions in NASA.

Servicemen's Family Protection Act

H.R. 6668—Public Law 87–381, approved October 4, 1961:

This bill amends the Uniform Services Contingency Option Act of 1953, which provided a means whereby the military member could elect to receive a reduced amount of retired pay in order to provide for certain payments to his survivors. Prior to the 1953 act military personnel could not share their retirement income with their survivors. However, existing law has disclosed some deficiencies and inequities which are being corrected in this bill. A few of the major changes are:

New rule for entering the system: Provides that a person may elect at any time before he is retired or granted retired pay provided he makes the election 3 years before he is retired (existing law requires an election prior to the time he has completed 18 years' service).

Changes or revocations: Reduces to 3 years from 5 the period required before a change or revocation of the election can be made.

Void elections: To correct certain administrative deficiencies, if an election is made and found to be void for any reason except fraud or willful intent of the member a corrected election may be resubmitted within 90 days after he is notified in writing that the first election is void.

Fifty-percent limitations: To correct complicated formulas required in existing law, this bill permits the election of any annuity up to 25 percent of the retired pay for a wife and another in the same amount even though the combined amounts exceed 50 percent of the member's retired pay provided that each annuity computed separately does not exceed 25 percent of the reduced amount. In other words, under this bill a member may provide an annuity that will be in excess of one-half of his reduced retired pay.

Spouse and children: Authorizes the election of annuities as between a surviving spouse and children of the deceased by any other marriage.

Withdrawals: Grants discretionary authority to the Secretaries to permit a retired member to withdraw from the contingency option program where his continued participation would violate equity and good conscience.

Suits against Federal employees

H.R. 2883—Public Law 87–258, approved September 21, 1961:

The purpose of this bill is to protect Government employees from personal liability for accidents occurring within the scope of their employment. Under existing law, Federal maritime employees have such protection; thus, this bill provides equal treatment of the nonmaritime Government employees.

Suits against the United States will be the exclusive remedy for damages resulting from operation by any Government employee of any motor vehicle while acting within the scope of his employment. Suits brought against the individual employee in such cases will be removed to the Federal court and be deemed a tort action against the United States.

Travel expenses of Government employees

H.R. 3279—Public Law 87–139, approved August 14, 1961:

Increases the allowances of Government employees (judicial and senatorial employees included) for traveling expenses when on official business. Increases include: from $10 to $16 per diem allowance for regular full-time employees for normal official trips; in unusual circumstances the travel authorization may be up to $30 per diem from $25 per diem; from 10 cents to 12 cents per mile allowance for use of privately owned automobiles or airplanes; up to $10 beyond the per diem regulations when travel is beyond the continental United States. Also adds parking fees as an item for reimbursement when incurred in official travel status; raises the authorized maximum per diem for certain State Department advisory committees to a par with other Government officials; and permits the President to establish per diem rates for travel outside the continental United States.

Transportation of remains

S. 1458—Passed Senate July 7, 1961. Pending in House Post Office and Civil Service Committee:

This measure corrects a discrepancy in existing statute which authorizes the Government to pay the expenses of transporting home the remains of a deceased dependent of a Federal employee stationed in Alaska or Hawaii, but does not authorize payment for the expenses of transporting home the remains, effects, and family of an actual employee who dies while stationed in Alaska or Hawaii. This discrepancy arises from the passage of Alaska and Hawaii from the status of territory to that of State. This measure authorizes payment of expenses for deceased employees which have not been permitted since Alaska and Hawaii became States, and is retroactive to that time.

Transportation of effects of retired members

H.R. 4321—Public Law 87–140, approved August 17, 1961:

Authorizes the Government to pay for transporting the personal effects and household needs of retired members of the armed services to a place other than that originally selected if the former member pays for any excess charge over and above the original shipping. It also authorizes shipping household items wherever a surviving dependent may designate if the retired member dies prior to moving his dependents and shipping his household goods to a selected home.

U.S. attorneys

S. 1488—Passed Senate July 27, 1961. Pending in House Judiciary Committee:

To equalize job opportunities, this bill makes the salary scale identical for attorneys in the Justice Department at the seat of government and for those attorneys working in the field. Under present laws those lawyers at the seat of government are paid under the Classification Act of 1949 at a lower salary than field attorneys or U.S. attorneys.

The $20,000 limitation for U.S. attorneys is retained.

War Hazards Compensation Act

H.R. 4357—Public Law 87–380, approved October 4, 1961:

Provides a 15-percent increase in the level of benefits payable under the War Hazards Compensation Act of 1942, relative to injuries or deaths prior to July 1, 1946. The War Hazards Act is a part of the Federal workmen's compensation system applicable to employees employed by Government contractors, and who work outside the United States.

The 15-percent increase, however, applies only to disability and death payments, payable for periods on or after the date of enactment.

It is estimated that the increase will cost about $720,000 for the life of the program; however, the present war claims fund from which these benefits are paid shows a surplus of about $832,000.

FINANCE

Bureau of the Mint statutes

S. 2130—Passed August 21, 1961. Pending in House Banking and Currency Committee:

Deletes from the statutes references to certain mints and assay offices which no longer exist. Also changes the name of the San Francisco Mint to the assay office at San Francisco, since the minting of money was discontinued in 1955 and has been an assay office since 1957.

Business records—Reproductions

H.R. 3227—Public Law 87–183, approved August 30, 1961:

Amends a section of the United States Code which will allow the reproduction of files kept in banks pertaining to transactions in trust or custodial accounts. The reproduction will be on microfilm and admissible in court. Many other files are now microfilmed but, due to a provision of the 1951 law, such trust and custodial accounts had to be kept in the original—creating a serious storage problem.

Dissolution of Federal Facilities Corporation

H.R. 7864—Public Law 87–190, approved August 30, 1961:

Dissolves the Federal Facilities Corporation established in 1954 to administer the disposal programs under which the synthetic rubber facilities and the Texas City tin smelter were sold. Now most of this property is disposed of and the remaining functions deal with the enforcement of the national security clauses contained in agreements of sale under the rubber disposal program. The remaining functions of the FFC would be taken over by the General Services Administration. Any claims outstanding against the FFC would be recognized and settled after the dissolution which will take place on September 30, 1961.

Domestic lead, zinc, mercury industries

Senate Resolution 206—Senate adopted September 23, 1961:

The Senate unanimously adopted this resolution directing the U.S. Tariff Commission to make investigations of the present conditions in the lead and zinc industry and in the mercury, manganese, cobalt, and beryllium industries and report to Congress (next session).

Duty-free allowance reduction

H.R. 6611—Public Law 87–132, approved August 10, 1961:

As a part of the balance-of-payments program, Congress has authorized, for a 2-year period to July 1, 1963, a reduction from $500 to $100 the amount of purchases abroad that

a returning resident of the United States may bring in duty free. However, because of the new program to promote tourism in the Virgin Islands, an additional $100 will be permitted tourists returning from the Virgin Islands, thus totaling $200 in this instance.

Electron microscopes—Duty free

H.R. 3385—Public Law 87–95, approved July 20, 1961:

Amends the Tariff Act of 1930 to permit free entry of electron microscopes into this country, when imported for use by nonprofit research or medical institutions.

Federal Home Loan Bank directors

H.R. 8277—Public Law 87–211, approved September 8, 1961:

Simplifies the election system of the Federal home loan bank directors to abandon the division of directors into classes (large, medium, and small districts and directors at large) and replaces it by election of directors by State. At least one director will be elected from each State with any extra vacancies distributed in proportion to the amount of shares of stock held by the Federal home loan banks; each district to have the same amount of directors as under the present system. No State is to have more than six directors, and all States are entitled to as many as they had as of December 31, 1960. The electors in each State will be the member institutions of that State; the number of votes will be equal to the number of shares of stock held. No director can serve more than three consecutive terms; appointments of directors can be made if there was a vacancy in the elective directorship or temporarily if a new bank is being organized.

Federal Reserve Bank building

S. 1005—Passed Senate August 23, 1961. Pending in House Banking and Currency Committee:

Amends the Federal Reserve Act to require the approval of the Board of Governors of the Federal Reserve System for the erection of any branch bank of the Federal Reserve. Under the current provision, branch banks can only be built at costs up to $250,000, which would come from a total construction fund of $30 million made in 1953. This fund is almost exhausted, and the costs of construction have made $250,000 an insufficient amount to complete a project. Any construction costs approved by the Board would be amortized out of the earnings of the Federal Reserve over a period of years.

Federal Savings and Loan Insurance Corporation

H.R. 7106—Public Law 87–210, approved September 8, 1961:

Strengthens the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation, which was created as a reserve credit facility for savings and home mortgage credit institutions. A prepayment equal to 2 percent of the annual net increase of the accounts of its insured members is required. This prepayment would be used to establish a primary (general) reserve and a secondary reserve. When the aggregate of these reserves reaches 2 percent of the total amount of all accounts of insured members and creditor obligations, the payments will cease, unless the reserves should fall below 1.75 percent. If the primary reserve reaches 2 percent, the Corporation would pay to each insured institution the amount of its share of the second reserve. The one-twelfth of 1 percent annual premium paid by all member institutions would remain the same. The members will be required to purchase stock for only 1 percent of the amount of the outstanding home mortgages and other obligations; now they are required to purchase stock for 2 percent of the unpaid principal.

Metal scrap—Import duties

H.R. 4591—Public Law 87–110, approved July 26, 1961:

This act extends for 1 year, to June 30, 1962, the existing suspension of import duties on metal scrap, which includes such principal types of scrap as iron and steel, aluminum, magnesium, nickel, and nickel alloys.

This measure also provides for the free entry of horsemeat, fresh, chilled, or frozen, when imported in immediate containers weighing, with their contents, 10 pounds or more. This suspension is required to help meet the increasing demands for horsemeat now being used in making foods for dogs and other pets, to feed mink and other fur-bearing animals, a use which has just developed in the last few years.

National bank branches in foreign countries

S. 1771—Passed Senate August 21, 1961. Pending in House Banking and Currency Committee:

Permits national bank branches in foreign countries to exercise the usual banking powers of banks of the foreign country in which the branch is located. This is necessary for the banks to better compete in methods of loans, bank guarantees, and public securities which may be peculiar to a particular foreign country and which existing regulations for the foreign branches do not cover.

National banks—Service charges

S. 1486—Passed Senate August 21, 1961. Pending in House Banking and Currency Committee:

Permits the Comptroller of the Currency to establish reasonable maximum service charges on dormant accounts in national banks. This would prevent any excessive charges which might be made on accounts which are not active and thus do not require many services of the bank. The Comptroller would be expected to define the nature of dormant accounts and the types of activity carried out by the banks in regard to these dormant accounts.

Old series currency adjustment

S. 1619—Public Law 87–66, approved June 30, 1961:

To clear up old historical statutory currency and effect a savings of about $10,000 a day in interest charges, this measure was adopted unanimously by Congress.

Before July 1, 1929, the old large-size bills were issued. There are still a good many of them outstanding on the books of the Treasury, although many have been destroyed by fire, flood, or accidents of one kind or another, or are in the hands of collectors who value them more for their historical interest than as money. In addition, between June 30, 1929, and January 30, 1934, the date of the Gold Reserve Act of 1934, small-size gold certificates were issued to the public. About $12½ million of these small-size gold certificates are now outstanding.

This old series money is still outstanding on the Treasury's books as currency. This bill transfers these obligations to the noninterest-bearing public debt and, in the future, when any of these old series notes might be presented to the Treasury, they would be redeemed in full in new issues. In addition, the Secretary of the Treasury is authorized to write off from the books of the Treasury as much of the old series notes as he believes has been destroyed or irretrievably lost.

It also makes available for current use the security now backing up this old series currency which amounts to about $98.1 million in gold, silver, and other reserves for current use by the Government. This will reduce the Government's borrowing by some $98.1 million which amounts to some $3 to $4 million a year at current rates, thus effecting a saving of $10,000 a day.

Provision is made for maintaining a historical collection of these notes.

Puerto Rican Federal Relations Act

House Joint Resolution 124—Public Law 87–121, approved August 3, 1961:

This resolution amends the Puerto Rican Federal Relations Act to delete limitations on the public indebtedness of Puerto Rico and its municipalities and subdivisions contained in that act. The amendment takes effect when the Commonwealth constitution is amended to include provisions limiting the debt-incurring capacity of both the Commonwealth and its municipalities.

The present debt limit on the Commonwealth and its five most populous municipalities is 10 percent of the tax valuation of all property while on the remaining municipalities it is 5 percent. The Commonwealth officials hope to increase the debt limitations as a step toward securing funds to construct and improve educational facilities and a modern highway system.

Public debt increase

H.R. 7677—Public Law 87–69, approved June 30, 1961:

This measure will increase the public debt limit for 1 year from the statutory level of $285 billion, by $13 billion, to $298 billion. Since 1946, when the wartime statutory limit came down from $300 billion to $275 billion, the permanent limit has been increased twice, from $275 billion to $283 billion in 1958, and then to $285 billion in 1959. It has been increased temporarily (for 1 year) five times since 1954. This year's temporary increase of $13 billion compares with 1959's 1-year increase from $285 billion to $295 billion and 1960's increase from $285 billion to $293 billion.

Public debt—Reduce by gifts

H.R. 311—Public Law 87–58, approved June 27, 1961:

This act specifically authorizes the U.S. Government to accept gifts of money or other property which are to be used to reduce the public debt. It provides for deposit of cash gifts, or proceeds from sales of other gifts, in a special account on the books of the Treasury, and money in this account is to be used to retire obligations of the United States which are a part of the public debt.

Occasionally the U.S. Government receives gifts or money or other property made on the condition that the gift be used to reduce the public debt. However, the Treasury Department has no specific authority to use gifts it receives in this manner and, in the past, has been depositing them in the general fund of the Treasury. Thus, this act will permit the gift to be used as the donor designated.

GENERAL GOVERNMENT

American History Month

Senate Joint Resolution 22—Passed Senate August 14, 1961. Pending in House Judiciary Committee:

To create greater understanding and appreciation of our country's history and its heritage, this resolution designates the month of February of each year as American History Month.

The President is authorized to issue annually a proclamation inviting the people of the United States to observe this month in schools, churches, and other suitable places with appropriate ceremonies and activities.

American Patent System Week

House Joint Resolution 499—Public Law 87–292, approved September 22, 1961:

Authorizes the President to designate the week of October 15, 1961, as "The American Patent System Week," to commemorate the 125th anniversary (July 4, 1836) of the establishment of the U.S. Patent Office.

Antitrust Civil Process Act

S. 167—Passed Senate September 21, 1961. Pending in House Judiciary Committee:

Authorizes the Department of Justice to issue civil investigative demands requiring any person, other than a natural person, to produce documentary material for examination whenever the Department has reason to believe that the person may have material pertinent to a civil antitrust investigation. The civil demand must be in writing and must set forth the nature of the conduct constituting the alleged antitrust violations under investigation, as well as the applicable provision of the law. The material must be made available for inspection and reproduction at the principal place of business of the person from whom it is demanded.

This bill also provides that the demand may be tested in a district court where the person lives by filing a petition for an order of the court modifying or setting aside the demand. The tests for reasonableness and privilege of civil demands is the same as the test for subpenas duces tecum.

Antiobscene Commission

S. 162—Passed Senate June 12, 1961. Pending in House Education and Labor Committee:

This bill establishes a Commission on Noxious and Obscene Matters and Materials, consisting of representatives of the Senate, the House, the Post Office, Justice, and Health, Education, and Welfare Departments, State and local government, communications and mass media industries, education, and the clergy. The Commission would investigate methods of combating traffic in obscene materials, file a report and, after 60 days, cease to exist.

Civil defense activities

H.R. 8383—Public Law 87–390, approved October 4, 1961:

Legalizes approximately $1 million in contributions made by the Office of Civil Defense Mobilization to the States for emergency equipment and necessary activities in connection with civil defense activities.

Civil Rights Commission extension

H.R. 7371—Public Law 87–264, approved September 21, 1961:

Extends the Civil Rights Commission for 2 years, or until September 30, 1963.

Clean Elections Act of 1961

S. 2426—Passed Senate September 15, 1961. Pending in House Administration Committee:

To strengthen our present electoral system, the Senate has passed a clean elections bill which will—

Raise the limitations on campaign expenditures by congressional candidates to more realistic levels. A candidate for Senator or Representative at Large may spend $50,000 and a candidate for Representative or Resident Commissioner $12,500, or an amount equal to the higher of the following: (1) The amount obtained by multiplying 20 cents by the total number, up to 1 million, votes cast in the last general election for all candidates for the office which the candidate seeks plus the amount obtained by multiplying 10 cents by the total number of such votes over 1 million; or (2) the amount obtained by multiplying 20 cents by the total number, up to 1 million, persons registered to vote in the general election for the office which the candidate seeks, plus the amount obtained by multiplying 10 cents by the total number of such persons over 1 million. (Existing law allows $10,000 for Senator and $2,500 for the House plus an alternative formula of much less.)

Make campaign financing information available at the State level by requiring reports to be filed with different officials, particularly the secretary of state.

Repeal the Corrupt Practices Act of 1925 and substitute a more realistic law and makes numerous other changes in existing law and in new law.

Congressional Medal of Honor holders

H.R. 845—Public Law 87–138, approved August 14, 1961:

Proposes that persons awarded the Congressional Medal of Honor be placed on the honor roll at age 50 instead of the present requirement of 65. Authorizes a monthly pension of $100 instead of $10 as is now paid. Those who now hold the Medal of Honor would be paid this increased sum automatically, future holders would receive the increased amount at any time upon request. Thus greater recognition would be given to the holders of this honor.

Emergency evacuations

H.R. 2555—Public Law 87–304, approved September 26, 1961:

Provides permissive authority to the heads of Government departments, agencies, and establishments to allow civilians employed on duty at places outside the United States, or at other places the President may designate, under emergency conditions, to make allotments from their pay for the support of their families and to draw up to 30 days' advance pay, if necessary. This measure also provides for the continuance of pay of such civilian employees if they are required to evacuate their oversea places of duty under these conditions.

Employment of aliens by Department of Commerce

S. 2236—Passed Senate September 1, 1961. Pending in House Interstate and Foreign Commerce Committee:

Permits the Secretary of Commerce to employ aliens in a scientific or technical capacity which is now prohibited. There is precedent for this authorization since NASA, the Departments of Defense, State, and Agriculture may employ such persons. Investigations must be made to determine, before an alien is hired, if there are any qualified U.S. citizens to fill the positions available. Agencies of the Commerce Department have been faced with a general shortage of scientists and engineers in the United States; many of the specialized jobs required by these agencies demand training that is not offered in many schools in this country.

FCC documents

S. 683—Passed Senate February 16, 1961. Pending in House Interstate and Foreign Commerce Committee:

To eliminate excessive paperwork by the public and the Federal Communications Commission, this bill repeals the present requirement that, prior to submission, all annual and certain other reports, applications for construction permits, station licenses, modifications, or renewals must be notarized.

Fort Sheridan, Ill.

H.R. 7721—Public Law 87–160, approved August 25, 1961:

Authorizes the Secretary of the Army to relinquish any part of the legislative jurisdiction now held by the Federal Government to the State of Illinois over the land where Fort Sheridan Military Reservation is located. The jurisdiction particularly needed by the State is over the public civilian traffic on the State highway which crossed the military reservation; legally, the military patrols have no right to police civilian traffic.

General Von Steuben Memorial Day

Senate Joint Resolution 95—Passed Senate September 19, 1961. Pending in House Judiciary Committee:

Authorizes the President to issue a proclamation calling on Government officials and citizens to display the flag on September 17 in honor of Gen. Friedrich Wilhelm Von Steuben, the German military expert who instructed our forces at Valley Forge and Yorktown during the Revolution and who conceived the drill regulations and rules of order and discipline for Colonial troops.

GSA—Special police

S. 541—Public Law 87–275, approved September 22, 1961:

This bill amends the act of June 1, 1948, by adding a new section to authorize the Administrator of General Services, or certain officials designated by him, to appoint employees of GSA engaged in investigative functions to act as nonuniformed special police. The Administrator of GSA contends that nonuniformed special police are required to protect property under the control of GSA. These employees would be empowered to enforce Federal laws to protect persons and property, and to enforce rules and regulations issued by the General Services Administrator for protection of such property. The policemen designated under this bill will be authorized to make arrests without warrant for any offense constituting a felony when committed on Government property if such police had reasonable grounds to believe that the person to be arrested is guilty of the offense.

At present the Administrator of GSA has authority to appoint uniformed guards as special police to protect Federal property. He is also authorized to appoint nonuniformed policemen to make investigations within the District of Columbia, but there is no authority for the appointment of nonuniformed police for duty outside of the District of Columbia.

Interfaith Day

Senate Joint Resolution 24—Passed Senate May 1, 1961. Pending in House Judiciary Committee:

This joint resolution designates the fourth Sunday in September of each year as Interfaith Day, and requests the President to call upon all Americans and religious groups to observe the day appropriately.

It is believed that the observance of such a day will encourage the mutual understanding of all the people of our country and will serve to call the attention of the rest of the free world to one of the fundamental principles upon which the Nation was founded.

Joint Committee on the Budget

S. 529—Passed Senate May 2, 1961. Pending in House Rules Committee:

This act provides Congress with the machinery necessary to enable it to meet its constitutional responsibilities in appropriating funds required to run the Government. This is accomplished by establishing a Joint Committee on the Budget composed of 14 members, 7 from the Senate Appropriations Committee and 7 from the House Appropriations Committee; 4 from the majority party and 3 from the minority party, each, to assist Congress in exercising adequate control over the expenditure of public funds by the executive branch of the Government.

The committee will provide the same kind of expert staff facilities and detailed technical information for the Appropriations Committees as the Budget Bureau does for the Executive.

Lincoln's first inaugural

House Joint Resolution 155—Public Law 87–1, approved March 1, 1961:

The first act signed into public law by President John F. Kennedy was a joint resolution commemorating with proper ceremonies at the U.S. Capitol on March 4, 1961, the 100th anniversary of the first inaugural of Abraham Lincoln.

Lincoln memorial, Indiana

H.R. 2470—Passed Senate, amended September 15, 1961:

Authorized an appropriation up to $1 million to establish a national park in Indiana, in memory of Abraham Lincoln. Lands will include Pigeon Creek Farm in Spencer County where Lincoln's mother is buried and the old Lincoln farm where Lincoln spent his youth.

Major disasters—Pacific islands

S. 1742—Passed Senate August 21, 1961. Pending in House Public Works Committee:

Authorizes assistance by the Federal Government to Guam, American Samoa, and the Trust Territory of the Pacific Islands in case of a national disaster; this would place these Pacific areas under the same law as benefits the States and local governments in time of disaster.

Medal—Dr. Thomas A. Dooley III

House Joint Resolution 306—Public Law 87–42, approved May 27, 1961:

Authorizes the President to award an appropraite gold medal, in the name of Congress, to the late Dr. Thomas Anthony Dooley III, in recognition of his services to the people of Laos and to peoples in other newly developing countries.

Medal—Bob Hope

Senate Joint Resolution 88—Passed Senate May 26, 1961. Pending in House Banking and Currency Committee:

Authorizes the President to present to Bob Hope, in the name of the people of the United States, a gold medal in recognition of his services to his country and to the cause of world peace.

Mine study

H.R. 8341—Public Law 87–300, approved September 26, 1961:

Authorizes the Secretary of the Interior to conduct a study of the causes of injury, health hazards, and unsafe working conditions in metal and nonmetallic mines, and to evaluate the programs and techniques necessary to provide safe and healthy working conditions in these mines.

National conventions

Senate Resolution 141—Senate adopted August 25, 1961:

Expresses as the sense of the Senate that national conventions should be held in September after Labor Day. With rapid communications and transportations it is felt to be unnecessary to prolong presidential election campaigns beyond the time needed to reach and appeal to the national electorate.

National Poison Prevention Week

House Joint Resolution 358—Public Law 87–319, approved September 26, 1961:

Authorizes the President to designate the third week in March as "National Poison Prevention Week" to encourage Americans to be more alert to the dangers of accidental poisoning.

National portrait gallery

S. 1057—Passed Senate July 27, 1961. Pending in House Administration Committee:

Implements Public Law 85–357 which authorizes the establishment of a section of the Smithsonian Institution to house the national collection of fine arts and a national portrait gallery of those who have made significant contributions to the history, development, and culture of the people of the United States.

This bill establishes a National Portrait Gallery Commission as a bureau of the Smithsonian Institution to provide biographical study and research for the gallery.

National Youth Appreciation Week

Senate Joint Resolution 49—Passed Senate July 20, 1961. Pending in House Judiciary Committee:

This resolution designates the 7-day period beginning on the second Monday of November of each year as Youth Appreciation Week, and requests the President to issue annually a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.

The intent of the resolution is to stimulate more active participation by young people and their families in religious and civic activities, as a means of combating juvenile delinquency.

National Zoological Park

S. 2295—Public Law 87–360, approved October 4, 1961:

Authorizes appropriations for making improvements at the national zoo and places the direction of the improvements under the Regents of the Smithsonian Institution. The improvement program is not definite; whatever would be done would be reviewed by the Appropriations Committees. There is need for new cages and buildings (the newest one being 20 years old), a better traffic system, and other general improvements.

OCDM—Renamed

H.R. 8406—Public Law 87–296, approved September 22, 1961:

This measure renames the Office of Civil Defense Mobilization as the Office of Emergency Planning in order to describe more accurately its role in the Federal Government.

Pacific War Memorial

H.R. 44—Public Law 87–201, approved September 6, 1961:

Authorizes the appropriation of $150,000 to complete the construction of the chapel and memorial shrine of the U.S. Pacific War Memorial at Pearl Harbor. The memorial is to be located on the hulk of the U.S.S. *Arizona* and is to honor all personnel of our Armed Forces who died during the attack on Pearl Harbor. Three hundred and seventy thousand dollars has already been raised by public subscription and by appropriations from the State of Hawaii; they have been used in completing the first phase of the construction of the memorial. It is hoped that the memorial will be completed by December 7, 1961, which will be the 20th anniversary of the attack on Pearl Harbor.

Presidential office space

S. 51—Passed Senate July 7, 1961. Pending in House Public Works Committee:

Establishes a seven-member Commission on Presidential Office Space composed of legislative and executive representatives. It is authorized to draw up and oversee the plans and execution of the remodeling of the Executive Offices as recommended in a 1957 Presidential advisory report.

The facilities in the east and west wing of the White House would be improved for the use of the President's personal staff and also would provide some accommodations for visiting dignitaries. In the Old State Department there would be a more efficient planning of the now cramped office space, and also proposed would be a tunnel from these offices to the White House to provide quicker communication between the President and his executive staff.

Public buildings—Site procurement

S. 931—Public Law 87–277, approved September 22, 1961:

Amends existing statute which requires that in cases of procurement of sites for public buildings by the Government, the grantor of the site must furnish, at his own expense, all evidences of title required by the Attorney General. This requirement tends to discourage desirable property sales to the Government. Thus, this measure, by authorizing the Government to bear the expense of searching the title, will place the Government in a more equitable bargaining position.

Senior Citizens Month

Senate Joint Resolution 27—Passed Senate September 18, 1961. Pending in House Judiciary Committee:

Authorizes the President to designate May as "Senior Citizens Month" in honor of the contributions of older citizens to the American way of life.

Small Towns and Rural Counties Commission

S. 1869—Passed Senate May 26, 1961. Pending in House Government Operations Committee:

Establishes a 20-member bipartisan Commission on Problems of Small Towns and Rural Counties authorized to make a full and complete investigation and study of Federal policies and programs relating to the needs and problems of the Nation's smalltown and rural county areas. It is to study the needs, present and future, related to highways, public services, water resources, schools, recreation, financing, law enforcement, and business and industrial development.

The Commission is to determine the capabilities of State, county, and local government to meet the needs and seek means of improving coordination of Federal, State, county, and local policies. It is to investigate the possibilities of the Federal Government encouraging wider dispersal of Government procurement operations, the location of Federal facilities as well as other matters which may be of assistance in solving the various problems of, and promoting the social and economic well-being of the Nation's smalltown and rural county areas.

It is to report its findings and recommendations to the President and to Congress on or before February 1, 1963.

White House—Historic preservation

S. 2422—Public Law 87–286, approved September 22, 1961:

Provides for the administration and care of the White House, its surrounding grounds, and particularly the public rooms on its first floor, in accordance with the laws applicable to the National Park Service. It also provides a means whereby articles of historic and artistic value belonging to the White House will be under the custody of the Smithsonian Institution when they are not in use or on display in the White House itself.

Woodrow Wilson Memorial Commission

Senate Joint Resolution 51—Public Law 87–364, approved October 4, 1961:

Establishes the Woodrow Wilson Memorial Commission to consider and formulate plans for the design, construction, and location of a permanent memorial in Washington, D.C., or its environs, to Woodrow Wilson, the 28th President of the United States.

The membership is to be composed of: Former Presidents of the United States; two presidential appointees; two Senators appointed by the President of the Senate; two Congressmen to be appointed by the Speaker; and three members to be appointed by the President, one from each of the following—The Woodrow Wilson Foundation, the Wood-

row Wilson Centennial Commission, and the Director of the National Park Service or his representative.

The members are to serve without pay but will be reimbursed for necessary expenses. The Commission is to report its plans and recommendations to the President and Congress at the earliest possible date.

HEALTH

Air pollution control study

S. 455—Passed Senate September 20, 1961. Pending in House Interstate and Foreign Commerce Committee:

Extends to June 30, 1966, and authorizes up to $5 million a year in appropriations for a continuation of the present study being conducted by the Surgeon General of the Public Health Service and the Secretary of Health, Education, and Welfare, in conjunction with various State agencies into the causes, effects, and ways to abate air pollution.

Community Health Services and Facilities Act of 1961

H.R. 4998—Public Law 87-395, approved October 5, 1961:

This measure expands and improves community health services and facilities for the health care of the aged and other persons by—

Increasing the availability, scope, and quality of community health services and facilities to assist in meeting the health needs of the chronically ill and aged;

Increasing and expanding research to more effectively develop and utilize hospitals and other medical care facilities;

Continuing grants to assist in the construction of health research facilities.

To accomplish the above objectives, this act—

Increases from $30 million to $50 million, for each of the next 5 years, the appropriation authorization for matching grants-in-aid to States to assist them in expanding their public health services for the chronically ill and aged.

Authorizes through June 30, 1966, up to $10 million annually in special project grants to public and nonprofit organizations for studies, experiments, and demonstrations of new or improved methods of providing health services outside hospitals, primarily for chronically ill or aged persons.

Increases for 3 years the annual appropriation authorization, from $10 million to $20 million, for grants-in-aid to States to construct public and other nonprofit nursing homes under the Hill-Burton program.

Liberalizes the eligibility criteria of rehabilitation centers for construction assistance under the Hill-Burton program, by requiring that rehabilitation centers, to qualify for Federal assistance, need to provide for medical services and either psychological, social, or vocational services. (Under existing law, all four are required.)

Amends the Hill-Burton Act to extend to June 30, 1964, the authorization for loans for construction of hospitals and other medical facilities.

Increases the annual appropriation ceiling for hospital research grants from $1,200,000 to $10 million, extends the program to medical facilities other than hospitals, and authorizes appropriations for grants for constructing and equipping experimental or demonstration hospitals and other medical facilities.

Amends the authority of the Surgeon General of the Public Health Service to make nonmatching grants of constructing health research facilities by permitting it to expire June 30, 1962.

Extends for an additional 1 year, until June 30, 1963, the matching grant program for constructing health research facilities, and increases the authorization from $30 million to $50 million a year.

HEW—Two Assistant Secretaries

S. 2073—Passed Senate July 27, 1961. Pending in House Interstate and Foreign Commerce Committee:

Establishes two additional Assistant Secretaries of HEW to aid the Secretary in carrying out activities of the Department. One of the additional Assistant Secretaries would be primarily responsible for assisting and advising the Secretary in the field of international affairs (developing U.S. foreign policies and programs in the field of international social affairs, representing the United States at international conferences, etc.).

The other one will be in charge of health and medical affairs.

Howard University—Freedmen's Hospital transfer

H.R. 6302—Public Law 87-262, approved September 21, 1961:

Authorizes transfer of the present Freedmen's Hospital to Howard University as a modern teaching hospital facility for Howard University, to assist the university in training medical and allied personnel, and to provide hospital services for the community.

Project Hope—Commendation

Senate Concurrent Resolution 8—Senate adopted April 3, 1961. Pending in House Foreign Affairs Committee:

Congress unanimously adopted this resolution expressing appreciation for the energy and initiative shown by Dr. William Walsh and his associates in the People-to-People Health Foundation, Inc., for their splendid work in behalf of Project Hope—the hospital ship serving as a floating medical training-teaching center for the purpose of bringing the latest medical skills to developing nations.

Practical nurse training

S. 278—Public Law 87-22, approved April 24, 1961:

Recognizing the essential role of practical nursing in aiding the ill, Congress extended the 1956 act for another 3 years (making a total of 8) providing Federal assistance on a matching basis for vocational education training programs for practical nurses.

Up to 1956, there had been similar programs in the fields of agriculture, home economics, trades and industry, distributive occupations, and fishing which have proved highly successful through the years.

An innovation in the present bill is that Congress has agreed to include Guam as a participant under the act. At present all of the States, the District of Columbia, Puerto Rico, and the Virgin Islands have practical nurse programs in operation—increasing from 7,000 participants in 1957 to 40,000 in 1960.

The limit set for Federal grants in the nursing program is $5 million which must be matched by the participating State.

HOUSING

FHA mortgage insurance increase

Senate Joint Resolution 89—Public Law 87-38, approved May 25, 1961:

This measure amends section 217 of the National Housing Act to increase by $1 billion the mortgage insurance authorization of the Federal Housing Administration. Section 217 contains the mortgage insurance authorization for all FHA programs, except title I home repair and improvement program and title VIII military housing program. At the present rate of use, it is estimated by the Federal Housing Commissioner that available authorization for FHA mortgage insurance will be exhausted before the end of May 1961. At the same rate of use, $1 billion in additional authorization will be sufficient to enable new FHA mortgage activity to continue until about July 15, 1961, or until a general housing bill has been enacted.

Housing Act of 1961

S. 1922—Public Law 87-70, approved June 30, 1961:

Major provisions of the omnibus housing measure authorizing $4.9 billion in new funds are:

TITLE I—NEW HOUSING PROGRAMS

Authorizes a 35-year, low-interest-rate mortgage loan program for moderate income families in sales housing with a downpayment of 3 percent of the first $13,500, plus 10 percent over $13,500 up to a maximum mortgage of $15,000; also provides for a 40-year maximum mortgage and permits discretionary inclusion of settlement costs in the downpayment requirement for hardship cases; for existing construction a 30-year maximum maturity applies. Made no change in the 40-year term now in existing law for displaced families. The low-interest-rate mortgage loan program for moderate income families limited to 2 years; no time limit in the case of displaced families.

Market-rate program for rental housing: Bases loan ratio upon 90 percent of replacement cost of new construction. Term of the mortgage can be prescribed by the Commissioner at 5 percent but grants him discretion-authority to increase maximum to 6 percent if he finds it necessary to meet the mortgage market; program terminates July 1, 1963, for moderate-income families, with no termination date for displaced families.

Below-market-rate program for rental housing: Authorizes FHA to insure mortgages at below market rate with a partial or no insurance premium and liberalized features for payment of insurance claims. Program limited to nonprofit organizations, limited-dividend corporations, cooperatives, and public bodies or agencies which certify they are not receiving financial assistance from the United States exclusively for public housing. Maximum loan ratio is 100 percent of the Commissioner's estimate of replacement cost, except in case of rehabilitation it is the sum of the repair cost and the Commissioner's estimate of value before rehabilitation. Program for moderate-income families terminates July 1, 1965, but continues after that date for displaced families.

Home improvement and rehabilitation loans: Loans may not exceed 20 years, or three-fourths of the economic life of the property, whichever is less; rate of interest cannot exceed 6 percent; loans on structures less than 10 years old must involve major structural changes or correct defects not known at the time of completion of the structure; applies to urban renewal areas as well as other areas; authorizes FNMA to purchase these loans.

TITLE II—HOUSING FOR ELDERLY AND LOW-INCOME FAMILIES

For elderly: Broadens eligibility to include public bodies, agencies, and consumer cooperatives; permits 100-percent loans; increases the elderly housing direct loan authorization from $50 million to $125 million and eliminates the specific dollar limitation on the portion which can be used for related facilities.

Public housing: Removes requirement that disabled persons be at least 50 years of age. Permits payment of an additional annual Federal contribution of up to $120 a year for each elderly family provided it is required to avoid a deficit in low-rent projects; authorizes approximately 100,000 units which is the remainder contained in the Housing Act of 1949.

Demonstration programs: Authorizes $5 million in grants to public or private bodies or agencies to develop and demonstrate new or improved means of providing housing for low-income persons and families.

TITLE III—URBAN RENEWAL AND PLANNING

Urban renewal: Increases the grant authorization by $2 billion (to $4 billion); permits a locality of 50,000 or less (150,000 or less in case of a community located in a depressed area) to obtain a three-fourths Federal grant on the same basis as the regular two-thirds, i.e., without having to assume the cost of planning, etc.; authorizes the Administrator to use up to $25 million for mass transportation demonstration projects; authorizes SBA to make loans under the disaster loan program to a small business which has suffered substantial economic injury as a result of its displacement by federally aided urban renewal or highway construction program or any other construction program if Federal funds are used; increases from $125 million to $150 million the authorization for disaster loans to provide funds for displaced businesses; increases from 20 percent to 30 percent the amount of grant authorization which may be used for nonresidential purposes.

Urban planning assistance: Increases authorization from $20 million to $75 million; changes the amount of grant from one-half to two-thirds of the estimated cost of the work; extends planning to include transportation facilities.

TITLE IV—COLLEGE HOUSING

Increases the loan authorization by $1.2 billion through fiscal 1964.

TITLE V—COMMUNITY FACILITIES

Public facility and mass transportation loans: Increases the loan authorization by $500 million and provides that $50 million of the amount be made available for mass transportation loans.

Planning advances: Increases by $10 million the amounts which may be appropriated to the revolving fund for planning advances.

TITLE VI—AMENDMENTS TO NATIONAL HOUSING ACT

FNMA: Increases special assistance authorization by $1.5 billion, including transfers.

FHA insurance programs: Extends the home repair and improvement program for 4 years until October 1, 1965; removes dollar ceilings on FHA's insurance authorization and provides that loans and mortgages may be insured until October 1, 1965, except for certain programs that have different termination dates; increases nursing home mortgages from 75 percent to 90 percent of value.

TITLE VII—OPEN-SPACE LAND

Authorizes $50 million in grants to help finance the acquisition of title to, or other permanent interests in, open-space land; limits grants in most cases to 20 percent of total acquisition cost, except in cases of public bodies where it can be increased to 30 percent.

TITLE VIII—FARM HOUSING

Extends the program for 4 years until June 30, 1965; authorizes an additional $200 million in addition to the unused balance of approximately $235 million of the $450 million previously authorized for the period ending June 30, 1961.

Farm housing research: Authorizes $250,000 a year for 4 years to carry out a program of research, study, and analysis of farm housing.

TITLE IX—MISCELLANEOUS

Voluntary home mortgage credit program: Extends this program to October 1, 1965.

Hospital construction: Extends to June 30, 1962, the authority granted for loans and grants to public and nonprofit agencies for hospital construction under the Defense Housing and Community Facilities and Services Act of 1951, where applications were filed before June 30, 1953, and denied solely because of lack of funds; authorizes $7,500,000 for each of the additional years.

New authorizations under the Housing Act of 1961 and estimated budget impact in fiscal 1962

[Millions of dollars]

Purpose	Total new authorizations	Estimated budget impact in fiscal 1962
Total	$4,886	$343
Total loans	2,760	325
FNMA special assistance [1] (President's discretion)	750	225
Housing for the elderly	75	20
Public facility loans	450	50
Mass transit loans	50	10
Planning advances (sec. 702)	10	----
Farm housing loans	200	----
College housing	1,200	10
Loans for displaced business	25	10
Total grants	2,126	18
Urban renewal	2,000	3
Mass transit grants [2]	----	5
Urban planning	55	3
Open-space grants	50	5
Farm housing research	1	----
Defense hospitals	15	----
Housing demonstration program	5	2

[1] The bill also allows FNMA to use approximately $200,000,000 of the Program 10 special assistance fund previously authorized by the Emergency Housing Act of 1958. In addition, repayments on mortgages in the management and liquidation fund established in 1954, amounting to an estimated $150,000,000 a year, could be used for the purchase of mortgages under the special assistance function.

[2] Permits use of up to $25,000,000 of urban renewal funds.

Veterans' home loans

H.R. 5723—Public Law 87-84, approved July 6, 1961:

Extended direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967.

INDIANS

American Indian Day

Senate Joint Resolution 84—Passed Senate August 14, 1961. Pending in House Judiciary Committee:

To call public attention to the achievements and contributions that the American Indian has made to this Nation's progress and culture, this resolution designates the fourth Friday in September of every year as American Indian Day.

The President is directed to issue annually a proclamation setting aside that day as a public occasion and inviting the people of the United States to observe it with appropriate ceremonies.

Claims Commission

S. 751—Public Law 87-48, approved June 16, 1961:

This measure extends the life of the Indian Claims Commission to April 10, 1967, an additional 5 years, or at such earlier time as the Commission shall have made its final report to the Congress.

The Commission was established in 1946 to provide for a final disposition of all claims of Indian tribes against the United States that existed on the date of the act, August 13, 1946.

This extension is required in order that claims which the Indians have filed may be properly heard and decided; otherwise, the Indians will again resort to petitioning Congress for special jurisdictional acts to have their claims adjudicated.

There are 468 dockets now pending and active, some of which have been partly adjudicated and others in early stages of processing.

This act also provides for hearing examiners to assist the Commission in expediting its work. By assigning additional attorneys in the Justice Department to these claims cases, and attempting to reach settlements in cases which liability has been determined, a great many dockets can be disposed of.

Colville Reservation Confederated Tribes

H.R. 8236—Public Law 87-298, approved September 26, 1961:

Authorizes remaining funds, after settlements of certain judgments before Indian Claims Commission, to be credited to the account of the Confederated Tribes of the Colville Reservation. These funds may be spent, with the approval of the Secretary of the Interior, for purposes authorized by the tribal government body.

Employment

S. 200—Public Law 87-273, approved September 22, 1961:

This measure amends a 1956 act by increasing to $7,500,000 the annual authorization to carry out a vocational training program for American Indians residing on or near Indian reservations.

Although the Indian vocational training program has been in operation less than 5 years, it has become a most effective tool for equipping American Indians between the ages of 18 and 35 with salable work skills. These courses extend from 4 months to 2 years. In fiscal 1961 there were 1,700 students enrolled in various vocational programs throughout the United States. As of May 1, 1960, 743 Indians had completed training.

Land—Leasing

S. 108—Passed Senate March 30, 1961. Pending in House Interior and Insular Affairs Committee:

This measure amends the 1955 Indian Leasing Act relating to leases of individual and tribal lands for public, religious, educational, recreational, residential, business, and some farming purposes.

Under the 1955 act the Indian owners of restricted Indian lands in the United States were permitted to lease their lands for a period of 25 years with the approval of the Secretary for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases. In addition, these lands could be leased for farming purposes which require making substantial investments in improving land for producing specialized crops. The act also authorized leasing restricted lands of deceased Indians for the benefit of their heirs or devisees.

After the enactment of the 1955 measure, there arose several instances where the 50-year maximum leasing period was inadequate for the proper development of resources. To meet the needs of the Palm Springs Indians and the Navajo Tribe, Congress provided for 99-year leases on these two reservations during the 86th Congress.

Several other tribes, including the Seminoles, the Torres-Martinez groups and others, have all requested leasing authority beyond the present 50-year maximum.

This bill is designed to permit a lease with a term that is long enough to enable a lessee to obtain financing for the type development that is contemplated. It is drafted in such a way as to provide for lease periods up to 99 years. The Secretary of the Interior, however, may not approve any leasing with a term longer than is necessary to obtain the maximum economic benefits for the Indian owners. The bill retains the 10-year limitation on grazing leases and the 25-year maximum on farming leases that require substantial investments.

This measure also clarifies any ambiguity in the present law regarding mineral leases by omitting them completely.

Menominees

H.R. 4130—In conference:

Authorizes the Secretary of the Interior to make loans over a 4-year period up to a maximum of $1.5 million to Menominee Enterprises, Inc. This corporation succeeds the tribal entity of the Menominee Indians of Menominee County, Wis., as planned by an act of June 17, 1954, which terminated services to these Indians by the Bureau of Indian Affairs, as of April 30, 1961. The corporation contains the tribal assets, primarily timber and a sawmill, and the proposed program provides for modernizing these facilities. In the absence of assistance from the Bureau of Indian Affairs, the 1954 termination program would have difficulty in succeeding without loan aid. The program lends to the Menominee corporation under conditions assuring repayment within 20 years.

Authorizes additional expenditures for the development of recreational resources, and sanitation facilities, a program interrupted because of the change in its status on April 30, 1961.

Northern Cheyenne Indians, Montana

S. 2224—Public Law 87-287, approved September 22, 1961:

Provides that Indians granted allotments under a 1926 act, giving mineral rights to the northern Cheyenne Indians, when they take possession of their subsurface rights, must take them subject to any then outstanding leases. This provision is intended to encourage the development of minerals, discouraged now because a lessee cannot obtain a lease from the tribe that runs beyond 1976 when the land is to be transferred to the individual allottee or his heir.

Omaha Tribe

S. 1518—Public Law 87-235, approved September 14, 1961:

This bill disposes of a $2,722,289 claim collected by the Omaha Tribe after an official roll of the descendants of the aboriginal tribe member is compiled, $750 per capita is authorized with the balance of the claim being used for purposes designated by the tribal council.

Public facility loans

S. 2454—Passed Senate August 29, 1961. Pending in House Banking and Currency Committee:

Provides eligibility to Indian tribes for assistance under the public facility loan program, title II of the Housing Amendments of 1955. Under present law, eligibility for loans under the public facility loan program is limited to "municipalities and other political subdivisions and instrumentalities of States." This provision has been interpreted as not including Indian tribes because they are not creatures of the States but quasi-independent Government entities recognized, supported, and dealt with by the Federal Government.

The exclusion of Indian tribes from the communities facilities program is inconsistent with other housing programs. Federal assistance for low-rent public housing and housing for the elderly program is considered available to the tribes. In addition, they are eligible for Federal assistance under the Area Redevelopment Act. Thus omission from the public facilities program would be rank discrimination.

Pueblos trust lands

S. 203—Public Law 87-231, approved September 14, 1961:

Declares the United States will hold in trust 69,706 acres of public domain lands which will insure continuity of use of this land by the Indians who have worked it under free use permit for the last 20 years. Such trust title will help foster the initiative for better soil conservation practices by the Indians.

Reservation roads

S. 1719—Public Law 87-282, approved September 22, 1961:

This act authorizes the Secretary of the Interior to accept the cooperation of any State, county, or local subdivision in the construction of Indian reservation roads and bridges. Cooperation will, as a general rule, take the form of contributions of either materials or funds, or both.

Frequently an Indian reservation road is constructed through an area where a part of the lands are owned by Indians and a part by non-Indians. The local government recognizes that it should pay the part relating to the non-Indian lands. Under existing law, the local government and the Bureau of Indian Affairs must each assume responsibility for a specific part of the construction; for instance, one may agree to do the surfacing and the other the grading. This is an inefficient procedure and it cannot be used at all when the construction work is to be done under a contract let by competitive bidding.

Thus, this act will permit the Secretary to accept funds from the local government and use them for an integrated road construction program under Bureau control.

Revolving loan fund

S. 1540—Public Law 87-250, approved September 15, 1961:

Provides for an increase from $10 million to $20 million for the Indian revolving fund so that adequate funds will be available from which worthwhile projects may be financed.

Seneca leasing law

S. 344—Public Law 87-230, approved September 14, 1961:

Changes existing law which states that funds acquired by leasing Seneca lands must be distributed with $5,000 going to the maintenance of the Council of the Seneca Nation and any funds above this being divided on a per capita basis.

Thus, this bill removes the $5,000 limitation and provides that the council may use all or any part of the lease money.

Utilities

S. 1501—Public Law 87-279, approved September 22, 1961:

Permits the Secretary of Interior, after notifying the congressional Interior Committees, to contract for the sale, operation, maintenance, repair, or relocation to private organizations of any Government-owned utility systems (except part of an irrigation system) used by Indian reservations. Private participation will improve the service given by these utilities as the Bureau of Indian Affairs hasn't the necessary funds for the needed improvements or to effect improved service in many areas.

INTERNATIONAL

Alien Orphan Adoption Act

S. 2237—Public Law 87-301, approved September 26, 1961:

Made permanent and expanded the provisions of the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas. To be eligible, the alien must be under 14 and must have been orphaned or abandoned abroad. The act provides, however, that no more than two children may be adopted by one family unless it would mean the separation of brothers and sisters, and prevents proxy adoption of orphans.

Permits immediate admittance of some 18,000 second- and third-preference aliens on a nonquota basis.

Assistance to refugees, migrants, and escapees

H.R. 8291—In conference:

This bill assists in the resettlement of refugees and escapees by—

Authorizing the President to participate in three programs: Contributions to the Intergovernmental Committee for European Migration (ICEM), contributions to the United Nations High Commissioner for Refugees (UNHCR), and the U.S. escapee program (USEP).

Establishing specific authority to assist Cuban refugees who have come to the United States.

Providing the President with authority to meet unexpected refugee, escapee, and migration problems by using up to $10 million in any fiscal year out of his foreign aid contingency fund.

Authorizing the President to delegate his responsibilities under this act to appropriate officers of the U.S. Government, to allocate funds to these officers to operate the programs, and to expend funds for necessary operating and administrative purposes.

ICEM, established on the initiative of the United States in 1951, now has 30 governments as members. Its purpose is to move surplus population and refugees from Europe to Latin America, Australia, Canada, New Zealand, and other countries. The organization assists these migrants in relocating and establishing themselves in their new surroundings.

USEP, operated by the United States since 1952, provides reception, supplemental material aid, and resettlement and local integration assistance to recent escapees from the Sino-Soviet bloc.

UNHCR, established in 1951, to promote the principle of asylum for refugees fleeing from persecution and to reduce political tensions resulting when large numbers of people seek asylum in a neighboring country.

Aid to Cuba refugees heretofore has been made the responsibility of the Department of HEW. The program has been operated under the Mutual Security Act of 1954 and financed out of the President's contingency fund under that act.

Battle Act revisions

S. 1215—Passed Senate May 11, 1961:

This measure amends the Mutual Defense Assistance Control Act of 1951, the so-called Battle Act, to strengthen U.S. policy abroad.

The Battle Act of 1951 places an embargo on shipments of war materials from the United States to the Communist bloc and penalizes other nations which fail to do likewise by prohibiting military, economic, or financial assistance from the United States to them.

This measure deletes obsolete references to provisions which have been since repealed. It provides that the Administrator of the act may be either the Secretary of State or such other officer as the President may designate.

This amendment permits economic and financial, but not military, assistance to any nation or area, other than the Soviet Union and Communist-held areas of the Far East, which exports arms, ammunition, implements of war, atomic energy materials, or items used in the production of these materials to the Sino-Soviet bloc, upon the President's determination that such assistance is important to the security of the United States. The amendment also permits assistance to a country which is neither effectively cooperating with, nor furnishing sufficient information to, the United States. If, however, aid has been terminated, such assistance can be resumed only upon a determination that the Nation has taken adequate measures to assure full compliance with the act. Each such determination must be reported to the Committees on Foreign Relations, Appropriations, and Armed Services of the Senate and the Speaker of the House.

Economic assistance is permitted through the use of any amount of mutual security funds, without regard to the present $30 million ceiling on assistance to any nation

for which the act must be waived and also permits assistance through the use of funds of the Export-Import Bank, as well as local currencies accruing to the United States under Public Law 480 sales of surplus agricultural commodities.

Under this amendment the Administrator may, notwithstanding the requirements of this act, direct continued assistance to a country which knowingly permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials to any nation or area receiving economic or financial assistance if such would be clearly in the interest of the United States.

Caribbean organization

House Joint Resolution 384—Public Law 87–73, approved June 30, 1961:

This resolution authorizes the President to accept on behalf of the United States the agreement establishing the Caribbean Organization and the participation of Puerto Rico and the Virgin Islands in the Organization.

The resolution makes available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act and authorizes the Secretary of State to appoint a U.S. observer to the Organization.

The statute of the Caribbean Organization is an integral part of the agreement among the four powers. Except for the French territories, which will continue to be represented by France, the members of the Caribbean Organization will be the territories, commonwealths, or other possessions of those powers in the Caribbean area. Other territories eligible to participate are the Netherlands Antilles, Surinam, British Guiana, the West Indies, the Bahamas, British Honduras, and the British Virgin Islands. French Guiana, Guadeloupe, and Martinique will participate and will be represented by France. Each member of the Organization will have one delegate with one vote, except that France will have one delegation with three votes, reflecting French membership on behalf of three departments.

The Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area, particularly agriculture, communications, education, fisheries, health, housing, industry, labor, music and the arts, social welfare, and trade. It may make studies and recommendations, assist in the coordination of local projects of regional significance, arrange for or provide technical guidance not otherwise available, and, subject to certain conditions, make contracts or agreements for technical assistance with other international or national organizations.

Headquarters will probably be located in Puerto Rico.

Cooperation agreement with France

House Joint Resolution 569—Public Law 87–363, approved October 4, 1961:

Ratification of this agreement permits the United States and France to exchange classified information to permit French military forces to be trained in the employment of and defense against atomic weapons.

In addition the agreement provides for the transfer of nonnuclear parts of atomic weapon systems (but not parts of atomic weapons) to improve the state of training and operational readiness of French military forces assigned to NATO.

Educational and cultural exchange

H.R. 8666—Public Law 87–256, approved September 21, 1961:

This measure is designed to improve the quality and effectiveness of the international educational and cultural exchange programs administered and sponsored by the U.S. Government by consolidating into one act the following programs: The Fulbright Act of the 79th Congress, Public Law 584; the Smith-Mundt Act of the 80th Congress, Public Law 402; the Finnish Debt Payments Act of the 81st Congress, Public Law 265; the Mutual Security Act of 1954 as amended; the Agricultural Trade Development and Assistance Act of 1954 of the 83d Congress, Public Law 480; and the International Cultural Exchange and Trade Fair Participation Act of 1956 of the 84th Congress, Public Law 860.

The overall aim in effecting the consolidation is to promote the educational and cultural affairs to a more important position in the foreign relations of the United States.

Principal provisions of the consolidation:

Continues the President's authority to appoint a Board of Foreign Scholarships to select students and educational institutions for the program, and increases the membership from 10 to 12.

Permits U.S. participation in exchange programs sponsored through the U.N. or other international organizations.

Authorized use of exchange program funds for living expenses as well as transportation expenses of foreign students coming to the United States.

Authorized use of U.S.-owned foreign currencies for the exchange of U.S. and foreign students and teachers under a program administered by State Department.

Authorized use of funds to assist U.S. educational institutions in foreign countries.

Authorized the educational and cultural exchange programs for leaders and specialists as well as teachers.

Authorized the State Department to administer the programs involving exchange of persons and cultural presentations. Authorized USIA to administer exchange of books and educational materials, and Commerce Department to administer the trade fair provisions.

Authorized U.S. representation at cultural events in the United States as well as abroad.

Broadened the definition of cultural events to include meetings and assemblies—as well as artistic, dramatic, musical, and sports.

Revised the Immigration and Nationality Act and established a new nonimmigrant alien class for which visas as exchange visitors would be issued to teachers, trainees, leaders, and specialists.

Authorized program participants and dependents to accept employment.

Permitted one security investigation to be sufficient to cover any Government personnel who might change their functions within a department.

Permitted fellowships from foreign governments and international organizations to be taxed at the same rate as U.S. grants.

Applied the same tax rules and rates to income of exchange visitors as are applied to U.S. citizens.

Directs the President to submit annual reports to the Congress, detailing activities and expenditures made under this act.

Emergency Repatriation Assistance Act of 1961

H.R. 6027—Public Law 87–64, approved June 30, 1961:

The Emergency Repatriation Assistance Act of 1961 authorizes the Secretary of HEW, after consulting with the Secretaries of State and Defense, to develop plans and make arrangements for providing temporary assistance to U.S. citizens and dependents of U.S. citizens, identified by the Department of State as having returned or brought here because of destitution or illness, or because of war, threat of war, invasion, or similar crisis.

This 1-year assistance, however, will be provided only if the citizen or dependent involved was without available resources. The aid can consist of money payments, medical care, temporary billeting, transportation, or other goods or services needed for the health or welfare of the individual. It can also include guidance, counseling, and other welfare services.

(Passed as an amendment to social security amendments.)

Exemptions—Foreign bank issues

H.R. 5189—Public Law 87–29, approved May 4, 1961:

Under existing law there is an income tax on foreign corporations which hold U.S. Government securities if they receive interest on them. In the case of a foreign government that holds U.S. bonds, there is no income tax; in other words there is an exemption in such cases.

Some foreign governments do not have central banks, instead they operate through corporations. In this type case the tax is payable on these securities. This bill is designed to equate this situation by making all obligations of that nature exempt whether they are owned by a country through its wholly owned central banks or whether it is owned by a foreign government banking business.

In addition, it extends to May 15, 1961, the period in which the spouse of a shareholder in a small business corporation may consent to an election not to be taxed as a corporation. Under existing law certain small business corporations can elect not to be taxed as a corporation; however, the Treasury Department regulations provide that in community property States, both husband and wife must make the election. Thus, in many instances the husband made the election but the wife did not. This measure merely grants the spouse until May 15, to sign the election where, in the first instance, a timely election was made by the husband.

Export declarations

S. 1289—Public Law 87–191, approved August 31, 1961:

To facilitate the movement of exports, this measure eliminates a nonessential step in processing export declarations by repealing the requirement of an oath on shippers' manifests of cargo and replaces it with a certification requirement.

Experience has shown the oath requirement to be costly, burdensome and superfluous since, under section 1001, title 18 of the United States Code, any false or fraudulent statements or representations concerning matters within the jurisdiction of any department or agency of the U.S. Government is subject to a fine of up to $10,000, or imprisonment for not more than 5 years, or both.

Export-Import Bank—Credit insurance

S. 2325—Public Law 87–311, approved September 26, 1961:

Amends the provisions of the Export-Import Bank Act which relate to export credit guarantees, by making it clear that the Export-Import Bank is authorized to insure, coinsure, and reinsure U.S. exporters and foreign exporters doing business in the United States in an aggregate amount of $1 billion outstanding at any one time against political and credit risks of loss arising in connection with U.S. export transactions, and by authorizing the Bank to establish fractional reserves in connection with export guarantees amounting to at least 25 percent of the related contractual liability in the Bank.

This will make it possible for the Export-Import Bank to provide greater assistance to the United States through an expanded program for insuring or guaranteeing exports, which will help to solve the balance-of-payments problem of the United States by increasing exports.

Foreign Agents Registration Act

H.R. 470—Public Law 87–366, approved October 4, 1961:

Broadens the definition of "foreign principal" to require registration under the Foreign Agents Registration Act by individuals employed in a domestic partnership or organ-

ization which is substantially directed by a foreign government or political party.

Clarifies the so-called commercial exemptions of the Foreign Agents Registration Act by providing that a foreign principal, in order for its agents to be eligible for exemption from registering under the act, must be engaged in activities which are either private and nonpolitical and financial, or private and nonpolitical and mercantile.

Foreign Assistance Authorization Act of 1961

S. 1983—Public Law 87–195, approved September 4, 1961:

This measure authorizes $4,253,500,000 for foreign economic and military assistance in 1962, and $1.5 billion in each of the following years, 1963–66, for the Development Loan Fund. The major provisions are:

Statement of policy: Stated its purpose is to strengthen friendly foreign countries by encouraging the development of their free economic institutions, productive capabilities, and by eliminating barriers to the flow of private investment capital. In addition, declared that it is the policy of the United States to support the principles of increased economic cooperation and trade among countries, freedom of the press, information, religion, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion.

Development Loan Fund: Authorized a 5-year program of long-term loans to friendly countries and areas with emphasis upon assisting long-range plans and programs designed to develop economic resources and increase productive capacities.

The loans are to be repayable in U.S. dollars and made only upon a finding of reasonable prospects for repayment.

Provided that loans may not be reloaned within the recipient country at rates of interest excessive or unreasonable for the borrower and in no event higher than the applicable legal rate of interest of the country in which the loan is made.

Authorized $1.2 billion for fiscal year 1962 and $1.5 billion for each of the following years, 1963–66, but required annual appropriations.

Authorized the President, when he determines it is important to the advancement of our interest and the development program, to enter into agreements committing loan funds in advance of but subject to the appropriation of such funds. Requires the President to notify the Foreign Relations and Appropriations Committees of the Senate and the House of the provisions of such agreements, including the amounts of funds involved.

Authorized the President to establish an interagency Development Loan Committee, consisting of officers from Government agencies and confirmed by the Senate, to establish standards and criteria for lending.

Authorized the President to lend up to 10 percent of the Development Loan Funds to the International Development Association.

Development grants: Authorized $380 million in development grants plus unobligated balances (estimated at $15 million). Development grants will be used to raise educational, technical, managerial, and professional levels of certain societies. Authorized assistance to schools, libraries, and hospitals outside the United States that have been founded or sponsored by American citizens. Authorized up to $2 million to promote the peaceful uses of atomic energy outside the United States.

Development grant activities will be financed jointly by the United States and the host government with the latter paying a fair share of the cost of the programs.

Authorized assistance through loans of foreign currencies to small farmers, up to an aggregate of $10 million at any one time.

Prohibits grants which would have a substantially adverse effect upon the U.S. economy or a segment thereof.

Investment guarantees: Continues and broadens the President's authority to make guarantees of certain investments up to a face amount of $1 billion, and expands the role of private enterprise in furthering the economic growth of less developed countries and areas. Authorized the President to guarantee up to 75 percent of an investment up to $10 million, against risks as determined by him; however, these investments must be for projects emphasizing economic development, social progress, and promote small independent business enterprises. Authorized guarantees up to 75 percent of an investment in pilot housing projects in Latin America up to a total of $10 million. These guarantees would cover investments made by U.S. citizens or business entities which are both U.S. chartered and substantially U.S. owned in pilot or demonstration private housing projects in Latin America. Requires a fee for each guarantee in an amount to be determined by the President.

Surveys of investment opportunities: Authorized $5 million to finance up to 50 percent of the cost of investment surveys and studies in less developed areas approved by the President. Excludes surveys regarding sources of oil, gas, and ores, along with studies aimed at determining the feasibility of mining and other extraction operations. To be eligible to receive such funds, the term "person" as applied to this section means a citizen of the United States or any corporation, partnership, or other association substantially beneficially owned by U.S. citizens.

Development research: Establishes a new program designed to contribute the results of systematic investigation to the improvement and the direction of economic aid programs.

International organizations and program: Authorizes $153.5 million for the support of international organizations and programs; funds to remain available until expended. Limited contributions to the U.N. expanded program of technical assistance and the U.N. Special Fund (after calendar year 1961) to 40 percent of the total amount contributed, including assessed and audited local costs, for each year. Directed the President, in his determination as to whether aid should be continued to the Palestine refugees in the Near East, to consider whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of these refugees and the extent and success of efforts by the U.N. Relief and Works Agency and the Arab host governments to rectify the Palestine refugee relief rolls. Reaffirmed U.S. policy to participate in the Indus basin development.

Supporting assistance: Authorizes $465 million for supporting assistance to be used beginning in fiscal year 1962, plus unobligated balances currently estimated at $50 million, and to remain available until expended. Supporting assistance joins together in a single category those programs which have been labeled "defense support" and "special assistance" programs.

Contingency fund: Authorized up to $300 million for a contingency fund to be used by the President for economic purposes that he determines to be important to the national interest.

Agrarian economies: Directed the President to place emphasis upon programs reaching the people who are engaged in agriculture.

Military assistance: Authorized a 2-year program at the level of $1.7 billion for each of the fiscal years. Military assistance may be furnished on such terms and conditions as the President may determine, and to any country, subject to conditions of eligibility, or international organizations, the support of which the President finds to be in the national interest. Limited defense articles for any one country in any one year to $3 million unless the President determines, among other requirements, that the increased ability of such country to defend itself is important to the security of the United States. Authorizes the President to use up to $300 million in Defense Department supplies for military aid if he determines it to be vital to the security of the United States. Limited to $57.5 million the amount of military equipment aid for Latin American nations.

General provisions

Aid barred: Bars aid under this act to the present Government of Cuba; to the government of any country unless the President determines that the country is not dominated or controlled by the international Communist movement; to any country indebted to a U.S. citizen who has exhausted available legal remedies.

Small business: Establish an Office of Small Business to assist American small business in foreign aid program. Established a $5 million revolving fund to acquire usable U.S. machinery to sell to small foreign businesses and set a ceiling of $45 million on the original sale value of surplus property transferred to the Agency for International Development.

Recipient countries: Encouraged development and use in recipient countries of cooperatives, credit unions, and savings and loan associations.

President Kennedy's statement of August 29, 1961

"The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurance that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries, the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world."

Foreign Commerce Act of 1961

S. 1729—Passed Senate August 25, 1961. Pending in House Banking and Currency Committee:

Provided new and expanded existing services which the Federal Government provides to American businessmen who are interested in exporting their goods.

The Secretary of Commerce would be authorized to (1) provide for the establishment of trade fairs abroad to aid in exhibiting U.S. goods, (2) encourage the establishment of permanent centers which exhibit U.S. goods, (3) send trade specialists overseas to attempt to open new markets to U.S. goods, (4) provide information concerning existing trade opportunities, and (5) institute programs of trade fair promotion. Also, establishes under the Department of Commerce a professional career service. Members of the Foreign Commerce Corps would be sent, after a training program to be determined by the Secretary of Commerce, to our embassies or other oversea posts. They would work on commercial and/or economic matters. The corps would function on much the same system as our Foreign Service Corps. Also, the Export-Import Bank Act of 1945 is amended to institute a comprehensive program of credit guarantees and insurance against political and commercial risks arising directly from export transactions. The Bank will utilize the services of

private enterprise, particularly insurance companies and financial institutions. All exports which are guaranteed or insured must be at a uniform rate; the Bank has the authority to determine the terms and conditions of the guarantee program.

Foreign Service widows

S. 1067—Passed Senate March 30, 1961. Pending in House Foreign Affairs Committee:

In 1956 Congress enacted a measure authorizing a $1,200 a year annuity to widows of Foreign Service officers who were not entitled to an annuity under the Foreign Service retirement system provided the widow was in "actual need."

In 1960 this act was amended and the amount increased to $2,400 a year and expanded to include widows whose husbands "died" before August 29, 1954, and repealed the "actual need" test.

This measure amends the foregoing to include widows whose husbands "retired" prior to August 29, 1954.

In each instance the date, August 29, 1954, was selected because it was the effective date of the Government Employees Life Insurance Act and any Foreign Service officer who retired after that date would have some Government life insurance which would benefit his widow in the event of his death.

Inter-American Children's Institute

Senate Joint Resolution 66—Public Law 87–365, approved October 4, 1961:

This act enables the United States to continue participation in the activities of the Inter-American Children's Institute until the end of 1963, by substituting 1963 and 1964 for 1961 and 1962 in the present law. This limit was placed in the law in 1960 when Congress raised the ceiling on U.S. contributions to $50,000 a year (from $25,000) to permit Congress to have a look at and form a judgment as to the Institute's increased activities as a result of additional funds.

The primary purpose of the Inter-American Children's Institute is to serve as a center for technical consultation, advisory services, to foster a helpful publication program, and to disseminate information on all matters pertinent to the welfare of American children.

The accomplishments of the Institute are recognized throughout the world, and Congress unanimously adopted this resolution authorizing our continued participation and cooperation in the Institute's efforts.

International Exposition for Southern California

S.J. Res. 132—Passed Senate September 11, 1961. Pending in House Foreign Affairs Committee:

Directs the President to issue a proclamation calling on the United States and foreign countries to take part in the international exposition to be held at Long Beach, Calif., in 1966.

International Finance Corporation Amendment

H.R. 6765—Public Law 87–185, approved August 30, 1961:

Amends the charter of the International Finance Corporation by allowing it to purchase capital stock to aid the IFC in encouraging private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise. The IFC will not be allowed to vote the capital stock in connection with any managerial function unless a situation arose which placed the investment in jeopardy.

International food and raw materials reserve

Senate Resolution 128—Senate adopted June 1, 1961:

The Senate unanimously adopted this resolution expressing, as the sense of the Senate, that the President should explore with other nations the establishment of an international food and raw materials reserve under the auspices of the United Nations and related international organizations for the purpose of acquiring and storing in appropriate countries raw or processed farm productions and other raw materials, exclusive of minerals.

These materials could then be used to (1) prevent extreme price fluctuations in the international market in these commodities; (2) prevent famine and starvation; (3) help absorb temporary market surpluses of farm products and other raw materials (but not minerals); and (4) promote economic and development programs formulated in cooperation with other appropriate international agencies.

U.S. participation would be contingent upon statutory authorization or treaty approval.

Latin American aid

H.R. 6518—Public Law 87–41, approved May 27, 1961:

This measure appropriates $500 million for the inter-American social and economic cooperation program and $100 million for Chilean reconstruction.

The authorizing legislation was passed in 1960 to enable the U.S. representatives in Bogotá, Colombia, to give substance to a new program of development for Latin America. The objective of this development program is to implement the Act of Bogotá, signed by 19 American nations in September 1960.

In helping to carry out the Act of Bogotá, the funds involved in this appropriation will be aimed directly at the Latin American people through advances in fields which directly affect their lives. The President, in requesting this appropriation, stated:

"It will be devoted to social progress. Social progress is not a substitute for economic development. It is an effort to create a social framework within which all the people of a nation can share in the benefits of prosperity and participate in the process of growth. Economic growth without social progress lets the great majority of the people remain in poverty while a privileged few reap the benefits of rising abundance * * *. Thus, the purpose of our special effort for social progress is to overcome the barriers of geographical and social isolation, illiteracy and lack of educational opportunities, archaic tax and land tenure structures and other institutional obstacles to broad participation in economic growth."

The fields included in this social progress are—

(a) Land settlement and improved land use;

(b) Housing for low-income groups through assistance to self-help housing and to institutions providing long-term housing finance;

(c) Community water supply and sanitation facilities;

(d) Supplementary financing of facilities for advanced education and training related to economic and social development as may be agreed upon from time to time between the United States and the Inter-American Development Bank. The IDB will also provide technical assistance related to the above fields. Technical assistance may be on a grant, loan, or reimbursable basis.

The International Cooperation Administration will also participate in the program and its primary responsibility will be for education and training programs; public health; projects for social improvement for the federation of the West Indies and other territories within the Western Hemisphere; and applied research and surveys in fields related to social progress. Most ICA assistance will be on a grant basis.

Six million dollars is to be used to help the Organization of American States in connection with the social development program.

The $100 million will be loaned to the Government of Chile to assist in financing specific reconstruction projects and activities made necessary by the series of severe earthquakes in southern Chile. Total damage as a result of the quakes was $372 million.

As finally enacted, the measure prohibits loans or reloans at interest rates considered to be excessive by the Inter-American Development Bank or higher than the legal rate of interest of the country in which the loan is made.

Lincoln monument to Mexico

S. 653—Passed Senate September 7, 1961. Pending in House Foreign Affairs Committee:

Authorizes the Secretary of State to procure a statue of Lincoln (at an estimated cost of $150,000) to present to Mexico in commemoration of its 100th anniversary of independence.

Loan of naval vessels to friendly countries

H.R. 7726—Public Law 87–387, approved October 4, 1961:

Authorizes the President to loan ships to the following friendly nations:

North Atlantic Treaty Organization and European area not to exceed six ships (Denmark and Greece).

Southern Asia not to exceed two ships (Pakistan).

Far Eastern area not to exceed six ships (Republic of China and Republic of Korea).

Two ships to be loaned to friendly foreign nations in the event of an emergency.

Extends for 5 years existing loans of two destroyer escorts to Portugal and two destroyers to Spain.

NATO—U.S. Citizens Commission

House Joint Resolution 463—Public Law 87–116, approved July 31, 1961:

Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a Commission established to explore means of cooperation and unity of purpose among the NATO countries.

Though the Commission was established on September 7, 1960, by Public Law 86–719, the actual membership was not appointed until March 21, 1961. Due to this delay plus the fact that some of the other NATO countries have experienced similar delays, it was considered essential to extend the life of the Commission. Ultimately these groups will hold an international convention to carry out the purposes of the original resolution.

OECD—Permanent representation

S. 2423—Passed Senate September 7, 1961. Reconsideration motion pending:

This bill permits the President to appoint, subject to confirmation by the Senate, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provides for the cost of U.S. participation in OECD including salaries of the American representative and his staff.

The U.S. share of the OECD budget is 25 percent, and it is estimated that the total budget will run to about $5 million annually.

Paris convention on patents and trademarks

H.R. 5754—Public Law 87–333, approved October 3, 1961:

Implements the Paris convention in relation to the right of priority for patents and trademarks, by amending sections 1119 and 1126, title 15 of the United States Code, which provides that if an application for a trademark is filed in the United States within 6 months of the date the application for the same trademark was filed in a foreign country, the same date of registration shall apply to the U.S. application. In the case of patent inventions, the same right of priority applies but the period is 1 year.

This bill provides that if a subsequent application were filed in the foreign country after the first foreign application had been withdrawn, abandoned, or otherwise

disposed of without leaving any rights outstanding, the first date would hold—if the other requirements had been met.

Peace Corps

H.R. 7500—Public Law 87-293, approved September 22, 1961:

This measure carries out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for our mankind. The major provisions are:

Purpose: To promote world peace and friendship through a Peace Corps, and to promote a better understanding of other peoples on the part of the American people and a better understanding of the American people on the part of the peoples served.

Staff and agency: Established as a semi-autonomous agency within the Department of State, headed by a Director appointed by the President and confirmed by the Senate, at $20,000 a year, and a Deputy Director at $19,500 a year. The Director of the agency will report directly to the Secretary of State, and the integration of the Peace Corps programs with the foreign policy of the United States will be the responsibility of the Secretary of State.

Volunteers: Provides that the President may enroll in the Peace Corps for service abroad qualified citizens and nationals of the United States who will be called volunteers. A volunteer, to enroll in the Peace Corps, must pass a general entrance as well as other examinations, successfully complete a training program including instruction in philosophy, strategy, tactics, and the menace of communism, be selected for oversea duty, and have a language proficiency. To qualify as a volunteer, one must be at least 18, single or if married both must volunteer, in excellent physical and mental health, emotionally mature, and exemplary in personal conduct. In addition he must have a good educational background and/or experience required for success both in the training program and in performance on the job.

Allowances: Volunteers will be given living, travel, and leave allowances, and such housing, transportation, supplies, equipment, subsistence, and clothing as the President may determine necessary (estimated to cost $9,000 per person). The volunteer is to live at a level generally similar to that of his host country counterpart. He will be credited with 2½ days of annual leave for each month of satisfactory service, which will permit him to travel some in the area in which he is stationed. While actually on leave, the volunteer will be given an additional allowance of $5 a day to cover expenses.

Termination payments: Volunteers will receive termination payments at a rate not to exceed $75 for each month of satisfactory service, to be paid at the conclusion of his service; unless his financial situation is such that he needs payments deducted to support a family.

National Advisory Council: Provides for Presidential appointment of 25 members to the Council from educational institutions, voluntary agencies, farm organizations, labor unions, and other public and private organizations and groups interested in the objectives of the Peace Corps. The Council is to advise and consult with the President concerning policy matters. The service is without pay; however, if they are not employed by the Government they may receive $50 per diem not to exceed 20 days in any fiscal year, actual travel expenses, and per diem in lieu of subsistence and other expenses.

Peace Corps projects: For a project to be eligible: (1) It must make a contribution to the economic, social, or cultural development of the host country, and the government of that country must have requested the project and given evidence of its willingness to cooperate; (2) it must require primarily workers or doers with skills not sufficiently available in the host country; (3) maintenance and remuneration of volunteers must meet Peace Corps standards; (4) it must use volunteers who will be serving in this or other projects for a minimum of 2 or 3 years including training time; and (5) any sectarian religious propagandizing or proselytizing must not be permitted.

Authorization: Authorizes an appropriation of $40 million for fiscal 1962.

Red China

Senate Concurrent Resolution 34—Passed Senate July 28, 1961, passed House August 31, 1961:

Resolves to continue existing relations with and commitments to the Nationalist Chinese Government (Republic of China); resolves also to continue to oppose the Chinese Communists in their bid for recognition in the United Nations; and continues to oppose diplomatic recognition of the Chinese Communists by the President of the United States.

Reemployment of Foreign Service personnel

S. 644—Passed Senate March 29, 1961, pending in House Foreign Affairs Committee:

Section 872(b) of the Foreign Service Act of 1946, as amended, requires the agency of the Federal Government reemploying a Foreign Service annuitant to pay to the Department of State funds necessary to cover salary, employer contribution, and leave payments, and the Department in turn pays to the annuitant the portion of his salary that he is entitled to and the portion of his annuity that he is entitled to, making withholdings and deductions as required by law.

This bill is designed to simplify this procedure in some cases by allowing these fiscal arrangements to be handled either entirely by the Department as the law now provides or to be shared between the Department of State and the agency which employs the retired officer.

It also revises section 872(c) of the Foreign Service Act of 1946, as amended, having to do with the recovery of excess payments, to accord with the change which the bill would make in section 872(b). Excess payments, if any, would result from overpayment of annuity. Generally, the State Department would recover the overpayment from subsequent amounts due the annuitant from the Department. However, authority is granted to permit recovery from the salary due so that, in death cases, all available sources could be utilized for the recovery of overpayments.

U.S. Arms Control and Disarmament Act

H.R. 9118—Public Law 87-297, approved September 26, 1961:

This measure establishes a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

The major provisions are:

Purpose: The purpose of the act is to establish an agency to give impetus to the U.S. goals of a world which is free from the scourge of war and the dangers and burdens of armaments, in which the use of force has been subordinated to the rule of law and in which international adjustments to a changing world are achieved peacefully.

Organization: Provided that the independent Agency be headed by a Director, appointed by the President and confirmed by the Senate ($22,500 a year). Provided for a Deputy Director, also appointed by the President and confirmed by the Senate ($21,500 a year); four Assistant Directors appointed by the President and confirmed by the Senate ($20,000 a year). Authorizes the Director, under the supervision of the Secretary of State, to establish the necessary bureaus, offices, and divisions, including an Office of the General Counsel. Authorizes the President to appoint a 15-member General Advisory Committee, to be confirmed by the Senate, to advise the Director on arms control and disarmament policy and activities.

Functions

Research: Authorizes the Agency to (1) conduct research, development, and studies in this field; (2) make arrangements, through contracts, agreements, and grants, among other methods, for the conduct of such research, development, and other studies by private or public institutions or persons; and (3) coordinate research, development, and other studies conducted by or for other Government agencies, under the provisions of section 35 which provides the mechanism for coordinating these activities among the affected Government agencies and for resolving differences among them.

Patents: Provides that appropriated funds may not be expended for any technological research or development activity unless the expenditure is conditioned upon provisions effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will be made freely and fully available to the general public (unless limited by the Director for national defense purposes).

Policy negotiations: Authorizes the Director to prepare for the President, the Secretary of State, and the heads of such other Government agencies as the President determines necessary, recommendations concerning disarmament policy, consultation, and communication with representatives of other nations, international organizations, and diplomatic representatives of the United States at home and abroad to conduct negotiations concerning disarmament or to exercise any other authority in the act; to provide the USIA with official U.S. positions and policy on disarmament matters for dissemination abroad; and to formulate plans to establish and operate inspection and control systems which may become part of U.S. disarmament activities and the direction or assumption of U.S. responsibility for these systems.

Coordination: Authorizes the President to establish procedures to assure cooperation, consultation, and a continuing exchange of information between the new Agency, the Department of Defense, AEC, NASA, and other affected Government agencies in all significant aspects of U.S. disarmament policy, and to resolve differences of opinion between the Department of State and such agencies which cannot be resolved through consultation. This provision provides the mechanism for coordinating these activities among the affected Government agencies and for resolving differences among them.

General Provisions

Security: Requires full fields by the Civil Service Commission on all employees including consultants and, in the event the investigation discloses information which indicates the person may be a security risk, the report is to be turned over to the FBI for further investigation.

Appropriations: Authorizes an appropriation of $10 million to get the Agency started and to remain available until expended. This will permit Congress to review the Agency's growth and direction when these funds have been exhausted.

Report: The Director must make a report to the President for transmittal to Congress

by January 31 of each year on the activities of the Agency.

U.S. Travel Service

S. 610—Public Law 87-63, approved June 29, 1961:

To strengthen the domestic and foreign commerce of the United States, this measure authorizes an appropriation of $3 million (for the first year) to establish and maintain a U.S. Travel Service within the Department of Commerce. Thereafter the annual appropriation is not to exceed $4,700,000.

To carry out the idea of encouraging expanded foreign travel to the United States and facilitating international travel generally, this program initiates a broad national campaign to attract foreign visitors through advertising, through promotional materials, and by establishing Government travel offices in selected oversea locations. The program also provides for cooperation with private industry in developing domestic facilities designed to meet the special requirements of foreign visitors. In addition, provision is made for coordinating all Government efforts to ease barriers to international travel.

The U.S. Travel Service will be headed by a Director appointed by the President and confirmed by the Senate, at $19,000 a year.

White Fleet—Emergency assistance

Senate Resolution 154—Senate adopted June 1, 1961:

The Senate unanimously adopted this resolution to express the sense of the Senate that it supports the establishment by the President of a White Fleet—a force of mercy ships ready to rush assistance to disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the field of public health and other works of technical assistance.

This fleet could be established by restoring to active service the equipment of suitable vessels of the United States now mothballed in storage, to be operated by appropriate nonprofit, private, philanthropic organizations of the United States devoted to providing emergency aid and assistance to relieve human suffering.

JUDICIAL

Additional judicial district for Florida

S. 1824—Passed Senate August 17, 1961. Pending in House Judiciary Committee:

Creates a third judicial district for the State of Florida to be known as the middle district. There is need for the additional district and a reapportioning of the present districts due to the tremendous population growth in the State and the increased workload for the courts—especially the court of the south district where there has been an increase of 125 percent in the caseload in the last 20 years.

Appeals from the Supreme Court of Puerto Rico

H.R. 7038—Public Law 87-189, approved August 30, 1961:

Transfers the appeal from the Supreme Court of Puerto Rico from the Court of Appeals of the First Circuit to the Supreme Court of the United States. In practice, the Court of Appeals of the First Circuit will not reverse the Puerto Rico Supreme Court upon a point of local law unless the decision is inescapably wrong or patently erroneous.

International rules of judicial procedure

H.R. 8490—Public Law 87-324, approved September 26, 1961:

Extends the life of the Commission and Advisory Committee on International Rules of Judicial Procedure until December 31, 1963. The Commission was established in 1958 to investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements.

Judgeship bill—Omnibus

S. 912—Public Law 87-36, approved May 19, 1961:

Congress enacted a measure long overdue—that of providing the Nation with 73 additional judgeships. Of the 73, 10 are Federal circuit judges, 61 permanent district judges, and 2 temporary district judges. In addition, four existing temporary district judgeships were made permanent.

Of the 10 new circuit judges, 3 are for the 2d circuit, which comprises New York, Connecticut, and Vermont; 1 for the 3d circuit—Delaware, New Jersey, Pennsylvania, and Virgin Islands; 2 for the 4th circuit—Maryland, North Carolina, South Carolina, Virginia, and West Virginia; 2 for 5th circuit—Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas; 1 for 7th circuit—Illinois, Indiana, and Wisconsin; 1 for 10th circuit—Colorado, Kansas, New Mexico, Oklahoma, Utah, and Wyoming.

Of the 61 district judges, 1 for northern district of Alabama; 1 for Alaska; 1 for Arizona; 1 for Arkansas to serve in eastern and western districts; 2 for northern California; 2 for southern California; 1 for Colorado; 2 for Connecticut; 2 for southern Florida; 1 for northern Georgia; 2 for northern Illinois; 1 for northern Indiana; 1 for southern Indiana; 1 for Iowa to serve in northern and southern districts; 1 for Kansas; 2 for eastern Louisiana; 1 for western Louisiana; 2 for Maryland; 1 for Massachusetts; 2 for eastern Michigan; 1 for southern Mississippi; 1 for western Missouri; 1 for Nevada; 1 for New Jersey; 2 for eastern New York; 6 for southern New York; 1 for eastern North Carolina; 1 for western North Carolina; 1 for middle district of North Carolina; 1 for northern Ohio; 1 for Oklahoma to serve in northern, eastern, and western districts; 2 for eastern Pennsylvania; 1 for middle district of Pennsylvania; 2 for western Pennsylvania; 1 for Puerto Rico; 1 for South Carolina to serve in eastern and western districts; 1 for eastern Tennessee; 1 for middle Tennessee; 1 for western Tennessee; 2 for northern Texas; 1 for southern Texas; 1 for western Texas; 1 for Washington State to serve in eastern and western districts.

The two temporary district judgeships created one each for northern Ohio and southern Ohio.

The four temporary district judges made permanent were middle Georgia, New Mexico, western Pennsylvania, and Utah.

The judgeships created but not recommended by the Judicial Conference were: one for the third circuit; one district judge to serve in eastern and western districts of Arkansas; one for middle district of North Carolina; one for Oklahoma to serve in northern, eastern, and western districts.

Judgment and compromise settlements

H.R. 6835—Public Law 87-187, approved August 30, 1961:

Provides for the swift payment of judgments and compromise settlements against the U.S. Government won by State and foreign claimants. Money may be drawn from the permanent indefinite appropriation established by the Automatic Payment of Judgments Act, unless such funds are already provided for by the agency against whom the case is brought. Certification by the Attorney General as to the proper rendering of the case must be obtained before payment.

Jury commissioners

S. 1899—Passed Senate August 2, 1961. Pending in House Judiciary Committee:

Increases the fees of jury commissioners in the U.S. district courts from the present $5 (as established in 1884) to $10 per diem for each day employed in the performance of duties.

Retired circuit and district judges

H.R. 5255—In conference:

Clarifies the status of a retired circuit or district judge in regards to his further service on the bench. A judge, whether or not he is retired, who has sat on an issue in an appellate hearing on which a rehearing is ordered may be a member of the court at the rehearing. If a retired circuit judge has sat as a judge on the precise subject matter at issue before the court, he becomes competent to sit as a member of the court. A retired judge must not be a member of the court when the court appoints its officers or promulgates its rules. A retired judge must not be a member of the judicial council.

Tax Court judges—Widows

H.R. 4317—Public Law 87-370, approved October 4, 1961:

Provides a survivor annuity system for widows and dependent children of Tax Court judges, substantially identical to the survivor annuity system provided for Federal judges. The maximum benefit to a widow of a Tax Court judge is $8,437.50 a year based on 30 years' service at $22,500. The maximum additional benefit for dependent children is $360 per child with an overall limitation of $900. To qualify for this maximum benefit the judge must make contributions of 3 percent of his salary for 30 years or a total of $20,250.

Requires that the judge must have at least 5 years' covered service to qualify for survivor benefits. Widows will receive annuities starting at age 50 unless there are dependent children, in which case benefits will begin immediately. A widow's benefit will terminate on her death or remarriage, and children's benefits will terminate on death, marriage, or attaining age 18.

Provides that in computing the annuity for a widow of a Tax Court judge, service in the executive branch is to be taken into account at rate of three-fourths of 1 percent.

Insures that amounts contributed by a State or local government toward the purchase price of an annuity for an employee of a public school system will qualify for the 20-percent exclusion allowed by section 403(b) of the Internal Revenue Code in the same manner and to the same extent as if the annuity were purchased for an employee of an organization described in section 501 (c)(3) relating to educational, charitable, and religious organizations.

U.S. courts—Relief appeals

H.R. 5656—Public Law 87-225, approved September 13, 1961:

Substitutes a requirement of reasonable notice in lieu of 5 days' notice on applications for interlocutory relief against orders of the Federal Communications Commission, the Department of Agriculture, the Federal Maritime Board, the Atomic Energy Commission, the Civil Aeronautics Board, and the Federal Aviation Administration.

The requirement of 5 days' notice has, at times, prevented a court of appeals from acting with sufficient promptness in urgent cases. This act gives to the courts of appeals in which the interlocutory relief is sought the discretion to determine the amount of notice which is reasonable in the circumstances.

LABOR

Additional Assistant Secretary of Labor

S. 1815—Public Law 87-137, approved August 11, 1961:

Establishes a new Assistant Secretary (making four) of Labor. The new Assistant Secretary's duties will be primarily related to the problems and needs of women in the Nation's labor force.

The Assistant Secretary will be responsible for efforts to improve salary and benefit status of the 24 million women workers, as well as to improve education, training, and retraining of women.

Agricultural workers—Fair labor standards

S. 1123—Passed Senate September 1, 1961. Pending in House Labor Committee:

This legislation amends the agricultural child labor provisions of the Fair Labor Standards Act. These provisions presently provide that a child below the age of 16 may not be employed in agricultural work during regular school hours. There is a total exemption, however, for agricultural work outside school hours—that is, a child of any age may be employed in agriculture before and after classes during a regular school session or during vacation periods. This bill narrows the exemptive area with regard to agricultural work outside school hours. It does not affect the 16 age minimum already applicable to agricultural work during regular school hours.

Specifically, it permits a child to be employed in agricultural work outside of school hours—

1. If he is employed by his parents on the home farm; or
2. If he is 14 years of age or over; or
3. If he is between 12 and 14 years of age and works within 25 miles of his home with the written consent of his parents.

The bill also makes any employer of a child, other than the child's parent, employed in agriculture under the age of 18 strictly liable for disability or death arising out of such employment. If, however, the employment is covered by a State workmen's compensation law, the employer's liability is discharged.

Interstate farm labor contractors—Registration

S. 1126—Passed Senate August 25, 1961. H.R. 7812—On House Calendar:

Establishes a system of Federal registration for farm labor contractors. Each labor contractor must obtain annually a certificate of registration from the Secretary of Labor; to obtain this certificate, he must comply with specified obligations, such as giving satisfactory information concerning his conduct and method of operation as a farm labor contractor. The certificate may be withdrawn if violations have been committed such as giving false information to migratory workers concerning the terms, conditions, or existence of agricultural employment or failure to comply with working arrangements made with migratory workers or failure to comply with applicable Interstate Commerce Commission regulations.

Longshoremen and harbor workers—Amendment

H.R. 1258—Public Law 87-87, approved July 14, 1961:

This measure amends the Longshoremen's and Harbor Workers' Compensation Act by—

Increasing the maximum level of weekly compensation benefits payable to workers or to the beneficiary of workers within the coverage of the act who are injured or disabled within the court of their employment from $54 to $70;

Providing comparable increases in death cases, adjusting the ceiling on average weekly wages from $81 to $105; and

Increasing the statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000.

The Longshoremen's Act establishes the standards for workmen's compensation for workers employed within the admiralty and maritime jurisdiction of the United States and by extension constitutes the workmen's compensation law for employees privately employed in the District of Columbia, for U.S. citizens employed by contractors with the Federal Government outside the continental United States, and for employees of employers engaged in operations on the Outer Continental Shelf. The benefits under these acts are paid by private employers or their insurers and not by the Government.

Manpower Development Training Act of 1961

S. 1991—Passed Senate August 23, 1961, H.R. 8399—House Calendar:

This measure authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problem by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority given to unemployed persons including those in farm families with a net income of less than $1,200 a year.

Training allowances: Maximum of 52 weeks, with payments primarily equal to unemployment compensation payments.

Trainee selection: Primarily for unemployed persons who cannot reasonably be expected to secure full-time employment without training; includes persons with 3 years' working experience who are heads of families or households; grants the Secretary discretionary authority to permit occupational training of youths over 16 and under 22 in certain exceptional cases, however, no more than 5 percent of the total allowances may be used for this age group.

On-the-job training: Provides for a stepped-up program of promoting on-the-job training. Reduced training allowances will be available for those undergoing part-time vocational training as part of the on-the-job training program.

Travel and subsistence: Modest payments can be made to individuals receiving allowances away from home.

Employment guidance: Special programs for employment guidance and counseling where the Secretary of Labor finds the school dropout problem acute.

Safeguards: To prevent its benefits from being used in "pirating" industry from one location to another; to require that States maintain existing levels of expenditure for vocational training from their own funds; and to encourage prospective trainees to accept training opportunities rather than remain on unemployment compensation.

Report: Requires an annual manpower report to the President for transmission to Congress.

Estimated number of trainees: 110,000 full-time vocational trainees and 50,000 on-the-job trainees the first year; 160,000 and 125,000, respectively, the second year; 430,000 and 200,000, respectively, the third and fourth years with a 50-percent requirement for State matching.

Appropriations: $90 million for fiscal 1962; $165 million for fiscal 1963; $200 million each for fiscal years 1964 and 1965—with 50-percent State matching requirement.

Migratory farmworkers—Educational opportunities

S. 1124—Passed Senate August 25, 1961. Pending in House Labor Committee:

Authorized a 5-year program to aid in the education of the children of migratory workers. The Federal Government will pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. Federal assistance will be given the States to help defray costs for education during the regular school session; the child must attend school in a State for at least 5 days before assistance would be available; $300,000 would be provided annually for summer schools for migratory children; $250,000 would be granted annually to provide interstate planning and coordination of the educational programs; $200,000 annually would be authorized to help pay for pilot projects for fundamental, practical education for adult migratory workers. The program would be administered by the U.S. Commissioner of Education.

Migratory health services

S. 1130—Passed Senate August 25, 1961. Pending in House Interstate and Foreign Commerce Committee:

Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. The Surgeon General may also appoint an expert advisory committee to assist him in the administration of the program. The program would operate through local, State, and Federal health agencies.

Migratory Labor National Advisory Council

S. 1132—Passed Senate September 1, 1961. Pending in House Labor Committee:

Establishes a 15-member National Advisory Council on Migratory Labor to advise the President and Congress on the operation of Federal laws, regulations, programs, and policies, and any and all other matters relating to migratory agricultural labor. The Council is to consider, analyze, and evaluate the problems with a view to devising plans and making recommendations for establishing policies and programs to meet these problems.

The 15 members are to be divided as follows:

Three from private life to represent the farmer; three from private life with interest in and general knowledge of migratory labor problems; three from private life with experience in health, education, and welfare problems of migratory labor; three from private life to represent the migratory agricultural worker; and three with experience as State officials and knowledge of migratory labor problems. One will be designated by the President as Chairman of the Council and one as Vice Chairman. The Council is authorized to employ a permanent staff director and other personnel as required.

Minimum wage

H.R. 3935—Public Law 87-30, approved May 5, 1961:

Congress enacted and the President signed into law a measure extending coverage to 3,624,000 workers and an ultimate increase to $1.25 for presently covered workers. As enacted the amendment to the Fair Labor Standards Act of 1938 will—

1. Increase the minimum wage for presently covered employees to $1.15 an hour for the first 2 years after the effective date and $1.25 an hour beginning 2 years after the effective date (23.9 million).

2. For newly covered employees the minimum wage and overtime will be—

First year after effective date $1, no overtime requirements;
Second year $1, no overtime requirements;
Third year $1, 44 hours a week;
Fourth year $1.15, 42 hours a week;
Fifth year $1.25, 40 hours a week.

3. Cover (3,624,000 newly covered):

(a) Retail and service enterprises: Covers retail enterprises which have a million dollars or more in annual sales (exclusive of excise taxes at retail level) and which purchase or receive goods for resale that move or have moved across State lines which amount in total annual dollar volume to $250,000 or more—2,182,000 employees.

(b) Gasoline service stations which have $250,000 or more in annual sales (exempt from overtime)—86,000 employees.

(c) Suburban and interurban transit companies which have $1 million or more in annual sales (exclusive of excise taxes at the retail level) covered for minimum wage but not overtime—93,000 employees.

(d) Establishments which have some covered employees, all employees are covered if they are in an enterprise which has $1 million or more in annual sales—10,000 employees.

(e) Construction enterprises which have at least $350,000 in annual business covered for minimum wage and overtime—1 million employees.

(f) Seamen on American-flag vessels covered for minimum wage but not overtime—100,000 employees.

(g) Telephone operators, but exempts those employed by an independently owned public telephone company which has not more than 750 telephones—30,000 employees.

(h) Seafood processing employees for minimum wage but not overtime—33,000 employees.

4. Exclude from coverage in the retail trade: Auto dealers and farm implement dealers, hotels, motels, restaurants including retail store lunch counters, caterers and similar retail food services, motion picture theaters, hospitals, nursing homes, schools for handicapped or gifted children, amusement or recreational establishments operating on a seasonal basis, and any small store which has less than $250,000 in annual sales even if it is an enterprise that has more than $1 million in annual sales.

5. Provide for special problems in retail and service trades:

(a) Commission employees in retail stores exempt from overtime if more than half their pay is from commissions and if they earn at least time and one-half the minimum rate.

(b) Assistant managers of retail stores exempt even if they perform up to 40 percent nonexecutive and nonadministrative work.

(c) Student workers may be employed in retail trades at subminimum rates under certificates issued by the Secretary in occupations not ordinarily given to full-time employees.

6. Exclude the proposed new coverage and the changes in exemptions for laundries that were contained in the Senate-passed bill. (Existing law remains the same for laundries.)

7. Provide other exemptions.

(a) Announcers, news editors, and chief engineers of broadcasting companies located in nonmetropolitan cities of 100,000 or less population exempt from overtime.

(b) Independently owned and controlled local enterprises engaged in bulk petroleum distribution exempt from overtime if their annual sales are less than $1 million (exclusive of excise taxes).

(c) Trip rate drivers and drivers' helpers making local enterprises exempt from overtime if the Secretary of Labor finds that the plan under which they are paid is consistent with the principle of the 40-hour workweek.

(d) Employees working in a livestock auction held by a farmer need be paid the minimum rate only for the hours they work at the auction if during that workweek they are employed primarily in agriculture by the farmer.

(e) Employees in country elevator establishments in the area of production exempt from both minimum wage and overtime if they have no more than five employees.

(f) Employees engaging in ginning cotton for market in counties where cotton is grown in commercial quantities exempt from minimum wage and overtime.

(g) Homeworkers making natural holly wreaths exempt from the act.

(h) Agricultural employees engaged in bulking shade-grown tobacco if they were employed in the growing and harvesting of the tobacco exempt from minimum wage and overtime.

(i) Employees transporting fruits and vegetables from the farm to market or transporting harvesting hands within the State exempt from minimum wage and overtime.

8. Include board and lodging as wages on the basis of a fair-value calculation made by the Secretary; also such prerequisites may be excluded from wages to the extent that they are excluded under a collective-bargaining agreement.

9. Authorize the Secretary of Labor to study employment effects of imports and exports in industries covered by the act and report the results to the President and Congress.

10. Authorize the Secretary to study the exemptions in the act for handling and processing agricultural products as well as the rates of pay in hotels, motels, restaurants, and other food-service enterprises and report the results with recommendations to the next session of this Congress.

11. Increase the minimum wage in Puerto Rico for presently covered employees by the same percentage as the mainland minimum, subject to review by industry committees in hardship cases; for newly covered employees the rates will be set by industry committee procedures.

12. Be effective 120 days after enactment.

Railroad retirees

S. 2395—Public Law 87-825, approved September 22, 1961:

To bring the railroad retirees in line with the beneficiaries of social security, this amendment provides that men as well as women can obtain a reduced annuity after attainment of age 62 even though they do not have 30 years of creditable service. The reduction would be by one one-hundred-and-eightieth for each calendar month the applicant is under age 65 when the annuity begins to accrue.

The requirement of at least 10 years' service for eligibility for any retirement annuity remains unchanged, as does the right of a woman with 30 years' service to obtain a full annuity at age 60 and the right of any individual to obtain a full annuity before age 65 on the basis of disability.

Reduces from 3 years to 1 the time required to elapse after marriage before any wife or husband who is otherwise eligible for a spouse's annuity can qualify.

The measure also provides that women who had qualified for an annuity under the Railroad Retirement Act as a widow before their marriage not to be disqualified for an annuity as the widow of the new husband if he dies within 1 year of the marriage.

NATURAL RESOURCES

Arizona-Nevada compact

S. 133—Public Law 87-50, approved June 16, 1961:

This act grants congressional approval to a compact between the States of Arizona and Nevada to establish a boundary line.

Due to the meandering of the Colorado River in the Mohave Valley, the location of the center of the channel of the river is uncertain which makes uncertainty as to the State line between Arizona and Nevada.

Boundary is to be established between the States along the Colorado River between the point where the Nevada-California boundary intersects the 35th degree of latitude north and Davis Dam.

The right to alter, amend or repeal the act is reserved.

Arizona and Nevada ratified the compact early in 1960.

Blue Ridge Parkway

H.R. 6067—Public Law 87-135, approved August 10, 1961:

Authorizes $35,000 for a survey of a proposed national parkway, an extension of the Blue Ridge Parkway, along the crest of the Blue Ridge Mountains and through the mountains of Georgia.

Cape Cod recreation area

S. 857—Public Law 87-126, approved August 7, 1961:

This measure provides for the establishment on Cape Cod of a unit of the national park system to preserve the great beach area of Cape Cod as well as continguous lands suitable and desirable for recreational purposes.

The basic idea behind this proposal is to promote the area's unique, cultural, scenic, historic, scientific, and recreational values. The area of about 26,670 acres will contain sections of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham and about 53 miles of beaches, 8 square miles of sand dunes, 20 freshwater lakes and important historic sites. Authorizes $16 million in contract authority to acquire land in the seashore.

Chief Joseph Dam project, Washington

S. 1060—Passed Senate September 15, 1961. Pending in House Interior and Insular Affairs Committee:

Authorizes funds up to $3,216,900 to construct control works and a pumping plant at Palmer Lake to enlarge the facilities to irrigate an additional 1,500 acres and supply about 3,650 acre-feet of supplemental water annually to the remaining irrigable area.

Delaware River Basin Compact

House Joint Resolution 225—Public Law 87-328, approved September 27, 1961:

Establishes the Delaware River Commission as a regional agency with jurisdiction over the Delaware River Basin including territory of each of the States of New York, Pennsylvania, New Jersey, and Delaware. The Commission is to have the character of both a State agency of each of the four States as well as an agency of the Federal Government, and its membership is to consist of the four Governors, ex officio, and one commissioner to be appointed by the President. Each member is to have a single vote and, in most instances, majority vote would control.

The Commission is to have a wide variety of regulatory and administrative authority to develop basin water resources. Its various duties would include planning and execution of the development of water resources by acquiring or building and operating and maintaining dams, reservoirs, and similar facilities, to regulate flow of water for quality control, flood control, to encourage and promote sound watershed management, recreation, hydropower and its transmission.

The compact is for 100 years unless a State legislature or Congress gave notice of termination between the 75th and 80th year.

Disposal of certain Federal property

S. 1085—Public Law 87-151, approved August 17, 1961:

Authorizes sale at public auction of Federal Government land located near irrigation projects in Idaho, Wyoming, and Washington. The land now is used for operational and maintenance facilities which are old and in need of replacement. The money realized on the sale of the land will be used to replace the old facilities at a more convenient location.

Kaskaskia River, Ill., navigation

S. 520—Passed Senate September 19, 1961. Pending in House Public Works Committee:

Authorizes modification of the existing project at an estimated cost of $58,200,000 to improve the channel between Fayetteville and the mouth, with modification of storage allocations in Carlyle and Shelbyville Reservoirs.

Lead-zinc subsidies

H.R. 84—Public Law 87-347, approved October 3, 1961:

Authorizes the Secretary of Interior to pay small producers of lead 75 percent of the difference between 14½ cents a pound and the market price, and 55 percent of the difference between 14½ cents a pound and the market price of zinc.

To be eligible the small producer must have been actually producing ores within the United States or its possessions, and must not have produced or sold more than 3,000 tons of lead and zinc combined during any 12-month period between January 1, 1956, and the first day for which he seeks payment.

To assure the benefits of the bill for legitimate small producers, the maximum production eligible for stabilization payments would be 1,500 tons of each metal during calendar year 1962, 1,200 tons of each metal during calendar 1963, 900 tons of each metal during

calendar 1964, and 600 tons of each metal during calendar 1965.

A producer cannot be paid in any calendar year, however, for any tonnage in excess of his maximum production during any calendar year between January 1, 1950, and December 31, 1960.

Payments will be made only on ores and concentrates produced from an operating unit in actual operation sometime between January 1, 1956, and August 1, 1961.

Operators of properties obtained after August 1, 1961, will be ineligible for payments unless they had produced ores or concentrates from a mine specified in a lease, permit, or contract sometime between January 1, 1956, and August 1, 1961.

Producers operating leased facilities cannot obtain payment under the bill if the use of the facility was obtained after the effective date of the act from another producer of lead and zinc who has leased a greater portion of his mining properties to other producers than he had made available in that manner at his highest production level between January 1, 1956, and the effective date of this act.

Little Missouri River compact

S. 1139—Passed Senate September 15, 1961. Pending in House Interior and Insular Affairs Committee:

Extends for 4 years the period for negotiation for apportioning the waters of the Little Missouri and its tributaries with the States of Montana, North Dakota, South Dakota, and Wyoming.

Maryland land preservation

House Joint Resolution 459—Public Law 87-362, approved October 4, 1961:

Authorizes Secretary of Interior to purchase approximately 1,200 acres on the Potomac River opposite Mount Vernon to preserve the site from George Washington's home as it existed in his lifetime.

Mid-State reclamation project, Nebraska

S. 970—Passed Senate September 21, 1961. Pending in House Interior and Insular Affairs Committee:

This bill authorizes the Secretary of Interior to construct, operate, and maintain the midstate reclamation project in Nebraska and authorizes its inclusion in the Missouri River Basin project so that it may be integrated, physically and financially, with the other Federal works of the Missouri River Basin project.

This reclamation project will provide a regulated gravity and well combination water supply for approximately 140,000 acres of land and will replenish and stabilize the aquifer from which about 4,600 irrigation wells are pumping ground waters within the boundaries of the district. In addition, the development will produce substantial flood control, recreation, and fish and wildlife benefits and provision is also made for initial irrigation pumping power and for ultimate development of commercial power.

The total cost of the project is estimated at $81,467,000 with the major part of it repayable within the 40-year contract period.

Migratory waterfowl—Conservation

H.R. 7391—Public Law 87-383, approved October 4, 1961:

This measure authorizes for a 7-year period, beginning with fiscal 1962, an appropriation not to exceed $105 million to purchase wetlands to be used by wild birds, particularly waterfowl.

This appropriation is merely an advance to enable the Federal Government and the State to purchase the necessary lands as a conservation measure to preserve the migratory waterfowl. The $50 million will be repaid to the Treasury from the proceeds of the revenue received from the sale of the so-called duck stamp which, at present, amounts to some $4 million a year. It is estimated that receipts in future years will average between $5 and $6 million a year and, as required by this act, 75 percent of the duck-stamp fund will be used to reimburse the Treasury until the entire amount is repaid.

The bill requires approval by the Governor of the State involved or the appropriate State agency before funds from the migratory bird conservation fund can be used to purchase the necessary land.

Mineral lands

S. 1674—Passed Senate July 27, 1961. Pending in House Interior and Insular Affairs Committee:

Grants greater flexibility to the Secretary of the Interior to enter into agreements to lease certain lands having mineral deposits in which the Federal Government has a partial or future interest. Under existing law these lands can only be leased by competitive bidding. This system tends to encourage present holders of the land to extract any minerals, regardless of sound conservation practices, for fear of losing the lease in a competitive bid; other prospective bidders, however, are discouraged from making offers by the uncertainty as to what minerals may be left on the land once they acquire it.

National fuels policy

Senate Resolution 105—Senate adopted September 11, 1961:

Authorizes the Senate Interior and Insular Affairs Committee to (1) make a complete investigation and study of the current and prospective fuel and energy resources of the United States and their future consumption; (2) study existing and prospective governmental policies and laws affecting fuels to determine what changes should be made in order to provide an effective national fuels policy now and for the future.

The committee is to make a report of its findings by January 31, 1962.

National historical park—C. & O. Canal

S. 77—Passed Senate August 2, 1961. Pending in House Interior and Insular Affairs Committee:

Establishes a Chesapeake & Ohio Canal National Historical Park on 4,800 acres of federally owned property, with an authorization of up to $1,500,000 to buy 10,200 acres of adjacent land to permit development of adequate service facilities for the park.

Natural gas for industrial use

S. 1595—Passed August 14, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill applies the same procedure of suspending rates for the sale of natural gas for resale for industrial use as applies with respect to domestic users. Thus, the Federal Power Commission may suspend the effective date of a new rate up to a period of 5 months, plus a 30-day notice period, while investigations are made concerning the rate increase.

Navajo-San Juan-Chama projects

S. 107—Passed Senate March 28, 1961. H.R. 7596—House Calendar:

This measure authorizes $221 million in appropriations to construct the Navajo Indian irrigation project and the San Juan-Chama project to irrigate a total of 231,530 acres of land, to supplement water supplies for domestic and industrial uses, and to provide recreation and fish and wildlife benefits. The Navajo project is in New Mexico and the San Juan-Chama project is in Colorado and New Mexico.

The primary purpose of the Navajo project is to provide approximately 17,000 Navajo Indians with an economy equal to the non-Indians. The San Juan-Chama project will improve and stabilize the economy of the water-deficient Rio Grande and Canadian Basins of New Mexico by providing supplemental water to meet rapidly expanding needs.

Approximately $106,600,000 of the $221 million is reimbursable, with interest, over a 50-year period.

Oceanography

S. 901—Passed Senate July 28, 1961. Pending in House Merchant Marine and Fisheries Committee:

Authorizes a $700 million, 10-year national program of oceanographic and Great Lakes research, comprehensive in its scope, and recommended by the President as an international and worldwide program, designed to:

Coordinate all related programs now carried on by separate Government agencies and bureaus.

Provide for participation in this national program by educational and scientific institutions and laboratories, State agencies, associations, organizations, industries, and other qualified groups and individuals who can make a contribution to our scientific knowledge of the oceans and Great Lakes.

Increase our security from enemy sea or undersea attack; augment the efficiency of our undersea forces; advance underwater communications; improve commerce and navigation and safeguard it against disruption in the event of a national emergency; increase accuracy of long-range weather forecasts; enable mankind to foresee climatological changes of world significance; afford greater protection to life and property from violent storms; restore and expand our fisheries; alleviate the protein deficiency in the diets of millions all over the world; reveal ocean deposits of scarce and strategic minerals; expand our knowledge of fossil fuels; diminish pollution dangers from atomic and other wastes; and facilitate new medical discoveries.

Authorizations to National Science Foundation include $9,950,000 to construct research ships; $12,440,000 to operate them over a 10-year period; $37,200,000 for basic marine research activities with a limit of $8 million in any one year; $10 million a year for specialized oceanographic instruments or equipment for research and exploration; funds to construct shore facilities; and $4,800,000 for education and training in marine sciences with a limit of $480,000 in any one year. Other sums are authorized as would be necessary to meet the requirements for new ships, etc.

Requires the Budget Bureau to furnish an exact accounting to Congress each year for all funds spent and bars funds for technological research or development unless the information is made available to the public.

Oceanographic research—Coast Guard

H.R. 6845—Public Law 87-396, approved October 5, 1961:

Permits the U.S. Coast Guard to conduct oceanographic research, either independently or in cooperation with other Government agencies, as may be in the national interest.

The Coast Guard already has the necessary ships in service to permit far-reaching marine studies at minimum cost. There are 217 ships in the Atlantic, 99 in the Pacific, and 31 on the Great Lakes, of which many are large and well adapted to certain types of scientific research. The Coast Guard has already made notable accomplishments in the oceanographic research it has conducted in direct support of the Ice Patrol. It is anticipated that these endeavors, can be extended to every part of the oceans and the Great Lakes where Coast Guard vessels operate.

Outer Continental Shelf

S. 981—Passed Senate August 2, 1961. Pending in House Interior and Insular Affairs Committee:

Extends the authority of the Secretary of the Interior to permit the Geological Survey to perform certain of its work in areas

outside the continental limits of the United States (i.e., the Outer Continental Shelves and the ocean floor). Such studies outside the continental United States can now only be conducted by the Survey if requested and financed by other Government agencies.

Point Reyes National Seashore, Calif.

S. 476—Passed Senate September 7, 1961. Pending in House Interior and Insular Affairs Committee:

To preserve a portion of the few remaining shoreline areas for public recreation, this bill establishes a 53,000-acre area of the Point Reyes Peninsula, beginning approximately 15 miles north of the entrance to the Golden Gate Channel of San Francisco Bay and extending northward for 45 miles. Approximately 26,000 acres within the 53,000-acre national seashore has been set aside to preserve most of the ranching and dairying lands as a pastoral zone. Thus, as long as this 26,000 acres are maintained for their present purposes, the Department of the Interior will not acquire this land.

In this seashore area, the following types of facilities will be provided for use by the public:

Approximately 25 miles of new roads will be built, supplemented by hiking and riding trails.

Campgrounds will be established in suitable locations.

Bathhouses, shelters, comfort stations, water, food concessions, picnic facilities, and parking areas.

Docks will be constructed for boating purposes; riding stables will be erected and operated on a concession basis; five overlook developments will be built and a headquarters development will be programed to include employee housing, utility buildings, power service, water, and sewage disposal.

The existing commercial fisheries at Drakes Bay and the existing oyster cannery at Drakes Estero will be continued under private operation but with added facilities.

Authorized an appropriation of $14 million to acquire the land.

Recreational facilities at Elephant Butte and Caballo Reservoir areas

S. 46—Passed August 29, 1961. Pending in House Interior and Insular Affairs Committee:

Provides for the establishment of recreational facilities at Elephant Butte Reservoir, which will cost approximately $458,000 and also facilities at Caballo Reservoir which will cost approximately $149,000. These reservoirs could be used for fishing, boating, and vacationing by the residents of New Mexico and Texas and others. The facilities which now exist are not adequate to meet the increasing needs. The new facilities would in no way threaten the allocation of water for irrigation and other uses. Provision is made so that an agreement can be made with the State of New Mexico for the administration of the facilities.

Saline water conversion program

H.R. 7916—Public Law 295, approved September 22, 1961:

This measure extends the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorizes a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount.

In view of the increasing shortage of usable surface and ground water in many parts of the Nation and the importance of finding new sources of supply to meet the present and future water needs, this program is designed to provide for developing a practicable low-cost means for the large-scale production of water of a quality suitable for municipal, industrial, agricultural, and other beneficial consumptive uses from sea and other saline waters and other mineralized or chemically charged waters, and for the necessary research and studies of the problem.

In order to accomplish the purposes of the act, the Secretary of the Interior is authorized to—

1. Conduct, encourage, and promote fundamental scientific engineering research and basic studies to develop the best and most economical processes and methods for converting saline and brackish water into water suitable for consumption.

2. Conduct engineering research and technical development work to determine, by laboratory and pilot plant testing, the results of the research and studies mentioned above in order to develop processes and plant designs to the point where they can be demonstrated on a large and practical scale.

3. Study methods for recovery and marketing of byproducts resulting from the production of water to ascertain the possibilities of offsetting the costs of production by commercially valuable byproducts.

4. Undertake economic studies and surveys to determine present and prospective comparative costs of achieving water for consumption by the leading saline water processes employed in various areas in the United States.

To carry out the above studies and surveys, the Secretary is authorized to—

1. Make grants to educational institutions and scientific organizations and enter into contracts with institutions, organizations, and with industrial or engineering firms.

2. Acquire the services of chemists, physicists, engineers, and other personnel.

3. Use the facilities of Federal scientific laboratories.

4. Establish and operate necessary facilities and test sites at which to carry on the continuous research, testing, development, and programing necessary.

5. Cooperate with other Federal departments and agencies, with State and local departments, agencies, and instrumentalities, and with interested persons, firms, institutions, and organizations.

6. Coordinate all such programs with the Department of Defense.

7. Make reports to the President and the Congress at the beginning of each regular session of the action taken or instituted by him under the provisions of this act.

Shellfisheries research center at Milford, Conn.

S. 606—Public Law 87-173, approved August 30, 1961:

Authorizes the Secretary of the Interior to construct at Milford, Conn., a research center for shellfisheries research. Marine biologists at the U.S. Fish and Wildlife Service Laboratory at Milford have made revolutionary discoveries regarding the production of shellfish, but require expanded facilities in order to exploit their discoveries.

Shoreline areas

S. 543—Passed Senate August 28, 1961. Pending in House Interior and Insular Affairs Committee:

Authorized the Secretary of the Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks.

Authorized the Secretary of Agriculture to study appropriate shoreline areas within the Nation's 186 million acres of national forests.

Each Department is to report its findings and recommendations to Congress within 2 years, and appropriations of $400,000 were authorized for each study. This bill also authorized appropriations of $25 million to the Department of the Interior for matching grants to States to purchase shoreline areas for State recreational purposes.

Authorized the National Forest Service to review the lands the Federal Government now owns to see if water-based recreation areas could be established on some of these lands already owned by the Government.

The 14 areas are: Cumberland Island, Ga.; Huron Mountains, Mich.; Channel Islands, Calif.; Fire Island, N.Y.; Cape Flattery, Wash.; Leadbetter Point, Wash.; Mosquito Lagoon, Fla.; Pigeon Point, Minn.; Popham-Saint John, Maine; Parramoure Island, Va.; Great Salt Lake, Utah; Lake Tahoe, Nev.-Calif.; Smith Island, N.C.; and the shores of Hawaii.

Spokane Valley project

S. 2008—Passed Senate September 19, 1961. Pending in House Interior and Insular Affairs Committee:

Modifies earlier legislation to enlarge the present irrigation plant at an estimated cost of $7,178,000 to furnish more water for irrigation purposes.

Superior National Forest

S. 302—Public Law 87-351, approved October 4, 1961:

This bill increases the authorization funds from $2,500,000 to $4,500,000 to purchase lands within the Superior National Forest in Minnesota. The previous authorization, passed in 1948, permitted the Federal Government to consolidate its ownership of the Superior National Forest lands.

That act barred the Government from consolidating those lands, when privately owned, by any means but negotiation. This has proved costly and the present bill with its increased authorization of funds and extension of authority to enable the Government to condemn these lands (under its right to exercise power of eminent domain) would enable the Government to accelerate its program of preserving and protecting the Superior National Forest area and at a lower cost.

Virgin Islands Corporation Act

H.R. 4750—Public Law 87-382, approved October 4, 1961:

Amends Virgin Islands Corporation Act to allow the Corporation to increase its borrowing authority by $15 million in order to expand the present electric powerplant.

Wabash Basin Study Commission

S. 811—Passed Senate June 13, 1961. Pending in House Public Works Committee:

This bill—

1. Authorizes the establishment of a Wabash Basin Interagency Water Resources Commission consisting of representative Federal agencies concerned and of the States of Indiana and Illinois. The Commission would be responsible for coordination of Federal, State, and local plans for developing the water and land resources in the Wabash River Basin in Indiana and Illinois.

2. In addition to preparing a comprehensive plan for the development of the resources of the area, the Commission will—

(a) Recommend a long-range schedule of priorities for work on basic data, for project planning, and for construction of projects in the area.

(b) Foster and undertake studies of water resources problems in the area.

(c) Submit periodic reports to the President, and the Federal agencies and Governors of the State concerned.

Wapato-Satus irrigation project

H.R. 115—Public Law 87-316, approved September 26, 1961:

This bill fixes the construction costs of the irrigation works that have already been constructed on the Wapato-Satus unit of the Wapato Indian irrigation project and allocates that cost on a per-acre basis to the lands that can be served by those works.

Washington State—Water deliveries

Senate Joint Resolution 76—Public Law 87-169, approved August 30, 1961:

Provides for delivery of water during 1962 to farmers in three irrigation districts of the Columbia River project while there are negotiations conducted to determine an equitable method between the districts by which to pay the additional cost incurred beyond the estimated drainage costs of the project.

No charges to the farmers would be waived; payment would have to be made before 1963 deliveries would be made.

Water pollution control

H.R. 6441—Public Law 87–88, approved July 20, 1961:

Congress, as a part of the President's natural resources program, enacted the Federal Water Pollution Control Amendments of 1961 which would:

Increase the existing $50 million in annual authorization for Federal grants to assist communities in constructing sewage treatment plants to $80 million for fiscal 1962, $90 million for fiscal 1963, and $100 million for each of the fiscal years 1964–67, retaining the requirement that 50 percent of the grants be used for communities with populations of 125,000 or less.

Limit individual construction grants to 30 percent of the estimated cost of building the sewage treatment plant, or to $600,000, whichever is smaller.

Authorize construction of joint sewage treatment projects serving more than one municipality, with $2.4 million set as the maximum Federal grant for the multiproject.

Bar the approval of any construction grant exceeding $250,000 in any State until all applications filed prior to 1 year following the effective date of the act had been either approved or rejected.

Authorize the reallocation of construction grant funds not obligated within 18 months after allocation and permit the Secretary to use the uncommitted allocation to increase aid to a project within the State where pollution occurred because of Federal activities.

Increase annual Federal matching grants to States for the administration of water pollution control programs from $3 million to $5 million, extended the program for 7 years through June 30, 1968, and directs the States by July 1, 1962, to list the criteria used in determining the priority of projects.

Extend Federal pollution abatement authority to all interstate and navigible waters in or adjacent to any State or States whether the matter causing or contributing to the pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters.

Authorize the Secretary of HEW, in cases of intrastate pollution, to conduct investigations and make recommendations on abatement only at the request of the State Governor.

Authorize the Secretary, in cases of intrastate pollution, to request the Attorney General to bring suit on behalf of the United States to secure abatement where his previous instructions had not been carried out, but he must obtain the consent of the Governor of the State involved in cases of intrastate pollution.

Authorize $5 million annually, with a total limitation of $25 million, to develop new methods of sewage treatment.

Authorize the establishment of water pollution demonstration and research facilities and require that at least one laboratory be located in each of the following areas: Northeast, Middle Atlantic, Southeast, Midwest, Southwest, Pacific Northwest, and Alaska.

Remove the $100,000 annual limitation on research fellowships granted by HEW, but require an annual report by the Secretary to the appropriate committee of Congress on the operation of the program.

Authorize Federal agencies constructing reservoirs to include capacity for water quality control and, if the resulting benefits are national in scope, the cost would be nonreimbursable.

Direct HEW to conduct research and technical development studies of water quality needs and waste disposal practices in the Great Lakes.

Require that water polluted by discharge from Federal facilities be included in any Federal report on pollution.

Require that wages paid for work on sewage treatment plants constructed with Federal funds be in accordance with the provisions of the Davis-Bacon Act.

Wilderness preservation system

S. 174—Passed Senate September 6, 1961. Pending in House Interior and Insular Affairs Committee:

To protect our remaining wilderness areas, the Senate passed this measure establishing a national wilderness preservation system. The major provisions are:

Statement of policy: States as Congress belief that increasing population and human developments will occupy or modify all areas of the Nation except those set aside for preservation in their natural condition and establishes a national wilderness preservation system to be composed of appropriate federally owned areas.

Definition of wilderness: Defines it for the purposes of this act as area where there is outstanding opportunity for solitude or a primitive or unconfined type of recreation which is of adequate size to make practicable preservation as wilderness and which may have ecological, geological, or other scientific, educational, scenic, and historical values.

Areas.—(a) Sets out the areas of Federal lands in national forests, park system, wildlife refuges, and game ranges to be designated or considered for designation, and establishes a procedure of review by the Executive and Congress prior to final action.

(b) Designates four categories of wilderness-type areas in national forests: wild, wilderness, roadless (canoe), and primitive. First three types will, by this act, immediately become wilderness areas, but the 39 primitive areas must be reviewed by the Secretary of Agriculture and recommendations made to Congress by the President. He may recommend the inclusion of national forest lands adjacent to the primitive area but, after inclusions and exclusions, the original size of the primitive area must be retained. These recommendations to Congress may be disapproved by either the Senate or House during the next following complete session of Congress. If disapproved, the primitive area may again be reviewed and resubmitted to Congress within 2 years. Requires that all primitive areas be reviewed and recommendations submitted to Congress within 10 years and all such areas not continued in the wilderness system under the procedure within the 14 years return to the same status as other national forest lands.

(c) Includes national park system lands in the wilderness system, and directs the Secretary of the Interior to review the park system units containing some 5,000 or more acres and report the findings and recommendations to the President. Before Congress convenes each year, the President is to advise Congress of his recommendations in this area and Congress again may disapprove (either Senate or House) at any time during the next following complete session of Congress.

(d) Includes wildlife refuges and game ranges as the Secretary of the Interior may recommend to the President within 10 years and the President makes the recommendations to Congress; however, neither the House nor Senate may disapprove under this section. The Secretary of the Interior may also recommend inclusion in the system of portions of new refuges or ranges added to its jurisdiction in the next 15 years; however, the Secretary must make his recommendation within 2 years after the addition of the new unit.

(e) Requires public notice, hearing, and submission of a recommendation to Congress of any modification or adjustment of boundaries of the wilderness system.

(f) Before final action on any inclusion of forest, park, and wildlife areas in the wilderness system, boundary adjustment, etc., this section spells out the requirement that Congress shall have the right to act on the recommendation of the President, even to the extent of discharging the committee on disapproval resolutions.

(g) Protects areas under consideration for the wilderness system from public land law appropriations for a 5-year period.

(h) Provides that no area (other than national forests, park system, wildlife refuges, and game range lands specifically provided for in the act) can be added to or eliminated from the wilderness system except by specific, affirmative authorization by law.

Private lands: Authorizes both Secretaries (Interior and Agriculture) to acquire private lands subject to congressional appropriations, or by privately donated funds, by gift or bequest.

Special provisions: Prohibits any commercial enterprise in the wilderness system (except grazing and mining in some areas), construction of permanent roads, use of motor vehicles or motorized equipment, motorboats, landing of aircraft, or use of any other mechanical transport. Limits construction of temporary roads or structures or other installations to the minimum necessary to administer the area. There are, however, some exemptions from these prohibitions and limitations:

1. Allows continued use of aircraft and motorboats where their use is a well-established practice, or where necessary to control fire, insects, and disease.

2. Grants the President authority to authorize prospecting, mining, exploration for and production of oil and gas, establishment and maintenance of reservoirs, water conservation works, transmission lines, and other facilities needed in the public interest within national-forest and public-domain areas.

Land use commissions: Authorizes the establishment of a Presidential Land Use Commission in any State having more than 90 percent of its total land area owned by the Federal Government—applicable to Alaska where more than 99 percent total land area is federally owned. Five-member Commission—with 3–2 political breakdown. The Commission is to advise and consult with the Secretary of the Interior and make recommendations on the utilization, development, and protection of Federal land areas in Alaska generally.

REORGANIZATION

Civil Aeronautics Board

Reorganization Plan No. 3—Effective July 3, 1961:

To relieve the members of the Civil Aeronautics Board from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning, Reorganization Plan No. 3 would:

Authorize the CAB to delegate any of its functions to a division (panel) of the Board, to an individual Board member, or to employees or groups of employees of the Board by a published order or rule. In the case of adjudications and of rulemaking proceedings which are required by law to be made on the basis of a record, the delegation authority is limited to one or more Board members or one or more hearing examiners. The plan provides that a full-scale review of an action of a delegate shall be discretionary with the Board as to all actions delegated; however, a vote of one less than the Board majority is required to compel a full-scale Board review. The plan gives to the Chairman the authority to designate the individual Board members or employees who are to perform the delegated functions.

The plan is sufficiently broad to cover all matters—adjudicatory and quasi-legislative—and will, therefore, provide the necessary flexibility to expedite the Board's workload.

Commerce—Additional Assistant Secretary

S. 1456—Passed Senate May 26, 1961. H.R. 6360—House Calendar:

Authorizes an additional Assistant Secretary of Commerce to provide the most effective review of the expanding scientific activities within the Department of Commerce.

The new assistant will provide vital assistance to the Secretary of Commerce in coordinating and evaluating existing programs of the Department in the fields of science and technology, in expanding such programs where desirable to meet our national needs, in developing and implementing new research and development programs, and in representing the Department on top policy level scientific committees and groups, including the Federal Council for Science and Technology.

Increasing importance in scientific technology requires an officer with the rank of Assistant Secretary to assure that our responsibilities and programs are adequately carried out in the interests of our economy, national defense, and public welfare.

FCC

S. 2034—Public Law 87-192, approved August 31, 1961:

As a substitute for Reorganization Plan No. 2, this bill provides for facilitating the work of the FCC and improving its administrative process. Adjudication by the FCC would be expedited by: (1) repeal of provisions that precludes a review staff in adjudicatory cases from making any recommendations to the Commission; (2) permit delegating functions of adjudication to a panel of Commissioners, subject to review by a part or the whole Commission prior to any review that might be held in the courts; (3) petitions for rehearings must be made to the authority responsible for making the decision; (4) one or more Commissioners may conduct the hearings; (5) under the provisions of Administrative Procedure Act (a) oral arguments would be discretionary and (b) hearing officer would not be permitted to consult any person or party in issue in a case but would be free to consult with other examiners.

Federal Trade Commission

Reorganization Plan No. 4 of 1961—Effective July 9, 1961:

To provide flexibility in handling the business before the Federal Trade Commission and to permit its disposition at different levels to promote greater efficiency, Congress approve Reorganization Plan No. 4 to—

Authorize the delegation of any and all of its functions to subordinates;

Afford review only at its discretion, unless two members of the Commission agree to a review;

Cause the decision of a subordinate to become final by denying review; and

Vest in the Chairman of the Commission the authority to choose the individuals who would exercise the delegated power.

Under existing law, the Commission now has the authority to delegate various duties but the Commission itself must designate the personnel to perform the functions, while under plan 4, if the Commission agrees to delegate a function to a subordinate level, the Chairman is vested with the authority to designate the personnel, including the Commissioners, to perform the delegated function.

Interstate commerce reorganization

H.R. 8038—Public Law 87-247, approved September 14, 1961:

Grants the ICC Commissioners the authority to establish boards of three or more qualified employees for reviewing recommended orders entered in cases in which hearings have been held.

Under present law the review function may be exercised only by the Commission or a division of the Commission. This new authority will enable the Commission to delegate work that can be performed at lower levels within the agency, thereby providing more time for the Commissioners to handle the increased workload due to new laws, intensified competition among the carriers, and the general expanding economy.

Maritime Commission

Reorganization Plan No. 7—Effective August 12, 1961:

This reorganization plan establishes a five-member Federal Maritime Commission. The members are to be appointed by the President and confirmed by the Senate, and are subject to removal by the President for inefficiency, neglect of duty, and malfeasance in office. The President will designate the Chairman. As Chairman, he will receive $500 a year more than the $20,000 yearly salary provided for the other Commissioners.

The plan abolishes the present three-member Maritime Board, and separates its functions between the Department of Commerce and new statutory Commission.

The Department of Commerce is to be charged with the award of subsidies and promotional functions of the old Board, and the new Commission is to be responsible for the regulatory functions of the old Board.

It is felt that in vesting all subsidy functions in the Secretary of Commerce, it will be possible for Congress and the President to hold a single official responsible and accountable for the effective conduct of all aspects of this program, including the size and character of the fleet under the U.S. flag, the need for Government assistance, and appropriation requirements to support subsidy programs.

The new Commission will be responsible for:

(a) Regulating and controlling rates, services, practices, and agreements of common carriers by water and other persons under the Shipping Act of 1916.

(b) Regulating and controlling rates, fares, charges, classifications, tariffs, regulations, and practices of common carriers by water under the Intercoastal Shipping Act of 1933.

(c) Making rules and regulating shipping in the foreign trade to adjust or meet conditions unfavorable to this shipping, and to approve, suspend, modify, or annul rules or regulations of other Federal agencies affecting shipping in the foreign traffic, under section 19 of the Merchant Marine Act of 1920.

(d) Investigating discriminatory rates, charges, classifications, and practices in the foreign trade, and for recommending legislation to correct any discriminations under the Merchant Marine Act of 1936.

(e) Requiring that certain reports be filed, accounts, records, rates, charges, and other memorandums be kept as required by the Shipping Act of 1916.

(f) Rules and regulations, making reports and recommendations to Congress, subpenaing witnesses, administering oaths, taking evidence, and requiring the production of books, papers, and documents under the Merchant Marine Act of 1936.

The Commission will have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including such functions as hearings, on any matter or work before the Commission.

Reorganization authority

S. 153—Public Law 87-18, approved April 7, 1961:

To continue the practice established by the Hoover Commission, this measure reinstates the authority granted to the President by the Reorganization Act of 1949, to submit reorganization plans to the Congress for reorganizations in the executive branch of the Government. This authority will expire on June 1, 1963.

As provided in the act of 1949, the plans will become law unless disapproved by a majority of either the House or Senate by adopting a resolution of disapproval within 60 calendar days after the plan is submitted to Congress.

SEC investigation

House Joint Resolution 438—Public Law 87-196, approved September 5, 1961:

Authorizes $750,000 to permit the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963.

SEC reorganization

S. 2135—Passed Senate September 1, 1961. Pending in House Interstate and Foreign Commerce Committee:

As a substitute for Reorganization Plan No. 1, this bill authorizes the Securities and Exchange Commission to delegate any of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board except rulemaking functions as defined in the Administrative Procedure Act.

Requires that the Commission itself retain the discretionary right to review any action taken as a result of delegation under this bill. This right may be exercised upon the Commission's own initiative or upon petition of a party to or an intervenor in the action, within such time and in such manner as the Commission prescribes.

Permits a single member of the Commission to bring any action taken pursuant to this bill before the full Commission for review.

Preserves a person's right to petition the court of appeals for review even though he may have been denied review by the Commission.

Transfers to the Chairman the functions of the Commission relating to the assignment of personnel, including Commissioners, to perform the functions delegated by the Commission to Commission personnel.

SOCIAL SECURITY

Social security amendments

H.R. 6027—Public Law 87-64, approved June 30, 1961:

The 1961 social security amendments provide new or increased benefits to 4.4 million people, totaling some $800 million in the first year, with the increased costs being met through additional payroll taxes.

The major provisions as enacted into law are:

Increases in minimum benefit: From $33 to $40 the minimum monthly retirement benefit at 65 and the minimum monthly disability benefit, with proportionate increases in minimum benefits payable to dependents and survivors. This provision provides increased benefits for 2,175,000 persons, amounting to $170 million, during the first 12 months of operation.

Benefits at age 62 for men: Provides the option of early retirement to men at age 62 with benefits on an actuarially reduced basis. In the first year 560,000 would get benefits amounting to $440 million.

Liberalizes insured status requirements: Provides that a worker is fully insured for benefit purposes if he has one quarter of coverage for every elapsing after 1950 and up to the year of disability, death, or attainment of age 65 for men and 62 for women. This would bring 160,000 people on to the rolls in the first year for a total of $65 million in benefits.

Increases widow's, widower's, and parent's benefits: Increased aged widow's widower's, and surviving parent's benefits from 75 to 82½ percent of the workers' retirement benefit. (Will affect 1,525,000 persons by $105 million in first 12 months.)

Establishes a period of disability: Extends for 1 year, to June 30, 1962, the period within which a person may file to establish a period of disability to determine eligibility for and amount of old-age, survivors, and disability insurance benefits.

Facilitates coverage for certain State and local employees: Adds New Mexico to list of States permitted this method of coverage, and employees who originally had chosen not to come under the program will be given an additional chance to elect to be in the group which has coverage. Time extended to December 31, 1962. Ministers and Christian Science practitioners have until April 16, 1962, to elect; however, if a minister or Christian Science practitioner dies after September 12, 1960, and before April 16, 1962, his survivor would have the right to elect coverage up to April 16, 1962.

Increases tax rates: Beginning in 1962, contribution rates will be raised by one-eighth of 1 percent each for employees and employers and by approximately three-sixteenths of 1 percent for self-employed.

Increases public assistance: Increases for 1 year (to June 30, 1962) the amount of public assistance payments which would be subject to Federal matching for old-age assistance, aid to the blind, and aid to the permanently and total disabled programs (by approximately $2.50), at an approximate cost of about $20 million.

Increases in public assistance: As enacted into law, increases Federal matching for the lower payment States—by increasing from $30 to $31 the amount the Federal Government will match at the 80-percent base level, and increases the maximum which will be matched from $65 to $66—effective October 1, 1961, for a 9-month period instead of 1 year as in the Senate bill.

Authorized assistance to U.S. nationals: As modified, the program will apply only to U.S. citizens rather than U.S. nationals, and will continue for only 1 year rather than indefinitely. As noted in the Senate provision, the temporary assistance is for those U.S. citizens who have returned, or been brought back to this country because of illness, destitution, war, threat of war, or invasion.

Medical care: The Senate provision assuring freedom of choice to aged persons in selecting certain medical care has been held in abeyance to permit a more thorough exploration of its ultimate effect.

SPACE

Aeronautics and Space Council

H.R. 6169—Public Law 87-26, approved April 25, 1961:

This is an administration proposal to make certain changes in section 201 of the National Aeronautics and Space Act of 1958, which established the National Aeronautics and Space Council to advise the President on space matters. The Council is composed of the President, the Secretary of State, the Secretary of Defense, the Administrator of NASA, and the Chairman of the Atomic Energy Commission; and authority is reposed in the President to appoint, by and with the advice and consent of the Senate, a member from the Federal departments and agencies of the Government and three civilian members.

The President, in his request to Congress, stated that he contemplated making the Council an active and useful instrumentality. He further stated that he desired to place the Council under the chairmanship of the Vice President. The present measure would amend the law so as to replace the President by the Vice President, as Chairman of the Council. It would also repeal the existing authority of the President to appoint a member from the Federal departments and agencies of the Government and three members from civilian life, and would make certain conforming changes. There are no changes which would affect the present concept of the Council, which was established as an advisory body to the President.

NASA authorization for 1962

H.R. 6874—Public Law 87-98, approved July 21, 1961:

This measure authorizes a total appropriation of $1,784,300,000 to the National Aeronautical and Space Administration for fiscal 1962 as follows:

Salaries and expenses	$226,686,000
Research and development	1,305,539,000
Construction of facilities	252,075,000

Space authorization—amended

S. 2481—Passed the Senate September 5, 1961. Pending in House Science and Astronautics Committee:

This bill amends the National Aeronautics and Space Administration Authorization Act of 1962 (Public Law 87-98) by increasing the amount allotted for "Construction of facilities" by $60 million, to a new total of $206,186,000. This $60 million is to be used to buy land adjacent to Cape Canaveral to provide a site for the launch complexes for the large Saturn and Nova vehicles.

TAXATION

Corporate and excise extension of 1961

H.R. 7446—Public Law 87-72, approved June 30, 1961:

This measure continues to July 1, 1962, the present 52-percent corporate income tax rate which would otherwise revert to 47 percent, and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, general telephone service, and transportation of persons.

If these taxes were permitted to be reduced, the tax loss would be as follows:

	Unit of tax	Present law rate	Rate to become effective July 1, 1961	Revenue loss (millions)	
				Full year	Fiscal 1962
Corporations	Normal tax net income.	30 percent	25 percent	$2,030	$925
Excises:					
Liquor taxes:					
Distilled spirits	Per proof gallon	$10.50	$9	158	155
Beer	Per barrel	$9	$8	89	87
Wine:					
Still wine:					
Containing less than 14 percent alcohol.	Per wine gallon	17 cents	15 cents	11	11
Containing 14 to 21 percent alcohol.	do	67 cents	60 cents		
Containing 21 to 24 percent alcohol.	do	$2.25	$2		
Containing more than 25 percent alcohol.	do	$10.50	$9		
Sparkling wines, liqueurs, etc:					
Champagne or sparkling wine	do	$3.40	$3		
Liqueurs, cordials, etc	do	$1.92	$1.60		
Artificially carbonated wine	do	$2.40	$2		
Tobacco taxes: Cigarettes	Per thousand	$4	$3.50	244	244
Manufacturers excise taxes:					
Passenger cars	Manufacturers' sale price.	10 percent	7 percent	402	352
Auto parts and accessories	do	8 percent	5 percent	75	65
Miscellaneous taxes:					
General telephone	Amount charged	10 percent	0	500	375
Transportation of persons	Amount paid	10 percent	5 percent	150	110
Total excises				1,629	1,399
Grand total, corporate and excise taxes.				3,659	2,324
Decrease in excess tax refunds					178
Total net revenue effect				3,659	2,502

Clay and shale—Tax treatment

H.R. 7057—Public Law 87-312, approved September 26, 1961:

Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile. For purposes of computing the percentage depletion deduction is to be 50 percent of the gross income from the finished product but not in excess of $12.50 for each ton of this clay or shale used in the finished product. The type of products for which the sale or specified types of clay must be used are building and paving brick, drainage and roofing tile, sewer pipe, flowerpots, or similar products.

This provision is in the form of an election which taxpayers may make for all open years beginning before January 1, 1961.

Identifying numbers—Tax returns

H.R. 8876—Public Law 87-397, approved October 5, 1961:

To improve enforcement and collection of internal revenue taxes, this measure facilitates the expanded use of automatic data processing equipment by IRS and by enabling the Service to match information returns now filed with tax returns.

Requires individuals who file tax returns to record their account numbers on their tax returns. Individuals filing information returns (such as dividends or interest) are required to request the account numbers of those about whom the information is being filed and include the numbers on the information returns.

IRS intends to use social security numbers as the account numbers in order to minimize the number of persons having to be assigned new numbers.

Membership organization taxes

H.R. 929—Public Law 87-109, approved July 26, 1961:

This bill provides that prepaid membership dues income of membership organization may at the election of the taxpayer, for tax purposes be spread over the period during which there is a liability on the part of the organizations to provide the service, rather than reported involved must extend beyond the current year but may not extend for more than 36 months.

The membership organizations to which the provision applies are limited to those, such as automobile clubs, which have no capital stock and make no distributions of net earnings to members. A special rule is provided which spreads over a 5-year period the revenue loss which would otherwise occur in each of the first 3 years of transition to the new method for reporting this prepaid income. The provision is effective for taxable years beginning with calendar 1961.

State tax stamps

H.R. 1777—Public Law 87-371, approved October 4, 1961:

To prohibit transporting counterfeit State tax stamps in interstate and foreign commerce, this bill broadens the definition of "tax stamp" in the criminal code to include any tax stamp, tax token, tax matter imprint, or any other form of evidence of an obligation running to a State, or evidence of a discharge thereof.

Unemployment tax credits

H.R. 2585—Public Law 87-321, approved September 26, 1961:

This bill is designed to prevent the imposition of a double tax in the case of the Federal and State unemployment taxes which arise because of a technical deficiency in the Federal tax laws. At present, due to a variation in the definition of employer between the Federal and State laws, cases can arise where the usual credit for State unemployment taxes is not available where a trade or business changes hands within the first 20 weeks of a calendar year. This bill corrects the faulty operation of the Federal laws by making the usual credit available in these cases.

This measure applies prospectively only but will apply to all business corporations, both corporate and noncorporate.

A Finance Committee amendment provides that crushing and grinding are to be treated as mining processes in the case of clay and quartzite used in the manufacture of refractory products for open years beginning before January 1, 1961. This amendment also provides that the value of the ground clay and quartzite shall be equal to 87½ percent of the average lowest price for which such clay is sold by the taxpayer during the taxable year.

TRANSPORTATION

Bridge commission audits

S. 49—Passed Senate June 12, 1961. Pending in House Public Works Committee (H.R. 8921, passed Senate, amended September 25):

Establishes formal procedure for an annual audit of four bridge commissions and one bridge causeway authority created by Congress. The auditing is to be done in accordance with procedures prescribed by the Governors of the States concerned and in accordance with generally accepted accounting procedures. The Secretary of Commerce will review the reports and audits. Previously, these audits were conducted at the discretion of the various commissions and authorities.

Requires the Secretary of Commerce to fill vacancies in the membership of the bridge commissions, accept oaths of qualification, and remove members for cause.

Those involved are:

Arkansas-Mississippi Bridge Commission, Arkansas and Mississippi.

White County Bridge Commission, Illinois and Indiana.

City of Clinton Bridge Commission, Illinois and Iowa.

Muscatine Bridge Commission, Iowa and Illinois.

Sabine Lake Bridge and Causeway Authority, Texas and Louisiana.

Broadcast licenses

S. 1371—Passed Senate June 16, 1961. Pending in House Interstate and Foreign Commerce Committee:

This bill permits the Federal Communications Commission to renew safety and special radio service licenses more than 30 days before the expiration of the original license, but retains the 30-day restriction on renewals of all other licenses. The limitation is burdensome and inefficient in the special safety and special radio service field, the inherent nature of which provides its own limitations and restraints on licensing.

Canadian vessels—Alaska

S. 707—Public Law 87-77, approved June 30, 1961:

This bill permits Canadian vessels to provide passenger service between ports in southeastern Alaska, and passenger and freight service between Hyder, Alaska, and other points in southeastern Alaska and in the United States outside Alaska, either directly or via a foreign port, until such time as the Secretary of Commerce determines that U.S.-flag service is available to provide the necessary transportation.

Under statutes of long standing only vessels of U.S. registry are permitted to engage in coastal and intercoastal trades.

In recent years, however, because of increased vessel operating costs, and because of the small and seasonally fluctuating population, U.S.-flag vessels have found such service uneconomic to the point where there is now no regular U.S.-flag service provided, and none in prospect.

Carriers—Alaska and Hawaii

S. 1725—Passed Senate June 27, 1961. Pending in House Interstate and Foreign Commerce Committee:

This measure permits the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and establishes a joint rate review board.

It will become effective 120 days after enactment and applies to all carriers including railroads, motor carriers, water carriers, and airlines rendering freight transportation service.

This arrangement permits a number of carriers to render service from origin to destination on one bill of lading quoting a single transportation charge. Each carrier is required to file tariffs with the regulatory agency having jurisdiction over the carrier. These rates must be reasonable and free from unjust discrimination.

The joint board will pass upon the lawfulness of the rates after applying the standards for permissive joint rates and through routes currently provided for motor carriers of property under the Interstate Commerce Act.

Rates applicable to and from the docks in Hawaii are to be excluded from these joint arrangements since most of this service is in the nature of local drayage within a commercial zone which the ICC exempts from economic regulation.

Construction reserve funds

S. 2085—Passed Senate September 1, 1961. Pending in House Merchant Marine and Fisheries Committee:

Extends for an additional year the period permitted shipowners for commitment of construction reserve funds. In order to encourage new construction, reconditioning, and acquisition of vessels, any citizen of the United States who owns or is operating a vessel in the foreign or domestic commerce, or in fisheries, or who owned or operated or was building a vessel which the Government purchased or requisitioned, may establish a construction reserve fund to enable him to build, recondition, or acquire new vessels. In this fund he may deposit proceeds from sale of vessels, indemnities from losses, and earnings of vessels documented under the U.S. laws.

In the case of sale, or actual or constructive total loss of a vessel, where the taxpayer deposits an amount equal to the net proceeds of the sale, or the net indemnity, in a construction reserve fund, if the taxpayer so elects in his income tax return for the taxable year in which the gain was realized, or determines within 60 days after the receipt of payment or indemnity for purchase, requisition, or loss of the vessel, if the payment is received subsequent to the end of the taxable year involved, no gain is recognized to the taxpayer in computing his net income for purposes of Federal income or excess-profits taxes. In return, however, the vessel owner must commit the amounts deposited for the intended purposes within a prescribed time, and the tax base of a vessel built, purchased, or reconditioned with the untaxed gain is reduced by the amount of the untaxed gain used.

Dual-rate contract agreements

S. 2154—Public Law 87-75, approved June 30, 1961:

This act extends for 1 year, to June 30, 1962, the present interim dual-rate law, which allows ocean common carriers and conferences serving the foreign commerce of the United States to continue using the dual-rate exclusive patronage contracts if they were under such contracts on May 19, 1958.

The dual-rate contract arrangement is a practice whereby a conference establishes rates at two levels, the lower is charged to merchants who agree to ship cargoes on vessels of members of the conference only, the higher being charged to merchants who do not so agree.

Dual-rate contracts—Conferences

H.R. 6775—Public Law 87-346, approved October 3, 1961:

This measure legalizes the so-called dual-rate system in maritime shipping. Under the dual-rate system, shippers who agree to use only conference vessels are accorded a lower rate than those who have not entered into such an agreement. It requires the Federal Maritime Commission's approval before a conference can institute a dual-rate contract.

The Commission cannot approve if it finds that the contract is detrimental to the commerce of the United States, or contrary to public interest, or unjustly discriminatory or unfair as between shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors. In addition the Commission cannot approve conference contracts which authorize agreements between carriers or conferences of carriers serving different trades that would otherwise be naturally competitive unless in the case of agreements between carriers, each carrier, or in the case of conferences, each conference retains the rights of independent action; however, the prohibition on carrier agreements is limited to carriers not members of the same conference.

To be approved by the Commission all contracts must expressly: Permit prompt release of the contract shipper if the contract or conference could not provide the space he needs on reasonable notice; provide that rates shall not be increased for a reasonable period except in case of war; cover only those goods of the contract shipper to which he has legal right at the time of shipment; limit liquidated damages to amount due at contract rate on the particular shipment, less cost of handling; provide for a reasonable spread between contract and noncontract rates but not more than 15 percent of the noncontract rates; and exclude from coverage of the contract cargo loaded in bulk without mark or count.

Federal Aid Highway Act, 1961

H.R. 6713—Public Law 87-61, approved June 29, 1961:

The Senate adopted the conference report on the Federal Aid Highway Act of 1961, which is primarily a revised authorization and refinancing plan for the completion of the National System of Interstate and Defense Highways. The 13-year program, authorized in 1956, was originally estimated to cost the Federal Government, in matching funds, approximately $25 billion. This figure, in the 1961 estimate, has been increased to $37 billion, which is a $11.56 billion increase. The total cost will be $41 billion, of which $37 billion is the Federal Government's share for the Interstate System.

Upon completion, the Interstate System will be comprised of 41,000 miles of roads. To date, 10,408 miles have been completed, and some form of work is underway on a total of 25,383 miles, or about 62 percent of the total system.

This measure permits a State or political subdivision to use or permit the use of the airspace above and below the highway, not only for parking, but for other purposes as well, provided such use will not impair the full use and safety of the highway or otherwise interfere with the free flow of traffic on the Interstate System.

It also continues for another 2 years (July 1, 1963) the authority for "incentive" bonus to States which enter into agreements to control billboards on the Interstate System (one-half of 1 percent).

A new feature is to authorize the use of defense access road funds to repair highways damaged by military equipment in constructing defense installations. This provision applies to damage caused by construction work begun before June 1, 1961, and still in progress on that date, and to damage caused by construction commenced or for which a contract is awarded on or after June 1, 1961.

The 1960 act authorized $925 million for each of fiscal years 1962 and 1963 for primary, secondary, and urban (A–B–C) roads. This phase was not changed in this bill.

To help finance the highway program, we have—

Continued gasoline and diesel fuel taxes at 4 cents a gallon through October 1, 1972.

Increased taxes (through October 1, 1972) on—

Trucks weighing over 26,000 pounds from $1.50 to $3 per 1,000;

Inner tubes from 9 cents to 10 cents a pound;

Highway tires from 8 cents to 10 cents a pound;

Tread rubber from 3 cents to 5 cents a pound.

Authorized truckowners to pay the Federal user tax in four quarterly installments, and made numerous technical and other changes.

Requested the Treasury Department to make a scientific study to obtain data on the percentage of gasoline purchased by retail dealers which is lost by shrinkage or evaporation and to make a report before January 1, 1962.

Provided for a 1-year deferral of the diversion of the remaining one-half—5 percentage points—of the Federal excise tax on trucks, buses, and trailers from the general funds of the Treasury to the highway trust fund.

Federal Boating Act

S. 883—Public Law 87–171, approved August 30, 1961:

This measure extends the application of the Federal Boating Act of 1958 to the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

The purpose of the 1958 act is to promote boating safety on the navigable waters of the United States, its territories, and the District of Columbia. Besides safety regulations such as prohibiting reckless and careless operation of vessels on navigable waters, it provides for a coordinated and uniform type of numbering and registration of boats within the areas.

Federal Firearms Act, amendment

S. 1750—Public Law 87–342, approved October 3, 1961:

This measure amends the Federal Firearms Act, which among other provisions prohibits the shipment of firearms in interstate or foreign commerce to or by persons under indictment or convicted of a crime of violence. Specific crimes are listed in the original statute with regard to which the act applies. The new measure makes the prohibition on trade in firearms applicable to persons indicted, convicted, or fleeing with respect to any crime which measures up to the Federal standard of a felony; that is, any crime punishable by imprisonment for a term of more than 1 year.

Fishery loan fund

H.R. 206—Public Law 87–219, approved September 13, 1961:

Authorize the fishery loan fund to make any necessary repairs on vessels which it has acquired through loan defaults on fishing gear and ships. Many of these vessels are in very poor condition; without adequate repair, they could be sold for only a small part of the original investment of the loan fund. The expenditures made would, in the long run, be a net gain to the Government.

Intrastate motor carriers

S. 320—Passed Senate July 17, 1961. House Calendar:

This measure amends the second proviso of section 206(a)(1) of the Interstate Commerce Act, to permit State commissions under a specific procedure to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the boundaries of the State in which intrastate authority is being simultaneously authorized. It also authorizes the Interstate Commerce Commission to issue certificates of registration to existing carriers engaged in interstate operations under the terms of the present second proviso.

The existing second proviso enables motor common carriers whose operations are confined to a single State and who have been granted a certificate to allow operation within the State from their State regulatory bodies, to also engage in operations in interstate and foreign commerce. Such operations in interstate and foreign commerce must be carried on entirely within the State in which the motor carrier is certificated to operate.

Liberty ship sale

Senate Joint Resolution 21—Passed Senate September 1, 1961. Pending in House Merchant Marine and Fisheries Committee:

Authorizes the Secretary of Commerce to sell up to 10 Liberty ships for conversion into non-self-propelled barges. The vessels would be made immediately available to the Government in the event of a national emergency.

Requires that the sale of the vessels be made for cash only, after competitive bidding; that their operations be restricted to the domestic trade (excluding Alaska); that the vessels be ineligible for trade-in or exchange; and that they remain under U.S. documentation.

Mass transit program

S. 1922—Public Law 87–70, approved June 30, 1961:

Authorized a new $75 million program to help overcome commuting problems in cities—$25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest rate loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment.

Merchant Marine Academy—Cadets

H.R. 3296—Public Law 87–244, approved September 14, 1961:

Authorizes the designation of up to four persons who are citizens of the Trust Territories of the Pacific Islands to attend the U.S. Merchant Marine Academy. They would be subject to the same rules, benefits, and could be graduated from the Academy; however, they could not be commissioned in the merchant marine or in the Navy, unless they have become citizens of the United States. The training that these men receive could be used to aid the vital interests of their home islands, where ocean transportation is so very important to the economic life.

Merchant Marine Academy—Faculty

S. 576—Public Law 87–93, approved July 20, 1961:

This measure clarifies the status of the faculty and administrative staff at the U.S. Merchant Marine Academy and establishes suitable personnel policies.

It involves primarily conversion of positions of executive, administrative, custodial, and service personnel to positions subject to the civil service laws generally applicable to other civilian U.S. employees. In addition, it establishes an appropriate, flexible system of employment and compensation for the faculty which is comparable to that now provided for the civilian faculty at the U.S. Naval Academy.

Merchant Marine Academy—U.S. nationals

H.R. 29—Public Law 87–199, approved September 6, 1961:

Permits appointments to the U.S. Merchant Marine Academy of residents of American Samoa, even though they are nationals and not citizens of the United States. No appointment to any office in the U.S. merchant marine shall be made, however, unless the Academy graduate is a U.S. citizen. The American Samoan nationals who graduate from the Academy will be able to use their training by creating a small corps of professionally trained persons for local navigation, port authority, etc.

Merchant marine amendment

H.R. 6974—Public Law 87–271, approved September 21, 1961:

This measure permits steamship operators to draw upon their capital reserve fund to finance research, new ship designs, and development programs; to borrow from the fund to purchase cargo containers, or as a reimbursement for such purchases.

Under the present provisions of title VI of the Merchant Marine Act, vessel owners holding operating-differential subsidy contracts are required to establish a capital reserve fund, in which must be deposited an amount equal to the annual depreciation on their subsidized vessels, proceeds from the sale of any subsidized vessels, all indemnities and insurance from loss of vessels, and any additional profits from operations of subsidized vessels as the Secretary of Commerce considers necessary to insure an adequate fund. In addition, the subsidized operator must set up a special reserve fund to take care of any operating losses and subsidy recaptures. Prior to passage of H.R. 6974, none of the idle reserve funds could be used to initiate experimental design work not directly related to an actual ship to be constructed.

Ocean freight forwarders

S. 1368—Public Law 87–254, approved September 19, 1961:

This bill is designed to correct various questionable practices of foreign freight forwarders by providing for licensing independent freight forwarders, to prevent unqualified persons from engaging in business as foreign freight forwarders and to regulate the activities of qualified foreign freight forwarders.

Amends the Shipping Act of 1916, to define the term "carrying on the business of forwarding" to mean dispatching of shipments by any person on behalf of others, by oceangoing common carrier in commerce from the United States or its possessions to foreign countries, or between the United States and its possessions or between such possessions, and handling the formalities incident to these shipments. It defines the term "independent ocean freight forwarder" to mean a person carrying on the business of forwarding for a consideration, who is not a shipper or consignee or a seller or purchaser of shipments to foreign countries, nor has any beneficial interest therein, nor directly or indirectly controls or is controlled by such shipper or consignee or by any person having a beneficial interest.

Requires a person to hold a license issued by the Federal Maritime Board to carry on the business of forwarding, but permits a person whose primary business is the sale of merchandise to dispatch shipments of merchandise without a license.

Directs the Board to prescribe reasonable rules and regulations to be observed by independent ocean freight forwarders, and requires the forwarder to furnish a bond or other security acceptable to the Board, to insure financial responsibility and proper service performance.

Provides that licenses shall remain effective until suspended or terminated as provided in this act. Licenses may, upon application of the holder, in the discretion of the Board, be amended or revoked, in whole or in part, or may, upon complaint, or on the Board's initiative, after notice and hearing, be suspended or revoked for willful failure to comply with any provisions of this act or with any lawful order of the Board.

Obsolete vessel trade-ins

S. 1728—Public Law 87-401, approved October 5, 1961:

Liberalized the law regarding obsolete trade-ins by authorizing the Federal Maritime Commission to take trade-ins either when the owner signs the contract for construction or purchase of a new vessel or (at the owner's option) within 5 days of the delivery date of the new vessel.

Off-season cruises

H.R. 6100—Public Law 87-45, approved May 27, 1961:

The purpose of this bill is to promote and encourage the fullest possible employment of American-flag passenger vessels on a year-round basis either on their regular routes or on special cruises during the slack seasons.

Under existing law, the Merchant Marine Act of 1936 subsidized American-flag vessels, both passenger and cargo, are assigned to particular essential trade routes which they must serve on a regular basis year round. Since the advent of oversea aviation, passenger traffic by ship drastically slacks off during certain seasons of the year. During such seasons, even though full utilization of passenger vessels is not needed to provide essential service on the routes, existing law prohibits vessels from going on special cruises off the regular routes. As a result, American-flag passenger vessels frequently suffer heavy losses during the slack season while their normal foreign competitors engage in off-season cruises.

Thus, this legislation not only strengthens the operating condition of the American passenger fleets but allows American-flag vessels to receive a share of the growing cruise business to off-season vacation areas now served almost exclusively from the United States by foreign-flag ships.

Pollution of sea by oil

S. 2187—Public Law 87-167, approved August 30, 1961:

Implements the International Convention for the Prevention of the Pollution of the Sea by Oil, which prohibits discharge of oil from tankers and imposes fines and penalties for violation. The bill implements the convention by prohibiting American ships from discharging wastes in any of the zones named in the bill, and requires a record showing where any waste may be discharged. Also provides for keeping oil record books by foreign ships when they are in U.S. waters, and establishes a fine of from $500 to $2,500 for violations.

Portland Harbor, Maine

S. 2394—Passed Senate September 15, 1961. Pending in House Public Works Committee:

Authorizes $8,340,000 to improve the harbor at Portland, Maine, to deepen the entrance channel to facilitate the movement of foreign crude oil through the United States to Montreal, Canada.

Prohibits destruction of property in interstate commerce

H.R. 2429—Public Law 87-221, approved September 13, 1961:

Strengthened existing Federal law by making it unlawful to (1) destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, or (2) break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose. Violators would be penalized by fines up to $5,000 and imprisonment up to 10 years. Existing laws have no provision for punishment if there is willful damage or destruction of property per se in the possession of a carrier unless the carrier's own property is damaged also, or if such acts are not intentionally performed.

Railway Express revenue

H.R. 1986—Public Law 87-108, approved July 26, 1961:

This measure repeals the following two basic provisions of the Railway Mail Act of 1916:

1. A provision that the Postmaster General shall obtain from the Interstate Commerce Commission information showing revenue received by railroad companies from express companies for transporting express matter.

2. A provision authorizing the Postmaster General to reduce rail rates paid by the Post Office Department to the railroads for carrying non-first-class mail to the level of the express rail rates, if the express rates are lower.

These provisions were designed to prevent rate discrimination by the railroads against the Government in transporting non-first-class mail. Since cost-ascertainment procedures were crude at that time, these provisions gave the Government the best known test of reasonableness-rate comparison. The Postmaster General, from time to time, has requested the ICC to furnish information as provided by law on rail rates for carrying express matter. The Commission, in declining such a request, states in effect that the law does not place upon it the duty to make an investigation for the purpose of formulating rail rates for the carriage of express matter.

The ICC contended that the Railway Express Agency had never operated on a profit-and-loss basis, since it simply turned over to the railroads whatever amounts it had left after deducting its operating expenses at the end of each month. The Railway Express Agency (REA) always broke even on its own books, although the business as a whole has been losing money for years. Because of the contractual arrangements between the railroads and REA, the ICC has held that rates, as such, were not paid, and that for this reason, the provisions of the 1916 law could not be complied with. Revitalization of the express agency is now moving forward; however, these provisions of the old law stand in the way of the agency's return to solvency. Under the terms of a new contract between REA and the railroads, scheduled to become effective July 1, 1961, the express company would change its method of operation to one based upon profit and loss, and it could be construed that rates were being paid. The railroads and the express company fear that the provisions which H.R. 1986 repeal might then be invoked and this could result in huge losses to the railroads in rates paid by the Post Office Department for the transportation of non-first-class mail.

Ships and seamen fees

S. 1358—Passed Senate March 28, 1961. Pending in House Foreign Affairs Committee:

This measure repeals section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen, and repeals a provision of the act of June 4, 1920, authorizing the free issuance of passports to seamen.

It is estimated that this measure will save the Government about $400,000 a year.

Subsidies for reconverted vessels

H.R. 2457—Public Law 87-222, approved September 13, 1961:

This measure makes it clear that the provisions of Public Law 86-607, relating to the payment of temporary construction-differential subsidies, was intended to apply to reconstruction, reconditioning, and conversion, as well as to new construction, of the shipyard contract entered into after June 30, 1959.

The 1960 amendment, in emphasizing the temporary nature of the authority for payment of a higher differential percentage, provided that it would be effective "only with respect to the construction of a vessel the keel of which was laid after June 30, 1959." That wording has been interpreted by the Maritime Board as excluding vessel reconstruction, reconditioning, and conversion previously covered.

Subsidy—90 percent interim payment

H.R. 6309—Public Law 87-243, approved September 14, 1961:

Effective July 1, 1962, this measure increases from 75 to 90 the percentage of estimated accrued subsidy that can be paid to subsidized operators before these operators have audited their voyage accounts and before the audits have been verified by the Secretary of Commerce. It also reduces from 15 to 5 the percentage that can be paid after the audit and verification and before the final annual accounting.

Vessel expenses covered by this operating-differential subsidy include vessel insurance, maintenance, repairs not compensated by insurance, wages and subsistence of officers and crew, and any other items of expense in which the Maritime Board finds that the operator is at a substantial disadvantage. These are what can be termed "current expenses" and must be met immediately by the ship operator, thus the long delays incurred as a result of audits, et cetera, are bankrupting lots of the ship operators and working a greater handicap on the shippers. Thus, this measure is designed to provide these operators with a degree of temporary relief.

U.S.-flag commercial vessels

H.R. 6732—Public Law 87-266, approved September 21, 1961:

This measure is designed to provide protection to vessels of U.S. registry engaged in the bulk trades, against foreign-flag vessels and vessels built or rebuilt abroad which seek documentation or redocumentation under the American flag in order to share in the carriage of the 50-percent-Government-financed cargoes reserved to privately owned U.S.-flag commercial vessels.

To accomplish this purpose the term "privately owned U.S.-flag commercial vessels" shall not be deemed to include any vessel which, subsequent to the date of enactment of this amendment, shall have been either (a) built outside the United States or (b) rebuilt outside the United States or (c) documented under any foreign registry, until the vessel has been documented under the laws of the United States for a 3-year period.

Vessel documentation

S. 881—Public Law 87-157, approved August 17, 1961:

This measure permits documentation of vessels which are sold or transferred to a citizen of the United States while on the high seas or in a foreign port. The present statutes provide for retention of the privileges of a vessel of the United States by any vessel sold or transferred until its first arrival in the United States. The new owners are sometimes at a disadvantage in dealing with officials in foreign ports since the owners are unable to establish their interest in the vessel by official U.S. documents.

Thus this bill makes it possible for the vessel to be redocumented while still abroad, which will enable the parties in interest to have clear evidence of title.

Vessel reserve funds

H.R. 6974—Public Law 87-271, approved September 21, 1961:

This measure increases industry cooperation with recently undertaken Federal Maritime Administration research and development projects, without undue strain on the ship lines' general funds. It authorizes operators of subsidized vessels to draw upon their capital reserve fund to finance research, and new design and development programs. It further permits these operators to borrow from the general funds for expenditures for research and development purposes, and provides safeguards for the operators' reserve funds to assure that they will be maintained at a level adequate to serve their primary purposes of vessel replacement and emergency use.

Vessels—Preferred mortgages

H.R. 2308—Public Law 87-303, approved September 26, 1961:

Strengthens the Ship Mortgage Act by extending preferred status to mortgages covering towboats, barges, scows, lighters, car floats, canalboats, or tank vessels of 25 or more gross tons. At present, the statute confers preferred status only on mortgages covering vessels of 200 or more gross tons.

This amendment, however, does not apply to mortgages in existence on the date of enactment, nor to any mortgage placed on a vessel in the 25- to 199-gross-ton bracket after the date of enactment under a mortgage on the vessel in existence on the date of enactment as long as the existing mortgage remains undischarged.

Virgin Islands fish boats

H.R. 3159—Public Law 87-220, approved September 13, 1961:

Authorizes small boats flying foreign flags to land catches of fish in the Virgin Islands. All fish must be sold for immediate consumption; none may be sold to any agent or employee of a cannery or freezer. Under existing law such foreign vessels are prohibited from landing fish in U.S. ports. There is a need to allow small boats from British islands to land fish cargoes, averaging from 900 to 4,000 pounds of fresh fish per month, in order to satisfy the demand for fresh fish in the Virgin Islands.

TREATIES

Belgium-United States Treaty

Executive J—Ratified September 11, 1961:

The Senate unanimously ratified Executive J, a treaty of friendship, establishment, and navigation between the United States and the United Kingdom of Belgium, together with a related protocol.

The purpose of the treaty is to provide protection for property and interests of American citizens and companies in Belgium and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities in those countries, in return for like assurances in the United States.

This treaty covers entry and sojourn, personal freedoms, property rights, business activities, taxation, exchange regulations, and matters affecting the status and activities of citizens and enterprises of one country within the territories of the other. It also provides that the property of nationals and companies of either part is not to be taken except for a public purpose, nor is it to be taken without the prompt payment of just compensation. It requires that if any dispute regarding any provision of this convention arises as between the parties, and if the dispute is not satisfactorily settled by other means, the dispute is to be submitted to the International Court of Justice. The effect of this requirement is to waive the Connally amendment requirement with respect to the limited category of disputes which might arise as to the interpretation or application of this treaty. At the point of referral, the International Court, before it can take jurisdiction, must find that its jurisdiction extended to the subject matter of the dispute.

This new treaty replaces the treaty of commerce and navigation of 1875. The new one does not contain provisions relating to the exchange of goods because of Belgium's reluctance to enter into long-term commitments and because commercial relations with Belgium have been subject to the General Agreement on Tariffs and Trade; nor does it contain provisions relating to social security and the acquisition and tenure of real property because the provisions requested by the Belgian negotiators would have been in conflict with U.S. Federal and domestic law. The protocol to the treaty clarifies and construes certain of its provisions.

Brazil—Extradition treaty

Executive H—Ratified May 16, 1961:

The Senate unanimously ratified Executive H, a treaty of extradition between the United States and Brazil signed at Rio de Janeiro on January 13, 1961.

As ratified, this is a general treaty of extradition of the type now in force between the United States and some 65 foreign countries. It provides for extraditing fugitives who have been charged with or convicted of murder, voluntary manslaughter, rape, abortion, malicious wounding, abduction, detention, kidnaping, bigamy, arson, piracy, burglary, robbery, forgery, embezzlement, larceny, obtaining money or valuables by false pretenses, fraud, willful nonsupport, perjury, soliciting or receiving bribes, narcotic offenders, smuggling, procuration, and numerous other crimes.

The treaty provides, however, that neither country has to extradite if the death penalty might be imposed. This article results from the fact that capital punishment is prohibited under Brazilian law. Neither country is required to extradite its own nationals but in its discretion may.

The United States has extradition treaties with all the countries of South America except Brazil and, as a result, Brazil has become a haven for fugitives from the United States.

Enters into force 1 month after the date of exchange of ratification.

Columbia River Basin treaty

Executive C—Ratified March 16:

The Senate, with one dissenting vote, approved ratification of a treaty between the United States and Canada, signed at Washington January 17, 1961. The treaty is designed to insure that water resources of the Columbia River Basin will be developed so that Canada and the United States will derive the maximum advantage in hydroelectric power, in flood control and other benefits.

Canada agreed to build three dams in Canada within a 9-year period with a storage capacity of 15.5 million acre-feet of water and, in exchange, Canada is entitled to one-half of the downstream power benefits. Downstream power benefits is the difference in the hydroelectric power capable of being generated in the United States with and without the use of Canadian storage.

The United States agreed to pay Canada $64.4 million over a 9-year period for primary flood control benefits obtained as a result of the Canadian storage dams. Additional payments, limited to $7.5 million over a 60-year period, will be made by the United States for secondary flood control, if and when such protection is actually required.

Under the treaty, the United States has an option for a 5-year period to initiate construction of Libby Dam in Montana, and Canada is to make available the land in Canada which will be flooded by the storage of water.

Each country is prohibited from diverting water from its natural channels in a way that alters the flow of any water of the Columbia Basin as it crosses the boundary for other than consumptive uses without the consent of the other country.

Each country will designate an entity or entities to be responsible for formulating and carrying out operating arrangements necessary to implement the treaty.

The treaty is to remain in effect for 60 years.

Geneva Radio Regulations

Executive I—Ratified September 25, 1961:

The Senate unanimously ratified Executive I, the Geneva Radio Regulations, containing a number of provisions relating to the international regulation of radio communication, signed for the United States at Geneva on December 21, 1959.

The purpose of the 1959 radio regulations is to replace those which were adopted at Atlantic City in 1947 and approved by the Senate in 1948. Approval of these new regulations will materially assist the United States in carrying out its scientific efforts in radio astronomy and space research. The regulations are highly technical and relate largely to the following four main work areas: frequency allocations, frequency management procedures, technical regulations, and operating regulations.

German bonds treaty

Executive D—Ratified May 4, 1961:

The Senate ratified Executive D, 87th Congress, 1st session, the second agreement between the United States and the Federal Republic of Germany regarding certain matters arising from the validation of German dollar bonds, signed at Bonn on August 16, 1960.

This second agreement provides for validation of East German dollar bonds to enable owners of these bonds to establish that they were acquired from legitimate sources and were not acquired directly or indirectly as a consequence of Soviet sources of bonds in Berlin at the close of World War II. The agreement provides that once the validity of these bonds is established, certain procedures may be followed by the holders to negotiate the bonds or receive payment from assets originally pledged as security for their issuance.

Background: In 1952, the Federal Republic of Germany enacted a validation law under which German foreign currency bonds had to be submitted for validation. Validation was granted only if the bonds were not among the $350 million in face amount of amortization bonds, in the form of bearer instruments, which were seized from the vaults of the Reichsbank and other banks when the Soviets overran Berlin in 1945.

Under the first agreement of April 1, 1953, ratified as a treaty and entered into force on September 16, 1953, German dollar bonds are not enforcible in the United States unless validated.

The German law restricted validation procedures to bonds of issuers located in the German Federal Republic and the Western sectors of Berlin; however, since 1953, it has been learned that certain outstanding East German dollar issues are guaranteed by solvent companies located in the German Federal Republic and the Western sectors of Berlin and that certain East German issuers of these bonds have assets in excess of $4 million located in West Germany. Under the London agreement on German external debts, signed on February 27, 1953, action may be taken to satisfy the bondholders' claims out of these assets and guarantees. A procedure for validating the East German dollar bonds is a prerequisite to making these assets and guarantees available to the U.S. bondholders.

Without this second agreement, U.S. holders of these bonds would be unable to receive payment on the issues guaranteed by solvent companies located in the German

Federal Republic and the Western sectors of Berlin or from the assets of East German issuers located in West Germany.

The agreement has the approval of the interested bondholders' protective committees, the banks which are trustees and paying agents for the issue in question, and the Securities and Exchange Commission.

International telecommunications convention

Executive J—Ratified September 25, 1961:

The Senate unanimously ratified Executive J, which continues in effect the principal provisions of the International Telecommunications Convention, signed at Buenos Aires in 1952 and approved by the Senate in 1955.

The purposes of the ITU convention are to maintain and extend international cooperation of the improvement and rational use of telecommunications of all kinds; to promote the development of technical facilities and their most efficient operation with a view toward improving the efficiency of telecommunications services, increasing their usefulness, and making them generally available to the public; and to harmonize the actions of nations in attaining those common ends.

Load Line Convention

Executive I—Ratified May 16, 1961:

The Senate unanimously ratified Executive I, a modification of article 3(e) of the International Load Line Convention of 1930. The modification was proposed by the Government of the United Kingdom of Great Britain and Northern Ireland on May 31, 1949.

As ratified, the modification makes a technical change in the provisions of article 3 of the convention by clarifying the definition of the term "new ship." Thus, this proposal makes future modifications in ship design, agreed to under the convention, applicable only to ships whose keels were laid on or after the date on which these modifications become effective. A "new ship," as defined in the original treaty was one whose keel was laid on or after July 1, 1932.

The International Load Line Convention, which entered into force for the United States on January 5, 1933, and is now in effect for 64 countries, prescribes the depths to which ships engaged in international commerce may be loaded. It requires that ships belonging to participating nations engaged in international voyages be surveyed and marked with loadlines to indicate the point beyond which a vessel may not be safely submerged.

OECD

Executive E—Ratified March 16, 1961:

The Senate ratified the Convention on the Organization for Economic Cooperation and Development, together with two protocols, signed at Paris, December 14, 1960.

The convention creates the Organization for Economic Cooperation and Development (OECD), an organization consisting of the 18 European members that comprised the OEEC (Organization for European Economic Cooperation), plus the United States and Canada.

The OEEC was established in 1948 to help Europe recover from the war. The OECD, an outgrowth of the 1948 OEEC, is to promote economic stability and the orderly growth of the economies of the member countries. In addition, it is to devise more effective methods of assisting the less-developed countries and for arranging to distribute the aid burden more equitably.

The first protocol gives the members of the European Economic Community the option of acting individually within the OECD, or jointly through one of their commissions, such as the High Authority of the Coal and Steel Community, or the European Atomic Energy Community.

The second protocol covers the privileges, exemptions, and immunities of OECD officials and representatives.

Oil pollution treaty

Executive C—Ratified May 16, 1961:

The Senate unanimously ratified Executive C, the International Convention for the Prevention of Pollution of the Sea by Oil, signed at London, May 12, 1954.

As ratified, the convention prevents pollution of the high seas (only) by oil and oily wastes discharged by tankers and other ships only (not structures), and thus controls their harmful effect on coasts and coastal waters, birds, wildlife, fish, and marine resources. The Oil Pollution Act of 1924 continues to apply to U.S. territorial waters.

The convention applies to seagoing ships registered in any territories of a contracting government except: (1) Ships used as naval auxiliaries; (2) ships under 500 gross tons; (3) ships engaged in whaling industry; and (4) ships navigating the Great Lakes of North America and their connecting and tributary waters.

The convention is now in force for Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Mexico, the Netherlands, Norway, Poland, Sweden, and the United Kingdom.

Penalties for violations by ships under U.S. registry will be imposed by U.S. courts if found guilty upon presentation of evidence by U.S. prosecuting attorneys.

Vietnam-United States Treaty

Executive J—Ratified September 11, 1961:

The Senate unanimously ratified the treaty of amity and economic relations between the United States and the Republic of Vietnam, a treaty designed to provide protection for property and interests of American citizens and companies in Vietnam and to assure fair and nondiscriminatory treatment with respect to engaging in commercial, industrial, and financial activities in those countries, in return for like assurances in the United States.

The treaty covers entry and sojourn, personal freedoms, property rights, business activities, taxation, exchange regulations, and matters affecting the status and activities of citizens and enterprises of one country within the territories of the other. The treaty also provides that the property of nationals and companies of either part is not to be taken except for a public purpose, nor is it to be taken without the prompt payment of just compensation. It requires that if any dispute regarding any provision of this convention arises as between the parties and if the dispute is not satisfactorily settled by other means, the dispute is to be submitted to the International Court of Justice. The effect of this requirement is to waive the Connally amendment requirement with respect to the limited category of disputes which might arise as to the interpretation or application of this treaty. At the point of referral, the International Court, before it could take jurisdiction, would be required to find that its jurisdiction extended to the subject matter of the dispute.

This is the first of its type to be entered into between Vietnam and the United States; however, the provisions are substantially similar to those found in other modern commercial treaties negotiated by the United States. It does not provide for a specific treaty right of entry and establishment of business enterprises because of Vietnam's reluctance to accept such a provision based on her concern about the possible effects of potential economic penetration from abroad.

VETERANS

Appeals

H.R. 866—Public Law 87-97, approved July 20, 1961:

Requires that decisions of the Board of Veterans' Appeals be in writing and that they contain findings of fact and conclusions of law stated separately. The practice of the Board now is to give only a narrative of some of the evidence presented and only generalized facts of law which in certain cases makes it difficult to tell why certain claims are allowed and others denied. Such a legal framework of presentation will benefit the claimants by requiring more care and analysis by the Board members.

Disability compensation increase—NSLI

H.R. 879—Passed Senate amended July 17, 1961:

This act provides increases in the rates of service-connected disability compensation to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957. It increases the monthly rates payable to veterans of all wars and peacetime service who have a service-connected disability rated between 10 and 100 percent or who are entitled to receive compensation at one of the higher statutory award rates which, at present, run to a maximum of $450 or as much as $600 monthly if the veteran is entitled to the $450 rate, needs regular aid and attendance, and is not being cared for in a Veterans' Administration hospital.

A monthly increase of 50 cents provided for the 10 percent disabled, $1 for the 20 percent, and $2 for the 30 percent disabled. Thus increases range from 2.6 to 8.9 percent in the disability compensation rates payable to veterans disabled 10 to 100 percent; however, for those veterans receiving or entitled to receive one of the statutory award rates the increases range from 7.5 to 16.7 percent.

Restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance.

Discharge

H.R. 6269—Public Law 87-102, approved July 21, 1961:

Makes the end of military duty effective from midnight of the day of discharge. The uniform ruling will help the Veterans' Administration end confusion in regard to benefit provisions in certain cases where soldiers have been injured en route home from point of discharge. It would only be in effect for such cases as occurred prior to December 31, 1956.

Deceased veteran—Remains

H.R. 7148—Public Law 87-99, approved July 21, 1961:

Provides for transporting the remains of a veteran who dies in a Veterans' Administration facility in any State, territory, or in the District of Columbia, Puerto Rico, or the Canal Zone, to the place of burial in any State or the Canal Zone. As the law now stands such transportation is not allowed to Puerto Rico or any territory or possession of the United States, although the veteran may have been sent away from his home in one of these territories as the result of his military orders.

Home loans

H.R. 5723—Public Law 87-84, approved July 6, 1961:

Extended the direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967.

NSLI—Disability compensation increase

H.R. 856—Passed Senate amended September 1, 1961. Senate asked for conference September 1, 1961:

The purpose of this measure is threefold:

1. Effective July 1, 1962, this bill provides a new plan of insurance for national service life insurance (NSLI) policyholders. The plan is modified life insurance which provides a level premium throughout the life of the insured but the face value of the policy will be automatically reduced by 50 percent at the end of the day preceding the insured's 65th birthday. The face value of

any extended term insurance in force under this modified life policy will also be reduced by 50 percent at that time. The insured, upon written application, payment of the required premium and without medical examination, may be issued additional insurance on the ordinary life plan to replace the amount of insurance which is reduced on his 65th birthday; however, in order to be eligible for this replacement insurance the modified life plan must be in force by payment or waiver of premiums at time of reduction. Permits NSLI policyholders to convert their term insurance to exchange their permanent plan insurance for the modified life plan, and authorizes service-disabled persons who have been issued insurance under 38 U.S.C. 722(a) to convert or exchange their insurance for the modified life plan.

2. Restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance.

3. Provides increases in the rates of service-connected disability compensation to reflect the cost-of-living increases. It increases the monthly rates payable to veterans of all wars and peacetime service who have service-connected disability rates between 10 and 100 percent or who are entitled to receive compensation at one of the higher statutory award rates, which presently run to a maximum of $450 or as much as $600 monthly if the veteran is entitled to the $450 rate, needs regular aid and attendance and is not being cared for in a Veterans' Administration hospital. Increases from 3 to 7 years the presumption of service connection for multiple sclerosis.

NSLI—Dividends

H.R. 4539—Public Law 87-223, September 13, 1961:

Authorizes payment of a special insurance dividend ranging from $100 to $150 to veterans who have national service life insurance of the RS or W varieties. The RS insurance is entirely term insurance with the premium rate increasing at the end of each 5-year period. The W insurance is both term and permanent, the permanent plans being the usual ones available and the term insurance of this variety with rates also increasing at the end of each 5-year period.

The W insurance, created by Public Law 85-896, provided that holders of RS policies who wanted to could exchange for a new type insurance not renewable after age 50, but at greatly reduced cost. It also permitted conversion to permanent insurance for the 675,000 policyholders in these two categories. Approximately two-thirds converted from RS to W. The mortality table on which the RS insurance was calculated was considered to be reasonable at the time the insurance program was started for those veterans who served on or after June 27, 1950. The RS insurance has produced a surplus in the revolving fund of approximately $65 million and, while there is no legal requirement that a dividend be paid, equity demands it.

Thus, this bill provides for an immediate dividend to all holders of W insurance and to all holders of RS insurance who exchange or convert their policies within 2 years after enactment of the bill for W insurance. For those holders of RS insurance who do not elect to do this, the dividend will be payable at the time of their death if it occurs after November 1, 1960, and before expiration of the 2-year period.

Outpatient care—And war orphans

H.R. 3587—Public Law 87-377, approved October 4, 1961:

Provides for outpatient medical and dental treatment for veterans of the Indian wars on the same basis as similar treatment is furnished to veterans of the Spanish-American War.

Provides additional time within which certain children may complete a program of education under the War Orphans Educational Assistance Act of 1956. The class of eligibles afforded additional time is limited exclusively to persons whose opportunities for an education under the act have been impaired by virtue of their residence in the Republic of the Philippines. Additional time would be available to a person who had not reached his 23d birthday on June 29, 1956, and resided in the Philippines during all or part of the period June 29, 1956, through June 18, 1958.

Veterans' widows' compensation

H.R. 6969—Public Law 87-268, approved September 21, 1961:

The purpose of this bill is to make adjustments in the dependency and indemnity compensation rates for widows of veterans whose deaths are service connected.

Under present law widows eligible for service-connected death pensions are paid $112 monthly, plus 12 percent of the pay of the veteran according to rank and years of service. The lowest payment is $122 monthly and the highest $337.

A widow eligible for non-service-connected death pension, with less than $1,000 of annual income (and as many as five children) could receive payments of $135 monthly.

The change enables the Veterans' Administrator to pay a widow or child an amount equal to the greater amount which the beneficiary would have been entitled to under the pension program.

War veterans—Eligibility extended

H.R. 2953—Public Law 87-101, approved July 21, 1961:

Authorizes veterans to qualify for the 90-day service requirement for receiving a pension by adding together two or more separate periods of duty which might have occurred in World War I or II or in the Korean conflict. Such an addition would also benefit the widows and children of deceased veterans. As the law stands veterans may only add up periods of service occurring in one war.

ROLLCALL OR VOICE VOTES ON LEGISLATIVE RECOMMENDATIONS SUBMITTED BY PRESIDENT KENNEDY SINCE JANUARY 20, 1961, 87TH CONGRESS, 1ST SESSION

During the 1st session of the 87th Congress and, to be exact, since the 20th of January, President Kennedy has submitted 203 recommendations or legislative guidelines to Congress. These proposals have been examined, considered, changed wherever necessary, and some actions postponed until next session in order to give more study to the problem.

Below is a recap of legislative action taken on these recommended guidelines. Following the recapitulation is a list of all the recommendations with a detailed analysis of all activity on each.

Recap

Total number of recommended guidelines submitted	203
Action completed	124
Partial action	1
Passed Senate	13
Passed House	2
Reported to calendars	7
Hearings	31
No action	12
In conference	2
Postponed to next session	10
Rejected	1

Number of Presidential recommendations submitted and number upon which Congress completed action from 1953 through 1961

	1953	1954	1955	1956	1957	1958	1959	1960	1961
Administration submitted	83	128	147	151	155	149	162	152	203
Action completed	58	60	77	101	67	84	79	63	124

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961

AGRICULTURE

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
1. Enact special feed grain program for 1961; provide that cooperators will be eligible for price supports on corn and other feed grains; and authorize a special agricultural conservation program under which acreage previously planted to feed grains will be diverted from production for 1961 (E/C)	X	X	X	X	52 to 26 (3-16).	209 to 202 (3-9).			PL 87-51; approved 3-22-61.
2. Extend the Sugar Act	X	X	X	X	Voice (3-29)	284 to 129 (3-21).			PL 87-15; approved 3-31-61.
3. Authorize $2 billion increase in title I authority of PL 480, to continue sale of surplus agricultural products for local currencies (SpM 3-16)	X	X	X	X	Voice (4-24)	Voice (4-26)			PL 87-28; approved 5-4-61.
4. Amend the Soil Conservation and Domestic Allotment Act of 1936 to establish national farmer advisory committees for every commodity or group of related commodities for which a new supply adjustment program is planned; place responsibility for considering and recommending individual commodity programs; and authorize payment of expenses for the members of these committees (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61 (modified).

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

AGRICULTURE—Continued

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
5. Amend Agricultural Marketing Agreement Act of 1937 to permit marketing orders to be used for a wider range of commodities; provide more flexibility in dealing with commodities for which a national or area program may be devised; and permit, subject to the approval of producers and Congress, the establishment of quotas and allotments for individual producers (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128: approved 8-8-61 (modified).
6. Amend the Agricultural Adjustment Act of 1938 to permit supply adjustment through marketing quotas authorized either in quantitative terms or in terms of production for individual farm acreage allotments, subject to affirmative approval by producers and Congress (SpM 3-16)	X	X					X		
7. Modify the Agricultural Act of 1949 (price supports) to permit the method of supporting producer income most appropriate to the competitive and international position of the commodity (SpM 3-16)	X	X					X		
8. Provide that either House or Senate can veto within 60 days of the program's submission to Congress (SpM 3-16)	X	X					X		
9. Extend Agricultural Trade Development Act (PL 480); authorize title I sales at a higher level; and liberalize contributions of food and fiber to voluntary agencies for use abroad (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
10. Expand the school lunch program, with the increase going to the areas of high level of unemployment; and change the allocation formula to include the number of children who actually receive school lunches (SpM 3-16)	X	X	X	X	Voice (6-20)	319 to 65 (6-6)			PL 87-112; approved 7-26-61.
11. Extend and improve the special school milk program (SpM 3-16)	X	X	X	X	Voice (6-21)	Voice (6-26)			PL 87-128; approved 8-8-61.
12. Permit farmers' cooperatives to purchase, acquire, and build processing plants and related facilities and to merge with other cooperatives so long as such activities do not create a monopoly or substantially lessen competition (SpM 3-16)	X	X	X	X			X		
13. Accelerate, through a larger Federal grant, the present Federal-State cooperative assistance program to farm and small-forest owners for the application of scientific forestry techniques (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
14. Expand tree-planting funds to make productive 50 million acres that will not restock naturally and to increase the timber stand on another 100 million acres (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
15. Consolidate and improve the lending authorities of Farmers Home Administration (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
16. Increase protection against losses caused by fire, forest insects and tree diseases (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
17. Provide funds to accelerate the permanent soil conservation and small watershed programs (SpM 3-16)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-112; approved 7-26-61.
18. Authorize contracts under Great Plains conservation program to be entered into for period ending 12-31-71 (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61.
19. Extend Wool Act (SpM 3-16)	X	X	X	X	Voice (7-26)	Voice (7-27)			PL 87-128; approved 8-8-61. (Extended 4 years.)
ANTICRIME									
20. Strengthen anti-crime laws*	X	X	X	X	Voice	Voice	(H.R. 468).		PL 87-197. PL 87-216. PL 87-218. PL 87-228. PL 87-368.
AVIATION									
21. Amend the Federal Airport Act to— (a) Extend the act through 6-30-65; (b) Authorize Federal matching grants to State and local authorities—$100 million a year for each of next 4 fiscal years; (c) Make available for use in that or any other State, at Administrator's discretion, any part of funds apportioned to particular States which are not used or obligated in fiscal year for which authorized; (d) Provide that no project be approved which does not include installation of landing aids for safe and efficient operation; (e) Prohibit use of Federal funds for any part of an airport building except space for an activity directly related to safety; (f) Permit Federal participation in approved projects as follows: Up to 75 percent of certain costs relating to landing aids, and up to 50 percent of other allowable costs such as clear cones, runways, and taxiways; (g) Treat Alaska and Hawaii on same basis as all other States. (Letter to Vice President 4-24.) H.R. 8102	X	X	X	X	Voice (9-1)	Voice (8-1)			PL 87-255, app. Sept. 20, 1961.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27,1961—Con.

CIVIL RIGHTS

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
22. Extend Civil Rights Commission*	X	X	X	X	70 to 19 (8-30)	300 to 106 (9-13).			PL 87-264, approved 9-21-61.
23. Outlaw poll tax—Constitutional amendment*: S.J. Res. 58, 81, H.J. Res. 404	X	X							
CONFLICTS OF INTEREST									
24. Enact Executive Employees' Standards Act which would— (a) Close gaps in existing laws and eliminate differences in treatment; (b) Overrule existing judicial interpretation that *only* when money is involved is a former government employee prohibited from working for a private interest in a matter for which he once had governmental responsibility; (c) Establish special standards for part-time skilled Federal employees to permit them to continue their private business if there is no direct conflict between the public and private work; (d) Permit agency heads to adopt implementing regulations and impose disciplinary measures; (e) Include District of Columbia government and its employees; (f) Require each agency, within 120 days to issue codes governing ex parte contacts within the agency specifying particular standards to be applied in each type proceeding; (g) Provide penalties and appropriate sanctions for violations of such codes (SpM 4-27). S. 1902, H.R. 8140		X		X		Voice (8-7)			
DEFENSE									
25. Expand and accelerate Polaris program—authorize construction of 10 more submarines for 1962 plus 10 for 1961 (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
26. Increase Minuteman and Skybolt missile programs—$96 million and $46 million, respectively (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144, approved 8-17-61.
27. Increase airborne alert budget by $44.6 million (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
28. Reenact sec. 512(b) granting discretionary authority to provide cost of airborne alert as deficiency expense (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
29. Accelerate Midas warning program by adding $60 million in new obligational authority (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
30. Strengthen capacity to meet limited and guerrilla warfare (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
31. Expand research on nonnuclear weapons—additional $122 million in new obligational authority (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
32. Expand airlift capacity—additional $172 million in new obligational authority (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
33. Increase procurement for limited war capabilities—$230 million in new obligational authority (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
34. Increase manpower by 13,000 men (SpM 3-28)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
35. Decrease B-70 bomber program by $138 million (SpM 3-28)	X	X					X		
36. Military construction authorization: (*)	X	X	X	X	Voice (5-9)	411 to 0 (3-23)			PL 87-57; approved 6-27-61.
37. Military procurement authorization (SpM 3-28)	X	X	X	X	Voice (5-15)	Voice (5-24)			PL 87-53; approved 6-21-61.
38. AEC authorization, and include construction of new $114 million linear electron accelerator (B 3-24)	X	X	X	X	Voice (7-18)	Voice (7-13)			PL 87-315; approved 9-26-61.
39. Appropriate an additional $100 million for the Army to procure new helicopters, armored personnel carriers, new howitzers, etc. (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
40. Appropriate additional $60 million for increase in Marine Corps strength to 190,000 men (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
41. Triple the $104 million request for OCDM (SpM 5-25)	X	X	X	X	81 to 0 (8-4)	412 to 0 (6-28)			PL 87-141 and 144.
42. Authorize the President to order units and members in Ready Reserves to active duty for not more than 12 months (E/C 7-26)	X	X	X	X	75 to 0 (7-28)	403 to 2 (7-31)			PL 87-117; approved 8-1-61.
43. Authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces (E/C 7-26)	X	X	X	X	81 to 0 (7-28)	406 to 0 (8-2)			PL 87-118; approved 8-3-61.
44. Appropriate an additional $3,456,600,000 for defense, making total of $47.5 billion (E/C 7-26)	X	X	X	X	85 to 0 (8-4)	412 to 0 (6-28)			PL 87-144; approved 8-17-61.
45. Authorize immediately the Cooperation Agreement with Republic of France (9-7-61) H.J. Res. 569	X	X	X	X	Voice (9-20)	Voice (9-19)			PL 87-363; approved 10-4-61.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

DISTRICT OF COLUMBIA

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
46. Amend National Cultural Act to enlarge building site: *S. 516, H.R. 988									
47. Enabling legislation for ratification of 23d amendment—District of Columbia right to vote in Presidential elections.	X	X	X	X	66 to 6 (9-19)	Voice (8-14)			PL 87-389; approved 10-4-61.
48. Provide for an elected mayor, city council, and nonvoting Delegate to House for District of Columbia (draft 7-14): S. 2342, H.R. 8178									
ECONOMIC									
49. Extend duration of Federal unemployment compensation (SpM 2-2)	X	X	X	X	84 to 4 (3-16)	392 to 30 (3-1)			PL 87-6; approved 3-24-61.
50. Extend duration of railroad unemployment compensation*	X	X	X	X	Voice (3-16)	Voice (3-6)			PL 87-7; approved 3-24-61.
51. Authorize Federal participation in aid to dependent children program (SpM 2-2)	X	X	X	X	Voice (4-20)	Voice (3-10)			PL 87-31; approved 5-8-61.
52. Improve the permanent unemployment compensation program (SpM 2-2, E/C 6-14): S. 2084, H.R. 7640									
53. Enact an area redevelopment program (SpM 2-2)	X	X	X	X	63 to 27 (3-15)	250 to 166 (3-29).			PL 87-27; approved 5-1-61.
54. Improve the old age, survivors, and disability insurance program: (a) Raise minimum monthly benefit for retired worker from $33 to $43 a month; (b) Improve retirement protection by paying actuarially reduced benefits to men at 62; (c) Reduce required coverage to 1 quarter out of every 4; (d) Increase widow's benefit from 75 percent to 85 percent of husband's monthly benefit; (e) Broaden disability insurance protection to include workers totally disabled for 6 months; (f) Finance improved benefits by adding ¼ of 1 percent each to employer's and employee's contributions beginning 1-1-63 (SpM 2-2)	X	X	X	X	90 to 0 (6-26)	400 to 14 (4-20)			PL 87-64; approved 6-30-61.
55. Increase debt limit (present ceiling of $293 billion expires 6-30) (B 3-24)	X	X	X	X	Voice (6-29)	231 to 148 (6-26).			PL 87-69; approved 6-30-61.
56. Expand lending capacity of SBA (SpM 5-25)	X	X	X	X	Voice	Voice			PL 87-198; PL 87-305.
EDUCATION									
57. Enact Federal aid to education bill which would authorize 3-year program of general assistance for public elementary and secondary classroom construction and teachers' salaries—$666 million for first year rising to $866 over 3-year period (SpM 2-20): S. 1021	X	X	X	X	49 to 34 (5-25)				
58. Extend payments to local school districts in areas of Federal impact, at about half the existing rates (letter to JOHNSON-RAYBURN 2-27): S. 2393	X	X	X	X	Voice (9-12)	342 to 18 (9-18)			PL 87-344; approved 10-4-61.
59. Authorize $250 million annual 5-year extension of current college housing loan program to meet Government's share of residential housing for students and faculty, with additional lending authority for 1961 (SpM 2-20)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
AID TO HIGHER EDUCATION									
60. Authorize annual $300 million 5-year long-term, low-interest-rate loan program for construction, renovation, and modernization of classrooms, laboratories, libraries, and related structures for higher institutions, public and private (SpM 2-20): S. 1241, H.R. 8900	X	X	X	X					
61. Authorize $26,250,000 5-year State-administered program of scholarships to supplement present programs of financial assistance to talented and needy students (SpM 2-20): S. 1241, H.R. 8900	X	X	X	X					
62. Extend and improve the National Defense Education Act (E/C 4-26): S. 2393	X	X	X	X	Voice (9-12)	342 to 18 (9-18)			PL 87-344; approved 10-4-61.
63. Provide funds for Indian schools (B 3-24)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
64. Educational TV:* S. 205, H.R. 132	X	X	X	X	Voice (3-21)				
FEDERAL EMPLOYEES									
65. Increase supergrades	X	X	X	X	Voice 9-20-61	305 to 53 (9-18)			PL 87-367; approved 10-4-61.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

GOLD RESERVE

[Symbols: SpM—Special message; B 3-24—Kennedy budget; •—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
66. Amend Federal Reserve Act to establish separate maxima for interest rates paid by member banks on time and savings deposits held in this country by foreign governments or monetary authorities (SpM 2-6): S. 1413, H.R. 6900		X							
67. Unify tax treatment on earning assets of foreign central banks (SpM 2-6): H.R. 5189	X	X	X	X	Voice (4-18)	Voice (3-21)			PL 87-29; approved 5-4-61.
68. Reduce from $500 to $100 duty-free allowance (SpM 2-6): H.R. 6611	X	X	X	X	Voice (7-14)	Voice (5-17)			PL 87-132; approved 8-10-61.
69. Establish International Travel Service in Department of Commerce (SpM 2-6)	X	X	X	X	Voice (2-20)	305 to 104 (5-17).			PL 87-63; approved 6-29-61.
HEALTH									
70. Enact health insurance program under social security program—for 65 years and over—eligible for social security or railroad requirement (SpM 2-9): S. 809, H.R. 4222		X							
71. Aid to medical education (SpM 2-9): S 1072, H.R. 4999	X								
72. Expand and improve community health facilities (SpM 2-9)	X	X	X	X	Voice (9-1-61)	Voice (7-25)			PL 87-395; approved 10-5-61.
73. Enable Public Health Service to create a Bureau of Community Health (SpM 2-9): S. 2269									
74. Establish with National Institutes of Health a National Institute of Child Health and Human Development, including a Center for Research in Child Health (SpM 2-9) (draft 7-19): S. 2269									
75. Increase appropriations for maternal and child welfare grant-in-aid program, crippled children grant-in-aid program, and vocational rehabilitation program (SpM 2-9)	X	X	X	X	Voice (8-3)	Voice (5-17)			PL 87-290; approved 9-22-61.
76. Authorize grants, contracts, and jointly financed cooperative arrangements for research relating to maternal and child health services and crippled children's services (draft 7-19) (E/C): S 2273									
77. Appropriate $1 million for oral polio vaccine (E/C 3-13)	X	X	X	X	Voice (3-27)	Voice (3-7)			PL 87-14; approved 3-31-61.
78. Authorize additional Assistant Secretaries for HEW (draft 4-18): S. 2073	X	X	X		Voice (7-27)				
79. Appropriate $3,515,000 additional for new research facilities (water and air pollution) (SpM 6-14)	X	X	X	X	Voice (8-2)	Voice (5-17)			PL 87-290; approved 9-22-61.
HIGHWAYS AND TRANSPORTATION									
80. Transfer financing of forest and public land highways to Highway Trust Fund (SpM 2-28)	X	X					X		
81. Increase authorization for regular A-B-C systems of primary, secondary, and urban roads by $25 million every 2 years beginning in 1964 until the $1 billion level is reached and maintained (present $925 million) (SpM 2-28)	X	X	X	X		Voice (5-4)	X		
82. Amend Federal Highway Act to require aid in finding reasonable housing at reasonable costs for persons displaced from their homes by future Federal aid highway projects (SpM 2-28)	X	X	X	X	64 to 25 (6-12)				PL 87-70; approved 6-30-61.
83. Extend outdoor advertising control and increase incentive bonus from ½ percent to 1 percent of the State's interstate highway allotment (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
84. Retain revenues from aviation fuels tax in the general fund rather than diverting to highway trust fund (SpM's 2-28, 4-20)	X	X					X		
85. Continue present gas tax of 4 cents a gallon scheduled to be reduced to 3 cents 7-1-61 (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
86. Increase diesel fuel tax from 4 cents to 7 cents (SpM 2-28)	X	X					X		
87. Increase tax on trucks over 26,000 pounds from $1.50 per 1,000 pounds to $5 (SpM 2-28): (increased to $3)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61
88. Increase tax on highway tires from 8 cents to 10 cents (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
89. Increase tax on inner tubes from 9 cents to 10 cents (SpM 2-28)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
90. Increase tax on tread rubber from 3 cents to 10 cents (SpM 2-28): (increased to 5 cents)	X	X	X	X	Voice (6-15)	Voice (5-4)			PL 87-61; approved 6-29-61.
91. Prevent diversion of $800 million from excise taxes to take effect 7-1-61, from general fund to highway trust fund (SpM 2-28)	X	X	X	X	Voice (6-15)				PL 87-61; approved 6-29-61.
92. Provide increased Federal assistance to State and local governments in planning new or improved mass transportation facilities (E/C 6-20)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

HOUSING

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
MODERATE INCOME GROUPS									
93. Expand FHA insurance of no-downpayment, 40-year mortgages—now available only to families displaced by governmental action—to include, on a temporary and experimental basis, *any family*, with amendments to make these mortgages more attractive to private investors (SpM 3-9).	X	X	X	X	47 to 42 (6-8)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
94. Enact new program of long-term, low interest rate loans for rental and cooperative housing, financed from the special assistance fund of FNMA, and processed and supervised by FHA (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
LOW INCOME GROUPS									
95. Authorize construction of 100,000 additional low-rent units by removing present limitation on use of remaining authorization in Housing Act of 1949 for public housing (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
96. Broaden low-income housing provisions to provide maximum flexibility for local communities to fulfill their particular requirements; increase freedom for local housing authorities in establishing priorities for admission of tenants and in determining design, and a program of demonstration grants to afford communities greater opportunity to experiment in the field of housing for low income families (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
HOUSING FOR ELDERLY									
97. Increase present direct loan authorization for housing for elderly from $50 million to $100 million; 50,000 units of low rent public housing earmarked specifically for low income elderly persons and families; increase cost limitation by $500 per room, and authorize an additional subsidy of up to $10 per month for each housing unit (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
REVITALIZE URBAN AND METROPOLITAN AREAS									
98. Give local communities wider discretion in determining renewal areas (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
99. Provide new authorizations totaling $2.5 billion over 4-year period for urban renewal (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
100. Liberalize Federal allowances for relocation payments to displaced businessmen whenever the localities are prepared to share in larger compensations (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
101. Authorize FHA to insure a wide variety of loans for home improvement purposes in urban renewal areas (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
102. Enact legislation permitting resale of existing housing in urban renewal areas at realistic prices for rehabilitation (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
103. Increase authorization from $20 million to $100 million and increase Federal share of planning grants to ⅔ (SpM 3-9).	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
LAND RESERVES									
104. Authorize $100 million to initiate a program of 20 percent grants to help public bodies finance reservation of land—by acquisition or other means—as permanent urban open space in form of parks and other facilities, and for urban renewal loans to help local agencies finance acquisition of open space for future public or private development (SpM 3-9)	X	X	X	X		235 to 178 (6-22).			PL 87-70; approved 6-30-61 (modified).
COMMUNITY FACILITIES AND URBAN TRANSPORTATION									
105. Authorize an additional $50 million for public facility loans (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
RURAL HOUSING									
106. Extend for an additional 5 years, from 6-30-61, loan authority of Secretary of Agriculture for farm home improvements; and permit these loans to be secured either by mortgage or other acceptable form of security (SpM 3-9).	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
VETERANS' HOUSING									
107. Extend and provide additional funds for veterans' direct home loan program (SpM 3-9)	X	X	X	X	Voice (6-26)	Voice (4-13)			PL 87-84; approved 7-6-61.
108. Extend veterans' guaranteed home loan program (SpM 3-9)	X	X	X	X	Voice (6-26)	Voice (4-13)			PL 87-84; approved 7-6-61.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

HOUSING—Continued

[Symbols: SpM—Special message; B 3-24—Kennedy budget; *—In accord; E/C—Executive communication; S—State of Union]

Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
DEMONSTRATION, TRAINING, AND RESEARCH									
109. Appropriate funds for market analysis and statistics needed by private industry and for research into housing and urban problems (SpM 3-9)					64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
110. Enact special FHA insurance authorization to help finance tests and demonstration of new approaches to home design and construction in an effort to reduce costs in home building (SpM 3-9)	X	X	X	X	64 to 25 (6-12)	235 to 178 (6-22).			PL 87-70; approved 6-30-61.
DEPARTMENT OF HOUSING AND URBAN AFFAIRS									
111. Establish new Cabinet-rank Department of Housing and Urban Affairs in executive (SpM 3-9): S. 1633, H.R. 8429	X	X	X	X					
INTERNATIONAL									
112. Revise Battle Act (S, E/C 2-22): S. 1215	X	X	X		43 to 36 (5-11)				
113. Appropriate the $500 million authorized (1960) for economic aid in Latin America, and $100 million for Chilean reconstruction and rehabilitation program (SpM 3-14)	X	X	X	X	Voice (5-9)	330 to 82 (4-25)			PL 87-41; approved 5-27-61.
114. Establish permanent Peace Corps (pilot program set up by Executive order) (SpM 3-1)	X	X	X	X	Voice (8-25)	287 to 97 (9-18)			PL 87-293; approved 9-22-61.
115. Authorize a new, 5-year foreign aid program providing for (SpM 3-22, 5-25)— (a) Giving special attention to nations most willing and able to mobilize their resources, make necessary reforms, and engage in long range planning; (b) Consolidate all U.S. foreign aid programs under new Federal agency; (c) Place fieldwork under direction of a single mission chief in each country reporting to American Ambassador; (d) Provide new agency with 5-year authorization to make long-term, low-interest or interest-free development loans, repayable in dollars; (e) Direct Secretary of State to coordinate military assistance program, Export-Import Bank, Inter-American Fund for Social Progress and international organization activities with economic aid; (f) Provide that annual appropriations be available until spent; (g) Appropriate $1.5 billion to finance the part of economic aid that is unsuitable for development loans; (h) Appropriate $700 million for long-term development loans, repayable in dollars; (i) Provide $1.6 billion for long-term loans for each of succeeding 4 years; (j) Make available for long-term loans the unappropriated dollar funds now coming in in repayment of principal and interest on previous loans to foreign governments; (k) Appropriate $1.885 billion for military assistance; (l) Include military assistance in Defense budget	X	X	X	X	66 to 24 (8-18)	287 to 140(8-18)			PL 87-195; approved 9-4-61.
116. Authorize use of $2.5 million in Egyptian currency earned under PL 480 as the U.S. contribution to UNESCO for removal of lesser Egyptian temples to be inundated by construction of Aswan High Dam; and authorize use of $1.5 million in Egyptian currency earned under PL 480 for grants to U.S. archeological groups for research prior to inundation of Nile Valley area (letter to VP 4-6): (Funds only)									
117. Increase USIA funds to $121 million (SpM 5-25)	X	X	X	X	Voice (8-31)	256 to 71 (6-1)			PL 87-264; approved 9-21-61.
118. Enable United States to participate in resettlement of certain refugees (E/C 7-24): H.R. 8291	X	X	X	X	Voice (8-15)	Voice (9-6-61)		X	
119. Establish a U.S. Disarmament Agency for World Peace and Security (SpM 5-25)	X	X	X	X	73 to 14 (9-8)	290 to 54 (9-19)			PL 87-297; approved 9-26-61.
JUDICIARY									
120. Create 59 additional Federal judgeships (E/C 2-13): S. 912	X	X	X	X	Voice (3-3)	336 to 76 (4-19)			PL 87-36; approved 5-19-61.
JUVENILE DELINQUENCY									
121. Enact program to combat juvenile delinquency*	X	X	X	X	Voice (4-12)	Voice (8-30)			PL 87-274, approved 9-22-61.

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

LABOR

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Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
122. Extend coverage and increase minimum wage (SpM 2-2)	X	X	X	X	65 to 28 (4-20)	340 to 78 (3-24)			PL 87-30; approved 5-5-61.
123. Provide an additional Assistant Secretary of Labor (E/C 5-4): S. 1815, H.R. 6882	X	X	X	X	Voice (7-27)	Voice (8-9)			PL 87-137; approved 8-11-61.
124. Amend Pension Plans Disclosure Act to strengthen enforcement (E/C 5-19): S. 1944, H.R. 8723	X	X	X	X					
125. Enact new manpower development and training program (SpM 5-25): S. 1991, H.R. 8399	X	X	X	X	60 to 31 (8-23)				
126. Youth Employment Opportunities Act (sent to VP 6-7): S. 404, H.R. 8354	X	X	X	X					
NATURAL RESOURCES									
127. Enact wilderness protection measure (SpM 2-23): S. 174	X		X		78 to 8 (9-6)				
128. Establish seashore recreation area at Cape Cod (SpM 2-23)	X	X	X	X	Voice (6-27)	278 to 82 (7-10).			PL 87-126; approved 8-7-61.
129. Establish Padre Island as seashore recreation area (SpM 2-23): S. 4	X								
130. Establish Reyes Point as seashore recreation area (SpM 2-23): H.R. 2775, S. 476	X	X	X		Voice (9-7)				
131. Authorize studies of additional seashore recreation areas (SpM 2-23): S. 543, H.R. 5013	X	X		X	Voice (8-28)				
132. Authorize 10-year oceanographic program of $97,501,000 for fiscal 1962 (SpM 2-23): S. 901, H.R. 4276	X	X	X		50 to 32 (7-28)				
133. Enable the Coast Guard to engage in oceanographic research (letter 3-29)	X	X	X	X	Voice (6-12)	Voice (6-5)			PL 87-396; approved 10-5-61.
134. Accelerate forest development on Federal public lands (SpM 2-23)	X	X	X	X	Voice (6-7)	Voice (4-18)			PL 87-122; approved 8-3-61.
135. Establish planning commissions for all major river basins where adequate coordinated plans are not in existence (SpM 2-23): S. 2246, H.R. 8177 (draft 7-14)	X	(H.J. Res. 225—Partial accomplishment)							PL 87-328; approved 9-27-61.
136. Authorize reservation of known future reservoir sites by operating agency whenever necessary (SpM 2-23): H.R. 5261									
137. Extend and increase water pollution control (SpM 2-23)	X	X	X	X	Voice (6-21)	307 to 110 (5-3)			PL 87-88; approved 7-20-61.
138. Extend air pollution control (SpM 2-23): S. 455	X		X		Voice (9-20)				
139. Extend and double current saline water conversion program (SpM 2-23)	X	X	X	X	Voice (8-31)	Voice (8-21)			PL 87-295; approved 9-22-61.
140. Provide uniform cost-sharing standards between Federal and local agencies on local flood-protection projects (SpM 2-23): S. 2246, H.R. 8177 (draft 7-14)	X								
141. Authorize HEW to conduct research as to quality of waters of Great Lakes and means of solving water pollution problems (SpM 2-23)	X	X	X	X	Voice (6-21)	307 to 110 (5-3)			PL 87-88; approved 7-20-61.
POSTAL MATTERS									
142. Adjust postal rates to raise $843 million additional in postal revenue (B 3-24): S. 2382, H.R. 7927		X		X					
PRESIDENCY									
143. Protect succession to the Presidency by making existing law governing threats against and protection for person next in line for Presidency, apply to Vice-President-elect or if the Vice President has succeeded to the Presidency, the one next in line to him; authorize full-time Secret Service protection for VP; and authorize Secret Service protection for a former President for 6 months after he leaves office (letter to VP 4-24): S. 519, H.R. 6691	X	X	X	X		Voice (7-17)			
REORGANIZATION									
144. Reinstate authority to reorganize executive branch (priority list 2-21)	X	X	X	X	Voice (2-6)	Voice (3-29)			PL 87-18; approved 4-7-61.
145. Establish Commission on Presidential Office Space (B 3-24): S. 51	X		X		Voice (7-7)				
146. Fix term of agency chairmen at pleasure of President, and provide that he be responsible to the President (SpM 4-13)		X							
147. Authorize FPC to exempt from rate regulation up to 100 percent of the small individual producers of natural gas (under 2 billion cubic feet per year) whose sales in interstate commerce to pipelines account for only 10 percent of the total (SpM 4-13): H.R. 7575									
148. Authorize FPC to exempt from hearings applications by interstate pipeline companies to enlarge, extend, or replace facilities to benefit existing customers, which do not involve indiscriminate invasion of another pipeline territory (SpM 4-13): H.R. 7575									
149. Increase FPC membership from 5 to 7 (SpM 4-13): H.R. 7575									

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

REORGANIZATION—Continued

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Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
150. Authorize FPC and any other ratemaking regulatory agency to require deposits (in escrow) to be returned to the consumer if the rate increase is ultimately disallowed (SpM 4-13): H.R. 7575									
151. Amend sec. II of the Administrative Procedure Act to remove the requirement that hearing examiners receive compensation in accordance with the Classification Act—instead prescribe salaries equivalent to a grade GS-16 (SpM 4-13)	X	X					X		
152. Reorganization Plan I-SEC (SpM 4-27): S. 2135 passed in lieu of	X		X		Voice (9-1)				
153. Reorganization Plan II-FCC (SpM 4-27) S. 2034 enacted in lieu of	X	X	X	X	Voice (7-27)	Voice (8-3)			PL 87-192, approved 8-31-61.
154. Reorganization Plan III—CAB (SpM 5-3)	X	X	X	X					Plan III, effective 7-3-61.
155. Reorganization Plan IV—FTC (SpM 5-9)	X	X	X	X					Plan IV, effective 7-9-61.
156. Reorganization Plan V—NLRB (SpM 5-24)	X	X	X	X					Plan V, rejected by House 7-20.
157. Reorganization Plan VI—Federal Home Loan Bank Board (SpM 6-12)	X	X	X	X					Plan VI, effective 8-12-61.
158. Reorganization Plan VII—Maritime functions (SpM 6-12)	X	X	X	X					Plan VII, effective 8-12.
159. Remove the ceiling on appropriations for salaries for members, staff, and other employees of Council of Economic Advisers (letter to VP 3-30)	X	X	X	X	Voice (5-26)	Voice (5-11)			PL 87-49, approved 6-16-61.
160. Authorize additional Assistant Secretary of Commerce (*): S. 1456, H.R. 6360	X	X	X	X	Voice (5-26)				
161. Authorize FTC to issue temporary cease-and-desist orders (SpM 8-31): S. 2552, H.R. 1233, H.R. 1817		X							
SPACE									
162. Authorize $1,235,300,000 for NASA (E/C 3-29): H.R. 6874	X	X	X	X	Voice (5-29)	Voice (5-24)			PL 87-98; approved 7-21-61.
163. Amend sec. 201 of NASA Act to permit VP to chair Space Council (E/C 4-10)	X	X	X	X	Voice (4-20)	Voice (4-19)			PL 87-26; approved 4-25-61.
164. Provide an additional $679 million for space programs (SpM 5-25)	X	X	X	X	Voice (5-29)	Voice (5-24)			PL 87-98; approved 7-21-61.
TAXES									
165. Enact an investment tax incentive in form of a tax credit of 15 percent of all new plant and equipment investment expenditures in excess of current depreciation allowances; 6 percent of such expenditures below this level but in excess of 50 percent of depreciation allowances; with 10 percent on the first $5,000 of new investment as a minimum credit (SpM 4-20, 5-25)		X							
166. Permit tax credit to be taken as offset against firm's tax liability up to overall limitation of 30 percent in any one year (SpM 4-20)		X							
167. Limit credit to new plant and equipment, assets located in United States and with a life of 6 years or more (SpM 4-20)		X							
168. Exclude from tax credit public utilities investment except transportation and investment in residential construction (SpM 4-20)		X							
169. Provide that, after a 2-step transitional period, American corporations be taxed each year on their current share of the undistributed profits realized in that year by subsidiary corporations organized in economically advanced countries (SpM 4-20)		X							
170. Repeal tax deferral privileges for individual shareholders of closely held corporations in economically advanced countries abroad (SpM 4-20)		X							
171. Eliminate "tax haven" device anywhere in world, even in underdeveloped countries, by eliminating tax deferral privileges for activities such as trading, licensing, insurance and others which seek out tax haven methods of operation (SpM 4-20)		X							
172. Eliminate tax benefits derived from investment companies abroad and treat the income derived through such foreign investment companies in the same way as income from domestic investment companies (SpM 4-20)		X							
173. Terminate the total tax exemption now accorded the earned income of American citizens residing abroad in economically advanced countries (SpM 4-20)		X							
174. Limit exemption for earned income to $20,000 for those residing in less-developed countries (SpM 4-20)		X							
175. Terminate the earned income exemption of $20,000 now accorded citizens who stay (but do not reside) abroad for 17 out of 18 months and are living or traveling in economically advanced countries (SpM 4-20)		X							
176. Terminate the exclusion from the estate tax accorded real property abroad (SpM 4-20)		X							

Rollcall or voice votes on legislative recommendations submitted by the President, 87th Cong., 1st sess.—Jan. 20 to Sept. 27, 1961—Con.

TAXES—Continued

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Recommendations	Progress								
	Hearings		Reported		Final passage vote		Postponed to next session	In conference	Final action
	Senate	House	Senate	House	Senate	House			
177. Correct double credit allowance for foreign income taxes on dividends (SpM 4-20)		X							
178. Repeal exclusion of first $50 of dividends from taxable income (SpM 4-20)		X							
179. Repeal 4-percent dividend tax credit on dividend income in excess of $50 (SpM 4-20)		X							
180. Provide a 20-percent withholding rate on corporate dividends and taxable investment type interest, effective 1-1-62, under a system which would not require preparation of withholding statements to be sent to recipients (SpM 4-20)		X							
181. Disallow business entertainment and maintenance of entertainment facilities such as yachts as tax deduction (SpM 4-20)		X							
182. Impose restrictions on deductibility of business gifts, expenses of business trips combined with vacations, and excessive personal living expenses incurred on business travel away from home (SpM 4-20)		X							
183. Withdraw capital gains treatment from gains on disposition of depreciable property, both personal and real, to extent that depreciation has been deducted for such property by seller in previous years, permitting only excess of sales price over original cost to be treated as capital gains. (Treat remainder as ordinary income.) (SpM 4-20)		X							
184. Clarify the law as to cooperatives and financial institutions so that all earnings are taxable to either the cooperatives or to their patrons (SpM 4-20)		X							
185. Apply withholding tax to cooperative patronage dividends or refunds in scrip or cash (SpM 4-20)		X							
186. Continue tax exemption for rural electric cooperatives and credit unions (SpM 4-20)		X							
187. Extend present net 2-cent rate on aviation gas to jet fuels, hold this uniform rate at the 2-cent level for fiscal 1962, and then provide annual increments of ½ cent after fiscal 1962 until the portion of the cost of the airways allocable to civil aviation is recovered by this tax: (SpM 4-20)		X							
188. Authorize use of taxpayer account numbers beginning 1-1-62, to identify taxpayer accounts throughout the processing and recordkeeping operations of IRS (SpM 4-20)	X	X	X	X	Voice (9-26)	Voice (9-7)			PL 87-397; approved 10-5-61.
189. Appropriation $34.4 million for IRS to employ 4,265 additional personnel for audit coverage (SpM 4-20)	X	X	X	X	Voice (6-1)	Voice (3-28)			PL 87-159; approved 8-21-61.
190. Extend present corporation income and excise tax rates scheduled for reduction or termination on 7-1-61 (SpM 4-20)	X	X	X	X	Voice (6-21)	295 to 88 (6-8)			PL 87-72; approved 6-30-31.
TREATIES									
191. Ratify U.S. membership in Organization for Economic Cooperation and Development (SpM 2-6): Executive E	X		X		72 to 18				Ratified 3-1-61.
192. Ratify tax treaty with Canada (SpM 3-12): Executive G	X		X						
193. Ratify German dollar bonds validation agreement: Executive D	X		X		86 to 5				Ratified 5-4-61.
194. Ratify Convention on Prevention of Pollution of the Sea by Oil: Executive C	X		X		92 to 0				Ratified 5-16-61.
195. Ratify modification of International Load Line Convention (SpM 3-27): Executive I	X		X		92 to 0				Ratified 5-16-61.
196. Ratify Treaty of Extradition With Brazil (SpM 3-27): Executive H	X		X		92 to 0				Ratified 5-16-61.
197. Ratify Columbia River Joint Development Treaty With Canada (SpM 2-23): Executive C	X		X		90 to 1				Ratified 3-16-61.
198. Ratify Treaty of Friendship, Establishment, and Navigation With Belgium (SpM 4-10): Executive J	X		X		83 to 0				Ratified 9-11-61.
199. Ratify Geneva Radio Regulations: Executive I	X		X		66 to 0				Ratified 9-25-61.
200. Ratify Treaty of Amity and Economic Relations Between United States and Republic of Vietnam (SpM 5-29): Executive L	X		X		83 to 0				Ratified 9-11-61.
201. Ratify International Telecommunications Convention with annexes: Executive J	X		X		66 to 0				Ratified 9-25-61.
VETERANS									
202. Enact a selective increase in compensation rates for veterans with severe service-connected disabilities to offset rises in cost of living, and to adjust rates in some categories which are out of line (B 3-24): H.R. 879 (H.R. 856)	X	X	X	X	Voice (7-17)	Voice (6-5)		X	
203. Restore President Eisenhower to his military rank of General of the Army (SpM 3-1)	X	X	X	X	Voice (3-7)	Voice (3-14)			PL 87-3; approved 3-22-61.

Report to the Voters of the 10th Congressional District of New York

EXTENSION OF REMARKS
OF

HON. EDNA F. KELLY
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1961

Mrs. KELLY. Mr. Speaker, the inauguration of January 1961 witnessed a beleaguered Washington struggling out of a snowstorm which had virtually immobilized the Government community. On this note of local crisis, President Kennedy entered the highest office in the land. During the ensuing months he has been called upon to meet crisis after crisis in foreign and domestic policy in seeking to carry forward the goals of his New Frontier.

These goals were outlined in the inaugural speech of President Kennedy; were implemented in his state of the Union message to Congress; and were detailed in specific messages to Congress for legislative action. It is the action of the 87th Congress, 1st session, on which I base my report.

This 12th report emphasizes my apprehension at the never-ceasing, mounting international tensions. The present state of world affairs leaves little room for optimism. The octopus-like tentacles of the international Communist conspiracy continue to engulf the peace and security of the world.

It is admitted that President Kennedy inherited the most serious problems in history. The crisis in Laos which was a spillover from the previous administration; the Cuban debacle which revealed many weaknesses in our intelligence agencies; the Vienna conference with Khrushchev; the Congo crisis; the renewed Berlin provocations, and the resumption of atomic testing by the Soviet Union. To add to this, the tragic death of Dag Hammarskjold, the courageous Secretary General of the United Nations, has increased the tensions.

In the wane of the year 1961 we are faced by serious and seemingly unsolvable problems, while simultaneously being exposed to the rocket rattling of Khrushchev. Answers must be found to these problems, the immediate one being the critical Berlin issue. This issue, like the others, is interwoven in the "life struggle" of the United Nations. A single Secretary General as was the courageous Dag Hammarskjold will insure a useful United Nations. The troika plan sponsored by the U.S.S.R. will terminate the United Nations organization.

This unrelenting threat of international communism is the consuming issue of this decade. We know that this enemy unrelentingly, unceasingly and seemingly uncontrollably probes into areas in which it can foment unrest, internal strife, and limited military actions. No longer can the free world tolerate these actions. No longer can the free world be rocked by events such as the failure of the Korean truce; the division of Vietnam; the lesson of the Hungarian revolution; the sputniks, lunicks; the Suez debacle which gave the Russians a foothold in the Middle East; the Congo and Cuba. These events are the earmarks of the last decade.

Reacting to crises as they arise has proven inadequate and has led to Communist advances. The time for recriminations is long since past, but there is still time for us to once and for all realize that this monolithic giant is determined to conquer the world. The question is, What to do? While the implements and horrors of contemporary armed conflict are incomparable, it would do well for all to reexamine our country's history in an effort to rekindle the patriotism and determination displayed by the founders of this Republic. I do not advocate armed conflict as a method of solving world problems. I do, however, advocate a military establishment second to none which will permit us to negotiate from a position of strength with the men who understand and respect only brute force. I advocate a rekindling of the spirit of resistance which saved Greece and Turkey; a reaffirmance of our aims to those allied with us in achieving a just peace and preserving our free institutions to which we are dedicated. I advocate an affirmative foreign policy under which we will create circumstances instead of reacting to them.

As I said in addressing the House of Representatives on September 20, 1961:

Mr. Speaker, I have long and bitterly opposed aid to Tito, support of neutralism as a concept and toleration of the ungodly puppet slave regimes of the satellites. My voice has been unheeded.

My purpose today however is not to assume the stance of "I told you so" nor is it to raise a clamor against the administration or for that matter even against Tito, neutralism, or the satellites. Rather, it is to call for a somber and reflective reappraisal in the State Department and in the seats of power of the fundamentals and of the goals of our foreign policy.

In the late forties and early fifties, a former administration followed the policy of being firm against the satellites and of doing all that was within reason and within decency to bring about the collapse of those regimes in Eastern Europe which could not exist for 1 day without the support of Russian bayonets. It was not a wild policy of liberation, when we knew that abortive efforts to revolt would only lead to a blood bath and the loss of hopeless and innocent lives. It was, however, a policy which had as its purpose the support of the U.S. Government for the aspirations of the slave peoples for liberty and freedom. It did however encourage resistance to the Russian tyranny.

During the mid-fifties, we moved from this position to the far end of the spectrum and actively and openly supported a program of resistance and revolt in the satellites. To our everlasting shame, we were unwilling to support our words with our deeds when the inevitable cataclysm of Hungary followed as a result of our promises. I am sure most of the world believed that we had lost our nerve when we stood abjectly and shamefacedly by as the Russian tanks rumbled over the remnants of liberty in Hungary.

Inexplicably—perhaps as a result of our shame and perhaps as a result of our being lulled into a sense of false security—we then shifted toward the opposite end of the spectrum in our attitude and policy toward the satellites. The policy of liberation became a policy of live and let live. Indeed, we have given substantial quantities of aid to at least one of the satellites.

I say that the time has now come for a change in this policy and that if the Russians and Red Chinese are going to meddle in the affairs of the free world and if the Communists are permitted to stir up trouble in three-fourths of the world, they should be served quiet but firm notice that the United States is not going to stand idly by. We should make it abundantly clear to the people of the satellites that the United States has not forgotten them and that it is our firm determination that when the day arrives, they shall be free.

It is not a policy of liberation but rather one of supporting the legitimate and devout aspirations of the people of eastern and central Europe to be free in their persons, in their homes and in their beliefs. The same holds true for the puppets of the Red Chinese monster. Everywhere subjugated people should be made aware that they have the full and firm support of the United States in their yearnings for freedom from foreign domination.

It is rather ironic that we have fanned the flames of freedom in the colonial area to our own detriment while at the same time, maintaining silence with respect to the imprisoned peoples under the Communist lash. I say that the time has come to make it abundantly clear to the Communists, not by public proclamation but by soft word and firm deed, that they can no longer count on our neutrality, vis-a-vis the satellites and puppet regimes.

The time has also come for reappraisal in our policy toward neutralism. Again the pendulum has swung back and forth and, again, the rest of the world has come to believe that we will hand out our bounty regardless of the recipients' actions. I do not denounce neutralism. I firmly believe that every nation has the right to be neutral. I cannot agree with their decision but I admit their right. I do, however, denounce neutralism of the cynical variety which says, "I am neutral," but then supports one side of a dispute. Such an attitude is despicable. In such cases, I see no reason whatsoever for the United States to actively support such governments.

Everyone has a right to be neutral but he does not have the right to call on the U.S. taxpayer for support of his government. We cannot buy the support of the rest of the world and we should not try. On the other hand, we do have a number of stanch and true friends throughout the world. Where their governments are with us, I say we should support them to the maximum extent of our means and our resources.

In like manner, however, I am convinced that we should not support the governments of those so-called neutrals who are against us. I am not thereby advocating a withdrawal of technical assistance or the type of assistance which extends and reaches directly to the people of those countries, but I am advocating that we should not expend one cent which would tend to support the government of such nations nor would I waste our taxpayers' funds in developmental programs for such false neutral governments.

If there is any doubt as to which countries should be included in this classification, let those governments evaluate their own policies and statements. It was indeed heartening that the President himself has heralded a shift in this direction. The time has come when we must once again make it clear

that we will support our friends and oppose our enemies.

The above comments are especially pertinent to Mr. Tito. We have poured our treasure into this country. We have lifted the standard of living of his people. We have supported him in his foreign policy contests, yet he turns his back on us in a crisis and embraces the Russian bear. I have said much previously in this House concerning our policy toward Yugoslavia. I need only say that every word I have spoken on this subject is coming true. I think it is abundantly clear that we should at this time inform Mr. Tito that our aid will no longer be forthcoming.

Mr. Speaker, I am not responsible for the making of the foreign policy of the United States, but I devoutly hope that the words which I have spoken here will have some small impact on the course of our foreign policy and thus on the course of civilization.

President Kennedy is the architect of our foreign policy. He possesses the personal courage and conviction to carry forward a firm policy. Events today indicate that the President has embarked upon such a policy. His address at the United Nations was the clarion call.

The present Berlin crisis and U.S.S.R. resumption of nuclear testing led me to look back but 25 years to the actions of the great world powers which permitted the "anschluss" in Austria and the "putsch" in Czechoslovakia. This costly lesson in world history must not be forgotten. To yield is tantamount to surrender. Today, it is Berlin—tomorrow may be too late to save our freedom.

The 1st session of the 87th Congress has succeeded in implementing a large part of the President's program.

National defense was strengthened by increasing the Armed Forces. Reserve and National Guard units were activated; expenditures were increased for construction of aircraft, missiles, and naval vessels including Polaris submarines; and additional expenditures were permitted for military bases, missile sites, and nuclear submarine bases. Also, funds for the Atomic Energy Commission and the National Aeronautics and Space Administration were increased. The overall defense appropriation was $46.6 billion.

The foreign aid program aimed at assisting other peoples principally in underdeveloped areas of the world is not just a program of U.S. assistance but is a program to help others help themselves. It establishes a new criteria which must be met by recipient nations before financial assistance is granted. Good government with justice cannot be imposed entirely from the outside; there must be an internal desire for such progress. Thus under the new program we will first ascertain that such desires are present and insure that recipients are utilizing our assistance for the benefit of the many and not the few. The United States as a leader of the free world must help other peoples to achieve their social aspirations under democratic governments. Congress gave $3.914 billion for this foreign assistance program.

The Peace Corps was established and also a U.S. Arms Control and Disarmament Agency for World Peace and Security. A resolution was adopted which expresses the sense of the Congress against seating of Communist China in the United Nations. Under the new Agency for International Development, which will coordinate all of our foreign aid activities, there will be greater control and more economical and intelligent expenditure of funds. Congress retained its control of this program by eliminating the back-door spending proposal. The $600 million previously authorized for the special aid to Latin America was appropriated under the Inter-American Economic Cooperation program.

The loan of naval vessels to certain friendly nations was permitted and the Export-Import Bank was authorized to guarantee and insure American business accounts in foreign countries.

As the first chairman of the United States - Canada Interparliamentary Group, I feel this committee played an important part in bringing about a treaty between the United States and Canada for cooperative development of the Columbia River.

The alien orphan bill which expired on June 30 was made a permanent part of the immigration law, with safeguards added which prevent proxy adoption of orphans. Amendments were added to this bill to provide that second and third preference aliens will be admitted to this country on a nonquota status. This was designed to expedite the reunification of families of citizens and immigrants admitted for permanent residence. Also, provisions were added relating to the judicial review of deportation orders.

At the beginning of President Kennedy's term of office, the imbalance of our international payments and an increased outflow of gold were among the most serious problems we faced. By vigorous presidential directives, this tide has been stemmed and complete confidence in the dollar has been restored.

I am happy to report that as a result of one of my amendments, $1.8 billion worth of procurement has been effected in the United States. This money helped recovery as 40 percent of it was spent in distressed labor areas. This procurement has resulted in increased sales of American equipment and in increased jobs for American workers. This helped restore the dollar and returned the dollar to the United States.

A bill was passed which reduces from $500 to $100 the value of goods Americans may bring back duty-free from abroad. To promote and encourage tourist travel from abroad, a U.S. travel service was established in the Department of Commerce.

Nine hundred and twenty-eight million dollars was authorized to provide 13 weeks additional unemployment compensation; temporary grants were authorized to States to finance inclusion of dependent children of unemployed under Federal-State assistance program. A true, overall minimum wage law is hard to achieve. However, Congress enacted legislation which raises the minimum wage now received by 3 million workers to $1.25 a hour and extends protection of the Fair Labor Standards Act to 3.5 million additional workers by gradual wage step-ups.

The Area Redevelopment Administration was established; $300 million in loans and $94 million in grants was authorized for industrial plants and public facilities in areas of economic distress; and technical assistance, vocational rehabilitation and subsistence grants for persons undergoing training was provided.

Eleven and one-half billion dollars was authorized for completion of the Interstate and Defense Highway System as scheduled by 1972. The law also fixes Federal gasoline and diesel fuel tax at 4 cents per gallon and raises levies on heavy trucks and buses. Authority of the Interstate Commerce Commission to make loans to railroads was extended for 27 months, to June 30, 1963. The amount available to the Small Business Administration for regular business loans was increased temporarily by $20 million. A bill was passed which broadens the authority of the House Judiciary and Senate Finance Committees to permit study of all matters relating to State taxation which affect business in interstate commerce.

The Social Security Act was amended to increase minimum payments from $33 to $40 per month; to increase benefits to widows; and to provide that male workers may draw reduced benefits upon retirement at age 62.

A 5-year, $4.9 billion housing program for low and moderate income families on liberalized terms was authorized. The money will also be used for urban renewal; open-spaces development in cities; college dormitory construction loans; 100,000 new units of public housing. Funds for housing for the aged, denied by the previous administration, were increased. Funds were provided for loans to cities to acquire mass transportation facilities. An interim increase of $1 billion was provided for FHA mortgage insurance authority.

In the field of health, education, and welfare, Congress extended for 4 years the $5 million a year program for grants and scholarships for training practical nurses; extended for 1 year the school milk program; and authorized the first juvenile delinquency program in 8 years. Sixty-three additional U.S. district judgeships and 10 in the circuit court of appeals were created. As a result, the court for the Eastern District which includes Brooklyn will receive two new judges. This increase will enable the courts to process efficiently the heavy backlog of cases which has been steadily increasing.

Congress extended direct and guaranteed home-loan programs for World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975. An additional $1.2 billion was authorized to carry the program through fiscal year 1967. Payment of a special dividend to eligible policyholders of national service life insurance was authorized; and payments to veterans' widows were increased.

The water pollution control program was expanded, and increased from $3 million to $5 million annually grants to interstate and State agencies for operations through June 30, 1968; increased

from $50 million to $100 million annually for construction of treatment works. Perhaps we will see the deserts of the world bloom again as a result of the discoveries made by the extended saline water conversion program.

Due to the many expenditures this year, the national debt limit was extended to $298 billion and the 52 percent corporate tax rate and excise taxes on alcoholic beverages, cigarettes, automobiles, transportation of persons, and telephone calls were continued.

While this report is not optimistic, let us never forget that hope is eternal. Therefore, you and I must pray and work toward the day when we can say that peace is secure so that we can devote all of our resources and energies toward the elimination of human suffering, disease, and poverty at home and abroad.

It has been an honor and privilege to serve the residents of my district for the past 12 years. My Washington office is open year round, and letters sent there receive immediate attention. The address is EDNA F. KELLY, Member of Congress, Washington 25, D.C. I am available to see my constituents at the Madison Club, 739 Eastern Parkway, Brooklyn, on Monday and Thursday evenings after 8 o'clock during such times as Congress is not in session.

Kewaunee Army Reserve Center Dedication

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. WILEY. Mr. President, with one world crisis followed by another, it is important, I believe, that we demonstrate our determination to defend ourselves and our homeland in case of aggression.

I was recently privileged to participate in the dedication of a new U.S. Army Reserve Center in Kewaunee, Wis. This new military structure is a significant forward step in our national efforts to be well trained and well equipped. Patriotic Wisconsinites have never shirked their duty to their country. I ask unanimous consent to have my speech printed in the RECORD.

Their being no objection, the speech was ordered to be printed in the RECORD, as follows:

In these war-threatened times, the dedication of this new U.S. Army Reserve Center, here in Kewaunee, represents a significant and symbolic forward stride toward strengthening our national defenses.

The Nation, in my judgment, owes a special vote of thanks to you dedicated, defense-minded soldiers of freedom, who represent a mighty reservoir of manpower and defense; reflect the spirit of dedication to our national defense necessary to guard the ramparts of freedom; and stand at the ready to serve our country's call to colors.

Here in Wisconsin, we have experienced such a call. The President's mobilization—along with other units—of Wisconsin's famed 32d Division headquarters in Milwaukee; 380th Military Intelligence Platoon, headquartered in Madison; 410th Signal Construction Co., headquartered in Stevens Point; and 322d Chemical Depot Co., headquartered in Baraboo represents the seriousness of the world situation; a step toward further strengthening the U.S. defenses; and a real-life demonstration of how Wisconsin patriots stand ready to serve their country.

The dedication of this Reserve Center as well as the callup of these defense units represents efforts multiplied manifold all over the Nation to provide a stronger defense.

Now, I would like to discuss with you major aspects of our mutual security picture. To assure you that I shall not march off on the wrong foot, let me frankly say this:

I am a legislator—not an expert on national defense—although this, sometimes, is a prevalent attitude among my coworkers.

As a Senator, I am, of course, required to vote "yes" or "no" on legislation to provide the necessary manpower, material, equipment, and weapons for our security forces. To accomplish this, we need, of course, a degree of knowledge on our military capabilities. Let's face it, however; we must depend upon you, the experts, for the bulk of the detailed decisions on defense.

In the 1962 budget, the Congress approved an unprecedented $48 billion for defense.

With these funds, the Nation, we hope will be provided adequate manpower; and equipment and striking power for a strong jet-missile-nuclear-space deterrent against attack.

In addition to the general strengthening of our defense forces special efforts are being made to:

Improve our missile deterrent strength by special emphasis upon hidden, moving, or invulnerable delivery systems. These include acceleration of our program for building of the Polaris submarine force; accelerating the building of the solid-fuel Minuteman missile, air-to-ground, and other missiles such as the Skybolt.

Better protecting the amount of our existing bomber forces for a nuclear deterrent by increasing our ground and airborne alert capacities, and installing bomb alarm detectors and signals at key warning and communications points and all SAC bases.

Reexamining and improving our continental defense and warning systems.

Reevaluating command and control of nuclear weapons authority to minimize risk of a triggered war by accident or miscalculation.

For protecting our population against nuclear attack by undertaking an expanded program of civil defense.

Our conventional war capabilities too have been strengthened with a flexible nuclear and nonnuclear striking power in the following ways:

Increasing manpower;

Reorganization and modernization of units, including new improved weapons to increase firepower;

Expanding air and sea forces for greater troop mobility;

Sharpen up training programs for guerrilla type warfare; and

Generally undertaking across-the-board efforts to improve the capabilities of our American forces for meeting crises around the globe.

COMPARE FREE WORLD-COMMUNIST ARMED FORCES

We realize, of course, that a defense force is significant only if effectively capable of coping with the size and power of its enemy.

In recent years, the U.S. mutual security program has forged the chain which held together the alliances of free nations—including the North Atlantic Treaty Organization, Central Treaty Organization, Southeast Asia Treaty Organization, and Australia-New Zealand-United States.

Today the United States, and its allies, have a total of 8,680,000 men in their Armed Forces, compared to about 9,300,000 in the Sino-Soviet bloc. Of the free world total, the European NATO powers have 3 million men under arms and the United States has 2.5 million. In the Far East, where the Republic of China and Korea are two significant bulwarks against Communist expansion, the allied forces total more than 1.5 million men.

We and our allies have about 29,000 aircraft in operational units and 3,700 major combatant vessels. About 40 percent of the aircraft and 60 percent of the total allied naval strength is supplied by our allies.

In addition, strategically located bases in allied countries on the periphery of the Communist camp provides launching pads for free world missiles, "zeroed in" on the heart of communism. By experience we have learned that it is extremely difficult, because of the Iron and Bamboo Curtains, to get a good evaluation of the strength, mobility, and firepower of Communist military forces. Let's face it, however, the Red forces represent a formidable enemy.

In addition, the Soviet Union has recently resumed testing of nuclear superbombs; engaged in firing of higher powered rockets; and undertaken new orders, not only for modernization, but mobilization of more military forces.

Because of the greater concentration of military power by the world, we have found it necessary not only to strengthen our own defenses, but to bolster the defenses of free world nations allied with us in efforts to combat communism.

NEEDED: DEFENSE AGAINST ATTACK IN SPACE

A new feature of the military picture, of course, is the space challenge.

Recognizing that space could serve as a launching site for enemy attack, the free world has attempted to obtain agreements with the Communists for dedicating outer space for peaceful purposes.

Unfortunately, we have not been successful. To the contrary, the Reds have been moving ahead rapidly with developments of space vehicles, with military potential. In addition, they have been using this as a foundation for power politics and international blackmail.

Consequently, it is essential that we move full speed ahead on development of a space—defense program. This would necessarily include protection against nuclear bombing from outer space; satellites or other space craft used for attack; development of effective antimissile missiles; antidotes to nuclear fallout; and other defenses.

FOOT SOLDIER—NOT OBSOLETE

Throughout history, the creation of new, more powerful weapons often have been accompanied by illusions that the foot soldier would become obsolete.

Each time, however, this proved untrue. Despite new—almost Buck Rogerish—weapons, there is still a need not only for the traditional air-land-sea "guardsmen of the peace," but of ever higher caliber capability in such fighting men—the only really indispensable unit in our defense forces.

WORLD "HOT SPOT"

Currently, the world spotlight in the East-West conflict focuses upon two hot spots: (1) Berlin; (2) the United Nations.

First, let's take a look at Berlin.

To protect Western rights, obligations and interests, we will need to stand firm to repel any broadscale attacks by the Communists; utilize flexible, diplomatic and military footwork in parrying provocations; and undertake a more dynamic diplomatic offensive to find a peaceful solution to the Soviet-created crises.

In our efforts to find a solution, we must, in my judgment, adhere to two basic principles:

(1) Demonstrate militarily that we will not be "pushed around," and (2) offer constructive alternatives to a military showdown—not just "stand firm, but empty handed."

The fundamental principles in Western proposals should, I believe, include the following: (1) A recommendation that the question of unification or nonunification be settled by a U.N.-supervised secret ballot election; (2) If the Soviet Union disagrees—which in all likelihood it would—propose the establishment of a U.N. Commission to make recommendations for ending East-West occupation of Germany; (3) Object to change in the status of West Berlin without adequate safeguards for the interests and integrity of its citizens; (4) Resist interference with access to West Berlin by the Western nations.

Realistically, the Communists will be hard bargainers. Nevertheless, reasonable, logical proposals would, I believe, (1) Put the United States and the West in a better negotiating position; and (2) Garner support of world opinion—particularly on our advocating the universally recognized right of self-determination by the German people.

Unless the West comes up with constructive recommendations for solution of the crisis, we will—and justifiably, in my opinion—find our policies branded as "sterile standpatism."

U.N.—A BATTLEGROUND

Now, let's take a look at the second "combat arena of East-West—and, yes, so-called neutral forces: that is, the United Nations.

The 16th session of the U.N. General Assembly promises to be explosive.

On the agenda are great issues of real significance to the free world and to peace.

The tragic death of Secretary General Dag Hammarskjold has cast a sorrow over the U.N. The high stature of statemanship in Mr. Hammarskjold's work reflected high credit not only upon himself but upon the office of Secretary General.

The U.N., of course, now faces the difficult task of finding a replacement.

Unfortunately, the job will be complicated by efforts of the Soviet Union to change the nature of the office of Secretary General to a triumvirate—representing the Communist, free world and so-called non-Communist blocs.

The major issues confronting the Assembly, then, include the following:

Replacing the esteemed and respected Dag Hammarskjold with an individual of similar high qualities.

Preventing the Soviet Union from replacing the single, workable Secretariat with a three-headed, self-nullifying monster called the troika—representing the Communist, Western and so-called Neutral blocs, each with a veto power.

Blocking the seating of Red China.

Presenting a realistic disarmament proposal to the world.

Protecting Western rights and obligations in Berlin, including emphasis on the universally recognized right of self-determination by the citizens of Berlin and Germany

The Soviet Union is expected again to harp upon the issue of colonialism. Today, however, communism represents the greatest colonial power in the world. Consequently, the West can—and should—stuff the issue down their throats.

CONCLUSION

For the future, then, the battle against communism will be fought on the production line, around the conference table, through trade channels, on the ideological plateaus for the minds of men—all of these conflicts under the shadow of poised, ready-to-fire, pushbutton nuclear-warhead missiles.

However, the "military shield"—now and in the foreseeable future—will continue to serve as a major deterrent to expansion by the Communists.

As a leader of the free world, consequently, we need to—

Maintain a strong, forward-moving economy, with full employment, for meeting the domestic needs of our citizens, as well as to retain a good, healthy lead over the Communists' challenge on the agricultural-industrial-consumer-goods production line;

Further strengthen our jet-nuclear-missile-space defense—to guard the ramparts of freedom and to deter would-be aggressors elsewhere in the world;

Pace our scientific-technological programs to stay well ahead of competition; and

Carry forward a realistic foreign policy, designed to: obstruct the expansionist efforts of communism; accommodate, or negotiate, conflicts of interest among nations or blocs of nations; prevent a third world war; and, to promote the cause of peace.

Committee on Interstate and Foreign Commerce Summary of Major Legislative Activity, 1st Session, 87th Congress

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EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HARRIS. Mr. Speaker, pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, and House Resolution 108, 87th Congress, I should like to submit a summary of the major legislative accomplishments of the Committee on Interstate and Foreign Commerce for the 1st session of the 87th Congress.

During the 1st session 583 House bills and resolutions were referred to the committee, one of which was rereferred to the committee having legislative jurisdiction over the subject matter. Twenty-eight Senate bills and resolutions were referred to the committee. Total referrals for the 1st session were 583 House bills and resolutions and 28 Senate bills and resolutions. This year 15 were enacted into public law, 2 were approved by the House but not acted upon in the Senate, and 4 remained on the House Calendar on the adjournment of the 1st session of the 87th Congress.

After the committee was organized in late February, the first order of business was consideration of an amendment to the Food and Drug Act to permit the continued use of certain food additives and pesticide chemicals which have been in commercial use since January 1, 1958, until the necessary investigations and scientific studies now in progress can be completed and regulations adopted to provide final assurance of the safe use of these additives and chemicals (H.R. 3980). The bill passed the House and Senate and is now Public Law 87-19. A complete explanation of the bill is contained in House Report No. 53, filed March 3, 1961.

Extension of unemployment and sickness insurance benefits to railroad workers who had exhausted their existing compensation was approved. This action was taken to provide temporary unemployment insurance benefits similar to those provided for workers in other industries—H.R. 5075, House Report No. 54—Public Law 87-7.

Under section 510 of the Transportation Act of 1958 the Interstate Commerce Commission was given authority to guarantee loans to railroads for capital expenditures. That section terminated on March 31, 1961, and after public hearings the committee approved a bill (H.R. 1163) to extend for 15 months the loan guarantee authority of the Interstate Commerce Commission—House Report No. 65, filed March 7, 1961.

The Senate companion bill provided for a longer extension and after a conference, the loan guaranty authority was extended for 27 months—Public Law 87-16.

Hearings on H.R. 4614 and 15 similar bills were conducted by the Subcommittee on Commerce and Finance in March and April of this year. The general purpose of the bills is to promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit this country. The measure further provides for establishment in the Department of Commerce of a U.S. Travel Service headed by a Director. S. 610, a companion bill, the International Travel Act of 1961—became Public Law 87-63. A complete explanation of the bill is contained in House Report No. 323, filed May 1, 1961.

The administration's proposal to assist in expanding and improving community facilities and services for the health care of the aged was embodied in H.R. 4998. The major features of the legislation included authorization for increased appropriations to States and local communities in providing adequate public health services. It would also authorize appropriations for studies, experiments, and demonstrations of new or improved methods of providing health services outside hospitals. The bill also provides for an annual increase from $10 to $20 million for Federal grants-in-aid to the States for construction of nursing homes.

The committee held hearings on H.R. 4998 early in May and the bill was subsequently reported—House Report No. 599—with amendments. It passed the House and was further amended in the Senate. A conference committee resolved the differences in the bill and the President signed it on October 5—Public Law 87-395.

Further attention was given to the more efficient operation of the Federal Communications Commission. H.R. 7856 amends the Communications Act of 1934 so that the Federal Communications Commission will be able, by making better use of its own time and more effective use of its experienced and technically qualified personnel, to handle its large workload of adjudication cases with greater speed and efficiency than is pres-

ently possible. Thus, it is hoped and believed that these changes in law will enable the Commission to devote more of its time to major matters of policy and planning involving issues of general communications importance.

When the bill was considered in the House, the language of H.R. 7856 was incorporated in S. 2034, a companion measure which had already passed the other body. A conference committee was able to reach agreement and S. 2034 is now Public Law 87–192. A detailed explanation of the bill is contained in House Report No. 723, filed July 17, 1961.

At the request of the President of the United States, the chairman of the committee introduced a bill to carry out the administration's program for development of public airports by making an additional $375 million available over a 5-year period. Following public hearings before the Subcommittee on Transportation and Aeronautics and after careful consideration, except for the change in the method of financing the Federal-aid airport program, there was no major change of a substantive nature in the administration's proposal as reported—House Report No. 728—from the committee in H.R. 8102.

The language in the House bill prohibits the Federal Aviation Administrator to enter into contracts obligating Federal funds in advance of appropriations as the means of furnishing Federal aid to airports. In the future, the Administrator will be required to obtain appropriations before obligating Federal funds. The Senate bill (S. 2268) made no such change in the method of financing the airport program.

After the Senate and House had passed different versions of the legislative proposal, and a conference committee failed to reach agreement, the House proposed a further amendment providing for a 3-year program, incorporating the new method of financing. The Senate agreed to this and H.R. 8102, as amended, received Presidential approval—Public Law 87–255.

The Interstate Commerce Commission also suggested legislation to authorize it to delegate to three-man employee boards the function of reviewing recommended orders entered in cases in which hearings have been held (H.R. 6716).

After hearings by the Subcommittee on Regulatory Agencies a revised bill (H.R. 8033) was introduced and reported from the committee—House Report No. 750, filed July 20, 1961. The House and Senate approved the measure and it is now Public Law 87–347.

House Joint Resolution No. 438, authorizing $750,000 for the Securities and Exchange Commission to make a study and investigation of the rules of national securities exchanges and national securities associations was enacted—Public Law 87–196.

The committee feels that the investigation and study called for under House Joint Resolution No. 438 is needed in order to maintain public confidence in the securities markets and to be informed as to whether at this time, in the light of changed market conditions, the investing public is afforded the protection which was envisaged in the passage of the Securities Act of 1933 and of the Securities Exchange Act of 1934. A detailed explanation of the measure is contained in House Report No. 882.

A series of acts of a criminal nature committed aboard aircraft dramatically underscored the need for legislation to extend Federal criminal laws to certain crimes occurring on board aircraft in air commerce. The provisions of H.R. 8384 are based on the use of criminal sanctions as a deterrent to the commission of criminal acts, such as aircraft hijacking, murder, manslaughter, assault, and carrying concealed deadly or dangerous weapons.

Hearings were held on H.R. 8384 and related bills by the Subcommittee on Transportation and Aeronautics. After extensive executive consideration, the committee revised and incorporated new language in H.R. 8384. The committee approved the amended bill—House Report No. 958, filed August 16, 1961—and the House inserted this language in S. 2268. The Senate concurred in the House amendment and the Senate bill became Public Law 87–197.

Legislation to establish a program of Federal matching grants for educational television facilities was again introduced and considered by the committee. The Subcommittee on Communications and Power held hearings on bills designed to speed up the process of getting educational television stations on the air so that the American people, children—as well as adults—in schools, colleges, and universities—as well as in their homes—may have the benefits of this new and important educational medium.

H.R. 132, after having been amended by the committee, was reported to the House—House Report No. 999—and is presently pending on the Union Calendar.

In order to rectify certain inequities and discrepancies in favor of the social security system as against the railroad retirement system, a bill (H.R. 8597) was introduced and passed which amends the Railroad Retirement Act, the principal feature of which is to permit male railroad employees with less than 30 years of creditable service to retire at age 62 on a reduced annuity. (S. 2395 became Public Law 87–285.)

The committee approved a bill to amend part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State—House Report No. 1090. The Senate companion bill (S. 320) was reported from the committee and is presently pending on the House Calendar.

H.R. 5978, amending section 202(c) of the Interstate Commerce Act, was also reported by the committee—House Report No. 1116. This bill provides for partial exemption from the provisions of part II of the Interstate Commerce Act of terminal area motor carrier operations performed by or for common carriers by water in interstate commerce subject to the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933. This bill is also pending on the House Calendar.

The Civil Aeronautics Board, as part of its legislative program, recommended that it be permitted to grant limited certificates to supplemental air carriers. The proposal was incorporated in H.R. 7318.

After careful consideration by the full committee and the Subcommittee on Transportation and Aeronautics, substitute language was drafted to give the Board some, but not all, of the authority requested by it. The amended bill was reported to the House—House Report No. 1177, filed September 13, 1961—and the language contained in it was substituted for the text of S. 1969. The amended Senate bill is now awaiting further action by that body.

The committee conducted public hearings on bills to prohibit the shipment in interstate or foreign commerce of articles imported into the United States from Cuba. Subsequently, H.R. 8465, as amended, was approved by the committee—House Report No. 1182, filed September 14, 1961—and passed the House. The Senate did not act on the measure prior to the adjournment of the first session.

S. 1186, which amends the act of June 13, 1906—stamping of gold and silver articles—provides that if a manufacturer or dealer applies a quality mark to the gold or silver article, he must also apply a trademark, duly registered, to the article so that he may be identified.

The Subcommittee on Commerce and Finance held public hearings on S. 1186 and a companion bill, H.R. 5442. The Senate bill, with technical amendments, was approved by the committee—House Report No. 1190, filed September 15, 1961—and the House. The Senate agreed to the House amendments and S. 1186 became Public Law 87–354.

The committee also reported a bill (H.R. 2429—House Report 727, filed July 18, 1961) which later became public law, which would supplement existing Federal criminal laws in order to provide more effective deterrents to the willful destruction or damage of property moving in interstate or foreign commerce—Public Law 87–221.

The committee considered and approved S. 1440—House Report No. 1181, filed September 14, 1961—a bill to amend the act of July 14, 1960, establishing a national register of names of certain motor vehicle operators. The purpose of the amendment to existing law is to enable additional States to participate in the national driver license program. The House passed the Senate bill without amendment—Public Law 87–359.

At the request of the Department of Commerce, a bill was introduced and approved which provided for an extension of the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance—H.R. 7341. The Senate bill—S. 1931—became Public Law 87–89. A detailed explanation of the bill is contained in House Report No. 567, filed June 22, 1961.

The Secretary of Commerce asked for authority to appoint an additional Assistant Secretary of Commerce to serve

as his principal adviser on scientific and technological matters and his draft bill to accomplish this was introduced by the chairman of the committee—H.R. 6360.

Hearings were held by the Subcommittee on Commerce and Finance and the bill was subsequently reported to the House without amendment—House Report No. 885, filed August 10, 1961. At the close of the first session the bill was pending on the House Union Calendar.

In addition to the bills which the committee reported to the House during the 1st session of the 87th Congress, public hearings were held on communications satellites, milk sanitation, sales below cost and cease and desist orders, Civil Aeronautics Board legislative recommendations, amendments to War Claims and Trading With the Enemy Acts, hardwood labeling, drug advertisements, and hours of operation of daytime radio stations. These subjects will receive further consideration by the committee during the second session of the present Congress.

Sound Economy To Promote Progress and Security

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. WILEY. Mr. President, our American economy is the backbone of our great Nation. Of course, our progress and material advancement depends upon a growing economy—but also our security, our survival, also depends upon our ability to produce essential items for our national defense establishments.

Recently, I spoke before the West Allis Advancement Association in West Allis, Wis., on the occasion of the association's 25th anniversary. I addressed myself to the economic needs of our country to support our struggle with anticapitalist communism. I ask unanimous consent to have this speech reprinted in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WILEY STRESSES NEED FOR SOUND, STRONG ECONOMY TO PROMOTE PROGRESS AND SECURITY

Friends: As members of the West Allis Advancement Association, and as cooperating citizens of this fine community, you symbolize one of the great strengths—though too often little heralded—of our free way of life. That is; citizen action by association for progress.

I heartily welcome the opportunity, therefore, to join with you in celebrating your 25th anniversary; in paying tribute to the men of vision who organized this association back in 1936; and in looking forward with you to the future.

The progress and security of our Nation and its people depend upon a dynamic, forward-striding economy. The foundation of such dynamism, however, is created here in the grassroots—in West Allis and similar communities, small and large, across the country.

In your splendid endeavors to promote economic, social, civic, and other advancements you well recognize this requires a realistic approach, including: A hard look at the community's liabilities and assets; a reevaluation of economic deficiencies; exploration for new economic opportunity; and the creation of a strong community spirit to enlist individuals, associations, and others in the noble struggle to build a better community.

For your outstanding accomplishments, I commend you.

Recognizing that the battle has not been completely won—that both problems and promises lie on the road ahead—I stand with you ready to be of service in helping to promote greater progress in this fine community.

As your servant in the U.S. Senate, I have experienced—and let us face it, enjoyed—the opportunity as well as the responsibilities of serving you, the people, and the Nation.

In your thoughtful invitation for me to speak on this 25th anniversary, your board suggested a discussion of "The History and Results of Foreign Aid."

I shall be happy to discuss this significant feature of our national defense.

In my judgment, however, we must consider it in perspective, in relation to its proportionate role in our global effort to provide for our security and survival in a war-threatened world.

PROGRESS IN NUCLEAR-SPACE AGE

Today, we live in ever-changing, fast-advancing, revolutionary times.

The God-given ingenuity of man, miraculously transmuting ideas into tools for shaping history, has dramatically changed life in the 1960's.

Within reach of our memories—yes, within the 23 years I have served you in Congress—we have seen such far-reaching progress as:

Supersonic jet travel; and experimental rocket-powered airspeeds of over 3,500 miles per hour; man's adventure into outer space, including the orbiting of satellites and of man himself around the earth; an industrial revolution resulting from—among other things—automation; the mechanization of the American farm; improvements in business methods and procedures; scientific breakthroughs for bettering the health of millions of people; great improvements in mass communication, including television; a new kind of home life for Americans—functioning modernly upon electrical-pulse pushbuttons, as well as heartbeats; and a variety of other dramatic, far-reaching changes in our daily, national, and international lives.

Literally living in a new world—we must attain a new understanding and perspective of the forces and influences—and their interrelationships—that shape our destiny.

U.S. FOREIGN POLICY

Today, there are over 100 nations—with a population of about 3 billion people—around the globe.

Now, how do we handle our relationships with these people and nations? By a system called foreign policy.

Basically, it includes:

The conduct of relations—economic, social, political, cultural—with friendly countries around the world; efforts to resolve differences—and meet the threats—of countries with whom U.S. policies are in basic disagreement, such as communism; evaluating the impact of world conditions—for example, the effects of trade and commerce, on our domestic economy—and adopting programs to protect U.S. interests; and accurately assessing other international events and their significance to our security and progress—utilizing these as guidelines for creating and conducting our own defense, economic, and other policies.

In normal times, we could:

Devote more of our time and energies to peaceful pursuits; utilize more of our human and natural resources toward an ever-better life—now fortunately the highest standard of living in history; and make great progress toward creation of a world in which law and order were respected, and all nations could pursue their self-determined goals.

Today, however, communism—controlling nearly 1 billion people and vast lands and industrial and natural resources—is clutching for our jugular vein—attempting to kill off freedom.

Consequently, the design of our foreign policy—and, in fact, the tempo and direction of our domestic life—is affected, to a large degree, by this great—and growing—threat to our security and survival.

EAST-WEST MILITARY FORCES

Now, what is being done to cope with this threat?

For 1962, Congress has earmarked about $48 billion for putting more "muscle" and "fire power" into our security forces. The major features include:

Mobilization of more manpower, including reserve forces;

Strengthen the mighty arsenal of jet planes, nuclear bombs, aircraft carriers, missiles, missile-carrying submarines;

Creating more mobility and flexibility—including atomic armaments—for limited warfare; and

Attempting to pace our development of atomic weapons to the Red threat—including the President's recent decision to resume underground nuclear testing.

A military force, of course, is effective only in relation to the size and power of its enemy.

During this year, Mr. Khrushchev initiated the "beefing-up" of Red military forces, by maintaining a high level of mobilized manpower in the military forces; resuming nuclear tests; more currently, testing higher powered rockets for delivery of super bombs; and engaging in more attempts at power politics and rocket-missile blackmail.

ROLE OF UNITED STATES AS FREE WORLD LEADER

In the face of the Red threat, Western nations—as well as the so-called noncommitted countries, have a stake in the survival of freedom; in the defeat, or at least containment, of communism; and in the creation of a world in which nations have the right to determine their own destinies.

MUTUAL SECURITY PROGRAM

For this reason, we, of the free world, have banded together for our own security.

And now, after a circuitous trip, I come to your recommended topic, the foreign aid or mutual security program.

What is the purpose? Fundamentally, the program has served as the lifeblood of free world military and economic efforts to combat communism.

As a pioneering effort of nations to work together for mutual defense, there have, admittedly been mistakes. Because of this, Congress, I believe, must keep a microscopic eye on the program. The purpose would be to:

(1) Weed out unnecessary activities;

(2) Shoot for, and hit, more realistic objectives;

(3) Sharpen up the administrative machinery;

(4) Imbue its administrators with a greater sense of responsibility to the American taxpayer; and

(5) Generally to insure that the program better serves our national interests.

Now, what do we get for our investment in these free world alliances?

In general categories, the following:

Strategically located bases on the periphery of the Communist camp, with free world missiles "zeroed in" on the heart of communism; and

Supplemental defense forces, including millions of men and greater striking power on air, sea, and land.

For example, about 40 percent of the aircraft and 60 percent of the total allied naval strength is supplied by our allies.

In addition to strengthening our defense, also, the program—spending most of the funds right here in this country—creates an estimated half-million jobs for American workers.

The struggle against communism, of course, is not only military. Rather, it is also social, cultural, political and, particularly, economic. Consequently, it has been deemed advisable also to provide economic assistance:

1. To our allies to enable them to (a) serve as a stronger bulwark against Communist expansion, and (b) to better share the cost of free world defense; and

2. To less developed nations. Why? To wipe out breeding grounds of poverty, disease, underprivilege, undernourishment—often the target of Communist infestation.

Until—the standards of mankind are lifted to decent levels (incidentally, per capita income in such countries as India amounts to only about $60 per year); the "gap" between the "haves" and the "have-nots" has diminished or vanished; and there is recognition of human dignity and the right of self-determination of all peoples; there can be no real peace in the world.

NECESSITY OF WESTERN ALLIANCE

Along with other American taxpayers—now heavily burdened—I, naturally, would welcome relief not only from support of the foreign aid program—but also our costly military expenditures.

The facts of life in 1961, however, in my judgment, do not permit a weakening of our defenses or an abrogation of our responsibility as a free world leader.

Why?

First. The Communist bloc—the greatest threat to freedom in history—still strongly adheres to its oft-stated goal of world conquest. Mobilized for this objective, its military, economic, industrial, scientific, and other programs have one target: That of surpassing and burying us—and the free world.

Second. Red manpower—if Communist China is included—in military forces substantially exceeds that of the free world.

Third. On the nonmilitary front, the Reds have an estimated 36 million agents operating in about 86 countries. This Red army of conspirators—conducting a global campaign of subversion, sabotage, espionage, represents a threat equal to—if not greater than—the military power of the Communists—if there continues to be an East-West standoff.

COPING WITH THE COMMUNIST MENACE

In our Nation's effort to combat—and cooperate with our allies in combating—communism, Uncle Sam alone cannot be expected to do the whole job.

Instead, we, individually and collectively, must:

First, mobilize to throw the necessary brainpower, manpower, and resources into the battle. Historically, one of the great strengths of America is the voluntary will to fight, sacrifice, and work to build a good life under a free flag, and to protect our country from its enemies.

Second, our civic, veteran, social, cultural, and, yes, religious and other organizations can and should reexamine the potential ways in which they might serve our national cause more effectively.

Third, we need to more greatly utilize the know-how and technology of free enterprise for selling the ideas and ideals of freedom. This includes more effective utilization of businesses overseas as "built-in Voices of America."

Fourth, labor, also, sharing a common bond with workers around the globe—possesses an unparalleled opportunity to demonstrate how workers benefit under a free system, and how free collective bargaining can serve not only the worker but strengthen a nation.

Fifth, the creative minds—artists, writers, poets, musicians, dramatists—have a great opportunity to portray the spirit of a free people in their dedicated, relentless effort to create a better life for themselves and humanity.

CONCLUSION

For security, as well as for domestic progress, however, we will need to maintain a strong, dynamic economy. For this reason, we will depend tremendously upon grassroots cornerstones such as West Allis and upon leadership such as exemplified by the Advancement Association—to give us greater strength in a crisis-threatened world.

Now, I want to again extend my heartfelt congratulations upon your 25th anniversary, a real hallmark of progress. Upon your 50th and 100th anniversaries, I feel confident you will be able to point with pride to a still greater record of star-studded accomplishments.

Teachers as Citizens

EXTENSION OF REMARKS
OF
HON. MAURINE B. NEUBERGER
OF OREGON
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mrs. NEUBERGER. Mr. President, the government relations department of the Oregon Education Association asked a number of citizens interested in education to "examine the role of the teacher as a citizen." These opinions were put into pamphlet form in a publication entitled "Some Views on Citizenship."

The director of the government relations department, John H. Nellor, has sent a copy of the publication to me. I should like to insert in the RECORD at this time the comments of Senator WAYNE MORSE, who has waged a tireless battle for legislation which would improve our public education system, and comments I made in response to the question of what is the true relation of the teacher citizen.

I ask unanimous consent that Senator MORSE's remarks and my statement appear in the RECORD at this point in the hope that they will perhaps suggest to teachers and others ways in which educators can better meet the challenges facing our Nation at this time.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE

We are living in a tightly interrelated world. A decision taken anywhere can bear upon each of us most cruelly, or for great benefit. Literally, you are among the most potent of the opinion makers. Use this power wisely. Use it for the ends of your profession, to be sure, but use it also skillfully on the high questions of policy and state. Do not be timid in your affirmation of the right as you perceive it to be right.

As a profession, you have the right, the duty and the responsibility of seeing to it that those to whom you extend the hand of professional acceptance are increasingly well qualified to teach and to learn. To you, and almost to you alone should be the determination, implicit in a profession, of the qualities and abilities of your colleagues and coworkers.

STATEMENT BY SENATOR MAURINE NEUBERGER

Teachers today have opportunities to participate in civic affairs far beyond those of men and women who taught as recently as 25 years ago. Before then, even the dress, speech and manners were often rather rigidly prescribed for teachers by the local school boards. Now you can be a candidate for the State legislature. You can take part in county or city political clubs, you may dress and speak as any other citizen. The communities have placed new confidence in teachers. How as teachers have you responded to these newly won freedoms? To be able to teach young people to become educated citizens it is, I believe, necessary that teachers have a sense of personal involvement in the forces that seek to obviate social, political, and economic inequities. To become informed, to vote, to discuss, to exercise political initiative, these are the dutiful privileges of all citizens, but perhaps particularly of teachers as you ought by example to be worthy of emulation by those in your classes. I think that for you to fail to participate in the needs of the community and Nation not only robs the community of your minds, training and efforts, but neglects a constant source of needed inspiration in the classroom.

Report by Congressman William H. Avery to the 1st Congressional District of Kansas on the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AVERY
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. AVERY. Mr. Speaker, each year a report is given the residents of my district. The following is the report for the 1st session of the 87th Congress.

The session began by focusing attention on the domestic proposals of the new administration and concluded with foreign affairs and national defense as the prime points of discussion and emphasis.

The Berlin crisis prompted an administration request for increased defense spending giving us the largest defense budget in peacetime history. The total is $46.66 billion of which $3.45 billion was requested by the President after the Berlin crisis. The Eisenhower defense budget request for fiscal year 1962 was $41.86 billion. Total appropriations by this session was $92,500 million.

For legislative purposes, the 1st session of the 87th Congress was the longest session since World War II with the exception of 1949–50, which was during the Korean crisis.

During the 147 days the House and Senate were in session, over 14,026 bills and measures were introduced, and

20,244 pages of proceedings were amassed in the CONGRESSIONAL RECORD. Some 600 bills were enacted into law.

According to the Parliamentarians of the House and Senate, there may have been a possible first accomplished during the session. During the last day of the session, the House and Senate agreed to an adjournment resolution which meant each body could adjourn at its pleasure when its work was done. In the wee hours the House passed the supplemental appropriation bill for the executive agencies and then adjourned. The Senate was forced either to accept the bill as passed or there would be no supplemental appropriation, which was essential for the executive agencies. The Senate was compelled to pass the House version. According to the memories of the longtime Hill staff employees, this is probably the first time one body was able to force the other body into affirmative action on a bill.

During the session, your Congressman had a 100-percent attendance record for the meetings of the Rules, Small Business, and Private Calendar Committees, answered 111 quorum calls, and had a 99.1-percent voting attendance record. As ranking minority member of the Private Calendar Committee, personally worked on almost one-half of the 423 private bills which came before the three-man committee.

This year it was the honor of your Congressman to receive a recognition which only one other Kansas Congressman has enjoyed. Out of 173 Republican Representatives, your Congressman was selected to serve as one of five on the important House Rules Committee. Generally, the membership of the committee is chosen to represent all areas of the country. The Rules Committee must approve legislation before it is considered by the House.

As an indication of the office operation for the period January 1 to September 1, 1961, a total of almost 25,000 pieces of mail were received. This included over 8,500 first-class letters from the district. There were mailed out during this period about 21,000 pieces of mail, of which 14,225 was first-class mail. In addition, we received almost 150 newspapers per week from the district and 15 per week from elsewhere. During the year, a record number of visitors was recorded. The guest book in the office shows some 650 visitors since the first of the year.

The following is a brief summary of appropriations and some Federal activity for our district:

Civil works projects (flood control activity), $15,075,000.

Soil conservation and ACP work, $2,021,250.

Military construction, $1,827,000.

One of the most significant activities of your office in Washington was the continuation of the "Week in Washington" nonpartisan educational project for college juniors to learn government firsthand. The following schools participate—Kansas University, Kansas State University, Washburn University, St. Benedict's College, and Mount St. Scholastica College. The schools select the students solely on the basis of merit and academic achievement with the only requirement that they be residents of the State of Kansas.

While in Washington, the students visit Congress, committee hearings, both national committees and historic sites. Appointments are arranged with members of both political parties. In general, it is our desire to have the students attempt to obtain a general picture of practical lawmaking and politics at the national level. To date, 20 students have participated. Among the group have been two Rhodes scholars, and one Woodrow Wilson fellowship recipient. The total of honor and academic achievements amassed by the students at their respective schools is astounding. It is interesting to note the majority of students have indicated a desire to continue their education in graduate work to prepare for the teaching profession.

Here is a listing of some of the bills introduced by your Congressman.

Introduced and testified before Judiciary Committee on a bill to provide for the appointment of a third Federal judge for Kansas. A bill providing for additional Federal judges throughout the Nation, including Kansas, enacted into public law.

Introduced legislation to extend the conservation reserve of the soil bank for 3 years. Incorporated into feed grain program.

Offered an amendment to the Interstate Commerce Act to insure adequacy of the railroad car supply.

Introduced a bill authorizing the establishment of the Prairie National Park in Pottawatomie County. At Avery request, National Park Service held special meetings with local residents and is in contact with House Interior Committee requesting that a congressional hearing be held in the area. Among the newspapers endorsing this proposal are the Topeka Daily Capital, Manhattan Mercury, Kansas City Star, New York Times, Washington Star, Christian Science Monitor, and the Washington Post.

Proposed amendment to Constitution relative to equal rights for men and women.

Has a bill to amend Internal Revenue Code to provide a tax reform for small and independent business.

Introduced a bill to provide for reduction in Commodity Credit wheat holdings and restricting quantity of wheat marketable from producers for domestic and export users.

Introduced six private bills for the relief of certain constituents. Two bills have passed the House, one has been enacted into public law, one case has been successfully resolved by administrative remedy, and the other bills are pending before the House Judiciary Committee.

The following is a listing of the votes cast by your Congressman on major legislation acted on by the House during the first session:

Supported bills authorizing additional military funds for national defense including increased strength of all branches of the Armed Forces, stepped-up Polaris program, B–58 bomber production, improvement of military bases, missile sites, and nuclear submarine bases.

Voted against taxpayer funds being spent for subsidized electric power for preferential areas—Hanford project.

Voted against resolution to enlarge or pack the House Rules Committee.

Voted for the feed grain program and also for the 1962 wheat program.

Opposed back-door spending provisions for foreign aid program; voted for long-term planning.

Voted for Latin American program for development and economic progress.

Opposed the establishment of the Peace Corps program on a permanent basis and as another separate and costly Government agency.

Voted for establishment of a U.S. Arms Control and Disarmament Agency for World Peace and Security.

Supported the resolution expressing the sense of Congress against seating of Communist China in the United Nations.

Voted for temporary program to extend unemployment compensation and the bill which applies similar benefits to unemployed railroad workers under the Railroad Unemployment Insurance Act.

Voted for increase in minimum wage but opposed broad extension of coverage to include local retail establishments.

Voted against establishment of $394 million area redevelopment program.

Voted to extend corporate, liquor, cigarette, and automobile excise tax and the provision raising temporary limit on national debt.

Supported authorization for funds and necessary taxes for completion of Federal interstate highway program.

Supported bill applying Federal laws to crime committed on airplanes engaged in interstate commerce and make hijacking punishable by life imprisonment.

Voted to extend present Federal Airport Act to provide Federal funds to improve air safety measures.

Supported changes in Social Security Act to increase monthly insurance payments, to increase benefits to widows, and provide male workers may draw reduced benefits upon retirement at age 62.

Voted for extension of aid to federally impacted school districts and extension of the National Defense Education Act for 1 year.

Opposed $4.9 billion 4-to-5-year housing program.

Voted against the broad Federal aid to education program providing funds for teachers' salaries and construction of facilities to public and private schools in House Rules Committee.

Supported bill to expand and extend program for Federal grants to States and communities for construction of nursing homes, training of public health personnel, and studies to improve services for aged outside hospitals.

Voted for tax deductions for professional self-employed who set aside income for voluntary pension plan (H.R. 10).

Voted for bill permitting reduced retirement benefits at age 62 under railroad retirement system.

Supported program for grants and scholarships for training of practical nurses under Vocational Education Act.

Voted for extension of school milk program.

Supported authorization to help local communities finance projects to combat juvenile delinquency.

Supported bill to extend life of the Civil Rights Commission.

Supported legislation designed to fight the interstate gambling and crime operations, such as the numbers racket.

Voted for extension of direct housing loan program for World War II and Korean conflict veterans.

Supported increase in rates of compensation for service-connected disabled veterans.

Opposed the expansion of the water pollution control program costing some $58 million.

Voted for funds for National Aeronautics and Space Administration, including research on solid and nuclear propellants.

Supported amendment to Subversive Activities Control Act to bar employment on waterfront facilities and U.S. merchant marine vessels of persons who refuse to answer questions on Communist affiliations.

Favored resolution expressing sense of Congress that Organization of American States reevaluate the role of Cuba in inter-American affairs.

Voted for bill granting permanent authority for admission of alien orphans to the United States for the purpose of adoption.

During adjournment, I will be traveling through the First District and will also visit Geary, Wabaunsee, and Wyandotte Counties to meet residents who will be included in our district pursuant to the recent reapportionment. While your office in Washington will be open to take care of your inquiries, we also will have an office in the Hotel Jayhawk, Topeka. Please feel free to contact me at any time if you feel I can be of assistance.

Remarks by Congressman Daddario at Air Force Association Symposium on "Space and National Security"

EXTENSION OF REMARKS

OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. DADDARIO. Mr. Speaker, I recently had the opportunity to discuss some phases of our national space program and the need to utilize our resources and facilities wisely when I participated in the symposium on space and national security at the Air Force Association panel on September 22 in Philadelphia. I offer my remarks for the RECORD:

REMARKS BY CONGRESSMAN DADDARIO AT AIR FORCE ASSOCIATION SYMPOSIUM ON "SPACE AND NATIONAL SECURITY"

Previous speakers, Dr. Welsh and Dr. Dornberger, have spelled out the threat that confronts us as the result of the Russian space effort. I need not take the time to reiterate their views in support of the idea that such a threat exists.

It is obvious that the Russian space program has increased the prestige and power of that nation throughout the world. One needed only to view the first sputnik as it hurtled out of the western sky—as I did with my children and my neighbors—to be impressed. But on that day as I looked at those small faces turned to the sky, I could not help but feel that the excitement generated was one of wonder and not of fear. Since then, the Russians have put up 12 sputniks. Over 65 percent of the sputnik satellites have carried living specimens. This series has included a dummy mechanical man, biological tests with living animals and radiation instrumentation. The 11th flew Gagarin; the 12th, Titov. As these advances have been made, the wonder has become saturated with fear. For people cannot believe that the Russian space effort, once fully developed, will not be used for military purposes as part of their arsenal of weapons and vehicles.

I have for some 3 years now heard conflicting and diverse views as to how this threat should be met. Indeed, I have often heard it pronounced that the Russians have no intention to use their space capabilities for military purposes. If we were to follow that school of thought, we could one day wake up to a sky full of armed satellites hovering impregnable in space over the critical centers of the free world, and from that moment freedom would be lost forever. I would doubt if there is one U.S. intelligence estimate which suggests that we should develop our own strength on the basis that Russian intentions in space are peaceful.

As one step toward meeting the Russian challenge in space we must solve the problem of anti-missile-missile system. Our defensive capacities must include such a system as a beginning toward the preparation of a defense against satellites.

We already have a formidable capability available to us as we face the Russian challenge. Our soldiers have learned to live dug into the arctic icepack for months on end. The wide variations between heat and cold on a moon constantly bombarded by meteorites will most likely force us to live beneath its surface. These skills learned here on earth can be readily transferred to use in the moon program.

Similarly the Navy's experience in submarine work, where men live and operate in closed environments, is most valuable to research. The test on long undersea voyages with an atomic submarine is comparable to experiences that will be undergone in space travel.

The Air Force offers the most valuable talents, for its mission has been to place man in the widely divergent environments in which he must exist. It has put man through the stresses of extremes of temperature, speed, and endurance. Space is a natural challenge to the Air Force, and the target of the Moon, Mars, and Venus are logical steps to the conquest of this frontier. For our security depends on the adaptability of our defense capabilities to use all environments and to prevent them from being used against us. Abundant technological know-how is available in private industry. Research and development skills are of the highest order and only the call and the direction to be of service is awaited. And in the establishment of NASA we have a civilian agency with exceedingly great opportunities to assist in this effort.

It has always been my idea that there is nothing mysterious in this challenge in space and that our technical resources—civilian and military—are available in sufficient amounts not only to catch up to the Russians but to surpass them, and this before they can seize space for their own exclusive use.

What then must we do?

First of all, we must utilize all of the skills, resources, and facilities available to us. The Space Act of 1958 says that activities in this field must be conducted in such a way that we achieve the most effective utilization of the scientific and engineering resources of the United States, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication of effort, facilities, and equipment.

This legislative directive must be strictly enforced. Every Government laboratory and the personnel attached thereto must be utilized to the fullest. Additional laboratories should not be built unless they are absolutely necessary. There should be the minimum dislocation of personnel. Ways and means must be established to support necessary existing projects while we utilize available personnel and facilities to meet this new challenge and develop the additional base for the intensified effort. For while I have said sufficient capacity exists, there is not the time to allow for inefficiency or misdirection.

By Presidential directive dated March 6, 1961, the Air Force was made the primary DOD agency to manage space programs. In this respect the directive carried out, I believe, the principle set forth in the report of Dr. Jerome Wiesner and his committee that recommended the President establish a single responsibility within the military establishments for managing the military portion of the space program. It is my belief that this should be carried further to be made effective. One Department of Defense representative should be named to deal directly with NASA in all matters affecting the use of facilities and personnel to accomplish missions, both civilian and military.

In that way, and under such circumstances, we can achieve the most effective utilization of the scientific and engineering resources of the United States as we approach the accomplishment of national goals in space.

Let us consider as an example the moon program as such. President Kennedy has assigned a top priority to this project. Yet, both civilian and military experts who have discussed it have mentioned many intermediary problems that exist which must be solved as part of this effort. Civilian authorities have testified that these should be taken in order and solved before we try the more ambitious problems. One scientist has testified that there are basic biological investigations that are going to have to be made if we take seriously sending man to the moon and to the planets. Observers more aware of the Air Force capabilities and the Air Force program have stated that the lunar project is a natural focus for the vast space activity. They feel, as do the civilian scientists, that in order to achieve a manned lunar landing and return certain basic space capabilities must be developed. These are the same capabilities required for a large scale military, scientific, and technological utilization of space. They are military necessities and vital to our national security in the opinion of no less an authority than our moderator.

Yet, I think there is a basic difference in approach between the civilian and military proponents. The civilian scientists who have testified in this area in the past have appeared to me to be cautious to an extreme. They wish to move slowly from step by step, to reach their goal, without the necessary urgency. The Air Force, however, because of its experience in taking man into increasingly hostile environments, wants to recognize a specific terminal goal of the moon landing as the logical extension of progressive development of greater capabilities in the uses of space.

My concern is to move together on these two paths. We must make sure that the

civilian approach does not overlook the capabilities which are militarily useful and necessary in its scientific quest. So far, we have heard much of the usefulness of instruments in American programs with occasional efforts to downgrade the role of man. Yet, I submit that beyond the question of exploration of this environment must always lie the question of how man can control the uses of that environment to enhance his own security and well-being.

There is, of course, the clear and obvious reason that the development of space has identified it as another avenue of approach in the military sense, to be recognized in security planning. The position of the moon makes it a logical, critical terrain feature in this possible theater of operations. However, just as important from the view of space science is the data we will learn from lunar exploration, by instrument as well as by manned probes that may lead to solutions of questions regarding extraterrestrial life, the origins of the solar system and of life itself and the exploitation of resources which may lie fallow in and among the planets for the benefit of mankind.

We have no alternate choice. We are bound by the ingredients of time, money, manpower, and materiel. They offer challenges in themselves that must be met. How well we manage them will determine our success. The development of outer space is a national goal. The civilian and the military must work side by side in this space effort and break down any barriers that exist between them. Let us remember that when our big boosters roar upward at Cape Canaveral, the words lettered on them will not read "NASA" or "Department of Defense," but simply: "United States."

Activities of the Committee on the Judiciary, 87th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CELLER. Mr. Speaker, during the 1st session of the 87th Congress, the Committee on the Judiciary of the House of Representatives had before it a large body of legislation which called for prompt action as well as intensive study. The following record of its activities reveals the significant role played by this committee in the interest of the Nation.

Of the 10,955 bills and resolutions, introduced in the House, a total of 3,721 were referred to the Committee on the Judiciary, or, approximately, 34 percent of all proposals introduced in one form or another. Of these, 1,146 were public bills and 2,575 were private bills. A total of 151 hearings were held; 71 public bills were acted upon favorably, of which 39 have been signed into law; 27 have passed the House and are awaiting action by the Senate; 2 bills are pending in the House; 2 bills are in conference and 1 in the Committee on the Rules; 323 individuals were beneficiaries of private immigration legislation, of which 130 were House bills, 86 Senate bills, 42 House joint resolutions, and 65 Senate concurrent resolutions. The House Committee on the Judiciary acted expeditiously on private claim bills. Out of a total of 548 private claim bills, 89 are pending in the Senate, 58 have been enacted into private law and 36 were disapproved.

Of major national interest are the following legislative proposals enacted into law and upon which this committee placed heavy emphasis:

Public Law 87–36, to provide for the appointment of additional circuit and district judges, and for other purposes. This act created 73 additional judgeships.

Public Law 87–228, to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises.

Public Law 87–216, to amend chapter 50 of title 18, United States Code, with respect to the transmission of bets, wagers, and related information.

Public Law 87–218, to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia.

Public Law 87–368, to amend section 1073 of title 18, United States Code, the Fugitive Felon Act.

These are a series of crime bills which, when taken together, make for a formidable weapon against organized crime.

The major enactment in the area of immigration and nationality was Public Law 87–301, to permit the entry of certain eligible alien orphans.

Also of major interest was Public Law 87–258, to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes.

Public Law 87–225, to provide for reasonable notice of applications to the United States courts of appeals for interlocutory relief against the orders of certain administrative agencies.

Litigants in Federal courts will be benefited by the provisions of this act since instead of a requirement of 5 days' notice which because of its inflexibility has created hardships, a reasonable notice is substituted.

Important compacts between the States:

Public Law 87–162, granting the consent of Congress to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States.

Public Law 87–115, consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake.

Public Law 87–50, giving the consent of Congress to a compact between the State of Arizona and the State of Nevada establishing a boundary between those States.

These acts will settle many questions between the compacting States and lay to rest many questions which are before these States in the course of the absence of congressional consent.

Public Law 87–17, to amend Public Law 86–272 relating to State taxation of interstate commerce. State taxation on interstate commerce has become a most vexatious problem. Public Law 86–272 was too limited in scope to permit a thorough airing of the problem. Consequently, this act enlarges the scope of the inquiry. Both consuming States and manufacturing States are agreed that enlarging the scope of the inquiry and the very inquiry itself is one of the major accomplishments of this Congress.

Public Law 87–306, to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities.

Since the internal security of the United States is dependent upon secure, positive and instantaneous communications, it is understandable that this act is of major interest to the country. It strengthens the criminal law against willful or malicious interference with or destruction of any communication facility used or intended to be used for military or civil defense functions of the United States. If the communications system fails, it is apparent that all of the billions for armaments, for missiles, and for bombers would be in vain.

Public Law 87–324, to amend the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended.

This act extends the life of the Commission and Advisory Committee on International Rules of Judicial Procedure until December 31, 1963. The Commission is to investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. Thus, the attention of the Commission is directed to the improvement of procedures which involve the performance of acts in foreign territory, the obtaining of evidence, the proof of foreign law, and the service of judicial documents, among other things.

Public Law 87–336, to amend section 5021 of title 18, United States Code—Youth Corrections Act.

Presently a youth offender who has been committed or incarcerated, is entitled upon discharge to have his conviction set aside. A youth offender who is not committed, however, and who, instead, is placed on probation by the court, is not entitled to this benefit. The instant bill will now make available to a youth offender who is placed on probation the same benefits that a youth offender receives who has been committed to a correctional institution.

Also significant are the following: Public Law 87–338, to amend section 35 of title 18, United States Code—imparting or conveying false information. Public Law 87–366, to amend sections 1 and 3 of the Foreign Agents Registration Act of 1938, as amended. Public Law 87–371, to amend title 18 of the United States Code to prohibit the counterfeiting of State obligations in certain cases, and for other purposes. Public Law 87–369, to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and cen-

sorship, and Public Law 87–331, to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

The results of the work of the committee members and the staff have been most gratifying and I, as chairman, am indeed grateful for the cooperation and the willingness to devote long working hours in the fulfillment of the responsibilities placed upon them. A detailed analysis of each subcommittee's work follows:

SUBCOMMITTEE NO. 1: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER IMMIGRATION AND NATIONALITY

In the field of immigration and nationality, Subcommittee No. 1 has acted on the following bills:

S. 2237 contains certain amendments to the Immigration and Nationality Act, incorporates into that act certain provisions of existing law for the purpose of codification and provides legislation designed to facilitate the unification of families of U.S. citizens and permanent resident aliens. This bill; as initially passed by the Senate, extended until July 1, 1963, the orphan provisions as contained in section 4 of Public Law 85–316, as amended, which had expired on June 30, 1961. The House committee deleted the Senate language and substituted language which would incorporate and codify into permanent law, with modifications, the provisions of several successive, temporary enactments facilitating the immigration of alien orphans adopted by or to be adopted by U.S. citizens. The amendment authorizes the issuance of special nonquota immigrant visas to "eligible orphans" under 14 years of age who, prior to the institution or during pendency of adoption proceedings abroad, had been seen and observed by the adoptive parents, or to orphans who have been selected abroad and would be coming to the United States for adoption in accordance with applicable State statutes. Provision is made for the issuance of nonquota immigrant visas to eligible orphans if a visa petition filed in behalf of such eligible orphan was approved by the Attorney General prior to September 30, 1961, or was pending prior to that date and is subsequently approved.

The bill also includes provisions relating to judicial review of orders of deportation and exclusion of aliens entered by the Attorney General. These provisions are identical with H.R. 187 which passed the House July 10, 1961.

Additional amendments eliminate the existing requirement that a visa applicant state in his application his race and ethnic origin; accord veterans of the Korean hostilities the same naturalization privileges as existing law accords veterans of World War I and World War II; remove the existing 2,000 quota ceiling imposed on the "Asia-Pacific Triangle"; assure any new political entities immigration quotas equal to the total of quotas or subquotas presently established for each of the component parts which comprise the new entity; correct abuses resorted to by aliens who desire to obtain preferential status by contracting fraudulent marriages; require all petitions for naturalization filed after the enactment of the Immigration and Nationality Act (December 24, 1952) be heard and determined in accordance with the requirements of that act; restore to existing law illegality in procurement of naturalization as a ground for revocation of naturalization; set up rules of evidence under which the burden of proof to establish loss of citizenship by preponderance of the evidence would rest with the Government—the presumption of voluntariness under the proposed rules of evidence would be rebuttable, similarly, by preponderance of the evidence; provide for inclusion of the spouse or child of a naturalized U.S. citizen within the exemption from loss of citizenship granted such citizen who has attained the age of 60 years and who has resided abroad for not less than 10 years and is in bona fide retirement from a designated type of occupation; and, eliminate from the excluding clause of existing law tuberculosis and leprosy and provides for the exclusion of aliens who are afflicted with any dangerous contagious disease.

Four sections of the bill codify existing law applicable to the granting of waivers of certain excluding provisions of the Immigration and Nationality Act and consolidate with the basic statute provisions contained in separate enactments: to wit, section 4 of the act of September 3, 1954, and section 5, 6, and 7 of the act of September 11, 1957.

The bill also provides that the beneficiaries of second and third preference petitions filed prior to July 1, 1961, shall be accorded nonquota status. This provision is designed to expedite the reunification of families of U.S. citizens and immigrants admitted for permanent residence. This bill was enacted into law on September 26, 1961 (Public Law 87–301).

H.R. 8291, as amended, reenacts three provisions of the Mutual Security Act of 1954, authorizing U.S. participation in, or operation by the United States, respectively, of existing programs of assistance to certain migrants and refugee-escapees, and authorizes the appropriation of funds for such programs. The bill also authorizes the appropriation of funds to assist certain refugees from the Western Hemisphere who fled to the United States for fear of persecution (such assistance having been hitherto rendered by using the President's contingency funds for the benefit of refugees from Cuba). This bill passed the House on September 12, 1961. It passed the Senate and is now in conference.

H.R. 187 creates a single, separate, statutory form of judicial review of administrative orders for the deportation and exclusion of aliens from the United States. Aliens may seek judicial review of an order of deportation by filing a petition in the U.S. Circuit Court of Appeals, orders of exclusion to be reviewed exclusively by writs of habeas corpus. Such orders shall not be reviewed until all administrative remedies have been exhausted. The bill provides for trial de novo of substantial claims to American nationality by persons who have been ordered deported.

This bill passed the House July 10, 1961. Identical provisions are included in S. 2237, as amended, which was enacted into law September 26, 1961 (Public Law 87–301).

Under the general jurisdiction of Subcommittee No. 1, the following bills were considered:

House Joint Resolution 225 grants the consent of the Congress to an interstate-Federal compact that will create a regional governmental commission to administer comprehensibly the water resources of the Delaware River Basin. Parties to the compact are the Federal Government and the States of Pennsylvania, New York, New Jersey, and Delaware. This resolution was enacted into law September 27, 1961 (Public Law 87–328).

H.R. 2730 extends the application of chapter 37 of title 18 United States Code, relating to espionage and censorship, to acts committed anywhere in the world by repealing section 791 of that title. That section now provides that the provisions of chapter 37 which apply only within the admiralty and maritime jurisdiction of the United States, on the high seas, and within the United States. This bill was enacted into law in 1961 (Public Law 87–369).

H.R. 176, as amended, provides for the representation of the U.S. Court of Customs and Patent Appeals on the Judicial Conference of the United States. Additionally, the bill amends section 605 of title 28, United States Code, by eliminating the special budgetary position, thus placing the Court of Customs and Patent Appeals on the same level as other U.S. courts which are represented on the Judicial Conference. This bill was enacted into law September 19, 1961 (Public Law 87–253).

H.R. 8490 amends the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure, as amended (Public Law 85–906 amended by Public Law 86–287) by extending the life of the Commission for an additional 2 years to December 31, 1963, thus, providing a reasonable period for the completion of the Commission's projected program. The bill was enacted into law September 26, 1961 (Public Law 87–324).

Public hearings were held by Subcommittee No. 1 on the Delaware River Basin compact (H.J. Res. 225), the proposed Migration and Refugee Assistance Act (H.R. 8291) and on the several bills relating to the mailing of obscene matter.

The extent of the work of this subcommittee in the area of private legislation is set forth in the following table:

Private bills

House bills:	
Private laws	130
Pending in Senate	26
On Private Calendar	1
Incorporated in House joint resolution or other bills which became private law	42
Tabled	295
Tabled because Senate companion bills passed in lieu	14
Pending in committee	1,342
Total	1,850
Senate bills:	
Private laws	86
Passed House amended	2
On Private Calendar	2
Tabled	28
Pending in committee	51
Total	169
House joint resolutions:	
Private laws	2
Pending in committee	1
Total	3

Total private laws: 218.

One Senate concurrent resolution was approved. It included the names of 29 applicants for suspension of deportation under the provisions of section 244(a)(5) of the Immigration and Nationality Act; 19 applicants for suspension of deportation under the provisions of section 19(c) of the Immigration Act of 1917, as amended; 14 applicants for adjustment of status under the provisions of section 6 of the Refugee Relief Act of 1953, as amended; and 3 applicants for adjustment of status under the provisions of section 4 of the Displaced Persons Act of 1948, as amended.

SUBCOMMITTEE NO. 2: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER CLAIMS

In the 1st session of the 87th Congress, the subcommittee held 35 meetings, and conducted hearings on 22 days. These covered public as well as private claims measures.

The subcommittee considered H.R. 2883 and a group of similar bills relating to the problem of personal liability of Government

drivers. H.R. 2883 making the remedy provided in the Federal tort claims provisions of title 28 of the United States Code the exclusive remedy in cases arising out of the operation of Government vehicles was favorably reported, passed both Houses and became Public Law 87–258.

The subcommittee conducted a hearing on House Joint Resolution 91 and several similar joint resolutions proposing an amendment to the Constitution to provide for the continuity of membership in the House of Representatives in the event of disaster. House Joint Resolution 91 was favorably reported to the full committee. H.R. 298, providing for the recovery of the cost of medical or hospital care extended by the United States, from negligent third parties was also favorably recommended to the full committee at the close of the session.

Three bills concerning compensation systems administered by the United States which were favorably considered by the subcommittee passed both Houses and became law during the session. H.R. 7358 which became Public Law 87–317, extended the provisions for compensation found in section 4126 of title 18 to Federal prisoners injured while working in the maintenance or operation of the institution in which confined. S. 935, enacted as Public Law 87–234, authorized the filing and consideration of certain National Guard claims under the Federal Employees' Compensation Act. The compensation payable under the War Hazards Compensation Act was increased by 15 percent by the enactment of H.R. 4357 as Public Law 87–380.

H.R. 1777 providing for the amendment of title 18 to bar the transportation of fraudulent State tax stamps or the equipment to make them in interstate or foreign commerce became Public Law 87–371. H.R. 3227 permitting the introduction of photographic reproductions of business records held in custodial or fiduciary capacities was enacted as Public Law 87–183.

Two bills referred to the subcommittee provided for relief from liability for groups of service personnel who were paid money under circumstances where the payments were subsequently ruled to have been erroneous. H.R. 6244 provided relief to servicemen who had received family separation allowances under a regulation subsequently ruled to be invalid. That bill became Public Law 87–207. Another bill, H.R. 7099, validating certain per diem allowances paid to Coast Guard personnel assigned to construct loran stations in foreign countries, was reported and passed the House but was not acted upon in the Senate.

A bill, H.R. 4131, extending authority to the Comptroller General to waive indebtedness for erroneous payments to Government personnel was the subject of a hearing and was reported to the House in the form recommended by the subcommittee. The bill passed the House in that form.

H.R. 6533, validating payments of compensation to Government employees under an erroneous interpretation of a remedial employees' pay law, was favorably considered, reported, and passed the House.

H.R. 4528 provided for the relief of persons harmed as the result of the negotiation of forged or fraudulent Government checks issued at the Parks Air Force Base, Calif. The bill passed the House but was not acted upon in the Senate.

A number of bills granting relief to States or political subdivisions within States were considered by the subcommittee. Among the bills recommended favorably was S. 1942 compensating the State of New Hampshire for amounts it paid as the result of the crash of a National Guard jet aircraft on a training mission. That bill became Public Law 87. H.R. 74, reimbursing the city of New York for expense incurred in rehabilitating a ferry slip for Army use, was reported and passed the House. A bill, H.R. 4917, authorizing the payment of half of the cost to Albany County, N.Y., in leasing Civil Defense communications equipment, was favorably considered and ultimately was enacted as Public Law 87–335. A bill concerning flood-damage payments to Hood County, Tex., H.R. 4360, was reported and passed the House.

Three bills concerning problems faced by school boards in connection with the Federal Government were recommended by the subcommittee and were reported to the House. H.R. 1627, concerning the Princess Anne County School Board, Virginia, provided for the payment of an amount to be fixed by the Court of Claims in return for the conveyance of the Oceana Public School property, the use of which was prejudiced by aircraft operations. H.R. 1627 was approved as Public Law 87–251. A similar bill, H.R. 6759, for the relief of the Prince Georges County School Board, Maryland, and relating to a school near Andrews Air Force Base, was reported by the full committee to the House. H.R. 6103, authorizing the refund of $1,500 paid as rent by the Stella Reorganized Schools, Missouri, for the use of a barracks after its school burned, was reported and passed the House.

H.R. 8958, which became Public Law 87–393, granted the Secretary of the Air Force the authority to settle claims arising out of the crash of an Air Force aircraft at Midwest City, Okla., without regard to the $5,000 limitation provided in section 2733 of title 10 of the United States Code.

Three joint resolutions recognizing centennial observances during 1962 were favorably considered by the subcommittee. House Joint Resolution 435 concerning the centennial of the Department of Agriculture became Public Law 87–161. House Joint Resolution 436 recognizing the centennial of the establishment of the national system of land-grant colleges and universities became Public Law 87–163. Senate Joint Resolution 98 providing for the observation of the centennial of the enactment of the Homestead Act became Public Law 87–272.

The subcommittee favorably considered H.R. 8741 embodying the recommendation of the General Services Administration that existing law permitting the waiver by the armed services secretaries of payment or performance bonds in connection with cost type or supply contracts be extended to all Federal agencies in a uniform manner. The bill was reported and passed the House.

H.R. 310 extending limited authority for the settlement of certain claims arising from activities of members or employees of the military services outside the scope of their duties was also reported and passed the House.

The following tabulation indicates the workload of this subcommittee in connection with claims against the Government:

Referred to subcommittee:	
Private, House bills	521
Private, House joint resolutions	2
Private, House resolutions	7
Private, Senate bills	18
Total	548
Public, House bills	52
Public, House joint resolutions	8
Public, House resolutions	9
Public, Senate bills	2
Public, Senate joint resolutions	1
Total	72
Grand total	620
Approved by subcommittee:	
Private, House bills	149
Private, House resolutions	3
Private, Senate bills	10
Total	162
Public, House bills	23
Public, House joint resolutions	3
Public, Senate bills	2
Public, Senate joint resolutions	1
Total	29
Grand total	191
Adversely reported by subcommittee:	
Private, House bills	36
Private, House joint resolution	1
Private, Senate bills	2
Public, House bills	10
Public, House joint resolution	1
Total	50
Reported to House:	
Private, House bills	146
Private, House resolutions	3
Private, Senate bills	10
Total	159
Reported to House:	
Public, House bills	20
Public, House joint resolutions	2
Public, Senate bills	2
Public, Senate joint resolution	1
Total	25
Grand total	184
Passed House:	
Private, House bills	141
Private, House resolutions	3
Private, Senate bills	8
Total	152
Public, House bills	19
Public, House joint resolutions	2
Public, Senate bills	2
Public, Senate joint resolution	1
Total	24
Grand total	176
Pending in Senate:	
Private, House bills	89
Public, House bills	7
Total	96
Public laws enacted	14
Private laws enacted	58
Bills vetoed, private	3
Sent 3 private claims bills of the House to the Court of Claims by House resolutions.	
Private claims settled administratively (tentative)	4

SUBCOMMITTEE NO. 3: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER PATENTS, TRADEMARKS, COPYRIGHTS, AND REVISION OF THE LAWS

The jurisdiction of this subcommittee falls generally into three categories, namely, (a) general legislation, (b) patents, trademarks and copyrights, and (c) revision of the laws. In all 115 bills were referred for subcommittee action. At the end of this statement is a table showing the disposition which the subcommittee and in many instances the full committee and the Congress has made of this legislation. There follows a general discussion of the legislation touching the

highlights of the subcommittee's program in this first session of the 87th Congress.

GENERAL LEGISLATION

As part of the subcommittee's program to study decisions of the U.S. Supreme Court for the purpose of introducing legislation where needed, the subcommittee favorably considered and the House approved H.R. 3247, to clarify the meaning of the term "organize" as it is used in the Smith Act. This bill is the result of *Yates* v. *United States* (354 U.S. 298), which involved the question of whether 14 known Communists had violated certain sections of our internal security laws in conspiring to overthrow the U.S. Government by force and violence and in organizing groups for the same purpose. The term "organize" has been rewritten so as to encompass not only the initial act of organizing but also the continuous process of recruiting new members, regrouping, and expanding existing organizations.

The Foreign Agents Registration Act was also the subject of a bill processed by the subcommittee. Today, while agents of foreign principals must register under the Foreign Agents Registration Act, they need do so, under certain circumstances, only when the agents are "subsidized" by their foreign principals. H.R. 470, which became Public Law 87–366, expands the act so as to require agents, irrespective of whether they are subsidized, to register with the Department of Justice if their foreign governments or foreign political parties exercise control or supervision over their policies and activities.

Another bill which became public law, H.R. 6834, relates to the imparting of false bomb information. This new act makes it a misdemeanor knowingly (but without malice) to impart or convey false bomb information, and further makes it a felony to convey such false information willfully and maliciously, or with a reckless disregard for human life.

In 1956 Congress enacted the Automatic Payment of Judgments Act, which materially reduced the administrative and legislative burdens both of the executive departments and of the Congress, by authorizing the automatic payment of judgments handed down by the Federal courts. This act has proven successful. As a result, a bill, H.R. 6835, was introduced to provide a corresponding simplification for the payment of judgments of State and foreign courts as well as the payment of compromise settlements in like causes. This bill has become Public Law 87–187.

Legislation on which the subcommittee expended considerable time and effort proposed enlarging the membership of the House of Representatives. The subcommittee considered some 21 bills, which would have increased the House membership variously from 437 Members to 469 Members. In addition to hearings there were several executive sessions in which the subcommittee as well as the full committee considered and reconsidered various aspects of the legislation. As of the end of this session, however, the full committee had taken unfavorable action on one of the bills, and the subcommittee has indefinitely postponed action on the remainder of the bills.

Several other general bills were processed by the subcommittee and became law. They are, H.R. 5343, permitting the courts to set aside the convictions of youthful offenders (Public Law 87–336), and H.R. 5656, providing for reasonable notice, instead of the present requirement of 5 days' notice, on applications to U.S. Courts of Appeal for interlocutory relief against the orders of certain administrative agencies (Public Law 87–225). In addition, others have passed the House and are pending in the Senate. They are H.R. 75, requiring the U.S. Supreme Court to treat appeals improperly taken from Federal circuit courts as petitions for certiorari; and H.R. 2041, permitting the sale of stream-clogging water hyacinths in those areas where climates are such that the plants are unable to survive winter weather.

Interstate compact bills were also the subject of consideration by the subcommittee. Three of these compacts became public law. They are S. 133—Arizona-Nevada boundary compact (Public Law 87–50). H.R. 7454, the Pennsylvania-Ohio compact relating to Pymatuning Lake (Public Law 87–115), and H.R. 7189, North Dakota-Minnesota boundary compact (87–162). Other compacts considered or being considered by the subcommittee are H.R. 6243, authorizing Guam to enter into certain interstate compacts for the enforcement of criminal laws and policies, H.R. 7498, granting the consent of the Congress to the southern interstate nuclear compact, H.R. 6717, authorizing the district courts to entertain cases involving pollution of interstate river systems, and S. 464, authorizing interstate compacts for the development and operation of library facilities and services.

Other bills of significance studied by the subcommittee in this session are H.R. 3, dealing with Federal preemption of State statutes, and H.R. 3248, providing for the admission of certain evidence in court (Mallory case). This latter bill has been favorably reported to the full committee. Also referred to the subcommittee for its consideration is H.R. 3093, to eliminate the abuse of the use of habeas corpus by State prisoners.

PATENTS, TRADEMARKS, AND COPYRIGHTS

H.R. 4333, which substantially affects the trademark laws, was favorably considered by the subcommittee, passed the House, and is now pending in the Senate. The provisions of this bill affect details of registration, administrative and court procedure, and the internal organization of the Patent Office regarding trademark matters.

The subcommittee processed H.R. 5754, to carry into effect a provision of the convention of Paris for the Protection of Industrial Property (Patents and Trademarks). The provisions of the convention are not self-executing and the instant bill, which became Public Law 87–333, amends Federal law to give effect to the convention to conform our Federal statutes to the applicable provisions of the convention.

Another bill enacted into law is House Joint Resolution 499 (Public Law 87–292), authorizing the Secretary of Commerce and others to make suitable arrangements for the observance of American Patent System Week, which has been designated by President Kennedy to be the week of October 15, 1961.

Pending in the subcommittee is H.R. 6354, a bill providing penalties for the counterfeiting of phonograph records. Also pending is H.R. 70, popularly referred to as the jukebox bill, which would require operators to pay royalties to songwriters for the public performance of their works on records in jukeboxes.

The subcommittee held extensive hearings on H.R. 5487, which would permit patent holders to bring civil actions against Government contractors who infringe their patents while carrying out Government contracts. A number of other bills also being considered by the subcommittee concern overall Government patent policy regarding Government contracts.

The staff of the subcommittee has been working with the Copyright Office in connection with the revision of the copyright law. The committee recently published a report of the Register of Copyrights in this connection. This report contains the tentative recommendations of the Copyright Office. It has been issued by the committee for the purpose of inviting all persons concerned to submit comments and suggestions, which will be carefully considered in the next session of Congress, when the task of drafting a general revision bill is taken up.

The subcommittee has pending a bill to raise certain fees in the Patent and Trademark Offices (H.R. 7731). Similar legislation has been favorably considered in the 84th, 85th, and 86th Congresses. The only new feature in the present legislation which distinguishes it from its predecessors is a provision for maintenance fees, sometimes referred to as renewal fees. This type of fee would be an innovation in our patent law, in that these fees would be required to be paid at certain intervals during the life of a patent in order to keep it in force.

REVISION OF THE LAWS

Classification of laws to United States Code and the District of Columbia Code

The primary aspect of the subcommittee's functions regarding the revision of the laws is the classification of the public laws to the United States Code and the District of Columbia Code. During this 1st session of the 87th Congress there will have been enacted more than 400 public laws, comprising about 1,000 pages in the Statutes at Large. These have been reviewed, or will be reviewed during the recess, to determine their appropriate classification to the respective code. When the classification is completed these laws will be incorporated in cumulative supplements to the codes and it is hoped that printer's copy will be furnished to the Government Printing Office starting in early November 1961.

The laws of a general and permanent nature enacted at the 2d session of the 86th Congress were classified and incorporated in the second supplement of the United States Code, 1958 edition, which consisted of two volumes containing more than 800 pages and was the first time in the history of the United States Code that a supplement for one Congress required two volumes. This supplement became available in April 1961.

New edition of District of Columbia Code

The work of preparing the new edition of the District of Columbia Code has been completed and the first volume will be available this month. This edition consolidates the laws contained in supplement VIII with the laws contained in the 1951 edition, involving the voluminous editorial and manuscript work. Editorial notes have been enlarged and other improvements made. The new edition comprises three volumes and contains all the general and permanent laws relating to the District of Columbia in force at the beginning of the 87th Congress. The code is completely annotated and contains notes of decisions by the U.S. Supreme Court, the courts of appeals and the district courts, as well as the municipal court of appeals.

Enactment of titles into law

In continuing its program of making the codes more useful the subcommittee has devoted its attention to the preparation of bills to enact particular titles into law. Inasmuch as Public Law 86–682, enacting into law title 39 of the United States Code, contains the laws only up to March 1959, it was necessary to introduce a cleanup bill incorporating the postal laws enacted since that time. The bill (H.R. 173) was introduced early at this session. Also a bill to bring up to date titles 10 and 32 of the United States Code (H.R. 2597) has been introduced.

For several years the law revision staff of the subcommittee has been collaborating

closely with the General Counsel's office of the Civil Service Commission in the preparation of a bill to enact into law title 5, relating to the executive departments and employees generally. A bill (H.R. 8748) was introduced in the 86th Congress and the subcommittee has received many suggestions with respect to the bill in response to its request addressed to all the executive departments and regulatory agencies. As a result a new bill is being prepared and it is hoped that it will be ready for introduction early in the next session.

Similarly, the staff has been cooperating closely with the office of the General Counsel of the Department of Defense in the preparation of a bill to enact into law title 37 of the United States Code, "Pay and Allowances of the Uniform Services." A bill (H.R. 6700) was introduced early in the 87th Congress.

The subcommittee has extended to the District of Columbia Code its program of improving the codes, and a bill (H.R. 8857) was introduced last Congress to enact into law Part II of the District of Columbia Code, Judiciary and Judicial Procedure, comprising titles 12–17. The staff has had numerous conferences with representatives of the courts and the bar association and many suggestions received will be incorporated in a new bill to be introduced in the next session.

Panama Canal Zone Code

During the 86th Congress, the Governor of the Panama Canal Zone appointed the committee's law revision counsel as an adviser on the preparation of a new Canal Zone Code. The present code was enacted in 1934 and has not been kept up to date by a subsequent amendment. The committee's law revision counsel attended several meetings of the advisory committee and a bill (H.R. 7468) has been introduced. The bill has been referred to this committee and when reports are received from the departments, it is expected that it will be reported favorably to the House.

During the recess the work on this bill and the other bills mentioned will be pursued with the view of obtaining favorable action early in the next session.

Bills referred, 115.
Bills on which hearings were held, 37.
Bills reported favorably to full committee, 18.
Bills reported adversely to full committee, 11.
Bills pending in subcommittee, 87.
Bills reported to House, 16.
Bills passed House, 16.
Bills pending in House, none.
Bills pending in Senate, 6.
Bills which became law, 10.

SUBCOMMITTEE NO. 4: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER BANKRUPTCY AND REORGANIZATION

In the exercise of its special jurisdiction over bankruptcy and reorganization the subcommittee considered a number of diverse measures. Three of these passed the House and are awaiting action in the Senate Committee on the Judiciary. They are: H.R. 1961, H.R. 4473, and H.R. 7405.

H.R. 1961 is a complex piece of legislation directed at clarifying the status of liens in bankruptcy and clearly defining the powers of the trustee. A predecessor bill, H.R. 7242, passed both Houses in the 86th Congress but was not approved by the President. In considering H.R. 1961 this year the subcommittee once again endeavored to meet the objections raised by the Treasury Department in respect to the treatment of the Federal tax lien. A number of substantive amendments which had been suggested by Treasury were incorporated in the bill. The bill was also modified to take into account the recent action of the Supreme Court in *Lewis* v. *Manufacturers National Bank* which eliminated the need for certain provisions of the bill.

The subcommittee also favorably reported H.R. 4473. This bill is identical to H.R. 2236 which passed the House in the 86th Congress but was not acted upon in the Senate. The bill places a 3-year limitation on the priority and the nondischargeability of taxes. The House once again passed the bill and it is now before the Senate Committee on the Judiciary.

During the last two Congresses the subcommittee acted upon a large number of bills effecting relatively minor procedural changes in the Bankruptcy Act. In other proceedings in the Federal courts, these matters would probably have been dealt with by order of the Supreme Court. However, the Supreme Court does not have the power in respect to bankruptcy to issue rules superseding existing law which it has in other types of proceedings. This bill would give the Court the same power in respect to rules in bankruptcy that it now has in civil procedure, admiralty, criminal procedure prior to and including verdict, and review of decisions of the Tax Court. This bill has passed the House and is also before the Senate Committee on the Judiciary.

Ten years after the enactment of the Chandler Act in 1938 a review of its operation was made and legislation was enacted to remedy various inaccuracies, ambiguities, or other minor imperfections. With the passing of a second decade, a second decennial review was undertaken and those measures which were considered necessary and noncontroversial were embodied in H.R. 5393. The subcommittee considered this bill and recommended a number of amendments to it. The bill is now before the House.

In addition to the bankruptcy legislation already discussed, the subcommittee also held hearings on H.R. 5341, a bill providing for comprehensive changes in the tenure, salary, and terms for retirement of referees in bankruptcy. No action, however, was taken on this bill.

The subcommittee had referred to it a number of bills within the general jurisdiction of the Committee on the Judiciary.

Five of these bills have now passed the House. They cover matter ranging from the Federal slug law to problems of jurisdiction and venue in actions against Government officials. The bills which have passed the House are as follows:

H.R. 1960. This bill makes it possible to bring actions against Government officials and agencies in U.S. district courts outside the District of Columbia, which, because of certain existing limitations on jurisdiction and venue, may now be brought only in the U.S. District Court for the District of Columbia.

H.R. 6691. This bill provides criminal penalties against those who threaten the Vice President-elect or such other officer as may be next in the order of succession to the Office of President. The bill also gives authority to the Secret Service, which it does not now have, to provide protection for the Vice President, the Vice President-elect and a former President.

H.R. 8038. The purpose of this bill is to broaden the Federal criminal law dealing with the manufacture and sale of slugs and similar devices. It extends Federal jurisdiction to the use of slugs and other devices in machines which are to be operated by U.S. money.

H.J. Res. 358. Designed to make people more aware of the dangers of accidental poisoning, this bill authorizes and requests the President to issue a proclamation designating the 3d week in March of each year as National Poison Prevention Week.

S. 1990. As a result of the bombing of certain communication facilities, Congress was called upon by a number of Members to strengthen the Federal criminal laws in this area. The subcommittee held hearings on such legislation and reported out a bill which had already passed the Senate. This bill strengthens the criminal law against willful or malicious interference with or destruction of communication facilities used or intended to be used for military and civil defense functions of the United States.

During this session the subcommittee also held hearings on a number of other bills including House Concurrent Resolution 125, House Joint Resolution 475, and H.R. 8519.

House Concurrent Resolution 125 would designate a President's Day. No action was taken on this bill. House Joint Resolution 475 would create a "U.S. Constitution 175th Anniversary Commission," and would authorize the appropriation of $500,000 for its activities. This bill ordered unfavorably reported to the committee but was subsequently re-referred to subcommittee. H.R. 8519 is designed to strengthen the Federal law in respect to the hijacking of aircraft and similar deeds. Legislation dealing with this problem was acted upon by the Committee on Interstate and Foreign Commerce and became law. No further action has been taken by the subcommittee on this bill.

A statistical summary of the work of the subcommittee during the first session of the 87th Congress follows:

Number of bills referred to Subcommittee No. 4: 63.
Number of bills on which hearings were held: 17.
Number of bills reported to full committee: 12.
Number of bills on which reports were filed: 9.
Number of public bills passed House: 8.
Number of public bills pending in Senate: 6.
Number of Senate bills disposed of: 1.
Number of bills approved by President: 2.

SUBCOMMITTEE NO. 5: GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED—SPECIAL JURISDICTION OVER ANTITRUST MATTERS

This subcommittee exercises jurisdiction over a variety of subjects, including such topics as civil rights, the Federal judicial system, criminal statutes, and particular jurisdiction over antitrust matters.

During the 1st session of the 87th Congress, this subcommittee had referred to it 382 legislative proposals. Twenty-seven days were spent in conducting hearings before this subcommittee.

Among the legislative proposals enacted into law was the bill providing for 73 additional new Federal judges. This bill, which became Public Law 87–36, provided for the appointment of 63 new U.S. district judges and 10 new positions on the U.S. courts of appeal. In addition, this law created two new judicial divisions, one in the western district of Louisiana and a second in the eastern district of Arkansas. It also authorized new places of holding court in various judicial districts throughout the United States. In the consideration of this legislation the subcommittee considered approximately 40-odd bills dealing with new judgeships, new places of holding court, new divisions, and new districts.

Another major consideration by this subcommittee was the Attorney General's program for legislation against organized crime. After extensive hearings at which representatives of Federal and State law enforcement authorities, as well as representatives of bar associations, testified, there was enacted into law Public Law 87–228, which prohibits travel or transportation in commerce in aid of racketeering enterprises. Also Public Law 87–218, prohibiting the interstate transportation of wagering paraphernalia, and Public Law 87–216, which prohibits the transmission of bets, wagers, and related information by wire communication facility. Also enacted into law was the legislative proposal which broadened the scope of the

Fugitive Felon Act by repealing the specific crimes contained in that statute and inserting the broad language to cover all felonies or high misdemeanors as defined by the law of the State wherein the crime was committed. This proposal became Public Law 87–368.

This subcommittee processed and recommended favorably reported what is now Public Law 87–189, which eliminates the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Judicial Circuit. Thus, appeals from the Supreme Court of Puerto Rico will now go directly to the Supreme Court of the United States. Another legislative proposal relating to Puerto Rico which the subcommittee processed was H.R. 6902. Under this proposal, the judges of the U.S. District Court for Puerto Rico would hereafter receive life tenure instead of the limited term they now have. This bill passed the House and was pending in the Senate at the close of the first session of the Congress.

The subcommittee processed the legislation which is now Public Law 87–253 which provides for representation on the Judicial Conference of the United States for the U.S. Court of Customs and Patent Appeals. Another legislative proposal enacted into law was H.R. 7259 which became Public Law 87–337, whereby the ban of section 142 of title 28 of the United States Code was waived with relationship to the newly created Lafayette Division in the western district of Louisiana. The enactment of this legislation would permit the General Services Administration to plan permanent Federal court facilities at Lafayette, La.

The subcommittee also reported the bill, H.R. 6242, which would have authorized the Attorney General to fix the salaries of attorneys in the Department of Justice. However, that proposal failed of passage in the House.

Another proposal reported by the subcommittee which was pending before the Rules Committee at the close of the first session was the bill, H.R. 6496, which would have extended the power of the Civil Rights Commission to investigate all types of fraud in voting and also extend the life of the Commission for an additional 2 years.

The subcommittee also considered the bill, H.R. 5255, to clarify the status of circuit and district judges who have retired from regular active service. This bill passed the House. It passed the Senate, amended, and at the close of the first session of the Congress was pending in conference.

Another bill which was pending in the Senate at the close of the session was the bill, H.R. 7037, which the committee reported. This bill is designed to cure important defects in the present venue statutes with particular coverage as to criminal offenses not committed in any district.

Another important proposal which the subcommittee considered and reported favorably to the full committee in an amended version was the bill, H.R. 2696, which would provide for legal representation for indigent defendants in criminal cases in the Federal courts. This proposal was pending before the full committee at the close of this session of Congress.

Another proposal which the subcommittee processed and which passed the House and was pending in the Senate at the end of the first session was H.R. 6690. This bill provided for the inclusion of a district judge or judges on the judicial council of each circuit.

LEGISLATIVE

Thirty-two bills were assigned to the Antitrust Subcommittee during the 1st session of the 87th Congress. The subcommittee considered 17 of these bills during 15 days of public hearings. One bill, H.R. 9096, involving telecasts of professional league sports contests, was enacted into law, becoming Public Law 87–331 upon approval by the President on September 30, 1961. Another bill, H.R. 8140, dealing with bribery, graft, and conflicts of interest in the Federal service, was passed by the House and is pending in the Senate. A third bill, H.R. 71, to prevent manufacturers of motor vehicles from financing or insuring the sale of their products, was ordered reported to the full Committee on the Judiciary, subject to action on a pending motion to reconsider.

Sports telecasts

On August 28, 1961 the subcommittee held a hearing on H.R. 8757, a bill to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes. After study, the subcommittee ordered a clean bill, H.R. 9096, to be reported. As amended by the Committee on the Judiciary and enacted, H.R. 9096 enables the member clubs of a professional football, baseball, basketball, or hockey league to pool their separate rights in the sponsored telecasting of their games and permits the league to sell the resulting package of pooled rights without violating the antitrust laws. At the same time, the bill provides that the antitrust exemption shall not apply to any such package sale which permits the impairment of college football gate receipts through network telecasts of professional football contests at times when college games are scheduled to be played. The bill further withholds the antitrust exemption from agreements which prohibit the purchaser of league television rights from televising any game within any area except the home territory of a member club on a day when that club is playing a home game. H.R. 9096 became Public Law 87–331 on September 30, 1961.

Conflicts of interest

On June 1 and 2, 1961 the subcommittee held hearings on a number of bills (H.R. 302, H.R. 3050, H.R. 3411, H.R. 3412, and H.R. 7139) designed to implement and strengthen the criminal laws relating to bribery, graft, and conflict of interest in Federal employment. These hearings marked the culmination of more than 3 years of study by the subcommittee initiated by a staff study and a comprehensive staff report on Federal conflict-of-interest legislation issued in 1958, and including 10 days of hearings on conflict-of-interest bills during 1960. The subcommittee ordered a clean bill, H.R. 8140, reported to the Committee on the Judiciary. As amended by the committee and passed by the House, H.R. 8140 would strengthen, revise and simplify existing Federal conflict-of-interest laws; would make appropriate general provisions for consultants and temporary employees in the executive branch of the Government, and would integrate these conflict-of-interest laws with recodified prohibitions of bribery and graft. The bill is pending in the Senate.

Auto financing and insurance

On June 7, 8, 9, 28, 29, and 30, 1961, the subcommittee held hearings on H.R. 71, a bill to supplement the antitrust laws by preventing manufacturers of motor vehicles from financing and insuring the sales of their products. This bill is aimed at correcting what has been described as a monopolistic tendency in the automobile industry and a similar tendency in the businesses of financing and insuring automobile purchases, which contravene the national antitrust policy against monopoly and monopoly power. The subcommittee ordered H.R. 71 reported to the Committee on the Judiciary with an amendment that would limit its applicability to passenger automobiles, including stationwagons. A motion to reconsider this action remains pending.

Premerger notification

On April 27 and 28 and May 3 and 4, 1961, the subcommittee held hearings on four identical bills (H.R. 2882, H.R. 3563, H.R. 6058, and H.R. 6698), to amend the Clayton Act, as amended by the Celler-Kefauver Antimerger Act of 1950, by requiring prior notification of important corporate mergers and acquisitions and by authorizing the Federal Trade Commission to seek preliminary court injunctions against mergers of doubtful legality. The antitrust enforcement agencies have indicated that such legislation would enable them to be informed of mergers not publicly announced in time to determine whether to seek a preliminary injunction, and thus avoid the problems inherent in unscrambling the effects of corporate mergers entered into in violation of the Celler-Kefauver Act. These premerger notification bills are similar in major respects to H.R. 9424, which was adopted by the House unanimously in the 84th Congress and are identical with H.R. 2143 as reported by the Committee on the Judiciary in the 85th Congress.

Civil investigative demand

On August 23, 1961, the subcommittee held a public hearing on H.R. 6689, a bill to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws. The bill is recommended by the Department of Justice to cover situations in which suspected violators and others refuse to cooperate with the Department of Justice and where the Department believes that a grand jury investigation is not warranted. S. 167, a bill identical with H.R. 6689, was passed by the Senate in amended form and is before the subcommittee for consideration. In the 86th Congress a similar bill passed the Senate.

Functional discounts

On August 30, 1961, the subcommittee held a hearing on three identical bills (H.R. 3465, H.R. 4151, and H.R. 4529) to reaffirm the policy and purpose and clarify the intent and meaning of the Robinson-Patman Anti-price Discrimination Act (15 U.S.C. 13) by providing for mandatory functional discounts in certain circumstances. The bills would add a new proviso to section 2(a) of the Clayton Act, as amended by the Robinson-Patman Act. This proviso would require a manufacturing seller who restricts his direct sales to members of a particular functional class or classes to impose reasonable price differentials based on whether the customer purchases for resale to wholesalers or to consumers. The purpose of this requirement is to enable a wholesaler's customer to compete with like firms which purchase directly from the seller. These functional discount requirements would not, however, be imposed upon the seller willing to accommodate all would-be purchasers without regard to their size or function in the distributive process. Hearings on similar proposals were held by the subcommittee in July 1958, and again in June 1959.

INVESTIGATIVE

In the period elapsing since adjournment of the 86th Congress, the subcommittee conducted three sets of investigative hearings, and also received reports from Federal agencies concerning the steps they have taken to carry out the recommendations contained in the subcommittee's reports on investigations conducted in earlier years.

Port of New York Authority

On November 28, 29, and 30 and December 1 and 2, 1960, after final adjournment of the 86th Congress, the subcommittee conducted preliminary hearings dealing with the activities and operations of the Port of New York Authority. This investigation had its origin when, in March 1960, at the request

of the New Jersey congressional delegation, the staff of the subcommittee was directed to make a study of those activities and operations, including a review of the scope of the authoritys' major operations.

The Port of New York Authority is an interstate, regional development authority established under compacts between the States of New York and New Jersey in 1921 and 1922 for the purpose of dealing with the planning and development of terminal and transportation facilities and improving the commerce of the port district. Operations of the authority exercise a farflung influence on interstate commerce, yielding tax-exempt revenues in excess of $100 million annually from tunnels, bridges, terminals, airports, and shops, all valued at more than $900 million.

Notwithstanding the clear responsibilities of Congress in relation to the Port of New York Authority, for the 40 years of the port authority's life there has been no thoroughgoing congressional review of its activities.

Finally, it has been alleged that in the period of 40 years since its establishment, the overall operations of the port authority have at no time been subjected to a comprehensive overall audit by any governmental agency.

At the November–December 1960 hearings the subcommittee examined into these and other matters to determine whether legislation is needed with respect to congressional consent to the interstate compacts creating the port authority.

The reason why these hearings were preliminary only is that the subcommittee had been materially hampered in the pursuit of its inquiry by noncooperative conduct on the part of certain officials of the port authority. These officials have refused to make available to the subcommittee many documents and records of the port authority whose examination is essential to enable Congress to determine whether additional legislation with respect to the Port of New York Authority compacts is necessary. The facts concerning this conduct were by three separate contempt resolutions (Nos. 2117, 2120, and 2121) adopted by the House of Representatives in the 86th Congress, certified to the U.S. attorney for the District of Columbia for appropriate action under law.

Because of this behavior on the part of port authority officials, the subcommittee, in the exercise of its responsibility to inquire into the activities and operations of the port authority, was required to examine files and records of a considerable number of enterprises doing business with the port authority, and at great effort, to piece together information that would otherwise have been available in the port authority documents requested by, but withheld from, the subcommittee. There remain important areas in which, as the result of the position taken by the port authority officials in withholding records of the agency, the subcommittee has been wholly prevented from carrying out its legislative responsibilities.

Within the limitations imposed on the investigation by this failure of the port authority to cooperate, the subcommittee in these preliminary hearings inquired into a number of important matters, including the allegations that have been previously mentioned. A significant result of these preliminary hearings is that they confirmed the judgment of the subcommittee in insisting on compliance with its demand for the production of internal documents and in refusing to accept documents that were already of public record and oral testimony as a substitute.

Meanwhile, on November 25, 1960, an information was filed against Mr. Austin J. Tobin, executive director of the port authority, for violation of section 192 of title 2 of the United States Code.

In January 1961, this information came on for trial in the U.S. District Court for the District of Columbia before Judge Luther Youngdahl, sitting without a jury. On June 15, 1961, the court rendered its decision, finding the defendant guilty as charged. In his opinion, Judge Youngdahl sustained the subcommittee's right to demand production of the disputed documents and wholly validated the subcommittee's procedure. The conviction has been appealed and much time can yet be expected to elapse before a final judgment. Meanwhile the subcommittee's investigation is being suspended until a final judicial determination is made on the subcommittee's power and authority.

Ocean shipping

On March 7, 8, 9, 10, 15, and 16, 1961, the subcommittee conducted further hearings on antitrust problems in the ocean freight industry, supplementing 5 weeks of hearings previously held by the subcommittee in the fall of 1959 and in May 1960, in the course of which extensive testimony was received from officials of the Federal Maritime Board, representatives of steamship lines engaged in the foreign commerce of the United States, conference chairmen, and others.

In this investigation, the subcommittee's purpose has been to ascertain inasmuch detail as limitations of time and staff permit, first, the competitive practices of the ocean shipping industry in light of the requirements of the Shipping Act of 1916 and of the antitrust laws, and, second, the nature and adequacy of regulation and the enforcement of pertinent statutory provisions by the Federal Maritime Board and the Department of Justice.

The ocean freight inquiry began with a staff examination of hundreds of thousands of documents in the files of some 53 ocean freight conferences, and 9 American-flag and 4 foreign-flag steamship lines. The ensuing hearings disclosed that ocean carriers engaged in the foreign commerce of the United States have conducted their operations in gross disregard of the requirements of the Shipping Act of 1916 and of the Federal antitrust statutes. They further disclosed that the Federal Maritime Board had, for at least the preceding 12 years, been guilty of incredible neglect in carrying out the responsibilities delegated to it by the Congress under the Shipping Act of 1916. The subcommittee has examined in detail, the operations of a number of Federal regulatory agencies in connection with its overall study of monopoly problems in regulated industries. In this frame of reference the record of regulatory neglect by the Federal Maritime Board is unparalleled.

Furthermore, the industry's disregard of statutory requirements, coupled with Federal Maritime Board indifference to wholesale violations of the shipping laws, have necessarily injured the foreign commerce of the United States, have caused American consumers to pay more for imported goods, and have been detrimental to American manufacturers and exporters.

As a result of the 1959 hearings, the subcommittee referred to the Federal Maritime Board 127 instances of possible violations of the Shipping Act. It also referred numerous other possible violations to the Department of Justice. These referrals included 44 secret gentlemen's agreements restricting or destroying competition; 34 instances of discriminatory practices in apparent violation of sections 16 and 17 of the Shipping Act; 44 violations of conference agreements, rules, and regulations; 57 possible violations of the antitrust laws; and 7 possible violations of other criminal statutes.

At the subcommittee's hearings in May 1960 there were disclosed 29 additional unlawful gentlemen's agreements, and 21 additional instances of unlawful discriminatory practices. Still further apparent violations of law were referred to the enforcement agencies as a result of the 1961 hearings. It should be noted that these disclosures resulted from scrutiny of the records of only a relatively small portion of all ocean freight carriers and conferences.

On the basis of the subcommittee's hearings the Attorney General has embarked upon a sweeping grand jury investigation of steamship industry practices. Preliminary litigation, seeking to quash subpenas issued by that grand jury and served on more than 150 concerns, was terminated favorably to the Government in June 1960 and the investigations are underway.

The Federal Maritime Board, in response to the subcommittee's referral of possible violations, has instituted a number of important investigative and rulemaking proceedings, a number of which involve unfiled agreements whose filing with, and approval by, the Board are required by section 15 of the Shipping Act. Failure to file such agreements is a particularly serious offense because, as the Alexander committee report of 1914 made clear, the premise of the Shipping Act is that Government supervision and regulation of anticompetitive agreements is essential to compensate for the exemption of such agreements from the antitrust laws. Thus, when an anticompetitive agreement is not filed with the Board for approval, or is concealed from Board scrutiny, the violation strikes at the very heart of the Shipping Act. In recognition of the gravity of this matter, Congress prescribed a penalty of $1,000 a day for each day of violation. Beyond this, failure to file anticompetitive agreements between ocean carriers engaged in the foreign commerce of the United States subjects those participating in such schemes to the criminal and civil sanctions of the Sherman Antitrust Act and other Federal antitrust enactments.

The 1961 hearings involved the practices of certain additional foreign-flag carriers and steamship conferences. The subcommittee also heard testimony from several noncarrier groups that asked to be heard. Further, it received testimony from the Federal Maritime Board and the Department of Justice concerning action they had taken with respect to the matters referred to them by the subcommittee. A representative of the Comptroller General of the United States testified concerning action he had taken on matters referred to him by the subcommittee involving overcharges on Government-financed shipments of bulk cargo amounting to more than $300,000. Also, the subcommittee heard testimony concerning the establishment of so-called neutral bodies to supervise and police the operation of conference agreements.

Not unrelated to the disclosures of the subcommittee's inquiry into antitrust problems in the ocean freight industry is the formulation and the recent approval by Congress of the President's Reorganization Plan No. 7. Heretofore, the functions of promoting and subsidizing the merchant fleet and the function of regulation, including enforcement of the Shipping Act, have been combined in a single agency, the Federal Maritime Board, to the almost total neglect of regulation. Under Reorganization Plan No. 7, enforcement and regulatory functions will be the exclusive province of a new Federal Maritime Commission, an independent agency. Subsidies and other promotional functions will be in a Maritime Administrator, a Presidential appointee, in the Department of Commerce and under direction of the Secretary of Commerce. It is to be hoped that this reorganization will enable separate, independent enforcement of the shipping laws.

Note should also be taken of recent amendments of the Shipping Act which impose salutary limitations upon the kind of dual-rate contracts which shipping conferences may utilize and require advance filing of tariffs to which carriers are required to adhere. The subcommittee participated in the early drafting of these amendments.

The 1961 hearings by no means mark the end of the subcommittee's investigation or of its interest and involvement in the vital antitrust problems affecting the ocean freight industry. The subcommittee will not only obtain periodic reports from the Federal Maritime Board and the Department of Justice, but will take further testimony, when appropriate, from their officials. It is essential in the public interest that effective action be taken by these agencies to correct the deplorable situation which has been revealed by this subcommittee's hearings. The type of regulation which has in the past characterized the ocean shipping industry cannot be permitted to continue.

Nearing completion and publication is a comprehensive report of the Antitrust Subcommittee containing a summary and analysis of its lengthy hearings and its detailed legislative recommendations for dealing with ocean shipping problems, for strengthening the competitive provisions of the Shipping Act and related laws, and for establishing an effective regulatory system.

Consent decrees and the television broadcasting industry

It is the policy of the Antitrust Subcommittee to maintain continuing scrutiny of matters previously the subject of investigation and hearings. In accordance with that policy, the subcommittee held public hearings on June 14 and 15, 1961, to obtain current and specific information from the Department of Justice and from the Federal Communications Commission concerning actions taken by these agencies in respect of the various recommendations contained in the subcommittee's report on the consent degree program of the Department of Justice, issued on May 25, 1959, and on its report on the television broadcasting industry, issued on March 13, 1957.

At these hearings the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice and the Chairman of the Federal Communications Commission appeared, presented testimony, and were interrogated. A highlight of the testimony presented by the Assistant Attorney General at these hearings was the announcement that an urgent recommendation of the subcommittee's consent decree report would be carried out. In its consent decree report, the subcommittee recommended that "revision of the current antitrust consent decree procedures utilized by the Department of Justice is essential" and that such revision "should provide notice to the public of the terms of the consent decree, and establish a waiting period after there has been agreement between the Government and the defendant." Such procedures, the subcommittee pointed out, would assure competitors of the defendants a greater participation in the preparation of the terms of a consent decree than is now provided by the sporadic discussions which the Department of Justice on occasion initiates." In his testimony, the Assistant Attorney General informed the subcommittee that procedures were about to be promulgated by the Department "dealing with the matter of permitting affected parties an opportunity to present their views prior to the actual entry of a proposed consent decree." On June 29, 1961, the Attorney General announced the adoption of such a procedure.

The Chairman of the Federal Communications Commission testified in detail and at length concerning studies and investigations under way by that agency with respect to recommendations made by the subcommittee.

Space satellite communications system

As part of the June 14–15 hearings, the subcommittee inquired concerning the progress of the program for development of a satellite communications system, a problem of fundamental national importance. It developed at the hearings, and subsequently, that the Federal Communications intended that the space communications system was to be owned and operated by a group of 10 "international carriers." This would have meant that only four concerns would participate in the system's ownership since the other six companies in this group professed no interest whatsoever in space communications. More important, it would have meant that one of these four companies, A.T. & T., would have had a dominant and very probably a monopoly position in ownership of the space communications system. In effect, A.T. & T. would have been the chosen instrument of the U.S. Government to own and control civilian space communications.

PUBLICATIONS

Reports: "Bribery, Graft, and Conflict of Interest," House Report No. 748, July 20, 1961; "Telecasting of Professional Sports Contests," House Report No. 1178, September 13, 1961.

Hearings: Port of New York Authority, serial No. 24, parts 1 and 2, 1960; Federal conflict of interest legislation, serial No. 3, 1961; premerger notification, serial No. 5, 1961; antitrust consent decrees and the television broadcasting industry, serial No. 6, 1961; auto financing legislation, serial No. 11, parts 1 and 2, 1961; telecasting of professional sports contests, serial No. 13, 1961; civil investigative demand, serial No. 14, 1961; monopoly problems in regulated industries—ocean freight industry, serial No. 20, part 3, volumes 1 and 2, 1961.

A statistical summary of the work of the subcommittee during the 1st session of the 87th Congress follows:

Number of bills referred to subcommittee No. 5: 382.
Number of bills on which hearings were held: 80.
Number of bills reported to full committee: 73.
Number of bills pending in subcommittee: 309.
Number of bills on which reports were filed: 19.
Number of public bills passed House: 14.
Number of public bills pending in Senate: 4.
Number of Senate bills disposed of: 5.
Number of bills approved by President: 9.
Number of bills pending in conference: 1.

SPECIAL SUBCOMMITTEE ON STATE TAXATION OF INTERSTATE COMMERCE

Public Law 86–272 requires the Committee on the Judiciary to make full and complete studies of all matters pertaining to taxation by the States of income derived from interstate commerce. In April of this year Public Law 86–272 was amended by Public Law 87–17 to broaden the scope of this study to encompass State taxation of interstate commerce generally. The responsibility for this task was delegated to a special subcommittee of which Representative EDWIN E. WILLIS, Democrat, of Louisiana, was designated chairman.

In order to obtain the advice and assistance of recognized experts in this field, a 10-man advisory group was appointed. The group was composed of tax lawyers, professors of both law and economics, and State tax officials.

The subcommittee, upon recommendation of its advisory group, has instructed the staff to concentrate first upon the problems of State taxation of the income of corporations engaged in mercantile and manufacturing business in interstate commerce. The following is a synopsis of the work in which the staff is now engaged:

1. Review of the operation and effect of Public Law 86–272.

2. Analysis and classification of complaints received concerning the existing system of State taxation of interstate commerce.

3. Comprehensive study of literature in this field and of proposals previously offered.

4. Survey of business to ascertain the extent and the factual situation in respect to compliance costs and multiple burdens.

5. Detailed analysis of the prevailing patterns of State taxation of interstate commerce.

6. Compilation of basic economic data necessary to estimate the revenue impact of whatever proposals the subcommittee may, at a later date, deem worthy of consideration.

In addition to the staff work outlined above, Prof. Ernest Brown, of the Harvard Law School, and chairman of the advisory group, has undertaken for the subcommittee a study of the constitutional law in this area, including the extent of Congress power to legislate.

It should be noted that, although both business and the courts have frequently appealed to Congress for action in this field, the work now being done by the special subcommittee represents the first time in our history that Congress has fully undertaken its responsibility in this important and complex area.

Effect on Colorado Mines of H.R. 84, Lead and Zinc Subsidy Bill

EXTENSION OF REMARKS
OF
HON. JOHN A. CARROLL
OF COLORADO
IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. CARROLL. Mr. President, the Congress has passed H.R. 84, a bill to authorize limited subsidy payments to small producers of lead and zinc. This bill represents at least partial success of the efforts made in this session to bring some measure of relief to this industry.

As chairman of the Minerals, Materials, and Fuels Subcommittee of the Senate Interior Committee, it was my privilege to report favorably S. 1747. This bill, which I cosponsored with my colleague and chairman of the full Interior Committee, Senator ANDERSON, and others, combined a tariff-subsidy program along the general lines of the Wool Act. The duties to be imposed on foreign imports would have financed the subsidy payments to domestic producers who qualified under the provisions of the bill.

After the Interior Committee favorably reported S. 1747, the Senate Finance Committee asserted its jurisdiction because of the tariff provisions of the bill. This committee also reported S. 1747, but only after deleting title III relating to tariffs.

The language of H.R. 84, passed earlier by the House, is identical with the subsidy title of S. 1747. At this point, the Senate was faced with the choice of a bill authorizing limited subsidies—or no bill at all. It was agreed that the small producers were in very dire circumstances and it was better to pass the subsidy bill in this session and work for relief by way of the tariff in the next session. H.R. 5193, the Baker bill, designed to impose import duties on lead and zinc, was reported unanimously by the House Ways and Means Committee

in the closing days of the session. It will be pending business when the Congress reconvenes in January.

During the course of the committee consideration of this legislation and since the bill reached the House and Senate floors, there has been considerable discussion and some disagreement as to the effectiveness of H.R. 84. In order to obtain the most accurate, current data possible from my own State of Colorado, I asked the director of the State department of natural resources, Dr. Ed Clark, to furnish me with a report of the mines in Colorado which could benefit from H.R. 84. This report, prepared by G. A. Franz, Jr., director of the Colorado Bureau of Mines, is comprehensive and explicit and I am confident it will prove valuable to the mining interests in the State as it has to me in analyzing this legislation. I ask unanimous consent to insert the report in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Lead-zinc mines in Colorado

County	Mine name	Operated during the years as indicated by X					Development	Crude production (tons per year)	Mill capacity (tons per day)	County total
		1956	1957	1958	1959	1960				
Boulder	Caribou	X	X		X		X			
	Comstock	X						100		
	White Raven	X					X			
	Blue Bird		X		X	X	X			
	Occidental		X	X			X			
	Western Slope		X				X			
	Boulder County Tunnel			X			X			
	White Raven			X	X		X			8
Chaffee	Dumpite	X					X			
	Josephine	X					X			
	(K.O.) Burlington	X					X			
	Stonewall	X	X		X		X			
	Tilden	X					X			
	Tom Collins	X					X			
	Sitting Bull		X			X	X			
	Gold Eagle				X	X	X			8
Clear Creek	Ashland	X		X	X	X		100		
	Bald Eagle		X	X	X	X		10,000		
	Cosmopolitan	X					X	10,000		
	Dixie	X	X	X	X	X				
	Forge Hill	X	X							
	Franklin	X	X	X	X			300		
	Grizzly	X					X			
	Joe Reynolds	X						200		
	Johnny Bull	X	X				X			
	Keast Tunnel	X	X	X			X			
	Nabob	X					X			
	Red Elephant	X	X				X			
	Zero	X					X			
	Ashby		X				X			
	Bard Creek		X				X			
	Bellve Hudson		X	X			X			
	Big Five		X		X	X		800		
	Freeland Extension		X					100		
	Nevada Tunnel		X				X			
	Freighters Friend			X		X		100		
	Hot Pot				X		X			
	Marshall Tunnel					X	X			22
Dolores	Rico Argentine	X	X	X	X	X		30,000		
	St. Louis			X	X	X		100		2
Eagle	Morning		X				X			2
Gilpin	Carroll	X						100		
	Cherokee	X						100		
	Cliff	X					X			
	Enterprise	X					X			
	La Cross	X	X	X	X	X		1,000		(1)
	Lone Star	X					X			
	Pied Piper	X					X			
	Spring Day Extension	X	X	X			X			
	Williams Tunnel	X	X				X			
	We Got Em	X	X	X	X	X		100		
	Widdow Woman	X					X			
	Hayes & Wheeler		X	X	X	X		100		
	Meeker Success		X	X				100		13
Gunnison	Akron	X					X			
	Daisy	X	X				X			
	Gold Lynx	X	X	X	X	X		200		
	Hawkeye	X					X			
	Keystone	X	X	X	X	X	X		500	
	Star X-10-V-3	X	X	X	X	X		500		
	Micawber		X	X	X	X		1,000	100	
	Hot Rock	X	X	X	X	X	X			
	Carter				X		X		100	9
Hinsdale	Gold Quarts	X	X				X			
	Pelican	X			X	X		200	50	
	Rodney	X					X			
	Pride of America		X	X			X			
	Resorgimento			X			X			5
Jackson	Cap Rock	X					X			1
Lake	Big Four	X						1,000		
	Bi-Metallic	X						1,000		
	Hayden	X	X					1,000		
	Helena	X	X					2,000		
	Ibex	X	X					2,500		
	Irene	X	X					3,000		
	Julia Fiske	X	X					2,000		
	Resurrection	X						100,000	500	
	Yak	X				X	X			
	Little Alice		X				X			
	Lucky Five		X				X			
	Eureka			X			X			
	Gordon Tiger			X	X	X	X			
	Tom Thumb			X			X			14
La Plata	Knoll	X					X			
	Bessie G		X		X	X		300	50	
	Brawner		X	X			X			
	Muldoon		X	X	X	X		50		
	Farmer Boy		X		X		X			
	Lady Eleanor			X	X	X	X			
	Neglected				X	X	X			7

Lead-zinc mines in Colorado—Continued

County	Mine name	Operated during the years as indicated by X					Development	Crude production (tons per year)	Mill capacity (tons per day)	County total
		1956	1957	1958	1959	1960				
Mineral	Gormax	X					X			
	Monon	X	X	X		X		1,000	100	
	Outlet	X	X	X	X		X			
	Phoenix	X			X	X	X			
	Holy Moses		X	X						(7)
	Jack Pot					X	X			8
Ouray	Brown Mountain	X	X	X				500		
	Camp Bird	X	X	X	X	X		30,000	500	
	Greyhound	X	X	X			X			
	Keystone	X					X			
	Pony Express	X	X					200		
	Treasury Tunnel	X	X	X	X	X		(Over)		
	Monarch		X	X		X		500		
	Rouville		X	X	X	X	X			
	Revenue			X			X			
	Old Lout		X				X			
	Bachelor				X	X	X			
	Wewissi				X	X	X			12
Pitkin	Kris Kringle	X					X			
	Smuggler	X					X			
	Montezuma					X	X			5
Park	Buckskin Joe		X				X			
	Champagne		X				X			
	Hill Top		X	X				200		
	Betty					X	X			4
Rio Grande	Summitville	X				X	X		200	
	Mamouth		X							2
Saquache	Bennett	X					X			
	Bonanza	X					X			
	Cliff	X	X					400		
	Jupiter	X	X				X			
	Navajo	X					X			
	Queen City	X					X			
	Rawley 1 to 12	X	X	X	X	X		3,000	200	
	Warwick	X	X			X	X			
	Whale	X					X			
	Wheel of Fortune	X	X				X			
	Antero	X	X	X	X	X		10,000		
	D & J (Bonito)		X	X			X			
	Jenny		X	X	X		X			
	Lookout		X				X			
	Paragon		X				X			
	Marine Lode				X	X	X			16
San Juan	Black Hawk	X		X	X	X	X			
	Caledonian	X					X			
	Chattenoga	X					X			
	Gold King	X		X	X	X		12,000	400	
	Lark	X	X		X			2,000		
	Lead Carbonate	X					X		100	
	Little Dora	X	X		X	X	X			
	London	X					X			
	Longfellow Shaft	X	X			X	X			
	Mogul	X					X			
	Mountain Queen	X						500		
	Norma Jean	X					X			
	Oceola	X	X	X				1,000	150	
	Pride of the West	X		X		X		8,000	150	
	Ruby	X					X			
	Silver Cloud	X		X	X		X			
	Silver Ledge	X					X			
	Terry Tunnel	X		X		X	X			
	Auburn		X							
	Garry Owen		X	X			X		150	
	Kansas City			X	X		X			
	Shenandoah				X	X		(1)		
	Columbus					X	X			
	Brooklyn			X	X	X	X			24
San Miguel	Andrus	X			X	X				
	Bradley	X					X			
	Preston Moore	X					X			
	San Juan	X				X	X			
	Silver Pick	X	X				X			
	Badger		X				X			
	Carbenero		X		X		X			
	New Dominion			X			X			
	North Slope			X	X	X	X			
	San Bernardo			X	X	X	X			(11)
	Slide Mine				X		X			12
Summit	Big Four	X	X	X	X			300		
	Boss	X					X			
	Chatequa	X	X				X			
	Green Mountain Girl	X					X			
	Maid of Orleans	X					X			
	Meteor Tunnel	X	X					600	100	
	Minnie	X			X		X			
	National Treasure	X					X			
	New York	X	X	X	X			700	(2)	
	Wellington	X	X	X				700	100	
	Silver Wing		X					600		
	Shoe Basin		X	X	X	X		1,000		
	Blue Flag		X				X			
	Alliance		X	X	X	X	X			
	Gagen Tunnel				X		X			
	Washington					X	X			16
	Total eligible that have operated during the years 1956–60.							185		

[1] Use Gold King mill.
[2] See Meteor mill.

NOTE.—Total not eligible because of production in excess of 3,000 tons, combines metal, 3 (Eagle mine, Eagle County; Amethyst-Commodore, Mineral County; Pandora, San Miguel County).

Analysis of the First 9 Months of the New Frontier

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. PELLY. Mr. Speaker, I have made a summary of the actions and issues of the first 9 months of the Kennedy administration from the viewpoint of the minority. This summary is for publication in an excellent weekly periodical published in Seattle, Wash., namely, the Argus. This little article by me will be followed by the views of one of our Democratic Representatives in Congress.

Under unanimous consent to extend my remarks and include extraneous matter, I offer the article for printing in the CONGRESSIONAL RECORD:

ANALYSIS OF THE FIRST 9 MONTHS OF THE NEW FRONTIER

The record of the 87th Congress, 1st session, is one of an administration and its executive bureaucracy seeking unprecedented powers and new spending authority.

To these legislative requests Congress, and especially the House of Representatives, mindful of its constitutional prerogatives, was cool at times, and in spite of a deep-seated desire to go along with the new President, he met defeat on a number of significant occasions. Notwithstanding these rebuffs, numerically or percentagewise, his scoreboard remained high as is evidenced by any summary of legislation enacted.

The cost of these New Frontier successes to the American taxpayer is an extra $2.5 billion over the Eisenhower budget for this year and an extra $10.5 billion more in fiscal 1962. By the same token the number of Federal employees to administer new and expanded programs is up in excess of 100,000 persons who were added to the Government payroll during the past 9 months and this trend is due to continue. One statistically inclined Senator calculated new employees were being hired by the New Frontier at the rate of 4 every 5 minutes. He figured the Kennedy administration was spending $650,000 per hour, 24 hours a day more than the Federal income.

The Federal debt, as a result, now approaches $300 billion, so that any student of economics will recognize—as Khrushchev surely does—our fiscal situation is vulnerable.

The projected Eisenhower budget surplus of $100 million for fiscal year 1961 was permitted to lapse to a deficit of $3 billion, while a planned surplus of over $1.5 billion for fiscal year 1962 instead will end up with an approximate deficit of $7 billion. The administration, in spite of Republican pleas, refused to hold down nondefense spending to offset an increase of $6 billion in the defense budget.

The Republican minority in the Congress did its best to blunt the President's drive for excessive money and power, while at the same time it strongly supported measures to preserve peace by increasing our military defense capabilities.

Republicans believe the New Frontier policies with respect to wage costs, agricultural price supports, and use of Federal spending to generate a higher level of business activity is adversely affecting our ability to compete in world markets and is shaking international confidence in our dollar. The theory that easy money and creeping inflation create healthy economic growth we believe is fallacious. We fear inflation and that undesirable Government controls and emergency power grants will follow us surely as night follows day.

To the credit of the 87th Congress, it rejected summarily the Kennedy request for authority to draw up a new agricultural program—subject only to a congressional veto. This would have reversed, in effect, the respective constitutional roles of the two branches of Government.

Likewise, and of great import, was the chilly reception given by Congress to the President's plea for borrowing authority to finance foreign aid outside of the normal appropriation process. This back-door spending authority was sought on a vast scale to avoid the constitutional legislative scrutiny and control over money drawn from the Treasury. In particular, the House of Representatives deserves credit for this victory in the executive-legislative tug of war. This is important because the Congress will become a mere rubber stamp unless it jealously guards its constitutional prerogatives to control the Federal purse.

An early battle was won by President Kennedy through the "packing" of the House Committee on Rules. While the objective of this action was stated as intended to allow the House to work its will on legislation, in actuality the New Frontier leadership used this control to "bottle up" 53 conservative bills and resolutions and to grant 11 "gag" rules.

Early in the session business conditions and the economic slump caused many Members to support welfare state legislation, but as recovery set in even the controlled Rules Committee cold-shouldered many must administration bills.

As for action on specific pieces of legislation, the House deservedly defeated a Federal aid to education measure. The Area Redevelopment Act which included a boondoggle "sweetener" for southern rural areas, unfortunately did pass. Also enacted into law was an $8 billion housing bill which included provisions to grant Federal assistance to local communities for things which these governments could and should do for themselves. This was the biggest political pump-priming bill in history.

As a Republican I have on occasion been severely critical of President Kennedy, but I have tried to be fair. Some of my friends sincerely have felt the President should be supported almost unreservedly because of the extremely critical world situation. However, I believe it to be equally important that members of a minority party not waive their responsibility to express opposing views when they feel that way.

I think the majority of Republicans in the Congress have exercised restraint since last January and have exhibited a wholesome attitude of constructive analytical opposition.

Personally, I have freely expressed disagreement with the theory that Federal money taken from the overburdened American taxpayer is the solution to all problems. Also I have been opposed to increasing the Federal debt.

As to foreign policy, I have strongly opposed any appeasement of the Communists. The administration in case after case has made concessions believing these generous acts on our part will be reciprocated. I disagree. Firmness, in my opinion, is the only attitude the Soviets respect. It has seemed to me—and I have aired this view—that in instance after instance we have been helping to dig the grave into which Khrushchev plans to push us. Especially I have objected to shipping food and military materiel behind the Iron Curtain.

In summary, as I see it, with the New Frontier, in spite of the President's excellent speeches, our position in world affairs has deteriorated. Cuba and Laos are only manifestations of an overall weak policy.

At home spend and lend policies have brought our country, it has seemed to me, much closer to the inevitable day of economic reckoning which is, of course, obscured on the surface by the false prosperity of huge military expenditures.

Thanks to the Republican minority in the 87th Congress the impact and dangers of imprudent overspending have been lessened. The setbacks given the Democratic leadership in this regard are in line with our belief that the people are not asking what the Government can do for them—rather the people are ready to do what is necessary for their Government in this time of trouble.

I look for congressional opposition to the New Frontier's welfare state programs to manifest itself more vigorously in the next session. Meanwhile I would say the accomplishments thus far, depending on one's philosophy, are neither entirely good nor entirely bad. Actually I do not find my constituents too much concerned over what Congress did or did not do in the way of legislation. Rather I find the Berlin situation is much more in the public mind.

As for me I appreciate fully this opportunity to express my views.

Highway Safety

EXTENSION OF REMARKS
OF
Hon. EVERETT McKINLEY DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. DIRKSEN. Mr. President, we are about to embark upon a new era of highway safety with the advent of a new paving material, Wyton, which will enable highway engineers to use color for direction, caution, and other warnings.

Traffic and highway engineers have long recognized the need and advantages of color paving since safety experts agree that people have long associated colors with direction and caution.

My home State has taken the lead in this field and many installations have already been made there. The first material to be put down was in the city of Chicago. The product, Wyton, was developed by the Velsicol Chemical Corp., which is a Chicago-based concern. Coming up with new products is "old hat" for Velsicol—they developed the first chlorinated insecticide to be synthesized in the United States, chlordane.

However, this new breakthrough is of vital interest as we proved with our multibillion-dollar interstate highway program. These high-speed highways and interwinding cloverleafs can use color for both direction and safety.

Perhaps some of my colleagues will remember certain news stories which appeared in the Washington newspapers telling of the work the District Highway Department did at Rosslyn Circle on the Virginia side of Key Bridge. They resurfaced the traffic islands with a grass-green color to keep motorists from driving their auto onto it. Besides bringing new beauty to the area it is serving its purpose.

On Sherman Avenue in northwest Washington, the center median was paved in yellow to provide safety for

pedestrians and caution motorists. It, too, is proving very successful.

No one is more interested than I in enhancing the beauty of our national parks and monuments. Here, again, this material will add greatly to our various shrines, parks and play areas. At Carter Barron Amphitheater, the sidewalks were paved with a forest green color to blend with the natural beauty of the area as well as provide a safer walking area for the patrons.

While these few installations are demonstrations of what can be done with color paving, in Illinois they have utilized it in many other ways to protect life and limb.

The Chicago Sun-Times and the Tribune report that access roads to high-speed freeways are being paved with red or yellow material to caution motorists upon entering and leaving. Dangerous intersections about the city will be put down in red and yellow so that both pedestrians and motorists will show more caution.

Everyone has been associating colors with various warnings and their meanings are embedded in their minds from the day they are born. When we see them, our reflex is automatic.

One cause of highway accidents is road fatigue and driver indifference. Safety officials have discovered that one reason for road fatigue is driving over the same monotonous color which causes a sort of hypnosis. Drivers lose their reflex action to an extent and accidents result. Now color can be used to break up the monotony and act as an alarm clock for motorists.

Another functional property of this new product is it can be laid down over both concrete and asphalt roads without special advance preparation.

This is especially important when it comes to resurfacing bridges. On reinforced concrete bridges you have several maintenance problems. One of the more serious ones involved those areas of severe winters where salt is used to eliminate ice.

The salt, where reinforcement bars have been exposed by expansion joints or spalling, corrodes these bars and the strength of the bridge is seriously affected. Also, moisture gets between the deck and wearing areas, freezes and causes the wearing surface to break up. The new material can be used as a wearing material and sealer to keep the bars from being exposed to water and salt. This would avoid costly maintenance and inconveniences which occur when bridges are closed for repair.

Not only is this material a boon to highway and safety engineers, but the white material as well as other colors can be used at airfields. White landing strips would greatly improve visibility at night and during adverse weather conditions. Taxi strips could be paved in different colors so that pilots could differentiate.

Also, I am advised, a major obstacle around airfields is birds. As my colleagues will recall, one of the major air disasters in the United States occurred at Boston where it was determined that a flock of birds caused an airplane to crash while it was taking off.

Some officials at the Fish and Wildlife Service have reasons to believe that certain colors used on runways might act as a repellant and drive the birds away. This in itself would be a tremendous contribution.

Mr. President, I do not expect all our roads to be paved with this new material, but if it can help reduce the slaughter on our highways it should be used at critical points.

Final Report of the 1st Session, 87th Congress

EXTENSION OF REMARKS

OF

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MINSHALL. Mr. Speaker, after 9 months of work, the 87th Congress finally hung up its "adjournment" sign on the 1st session. Not since 1951, during the height of the Korean war, has Congress met at such length. It was a record-breaking session, too, for number of bills enacted. Some 360 new public laws were added to the statute books, nearly 4 times the number passed by the Founding Fathers during the entire First Congress, 1789–91. Whether this Congress 173 years later has substituted quantity for quality is up to history—and the taxpayers—to decide. With all this lawmaking activity, the 87th Congress finds itself with a heavy carryover of legislation to come up for final decisions in the 1962 session: medical care for the aged, the Du Pont stock divestiture bill, postal rate increases, compensation for service-connected disabilities. But it is difficult to imagine another session matching the 1961 windfall of major laws.

NATIONAL DEFENSE

Defense budget request of $42.9 billion was boosted by $3.7 billion for a peacetime high of $46.6 billion. On top of this, Congress responded to the President's plea for additional funds by giving the military another $13 billion for aircraft, ships, and missiles.

Military construction of nearly $900 million was approved for construction and improvement of military projects at home and overseas, including missile sites and nuclear submarine bases.

Moon-orbiting funds were boosted in the $1.7 billion authorization for the National Astronautics and Space Administration's 1962 program. Research on solid and nuclear propellants also were included.

Civil and Defense Mobilization became the Office of Emergency Planning, by congressional action, following the President's transferral, under existing law, of civil defense operations to the Department of Defense.

Atomic Energy Commission funds of $270 million were authorized for construction projects.

FOREIGN AFFAIRS

Foreign-aid funds of $4.2 billion were voted after spirited battles in both Houses of the Congress. After lengthy debate, the Congress agreed to retain control of the foreign aid purse strings through annual review and appropriation methods, but granted the administration power to program development loans on a 5-year basis, plus a generous contingency fund for use at the President's discretion. In separate action earlier in the year, $500 million was appropriated for Latin American aid, as well as $100 million for Chilean disaster relief.

The Peace Corps was established as an independent agency subject to policy guidance by the Department of State, with an initial authorization of $40 million.

U.S. Arms Control and Disarmament Agency was created to operate under the President and the Secretary of State to search for workable, bilateral means of ending the arms race.

Admission of Red China to the United Nations was unanimously opposed in resolutions adopted by both the House and Senate.

Immigration of alien orphans to the United States for purposes of adoption was granted permanent status.

Duty-free goods returning Americans may bring back from abroad were reduced from $500 to $100 in value in an attempt to stem the flight of gold.

Tourist travel in the United States hopefully will be encouraged by creation of a U.S. Travel Service in the Department of Commerce.

DOMESTIC AFFAIRS

Interstate and defense highway completion as scheduled by 1972 seems assured with authorization of $11.5 billion. The Federal apportionments for primary, secondary, and urban programs was upped to $1 billion annually. Federal gas and diesel tax rates were set at 4 cents per gallon, and levies were raised on tires, tubes, retread rubber, and on heavy trucks and buses.

Minimum wage stepups over the next 5 years to $1.25 per hour were granted to workers already covered by Federal law and to an additional 3.5 million employed people.

The Area Redevelopment Administration was created in the Department of Commerce to make loans and grants for industrial plants and public facilities in economically distressed areas.

Hijacking and other crimes committed on airplanes involved in interstate or foreign commerce were made Federal offenses.

The Securities and Exchange Commission was directed to investigate adequacy of rules and regulations of stock markets.

Small Business Administration borrowing authority was raised to $1.1 billion, including $725 million for regular business loans.

Social security benefits were expanded; minimum monthly old-age payments were raised; widows' benefits increased; disability provision liberalized; and provision made for male workers to draw reduced benefits if they choose to retire at age 62. At the same time, the tax on workers and employers was raised by one-eighth of 1 percent on each.

Aid to federally impacted school areas was extended for another 2 years, through June 1963, and the National Defense Education Act was continued for another year.

Vastly expanded housing was approved, authorizing liberalized term for low- and moderate-income family dwellings; urban renewal; open-spaces development in cities; college dormitory construction loans; 100,000 new units of public housing; community facilities.

Juvenile delinquency came on the Federal horizon with an authorization of Federal grants of $10 million a year for 3 years to help communities and nonprofit agencies finance projects to combat the problem.

The Civil Rights Commission was extended for another 2 years to September 30, 1963.

Veterans' home loans were extended to World War II veterans to July 26, 1967, and for Korean conflict veterans to February 1, 1975. An additional $1.2 billion was authorized for the direct loan program through 1967.

Water pollution control was increased by $52 million for construction and operation grants to State and interstate agencies each year, and a sliding-scale formula lifting the 30-day limitation on Federal grants was adopted.

Saline water conversion projects were given a 6-year lease on life under the Department of the Interior with a $75 million authorization for that period.

A supplemental appropriation bill carrying a whacking $1.13 billion was added to the regular 1962 appropriation for the operation of the agencies and departments of the Government. This was the expensive swansong of Congress before adjournment.

If I have failed to touch on any particular legislation which interests you—or if you wish further information on the laws I have summarized, please do not hesitate to let me know.

A New Approach to Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BAILEY. Mr. Speaker, my colleagues are well aware of my long and intense efforts to enact legislation which will enable the Federal Government to assume its responsibility toward basic public education in the United States.

So far these efforts have been unsuccessful. Every year this issue has become involved in one or another extraneous matters. These have subdued the basic issues, which is the critical need to provide more and better educational opportunities for our boys and girls.

Unless we resolve this problem, unless we get American education moving forward at a more rapid pace, we shall not be able to survive as a free people in a free world.

Today our battle is not just a battle of firearms. While it is true that we must have a strong Defense Establishment in order to properly maneuver in a power conscious world, it is equally true that we are engaged in a battle of minds for minds.

Education—the training and development to the fullest extent of every mental and physical skill each of our boys the girls possesses—is the key.

Experience has shown, Mr. Speaker, that nearly one-half of those rejected for military duty under selective service are those who have failed the mental tests. This alone proves the value and importance of education to our National Defense Establishment. We know, too, that the standards in our armed services will become higher and higher since we may continue to expect science and technology to advance still further.

The improvement of educational opportunities is definitely within the national interest. Nearly everyone recognizes this fact—at least nearly everyone gives lip service to the proposition.

We have failed, of course, to express this broad national interest because so many who give lip service are "yes, but-ers." Unfortunately, the "buts" touch upon areas over which all of us have great concern, and which are highly emotional.

First and foremost is the matter of local control. Despite the fact that the Federal Government has been aiding education in a limited way for many years, without imposing its will on curriculum and policy, this is a beautiful hatrack for those who would pose as friends of education, but who in reality never give education a second thought.

The Congress has been willing, even anxious, to spend money to help certain school districts in areas of Federal activities without raising one whimper about Federal control. During the current fiscal year our expenditures through this program will be about $300 million. Since enactment of Public Laws 815 and 874, the Education Subcommittee has regularly been concerned about Federal control in the 3,800 school districts benefiting. We have repeatedly asked whether there was any attempt by the Federal Government to control local education. We have put the question, formally, in public hearings, to our colleagues, to board of education members, to school superintendents, and to businessmen. Not once has any witness suggested that there has been Federal control. In fact, the answers have been most positive. There has been no Federal control.

Be that as it may, we have had Federal control as a roadblock. Usually the "yes, but-ers" pick on our provisions for fiscal procedures to assure that Federal funds will be spent for the purposes for which Congress intends. Yet if we have no fiscal procedures we are charged with being careless of Federal funds.

We run into another problem when we attempt to establish bench marks to determine the allocation of funds to the States. If we use total school-age population, or if we use public school enrollment, there are those who cry discrimination. This involves us, one way or another, in the private school issue, which in turn involves us in religion. This is a question which has no place in our discussion of education, nor is it a proper subject for debate by the Congress.

Our basic problem has always been to devise distribution formulae which would not be subject to misinterpretation and charges of discrimination. In the past we have used numbers of children as the yardstick because the committee has always felt children themselves were the best yardstick for measuring educational needs.

As one who has lived with this problem throughout my congressional career, I have come to the conclusion that what we are really trying to do is to use the broader Federal tax base to help State and local taxpayers finance the cost of improved education.

When we look at this proposition from this standpoint, we find that every citizen is a taxpayer, whether he sends his children to public or private schools.

In this frame of reference, Mr. Speaker, it has occurred to me that we should perhaps seek a new approach to achieve our goal: stimulation and encouragement of education.

One such approach has come to mind, and I offer it to my colleagues for discussion and consideration. It is my intention in January to incorporate the idea into legislation if, during the intervening months, reaction has been favorable.

This new approach is uncomplicated and quite simple. It provides the widest possible choice to the States, not only as to the purposes for which the money may be spent but also as to accounting procedures.

Since we intend to encourage and stimulate education in all of the States, and since there are pockets of need in every State, we would assist taxpayers in every State. We would authorize such appropriations as are necessary to allocate to each State an amount equivalent to 2 percent of total expenditures within that State for public elementary and secondary education.

In order to provide more assistance to States whose taxpayers have less financial ability to bear the burden of improved educational opportunities, we would authorize additional grants. This would be accomplished by determining the relative per capita income of each State. In those States below the national average, the allotment would be increased by the percentage the State falls below the national average. Thus, if per capita income in a specific State is below the national average by 10 percent, that State's basic allotment would be increased by 10 percent.

These Federal funds would be granted to the State educational agency and distributed to the local school districts through normal State channels, and by the State's normal equalization formula. The Federal support would be used by the local school districts for whatever specific purpose required at that level. Federal funds, when they reached the local level, would be unidentifiable, thus

eliminating the possibility of any Federal interference. Moreover, since the Federal grant would be but a small percentage of the total expended, no State would have any hesitancy in speaking loudly and dominantly as the majority stockholder, so to speak.

I would have a built-in guarantee of continued State and local efforts. Naturally, under the formula, the more the taxpayers in a State spend for education, the more they receive in a Federal grant. I would, however, penalize them for reducing expenditures by reducing the Federal grant by a like amount. Thus, if a State were entitled to $15 million and its taxpayers decided to reduce their own expenditures by $10 million, the grant would be reduced to $5 million.

I would authorize the Commissioner of Education to accept the normal accounting procedures of each State, with the concurrence of the General Accounting Office. This would reduce the paperwork of the State agency to a minimum.

This new approach, it seems to me, has these virtues:

First. We—the Federal Government—aid taxpayers to support the type of education which all of us want and need.

Second. The burden of supporting education falls equally upon all taxpayers, whether they have children or do not; whether their children attend public or private schools. Therefore, it is nondiscriminatory.

Third. Since the financing of all education, public and private, comes from the earnings of the people, any Federal assistance to all local taxpayers is an indirect aid to those who support private schools.

Fourth. This proposal eliminates the need for complicated needs formulae, but provides more assistance to those taxpayers least able to support their local public school systems in the manner desired and needed. It does, however, provide the necessary encouragement and stimulation to the State and local taxpayers.

Fifth. Finally, we are assured that Federal money will supplement the money of the local taxpayers and not supplant it.

"College News Conference"

EXTENSION OF REMARKS

OF

HON. CLIFFORD P. CASE

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. CASE of New Jersey. Mr. President, it was with a great deal of interest that I recently noted Ruth Hagy's Peabody award-winning television program, "College News Conference," will return to the air this fall over the National Educational Television Network. This program, which has been cited by numerous civic and youth organizations, has been on the air from 1952 until recently.

I am particularly glad to note that "College News Conference" will be back on the air, because of the worthy contributions which this program has made in educating the American people on important issues. It has held a high place among the discussion programs which help provoke timely debate and have proved, I believe, to be of very real informational value.

I have enjoyed my association with "College News Conference" in the past, and I know that Mrs. Hagy looks forward to an informative and stimulating new series of programs.

The Need for Expanded Water Research

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. MUNDT. Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD a recent address of mine dealing with the important problem of expanding our water research and developing a more useful utilization of the water resources of this great country. It is entitled "The Need for Expanded Water Research."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. MUNDT

A great deal has been said recently on the need for expanded water research. However, much of what has been said has emphasized the need rather than the substance of future water resource activities. Changes in levels and patterns of living radically alter the particular types of demands that people make on their natural environment. It is clear that this alteration necessitates an informed and imaginative approach to resource allocation.

Too often water resource programs and policies do not adequately reflect social, economic, and technical changes. Our Nation is developing swiftly. It is difficult to evaluate change and more difficult to formulate policies elastic enough to allow for major readjustments.

In the past 60 years, our population has increased roughly 42 percent. By the year 2000, our population will have nearly doubled and, if the present trend continues, will live mostly in cities and suburban areas. Improved standards of living and education mean increased demands for better housing, health, and recreation facilities. In the future, water will have to be allocated wisely between farm, city, and industry. More and more concern will have to be given to the preservation of our Nation's outstanding resources and magnificent natural beauty.

Growth imposes difficult problems upon existent water supplies. A continuing increase in total demands upon the resource base necessitates a higher degree of efficiency in the utilization of water. Science and technology provide us with the key which will unlock the door to future programing in this field. Scientific and technological advance enable man to substitute more abundant materials and utilize synthetics where materials are not readily available. Today the average acre yields more food, and this produce is of a higher quality than ever before. Engineering skill has enabled man to control great rivers, at once a potential threat and salvation to those who must depend upon their waters for existence and livelihood.

Last year the Senate Select Committee on National Water Resources reported the principal factors affecting future water needs in the United States. The factors were population and industrial, including agricultural, production. As these increase, our withdrawals and use of water will increase proportionately.

Per capita consumption of water is the largest single factor determining increased withdrawals from municipal water supplies. As the distribution of our population gravitates toward a growing urban society and technological advance creates greater individual domestic demands for water, per capita consumption climbs steadily. I do not think most of us are sufficiently aware of the tremendous proportions of our domestic requirements for an adequate supply of potable water. Our individual daily water requirements have grown from 40 gallons in 1900 to about 147 gallons today. Improved plumbing and living standards, as well as new household devices, such as air conditioners and automatic clothes- and dishwashers, swell per capita consumption figures.

We in South Dakota are becoming more and more keenly alert to the dangers of this situation because we are, simply, overexposed to them.

Every American is proud to see his Nation prosper; to recognize that his Nation provides him with the highest standard of living in the world. We in South Dakota are especially proud of the progress which has been made since the settlement of the Dakota territory which began in 1861. We are proud that our State has become one of the leading stock-producing and farming areas in the United States. In addition, the average production worker in a manufacturing industry in our State saw his weekly earnings increase 51.6 percent between 1950 and 1958. The Bureau of Labor Statistics reports that in these same years our electric output increased 10.5 percent and engineering construction awards 30.8 percent.

Yet these percentages carry with them new problems and responsibilities for the citizens of South Dakota. Between 1950 and 1960 South Dakota experienced a substantial growth in urban population. In 1950, 33.2 percent of the total population lived in urban communities, while in 1960 this percentage had increased to 39.3 percent of the total population. This urban development has raised per capita consumption and created new demands upon our municipal water supplies. Already a water-short State, South Dakota must now allocate more and more of its water supply to small towns.

The economy of South Dakota is built upon agriculture. Over 70 percent of all the water consumed in South Dakota is required for agricultural uses. Recurring droughts and subsequent runoff have detrimental and unpredictable effects on crops and livestock. Thus the economic stability of the State of South Dakota is inevitably bound to the success of its agricultural enterprises, and to the adequacy of its water supplies.

The principal factor influencing agriculture in the Northern Great Plains is irregular and generally deficient rainfall. In addition, the Department of Agriculture has estimated that two-thirds of the rainfall in the Great Plains States is lost by evaporation alone. Because precipitation is not uniformly distributed over the four seasons, often the amount received during the growing season is inadequate with respect to plant-growth potential. Consequently, gross supply received in any one location must be efficiently applied for man's varied purposes. Coordinated research in water allocation and technological development are essentially

the only approaches to future programing in this area.

The outstanding water problem in South Dakota has always been one of source, and of the adequacy and availability of a water supply. Proceeding directly from this problem are the very important questions of competing uses. There must be enough water for all purposes. It is clear that in the future, water in South Dakota will have to be allocated primarily between irrigation and municipal uses.

Municipal usage will be closely allied with industrial development. In South Dakota most manufacturing industries employ less than 100 persons per establishment and are usually located in metropolitan or suburban areas. Consequently these industries obtain water supplies from municipal facilities and the availability of industrial water will be part of municipal water problems over the next 20 years. Larger industries which develop their own supplies will be guided by water supply in their plant locations.

In 1955, the Census of Manufacturers reported that average annual water use per manufacturing employee in South Dakota amounted to 470,000 gallons. When this figure is applied to a projected 1980 manufacturing employment figure, South Dakota's water needs for manufacturing will be about 7,200 million gallons by 1980. Moreover, expected industrial development in South Dakota is likely to occur in the processing of agricultural raw materials, wood, minerals, and associated metallurgical operations. These industries require larger amounts of water per employee than any other type of manufacturing enterprise. Such industrial development could very well increase per employee water requirements to roughly 600,000 gallons with an anticipated water usage in South Dakota of about 9,720 million gallons a year. To a great extent municipal water supplies will have to bear the strain of this increase.

In a State in which an adequate water supply is necessary to the success of its agricultural enterprises and economic stability, this urban and industrial growth poses serious questions.

Presently, many towns in South Dakota are water short. The situation can only be improved through increased research. Last year the Senate Select Committee on National Water Resources reported that there were only three States in the United States where the cost of water from municipal systems is higher than in South Dakota where the cost per million gallons is $281. In order that this cost be reduced, South Dakota must find more water. Additional water supplies are absolutely essential to both urban and agricultural welfare.

The situation in many small towns is indeed serious, while those citizens of South Dakota engaged in agriculture deserve to reap more benefits from the land. At a minimum they must be assured adequate water for crops and livestock, and protection against the ruinous advent of frequent drought.

Our problems, then, clearly necessitate expanded research in the allocation of water and in the development of technological skills which will enable man to make more efficient use of surface and ground water supplies. On the national average, 1 acre of irrigated cropland produces the equivalent of 3 acres of nonirrigated land. The Senate Select Committee on National Water Resources reports that current research in water-saving devices in the field of irrigation alone promise to lead within the next 20 to 40 years to water savings in the West of at least 10 million acre-feet of water annually. The committee concluded that the amount of physically feasible resource development remaining in the 17 reclamation States was enormous, and that potential projects for which data had been summarized in their report would about double the production from presently irrigated lands. Moreover, evaportation reduction, phreatophyte control, weather modification and saline conversion represent substantial new sources of water supply.

In the past, 80 percent of existing irrigation was developed by non-Federal interests, while Federal reclamation programs accounted for only 20 percent. These figures demonstrate the extent to which State and local interests have been effective and efficient in this regard.

Current problems will entail vigorous research if we in South Dakota are to find a solution to increasing demands upon our municipal and agricultural water supplies. General research will not suffice. What I am saying is that future development must be tailored to specific problem areas and that the time has come for the people of South Dakota to take cognizance of exactly what can be done.

The only major surface water supply with any degree of dependability and stability in South Dakota is the Missouri River. The drought of 1959 clearly demonstrated that other major streams and tributaries in the State are unreliable for any extended large-scale use. Because 80 percent of the ground water wells in South Dakota are of the shallow-well type, the yield from this source is extremely limited.

The population in South Dakota is highest along the eastern border in the Big Sioux and James River Basins and in the Black Hills area. Conversely, the Missouri River is the only reliable fresh water source and is located in the sparsely populated center of the State. During periods of drought, urban water problems are widespread and frequently critical. Potentially, impounded Missouri River water could be transported to the more populated areas and thus provide an additional surface water supply.

Last year the Senate Select Committee on National Water Resources reviewed the specific water situation within four general economic areas in South Dakota. The committee stated that in eastern areas, the purchase of "potholes" and importation of additional water were prerequisites. They concluded that the only adequate source for importation of needed additional water supplies was the Missouri River.

In considering the east-central area which offers the greatest increased potential in the State, the committee offered several suggestions. I wish to call to your attention the following excerpt from the Senate Select Committee on National Water Resources report:

"Importation of water from the Missouri River will correct many water problems. This is proposed in the Missouri River development program for irrigation purposes. The many needs for water may be served as incidental purposes but no Federal program other than irrigation covers such alleviation of water shortage problems. * * * All uses of water in this area suffer serious shortages under present conditions. Economic stabilization and associated human values are utterly dependent upon new water supplies, the only known source of which is the Missouri River."[1]

Since the passage of the Flood Control Act in 1944 which authorized development of the Missouri River Basin, extensive research has been undertaken in order to determine the most practical and efficient solutions to water problems in this area. Federal, State, and local interests cooperate on many levels while the Missouri Basin Inter-Agency Committee was established to coordinate all related activities. Major investigations have been conducted by the Corps of Engineers, the Department of Agriculture, and the Bureau of Reclamation which outline the broad areas in which further research should be forthcoming. Reports issued subsequent to these investigations review the progress already made and direct attention to immediate needs and proposals.

In June of 1960, the Missouri-Oahe projects office in Huron, S. Dak., issued a report on the Oahe unit of the James division of the Missouri Basin project. The report provides a plan for diversion of water from the Oahe Reservoir on the Missouri River for irrigation of 482,000 acres of land in eastern South Dakota, municipal and industrial use in 22 towns and cities, fish and wildlife developments at 28 locations, and recreation uses. Construction of the Oahe Dam and Reservoir was begun in September of 1948 by the Corps of Engineers and is to be completed in 1965. The proposed Oahe pumping plant would divert water from this reservoir and distribute it through a system of canals, laterals, storage reservoirs, drains, and pumping plants. It is estimated that such a system would irrigate 482,000 acres of land in eastern South Dakota and create an adequate municipal and industrial water supply in this area.

I wish to call your attention to the following excerpt from the report of the Oahe unit:

"The plan of development of the Oahe unit would permit municipal and industrial water service to 22 communities and their associated commercial-industrial establishments. These communities are located in and adjacent to irrigable areas of the unit and along the irrigation works for the area and also along the James River below the Oahe unit.

"Many towns in this area have longstanding deficiencies in the quality or quantity of their water supplies. Ground-water resources are available for development in most of the area but the water usually contains excessive concentrations of dissolved solids. Sulfate, sodium, bicarbonate, and in some cases fluoride concentrations in the deep artesian ground-water sources make them qualitatively inferior to alternative surface water supplies. Water from the shallower aquifers generally contains excessive concentrations of iron and has excessive hardness. Surface water supplies in this area are generally of good quality regarding dissolved solids but may have objectionable tastes and odors and, in the absence of regulatory storage, are not reliable sources of supply for most municipalities. Importation of a relatively superior surface water supply from Oahe Reservoir on the Missouri River would, for the first time, make an adequate raw water supply of good quality available to many municipal-industrial water users in the area.

"Reconnaissance-type cost estimates based on July 1959 price levels, comparing annual costs for developing and using the Oahe unit water supply and similar costs for realistic alternative sources, are the basis for project formulation and show that the following 22 communities would enjoy definite financial advantage over any reasonable source of supply by using the Oahe unit water supply for municipal purposes: Aberdeen, Agar, Ashton, Blunt, Brentford, Claremont, Columbia, Conde, Faulkton, Frankfort, Hitchcock, Huron, Mellette, Menno, Miller, Mitchell, Northville, Onida, St. Lawrence, Scotland, Stratford, and Tulare.

"Delivery of water from the project works would be made 'at canalside' at a cost per acre-foot based on payment of an appropriate share of the ultimate annual O.M. & R. costs for jointly used works and repayment in 50 years of allocated costs with interest on the unpaid balance. Municipal and industrial water users will be required to provide all works needed at and beyond the

[1] Water Resources Activities in the United States, Views and Comments of the States, Report of the Select Committee on National Water Resources, U.S. Senate, 86th Cong., 2d sess., December 1960, p. 307.

canalside delivery point. Any community in the area desiring a water supply, even though not on the list of 22 communities, can obtain water on this basis.

"The 22 listed communities had a combined population of about 55,100 in 1950. With development of the Oahe unit, these communities are expected to have a total population of 145,400 or more by the year 2044. Water requirements for the group, including industrial uses normally supplied by municipal systems, are estimated at 32,475 acre-feet by year 2044 at the points of diversion from Oahe unit water-supply sources. An additional 3,855 acre-feet may be supplied direct to agricultural-products processing plants, making a total for the group of about 36,330 acre-feet annually at the points of diversion." [1]

In view of the nature of water problems currently facing the citizens of South Dakota, serious consideration must be given to this proposal and additional research undertaken in order to better determine allied benefits.

Any multipurpose development program requires comprehensive investigation, but there is no good reason why appropriate steps cannot be taken immediately. With about 72 percent of the water resources occurring in the northern one-third of the State, and 75 percent of the annual demand in the southern two-thirds, the State of California experiences many of the same problems that confront us in South Dakota. The result of 10 years of investigation, the California water plan offers a valuable example of the type of program which can be initiated to assure adequate water for irrigation and smalltown usage.

On January 15, 1959, a working group appointed by the Secretary of Agriculture published an evaluation of research needs for soil and water conservation. Their report emphasized the benefits of multipurpose development, and proposed expansion and establishment of regional and national research centers. The following is an excerpt from the report entitled "Facility Needs, Soil and Water Conservation Research":

"These centers should provide the type of highly specialized or expensive physical facilities that exceed the financial capabilities of existing individual research units. In order to achieve the maximum benefits from such centers, they should be financed and administered to assure their availability to research workers from other laboratories; and, they should serve as focal points for coordinating research on the specific problems for which they are established. To effectuate the desired coordination, consideration should be given to locating these centers at or near an institution of higher learning at which research on appropriate subjects is already underway. This would permit interested graduate students of the institution to become acquainted with work underway at the center and to gain valuable experience in the subjects under investigation. Highly trained scientists are the first requirements in any research program. In all cases a sound system of maintaining collaboration and coordination between research at the center and related research at other State and Federal locations should be established.

"It is essential that a proper balance be established and maintained at the centers between the development of basic principles for guiding future research work and finding solutions to the immediate parts of the overall problem currently faced by landowners and technicians. This is necessary in order to protect the Nation's resources and to obtain the greatest benefit from public expenditures for the protection of those resources." [2]

Specifically, the report recommended that major attention should go to improving the design and performance of closed conduit spillways and other conservation structures. To facilitate this recommendation, a Research Center for Engineering Design of Conservation Structures should be established. Moreover, the working group was apprised of the obvious deficiency in physical facilities available by the Agricultural Research Service and the four State agricultural experiment stations for meeting the soil and water conservation problems urgent in this area. Western South Dakota was mentioned as a possible location for a new center for research in this region. Also outstanding was the mention of needed facilities for the research center in Brookings, S. Dak., which studies plant nutrition, soil physics, and irrigation engineering.

These recommendations of the Department of Agriculture support the preliminary studies by the Bureau of Reclamation concerning an improved municipal and irrigation water supply for eastern and central South Dakota. Studies conducted at South Dakota State College on private pumping systems concur in their findings.

It is clear that, to be effective, multipurpose water development must reflect research in specific areas. Cooperation on Federal, State, and local levels is a prerequisite, but equal regard must be accorded to the work of interested private and educational groups.

The urgency of these water problems cannot be overemphasized. In order to meet present needs in this field, Congress has an obligation to review current proposals. I urge that serious thought be given to the feasibility and appropriateness of the programs which I have outlined. I caution my colleagues that these situations will become aggravated in time, and yet I shall always emphasize proper budgetary considerations in this regard. Indeed, Congress is already faced with myriad obligations. Nevertheless, in the past, coordinated research has illustrated its economic soundness upon many occasions. Through research, much can be accomplished at a very small cost. Research, opposed to the cost of construction of facilities or a reservoir, is only a small part of the total bill. When investigation has proven programs to be both fruitful and sound, Congress should take immediate steps to authorize projects that will meet urgent needs.

Population expansion necessitates that we develop the supply and distribution of our water resources. Urban growth will require that sites of unusual natural beauty or unique recreational and scenic value be developed for the enjoyment of the public. There is much to be done toward the conservation of good water, and the conversion of water of presently inadequate quality. Appropriate measures can assure enough water for both municipal and agricultural needs. Technological advance indicates that soon it will be economically feasible for man to modify weather conditions and to put salt and brackish water into use, thus expanding our existent water resources.

At present, Congress has many commitments. Yet our outstanding commitment is to strengthen and perpetuate our democratic way of life. We must provide for future generations, insure that waste and rash judgments do not endanger the welfare of our successors. We must recognize that wise actions on our part are the best possible guarantee of this.

I therefore urge that Congress take prompt steps to appropriate funds to implement and promote research in water resources activities which we have already authorized. The specific problems of South Dakota, whose water needs are growing so rapidly, must be carefully considered and I trust that the Congress will enact whatever further legislation may be necessary to meet them. Such action is clearly in the national interest.

[1] Report on Oahe unit, James Division—South Dakota, Missouri River Basin project, U.S. Department of the Interior, Bureau of Reclamation, Region 6, Missouri-Oahe Projects Office, Huron, S. Dak., June 1960, pp. 26–28.

[2] Facility Needs, Soil and Water Conservation Research, a report of findings by the working group appointed by the Secretary of Agriculture, U.S. Department of Agriculture, Jan. 15, 1959, p. 234.

Résumé of Veterans' Legislation, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. TEAGUE of Texas. Mr. Speaker, the 1st session of the 87th Congress was a very busy one for the Committee on Veterans' Affairs. Eleven laws were enacted out of the 24 reported. It is interesting to note that the number of bills introduced—457—exceeds the number referred during the entire 82d or 83d Congresses and is nearly equal to the number introduced in the 85th Congress.

General hearings were held on the subjects of compensation for service-connected veterans, pension for non-service-connected veterans, as well as insurance, hospitalization, and housing.

Under leave to extend my remarks, I include a summary of the laws which have been enacted, as well as the various bills which have been reported and acted upon by the House or Senate:

SUMMARY OF VETERANS' LEGISLATION REPORTED, 87TH CONGRESS, 1ST SESSION

LAWS ENACTED

Public Law 87-84 (H.R. 5723): Extends period of time during which World War II and Korean conflict veterans may obtain benefits under the guaranteed and direct loan programs; increases maximum amount of direct loan from $13,500 to $15,000; and provides an additional aggregate amount of $1.2 billion for use in the direct loan program. New expiration dates follow:

Ten years from date of discharge from last period of active duty, any part of which occurred during World War II or the Korean conflict, plus an additional year for each 3 months of duty during the applicable war period. Entitlement is not continued after July 25, 1967, for World War II veterans or after January 31, 1975, for Korean conflict veterans. Final expiration date for the appropriate war applies for those with service-connected disabilities, or for certain veterans eligible for reinstatement of entitlement, regardless of length of service (July 25, 1967, for World War II and January 31, 1975, for Korean conflict). If loan report or application for loan guarantee is received by Administrator of Veterans' Affairs (or, in the case of direct loans, if Administrator issues commitment) prior to date of expiration of a veteran's entitlement, the loan may be guaranteed (or a direct loan may be made) after such date. Refinancing of delinquent indebtednes may be accomplished within the veteran's eligibility period.

The Secretary of the Treasury is directed to advance to the Administrator of Veterans' Affairs, as the Administrator may request, for

use in the direct loan program, the following sums:

After enactment	$100,000,000
After June 30, 1961	400,000,000
After June 30, 1962	200,000,000
After June 30, 1963	150,000,000
After June 30, 1964	150,000,000
After June 30, 1965	100,000,000
After June 30, 1966 (for use through June 30, 1967)	100,000,000

(Approved: July 6, 1961.)

Public Law 87-97 (H.R. 866): Requires that decisions of the Board of Veterans' Appeals shall be in writing and shall contain findings of fact and conclusions of law separately stated. Effective January 1, 1962. (Approved: July 20, 1961.)

Public Law 87-99 (H.R. 7148): Provides that if a veteran dies in a Veterans' Administration facility in any State, as defined generally for purposes of title 38, United States Code (i.e., each of the several States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico), or the Canal Zone, the remains may be transported to the place of burial in any such State or the Canal Zone. (Approved: July 21, 1961.)

Public Law 87-101 (H.R. 2953): Permits the combination, or tacking, of two or more separate periods of service during more than one period of war in satisfying the 90-day service requirement for payment of non-service-connected disability or death pension to veterans and their widows and their children. (Approved: July 21, 1961.)

Public Law 87-102 (H.R. 6269): Provides, in all cases, that whenever an individual is discharged or released from active duty he shall be deemed to continue on such duty—for the purpose of veterans' benefits—during the period of time immediately following the date of such discharge or release required for him to proceed to his home by the most direct route, and in any event until midnight of the date of such discharge or release. This rule was formerly limited by section 106(c), title 38, United States Code, to those separated from active duty after December 31, 1956. (Approved: July 21, 1961.)

Public Law 87-138 (H.R. 945): Increases from $10 to $100 the monthly pension payable to holders of the Congressional Medal of Honor; permits payment, upon application, at age 50 instead of the former requirement of attaining the age of 65 years; and pays holders of the medal whether or not they are on active duty. (Approved: August 14, 1961.)

Public Law 87-223 (H.R. 4539): Provides for payment in cash of one special dividend on policies of insurance issued to approximately 660,000 Korean conflict veterans under section 621 of the National Service Life Insurance Act of 1940, or converted or exchanged for insurance under section 723(b), title 38, United States Code. Dividends were not previously payable.

Provides for payment of the dividend to those veterans who have converted to the "W" type (nonparticipating, permanent, level premium), or to those who hold the "RS" type (nonparticipating term) if the latter group converts within 2 years to the permanent "W" type of insurance. Should a veteran holding an "RS" type of policy die before expiration of the 2-year period allowed for conversion, the dividend would be payable to his estate.

The legislation provides authority in the Administrator of Veterans' Affairs to transfer in the future to the general fund of the Treasury such amounts as are determined to be surplus to the needs of the fund. The law requires that administrative cost of paying the special dividend be borne by the surplus in the revolving fund, which at enactment amounted to approximately $60 million. (Approved: September 13, 1961.)

Public Law 87-240 (H.R. 1098): Provides that a flag shall be furnished to drape the casket of each deceased veteran of Mexican border service. More specifically, it provides that for the purposes of furnishing of burial flags the term "veteran of any war" will include any veteran who served in the active military or naval service during the period beginning on January 1, 1911, and ending on April 5, 1917, in Mexico, on the borders thereof, or in the waters adjacent thereto. (Approved: September 14, 1961.)

Public Law 87-268 (H.R. 6969): Dependency and indemnity compensation is paid to a widow whose husband died of a service-connected cause on the basis of $112 a month plus 12 percent of the basic pay of the veteran according to rank and years of service. In effect, this means that the lowest payment would be $122 monthly and the highest $337. On the other hand, a widow eligible for non-service-connected death pension and whose income does not exceed $1,000 per annum and having as many as five children could receive payments of $135 monthly. The payment of $122 for dependency and indemnity compensation is for both the widow and the children. This legislation authorizes the Administrator of Veterans' Affairs to pay a veteran's widow or child an amount equal to the greater amount to which the beneficiary would be entitled under the pension program; however, payment will be made as dependency and indemnity compensation. (Approved: September 21, 1961.)

Public Law 87-314 (H.R. 8414): Permits the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property. The Comptroller General, on December 13, 1960, ruled that there was no statutory authority for the Veterans' Administration to employ processes and pay for services which did not meet a specific need of the agency, but which would be beneficial to the taxpayer and the Government as a whole. (Approved: September 26, 1961.)

Public Law 87-377 (H.R. 3587): Provides outpatient treatment for veterans of the Indian wars on the same basis as is provided for veterans of the Spanish-American War.

In passing H.R. 3587, the Senate adopted an amendment which incorporates the features of S. 2051, as referred to the House from the Senate, without an amendment added to that bill at time of passage in the House. The House amendment to S. 2051 would have provided increases in rates of disability compensation payable to service-connected veterans. (See sections relating to S. 2051, H.R. 879 and H.R. 856.) S. 2051, as originally referred to the House from the Senate, and the amendment incorporated in the Senate to H.R. 3587 in which the House concurred, affords children of certain veterans (those who died of service-incurred or service-aggravated disabilities) who were eligible for benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460 (effective June 18, 1958), additional time to complete their education. It permits all eligible persons under age 23 on June 29, 1956, and who would be otherwise unable to train after June 29, 1961, a full 5 years after June 18, 1958, in which to avail themselves of war orphans educational benefits, subject to their having resided in the Republic of the Philippines during some or all of the period between enactment of the original act and the enactment of the amendment which permitted training in the Philippines. (Approved: October 4, 1961.)

PASSED HOUSE AND PASSED SENATE WITH AMENDMENT, RETURNED TO HOUSE

H.R. 856: As originally passed by the House, the bill provides a new plan of insurance for national service life insurance policyholders (primarily World War II veterans). The plan is modified life insurance which provides a level premium throughout the life of the insured at a premium rate lower than that now available for permanent insurance, but the face value of the policy would be automatically reduced by 50 percent at the end of the day preceding the insured's 65th birthday. The face value of any extended term insurance in force under the modified life policy would also be reduced by 50 percent at that time. The bill permits NSLI policyholders to convert their term insurance or exchange their permanent plan insurance for the modified life plan. Policyholders who convert to the modified life plan may elect to retain the insurance otherwise lost at age 65 by paying premiums for age 65 without medical examination.

The bill was designed to reduce the magnitude of the problem which will develop 20 or 25 years hence as the 3 million holders of term policies attain advanced ages and term premium rates become progressively more burdensome with each 5-year renewal. This problem is now faced by some 15,000 World War I veterans who failed to heed advice of the Veterans' Administration to convert their policies to permanent insurance.

A comparison of premium rates proposed by the bill with rates under existing plans follows:

Age	Annual premium for the modified life plan	Annual premium, present rates		Level premium after age 65	
		5 LPT (term)	O.L. (ordinary life)	If 50 percent face continued	If 100 percent face continued
30	$9.83	$8.41	$18.47	$9.83	$43.22
35	11.72	9.00	21.31	11.72	45.11
40	14.09	10.06	25.10	14.09	47.48
45	17.17	11.72	30.07	17.17	50.56
50	20.84	15.04	36.94	20.84	54.23
55	25.22	20.95	46.53	25.22	58.61
65		47.00	78.97		

The Senate Finance Committee, in reporting the bill, made no changes in the above provisions; however, amendments were added which would accomplish the following, and the bill was returned to the House from the Senate with these provisions added:

(1) The provisions of H.R. 879, a compensation rate increase bill for service-connected disabled veterans, as originally reported by the Committee on Veterans' Affairs and passed by the House, that is, without amendments to H.R. 879 adopted by the Senate Finance Committee providing for reduction of the rates for 10-, 20-, and 30-percent disabled and removal of section relating to presumption of service connection of the disease of multiple-sclerosis (see section relating to H.R. 879).

(2) The provisions of S. 977, a bill which seeks to provide a 2-year period, beginning January 1, 1962, during which those individuals who were at one time eligible to apply for national service life insurance but whose policies are no longer in force, or who never applied, or those who have less than the maximum of $10,000 in force, may reapply for such insurance to $10,000 maximum (largely World War II, but some Korean conflict veterans). Premium to be paid at attained age. Administrative cost to be borne by policyholders. Physical examination required and cost of such examination to be borne by applicant. Does not permit reapplication by World War II service-connected disabled veterans, but does permit such reapplication by Korean conflict service-connected veterans. Premiums for World War II veterans based on mortality tables in use

during World War II; for Korean conflict veterans, premiums based on mortality tables in use during Korean conflict.

On Speaker's table in House: September 5, 1961, following amendment by Senate.

H.R. 879: Provides for increases in rates of service-connected disability compensation payable to veterans of all wars and peacetime service to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957, as well as to more adequately compensate the seriously disabled veterans. Average overall increase provided by the bill is approximately 9.2 percent. Exact percentage increases for various degrees of disability and for those eligible to receive statutory awards appear in the following table, along with estimates of cost:

Degree and paragraph	Cases, wartime	Cases, peacetime	Current wartime rate	H.R. 879 as reported [1] to House	Percent of increase, H.R. 879 as reported, over current rate	Current peacetime rate	H.R. 879 as reported,[1] peacetime rate	Total costs, H.R. 879 as reported to House
10(a)	752,739	47,724	[1] $19	$20	5.3	$15	[1] $16	$9,605,556
20(b)	285,824	14,410	[1] 36	38	5.6	29	[1] 30	7,032,696
30(c)	271,120	15,985	[1] 55	58	5.5	44	[1] 46	10,143,960
40(d)	157,989	6,866	73	77	5.5	58	62	7,013,040
50(e)	105,202	4,885	100	106	6.0	80	85	7,867,644
60(f)	82,416	4,090	120	127	5.8	96	102	7,217,424
70(g)	41,203	2,180	140	148	5.7	112	118	4,112,448
80(h)	25,261	1,010	160	169	5.6	128	135	2,813,028
90(i)	7,122	190	179	190	6.1	143	152	960,624
100(j)	74,987	9,626	225	245	8.9	180	196	19,845,072
(k)	2,775	292	309	335	8.4	247	268	939,384
(m)	2,004	295	359	385	7.2	287	308	727,668
(n)	377	16	401	435	8.5	321	348	159,000
(o)	142	45	450	500	11.1	360	400	106,800
(p)	2,194	160						1,393,200
(o)+(r)	3,085	705	150(600)	200(700)	16.7	480	560	4,378,800
(s)	10,600	900	265	285	7.5	212	228	2,716,809
Total								87,933,144

(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by ($47 additional to basic compensation paid monthly for veteran with these disabilities; this $47 rate unchanged).

Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by ($47 additional to basic compensation paid monthly for veteran with these disabilities, this $47 rate unchanged).

(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation.

(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place or has suffered blindness in both eyes, having only light perception, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation.

(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent the use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation.

(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation.

(p) In event disabled person's service-incurred disabilities exceeded requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of $450.

(q) Minimum rate for arrested tuberculosis. (This $67 monthly rate is unchanged.)

(r) If entitled to compensation under (o), or the maximum rate under (p), and in need of regular aid and attendance, while not hospitalized at Government expense, additional monthly aid and attendance allowance.

(s) If totally disabled and (1) has additional disability independently rated at 60 percent or more, or (2) is permanently housebound.

[1] Senate passed version of bill provided reduced amounts for 10-, 20-, and 30-percent disabled, as follows:

	Wartime rate	Peacetime rate
10 percent	$19.50	$15.50
20 percent	37.00	37.00
30 percent	57.00	57.00

Section 2 of the bill (which had its origin in H.R. 3350) provides that veterans who are receiving the statutory award of $450 and also additional compensation of $150 while not in a hospital will have their compensation continued until the first day of the second month which begins after they are hospitalized. If a veteran leaves the hospital against medical advice and is thereafter readmitted, the aid-and-attendance allowance during this period of hospitalization would be discontinued from the date of readmission for so long as that hospitalization continues.

Section 3 of the bill increases the presumptive period for multiple sclerosis from 3 to 7 years. (This section removed by Senate amendment.)

In addition to amendments described above, the Senate also added an amendment identical to that described in item (2), H.R. 856.

On Speaker's table in House: July 18, 1961, following amendment in Senate.

PASSED SENATE AND PASSED HOUSE WITH AMENDMENT, RETURNED TO SENATE FOR FURTHER CONSIDERATION

S. 2051. This bill is intended to afford children of certain veterans (those who died of service-incurred or service-aggravated disabilities) who were eligible for benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460 (effective June 18, 1958), additional time to complete their education. It would permit all eligible persons under age 23 on June 29, 1956, and who would be otherwise unable to train after June 29, 1961, a full 5 years after June 18, 1958, in which to avail themselves of war orphans educational benefits, subject to their having resided in the Republic of the Philippines during some or all of the period between enactment of the original act and the enactment of the amendment which permitted training in the Philippines.

In passing the bill, the House adopted an amendment which incorporated the features of H.R. 879, as passed by the House on June 5, 1961. That bill provided increases in rates of service-connected disability compensation payable to veterans of all wars and peacetime service to reflect the changes which have occurred in the cost of living since the last compensation increase in 1957, as well as to more adequately compensate the seriously disabled veterans. Average overall increase provided by H.R. 879 and by the amendment adopted to S. 2051 is approximately 9.2 percent. The exact amount of increases for various degrees of disability appear in the section "H.R. 879." The amendment also incorporated provisions of sections 2 and 3 of H.R. 879. The amendment to S. 2051 did not include the provision relating to national service life insurance which the Senate had previously attached as an amendment to H.R. 879.

Senate action: Substance of original bill, without House passed amendment relating to compensation, passed as amendment to H.R. 3587; September 14, 1961. See section relative to Public Law 87-377.

On Vice President's desk.

BILLS PASSED BY HOUSE, REFERRED TO SENATE COMMITTEES

H.R. 846: The bill proposed to add "deafness of both ears, having absence of air and bone conduction" to the other types of service-connected disabilities specified in the law pertaining to veterans' disability compensation for which an additional award in the amount of $47 monthly is provided.

Senate committee action: Tabled, June 29, 1961.

H.R. 848: Provides vocational rehabilitation for veterans disabled in the service during the period between World War II and the Korean conflict and makes this a permanent program by extension of the benefit to those disabled after the Korean conflict.

The vocational rehabilitation program provides training for 4 years, with the Veterans' Administration paying for books, tools, and supplies, as well as providing assistance and guidance in determination of the type of training which would assist the veteran in overcoming his service-connected disability. The bill provides for a presumption that those who are 30 percent or more disabled are in need of vocational rehabilitation and would provide assistance for those less than 30 percent disabled if the veteran demonstrates his need for such training.

Senate committee action: None. (A Senate bill, S. 349, was reported on August 10, 1961 (S. Rept. 700), which provided for readjustment benefits (educational and loan guarantee) for those with more than 180 days of service between the period January 31, 1955, and July 1, 1963, and included a section containing the text of H.R. 848. S. 349 was not considered on the floor of the Senate.)

H.R. 858. Provides that the annual salary of the manager of a Veterans' Administration hospital, domiciliary, or center shall be $17,700, and a director of professional services $17,450. Today, such rates vary but the rates prescribed by the bill are, in the case of the manager, at least $500 more than managers receive, and in the case of the director of professional services, the rate is at least $250 additional.

Senate committee action: None.

H.R. 859: Proposes repeal of mustering-out payments of between $100 and $300 for veterans of the Korean conflict. The effective date of repeal, January 31, 1965, is the date of expiration of other benefits provided by the Veterans' Readjustment Assistance Act of 1952 (the Korean "GI bill").

Senate committee action: None.

H.R. 860: Repeals obsolete provisions of title 38, United States Code, relating to unemployment compensation for Korean conflict veterans. Benefits are not payable under the program to which the bill relates for any benefit week beginning after January 31, 1960. This obsolescence is occasioned by enactment of the Ex-Servicemen's Unemployment Compensation Act of 1958, which established a permanent program of unemployment compensation for ex-servicemen and provided that, beginning in October 1958, military personnel would be entitled to unemployment benefits upon separation from active service in the Armed Forces as if they were subject to coverage under a State law.

Senate committee action: None.

H.R. 861: Authorizes payment in a lump sum of the total amount of compensation, representing the statutory awards of $47 monthly for the anatomical loss or loss of use of a creative organ and $67 monthly for arrested tuberculous disease, which would have been payable for the period August 1, 1952, to the date of the bill's enactment had claim therefor been filed on August 1, 1952 (the effective date of Public Law 427, 82d Congress, which first provided such statutory awards for World War II and Korean conflict veterans). The bill would apply to all cases in which the condition involved was determined, before August 1, 1952, as service connected, and would require reduction of the amount payable by any such statutory awards paid during that period. The bill would require that an application for the benefits be filed by the veteran concerned within 2 years from the date of enactment and would preclude payment of any accrued benefits on behalf of any veteran who died before the date of enactment.

Senate committee action: None.

H.R. 873: Authorizes payment of the statutory award of $47 per month for each anatomical loss or loss of use specified in the law (i.e., one hand, one foot, blindness in one eye, having only light perception, both buttocks, or one or more creative organs), in addition to the basic rates of disability compensation and the rate payable to those who are permanently housebound (but in no event to exceed a total of $309).

Senate committee action: Tabled, June 29, 1961.

H.R. 5939: Provides that after expiration of the Korean conflict veterans' education and training program, approval of courses under the war orphans' educational assistance program shall be by State approving agencies. Specifically, it would amend chapter 35 to incorporate within that chapter those provisions of subchapters V and VI of chapter 33 (relating to State approving agencies and approval of courses of education and training, respectively, under the Korean GI bill) which apply to war orphans' educational assistance.

Senate committee action: None.

House Joint Resolution 73: This resolution has two purposes: (1) to determine what steps shall be taken to improve the care and rehabilitation of veterans who are elderly, chronically ill, or otherwise handicapped, and (2) to relieve the problem faced by the Veterans' Administration because of increasing utilization of its limited hospital beds by long-term patients, thus reducing beds available for other types of patients.

The special study sought to be authorized by the resolution would be conducted by the Veterans' Administration at a maximum cost of $300,000. It would be directed at determining the advisability and practicability of various methods of rehabilitation and of preventing physical and mental deterioration of veterans receiving or entitled to receive hospitalization or domiciliary care from the Veterans' Administration. The services of not more than 500 veterans who are receiving long-term hospital or domiciliary care from the Veterans' Administration would be utilized. The resolution requires that the study be completed before December 31, 1963, and report with recommendations to be made to the Congress by March 31, 1964.

Senate committee action: None.

REPORTED BY HOUSE COMMITTEE, PENDING ON UNION CALENDAR

H.R. 2417: Proposes to increase by 10 percent the monthly rates, dependency and indemnity compensation, payable to eligible parents and children of veterans dying of service-connected causes.

House Report No. 437, May 26, 1961.

	Congress							
	80th	81st	82d	83d	84th	85th	86th	87th (1st sess.)
Bills and resolutions referred	498	619	436	402	537	491	628	457
Hearings sessions	60	64	50	46	71	69	55	22
Hearings, printed pages	3,596	2,355	2,562	5,337	4,271	4,834	2,472	1,666
Executive sessions	49	34	27	55	37	28	21	8
Bills reported	60	44	36	36	48	44	42	24
Bills in House	16	1		14	1	5	2	3
Pending in Senate committees	6	16	14	2	17	11	6	9
Bills on Senate Calendar or in Senate		1	1	2			1	1
Recommitted		1	1			1		
Bills vetoed	1	2	4			1		
Bills passed over veto		1	2					
Laws enacted	36	24	22	25	30	26	33	11

Dancing Backward on the New Frontier

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HARVEY of Indiana. Mr. Speaker, under leave to extend my remarks, I would like to include an address by the Honorable CHARLES A. HALLECK, the dean of our Indiana delegation in the Congress and the distinguished minority leader in the House of Representatives.

This address, assessing the record of the first session of the 87th Congress, and of the new administration during the same period, was delivered at Muncie, Ind., on September 25, 1961.

Mr. HALLECK's speech follows:

Fellow Republicans and disillusioned Democrats.

Maybe it's too much to expect that we would have some members of the opposition present at a Republican fund-raising dinner—but the way things have been moving I'm not so sure.

Because—and make no mistake about this—a lot of people in this country have really had their eyes opened in the past 8 months—and getting your eyes open is the first step to becoming a good Republican.

The first session of a Democrat-controlled Congress under the leadership of the so-called New Frontier is over—for which we can all give thanks—and in assessing the accomplishments I am reminded of the story of the small boy who asked his playmate if he knew the difference between men and women.

The other lad thought it over for a minute and then said, "I guess the big difference is that women dance backward."

I don't want to oversimplify, but let me pose a few questions.

How do we go forward toward peace by fumbling in Africa, in Laos, in Geneva, in South Korea and in Cuba?

How do we arrive at a new frontier of real prosperity by dancing backward to the discredited spending sprees of some 30 years ago?

How do we go forward with sanity in government—balanced budgets—protecting the value of your dollar and mine—with a hope for tax reductions, when the Democrats insist on saddling the hard-working citizens of this country with billions more of debt?

You know, usually when you make a prediction in this business you stick your neck out a country mile. Well, I made a prediction early this year that was just about as foolproof as a prediction could be:

I said publicly that no matter what the Democrats did or didn't do that they would break faith with a lot of good Americans who thought they knew what they were voting for last November.

Why did I say that?

Because if you take a hard look at the Democrat platform and all the campaign promises, it's obvious they couldn't possibly keep half of 'em.

They promised to spend new billions and yet they promised to balance the budget.

Well—they're spending the new billions all right.

Talk about the space age. Spending is headed for the moon.

But the Democrat promise of a balanced budget fizzled on the launching pad.

They promised vast new programs that would lead us all to the Utopia of a New Frontier.

But they also promised to protect the dollar.

They promised quick action to remodel the face of the Nation—whatever they meant by that.

But they also promised to be "thoughtful" in their deliberations—(like they thought out the "Tractors for Cuba" deal, I suppose).

They promised something for everybody—but at the same time they called on the American people for sacrifice.

I must say that what they may have had in mind as far as "sacrifice" is concerned is getting more ominous every day.

Some of our reservists and National Guardsmen are finding out the hard way.

So—having such contradictory promises in mind, I pointed out that half of the people who voted for the Democrats were going to wind up disenchanted.

Only, I didn't know it would happen so soon.

Believe me, the accomplishments of 8 years of sound, sane, firm Republican leadership under Dwight D. Eisenhower are looking better all the time.

In fact, I've never been happier to be a Republican.

We told the truth.

We fought clean and hard throughout the campaign, standing on principles of sound,

sane government, and there we continue to stand.

We didn't make promises we couldn't possibly keep so we have nothing to take back.

And by the same token—I've never been happier that I'm not a Democrat.

I'd hate to be out here tonight trying to explain to a Democrat audience the difference between the Democrat record of promise and the Democrat record of performance. As my old friend, Senator Jim Watson, used to say, "If their platform had the measles, their performance wouldn't catch 'em." It's never been close enough.

They captured the Presidency.

They've got a solid 3-to-2 majority in the House of Representatives and a 2-to-1 majority in the Senate.

They packed the House Rules Committee to suit themselves.

The Democrats were all set to ride roughshod over anybody that got in their way.

But what happened?

Let's take a look at a few major items, foreign and domestic.

Many hard things were said by the Democrats during the campaign about the state of the Nation's defenses—some that should never have been said for the good of the country, because they didn't happen to be true.

Mr. Kennedy couldn't resist downgrading the power and majesty of America to the point that I wonder how much of it Mr. Khrushchev really believed.

Candidate Kennedy said, among other things, that we "must work to rebuild our rapidly deteriorating defenses."

It must have come as a surprise to some of his well-meaning supporters when the Department of Defense announced last month that we had a stockpile of atomic weapons to meet any threat of aggression. That, in fact, our stockpile was from three to eight times as big as Russia's.

Look, folks, that stockpile hasn't come into being in the last 8 months.

You just don't build the modern weapons of war overnight.

No, the truth of the matter is, that under President Eisenhower this country's defenses were the greatest in history—and a lot of work had been done to protect the old homestead before the New Frontiersmen took over.

Then there was the matter of prestige. We were told nobody liked us any more.

"Rebuilding our prestige must be the primary concern of our next President," is the way Candidate Kennedy put it.

I need mention only one word to indicate the progress we have made in that direction under the New Frontier: Cuba.

And wouldn't you know that one of the administration spokesmen tried to blame that fiasco on the Republicans. Well, they couldn't make it stick.

As part of this prestige business, Mr. Kennedy told the country this:

"Senior positions in the State Department, the Foreign Service, and the Defense Department shall be filled by the best talent available in both parties."

So we wind up with Acheson, Berle, Bowles, and Batt.

And he sends that great expert on foreign affairs—"Soapy" Williams—to represent us in Africa.

"Soapy" couldn't even keep Michigan from going broke.

Don't get me wrong:

Republicans in the Congress have stood with the President—by and large—on matters involving our relations with other countries.

The conduct of foreign affairs is his responsibility under our Constitution, and, realizing the gravity of the world situation today, we have, time and again, expressed our determination to support decisions made by the Chief Executive as fellow Americans—once these decisions are made.

I do want to make it clear that the Republican leadership had no part whatsoever to do with the decision to spring an invasion in Cuba. We were called in only after it was obvious that the whole operation had turned sour.

But we have supported the President on his indications of a firm stand on Berlin.

This only we ask: that our foreign policy remain firm and consistent—as it was under President Eisenhower.

We have supported requests for more defense spending but must insist that we not be led into a program of overspending in this area.

We have, in a word, put country above party in foreign affairs, even at times when some people thought perhaps we should have been a lot more critical.

And as we have met a responsibility to close ranks in the face of a common foe, Republicans in the Congress have also met a responsibility to the American people in opposing vigorously policies and programs on the domestic front which we have firmly believed not in the best interests of the country.

Mr. Kennedy gave all kinds of proposals top priority during the campaign. The people of this country were assured a lot of problems were going to be taken care of immediately.

One concerned agriculture. The Democrats were going to achieve 100 percent of parity for the farmers, cut production, bring lower prices to the consumer and save as much as $2 billion a year for the country.

That was the glowing promise.

This is the sorry record:

A loss to corn farmers because of a Department of Agriculture dumping program that has cost—and is costing—farm producers of the Middle West millions and millions of dollars.

A multimillion-dollar program to create a corn shortage which isn't going to come about.

Livestock, poultry, and dairy industries disrupted because of depressed prices.

And what's more, prospects are that the worst is yet to come in the years ahead.

I got a form letter from the Secretary of Agriculture a couple of weeks ago.

Among other things he assured me taxpayers were going to save a lot of money on reduced storage costs.

I've got news for Mr. Freeman, in case he hasn't been reading the papers. New storage facilities are going up all over the place—I would assume with the approval of the Department of Agriculture.

Obviously, somebody is going to be disenchanted.

Now the experts are estimating that the Democrat-sponsored farm legislation is going to cost the country a billion dollars a year more instead of less—and create new problems for agriculture in the process.

Remember all the talk by Mr. Kennedy about giving labor a $1.25 minimum wage bill if he was elected?

You will recall that Republicans supported a $1.15 bill under President Eisenhower. It would have become law more than a year ago except that Mr. Kennedy, then a Senator, blocked it. He wanted a campaign issue.

Well, we passed a minimum wage bill this year that provided for $1.15 starting the first of September. Every worker who comes under the provisions of this act should understand that he could have had this 15-cent increase more than a year ago—as proposed by President Eisenhower and supported by Republicans generally, except for Mr. Kennedy's opposition.

Passage of the bill was hailed as a "great victory" for President Kennedy, even though the increase to $1.25 won't come about for another 2 years at the earliest.

Let's look at another firm Democrat pledge.

Last November Mr. Kennedy stated flatly:

"In 1961 a Democrat Congress, under the leadership of a Democrat President will enact a bill to raise teachers' salaries."

Also, he said, "One of the first items on the Democratic agenda in 1961 is the passage of an adequate bill for school construction."

I wonder what excuses they're going to give for failing on this one.

The Democrats can't blame anyone but themselves.

First, a Democrat-packed Rules Committee refused to report out a monstrosity that had the administration's blessing.

Then, in desperation, the Democrat leadership patched up a bill that nobody liked—not even the National Education Association. So most of the Democrats voted against their own proposal.

But I must say this: the failure of Congress to go along with the Kennedy administration on this issue was a major victory for public education in America.

The same thing may be said for the refusal of Congress to act on another major Democrat promise for the immediate enactment of a progress of medical care for the aged through social security.

This promise died in a Democrat-controlled committee, never seeing the light of day.

But there was plenty of activity in the first session of the 87th Congress which should give every citizen interested in sound government cause for deep concern.

It was the old story of "dancing backwards"—back to the spendthrift ways of the New Deal and the Fair Deal—of big spending programs on the home front that the country doesn't need and—in this day of increasingly heavy defense burdens—are downright dangerous to the well-being of our economy.

Over strenuous Republican protests, this Democratic Congress whooped through a housing program beyond anything that could be justified.

It passed a sewer bill that goes far beyond the purpose of water pollution control—a program that is going to increase the size of Federal bureaucracy, add to the public debt and contribute to the dependence of local communities on money from Washington.

The country can thank Republicans in the Congress that the Democrats didn't go further than they did in committing your hard-earned dollars for years to come.

We held firm for safeguards in a depressed areas bill that wound up a far cry from the extreme proposals put forth by the Democrats early in the session when they would have put virtually every county in the country in the breadline category.

We stood our ground against repeated attempts by Democrats to undermine control of the purse strings in Congress by resorting to back-door spending, which simply means going directly to the U.S. Treasury for borrowed money.

This Republican insistence that the administration come to the Congress year by year for its funds can, and I predict will, save the taxpayer of this country billions of dollars in the years ahead, if we can continue to hold the line.

This points up the importance of electing more Republicans to the Congress next year.

The record we have made, in spite of our minority position, has established Republicans in the Congress as the country's first

line of defense against attack on our economy and our system by the wild-eyed spenders and radicals who want to remodel America in the pattern of socialism or something worse.

Make no mistake about this: The 1st session of the Democrat 87th Congress, under the leadership of a Democratic President, has been the most spendthrift Congress in history.

Instead of an $80 billion balanced budget as presented by President Eisenhower, we have wound up with an $88 billion budget, with prospects for a $90 billion budget dead ahead.

This is the record of fiscal irresponsibility of a party whose chief spokesman, President Kennedy, said during the campaign:

"I believe the next administration should work for a balanced budget and that would be my intention."

So we wind up the first 8 months from $7 to $10 billion in the red.

How many millions of disenchanted taxpayers does that add up to?

The same candidate who insisted on unprecedented spending on aid programs told the people of this country last September:

"I see no magic to tax dollars which are sent to Washington and then returned. I abhor the waste and incompetence of large-scale Federal bureaucracies."

I wonder how many more voters are now disenchanted by the fact that some 100,000 new employees have been added to the Federal payroll since the start of the New Frontier?

It was Candidate Kennedy who said during the campaign:

"No expert in the Nation's Capital knows as much about a community's local problems and how to meet them as its local businessmen and officials. Too much government is just as much a threat to our liberites as too little government."

But it is President Kennedy who is pushing now for a new Department of Urban Development of Cabinet status that would create a vast new bureaucracy to meddle in local affairs from parenthood to parking spaces.

It was Candidate Kennedy who promised, "We Democrats do not intend to devaluate the dollar from its present rate. We will defend its value and its soundness."

It was Candidate Kennedy who assured millions of Americans in retirement that "I would protect those who are on fixed incomes. I am thinking particularly of those on social security."

Now the Democratic-managed Department of Labor has had to announce the biggest jump in the cost of living to hit the American consumer in years.

This is more dancing backward by the same Democrats who pledged to the Nation they would protect the purchasing power of your dollars.

I could go on and on documenting the disparity between the Democrat record of pledges to the American people and their failure to keep those pledges.

But someone might say—well, after all, this is politics—and shrug it off.

So let's forget particulars from here on out and look at the broad picture.

I'm glad I'm a Republican because the people of this country are now comparing the kind of leadership we enjoyed for 8 years under a Republican President—Dwight D. Eisenhower—with what we've got now.

And what they see isn't doing the Democrats a bit of good, believe me.

Any fair-minded citizen—and a vast majority of Americans are fair minded—now realizes that the Democrats inherited a country that was out in front by any valid standard you want to apply.

We had the greatest military power the world has ever known.

We had the most productive economic system.

We had the broadest personal freedoms of any people on earth.

America—all up and down the line—was stronger and more promising than it was when Republicans took the helm in 1953.

Under President Eisenhower's steady hand we enjoyed 8 years of peace.

The country had confidence that we would win through in any showdown—come what may.

And let me make myself crystal clear on this point: it is my fervent hope that in the weeks and months ahead this new administration will match the Eisenhower administration for firmness of purpose.

I say this in all sincerity because if President Kennedy succeeds in achieving what is best for the country, then we all succeed.

But all of us know that the Nation today is in a serious crisis.

The overshadowing issue is our national survival as a free people.

Our goal must continue to be—as it was under a Republican President—winning the cold war and preventing the spread of militant communism over the world.

To sum up what I have been saying, let me point out that in this fight to win the peace three major factors are involved.

First is the wisdom and vigor of our leadership.

On this score the acid test is yet to come.

But history has demonstrated that a free people will rally behind a leadership that inspires confidence in its purpose—Republicans and Democrats alike.

Stephen Decatur said, "My country, may she always be right—but my country, right or wrong."

As Republicans we want our country to be right—we want our leadership to be right—and we will stand shoulder to shoulder on this.

We had an earlier crisis over Berlin—President Eisenhower stood firm and Mr. Khrushchev backed down.

We ask only that our new President show the same resolution in the days ahead.

The second factor in our survival as a free people, and our ultimate victory in any war, cold or hot, lies in the posture of our military defense.

We know now, by Democrat admission, that they were pointing a false finger of suspicion at the state of our defenses during the last campaign.

The truth is that we were strong—strong enough to deter the Russians from whatever aggressive designs they had in mind.

The truth is, that in spite of miscues on the part of the new administration since the first of the year, the greatest consolation to the American people has been the knowledge that we are not weak—thanks to the foresight of Dwight D. Eisenhower.

May I say this: even the appalling "goofs" haven't been enough to precipitate an attack against us.

This the American people are beginning to realize and that's another reason why I say the Republican record is looking better all the time.

The third, but not the least important factor in preserving our free way of life, is the maintenance of a strong, dynamic economy.

This involves establishing a healthy climate for free enterprise—giving the individual American a chance to make the most of the opportunities that have always been the real incentive for progress under our system. And it also involves protecting the value of our money.

It was General Eisenhower who once said, "The military is but the cutting edge of the great productive economic machine that is America."

This we must never forget because it is the wonderful, free way of life we are seeking to preserve.

In 8 years of Republican leadership we did establish a better climate for free, private enterprise. We did go forward to create new opportunities for individuals.

We did encourage initiative and self-reliance among our people as against the strength-sapping policies of paternalism we had labored under for so many years of the New and Fair Deals.

And we did protect the value of savings accounts, annuities, and wages by holding down the cost of living for every citizen.

But what are the Democrats doing to keep our economy sound?

They are claiming that the Democrat Congress enacted 75 percent of the administration's program. That happens to be baloney.

But I will say one thing:

This has been the most spendthrift Government in history.

They are spending you silly.

The only checkrein has been the hardy Republican minority—outnumbered as we are—who fought with more success than we could hope for, to stem the spending tide.

The people of America can thank their lucky stars—and Republicans—that the Democrats weren't able to get away with a lot of their extravagant schemes.

But don't think they won't be back trying next year.

They never give up.

And in that fact lies the Republican challenge.

We must fight harder than ever before to expand the beachhead of sanity in Government we are now holding in the Congress. We need a Republican majority.

To do this we must keep our eyes on 1962—emphasizing first things first.

By winning through in 1962 we will set the stage for Republican victories all up and down the line in 1964.

With the kind of loyal, dedicated folks I see here tonight we will get the job done.

You know, I keep thinking of the threat from Khrushchev that our grandchildren will be living under socialism.

Let us give him the lie with a resounding Republican victory.

Let us get into this fight with a renewed determination that in years to come all people who choose to stand with us shall live in freedom.

Voting Record of Representative Gerald R. Ford, Jr.

EXTENSION OF REMARKS

OF

HON. GERALD R. FORD, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FORD. Mr. Speaker, under leave to extend my remarks, I include a report of my voting and attendance record during the 1st session of the 87th Congress.

The record includes all rollcall votes and all quorum calls. The description of bills is for the purpose of identification only; no attempt has been made to describe the bills completely or to elaborate upon the issues involved.

The purpose of this report is to collect in one place information which is scattered through thousands of pages of the CONGRESSIONAL RECORD. I want to be able to provide any interested constituent with a simple compilation of my voting and attendance record.

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan

No	Date, 1961	Measure, question, and result	Vote
1	Jan. 3	Quorum call	Present.
2	...do	Election of Speaker	Halleck.
3	...do	H.Res. 1: Motion to vote without debate on resolution denying seat to either candidate for Congress from the 5th District of Indiana. (Passed 252 to 166.)	No.
4	Jan. 31	Quorum call	Present.
5	...do	H. Res. 127: To increase membership on House Committee on Rules from 12 to 15. (Passed 217 to 212.)	No.
6	Mar. 1	Quorum call	Present.
7	...do	H.R. 4806: To provide for the establishment of a temporary program of extended unemployment compensation. (Passed 392 to 30.)	Yes.
8	...do	H.Res. 167: To provide $331,000 to House Committee on Un-American Activities for investigations in 1961. (Passed 412 to 6.)	Yes.
9	Mar. 7	H.R. 5188: To amend the 3d supplemental 1961 appropriation bill by adding $29,990,000 for aid to school districts in federally impacted areas. (Passed 336 to 62.)	No.
10	Mar. 8	Quorum call	Present.
11	...do	...do	Present.
12	Mar. 9	...do	Present.
13	...do	H.R. 4510: To recommit to committee the bill providing a program for feed grains for 1961 in order to eliminate sec. 3 which authorized sale of stored corn at 20 cents below support price of corn. (Defeated 196 to 214.)	Yes.
14	...do	H.R. 4510: On final passage of feed grains bill increasing support price on corn for those who reduce acreage, etc. (Passed 209 to 202.)	No.
15	Mar. 10	Quorum call	Present.
16	Mar. 15	...do	Present.
17	Mar. 21	H.R. 4510: To approve the conference report on the feed grains program, 1961. (Passed 231 to 185.)	No.
18	...do	Quorum call	Present.
19	...do	H.R. 5463: To suspend the rules and pass the bill to amend and extend the Sugar Act of 1948. (Passed 284 to 129.)	Yes.
20	Mar. 22	H.R. 4806: To approve the conference report on the Temporary Extended Unemployment Compensation Act of 1961. (Passed 362 to 31.)	Yes.
21	Mar. 23	Quorum call	Present.
22	...do	H.R. 5000: To adopt an amendment to the military construction authorization bill requiring a study to determine whether Army Quartermaster Food and Container Institute should be relocated. (Passed 267 to 145.)	Yes.
23	...do	H.R. 5000: On final passage of the bill to authorize certain construction for military departments. (Passed 412 to 0.)	Yes.
24	...do	Quorum call	Present.
25	...do	...do	Present.
26	Mar. 24	...do	Present.
27	...do	H.R. 3935: To approve the Ayres-Kitchin substitute for the committee's bill amending the Fair Labor Standards Act. (Passed 216 to 203.)	Yes.
28	...do	H.R. 3935: On a motion to recommit the bill to committee. (Defeated 196 to 224.)	No.
29	...do	H.R. 3935: On final passage of the bill (minimum wage) to amend the Fair Labor Standards Act. (Passed 340 to 78.)	Yes.
30	Mar. 28	Quorum call	Present.
31	Mar. 29	Quorum call	Present.
32	...do	S. 1: On a motion to recommit the area redevelopment bill to committee in order to substitute H.R. 5943 for S. 1. (Defeated 125 to 291.)	Yes.
33	...do	S. 1: On final passage of the area redevelopment bill. (Passed 251-167.)	No.
34	Apr. 11	Quorum call	Present.
35	Apr. 13	...do	Present.
36	Apr. 18	...do	Present.
37	Apr. 19	...do	Present.
38	...do	S. 912: To adopt the omnibus judgeship bill providing for 70 additional Federal judges. (Passed 336 to 76.)	No.
39	Apr. 20	Quorum call	Present.
40	...do	H.R. 6027: On final passage of the Social Security Amendments of 1961. (Passed 400 to 14.)	Yes.
41	Apr. 25	Quorum call	Present.
42	...do	H.R. 6518: To appropriate $600,000,000 for the inter-American social and economic cooperation program and the Chilean rehabilitation program. (Passed 330 to 82.)	Yes.
43	Apr. 26	Quorum call	Present.
44	...do	S. 1. On adopting the conference report providing for back-door financing of the Area Development Act. (Passed 223 to 193.)	No.
45	May 3	Quorum call	Present.
46	...do	H.R. 3935: To adopt the conference report on amendments to the Fair Labor Standards Act. (Passed 230 to 196.)	No.
47	May 3	H.R. 6441: On motion to recommit to committee the Federal Water Pollution Control Act Amendments of 1961 in order to reduce the author zation from $100,000,000 to $75,000,000 annually and to require States after June 1964 to match all funds in excess of $50,000,000 and to retain State jurisdiction over intrastate waters. (Defeated 165 to 256.)	Yes.
48	...do	H.R. 6441: On final passage of the Federal Water Pollution Control Act Amendments of 1961. (Passed 307 to 110.)	No.
49	May 4	Quorum call	Present.
50	May 9	...do	Present.
51	May 10	...do	Present.
52	May 11	...do	Absent.[1]
53	...do	H.R. 2010: On final passage of the bill to extend the Mexican farm labor program for 2 years. (Passed 231 to 157.)	Paired for.
54	...do	H.R. 6094: To recommit to committee the bill to authorize additional funds to Council of Economic Advisers personnel in order to cut the amount from $2,000,000 to $700,000. (Defeated 151 to 199.)	Paired for.
55	...do	H.R. 6094: On final passage to authorize an additional $2,000,000 for personnel of Council of Economic Advisers. (Passed 209 to 136.)	Paired against.
56	May 15	Quorum call	Present.
57	May 16	...do	Present.
58	...do	H. Res. 284: To adopt a rule providing for the consideration of H.R. 4614, a bill to encourage travel in the United States by residents of foreign countries and to establish an office of International Travel and Tourism. (Passed 239 to 70.)	Yes.
59	...do	Quorum call	Present.
60	May 17	...do	Present.
61	...do	H. Con. Res. 226: To indicate congressional support for taking of collective measures by the Organization of American States against the Castro government of Cuba. (Passed 402 to 2.)	Yes.
62	...do	H.R. 4614: To establish an Office of International Travel and to encourage travel to the United States by residents of foreign countries. (Passed 305 to 104.)	Yes.
63	May 24	Quorum call	Present.
64	...do	S. 1852: To authorize about $12,500,000,000 for aircraft, missiles, and naval vessels for the Armed Forces. (Passed 402 to 0.)	Yes.
65	May 25	H.R. 1986: To recommit to committee a bill relating to information furnished the Postmaster General by ICC concerning revenues received by railroads from express companies. The recommittal motion was designed to provide that certain technical information be gathered annually by ICC concerning revenue paid railroads by the Post Office. (Defeated 16 to 345.)	No.
66	June 1	Quorum call	Absent.[2]
67	...do	H.R. 7371: The appropriation bill for Departments of State and Justice, the judiciary and related agencies ($751,300,050). (Passed 256 to 71.)	Yea.
68	June 6	Quorum call	Present.
69	...do	...do	Absent.[3]
70	...do	H.R. 7444: To recommit the Agriculture appropriations bill to committee in order to cut $100,000,000 from funds for agricultural conservation program. (Defeated 184 to 196.)	Yea.
71	...do	H.R. 7444: On final passage of the agricultural appropriations bill involving $5,900,000,000. (Passed 318 to 65.)	No.
72	June 7	Quorum call	Present.
73	June 8	...do	Present.
74	...do	...do	Absent.[4]
75	...do	H.R. 7446: To recommit to committee the Tax Rate Extension Act in order to eliminate the transportation tax on persons. (Defeated 189 to 196.)	Yes.
76	...do	H.R. 7446: On final passage of the Tax Rate Extension Act of 1961. (Passed 295 to 88.)	Yes.
77	June 12	Quorum call	Present.
78	...do	H.R. 7053: To recommit to committee the bill providing that in the District of Columbia courts confessions and other evidence shall not be inadmissible solely because of delay. (Defeated 104 to 252.)	No.
79	June 13	Quorum call	Present.
80	June 14	...do	Present.
81	June 15	...do	Present.
82	...do	H. Res. 303: To disapprove Reorganization Plan No. 2, concerning the FCC, submitted by the President on Apr. 27. (Passed 323 to 77.)	Yes.
83	...do	H. Res. 302: To disapprove Reorganization Plan No. 1, concerning the Security and Exchange Commission, submitted by the President on Apr. 27. (Defeated 176 to 212.)	Yes.

See footnotes at end of table.

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan—Continued

No.	Date, 1961	Measure, question, and result	Vote
84	June 19	Quorum call	Present.
85	...do	H.R. 6765: To authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock. (Passed 328 to 18.)	Yes.
86	...do	H.R. 7712: 4th supplemental appropriation bill for 1961 involving $88,000,000. (Passed 291 to 63.)	Yes.
87	June 20	Quorum call	Present.
88	...do	H. Res. 304: To disapprove Reorganization Plan No. 3, concerning the Civil Aeronautics Board, submitted by the President on May 3. (Defeated 178 to 213.)	Yes.
89	...do	H. Res. 305: To disapprove Reorganization Plan No. 4, concerning the Federal Trade Commission, submitted by the President on May 9. (Defeated 178 to 221.)	Yes.
90	June 21	Quorum call	Present.
91	...do	...do	Present.
92	...do	...do	Present.
93	...do	...do	Present.
94	June 22	...do	Present.
95	...do	H.R. 6028: To recommit to committee the Housing bill for the purpose of substituting provisions which would extend present program for 1 year. (Defeated 197 to 215.)	Yes.
96	...do	H.R. 6028: On final passage of the Housing Act of 1961 carrying authorizations of $9,000,000,000. (Passed 235 to 178.)	No.
97	June 26	Quorum call	Present.
98	...do	...do	Present.
99	...do	H.R. 7677: To raise the public debt limit for 1 year by $13,000,000,000 to $298,000,000,000. (Passed 231 to 148.)	Yes.
100	June 27	Quorum call	Present.
101	...do	...do	Present.
102	...do	...do	Present.
103	June 28	...do	Present.
104	...do	H.R. 7851: On amendment to defense appropriation bill in order to remove provision prohibiting use of funds for payment of a price differential on contracts made for the purpose of relieving economic dislocations. (Defeated 173 to 239.)	No.
105	...do	H.R. 7851: On final passage of the defense appropriation bill ($42,700,000,000). (Passed 412 to 0.)	Yes.
106	...do	S. 1922: To adopt the conference report on the Housing Act of 1961 as approved by conferees of the House and Senate. (Passed 229 to 176.)	No.
107	June 29	H. Res. 354: To authorize a special flag for Members of the House of Representatives. (Defeated 108 to 270.)	No.
108	...do	H. Res. 225: To recommit to committee the resolution granting consent of Congress to the Delaware River Basin compact in order to delete provisions for Federal voting membership and Federal cost sharing. (Defeated 92 to 257.)	Yes.
109	July 10	H.R. 187: To expedite judicial review of orders of deportation of undesirable aliens. (Passed 304 to 60.)	Yes.
110	...do	H.R. 5786: To establish the Cape Cod National Seashore. (Passed 278 to 82.)	No.
111	July 13	Quorum call	Present.
112	July 17	H.J. Res. 435: To provide for the observance of the centennial of the establishment of the Department of Agriculture. (Passed 367 to 12.)	Yes.
113	...do	H.R. 2555: To provide for allotment and advancement of pay to U.S. civilian employees in emergency evacuations. (Passed 285 to 86.)	Yes.
114	July 19	Quorum call	Present.
115	...do	...do	Present.
116	July 20	H.R. 6874: To authorize appropriations to the National Aeronautics and Space Administration in the amount of $1,780,000,000. (Passed 354 to 59.)	Yes.
117	...do	H. Res. 328: To disapprove Reorganization Plan No. 5 concerning the National Labor Relations Board. (Passed 231 to 179.)	Yes.
118	...do	H. Res. 336: To discharge the Committee on Government Operations from further consideration of Reorganization Plan No. 7 concerning the Maritime Administration. (Defeated 184 to 218.)	Yes.
119	July 25	H.R. 8302: To adopt an amendment to the military construction appropriations bill deleting $3,400,000 for transfer of the Food and Container Institute of Chicago to Natick, Mass. (Passed 241 to 170.)	No.
120	...do	H.R. 8302: On final passage of the military construction appropriations bill providing for an expenditure of $883,300,000. (Passed 409 to 0.)	Yes.
121	July 26	Quorum call	Present.
122	July 27	...do	Present.
123	July 31	...do	Present.
124	...do	S.J. Res. 120: To authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months. (Passed 403 to 2.)	Yes.
125	Aug. 1	Quorum call	Present.
126	Aug. 2	...do	Present.
127	...do	S. 2311: To authorize appropriations of $958,500,000 for additional aircraft, missiles, and naval vessels. (Passed 406 to 0.)	Yes.
128	...do	H.R. 30: To recommit to committee the bill granting approval of Congress to the northeastern water and related land resources compact in order to have the 7 Federal representatives on the Commission serve only in an advisory position. (Defeated 139 to 261.)	Yes.
129	Aug. 3	Quorum call	Present.
130	...do	S. 1643: On adoption of the conference report on the Agricultural Act of 1961. (Passed 224 to 170.)	No.
131	...do	Quorum call	Present.
132	...do	H.R. 7856: To amend the Communications Act of 1934 for the announced purpose of facilitating the prompt and orderly conduct of FCC business. (Passed 198 to 150.)	No.
133	Aug. 7	H.R. 7728: To authorize the Secretary of a military department to sell goods and services to the owner of an aircraft in an emergency. (Passed 307 to 78.)	No.
134	Aug. 8	Quorum call	Present.
135	...do	H.R. 7576: On a motion to lay on the table the motion to instruct House conferees not to agree to a project involving electric energy generating facilities for the new production reactor at Hanford, Wash., at a cost of $95,000,000. (Defeated 164 to 235.)	No.
136	...do	H.R. 7576: To adopt the motion instructing House conferees not to agree to the Senate provision providing for electric energy generating facilities at Hanford, Wash., at a cost of $95,000,000. (Passed 235 to 164.)	Yes.
137	...do	Quorum call	Present.
138	...do	H.R. 8033: To amend Interstate Commerce Act to authorize delegation of certain duties to ICC employee boards. (Passed 212 to 174.)	No.
139	Aug. 9	Quorum call	Present.
140	...do	H. Res. 406: On adoption of resolution providing for the consideration of H.R. 6882, to establish an additional Assistant Secretary of Labor. (Passed 369 to 16.)	Yes.
141	...do	Quorum call	Present.
142	...do	H.R. 6302: To transfer Freedmen's Hospital to Howard University (District of Columbia) and to make it a teaching hospital for the university. (Passed 321 to 61.)	Yes.
143	Aug. 10	Quorum call	Present.
144	...do	H.R. 7851: On the adoption of the conference report on the $46,500,000,000 appropriation bill for the Department of Defense. (Passed 383 to 0.)	Yes.
145	...do	Quorum call	Present.
146	Aug. 14	...do	Present.
147	...do	...do	Present.
148	...do	...do	Present.
149	...do	...do	Present.
150	Aug. 15	...do	Present.
151	...do	...do	Present.
152	...do	...do	Present.
153	Aug. 16	...do	Present.
154	...do	...do	Present.
155	Aug. 17	...do	Present.
156	Aug. 18	...do	Present.
157	...do	H.R. 8400: To adopt the mutual security authorization bill as amended by the House to include, among other things, a 1-year authorization for developmental loan assistance. (Passed 287 to 140.)	Yes.
158	Aug. 21	Quorum call	Absent.[5]
159	...do	...do	Absent.[5]
160	...do	H.R. 8384: To make aircraft piracy a Federal crime punishable with a possible death sentence. (Passed 373 to 5.)	Absent.[6]
161	...do	Quorum call	Absent.[5]
162	Aug. 22	...do	Absent.[5]
163	...do	...do	Absent.[5]
164	...do	H.R. 7763: To provide for planning the participation of the United States in New York's World Fair of 1964 and 1965. (Passed 353 to 42.)	Absent.[6]
165	Aug. 23	Quorum call	Present.
166	Aug. 24	...do	Present.
167	...do	H.R. 84: To stabilize the mining of lead and zinc by domestic producers on public, Indian, and other land. (Passed 196 to 172.)	No.
168	...do	Quorum call	Present.
169	Aug. 28	H.R. 8181: To order the engrossment and 3d reading of a bill to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia. (Passed 223 to 120.)	Absent.[7]
170	...do	H.R. 8181: On final passage of the bill to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia. (Passed 208 to 135.)	Absent.[7]
171	...do	H.R. 7176: To provide for a national hog cholera eradication program. (Passed 337 to 3.)	Absent.[6]

See footnotes at end of table.

Voting record, Representative Gerald R. Ford, Jr., 5th District of Michigan—Continued

No.	Date, 1961	Measure, question, and result	Vote
172	Aug. 29	Quorum call	Absent.[1]
173	...do	H.R. 8773: To increase the lump-sum readjustment payments for Reserve personnel involuntarily released from active duty. (Passed 394 to 0.)	Yes.
174	...do	Quorum call	Present.
175	...do	H.R. 6242: To authorize the Attorney General to fix the salaries of certain attorneys in the Department of Justice. (Defeated 172 to 223.)	No.
176	Aug. 30	Quorum call	Present.
177	...do	H.R. 8890: To consider the bill entitled "Emergency Education Aid Act of 1961" (Calendar Wednesday procedure). (Defeated 170 to 242.)	No.
178	...do	Quorum call	Present.
179	...do	H.R. 8028: To amend the Juvenile Delinquency and Youth Offenses Act of 1961 by restricting Federal grants to the District of Columbia. (Defeated 187 to 217.)	Yes.
180	Aug. 31	S. Con. Res. 34: Expressing the opposition of the Congress to diplomatic recognition of Red China or its admission to the United Nations. (Passed 395 to 0.)	Yes.
181	...do	S. 1983: To adopt the conference report on the Mutual Security Authorization Act of 1961. (Passed 260 to 132.)	Yes.
182	Sept. 5	Quorum call	Present.
183	...do	...do	Present.
184	...do	H.R. 9033: To amend the mutual security appropriations bill by increasing the funds for military assistance by $300,000,000. (Passed 242 to 151.)	Yes.
185	...do	H.R. 9033: On final passage of the $3,800,000,000 mutual security appropriation bill. (Passed 270 to 123.)	Yes.
186	Sept. 6	Quorum call	Present.
187	...do	...do	Present.
188	...do	H.R. 9000: To extend for 2 additional years the National Defense Education Act and the Federal impacted school districts bill. (Passed 378 to 32.)	Yes.
189	...do	Quorum call	Present.
190	...do	H.R. 8723: To suspend the rules and pass the Welfare and Pension Plans Disclosure Act Amendments of 1961. (Defeated 244 to 161; ⅔ vote needed for passage.)	No.
191	...do	H.R. 8666: To suspend the rules and pass the Mutual Educational and Cultural Exchange Act of 1961. (Passed 329 to 66.)	Yes.
192	...do	Quorum call	Present.
193	Sept. 11	...do	Present.
194	Sept. 12	...do	Present.
195	...do	...do	Present.
196	Sept. 13	...do	Present.
197	...do	H.R. 8302: To eliminate from the military construction appropriation bill funds to provide for the transfer of the Food and Container Institute from Chicago to Natick, Mass. (Passed 212 to 185.)	No.
198	...do	H.R 7371: To accept a provision in the appropriations bill for the Departments of State and Justice and the judiciary extending the life of the Civil Rights Commission to Sept. 30, 1963. (Passed 300 to 106.)	Yes.
199	...do	H.R. 9076: To recommit to committee the public works appropriation bill in order to reduce funds for the Upper Colorado River Basin and to eliminate certain proposed transmission lines. (Defeated 182 to 224.)	Yes.
200	...do	H.R. 9076: On final passage of the public works appropriation bill in the amount of $3,600,000,000. (Passed 377 to 31.)	Yes.
201	...do	Quorum call	Present.
202	...do	H.R. 7576: To adopt the conference report authorizing appropriations for the Atomic Energy Commission containing provisions approving an electric powerplant at Hanford, Wash. (Defeated 155 to 251.)	No.
203	...do	H.R. 8102: On a substitute bill for the Federal Airport Act, as passed by the House but amended by the Senate, submitted by the conferees calling for a 3-year extension with annual appropriations instead of back-door financing. (Passed 396 to 4.)	Yes.
204	Sept. 14	Quorum call	Absent.[1]
205	...do	H.R. 7500: On final passage of the bill to provide for a Peace Corps. (Passed 287 to 97.)	Paired for.
206	Sept. 15	Quorum call	Absent.[1]
207	...do	H. Res. 455: A resolution sending to conference H.R. 2010 extending the Mexican farm labor program. (Passed 243 to 135.)	Absent.[6]
208	...do	H. Res. 464: To adopt a closed rule providing for the consideration of H.R. 7927 to adjust postal rates. (Defeated 142 to 222.)	Absent.[6]
209	Sept. 16	Quorum call	Absent.[1]
210	Sept. 18	S. 2393: On final passage of a bill similar to H.R. 9000 extending for 2 years the provisions of the National Defense Education Act and the federally impacted school area bill. (Passed 342 to 18.)	Absent.[6]
211	...do	S. 1459: To suspend the rules and pass the bill amending the law relating to longevity step increases for postal employees. (Passed 358 to 4.)	Absent.[6]
212	...do	H.R. 5751: To amend Subversive Activities Control Act to require the registration of persons disseminating political propaganda within the United States as agents of a foreign power. (Passed 369 to 2.)	Absent.[6]
213	...do	H.R. 8914: To suspend the rules and pass the bill amending the Soil Conservation and Domestic Allotment Act (feed grains) to enable certain farmers to grow more barley. (Defeated 213 to 149; ⅔ vote needed.)	Paired against.
214	...do	H.R. 7377: To suspend the rules and pass the bill increasing the limitation on the number of positions which may be placed in the top grades of the Civil Service Classification Act. (Passed 305 to 53.)	Absent.[6]
215	Sept. 19	Quorum call	Absent.[6]
216	...do	H.R. 9118: To establish a U.S. Arms Control Agency. (Passed 216 to 54.)	Absent.[6]
217	Sept. 20	Quorum call	Absent.[6]
218	...do	...do	Absent.[6]
219	Sept. 21	H.R. 7500: To adopt the conference report on the Peace Corps. (Passed 253 to 78.)	Absent.[6]
220	...do	H.R. 5628: To suspend the rules and pass the bill providing for a study of the desirability of establishing and maintaining a National Tropical Botanic Garden in Hawaii. (Defeated 215 to 125; ⅔ vote being necessary.)	Absent.[7]
221	...do	H.R. 4172: To suspend the rules and pass the bill providing for the establishment of a Federal Advisory Council on the Arts. (Defeated 166 to 173; ⅔ vote being necessary.)	Absent.[7]
222	Sept. 22	Quorum call	Absent.[6]
223	...do	H.R. 258: To adopt the conference report increasing the District of Columbia sales tax from 2 cents to 3 cents, transferring certain moneys to the highway fund, and including an amendment providing for the inclusion of the District of Columbia among those areas to receive Federal funds as federally impacted school areas. (Defeated 142 to 159.)	Absent.[7]
224	Sept. 23	Quorum call	Present.
225	...do	H.R. 7377: To adopt the conference report increasing the limitation on number of positions which may be placed in the top grades of the Civil Service Classification Act which report increased the number of positions beyond the House bill. (Passed 228 to 71.)	No.
226	...do	H.R. 9118: To adopt the conference report establishing a U.S. Arms Control Agency. (Passed 252 to 50.)	Yes.
227	Sept. 26	Quorum call	Present.
228	...do	...do	Present.
229	...do	H.R. 258. On conference report on bill to increase District of Columbia sales tax from 2 cents to 3 cents and transferring certain parking fees and other moneys to highway fund. (Defeated 97 to 173.)	No.
230	...do	H.R. 9033. To adopt conference report on bill making appropriations for foreign assistance and related agencies. (Passed 192 to 81.)	Yes.
231	...do	H.R. 9033. On motion to adopt Senate amendment 27 providing that foreign aid Inspector General need not honor request for information from Congress if the President certifies he has forbidden him to do so. (Passed 152 to 119.)	No.

[1] At Wurtsmith Air Force Base, Mich.
[2] Conference in downtown Washington.
[3] Appointment with doctor.
[4] President's guest at the White House.
[5] In, or returning from, Michigan.
[6] If present, would have voted "yes".
[7] If present, would have voted "no".
[8] On official leave to attend sessions of the Interparliamentary Union at Brussels.

Record of Committee on Public Works in the 87th Congress, 1st Session

EXTENSION OF REMARKS
OF

HON. CHARLES A. BUCKLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BUCKLEY. Mr. Speaker, under leave to extend my remarks, I include the following summary of public works legislation reported by the Committee on Public Works during the 1st session of the 87th Congress:

GENERAL STATEMENT

The committee had 354 bills referred to it during the first session. These dealt with such subjects as navigation improvements, flood control, beach erosion, highways, bridges, water pollution, public buildings, land acquisitions, and water supplies.

The committee acted upon 68 river and harbor, flood control, and watershed resolutions proposed by individual Members of Congress, which require only committee action. The civil works resolutions authorized review survey studies by the Corps of Engineers, Department of the Army, that will ultimately result in project reports submitted to Congress if the projects are found feasible and are approved by the Board of Engineers for Rivers and Harbors, the Chief of Engineers, and the Secretary of the Army. The watershed resolutions were acted upon pursuant to the Watershed Protection and Flood Prevention Act—Public Law 566, 83d Congress, as amended by Public Law 1018, 84th Congress—which requires watershed projects having more than 4,000 acre-feet of total capacity to be approved by the Committees on Public Works.

The committee approved 49 public building projects under the Public Buildings Act of 1959. These included courthouses, Federal office buildings, post offices, customhouses and border facilities throughout the Nation. While most of these were for new construction some of them represent repair and remodeling of existing structures.

One of the most important measures acted upon by the committee in this session was the bill to amend the Federal Water Pollution Control Act, now Public Law 87–88. Among other things this act (1) provides that Federal agencies shall give consideration in the planning of any reservoir to inclusion of storage for streamflow regulation for water quality control purposes, (2) directs the Secretary of HEW to develop and demonstrate sewage treatment means, improve methods and procedures to identify and measure pollution effects on water uses, (3) directs the Secretary of HEW to establish and maintain field laboratory and research facilities at various locations in the United States for the conduct of research, investigations, experiments, etc., (4) increases authorizations for appropriation of funds for grants to State and interstate water pollution control agencies to assist in establishing and maintaining adequate water pollution control measures, (5) increases authorizations for appropriation of funds for grants to municipalities for construction of sewage treatment works, (6) increases the amounts of individual grants for construction of sewage treatment works, (7) applies Davis-Bacon Act provisions to rates of wages paid on projects for which construction grants are made, and (8) extends Federal abatement jurisdiction to both intrastate and interstate or navigable waters.

The Federal Aid Highway Act of 1961 was enacted into law during this session. Title I of this act (Public Law 87–61) was reported by the Committee on Public Works and title II, providing increased revenues to the highway trust fund, was handled by the Committee on Ways and Means. Title I contains the following provisions:

"1. Approves the 1961 estimate of cost of completing the National System of Interstate and Defense Highways for the purpose of apportioning interstate funds to the several States for fiscal years 1963, 1964, 1965, and 1966. The estimated total cost is $41 billion, of which $37 billion is Federal funds and $4 billion is to be provided by the States.

"2. Increases the authorizations for appropriation of funds for completion of the Interstate System from $25.44 billion, authorized by prior acts, to $37 billion, an increase of $11.56 billion, and extends the period of authorizations for 2 additional years, through fiscal year 1972.

"3. Extends the period within which States may enter into agreements with the Secretary of Commerce for regulation of outdoor advertising adjacent to the Interstate System from July 1, 1961, as provided in prior law, to July 1, 1963."

SPECIAL SUBCOMMITTEE ON THE FEDERAL-AID HIGHWAY PROGRAM

The first interim report of the Special Subcommittee on the Federal-Aid Highway Program entitled "Defense Highway Needs" was filed may 8, 1961 (H. Rept. No. 363).

The subcommittee's second interim report on "Construction Practices in Oklahoma" also was filed May 8, 1961 (H. Rept. No. 364).

Just prior to the convening of the 87th Congress the subcommittee conducted public hearings on December 5, 6, 7, 8, 9, and 13, 1960, which disclosed that many Florida State Road Department employees accepted thousands of dollars, in one form or another from contractors whose work they were supervising. The contractors admitted they paid out the money, either through the devious method of sending specified weekly sums through the mail, or by making loans they had good reason to believe would never be repaid, or by the purchase of a wide variety of items which later were given to State personnel.

The testimony placed in the record in the Florida case is summarized in the subcommittee's third interim report filed September 20, 1961 (H. Rept. No. 1246).

The subcommittee conducted public hearings on March 1, 2, 3, 7, 8, 9, and 10, 1961, with reference to the State's policies, practices, and procedures in the disposition of improvements located on right-of-way acquired for Federal-aid highways in Florida with particular attention to certain segments of the Interstate System in several Florida cities. Printed copies of the testimony are available under the designation of Committee Document No. 87–2.

Public hearings also were conducted by the subcommittee on June 12, 13, 14, 15, 16, 20, 21, 22, and 23, 1961, following an investigation of highway construction practices in the State of New Mexico. Printed copies of this testimony are available under the designation of Committee Document No. 87–6.

SPECIAL SUBCOMMITTEE ON REAL PROPERTY ACQUISITIONS

On August 24, 1961, the committee voted to set up a special subcommittee to conduct a study of real property acquisitions in Federal and federally assisted programs, through condemnation proceedings or otherwise. The subcommittee will conduct hearings, receive testimony and develop legislative proposals, if appropriate, and report its findings and recommendations to the full committee for transmittal to the Congress.

The subcommittee will conduct a comprehensive and impartial study of the acquisition of property by the Government. The study is to be a balanced and objective examination for the purpose of ascertaining whether existing practices are unfair either to the property owner because of inadequate payments or to the general taxpayer because of overpayments. The initial phase of the subcommittee's activity will be devoted primarily to intensive study by the staff. Public hearings will follow some time in the 2d session of the 87th Congress.

SUBCOMMITTEE AND STAFF WORK

I have had splendid cooperation and invaluable aid from all committee members. I am grateful to Representatives GEORGE H. FALLON, CLIFFORD DAVIS, JOHN A. BLATNIK, ROBERT E. JONES, and FRANK E. SMITH, who served so ably as subcommittee chairmen. I am indebted to Representative JAMES C. AUCHINCLOSS, ranking minority committee member, who has always been most cooperative and helpful. The committee is fortunate in having an efficient hardworking staff of experienced persons, and I commend them for innumerable tasks well done.

SUMMARY

Following is a summary of the bills and resolutions acted upon by the committee in the first session:

Bills and resolutions enacted into law

Public Law No.	Bill No.	Date approved	Title
9	S. 307	Mar. 29, 1961	Beach erosion control of shore at Oceanside, San Diego County, Calif.
61	H.R. 6713	June 29, 1961	Federal-Aid Highway Act of 1961.
88	H.R. 6441	July 20, 1961	Federal Water Pollution Control Act Amendments of 1961.
184	H.R. 4660	Aug. 30, 1961	Mississippi River, payment for damages to Kings Lake Drainage District, Mo.
236	S. 48	Sept. 14, 1961	Recreation facilities in reservoir areas, authorize Secretary of the Army to modify certain leases.
275	S. 541	Sept. 22, 1961	Empower Administrator of General Services to appoint nonuniformed special policemen.
277	S. 931	do	Sites for public buildings, repeal requirement that grantors finance evidences of title.
282	S. 1719	do	Amend title 23, United States Code, re Indian reservation roads.
307	H.R. 8678	Sept. 26, 1961	Convey portion of Shirley Memorial Highway and other highways on Pentagon road network to Commonwealth of Virginia.
360	S. 2295	Oct. 4, 1961	Provide for improvement of National Zoological Park.
373	H.R. 3019	do	Government Printing Office annex building, provide for construction.
386	H.R. 7888	do	Grapevine, Garza-Little Elm, Benbrook, Belton, and Whitney Reservoirs, Tex., extend time for reconveyance of lands to former owners.
388	H.R. 7854	do	Duluth-Superior Harbor project, Minnesota and Wisconsin, provide for abandonment of 21st Avenue West Channel.
392	H.R. 8558	do	Amend title 23, United States Code, re organization of Bureau of Public Roads.
------	H.R. 8320	------	Amend Freeport Harbor project, Texas.

Bills passed by the House and pending in Senate committee

Bill No.	Passed House	Title
H.R. 30	Aug. 2, 1961	Northeastern water and related land resources compact.
H.R. 157	Sept. 6, 1961	Change name of Playa del Rey Inlet and Harbor, Venice, Calif., to Marina del Rey, Los Angeles, Calif.
H.R. 3801	Sept. 18, 1961	Authorize Secretary of the Army and Secretary of Agriculture to make joint investigations and surveys of watershed areas.
H.R. 4300	July 10, 1961	Designate Bear Creek Dam, Lehigh River, Pa., as the Francis E. Walter Dam.
H.R. 5963	June 29, 1961	Amend General Bridge Act of 1946 re vertical clearance of bridges across Mississippi River.
H.R. 6676	July 10, 1961	Designate Kettle Creek Dam, Kettle Creek, Pa., as the Alvin R. Bush Dam.
H.R. 7477	Sept. 6, 1961	Repeal sec. 409 of Public Buildings Act of 1949, requiring submission of report to Congress concerning eligible public building projects.

Bills reported by the committee and pending on House Calendar

Bill No.	Reported from committee	Title
H.R. 947	Aug. 15, 1961	Designate new lock on St. Marys River at Sault Ste. Marie, Mich., as the John A. Blatnik lock.
H.R. 8355	Aug. 28, 1961	Authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies.

Bills approved by House, amended in Senate, and awaiting final action

Bill No.	Passed House	Title
H.R. 8921	Sept. 18, 1961	Annual audit of bridge commissions and authorities created by act of Congress, and filling of vacancies in membership thereof.

Bills approved by Senate and referred to committee

Bill No.	Passed Senate	Title
S. 51	July 7, 1961	Commission on Presidential office space.
S. 340	Aug. 14, 1961	Authorize contracts with Standing Rock and Cheyenne River Indian Tribes to provide for clearing of certain portions of Oahe Reservoir area.
S. 520	Sept. 19, 1961	Authorize modification of Kaskaskia River, Ill., project.
S. 588	June 16, 1961	Amend act of May 29, 1930, to increase authorization for funds for extension of certain projects from District of Columbia into State of Maryland.
S. 811	June 13, 1961	Establish Wabash Basin Interagency Water Resources Commission.
S. 1563	Sept. 8, 1961	Convey certain lands within Clark Hill Reservoir, Savannah River, Ga.-S.C., to Georgia-Carolina Council, Inc., Boy Scouts of America, for recreation and camping purposes.
S. 1742	Aug. 21, 1961	Authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters.
S. 2394	Sept. 15, 1961	Authorize improvement of Portland Harbor, Maine.

The People of California's First District Express Their Views on Issues Before Congress

EXTENSION OF REMARKS
OF
HON. CLEM MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CLEM MILLER. Mr. Speaker, I would like to invite the attention of my colleagues to the results of my 1961 questionnaire to the people of my district on issues before the Congress.

A copy of my annual questionnaire is mailed to each family in California's First Congressional District which includes a registered voter. Again this year the response was heartening and most instructive to me.

Almost all of the questions involve issues that are either continuing concerns of this body or legislative proposals that are listed among our unfinished business for the second session beginning next January.

The questionnaire contained 12 questions; multiple-choice responses were offered to be checked and further remarks were invited. The responses to any one question do not add to 100 percent because more than one response often was checked.

The first question asked my constituents for what national needs "would you be willing to sacrifice, even if it meant increasing your own taxes?" Fifty-one percent said they would so sacrifice to strengthen our Armed Forces; 35 percent to strengthen civil defense; 34 percent to retrain unemployed workers; 29 percent to increase outer space efforts; 28 percent to increase economic assistance to developing nations; and 27 percent to step up U.S. Information Agency broadcasts overseas. Six percent checked "None of them."

Concerning how to help finance improved health care for the aged, 49 percent favored the social security approach and 27 percent favored this approach but felt present coverage is inadequate. Twenty percent opposed the social security approach; 11 percent said "no Federal involvement" and 11 percent said existing public and private programs are meeting the problem.

There were three questions on education. The first: "Should Congress grant Federal funds to the States to help local school districts pay costs of public schools?" Thirty-two percent said yes and 20 percent checked "yes, reluctantly, because the need is so great." Twenty-nine percent said no, and 20 percent checked "no, because financing of education is entirely a local and State problem." Twenty percent approved Federal aid for construction only; 6 percent for operating costs only.

Forty-nine percent favored Federal grants to the States for college scholarships to able and needy high school graduates; 21 percent opposed this. Thirty-six percent favored tax credit to parents for dependents' college costs; 14 percent said higher-education financing should be no concern of the Federal Government.

Fifty-eight percent opposed expansion of National Defense Education Act to include classroom-construction loans to private schools; 17 percent favored this. Thirty percent said this would be wrong in principle; 24 percent would decide this on the basis of relative need and national interest, not as a church-state issue.

Only 3 percent would have continued existing farm programs; 37 percent said some new approach must be tried. Twenty-three percent said they did not know enough about the administration's proposed marketing order approach to express an opinion on it; 21 percent said it sounded like a good idea; 14 percent, like a poor idea. Thirteen percent said no farmer should have to comply to any farm programs; 8 percent said Government should not be concerned about crop surpluses, and 23 percent would eliminate all farm programs.

Sixty-three percent said Congress should finance this year's additional defense costs by closing tax loopholes; 19 percent would do it by increasing taxes and 5 percent by borrowing. Forty-four percent said we must do now whatever is necessary to defend West Berlin and pay for it later if need be; 21 percent said spending in any one fiscal year should not exceed revenues under any circumstances.

Thirty-one percent said they favored three of the current proposals to close income tax loopholes; 23 percent said

they did not. Forty-five percent would limit deductible business entertainment expenses; 10 percent favored withholding of taxes on stock dividends; 9 percent favored withholding of taxes on interest.

Two percent said conservation and development of national forests and Federal public lands should be decreased; 42 percent would increase such work. Forty-four percent said future management of the natural resources of these lands should emphasize fish and wildlife uses; 41 percent, outdoor recreation; 42 percent, water; 33 percent, timber; 23 percent, grazing; 12 percent, mining, and 28 percent, all compatible uses.

On foreign aid, 49 percent said our allies should carry a heavier share of the burden of assisting developing nations; 39 percent would continue foreign aid only if the countries involved make internal reforms; 29 percent approved loans only, not grants. Eighteen percent feel we should put foreign aid on a long-range basis; 15 percent would reduce the program; 14 percent would continue it on a year-to-year basis and 9 percent would eliminate it altogether. Ten percent would not help neutral countries. Eighteen percent favored economic aid only; 5 percent, military aid only.

Asked, "Should Congress pass further laws aimed at preventing recessions and limiting their effects?" 32 percent checked "yes"; 14 percent, "no"; 30 percent, "no, the less Government interference the better"; 15 percent, "no, present laws are adequate" and 16 percent, "not certain."

Concerning the relationship between military spending and spending for civil functions of Government, 41 percent would encourage economic growth to make more funds available for both at present tax rates. Fourteen percent would increase military spending and 12 percent would cut back on civil spending; 10 percent would both cut military and increase civil spending. Twenty-two percent suggested specific ways in which military costs might be reduced and 16 percent made money-saving suggestions for the Federal Government's civil functions. I am forwarding a number of these suggestions to officials of the executive departments and agencies involved and to the chairmen of the appropriate committees of the Congress.

Exchanges of Educational Leaders Move Toward Permanent Peace

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. MUNDT. Mr. President, recently I had the pleasure and privilege of being a guest speaker at a dinner given by the National Advisory Committee for the Exchange of Teachers in honor of some 200 teachers from 16 other countries who will be teaching in schools throughout the United States during the coming year. I was impressed with the high caliber of these teachers and their winning personalities because they were the kind of teachers which any superintendent would be pleased to have on his staff. It also occurred to me how fortunate our students will be to have these teachers from other countries during the coming year, as they bring firsthand information about their cultures, their people, their problems, and their aspirations to us. It will be a tremendously stimulating experience for the students, the faculty, and the community. These visiting educators will bring a new focus on some of our problems and at the same time, emphasize many of the benefits of our way of life which some of us may be taking for granted.

New units of work will be developed in the classrooms because these teachers are here. New interest in learning to speak other languages will be generated. A desire to visit their countries to know more about their people will be fostered, and events which take place in a certain country will become more vital and meaningful because other people have met a teacher from that nation.

Our own teachers will have similar experiences abroad. Some 484 American teachers will be exchanging jobs, or teaching on a one-way assignment basis, or attending summer seminars in the language and social science fields. Teacher exchange and training programs are among the most effective projects under the U.S. international educational and cultural exchange activities. Teachers go into the small as well as the large communities, and they are teaching students at all levels of society. It has been said that "the teacher affects eternity" as she imparts knowledge and truth year after year to new groups of students. It is my hope that this most important category of exchange can be increased considerably because of its benefits personally and academically, and in the area of improved international understanding. Not only do we need to interchange teachers with those countries whose teachers are well trained and whose systems are somewhat similar to our own, but also we need to supply teachers of English in large numbers to many countries of the world and teachers in many subject fields in the newly emerging nations of Africa and the not so fully developed countries elsewhere.

I would particularly like to commend the U.S. Office of Education, Department of Health, Education, and Welfare, for the great care which has been exercised in recommending teachers for exchange to the Department of State and the Board of Foreign Scholarships, and for the excellent orientation program which they have prepared for the incoming foreign teachers to enable them to adjust more readily to American life and the American system of education, and orientation for American teachers going overseas, which has been conducted in cooperation with the Foreign Service Institute. I know of no better way to increase mutual respect, real knowledge, and good will than through the exchange and training of teachers and school administrators.

Let me say, quite frankly that I was proud to have these guest teachers from afar tell how much they appreciated my work in initiating and aiding our country's program of international cultural exchange, through the operations of the Smith-Mundt Act. I continue to believe this program produces significant and lasting dividends in terms of maintaining international peace.

Tax Revision Needed

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. WEAVER. Mr. Speaker, as this session of the 87th Congress draws to a close, I would like to make note of the fact that we have omitted one very important thing—a sound and solid revision of our tax structure. Our tax laws need overhauling to meet the demands of the 1960's and to give the people the relief they so badly deserve from double or dual taxation, from unsound and unfair taxes and from taxes piled on taxes.

Instead of this, we once again got piecemeal tax legislation to work with in the House. We did pass a tax numbering system which will modernize the efforts of the Internal Revenue Service. However, efforts in other fields of taxation seemed almost shotgun in their effect, rather than a concentrated effort at overhaul.

I was extremely pleased that tax inequities imposed on the clay products industry were, to some extent, alleviated. This was a just decision on the part of the Congress. However, there are needs for other industries as well, and a need for a complete new look at our business tax setup to determine how best we can assist business expansion. The proposals made by the administration this year were obviously unsound and to a degree unfair.

We must also reexamine our policy on transportation taxation to eliminate inequities there. The first step should be to do away with the unsound 10 percent tax on passenger travel of all kinds.

In other tax fields:

Cooperatives: The committee approved tentative language to tax cooperatives' patronage refunds, either as individual income or as corporate income.

Mutual insurance companies: The committee approved tentative language increasing taxes on mutual insurance companies.

Business expense accounts: The committee has approved language tightening up regulations on deductions for business expenses. Some effort is needed in this field but care must be exerted not to cause undue or unfair hardship.

Dividend taxation: The administration proposal for a dividend tax withheld at the source is most unsound and is completely without logic. Such a tax

on dividends and interest would work undue hardship on small investors and small savers and would work a hardship on small companies and firms which make the payments.

Savings and loan taxation: The committee spent many days investigating this proposal but arrived at no firm decision. Prospects at this point are that no decision will be reached very early in the next session.

New Frontier Farm Policies: A Report on the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. HOEVEN. Mr. Speaker, we have now completed the 1st session of the 87th Congress and I feel it is a fitting time for a thorough evaluation of the farm policies of the New Frontier. Frankly, Mr. Speaker, I am very much disturbed by some of the tendencies exhibited by the Kennedy administration in this vital area of our national policy.

The fixation of the New Frontiersman for the complete and total domination of all American agriculture became apparent this year. So did a mania for centralizing all marketing decisions in Washington. So did an executive branch insistence on a patently unconstitutional method of imposing new farm programs on every farmer and for every farm commodity in America by voiding and making a mockery of the constitutional prerogatives of Congress. So did a callous disregard for both the American sugar grower and the intent of Congress as legislatively recorded in the Sugar Act extension. So did a number of unsound fiscal policies masquerading under the mantle of phony liberalism. And the final folly of the New Frontier farm policy was its naive program of providing surplus agricultural commodities to the Soviet Union and the Eastern European Communist satellites at subsidized prices.

Each of these tendencies portends great danger to both American agriculture and to the free enterprise, private initiative system which built our great Nation. Fortunately for the people of this Nation some of these tendencies were completely stifled by the Congress and others were effectively limited. Unfortunately, however, some were consummated in spite of strong Congressional opposition.

And at this point, Mr. Speaker, I would like to take one brief moment to both thank and commend the minority members of the House Committee on Agriculture for their courage, dedication, and cooperation in steadfastly resisting the unsound and unsavory actions of this administration, while at the same time acting constructively and effectively on those portions of our farm programs which accrue to the benefit of our farmers and our Nation. Had it not been for their support and assistance I shudder to imagine the kind of America we would have in just 1 year on the New Frontier.

During this 1st session of the 87th Congress there were four major issues in agriculture. Three of these were legislative: the feed grain bill, the omnibus farm bill, and the sugar bill. The fourth was the Department of Commerce's announcement upon behalf of the Kennedy administration that subsidized sales would be allowed to Russia and the Eastern European Red nations.

I would like to review each of these major issues and also show some of the constructive measures which Republican members of the committee and the House supported.

THE 1961 FEED GRAIN PROGRAM

The first piece of farm legislation this session was the enactment of a 1961 feed grain program. The administration asked for a 1-year program applying to corn, oats, rye, barley, and grain sorghum, whereby farmers would be eligible for price supports and land retirement payments only if they participated in the program. The Department of Agriculture also asked for unlimited authority to sell Government-held surplus feed grain in order to break the economic backs of "noncooperators."

The House Committee on Agriculture limited the program to only corn and grain sorghum and slightly limited the Secretary's feed grain dumping authority by providing that CCC sales could not be made for less than 17 percent below the support price.

In the additional minority views on H.R. 4510, expressed by myself and the gentleman from Minnesota [Mr. QUIE], the ranking minority member of the Livestock and Feed Grains Subcommittee, we pointed out that the dumping authority was an unprecedented and unsound provision and we strongly opposed this feature on the floor of the House.

We pointed out, however, that except for this provision the proposal contained a number of features long advocated by myself and many other Members from the Midwest. These were the voluntary retirement of land, the use of payments-in-kind to finance this retirement, and the requirement that producers participate in the program in order to be eligible for the benefits.

Although it contained these beneficial features, we opposed this bill in the House because of its dumping features and it narrowly passed—209–202.

The Senate bill did not contain this controversial dumping feature so when the conference convened, I was hopeful a suitable compromise could be reached.

The final version which was worked out did represent a compromise of sort, but it still gave the Secretary of Agriculture vast powers in manipulating the grain market. It was one of the toughest decisions that I have been required to make as a Member of Congress, when I supported the conference report on this bill. I did so because I felt the farmer should be given the benefit of the doubt and because I felt that with proper administration this program could be of assistance in improving farm income and solving our surplus problem in feed grains. The record of the Department of Agriculture in administering this program unfortunately has left much to be desired. Here are some of the great unanswered questions Mr. Freeman has raised with his administration of the program:

Why is there a discrepancy of approximately 5 million "phantom acres" between the Secretary's report submitted pursuant to Public Law 87–5, which showed approximately 87 million acres of corn planted in 1959–60, and the reports of the Crop Reporting Board and other agencies within the Department, showing only some 82 million acres planted in 1959–60?

With the productive genius of the American farmer being fully exhibited this year, will the Department be able to sell some $680 million worth of payment-in-kind certificates without completely destroying the feed grain market? USDA has already sold 235 million bushels of corn between October 1, 1960, and September 1, 1961, as compared to only 105 million bushels during the previous year, under the pretext that it is "going out of condition."

What will be the total cost of such a policy? The loss to feed grain farmers on their 1960 crop because of this 1961 dumping may run into many millions of dollars; and the ultimate cost to the Government in taking over 637 million bushels of the 1960 corn crop, the highest on record, is still untold. These costs are, of course, in addition to the $680 million cash outlay by CCC to finance the payment-in-kind certificates.

What will the impact of this program be on hogs, cattle, and other livestock? Indiscriminate dumping could easily disrupt the delicate balance between livestock and feed grains.

What will be the effect of this little-publicized Neal Smith amendment which limits feed grain price support to cooperators to a volume based on the per-acre yields in 1959–60?

What is meant by the Department's recent announcement that 1961 corn market prices will be kept at "reasonable" levels? The current market price is only 64 percent of parity. Can this be "reasonable," particularly in view of the fact that no certificate corn has been sold yet?

These questions must be answered fully before this program can be made to work. Mr. Freeman told us he had the answers. We must wait to see whether he does.

SUGAR

Pursuant to legislation enacted in the 86th Congress, the Sugar Act was scheduled to expire on March 31, 1961. It was necessary, therefore, for Congress to extend this law and we did so in Public Law 87–15, by extending the act to June 30, 1962, giving the administration the authority it requested in regard to withholding from the Dominican Republic its share in the cutback of the Cuban quota, and establishing a congressional policy

that in redistributing the Cuban quota "special consideration" should be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities. No provisions were made for protecting the legitimate interests of American sugar growers, particularly those in new production areas.

In a special study prepared in the Department of Agriculture last year at the request of the House Agriculture Committee, it was clearly demonstrated that U.S. growers had both the capacity and the ability to provide more sugar for our domestic market. Because of the obvious justice in letting American farmers enjoy a greater share of the American sugar market, on May 19, 1961, I urged Secretary Freeman to clarify the administration's position in regard to increasing domestic production at the earliest possible date.

I cited three main reasons presented by new growers as justification of their request for an opportunity to produce more sugar. These reasons are first that increased U.S. sugar production will mean increased farm income in many Western and Southwestern States. Second, sugar is a deficit crop in the United States and since we rely on foreign sources for a great portion of our needs, an increase to meet these needs is justified. Third, the Cuban fiasco has tightened Communist control of Cuba, the nation we have historically depended upon for approximately one-third of our sugar supply. I pointed out that there is no valid reason why we should redistribute the Cuban quota all over the world when American farmers can do the job.

In spite of my suggestions and the concerted efforts of many Members of Congress, Secretary Freeman on August 3, 1961, announced that the New Frontier had forgotten the sugar farmers of America, saying in part: "For several reasons it appears inadvisable to present such recommendations before the beginning of the next session of Congress. World production and marketing of sugar are undergoing realinement and the situation has not yet stabilized. This fact coupled with other uncertainties in the international field lead us to believe it wise to reserve judgment, for the present, about some of the major issues respecting sugar import quotas."

It is certainly my hope that at the very beginning of the 2d session of this 87th Congress we can get down to the business of a long-range extension of this program which will properly reflect the interest and productive capacity of new growers, the forgotten farmers on the New Frontier.

Another disturbing aspect of the Sugar Act extension was the flagrant disregard of the administration for the intent of Congress in regard to the redistribution of the Cuban quota. Despite convincing evidence that at least three nations were prepared to purchase for dollars large quantities of our agricultural commodities in return for a share of our sugar market, the administration arrogantly disregarded the clear intent of Congress with regard to giving these nations special consideration. These nations were allowed to sell their sugar to us, but the administration did not require them to buy U.S. farm commodities.

In the statement of managers on the part of the House in House Report No. 839 on the omnibus farm bill, the following statement appears:

> Obviously some subordinate officials in the Department of State not only frown upon the clear intent and meaning of legislation which has been enacted by Congress, but arrogantly and deliberately refuse to execute the laws enacted as Congress has clearly indicated such laws should be administered.
>
> While these officials and representatives of the executive branch of the Government might not be guilty of malfeasance they very well may be guilty of malfeasance of office.

On the floor of the House on August 3, 1961, at page 14571 of the CONGRESSIONAL RECORD, the chairman of the committee, Mr. COOLEY, made the following statement in this regard:

> Unfortunately, the State Department operating through a man by the name of Martin seems to be making all of the decisions with regard to the purchases of sugar from all sources for our own domestic market. Mr. PAUL JONES, of Missouri, is chairman of our Legislative Oversight Subcommittee, and he has conducted hearings and has had Mr. Martin before the committee. I sat in on part of the hearings. I am frank to say Mr. Martin was arrogant and utterly indifferent to the clear intent and meaning of the language of the law that we wrote when we extended the sugar act the last time. He took full responsibility. We intended that consideration—yes, special consideration should be given to countries purchasing our agricultural surplus commodities. Apparently, that language in the law has been completely ignored by Mr. Martin in the State Department because it developed before Mr. JONES' committee that not had Brazil only offered to buy a ton of wheat for every ton of sugar that she was permitted to sell in our market, but it wound up somewhat differently. I will repeat, the Brazilian proposal contemplated the sale of a ton of American wheat to Brazil or to people in Brazil for every ton of sugar which she was permitted to sell in our market. The final decision provided that Brazil should be permitted to sell into our market 225,000 tons. Someone told me that the sponsors of the project would not have to buy our wheat. When that was reported to me, I tried to ascertain the name of the person who made that suggestion and everything pointed to Mr. Martin. I am convinced, and I think our committee is convinced that Mr. Martin is the man who relieved the sponsors of the necessity of purchasing American wheat to the extent of 225,000 tons. The same situation existed in connection with the project submitted by some people in India. India ended up by being permitted to sell 225,000 tons in our market, and India was not required to buy a single ton of American wheat. The Fiji Islands had a somewhat similar proposition. And there are other proposals pendings. Mr. Martin notwithstanding the language of this act of Congress said that anyone who specifically proposes a bilateral proposition of that type had one strike against him to start with. I submit we will never get rid of these surplus commodities, if we always have some bureaucrat putting roadblocks in the way. The Brazilians did just what I told Mr. Martin they probably would do, and that is they purchased their wheat requirements from Russia rather than from the United States.

In spite of these strong words the American taxpayer and the American farmer were left holding the bag and a golden opportunity to dispose of some of our farm surpluses has been irrevocably lost. As pointed out by the chairman, the Brazilians then turned around and purchased their wheat requirements from Russia.

OMNIBUS FARM BILL

After Congress had cleared the feed grain and sugar bills we were confronted with the so-called omnibus farm bill. This 79-page document was the most thorough and sweeping plan for the complete regimentation of American agriculture ever devised by the mind of man. Extensive hearings were held before the committee and the most obnoxious features were deleted. During the House debate on the bill on July 26, 1961, at pages 13470–13472 I listed 50 items in this bill which had been requested by the Kennedy administration but which were denied by our committee. I also pointed out that in spite of Mr. Freeman's description of the denuded bill as the "most comprehensive piece of farm legislation since 1938," most of what was finally enacted consisted of extensions and modifications of Eisenhower farm programs, most of which were enacted in the 83d Republican-controlled Congress. These included Public Law 480, the National Wool Act of 1954, the school milk program, the veterans and Armed Forces dairy programs, the Great Plains program, and the provisions streamlining the Farmers Home Administration.

The wheat and marketing order amendments were to laws passed in the 1930's. The key feature of the New Frontier's program, title I, was scuttled. This was the proposal that was a warmed-over version of the Poage bill which was soundly defeated 236–170 in the preceding 86th Congress. It would have set up an arrangement whereby the Secretary of Agriculture through hand-picked so-called advisory committees could have set up producer controls on every one of the 256 farm commodities in the United States after going through a sham referral to Congress which could not amend or change any program but could veto it only by specific action. Inaction by Congress would cause it to go into effect. The final step would be a rigged referendum in which the Secretary could set the choices available and establish who could vote.

The Washington Post of Friday, June 30, 1961, succinctly wrote the obituary of this fantastic plan when it said:

> President Kennedy suffered a major defeat yesterday when the key provisions of his farm program were plowed under on Capitol Hill.

During the prolonged consideration of this bill a great many claims and counterclaims were made. It is surprising that even today some of these fallacious arguments in support of title I are still being presented. I would like to point out several of them which repeatedly crop up.

The first claim about this bill is that "Congress would retain intact its responsibility to hold hearings, to approve, reject, or amend any farm program proposals made by the Secretary of Agriculture and representative committees of producers." Let us examine this state-

ment in detail. First of all, Secretary Freeman's testimony on page 62 of the printed hearings indicated that any proposal sent to the Congress by the executive branch could not be amended. Here is the direct colloquy between Mr. Freeman and myself:

Mr. HOEVEN. I would like to clear up one matter.

Secretary FREEMAN. Yes, sir.

Mr. HOEVEN. When a commodity program or proposal is submitted to the Congress, can the Congress amend or change such program?

Secretary FREEMAN. No; the Congress would vote it up or down.

Mr. HOEVEN. Now, you are not answering my question. Can the Congress amend or revise the proposal which you send to the Congress before it is submitted to the referendum?

Secretary FREEMAN. Under the terms of the bill you would vote it up or down—not amend.

Mr. HOEVEN. The Congress could not amend or change it?

Secretary FREEMAN. But the Congress could introduce, of course, at any time, any legislation.

Mr. HOEVEN. I understand that, but I am directing my specific question to you when I contend that the Congress could not amend or change the proposal.

Secretary FREEMAN. Right.

Mr. HOEVEN. We could vote it up or down, and that is it?

Secretary FREEMAN. Yes.

The fact is obvious then that Congress would not retain its constitutional prerogative of amending legislation. I would add also that there is no requirement for hearings to be held and that Congress could not affirmatively approve a proposal. Any such proposal would go into effect automatically if there were no specific congressional action of disapproval within 60 days.

A second claim cited is that "it would diminish the power of the Secretary by requiring, first, congressional approval of changes in price supports, allotments, and other program changes and, second, a two-thirds vote would be needed before a change in programs could be made."

Any impartial observer should be able to realize that H.R. 6400 sought additional legal authority for the Secretary. If it did not, what would be the need for all the controversy? The statement of policy in the bill setting forth the purpose of the legislation rebutted any contentions that the authority of the Secretary would be reduced when it stated:

SECTION 1. Declaration of policy:

* * * * *

(d) improve and broaden existing legislation to assure flexibility for effective supply adjustment and price and income stabilization;

(e) authorize the utilization of such additional and varied price and income stabilization methods as will best protect the prices and incomes of farmers;

As to the point that a two-thirds vote of farmers would be needed to change a program, let me point out that sections 360(i) and 360(j) of H.R. 6400 provided that the Secretary of Agriculture would determine just who would vote in any referendum. The final sentence of section 360(j) provided as follows:

The determinations of the Secretary as to the farmers eligible to vote in the referendum hereunder and the proclaimed results of such referendum shall be final and conclusive.

What this means to farmers is just this—in last year's model of this legislation, the Family Farm Income Act, or Poage bill, which, as I have previously indicated, was defeated by the House by a vote of 236 to 170, there was a similar provision which specifically tied down the question of who could or could not vote in any referendum. Under the criteria of that bill, the following percentages of producers would not be eligible to vote: Cotton, 25 percent; burley tobacco, 27 percent; Flue-cured tobacco, 9 percent; peanuts, 30 percent; rice, 10 percent; hogs, 45 percent; cattle, 55 percent.

I am not contending that these same percentages would necessarily apply to this year's bill, but I am contending that the Secretary would have the authority under H.R. 6400 to do exactly what last year's bill would have done in this regard. The power to select who will vote is the power to determine the outcome of that vote.

A third claim is that "producers of any commodity which does not have price supports or controls can remain free of controls. Any change would have to be initiated by producers and later approved by two-thirds of them."

In this regard, let me point out that the Secretary of Agriculture, not farmers, would write the farm program. Farmers should not be deluded into thinking they would have an effective voice; they would merely be handpicked rubberstamp advisers to the Secretary. As to initiating programs, here is what section 102 of H.R. 6400 provided:

(a) Whenever the Secretary determines such action is necessary or desirable, he shall provide for the selection under this section of a national farmer advisory committee for any commodity or group of commodities.

Furthermore, to this point here is what the General Counsel of the Department of Agriculture said in his legal brief on the constitutionality of H.R. 6400:

Title I of H.R. 6400 provides for industry advisory groups, but the Secretary is required only to consult and advise with such groups, and the Secretary has the authority to determine the details of the programs to be established pursuant to title I of H.R. 6400.

A fourth claim is that "it would cut governmental costs for programs designed to raise farm income in direct proportion of the ability of producers to design sensible marketing agreements and tools."

My only comment in this regard is to point out that during the hearings no one from the Department of Agriculture or any one else was able to come up with any concrete cost estimates. Secretary Freeman was unable to give a specific answer when I asked him the following question at page 47 of the printed hearings:

Mr. HOEVEN. What is the overall cost of your new program, Mr. Secretary?

Secretary FREEMAN. Again I would answer you, and I am not trying to be evasive, honestly, not having set down any program, there are no dollar figures. There are limitations on the bill itself.

Now one of those limitations, for example, is that you could not have any price supports above 90 percent. Each device has a limitation.

Mr. HOEVEN. Could you give us an estimate as to the overall cost?

Secretary FREEMAN. No; I would say only this: that it would be substantially less, I am confident, than the present cost of the farm program.

Mr. HOEVEN. Do you think so?

Secretary FREEMAN. Yes, sir.

I think that commonsense dictates that the cost of the present program which controls only five crops would be skyrocketed by title I of H.R. 6400 which earmarked controls for 256 commodities.

Another claim is that "it would encourage self-help, self-financed plans to stabilize agricultural markets. It would clear the way for fewer, not more, Government controls."

If this is true, why did part VII of subtitle C of H.R. 6400 provide marketing quotas and penalties for "any agricultural commodity, including but not limited to the following: corn, tobacco, wheat, cotton, rice, peanuts, barley, oats, rye, grain sorghums, flaxseed, soybeans, dry edible beans, grass seeds, vegetables—including potatoes, fruits, tree nuts, and seeds, hogs, cattle, lambs, chickens, turkeys, whole milk, butterfat, eggs, hops, honey, and gum naval stores.

I frankly cannot understand how Government controls can be decreased by authorizing controls on 251 more commodities as this language plainly and clearly does. Fortunately, the cattlemen, poultry producers, and livestock farmers of America recognized this fact and made their views known.

I cannot close these comments about title I without a final word about the most fantastic and highhanded proposal included in the whole bill, the Secretary's request for a "blank check" for the 1962 wheat program At pages 68 and 69 of the hearings the following colloquy occurred:

Mr. LATTA. I have one question. Is it not a fact that in this bill the 1962 program would not be subject to review by the Congress?

Secretary FREEMAN. Yes, sir.

Mr. LATTA. That is true?

Secretary FREEMAN. Yes, sir.

Mr. LATTA. This would be a complete abdication of the powers of Congress, would it not?

Secretary FREEMAN. In this instance; no. In this instance because of the pressure of time the Secretary would be empowered to select the committee without going through the selective procedures to develop a program and to submit it to the referendum.

Mr. LATTA. They would actually be writing a program for wheat without being passed or reviewable by the Congress?

The CHAIRMAN. Let me interrupt. I thought that that provision after 1962 was only applicable——

Secretary FREEMAN. For 1 year.

The CHAIRMAN. Only applicable for the selection of the advisory committee—you still have no program——

Secretary FREEMAN. No; in this instance so far as the wheat program is concerned because of the pressure of time, it would provide that the Secretary would be authorized to name and call together an advisory committee.

The CHAIRMAN. That is right. And then you submit the program to the President and——

Secretary FREEMAN. No. This would be directly by referendum, in this instance, so far as wheat is concerned, because there would not be time.

The CHAIRMAN. Very well, we will recess now until 2:30 this afternoon.

It should be clear by now that the wheat provisions of this bill represent the biggest power grab of all. I, for one, feel there is a constitutional disability in any scheme to let the executive branch write, implement, and enforce a production and marketing program on producers of one of our most important grains without giving the Congress even the most perfunctory review.

SUBSIDIZED AGRICULTURAL EXPORTS TO COMMUNIST NATIONS

Probably the most bewildering action taken by this administration in the field of agriculture was the announcement by the Department of Commerce on June 22, 1961.

At that time the Commerce Department said in reversing a long-standing Eisenhower administration policy that henceforth it would issue export licenses to ship certain U.S. surplus agricultural commodities to Soviet Russia and the Eastern European Communist nations if such sales were made for a convertible currency. The Department further stated that North Korea, North Vietnam, Communist China, and Cuba would not be eligible for these transactions. The major commodities affected were feed grains, wheat, flour, rice, cotton, cotton textiles, and nonfat dry milk.

Under this so-called trade liberalization, export subsidies can be paid on food and fiber shipments to Russia and her European satellites. Export subsidies had previously been limited to shipments of surplus farm commodities to non-Communist nations only. The reason for the export subsidy program is that our domestic price level is substantially higher than the world market price and many of our agricultural commodities must be subsidized by the Government in order to be able to compete in world markets. These subsidies, for example, run up to 62 cents per bushel on wheat, 8½ cents per pound on cotton, 2 cents per bushel on corn, 21 cents per bushel on rye, and 7 cents per hundredweight on grain sorghum. At the same time our farm laws generally prohibit Government sales in the domestic market for less than 105 percent of current support price plus reasonable carrying charges.

The arguments proposed by the New Frontier in support of this sweeping policy change were, first, that these sales would accrue to the benefit of the United States because we would be disposing of our farm surplus, and, second, that some of our allies were trading with the Communists; so why should we not compete with them?

The first argument is fallacious, to say the least. If it were to our benefit to sell to Russia at bargain prices, why, then, would it not be equally to our benefit to make the same sales to Communist China, Cuba, North Korea, and North Vietnam, the Red nations excluded by the Commerce Department announcement. I do not see how Russian or East German gold can be more desirable than Cuban or Red China gold. I, for one, do not think we need to make subsidized sales to any Red nation for their bloody gold.

The second argument is equally ridiculous. If we followed that rationale we could open our shop in Red China tomorrow since, despite our grave concern, a number of our allies are doing business with the Chinese Reds.

Here, then, are the real effects of the administration policy:

First. We would be making our farm surpluses available to the Russians and other Red countries at prices substantially below those at which American consumers could obtain those same commodities. Under this policy a miller in Moscow could get American wheat for up to 62 cents per bushel cheaper than could a miller in Minneapolis.

Second. We would have no control over the transshipment of these commodities to Cuba, Red China, North Vietnam, or North Korea. The Russians could very easily see to it that those nations received our abundance, despite the paper prohibition of the Commerce Department.

Third. We would be aiding the Communist movement in its weakest area, which is agriculture. In whatever fields of science or technology the Soviets have equaled or exceeded us, they must take a back seat in agriculture. It takes one-half of the population of Russia to feed itself and the other half. In America less than 10 percent of our population more than adequately takes care of itself and the other 90 percent. By providing a steady and abundant supply of food and fiber to the Reds, we would allow them to release manpower and resources for their avowed goal of burying us. We would be financing our own destruction.

Fourth. Sales for convertible currencies under this policy would be a mechanism for avoiding the prohibition in Public Law 480 which prevents soft currency sales, barter, or donations to Russia or areas or nations dominated by world communism.

When I learned of this action by the Department of Commerce, I joined with some 21 other Members of the House and Senate in sponsoring legislation to reverse this foolish decision. Action on these bills is now pending in the Congress.

About the time that this policy was becoming widely known, the omnibus farm bill was being considered. When the bill came before the House, I was happy to support an amendment offered by the gentleman from Ohio, Mr. LATTA, which spelled out the intent of Congress on this matter.

The Latta amendment stated the policy of Congress that our Government should in no manner either subsidize the export, sell, or make available any subsidized agricultural commodity to the Soviet Union or to any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

The Latta amendment was adopted by the House and I was privileged to fight for its retention in the conference report. It is now incorporated in section 2(c) of the Agricultural Act of 1961, signed by the President on August 8, 1961.

I wish that the story could end happily at this point, but unfortunately the Department of Commerce has not as yet made any formal reversal or repudiation of its announcement of June 22.

At his press conference on August 8, 1961, the Secretary of Commerce was asked this question about the newly signed Agricultural Act of 1961:

Will you follow the declaration of policy though?

Mr. Hodges replied as follows:

Let me say this about the declaration of policy: We have not received in the Department of Commerce any request for a license to ship anything abroad, and nothing has been done.

The Secretary of State and I, as you may recall—the release is available—on August 4 stated that because of the negotiations—reading between the lines—so that we might keep ourselves flexible there would be no change at the present time in what we were going to ship or not ship, but that we reserved the right to change any moment.

Now, as quickly as Dean Rusk gets back, I am going to sit down with him, and I'd rather reserve an answer until we have a chance to talk it out together.

Later in the same press conference he was asked this specific question in regard to the June 22 announcement:

You mean you're thinking of rescinding that ruling?

Mr. Hodges replied as follows:

Whether we will rescind the ruling or not I can't answer. It's entirely possible that that will be the effect of it.

Mr. Hodges makes the point that up to the present time no export licenses have actually been issued. The important thing to keep in mind, it seems to me, is not whether any of these subsidized sales have been made. The important point is that they can officially still be made. Undoubtedly the widespread congressional interest in this matter along with the extremely difficult arrangements necessary for any kind of a transaction behind the Iron Curtain have kept American firms from applying for export licenses under the June 22 announcement.

Mr. Speaker I have stood in the barren streets of East Berlin and looked at armed East German "Vopos" forcefully prohibiting the flight to freedom of thousands of East Germans. I have seen the Iron Curtain clamp down right in the middle of the city of Berlin. For the life of me I cannot see any rhyme or reason in allowing bargain basement sales to such ruthless enemies of our basic ideals of freedom and human dignity. The Kennedy administration should promptly and emphatically reverse its foolish decision of June 22.

CONSTRUCTIVE LEGISLATION

I do not want to close my comments on this 1st session of the 87th Congress without briefly recounting some of the legislation which I and other minority

Members supported and attempted to perfect.

These included bills to provide additional sums for Public Law 480 operations, an adjustment in the Farmers Home Administration operating loan authority, an amendment to the Federal Insecticide, Fungicide, and Rodenticide Act, a number of bills to provide drought assistance, an extension of the Mexican farm labor program, and the establishment of a national hog cholera eradication program. In addition, of course, there were a number of provisions in the omnibus farm bill which were supported. These include the extension of Public Law 480, the extension of the school milk program, the extension of the Great Plains conservation program, the extension of the National Wool Act, the modernizing of the Farmers Home Administration as well as some of the wheat, feed grains, and marketing order provisions.

In conclusions, Mr. Speaker, it is my hope that when we face new problems next year that we again reject the tenets of the New Frontier and that we dedicate our efforts toward the establishment of a sound, healthy, dynamic, and expanding agriculture, truly our most valuable national asset.

Pulaski Day

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. GALLAGHER. Mr. Speaker, the anniversary of the death of Casimir Pulaski will always evoke grateful memories in the hearts of the American people for the gallant Polish gentleman who, like Lafayette, Von Steuben, and his own fellow countryman, Kosciuszko, came from across the seas to battle for our independence. Although these four, the German, the young Frenchman and the two Poles, are the most distinguished of the European soldiers who fought for the American cause, they were by no means alone. Looking back over nearly two centuries, with the perspective which time gives, we realize that even to the conservative 18th century upper class there must have been something very appealing in the spectacle of a brave, high-spirited people, overwhelmingly outnumbered, but still daring to do battle with the mistress of the seas and the most powerful empire on earth. The more enlightened Englishmen themselves applauded the American spirit; large numbers declined to have anything to do with the affair, with the result that the Hanoverian King of Great Britain was obliged to hire German mercenaries for the purpose of subjugating his own subjects of English blood.

Pulaski was a true soldier of fortune. In his youth he had joined his father in rebellion against a Polish king dominated by foreign influence. The rebellion was crushed, the Pulaski estates confiscated, and the count himself proscribed as a traitor. Fleeing his native land he arrived in Paris where he applied to Benjamin Franklin for service in the American cause. Franklin promptly arranged for his transportation to America. Armed with a letter of introduction to Washington, Pulaski arrived in Boston in July 1776; met Washington the following month and was recommended by him to the attention of Congress. Up to this time there had been no regular cavalry in the American Army; four regiments were projected, and Washington suggested to President John Hancock that Pulaski be put in command of all the cavalry. As a Polish soldier of the upper class, Pulaski was, of course, born to the saddle.

Flinging himself forthwith into combat, Pulaski presently organized the cavalry unit which became known as Pulaski's Legion, by which he will always be remembered. He participated in the battles of Germantown and Trenton, was attached to the main army at Valley Forge during the winter of 1778–79, and was later detailed to join General Lincoln for the southern campaign. In 1779, leading his men in a dashing assault on the British works in front of Savannah, he fell mortally wounded on October 2, 1779, and died 2 days later. His burial place is unknown, but he was probably buried in the Savannah River. Today, on Pennsylvania Avenue in Washington, the passerby looks up to the majestic equestrian statue erected by a grateful people to the memory of a gallant soldier who gave his life for their freedom.

Christopher Columbus

EXTENSION OF REMARKS
OF
HON. DOMINICK V. DANIELS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. DANIELS. Mr. Speaker, in commemoration of the great explorer Christopher Columbus, I have issued the following press release and express the hope that my colleagues will join me in supporting this legislation declaring October 12 a national holiday.

Congressman DANIELS will commemorate Columbus Day by asking the Judiciary Committee to make 1961 "the last year in which Columbus Day lacks Federal recognition."

DANIELS is one of the prime supporters of legislation to make Columbus Day a national holiday.

In his letter to the committee DANIELS said, "it seems singularly ungrateful for a nation which owes its very birth to Christopher Columbus to fail to give him the recognition his courageous exploits deserve."

DANIELS particularly stressed the importance of Columbus Day as a symbol of inter-American friendship. Noting that October 12 is a national holiday in at least 13 neighboring American republics, DANIELS said that "Columbus' discovery of the American Continent is a poignant reminder of our mutual origins and of the history we share with our neighbors to the south."

"As we endeavor to strengthen our bonds with Latin American," DANIELS continued, "we should surely not ignore this opportunity to publicize our common heritage. We can give a moral boost to our alliance for progress program if we designate October 12 as an occasion to dramatize inter-American brotherhood and solidarity."

Congressman DANIELS also sent a copy of his letter to President Kennedy, who himself has repeatedly stressed the historical bonds which unite the two Americas.

In his letter to the Judiciary Committee DANIELS urged the committee to hold hearings on the Columbus Day bill "as soon as Congress reconvenes in January."

The large number of Congressmen who have sponsored similar bills, DANIELS pointed out "is eloquent testimony to the fact that there exists in this Congress widespread sentiment in favor of giving Columbus Day national status."

If the Judiciary Committee will grant its prompt approval," he concluded, "I am most confident that the bill will have no difficulty whatsoever in passing the House."

Schedule of Post Office Tour

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BRAY. Mr. Speaker, one of the most important duties of a Congressman is maintaining close contact with his constituents so that he may know their views and problems.

To supplement the other contacts that I have with voters of the Seventh District of Indiana, I customarily make a tour of each post office during the adjournment period. It requires a month to reach each of the more than 100 offices in the 11 counties of the district, but I have found it eminently worthwhile as it enables me to meet and talk with thousands of constituents.

Here is the schedule I will follow in my post office tour this year:

Thursday, November 9: 9 a.m., Oakland City; 10:15 a.m, Somerville; 11 a.m., Mackey; 12 a.m., Fort Branch; 1:30 p.m., Owensville; 2:45 p.m., Haubstadt; 3:45 p.m., Buckskin; 5 p.m., Princeton.

Friday, November 10: 8 a.m., Francisco; 9 a.m., Patoka; 10 a.m., Hazleton; 10:30 a.m., Decker; 11:30 a.m., Vincennes; 2 p.m., Monroe City; 3 p.m., Wheatland; 4 p.m., Bruceville.

Monday, November 13: 8:30 a.m., Emison; 9:30 a.m., Oaktown; 10:30 a.m., Freelandville; 11:30 a.m., Ragsdale; 1:30 p.m., Bicknell; 2:30 p.m., Edwardsport; 3:15 p.m., Westphalia; 4 p.m., Sandborn.

Tuesday, November 14: 9:30 a.m., Indian Springs; 10:30 a.m., Shoals; 11:30 a.m., Loogootee; 1:30 p.m., Alfordsville; 2:30 p.m., Burns City; 3:30 p.m., Crane.

Thursday, November 16: 8:30 a.m., Harmony; 9 a.m., Knightsville; 10:30 a.m., Carbon; 11 a.m., Brazil; 1:30 p.m., Staunton; 2 p.m., Cory; 3:30 p.m., Poland.

Friday, November 17: 9:30 a.m., Bowling Green; 10:30 a.m., Centerpoint; 11:30 a.m., Clay City; 1:30 p.m., Coal City; 2:30 p.m., Patricksburg; 3:30 p.m., Spencer.

Monday, November 20: 9 a.m., Freedom; 10 a.m., Gosport; 11 a.m., Quincy; 1:30 p.m., Eminence; 2:30 p.m., Hall; 3:30 p.m., Monrovia.

Tuesday, November 21: 8:30 a.m., Harrodsburg; 9:30 a.m., Smithville; 10:15 a.m., Clear

Creek; 11:15 a.m., Stanford; 12:15 p.m., Bloomington; 2:30 p.m., Unionville; 3:30 p.m., Eliettsville; 4:30 p.m., Stinesville.

Wednesday, November 22: 9 a.m., Solsberry; 10 a.m., Owensburg; 11 a.m., Koleen; 12 a.m., Bloomfield; 1:30 p.m., Doans; 2:15 p.m., Scotland; 3:15 p.m., Newberry; 4 p.m., Switz City.

Monday, November 27: 8:30 a.m., Worthington; 9:30 a.m., Jasonville; 10:30 a.m., Coalmont; 11:30 a.m., Midland; 12:30 p.m., Linton; 2 p.m., Marco; 3 p.m., Lyons.

Tuesday, November 28: 9 a.m., Farmersburg; 10 a.m., Shelburn; 11 a.m., Hymera; 12 a.m., Sullivan; 2 p.m., Fairbanks; 3 p.m., Graysville.

Thursday, November 30: 9:30 a.m., Merom; 10 a.m., New Lebanon; 11 a.m., Paxton; 12 a.m., Carlisle; 2 p.m., Pleasantville; 3 p.m., Dugger.

Friday, December 1: 9 a.m., Odon; 10 a.m., Elnora; 11 a.m., Plainville; 12 a.m., Washington; 2 p.m., Montgomery; 3 p.m., Cannelburg.

Monday, December 4: 8:30 a.m., Edinburg; 9:30 a.m., Needham; 10:30 a.m., Whiteland; 11:30 a.m., New Whiteland; 12:30 p.m., Franklin; 2 p.m., Bargersville; 3 p.m., Greenwood; 4 p.m., Smith Valley.

Wednesday, December 6: 8:30 a.m., Nineveh; 9:15 a.m., Trafalgar; 10 a.m., Morgantown; 11 a.m., Centerton; 12 a.m., Mooresville; 2 p.m., Brooklyn; 3 p.m., Paragon; 4 p.m., Martinsville.

Statement of Hon. Russell Long of Louisiana

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. WEAVER. Mr. Speaker, on September 12 the Small Business Administration conducted a hearing into size definition changes in regard to dredging companies here in Washington. The dredging companies had protested against the previous definition as it applied to them. They were grouped with other companies in the general category of construction and a small firm was described as one which did less than $5 million worth of work, on the average over the preceding 5 years, was not dominant in its field and was completely independent.

I personally feel that this definition is unsound as it applies to the entire construction field, but it is particularly unsound when applied to dredging companies. The equipment involved is huge and extremely expensive. Crews are skilled and labor costs are high. It costs several thousands of dollars a day to have a dredge tied up at the riverbank. So, to recoup their expenses, even small dredging concerns—by comparison—must do a tremendous volume of business at low profit. Competition is keen in this field, particularly for government contracts, since almost all the work done by dredging is for government—State, National, or local.

For these various reasons the dredging companies complained, and they got a hearing. Senator RUSSELL LONG, of Louisiana, long interested in this problem as it concerns construction and particularly as it concerns river dredging work, appeared at the hearing. He made a very fine statement and a very comprehensive one. I have asked and gotten his permission to place the statement in the RECORD, which I do at this point:

STATEMENT OF SENATOR RUSSELL B. LONG, OF LOUISIANA, BEFORE THE SMALL BUSINESS ADMINISTRATION, SEPTEMBER 12, 1961

Mr. Chairman, as a charter member of the Senate Small Business Committee, I am appearing this morning in defense of the small business set-aside program for which I voted. I fully realize that the subject of this hearing is an investigation into the definition of small business for the hydraulic dredging industry under the Small Business Act. I also realize, Mr. Chairman, that it is impossible to talk about the definition of small business with respect to this industry without making reference to the set-aside program, and I hereby respectfully request that you broaden the scope of this meeting to permit such reference by those who will testify here today. I assure you that any reference made to the set-aside program by members of the industry from the section of the country that I represent, will be closely tied in with the subject of the hearing.

I said that I am appearing in defense of the set-aside program. I say that because I firmly believe that unless the Small Business Administration takes another careful look at the manner in which the set-aside program is being applied to the hydraulic dredging industry, it is in danger of losing the entire program.

Perhaps it would be well to go into a little history of the hydraulic dredging industry as it pertains to the Gulf area. Thirty years ago, when the U.S. Government assumed full responsibility for flood control it undertook a major dredging program entirely with Government-owned and operated plant. The key to the master plan for flood control in the Lower Mississippi Valley was a pilot channel through the Atchafalaya Basin to make it possible for that basin to convey 1½ million cubic feet of water to the Gulf of Mexico. That pilot channel was dug entirely with Government-owned and operated plant.

In the postdepression days, it soon became evident that the U.S. Government should get out of the dredging business. In response to the mandate, a number of dredging companies who are represented here today, began to build, at considerable expense, hydraulic dredges that could undertake the work of flood control and navigation for a Nation that needed a lot of work on its waterways to protect its people from floods and to provide arteries of commerce necessary to the prosperity of the surrounding country. These companies did their job well. They built the necessary equipment and, at a reasonable price, they did 90 percent of the job of floodproofing the lower valley. They also provided navigating depths on the principal waterways of the valley.

It now appears that, through our definitions of small business, we are telling these contractors that they can no longer participate in this work. Frankly, I do not believe we had such a thing in mind when we organized the Small Business Administration.

During the past weeks I have been examining figures with reference to the hydraulic dredging industry as it affects my section of the country. I have come to the conclusion that, proceeding on an arbitrary definition of small business, we are attempting to protect people that do not need protection. We are protecting a relatively few people at the expense of the people who have built the industry. Those who will testify will bring out some interesting figures that I recommend to your careful study.

An examination of the records reveals that, without the help of set-asides, the so-called small business people will hold their own against the so-called big business people. I am alarmed to note that the trend of plans for the future seems to indicate that the so-called small business people will completely stifle the so-called big business people.

Mr. Chairman, in my opinion, if we continue the way we are going, we will succeed in bringing down public opinion against the entire small business program. I would hate to see the program killed after we have made so much progress. I voted for it, but I would have to vote against it if it ceased to accomplish the purpose for which it was organized.

We seem to have adopted the principle that in every industry we have big and little business. I do not believe that is so.

There are industries or segments of industries where we have no big business, or, if you prefer, where we have no small business. I believe this is the case in the hydraulic dredging industry.

If a firm is engaged in the hydraulic dredging industry, it must expend considerable funds for highly specialized equipment. This is equipment that will be utilized possibly only 50 percent of the time. This equipment must be manned by men of skill—men that must be retained in slack periods because their substitutes cannot be recruited on the open market. Such a firm must gross a considerable amount in a year in order to break even. I do not believe that our monetary criteria is a fair criteria in arriving at a distinction between big and little business in this industry.

In my opinion we have only small businesses in the hydraulic dredging industry. Do what you will with the definition, I do not think that you can manipulate it to prove that there is any real big business here.

It has been suggested that we are using the wrong criteria in attempting to measure this industry. It has been pointed out that we should, perhaps, use the size of the equipment rather than a monetary figure. This could very well be the case and it is something you should study when you consider your set-aside criteria.

In any event, it is my feeling that, proceeding along our present lines, we are about to kill the goose that laid the golden egg. We are about to force out of business the people that made the necessary investment in order to do the work our country needs. This should not be the goal of our small business program.

Therefore, I strongly recommend that the Small Business Administration carefully review its criteria with respect to the hydraulic dredging industry. This review should determine whether or not there is actually a basis for a line to be drawn between big and little business in the industry. If such a line actually exists, and I do not believe it does, an entirely new basis should be found to determine that line.

In the meantime, I would strongly recommend that hydraulic dredging set-asides be discontinued until such time as a true definition is arrived at for the hydraulic dredging industry.

Finally, in further studies into this industry I request that the following important factors be taken into thorough consideration:

(a) The hydraulic dredging companies of this Nation are an organization in being for use during times of emergency. Their equipment is on file in every engineer district in the country and can be called upon when needed.

(b) Prices on hydraulic dredging in the recent past have been most reasonable. They reflect the advantages of competition. We should not force our taxpayers to pay more by stifling competition.

(c) Insistence upon the elimination of competition on most dredging jobs will give rise to the unsavory practice of bidding by

brokers who have no equipment, but who will bid on the basis that they can shop the job after they are the successful bidder. It will give rise to deception and cheating within the rules. We certainly could not encourage that.

(d) The elimination of competition is not the American way of doing business.

Mr. Chairman, I said that I am appearing this morning in defense of the small business set-aside program. The surest way to kill that program is to attempt to apply it where it is not applicable. I feel that it is not applicable in the hydraulic dredging industry and I urge you to take another good look before you attempt to force it where there is no room for it to do a job. I urge you to study carefully what is said here today.

Report to the Citizens of the First Congressional District of the State of New Jersey

EXTENSION OF REMARKS
OF
HON. WILLIAM T. CAHILL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CAHILL. Mr. Speaker, I am taking this opportunity to review the activities of the 1st session of the 87th Congress. This is intended to express my personal viewpoints concerning the accomplishments and failures of the last session and to pinpoint some of the vital problems which should be given early attention by the Congress and the executive department in the next session.

Overshadowing all other problems facing Congress during the period from January to September were the crises brought on by developments in Cuba, Laos, and Berlin. To combat these developments, Congress acted in a bipartisan manner to pass legislation providing for vast increases in expenditures for our Armed Forces. Legislation was also passed to permit the President to extend enlistments for a 1-year period and to summon 250,000 reservists to active duty. Furthermore, an expanded space program was approved by the Congress. Great concern was expressed by some Members on the gap between the United States and Soviet Russia in the race for the conquest of space. The feats of Alan Shepard and Virgil Grissom not only heartened America but brought to the attention of the world the closing of the space gap. The President's recommendation to the Congress that the United States send a man to the moon and the approval of this project by the Congress have demonstrated to the world in general, and Soviet Russia in particular, our determination to excel in the exploration and conquest of space.

During the past session, the Congress also enacted a mutual security bill providing approximately $4 billion for aid to other nations in their fight against communism. This bill was a very controversial one since some Members questioned the value of spending vast sums for assistance to other countries. My vote in favor of this bill was based on the conclusion that this expenditure is necessary because, by helping others to combat poverty and disease, we are really defending America against the inroads of communism. Furthermore, statistics show that a considerable portion of the sums authorized for mutual security are spent in businesses in the United States and thus have favorable effect on our own economy.

In the passage of the mutual security bill, the Members approved the administration of foreign aid on a long-range—5-year—basis but continued the strong supervision and control of expenditures by Congress through its Appropriations Committee. It is my own observation that every Member should closely examine all expenditures for foreign aid to insure that our money is allocated to free nations with discretion and without any waste or extravagance. It is my strong belief that a great deal of the opposition to the mutual security program on the part of citizens and Members alike was generated by the many examples of waste and extravagance on the part of those administering the program. Congress has insisted that these abuses be eliminated, and it is my sincere hope that the corrective measures recommended by the Congress and supervision by the Appropriations Committee will bring about an economical and a just administration of this entire program.

The Congress reflected its viewpoint on the admission of Communist China to the United Nations by overwhelmingly adopting a resolution indicating its opposition to the admission of Communist China in the U.N. I voted for the resolution.

With emphasis on world peace, legislation was enacted providing the creation of a Disarmament Agency. To clarify any confusion existing as a result of the creation of this new Agency, I want to say it is not the intent to set in motion any immediate disarmament but rather to plan the arrangement of disarmament in the future upon the termination of the terrible threats to the safety of our own country. The President and the Congress were hopeful that the passage of the disarmament bill would have an important psychological effect on peace throughout the world.

The Peace Corps recommended by the President was also approved by the Congress. Some people believe the religious missionaries of various faiths have been carrying out the purposes of this organization for a long time, and some are skeptical of the efficacy of the Peace Corps. But, in a world fraught with danger and with the fight continuing to influence the minds of men in the struggle between democracy and communism, it was believed by the majority of the Members that the Peace Corps, composed of young dedicated people working for nominal salaries in the far corners of the world, might provide some answer in the quest for peace. I am certain that the Corps will be watched carefully, and that it will not receive renewed appropriations if it does not justify its existence.

It must not be forgotten that it became necessary for this Congress to approve $90 billion in appropriations—the largest peacetime budget—and to pass other drastic measures because of serious mistakes in our past foreign policy, particularly with respect to Berlin. In this report, there is no attempt to establish responsibility for these mistakes. On the other hand, we must eliminate the possibility that similar mistakes will be committed in the future by implementing a foreign policy which is clear-cut and thoroughly understood not only by the American people but by all peoples throughout the world.

Having personally visited the city of Berlin, I can attest to the problem created by the decision of the past—to divide Berlin. This difficulty is emphasized, of course, by the fact that Berlin is entirely surrounded by East Germany. The dramatic flow of East Germans through Berlin to West Germany was a continuing embarrassment to Soviet Russia. No place in the world demonstrates so clearly the vast difference between the accomplishments of a free people in a free society and the failures of a slave people in a communistic society as does the city of Berlin. The United States has a legal and moral obligation to Berlin, and this was presented in a forceful manner to the United Nations by President Kennedy in his recent speech in New York City. The President's forceful stand on Berlin has the complete support of the Members of Congress. This position was made known to Khrushchev by the President in a face-to-face meeting and has been restated time and time again, not only by the President and the Secretary of State, but by leaders of both political parties in the Congress of the United States.

Turning to our domestic problems, the Congress acted on many important pieces of legislation. In the early weeks of the session, Congress passed a bill providing for temporary extension of unemployment compensation to combat the recession. Moreover, favorable action was given to the passage of an area redevelopment bill to assist some areas in handling the prominent problem of unemployment in their communities. I supported both of these measures.

I voted for the liberalization of the Social Security Act providing for higher cash benefits to certain widows effective September 1. The amendment of the Social Security Act also permits male workers to retire at the age of 62—an option previously given to women at a former session. The social security payments are produced from a trust fund, and necessarily this must be kept on a sound actuarial basis. Consequently, many liberalized proposals were not adopted by the Ways and Means Committee of the House of Representatives, because the payment of these additional benefits would have required additional assessments on employer, employee, and self-employed. One of the omissions, however, which, in my opinion, requires correction during the next session in January, is that pertaining to widows who are receiving payments based on their own former employment. Under the present amendment, only widows receiving social security by reason of their husband's employment benefit by the increased payments. I have urged the

Ways and Means Committee to pass remedial legislation in the next session to correct this inequitable situation.

The Congress enacted a minimum-wage law raising the minimum wage to $1.15 an hour and then in 2 years to $1.25. It also provided for extended coverage to 3.5 million additional citizens. This bill is identical to the one suggested by former President Eisenhower in the 86th Congress. I heartily endorsed the legislation in both instances. In addition to providing the worker with a living wage, this bill was, in my judgment, most helpful to the industries and businesses of our area. We have, in many instances, lost contracts through competitive bids with other industries and businesses located in cheap labor areas which did not pay the wage earner the minimum wage which is now mandatory. The revision will make for more equitable bidding and should enhance the possibility of contracts coming into our section of the country.

The housing bill of 1961 was also enacted. This bill contained many features which I did not like, but I supported the measure because it provided aid for college housing and granted some assistance to the elderly. I personally introduced an amendment to the bill on the House floor. This amendment which was successfully passed by the Congress provided for the allocation of certain funds to study mass transportation. It is my hope that this study will provide some solution to the problem resulting from the daily transportation of large masses of people from urban to suburban areas. This latter problem is acute in certain sections of the First District, particularly in the area surrounding the Benjamin Franklin Bridge. Those citizens who travel from south Jersey to Philadelphia know the tremendous traffic jams that occur on the Crescent Boulevard, Route 130, Route 38, and Route 70. The entire problem of transporting workers from suburban homes to urban places of employment requires, in my opinion, serious, concentrated, and immediate study. The amendment which I presented to the House had this as its objective.

Domestically, it is my opinion this Congress also had some very disappointing failures. For example, it refused to enact an adequate civil rights bill which I vigorously supported; it neglected to devise new programs to bolster farm income and hold down surpluses, and it made no progress in the revision of some of our antiquated tax laws which hinder the development of business and industry in this country. No action was taken by the Congress in regard to aid to education, medical aid for the aged, and increased postal revenues because this legislation was never submitted to the Members. After legislation is approved by the committee considering it, it usually requires the approval of the Committee on Rules. These three subjects—education, medical aid, and postal increases—were not approved by either the committee considering them or the Rules Committee, and consequently, the full membership of the House never considered these proposals.

Favorable action was given to the passage of a bill providing for a new Office of International Trade and Travel which was inaugurated for the purpose of attracting tourists to the United States. The Congress also enacted a Highway Act which increased tire, tube, and truck taxes to keep the interstate highway building program on a pay-as-you-go basis. Furthermore, during the session, the customs regulation relating to exemptions for those traveling abroad was reduced from $500 to $100.

As a member of the Judiciary Committee, I participated in the preparation of legislation which I believe will effectively curtail organized interstate gambling in the United States. For many years the Congress has considered similar legislation because it has long been recognized that controlled and organized gambling is interstate and requires interstate regulation and enforcement. It has also been recognized that gambling equipment, in most instances, is transported in interstate commerce, and that Federal legislation is absolutely necessary to prevent the shipment of gambling equipment. Thus, the bills approved by the Judiciary Committee which effectively curtail organized interstate gambling in the United States were not only vital in the fight against organized crime, but were the first such bills approved by the House in more than a decade. As a member of the Judiciary Committee, I believe this legislation provides the Attorney General with the necessary authority to effectively continue the fight against organized vice in the United States.

I supported most of the bills approved by the Judiciary Committee but opposed its recommendation for the creation of 73 new Federal judgeships. I recognized the need for new judgeships, and my opposition was based on the conclusion that 73 additional judges exceeded our requirements and, therefore, caused some unnecessary expense to our Federal Government. Thus, the 87th Congress approved almost twice as many new Federal judgeships as had been recommended by the 86th Congress. Under the new bill, New Jersey will receive one additional U.S. district court judge.

During the session, I fought vigorously against the bill authorizing the deduction of the Philadelphia wage tax from the salaries of Federal employees. I am happy to report to the citizens of the First District that such legislation was not enacted during this past session.

One of the important problems confronting the people in the First District is the failure of the shipbuilding industry in the Delaware Valley to obtain new contracts for the construction of ships. Some of this problem is the result of the advantage enjoyed by southern shipyards who are not paying the same labor costs as the northern shipyards. I have brought the problems confronting the Delaware Valley shipbuilding industry to the personal attention of the President, Secretary of Defense and the Secretary of the Navy. In addition to this problem, many other industries, particularly the electronic and photographic field, have been faced with the importation of cheap electronic and photographic equipment from the countries of Europe and Asia. Several committees in the Congress are presently at work in an effort to find some workable solution to this serious problem.

During this session, a staff in Washington and in Camden serviced the needs of the more than 500,000 constituents in the First Congressional District. During the recess, the office in Washington and the office in Camden will remain open to service the needs of the people of the First District. My Washington address is room 1440, New House Office Building, House of Representatives, Washington 25, D.C., and my Camden address is 108 North Seventh Street, Camden 2, N.J.

All constituents are invited to bring to either office any problem they have with the Federal Government in which I may be helpful.

Scholarship in Politics

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CURTIS of Missouri. Mr. Speaker, it has come to my attention that the Democratic national chairman, Mr. John Bailey, recently accused the Republican Party of only using scholars and intellectuals in the months before elections in contrast to the alleged Democratic practice of relying heavily on their advice. This speech, made at the American Political Science Association convention in St. Louis, is another example of the sloppy scholarship constantly indulged in by members of the Democratic Party hierarchy. In fact, I feel that if Mr. Bailey would have taken the trouble to have research done on his own remarks, he might find them to be inaccurate and unwarranted.

Within the past few months' time, I have been directing a special project on "Employment in the Dynamic American Economy" under the auspices of the House Republican policy committee. Some 24 leading academic and professional economists contributed study papers upon which were based the conclusions of a group of 48 Republican House Members. The papers were published. The economists, Democrats and Republicans alike, were eager to contribute their views without any repayment for their assistance, financial or otherwise. This was but a continuation in a series of Republican efforts to mobilize the minds of intellectuals throughout the United States and abroad.

Last year, the report, "American Strategy and Strength," under the direction of the gentleman from Michigan [Mr. FORD], also drew upon military and defense experts both inside and outside of the academic world. The study drew widespread attention and became the first in a Republican policy committee series designed to make the American public aware of the theoretical and the practical aspects of formulation and execution of positive GOP policy on an

issue of great concern to the American people and to the world. This was continued this year under the leadership of the gentleman from New Jersey [Mr. FRELINGHUYSEN], who led a similar task force study of "American Education and a Free Citizenry." This study, published and widely disseminated as were the others, used the views of diverse individuals and groups prominent in the educational field as background for the participating Republican Congressmen.

I might also add that the Republican National Committee has established a permanent division for arts and sciences, and therein deals with over 8,000 academic persons throughout the country who have expressed some interest or concern with the Republican philosophy of government. They are kept abreast of Republican efforts in fields that would be of particular interest, and their participation in related topics or projects is always encouraged—12 months a year, year in and year out. The response to this program, under the direction of Dr. Earl Nehring, has been particularly encouraging in recent months.

In contrast to this, the so-called Kennedy task force reports, which seem to be the only evidence of scholarship on the part of the Democrats, contain no study papers. No parts of the reports are attributable to any responsible academician. Their overlapping is exceeded only by duplications and contradictions, as in the space report where they criticize our concentration on outer space under the Eisenhower administration a page before urging more attention for the outer space program. Democratic intellect, hasty and introductory in nature, only scratches the surface of true research in its haphazard attempts to be all things to all party members.

For the truth in this matter is that the Democratic members are not secure and united enough to sponsor research unless they know in advance their findings. Dishonest scholarship and rigged research of the Democratic Party stand in contrast to the Republican record in this regard. In fact, if Mr. Bailey was aware of research in the political field he would have by now read a scholarly analysis of "The Candidate" by Joseph Lyford, former Democratic candidate for Congress in Connecticut. Published by the Eagleton Foundation as part of their case studies in practical politics, the book refers to Mr. Bailey as a "journeyman psychologist, a poker player with a sense of humor, a listener, a collector, an executioner but not an executive, and a man with a natural preference for the top dog. He has been able, with very little effort, to avoid commitments to any philosophy of government whatsoever. I know of nobody in Connecticut politics who would suggest that Bailey is in politics because of a burning desire to serve his fellow man or to promote a given set of governmental principles or ethics. To remain State chairman means that under his direction the party must win elections and control as many jobs as it can." I do not criticize Mr. Bailey for his attention to winning elections. Rather, I feel that his attempting to cast an aura of academic respectability around his partisan life of bungling, barking, and battling is an insult to the thousands of academic and professional experts who attempt to bring a ray of factual material to the political arena on occasion.

The Republican Party has put the facts on the line, based on the background studies of those who know whereof they speak. The Democratic Party has spoken where it should have acted—a common tendency in governmental circles these days. Mr. Bailey should apologize forthwith to the thousands of academic experts who have contributed so much to the scholarship of Republican policy studies.

Peterson Evaluates 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. M. BLAINE PETERSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. PETERSON. Mr. Speaker, now that the 1st session of the 87th Congress has adjourned, I would like to express my deep appreciation to both the leadership and to my colleagues, Democrats and Republicans, for the help and assistance given to me in this, my first year of representing the First Congressional District of Utah.

I have examined the record of this session and in my opinion it will be long remembered for its antirecession legislation and for its bipartisan support of the largest peacetime military budget in history.

Over $47 billion, more than half of the money appropriated this year, is for national security. We have demanded a speedup in our space program, acceleration of the Minuteman and Polaris submarine program and a buildup of our ground and sea forces. All this is incident to an adequate defense of our country which, I believe you will agree, is proper spending to meet the Communist menace throughout the world.

ANTIRECESSION LEGISLATION

This Congress opened during a business recession. The President was forced to ask Congress to strengthen our domestic economy with an increased flow of money for such programs as aid to chronically depressed areas; emergency feed grain program; expansion of social security benefits; saline water conversion; water pollution control; easing mortgage credit; and a comprehensive housing program.

The stimulation of these programs has already paid national dividends. The September issue of Business Week states "Business Heads for Record High."

There are still sections of my congressional district which are economically depressed, counties like Carbon and Emery which are suffering an economic setback because of the depressed coal industry. In cooperation with the Carbon County Democratic Committee, the Price Chamber of Commerce, and civic organizations, I am sponsoring an economic conference for southeastern Utah with officials of the Area Redevelopment Administration to be held in Price, Utah, the middle of October. I am hopeful that roundtable discussions with Government representatives and civic leaders will result in a better understanding of the problems of the area and ultimately lead to a plan of renewed economic stability.

FEDERAL AID TO AIRPORTS IN UTAH

Another expanded program of this Congress which will have a definite impact upon the economy of Utah is the 3-year extension of the Federal aid to airports program. The FAA Administrator estimates that $697,789 will be spent in Utah during the next year and contract agreements may be made for an additional expenditure of $496,211 in the following 2 years. Airports within the First Congressional District of Utah included in the FAA Administrator's survey as eligible for Federal assistance upon proper application are:

Brigham City	$71,000
Cedar City	171,000
Escalante	170,000
Green River	143,000
Loa	5,000
Manti	32,000
Monticello	35,000
Nephi	207,000
Ogden	86,000
Richfield	144,000
St. George	69,000
Tremonton	51,000
Vernal	60,000

This Congress has been of a conservative nature. It refused to finance the foreign aid program with so-called backdoor spending on a 5-year advance basis; and refused to approve the construction of a Government-operated powerplant at the atomic plant in Hanford, Wash. It is significant that all tax reform proposals and the medical care/social security program were held over until the second session in January. Also held up were the Youth Conservation Corps bill, a proposal to set up a new Department of Urban Affairs, and an overhaul of unemployment insurance, just to mention a few. The Federal aid to education bill was turned down.

TAX DOLLAR BROKEN DOWN

The people of Utah by heritage and background are conservative. They are frugal and self-sufficient. They know the value of money and watch the tax dollar. Knowing this, I asked the Budget Bureau to give me the figures on where our tax dollar comes from and a breakdown on where it is spent. I received the following:

Where it comes from: 55 cents, individual income taxes; 25 cents, corporation income taxes; 12 cents, excise taxes; and 8 cents, all other receipts.

Where it is being spent: 58 cents, major national security; 10 cents, interest; 6 cents, veterans; 6 cents, agriculture; 20 cents, other.

Interesting to note is that over half of each tax dollar—58 cents—is spent on national security and space programs. Only 20 cents of each tax dollar represents the largest single nondefense expenditure. This expenditure covers the cost of all major nondefense programs

and includes such items as natural resources, educational assistance—particularly to federally impacted areas in lieu of taxes—highway construction and public housing. Also included in the 20 cents of each tax dollar in this class are those programs such as small business loans, REA loans, area redevelopment loans, college housing and community facility loans, and so forth, which have repayment provisions and hence are not operating expenditures as such. As nearly as I can determine, from one-third to one-half of this type expenditure will be repaid to the Government.

UTAH'S WATER DEVELOPMENT

In Utah the most vital expenditure under this 20-cent category is water development—reclamation, irrigation, soil conservation, and so forth. This Congress, I am proud to say, has done much to promote and further the great reclamation projects and the best utilization of Utah's water facilities.

The Colorado River storage project is one of the greatest projects in the State of Utah. However, there are many other projects now under investigation or nearing completion.

A breakdown of the funds appropriated this year for Utah's water projects is as follows:

Weber Basin project	$8,404,000
Central Utah project: Vernal unit	1,248,000
Advance planning, central Utah project	1,095,000
Advance planning, Emery County project	22,820
Emery County project, fiscal 1962	500,000
Army Engineers:	
Weber River	50,000
Price River (Willow Creek)	20,000
Project investigations:	
Bear River project	128,200
Lower Colorado Basin	42,000
Dixie project	10,496
Gray Canyon project	40,000
Bonneville Basin	1,000

GOVERNMENT AGENCIES DUE APPRECIATION

Mr. Speaker, a report of this year's activities would be incomplete without a word of heartfelt thanks to all the officials of the Government agencies with whom we work. Sometimes our problems defy solution, but wherever assistance can be rendered I have found these dedicated workers, both in Utah and in Washington, to be agreeably responsive. It is through such cooperation that many improvements were made this year in Utah, a few of which I should mention.

Resurfacing of 6.5 miles of rim road at Cedar Breaks National Monument.

Federal Communications Commission approval of permission to operate radio station KUTA at Blanding.

Labor Department designation of Carbon and Emery Counties as areas eligible for technical and financial assistance under area redevelopment program.

Inclusion of Federal court space in new Federal building at Ogden.

Approval by Agriculture Department and Budget Bureau of $811,000 loan for Weber-Box Elder Conservation District application for assistance in constructing an $877,000 water storage and distribution system.

Interior Department approval of the withdrawal of nearly 5,000 acres of high-grade potash deposits, located in the Seven Mile area of Grand County, from oil and gas leasing, thereby making it possible for the Texas Gulf-Sulphur Co. to jointly develop the area with the Cane Creek deposit and justifying the erection of a $30 million mill.

Federal Communications Commission approval of TV translator stations to serve Carbon and Duchesne Counties, as well as other areas.

Agriculture Department designation of all Utah counties as emergency areas eligible to receive assistance under livestock feed program.

Agriculture Department and congressional approval of Blue Creek-Howell watershed project in Box Elder County.

Post Office approval of a contract station in North Ogden-Pleasant View area to provide facilities for purchase of stamps, money orders, parcel post mailing, and other receiving services.

Post Office Department extension of star route service from Collinston to Wheelon in Box Elder County from three to six times a week.

PETERSON LEGISLATION

In submitting this accounting of my stewardship to the people of the First Congressional District of Utah, permit me to enumerate the legislative proposals that I introduced or jointly sponsored that have been enacted into public law. None of these would have been possible without the personal guidance of our very able leadership plus the neighborly and friendly advice of my colleagues.

Public Law 87–170: To permit water users associations, irrigation and reservoir companies to sponsor projects under Federal Watershed Protection and Flood Prevention Act, thus remedying the following seven pending applications which could not qualify prior to enactment of this bill:

Blanding Irrigation Co. in San Juan County; Dry Fork Sinks project in Uintah County; Antelope Irrigation Co. project in Duchesne County; High Creek project in Cache County; Levan Irrigation Co. in Juab County; Upper Kanab project in Kane County, and Minersville project in Beaver County.

Public Law 87–192: A private bill for the relief of J. A. Workman of Roosevelt, permitting him to resume gilsonite mining development work which he had started at considerable expense under lease executed with the Ute Indian Tribe and which had subsequently been invalidated for technical reasons through no fault of his own.

Public Law 87–81: A bill to change the boundary of Cedar Breaks National Monument by adding 111 acres to the southwest section and excluding 129 acres from the northwest section to conform more closely to the natural rim of the canyon.

Public Law 87–106: This legislation amended the act of April 6, 1949, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961. This authorization would have expired June 30, 1961.

Public Law 87–137: Provided for one additional Assistant Secretary of Labor. Mrs. Esther Peterson of Provo was appointed to fill this position and was confirmed by the Senate.

Public Law 87–300: A bill to authorize the Secretary of the Interior to conduct a study covering the causes and prevention of injuries, health hazards, and other health and safety conditions in metal and nonmetallic mines, excluding coal and lignite mines. This is a modified version of the original bill introduced by me.

Public Law 87–347: A bill to authorize limited subsidy payments to stabilize small domestic miners of lead and zinc. This provides temporary relief to the basic problems of lead and zinc mines and mills in Juab County which have been forced to shut down or curtail operations due to instability of prices and supply through excessive foreign imports.

BOMARC-MINUTEMAN-SERGEANT PROGRAMS VITAL

In conclusion I wish to reaffirm my interest in our defense program as it relates to the State of Utah. I have made a strong appeal for the continuation of the Bomarc program. I pledge my best efforts toward an expanded program for the production of the Minuteman and the Sergeant missiles.

Ranking Minority Member Surveys Activities of Judiciary Committee, 87th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. McCULLOCH. Mr. Speaker, the House of Representatives can be justly proud of the record of the Committee on the Judiciary during the 1st session of the 87th Congress. The chairman, the Honorable EMANUEL CELLER, of New York, and the other members of the committee are to be congratulated for an outstanding record of legislative accomplishments. As the ranking minority member of the committee I commend both the excellent leadership and cooperation of Chairman CELLER in making this record of accomplishments possible. I also point with pride to the real degree of nonpartisanship with which the legislative tasks before the committee were approached.

As I shall indicate, much of the legislation, which has now passed both Houses of Congress and has been approved by the President, originated with the Eisenhower administration.

FEDERAL JUDGESHIPS

The first major legislation reported by the committee was S. 912—Public Law 87–36—a bill to create additional Federal circuit and district judgeships. At the beginning of the session, as the ranking minority member, I introduced several bills in order to carry forward the unfinished work of the Judiciary Committee from the 86th Congress. One of

these was H.R. 469, a bill to create 35 additional Federal judgeships—3 circuit and 32 district judges. This was identical with H.R. 12552, 86th Congress, which the Judiciary Committee reported on June 15, 1960, and the Rules Committee reported a rule on June 25, 1960. Even though President Eisenhower indicated judicial appointments under the bill would be on an approximate 50-percent Republican, 50-percent Democratic basis, the Democratic leadership did not bring H.R. 12552 up for consideration.

The bill reported and passed with some modification in the 87th Congress, S. 912, provided for the appointment of 73 Federal judges—10 circuit and 63 district. Together with existing vacancies, S. 912 will permit the President to appoint more new judges than any President appointed during any 4-year term of office. When all the appointments have been made the existing judgepower of the Federal courts will be increased by more than 30 percent.

Although many of my colleagues and I considered S. 912 created more judgeships than were warranted by the facts, we supported the bill on the floor of the House in order to provide additional judges in those districts in which additional judgepower was critically needed. At the same time we made a strong appeal to President Kennedy to continue the precedent President Eisenhower indicated he would establish by appointing the new judges on an approximately 50-percent Republican, 50-percent Democratic basis. In our opinion this is the only method by which the appointment of Federal judges can be removed from the consideration of partisan politics.

By the end of the 1st session of the 87th Congress, President Kennedy submitted nominations for 54—10 circuit and 44 district—of the 73 judgeships created by S. 912. Of this number, 37—6 circuit and 31 district—have been confirmed. The President also submitted nominations for 20—5 circuit and 15 district—of the 31 existing vacancies, which have all been confirmed by the Senate.

ANTICRIME LEGISLATION

Another important group of bills approved by the committee relate to anticrime measures designed to suppress criminal racketeering and syndicated criminal activity. Most of these bills originated during the Eisenhower administration and had the strong support of former Attorney General Rogers. Attorney General Kennedy adopted and approved the program of Attorney General Rogers and recommended in addition a separate bill prohibiting travel or transportation in interstate commerce in aid of racketeering enterprise.

Our colleague on the committee, Mr. CRAMER, during the 86th Congress introduced all of the bills recommended by Attorney General Rogers and reintroduced them with modifications during the 1st session of the 87th Congress. The chairman, Mr. CELLER, introduced several of the bills recommended by Attorney General Kennedy, while I reintroduced H.R. 468—Public Law 87-368—to amend the Fugitive Felon Act.

When considered as a whole, these bills constitute a well defined program to assist State and local officials with law enforcement problems which transcend the boundaries of the particular States. Considered separately, S. 1653—Public Law 86-228—prohibits travel or transportation in interstate commerce for the purpose of furthering certain illegal business enterprises involving gambling, liquor, narcotics, or prostitution. S. 1653 requires both a specific intent on the part of the violator plus the commission of an overt act in furtherance of the offense. In addition to the business enterprise offenses listed, S. 1653 also prohibits travel or transportation in interstate commerce in connection with bribery and extortion.

From this description it is evident S. 1653 has very wide application to the business enterprise offenses which are conducted by individuals who operate beyond the boundaries of any one State. If these persons would confine themselves and the operation of their illegal enterprises to within the boundaries of a single State, the assistance of the Federal Government would not be necessary. However, in many instances the real kingpin never enters the State in which the activities are conducted. This bill will be of immeasurable assistance since it makes travel or transportation in interstate commerce in furtherance of these crimes a Federal offense. Thus, if a henchman is sent into a particular State or if money or other materials are transported in furtherance of the offense, the Federal Government will be able to intervene both in the investigation and the prosecution of the offense.

S. 1656—Public Law 87-216—prohibits the transmission in interstate commerce of information relating to bets and wagers by wire communications, that is, telephone and telegraph. In addition, it permits the communication company to discontinue the facility of anyone who is violating Federal, State, or local law. This bill will be of great assistance to State officials in combating bookie and other gambling operations which are conducted on a multistate basis.

S. 1657—Public Law 87-218—makes it an offense to transport in interstate commerce wagering paraphernalia, that is paraphernalia used in bookmaking, numbers, and similar games. It will also be of great assistance to local law enforcement officials in obtaining the assistance of the Federal Government in combating enterprises which transcend the boundaries of a particular State.

H.R. 468—Public Law 87-368—which I introduced, was identical with my bill H.R. 11897 which passed the House in the 86th Congress. As H.R. 468 passed amended this year, it amends the Fugitive Felon Act by making it an offense to flee across a State line to avoid prosecution for, or give testimony on, any State offense which is defined as a felony by the laws of the State, or, in the case of New Jersey, a high misdemeanor. H.R. 468 will be of great assistance to State officials. It will permit the FBI to apprehend and arrest fugitives who have fled beyond the boundaries of the State in which the original offense was committed. This bill was originally recommended by Attorney General Rogers and later by Attorney General Kennedy.

In addition, H.R. 1777—Public Law 87-37—although not a part of the Attorney General's crime program, will make illegal the transporting in interstate commerce or the concealing, storing, or selling of fraudulent State tax stamps or other obligations of a State which have been transported in interstate commerce. H.R. 1777 is designed to assist the States in stopping operations in which the obligations of the State are forged. A good example is cigarette tax stamps. In one instance Ohio suffered a loss of a million and a half dollars because of forged cigarette tax stamps.

The committee also reported S. 1990—Public Law 87-306—to afford protection to private communications facilities used in connection with military or civil defense functions of the Federal Government. This bill strengthens the criminal law against willful or malicious interference with, or the destruction of any communication facility used or intended to be used for the military or civil defense functions of the United States.

H.R. 6834—Public Law 87-338—by Mr. CELLER, makes the imparting or conveying of false bombing information a Federal offense. In the event such information is maliciously conveyed, or conveyed with a reckless disregard for human life, the offense is a felony; otherwise it is a misdemeanor.

In addition to bills defining criminal offenses, the committee reported H.R. 5343—Public Law 87-336—by Mr. CELLER, a bill to amend the Federal Youth Corrections Act. Before the enactment of H.R. 5343, a minor after serving a sentence could have the fact of his conviction eliminated from his record. However, a youth who was merely placed on probation could not have the charge eliminated from his record. H.R. 5343 will do away with this anomalous situation by permitting youthful offenders who are placed on probation also to have the charge erased after the probationary period. H.R. 5343 will thus serve a very useful purpose in facilitating the rehabilitation of youthful offenders who otherwise would carry through life the stigma of having a criminal record.

TAX STUDY

H.R. 4363—Public Law 87-17—by Mr. WILLIS amends S. 2524—Public Law 86-272—a bill reported by the committee in the 86th Congress, in order to broaden the tax study authorized by the earlier law. After the decision of the Supreme Court in the Northwestern Cement case, the committee reported S. 2524 in order to establish minimum standards for the State taxation of income derived from interstate commerce. S. 2524 also authorized a limited study of the problem of State taxation of income derived from interstate commerce. Many members of the committee, however, felt that the base for the tax study should be broadened in order to permit a comprehensive study of all phases of State taxation of revenue derived from interstate commerce. Accordingly, the committee reported H.R. 4363 and established a special subcommittee to study the entire

problem. It is anticipated that as the result of this study Congress will be able to define precise standards for that State taxation which will not constitute a burden on interstate commerce and will be able to devise fair apportionment formulas for those instances in which the State taxation of those funds is appropriate. This study will be of vital importance to the States as well as to the Federal Government.

FOREIGN AGENTS REGISTRATION AND EXTENSION OF LAWS RELATING TO ESPIONAGE

Another bill which I introduced at the beginning of the session was H.R. 470—Public Law 87-366—a bill to amend the Foreign Agents Registration Act in order to require the registration of domestic organizations which are substantially controlled, directed, or financed by a foreign government. This provides a much needed step in protecting the security of the United States by closing a loophole formerly available to those foreign governments which conduct their operations on an indirect basis by using domestic organizations as their agents. The bill in addition clarifies the so-called commercial exemptions of the Foreign Agents Registration Act by providing that a foreign principal, in order for its agents to be exempt, must be engaged in activities which are either private and nonpolitical and financial or private and nonpolitical and mercantile.

In addition, Mr. POFF introduced H.R. 2730—Public Law 87-369—to further protect the security of the United States by extending the application of the espionage laws to acts of espionage against the United States which occur in foreign countries. Prior to the enactment of H.R. 2730 the espionage laws were limited to acts committed either in the United States, on the high seas, or within the admiralty and maritime jurisdiction of the United States. This limitation had prevented prosecution in those cases in which the offenses against the United States occurred within a foreign country. Now the United States will be able to prosecute for acts of espionage whether committed abroad or at home.

CONFLICT OF INTEREST

For some time there has been a great need to adopt a new approach to conflict of interest in Government employment. At the beginning of the year the chairman, Mr. CELLER, and I introduced identical bills, H.R. 3411 and H.R. 3412, in order to carry forward the work of the Judiciary Committee in this field from the 86th Congress. Mr. LINDSAY introduced a bill containing the recommendations of the New York City Bar Association.

Extensive hearings were held on these measures and a clean bill by Mr. CELLER, H.R. 8140, embodying the recommendations of Mr. CELLER, myself, and Mr. LINDSAY passed the House on August 7, 1961. The bill has already become known as the Celler-McCulloch-Lindsay bill and when acted upon by the Senate will be landmark legislation.

PROFESSIONAL SPORTS

The committee reported a clean bill by Mr. CELLER, H.R. 9096—Public Law 87-331—to grant a limited exemption from the antitrust laws to professional sports leagues in order to permit the leagues to enter into package television contracts with the broadcasting networks. Mr. WALTER, Mr. MEADER, and I were primarily responsible for the amendment which protects college football on Friday nights and all day Saturday during the period beginning the second Friday in September and ending the second Saturday in December. Without doing violence to antitrust principles as ordinarily applied to business organizations, this bill will permit professional leagues to enter into package contracts for the televising of football, basketball, baseball, hockey, and other professional games.

ALIEN ORPHANS, JUDICIAL REVIEW OF DEPORTATION ORDERS AND ADMITTANCE OF 2D AND 3D PREFERENCE ALIENS

The committee substantially amended S. 2237—Public Law 87-301—in order to permit not only the continuation of temporary orphan adoption programs but also to provide a uniform judicial review of orders of deportation and permit the admittance into the United States of all aliens who have had a petition for a second or third preference status filed prior to July 1, 1961. This last provision, section 25(a) of the act, will benefit over 18,000 persons, mostly the parents or the unmarried sons and daughters of U.S. citizens or immigrants already lawfully admitted for permanent residence. The provision for judicial review of deportation orders is designed to eliminate the practice whereby undesirable aliens abuse our courts by bringing repetitious and dilatory proceedings, usually petitions for writs of habeas corpus, in order to delay their deportation from the United States. On have been successful in delaying their many occasions these undesirable aliens deportation up to 10 years.

DELAWARE RIVER BASIN

House Joint Resolution 225—Public Law 87-328—by Mr. WALTER, gives congressional consent to the States of Pennsylvania, New York, New Jersey, and Delaware to enter into a compact for the development of the Delaware River Basin. This compact will mark a major step in permitting these States to cooperate and work together in controlling problems, such as flood control, which transcend the boundaries of the individual States.

OTHER MAJOR LAWS

In addition the Judiciary Committee reported other bills of major interest, including H.R. 5656—Public Law 87-225—to provide for a reasonable, instead of a 5-day notice, before making application to the U.S. court of appeals for interlocutory relief from the orders of certain administrative agencies; H.R. 8490—Public Law 87-324—extending the life of the Commission and Advisory Committee on International Rules of Judicial Procedure; and H.R. 2883—Public Law 87-258—to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment. H.R. 1961 by Mr. POFF, to amend the Bankruptcy Act with respect to statutory liens and the powers of the trustees passed the House on August 8, 1961, while H.R. 1960, also by Mr. POFF, a bill to make it possible to bring actions against Government officials and agencies in the U.S. district courts outside the District of Columbia, passed the House on July 10, 1961.

Mr. CELLER has prepared a comprehensive summary of the activities of the committee which has been printed in the CONGRESSIONAL RECORD. Reference should be made to the remarks of the chairman in order to obtain a full explanation of the work of the committee including the major bills and investigations which are still pending, since in these remarks I am obviously only attempting to cover the high points.

LEGISLATION REMAINING UNDER CONSIDERATION

There are several bills of a criminal nature on which activity may be anticipated during the next session of Congress. One of these is a bill to make obstructing investigations or inquiries conducted by the Federal Government a criminal offense. S. 1665, recommended by Attorney General Kennedy, to make the obstruction of investigations conducted by the FBI or the Treasury Department a Federal offense passed the Senate on July 28, 1961, but it was adversely reported by the Judiciary Committee of the House. Many Members considered that additional safeguards should be written into any bill of this nature. It can be anticipated there will be renewed activity in this field during the next session.

Likewise, wiretap legislation may be considered during the next session. S. 1086, to permit wiretapping under certain conditions, has received consideration by the Constitutional Rights Subcommittee of the Senate but there was no consideration of wiretapping as separate legislation by the House committee.

There was no consideration of civil rights legislation during the past session of Congress other than a bill to extend the life of the Civil Rights Commission. Bills have been introduced which contain the provisions of the platforms of both parties and it can be anticipated that after the administration has obtained consideration of less controversial measures, pressure will be renewed for civil rights legislation.

There are several measures pending in the antitrust field, which include: a proposal to require companies to give prior notification to the Attorney General or to the Federal Trade Commission before consummating a merger; a proposal to give the Department of Justice and the Federal Trade Commission civil investigative authority—subpena power—in antitrust matters; a proposal to amend the Robinson-Patman Act to require mandatory functional discounts; and a proposal to prohibit the manufacturers of automobiles from financing the sale of their products. Extensive hearings have been held on all of these bills. A civil investigative demand bill, S. 167, passed the Senate on September 21, 1961.

Extensive hearings were also held on bills to increase the membership of the House. This controversial measure

failed to receive the approval of the Judiciary Committee. There is speculation that some effort may be made during the next session of Congress to bring to the floor of the House for consideration a bill providing for a limited increase in the membership in the House.

The Freedom Awards of the Order of Lafayette, Inc.

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. WALTER. Mr. Speaker, the Order of Lafayette is composed of officers who served in France or French possessions during World War I or II, and its auxiliary members are also in favor of strengthening our traditional friendly relations with France. It is a nonpartisan, nonprofit, and tax exempt corporation, with headquarters at 12 West 44th Street, New York, N.Y.

At its convention luncheon held at the Plaza Hotel in New York on May 19, 1961, its first Freedom Award for foreseeing and combatting communism was presented to Douglas MacArthur, General of the Army. Six hundred people filled the ballroom and heard General MacArthur make a brilliant and inspiring speech on the space age, which has been inserted in the CONGRESSIONAL RECORD together with the Freedom Award by Hon. JOSEPH W. MARTIN, JR.

The Order of Lafayette of which the Honorable Hamilton Fish is president general, adopted the following resolutions at its convention on May 19, which were compiled by a score or more of influential anti-Communists suggesting the names of a number of persons living and dead who have been leaders in the fight against the menace of communism, to freedom in America, and elsewhere:

THE ORDER OF LAFAYETTE—FREEDOM AWARDS

Freedom Award list: Gen. Douglas MacArthur, Cardinal Francis E. Spellman, Hon. Herbert Hoover, J. Edgar Hoover, Hon. Richard M. Nixon, Hon. Hamilton Fish, Hon. Francis E. Walter, Hon. Martin Dies, George Meany, Hon. Lyndon B. Johnson, Hon. Robert F. Kennedy, Hon. John W. McCormack, Hon. Henry Cabot Lodge, Hon. J. William Fulbright, Hon. John L. McClellan, Hon. James C. Eastland, Hon. Styles Bridges, Hon. Karl E. Mundt, Hon. Barry M. Goldwater, Hon. Thomas J. Dodd, Hon. Walter H. Judd, Gen. Albert Wedemeyer, Rev. Daniel A. Poling, George E. Sokolsky, Martin McKneally.

Freedom Award (50)—Honorable mention during the last 30 years: Hon. Harold R. Medina, Maj. Gen. Charles A. Willoughby, Maj. Gen. Robert E. Wood, Bishop Fulton J. Sheen, Hon. William Jenner, Hon. Clare E. Hoffman, Hon. Katharine St. George, Hon. John R. Pillion, Hon. Bernard H. Kearney, Hon. Claire Luce, Hon. Joseph Starnes, Hon. Harold H. Velde, Hon. John S. Wood, Hon. Henry Kaufman, Hon. Robert Morris, John L. Lewis, J. D. Matthews, Rev. Edward Lodge Curran, Rev. James Fifield, Rev. William James Hargis, Rev. Rayne Poucher, John T. Flynn, David Lawrence, Fulton Lewis, Jr., John O'Donnell, James F. O'Neill, Westbrook Pegler, Patrick Scanlon, Dan Smoot, Henry J. Taylor, Tom Anderson, William F. Buckley, Deven Adair Garrity, Frank Haneghen, Benjamin H. Freedman, George H. Schuyler, Walter L. Reynolds, Roy M. Brewer, Hon. Richard Arens, Hon. Spruille Braden, Merwin K. Hart, Frederick Koch, Joseph Pew, Brig. Gen. John Thomas Taylor, Maj. Gen. Robert E. Condon, Archibald B. Roosevelt, Mrs. Mary Markward, Ruth Montgomery, Mrs. William Sherman Walker, Alice Widener.

Freedom Award as a tribute to the memory of 25 deceased Americans: Mrs. Grace L. H. Brosseau, Homer Chaillaux, Gen. Clair L. Chennault, Hon. Bainbridge Colby, Hon. Herbert O'Conner, Hon. John Costello, Hon. John Foster Dulles, Hon. James S. Forrestal, William Green, Rev. James M. Gillis, William R. Hearst, Hon. Charles Evans Hughes, Harry A. Jung, Alfred Kohlberg, Hon. Patrick McCarran, Hon. Joseph R. McCarthy, Col. Robert R. McCormick, Hon. Lee S. Overman, Walter S. Steele, Ben Stolberg, Hon. Robert A. Taft, John B. Trevor, Rev. Edmund A. Walsh, Edwin S. Webster, Hon. Herman Welker.

These Freedom Awards are only to be presented at meetings or functions of the Order of Lafayette. It was decided not to include any former Communist in the lists many of whom have been very helpful in exposing the Communist conspiracy in the United States.

Mr. Fish, who was chairman of the first congressional committee—1930–31—to investigate communism told the Order of Lafayette convention that the most important organizations in fighting communism were the Catholic Church, FBI, the American Legion, the American Federation of Labor, and the congressional committee. These important groups, together with other veterans and civilian organizations, and numerous individuals throughout the Nation have been the real pioneers fighting in the front lines against communism in America for the past 30 years. At that time communism was a powerful force in the United States. The executive committee of the CIO was dominated by Communists. The American Labor Party in New York State composed of Communists and fellow travelers cast half a million votes. Fortunately, it is now extinct.

Today, due to the tireless and fearless efforts of numerous anti-Communist organizations, groups and individuals in exposing and combating communism, aided by public opinion, the Communists have been reduced in the United States to a comparatively small number of fanatics and fellow travelers. On the other hand, world communism has grown steadily into an appalling and dangerous menace to the free nations of the world including the United States.

The Honorable Charles Evans Hughes, as Secretary of State, on January 21, 1924, told a committee of the U.S. Senate:

It will be seen that the question of whether Communist programs contemplate the use of force and violence has been passed upon by every class of tribunal which would pass upon it; namely, Federal and State courts, administrative tribunals and legislative committees of both Federal and State governments, and in every case the result has been in support of the position that force and violence are inseparable from communism. * * * The essential fact is the existence of an organization in the United States created by and completely subservient to a foreign organization striving to overthrow the existing social and political order of this country. The subversive and pernicious activities of the American Communist Party and their subordinates and allied organs in the United States are activities resulting from and flowing out of the program elaborated for them by the Moscow group.

The Hughes factual declaration of reality and truth was subsequently endorsed by every investigating committee of Congress that the Communist Party was subversive and advocated and taught the overthrow by force and violence of the Government of the United States. It has taken 37 years for action by the U.S. Supreme Court to hold that Communists must register as agents of a foreign power.

Communists and fellow travelers are resisting and fighting this decision which should have been made years ago. It will be up to Hon. Robert F. Kennedy as Attorney General to enforce the decision of the Supreme Court as soon as the Frankfurter injunction or stay has expired.

For 30 years congressional committees have been investigating Communist and subversive activities in the United States. For 25 years, the House Un-American Activities Committee has been exposing the Communist conspiracy in our midst without fear or favor. This committee has incurred the bitter hatred of Communists and their fellow travelers because they have been successful in smashing communism wherever it raised its head in America, deporting alien Communists, driving Communists out of the Federal, State, and city governments, including our schools, and finally having the party outlawed and its members required to register as agents of a foreign power.

The Communist campaign against the Un-American Activities Committee is full of sound and fury, but it is as futile as New York snowflakes in July and rightly so as the American people overwhelmingly support the watchdog efforts of the House Un-American Activities Committee to expose and combat communism throughout the Nation.

Our very existence is at stake and time is running out. Almost all American citizens know today that world communism is a huge deadly conspiracy against freedom in the United States and throughout the world. Veritas magna est et praevalebit—The truth is mighty and will prevail.

Report to Constituents

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks I would like to include in the RECORD at this point my summary of the actions of the 1st session of the 87th Congress to the people

whom I represent. The summary follows:

WASHINGTON.—The first 9 months of 1961 have been ones of crisis, confusion, contradiction.

Berlin: A crisis focal point and a challenge to America.

Foreign policy—defense: Major improvements, some bungling, a great deal of waste.

Domestic problems: Recession hysteria—followed by a return to commonsense approaches.

BERLIN

As summer heat intensified, so did the Berlin crisis. By mid-July administration forces realized the seriousness of an unsound situation and ordered a speeding up of defense preparations, a new emphasis on our limited warfare capacity to meet changing situations firmly and without hesitancy—uncertainty which marked opening days of the Kennedy administration's foreign policy efforts.

Administration spokesmen talked in generalities. There were many contradictions, conflicting statements and estimates. To get first-hand, accurate and as nearly objective reports as possible, I was asked to visit Berlin, our other Western European bases. The Berlin assignment is explained by Chairman GEORGE MAHON in these words: "The Subcommittee on Defense Appropriations, which I head and of which Mr. WEAVER is a member, has tremendous interest in farflung operations of the Department of Defense and all our Armed Forces. We have to know what is being done with the money which we handle in various appropriations bills and we want to do what we can toward providing the best possible defense programs for the United States."

In Berlin: Diamond-hard determination, calm assurance. Those are the words to describe American forces from privates to commanders who are in daily contact with the potential enemy across the barrier built by the East German Communists. Well armed, well equipped, well trained, and with high morale, our forces are secure in the knowledge that what they do is right and that they have complete backing of the American people. I was able to pass along to them further assurances that the Congress wants to do all it can to provide them with the tools to carry on their work. Tough, professional veterans are armed with the M–14 rifle, the M–60 machinegun, best weapons of their kind in use today. And our troops know how to use these new weapons, I watched them in range practice, men of the 8th Infantry. Fired the rifle myself. I can assure you they are experts, capable of taking care of themselves.

The wall: Built by the East German Communists in August was more than an effort to block the flow of escapees from the East to freedom. The Communists have failed to snuff out the lamp of freedom which burns so brightly deep behind the Iron Curtain in West Berlin. So, they attempted to draw a curtain, to block off the light. Three hours in East Berlin more than demonstrated why they had to take this action. Walking from freedom into tyranny is like walking from a lighted room into a closet. In West Berlin people are friendly, assured and walk and work in surroundings similar to any American city. In the East it is drab, dreary, and the people walk in apathy. They lack the free stride, expectant look of freemen going about their business eagerly. The main stem, Stalinalle, looks prosperous. Big, new apartments, stores, brightly lit, but it's like the false fronts on a western movie screen. Behind is the rubble of World War II, destruction, and still the scent of death. Communists cannot afford this contrast.

American mistake: We should not have let the East Germans build the wall across Berlin. We lost a major round in the continuing fight for freedom when we permitted it. West Berlin is more than a symbol of freedom, it was a magnet, drawing freedom-hungry men and women to look and compare. Experts believe that without risk we could have stopped the wall. It may now be too late.

Overall look: I visited other border posts, backup echelons. At one point on the Czech border I visited an armored cavalry division. Men are on 24-hour alert, even those off duty can be on their way to border stations in 15 minutes. Vehicles are at top-performance capacity. The new, powerful M–60 tank will become the backbone of our Army's armored strength. It equals the best the Soviets have. The division commander at the Czech border told me he was faced by three Red divisions. "But," he said, "if they move against us we will destroy them." For the first time in history we have an adequate inventory of munitions, other supplies, on hand, near a potential battle scene. I visited with many Nebraskans holding responsible jobs. Found them all to be determined, confident, and calm. Our forces in Europe from the top commander to the private soldier, are professionally competent and unworried about the Soviet and East German intransigence in the Berlin matter. I was proud of our military forces and their dedication to their mission.

DEFENSE BUILDUP

Strategic effort: This year's four separate Defense budgets called for a sharp buildup of our ICBM arsenal including speedup of Polaris submarines. After early, hasty decision to drop B–47's, administration views changed and this important factor in strategic defense will be retained. Atlas construction program is well underway. New Titans have been fired successfully. Minuteman also will be speeded up.

Modernization: After years of effort by those of us on the Defense Subcommittee who saw present emergency needs coming, a decision was made this year to modernize, increase our ground fighting forces. This program would be going well—if these were normal times. It's my feeling we must move faster, even if it means building more assembly lines or speeding up those already in production—this is a must.

FOREIGN AID

Marked lack of enthusiasm: This would describe the attitude of most in Europe over continued economic assistance; however, most show a keen desire for continued military assistance. These observations confirm my own conviction that the phases of mutual assistance must be divorced and presented separately to Congress. With booming economy in Western Europe, it is apparent they could and should help in making assistance available to those countries where living standard is at the bare subsistence level; instead, President Kennedy again has presented a combined measure—with a new wrinkle—back-door finance. He wanted long term, multibillion-dollar aid without congressional controls. I voted against foreign aid this year because we cannot expect the American people to "buy" this program blindly with nearly 5 billion of their tax dollars. Most Americans would approve aid to those of our allies determined to face up to the Communist threat because their armed forces are working shoulder to shoulder with our own. They do not support blanket assistance to countries which, at best, are not friendly and sometimes actually support the Kremlin.

DOMESTIC PROBLEMS

Recession: With the advent of the Kennedy administration came a real degree of hysteria over the recession. A number of bills including area redevelopment, urban renewal, vast public housing programs, were jammed through Congress early this year—all were costly—all went through with the assistance of the administration-packed Rules Committee. As recession threats faded, so did the President's influence on the Congress. The very packing of the Rules Committee backfired. He had been promised by Chairman HOWARD SMITH that, if left alone, the committee would support any bill he labeled as "must." After the packing was accomplished, the committee—with a "liberal" Democratic majority—killed his aid to education bill. Other measures such as compulsory medical insurance, tax reforms, stalled in committee.

Expenditures: At that, the big spenders in Congress managed to add $908 million to the financial responsibility Nebraskans must bear. This comes to $644 for each of our State's 1,411,033 citizens. In all the budget reached $95 billion, an increase of $6.5 billion over last year. This is not the full story, though, the President asked for $28 billion in back-door financing and, despite efforts by those of us who favor fiscal sanity, he got $19 billion this way. It is estimated by experts that the United States has been going into debt at the rate of $1 million an hour, $24 million a day, $168 million a week, or $8.9 billion for the first year of the Kennedy administration.

Ways to save: One of my last actions during the 1st session of the 87th Congress was to introduce a bill, H.R. 9121, designed to force fiscal sanity and avoid insolvency. The bill would have reduced the total number of nonessential Federal employees by 10 percent by not permitting agencies to fill vacancies through hiring from the outside. Instead of adopting this approach, the administration asked for additional personnel, including hundreds of so-called supergrade civil service employees with salaries ranging up to $19,500 a year; 800 such jobs were approved with 50 of them set aside for the President to use in staffing new agencies.

Social security: Along with all but 14 Members of the House I supported a measure which became law increasing benefits to widows and those receiving lowest benefit rates. Measure also permits men to retire at age 62 with reduced benefits. Other technical changes were made in the law. If anyone has a question in regard to his or her social security benefits, I'll be glad to help if possible. Just contact me, First District Representative PHIL WEAVER, 1230 New House Office Building, Washington 25, D.C.

Agriculture: Congress took major steps to meet increasingly pressing farm problems, increase income of our farm families, lessen cost-price squeeze. Under the emergency feed grain program more than 71 percent of the corn, feed grain producers in Nebraska voluntarily signed up to reduce acreage by 20 percent or more. Same program will be in effect next year. Wheat: A 10- to 40-percent acreage reduction bill was passed with incentives for those retiring over 10 percent. These programs should cut acreages, surpluses; increase prices to farmers and cut costs to taxpayers by $500 million. Secretary Freeman has been ordered to bring in new, long-term program by January 15, 1962.

Resource development: Real progress was made in sound, orderly development of our water, power resources and highways. Nebraska projects including Salt Wahoo, Red Willow, were approved for construction. Survey funds were approved for Little Blue, Nemaha-Little Nemaha Basin where recent floods have done tremendous damage. At my request, House Public Works Appropriations Subcommittee included $40,000 for basinwide, comprehensive survey of Loup-Platte Valleys. This is essential to conservation of water for irrigation, power, municipal and industrial purposes and the future progress of eastern Nebraska. Survey work begins this fall.

I have asked Reclamation Bureau officials to speed work and to make sure adequate funds are available for complete survey job—future power needs—Nebraska's industrial

growth must depend in large part upon future power available. To help meet those needs, power will be brought in from the Colorado River storage project and to insure this power being available at reasonable rates I joined with two of the three other Nebraska Congressmen to support construction of transmission lines for the project. Efforts were launched to link Sioux Falls, S. Dak., and Salina, Kans., with an interstate highway. This may prove a long, hard fight and will need cooperation at the national, State, and local levels. Purpose of the interstate is not only to provide coast-to-coast highways, but to link important cities within a unified commercial region, which the north-south interstate would do.

Lincoln Air Force Base: Atlas missile base construction is nearing completion and the big birds will be nested. The midyear revision in administration thinking will keep B-47's flying from Lincoln as another factor in our deterrent effort. Lincoln AFB continues to play an important role in our overall defense posture. Recognizing this, Congress this year approved, at long last, funds for a much-needed modernized medical facility.

House Minority Leader CHARLES HALLECK, Indiana Republican, wrote me as Congress adjourned after a long and difficult session. In his letter to me CHARLIE HALLECK says: "I want to express my deep appreciation for your cooperation and commend you for the significant contribution you have made in the Congress."

I hope to see as many of you as possible this fall.

Sincerely,

PHIL WEAVER,
Representative in Congress,
First District, Nebraska.

Pike Reports on His First Session

EXTENSION OF REMARKS
OF

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. PIKE. Mr. Speaker, I take this opportunity to present to the approximately 950,000 residents of the First Congressional District of the State of New York, through the CONGRESSIONAL RECORD, my report on the record of the 1961 session of Congress, and of their Congressman. I will get this report into the hands of as many of them as possible through this means, but I have neither the equipment nor the resources to get it to all of them. I hope that those who choose to throw it away—because it comes from a member of the wrong party, perhaps—will at least throw it in some public place where other, weaker souls might chance to pick it up.

First, as to the congressional district itself. Early in the year 1961 the figures on the 1960 census were made available, and they showed what we all knew already—that nowhere in America is the population exploding faster than in the First Congressional District of the State of New York. From a population of approximately 350,000 in 1950 it had reached 906,187 by 1960. It includes 350,000 more people than the next largest district in the State of New York, and is the fourth largest in the country. Among other interesting items the census turned up was the fact that we have the highest percentage of privately owned homes of any area in the country—87 percent of us own our own homes.

We also have the highest percentage of letter writers in the country. This is not a statistic; it is an opinion. During the 9 months that the House was in session, my office in Washington received approximately 20,000 letters from the people of the district, and my office in Riverhead received several thousand more. These letters covered every subject imaginable—from queries as to whether the Veterans' Administration would pay for elastic hose and false teeth for disabled veterans, necessitated by wartime injury—yes—to whether I could get an errant husband transferred to a Federal penitentiary closer to home—no. The largest volume of mail—approximately 1,400 letters each—was concerned with the 2 subjects of Federal aid to education—great difference of opinion—and changes in the tax law—they were against them.

As to the Congress generally—it was a conservative one. With one exception the Congress appropriated less money than the administration asked for to carry out its varied programs. The single exception, of course, was military preparedness, and in this case the worsening international situation made a change imperative after the President submitted his budget. Without exception the House of Representatives was more conservative than the Senate. Time after time the House would refuse to accept the monetary recommendations which the Senate had already approved. There were 18 major administration requests for money, totaling $91.5 billion. The Senate approved $90.5 billion of this; the House $79.3 billion; and the final compromise figure passed was $86.6 billion—this is what Congress spent this year. It is a tremendous amount of money, but I believe that, in general, it was spent wisely. By far the largest amount, $47.6 billion, was spent directly on our own national defense, and $1.6 billion more was spent on military assistance to our allies. As a member of the Armed Services Committee, I had the opportunity to hear our military leaders and Defense Department officials explain in detail the need for this tremendous expenditure. In general, I supported the itemized expenditures in committee, and without exception supported the final bills on the House floor.

The next largest appropriation for a single department, however, was one I could not support. This was a $6 billion appropriation to the Department of Agriculture. While the Department does many useful things, it is still using the bulk of its money in what I feel is a tremendously wasteful price support program on six basic agricultural commodities. I do not see any justification for continuing to pay price supports for growing agricultural products when the Government already has on hand nearly $9 billion of such products, costing a million and a half dollars a day to store. Federal programs are certainly necessary to prevent overproduction of these commodities, but once the overproduction is stopped the price will rise to a point where the farmer can make a good living on the open market without the necessity of a Federal subsidy. I see no more reason to pay farmers for not growing too much than I see for paying motorists not to drive too fast.

Without going through all of the items with which Congress concerned itself this year, the general pattern of the legislation developed as follows. In the early days of the session the Congress was deeply concerned with the serious recession in which we found ourselves and quickly passed several antirecession measures. These included aid to depressed areas, temporary unemployment benefits, and aid to dependent children. I supported all of these emergency measures.

During the middle period of the long session, the Congress was occupied with long-term programs aimed at keeping both our economy and our defenses strong. I supported all of the defense measures and over half of the rest of them. The defense bills and the farm bill I have already discussed; but among the other matters which came up during this period were liberalization of the social security and minimum wage laws, which I supported, and a housing bill which I supported in the House, but which was made so liberal by the Senate that it seemed financially irresponsible to me, and I was obliged to vote against the compromise measure which came out of the House-Senate conference.

During this middle period many items were passed which may not be of such great significance nationally, but which are of tremendous importance to our own area now and for the future. Among these is an increased water pollution control program, a program for converting salt water to fresh water, and grants for the improvement of airports. Of national significance was the approval of a greatly expanded civilian space research program.

It was during this middle period also that the administration's comprehensive aid to education program bogged down. While I was prepared to support a much broader program, I was happy that the program of Federal aid to impacted school districts was extended, as were the scholarship and loan provisions of the National Defense Education Act. The impacted areas program alone has meant about $2 million a year to our area.

The final phase of the operations of this Congress was devoted largely to the traditionally bipartisan matters concerning the conduct of our foreign affairs. This included such widely debated items as foreign aid, the Peace Corps, and the Arms Control and Disarmament Agency. After all the debate was over, the traditional bipartisanship prevailed, and the foreign aid appropriation, the Peace Corps, and the Arms Control and Disarmament Agency all received majority support from both parties.

The longest session of Congress in 10 years adjourned at 6:16 a.m. on September 27, after being in session since January 3—and up all night on the 26th of September. It was a hard-working,

productive session. I have appreciated the opportunity to be part of it, and have tried to be conscientious about the job. On 116 rollcall votes during the 9-month session, I voted 116 times. On 115 quorum calls in the same period I was present 114 times. I have kept in touch with my constituents through weekly reports in 30 weekly newspapers and weekly broadcasts over 6 radio stations. They have kept in touch with me by mail, telegraph, telephone, and personal visits to both Washington and my Riverhead office. I have tried to represent them faithfully, but I have not pleased them all. I have tried to help them, but I have not always been successful.

Next year the Nation will be confronted with the same basic problems. The cold war, Berlin, Cuba, Laos, and problems of foreign affairs will be at the front of everyone's mind. The basic issue will continue to be war or peace. In Congress the most controversial issue will be the financing of medical care for the elderly through the social security system. No one expects that it will be an easy session. The international problems which confront us are not going to disappear. We will, however, be able to start with an economy in good shape, a satisfactory balance of payments internationally, and the knowledge that in our foreign affairs we are operating from a strong domestic base.

What the successes and failures of the recent session of Congress have been depends, of course, on each constituent's own particular point of view on any given legislation. Those things which the Democrats call successes the Republicans are likely to call failures. Those things which the Republicans hail the Democrats may want to ignore. The best analysis which I have seen was written by the syndicated columnist, William S. White, who started his column as follows:

It is now clear that the record of this session of Congress, the final paragraphs of which are now being written, will not please the Democratic National Committee, the Republican National Committee, or any other loudly partisan group or interest.

The frantically liberal will not like it. Nor will the desperately ultraconservative. It won't win or lose any national elections, either the 1962 congressional election or the 1964 presidential election. It may, however, turn out to be quite pleasing to people of temperate minds and moderate purposes who don't care about politics for its own sake, but see it simply as a means by which certain things are accomplished, preferably in a quiet and rational way.

That is the kind of Congress it has been. I believe it is what the country needed. I am very grateful for the opportunity to have been a part of it.

My itemized voting record on major issues is as follows:

Date	Issue	Vote
Jan. 3, 1961	Election of Speaker. (Rayburn 258, Halleck 170.)	Rayburn.
Jan. 31, 1961	Enlargement of Rules Committee. (Yea 217, nay 212.)	Yea.
Mar. 1, 1961	Temporary extension of unemployment compensation. (Yea 302, nay 30.)	Yea.
Mar. 1, 1961	Continue House Committee on Un-American Activities. (Yea 412, nay 6.)	Yea.
Mar. 7, 1961	Supplemental appropriation for impacted school districts. (Yea 339, nay 62.)	Yea.
Mar. 9, 1961	Price support program for feed grains. (Yea 209, nay 202.)	Nay.
Mar. 23, 1961	Military construction bill. (Yea 412, nay 0.)	Yea.
Mar. 24, 1961	Increase minimum wage coverage. (Yea 341, nay 76.)	Yea.
Mar. 29, 1961	Aid to economically distressed areas. (Yea 251, nay 167.)	Yea.
Apr. 19, 1961	Appoint additional Federal district and circuit court judges. (Yea 336, nay 76.)	Yea.
Apr. 20, 1961	Improve social security benefits. (Yea 400, nay 14.)	Yea.
Apr. 25, 1961	Latin American aid. (Yea 330, nay 82.)	Yea.
May 3, 1961	Water pollution control. (Yea 308, nay 110.)	Yea.
May 7, 1961	Consider sanctions on Cuba. (Yea 404, nay 2)	Yea.
May 17, 1961	Encourage foreign tourists. (Yea 305, nay 104)	Yea.
May 24, 1961	Armed Forces appropriation. (Yea 402, nay 0.)	Yea.
June 6, 1961	Agricultural appropriations, including price supports. (Yea 320, nay 65).	Nay.
June 8, 1961	Repeal tax on railroads. (Yea 189, nay 196.)	Yea.
June 22, 1961	Housing Act of 1961. (Yea 235, nay 178.)	Yea.
June 28, 1961	Conference report on housing bill. (Yea 229, nay 176.)	Nay.
June 29, 1961	Provide a flag for Congressmen. (Yea 108, nay 270.)	Nay.
June 29, 1961	Delaware River Basin compact. (Motion to recommit.) (Yea 92, nay 257.)	Nay.
July 10, 1961	Establish Cape Cod National Seashore. (Yea 278, nay 82.)	Yea.
July 31, 1961	Authorize President to order Reserves to active duty. (Yea 403, nay 2.)	Yea.
Aug. 2, 1961	Northeastern States water compact. (Motion to recommit.) (Yea 139, nay 261.)	Yea.
Aug. 8, 1961	Eliminate public power project from atomic energy appropriation. (Yea 235, nay 164.)	Yea.
Aug. 18, 1961	Foreign aid authorization. (Yea 287, nay 140.)	Yea.
Aug. 21, 1961	Make hijacking aircraft capital crime. (Yea 374, nay 5.)	Yea.
Aug. 22, 1961	New York World's Fair participation. (Yea 353, nay 42.)	Yea.
Aug. 24, 1961	Subsidize lead and zinc mines. (Yea 196, nay 172.)	Nay.
Aug. 30, 1961	Consider Federal aid to education. (Yea 170, nay 242.)	Yea.
Aug. 31, 1961	Oppose Red China in U.N. (Yea 395, nay 0.)	Yea.
Sept. 5, 1961	Foreign aid appropriation. (Yea 270, nay 123.)	Yea.
Sept. 6, 1961	Extend Federal aid to impacted school districts. (Yea 378, Nay 32.)	Yea.
Sept. 6, 1961	Strengthen Welfare and Pension Plan Disclosure Act sanctions. (Yea 245, nay 161.)	Yea.
Sept. 6, 1961	Encourage international educational and cultural exchanges. (Yea 329, nay 66.)	Yea.
Sept. 13, 1961	Extend Civil Rights Commission. (Yea 300, nay 106.)	Yea.
Sept. 13, 1961	Remove Colorado River public power project from appropriation bill. (Yea 182, nay 225.)	Yea.
Sept. 13, 1961	Extend Federal Airport Construction Act. (Yea 398, nay 4.)	Yea.
Sept. 14, 1961	Establish Peace Corps. (Yea 288, nay 97.)	Yea.
Sept. 15, 1961	Increase postal rates. (Yea 142, nay 222.)	Nay.
Sept. 18, 1961	Improve postal employees' longevity pay benefits. (Yea 360, nay 4.)	Yea.
Sept. 18, 1961	Require additional registration of Communist propagandists. (Yea 369, nay 2.)	Yea.
Sept. 19, 1961	Establish Arms Control and Disarmament Agency. (Yea 290, nay 54.)	Yea.
Sept. 26, 1961	Foreign aid appropriation. (Yea 192, nay 81.)	Yea.

Accomplishments, 1st Session, 87th Congress: Report of House Majority Leader

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. McCORMACK. Mr. Speaker, the 1st session of the 87th Congress has been a hard-working one and a successful one. With the adjournment of this Congress, the Members can feel satisfied with "a job well done." When a President delivers his message on the state of the Union at the outset of a Congress, which usually includes his major and important recommendations, it is understood that such recommendations are for a period of 2 years.

In the 1st session of this Congress, President Kennedy has had remarkable success with his recommendations. His leadership both in the domestic field and in the fields of national defense and foreign affairs have been outstanding.

President Kennedy's record of success during the first session of this Congress is far greater than any President has had for many years. For 34 of his major and important recommendations have been enacted into law by the Democratic controlled Congress, and particularly some domestic legislation against strong opposition of powerful groups both in and out of Congress. In addition, many other bills of importance to various sections of our country have also been enacted into law.

In other words, President Kennedy has seen enacted into law an unusually high percentage of his recommendations.

The important part played in the making of this record is due to the outstanding ability, experience and leadership of our beloved presiding officer, Speaker SAM RAYBURN, one of the great Americans of all time, and the man with the "heart of gold" in his love of his fellow man.

For example, comparing President Kennedy's first session of his first term with the first session in 1953 of the first term of former President Eisenhower, which is a proper comparison, President Kennedy has had enacted into law almost three times as many of his major and important recommendations than had former President Eisenhower, who then had a Republican Congress, as President Kennedy now has a Democratic Congress. In the field of national defense and world affairs, President Kennedy's record is most notable. With reference to legislation relating to these two important fields, I compliment those Members of the House, without regard to party, who gave bipartisan support to President Kennedy. For fortunately in the field of national defense and in the

field of a strong and firm foreign policy, the President has a strong Congress supporting him.

When the President assumed office last January, the world situation was most trying and tense. As has been stated:

> When President Kennedy assumed office, he was faced with the most trying world situation that has confronted a President in the entire history of our country.

In other words, this was the situation that President Kennedy inherited. He has faced this tense and trying situation with outstanding ability and great courage.

The increase in appropriations for national defense—the action of strength—the only thing the Kremlin respects—in the sum of several billions of dollars, the mutual assistance authorization bill and appropriation bill, the establishment of a permanent Peace Corps, the establishment of the U.S. Arms and Disarmament Agency and other legislation, are illustrations of the courageous leadership of President Kennedy in the related fields of national defense, and of a strong and firm foreign policy, and of the support and cooperation of the Congress.

The world situation is naturally of uppermost concern to the people of our country, and broader, to the people of the free world. We all realize that the cold, sinister, and evil minds of those directing international communism are bent upon world domination and control. Our people recognize the importance of a powerful national defense in order to maintain a firm and strong foreign policy; for our military strength constitutes a powerful force in carrying out effective results in the field of diplomacy for world peace; for our people sense and well know that the only things the Communists respect is what they fear, and that is military strength and power greater than they possess themselves. Therefore, our people realize that expenditures for strong national defense is the premium that we must pay for preservation and for independence and liberty. Our people are willing to make all sacrifices to this end. The leadership of President Kennedy in this respect has been outstanding, and the first session of this Congress has effectively cooperated with the President.

As national defense and foreign policy, without downgrading important domestic matters, are uppermost in the minds of our people, in my report of the 1st session of the 87th Congress, I start out with the major accomplishments of this Congress in connection with these two important related fields.

NATIONAL DEFENSE

The national defense measures which are of primary importance were greatly influenced by President Kennedy's inaugural address, and his address of July 25 on the Berlin crisis, and in consequence of the latter address the President made recommendations for appropriations of an additional several billions of dollars for further national defense over the original budget submitted by him.

On August 17 President Kennedy signed the Department of Defense appropriations bill for fiscal 1962. The total of this bill is $46,662,556,000. This budget provided the largest peacetime budget in our history. It included almost all of the more than $3.4 billion which the President had requested less than a month earlier, and almost a billion dollars in addition to his request. A strong Congress felt that this additional billion dollars were necessary and could be utilized in our national defense.

The additional budget estimates of President Kennedy for increased national defense which the Congress exceeded, were for the increase of all of our Armed Forces, to modernize the weapons system of the Army, increasing our bomber alert sharply, increasing the Polaris program as well as our whole missile programs; in fact, providing for a sharp increase and acceleration of our nuclear capacity. The Congress also strengthened the powers of the President.

In addition, in the supplementary appropriation for 1962, $40 million was provided for procurement, for shipbuilding, and conversion by the Navy.

There is also included in the Defense Department appropriation bill a budget estimate of the President for $207.6 million for a civil defense and a shelter program. This amount was included in the military appropriation bill because of the recent transfer of civil defense functions from the Executive Office to the Defense Department. The Congress appropriated a full amount of $207.6 million. This a major appropriation, because it is the opening wedge in a very important program of civil defense and shelter for our people that should have been started years ago. Defense Secretary McNamara, in substance, testified that this is merely the first phase of a stepped-up civil defense effort designed to save millions of lives, to be developed on the basis of experience. It was a recognition of the fact that we needed a civil defense program as part of our defense preparations, and as Secretary McNamara said:

> We can only pray that, like our armament, we shall never have to use it.

In addition, the Congress appropriated to the Office of Civil Defense Mobilization $86,550,000, for the purchase of emergency supplies and equipment.

There is a further sum of $13 million for the Public Health Service in the Department of Health, Education, and Welfare, for civil defense medical stockpile supply activities.

The action of President Kennedy in recommending additional appropriations in the light of the aggressive attitude of the Kremlin in relation to West Berlin, and the Congress making such appropriations, has the widespread support of our people and our press. For the action taken by President Kennedy and supported by Congress is the action of one of strength, the most effective language that the Communists understand.

In addition, the President recommended and Congress appropriated $951,690,750 for military construction under the Department of Defense.

In addition to the appropriations for defense, the Congress enacted a most important measure giving the President discretionary authority to call up 250,000 members of the Ready Reserves for periods not exceeding 12 months, and to extend the tours of duty of personnel on active duty for periods of up to 12 months. To quote that great American, Congressman CARL VINSON, of Georgia, chairman of the House Armed Services Committee, this measure was "an assurance to the world that we stand firm, determined, united, and ready to make whatever sacrifice is required to preserve our rights, our obligations, and our freedom."

Among other legislation enacted into law relating to our national defense was:

First. A bill providing for the loan of naval vessels to friendly foreign countries and for the extension of certain naval vessel loans.

Second. A bill providing for more effective participation in reserve components of the Armed Forces, chiefly by amending the laws relating to the 6-month training program and participation in the Reserve components.

Third. A bill to authorize appropriations for aircraft missiles and naval vessels for the Armed Forces.

Fourth. A bill to authorize additional appropriations for aircraft in the sum of $958,570,000.

Fifth. A bill to authorize certain construction at military installations both within and outside of the United States in the sum of $893 million and of this total $67,097,750 was authorized for construction of Reserve facilities.

Sixth. A bill to amend and clarify the reemployment provisions of the Universal Military Training and Service Act. This law clarifies and removes any doubts that might arise with regard to the reemployment protection to be accorded certain persons who leave their jobs to enter the Armed Forces in the interest of national defense, as well as correcting other inequities. It also creates an additional 4-year period of service for reemployment rights purposes for persons entering or reentering on active duty after August 1, 1961.

Seventh. A bill to provide for the more effective participation in the Reserve components of the Armed Forces. The basic purpose of this law is to make omnibus amendments to the laws relating to the 6-month training program and participation in the Reserve components. The act contains five major revisions to existing laws relating to the Reserve components and the National Guard.

FOREIGN AID

The Foreign Assistance Act of 1961, which authorizes the appropriations of funds is positive evidence of the interest which the United States has in assisting the peoples and governments of nations throughout the world who are less fortunate than we, and particularly those nations whose people are willing to help themselves and preserving their freedom.

This act is a milestone in the foreign relations of the United States comparable to the legislation authorizing the Marshall plan 13 years ago.

President Kennedy proposed to the American people and to the nations of the world that we undertake together a decade of development in which the industrialized nations would assist the peoples of the newly independent and less-developed nations of the world in their own efforts for peaceful economic and social progress. In order that the United States might undertake a position of leadership in this great program for progress, the President asked the Congress to enact the Foreign Assistance Act of 1961.

The heart of the program for which the President asked was authority for a great program of development loans. In order that it might be clear to the world that the United States is indeed committed to leadership in the decade of development and to provide other nations with the assurances necessary for their own planning, the President asked that the Congress provide authority for the loan program for a period of 5 years and that the Congress also provide the authority necessary to make long-term commitments to the less-developed nations against which they might plan more surely for their own progress.

The Foreign Assistance Act of 1961 provides that authority. For the first time U.S. development assistance has been put upon an assured basis of 5-year duration. For the first time the Congress has specifically granted the President the authority to give commitments to friendly countries that over a period of 5 years we would provide aid to them in specified amounts. The legislation declares that:

> Whenever the President determined that it is important to the advancement of U.S. interests and necessary in order to further the purpose of this title, and in recognition of the need for reasonable advance assurances in the interest of orderly and effective execution of long-term plans and programs of development assistance, he is authorized to enter into agreements committing, under the terms and conditions of this title, funds authorized to be appropriated under this title, subject only to the annual appropriation of such funds.

The conference report on the bill contained this further statement of legislative intent:

> It is understood that the conferees regard the language in the bill as authority for the Executive to make commitments which will be honored by the Congress unless there is evidence of obvious bad management or the other country has failed to meet its responsibilities.

These terms met with the approval of the administration. On August 29 President Kennedy commented:

> The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurances that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world.

While the legislation represented a compromise under which the Congress provided the President with the long-term commitment authority which he had declared essential to U.S. leadership in the world and under which the Congress retained its power over appropriations, nevertheless this is the first time the Congress gave such authority to a President, and this compromise is decidedly in the direction of the recommendations of the President. It is clear that the funds to meet the commitments made by the President must come from appropriations as authorized in the legislation. It is equally clear that the Congress has accepted a moral obligation to appropriate in the future the funds which will be necessary to meet commitments made by the President under the authority granted by the Congress unless there should occur some most unusual and unforseen reasons by our Government to withhold future appropriations in connection with any commitments that may be made.

For this lending program the Foreign Assistance Act of 1961 authorized appropriations of $1,200 million for the first year and $1,500 million for each of the following 4 years. These funds are to remain available until expended and authorizations unused by appropriations will remain available for future appropriations.

These sums are greater than have ever been previously authorized for development lending yet they are to be considered not as a ceiling but as a floor. The President is invited to return to the Congress in succeeding years to ask additional authorizations and appropriations of funds as he may find required by the interests of the United States. The authorizations of $1,500 million in each of the 4 coming years represent, however, the assurance of the Congress that the President may make commitments for assistance in such future years up to these amounts in the knowledge that the U.S. Congress will honor the commitments by the appropriation of necessary funds.

In order to provide the American aid program with the most effective administration possible the Congress has granted the President authority to establish a unified administration for the whole economic aid program. Programs formerly administered by the International Cooperation Administration, the Development Loan Fund, and otherwise may now be placed under a unified Agency for International Development. The Congress has provided the President with authority to appoint an official with the rank of an Under Secretary of State as Administrator of this new Agency for International Development—AID—reporting directly to the Secretary of State and to the President and having as his assistants two Deputy Directors of the rank of Deputy Under Secretary of State and nine assistant administrators with the rank of Assistant Secretaries of State. This action by the Congress should provide the AID administration with the ability to attract men of the highest caliber to join in the administration of this vital function of our foreign relations.

The new legislation has consolidated former categories of assistance into a new category of supporting assistance. Among other purposes this will assist those nations who in cooperation with our own military assistance program are engaging in military efforts greater than they can support without our help. The new legislation will continue and strengthen the point 4 program originated by former President Truman. It is continued as part of the program of development grants which will be directed toward the strengthening of human resources in developing countries through programs of education, health, and training in many fields essential to the progress of these nations. Development grant funds will help carry forward programs of community development, land reform, agricultural credit, sanitation and health facilities, urban and rural housing, and similar programs fundamental to social progress. New legislation continues the leadership of the United States in the United Nations Technical Assistance and Special Fund. It provides funds for our part in the work of the United Nations to bring order and peace out of chaotic conditions in the Congo. It provides funds to continue the U.S. assistance to the refugees in the Middle East and to help in their resettlement. Contributions are authorized to other United Nations activities such as the Emergency Fund in the Middle East, the Children's Fund, the malaria eradication program of the World Health Organization, the international atomic energy program, and others.

The new legislation authorizes for the first time a program of development research to analyze the problems of development with a thoroughness never before possible and to apply the principles of research, well established in industry, to the more efficient conduct of our economic and social development programs.

The new aid legislation also provides encouragement and incentives to private enterprise never before authorized. It is a basic policy of the administration, which Congress has accepted, to encourage the participation of private enterprise in the effort undertaken by the Government to advance economic growth in the newly developing countries. The new legislation expands existing guarantees and provides for the first time an all-risk guarantee, on any experimental basis, to insure against losses of investment for any reason, up to 75 percent of the investment. The new act also provides newly authorized assistance to private investors in locating investment opportunities. The act is especially mindful of the interest and potential contribution of small business and gives the President specific authority to assist American small business to participate in the program.

The second portion of the new legislation, the International Peace and Se-

curity Act, directs our military assistance not only toward protection of the free world from the older forms of Communist bloc aggression, but toward the new and more dangerous forms of Communist aggression: infiltration, and guerrilla warfare, and internal agitation. The legislation authorizes $1,700 million for military assistance and provides for the first time an additional special authority to the President to draw upon defense stocks up to the value of $300 million for military assistance purposes should the vital interests of the United States require it. This is a matter of great importance.

The Foreign Assistance and Related Agencies Appropriation Act, 1962, appropriated, for the foreign aid program, the largest sum made available in 3 years. The total new obligational authority is $3,878 million; together with the carryover of unobligated balances, and $30 million for the newly established Peace Corps, the funds made available total $4,014 million. These funds, though below the President's request, will make possible the vigorous initiation of the decade of development.

If additional funds are necessary before the end of the present fiscal year, the President can submit a supplemental budget and Congress will respond favorably.

In addition, appropriations for foreign assistance programs will be referred to under "Agriculture."

The country and the free world are heartened by the outstanding leadership of President Kennedy—the strength and firmness of his policies and actions.

The President has evidenced such leadership in many ways: his recognition of the world situation by sharply increasing appropriations for our national defense, his firm stand on the Berlin crisis, and only a few weeks ago by his historic address to the General Assembly of the United Nations. As a result of his address, our country has regained leadership throughout the world.

The President's address was a sound appeal to world reason, based on sound logic, expressed with courage in a divided and somewhat frustrated world. He spoke as a statesman looking into the future.

The President's address is the "beacon light" for all who fearlessly seek a future world of peace.

His address was one of deep idealism that should particularly be heeded by and receive in the United Nations the support of all non-Communist nations, especially small nations and those which have recently emerged from colonialism.

The President's address was also a practical one, as it was a sharp warning to international communism bent on world domination to "stop, look, and listen."

LATIN AMERICAN AID

On May 27 the President signed a bill appropriating $500 million for the inter-American social and economic cooperation program, and $100 million for the Chilean reconstruction and rehabilitation program in fiscal 1961—Public Law 87-41—definite steps to furnish concrete support to his alliance for progress.

This is a program of major importance to President Kennedy in carrying out his far-reaching policy of strengthening our friendship with American nations in Central and South America through loans and grants for economic progress of their people and for political stability and strength. The Congress quickly responded to the request of the President.

Earlier steps had been taken, precedent to the appropriations granted in Public Law 87-41. Congress had authorized the programs in August 1960—Public Law 86-735—and the United States had subscribed to the Act of Bogotá, agreeing to join 18 other American Republics in promoting economic and social development in the Western Hemisphere. On January 18, 1961, former President Eisenhower requested without success $500 million to implement the inter-American social and economic cooperation program. President Kennedy repeated that request, and also asked for $100 million for the Chilean reconstruction and rehabilitation program, in his March 14 message to Congress on Latin America.

The appropriation act of May 27, 1961, contained the following distribution of funds:

First, $394 million to the Inter-American Development Bank to establish a revolving fund for loans for housing, land reform, water and sanitation projects. These loans are payable in the currency of the borrowing nations;

Second, $100 million to the International Cooperation Administration, chiefly for grants for public health and education;

Third, $6 million to the Economic and Social Council of the Organization of American States for assistance in improving economic institutions and conducting long-term national development planning; and

Fourth, $100 million for loans to Chile for reconstruction and rehabilitation of the earthquake-damaged areas of southern Chile.

A new Caribbean Organization—successor to the Caribbean Commission—was accepted by the United States in an act passed during the present session. The agreement for the establishment of the Caribbean Organization was signed June 21, 1960, by France, the Netherlands, the United Kingdom, and the United States. The four countries had been members of the Commission which had served as advisers on economic, social, and cultural matters for the area since the Commission was created in 1946.

The establishment of the new organization gives its members greater stature and demonstrates to the world a process for extending local autonomy.

DOMESTIC LEGISLATION—EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1961

The Democratic Party by its record has always recognized that a strong and virile family life in our country means a strong America. President Kennedy and the Democratic Party can be proud of the legislation passed during the first session that has strengthened the economic outlook of millions of American families. On the domestic front there is no more finer task a political party could be dedicated to than this.

Early in the present session the Congress passed three acts intended to furnish prompt relief to workers out of employment in the recession.

The first major bill proposed by the new Democratic administration to deal with the recession was enacted as the Temporary Extended Unemployment Compensation Act of 1961. An act extending similar benefits to unemployed railroad workers under the Railroad Unemployment Insurance Act supplemented the first measure. A third law authorized temporary grants to the States to finance inclusion of the dependent children of unemployed workers under the Federal-State public-assistance program.

The President's statement on signing the temporary extended unemployment compensation bill contained, in brief form, a summary of the purposes and the effects of its provisions, quoted in part as follows:

> This program will immediately provide economic help for some 700,000 jobless workers and their families whose rights to receive regular unemployment insurance benefits under State law are exhausted. Within the next year it will provide benefit payments to an additional 2½ million workers who are expected to exhaust their benefits.
>
> This Temporary Extended Unemployment Compensation Act will add almost $1 billion to the Nation's purchasing power in the next 15 months. These dollars will be hard-working dollars. They will be spent almost immediately—for food, for shelter, for the bare necessities. These dollars will flow into our stores, into our factories, onto our farms.
>
> This act is important, because it will provide much-needed help to over 3 million American workers and their families. It is important also because it will add hard-working dollars to the Nation's purchasing power. But important as it is, it is but a temporary measure to alleviate an immediate need. We must move forward with other and more permanent programs to invigorate our economy so that our free enterprise system can reach the level of production and employment which is its obligation and which its capacity and tradition promise.

The second measure authorized the Railroad Retirement Board to extend duration of benefits by 50 percent to workers who had exhausted normal benefits under the Railroad Unemployment Insurance Act. It was estimated that 60,000 or more workers would be eligible.

In both measures provision was made for repayment of Federal funds advanced to cover payment of benefits, by increasing temporarily the Federal unemployment taxes levied on employers.

The third act made families of unemployed workers with dependent children temporarily eligible for Federal public assistance payments. It was estimated that about 750,000 children and 250,000 adults would receive benefits during the 14-month duration of the program, at a probable cost of $200 million. Additional costs of $15 million were expected from other provisions of the bill which increased Federal payments for medical aid to public assistance recipients and for aid for children placed in foster homes.

MINIMUM WAGE LEGISLATION

The passage this session of the fair labor standards amendments of 1961 represents one of our most significant actions in the field of domestic legislation. I have long been an advocate of legislation whose purpose is to assure that living wages are paid to all our citizens. During debate on this legislation on the floor this session, I recalled my experiences with our late distinguished Congresswoman Mary T. Norton, of New Jersey, in waging the fight in 1938 for the passage of the first minimum wage law, the Fair Labor Standards Act. The 1961 amendments represent the third time the minimum wage has been raised since the original act was passed. Under the provisions of the act, the minimum wage of persons previously covered was raised from $1 an hour to $1.15 an hour during the first 2 years that the amendment went into effect and to $1.25 an hour thereafter. Persons not previously covered who now came under the act qualified for a slightly different wage scale—$1 an hour during the first 3 years after the amendment went into effect, $1.15 during the fourth year, and $1.25 an hour thereafter. The newly covered persons also qualified for overtime pay on a scale slightly different from that of those already covered.

Several new procedents were established by the 1961 legislation: In the first place, coverage under the law was expanded for the first time since 1938. An estimated 3,624,000 additional workers, most of them in the retail trades, came under the provisions of the law. The inclusion of retail and service workers for the first time was a second precedent. In general, all employees of retail or service enterprises that maintain one or more stores, have an overall gross annual sales volume of $1 million, and buy annually at least $250,000 worth of goods which have been moved in interstate commerce come under the act. Unfortunately, some categories of businesses were specifically exempted and efforts will be made in the future to include them. The introduction of the dollar-volume-of-business test as a criterion was another feature wherein the new legislation differed from the previous law; and finally, the concept of "establishment coverage," whereby all employees of a covered firm came under the law, regardless of whether or not they are personally engaged in activities classified as interstate commerce.

The new minimum wage legislation went into effect on September 3 of this year. Soon additional millions of workers will see the effects in increased pay envelopes and buying power. As President Kennedy pointed out in a statement issued the day the new law went into effect:

> All fair employers know that a minimum wages does not harm the economy, but on the contrary helps eliminate unfair competition. In the months and years to come, I can see important gains for the whole economy resulting from this improvement to the living and working standards of our people.

AGRICULTURE

The legislation classified under the heading of "Agriculture" is, of course, of primary interest to our citizens whose occupation is farming or an industry related to it. Agriculture is the Nation's largest industry and the Congress in every session is deeply concerned with any legislation which affects such an important sector of our economy. But the interest of farmers in these laws is scarcely greater than that of the consumers of their products and of the other great industries—transportation, steel, public utilities, and automobile, nor can urban areas divorce themselves from an interest in agricultural legislation, so-called, as being directed only to rural areas.

So complex and far reaching are the subjects dealt with in this field that no session of Congress ever adjourns with the comfortable feeling that most problems have been solved by their just-concluded work. I know that we have not solved all the problems of agriculture as we adjourn this year, and that we must continue work when we meet again for the 2d session of the 87th Congress next January.

But I do have great pride in what we have been able to accomplish, and by "we" I mean an executive branch and a Congress working together with the same purpose. We can point to at least one concrete evidence in support of our pride. For many years the farm economy has been fighting a cost-price squeeze which now has been rewarded. The index of prices received for farm products rose by almost 2 percent during the month ending August 15 and by 3 percent during the following month. This striking change can be directly attributed to laws passed by the 1st session of the 87th Congress.

Of the many laws dealing with agriculture, particular attention is called to two measures: first, the emergency feed grains program; and, second, the Omnibus Agricultural Act.

Immediately after Congress came into session it was necessary to take up the feed grains problem, because the time was not far off when crops must be planted. The enormous surplus of wheat and feed grain, it was feared, would be increased if the 1961 crops were not reduced in some way. Oversupply and low prices were depressing the agricultural industry and taxpayers were having to pay for holding nearly $4 billion of grains.

Without going into the details of the Feed Grain Act, signed into law on March 22, 1961, its provisions and purposes may be briefly stated. A 1-year emergency program provided specific incentives for farmers to reduce their production of feed grain, making the law of supply and demand work for the farmers. A voluntary cut in acreage and crops of feed grains was provided, with increased price-support payments to participants in the program for certain crops. Farmers responded enthusiastically and feed grains production for 1961 has been brought to a reasonable rate. It is estimated that about $750 million, in 1961, will be added to the 1960 income of producers of corn, grain sorghum, oats, barley, and soybeans.

Having completed the emergency feedgrains program for 1961 early in the spring, attention was directed to the very difficult problem of devising general farm legislation which would be applicable to the 1962 crop. It is impossible to describe in brief space the different, even the clashing, viewpoints of the proponents and opponents expressed during the consideration of this measure. The act which was finally passed and signed by the President on August 8 was described by Representative HAROLD D. COOLEY, of North Carolina, chairman of the House Committee on Agriculture, as "the most important piece of legislation, in the interest of farmers, to be enacted in a decade." Secretary of Agriculture Orville L. Freeman stated that he regarded the act as "the most constructive and promising farm legislation in many years," and President Kennedy called it "a major step toward a sound agricultural economy and a better life for the farmers of the country."

Even a brief summary of the Agricultural Act of 1961 would be too lengthy for inclusion in the present report. Title I, dealing with supply adjustment and price stabilization permits the Secretary of Agriculture to consult with farmers and farm commodity organizations in developing agricultural programs. Producers are permitted to retire up to 40 percent of wheat allotments, 10 percent mandatory and 30 percent voluntary, or 10 acres, whichever is greater. The act establishes payments under the wheat control program at 45 percent for the mandatory reduction and 60 percent for the voluntary reduction. The 1962 feedgrains program is defined in title I; the regional marketing order authority is extended to all agricultural commodities not specifically excluded; and the National Wool Act is extended from March 31, 1962, to March 31, 1966. Title II extended the Agricultural Trade Development and Assistance Act of 1954 from December 31, 1961, to December 31, 1964, with increased authorizations and other implementing provisions. Title III contained the Consolidated Farmers Home Administration Act of 1961. Title IV extended to December 31, 1971, the final date for entering into contracts under the Great Plains conservation program; extended the school milk programs through June 30, 1967; and extended the Veterans and Armed Forces dairy programs through December 31, 1964.

The Congress enacted several additional agricultural laws in its 1961 session.

The agricultural appropriation law for fiscal 1962 contained items totaling nearly $6 billion—almost $2 billion more than the funds for 1961. The increase was largely due to the foreign assistance programs which, for the first time, were put on a pay-as-you-go basis by appropriation of funds for the current year. Previously the Commodity Credit Corporation had been merely reimbursed for the cost of farm surpluses disposed of abroad under Public Law 480, the Agri-

cultural Trade Development and Assistance Act of 1954, and for related foreign programs.

The major items in the appropriations for fiscal 1962 were as follows:

Agricultural Department	$1,397,934,500
Foreign assistance programs	1,600,000,000
Reimbursement to CCC	2,969,525,000
Interior Department, grain for migratory waterfowl	35,000
Total	5,967,494,500

In addition, the law authorized the following:

	Million
Agricultural conservation program, calendar 1962	$250
Rural Electrification Administration loans	407.5
Farmers Home Administration loans	318

Public Law 87–15 of the present session provided for extension of the Sugar Act of 1948 from March 31, 1961, to June 30, 1962.

In the 2d session of the 86th Congress in 1960, Public Law 86–592 authorized the President to set the Cuban sugar quota for the balance of the calendar year 1960 and for the first 3 months of 1961 at any level not in excess of the Cuban quota under the basic quota system of the Sugar Act, and it directed the manner in which replacement supplies of sugar were to be obtained upon reduction of the Cuban quota. Under this act the Cuban quota has been reduced to zero.

The 1962 measure (Public Law 87–15) did not change the basic provisions of the law but two amendments to the emergency authority were included: (1) the President was no longer obliged to purchase any part of the sugar formerly supplied by Cuba from any country with which the United States does not maintain diplomatic relations; and (2) in the above-quota foreign purchases consideration should be given to countries of the Western Hemisphere and to those countries purchasing our agricultural commodities.

Obviously this legislation is more than an agricultural law, because its implications for our relationships with Cuba and with the Dominican Republic in particular, and with other sugar-producing countries, are very important. Several proposals for making substantial changes in the basic Sugar Act will be considered in the 1962 session at which time preferred consideration will be given to permanent legislation relating to quota adjustments for foreign supplies and to expansion of domestic sugar production.

A number of other important measures relating to agriculture have become law, including the following:

Public Law 87–8, increasing the ceiling for loans from the Farmers Home Administration.

Public Law 87–10, to extend the time for application of the 1959 amendment to the Federal Nematocide, Fungicide, and Rodenticide Act.

Public Law 87–28, amending title I of Public Law 480 to provide $2 billion of additional authority during 1961.

Public Law 87–33, providing temporary release and reapportionment of pooled acreage allotments.

Public Law 87–37, transferring cotton acreage allotments from flooded areas.

Public Law 87–62, relating to emergency hay harvesting on conservation reserve acreage in drought areas.

Public Law 87–67, expanding the special milk program for children and extending it to June 30, 1962.

Public 87–104, extending the wheat referendum time to August 26, 1961.

Public Law 87–106, extending emergency livestock loans.

Public Law 87–127, dealing with surplus grain sales in disaster areas, under the Soil Bank Act.

Public Law 87–152, authorizing the use by States of surplus grain for emergency use in the feeding of resident game birds and other wildlife.

Public Law 87–200, providing for the lease and transfer of tobacco acreage allotments, from one farmer to another in the same county, for the 1962 and 1963 crop years.

Public Law 209, initiating a program for the eradication of hog cholera, at an estimated cost of $2.5 million.

Extension for 2 years of the Mexican farmworker—bracero—program.

HOUSING

Of major importance, the enactment this session of the Housing Act of 1961 and certain other related housing legislation will exert a long-range effect on many classes of individuals, particularly those in the middle and lower income ranges, who are ineligible for public housing and who up until now have been unable to afford to buy their own homes. This is another illustration of legislation passed by the Democratic Party to strengthen the family life of millions of American families. On June 30 President Kennedy signed the most comprehensive housing act ever passed by Congress. The following is a brief sketch of the major provisions of the act.

Under new housing programs, five categories of mortgage loans were established that could be insured by the Federal Housing Administration. Limited-interest loans are made to commercial developers, for construction or rehabilitation of sales and rental housing for moderate-income families. Persons buying new homes costing up to $15,000 now have lower downpayments and longer terms—in some cases up to 40 years—in which to pay for their homes. Especially favorable financing arrangements are available to nonprofit organizations and public agencies for construction or rehabilitation of multiple-family rental dwellings—apartments—for moderate-income families. Funds are available on loan for improvement of existing dwellings within urban renewal areas. Loans are also available on cooperative apartments, where the units are individually owned.

The new legislation increased the 1959 authorization of a $50 million revolving loan fund to $125 million, to be used to make direct loans to nonprofit organizations for construction of housing for the elderly. It also authorized the Public Housing Administration to contract for an additional 100,000 public housing units.

An additional $2 billion in Federal capital grants for urban renewal projects was authorized with $25 million of this amount reserved for Federal grants to local agencies to apply toward the cost of mass-transportation demonstration projects, and $25 million for low-rate loans by the Small Business Administration to small businesses which are forced to vacate by urban-renewal projects or by other governmental actions.

One billion two hundred million dollars was added to the revolving fund for loans to colleges, universities, and hospitals for the construction of housing.

The community facilities loan fund for local water, gas, and sewage plant improvements was raised from $150 million to $650 million, with $50 million set aside for the construction of mass-transportation systems.

Under another title of the act a number of changes were made in the National Housing Act, including authorization to the Federal National Mortgage Association to borrow for its special assistance program an additional $750 million; expansion of the existing home improvement loan guarantee program; easement of terms for Federal Housing Administration home mortgage insurance by extending the maturity date of mortgages on new homes and lowering required downpayment; and others.

To help States and localities to acquire land in and around urban centers for recreational, conservation, scenic, and historic purposes, the act authorized $50 million in Federal grants.

And, finally, the farm housing program was extended for 4 years and the existing $207 million authorization was increased by $200 million.

From the above summary, which describes only the more significant aspects of the legislation, one can readily grasp the comprehensiveness of the Housing Act of 1961. It is certainly true as President Kennedy said, that the legislation "provides an opportunity for a giant step toward better cities and improved housing."

Any summary of action by Congress this session relating to housing would be incomplete without mention of the action taken to extend the time limits of the Servicemen's Readjustment Act pertaining to World War II and Korean war veterans. On July 7 President Kennedy signed into law a bill to amend existing legislation to extend the time in which veterans may apply for guaranteed and direct home loans, and providing $1.2 billion over the next 6 years for direct home loans. The bill also increases the maximum amount available to an individual through direct loan from $13,500 to $15,000. Under the new law, a veteran will be eligible for a GI loan for 10 years from the date of his discharge, plus an additional year of eligibility for each 3 months of active wartime service. The new cutoff dates for World War II veterans will be from July 25, 1962, to July 25, 1967; for the Korean

war veterans the new dates will be from January 31, 1965, to January 31, 1975.

It may not be generally known that as of January 1, 1961, the Veterans' Administration has reported that a net profit of more than $59 million has been realized from loans to veterans under this program which have been made since the passage of the Servicemen's Readjustment Act of 1944.

SOCIAL SECURITY AMENDMENTS OF 1961

Several important changes which liberalized provisions of the Social Security Act were incorporated in a measure which became law on June 30. The bill was signed by the President "with great satisfaction."

The principal effect of the new law is to increase social security benefits for some 4 million elderly persons, effective in September 1961. The major provisions, briefly summarized, are as follows:

First. Minimum benefits for retired workers under the Social Security Act were increased from the present $33 to $40 per month. It is estimated that this will affect approximately 2,175,000 persons of retirement age.

Second. Men will be permitted to retire at the age of 62, the present retirement age for women, at a lower rate than they would receive if they waited until age 65. In the first year, about 560,000 persons are expected to receive benefits amounting to $440 million under this provision.

Third. Widows and widowers of an insured worker will get 82½ percent of his—or her—retirement benefits, instead of the present 75 percent. At an estimated cost of $105 million in the first year this will benefit more than 1½ million persons.

Fourth. The new law sets the level of outside earnings of retired persons for which a dollar is deducted for each $2 earned, at $1,201–$1,700. Below $1,200 there is no deduction; above $1,700 such earnings are subject to dollar-for-dollar deductions. For example, a retired person earning $1,700 a year will be penalized $250 instead of $350 as at present.

Fifth. Under an easing of qualifying requirements about 160,000 persons will be permitted to enter the program. A worker can now be insured if he was in a job covered by social security for one-quarter of a year out of every four quarters since 1950, instead of one quarter out of three as at present.

Sixth. Funds for the Federal-State public assistance programs were increased by $15.8 million over a 9-month period, starting October 1, 1961, and certain changes were made in the formulas for Federal participation. Similar increases were made in the formulas for aid to the blind and disabled and those receiving medical care.

Seventh. Increases in payroll taxes were provided, to go into effect on January 1, 1962. The costs of the new program for the first year are estimated at $825 million, and the new taxes are expected to keep the program self-supporting. Employer-employee taxes were slightly increased in a sliding scale, thus maintaining an actuarial balance.

Provisions were also included in this legislation for an increase in the Federal matching maximum for old-age assistance, aid to the blind, and aid to the permanently and totally disabled, and for the expenditure of Federal funds for temporary assistance to certain U.S. nationals who have returned from foreign countries and are without immediately available resources, as well as certain provisions relating to extension of coverage.

A news story in early September reported that one of the beneficiaries under the program of increased monthly payments to retired workers was a former slave, Charlie Smith, 118 years old, of Polk City, Fla., the oldest person on the social security rolls. He is one of 58 persons 100 or more years old who started receiving the increased benefits, available to some 3,700,000 other elderly citizens.

AID TO DEPENDENT CHILDREN OF UNEMPLOYED PARENTS

This legislation added a new section to title IV of the Social Security Act to make available, during the period beginning May 1, 1961, and ending June 30, 1962, Federal grants to States wishing to extend their aid-to-dependent-children programs to include needy children—and relatives caring for them—of unemployed parents, on the same basis as Federal grants are available to needy children—and relatives caring for them—who have been deprived of parental support by the death, absence or incapacity of a parent. The bill included provisions designed to facilitate the employment of unemployed parents, or the retraining of such parents, if appropriate, and provisions to assure that aid is not provided when the parent has refused employment that it would be reasonable for him to accept. All existing provisions of the aid to dependent children program apply to the temporary expanded program, including, of course, the Federal-State matching formula. The legislation was recommended by the President as a part of his broad program to combat the then existing recession and to relieve resulting hardships.

CIVIL RIGHTS

In this very important field, the Congress has taken action to extend the life of the Civil Rights Commission for another 2 years. A rider to the appropriation bill for the State and Justice Departments, the judiciary and related agencies—Public Law 87–264—provided the authority for the extension of the life of the Civil Rights Commission until November 30, 1963.

The record indicates that a majority of the Members of both Houses feel that the activities of the Commission, during the 4 years since its establishment in 1957, have been worthwhile, and should not be terminated at this time, in fact, should be made permanent. The Commission is engaged in an extensive study concerning civil rights, and has already published comprehensive reports on voting and education.

An appropriation of $888,000 for the activities of the Commission for fiscal 1962 was included in the bill.

In the executive branch, based upon existing law, and the authority thereunder, the President, the Vice President, the Attorney General, and other executive and independent agencies have made marked progress, particularly in the field of job opportunity and advancement, of Government contracts, in interstate commerce transportation, and in other directions, such as in the protection of voters' rights, where the exercise of them are limited. But more is necessary to assure equal opportunity guaranteed to all by the Constitution.

In connection with civil rights, it is significant to note that the only civil rights legislation passed since the Civil War were in the 85th and the 86th Congresses, both Democratic controlled.

And yet, during the 83d Congress, Republican controlled, with former President Eisenhower in the White House, the Republicans did not even report any kind of a civil rights bill out of committee.

EDUCATION

Before reviewing the actions of Congress in the field of education, it may be useful to include a bit of background information. On February 20 of this year President Kennedy sent a message to the Congress in which he outlined a comprehensive program of Federal assistance in education. Stating that "our progress as a Nation can be no swifter than our progress in education" and expressing the view that "a successful educational system requires the proper balance, in terms of both quality and quantity, of three elements: students, teachers, and facilities," President Kennedy proposed a multipart program of long-range assistance to these three elements. Included in his program were proposals for Federal assistance for teachers' salaries and classroom construction for public elementary and secondary schools—nonpublic schools were specifically excluded—assistance in the construction of college and university facilities; and assistance to college and university students. Subsequently, the President also made a request for a number of specific revisions in the National Defense Education Act, and in the impacted areas laws—Public Law 815 and 874, 81st Congress. Shortly thereafter, bills to implement the President's far-reaching programs were introduced in the Congress.

It soon became apparent, when consideration of this legislation began, that wide differences of opinion existed among the Members of Congress concerning the matter of Federal aid to education. These differences in view were so fundamental, and the complexities of the legislation so numerous that it was impossible to get the full program enacted this year. Nor was it possible to reach agreement in a second attempt to enact somewhat less comprehensive measures.

While these legislative efforts were going on, certain provisions of Public Laws 815 and 874 expired and institutions of learning all over the country in areas that have become impacted because of Federal activities were vitally affected. In addition, the National Defense Education Act upon which hundreds of thousands of students in in-

stitutions of higher education and the institutions themselves have turned for financial assistance was slated to expire at the end of the present fiscal year.

Congress, therefore, voted a 2-year extension of Public Laws 815 and 874 of the 81st Congress and of the National Defense Education Act of 1958. The new legislation contemplates a total expenditure for education for the next 2 years, under programs already in progress, of approximately $902,992,000. The Supplemental Appropriations Act for fiscal 1962 contains appropriations of an additional $70,000 for defense educational activities, $145,593,000 for payments to school districts—to extend Public Law 874—and $30 million for assistance for school construction—to extend Public Law 815. These amounts are in addition to the sum of $211,557,000 already appropriated by Public Law 87-290 for fiscal year 1962 for defense educational activities.

With passage of this legislation, Congress has thus made possible the continuation of programs of assistance for the construction and maintenance and operation of schools in impacted areas, including teachers' salaries. It has also assured continuation of funds for the many worthwhile programs included in the National Defense Education Act—viz, student loans; national defense fellowships; financial assistance for strengthening science, mathematics and modern foreign language instruction; guidance, counseling, and testing of secondary school students; language development; research in audiovisual media for educational purposes; area vocational educational programs; and improvement of statistical services.

Also, title IV of the Housing Act of 1961 which provided for an annual increase in the loan authorization for college housing facilities of $30 million for the years 1961 through 1964. While most of these funds will be used for the construction of college dormitories, some will also be spent for dining halls, cafeterias, student centers, and so forth. Loans for construction of housing facilities for interns and student nurses will also be available.

HEALTH LEGISLATION

On February 6, 1961, the President sent a special message to the Congress which included his requests for major legislation on health and hospital care. One of these was for the expansion and improvement of community health facilities through increased Federal assistance to the States and local areas.

In response to a special message of President Kennedy, the Congress enacted the Community Health Services and Facilities Act of 1961. Assistance was provided in three general areas—community health services, nursing homes, and hospital and other medical research and construction.

The question of the health of our people is of paramount interest to President Kennedy and the Congress. The action taken covers a wide field including hospital and other medical research and construction, for increased Federal grants-in-aid to the States for construction of nursing homes, for increased annual authorization for community health services.

An excellent record has been made in the first session in these important fields meaning so much to all of our people. Furthermore, the progress made in medical research will benefit all mankind due to our wise policy of making medical progress available to people everywhere, for illness, sickness, and disease are worldwide.

A second measure extends for 4 years the present program of $5 million for grants and scholarships for training of practical nurses under the Vocational Education Act of 1946.

The appropriations for the major health programs of the Federal Government are contained in two acts—the Appropriation Act for the Department of Health, Education, and Welfare for fiscal 1962, and the Supplemental Appropriation Act for fiscal 1962.

In the first act the appropriation for the Public Health Service totaled $1,240,052,000. Of this amount $738,335,000 was given to the National Institutes of Health—$155,335,000 more than the President had requested. Another large item—$203 million for hospital construction under the Hill-Burton Act—represented an increase of about $15 million over his request. Most of the remainder of the appropriation was allocated to the numerous programs of Federal grants-in-aid, administered by the Public Health Service.

The Supplemental Appropriation Act for fiscal 1962 contained items totaling over $67 million, chiefly for grant-in-aid programs.

One extremely important bill (H.R. 4222 and S. 909) providing for medical care to the elder citizens was not acted on in the just concluded session, but will continue to receive attention next year. The Committee on Ways and Means has held 2 weeks of hearings and will give further consideration in the next session.

President Kennedy has assigned the highest priority to it in his plans for the 1962 administration's legislative program.

In the meantime, Congress' increased support of community health services and facilities serves to furnish more assistance to the aged, pending decision on the legislation dealing specifically with the problem.

FEDERAL-AID HIGHWAY PROGRAM

In a statement issued by President Kennedy upon the signing on June 29 of the Federal-Aid Highway Act of 1961, the President paid tribute to the "diligent and conscientious work that was done by the Members of Congress" in working out the resolution of the many problems which were embodied in this legislation. The task which Congress faced was the provision of funds needed to permit the completion of the 41,000-mile Interstate Highway System by the target date of 1972. Authorized by the new legislation was an additional $11.5 billion needed to complete the program after hearings on the tax features by the Ways and Means Committee. Provision was made in the legislation for raising approximately $9.6 billion in additional revenues by increasing taxes on the various highway users, particularly the trucking industry, and on the related rubber industries who manufacture tires and tubes, and so forth. In addition, the present Federal tax of 4 cents a gallon on gasoline which had been scheduled to revert to 3 cents a gallon on June 30, 1961, was continued. At the same time all of the 10 percent manufacturers' excise tax on trucks, buses, and trailers was diverted into the highway trust fund.

Under the interstate highway program, the Federal Government supplies 90 percent of the funds and the States supply the remaining 10 percent. The billboard bonus program which allows the States an additional one-half of 1 percent reduction in its matching funds provided they agree to regulate billboard advertising within 660 feet of certain sections of the highway system was extended for an additional 2 years, through June 30, 1963.

The legislation also provides an amount of $400 million to pay for an increase in Federal outlays for primary, secondary and urban roads, costs of which are shared equally by the Federal Government and the States.

President Kennedy summarized the value of this legislation when he remarked:

> With the support provided by this act, the States and the Federal Government can continue with the construction of the new highway system, a system which will increase our defense readiness, decrease the appalling highway accident toll, lower transportation costs, and stimulate economic development.

Already we have evidence of the belief that the funds authorized by this legislation can also serve to provide a boost for the entire economy. In mid-August 1961, President Kennedy directed the Commerce Department to release immediately to the States more than $818 million in Federal highway funds. This is the allocation for the second quarter of the 1962 fiscal year. These funds will permit the States to speed up planning and construction of the Interstate Highway System and of other highways financed by this legislation as well, and at the same time will put additional money in circulation thereby aiding the entire economy of the areas affected.

SMALL BUSINESS LEGISLATION

Because the funds for the Small Business Administration's loan program were exhausted at the end of August, Congress appropriated an additional $20 million as a stopgap measure—Public Law 87-198—pending passage of bills providing funds and containing amendments to the Small Business Investment Act.

Public Law 87-305 contains authorization for $725 million to be used for loans to small business—an increase of $105 million over the current amount. This covers both the prime contract revolving fund and the business loan fund. The act authorizes the SBA, Department of Defense, and General Services Administration to develop a small business subcontracting program designed to give small concerns more business as subcontractors and suppliers to prime contractors or subcontractors performing under Government procurement contacts. It also provides that all prime contracts in

excess of $1 million and subcontracts in excess of $500,000 must include provisions, first requiring that prime contractors and subcontractors consult with SBA through the procuring agencies when requested to do so by the SBA, and second, enabling the SBA to obtain subcontracting information from the procuring agencies. Under the act, regulations issued by the Department of Defense and General Services Administration to implement the new subcontracting program must have the concurrence of the SBA, and if such concurrence cannot be obtained the matter must be submitted to the President for final decision. In summary, the purposes of the act are to increase the amounts available for regular business loans, to grant the SBA a greater role in Federal procurement policy, and to give small business investment companies greater access to capital.

A second important act incorporates several major changes in the Small Business Investment Act, which gives tax shelter to companies established to aid small business. The amendments in the new law may be summarized briefly:

First. Any one small business investment company may invest not more than $500,000 in any small business concern without SBA approval; and no investment may exceed 20 percent of the investment company's combined capital and surplus.

Second. The amount of subordinated 5-percent debentures that the SBA may be required to purchase from a licensed investment company, matching equally the company's equity capital, is raised from $150,000 to $400,000. An investment company must have $300,000 to start business, and half that amount may come from such debentures.

Third. The amount which the SBA may lend to all small business investment companies is increased from $250 million to $325 million.

Fourth. A maximum of $4 million is set as the amount that an investment company, after having invested all its funds, may borrow. This loan may go up to half its paid-in capital and surplus.

Fifth. The SBA may suspend a small business company for making false statements or for willful infraction of SBA rules. Formerly the only recourse was to the Federal courts.

Sixth. Banks may now invest up to 2 percent of their capital and surplus, instead of 1 percent as at present, in a small business investment company.

There are now 360 small business investment companies with a combined capital and surplus of more than $318 million, of which the SBA has supplied nearly $43 million by buying subordinated debentures. Most of these are rather small companies, formed by groups of investors or banks, but 32 of them have offered shares for public subscription. The biggest company is Electronics Capital with capital and surplus of $33,300,000.

THE JUDICIARY—LAW ENFORCEMENT

The prompt administration of justice by our courts, as well as effective law enforcement to protect law-abiding citizens, and to detect and prosecute crimes of all kinds, particularly organized crime, with adequate laws to enable enforcement, is a matter of primary importance. The President and Attorney General Robert F. Kennedy are to be highly complimented for their leadership and affirmative activity in these fields.

The following measures were enacted into law:

A bill providing for 73 additional district and circuit judges.

This act, one of major importance, will assure decongestion of the Federal court calendar, for justice delayed is justice denied.

In response to recommendations by Attorney General Kennedy for legislation to combat organized crime and racketeering, and to meet criminal acts in other directions, legislation was enacted:

First. To prohibit travel or transportation in commerce in aid of racketeering enterprises.

This act will prove a serious deterrent to such illegitimate enterprises as gambling, narcotics, liquor, and prostitution businesses.

Second. A bill with respect to the transmission of bets, wagers, and related information.

This act will assist the various States and the District of Columbia in the enforcement of their laws pertaining to gambling, bookmaking, and like offenses, and to aid in the suppression of organized gambling activities by prohibiting the use of wire communication facilities which are or will be used for the transmission of bets or wagers and gambling information in interstate or foreign commerce.

Third. A bill to provide means for the Federal Government to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting the interstate transportation of wagering paraphernalia.

This act will prevent easy transportation of wagering paraphernalia and will be most effective in combating organized crime and racketeering.

Fourth. Extending the Fugitive Felon Act.

This bill is an important part of major crime legislation. The Department of Justice clearly stated that this bill will strengthen the law enforcement, both State and Federal, against major criminal activities.

Fifth. A bill to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities.

This act is of major interest. It strengthens the criminal law against willful or malicious interference with or destruction of any communication facilities used or intended to be used for military or civil defense functions of the United States.

Sixth. A bill amending the Foreign Agents Registration Act of 1938.

It happened that I introduced the original Foreign Agents Act. This bill is another important step in enforcing the security of the United States.

Seventh. A bill to prohibit the counterfeiting of State obligations in certain cases.

This act will effectively deal with the problems being encountered by law enforcement officials in the control of fraudulent State tax stamps and similar false evidence of tax obligations owed to a State.

Eighth. A bill to extend the application of chapter 37 of title 18 relating to espionage and censorship.

This is another act designed to further the security of the United States. It relates to protecting our country from certain acts of espionage committed abroad, as well as at home.

Ninth. A bill supplementing existing criminal laws providing a more effective deterrent to willful destruction and damage of property moving in interstate or foreign commerce.

In recent months a series of vicious acts where commercial planes were hijacked in air commerce, dramatically pointed the necessity of legislation with severe penalties. The Congress quickly enacted such legislation.

AREA DEVELOPMENT PROGRAM

The plight of certain economically hard-pressed areas in our Nation has been well known and much discussed. Congress has been greatly concerned over the situation, and in 1958 and again in 1960 enacted legislation to provide Federal assistance to these areas. On both occasions, however, the legislation was vetoed by former President Eisenhower, in the belief that the assistance program was too extensive. This year a third attempt on the part of Congress to alleviate the economic hardships of these areas met with success under a sympathetic President. On May 1 President Kennedy signed the Area Redevelopment Act. At last the Federal Government is able to step into these areas of chronic high unemployment and work with State and local officials in programs to attract and settle new industries in the areas; to assist in the provision of necessary public facilities; and provide assistance to those undergoing job retraining. Through a program of loans and grants, a total of $394 million has been authorized for a 4-year program. Responsibility for overall administration has been vested by the Commerce Department in the Area Redevelopment Administration. Six other departments and agencies—Labor, Health, Education, and Welfare, Housing, and Home Finance Agency, Agriculture, Interior, and the Small Business Administration—will pool their resources to discharge their various responsibilities in connection with the program.

On June 9, Commerce Secretary Hodges released a list of 114 depressed industrial areas which would be eligible for aid under the program; on July 20 he released a list of 468 rural counties and 48 Indian reservations areas eligible for aid because of chronic unemployment or underemployment. The designation of specific areas was deemed necessary in order that the funds available would not be spread so thinly that the assistance would not accomplish the desired objective in any one area.

At the present time the Area Redevelopment Administration and the coop-

erating departments and agencies are working with citizens in a number of areas in the development of programs designed to improve the economic position of those areas. While insufficient time has elapsed since the signing of the Area Redevelopment Act for any widespread effects of the legislation to be reported as yet, however, the first grant under the program has been made. In July of this year a grant of $129,000 and a loan of $31,000 were made under the program to the town of Gassville, Ark., for the construction of a water system for the town, a necessity prior to the construction of a shirt factory, a cooperative project on which four Arkansas counties had been working since 1958. The grant and loan supplemented a local bond issue of $535,000. The case illustrates the kind of assistance which is available to communities whose economic situation is critical and who are genuinely interested in doing something about it.

VETERANS

Among legislation enacted relating to our veterans are:

First. A bill to extend the veterans guaranteed and direct home loan program and to provide additional funds for the veterans direct loan program.

This act extends expiration dates for the home loan programs for World War II and Korean veterans.

This act is of great importance in connection with veterans of World War II and of the Korean conflict obtaining a guaranteed or direct loan within the time limit prescribed for such veterans, together with an increase of maximum amount of a direct loan from $13,500 to $15,000.

Second. A bill relating to special insurance dividend for certain veterans of Korean conflict.

This act provides for the immediate payment of dividends on insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940, which has been converted or exchanged for new insurance under such section.

Third. A bill to increase the special pension payable to certain persons awarded the Medal of Honor.

This increases from $10 to $100 the monthly pension payable to holders of the Congressional Medal of Honor, permits payment, upon application, at age 50 instead of the present requirement of attaining the age of 65 years, and pays the holders of the medal whether or not they are on active duty.

Fourth. A bill to provide that combined service in more than one war shall be creditable for pension purposes.

This act combines the service in more than one war to meet the 90-day service requirement for payment of non-service-connected disability or death pension to veterans and their widows and their children.

Fifth. A bill requiring findings of fact and conclusions of law by the Board of Veterans' Appeals.

This act requires that decisions of the Board of Veterans' Appeals shall be in writing and shall contain findings of fact and conclusions of law separately stated.

Sixth. A bill to provide outpatient medical and dental treatment for Indian war veterans.

Seventh. A bill to amend section 417 of title 38, United States Code, to provide that death pensions may be paid in lieu of dependency and indemnity compensation in certain cases involving service-connected deaths occurring after December 31, 1956.

FEDERAL EMPLOYEES

Among legislation enacted of interest to Federal employees is:

First. A bill relating to interest earning of Treasury issues held by civil service retirement and disability fund.

This act is important in that it will strengthen the financial integrity of the retirement and disability fund, and as a result of a new civil service formula the interest rate currently will be at least 1 percent in excess of the interest rate provided under the old formula.

Second. A bill to make permanent certain civil service retirement and disability fund annuity increases.

This act makes permanent and payable from the civil service retirement and disability fund temporary costs of living increases in annuities, and provides for certain survivor benefits which were authorized by Public Law 85–465 approved June 25, 1958, and under that law were dependent on or after July 1, 1960, upon yearly appropriations by the Congress for their continuation.

Third. A bill relating to salary protection for classified and postal service field employees in certain cases involving reduction in salary standing.

Fourth. A bill providing for increase in top grade positions under the Classification Act of 1949, and research and development positions of scientists and engineers.

This legislation has been under consideration for several years, and is a marked contribution toward efficiency in the agencies covered by this law.

Fifth. A bill providing for supergrade positions in the General Accounting Office.

TAXATION AND THE DEBT LIMIT

It is expected that during the 2d session of the 87th Congress, action will be taken with reference to aspects of the income tax structure. During the session just passed, considerable attention was devoted to an interim tax revision program, the crux of which was a proposal to provide businessmen a tax credit on funds invested in new equipment in order to stimulate new investment. Also included were certain revenue-raising features. The Committee on Ways and Means held 28 days of special hearings and a number of executive sessions on the President's tax recommendations of 1961. Prior to adjournment of the first session, the committee announced tentative decisions and issued a committee print for the consideration of the general public during the adjournment period. The committee has also announced that it will resume consideration of this tax bill as its first order of business in the next session.

Among the actions which the Congress took this past session in the tax field was the passage of the Tax Rate Extension Act of 1961—Public Law 87–72—to continue for another year, until July 1, 1962, the 52 percent tax rate on corporations and certain mutual insurance companies; and to continue the excise rates set by the Revenue Act of 1951 on distilled spirits, beer, wine, cigarettes, passenger cars and accessories; the 10 percent tax on passenger transportation; and the 10 percent tax on local telephone service.

In another action—Public Law 87–69—the national debt ceiling was temporarily increased for 1 year through June 30, 1962, from its permanent level of $285 billion to $298 billion.

To help lessen the outflow of gold from the United States, a bill signed on May 4, 1961 amending the Internal Revenue Code to exempt all foreign banks of issue from the U.S. tax on interest earned on investments in U.S. Government obligations unless the obligations are held for, or used in connection with, the conduct of commercial banking functions or other commercial activities. While it is anticipated that this bill will have a negligible effect on revenues, it is important in other respects.

An amendment to the above bill extended until May 15, 1961, the period in which certain persons operating as small business corporations could elect not to be taxed as corporations. The objective of this amendment was to correct hardships incurred upon certain married couples in community property States by a Treasury Department ruling that both husbands and wives had to sign an election jointly in order to qualify.

Two other actions in the field of taxation might be mentioned. Public Law 87–17, approved April 7, 1961, expanded the scope of the study which was first authorized in 1959 by Public Law 86–272, concerning the power of the States to impose net income taxes on income derived from interstate commerce, to include all matters pertaining to the taxation of interstate commerce by the States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. Authority under this act is given to the House Committee on the Judiciary and the Senate Committee on Finance who are making these studies.

Also passed is a measure which empowers the Internal Revenue Service to assign identifying numbers to all taxpayers. By the simple expedient of providing a means by which individuals are identified regardless of discrepancies in address or spelling of names, tax evasion is made infinitely more difficult. It is anticipated that the Federal revenue may be boosted by as much as $5 billion a year in increased tax collections which this legislation will make possible.

SCIENCE AND ASTRONAUTICS

Early this year the President made recommendations for a comprehensive space program that will enable our country to be the leader in all aspects of a most important field, commonly referred to as "outer space."

The Congress in recent years established the National Aeronautics and Space Administration—NASA.

The Congress has strengthened the original act by amendments and cooperated by making adequate appropriations. The importance of the success of NASA, and keeping our country in the forefront cannot be overemphasized. The President and Congress recognizes this fact.

The President recommended the authorization this year of $1,784,300,000 for NASA for fiscal year 1962, which the Congress has passed.

In addition, a bill amending the existing law revising the organizational setup of the NASA and the Space Council, and providing for the Vice President to preside as Chairman of the Space Council.

The House committee has also conducted a number of surveys and inquiries, all of importance in future action in this field.

FEDERAL WATER POLLUTION CONTROL ACT OF 1961

This act contains the following important provisions:

First. That Federal agencies shall give consideration in the survey or planning of any reservoir to inclusion of storage for streamflow regulation for water quality control purposes, except that such storage and releases shall not be provided as a substitute for adequate treatment or other waste controlling methods at the source.

Second. Directs the Secretary of Health, Education, and Welfare to develop and demonstrate sewage treatment means, improved methods and procedures to identify and measure pollution effects on water uses, and methods and procedures for evaluating effects on water quality and uses of augmented streamflow; and authorizes the annual appropriation of $5 million, with an aggregate of $25 million, for these purposes.

Third. Directs the Secretary to establish and maintain field laboratory and research facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of research, investigations, experiments, field demonstrations, and studies and training.

Fourth. Increases authorizations for appropriation of funds for grants to State and interstate water pollution control agencies to assist in establishing and maintaining adequate water pollution control measures from $3 to $5 million annually, and extends the authority for making grants for 7 years to June 30, 1968.

Fifth. Increases authorizations for appropriations for grants to municipalities for construction of sewage treatment works from $50 million annually and an aggregate of $500 million to $80 million for fiscal year 1962, $90 million for fiscal year 1963, and $100 million for each of fiscal years 1964, 1965, 1966, and 1967, resulting in an aggregate of $820 million or a total increase over prior law of $320 million, as well as other beneficial provisions. This act is of widespread interest throughout the country.

Among other important and significant bills enacted into law are:

First. The Atomic Energy Commission authorization bill.

This act authorized $131,440,000 for new construction projects in the atomic energy program, and $7 million for cooperative atomic power demonstration program.

In addition, this bill is an amendment to a prior year act authorization to $114 million linear electron accelerator atom smasher at Stanford University in California, which will be the largest electron accelerator in the world.

Second. AEC omnibus bill.

This act covered some 20 amendments to the Atomic Energy Act of 1954 and the Euratom Act of 1958, to bring them up to date with developments in the field of atomic energy. Among other things, the act authorizes the transfer of nuclear material for peaceful uses to the International Atomic Energy Agency and the Euratom organization, as well as amending patent provisions and including miscellaneous technical and conforming amendments to the Atomic Energy Act.

Third. To extend to June 1, 1963, the powers of the President to submit reorganization plans.

The President submitted six plans, four of which became effective. The major parts of the other two plans were enacted by Congress through the passage of separate bills.

Fourth. A bill amending the Communications Act enabling the Federal Communications Commission to be more effective and efficient in the use of its experienced and technically qualified personnel, to handle its large workload of adjudication cases with greater speed and efficiency.

These changes in law will enable the Commission to devote more of its time to major planning involving issues of general communications importance.

Fifth. A bill of widespread interest recommended by the President to carry out the administration program for the development of public airports by making additional millions available over a 3-year period.

Sixth. The establishment in the Department of Commerce of a U.S. Travel Service.

The main purpose of this act is to promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit our country.

Seventh. A bill to amend the Shipping Act of 1916 through clarification and modernization.

This act will assure greater stability in the export and import waterborne commerce of the United States through clear permission for conferences to employ dual rate exclusive patronage system, under safeguards, in behalf of exporters and importers and increased efficiency in the administration and enforcement of regulatory laws.

Eighth. A bill affecting the regulation of U.S. foreign commerce to provide for licensing of independent ocean freight forwarders.

Ninth. A bill providing for the extension of the provisions of the Federal Aviation Act of 1958, relating to war risk insurance.

Tenth. A bill to provide for one additional Secretary of Labor in the Department of Labor.

Eleventh. A bill to permit the entry of certain alien orphans.

This act constitutes major amendments to the Immigration and Nationality Act. It grants veterans of the Korean conflict the same naturalization rights enjoyed by veterans of other wars. It removes affliction with tuberculosis as grounds for exclusion. It enacts into permanent law the admission of alien orphans. It preserves family unity by permitting the spouse and children of the naturalized citizen to remain abroad after having retired to remain with the head of the family without losing citizenship. It provides for the reunion of immigrant families by granting relatives under quota admitted if registered before July 1, 1961.

Twelfth. A bill providing for a sharp increase of saline water research program.

During the past few years, expenditures for this important work have been running at the rate of less than $2 million a year. Under the expanded program authorized for the next 6 years, this amount can be increased by at least fivefold. The results of this research activity will be of great importance to our people, but more broadly, if we are successful first, in making salt water economically feasible by giving mankind everywhere such results and benefits we could greatly improve our international situation. For the shortage of water for human consumption and for agricultural uses, which problem is rapidly growing, is a matter of deep concern throughout the world.

Thirteenth. A bill authorizing the Export-Import Bank to guarantee, insure, coinsure and reinsure political and political and credit risks arising in connection with U.S. exports. Such legislation is important for placing American exports on an equal basis with foreign competitors.

Fourteenth. A bill to amend title II of the Vocational Education Act of 1946, relating to practical nurse training.

Fifteenth. A bill authorizing an appropriation of $750,000 for the Securities and Exchange Commission to make a study and investigation of National Securities Exchanges and National Securities Associations.

Sixteenth. A bill to strengthen the Federal Savings and Loan Corporation.

Seventeenth. A bill to improve the organization of the Coast and Geodetic Survey.

The functions of this act are of increased importance as our country recognizes the essentiality of an expanded oceanography program.

Eighteenth. Another bill enacted into law provides for the expansion of the Coast Guard so that it may be organized to take part in a coordinated program of oceanography.

Nineteenth. A bill extending for 27 months the loan guarantee authority of the Interstate Commerce Commission for capital expenditures of railroads who qualify.

Twentieth. A bill to authorize the U.S. Governor of the International Finance Corporation to agree to an amendment to the Corporation charter so as to authorize it to invest in capital stock, enabling the Corporation to broaden its powers to more effectively accomplish its purposes.

Twenty-first. A bill permitting the use of surplus personal property by State distribution agencies.

Twenty-second. Various bills authorizing sizable additions to the National Park System, including a major accomplishment in this field of the creation of the Cape Cod National Seashore in Massachusetts, as well as the provision of several bills providing for the use of extensive land areas by the military service.

Twenty-third. The Congress gave its consent to several compacts between various States enabling the compacting States to settle perplexing questions existing between them of many years' standing.

With reference to the District of Columbia, the most important piece of legislation which Congress passed this year was legislation which set up the election machinery for the District in preparation for the presidential elections of 1964. On March 29, 1961, the 23d amendment was ratified by the required three-quarters of the States. This amendment gives to the citizens of the District of Columbia the right to vote for presidential and vice presidential candidates in national elections, a right they have not had since the District was created at the beginning of the 19th century.

To carry on the important activities of the various departments and offices of the District of Columbia government in the fiscal year 1962, Congress this year approved appropriations totaling $270,067,897. Federal payments to the District totaling $32,753,000 and loan authorizations totaling $29 million were also approved.

The action of Congress this session to transfer from the Federal Government ownership and administration of Freedmen's Hospital in Washington, D.C., to Howard University, and to authorize appropriations for the construction of a new hospital to replace the totally inadequate and antiquated present establishment will meet with general approval.

Another action which affects hospital facilities in our Nation's Capital was the passage and subsequent approval of a bill—Public Law 87-79—which I introduced this session, whose purpose was to extend the Federal grant authority of the Hospital Center Act of August 7, 1946, for 1 year, from June 30, 1961, to June 30, 1962. This legislation will give George Washington University Hospital and the Greater Washington-Southeast Community Hospital additional time in which to seek legislative authority for additional Federal aid; it will at the same time preserve the present program of expanding private hospitals in the District of Columbia through Federal grants provided under the provisions of the Hospital Center Act.

Steps were taken to relieve the critical traffic situation in the area surrounding the District by providing initial funds for improvement of certain highways and granting to the National Capital Transportation Agency funds to go ahead with its program of acquiring mass transit rights of way, stations and parking lots along the principal highways leading into the District.

In a variety of other actions taken this session, Congress increased the authorized strength of the District of Columbia Metropolitan Police force, repealed the gift enterprise law of the District making it legal for merchants to offer trading stamps and other sales stimulators, raised to $150, from $50, the amount of a claim over which the municipal court would have jurisdiction—Public Law 87-203—amended the District of Columbia Code to clarify some ambiguities and correct certain inequities in existing District of Columbia law relating to the succession of real and personal property, and passed several other laws affecting specific aspects of the District government.

There are several more bills, some of major importance to the District that were not acted upon this session, which the Congress will consider in the coming session. As in the past, the leadership will cooperate with the House District of Columbia Committee in bringing up speedily bills reported out of that committee.

Mr. Speaker, in conclusion, a strong piece of evidence as to the diligence and accomplishments of the first session of this Democratic controlled Congress is the fact that President Kennedy signed a record number of bills, 401 public laws, and 284 private laws, a total of 685 laws; whereas former President Eisenhower in the first session of his first term, with a Republican Congress, signed 287 public laws, and 227 private laws, or a total of 514 laws.

Welcome

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BAILEY. Mr. Speaker, the Legislature of West Virginia, in redistricting the State's congressional representation has created a new First Congressional District. In doing so the legislature added seven new counties to those I presently represent, and have assigned to four of my colleagues a total of six counties which have heretofore been my primary responsibility.

To the citizens of the seven new counties—Brooke, Hancock, Marion, Marshall, Ohio, Taylor, and Wetzel—I extend my greetings. I pledge to them that I shall serve their interests in the same manner I have been serving the interests of the citizens of the old Third District.

To those citizens of the six "old" counties—Braxton, Calhoun, Doddridge, Gilmer, Harrison, and Lewis—this is to express my pleasure that our ties are not broken.

In order to more efficiently serve the newly constituted district, I intend to establish an office in the McLure Hotel, Wheeling, primarily for the convenience of those folk living in the upper Ohio Valley area. My established field office in the Clarksburg post office will serve the residents of the interior areas.

Construction Set-Asides Still Costing Money

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. WEAVER. Mr. Speaker, on several occasions during the past session of the Congress I have called the attention of the House to certain problems created by an arbitrary and foolish decision of the Small Business Administration to set aside construction projects for exclusive bidding by small business firms. In the field of construction, those firms are described as ones doing an average of less than $5 million worth of work annually, those not dominant in their field, and independently owned and operated.

I have mentioned general problems which have developed in this field. I have cited specific losses to the Government created by this program, and I have cited unfair and unreasonable competitive factors which have developed during the past year of set-asides.

No individual, either in the Department of Defense or in the Small Business Administration has successfully been able to challenge my contention that this program is costing the Government money. Those who deal daily with construction problems agree that it will cost between 5 and 10 percent extra to carry out our military and civilian construction programs under the set-aside agreements which are not really agreements at all but an arbitrary decision by SBA.

Using the Small Business Act of 1958 as a lever, the SBA has pried out of the Defense Department a reassurance that all contracts ranging in cost from $2,500 to $500,000 will automatically be set aside for the exclusive bidding of small contractors. I still have found no evidence that any large segment of the construction industry asked for this privilege and subsidy. I have found no evidence that anybody in the Defense Department's construction agencies wanted such a program. The only conclusion that can be reached is that an empire builder in the SBA itself inaugurated the program and has forced it on the Government.

Twice during this session of Congress the House Committee on Appropriations has taken note of this problem. In the

report accompanying the general Government matters, Department of Commerce and related agencies appropriations bill for 1962, the committee recommended that SBA, the construction agencies and industry representatives sit down to clarify the situation and resolve it. In the report accompanying the public works appropriations bill the committee asked the agencies involved to run a check on the cost factors involved.

Late in August the Small Business Administration did call a meeting, as suggested by the terms of the committee report. Instead of following the spirit of that report, however, the agency followed it to the letter. No representatives of construction agencies, as such, were present at the meeting to express their views. Instead, the Department of Defense sent over a special assistant to the Assistant Secretary for Logistics—a man whose prime duty it has been to foster the philosophy of the SBA in the Defense Department. GSA, too, had representatives who apparently go along with the philosophy of SBA, rather than speak out directly and openly for the people who handle construction problems as part of their daily work. I am told, in fact, that one man who is vitally concerned with this problem in the Defense Department actually requested permission from his superiors to attend the meeting. He was denied this permission and told, in effect, to tend to his own knitting and leave this for the policy people.

The result was a stacked meeting at which the representatives of the construction industry were given an opportunity to speak out, were listened to politely, and then were told that nothing much will be done.

SBA did agree to hold new hearings sometime in the future concerning size definitions. They also set up a committee which will consider the overall problem of set-asides but which has no real authority to recommend changes. Again, this committee will be stacked against the industry and against the construction agencies, and will be completely dominated by the SBA.

On September 12, the Small Business Administration did open the door slightly by calling a hearing on the size definition for dredgers. This is a highly specialized field of endeavor and requires extremely expensive equipment. I have made reference elsewhere in the RECORD to this meeting and to the extremely fine statement made by Senator RUSSELL LONG of Louisiana at that hearing.

I would, at this point, like to mention another development at that hearing. SBA has constantly maintained that no additional costs will accrue to the Government due to the set-aside program. They defy anyone to point out such additional costs. Well, at that hearing one dredging firm did point out such an added cost factor, still apparently with little result.

The job involved 2 million cubic yards of maintenance dredging at the Sunny Point, N.C., Army Terminal. Corps estimates of costs were $373,900. Four bids were received, one by the Arundel Corp., for $341,500. This was the only bid which was under the corps estimate. The other bids were as follows:

Atkinson Dredging Co	$458,000
Norfolk Dredging Co	462,500
Merritt Dredging Co	515,000

Bids were opened on August 29, 1961. On August 30, 1961, the Arundel Corp. received the following letter from the district engineer's office, Wilmington, N.C.:

> Your bid under Invitation No. CIVENG–31–075–62–2 for maintenance dredging at the Sunny Point Army Terminal, N.C., is being returned as being nonresponsive since this invitation is a set-aside for small business as noted in paragraph 7 in the advance notice.
>
> The low bidder was Atkinson Dredging Co., Norfolk, Va., in the amount of $458,000.
>
> Your interest in the work of the district is appreciated.

Now, Mr. Speaker, this represents an added cost to the Government of $116,500, or an increase of 31 percent in the cost of one job alone. This is fantastic waste.

I would like to make note of another factor involved in this particular bid opening. You will note that two of the bids, those by Atkinson and Norfolk, are fairly close together, and that the fourth bid, that by Merritt Dredging, is a whopping $53,000 higher. I am no expert in the field of bidding on such jobs, but I have discussed this with men who are expert, and it is their opinion that this was more than mere coincidence. One bid seems to have been dropped in just to make two other bids look good.

I have other examples of added cost to the Government from bidding which is foreclosed to construction firms with the know-how and ability to do the job just because those firms are competent and have grown.

A bid was invited on some telephone cable work at the Eglin Air Force Base, Fla. Total cost of the project was set at $1,200,000 by the contracting officer. Someone wanted it set aside for small firms only, and so, to please this individual, the contract was broken into two coequal parts, at $600,000 apiece. Invitations went out with the notation that the bid was set aside.

The lowest bid received from a small contractor was $648,761, on one job, $656,889 on the other. This bidding came at a time when the normal run of bidding across the country was far below the Corps of Engineers' estimates. Combined, these added costs total $106,650, or an increased cost to the Government of 8 percent.

Another example of waste was brought to my attention by the Charles Simkin & Sons, Inc., construction firm of Perth Amboy, N.J. Simkins is not a very big construction firm. In fact, in 1960, its total gross receipts were $4,242,605, well below the $5 million mark. However, Simkins happened to have a very successful year back in 1958, when it did $7 million worth of work, and so its 3-year average came to a little over the $5 million limits.

By any standards in the construction industry, Simkins is not big business, and it is not a subsidiary of any larger firm, being wholly independent both in ownership and operation.

Last year, under Invitation No. ENG–30–075–61–66, the corps invited bids on dismantling a heating plant at Richard I. Bong Air Force Base, Wis., and construction of an addition to the heating plant at McGuire Air Force Base, N.J. Simkins bid on the work but was rejected as unresponsive because of size.

On January 10 of this year, Simkins wrote a letter to the Administrator, SBA, which says, in part:

> The effect of limiting projects under $500,000 to small business as you define it is reflected in a bid submitted by us to the Corps of Engineers invitation No. ENG–30–075–61–66, dismantling existing heating plant, Richard I. Bong Air Force Base, Kansasville, Wis., and construction of high temperature water central heating plant addition at McGuire Air Force Base, Wrightstown, N.J. Our bid was in the sum of $561,943; the next bid, which is a firm larger than ours, was $659,464. The third bid was $663,369.
>
> The Government would save $97,521, or 15 percent, on the base bid if this contract were awarded to us and $129,664 if the additive bid items were included. It is not in the interest of the Government to award this contract on the basis of small business as defined in the bid documents.

Indeed, it is not in the interest of the Government, nor the taxpayer whose interests the Government is supposed to watch over, to include such definitions and to increase costs by 15 percent. However, it was done despite all efforts to the contrary.

Now, Mr. Speaker, I want to turn to another phase of this costly, unfair and unsound situation, the awarding of certificates of competency to small business firms by the SBA despite the best judgments of experts in the field.

And once again we turn to the C. G. Kershaw Constructing Co., Birmingham, Ala.

You will recall that in June, I mentioned this firm in connection with a report by the General Accounting Office dealing with the operation of the Government-owned concrete matting plant at Greenville, Miss. In the Greenville case, Kershaw's operations cost the Government an estimated $35,000 or 6 percent extra because the firm just was not competent to handle the job.

Well, having been stung once, the Corps of Engineers was even more wary of the Kershaw concern. On July 18, 1961, bids were opened at Memphis for pile dike construction on the Mississippi River in Tennessee. Four of the firms submitting bids qualified as small business concerns. Kershaw was low bidder at $399,350. However, one of the other bidders protested on the basis that Kershaw was not qualified to do the work.

The Corps of Engineers investigated and determined that the Birmingham firm was not qualified, both on the basis of past performance and on the basis of its manpower, equipment and skills for this particular type of work.

I am told by experts in the field that it takes very highly trained personnel to do this kind of work and that the only people who do perform well are those who have been in the field since early manhood and have grown up in this kind of construction.

Kershaw neither had the right type of manpower nor the right kind of equipment for the job so the corps disqualified the firm.

Again, Kershaw appealed to the SBA and was once again given a certificate of competency—this despite the sad experience the Government had already had with Kershaw, and despite the fact that Kershaw listed among its principal assets some $37,000 worth of claims against the Government resulting from the Greenville dealings.

Kershaw got the job.

Mr. Speaker, when I was a boy there was an adage which went something like this: "Fool me once, shame on you. Fool me twice, shame on me." This is a pretty sound piece of advice; it seems to me odd that SBA and the men who run it should not take this advice.

Mr. Speaker, I have mentioned before that this set-aside program in general construction is not good. In some specialized fields it is particularly onerous. I have mentioned dredging. There are other similar situations. For example, I can cite the matter of drilling and grouting companies.

This is a highly specialized field. Whenever a dam is being designed, the engineers must know exactly what kind of subsoil there is, what kind of foundation rock, and so forth. To get this information requires diamond-bit drilling by experts who withdraw a core which is in turn examined by the geologists and engineers.

In the past 15 to 20 years there have been over 1,000 companies which have attempted to do this type of work. Only about six have remained constantly in the field. The others have gone under financially.

Of the six, three could well be considered big business firms because they not only do the drilling themselves, they manufacture equipment and drills, bits, and so forth and sell them to other drilling companies. The other three are small firms which do just about $5 million worth of work annually.

Another feature of the drilling business is the speculative nature of all bidding. If we knew what was under the earth's surface at the location of a dam, we would not need drillers. So, a drilling firm may find large sandstone deposits and cut through them like butter. On the other hand, they may run into granite boulders and break bit after bit, drill rig after drill rig. The cost could become fantastic in this event.

Still another feature involves the mobilization costs. The jobs are widely scattered and costs shoot up rapidly if the job is more than a few miles from headquarters. As a result, the six firms which have remained competitive have headquarters locations scattered all over the country so they can be near any potential job.

Still another feature of this field of construction work is that all jobs are small. There are not any $500,000 jobs at all. The average cost is right around $14,000.

The result of the SBA set-aside program is that at least one of the six competitive, good companies in this field has been eliminated from all Government work because, during the past 3 years, the firm has averaged between $5 million and $6 million.

Thus, the firm, Boyles Bros. Drilling Co. of Salt Lake City, Utah, has been knocked out of 25 percent of its normal work. Because of the SBA program, Boyles Bros., now considered a large business, is, within the next 2 or 3 years, going to be a small business.

Mr. Speaker, this just does not make sense. We have raised an umbrella of subsidy over one segment of an industry and we are destroying the incentive of the rest of that industry to grow, to compete, and to make a reasonable profit.

The end result is added cost to the taxpayers, another step toward socialism.

Voting Record of Hon. Steven B. Derounian

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. DEROUNIAN. Mr. Speaker, the 1st session of the 87th Congress finally came to an end the morning of September 27—a session of greater than average length, but less than average accomplishment, despite the fact that the President's political party controls the Senate by a 2-to-1 margin and the House by a 3-to-2 majority.

At this time I wish to report to the people of my district on my votes and actions as their Representative during this 1st session of the 87th Congress. I had an attendance record of 97 percent on quorum calls and record votes.

The descriptions of the measures on which I have voted are brief and for the purpose of identification only. It would be impossible in limited space to discuss each issue thoroughly. Upon request, however, I will be pleased to furnish more complete information on any particular bill. Some measures I have supported, some I have voted against. In many instances, I had hoped for something better than was presented. I should like here to comment on a few of these bills.

Although business has recovered from a temporary slump, as was expected, unemployment remains at a high level. The latest report in September indicates that 4,085,000 persons remain unemployed. Neither the leadership in Congress nor the administration has demonstrated any ability to decrease this number sufficiently.

Unemployment compensation was once again extended, and I voted for this legislation. The people should know, however, that when aid to dependent children was discussed the administration objected to an amendment which would have permitted an unemployed parent to qualify for Federal aid while performing services for a public agency, as recommended by the Republican members of the Committee on Ways and Means, of which I am a member. This refusal of the administration became the basis of the problem faced by the city of Newburgh, N.Y.

Social security benefits were broadened further, and this legislation I supported, also. Again, however, during Ways and Means Committee deliberations, the administration refused to accept the proposal of the committee's Republican members to liberalize the present retirement test so that an individual could earn up to $2,400 a year without full deduction of benefit entitlement.

A "depressed areas" bill, enacted into law, contains language that can open doors to influence and favoritism in connection with public loans and grants and is without any protection against the pirating of industry from one State to another. I objected to this politically fraught legislation.

Although I had hoped to support a minimum wage bill, raising the hourly rate to $1.25, as Campaigner Kennedy promised the people, the administration requested the Congress to limit this increase to $1.15 for the next 2 years.

I was glad to have the opportunity to vote for the measure creating additional and sorely needed Federal judgeships, originally asked for by President Eisenhower in 1957 and in the succeeding years of his administration; however, the Democratic Congress refused to take action on his request.

The National Defense Education Act and Federal aid to impacted school areas extensions were brought to the House floor under suspension of rules. This, along with the Calendar Wednesday procedure, attempted in the case of Federal aid to education legislation, demonstrated conclusively that the Rules Committee cannot "bottle up" legislation on which the leadership sincerely desires action, as had been claimed earlier in the year when the Rules Committee was personally "packed" by the President.

Before leaving office, President Eisenhower had recommended a budget for fiscal year 1962 in the sum of $80.9 billion. The Kennedy administration increased this request and was successful in obtaining from the Congress authorization of $20 billion in back-door spending—without congressional supervision—and this sum added to the $93 billion appropriated through regular channels now brings the total estimated spending for fiscal year 1962 to $113 billion, a record high in spending.

To cover his increased deficit spending, the President requested and obtained from Congress an increase in the national debt ceiling to $13 billion, bringing it now to a total of $298 billion. I voted against this unprecedented

increase which came after only 6 months under the new administration.

The act establishing a Peace Corps was passed after striking out the following provision:

The Peace Corps shall not perform service in any foreign country in which, by reason of law or official policy, any member of the Peace Corps will be discriminated against because of his race, creed, or color.

I did not support this action.

Tax reforms sorely needed were not enacted. Although my Committee on Ways and Means held 32 days of hearings on the subject, the chairman of the committee had to announce that a bill embodying President Kennedy's tax recommendations would not be reported to the Congress this year. As a matter of fact, the inability of the Secretary of the Treasury to offer tax recommendations which could stand up under analysis and study by the committee has made impossible any final decision within this session of the Congress on the President's recommendations. The responsibility for this stalemate must rest with the administration, and particularly with the Treasury Department.

Here is my record:

Roll-call No.	Date	Measure, question, and result	Vote
1	Jan. 3	Quorum call	Present.
2	Jan. 3	Election of Speaker. (Rayburn 258, Halleck 170.)	Halleck.
		H. Res. 1, barring George O. Chambers from taking oath as Representative pending investigation by House Administration Committee of congressional election in Indiana's 5th District.	
3	Jan. 3	On motion to order previous question (to prevent debate). (Adopted 252 to 166.)	Nay.
4	Jan. 31	Quorum call	Present.
		H. Res. 127, enlarging the Rules Committee from 12 to 15 members:	
5	Jan. 31	On agreeing to resolution. (Adopted 217 to 212.)	Nay.
6	Mar. 1	Quorum call	Present.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
7	Mar. 1	On passage. (Passed 392 to 30.)	Yea.
		H. Res. 167, authorizing funds of the Committee on Un-American Activities for 1961:	
8	Mar. 1	On adoption of resolution. (Adopted 412 to 6.)	Yea.
		H.R. 5188, making supplemental appropriations for fiscal 1961:	
9	Mar. 7	On amendment providing an additional $29,900,000 for aid to schools in impacted areas. (Adopted 339 to 62.)	Yea.
10	Mar. 8	Quorum call	Present.
11	Mar. 8	Quorum call	Present.
12	Mar. 9	Quorum call	Present.
		H.R. 4510, providing for a special program for feed grains for 1961:	
13	Mar. 9	On motion to recommit with instructions to delete section permitting Secretary of Agriculture to drive down market price by selling Government-owned corn and grain sorghums at 17 percent below price-support price. (Rejected 196 to 214.)	Yea.
14	Mar. 9	On passage. (Passed 209 to 202.)	Nay.
15	Mar. 10	Quorum call	Present.
16	Mar. 15	Quorum call	Present.
		H.R. 4510, providing for a special program for feed grains for 1961:	
17	Mar. 21	On adoption of conference report. (Adopted 231 to 185.)	Nay.
18	Mar. 21	Quorum call	Present.
		H.R. 5463, amending and extending the Sugar Act to Dec. 31, 1962:	
19	Mar. 21	On motion to suspend rules and pass bill. (Passed 284 to 129.)	Nay.
		H.R. 4806, authorizing Federal grants to States for temporary extension of unemployment benefits to workers who had exhausted their benefits and providing for temporary unemployment tax increase to take care of cost:	
20	Mar. 22	On adoption of conference report. (Adopted 363 to 31.)	Yea.
21	Mar. 23	Quorum call	Present.
		H.R. 5000, authorizing certain construction at military installations:	
22	Mar. 23	On amendment requiring feasibility study before authorizing $3,812,000 for transferring Food and Container Institute from Chicago, Ill., to Natick, Mass. (Adopted 269 to 145.)	Nay.
23	Mar. 23	On passage. (Passed 412 to 0.)	Yea.
24	Mar. 23	Quorum call	Present.
25	Mar. 23	Quorum call	Present.
26	Mar. 24	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage to additional workers on basis of dollar volume of sales of employer:	
27	Mar. 24	On amendment substituting language increasing minimum wage to $1.15 an hour and extending coverage to additional workers on basis of interstate operations test. (Adopted 216 to 203.)	Yea.
28	Mar. 24	On motion to recommit. (Rejected 196 to 224.)	Nay.
29	Mar. 24	On passage. (Passed 341 to 78.)	Yea.
30	Mar. 28	Quorum call	Present.
31	Mar. 29	Quorum call	Present.
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
32	Mar. 29	On motion to recommit with instructions to substitute bill, H.R. 5943. (Rejected 126 to 291.)	Yea.
33	Mar. 29	On passage. (Passed 251 to 167.)	Nay.
34	Apr. 11	Quorum call	Present.
35	Apr. 13	Quorum call	Present.
36	Apr. 18	Quorum call	Present.
37	Apr. 19	Quorum call	Present.
		S. 912, providing 70 additional circuit and district judgeships:	
38	Apr. 19	On passage. (Passed 336 to 76.)	Yea.
39	Apr. 20	Quorum call	Present.
		H.R. 6027, liberalizing certain social security benefits and increasing social security tax:	
40	Apr. 20	On passage. (Passed 400 to 14.)	Yea.
41	Apr. 25	Quorum call	Present.
		H.R. 6518, making appropriations for inter-American social and economic program and the Chilean reconstruction program:	
42	Apr. 25	On passage. (Passed 339 to 82.)	Yea.
43	Apr. 26	Quorum call	Present.
		S. 1, authorizing $394,000,000 in Federal loans and grants for redevelopment of economically depressed areas:	
44	Apr. 26	On adoption of conference report. (Adopted 223 to 193.)	Nay.
45	May 3	Quorum call	Present.
		H.R. 3935, increasing Federal minimum wage and extending coverage on dollar-volume test:	
46	May 3	On adoption of conference report. (Adopted 230 to 196.)	Nay.
		H.R. 6441, increasing annual Federal grants for sewage treatment works from $50,000,000 to $100,000,000 and the overall limit from $500,000,000 to $1,000,000,000:	
47	May 3	On motion to recommit with instructions to reduce annual funds to $75,000,000 and overall limit to $750,000,000 and to require States after June 1964 to match all funds in excess of $50,000,000 annually. (Rejected 165 to 256.)	Yea.
48	May 3	On passage. (Passed 308 to 110.)	Nay.
49	May 4	Quorum call	Present.
50	May 9	Quorum call	Present.
51	May 10	Quorum call	Present.
52	May 11	Quorum call	Present.
		H.R. 2010, extending Mexican farm labor program for 2 years:	
53	May 11	On passage. (Passed 231 to 157.)	Nay.
		H.R. 6004, increasing annual salary ceiling for Council of Economic Advisers personnel from $345,000 to $2,000,000:	
54	May 11	On motion to recommit with instructions to reduce salary ceiling to $700,000. (Rejected 151 to 196.)	Yea.
55	May 11	On passage. (Passed 209 to 137.)	Nay.
56	May 15	Quorum call	Present.
57	May 16	Quorum call	Present.
		H. Res. 284, providing for consideration of H.R. 4614, establishing a U.S. Travel Service in Department of Commerce:	
58	May 16	On agreeing to resolution. (Adopted 241 to 70.)	Yea.
59	May 16	Quorum call	Present.
60	May 17	Quorum call	Present.
		H. Con. Res. 226, expressing sense of Congress favoring collective sanctions by the Organization of American States against Castro government of Cuba:	
61	May 17	On motion to suspend rules and pass resolution. (Passed 404 to 2.)	Yea.

Roll-call No.	Date	Measure, question, and result	Vote
		H.R. 4614, establishing a U.S. Travel Service in Department of Commerce:	
62	May 17	On passage. (Passed 305 to 104.)	Yea.
63	May 24	Quorum call	Present.
		S. 1852, authorizing additional construction of aircraft, missiles, and naval vessels in fiscal 1962:	
64	May 24	On passage. (Passed 402 to 0.)	Yea.
		H.R. 1986, repealing provision intended to prevent railroads from charging higher rates for carrying non-first-class mail than for carrying express matter:	
65	May 25	On motion to recommit with instructions to add amendment requiring the ICC to publish the difference in rates paid to the railroads by the Post Office and Railway Express Agency for carrying similar weight commodities. (Rejected 16 to 346.)	Not voting.
66	June 1	Quorum call	Present.
		H.R. 7371, making appropriations for Departments of State and Justice, the judiciary, and related agencies for fiscal 1962:	
67	June 1	On passage. (Passed 256 to 71.)	Yea.
68	June 6	Quorum call	Present.
69	June 6	Quorum call	Present.
		H.R. 7444, making appropriations for Department of Agriculture for fiscal year 1962:	
70	June 6	On amendment reducing the $250,000,000 for agricultural conservation program to $150,000,000. (Rejected 184 to 196.)	Yea.
71	June 6	On passage. (Passed 320 to 65.)	Nay.
72	June 7	Quorum call	Present.
73	June 8	Quorum call	Present.
74	June 8	Quorum call	Present.
		H.R. 7446, providing 1-year extension of existing corporate normal tax and of certain excise tax rates:	
75	June 8	On motion to recommit with instructions to add language repealing the 10-percent transportation tax. (Rejected 189 to 196.)	Yea.
76	June 8	On passage. (Passed 295 to 88.)	Yea.
77	June 12	Quorum call	Present.
		H.R. 7053, providing that evidence should not be inadmissible in the District of Columbia courts solely because of a delay in arraignment (qualifies Mallory rule):	
78	June 12	On motion to recommit. (Rejected 104 to 252.)	Nay.
79	June 13	Quorum call	Present.
80	June 14	Quorum call	Present.
81	June 15	Quorum call	Present.
		H. Res. 303, disapproving the President's reorganization plan for the Federal Communications Commission:	
82	June 15	On agreeing to resolution. (Agreed to 303 to 77.)	Yea.
		H. Res. 302, disapproving the President's reorganization plan for the Securities and Exchange Commission:	
83	June 15	On agreeing to resolution. (Rejected 176 to 212.)	Yea.
84	June 19	Quorum call	Present.
		H.R. 6765, authorizing an amendment to charter of the International Finance Corporation permitting investment in capital stock:	
85	June 19	On motion to suspend rules and pass bill. (Passed 329 to 18.)	Yea.
		H.R. 7712, making supplemental appropriations for fiscal 1961:	
86	June 19	On passage. (Passed 292 to 63.)	Nay.
87	June 20	Quorum call	Present.
		H. Res. 304, disapproving the President's reorganization plan for the Civil Aeronautics Board:	
88	June 20	On agreeing to resolution. (Rejected 178 to 213.)	Yea.
		H. Res. 305, disapproving the President's reorganization plan for the Federal Trade Commission:	
89	June 20	On agreeing to resolution. (Rejected 178 to 221.)	Yea.
90	June 21	Quorum call	Present.
91	June 21	Quorum call	Present.
92	June 21	Quorum call	Present.
93	June 21	Quorum call	Present.
94	June 22	Quorum call	Present.
		H.R. 6028, authorizing $4,900,000,000 in Federal housing programs over 4 years:	
95	June 22	On motion to recommit with instructions to substitute bill extending existing programs for 1 year with a $1,100,000,000 authorization. (Rejected 197 to 215).	Yea.
96	June 22	On passage. (Passed 235 to 178.)	Nay.
97	June 26	Quorum call	Present.
98	June 26	Quorum call	Present.
		H.R. 7677, increasing the national debt limit:	
99	June 26	On passage. (Passed 231 to 148.)	Nay.
100	June 27	Quorum call	Present.
101	June 27	Quorum call	Present.
102	June 27	Quorum call	Present.
103	June 28	Quorum call	Present.
104	June 28	On amendment deleting a provision prohibiting price differentials in favor of economically depressed areas. (Rejected 173 to 239.)	Nay.
105	June 28	On passage. (Passed 412 to 0.)	Yea.
		S. 1922, authorizing $4,880,000,000 in housing programs over 4 years:	
106	June 28	On adoption of conference report. (Adopted 229 to 176.)	Nay.
		H. Res. 354, providing for a House of Representatives flag:	
107	June 29	On agreeing to resolution. (Rejected 108 to 270.)	Nay.
		H.J. Res. 225, granting the consent of Congress to the Delaware River Basin compact:	
108	June 29	On motion to recommit with instructions to limit Federal Government to nonvoting representation and exclude Federal Government from any financial responsibilities of the commission. (Rejected 92 to 257.).	Nay.
		H.R. 187, providing for judicial review of orders for deportation:	
109	July 10	On motion to suspend rules and pass bill. (Passed 304 to 60.)	Yea.
		H.R. 5786, providing for the establishment of Cape Cod National Seashore:	
110	July 10	On motion to suspend rules and pass bill. (Passed 278 to 82.)	Nay.
111	July 13	Quorum call	Present.
		H.J. Res. 435, providing for observance of the Department of Agriculture centennial:	
112	July 17	On motion to suspend rules and pass resolution. (Adopted 367 to 12.)	Yea.
		H.R. 2555, providing for advanced pay for civilian Government employees in emergency evacuations:	
113	July 17	On motion to suspend rules and pass bill. (Passed 285 to 86.)	Yea.
114	July 19	Quorum call	Present.
115	July 19	Quorum call	Present.
		H.R. 6874, authorizing appropriation for the National Aeronautics and Space Administration	
116	July 20	On adoption of the conference report. (Adopted 354 to 59.)	Yea.
		H. Res. 328, disapproving the President's reorganization plan for the National Labor Relations Board:	
117	July 20	On agreeing to resolution. (Adopted 231 to 179.)	Yea.
		H. Res. 336, disapproving the President's reorganization plan for the Federal Maritime Board and Maritime Administration:	
118	July 20	On motion to discharge the Committee on Government Operations from further consideration of H. Res. 336. (Rejected 184 to 215.)	Yea.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
119	July 25	On amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 241 to 170.)	Nay.
120	July 25	On passage. (Passed 408 to 0.)	Yea.
121	July 26	Quorum call	Present.
122	July 27	Quorum call	Present.
123	July 31	Quorum call	Present.
		H.J. Res. 120, authorizing the President to order 250,000 members of the Ready Reserves to active duty for up to 12 months and to extend present Armed Forces tours of duty:	
124	July 31	On agreeing to the resolution. (Passed 403 to 2.)	Yea.
125	Aug. 1	Quorum call	Present.
126	Aug. 2	Quorum call	Present.
		S. 2311, authorizing additional appropriations for aircraft, missiles, and naval vessels, to meet possible Berlin crisis:	
127	Aug. 2	On passage. (Passed 406 to 0.)	Yea.
		H.R. 30, granting the consent of Congress to the northeastern water and related land resources compact:	
128	Aug. 2	On motion to recommit with instructions to limit participation of Federal Government to nonvoting representation. (Rejected 139 to 261.)	Yea.
129	Aug. 3	Quorum call	Present.

Roll-call No.	Date	Measure, question, and result	Vote
		S. 1643, providing wheat and feed grains program for 1962, and extending other farm laws (Agricultural Act of 1961):	
130	Aug. 3	On adoption of conference report. (Adopted 224 to 170.)	Nay.
131	Aug. 3	Quorum call	Present.
		H.R. 7856, reorganizing Federal Communications Commission to permit the FCC Board to delegate its functions in adjudicative cases to employees;	
132	Aug. 3	On passage. (Passed 198 to 150.)	Yea.
		H.R. 7728, authorizing the Secretary of a military department to sell goods and services to private aircraft owners:	
133	Aug. 7	On motion to suspend rules and pass bill. (Passed 307 to 78.)	Nay.
134	Aug. 8	Quorum call	Present.
		H. Res. 404, providing for House-Senate conference on H.R. 7576, authorizing appropriations for the Atomic Energy Commission for fiscal 1962:	
135	Aug. 8	On motion to table (kill) motion to instruct the House conferees not to agree to Senate amendment providing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Rejected 164 to 235.)	Nay.
136	Aug. 8	On motion to instruct the House conferees not to agree to Senate amendment authorizing $95,000,000 to add electrical generating facilities to the Hanford, Wash., atomic reactor. (Adopted 235 to 164.)	Yea.
137	Aug. 8	Quorum call	Present.
		H.R. 8033, authorizing the Interstate Commerce Commission to delegate certain duties to employee boards:	
138	Aug. 8	On passage. (Passed 212 to 174)	Yea.
139	Aug. 9	Quorum call	Present.
		H. Res. 406, providing for the consideration of S. 1815, providing an Assistant Secretary of Labor, to handle the problems of women workers:	
140	Aug. 9	On adoption of the resolution. (Adopted 369 to 16.)	Yea.
141	Aug. 9	Quorum call	Present.
		H.R. 6302, transferring Freedmen's Hospital, District of Columbia, from Federal Government to Howard University:	
142	Aug. 9	On passage. (Passed 321 to 61.)	Yea.
143	Aug. 10	Quorum call	Present.
		H.R. 7851, making appropriations for the Department of Defense for fiscal 1962:	
144	Aug. 10	On adoption of conference report: (Adopted 383 to 0.)	Yea.
145	Aug. 10	Quorum call	Present.
146	Aug. 14	Quorum call	Present.
147	Aug. 14	Quorum call	Present.
148	Aug. 14	Quorum call	Present.
149	Aug. 14	Quorum call	Present.
150	Aug. 15	Quorum call	Present.
151	Aug. 15	Quorum call	Present.
152	Aug. 15	Quorum call	Present.
153	Aug. 16	Quorum call	Present.
154	Aug. 16	Quorum call	Present.
155	Aug. 17	Quorum call	Present.
156	Aug. 18	Quorum call	Present.
		H.R. 8400, authorizing foreign economic and military aid in fiscal 1962:	
157	Aug. 18	On passage. (Passed 287 to 140.)	Yea.
158	Aug. 21	Quorum call	Present.
159	Aug. 21	Quorum call	Present.
		H.R. 8384, providing Federal penalties for airplane hijacking and other crimes committed aboard commercial aircraft:	
160	Aug. 21	On motion to suspend rules and pass bill. (Passed 373 to 5.)	Yea.
161	Aug. 21	Quorum call	Present.
162	Aug. 22	Quorum call	Present.
163	Aug. 22	Quorum call	Present.
		H.R. 7763, authorizing planning for U.S. participation in the New York World's Fair in 1964 and 1965:	
164	Aug. 22	On motion to suspend rules and pass bill. (Passed 353 to 42.)	Yea.
165	Aug. 23	Quorum call	Present.
166	Aug. 24	Quorum call	Present.
		H.R. 84, subsidizing lead and zinc producers:	
167	Aug. 24	On passage. (Passed 196 to 172.)	Nay.
168	Aug. 24	Quorum call	Present.
		H.R. 8181, authorizing $20,000,000 for a National Fisheries Center and Aquarium in the District of Columbia:	
169	Aug. 28	On engrossment of and 3d reading of bill. (Ordered 223 to 120.)	Nay.
170	Aug. 28	On passage. (Passed 208 to 135.)	Nay.
		H.R. 7176, providing for a national hog cholera eradication program:	
171	Aug. 28	On passage. (Passed 337 to 3.)	Yea.
172	Aug. 29	Quorum call	Present.
		H.R. 8873, increasing readjustment payments to Armed Forces Reserve personnel involuntarily released from active duty:	
173	Aug. 29	On passage. (Passed 394 to 0.)	Yea.
174	Aug. 29	Quorum call	Present.
		H.R. 6242, exempting certain Department of Justice attorneys from the salary ceilings in their civil service classification:	
175	Aug. 29	On passage. (Rejected. 172 to 223.)	Nay.
176	Aug. 30	Quorum call	Present.
		H.R. 8890, authorizing a program of Federal aid to education:	
177	Aug. 30	On motion to consider bill under Calendar Wednesday procedure. (Rejected 170 to 242.)	Nay.
178	Aug. 30	Quorum call	Present.
		H.R. 8028, authorizing $30,000,000 for studying juvenile delinquency:	
179	Aug. 30	On amendment restricting pilot projects to the District of Columbia. (Rejected 187 to 217.)	Yea.
		S. Con. Res. 34, expressing the sense of Congress that Communist China should not be seated in the United Nations:	
180	Aug. 31	On adoption of resolution. (Adopted 395 to 0.)	Yea.
		S. 1983, authorizing foreign economic and military aid:	
181	Aug. 31	On adoption of conference report. (Adopted 260 to 132.)	Yea.
182	Sept. 5	Quorum call	Present.
183	Sept. 5	Quorum call	Present.
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
184	Sept. 5	On amendment increasing military assistance by additional $300,000,000. (Adopted 242 to 151.)	Nay.
185	Sept. 5	On passage. (Passed 270 to 123.)	Yea.
186	Sept. 6	Quorum call	Present.
187	Sept. 6	Quorum call	Present.
		H.R. 9000, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
188	Sept. 6	On motion to suspend rules and pass bill. (Passed 378 to 32.)	Yea.
189	Sept. 6	Quorum call	Present.
		H.R. 8725, amending the Welfare and Pension Plans Disclosure Act:	
190	Sept. 6	On motion to suspend rules and pass bill. (Rejected 245 to 161, a ⅔ vote being required.)	Nay.
		H.R. 9055, promoting educational and cultural exchanges between the United States and other nations:	
191	Sept. 6	On motion to suspend rules and pass bill. (Passed 329 to 66.)	Yea.
192	Sept. 6	Quorum call	Present.
193	Sept. 11	Quorum call	Present.
194	Sept. 12	Quorum call	Present.
195	Sept. 12	Quorum call	Present.
196	Sept. 13	Quorum call	Present.
		H.R. 8302, making appropriations for military construction for fiscal 1962:	
197	Sept. 13	On motion to agree to Senate amendment eliminating funds for transfer of Army Food and Container Institute from Chicago to Natick, Mass. (Adopted 212 to 185.)	Nay.
		H.R. 7371, making appropriations for Departments of State, Justice, and the judiciary:	
198	Sept. 13	On motion to agree with Senate amendment extending the life of the Civil Rights Commission to September 1963. (Adopted 300 to 106.)	Yea.
		H.R. 9076, making appropriations for civil functions administered by the Department of the Army, Department of the Interior, Atomic Energy Commission, and the Tennessee Valley Authority for fiscal 1962 (Public Works):	
199	Sept. 13	On motion to recommit with instructions to eliminate funds for Upper Colorado River Basin transmission lines. (Rejected 182 to 24.)	Yea.
200	Sept. 13	On passage. (Passed 377 to 31.)	Yea.
201	Sept. 13	Quorum call	Present.

Roll-call No.	Date	Measure, question, and result	Vote
		H.R. 7576, authorizing appropriations for the Atomic Energy Commission:	
202	Sept. 13	On adoption of conference report and approval of construction of electric generating facilities at Hanford, Wash. (Rejected 155 to 251.)	Nay.
		H.R. 8102, extending the time for making grants under the Federal Airport Act:	
203	Sept. 13	On motion to agree with Senate amendment fixing extension at 3 years. (Adopted 396 to 4.)	Yea.
204	Sept. 14	Quorum call	Present.
		H.R. 7500, providing for a Peace Corps:	
205	Sept. 14	On passage. (Passed 287 to 97.)	Nay.
206	Sept. 15	Quorum call	Present.
		H. Res. 455, providing for a conference with Senate on H.R. 2010, extending Mexican farm labor program:	
207	Sept. 15	On adoption of resolution. (Adopted 243 to 135.)	Nay.
		H. Res. 464, providing for the consideration of committee substitute amendment to H.R. 7927, adjusting postal rates:	
208	Sept. 15	On motion to order previous question (to prevent debate). (Rejected 142 to 222.)	Nay.
209	Sept. 16	Quorum call	Present.
		S. 2393, extending for 2 years the National Defense Education Act and aid to federally impacted school areas:	
210	Sept. 18	On motion to suspend rules and pass bill. (Passed 342 to 18.)	Yea.
		S. 1459, adjusting longevity step increases for postal employees:	
211	Sept. 18	On motion to suspend rules and pass bill. (Passed 361 to 4.)	Yea.
		H.R. 5751, providing for notification to recipients that his mail may contain Communist propaganda from abroad and providing for return to sender:	
212	Sept. 18	On motion to suspend rules and pass bill. (Passed 369 to 2.)	Yea.
		H.R. 8914, amending the Soil Conservation and Domestic Allotment Act regarding participation in 1962 feed grain program:	
213	Sept. 18	On motion to suspend rules and pass bill. (Rejected 213 to 149, a ⅔ vote being required.)	Nay.
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
214	Sept. 18	On motion to suspend rules and pass bill. (Passed 305 to 53.)	Yea.
215	Sept. 19	Quorum call	Present.
		H.R. 9118, establishing U.S. Arms Control Agency:	
216	Sept. 19	On passage. (Passed 290 to 54.)	Nay.
217	Sept. 20	Quorum call	Present.
218	Sept. 20	Quorum call	Present.
		H.R. 7500, providing for a Peace Corps:	
219	Sept. 21	On adoption of conference report. (Adopted 253 to 78.)	Nay.
		H.R. 5628, providing Federal funds to study the establishment of a botanic garden in Hawaii:	
220	Sept. 21	On motion to suspend rules and pass bill. (Rejected 215 to 125, a ⅔ vote being required.)	Nay.
		H.R. 4172, establishing a Federal Council on the Arts:	
221	Sept. 21	On motion to suspend rules and pass bill. (Rejected 166 to 173.)	Nay.
222	Sept. 22	Quorum call	Present.
		H.R. 258, increasing the District of Columbia sales tax:	
223	Sept. 23	On adoption of conference report. (Rejected 142 to 159.)	Nay.
224	Sept. 23	Quorum call	Present.
		H.R. 7377, increasing number of highest paid employees in Federal agencies:	
225	Sept. 23	On adoption of conference report. (Adopted 228 to 71.)	Nay.
		H.R. 9118, establishing U.S. Arms Control Agency:	
226	Sept. 23	On adoption of conference report. (Adopted 252 to 50.)	Nay.
227	Sept. 26	Quorum call	Absent.
228	Sept. 26	Quorum call	Absent.
		H.R. 258, increasing the District of Columbia sales tax:	
229	Sept. 26	On adoption of conference report. (Rejected 97 to 173.)	Not voting.
		H.R. 9033, making appropriations for foreign economic and military aid for fiscal 1962:	
230	Sept. 26	On adoption of conference report. (Adopted 192 to 81.)	Not voting.
231	Sept. 26	On motion to agree with Senate amendment providing that foreign aid Inspector General need not honor a request for information from Congress if the President certifies he has forbidden him to do so.	Not voting.

Problems as a Result of Foreign Competition for Domestic Business

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. KEARNS. Mr. Speaker, at this critical time in our Nation's history while our attention is focused on the Berlin crisis and on other crises throughout the world, I believe we are disregarding another threat which, in its long term effect, may be as damaging to the basic strength of our country. It is incredible but true that what was only a small and insignificant trickle of foreign imports into this country 10 years ago has now become a raging torrent which threatens to undermine our whole economy.

A special subcommittee of the Education and Labor Committee has been set up to study this problem. This subcommittee, which is ably headed by Congressman JOHN DENT, of Pennsylvania, and of which I am the ranking minority member, has conducted extensive hearings. These hearings reflect that this Nation is now at the peril point with respect to foreign imports and, in the event steps are not taken to limit these imports, serious damage will be done.

A graphic example of the impact of foreign imports is furnished by our own hydraulic turbine manufacturing industry. Therefore, I would like to briefly outline the problems which it faces as a result of foreign competition for domestic business.

HYDRAULIC TURBINE INDUSTRY

The hydraulic turbine industry in the United States is relatively small. The average annual domestic bookings for the total industry has only been approximately $27 million per year during the past 10 years. The Federal Government is by far the largest purchaser of hydraulic turbines in the United States, and has accounted for approximately 60 percent of the industry's average domestic bookings during the past 10 years.

The engineering manpower, the extremely large tools and the facilities in the hydraulic turbine manufacturing industry are highly specialized, with practically no opportunity for product diversification. During peacetime they have an economic value only for use in the manufacture of hydraulic turbines. These facilities have, however, in the past, and undoubtedly will in the future, be required for defense production and would contribute greatly to our national security and defense.

THE PROBLEM

American industry has long been aware of the threat to its existence posed by foreign competition utilizing low-cost labor. The difference in wage rates paid in the United States and those paid abroad is of such magnitude and importance that foreign producers can underbid American manufacturers by substantial margins. Import duties on hydraulic turbines are currently 15 percent, having been reduced from the former rate of 27½ percent through the workings of our reciprocal trade agreement acts. The current rate of 15 percent is meaningless and provides no adequate protection against the impact of cheap foreign labor. American industry has long been aware of this lack of protection and has repeatedly made futile efforts over a 12- to 15-year period to obtain remedial action. As late as last year, discussions were held with the Tariff Commission about this situation and the Tariff Commission advised that they were powerless to act on any threatened injury to the industry until such time as actual imports reached a sufficiently high level to invoke the peril point provisions. Manifestly when this point is reached, there will no longer be a domestic hydraulic turbine industry since the production of hydraulic turbines usually involves a minimum manufacturing cycle of at least 2 years, and the damage to the industry would have occurred long before the actual imports reached our shores.

BUY AMERICAN ACT

For many years American industry relied on the dual effect of tariffs and the Buy American Act for protection on

Federal procurement of hydraulic turbines. The Buy American Act, until 1954, provided a differential of 25 percent in favor of domestic producers.

Foreign competition on Federal projects began to be evident about 1952, but it was not until 1954 that a contract was awarded to a foreign manufacturer. This contract, for two hydraulic turbines for the U.S. Corps of Engineers' Table Rock project, was awarded on the basis of the reduction of the 25-percent preference to 6 percent when Executive Order 10582, which provided a new interpretation of the Buy American Act, was issued in December 1954. Since that time foreign producers have been successful in obtaining a substantial number of important Federal turbine contracts and in 1959, 52.78 percent of the dollar value of Federal procurement of hydraulic turbines was awarded to foreign manufacturers. In that same year, as a result of the example set by our Federal Government, a public utility district awarded a contract amounting to almost $10 million to a foreign manufacturer. Thus foreign manufacturers obtained in excess of $16½ million out of total orders for $31¼ million placed in the United States in 1959.

DOMESTIC MANUFACTURERS PURCHASE ABROAD

As a result of the tremendous impact of foreign competition, one domestic manufacturer since 1959 has resorted to the use of foreign materials and manufactured components, and a second producer, the following year, commenced bidding in this manner also. Since the inception of this practice, five Federal contracts have been awarded to domestic manufacturers whose bids were based on the supply of varying percentages, up to as much as 49 percent, of foreign components, and in addition the low bid on a project involving the largest single contract in the history of the hydraulic turbine business has been submitted on this basis by one of the aforementioned companies.

LOSS OF JOBS FOR AMERICAN LABOR

A careful estimate, based on information obtained from the various procuring agencies of the actual parts being supplied from foreign sources on the projects mentioned above, indicates that approximately 852,000 man-hours of employment for American labor has already been exported to foreign countries as a result of the current interpretation of the Buy American Act, which permits up to 50 percent of the cost of the article to be supplied from foreign sources. The pending award of a contract for the John Day and Lower Monumental projects, on the basis of an analysis of the proposal by the low bidder, would export approximately 1,700,000 additional man-hours to foreign labor.

Foreign nations do not export jobs for their workers as is the practice in this country. It is well known that no nation which has a domestic hydraulic turbine industry other than the United States permits competition from foreign sources for their own state requirements whenever their domestic manufacturers are able to supply the size and type of equipment required. Therefore, a buy American policy for Federal purchases would not be in contravention of prevailing world practices.

BUY AMERICAN ACT WEAKENED BY INTERPRETATION

The Buy American Act was enacted into law by the 72d Congress. The debate in Congress clearly shows that this act was passed to alleviate unemployment and to create employment. It is especially pertinent to note that the legislative history, as reported in both the House and Senate, shows that one of the reasons why the act was passed was to prevent award to a foreign supplier of a particular Federal contract for hydraulic turbines so that man-hours of employment would not be lost to American labor.

This act has never been amended, but its value as a protection to American labor has been vitiated by interpretation. The act itself provides that all Federal purchases of articles, materials, and supplies must be "substantially all" of domestic origin unless the low domestic bid is considered to be unreasonable. The law itself does not provide any measure of unreasonableness. For many years Federal procurement practice had been to apply a 25-percent differential as a yardstick and any domestic bid which was not more than 25 percent higher than a low foreign bid was acceptable. With the issuance of Executive Order 10582 in 1954, this differential was reduced to 6 percent except in instances where the goods offered by the low domestic bidder were to be produced in a labor surplus area. Under such circumstances the differential is 12 percent. Also by interpretation the provision "substantially all" of domestic origin has been perverted so that anything less than 50 percent from foreign sources, calculated on a basis of cost, still qualifies as a domestic bid. Obviously, under this interpretation the Buy American Act provides no realistic protection to American industry when consideration is given to the tremendous differential which exists between prevailing American wages and foreign labor rates. Based on information published by Steel magazine, September 5, 1960, the average rate of pay in manufacturing, including fringe benefits, is $2.75 per hour in the United States. Comparable rates in Sweden are $1.08 per hour, 80 cents per hour in West Germany, 77 cents in England and only 55 cents an hour, including all fringe benefits, in Japan.

NO OPPORTUNITY TO SAVE MAN-HOURS

In the production of heavy equipment such as hydraulic turbines, each of which is especially designed to meet the particular requirements of a given project, there is no opportunity to utilize labor saving devices such as are used in mass production industries. The manufacturing facilities in factories of our foreign competitors are directly comparable, if not better than those which domestic producers can afford. Therefore, the man-hours required in manufacture are directly comparable regardless of the country of origin. The inequity to U.S. industry is compounded by the fact that much of the equipment in the plants of foreign manufacturers was supplied directly or indirectly through American aid after World War II and is therefore extremely modern.

MAN-HOURS SHOULD BE MEASURED

The use of cost as a measure of the proportion of a contract to be supplied partially from domestic sources and partially from foreign sources is without legal basis. The Buy American Act makes no reference whatsoever to cost in connection with the requirement that the articles to be purchased should be produced in the United States and made substantially all of American articles, materials and supplies. Under a statute designed to preserve employment in the United States, determination as to whether a product is of American or foreign origin should of necessity be made on the basis of the man-hours required to build or to manufacture the equipment and its components rather than on the basis of cost. The use of the cost method of analysis actually encourages a greater use of foreign goods made in low-wage countries and permits even greater percentages of imports than would be permissible under a man-hours basis of analysis. In brief, the use of the cost method of analysis encourages the export of American jobs.

Foreign bidders are quite aware of the administration of the Buy American Act and they have adjusted their bid levels as the preference differential in favor of domestic producers has been reduced. Prior to the issue of Executive Order No. 10582 foreign bids were usually only slightly less than 25 percent under the level of domestic tenders, but promptly after Executive Order 10582 became effective the level of foreign bids appears to have risen to take full advantage of the reduced preference.

Federal departments involved in the procurement of hydraulic turbines, namely U.S. Army Corps of Engineers and Bureau of Reclamation, adhere to the present interpretations of the Buy American Act. However, it is interesting that the Tennessee Valley Authority, an independent agency, has arbitrarily established a preference differential of 20 percent in evaluating it's awards.

HYDRAULIC INDUSTRY VITAL TO DEFENSE

The manufacturing facilities of the hydraulic turbine industry include some of the largest machine tools in the United States, and these facilities have been recognized as an important adjunct to our national defense base. National security considerations are therefore clearly involved since these facilities cannot be maintained unless sufficient hydraulic turbine orders are available to justify their existence because no other products require manufacturing facilities of such magnitude.

On June 27, 1956, the American hydraulic turbine manufacturing industry requested the Director of the Office of Civil and Defense Mobilization—at that time the Office of Defense Mobilization—to limit Federal procurement of hydraulic turbines to American suppliers. The appeal was made under the provision of the Buy American Act and Executive Order No. 10582, with specific reference to section 3(d) of that order.

After approximately a year of study, the Director of OCDM came to these conclusions, reported in his letter to the industry of March 8, 1957:

On the basis of the committee's findings and on my own study, I do not believe the present situation justifies a ruling that would recommend to Federal procurement agencies that all contracts for hydraulic turbines should be limited to U.S. suppliers.

In reaching this conclusion I have been influenced strongly by the fact that section 3(d) of Executive Order No. 10582 clearly envisages that exceptions under that section will be made on a case-by-case basis. Therefore, I recommend that decisions regarding procurement of hydraulic turbines continue to be made on a case-by-case basis. However, in view of the importance of the engineering skills and tools in the hydraulic turbine industry, I have instructed the Office of Defense Mobilization staff and the Inter-Agency Committee to keep future developments in the industry under close study.

I appreciate the opportunity of meeting with you and other representatives of the industry and want to assure you that each future case referred to this office for advice under section 3(d) of the order will receive our most careful and objective consideration.

Sincerely yours,

ARTHUR S. FLEMMING, *Director.*

Again in 1958 the Office of Civil and Defense Mobilization, in connection with a proceeding under section 8 of the Trade Agreements Extension Act of 1958, made a study of the impact of foreign built heavy electric power equipment and hydraulic turbines on the domestic industry. The findings of this study were reported in a memorandum of decision issued on June 12, 1959. The OCDM Director in this decision found:

In the case of hydraulic turbines, I have concluded that if there were a substantial preemption of U.S. requirements by foreign hydraulic turbines, this could raise a question of national security. Inasmuch as Federal procurement of hydraulic turbines represents an important part of market availability to domestic producers of such items, I have recommended to the President that he provide for the review from time to time of the extent to which there is a dependence by the United States on foreign hydraulic turbines in order to determine whether any alteration in present policy would be necessary in the interests of national security. Meanwhile, in exercising its responsibilities under section 8 of the Trade Agreements Extension Act of 1958, the Office of Civil and Defense Mobilization will maintain a continuing study of imports of hydraulic turbines.

Both of these findings by OCDM clearly indicate a recognition of the essentiality of the hydraulic turbine manufacturing industry to our national security. Despite this recognition of essentiality, Federal purchases from foreign producers have continued unabated. The resort to partial foreign manufacture by some domestic producers represents a valiant effort to continue in the hydraulic turbine business, but such action does not insure the continuance of their manufacturing facilities since such facilities can only be maintained when there is sufficient production to justify their existence.

UNFAVORABLE BALANCE OF PAYMENTS

In addition to the loss of jobs for American labor and the serious weakening of our national defense base, consideration must be given to the impact on the economy of the United States of our present procurement practices. At a time when an unfavorable balance of payments is a matter of serious concern to our Government, it hardly seems prudent to increase the outward flow of gold by awarding sizable contracts for Federal requirements to foreign producers. Such procurement not only adversely affects our balance of payments, but also results in an appreciable reduction in the flow of tax revenue to our Treasury. The loss of employment produces less income tax return from individuals and the loss of corporate profit reduces the corporate income tax revenue.

One of the arguments advanced in the past by our State Department, which has consistently been the one executive agency to advocate the circumvention of the intent of the Buy American Act, was the urgent need of dollar balances by friendly nations and the need to increase employment in those nations. Both of these needs no longer exist. Our foreign friends now generally enjoy favorable dollar trade balances and their economies have reached unprecedented levels of prosperity. Unemployment is no longer a matter of concern to them. Rather, a lack of manpower has now become a serious problem in some countries. This situation is particularly true in the nations which have important hydraulic turbine manufacturing facilities. It is our understanding that in the two studies by OCDM previously mentioned, the State Department was consulted and probably strongly influenced the OCDM in its findings.

SUMMARY

I believe the above information definitely indicates that the continued existence of the hydraulic turbine industry, as well as many other American industries, is seriously threatened by foreign imports; jobs for American labor are being lost; and the outward flow of gold is being increased and income to our Treasury is being reduced by the present application of the Buy American Act. Prompt remedial action is needed to correct this situation if our industries are to survive. A review of Federal policy should be undertaken by Congress and the Buy American Act should be strengthened in such a manner that it will be restored to its original effectiveness and contravention by administrative procedures will be prevented.

Goals of the New Frontier: The Federal-Aid Highway System

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BLATNIK. Mr. Speaker, Federal aid to highways is one of the most immense public works programs undertaken in the history of this Nation. This leviathan undertaking by the Federal Government is the product of many years of study by the Congress. Perhaps the most vexing problem in the national highway picture today is our failure to impress upon the American people the growing gravity of the crisis in highway transportation. On the basis of considerable tenure as a member of the House Public Works Committee and as chairman of the Special Subcommittee on the Federal-aid highway program, I have discovered many misconceptions and misunderstandings about the national highway program.

There, also, seems to be a lack of consciousness of and an absence of urgency over the crucially important economic and social factors involved. The crisis to which I refer became apparent both during and after World War II. Presumably realistic estimates of car and truck registrations and traffic volume were found to be much too conservative. The States moved frantically to provide a modicum of relief, but highway facilities were being swamped as fast as they were provided. The rising toll of traffic deaths, injuries and property damage abetted by increasing vehicle registrations, population increases, and population shifts of necessity became a matter of national concern.

Currently, there are 76 million registered vehicles in the United States, and estimates place registrations in 1975 in the neighborhood of 110 million. It is not only possible, but probable, that a 50-percent increase in traffic volume will occur within the next 50 years.

The mercurial growth in the population of the United States, of course, has been the most significant factor affecting the national highway picture. Our population has increased 18.5 percent since 1950, and projections place our population in the neighborhood of 260 million by 1980, about double the 1940 figure. Leisure time, in addition to our exploding population, makes the need for better highways more important than ever—we have become a travel-conscious Nation.

Another trend generating pressure on our highway system has been the shift from the central cities to suburban areas. Nearly two-thirds of the increase in the population of the United States since 1950 has occurred in the suburbs of metropolitan areas. In the central cities enumerated by the census population increased by only 8 percent as compared to a jump of 47 percent in areas outside of those central cities. This trend is probably the most important demographic and sociological fact of our times. Many experts believe that growth of contral cities had completely stopped by 1956.

Because of these factors aggravating our highway problems, drastic measures have been and will continue to be necessary to reduce the frightful toll of deaths and injuries. Highway deaths during the 1950's alone nearly equaled the total of all the American war dead in World Wars I and II and the Korean war. You cannot in any form measure the costs of the millions who were injured during the same period. In 1959 alone, 37,600 persons were killed and

2,870,000 injured on the Nation's highways. The justification for Federal expenditures on highways has long been established.

The basic legislation governing the administration of the Federal-aid program today was adopted in 1956. It provided for the construction of the 41,000-mile national system of interstate and defense highways and specified that the system was to be completed in 1972 and be geared to anticipate the needs of 1975. The Congress also specified that the primary and secondary highways and their urban extensions were not to suffer by reason of the emphasis on the Interstate System, and that the acceleration of construction was to apply with equal force to these projects.

The highway trust fund which supports Federal aid to highways has been beset by dislocations ever since 1956. In 1958, we were faced with a recession, so it became necessary for Congress to vote an increase in the interstate apportionment and an emergency appropriation for primary, secondary, and urban construction. The compounding of financial difficulties during these early years of the accelerated program eventually reached the point where it became apparent that the interstate program could not be completed until at least 1976.

The incoming Kennedy administration, keenly aware of the necessity for getting the interstate program back on the track for completion in 1972, submitted its recommendations for the necessary financial reforms. The President warned that the Federal pay-as-you-go highway program was in peril, and stated:

> Timely completion of the full program authorized in 1956 is essential to national defense, to greater highway safety, to our economy.

The President pointed out that to deny the needed increases for the highway program would postpone completion 5 years beyond the original target date, and voiced strong opposition to either the stretching out or cutting back of the program.

I am pleased that the administration recommendations were substantially adopted in the present session of the 87th Congress. The Federal Aid Highway Act of 1961 revised the original estimated authorization for the 41,000-mile 13-year program by increasing the Federal Government's share from $25 billion to $37 billion. This additional $11.5 billion authorization will make possible completion of the interstate program by 1972 as originally scheduled. The act, in addition, increased the Federal apportionments for primary, secondary, urban programs, from $925 million to $1 billion annually. The incentive bonus for States to enter into agreements for billboard controls was extended for 2 years, also.

It appears that we will now be assured of a sustained level of construction activity that will greatly minimize the peak-and-valley mode of operating that was characteristic of the program the past 5 years. This action will unquestionably be of great help to the States and the entire roadbuilding industry.

It is unfortunate that disclosures of some malpractices tend to overshadow the imperative need for this program. Notwithstanding the ills with which the Federal-aid highway program has been beset, substantial progress has been made. In the first 5 years of the program which ended June 30, 1961, 10,800 miles of the Interstate System were opened to traffic and construction was underway on 4,800 miles. More than $11 billion has been put to work on the interstate program, and almost $11½ billion have been spent or committed for 119,000 miles of primary and secondary highways and their urban components. Contracts involving 46,000 additional miles were underway on June 30 of this year.

It is estimated that the Interstate System when completed will save at least 4,000 lives annually, reduce personal injuries by 150,000 and cuts economic losses by $2.1 billion. Early completion of the interstate highways is also essential to our expanding economy and the mobility of our defense weapons. When completed in 1972, the 41,000 mile National System of Interstate and Defense Highways will be one of the greatest capital assets of our Nation, providing safety, enjoyment, and economies to all the people of our travel-conscious Nation.

Health Care for the Aged: Kerr-Mills and HEW

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. CURTIS of Missouri. Mr. Speaker, earlier in this session I placed in the CONGRESSIONAL RECORD, under the title "Kerr-Mills Success—Despite HEW"—CONGRESSIONAL RECORD, September 14, pages 19552–19553—a summary of the State action for the assistance of the aged in the health care field under the Kerr-Mills Act which the Congress enacted in the 86th Congress. I also called attention to the fact that the Department of Health, Education, and Welfare has done little of a constructive nature to lead States to the enactment of the necessary enabling legislation to bring this form of assistance into effect in the States. Despite the attitude of the Department, great advances have been made under this farsighted law.

My placing this material in the CONGRESSIONAL RECORD brought a response from the Department of Health, Education, and Welfare through its Assistant Secretary, the Honorable Wilbur Cohen. I subsequently replied to Assistant Secretary Cohen hoping to clarify the issue on what HEW's role has been in the advancement of the Kerr-Mills Act. Because of the importance of this question of health care for the aged, I would like to place in the RECORD at this point the letter which I received from the Assistant Secretary of Health, Education, and Welfare and my reply to it.

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE,
September 22, 1961.

HON. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR MR. CURTIS: I read with great interest your remarks in the CONGRESSIONAL RECORD of September 14, 1961, concerning the administration by the Department of Health, Education, and Welfare of the programs of medical care for the aged under the 1960 amendments to title I of the Social Security Act.

I note in particular your assertion of the total absence of leadership by the Department of Health, Education, and Welfare to encourage their implementation by the States and a failure to mention the provision for increased Federal financial participation in medical care in behalf of recipients of old-age assistance. I feel seriously that you have been misinformed on both of these points. Quite to the contrary, this Department has extended great effort to bring the benefits of this legislation to its best development.

First of all, the former administration acted very promptly upon the passage of the Kerr-Mills Act. The law was approved by the President on September 13, 1960, and material was sent to the States by the Department 3 days later. The present administration has continued and accelerated stimulation of State action. This has been done in a number of ways. There are the speeches and articles of Department officials, including myself, urging States to take the necessary action to implement the 1960 legislation. State agency personnel, both administrators and technicians, came to Washington to participate in the development of policies and procedures for the implementation of the program. Consultation was made available to the States by the staff of the Department in Washington and by its regional staff. In 1961 some 12 official documents have been transmitted to the States on the subject of medical care, including medical assistance for the aged and medical care of old-age assistance recipients.

The amendments made to the old-age assistance program in 1960 were simple in nature and did not require the kind of interpretation to the States as did the medical-assistance-to-the-aged legislation. We have, however, made the same effort to help States to expand and improve their medical services.

As you know the 1950 amendments to the Social Security Act permitted payments directly to suppliers of medical care to public assistance recipients, including old-age assistance recipients. When the 1960 amendments increased the Federal share in these payments made to old-age assistance recipients, this type of provision was in operation in 43 States. Following the 1960 amendments five additional States have vendor payments in effect, three more have the necessary authorization. The remaining three—Alaska, Arizona, and Delaware require legislation. Of the 43 States that were making vendor payments before September 1960, 21 have improved their coverage or content from the level of that date. By January 1960, three States will expand coverage to the aged who are not in need of a money payment but are medically indigent. Eighteen States have not expanded their plan provisions from the September 1960 level, and one State requires legislation to take full advantage of the sums available under the Federal law.

Far from overlooking the importance of these developments, weekly reports have been issued on the status of these programs.

In fact the information you cited on the advances made was derived from Departmental reports.

The Department strongly supports the 1960 legislation for we believe the States need help in meeting the medical requirements of the needy aged. We further believe that the grant-in-aid approach alone through the old-age assistance and medical assistance for the aged programs, however, cannot be expected to meet the problems of our older citizens who become ill. States have moved as rapidly as possible to use the 1960 legislation and we have helped and urged them to do so. The experience thus far clearly shows that this method or approach alone cannot meet the problem the Nation faces.

Sincerely yours,

WILBUR J. COHEN,
Assistant Secretary.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 10, 1961.

Hon. WILBUR J. COHEN,
Assistant Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. COHEN: Thank you for your letter of September 22, 1961, commenting upon my remarks accompanying the chart I had prepared to show the magnitude of the Kerr-Mills Act operation, which appeared in the CONGRESSIONAL RECORD of September 14, 1961. I appreciate your assurance that the Department of Health, Education, and Welfare strongly supports the 1960 Kerr-Mills Act to assist in providing adequate health care for our senior citizens. I wish the actions supported this assurance.

Granting the routine actions you say were taken by the Department of Health, Education, and Welfare, they fall short of providing leadership of the Department to encourage the States to implement the 1960 amendment. Furthermore, other actions and statements of Department officials were going in the other direction. It is true that the data for the chart came from departmental reports, yet the Department did not compile and publish this information in usable form. It required considerable effort to gather this material together to make the meaningful chart I put in the RECORD.

I would appreciate receiving copies of the speeches and articles of Department officials urging States to take the necessary action to implement the 1960 legislation, to which you refer in your letter, or sufficient reference to these speeches and articles so I may obtain them. Perhaps the trouble has been that the press has not given full publicity to these speeches and articles. Would you send me the publicity releases that accompanied these speeches and articles?

On the other hand, I am well aware of the undercover campaign being conducted by proponents of the social security approach to health care for the aged to denigrate the Kerr-Mills Act. We had a full impact of this in the testimony before the Ways and Means Committee in the recent public hearings, beginning with the morning testimony of Secretary Ribicoff himself. I saw no attempts by officials of Health, Education, and Welfare, including yourself, to contradict this effort and to deplore it. Instead, there seemed to be encouragement upon the part of officials in HEW to carry on these attacks.

The attack on the Kerr-Mills Act has been largely directed obliquely by striking at its use of a means test, to make it appear that a means test is degrading and antisocial. I believe the official position of Health, Education, and Welfare is in favor of the use of means tests in many of our welfare and educational programs. Certainly, a publicity campaign which encourages people to look upon means tests as degrading can make them somewhat that way. However, a positive program to point out the proper purpose means tests serve, and why they are not degrading, can move public opinion properly in the other direction.

In light of your letter, I want to protest again what I pointed out to Secretary Ribicoff during the hearings, that HEW has been misrepresenting the budgetary problems of our aged by the use of incomplete and, therefore, misleading statistics. On the expenditure side, HEW points up only the cost of health care in the older person's budget, which is greater than for any other age group, but fails to point out that every other item in the budget for people over 65—food, rent, clothing, recreation, etc.—is less than that of any other age group, and that the total expenditures in the budget for people over 65, including the larger health care cost, is less than that for any other age group. On the income side of the budget, HEW has pointed up individual income instead of head-of-family income and ignored the important items of homeownership, savings, and other possessions which the older people have in more abundance than any other age group. Here the Department has shown unfortunate leadership.

I would also like to point out again the absence of leadership on the part of HEW in compiling and disseminating to the public accurate and up-to-date information about what is being done in the private sector in increased health insurance, added facilities, and skills for caring for the aged. The tremendous advancements that have been made in recent years in these fields was attested to by many careful studies presented to the Ways and Means Committee during the public hearings. This data should have been known, compiled, and disseminated by HEW. Certainly, after the hearings were completed, HEW should have helped in directing the public's attention to this data.

HEW still has not gathered pertinent information of what is being done at the county and local governmental level in the health care field and persists in issuing misleading information about what States are doing, minus this data. Many States operate their health programs primarily at the county and local level, rather than at the State level. HEW, in issuing its statistics, fails to note this important fact.

My statements in the CONGRESSIONAL RECORD of September 14, 1961, are mild when I think of the complete story of the negative leadership HEW has been giving to the country in this important issue of health care for our society.

I would be happy to have your further comments on this matter in rebuttal. I have no desire to be unfair, but I am determined to do the best I can to give the public as full and as balanced a picture of our health care programs as possible.

Sincerely,

THOMAS B. CURTIS.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. SAYLOR. Mr. Speaker, although all but the ghost of the 1961 model of a proposed Federal aid to education program has left our midst, there is always the unhappy assumption that it will again haunt us in a highly professional manner in some succeeding session of Congress. Until the subject is shorn of all political advantages, it can be expected to be resurrected at least once every Congress until a more glamorous bureaucratic scheme is concocted. Under the circumstances, it may be well for opponents of the sham to keep the issue alive through constant exposure so that everyone may eventually have an opportunity to detect the fraudulence behind the proposal.

The current Nation's Business magazine contains an article by Dr. Anthony Marinaccio, superintendent of public schools in Davenport, Iowa. It is an excellent indictment of the Federal aid program. It should be added to the documentary material already compiled in the case against this attempt to impose Federal control over the schools and teachers of our Nation. For this reason I request that it be included in the RECORD.

While I wish to be associated with the major conclusions of Dr. Marinaccio's frank presentation, I should like to implement his reference to the so-called impacted area assistance legislation. While I appreciate that, in unusual circumstances, some communities may be suddenly overrun with a large number of children of employees of a Federal installation in temporary operation, the law which Congress initially enacted to handle the situations during the Korean war has been unwisely extended and ludicrously administered. I have on previous occasions appealed to my colleagues for correcting the evils that have arisen out of this originally well-meant and necessary program.

From the time that the big push for Federal control of the Nation's education was undertaken several years ago, Congress has in its wisdom rejected this attempted bureaucratic encroachment into our State and local school systems. However, the impacted area law, which was put onto the books in 1950 to ease some of the problems of the Korean war, has been continued without regard to the fact that it was created as a temporary expediency and has been administered without any respect whatsoever for the taxpaying public.

Mr. Speaker, there are countless case histories that could be offered in proof of the unreasonableness in the administration of the impacted area law, but perhaps the most telling instances persist right in this area. Permitting children of career Federal workers who have lived in the same place for many years to be counted for Government assistance is entirely preposterous. While the Official Register has not been printed this year, the last edition lists thousands upon thousands of Government employees earning in excess of $10,000 per year. There are countless others in the same wage brackets but not listed in the Register. A majority of these Government employees are residents of Montgomery County, Md., whose per capita income is among the very highest in the Nation.

Is there any sound reason why the taxpayers of the constituency which I represent should have to pay to send the Montgomery County children to school? Of course not. It is an out and out violation of the rights of a majority of the taxpayers of this country.

I have spoken on this subject in the House previously. I suggested that, if the people of Montgomery County are not willing to pay their own school bills, then let Congress take this situation into serious consideration the next time it authorizes construction of another Federal installation. I can provide a substantial list of communities in the 22d District of Pennsylvania that would welcome the location of a Federal Government office, and I can assure you that residents will be happy to present a written pledge that the Federal Government need not contribute to the education of the children who grow up there. Bring some $10,000 jobs down there to us and we shall be eternally grateful. It would mean more business for our local industries and stores, and we could substantially reduce surplus labor conditions.

How absurd to give Federal funds to Montgomery County. Our industries and labor unions have set up funds to attract new plants and factories. We do everything possible to make our region attractive to relocations. We would be most happy to make space available to Government installations if you will provide some of the permanent jobs that you have given to residents of Montgomery County and the other districts around the Nation's Capital.

I supported impacted area legislation at the outset of the Korean war because it was obvious that some communities would be overrun by Federal employees and their families at installations established for temporary operation. There was no intent in the law to continue the program indefinitely or to prove a grab bag for cities which thrive on Federal income on a permanent basis.

There is no justification for the impacted area bill as presently interpreted and administered, and everyone knows it.

On Sunday, September 17, Miss Ingrid Jewell, Washington correspondent for the Pittsburgh Post Gazette, contributed an article entitled "Impact Areas' School Bill Is Seen Full of Abuses." Because honest reporting of this nature contributes valuable information that may be instrumental in correcting the abuses of this program the next time it is brought before the Congress, I include the following portions of Miss Jewell's report in the RECORD at this point:

IMPACT AREAS' SCHOOL BILL IS SEEN FULL OF ABUSES

(By Ingrid Jewell)

WASHINGTON, September 16.—The bobtailed school aid bill which Congress has sent to the President continues for 2 years a program which the Comptroller General of the United States believes is full of abuses.

This is the so-called impacted areas program, enacted in 1950 as a Korean war measure to assist school districts for defense work or military service. * * *

But the impacted areas law has become one grand shakedown, in many school districts, according to the report of the Comptroller General. * * *

But many Members of Congress consider the impacted areas program, as now administered, unfair, inefficient, and bogged down with politics. It does not channel Federal money, necessarily, to school districts in need. It favors a few school districts across the country whose school authorities have been able to concoct records seemingly to indicate the presence of many federally connected children.

The Korean war is long over but the costs of this program and the number of benefiting children under it increase each year.

In 1950, the program paid out $29.7 million for operation of these impacted schools, including teachers' salaries. In 1960 it paid out $117.6 million for operation. Construction costs are down, from a high of $195 million in 1953 to $61.1 million in 1960.

CALIFORNIA BIG BENEFICIARY

The tremendous beneficiaries have been California, with its airplane and other defense plants, and the southern States with their military installations. In the decade, the program has cost almost $2 billion.

Pennsylvania has not done well at all, with $4.5 million for construction and $16.9 million for operation in the decade since the law was first enacted. Pennsylvania's entitlement last year was $4,525,000, of which more than $2 million went to Philadelphia which counts the children of Navy yard employees.

Since the defense plants closed, there have been few Allegheny County school districts which could legitimately claim to participate, and none has resorted to the extreme measure to build eligibility cited by the Comptroller General.

Mr. Speaker, the full context of Dr. Marinaccio's article is printed below. I invite your close perusal of this important testimony against one of the most obnoxious bureaucratic proposals ever submitted for congressional consideration:

WE REJECT FEDERAL AID

(By Dr. Anthony Marinaccio)

Don't let anyone tell you that Federal aid to education won't lead to Federal control. I have been on the receiving end of Federal aid, and I have seen the controls develop and grow.

It's a dangerous delusion, this notion that aid from the Federal Government does not lead to interference with the freedom of local schools to manage their own affairs.

In a Missouri community where I served as superintendent of schools I saw a dramatic example of how this can happen. The public schools there were receiving Federal funds for vocational home economics education.

Ostensibly, there were no strings attached. In fact, however, we were harassed by a school supervisor who, in her capacity as an inspector employed by the State, but actually paid by Uncle Sam, attempted to force changes in our curriculums and facilities which our own vocational training specialists knew to be inadvisable.

When we refused to accept her ideas, she said: "Well, I am not sure that I want to approve the funds you get for this program."

What did we do? We did what I feel every school system in America should do in a situation where its basic rights are threatened. We rejected the Federal program and ran our own.

There are other examples of the controls which come with so-called aid from Washington. But before I enumerate some of those which my 27 years in education have revealed, I want to make this point most emphatically to all Americans—and particularly those responsible for the training of our youth: America is in real peril of losing its freedom as a result of corrosion from within, and that corrosion, I am convinced, will be hastened if the Nation adopts large-scale programs in which the Central Government finances local schools.

Some will say that I am an alarmist, that I am painting the picture in unnecessarily dark colors. Let me say that I am not wearing blinders or fighting for a preconceived idea. I am, I think, a realist. I know that sometimes circumstances make it necessary for the Federal Government to help localities with their school problems.

One such special case is what is known as an impacted area. These are communities where, because of Federal installations, tremendous numbers of children come in suddenly and fill up the schools. Such communities should be given Federal help.

NEED FOR AID NOT WIDESPREAD

In most public school systems, there is no need for asking or expecting Federal help. The job can be done at the local level—where it should and must be done if we are to preserve our freedom. America has been built out of this thing we call freedom. People can learn how to handle freedom—to be free—only if they have such powers as free education. Essential to free education is the power of the community to decide for itself what its schools should teach, and how to finance the teaching.

If we allow Federal aid to education to come on a big scale, we will be moving—perhaps slowly at first, but more rapidly later on—to centrally directed education that could take us down the same road traveled by Mussolini and Hitler and Stalin and all the totalitarian societies of the past. I don't want this to happen. But it could happen. It's precisely the danger which Washington and Jefferson and Benjamin Franklin were concerned about when they met at the inn in Williamsburg after the Revolutionary War.

"Now that we have won this thing," they said in effect, "are we able to educate the masses of Americans to be free and to have responsibility for control of their freedom—or will chaos result?"

Proponents of Federal aid to education continually assure us there will be no control. In Davenport, in Peoria, Ill., in Missouri and in other places where I have had contact with public schools, I found the opposite to be true. Control does follow aid.

Those who administer aid want to check the programs and courses of a study. They suggest programs. They suggest the type of personnel you should hire and what you should pay them. They suggest what you should teach and, through these suggestions, they are actually controlling the situation.

Uncle Sam cannot hand out large sums of money without checking to make sure this money is properly spent. When you get to checking the spending you have to have a standard against which to check it. This becomes control. It is really as it should be. Billions of dollars should not be loosely distributed and their use left unmonitored. So, you're in a vicious circle. If you're running a public school system which receives Federal tax dollars, you have to pay attention to what the Federal Government or its agents say, or you just won't qualify for the funds.

Look at the National Defense Education Act of 1958 which sets up grants for science and mathematics.

The preamble to this act disclaims any intention to control local schools, yet you should have seen the thick report which we had to prepare in Davenport if we wanted to qualify for NDEA funds. We had to spell out in detail our program, our organization, and so forth. If that isn't control, what is it?

I know of communities which are spending thousands of dollars on science equipment, language laboratories, additional guidance personnel and tests financed from NDEA funds before they are ready for these things and before they know what to do with the new facilities.

This is an outrageous drain on American taxpayers. Many such communities spend the money from NDEA simply because it is there and its availability invites someone to spend it.

WASTE CITED

In my earlier experience with vocational education, the supervisor wanted us to redo our home economics laboratory. Instead of having a limited number of areas in which to teach cooking and so on, she insisted on having enough for everybody.

Well, this would have been a tremendous waste. We knew we would have only so many students in there, and we didn't want to leave other areas idle. After we rejected the federally supported program, we split the student group so that some were cooking, some were sewing, and some doing other things. That way we saved a lot of money and—most important—did a better job of teaching.

We are now starting an electronics program under vocational training for adults. Federally connected people, through the State, worked with us in making out the courses of study, and the plans for the program. They made suggestions for the kind of person we should find, and how much we should pay him.

In their letter they said, "These are only suggestions." Well now, you probably know what "only suggestions" means coming from a superior office.

The drive for Federal aid to education has been gaining momentum in recent years because of a tremendous growth in the numbers of children to be educated and the teachers and facilities needed to do the educating. In addition, inflation has led to a rise in the cost of materials needed for school construction and, most important, in the salary requirements of teachers, many of whom are still underpaid. The net impact of all these pressures in many communities has been almost revolutionary. The average taxpayer sometimes can't see why his taxes should be so high.

We have to get across to the taxpayer—at the local level—that his higher taxes are buying better schools and better education. If he is tempted to think that running to the Federal Treasury will relieve the burden, he must be shown that nothing comes from Washington that doesn't originate in his own pocket.

Most communities can handle these increased needs locally if they will recognize the needs and have the initiative to do the job. In Davenport, where our board of education is on record as opposing Federal aid, we overcame the problem of teacher pay. Our school board spearheaded the campaign, starting about 3 years ago. The board enlisted the support of our local chamber of commerce, and other civic groups. Result: In 3 years—counting next year, which is already budgeted—the average classroom teacher will have realized a pay hike of from $1,000 to $3,000.

We did this by getting local support for a school tax increase. I am gratified by the result. It has raised the morale of our teachers. They have seen that the public recognizes their economic status and have thrown themselves into the job. They have organized new courses of study, invented new materials for the classroom, introduced language labs, including the teaching of foreign languages to children in the second grade. They work after school and on Saturdays.

LOCAL ACTION ESSENTIAL

This is the heart of the matter. Local action to solve local problems. Not enough communities are doing this, in my opinion. Too many bond issues are thrown out because of lack of understanding; too many tax levies are being voted down. When that happens, the superintendent of schools and board of education run to the Federal Government for money.

We lost one bond issue last year but a committee came right back to push it and get the job done. One of the obstacles is the fact that the administration has come out for Federal aid. Many people in Davenport, meeting me on the street, say: "We're not against your program, but our taxes are high and we think we can get the money from the Federal Government."

One of the things which we should all recognize, realistically, is that if Federal aid is ever voted on a massive scale, many communities—including my own—will tend to think that they should apply for it, just to get their share. This is another reason why it is so important that the Federal programs be stopped before they get started.

I have studied history, and I am disturbed by the lessons it teaches. I see some ominous things in our society which emerged in past societies prior to their collapse. One of the most menacing signs is a drift into centralization abandonment of individual responsibility.

What is happening in America today is comparable to what happened to Rome and Greece and Egypt. After the individual citizens of those states rose to great heights and everything became abundant, they forgot how they got the abundance. We are living better than we have ever lived, yet I wonder if we are not forgetting how we got there.

We got there through individual initiative, not by turning to someone else to solve our problems. If we let the centralization trend continue, we will wind up in the predicament described to me by a Russian teacher to whom I talked recently. I asked this teacher why Khrushchev and the other Soviet leaders are pushing so hard to surpass America.

"We won't have to fight you," this teacher replied with cold impersonality. "You will fall from within."

The reason why we are drifting toward the superstate and consequent loss of local initiative, stems, I feel, from widespread ignorance of our economic and political system. Our youngsters—for the most part—simply do not know what got us where we are today, and what makes our system tick. The same must be said about our teachers.

In our public schools you see very little in our curriculums that even refers to our system of free enterprise. The student has to elect one economic course out of 12 years of work, one semester. We teach our economic system in only an incidental way.

Let me illustrate this: Say a youngster makes a pair of book ends in shop. He gets the mistaken notion that, since he paid 15 cents for the two pieces of scrap wood he used, and perhaps 15 cents for his shellac and whatnot, the book ends are worth less than a dollar. Then, when he sees a pair of book ends in a store window for $19.95, he assumes that somebody is making $19.

If our teachers understood our economic set-up better they would say:

"Now look, boys, you are going to make a pair of book ends," and then they would study together how book ends are produced by industry; what the overhead cost is; how much goes for taxes; what it costs to supply the tools and to pay the workers. When you put it all together you might find a 2 percent margin of profit, or 3 or 4, and that would give the youngsters a more accurate grasp of competitive enterprise.

Why are our teachers so poorly equipped in economics? Many of today's teachers weren't taught economics when they were in school—or, at least weren't motivated to study it. You must add to this the fact that some teachers feel they do not receive an adequate financial return from the society they serve.

RETURN TO OUR EARLIER VALUES

The challenge we face nationally has subtle aspects. When I was a boy young people were quickly acquainted with the fact that they had responsibilities. We carried groceries, or sold door to door. The importance of hard work, initiative and self-reliance was made plain to us not only in our own families, but in our schools and in our communities.

We have slipped away from those principles, and we must get back to them. Our emphasis should not be on having big government do more and more for the individual, but on the individual doing more and more for himself.

If Federal aid to education becomes a reality, I am afraid it will mark the first step toward complete control of the education process by government. Dictation would move slowly, but surely, just as it did in Mussolini's Italy, where even the textbooks were changed and Il Duce's picture finally showed up on about every fifth page. The schools would eventually become an agency of government, and many people would take their children out of them, leaving the public institutions to accommodate only the paupers and unfortunates whom no one else would take into their private schools. Even private schools would be drawn to the magnet of Federal aid.

We must not let these things happen. The public school is the basis of our strength. It's the bulwark of our society.

In the future we must teach our children to be able to make comparisons between our way of life and communism, but the only way we can teach these things is, first of all, to make sure that they understand what America stands for. Then we should try and teach the truth about communism as nearly as we can see it, and as nearly as we can tell the story. This becomes a difficult thing because our teachers, while they are well meaning and patriotic, generally don't have a foundation which would enable them to compare the American way of life with communism.

I would want to have an intense in-service education program so that our teachers would know. Out of this would come a strong desire to promote the American way.

For a long time I have felt rather comfortable about our relationships with Russia, thinking that someday the people would overthrow their government, but after talking with some Russians, I don't believe they are about to overthrow the government. They have a strong desire, almost a religious feeling, that their country is going to rise to tremendous heights.

They have been imbued with the idea that they are going to surpass America. They have been given a little more than they had—and they had nothing before—and this, to them, proves that they are making progress.

We must give our youngsters the same faith and strong desire to fight for and to promote American values, and I am afraid that is an area where we are falling down.

We face a difficult job, but we must get this job done, or we truly will fall from within.

The People of California's First District Express Their Views on Issues Before Congress

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EXTENSION OF REMARKS

OF

HON. CLEM MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. CLEM MILLER. Mr. Speaker, in earlier remarks concerning the results of my 1961 questionnaire, I inadvertently failed to report the response to one of the questions. It follows:

Asked, "Should Congress pass further laws aimed at preventing recessions and

limiting their effects?" 32 percent checked "yes"; 14 percent, "no"; 30 percent, "no, the less Government interference the better"; 15 percent, "no, present laws are adequate" and 16 percent, "not certain."

Goals of the New Frontier: Water Pollution Control

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BLATNIK. Mr. Speaker, a mounting crescendo of voices pointed to water as one of our major health and resource problems during the waning years of the last administration. This host of public-minded persons was urging quick implementation of the Federal Water Pollution Control Act of 1956, recognizing that stronger Federal legislation was essential to conserve and develop adequate sources of clean water to supply the mushrooming needs of a burgeoning population. As in the past, predictions of future use had been understated. The situation was becoming critical.

The Congress in 1960 responded to the call for stronger pollution control legislation to encourage and stimulate construction of waste treatment plants by enacting H.R. 3610, my bill, amending Public Law 660. It was vetoed by President Eisenhower who contended that pollution was essentially a local problem and was opposed to Federal grants; the attempt to override the veto failed. Habitual complacency toward the public domain as a modus vivendi still presided over the Federal policymakers.

A change in attitude toward our great natural heritage was dearly needed in the highest councils of our Government. In the past we had not conserved and protected the natural resources with which we were blessed, nor had we replaced or used efficiently those which we utilized. Great virgin forests had been felled and not a seedling planted as a replacement. From the first we used our rivers as sewers, pouring waste into streams as beautiful as the Hudson, the Potomac, the Ohio, and the Mississippi. Not one unpolluted river system was left. National conscience pleaded for the instatement of a sound conservation philosophy as a matter of national policy.

The keynote for a new orientation was set by President Kennedy in his special message on Natural Resources on February 23, 1961. A redefinition of goals and policies, consistent with sound conservation practices finally became a reality. The rationale for the new course was clearly set forth. President Kennedy forewarned that:

> If we fail to chart a proper course of conservation and development—if we fail to use these blessings prudently—we will be in trouble within a short time. * * * Wise investment in a resource program today will return vast dividends tomorrow, and failures to act now may be opportunities lost forever. Our country has been generous with us in this regard—and we cannot now ignore her needs for future development.

President Kennedy emphasized, as I have long maintained, that all citizens have a stake in a sound resources program. Nor, as many have erroneously inferred, were conservationists attempting to arrogate to the Federal Government exclusive responsibility for the development and protection of our natural resources. The President reiterated what conservationists had long advocated—national leadership buttressed by the effective cooperation of State and local governments.

Although the variety of public works is as great as the needs and demands from which they spring, no field is so latent with opportunities for satisfying need and demand while at the same time greatly contributing to our continued growth and prosperity as the field of water resources and control. But, as the President pointed out, our bountiful supply of water is not a "blessing we can regard with complacency." By 1980 experts predict that demand for water will equal the available supply of 600 billion gallons a day. Repeated reuse will then become a necessity. We are faced with an unprecedented population explosion, and an accelerated and changing industrial technology, which together will combine to impose greatly increased demands for water. The challenge is then one of wise conservation and control of our water resources in order to adequately provide for our anticipated needs.

What is true in regard to the quantity aspects of our water supply is of greater import when considering its quality aspects. "Pollution of our country's rivers and streams," warned the President, "has reached alarming proportions." The protection and control of water quality, therefore, constitute the key to effective conservation and control of water resources.

The Federal role in water quality control is most adequately expressed in the provisions of the Federal Water Pollution Control Act. This session of the Congress enacted the legislation which I sponsored to improve and make more effective the Federal water pollution control program.

H.R. 6441, the Federal Water Pollution Control Act Amendments of 1961, was approved by President Kennedy on July 20, 1961, as Public Law 87–88.

The amendments provide for intensified research, augmentation of low flows to control water quality, increased financial assistance to the States to aid them in administering their water pollution control programs, increased financial assistance under improved provisions to municipalities to stimulate construction of waste treatment works, and extension of Federal authority to enforce abatement of pollution to all navigable as well as interstate waters.

Of particular importance are those provisions of the act which deal with grants to assist municipalities in the construction of waste treatment facilities. Wholly lacking in glamor and public appeal, these needed public works too often lose out in the competition for local funds to more attractive projects, such as parks, schools, libraries, et cetera. Federal grants are admittedly a device to stimulate community interest and support in providing these essential facilities.

The 1956 Federal Water Pollution Control Act authorized individual grants in the amount of 30 percent of the estimated reasonable cost of construction or $250,000, whichever was less. Appropriations for this purpose were authorized in the amount of $50 million annually within an aggregate sum of $500 million.

The success achieved by the application of this limited amount of Federal participation is undeniably impressive. In the first 5 years of operations under the 1956 act, grant offers were made for 2,746 projects. The total estimated cost of these projects is $1,292.9 billion and compares favorably indeed with the $225 million of Federal grants funds responsible for spurring this number of projects. This means that each Federal dollar has been matched by almost 5 local dollars. Of the 2,746 projects, 1,580 are completed and in operation and 710 are currently under construction.

All are aware, I am sure, of the sad neglect in the field of waste treatment works construction for more than 50 years. As a result, a backlog of needed projects has been built up which even these impressive figures have hardly touched. The Conference of State Sanitary Engineers reported that as of December 31, 1960, a total of 5,127 projects, including new plants, enlargements, and additions, are needed in communities serving 42 million people. This is the current need and does not take into account the growing needs which will develop as our population increases and as existing plants become obsolete.

Very obviously, the rate of progress we have been making—although markedly improved—has not been sufficient. Effective cognizance was taken of this fact by the new amendments to the act. While retaining the existing 30 percent limitation on individual grants, the previous ceiling of $250,000 has now been raised to $600,000. In line with this individual project ceiling increase and to afford financial assistance to a greater number of communities, the annual appropriation authorization for grants funds is increased from the former $50 million to $80 million for fiscal year 1962, $90 million for 1963, and doubled to $100 million each year for the subsequent 4 years. The objective of these provisions is to stimulate waste treatment works construction to the average level of $600 million annually—the level necessary to deal with the problem.

The spilling over of our cities and towns into the suburbs and the mercurial growth of satellite communities is given recognition by the act's provision which enables two or more communities to join together in constructing a waste treatment facility to serve their mutual needs. Each community is eligibility to receive its own project grant based on its pro rata share of the total estimated reasonable cost of construction subject to an overall limitation of $2,400,000 of grants

funds to be awarded to any single multimunicipal project.

To promote the fullest use of appropriated grants funds, the act provides for reallotment of any such funds not obligated by a State within 18 months because of a lack of projects in that State among States which have a waiting list of projects. Such funds may also be used for making an additional grant for a project for which the need is due in part to Federal institution or construction activity in the community.

These are the act's specific provisions in regard to waste treatment works construction. Substantial impact in this same field is anticipated to result as well from the application of the enforcement authority provided in the act. Federal authority to enforce abatement of pollution now extends to all navigable as well as interstate waters. In 13 instances, where the Federal enforcement procedures have been brought to bear to abate interstate pollution, remedial time schedules have been established involving construction of treatment facilities amounting to $500 million. This figure will undoubtedly rise in direct proportion to the vigor of Federal enforcement activity.

Public Law 87–88 is the statutory basis for launching a concentrated effort to prevent the discharge of untreated or inadequately treated sewage wastes into our waters. Its provisions combine to comprise a public works program of the first magnitude. It was deservedly hailed as the first major conservation measure successfully put forth by the administration. Its success is vital to the health and welfare of our citizens and to our continued economic growth.

The unrealistic no new starts policy of the past 8 years is happily laid to rest. The budgetary yardstick which dictated this policy, while still importantly considered, no longer predominates over other considerations affecting the wise and orderly development and conservation of water resources. Instead, a strengthened Federal-State-local partnership is being forged to act in the best interests and benefit of all—to secure for ourselves and to preserve for the future the maximum use and enjoyment of Nature's bountiful heritage.

The Politics of Tax Reform

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CURTIS of Missouri. Mr. Speaker, one of the important legislative questions of the 1st session of the 87th Congress was that of tax reform. Extensive hearings on this subject were held by the House Committee on Ways and Means, based upon the proposals of the President in this field. At a recent meeting of the Economic Institute on Tax Reform of the U.S. Chamber of Commerce, I had the opportunity to discuss the bases of tax reform and its politics. Because of the current interest in this matter and its prominence before the Congress, I should like to place my statements in the RECORD:

REMARKS OF THE HONORABLE THOMAS B. CURTIS, REPUBLICAN, SECOND DISTRICT OF MISSOURI, BEFORE THE UNITED STATES CHAMBER OF COMMERCE, ECONOMIC INSTITUTE ON TAX REFORM, WASHINGTON, D.C.

THE POLITICS OF TAX REFORM

Tax reform is like the weather. Everybody talks about it, but no one does very much about it. Indeed, taxes, although a human creation, seem to follow rigid laws that are beyond the power of human control. The old adage, death and taxes escape no man, bears out this observation. Taxes are the essence of government, and government is the essence of organized society.

How do human beings reform something that is inhuman? By appealing to the inequities of it? I doubt it. I don't believe there is equity in taxes any more than there is equity in fire or weather or any natural force.

The only sound appeal for tax reform is inefficiency of a specific tax or inefficiency in a tax system: (a) A tax may become too costly to collect; (b) a tax may become so burdensome that a government which seeks to enforce it falls in the process; or (c) a tax may bring about economic or social damage.

The equity of a tax is a subjective thing. This subjective thing becomes important because it bears upon the efficiency of collecting the tax. Our tax system is largely a system of voluntary collection. A voluntary system is the most efficient of all tax systems and should always be the goal of tax legislation. Some people smile when that observation is made, as the various penalties for tax evasion come to their minds. However, I submit that the penalties in our tax system operate mainly to assure our people that everyone pays his taxes and those who try to evade taxes do suffer the consequences. However, a tax system that fails to adjust for inequities results eventually in an involuntary system of collection, because of the prevalent feeling that everyone does not pay taxes.

Taxes follow the law of inertia. It is difficult to put a new tax law on the books. It is equally difficult to remove a tax law from the books. This is particularly noticeable in the Federal excise tax system which is selective. There really is no rhyme or reason about which products or services bear a Federal excise tax, except the efficiency with which the Government can get revenue. It is costly to put a new tax into effect. The longer a tax is in effect, however, the more efficient it becomes. Also, the longer a tax is in effect, the less economic and social damage it causes, because people learn to live with it. The wound heals over, a scar is formed, and pretty soon even the itching ceases and, only in bad weather, does one receive a twinge of pain.

There are three types of tax reform. One type of reform relates to the basic tax structure and is based upon political and economic theory. The other two relate to specific tax laws and are based upon immediate social and economic impacts.

I shall first briefly discuss the politics of specific tax reforms and then proceed to discuss in more detail the politics of basic tax reform.

The two types of specific tax reform are:

1. Those based upon appeals to efficiency, which include equity.

2. Those based upon appeals to produce or to eliminate economic and/or social results.

I think any government, whatever may be its basic tax philosophy, if it is wise, will listen to appeals to tax reform based upon efficiency and upon equity. Too often tax reform is pushed in the guise of equity, when the real argument relates to some alleged undesirable social or economic impact the tax creates. It is helpful to keep the two arguments separate in pushing through tax reform, although sometimes it is difficult to do so.

Let me illustrate. Quite a bit of political action has been directed toward eliminating the Federal communications excise tax. It is argued that the tax is inequitable because other goods and services are not taxed. It is also argued that the tax was put on as a temporary war tax. These appeals to equity are inconsequential because they have little bearing on the efficiency of collecting the tax. Unfortunately, in many respects the communications tax has proven to be an efficient tax; what inefficiency there may be stems from the inflationary impact it has, resulting from its multiplier effect on prices as it is passed on, marked up, through the entire business process and ultimately paid for by the consumer. I suspect that the consumer pays 50 percent more than the Government receives in revenue.

It is possible to organize politically to successfully change a specific tax without any sound reason at all, but this has to do with the techniques of lobbying and other political action. I have seen this done on many occasions, and admired the techniques, but I have always doubted whether the cost and the effort were really worth it. Certainly, the damage to the legislative process more than outweighs the benefits. However, it is less costly to organize politically to change a specific tax if it is based upon some sound reasons and, if the reasons are sound enough, it costs little or nothing.

It requires little effort to get a tax changed if a good case for its efficiency is made. This is one reason it is important politically to separate economic and social reasons from reasons of inefficiencies and pure equities. All that is required politically, in this instance, is to call the matter of inefficiency or inequity to the attention of a Member of Congress or any proper person in the Treasury Department.

It requires more political effort to get a tax changed based upon arguments of alleged undesirable social and economic impact. It is for this reason I suspect that many instances where a good case could be made on the basis of an undesirable economic impact, such a case was not made, but rather, an unsustainable appeal to allege inequities was made in its stead. However, this is a dangerous risk to take, because those who are not in agreement about the undesirability of the social or economic impact are left free to expose the inadequacies of the appeal to equity or inefficiency, and never have to answer the adequate arguments pertaining to social or economic impact.

Let me illustrate. The tax credit and exemption for dividends paid upon stocks is usually defended upon the grounds that it is inequitable to tax stockholders twice on corporate earnings. Well, this argument cannot be sustained, as it relates to efficiency of tax collections. This tax reform was placed in the code in 1954, not on the basis of any equitable consideration, but rather, on the basis of equalizing the tax impact on new equity with that of debt and retained earnings to finance corporate economic growth. Actually, if this matter were fully understood by the public, I think the political effort necessary to retain this reform in the law and, indeed, to enact the next two steps as originally planned would be very little.

Indeed, I might make this observation about most legislation, particularly tax legislation; the primary political effort needed is to inform the public of the truth of the matter.

The double taxation of dividends, however, has been argued to the public on the basis

of equities. There is little doubt in my mind which side has won the equity argument. It has been won by those who say, "What's inequitable about taxing stockholders twice?" We have a graduated income tax which taxes the investing class, who are the higher income brackets, as much as five times as much as wage earners. Frankly, I am still looking around for help in getting across the economic argument to the public. Indeed, I sometimes think I will convert Walter Reuther to the importance of not giving tax favoritism over new equity financing to retained earnings and debt financing before I get Keith Funston to understand the political wisdom of appealing to economic argument instead of equities.

The political problem of urging tax reform related to social and economic impact is complicated by the fact that not all people believe that a tax system should strive for social and economic neutrality. There is a growing school of political economists who argue that we should use our tax laws deliberately to bring about social and economic results. I shall discuss this later in relation to the politics of basic tax reform, but it must be alluded to at this point because arguments for specific tax reform to achieve better neutrality fall on many deaf ears today.

It is a very difficult political problem to deal with, because seldom do these people openly reject the theory of tax neutrality. Indeed, they give lipservice to it.

Another political problem we run into in trying to bring about tax reform to alter economic or social impact is that, unlike appeals to tax efficiency, these reforms, if enacted, often produce immediate losses of revenue. Unfortunately, the Treasury Department still computes revenue on the limited annual formula of tax rate times the specific tax base set out in the code. Apparently the revenue officials are not yet ready to try to compute the changes in tax bases, resulting from economic and social changes, or to recognize that a high tax rate can be a contributing cause to a lower tax base and, conversely, that a lower tax rate can contribute to a larger tax base. Not having reached these points, of course they don't consider the further refinement that the factor of tax collectibility decreases as the tax rate increases and the base narrows, and increases conversely. In other words, as the rate rises and the base narrows, the collectibility shifts markedly from the efficiencies of a voluntary system to the inefficiencies of an involuntary system. The costs of tax collection rise, and so the net revenue return is lessened.

Until the Federal bureaucracy charged with administering our tax laws and having great power over any tax reform reaches the point of understanding the economic laws of taxation, it is very difficult to get through tax reform on appeals to undesirable economic impact of a particular tax law. It is time our citizens realized that the Federal bureaucracy is the strongest political party in America today. It is much stronger and more effective and, in certain ways, better organized than the two better known major political parties—the Republican and Democratic—particularly in technical fields like taxation.

It has always been my advice, and it remains so today, to people who want to get through tax reform—lay off the members of the Ways and Means Committee and concentrate on the nameless members of the bureaucracy. I can assure you when I try to get reforms through, that is where I begin.

As a conservative, I am happy about one thing. The bureaucracy is unsympathetic to tax reform to produce economic and social results just as much as it is apathetic to appeals to reform to produce tax neutrality. They are for the status quo except in respect to inefficiencies. Their guiding star is immediate revenue, and they compute it by applying the tax rate to what has been the tax base. Tax revenues to them are the resultant of the rate and the base set out in the code and are apart from a changing economy and changing social structure except as the results of the preceding year make their mark. To this extent, they are allies on the side of tax neutrality.

I now want to turn to the politics of basic tax reform. It centers around basic economic and political philosophy. I think it is time that those who advocate basic tax reform, and I do, realize that they are in fundamental disagreement with a more powerful political force. I do not want to get into a discussion of how to become politically active, although this is really the subject involved in discussing what barriers there are to basic tax reform, how insistent are the pressures for reform. A PAC (a political action committee) or a COPE (a committee for political education) constitute some of the basic barriers to basic tax reform, and the lack of a PAC or COPE on the side of reform indicates the weakness of the pressures for reform.

There is no acceptable reason that the political force opposed to basic tax reform should be more powerful than the political force in favor of reform. There are many explanations, however. The basic explanation lies in the fact that those opposed to basic tax reform give lipservice to basic tax reform. Those opposed to basic tax reform give lipservice to the theory of tax neutrality and, yet, seek constantly to use tax policy to produce specific economic and social results. Those opposed to basic tax reform give lipservice to the theory of expenditures trimmed to the amount of tax revenues to be anticipated from a sound tax structure and yet they deliberately seek to have the Government spend, in complete disregard for anticipated revenues. Those opposed to basic tax reform give lipservice to a balanced budget, at least over a business cycle, if not annually. Yet these politically adept groups have this year successfully promoted unbalanced budgets in years of anticipated prosperity.

In other words, we are engaged with opponents who avoid open public discussion and debate. They have gained their political power through pretending to agree when they disagree. They have not been frank with the people of this country.

It is difficult to have any tax reform under items 2 and 3 when we have high expenditures and a large public debt, because the demand for revenues is so pressing. If tax rates were lower and tax bases broader, we would implement many reforms without having serious economic or social impact. But, with high taxes, it is almost impossible to make any reforms and to attain tax neutrality. The basic law of inertia applicable to taxes works against change. Taxes to our economy are like speed to a ship. If the rate is low, a heavy application produces little change in direction. However, if the rate is high, the slightest touch of the rudder alters the direction. The Keynesian economists, who are opponents in this struggle, depend upon high taxes in order to implement their economic ideas. Without high taxes, governmental fiscal policy would be largely ineffectual in implementing social and economic ends. It is also noteworthy than without a large Federal debt governmental monetary policy would lose much of its power. Therefore, deficit financing is a part of their scheme of things. They do not, as a matter of policy, wish tax revenues to exceed expenditures, except for short periods, in which it is difficult to plan sufficiently ahead to avoid.

The Keynesian political economists don't want basic tax reform. The graduated income tax with rates up to 91 percent and the corporate tax of 52 percent are essential for them to accomplish their aims. So are the differentials essential to their schemes. These differentials include the 25-percent capital gains rates and the rates of so-called loopholes. These people do not believe in tax neutrality. They seek to use the tax structure to regulate and direct the economy.

These people are fundamentally opposed to the approach of the Baker-Herlong bill, not because the Baker-Herlong approach is not good tax reform, but because it will place our tax structure strongly back into a position of neutrality.

Tax is the basic feature of government. Why is it so hard to realize that those who sought to change our form of government looked to reforming this basic feature? Why is it so hard to realize that they will fight to the utmost, using any methods, any attempt to alter the basic change they successfully brought about in our tax structure?

The politics of tax reform, gentlemen, are wrapped up in the politics to preserve both the private enterprise system as well as the representative form of government.

We will have no basic tax reform next year, or the year after next, or the year after that. We will only have basic tax reforms when we expose to the people of this country what the true philosophy of the proponents of high taxes and high Federal debt truly is. Then let them defend their philosophy openly before the people, with all the sincerity that they possess, that a highly centralized form of government which plans the economy and social goals for our people is superior to the system of government and economics under which the harvest that we have been reaping the past few decades was planted and tilled. Let them not tell the people that the harvest we are reaping today is of their planting and of their cultivation. Those who have gone before us into the great beyond planted and cultivated the good harvest we are reaping. We have to look ahead into the next decades to visualize what we have planted and tilled for the next generation to reap.

People say to me, "Well, if this has been going on for many years, and it is in fundamental error, as you suggest, how have we withstood it? You are always saying we lead the world in economic and social achievement." Part of my answer is my prior observation. The other part of my answer is this: The representative system of government and the private enterprise system of economics are much tougher and sounder than anyone, its supporters or detractors, had suspected. It had to be in order to have withstood the abuse it has been subjected to over the past years.

But its resiliency is being depleted. We have weakened its regenerative process through our tax laws, in the discouragement of individual initiative. Time is running out on us. We must learn the politics necessary to effect basic tax reform and, in this knowledge, take political action.

Let's Listen to Latin America

EXTENSION OF REMARKS

OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. DADDARIO. Mr. Speaker, a friend has recently drawn to my attention an article in the Harvard Business Review relating to programs of aid to underdeveloped nations, with particular reference to our preparation for assistance to Latin America.

I found this a most stimulating article, and one that expresses well the need to understand the people we want to help and the need to learn from them while we are helping. I should like to summarize for the RECORD some of the major points of this article, "Let's Listen to Latin America," by Charles H. Savage, Jr.

Mr. Savage spent the better part of a year in one of the Latin American nations and was preparing to return to the United States when he was asked how the United States could be of aid to that country. Mr. Savage had talked to men with a wide range of opinions while he was in Latin America—government officials and labor people, clergymen, and Communists, industrialists and factory workers, university professors, and peasants on the land. Based on his notes, his article tries to answer his friend's question, in such terms as to contribute a positive note to American thinking.

Help, in his opinion, requires an understanding of how a recipient nation, as a complex social entity, may be equipped to receive such aid, as well as understanding how the assisting nation may shape its aid most effectively. For, as he warns:

> Helping and being helped are among the more complex human activities, exacting the greatest psychological cost and demanding the most intricate social skill.

He notes instances where concern over nationalism, national dignity, and national sovereignty has been a factor in incidents as well as government decisions in recent months. And he suggests that a Latin proverb, "May the good Lord repay you" can be instructive in explaining attitudes whereby one is likely to regard a gift as something between the giver and his Maker or his motivations, rather than between the giver and the given. Similarly, he suggests that attitudes among the giving may lead to a wish to step in and follow through to see that gifts are effective, rather than a gift being merely the discharge of a desire to be helpful on the part of someone able to give.

It is vitally necessary to understand poverty and its psychology if we are to understand charity as well. Mr. Savage devoted a portion of his article to discussing one instance of poverty among boys wandering the city streets. And he makes a telling point that such poverty exists and has existed until people have tried to inure themselves to it, to overlook it, rather than deal with it.

> Poverty is the poor relation living in the house of the family of American nations that we don't wish to talk about. It makes us uneasy, and it is to the nature of this uneasiness that I wish to address myself.

Mr. Savage believes that "an effective remedy to the problems of such backward nations can spring only from accurate description."

Such description cannot result from introspection or elaboration with those who share the same views or intellectual debate that skirts the necessary action. It must probe the sensitive spots where the disease lies, do it sensibly and intelligently rather than through overstatement and exaggeration. Yet he thinks this is what we are not doing and he asks:

> Are we subject to some reverse obsession on the international cooperation front that is rendering realistic description and diagnosis difficult, and that is producing, consequently, a remedy that falls short of the mark?

He analyzes and quotes people among the young and idealistic with whom he talked. These quotations illustrate the longing for change and the willingness to follow the Communist path. He also illustrates the defensive attitudes of the elders, who often express the frustration of unsolved problems:

> It is also understandable that in mulling over poverty and trying to work through to some position on it—just as generation after generation in the past has tried over and over again to cut through the never completely solved issues of the alleviation of human misery—youth should communicate something of reproach and threat to the older hands—to the teachers, priests, business leaders, parents, politicians, and foreign-aid specialists to whom the stewardship has passed. And perhaps, down deep, the oldsters—they who once had such bright hopes and who, human beings operating in an imperfect world, at least tried—believe that their efforts merit from the youngsters, if not appreciation, at least understanding.

This exchange between the poverty-stricken and the comfortable, between the young and the elders, has led to a breakdown in communications and a frustration of policy. Resistance develops and leads to hostility, "the more hostile and the more silent because they had such love and such high expectations for those that they now face across the chasm of misunderstanding. As unrelieved obsession turns to hysteria, the one faction turns to thoughts of violent solutions to the unrelieved tensions, and the other draws tight at the prospect of possible attack and destruction."

Mr. Savage concludes his diagnosis by pointing out that many emissaries to underdeveloped lands sense these social signals of distress and may be infected by a hopelessness that any form of cooperative action can be developed. But he cautions that this must be counteracted by a willingness to analyze critically what is needed and apply the skills necessary:

> The United States has a great heritage in the management of its internal differences which history may one day cite as our major contribution to our age. We had to develop such skills as a condition of national survival. However, the existence of these skills is sometimes obscured by the waiting list of differences to which they have yet to be addressed.

South America felt no need to develop such skills, and did well under the circumstances. But Latin administration can improve its range of skills, to gain in economic development and to do so within the framework of their own traditions. An outsider who understands the problem can help by providing a new model of administrative flexibility responding to divergent viewpoints, willingness to encourage constructive solutions through effective conversation and ultimately to secure cooperative action. By his comportment, he may teach. In the sections in which Mr. Savage analyzes the oversea administrator, lie some of his most important lessons, and I offer them here, with his conclusions:

BEHAVIOR MODEL

The outsider whose manner and behavior is such that he can practice the skills described is doing more than contributing to the solution of the substantive problems that bring him to those lands. He is providing a new model—where none previously existed—of administrative behavior by which divergent viewpoints may be responded to, effective conversation entered into with purposes other than rebuttal, and cooperative action secured among those able to handle the task. By so doing, he inoffensively invades the sphere of internal politics, sacrosanct up to now but always in the background of every commercial conversation.

By his comportment, the oversea administrator teaches the lesson that to hear out and to reflect understanding and respect for the speaker is not necessarily an affirmation of agreement and support but serves secondary purposes. He paves the way for the emergence of less extreme positions by helping to drain off some small part of the unrelieved tension of the nationals, in the meantime educating himself and improving his capacity to distinguish the rough outlines of the many-faceted social system within which he will temporarily be at work.

But most importantly, in his own small way, the oversea administrator is offering his hosts access to the vast storehouse of national wisdom that we have slowly created out of the range of differences that history has thrown at us for management. He is providing a visible example of a different sort of interpersonal behavior, an approach that his local associates may wish to "try on for size" in their own future interactions.

To behave in this manner calls for a great deal of sophistication and understanding. Such behavior is based, among other things, on the recognition that no one is above emotional involvement and on the willingness to include the factor of this personal involvement in estimates of what is taking place. The fact that these allowances must be made while the administrator is preoccupied with adjusting to a strange setting and with accommodating the normal bureaucratic or organizational pressures to protect the mission and its personnel demands both a special type of maturity and a special type of backup support from the home office. Yet Americans have a tradition of rising to special circumstances, and what I have described seems to be the role demanded of those who will carry our private and governmental assistance programs overseas in the years ahead.

Furthermore, I am convinced that our oversea people are now prepared to move beyond the preoccupation with personal adaptation described in the culture-shock school of thinking; that is, the primary focus on the unsettling sensation, even mild panic, that results when the individual—set down in a different culture—finds that the behaviors which previously gained one set of responses no longer work as before, or even beget a completely different set of responses. I believe the passage of time has largely laid this ghost to rest. If I am wrong, let me point to the therapeutic values inherent in becoming absorbed with assessing the way the foreign society has achieved some resolution of the problems that beset it.

Probably the greatest demands in an assistance program are those made of the home office—be it Washington, D.C., Wall Street, or one of our industrial centers—for support and toleration of a wider and sometimes frankly exploratory range of behaviors on the part of its oversea personnel. To

provide lessons on the management of differences, the oversea administrator must himself come from an atmosphere in which differences are effectively managed, and there must be someone at home with whom he can candidly share his burden of somewhat strange impressions and reactions. His assignment must be a flexible and supportive one if, of itself, it is not to interfere with the accomplishment of his mission.

For somewhat similar reasons I would urge that we not send members of the President's Peace Corps abroad with an obsession to be helpful. I am sure that they will be more helpful in the end if they set out with the more relaxed intent of looking and listening, studying and learning, and being helped.

CONCLUSION

What I am talking about is a new dimension of technical assistance which in a sense is preliminary and basic to the foreign aid we are now providing. Its essence is administrative skill in the management of differences—an area in which we have more experience and knowledge than we realize. Its execution resides in the transmissions of these skills to Latin administrators (fellow Americans, too), in a setting of genuine respect which cannot fail to come about if, using our powers of discrimination and concentration, we tune in on the problems to which these people address themselves and marvel at goals which they have set and the accomplishments they have already achieved.

No man so fired the imagination and commitment of many Latin nations as did Simon Bolivar. After Bolivar had committed his personal fortune to the causes he struggled for, he concluded that there was another dimension of aid that he could offer his countrymen. His statement might well serve as a rallying cry for those who are interested in the development of these lands:

"I wish I had a material fortune to give to everyone of my countrymen; but I have nothing. I have nothing more than a heart with which to love them, and a sword with which to defend them."

Frank L. Boyden, of Deerfield Academy

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. McCORMACK. Mr. Speaker, there is little of praise and admiration that remains to be spoken of the character and personality of Dr. Frank L. Boyden. All too often, in contemporary speech, in search of eloquence, there is a tendency toward the careless and therefore meaningless overuse of superlatives in recognition of the events and personalities of our times.

There are few superlatives which remain to be spoken of the gentleman from Deerfield Academy, and there are none that have been said that are not fitting and proper.

I have never read, nor could I ever deliver, words which would adequately reflect the regard which I personally have for Mr. Boyden. The very qualities which endear him to his multitude of friends and which earn for him the unstinted respect of his contemporaries, defy commitment to words. Words alone are not enough. To know and appreciate the true character of the headmaster and his great school, one must know them personally.

I have known Frank Boyden and his work for far more years than I or he perhaps can or would remember, and I never cease to wonder at and be amazed by the dichotomy of his accomplishments. It occurs to me that without the slightest hint of insincerity, Frank Boyden is genuinely and ably, everything to everybody.

Reference is often made to the Deerfield Academy motto, "Be Worthy of Your Heritage," as symbolic of the character of the school and the colorful town in which it is located. To me, it is not enough to recognize this fact alone, for indeed, Mr. Boyden himself is a very significant part of his heritage which his motto commits to our attention. While he personally would be the last to recognize and acknowledge such a fact, and perhaps would even unassumingly deny such a comparison, Dr. Frank Boyden is the very personification of the spirit of the New England Yankee. The spirit which is, in fact, this heritage. His life and deeds, to which we all pay tribute, are an integral part of this spirit, a spirit not only characteristic of New England, but of our great Nation as well.

As a Member of Congress, a citizen, and a personal friend, I am sincerely pleased and honored to add my praise and congratulations to the remarks that have been said of this true gentleman, and great American, Dr. Frank Boyden, headmaster of Deerfield Academy.

The Federal Role in Education

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BARRY. Mr. Speaker, never before in our history has there been so widespread appreciation as there is today of the importance of education in our national life. Today, there is a general realization that the future of our Nation and our Western civilization directly depends upon the quality and availability of educational opportunity. There is the great awakening to the realization that our national survival—and the survival of free institutions everywhere on earth—depends upon the product of schools and colleges in the free world.

When considered in this context, it is enormously important that every one of us—and particularly those who formulate education policy in our State legislatures and in the Congress—are directed toward strengthening and improving the American system of education.

In reaching this objective, I believe certain principles to be sound and progressive and summarize them as follows:

First. The basic responsibility for providing education rests with the State government, communities, and private groups; and Federal control or direction of education must be avoided at all costs.

Second. There is a continuing but increasingly profound national interest in education which makes it appropriate for the Federal Government to assist in strengthening and improving education.

Third. Federal programs, therefore, must be designed to assist States and communities and public and private institutions of higher education to overcome educational needs which must, in the national interest, be fulfilled, but which oftentimes State, local, and private action alone is insufficient to meet.

Fourth. The role of the Federal Government, therefore, is to assist States and communities and educational institutions to meet educational needs without weakening State, local, and private responsibility and without substituting Federal funds for traditional sources of educational revenue. We should make dead certain that Federal aid stimulates additional educational effort.

I. THE EISENHOWER POLICY

During the Eisenhower administration Federal policies based upon these principles have worked remarkably well to improve education. Inherent in these principles is the assumption that once our citizens understand the needs of education they will make the necessary decisions to supply those needs. That is why the 83d Congress in 1954 approved Mr. Eisenhower's request which launched a national program of State education conferences that led to a White House conference in December of 1955. During this year far-reaching effort—in which all 48 States and 4 territories took part—500,000 citizens met in over 4,000 State and local education conferences to discuss school needs and to make recommendations for action at every level to meet those needs. This culminated in the White House conference at which 2,000 educators and interested laymen from every State and territory met to pool their accumulated knowledge and to make recommendations.

One of the principal recommendations of the White House conference was that the Federal Government undertake a program of temporary assistance to States and local school districts to help overcome the shortage of public school facilities which had accumulated as a result of 20 years of depression and war followed by a huge upsurge in the birth rate. It was agreed that the States could meet their current needs for additional facilities if they could once overcome this shortage. Otherwise, it was apparent that a whole generation of schoolchildren would suffer the adverse effects of overcrowded classrooms, double shifts, and antiquated facilities. Accordingly, the President—Eisenhower—recommended that the Congress authorize such Federal assistance over a period of 4 or 5 years. He made this recommendation and submitted his program to the Congress in 1955, 1956, 1957, 1959, and 1960. During all these years the Democrat-controlled Congress delayed this action. Year after year the

Democrats turned down the President's proposals to aid education.

Had the President's recommendations been accepted in 1956 or 1957, it would have meant that the classroom shortage—142,000 elementary and secondary public school classrooms in 1960—would have been eliminated by now.

In 1956, Mr. Eisenhower appointed a committee to study the needs of education beyond the high school level. From the work of this committee—headed by a distinguished citizen of New York, Devereux C. Josephs—and out of the continuing studies of the Department of Health, Education, and Welfare, there was developed the recommendations that the President—set forth in a special message to Congress—which led to the enactment of the National Defense Education Act of 1958. This act authorized a variety of interrelated programs designed to assist States, communities, and institutions of higher learning to strengthen and improve education in ways important to the national security. The National Defense Act of 1958 was designed with these specific objectives in mind:

First. Encourage able students to go to college and remain in college by making financial assistance available to those who need it, thus lessening the appalling loss of talent caused by able students dropping out of academic work after high school graduation. Between the spring of 1959 and June 30, 1961, 230,000 young men and women received substantial loans under the student loan program of the NDEA. In addition, 4,000 3-year graduate fellowships were financed under the terms of the NDEA.

Second. Improve counseling and guidance services available to schoolchildren and to extend modern testing techniques so that we can identify able students and encourage them to complete their education.

Third. Improve instruction—and facilities and equipment—in modern foreign languages, science, and mathematics in our elementary and secondary schools; and to increase our knowledge of vital but little-taught foreign languages at the college level.

Fourth. Expand programs of graduate education in all fields in order that we may have an adequate number of fully qualified college teachers.

Fifth. Stimulate additional research in the educational use of modern techniques of communication.

Sixth. Assist in the development of area vocational schools within States devoted to the training of technical and scientific personnel at a subprofessional level.

Seventh. Expand the science information services of the National Science Foundation.

Eighth. Improve State educational statistics services.

These programs are helping educators and others to do a better job in meeting pressing educational needs. They are proving extremely successful and worth while in their fourth year of operation. The National Defense Education Act embodies and exemplifies the Republican philosophy of helping education to do its vital job without Federal control, and without Federal invasion of State, local and private responsibility. The House in this, the 87th Congress, wisely extended the existing provisions of the 1958 act for another 2 years.

What else has the Federal Government done in education under a Republican administration? Let us look at a few representative items:

First. Under an act of the 83d Congress—the Cooperative Research Act—the U.S. Office of Education spent over $3 million in 1960 to finance research in basic problems in education; in learning, in effective teaching techniques, in the education of superior and retarded students, and other basic professional education problems.

Second. The vital educational programs of the National Science Foundation—fellowships and science teacher institutes—have been enormously expanded. Federal expenditures for these purposes were less than $3 million annually in 1953 to over $60 million in 1960.

Third. The budget of the U.S. Office of Education has been increased from less than $4 million annually to over $12 million in 1960, and the work of that office has been greatly strengthened.

Fourth. Overall, Federal expenditures in support of education at all levels—exclusive of expenditures for veterans' education and training which naturally became less in the last few years—have been substantially increased. For example, in 1950–51 the Federal Government spent about $800 million for programs in support of education, exclusive of the GI bill costs. By 1956–57, these expenditures had increased to $1.2 billion, excluding payments to veterans and, Federal expenditures continue to rise.

In 1960 Mr. Eisenhower recommended a school construction program under which the Federal Government would annually pay one-half the principal and interest coming due on $3 billion of school bonds issued by local school districts that need schools and need financial help to build them. The States would pay the other half of the costs. These Federal payments would stretch over the 20- to 30-year life of the school bonds, but would enable the districts to build the schools within a 5-year period in which the Federal-State commitments would be made. This proposal was rejected by the Democrat-controlled 86th Congress despite its obvious merit.

Another of Mr. Eisenhower's recommendations which did not receive enthusiastic support was one designed to assist institutions of higher learning to build the dormitory and classroom and other facilities they must have to accommodate the virtual tidal wave of college enrollments during the next few years. At present, Federal assistance is limited to low-interest loans for dormitory construction only—college housing loan program—made available under the Housing Act. The proposal sponsored an outright Federal grant of 25 percent of the cost of construction of all types of college facilities. None of these programs or proposals would put the Federal Government in the position of taking over responsibility for financing education. They are designed to help and encourage State and local governmental and private agencies to do this job—as they have traditionally done it.

II. THE KENNEDY POLICY

How does the Kennedy approach differ from the Eisenhower policies in education? Basically, they differ in this way: The Kennedy program would commit the Federal Government to paying a substantial and permanent share of the cost of education in every State—regardless of whether the State itself is meeting educational obligations.

This is not in the best interest of education for several reasons:

First. It is completely unreasonable to believe the the Federal Government would undertake this financial responsibility on a permanent basis without also, sooner or later, assuming an equal responsibility for the administration, control and direction of education.

Second. It would weaken the basic support upon which our public schools must depend—the financial support of local and State government. Any such massive and permanent Federal intervention in education would effectively shift the financial responsibility from local and State sources. This could not help but impede efforts and initiative to make the necessary decisions on a State and local level to adequately support education. Even worse—the real strength of our system of education is in the interest and understanding of citizens at a local level which results in their resolving to take the necessary steps to have good schools.

Mr. Kennedy has cited classroom shortage as a major issue in proposing his aid to education program. A glance at U.S. Office of Education figures reveal a reduction in classroom shortage from 370,000 to 142,000 between 1954 and 1960 without benefit of a Federal aid program. In addition, the population projections of the Census Bureau indicate that the peak of educational needs in terms of population growth has already been reached, and that this ratio will decline during the next decade. In proportion to our population growth, attendance at public elementary and secondary schools has been decreasing, while college school attendance has been increasing.

The President's program also provides an opening wedge for Federal control over teachers' salaries. This, despite the fact that during the past 30 years teachers' salaries rose by 106 percent as compared to 91 percent for all persons working for wages and salaries and only 73 percent for government civilian employees. It also must be recognized that a large proportion of our public school teachers are women and all surveys on the subject show that women teachers average higher earnings than other women college graduates or professional workers.

Our public schools have increased their teaching staff proportionately faster than enrollment and the number of pupils per teacher has been consistently reduced. Since 1900 the number of public school pupils rose 140 percent, the number of teachers 250 percent and

the pupil-teacher ratio was reduced by 11.2—from 35.6 pupils per teacher to 24.4 for 1960–61. If the percentage of college students seeking a teaching career merely remains stable over the next decade, the number of newly graduated teachers will almost double. Pupil enrollment, on the other hand, will increase far less—20 percent as compared with a 46-percent rise during the last decade.

The President claims that his proposal is designed to give aid to those who need it most. The facts of the matter are quite to the contrary.

Out of 45 States that replied to a questionnaire dispatched by the Office of Education in 1959, 15 States reported having districts, which, although needing additional classrooms, had reached their borrowing limits and had no access to other funds. There were 237 such districts, most of them small, out of a national total of over 40,000 districts—a showing that only one-half of 1 percent of all the school districts in the Nation, legally lacked financial means to build needed schools.

In the few school districts where classrooms were needed and where the districts were borrowed up with no access to State or other funds to build them, there is sometimes a mere appearance of having reached a legal tax or debt limit by assessing property at a fraction of traditional value. Most legal restrictions on taxes and public debt were imposed by the people themselves or by their elected representatives, and can be amended or repealed by the same process.

It is interesting to note at this point, that the percentage of bond issues approved in public school bond issue elections reached a record high of 82 percent in 1960 as compared to 61 percent just the year before. During January, 1961, $157 million of school bond issues out of $170 million were favorably voted upon—92 percent. Annual new educational construction has almost tripled since 1950.

Under the Kennedy proposal, high income States will pay the largest share of the cost of his program and receive the smallest allocations despite the fact that they represent the greatest increase in school enrollment. On the other hand the low-income States that will contribute least to financing the program and receive far larger sums in their allocations—have had the smallest growth in pupil enrollment.

For example, our own State of New York, according to the Office of Education's 1960 survey, has a net schoolroom need of about 10,200. Texas requires 809 new schoolrooms. During the 3-year initial program under the administration's bill, New York State, although paying far more than Texas in financing the program, will receive considerably less in allocation although its classroom needs are 12 times as great.

New Yorkers would pay $312 million in Federal taxes to get $116 million in Federal aid. New York State would suffer a net loss of $196 million in 3 years.

III. SUBSTITUTE FOR KENNEDY PROPOSAL

A far more attractive and equitable means of aiding education has been thought out, and is gaining congressional as well as popular support, including 70 percent of the people polled in the 27th Congressional District of New York. This proposal and variations thereof has been offered as a substitute to the Kennedy-Ribicoff measure which met with overwhelming opposition in the 1st session of the 87th Congress.

Every U.S. citizen who owns real estate pays a real property tax to his local community government—a substantial part of which is used to meet local elementary and secondary school needs. The substitute proposal provides that every taxpayer who pays a school tax on his real property or as a part of his real-estate tax shall be permitted to subtract from the Federal income tax which he owes, the full amount of such school property tax, or such proportion of it as will result in a total additional tax benefit to these taxpayers of between $3 billion and $4 billion.

Under the present Federal income-tax law, State and local school taxes are deductible from gross income but the amount actually saved by the taxpayer depends on his Federal income tax bracket. For example, a taxpayer who had paid $200 in school taxes as part of his local real property tax on his home, and is in the 20-percent Federal income tax bracket, realizes a saving of $40. The new proposal would retain this present practice but in addition would permit the taxpayer to take a $100 credit against what he owes Uncle Sam, that is, against his net Federal income tax. Hence, instead of a saving of $40, the homeowner under this proposal would save $140 of the $200 he paid in school taxes on his home. Of course, if the taxpayer's school tax were less than $100 he would be permitted to save in total no more than the actual amount of his school tax. The tax credit would be available to real property-school taxpayers whether they itemize their Federal income tax returns or take the standard deduction.

The advantages of this approach are overwhelming:

First. The tax benefits provided would go directly to approximately 40 million taxpayers, including about 34 million homeowners, who with their families constitute almost 90 percent of our population.

Second. With the Federal Government completely excluded from the program, there would be no danger of Federal control over education. Depending on State law, each community itself, or the State, would be the final judge of how much more it would like to spend on its educational needs than it is currently spending.

Third. The funds made available to the taxpayers are greater than the sums contemplated under any of the other Federal aid to education measures which are seriously being considered; they would be even greater than the sums recently recommended by President Kennedy's task force headed by President Hovde, of Purdue University.

Fourth. Because of the complete exclusion of the Federal Government, there would be no expanded bureaucracy, no Federal administrative costs, and every dollar of tax money thus made available would purchase a full dollar's worth of school aid if the community decided to expand its expenditures for education.

Fifth. Inasmuch as the tax resources of every State and locality would be substantially increased under this proposal, each would have ample funds to provide for its own school needs as it chooses, for who knows better what these needs are than the citizens of the States and localities themselves.

Sixth. The so-called richer States would not be required to help finance the school needs of the allegedly poorer States, for under this proposal every State would have sufficient funds to meet its school needs out of its own resources. Rich State A would not be required to pay to the Federal Government in taxes twice or three times as much as it gets back in Federal school aid while poor State B was receiving back in Federal aid two or three times the amount of tax money it paid to the Federal Government as its share of financing the Federal school aid program.

Seventh. Under other proposed Federal school aid measures, those States that have fully met their school needs would not, if given a free choice, expand their school facilities during the next few years, would nevertheless be compelled to pay their share in Federal taxes to finance the program. The only way these States could recover any of the money thus extracted from them under these various proposals would be to accept the Federal grants and use them to expand their school facilities. The result would be the highly uneconomic and wasteful extension of school facilities in many areas where such extension is unnecessary and where other more urgent needs exist and must perforce remain unsatisfied. Under this proposal, the use made of their money is not dictated to the taxpayer by the bureaucrats in Washington—it is determined by the taxpayers themselves, that is, by the parent, the citizen, the local school board, and the community of the State.

Eighth. Any objection to this proposal based on the assertion that it would bite into the Federal Treasury is equally applicable to any of the other measures presently under consideration. This proposal would lead to a good look at the Federal budget and the discovery of many items of less importance, or even of no importance, which could be readily eliminated with no ill effects on the public welfare.

Ninth. If unemployment does not decrease and business continues to falter, this proposal will provide the necessary tax relief which some of the proponents of expanded Federal aid programs assert to be necessary to stimulate the economy.

Tenth. The preemption of State and local tax resources by the Federal Government would be diminished, and thus an important step would be taken in contracting big central Government and strengthening State and local government.

In order to encourage a closer relationship between school district leaders and parents, and at the same time correct a grave inequity in the postal rate

structure, I introduced a bill (H.R. 4975) to grant second-class mailing privileges to elementary and secondary schools. Under present law religious organizations, fraternal orders, many colleges and universities enjoy second-class mailing privileges, but our public school system does not.

I am pleased to record at this point that H.R. 4975, having been endorsed by the Post Office Department, was favorably reported from the House Post Office and Civil Service Committee during the 1st session of the 87th Congress. On August 21, 1961, the measure passed the House and was subsequently referred to the Senate Post Office and Civil Service Committee. It is anticipated that the bill will receive the same enthusiastic support in the Senate as it did in the House, and will become public law before the 87th Congress adjourns in 1962.

To meet the crisis which is occurring on the higher education level, I have used a similar tax credit approach in my bill H.R. 5589, which is pending before the House Ways and Means Committee. H.R. 5589 allows a tax credit for income spent on education by any taxpayer either for his own tuition or for anyone he may wish to help educate. To keep it equitable the rate would be uniform for all at the lowest Federal income tax rate of 20 percent. The person in the lower tax brackets would obtain the same tax benefits as persons in all other brackets. It would only apply for tuition up to $1,200 a year, and would be applicable to all recognized educational institutions.

Money now spent on other less essential things would be encouraged to be spent in this vital field of the education of our people, and would assist many of our young people who are now prevented from going to college because their parents cannot afford it. The average cost of college education is $1,550 per year for each student. Among middle-income families, 80 percent hope to send their children to college but only half of these families ever do. With my proposed moderate tax incentive assistance plan many more families in the middle-income bracket will channel the money they now spend on less important things to the education of their children or themselves. Federal tax revenue saved in this legislation would be directly funneled into education and would create a 4-to-1 Federal incentive program. In other words, for every dollar the Government gave up in tax receipts $4 would be contributed by the people privately and voluntarily resulting in much greater expenditure by parents for better education of their children which otherwise would not be made. The effect of this would be to increase private investment by our people in the future of the country. A nobler use for our national income is difficult to conceive. Moreover, this legislation would impartially broaden the educational base among all accredited schools of our Nation without any danger of Federal controls.

Certainly an incentive to educate our people is as important or more important than an incentive to produce barrels of oil or shoe machinery or to entertain prospective business clients at nightclubs. Should there be a tax incentive for expense accounts but none to educate our children? This is precisely the situation under the present tax laws. I say it should be changed—and now.

This substitute program should obviate the necessity of Federal aid becoming a constitutional issue which could divide the Nation.

The 1st Session of the 87th Congress and Its Record

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BREEDING. Mr. Speaker, with permission to extend my remarks I wish to include a summary of major legislative activity in the 1st session of the 87th Congress which I have prepared and am distributing to the people of western Kansas:

THE 1ST SESSION OF THE 87TH CONGRESS AND ITS RECORD

Because of the dangerous increase in world tensions, the 1st session of the 87th Congress was compelled to devote a major share of its attention to legislative matters which would prepare the Nation to meet and overcome Russian threats. The strengthening of the armed services was the first order of business. In addition to adopting a defense budget of around $45 billion for the fiscal year, which started on July 1, 1961, Congress also took steps to strengthen the Nation's position on the international front.

National defense: (1) Speeded up the Polaris missile-firing submarine production to 29 by 1964, instead of 1967; (2) continued the B–52 and B–57 construction programs, instead of letting them lapse as earlier planned; (3) authorized the President to call up 250,000 reservists and National Guardsmen, the first of which were called to active duty as the Russian attitude over Berlin became more menacing; (4) as tensions mounted, appropriated another billion dollars for more planes, missiles, and naval vessels; and (5) authorized the construction of additional Polaris submarine bases and missile launching sites at home and abroad.

Space program: Authorized $1.7 billion for a vastly stepped-up program, which is aimed at sending a man into orbit and successfully conquering outer space. The urgency of this stepped-up program was demonstrated when the Russians succeeded in sending two men on orbital flights and returning them to earth. The Russians still maintain a lead in space, but the President and Congress are determined that the lead will be overcome. The space flights are of great potential military value and that accounts in part for the urgency attached to the expanded program.

International affairs: A program of about $4 billion of loans and grants for mutual security was approved. This is a part of the Nation's defense effort and the Joint Chiefs of Staff told Congress that the added military strength, which we acquire through the program, is essential to our own security. The emphasis of the economic part of the program was further shifted from grants to long term, interest-bearing loans. The program also recognized the fact that the United States cannot bear the full burden of this program alone and our allies, particularly in Western Europe, are urged to step in and assume a larger share of the responsibility. Also, increased attention will be paid to Latin America.

On the domestic front, these matters attracted a great deal of attention:

Agriculture: A 1-year emergency wheat program was adopted for 1962. Under the program, wheat acreage must be reduced 10 percent, but as compensation for reducing production, farmers will receive income protection through increased supports of $2 a bushel. Farmers can retire voluntarily up to 30 percent more of their acreage and in return will receive payments in kind equal to 60 percent of their average production. The program is a stopgap measure which is designed to reduce wheat stocks and prepare the way for adoption of a program of a more permanent nature. Soon, before Congress adjourned, a bipartisan group of Senators and Congressmen introduced legislation to establish a wheat marketing program developed by the National Association of Wheat Growers, the National Grange, the National Farmers Union, and other farm and commodity organizations. This is the wheat bill, which all groups will support next year, offering as it does, the hope for higher prices, greater freedom for farmers and a reduction in the cost to the Government.

An emergency feed grain program was adopted for the 1961 crop and was continued for 1962. The program is designed to cut down on the supply of feed grains by limiting production. Farmers are compensated for participating in the program by an increase in income through higher price supports.

Congress extended the Sugar Act until next June 30, without making any provision for increased production by domestic sugarbeet and cane sugar producers. However, Secretary Freeman has stated that increased domestic production will be one of the Department's recommendations to Congress in January. The hope is that acreage in western Kansas can be greatly expanded.

The food-for-peace program was expanded and the disposal of an additional $2 billion in surplus commodities, under Public Law 480, was approved. The Nation's great agricultural abundance is being regarded more and more as a blessing and as a valuable weapon in the cold war.

Although it may not be a legislative matter, several appointments in the agricultural field were of particular interest to western Kansas. John Luft, of LaCrosse, was named head of Federal crop insurance program. Lud Strnad, of Brewster, was appointed to the National Advisory Committee on Agriculture; and Anson Horning, of Larned, was named to serve on the bipartisan Feed Grain and Wheat Advisory Committee of USDA, and is chairman of the Wheat Subcommittee. Mr. Horning is president of the Kansas Association of Wheat Growers.

Helium extraction plant program: Congress appropriated $45 million to get this program underway. The first two plants authorized will be built in Ulysses and Bushton and others undoubtedly will be constructed in western Kansas. The plants will be built and operated by private companies and the Government will buy the helium for use in the space and atomic programs. The valuable helium gas has been going to waste. Now, it will be extracted before the natural gas is piped into pipelines, and stored to meet a rapidly growing demand.

Social security: (1) Raised minimum old-age insurance payments from $30 to $40; (2) increased benefits to widows; (3) provided for retirement for men at 62, with reduced benefits.

Veterans' affairs: (1) Extended direct and guaranteed home loan program for World War II and Korean veterans and authorized

$1.7 billion for the program this year. Direct housing loans are of particular interest to veterans in rural areas, where it is difficult, if not impossible, to obtain a guaranteed loan; (2) authorized payment of $60 million special dividend to eligible policyholders of national service life insurance; (3) increased statutory rate of compensation for service-connected disability.

Housing: Continued a program of insured loans under FHA and special programs for farm housing and housing for the elderly.

Education: (1) Extended the National Defense Education Act, under which loans are made to students with special emphasis on science and mathematics; (2) continued dormitory construction loans to colleges; (3) extended for 1 year the special milk program for schools.

Economic matters: (1) Increased the minimum wage from $1 to $1.25 per hour by gradual wage step-ups; (2) authorized a $928 million temporary program to provide 13 weeks additional unemployment compensation benefits to jobless workers; (3) established an area redevelopment program under which pockets of unemployment and economic distress can be attacked; (4) continued the Federal Interstate and Defense Highway construction program and the Airport Act, under which municipalities are encouraged to improve facilities for handling increased air travel.

I want to end this report, with a personal observation on the grave danger the Nation faces from increased Russian pressure, not only in Berlin, but throughout the world. Apparently, the Russians hope to use threats and intimidation to make us pull out of Berlin and other areas that are absolutely vital to our security.

The quick response to the increased pressure, by the President and by the Congress, should be a clear warning to the Russians that these tactics will not succeed. The Nation is united in its determination to defend our vital interests, regardless of the risks involved. The mail and other communications which I received clearly indicate that the people of western Kansas share the determination of people all over the Nation to stand firm against these threats.

Transmission Lines for the Upper Colorado River Storage Project

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. SAYLOR. Mr. Speaker, on September 20, 1961, the gentleman from Utah [Mr. KING] inserted in the RECORD an article entitled "Those Glen Canyon Transmission Lines—Some Facts and Figures on a Bitter Dispute." This was a special report prepared and distributed by the gentleman from Arizona [Mr. UDALL]. It is my intention to discuss this report in full. Its glaring errors and the tortuous reasoning used by the gentleman to justify his position favoring all-Federal construction of transmission lines for the upper Colorado River storage project are a perfect example of his lack of understanding of the problems the Western States face as they try to continue their reclamation program.

It is just the type of philosophy and actions followed by both him and his brother—the present Secretary of Interior—that will block the central Arizona project, a project sorely needed by Arizona if it is to continue growth and prosperity. The gentleman says that he favored all-Federal construction of the transmission lines because of the benefits the people of his district would receive from this Federal power. The gentlemen knows, or should know, that the people of his district would get just as much and probably more electric power under the combination plan and get it at the same price. He should also know that it is the plan to take this power away from the people of his district when and as it is needed in the upper basin.

It would seem to me that the people of his district should determine which is to their best interest—more water or a temporary supply of Federal electricity. I would say that converting projects like the upper Colorado River storage project into a public-private power embroilment will be a big setback to true irrigation developments. His people have alternate means of developing their power supply but there is no substitute for water.

The involvement of the Salt River project and the preference customers from the gentleman's district aided and abetted by false and misleading propaganda evidently prepared by an ex-Assistant Commissioner of Reclamation, a Mr. Harvey McPhail, has, in my opinion set back materially the chances for constructing true reclamation projects such as the people of Arizona are interested in. I am sure other members of the Arizona delegation understand these things since the powerful committee of which the distinguished senior Senator from Arizona is chairman gave instructions to the Interior Department and the Bureau of Reclamation to work out wheeling arrangements with the companies and the junior Senator and my distinguished colleague from Arizona [Mr. RHODES] vigorously opposed the all-Federal system.

I want to examine the gentleman from Arizona's statement but first, let me say with respect to lobbying and propaganda that there is no more vigorous, well financed, and persistent promotional organization than the Bureau of Reclamation. It has not only exerted its extreme pressures for the all-Federal transmission system throughout the region, but has gone around the country trying to drum up support for its vicious plan. Furthermore, it has threatened to use its influence on the approval of public works projects in other areas to force congressional acquiescence to its sinister proposal. It is regrettable that a Federal agency should be permitted to use taxpayers' funds to create such a fierce struggle and hostility between public and private power groups in Arizona and other States in the Upper Colorado River Basin which heretofore had worked harmoniously together in the economic development of the region and in securing authorization of the Colorado River storage project.

I can well understand how my colleague reached the erroneous conclusions he did if they were based solely on the specious line of reasoning set forth in his analysis.

Before discussing Mr. UDALL's arguments seriatim I would like to emphasize and make perfectly clear that the opponents of the all-Federal transmission line plan, in the Congress, in the region, and elsewhere, are extremely anxious that the Colorado River storage be a success. In order to assure that power will be sold at the lowest rates, with the most efficiency and reliability, with the greatest financial assistance to irrigation and the least burden on the taxpayer, it is necessary that we have concrete, firm data on which to base our conclusions. The costs under the offer of the companies are known. The facilities are specifically identified. The backup and firming is assured. There is a long background of successful wheeling contracts. None of this can be said about the all-Federal plan. The lines are indefinite. No one knows what the ultimate cost will be. Everyone admits the system without other arrangements for backup and firming is unstable. If there is any bailing out to do it will certainly happen under the reclamation alternative.

Now, with respect to the specific items.

First. Anyone who has any familiarity with a wheeling contract, or has taken the time to examine into exactly what it provides would know that the entity performing the wheeling is given no control over the energy to be transmitted. Arguments that delivery of power creates control are just so much strawmen. Wheeling consists merely of a subcontract requiring the delivery of a specified amount of power at a certain place at a particular time. The supplier negotiates all the power sales and directs his subcontractor to deliver it in accordance with his wishes. It is nothing more than a general parcel delivery or trucking service. To say that the utilities would gain control of the power is just as ridiculous as to say that the X trucking company is gaining control of our missile program because it transports missiles from California to Cape Canaveral; or, that the Baltimore & Ohio Railroad controls a coal mine merely because it transports some of the coal from that mine.

If there is any discrimination in availability of Colorado storage project power to the Congressman's district let me assure you it is because of Bureau of Reclamation actions. Regardless of who is the delivery boy, the Bureau would decide on its customers, the allocation of project power, the type of service to be given, and the price.

Second. The Bureau of Reclamation has constructed some transmission lines connecting Federal power projects and to load centers. To say, however, that historically it "has always constructed its own transmission lines connecting large dams in an area with each other and with population centers" is either to admit complete ignorance of the facts or to misrepresent them. Legislative

history is replete with examples where the Congress has refused to approve Bureau of Reclamation proposals to do exactly that. How can anyone make such a claim in the face of the Keating amendment which has been included in Bureau of Reclamation appropriations for more than a decade. It must obviously be construed as an outright attempt to mislead the public. As you know, the Keating amendment prohibits the use of Federal funds for construction of transmission facilities for delivery of power to Federal establishments and preferred customers or to integrate Federal projects unless the wheeling agency is unable or unwilling to provide such service. Let us get the record straight. This will admittedly be the first all-Federal Bureau of Reclamation system in the country if approved. No one can challenge this statement. In fact that is how it got its name.

Third. The Congressman agrees that there will be $175 million short-range savings to the U.S. taxpayers. He then gets confused and lost in converting to a long-range basis. He asks whether the utilities will build the lines and then wheel the power free of charge to the Federal Government. Of course this is silly. In the first place the company has responsibility to its stockholders, many of which will be recipients of project power by the way, and is in no position to make such a gratuitous gesture. It could not in equity require its customers to bear this additional freight cost over and above its other government taxes and I am sure the general public would not permit such an atrocious action. Second, the Bureau of Reclamation has no legal authority to accept free service of this kind. The Congressman does not try to explain how, under his line of reasoning, the short-range $175 million saving would suddenly evaporate rather than continue to increase with time, as it actually does. I am suspicious he did not follow through on this line of reasoning because he could find no basis to support his contention.

The analysis continues by stating that the Congress would have to appropriate over the life of the project funds to pay the wheeling charges. Now if the Congressman had just taken 5 minutes of the "hundreds of hours" he spent "reading the contentions of the two factions" in reading the law, he would have known that the revenues are available "without appropriation" to pay all costs of operation and maintenance of the project. This is the same practice as followed on the Boulder Canyon project. The wheeling charges are paid out of revenues obtained from the Federal Government's customers and not from taxpayers' funds in the General Treasury.

The argument is advanced that Federal construction of the transmission system will generate new business and new wealth in the area. This is true to an even greater extent under the combination transmission line plan since it will create new directly taxable facilities subject to both Federal and State and local taxes which the all-Federal project will not do. Furthermore, the pouring of the State and local tax moneys into the area will pyramid the economic growth since it will provide funds not otherwise available to the States and their communities. All this is achieved at no additional cost to the consumer, with the savings mentioned by the Congressman for the taxpayers, and with a greater and earlier contribution to the funds available for irrigation assistance.

Fourth. As stated above, the claim that transmission of power would give control of the project to the wheeling contractors is a discredit to the experience, fine work and satisfaction achieved in other areas under the wheeling system of operation. I am sure that Southwestern Power Administrator Doug Wright would not agree to any claim that he has lost control of the Southwestern Power Administration system over the past decade and a half because of his wheeling contracts. Contrariwise, he has repeatedly praised this method of operation. As for Herblock and the Washington Post, in my book their record of distorted reporting and innuendo in itself would justify raising questions on anything they supported. In the present issue the question is whether the taxpayers and water users will pay for the cow and the Bureau of Reclamation will get the cream—with no benefit to the preference power customers.

Fifth. If the Federal Government is building the most unprofitable transmission lines it is because the Bureau of Reclamation chose to do so. It hurriedly embarked on the construction of several lines before any negotiations with the private power companies could get off the ground. The companies would have been willing to build the entire system if they had been given an opportunity to do so. There has never been a willingness on the part of the Bureau to sit down in a cooperative fashion and work out the best possible plan of service, and the best way to get the job done. The companies have stated that they stand ready to build the entire system if that is what Reclamation wants. It is not too late to do so.

Sixth. It is alleged in the Congressman's analysis that the officials of the States involved strongly objected to the Arizona Public Service Co. proposal on the grounds that their participating projects could not be financed. The record again shows exactly the opposite to be true. In 1959 the Upper Colorado River Compact Commission requested and was recognized by the Department of the Interior "as the agency to maintain liaison with the four States of the upper division with reference to matters concerned with the allocation and transmission of project energy"—see 11th annual report of Commission dated September 30, 1959, page 26. On September 1, 1961, the Upper Colorado River Compact Commission passed a resolution endorsing the combination proposal of the investor-owned utilities. Senator BENNETT inserted this resolution in the CONGRESSIONAL RECORD for September 5, 1961, page 18032. Two of the three Governors who appeared or presented testimony before the House Appropriations Committee on the matter opposed the all-Federal project. The third referred to congressional directions to Interior to confer with the private power companies, but took no position for or against the Reclamation plan. The Bureau's estimates of irrigation assistance under the two plans have never been verified and it has steadfastly refused to explain their details to the private power companies. If they were fully supportable, I doubt whether the Upper Colorado River Compact Commission would have arrived at the conclusion it did since there can be no question as to its overwhelming interest in the best development of the Upper Colorado River Basin.

Seventh. It is contended that the companies' combination plan might result in higher power rates for thousands of Arizona customers. There would be no more firm arrangement possible than to enter into a long-term contract where the rates are known and established. All of the risks of changes in price levels, of unforeseen physical conditions and of engineering problems which would affect the total cost of construction, operation, and maintenance of the lines would be borne by the wheeling entity. If there is any way to assure the preference customers that the transmission increment of their power rates will not be increased over the life of the project, this is it. The bogy has also been used that increases in rates will be sought from State regulatory commissions. It is very doubtful that any State commission would upset a contract between a citizen—in this case the electric companies—and a sovereign power—in this case the Federal Government. If by chance a public service commission found the rates preferential or discriminatory when compared to the companies' other rates, the commission's powers would be limited to the exclusion of such facilities from the rate base. In other words the burden would fall on the company's stockholders and not on the rate payers. With all due respect to Mayor Paul Pearce of Eloy, Ariz., I am sure he does not have the engineering and economic staff which would be required to make an impartial objective examination of the complex factors involved in determining which of the two plans would assure the most firm power rates for preference customers over the next 86 years. I have a hunch he was inveighed into writing his letter by a representative from some public power pressure group. I only wish he were permitted to hear both sides of this story.

Eighth. My good friend has also now coined a new definition of private enterprise. His view is that any business that is regulated does not come within his definition. This would encompass a gamut of activity including taxicabs, pipelines, and steamship companies. Also he claims that any industry which is eligible for rapid tax amortization is not free enterprise. Since this covers about every business in this country, I guess we do not have any free enterprise left. While sometimes I think we are rapidly approaching that stage, I thank God that there are still some of us left

who recognize free enterprise when we see it. It is only free enterprise that pays taxes and is eligible for rapid tax amortization. It is a paradox for those groups who pay no taxes to call the kettle black.

Public power proponents continually say that electric companies are guaranteed exclusive territories in which to operate and guaranteed a prescribed profit. That is far from the facts. Municipalities can go to municipal operations and then deprive the companies of territory or industries can, and when economically justified do, install their own generating equipment. Furthermore, there is never any guarantee of profit. Under regulation, the companies have a right to earn up to a limited amount on their investment, but there is no guarantee that they can earn anything.

The free enterprise system permits the individual to work and invest his resources according to his choice. If anything, the risks of free enterprise are increasing in the electric power industry because of unfair Government competition and intervention, rather than decreasing.

With respect to construction of large dams and hydroelectric power projects by the "free enterprise" electric power industry, I have not the time to remind my colleagues of the many instances where it has been and is still being prevented from doing just that by opposition from the Department of the Interior. An example is the Mountain Sheep project now pending before the Federal Power Commission. It is strange that the public power advocates always piously support free enterprise when it does not interfere with their current ambitions but just let them be questioned on one of their pet projects and they cry as those plagued with a malignant disease.

Ninth. Throughout the first 40 years of its life the Bureau of Reclamation established itself as an outstanding engineering organization. It gained worldwide prominence for its advanced engineering designs and remarkable construction feats. It was during this period that it built the two projects, Grand Coulee and Hoover Dams, which received special awards for being included among the seven engineering wonders of the world. The Bureau established an enviable record in the development of irrigation projects consistent with the fundamental principles and objectives of the basic reclamation laws. It was always headed by a distinguished and renowned professional engineer.

However, at the end of World War II the public power advocates took over the organization and replaced the Engineer Commissioner with a New Deal newspaperman, Mike Strauss. Since that time it has reoriented its effort either openly or surreptitiously toward the objective of socializing the electric power industry in the United States. It has replaced sound engineering, economics and financing with political and ideological engineering, economics and financing. When the Solicitor's interest component shell-game opinion which tried to make $1 appear to repay $2 of investment cost was rejected in the late 1940's as being complete distortion of the intention of the law, the Bureau adopted the Colbran formula which is an even worse camouflage of the real financial repayment facts and an imposition on the taxpayers of the United States.

In the authorization and appropriation of funds for the Colorado River storage project it was necessary for the Congress repeatedly to admonish the Bureau to work cooperatively with the investor-owned electric companies to transmit, so far as possible, project power over the facilities of the electric utilities operating in the area. This the Bureau of Reclamation has repeatedly failed to do. It has refused to work with the utilities to determine the true defects in the all-Federal transmission line plan for the Colorado River storage project.

It has doctored up the finding of the consulting engineers hired to review and evaluate the plan. It is alarming how Government officials can take the facts brought out by these consultants and twist them completely around in attempts to justify their position. No reputable engineer would be a party to such distortions. The consulting engineers have unreservedly highlighted the defects in the Bureau of Reclamation plan. They point out that first, the Bureau's plan is inadequate, lacking in reserve capacity, and not designed to carry the loads set forth in the so-called yardstick system. Second, the Bureau's yardstick system would not have the same degree of reliability of service as the private utility systems. Third, since the Bureau's plan is not dependable as an independent network, it would call for increased facilities and correspondingly higher costs to achieve dependability. Fourth, the consultants took exception to all the O.M. & R. costs used by the Bureau. They found the operation and maintenance costs for the transmission facilities to be provided by the Federal Government under the combination plan to be unreasonably high. Application of costs was not a uniform basis in comparing the two systems. Fifth, since the so-called yardstick system cannot provide the same class of service that the interconnected system—wheeling system—can provide, a true comparison from a service value standpoint cannot be made. Sixth, construction costs would be equal to or greater than any similar lines yet constructed in this country. The Bureau's estimates do not reflect the remoteness and roughness of the country. The Bureau's estimates of transmission line costs are too low. Seventh, the consultants specifically stated that their report did not endorse the all-Federal transmission system.

In the light of these comments by the engineer consultants, questions can be raised not only as to the present competence of the Bureau's professional staff, but as to their integrity. The recommendations of the Bureau of Reclamation have been examined by competent and disinterested people and found sadly wanting.

Can the billion-dollar Colorado storage project development be any longer entrusted to such an unreliable and disaffected group of employees? The engineering profession has a great stake in the Colorado River transmission lines issue. It should disbar from membership in its organizations, or from any licensing or registration, those Government, as well as private, engineers who participated in this deliberate attempt to distort the true facts.

Secretary of the Interior Fred Seaton, on January 17, 1961, approved the yardstick Federal grid prepared by the Bureau of Reclamation, then as now under Commissioner Dominy. Shortly after taking office under the present administration, Secretary of the Interior Stewart Udall endorsed Secretary Seaton's approval of the yardstick plan. There is no doubt, therefore, and there is no quarrel with the fact that the basic Bureau yardstick, drawn up for the purpose of evaluating the utilities' wheeling proposal, was approved by both Secretaries, one Republican and one Democrat. From this point on, however, this supporter of the all-Federal grid conveniently transforms clear fact into cloudy fantasy.

As Commissioner Dominy should have known very well as of June 2, the yardstick system approved by Secretary Seaton and Secretary Udall earlier this year was not, on June 2, and is not now the system approved in the bipartisan decisions. The yardstick system, as Commissioner Dominy must know, has been modified to the point where it now bears only a broad relationship to the original concept approved by the two Secretaries. There are indications also that the Bureau plan for the all-Federal system will be modified further before the plans are frozen for programing purposes.

Tenth. The Congressman states that he would fight any effort of the Bureau of Reclamation to dominate the electric industry in the United States. The clarion call has long since sounded and its about time for the Congressman to put on his uniform. In 1920, 40 years ago, public power generation represented 0.07 of a percent of the total generation in the United States.

Today it is about 25 percent. The illustrious chairman of our House Appropriations Committee said in 1955 at a hearing before a subcommittee of the House Committee on Government Operations:

> I believe that the bulk of the business, say 90 percent or more of all production and distribution of electricity, should be by private utilities. At the same time, we should keep something like 10 percent or less in TVA, REA, and municipal ownership as a yardstick, as a policeman on the corner, to be certain that the consumers are not left at the mercy of a giant monopoly which would control completely the production and distribution of this commodity which is as important today, both in the city and on the farm, as air and water and sunlight.

I could not agree more. The only trouble is that we have long since broken through his ceiling. On the basis of the statements made during the past year by officials of the Department of the In-

terior, it can be expected that this tide will be accelerated.

Eleventh. Of course, we can never predict what our taxes are going to be and I agree that the companies' figure is only an estimate. On the basis of past experience our taxes are usually greater, rather than less, than we estimate. I am not going to argue about the accuracy of one figure against another, but I am glad to learn that the Congressman's independent sources of information admit that there will be hundreds of thousands of tax dollars poured into the Arizona economy under the combination plan compared to zero or possibly an increase in taxes under the all-Federal plan. The extra cost to the Federal Government of the all-Federal plan of some $136 million in construction investment alone is going to have to be raised somehow if that plan is adopted. I realize that taxpayers in the eastern part of the country will bear the greatest share of this additional burden but even the Congressman's own constituents are going to have to make some contribution to this added cost.

Twelfth. The vote in the House on the issue indicated a sharp difference in viewpoint. However, it did not represent a true cross-section of the sincere convictions of the individual members because of the pork-barrel characteristics of the bill. There were more threats of deletion of projects if support was not given to the all-Federal plan than I have ever seen or heard of on a public works appropriation bill. There is something for everybody in it. If the transmission line issue were separated and considered alone on its own merits, I am confident the results would have been different. Maybe we ought to require basic legislative authorization by specific lines hereafter, the same as we do in individual projects.

Thirteenth. As in any controversy of this kind the views of prominent, intelligent individuals can be cited in support of a position. Certainly the Governors of at least two of the four Upper Basin States who, as indicated above, have endorsed the combination plan, would qualify under this specification. None of the Governors of these four States testified in favor of the all-Federal plan. The agency designated by the Department of the Interior as the agency to maintain liaison with the four States of the upper division with reference to the allocation and transmission of storage project energy, the Upper Colorado River Commission, is certainly a prominent, intelligent, reputable, and qualified group of individuals.

Fourteenth. I note that the two major newspapers referred to in the Congressman's analysis as supporting the all-Federal transmission line plan are the two noted liberal press, the Washington Post and the St. Louis Post-Dispatch, with a long history of opposition to the free enterprise system. If that is the best impartial press he can cite in support of the all-Federal plan, I am more than ever convinced of the righteousness and merit of the combination plan. The prominent press of the area affected did not support the all-Federal plan and I would say that they know far more about the problem than the St. Louis Post-Dispatch and the Washington Post.

In summary, the most damaging indictment of the Bureau of Reclamation's actions is its complete disregard of the directions of the Congress to work cooperatively with the private utilities in the area to develop the best overall plan of transmission of storage project power, and its refusal, or probably its inability, to explain, justify, and openly defend its figures with sufficient supporting data. Its failure to let this information see the light of day in itself makes the analysis suspect. I hope that the Congress will arrive at a fair solution of this issue before it is too late to correct any mistakes that it might be making by hurried decisions in advance of agreement on the details.

I am satisfied that the Department of the Interior is working toward the construction of a national Federal network including both transmission and generation by steam and otherwise. I hate to see my misdirected colleagues, whom I hope do not believe in this Federal takeover of the electric industry, fall into the trap of supporting it because of some local pressure.

Press Statements for the Joint Senate-House Republican Leadership

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a foreword and press statements for the joint Senate and House Republican leadership.

There being no objection, the foreword and statements were ordered to be printed in the RECORD, as follows:

FOREWORD

The 1st session of the 87th Congress witnessed a Republican innovation in leadership that had a very unifying effect. The origins of the idea rest with former President Dwight D. Eisenhower.

Early in January 1961, a short time before the end of his administration, President Eisenhower summoned to the White House the Republican Members of Congress who had regularly attended his Tuesday morning congressional leadership meetings. For the Senate: EVERETT MCKINLEY DIRKSEN, Republican leader; THOMAS H. KUCHEL, whip; STYLES BRIDGES, chairman of the policy committee; LEVERETT SALTONSTALL, chairman of the conference. For the House: CHARLES A. HALLECK, Republican leader; LESLIE C. ARENDS, whip; JOHN W. BYRNES, chairman of of the policy committee; CHARLES B. HOEVEN, chairman of the conference; CLARENCE J. BROWN, ranking Republican member of the Rules Committee. Also regularly present: THRUSTON B. MORTON, chairman of the Republican National Committee (succeeded as national chairman by WILLIAM E. MILLER on June 10, 1961).

President Eisenhower pointed out that on January 20 the White House would cease to be the policy voice for the Republican Party and that historically this function had devolved on the Republican leaders of the Senate and the House in their respective capacities when the party was out of power.

After a general discussion, President Eisenhower summed up the conclusions as follows:

1. The Republican leaders of the Senate and the House would form a joint group, to be known as the Joint Senate-House Republican Leadership, with the chairman of the Republican National Committee to act as presiding officer, to hold meetings approximately once a week, after which the Senate and House Republican leaders, as spokesmen, would hold a joint press conference for the newspaper, periodical, TV and radio correspondents.

2. When desirable, other appropriate GOP leaders would be invited to meet with the Joint Senate-House Republican Leadership.

3. For the purpose of coordinating the effort, stimulating research, and carrying out other administrative duties, President Eisenhower suggested the joint leadership be provided with a staff.

The innovation here was the decision to set up a "joint" Senate-House leadership. The obvious advantages of this leadership mechanism were (a) the opportunity for the Senate and the House Republican leaders to speak in a unified voice on Republican policy positions, and (b) the opportunity to resolve different points of view that might exist between the legislative bodies.

The first meeting of the Joint Senate-House Republican Leadership occurred on January 24, followed by meetings on February 2, February 9, February 16, February 23, March 2, and March 9. Meantime, a staff consultant was retained and, as a result of the experience gained in the first few weeks, an effort was made to give the meetings a more formalized voice. This led to preparation at the meetings of formal statements to be issued at the press conferences before submitting to questions from the correspondents.

Thus from the leadership meeting of March 23 forward a record of formal statements was kept. They appear here arranged by subject matter, under such headings as "The Berlin Crisis," "Tractors for Cuba," "Conduct of Foreign Affairs," "The Threat of Inflation," etc. Also included are two evaluations of the leadership meetings written near the end of this session of Congress by two noted Washington columnists, Peter Edson of the Scripps-Howard Alliance and Kenneth Crawford of Newsweek.

It should be noted that the members of the joint leadership met in Washington on March 9 with Senator Barry M. Goldwater, on April 20 with former Vice President Richard M. Nixon, and on May 1, in Gettysburg, with former President Dwight D. Eisenhower.

Senator Dirksen and Representative Halleck had additional meetings with General Eisenhower on July 10, with Gov. Nelson A. Rockefeller on September 11, and again with General Eisenhower on September 12.

[From the Washington Daily News, Sept. 7, 1961]

THE "EV AND CHARLIE" RECORD

(By Peter Edson)

With Congress about to adjourn, the regular weekly press conferences of the two Republican leaders, Senator EVERETT M. DIRKSEN, of Illinois, and Representative CHARLES A. HALLECK, of Indiana, may be suspended for a few months.

No GOP decision has yet been made on what if anything will take their place during the congressional recess.

Democratic scoffers claim that this "Ev and Charlie" act, as it has been dubbed, will never be missed.

But there is some opinion among Republicans that the Dirksen-Halleck commentaries have been effective, have influenced policy and congressional votes, will be resumed next year. A recap of their criticisms reveals these points:

They blasted any moves to let Red China be admitted to the United Nations. A congressional resolution was passed almost unanimously, opposing any such policy.

They blasted the "two Chinas" policy. It was repudiated.

They blasted the move to recognize Outer Mongolia. The Kennedy administration backed up the idea.

They blasted the proposed swap of U.S. tractors for Castro prisoners held in Cuba. The deal fell through.

They opposed "back-door financing" for long-term foreign aid. They won. Congress cut the authorization and approved financing by annual appropriation.

They called attention to the increase of U.S. export licenses for trade with Russia. They are being reduced.

Many of these reversals of Kennedy policy were effected with strong support from conservative Democrats.

But in general, not even the Democratic leaders are too unhappy about the Dirksen-Halleck pronouncements on foreign policy. They backed up President Kennedy after the Cuban invasion fiasco. They have consistently backed him on the Berlin crisis. Their effort has been to stiffen the President's stand. They supported his defense buildup.

There has been little carping at President Kennedy himself. But top members of his official family have been singled out for criticism:

Ambassador Averell Harriman for indicating that a neutralist government in Laos might be headed by Souvanna Phouma.

Under Secretary of State Chester Bowles for saying that if India was attacked from any source, U.S. help would be there the next morning.

Ambassador Adlai Stevenson for voting with Soviet Russia against Portugal on Angola.

Senate Majority Leader MIKE MANSFIELD for advocating the establishment of a free city in Berlin.

Senator DIRKSEN and Representative HALLECK themselves have not been above such mistakes. Several times they have advocated resumption of nuclear testing by the United States. In view of the bad reaction to Russia's announcement of its intention to resume testing, it is good the United States didn't take this step first.

On domestic issues the Dirksen-Halleck pronouncements have followed the more traditional Republican line.

[From Newsweek, Sept. 18, 1961]

THE LOYAL OPPOSITION

(By Kenneth Crawford)

President Kennedy is indebted to Republican leaders for the support he has received from them, overt and covert, at the session of Congress now approaching its close. The administration's legislative record, impressive despite recent reverses, couldn't have been compiled without them. The debt will never be acknowledged, not because the President and his associates are unappreciative, but because payment would embarrass the creditors as much as the debtors. With congressional elections in the offing, the fiction that the two major parties represent two wholly different and irreconcilable political concepts must be preserved. Custom demands it.

The weekly press conference conducted by Senate Minority Leader DIRKSEN and House Minority Leader HALLECK—the so-called Ev and CHARLIE shows—have been artistic performances in their way. The two old troupers have contrived to be critical of the administration in what they have said while upholding its major foreign policies and the legislation necessary to carry them out in what they have left unsaid. The result has satisfied both the emotional Republicans, who are entertained by partisan gibes at the opposition, and the more sophisticated party men, who like to make a record for the next campaign but understand what the President and the country are up against in Berlin and elsewhere.

TEMPTATION RESISTED

In the area of foreign aid, Republican leaders have been nothing less than gallant. They know, as every politician knows, that this item is hard to sell the voters. It would have been easy for them to build demagogic fires against it even before Nehru and Tito, both beneficiaries of U.S. aid, made it easier by their pusillanimous behavior in Belgrade. The temptation for the out party to capitalize on latent isolationism must have been all but irresistible. Yet the minority leadership resisted it.

DIRKSEN and HALLECK opposed back-door spending, insisting that Congress retain the power of the purse by appropriating aid money each year to take care of that year's needs, but at the same time supported long-range project planning. Having achieved this compromise, they joined in the effort to give the President most of the money and authority he wanted. At one critical point, HALLECK led a contingent of Republicans through a teller line in the House to save a piece of military-aid money from Representative PASSMAN, the anti-foreign-aid chairman of the subcommittee in charge of foreign-aid appropriations.

PLANNED POLICY

All this moved one of the highest ranking Democrats in the Capitol to declare DIRKSEN and HALLECK "as responsible and patriotic men as we've ever had in command of a party up here." Deserved as this praise may have been, the Republican leadership's stand on foreign aid can't be attributed solely to noble impulses spontaneously generated in the breasts of Ev and CHARLIE. This and other positions of the minority have been carefully formulated at closed meetings of the joint Republican congressional policy committee, which was created at President Eisenhower's suggestion just before he left office and which has been influenced by him ever since.

So it is no coincidence that GOP leaders in Congress practice what Ike preaches. They have supported, besides big foreign aid, all Mr. Kennedy's military-spending programs. They have been restrained in their criticism of the administration's failures in Cuba and Laos. When they want to blow off steam, they blow it at Stevenson or Bowles but not at the President himself. They've served notice that they won't stand for admittance of Red China to the U.N. But no Republican leader except GOP National Chairman Miller has charged the administration with appeasement of the Communists in months and he has allowed himself only one such outburst.

On domestic policy, of course, the Republicans, as a party, have been consistently in opposition. But most of the administration's domestic bills have enough constituent appeal to command a few Republican votes and therefore require no organized help from Ev and CHARLIE.

A RECORD OF PRESS CONFERENCE STATEMENTS

THE A-BOMB BAN

(By Senator DIRKSEN, May 11, 1961)

It is becoming plain that the United States must reexamine its position with respect to the interminable negotiations on nuclear testing which have been conducted at Geneva since October 31, 1958. There now have been 296 negotiating sessions hinging largely on the question of inspection if a ban on nuclear testing is reached.

With the installation of the Kennedy administration in January this Nation dispatched to Geneva an offer of seven substantial concessions to Russia. Even before these concessions could be announced, the Soviets announced they were retreating from two agreements which had been obtained in previous years. Then, having heard our concessions, the Russians accepted only two of them and balked at the rest. Negotiations since then have been uniformly described by the Western delegates as nothing less than "depressing."

It is perfectly apparent that the Soviets are not negotiating: they are conducting a monumental stall. Because underground nuclear tests cannot be detected, this leaves the Russians free to continue this kind of testing if they wish while we have suspended our own efforts in this field.

On October 9, 1960, during the presidential campaign, Mr. Kennedy asserted that "when I am elected I will direct vigorous negotiation" in Geneva, and added significantly:

"I intend to prescribe a reasonable but definite time limit to determine whether significant progress is being made."

In view of the notable lack of progress to this date, we feel that in the interest of arriving at some discernible conclusion, President Kennedy should now fix a time limit and so notify the Russians. We feel that this is not only essential to American prestige but will make clear to the world the true intent of the Soviet Union.

(By Representative HALLECK, June 8, 1961)

A month ago the joint Senate-House Republican leadership suggested that President Kennedy fix a time limit on the interminable negotiations on nuclear testing which have been conducted at Geneva since October 31, 1958. We stated we felt this was not only essential to American prestige but necessary so the world will realize the Soviet Union does not want to reach an agreement. Two nights ago President Kennedy in his report to the Nation on his European trip made it clear that he could not discover during his conversations with Khrushchev a single ray of hope for adoption of a nuclear treaty.

There now have been 317 negotiating sessions at Geneva hinging largely on the issue of inspection if a ban on nuclear testing is reached. The question is: How much longer must America submit to this persistent Soviet stalling?

We know that we have conducted no nuclear testing in this country since 1958. But we have absolutely no evidence that the Russians are not conducting such tests because underground nuclear testing cannot be detected.

We insist that we can no longer take the chance that the Soviet Union will perfect its nuclear weapons while we forgo improving ours during interminable meetings at Geneva.

It is now common knowledge that the Russians intend to seek transferral of the nuclear testing negotiations to the agenda of a general disarmament conference, thus junking the Geneva effort. If talks for 2½ years on a single phase of armaments are fruitless, how many more years will we have to live with the possibility the Soviet Union is secretly testing while we risk both our national security and world peace at another conference table?

We believe the United States has been extremely patient in view of the gravity of the issue and we respectfully urge the President to set a deadline on the negotiations and so notify the Soviet Union.

(By Representative HALLECK, August 15, 1961)

For many months it has been evident that the nuclear test ban negotiations at Geneva have been a waste of time and that we have been jeopardizing our own national security by continuing our self-imposed suspension of testing.

Twice during these months the Joint Senate-House Republican leadership has raised the question of whether the United States should set a terminal date because it has become increasingly obvious that the Soviet Union has not been negotiating, but stalling.

When these negotiations began 3 years ago there was little doubt we were ahead of the Soviets in nuclear weapons. We know the United States has done no testing during these 3 years. But how about the Soviet Union?

Because there is no present way to detect underground testing, how do we know the Russians have not been testing? How do we know they haven't been stalling to gain time to catch up with us or pass us in nuclear weapons? The answer to both questions is the same: We don't know.

But we do know this: While there is no absolute proof, there does exist enough information to indicate the Soviets have been testing during the negotiations. Further, we can state that this information is known to our highest Government officials. We think action is indicated.

Last week, President Kennedy announced he was sending our negotiators back to Geneva for one more try with the Soviets. We have no objection to this attempt, but we believe it should not be allowed to sandbag the Nation's safety. We say the time has arrived for the United States to resume testing.

We have repeatedly stated that in any meeting with the Soviet Union we must negotiate from strength. In this instance we believe the United States would be in a far stronger position if we resumed testing and insisted that the Soviet Union come to the conference table with a real desire to negotiate instead of stall.

Let us not forget that 3 years of voluntary suspension of tests has produced no results at Geneva whatsoever. Perhaps testing while offering to negotiate might bring all parties closer to the desired objective—a true nuclear test ban.

AID TO EDUCATION ISSUE

(By Representative HALLECK, June 22, 1961)

Mail from over the country indicates a rising tide of opposition to the administration's omnibus bill for Federal intervention in public education, a bill whose major provisions do violence to practically everything the Republican Party has always stood for in this area. This opposition is finding a response in the House of Representatives, since we are answerable to the people who elected us.

We are convinced a vast majority of Americans want to keep the responsibility for public education as close to home as possible. They realize it is inevitable that a Congress which appropriates billions of taxpayer dollars must also police the spending of those dollars.

These citizens, many of them educators, know that States and local communities have been gaining ground, not losing it, in classroom construction, pupil-teacher ratios, and teacher salaries without broadened Federal interference.

We recognize the Government's obligation to help in areas where school needs are aggravated by unusual numbers of children from Government personnel who are not subject to local taxes. This so-called impacted area problem has been handled as separate legislation in the past.

We do not believe the fate of this established program should, or will, hinge on acceptance of the omnibus bill. The Democrat-controlled Congress will not dare let this program die.

But make no mistake about this: the wrangling now going on in the Congress is just a forerunner of what the Nation can expect in future sessions once the responsibility for financing public education, with all its divisive issues, is shifted to Washington from 50 States and thousands of local communities.

(By Representative HALLECK, June 28, 1961)

I want to read the text of a communication from President Eisenhower which is in response to a letter I wrote him regarding aid to education:

"DEAR CHARLIE: I appreciate having the material you furnished me in respect to the pending education bills.

"It is clear to me that in practically every important respect this legislation is sharply at variance with the principles of good government.

"My views on aid to education are well known. Beginning 6 years ago I have advocated Federal help for school construction to replace shortages brought about by war and the depression of the thirties. However, I have always stressed, first, that such legislation be made temporary; second, that it be pinpointed to actual need; third, that there be State matching of the Federal funds; fourth, that no Federal funds be used for such operational expenses as teacher salaries; and fifth, above all else, that we meticuously avoid Federal control of education.

"I fail to find convincing evidence that these imperatives have been met. Indeed, I can only conclude that if this legislation were enacted, it would not only become permanent but also, by natural progression, it would ultimately result in Federal control of education. So believing, I am convinced that this legislation should be rejected.

"DWIGHT D. EISENHOWER."

THE BERLIN CRISIS

(By Senator DIRKSEN, July 27, 1961)

The greatest hazard in the Berlin situation is the possibility of miscalculation by the Soviet leaders. There are two areas of error into which Premier Khrushchev might fall:

(1) A mistaken notion that because American officials differ among themselves, and because Democrats and Republicans criticize each other, there is no real will to defend freedom so far as America is concerned.

(2) A mistaken belief that the United States will not go all the way—i.e., to nuclear warfare—to meet its commitments in Europe.

Let's set the record straight.

As to the first point, let it be clearly understood that President Kennedy has the complete support of the Republican leadership in Congress in the Berlin crisis. If differences should appear, they would be on how to uphold our Berlin commitments, not whether to uphold them. We are all aware that the issue is not a city named Berlin, but free world unity.

As for the second point, no greater error could be made by Khrushchev than to believe that the United States would point a weapon but not be willing to fire it.

In 1958, in an almost identical crisis on Berlin, President Eisenhower somewhat puzzled people by saying that the United States would not fight a ground war. But Mr. Khrushchev was not puzzled. He knew what President Eisenhower meant—that we'd fight a nuclear war.

There was also a message for Mr. Khrushchev in President Kennedy's address to the Nation Tuesday night. The bulk of the President's request for additional defense expenditures was for expanded ground forces and plane and sea lifts. Nothing was said about need for money for our total strategic striking force—our supersonic planes, our missiles, and our nuclear warheads. The meaning is plain. In that vital segment of our defense, we are ready.

Of course, Congress will want to review the number of ground forces requested and the use contemplated for them. But I think Mr. Khrushchev is going to find the conference table more attractive on the Berlin issue than he has previously indicated.

CONDUCT OF FOREIGN AFFAIRS

(By Senator DIRKSEN, March 23, 1961)

This country's representatives in the United Nations, headed by Adlai Stevenson, apparently are embarked on a new diplomatic course that should be clarified by President Kennedy at his earliest convenience.

Last week our NATO partners were dismayed to discover the United States joining with the Soviet Union in voting against Portugal, one of the most faithful of our allies.

The question at issue was a resolution urging internal reform in Angola, a Portuguese colony near the Congo. The nature of the resolution itself was valid grounds for the U.S. questioning the whole procedure because article 7 of the United Nations Charter specifically forbids inquiring into internal matters.

Despite this we deliberately sided with the Soviet Union and only the action of Britain, France, and other NATO nations resulted in rejection of the resolution. Incidentally, it marked the first time in the history of the United Nations that our country was paired with the Soviet Union on a losing issue before the Security Council—hardly a proud moment for Uncle Sam.

We, of course, realize that American sympathy and support must continue to go to the nationals in colonized areas, but we are convinced there are many avenues preferable to affronting our own allies.

We have been advised that the decision to side with the Soviet Union was made by President Kennedy himself. We feel an explanation is due the American people and our allies.

(By the joint Senate-House Republican leadership, May 29, 1961)

Like all Americans, we, the members of the joint Senate-House Republican leadership want President Kennedy to succeed in his Vienna meeting with Premier Khrushchev 6 days from now.

In June 1960 President Kennedy, then a Senator, laid down certain minimal conditions that should exist before a conference should be agreed to. Mr. Kennedy said:

"Our task is to devise a national strategy—based not on the 11th hour responses to Soviet-created crisis—but a comprehensive set of carefully prepared, long-term policies designed to increase the strength of the non-Communist world. Until this task is accomplished, there is no point in returning to the summit—for no President of the United States must ever again be put in the position of traveling across the seas, armed only with vague speculative hope."

These were Mr. Kennedy's words to the U.S. Senate on June 14, 1960. In the campaign, he made it clear repeatedly that a completely worked out agenda was another minimal requirement.

It is obvious that President Kennedy is going to meet with Premier Khrushchev at a time when none of the minimal conditions he suggested exist. Certainly no "comprehensive set of carefully prepared, long-term policies" is yet in evidence. Neither is our position strengthened by the setbacks we have suffered in Cuba and Laos, or by the lack of enthusiasm here in the United States for the Vienna meeting.

We do not know what prompted President Kennedy to agree to the Khrushchev conference but we have certain observations about it which we, the members of the

joint Senate-House Republican leadership, want to make.

1. The prime reason why negotiations between the Soviet Union and the United States have almost always ended in failure is that the Soviets are negotiating for world domination while we have been negotiating for world peace. These are two completely incompatible objectives. They have destroyed all hope of progress. We think the President should put Mr. Khrushchev on notice that there will be no further substantive negotiations by the United States with the Soviet Union until there is evidence by the Soviets that when they speak of their desire for peaceful coexistence, there be tangible evidence of their good faith.

2. Almost equally destructive to the basic negotiating process has been the always-present Soviet tactic of endless stalling, hairsplitting, recessing, and postponing. Negotiations have been used by the Soviet Union principally to gain time. The President should inform Mr. Khrushchev that such Soviet stalling will no longer gain the Soviet Union time, but torpedo the negotiations forthwith. Again it should be emphasized that only good faith can bring us to the conference table.

It should be self-evident that so long as the Soviet Union adheres to its goal of world domination its talk of peaceful coexistence means nothing. It should be made clear to Mr. Khrushchev that we fully realize this and that until there is a real basis for negotiations, none will be attempted.

(By Senator DIRKSEN, June 8, 1961)

We are gratified that President Kennedy's trip to Europe appears to have had a beneficial effect on the free world alliance, particularly the NATO nations. Before the President Kennedy's departure we expressed our hopes for success in the meeting with Khrushchev. We believe the fact that nothing happened at Vienna is in itself some sort of achievement.

Nevertheless, we are disturbed by some of the impressions brought back to America by President Kennedy. For example: The President in his address to the Nation 2 nights ago declared that the Soviets and ourselves give wholly different meanings to the same words, have different views of right and wrong, and wholly different concepts about the future of the world.

We think President Kennedy's words are extremely significant.

Before the President's departure we suggested that Mr. Khrushchev should be put on notice that the United States would engage in no further substantive negotiations with the Soviet Union until there was tangible evidence of their good faith.

President Kennedy's own observations concerning the lack of communication between the Soviet Union and the United States in any conference is the strongest argument we have heard that Soviet words mean nothing and that we must insist on concrete demonstrations of good faith.

The President had no sooner completed his address to the American people 2 days ago when we were given another demonstration of this truism. The President told the American people that the only prospect for an accord with Mr. Khrushchev was their agreement that there should be an effective cease-fire in Laos. Yesterday, the Communist forces in Laos virtually doubled their active warfare.

It is beyond dispute that the only thing the Communists understand is strength. It is clear that what we now need is leadership of the type demonstrated by President Eisenhower in Iran, Lebanon, Quemoy-Matsu, Guatemala, and other areas. We suggest that instead of spending our energies in planning further negotiations we devote our resources to vigorous moves which the Kremlin will understand. We feel certain the President will have the support of all Americans if he chooses such a course.

(August 15, 1961)

As we move toward a showdown on Berlin it becomes increasingly important for this Nation's officials to speak with one voice of strength and determination.

As members of the joint House-Senate Republican leadership we have tried to avoid statements that would in any way weaken America's negotiating position with Communist nations. We feel it is doubly important for leaders of the party in power to do likewise, for on them rests the responsibility for policy.

We can only wonder what the world thinks when President Kennedy correctly announces we are going to stand firm on our Berlin commitments only to have important Democratic spokesmen make statements which are at variance with that policy.

The Democratic leader of the Senate has proposed that Berlin be declared a free city in contradiction to the President's position. Two weeks ago, the Democratic chairman of the Foreign Relations Committee, Senator FULBRIGHT, declared that he thought closing the refugee escape hatch from East Germany into West Berlin was a negotiable point because, as he put it, "The Russians have the power to close it in any case." It seemed like an invitation to close it, so last Sunday they did.

There have been other questionable statements by prominent administration spokesmen in other areas of diplomacy. Six weeks before negotiations even began on Laos Mr. Kennedy's Ambassador at Large, W. Averell Harriman, said in a TV interview that we would accept a coalition government, and there should be a place in it for the Soviet favorite, Souvanna Phouma.

Statements like these just cited invariably produce two disastrous results: (1) they weaken the bargaining position of the United States, and (2) they dismay our friends and our allies by a display of contradictions and confusion.

In these critical times why should responsible officials of Government, both legislative and executive, utter inconsistent opinions and statements which convey the impression of weakness and irresolution?

(See supporting data below:)

On April 2, W. Averell Harriman, President Kennedy's Ambassador at Large, just returned from a critical visit to the Far East on the Laos problem, was interviewed on television by Senator KENNETH B. KEATING, of New York. Harriman, despite the unbroken string of Communist triumphs resulting from coalition governments, declared "to start off with * * * I think (the Laos Government) has to be a coalition government." Harriman added that he thought the Soviet favorite, Souvanna Phouma, is "a factor that has to be dealt with, and I think he should be in any government."

On June 14 on the Senate floor, Senate Majority Leader MANSFIELD proposed "the creation of a free city which embraces all Berlin * * * (to) be held in trust and in peace by some international authority until such time as it is again the capital of Germany. Let the routes of access * * * be garrisoned by international peace teams * * * I make these suggestions * * * as one Senator from the State of Montana, and I make them on my own responsibility."

On Sunday, July 30, Senator FULBRIGHT was interviewed on ABC "Issues and Answers" and was asked if he thought closing the refugee escape hatch into West Berlin would be a negotiable matter. FULBRIGHT replied, "Well, I think that that might certainly be a negotiable point. The truth of the matter is, I think the Russians have the power to close it in any case. I mean we are not giving up very much, because I believe next week if they chose to close their borders, they could, without violating any treaty right I know of. We have no right to insist that they be allowed to come out. As I said, I don't understand why the East Germans don't close the border, because I think they have a right to close it. So why is this a great concession? You don't have that right now."

(By Senator DIRKSEN, August 24, 1961)

At our press conference last week, we protested against what we considered free-wheeling remarks and proposals from Democratic leaders in the administration and in the Congress that have the effect of weakening the bargaining position of the United States in critical negotiations with the Soviet Union. In this respect we would like to direct attention to the Under Secretary of State, Mr. Chester Bowles.

When inducted into office, he was widely hailed as a No. 1 "idea man" in foreign relations for the New Frontier. In the 8 months that he has enjoyed this role he has been credited in the press with urging our U.N. vote with the Soviet Union against our ally Portugal on the Angola question, advocating recognition of Communist Outer Mongolia, and authorship of the so-called two Chinas concept which has caused our Asiatic allies to wonder if we are changing our minds on Red China's admission to the U.N.

Two weeks ago, Mr. Bowles achieved a fresh pinnacle as the No. 1 "idea man." In New Delhi he told a press conference that if India were attacked, help from the United States would be there "the following morning" whether the aggression came from India's neighbors or "any source whatsoever."

Now this is probably the first time the formulation of a military alliance was ever attempted in a press conference—and, I might add, without referral to the executive and legislative branches of the U.S. Government which has no military pact with India. In fact Prime Minister Nehru was so shocked he felt compelled to tell the Indian Parliament a week ago today that while he thought Mr. Bowles meant well, "we are not under anybody's protection, nor are we anybody's client in this respect."

We know that Mr. Bowles was recently scheduled to be fired but was not. We do suggest, however, that he either (1) be completely muzzled, or (2) be removed from the china shop of diplomacy lest he break something really costly.

TRACTORS FOR CUBA

(By Senator DIRKSEN, May 26, 1961)

While the President is entitled to bipartisan support where national security is involved it does not mean that we must remain mute when conviction dictates that we must speak out in the interest of security.

The disastrous handling of the Cuban invasion has caused America to suffer an enormous loss in prestige abroad. But now President Kennedy has compounded that loss by disclosing his official sponsorship of a so-called citizens movement for the American people to make blackmail payments to Fidel Castro.

What kind of precedent is this? What logic supports this decision? What has become of America's legendary position "millions for defense, but not one cent for tribute"?

Of course, every American commendably hopes that another Castro bloodbath—this one involving the 1,200 invaders of Cuba—can be avoided.

But what is the price—$15 million worth of tractors? No. It is far greater than dollars and tractors. The price is another loss in prestige; another blow to our fast diminishing world leadership.

What new humiliation will this decision encourage the Communists to visit upon us? Are we not inviting Red dictators behind the Iron and Bamboo Curtains to demand ransom for Americans they now hold?

The ransom money for Castro supposedly is being raised to further the cause of "liberation." But it is far more likely to do untold damage than good to the cause of liberation both inside and outside Cuba. Paying tribute to tyrants is as old as history, but it has never advanced the cause of freedom before and it won't this time.

(By Senator DIRKSEN, June 22, 1961)

The tractor-prisoner negotiations with Castro now appear doomed to be our Cuban fiasco No. 2. The handling of the Cuban invasion was a disaster in itself, but this tractor project is an incredible piece of business.

First, the administration claimed it had nothing to do with a suddenly created citizens committee to raise money to meet Castro's blackmail demands. Two days later the White House reversed itself and revealed that President Kennedy himself had initiated the movement.

Next, the whole project was immersed in doubt as to legality, there being four areas in question—its corporate charter, its right to export licenses, its possible conflict with the Logan Act, and the tax deductibility of any money collected.

If there has been doubt about the thoroughness with which the invasion plans were considered by the administration, it should be plain to all that even less thought went into the administration's handling of the tractor deal. It was a stumbling performance that has only resulted in further lowering our prestige abroad.

It is to be hoped that the fundraising committee will quietly dissolve, returning the unopened contributions to their senders before some new embarrassment occurs.

We suggest there is a course open to the administration in the future that might do much to get our foreign policy back on the beam. It would be to consult the appropriate leaders of Congress in advance, a course followed by President Eisenhower during his 8 years in the White House.

The tractor project certainly could have been avoided had this been done, because leaders on both the Democratic and Republican sides of the Senate had already gone on record against the proposal 2 days before the White House authorship was even known.

AID TO DEPRESSED AREAS

(By Representative HALLECK, March 23, 1961)

We are very disturbed about the depressed areas bill which is coming along for consideration shortly, because we are convinced the unemployed in those areas have been sadly misled as to what it will accomplish. We are sick and tired of seeing these unfortunate people being treated like a political football.

Mr. Eisenhower sought desperately in both 1958 and 1960 to help areas of chronic unemployment, but the Democrats in Congress were more interested in creating campaign issues than in meeting a need. Now they have the ball and the bill they are presenting to the House simply won't do the job.

For example, our House policy committee analysis shows these facts:

(1) Only about 1 out of 17 unemployed workers in industrial depressed areas could get jobs under this legislation.

(2) Only about 1 out of 37 underemployed workers in rural areas would be helped.

(3) Only about 1 percent of unemployed workers in both industrial and rural areas could get retraining payments.

Enactment of the bill in its present form is bound to bring bitter disillusionment to the unemployed in these depressed areas.

The only redeeming feature we see in this legislation is the acceptance by the House managers of four important features urged by President Eisenhower, including the vital provision to prevent one community stealing industry from another, with Government help.

Our policy committee is already on record favoring accelerated tax amortization to promote new plant construction and job markets in these distressed communities. This is the most potent weapon in our fight against unemployment.

FEED GRAIN AND FARM PROGRAMS

(By Representative HALLECK, April 13, 1961)

Although the Kennedy administration has only been in office 2½ months, the American farmers are already losing millions of dollars as a direct result of the administration's determination to force feed grain prices down by dumping huge stocks of Government-owned grain on the market.

The dumping program has been going on for a month. For example: No. 2 Yellow corn fell below $1.05 per bushel in Chicago at one point, a drop of nearly 15 cents in 2½ weeks and the sharpest market decline in 13 years.

Because corn is king in the grain market and affects other grains, the whole market has been depressed, with substantial drops in wheat, oats, and barley at a time when normally there is an upturn in prices.

Despite the fact that Congress in February specifically refused to give the new administration authority to dump, and had the pledge of Secretary of Agriculture Freeman that his would not be done, the dumping is going on nevertheless. The farmers' pocketbook is being squeezed to the tune of at least $100 million loss in market values. The Kennedy administration is determined to force farmers to participate in what was supposed to be a voluntary reduction in acreage under the newly enacted emergency feed grain law. To do this they are rigging the market, a practice the Government itself deplores and prosecutes when undertaken by private enterprise.

Not only are farmers being penalized through lower prices for the grains they market, but, even more important, the cheap feed policies of the Kennedy administration will certainly encourage unsound expansion of the livestock industry. The results of this folly will not be fully apparent for a time, but by the fall of 1962 it is likely that hog, cattle, and poultry prices will decline disastrously.

This market manipulation is being performed in defiance of Congress. The administration must bear full responsibility for the consequences which are sure to follow.

(By Senator DIRKSEN, September 15, 1961)

If there is one thing the Kennedy administration has clearly demonstrated this year, it is that it has no sympathy or understanding for the farm problem.

In 8 months the administration, despite a specific pledge to the Congress not to do so, has dumped over 230 million bushels of corn on the market compared to less than half that much in the corresponding period of a year ago. The loss to farmers in depressed prices has run into the millions and millions of dollars.

In addition, the so-called corn program which was to retire 20 million acres of cornland from production this year actually failed to do so by more than 4½ million acres, yet the Government paid the full price of $680 million. This means that $150 million of that money went for phantom acres that either did not exist or were never planted in corn, anyway.

But that is not all. This multimillion-dollar program was supposed to create a 700-million-bushel shortage of corn. It has failed to do so. In fact, it now appears that production and marketing figures will be approximately in balance.

This means that there will be the equivalent of a 700-million-bushel overhang on next year's market which promises to be as dismal for the farmer—and the taxpayer—as this year's market.

But the damage has not been confined to the feed grains market. The livestock, poultry, and dairy industries, as users of feed grains, have been thoroughly disrupted. Their losses, due to depressed prices, have also run into the millions of dollars. Now we have a special committee of the House investigating the drop in poultry prices.

In other words, the maladministration of this program has not only placed heavy losses on the American farmer but on the American taxpayer as well, and the end is not in sight. In fact, it is not too much to venture that we will be feeling the ill effects of this botched job for years to come.

THE HANFORD PROJECT

(By Representative HALLECK, August 2, 1961)

We are convinced that the people of this country want their Government to put national security above partisan political considerations.

We realize that the Kennedy administration made a lot of political promises in its 1960 campaign. These promises have already increased the cost of government on the homefront by billions of dollars. But we must never forget that we can spend ourselves to destruction without a shot being fired. This is what Mr. Khrushchev wants.

If President Kennedy really wants to make a start on economy, we have a suggestion.

Right now the Congress can save $95 million by rejecting the proposal to use the plutonium reactor at Hanford, Wash., to create electric power at a substantial loss to the taxpayers. This project will not only operate at a loss, but it will also increase the cost of the basic operation of the installation, which is making plutonium.

Military and scientific experts say it will add nothing of significance to our national defense or our production of nuclear energy.

Moreover, it contradicts the depressed areas legislation we passed earlier this year to help keep industries at home and revive ailing ones, notably the coal industry. We understand and sympathize with the position of the United Mine Workers and the coal industry in opposing this project.

Here is an example of the Federal Government spending money to lose money. A solid majority of the House of Representatives has already rejected this project decisively and will do so again if given the opportunity. We urge the Kennedy administration and the Democratic leadership in the Congress to support us in our efforts to hold down unnecessary spending for programs that just don't contribute to our national defense—or our economic strength—in an hour of peril.

(NOTE.—For further reference to the Hanford project, see the statement by Representative HALLECK under "Spenders," Aug. 31, 1961.)

THE THREAT OF INFLATION

(By Representative HALLECK, September 15, 1961)

As we approach the end of this session of Congress—already the greatest spendthrift Congress in history—the evidence accumulates that the Kennedy administration is going to seek even greater spending next year. Economic writers are already predicting that a recordbreaking $90 billion peacetime budget will be presented to the Congress in January.

Recognizing, as we have, the need for additional national defense spending, the members of the joint Senate-House Republican leadership have repeatedly gone on record this year favoring the utmost economy in so-called domestic spending in a budget that originally was estimated at $80 billion by President Eisenhower and already has risen to $87 billion under President Kennedy.

Now, if a $90 billion budget is in prospect, the whole fiscal problem becomes something far more serious than just an additional

burden on the taxpayers. It presents a threat of inflation that simply can't be ignored.

We saw the cost of living rise 48 percent under the last Democratic administration, due mainly to the loose fiscal policies of President Truman. Then we saw the cost of living stabilized by the Eisenhower administration because every effort was made to hold Government spending strictly to essentials.

We think the American people now have the right to ask whether or not the value of their dollar is again going to be reduced because we have the spenders back in office. We think there can be only one answer: If the Kennedy administration seeks, as it must, the vast amounts necessary for national defense and at the same time insists on additional billions for New Frontier schemes, then prices are going up and the value of our dollar down.

Additional defense spending necessitated by the Berlin crisis has already increased the tempo of the national economy. We say that reductions in proposed domestic spending are absolutely essential lest our whole economic structure be again subjected to the depleting effects of an inflationary cost-of-living spiral which, in the final analysis, does its greatest damage to those people least able to stand it.

TRADE BEHIND THE IRON CURTAIN

(By Representative HALLECK, August 24, 1961)

On several occasions we have applauded President Kennedy's efforts to stand firm on our Berlin commitments, while we condemned the State Department's contradictory flirtations with U.N. recognition of Red China and Communist Outer Mongolia.

We think that there is another department of the Government which is contributing to confusion almost as much as the State Department—the Department of Commerce, which controls American exports to the Soviet Union and its satellite countries.

According to the Commerce Department's own records, the dollar volume of U.S. goods licensed for shipment to the Soviet bloc increased 800 percent in the 3 weeks after President Kennedy's address to the Nation on Berlin compared to the preceding 3 weeks. These licenses covered such items as railroad equipment, synthetic rubber, chemicals, and other materials which the Commerce Department ruled would not increase the warmaking potential of the Soviet bloc.

In June, the Commerce Department took another amazing step. Despite the fact that Communist food shortages were causing Khrushchev to recommend eating horsemeat, the Department announced that surplus farm commodities, subsidized by the U.S. taxpayers, would be sold to the Soviet Union and its satellites if they would pay in dollars.

As recently as 3 weeks ago export licenses were being OK'd for shipments of American-manufactured ball bearings and machine cutting tools to the Soviet Union, and aircraft ground and maintenance equipment to Communist Czechoslovakia.

Yesterday the House Rules Committee reported a resolution for a House investigation of the administration and enforcement of the laws covering control of exports. We Republicans will support the resolution, but we suggest that President Kennedy meantime consider strict curtailment of export licenses on shipments to the Soviet bloc until a policy in line with our Berlin stand can be worked out with the Commerce Department.

A LEGISLATIVE REPORT TO IKE

(By Senator DIRKSEN following a meeting of the members of the Joint Senate-House Republican leadership with former President Eisenhower, May 1, 1961)

When General Eisenhower invited us to meet with him here in Gettysburg, he asked that Congressman HALLECK and I brief him on the congressional picture. We have just completed that task and I imagine you would like to know what we told General Eisenhower.

Of course, because the Senate is concerned with foreign policy, I had to touch on Cuba in my report to him. We told General Eisenhower that Members of Congress on both sides of the aisle were badly shaken by the Cuban matter.

I took some pride, however, in relating, that Republicans have supported President Kennedy in the Cuban crisis, in the belief that once a nation is committed by its President, we must present a united front to the world.

As to the Kennedy program in Congress, we pointed out that we had already received more than 35 legislative communications and messages; in fact Congress has been inundated with them. But I had to report in all honesty to General Eisenhower that not one of the Kennedy proposals has generated any enthusiasm on either the Democratic or the Republican side nor can we find any evidence of real support for the Kennedy program by the American people.

Now the Kennedy program is just what everyone expected—deficit spending, increased Government controls, increases in the Government payroll, more welfare statism—that inevitable price which we must pay the piper—eventually more taxes.

It may be called the New Frontier but the Kennedy program is the old New Deal taken out of an old warming over. It was hot stuff 25 years ago but time has passed it by.

I think that is why the Kennedy program has not found ready acceptance to date with both the Congress and the public and I so advised General Eisenhower.

(By Representative HALLECK, May 1, 1961)

I was in agreement with Senator Dirksen in telling General Eisenhower that the Kennedy program has laid a big egg so far. I think it has just about talked itself to death.

We had some research done on the word content of the New Frontier. My friends, if all the New Frontier words were drops of water, we could irrigate the entire Far West with enough for the Gobi and Sahara Deserts too.

Mr. Kennedy used more than three-fourths million words in 1960 campaign speeches. His Government task force reports and 35 communications to Congress have added up to another 250,000 words. This brings the verbal output of the New Frontier to 1 million words and all we have to show for it so far are an extended Unemployment Compensation Act, a feed-grain statute, an extension of the Sugar Act and a depressed areas law.

The quality of the legislative proposals from the White House so far has hardly been worthy of the 1960 campaign speeches which President Kennedy made. We have seen no legislative proposals which would deal in any lasting way with economic or unemployment problems; no policy utterances that might be raising our prestige abroad.

It was with some pleasure we advised General Eisenhower that on many things on which the Democrats had disagreed with him last year they now agree—for example, the amount of immediate increase in minimum wages, a number of provisions in the depressed areas legislation, including industrial raiding, and, most remarkably, personal diplomacy. Evidently, when they have to be responsible for what they do, they see more nearly eye to eye with General Eisenhower.

In conclusion, I frankly told General Eisenhower that the American people certainly missed his wisdom and sure hand in Washington and if he ran for President tomorrow he would win by the biggest landslide in history. I think he liked that.

THE RED CHINA AND OUTER MONGOLIA QUESTIONS

(By Senator DIRKSEN, April 13, 1961)

The joint Senate-House Republican leadership has been very concerned about persistent rumors that our Government's position on the admission of Red China to the United Nations is softening.

Yesterday the Associated Press carried a story from London to the effect that President Kennedy in his discussions last week with British Prime Minister Macmillan had agreed not to oppose U.N. debate next fall on Red China's bid for a seat, and, further, that a revision in American policy was underway to condition the American people to acceptance of Red China's admission a year or so hence.

We are most happy that President Kennedy in his press conference later yesterday denied the news story in full. The President said, however, that Prime Minister Macmillan had discussed these proposals with him. We realize that when the head of one government who is our guest has a proposal our President must extend the courtesy of listening to it. But it is very heartening, we believe, to the American people to know that our President did no more than listen.

We want to uphold the hand of the President in his stated opposition to any change in our policy on Red China—as he put it—"under present conditions." Therefore the joint Republican leadership agreed this morning that we will cause to be introduced resolutions restating the opposition of Congress, already recorded 13 times, to any change in our present policy. We will invite Democrats of both the Senate and the House to join in sponsorship of this resolution and we believe that many will be happy to do so. We will also consult with the Democratic leadership of the Senate and House on scheduling consideration of the resolutions at the earliest possible moment and we are convinced they will be adopted overwhelmingly by both branches.

(By Senator DIRKSEN, June 28, 1961)

In April the joint Senate-House Republican leadership called for bipartisan sponsorship of a congressional resolution restating American opposition to admission of Red China to the United States.

Resolutions were introduced in the Congress on May 3—in the Senate by Majority Leader MANSFIELD and myself; in the House by Representatives ZABLOCKI and JUDD of the Foreign Affairs Committee. Joining in the sponsorship were 12 Republican and 3 Democratic Senators and 46 Republican and 20 Democratic Representatives.

Nearly 2 months have passed without action. Meanwhile out of the State Department have been coming distressing stories of a new offer we are considering making on the Red China question.

Supposedly the United States will back an offer that Red China have equal representation in the U.N. General Assembly with Nationalist China. This is supposed to infuriate Red China which wants the ouster of Nationalist China from the U.N., and therefore Red China will refuse our offer.

However, there is a flaw in this devious State Department reasoning. Nationalist China says it will withdraw from the General Assembly if Red China is admitted. Supposing Red China decided to take advantage of this fact and accepted membership in the General Assembly? Then where would we be? Nationalist China would be out and Red China in.

We are appalled at this dangerous guessing game. Now is no time for the State Department to be playing Russian roulette with our Red China policy.

We insist that now is the time for Senate and House consideration of the resolution opposing admission of Red China to

the U.N. Any further delay can only be interpreted abroad as still another sign of American weakness.

(By Senator DIRKSEN, July 13, 1961)

It is the desire of the Republican leadership to support complete firmness in our policy in Berlin. But we must be equally firm on the question of recognition of Red China and Outer Mongolia, otherwise our position in Berlin will be weakened. Let me specify——

On April 12, following discussions in Washington with British Prime Minister Macmillan on the subject of Red China's admission to the U.N., President Kennedy told a press conference he was opposed to any change in our policy on recognition of Red China.

The next day, April 13, Congressman HALLECK and I, as spokesmen for the joint Senate-House Republican leadership, announced our complete support of the President's statement, and invited Democrats in the Congress to join us in sponsorship of resolutions reaffirming the American position on the China question.

Unfortunately, in the 3 months since, these bipartisan resolutions have been bottled up in Congress at the State Department's suggestion, while a flood of news stories has emanated from Washington that the State Department was studying sponsorship of a U.N. resolution admitting Red China.

But that is not all. Concurrently, there have been a number of stories concerning State Department consideration of American diplomatic recognition and a seat in the United Nations for Communist Outer Mongolia. Last Saturday it was announced from Moscow that Outer Mongolia has advised the United States it accepts our proposal for diplomatic ties.

Needless to say, we are deeply disturbed by any efforts that will accord any additional recognition by this country to Communist countries, and doubly so at a time when unity of the free world is of the utmost importance on the Berlin question. We respectfully suggest to President Kennedy that he clarify the situation at his earliest opportunity and we pray that when he does, the State Department's maneuverings in the Far East will be halted and that the President will reaffirm our strongly anti-Communist position in Asia.

(By Representative HALLECK, July 13, 1961)

I want to join Senator DIRKSEN in stressing our deep concern over the State Department's actions in Asia when the attention of all of us should be directed toward Berlin and a rallying of the free world to the Berlin issue.

The continued display of interest by some high State Department officials in the admission of Red China to the U.N. is bad enough, but the sudden emergence of a proposal to recognize Outer Mongolia is simply incredible.

President Kennedy was put on notice about Berlin in his conversations with Khrushchev in Vienna in the first week of June. We are advised that during that week one of our diplomatic officials in Moscow approached Outer Mongolia's Ambassador to Russia and opened discussions on recognition.

Outer Mongolia is the oldest of all the Soviet Union's puppet states having had a Communist regime since 1921. During the crucial 1940's when the Chinese Communists were trying to overthrow the Nationalist Government of China, their base of supplies was Outer Mongolia. In the Korean war, United Nations troops, including American boys, faced two regiments of Outer Mongolian forces and Outer Mongolians also manned antiaircraft guns in the Korean conflict.

It is fair to ask just what Outer Mongolia has done in the interest of world peace to warrant U.S. diplomatic recognition and a seat in the United Nations.

When State Department officials have been called upon in recent days to explain this unbelievable diplomatic sortie, their reasons have been thin indeed. We have been told that we need a listening post in upper Asia. There have been suggestions that only by admission of Outer Mongolia to the U.N. can the African state of Mauritania be admitted.

No wonder our friends in Asia, including Nationalist China, Thailand, Pakistan, and the Philippine Republic, are questioning the sincerity of American policy at this very moment.

We think it is of basic importance for President Kennedy to stop immediately these disruptive State Department operations. The free world is looking to us for leadership in Berlin, not confusion in Asia.

(By Senator DIRKSEN, August 31, 1961)

In 3 weeks the United Nations will meet in New York. Because of the Berlin crisis and the announcement that the Soviets are resuming nuclear testing, we think it is doubly important for the representatives of the United States to exert the strongest leadership possible in the forthcoming sessions. Our success could hinge on two issues—the Red China and Communist Outer Mongolia questions.

Unfortunately, for the past several months, our State Department conducted exploratory moves that led many people to fear both Red China and Outer Mongolia would be admitted to the U.N. without our opposition and perhaps with our approval. Further it was no secret that the U.S. Government might accord diplomatic recognition to Outer Mongolia.

On August 11 the State Department announced that for a considerable period of time it had "been exploring the question of establishment of relations with Outer Mongolia," but had decided against diplomatic ties. At the same time the Department stated: "We favor the retention by Nationalist China of its seat in the United Nations and oppose the admission of Red China."

In view of the previous positions taken by the joint Senate-House Republican leadership, we, of course, were gratified by these decisions. But we think one more step is needed before the United Nations meets September 19.

So far the State Department has only said that we will not give diplomatic recognition to Outer Mongolia; it has not said that the United States will oppose U.N. admission for that Soviet puppet state. On the contrary, on April 19 the U.N. was told by one of our representatives, Charles W. Yost, that "the United States will be prepared to support—and even to cosponsor—Outer Mongolia's admission * * *" if our investigation showed Outer Mongolia to be an independent state willing to meet its international obligations.

The Soviet Union has made the admission of the African country Mauritania conditional on the admission of Outer Mongolia. It has been our historic policy to oppose all "package" deals such as this. We strongly urge the State Department to clarify our position as soon as possible and to make it unmistakably clear that we will oppose not only the admission of Red China to the U.N. but of Outer Mongolia as well.

THE SPENDERS ARE BACK

(By Senator DIRKSEN, March 29, 1961)

The President's budget messages and the testimony of the Budget Director before the Joint Economic Committee make it quite clear that the new administration will not be bothered by making the books balance. Maybe the decade of the sixties will be the deficit decade. That will be no new experience.

The approach to the budget problem is ingenious to say the least. First, show that the Eisenhower budget for the year ending in June 1961 was based on miscalculation as to spending and income and turn a small surplus into a $800 million deficit.

And since there would be a deficit on June 30, according to the new fiscal Frontier figuring, a bigger deficit might not be too unpalatable by spending more. This will prepare the country for a $2.2 billion budget hole on June 30.

Then condition the country for the next year by setting up two sets of books—one for general spending and the other for defense spending—even though the money all comes out of the same public purse and is paid from the same tax revenues. It is proposed to hike defense spending by another two-thirds of a billion for the year ending June 30, 1962, with a hint that it might be more. Then there will be the built-in increases of other years plus those that this Congress is likely to approve.

The net of all this is pretty plain. The new fiscal Frontier balance sheet will be in the red on June 30; it will be a deeper red on June 30, 1962. The debt ceiling will have to be lifted, and the deficit decade will have a pretty good start.

(By Representative HALLECK, May 26, 1961)

For the past 4 months the Congress has been deluged with Presidential messages and communications proposing New Frontier programs. We are told they are still coming. The messages and communications have been vague and mysterious as to the cost of the projects, how long they will be needed, and where the money will come from to pay for them. They have abounded in contradictions, vague goals, confusion, hidden costs, and back-door spending.

For the past 2 weeks we have had staff members making a thorough search of all available material bearing on the cost of the New Frontier programs. They have reported back to us that the fiscal picture is projected so far into the future as to be unintelligible. They say there is such a welter of concealed authorizations, contractual commitments, and loan and subsidy programs, that dependable cost figures are impossible to obtain. However, by taking the New Frontier's own minimum estimates, it appears likely that approximately $60 billion additional will be spent by the Federal Government over the next 5 years. The calculation is that the Federal budget will reach at least $125 billion by 1965, if not sooner, compared to $80 billion in President Eisenhower's last budget.

As indicated, we cannot, through no fault of our own, vouch for the accuracy of these figures. In fact we are convinced that we cannot find out what the programs will cost and that President Kennedy has no man in his administration who knows what they will cost. If the President does have such a person, we will be happy to invite him to our next leadership meeting to advise us what the costs will be and where we are headed.

Nevertheless, our research convinces us that we are entering a jungle of unprecedented spending and loose fiscal policy. Never in the history of our country has any administration so blindly plunged into the future with so little thought or so little preparation. It is plain that the Congress is going to have to exercise the utmost scrutiny and wisdom if this country is to be saved from a fiscal disaster of major proportions.

(By Senator DIRKSEN, June 15, 1961)

It now appears that President Kennedy intends to spend in the fiscal year ending June 30, 1962, at least $5 billion more in cash outlays than proposed by President Eisenhower and to obligate $9 billion more under contractual authority. This serious fiscal picture raises some very important questions as to what we can afford.

For example, it is becoming more evident every day that President Kennedy must soon decide which he thinks is more important to our people—the New Frontier domestic programs or our national security.

The President sponsors a $4 billion aid to education program, a $9 billion housing program, a $5 billion medical care program, and many other measures totaling more billions. At the same time the President tells us how dangerous the world situation is and calls for more and more individual sacrifice to meet the threat of communism. Mr. Kennedy describes "how long and hard a struggle must be our fate as Americans"; he urges us "to meet our responsibilities, however burdensome they may be"; and he suggests that we ask not what the Government can do for us but what we can do for the Government.

These are brave and commendable words, but we think it is about time the Kennedy administration applied some of its preachments to itself. Just where the Federal Government has tightened its belt under the New Frontier is difficult to discover. The administration's proposals for more and more welfare spending come thick and fast; the prospective deficits mount hourly.

When President Kennedy sponsors legislation to permit the purchase of $15,000 homes with no money down and 40 years to pay, the citizen begins to wonder what kind of sacrifices Mr. Kennedy is talking about. When the citizen reads that the national debt is climbing daily, he wonders whether it is he or his children the President believes should do more for their Government.

If we are going to develop a national willingness to sacrifice, the pace must be set in Washington. And the best place to start would be on a Presidential revision of the budget aimed at eliminating all but the most essential expenditures.

(By Representative HALLECK, June 15, 1961)

If there is one thing I believe the people of this country want more than anything else, it is for the leadership in Washington to protect our country against the threats of Mr. Khrushchev and everything he stands for.

When I say leadership, I include the leadership in Congress.

When I say everything Mr. Khrushchev stands for, I am talking about the kind of New Frontier schemes that foster further centralized government at the expense of local authority, private enterprise and individual liberties.

Currently, most of our attention is being directed to activities by the President and his administration involving global aspects of the cold war between the Communist bloc and the free nations of the world. We are spending most of our time worrying about, and billions of dollars trying to prevent, the spread of communism.

No one will deny our obligation to help free, friendly nations stay free.

But the overriding obligation we face is to keep ourselves free in the process.

On more than one occasion Mr. Khrushchev has predicted that the grandchildren of present-day Americans will be living under socialism. I, for one, do not underestimate Mr. Khrushchev's powers of observation. At the rate we have started under this administration, it may be our children who will live under socialism.

I think it is high time for the Congress to take a long, hard look at spending proposals now before us that would play into Mr. Khrushchev's hands by pushing this country further down the road to socialism.

While I'm naturally concerned about what the Kremlin might try to do to us, I am also concerned about what we are doing to ourselves.

(By Representative HALLECK, July 27, 1961)

The need for a conclusive stand on Berlin is unquestionable. I doubt if there is a Member of Congress on either side of the aisle who will not support the necessary steps to bring this about.

However, I think most Americans will agree with me that as defense costs rise it is imperative that the Government retrench on other programs.

On May 26 at one of these press conferences I made an analysis of the unprecedented New Frontier spending and concluded with these words:

"Never in the history of our country has any administration so blindly plunged into the future with so little thought or so little preparation."

This statement was made 8 days before the famous Vienna Conference at which Khrushchev handed President Kennedy his ultimatum on Berlin. Fifty-four days have passed since President Kennedy was put on notice concerning Berlin and in those 54 days the administration has not lifted one finger to halt the vastly increased domestic spending program of the New Frontier.

Two days ago the President disclosed that the Berlin crisis itself is going to cost us $3.4 billion additional. He talked about deficits. He talked about more possible defense spending. He talked about possible increased taxes.

It is easy enough to call upon the American people to make additional sacrifices—to look not at what their Government can do for them but what they can do for their Government. But we have arrived at the day of reckoning. I say it is time for the New Frontier to find out what it can do for government—sound government.

It would make a lot more sense to everyone, and certainly to the masters of the Kremlin, if this administration decided to invest our resources in preserving American security and to spend less on the innovations of some domestic political planners. A Presidential message to the Congress proposing cutbacks on domestic spending would be most appropriate.

We of course are determined to support any means necessary to strengthen our Berlin stand and in that President Kennedy has our firm commitment. But we insist that the President owes the American people some substantive reciprocity and while the ordinary citizen is tightening his belt, let the Government do the same.

(By Senator DIRKSEN, August 2, 1961)

It has long been agreed that a strong and healthy economy is our first line of defense. This becomes doubly important when a nation is called upon to support multi-billion-dollar moon shoots, multi-million-dollar weapons, a large increase in military personnel, and a long-range foreign-aid program.

As members of the joint Senate-House Republican leadership, we are determined that our defense posture be at the maximum strength necessary and that President Kennedy be given the strongest hand possible in the diplomatic cold war. But we feel impelled to repeat that to arrive at this strength the Federal Government has to tighten its belt on all nonessential matters.

We believe these strictures apply not only to the Kennedy administration but to the Democratic-controlled Congress as well. Although President Kennedy on several occasions has asked the Congress not to exceed his budget, there is no evidence that the White House has sought to curtail any specific legislative excesses on which the Congress has already embarked, and they are several.

For example, there are housing, military, veterans, space, and the Youth Conservation Corps authorizations that have broken the budget barriers in excess of $5 billion. There are other examples but it suffices to say that when the budget itself is already out of balance, direct or indirect contributions to greater deficits, current and future, do not constitute a healthy situation.

Of course the Congress has a right to enact authorizations and appropriate money without regard to the President's budget. But with the White House exhibiting no reticence in spending matters we feel it imperative that Congress show every reasonable restraint possible. The administration has just finished a $3.9 billion deficit year and is now in a $5 billion deficit year. This is not a laudable start toward establishment of a sound fiscal policy.

True, there are those who fuzzily confuse spending with progress, but we feel confident from our mail and our own sampling that the overwhelming majority of the American people feel now is not the time for political excesses of any nature.

(By Representative HALLECK, August 31, 1961)

It is becoming plainer by the day that this Congress has been hearing from the folks back home about the need for tightening the purse strings particularly in view of the additional defense expenditures caused by the Berlin crisis.

In the last 3 weeks, the following significant actions have taken place which we believe more nearly reflect the mood of this country than the course followed by the Congress during the preceding 7 months:

1. On August 8, by a majority of 71 votes, the House eliminated from the atomic energy bill a completely unjustified proposal to spend $95 million to use the plutonium reactor at Hanford, Wash., to create electric power at a substantial loss to the taxpayers.

2. On August 29, 2 days ago, a Senate-House conference committee agreed to strike from the foreign aid bill $1.6 billion in authorizations for a 5-year period, and, far more important, specified that instead of borrowing the money from the Treasury, the administration must come to the Congress on an annual basis for appropriations.

3. On August 30—yesterday—the House by a 73-vote majority insisted that an aid-to-education bill extending the impacted areas and national defense education programs, which we are all for, be considered a week hence without $325 million for a school program with entirely new formula which administration partisans had inserted in the bill without so much as a public hearing or even a reading of the legislation by the Education and Labor Committee.

Congress, in our opinion, now realizes that our people have seen enough Christmas-tree legislation. While I can only speak for the Republicans, I think the disposition of the Congress henceforth is going to be: Provide every dollar needed for defense but tighten the Government's belt on nonessential spending.

Naturally we are proud of the part the Republicans played in this turn of events because it has justified our efforts to support the President in the international crisis while opposing costly programs that could either wait or are not needed under our form of government.

STRUCTURAL UNEMPLOYMENT

(By Senator DIRKSEN, April 20, 1961)

The New Frontier is overaccenting welfare proposals and has thus far failed to emphasize one of the real problems of the 1960's; namely, built-in, or structural unemployment.

What is really happening is that our economy is coming to grips with the composite results of our inventiveness, our ingenuity, our efficiency, our longevity, the steady increase of women in jobs, our abhorrence of waste, investments abroad, and the influx of competitive goods and other factors which have been slowly unfolding for a long time.

We have already seen what has happened to American agriculture as a result of tech-

nological improvements. In the last 10 years our farmers have produced approximately 28 percent more food with approximately 28 percent less manpower.

At the same time our industrial workers have also been producing at increased rates in the face of a growing labor force. This has produced some startling results.

A few years ago there were 2 million railroad employees. Today there are 800,000. A few years ago there were 700,000 employed coal miners; today there are 200,000. These are extreme examples but the problem is more likely to grow in the industrial field than diminish in the years immediately ahead.

The built-in factors in structural unemployment have been operating for some time and the question is how we handle their increased effect. Obviously there is a shift occurring at an accelerated rate from blue collar work to white collar work, but the acceleration is not great enough to meet technological improvements.

We are setting up a study committee on structural unemployment to advise us on the role of Government in achieving the transition in our work and production patterns. We must keep step technologically, but we must make sure our work force benefits as the changes occur.

(By Representative HALLECK, April 20, 1961)

This morning we reached a decision that I believe will go far toward helping solve one of the basic problems now facing this country—the problem of structural unemployment. By structural unemployment we mean those unfortunate individuals whose field of occupation has been wiped out or greatly diminished by technological change.

We have approximately 5,500,000 unemployed and I have seen nothing in the proposals sent to Congress by President Kennedy so far that comes to grips with this basic problem. The simple fact is that the average worker today is capable of substantially greater output than a few years ago because of technological improvement. At the same time, the number of people entering the labor market each year is increasing. The question thus becomes: How can we enjoy all the advantages of technological change and at the same time keep our workers employed?

There have been a number of studies made on this labor problem but none of them has produced a practical solution. Therefore, Senator DIRKSEN and I have been authorized to set up a small committee of experts to advise us on this problem of structural unemployment.

We believe that we can perform a constructive service by conducting this type of study. The structural unemployment problem is, beyond doubt, going to be with us for many years unless labor and management and Government can form a partnership to meet the problem squarely and fairly and intelligently. In fact, I hope to announce over this weekend a concurrent project we Republicans are developing in the House on this same subject.

The important thing is: The United States must advance technologically, in fact, keep ahead of the world, but at the same time it must do so without imposing undue hardship on the working men and women of this country.

WAGE-HOUR SLEIGHT OF HAND

(By Representative HALLECK, May 11, 1961)

I think it is time to read into the public record the fact that the American worker is losing nearly a billion and a quarter dollars in increased pay because President Kennedy failed to live up to his campaign pledge on minimum wages. My figures are from the Department of Labor.

In 1960, President Eisenhower worked around the clock trying to get an opposition Congress to raise the minimum wage to $1.15 as of January 1 of this year. Senator Kennedy personally scuttled the legislation, flatly pledging he would raise it to $1.25 if elected President.

In February, as President, Mr. Kennedy asked Congress not for $1.25 but $1.15, saying it should not go to $1.25 for 2½ more years.

Since the $1.15 does not become effective until September of this year, this means that nearly 2 million covered workers will have lost $224 million in increased pay that they could have had under President Eisenhower's proposal if adopted last year. That is the price workers are paying for the 8 lost months on the New Frontier.

But that is not all.

When the law goes to $1.25, 2½ years after President Kennedy pledged it would, the workers covered—some 3 million of them—can ask themselves how much they are out of pocket between Mr. Kennedy's pledge and his performance. The answer is a further loss of $1 billion in wage increases promised but not delivered. That is the additional price workers are paying for the 2½ lost years on the New Frontier.

Last week, when he signed the new law, President Kennedy said, "I want to express my satisfaction in signing the bill to increase the minimum wage to $1.25 an hour." Not a word was said about $1.15. Not a word about the 2½-year wait ahead of the American workers. Evidently the New Frontiersmen think the American worker can't read or write, add or subtract, multiply or divide—or remember. I happen to think they can and will.

(The following background information was released with Representative HALLECK'S May 11, statement:)

"August 3, 1960: Democratic-controlled Senate-House conferees failed to agree on President Eisenhower's proposed legislation for increasing the minimum wage to $1.15 effective January 1, 1961, the conference collapsing because Senator Kennedy insisted on $1.25.

"August 30, 1960: 'I intend to take this fight to the American people. I am sure that they will support me in November in my goal of a minimum living standard of $1.25 an hour. * * *' (Senator Kennedy to the minimum wage conference.)

"November 4, 1960: 'We have a minimum wage—but to be of any help at today's prices it must be raised to $1.25 an hour.' (Senator Kennedy in a campaign speech.)

"February 6, 1961: President Kennedy asked Congress for a $1.15 law plus broader coverage with provision to go to $1.25 28 months after the effective date.

"May 5, 1961: President Kennedy signed the minimum wage bill into law thus making September 4, 1961 the effective date for $1.15, and September 4, 1963 the effective date for $1.25.

"February 14, 1961: Secretary of Labor Goldberg told the House Education and Labor Committee that there were 1,906,000 covered workers who were making less than $1.15 and that the increase to $1.15 would mean an additional $336 million in their pay envelopes annually. Based on these figures the workers lost $224 million in their pay envelopes when Senator Kennedy scuttled President Eisenhower's bill (eight-twelfths of $336 million).

February 14, 1961: Secretary of Labor Goldberg also testified that there were 3,021,000 covered workers who made less than $1.25 and that the increase to $1.25 would result in $836 million more annually in their pockets. This means that the 2-year delay in President Kennedy's fulfillment of his promise to obtain a $1.25 minimum is costing the workers $500 million annually or a total of $1 billion for 2 years ($336 million subtracted from $836 million).

A SUMMARY STATEMENT

(Joint statement by Senator DIRKSEN and by Representative HALLECK, September 27, 1961)

We can recall no period in our times in which a new administration and Congress—both controlled by the Democratic Party—have promised so much and delivered so little. This was not the longest session of Congress in history—it just seemed like it.

To be sure, the old standbys of most Congresses were passed—foreign aid, social security amendments, highway funds, housing, judgeships, appropriations for defense, extension of expiring laws and the like. Some were the usual; some bore outlandish price tags; some made big government bigger.

But most significant, President Kennedy's major campaign promises stand unredeemed—in fact, appear unredeemable.

His aid-to-education program was rejected.

His tax program was pigeonholed.

His civil rights promises were forgotten.

His medical care for the aged was stymied.

His "do it yourself" farm program was plowed under.

His method of foreign aid financing, called the heart of the program, was killed.

His pledge of fiscal integrity vanished as the administration tobogganed into a huge deficit.

Indeed, the hallmark of this 1961 legislative venture was failure—in leadership, in accomplishment, and in campaign promises fulfilled.

Perhaps it can be said that the crowning success of this session of Congress was, after all, its overwhelming failure.

Surely most Americans upon reflection will find themselves more blessed for what they escaped than for what they received.

For this they can thank, in large measure, a sturdy band of outnumbered Republicans who fought throughout the session with considerable success for a beachhead of sanity in Government.

Fish Flour

EXTENSION OF REMARKS

OF

HON. FRANK CARLSON

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. CARLSON. Mr. President, it has become apparent that a concerted effort is being made to obtain legal sanction for the sale to the American people of an adulterated food product made from filthy and putrid substances. This effort if successful would mark the first backward step in more than 50 years of progress in pure food legislation and enforcement in this country. The integrity of the Nation's food supply is under attack.

This attack is being made on two fronts. The first is an attempt to obtain the approval of the product by the Food and Drug Administration. The second is an attempt to force through Congress an amendment to the Federal Food, Drug and Cosmetic Act to exempt this product from the requirements of the act.

The product for which this special dispensation is being sought is called by its proponents "fish protein concentrate, whole fish flour." It is made by grinding whole fish of any variety, including scavenger fish, taken from inland waterways, swamps, and any and all other

sources, and includes everything in and on the fish—head, eyes, scales, fins, intestines, contents of intestines, worms and parasites. From the resulting substance the fat would be removed by a chemical process and the remainder dried. It is this remainder which the proponents seek to have cleared for sale under the label "whole fish flour."

The proponents of the product have asked the Food and Drug Administration to establish a definition and standard of identity for the product. If this is done, the product could be sold to the American people under the proposed name with the blessing of the Food and Drug Administration, and the manufacturer could avoid a statement of the contents on the label.

Under the law a definition and standard of identity for a food product may be established only when the Secretary finds that "such action will promote honesty and fair dealing in the interest of consumers." This procedure is meaningful only when taken with respect to a commonly known food which consumers know and generally recognize by a customary name, and the purpose is to establish certain minimum requirements as to contents and nutritional values so that consumers calling for the food by that name will be assured that the product meets these minimum specifications. The procedure is not in the interest of consumers when the product is an unknown or little-known article, for in such case consumers do not know the article, are not aware of its contents, and do not generally call for it by any name. To establish a definition and standard of identity for such an unknown article of food would lead to concealment from the consumer of the contents of the article. In the period of almost a quarter century since this procedure was authorized by the act definitions and standards of identity have been established for less than 20 different classes of foods, all of which were standard items in the American diet.

The Food and Drug Administration has informally expressed the opinion that whole fish flour should be regarded as adulterated because it would be made without the removal of those portions of the fish not normally regarded as acceptable for human food in the United States. The act brands as adulterated any article "if it consists in whole or in part of any filthy, putrid or decomposed substance, or if it is otherwise unfit for food."

FDA's informal opinion is based on long-established precedent. For more than 50 years FDA has consistently held that a food product which contains insects, worms, rodents or parts thereof or the excreta thereof is filthy and putrid and therefore adulterated within the meaning of the act, regardless of the fact that the product may be so ground or otherwise processed that the presence of such filthy and putrid material is not detectable except in the laboratory, and regardless also of the fact that it may be so processed and treated that it is not injurious to health.

The courts have sustained this position in an unbroken line of decisions. As examples, the courts have condemned as adulterated such articles as fish containing parasitic worms; butter made from cream containing flies, rodent hair, feather parts, and so forth; bread made from flour or with sugar stored under unsanitary conditions and containing weevils, cockroaches, insect fragments, or rodent or insect excreta; toamto paste containing puverized corn ear worms and their excreta; and coffee beans containing various foreign materials. In each of these cases the courts have so held in spite of proof that by reason of the processing to which the product is subjected it is not injurious to health.

Fearful that notwithstanding the pressure being brought upon it the Food and Drug Administration will stand firm on the foregoing principles, as indeed it must, the proponents of this product would have Congress let down the bars for the first time since the enactment of the first Federal pure food law in 1905. The approach is subtle. The proponents would make it appear that it is not intended that the product be sold to the American consumer but instead to the undernourished peoples of foreign nations. They say, however, that these peoples will not buy it or eat it unless they can be led to believe that it is a standard item in the American diet. Therefore, they wish to debase our food standards in order to induce foreign countries to eat a product which we deem unfit for food.

Thus a governmental label of purity is sought for the admitted purpose of misleading foreign consumers, and at the same time legalizing the sale of an adulterated food product to the American consumer under a definition and standard of identity that would operate to conceal its true contents.

Our food supply is the safest in the world and as clean as modern technology can make it. Years of effort on the part of the Food and Drug Administration and the Department of Agriculture have been devoted to this end. Vast sums have been spent by farmers, warehousemen, grain dealers, produce dealers, dairymen, railroads, flour millers, packinghouses, canners, and food manufacturers in general to eliminate infestation and improve sanitation in the handling of grains, dairy and other agricultural products and all articles of food. We must not throw these achievements to the four winds in the dubious belief that deception of the foreign consumer is necessary for his own good.

The Living Death Under Communism

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FEIGHAN. Mr. Speaker, one slogan current in the free world today reflects the fears of the miserable few who seek to impose their will upon the firm resolutions of the many. To me, this is a classic example of the tail attempting to wag the dog. I refer to the defeatist slogan of "Better Red Than Dead."

The overwhelming majority of the people of the United States have rejected the admission of cowardice and mediocrity expressed by this slogan. The victims of Russian totalitarian aggression know the living death that communism imposes upon all the people wherever it succeeds in taking over the reins of power. Such an organization is the Ukrainian Association of Victims of Russian Communist Terror in Canada. The members of that association are attempting to communicate to the uninformed and the inexperienced the realities of life under communism. To encourage them in their positive actions, I have sent a letter of greetings to their annual meeting scheduled to take place in Toronto, Canada, next month.

Under leave previously granted I insert my letter in the RECORD:

MR. NICHOLAS PRYCHODKO,
National Chairman, Ukrainian Association of Victims of Russian Communist Terror (SUZERO), Toronto 18, Ontario, Canada.

DEAR MR. PRYCHODKO: Thank you for your good letter informing me that the 11th Annual Convention of the Ukrainian Association of Victims of Russian Communist Terror (SUZERO) will convene in Toronto. Please extend to all the members of the association my warm greetings and best wishes for a successful meeting.

The members of the association are well acquainted by personal experience with the terroristic methods employed by the Russians against the peoples in all the nations under their despotic control. Hence, the work they are doing to awaken the peoples of the free world to the stark realities of Russian Communist methods, tactics, and final objectives is of critical importance to the strength of the free world community. There is no substitute for first-hand experience in any field of human relations and your people have the kind of experience with the realities of life under Russian rule which must be communicated to the inexperienced.

I am convinced beyond any doubt that the Russian leaders are now making an all out effort to apply their techniques of terror against entire nations that are now free. They are using their present nuclear weapons tests in an effort to frighten the people of the free world into submitting to their demands on Berlin and East Germany. In the free world we hear the voices of weaklings and cowards shouting "Better Red than Dead"—which means nothing more than surrender. What these cowards fail to understand is that the life under communism which would come with surrender is worse than death—it is a living death. These same weaklings and cowards, if subjected to life under Communist rule, would be the first to welcome death as an angel of mercy. It is time that brave men began shouting "Better dead than Red" because courage and valor have always been the foundations of a free society.

The dedicated, fanatic Communist has been imbued with the idea that he should be prepared to die for the cause of communism. Many of them assume tasks in which death is a constant partner and do so in the belief that should they die their death is "an historical necessity" in order that communism may triumph throughout the world. In the early dawn of democracy, the Christian believers marched to their deaths in the confident realization that their greatest sacrifice would bring to the entire human family that way of life which benefits the dignity of man. From this basic Christian belief, supported by the martyrdom of untold

numbers of believers, has come the culture, the values, the ethic and the ideals of western civilization, upon which democracy as we know it is built. Self-government which depends always upon the freely given consent of the governed originates from an understanding and recognition of the dignity of man. Communism and all that it implies is the antithesis of these beliefs. This we should never forget. Nor should we forget the martyrdom of the early Christians or the later day Ukrainians as we who are free face the testing crisis of our beliefs.

I commend the work of your association in bringing the truth about communism to your fellow citizens in the Dominion of Canada and again wish all of you the fullest measure of success.

Sincerely,

MICHAEL A. FEIGHAN.

Congressman Garner E. Shriver Reports to the 4th Congressional District of Kansas on the 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. GARNER E. SHRIVER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. SHRIVER. Mr. Speaker, it is a privilege to submit this first annual report of my activities in the 1st session of the 87th Congress to the citizens of the Fourth Congressional District.

This has been a year of transition for the Nation. A new administration, led by President Kennedy, assumed responsibility on January 20 after 8 years of leadership by President Eisenhower.

This session of Congress began by acting upon domestic proposals of the new administration. However, events in such places as Laos, Cuba, the Congo, and Berlin also required decisions and action. The new crisis over Berlin at midsummer made its imprint upon the actions of the Congress.

Swift approval was given by Congress to an administration request for defense spending which has resulted in a record peacetime defense budget of $46.6 billion—nearly $5 billion more than requested by President Eisenhower at the first of the year. Total Federal Government appropriations for the 1962 fiscal year amount to over $92 billion—over $12 billion more than the previous year.

This was the first year of my stewardship in the U.S. Congress. It was a high honor for me to be elected to succeed the Honorable Edward H. Rees, of Emporia, who chose to retire after 24 years of distinguished service in the House of Representatives.

YOUR CONGRESSIONAL OFFICE

During these first months, I have attempted to establish with the help of my staff a congressional office which would enable me to promptly and efficiently serve the 580,000 men, women, and children of this district in their relationships with the many Federal agencies and bureaus.

The following summary indicates the efforts of your congressional office in Washington to serve you:

Held 325 conferences with officials of some 43 different agencies on cases for constituents.

Mailed nearly 10,000 Government documents to Fourth District citizens.

Handled nearly 100 matters dealing with the Department of Agriculture.

More than 25,000 pieces of mail were received in the Washington office from the district, of which 13,547 were first-class letters.

Mailed out 28,940 pieces of mail to the district, not including questionnaires or the constituent's newsletter.

Nearly 850 visitors from Kansas signed our guest book in Washington.

I followed news and editorial views on local, State, and National happenings in weekly and daily newspapers from every one of the 15 counties in the Fourth District. In addition, numerous professional and trade magazines, newsletters, and newspapers of hundreds of associations, unions, and societies reached my desk during the session.

Fourth District public works projects for flood control purposes and watershed projects received appropriations totaling $18,675,000 for the 1962 fiscal year. The Cheney Reservoir project in Sedgwick County will be one of six new Bureau of Reclamation starts in the Nation in 1962 with $2,700,000 appropriated by Congress. Military installation appropriations in the Fourth District amount to $188,000 for the projects at Fort Riley, Kans., and McConnell Air Force Base at Wichita.

Your Congressman testified four times before House committees considering legislation affecting the district. Four floor speeches were delivered on the importance of strengthening America's defense and continued production of the B–52 jet bomber.

SHRIVER VOTING RECORD—100 PERCENT

More than 14,026 bills and measures were introduced during the 1st session of the 87th Congress. Some 1,232 were passed by the House and 1,133 by the Senate. However, only about 600 were enacted into law.

Your Congressman answered 112 of 115 quorum calls in the House and had a 100 percent voting attendance record casting 116 rollcall votes.

COMMITTEE ACTIVITY

The Congress is an organization of committees. I am privileged to serve on the Committee on the Judiciary and the Subcommittee on Claims. The workload of both the full committee and the subcommittee is heavy. Thirty-four percent of all legislation introduced in the House—3,721 bills—was referred to the Judiciary Committee.

The Claims Subcommittee had 525 House bills referred to it. I was in attendance at 21 of the 23 full committee meetings, and 30 of 35 subcommittee sessions.

SHRIVER LEGISLATION

During my first year in Congress I have not attempted to author voluminous legislation However, I did introduce several bills which were the result of careful and deliberate study. Following are those which I believe to be of special significance:

FEDERAL JUDGESHIP IN KANSAS

Introduced, and testified before Judiciary Committee, on a bill to provide for the appointment of a third Federal judge in Kansas. This measure was included with omnibus bill providing for additional Federal judges throughout the Nation. It has been enacted into public law.

VOLUNTARY PENSION PLANS FOR SELF-EMPLOYED PERSONS

Introduced a bill which would permit and encourage the establishment of voluntary pension plans by self-employed persons by providing income tax deductions. Passed by House and pending in the Senate.

INCOME TAX DEDUCTION FOR UNIVERSITY TUITION AND EDUCATIONAL EXPENSES

Introduced a bill which would provide that taxpayers may deduct up to $1,500 yearly on their income tax reports for tuition and other educational expenses paid to higher educational institutions for themselves, their spouses, or dependents. Pending before House Ways and Means Committee.

RESOLUTIONS ON RED CHINA

Introduced a resolution which expresses the sense of Congress against the admission of Red China to the United Nations. Passed by both the House and Senate.

It has been a genuine pleasure to represent the people of the Fourth District of Kansas in the Congress during the past session. I shall always attempt to the best of my ability to meet the serious responsibilities which face me as your representative. I invite you to keep me informed of your views on all issues which affect the district and the Nation. You may write to me in Washington, or during the adjournment I shall spend most of the time operating out of my office at 510 Schweiter Building, Wichita, Kans.

Goals of the New Frontier: Major Innovations in Our Foreign Policy Will Provide a Harvest of Peace and Other Benefits

EXTENSION OF REMARKS
OF
HON. HARRIS B. McDOWELL, JR.
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. McDOWELL. Mr. Speaker, the past session of the 87th Congress has been one of considerable and extensive legislative accomplishment in the field of foreign affairs. Not all, by any means, of the needs which are pressed upon the Congress and our nations by our tumultuous times have been met and much remains for the coming session and for the future. But important strides were made—strides which should ease and facilitate the conduct of our foreign policy.

Perhaps the most important of these strides was in the field of foreign aid. Here the most important new departure since the Mutual Security Act of 1954, and perhaps since President Truman's point 4 of 1950, was enacted in Public Law 87–195 (H.R. 8400). This new departure has two main routes: one in the shift to emphasis upon long-term loan financing as the main American contribution to economic development; the other in the creation of the new Agency for International Development as an integral part of the Department of State to bring our foreign aid activities into full coordination with our foreign policy in its entire scope.

The Development Loan Fund within the new AID was authorized to undertake a 5-year program of long-term loans to friendly countries with emphasis upon long-range plans for economic development and improvement. A sum of $1.2 billion was authorized for this purpose in fiscal year 1962 and $1.5 billion for each of the 4 succeeding fiscal years, 1963–66. Annual appropriations will be required for the succeeding fiscal years rather than the Treasury borrowing authority requested by the President, but in President Kennedy's words of August 29, 1961:

> The compromise which the Senate-House conferees have worked out is wholly satisfactory. It gives the U.S. Government authority to make commitments for long-term development programs with reasonable assurance that these commitments will be met. In providing 5 years of substantial authorization, the conferees have recognized the magnitude of the need in the developing countries. In insuring specific authority to enter into commitments with these countries, the conferees have recognized the necessity for this Government to give assurance that assistance will be forthcoming over a period of years. The agreement reached by the conferees today is an important decision both for the United States and the free world.

One of the tasks for the future is to insure that the commitment made by the Congress in this authorization is fulfilled, so that our development loan program can proceed in sound and successful fashion.

The final appropriation for foreign aid was $3.9 billion—almost a billion less than the administration's original request for $4.8 billion and some $376,400,000 less than was provided in the authorization legislation. But although this appropriation was less than requested and authorized, it should also be noted that it marks an increase of approximately $100 million over the appropriations for the past fiscal year 1961.

Reorganization of our foreign aid establishment into the new Agency for International Development, authorized by Public Law 87–195, has been proceeding under the newly appointed AID Director, Fowler Hamilton. The results of this step must yet await the test of time, but legislative action in the last session has given the executive branch the administrative flexibility to make our foreign aid more efficient and a more effective instrument of our foreign policy.

A second stride forward in the field of foreign aid was taken in the appropriation—Public Law 87–41; H.R. 6518—of the full $500 million for President Kennedy's Alliance for Progress with Latin America. This program is directed at advances in fields which directly affect the lives of the peoples of Latin America. In the words of the President:

> It is an effort to create a social framework within which all the people of a nation can share in the benefits of prosperity and participate in the process of growth.

This represents a fine and proper development of our purpose as a nation in our relations with our neighbors to the south. At the same time, this act contained a special provision for $100 million to assist the people of Chile in reconstruction and recovery from the devastating earthquake which struck their country.

A third stride forward came with Public Law 87–256 (H.R. 8666) which I was pleased to cosponsor with my colleague, the gentleman from Ohio [Mr. HAYS]. This act draws together the various educational and cultural exchange programs conducted by our Government. Its overall aim in consolidating some 12 different previous acts into a whole is to promote the educational and cultural exchange programs into a more important position in the foreign relations of the United States. Clearly, this is a highly important field and one in which we are capable of doing much better. We now have a much improved statutory framework for the effective conduct of these programs as part of our relations with the world.

Yet a fourth stride forward came in the important and morally pressing area of food for peace. An additional $2 billion was authorized by Public Law 87–28 for the sale of our surplus agricultural commodities for foreign currencies under title I of Public Law 480. In addition, Public Law 87–92 continues the authority contained in title II of Public Law 480 to use our agricultural surplus to help needy people in less-developed countries where it is not feasible to sell these commodities. The food for peace programs of our Government are surely among the most important. They are programs for which we would do well to seek further use and to further expand.

This short summary, of course, does not provide a complete catalog of all actions in the Congress or deal adequately with the tremendous role which, under our Constitution, the President plays in the conduct of our foreign policy.

Under the vigorous and farsighted leadership of President Kennedy we have taken important steps forward to strengthen our world position, to restore our international prestige, to renew vital ties with our allies, and to undertake new programs to help raise the living standards and the economic potential of newly emerging and developing nations throughout the world. The Alliance for Progress, the Peace Corps, and the establishment of the U.S. Arms Control and Disarmament Agency are examples of the type of positive programs which can be created whenever dynamic Presidential leadership and effective teamwork exists as is now the case between our Democratic President and our Democratic Congress.

Our firm stands on Berlin, Laos, and in other trouble spots of the world, and the strengthening of our defense posture, have dramatically demonstrated to the Soviet leaders and to the leaders of other nations our steadfast determination to fulfill our global commitments. At the same time, we have worked actively for sound solutions to international problems through the United Nations, where we are so ably represented by our distinguished Ambassador, Adlai E. Stevenson, who knows that world peace cannot be obtained by slick "kitchen debates."

All of these major accomplishments in the foreign policy field have clearly demonstrated to the world our sincere desire for a just and lasting peace, with freedom for all peoples.

Automation

EXTENSION OF REMARKS
OF
HON. GLENN CUNNINGHAM
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CUNNINGHAM. Mr. Speaker, the problems and benefits of automation are very real. They are before us today and must have the attention of the Congress.

I was privileged to speak to the Nebraska State AFL–CIO convention and pursue this subject and offer my support for the fine program which has been presented to the Congress.

I offer now my remarks before this convention in the hopes that these thoughts will throw some additional light on this subject and give all of us some basis for action in the 2d session of the 87th Congress:

Since World War II, this Nation has had its economic ups and downs. Recessions have come and gone, and after each recession has run its course, the number of long-term unemployed workers has been higher.

Today unemployment remains high. One reason is the fact that taxes are so high that business doesn't have the funds to expand. But another important and basic reason is automation. Automation is inevitable. We know it is here to stay and will expand greatly in the future, going into fields not even considered today.

We cannot stop it, nor would we want to. We must have automation if we wish to progress and hold our position as a world leader in industry and production. West Europe is pursuing automation aggressively and we must stay ahead.

Secretary of Labor Goldberg called automation and other technological progress important to the American economy and said it may be necessary to step up the pace rather than tone it down.

As an economics major at the University of Omaha, I was taught and convinced that automation does not reduce jobs in the long run. As a machine takes over jobs in a plant or office, then new jobs are created in building and maintaining the machines. The problem, though, is that it takes a long time, perhaps years, to move from one skill to another. This is further complicated due to the fact that if you lose a job in Omaha to a machine, it may take years to get another job in some other section of the country where the machines are manufactured.

So we are faced with the situation—the fact of automation. It has created a surplus of workers and as one witness before Congress said: "Surplus wheat can be stored. Surplus workers—and this is what automation is creating—cannot."

We are all guilty of sweeping this fact of life under the rug. We ignored the situation for too long. Now it is critical.

There is virtually no trade or industry that has not or will not feel the effects of automation. Mr. David Sutton, of the Building Services Union, said that field has been affected by automatic elevators, vending machines, cleaning machines, dishwashing machines, automatic pinsetters, and so forth.

Patrick Gorman, of the Meat Cutters Union, has discussed the growth of machine wrapping, and we all know of the growth of self-service grocery stores and self-service trends in all retailing.

Railway workers have felt the impact of automated equipment in maintenance work. Office employees have been replaced by computers, a field which will show even more rapid expansion in the future, according to Howard Coughlin, of the Office Employees Union.

Joseph Beirne, of the Communications Workers, has testified on the tremendous growth of automation in the communications industry.

And we all know how automation in the packinghouses has already cost hundreds of jobs right here in Omaha.

It is estimated that 10 million persons will find their jobs replaced by machines in the next 5 years. At the same time we will have 6 million new workers entering the labor force in the same period, a total of 16 million jobs to be found in the next 5 years.

We are faced with a serious situation, locally and nationally. It has been growing for some years, yet it has not had the recognition nor the study it needs. I know—to those out of work—the words "study," "committee," and "further investigation" sound meaningless. Yet Congress—until this year—has never looked at this problem head on. It was only this summer that a special subcommittee was set up to take a close look at the problems caused by automation and, more importantly, to seek to find the answers.

Congressman ELMER HOLLAND, Democrat, of Pennsylvania, is chairman of this special House subcommittee. While I am not a member of this committee, I have talked to Congressman HOLLAND at length about his work and he has been kind enough to keep me informed of its progress. I have pledged my complete support.

Congressman HOLLAND tells me that prior to this year there was little attention given in Congress to this problem, so he has had to start virtually from scratch. Thus it is that we have had these hearings, and thus it is that we have had to take time when this problem is so acute to study the issues and problems in an effort to secure the right answers.

As Mr. HOLLAND said, "If similar hearings had been conducted 7 years ago, or even in 1956–57 when I asked for them in Congress, programs would be in effect today and the unemployment figure would not have snowballed to where it is now. We would not have the millions of unskilled workers we have today * * * they would have been retrained."

As you can see, Congressman HOLLAND believes that retraining is one big answer to automation. Certainly it is. But there are other parts of the program which must also come along at the same time or we will just change the unemployment statistics from unskilled workers to skilled workers, and that would be even more tragic for this Nation if such a thing is possible.

Let me offer you this thought: Automation is not the problem; the problem is what we do with the fruits of automation.

It is not just a problem for the worker, as Walter Reuther has pointed out so well. Reuther tells of watching a Ford assembly line in which a motor block was made automatically in less than 15 minutes, work that would take many workers many hours to do. An engineer told Reuther, "You know, not one of these machines pays dues to the United Auto Workers." Reuther replied, "And, do you know, not one of those machines can buy a new Ford car either."

So there is a big stake in this problem for management as well as labor.

It was pointed out time and time again in the hearings this summer that automation can and should be a blessing to our people and to the underdeveloped nations of the world. Through the use of automation, productivity can be increased and cost can be reduced. This would result in permitting all to have more, for less money, provided there are those with money to buy the products.

It is ironic that there are today unemployed skilled workers in one part of the country and jobs for people with these same skills in another part of the country. This is part of a problem that must be solved.

It is ironic that we have more persons producing more products with more total value than ever before, yet we have a high level of unemployment. This is the problem.

It is ironic that we, as the wealthiest nation in the world, have this forced idleness and waste of manpower at a time when we are engaged in a death struggle with communism and need to have a fully mobilized economy.

What answers have the congressional hearings provided for these questions? What program is now advanced?

Here are the major points:

1. Retraining—on the job—of persons whose jobs are in danger of being eliminated. This is a step for management, for they have the greatest stake—next to the employee himself—in what happens to former employees. Personal good will, community relations, product good will and buyers for the company product all enter into this in-plant training program.

2. Vocational education training of persons who have lost their jobs and whose skills are surplus in the Nation. This would utilize our vocational schools, both public and private, for courses not to exceed 52 weeks. Priority would be given to the long-term unemployed in this program. Such persons would be paid allowances not to exceed the average weekly unemployment compensation payment.

State action is needed here to allow persons in training and retraining programs to continue to receive unemployment benefits up to normal amounts and limits. Only 10 States now allow such payments.

3. Creation of a national clearinghouse to classify needed skills and match them with trained workers by geographic areas.

4. Tax relief to men who will take jobs away from home in areas where their skills are needed but who hesitate to move their families until there is some real assurance that a new job will work out and last.

5. More effective vocational guidance programs for the armed services to prepare men and women for civilian jobs after their service.

6. And finally, recognition that the real answer to unemployment is more jobs. This requires realistic depreciation formulas so that industry can build the new plants and take the gambles that are necessary if more jobs are to be created in our growing economy.

Along with these points, it is recommended that Federal policies and programs recognize the importance of local and private efforts, which collectively can do as much to solve the hundreds and thousands of individual problems as can a Federal program aimed at the entire problem.

As a member of the minority party in Congress, I am proud that my party is lined up to support this program. This is a bipartisan effort and this is as it should be. It is a tragic thing that during the recent Congress—the longest session since the Korean war—the majority did not bring up any of these suggested measures for action. The bills involved have bipartisan support and could easily have been brought up instead of having the House consider a botanic garden for Hawaii or a fish aquarium for Washington, D.C.

It is my hope that the majority party, which controls all legislation in Congress, will bring up these important bills early in the next session.

I might say that this is no new interest for me. I've long been interested in it since my father headed a committee of master plumbers here in Omaha which worked hard to create an apprenticeship program, which was established eventually and functions to this day. I believe apprenticeship courses are, in effect, the same principle used in retraining programs I have mentioned.

There will be ample production jobs in the United States if this automation problem is met and solved by Congress and other groups. We cannot afford to continually take stopgap measures to ease the problems of the unemployed each time a recession sets in, because it has been proved that such makework measures give only temporary relief—they do not solve the problem.

I am certain that you will agree with me that we do and will have the jobs available if we only get down to the heart of the problem by training and retraining displaced workers, providing them with new skills with which to produce for a stronger America, providing them with productive employment, and giving them the pride and joy of working for a greater America rather than living off relief and handouts from the Government.

Government Competition With Private Enterprise

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by me concerning Government competition with private enterprise.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BUTLER

There are certain basic and fundamental objectives for national policy which are recognized by all of our citizens. The first is the stimulation of the growth in our economy. By that, I mean real growth measured in terms of increased output of the goods, and services our people need.

We also seek an economy where fair competition provides the regulator of all economic activity. The Sherman Act, the Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act were devised to create a climate in which our private enterprise system could grow and prosper. There are some basic inconsistencies among these different laws, but the Congress adopted them because of a universal and widely accepted belief in a competitive, market-oriented economy, protected from

monopoly control. This is the only system that stimulates producers to ever-greater efforts. Likewise, it provides consumers, including the Federal Government, with maximum values.

Still another objective which each of us seeks is the widest possible tax base to support the many essential services that can best be performed by our 50 States and the local governments which have been created under State constitutions. In these troubled times when heavy tax burdens are imposed upon the American people to meet the ever-growing demands of the cold war, there are compelling reasons to eliminate any activity performed by the Federal Government which private enterprise can conduct more effectively and at a lower cost.

Now that the 1st session of the 87th Congress has adjourned, it is well to reexamine these three objectives which I believe are accepted by all Americans. It is my firm conviction that the growth of our economy in a true sense can best be advanced by unleashing the initiative of private enterprise. Many distinguished economists who have examined the American economic system have stressed the fact that the individual decisionmaking centers found in the millions of American enterprises provide a stimulus for new ideas, new methods, and more effective production. This does not occur in an economy where final judgment is centered in the government. Under our constitutional system, the Federal Government was never intended to undertake business-type activities in competition with its citizens.

Today the Government is the largest single employer in the United States. It owns more real estate and it conducts complex financial operations permeating every area of our economy. A reexamination of these activities is clearly a means of promoting economic growth.

The second objective—the preservation of a competitive economy—presumes an absence of monopolistic power in any sector. The antitrust laws, which are vigorously enforced, assure that no private enterprise will be allowed to restrain the activities of a competitor, large or small. However, if the Federal Government becomes a competitor, the antitrust laws do not apply. Whenever it engages in any activity that is competitive with private firms, its resources are unlimited. It is not subject to the normal regulatory and judicial restraints; its industrial relations policies are not subject to review by the National Labor Relations Board; and its financial operations are not subject to the accounting rules and regulations imposed by the Internal Revenue Service nor are they subject to the approval of the Securities and Exchange Commission or other regulatory bodies

Americans have accepted the premise that competition is the most effective means of promoting the interests of consumers. Every fairminded person therefore will agree that it is virtually impossible for any firm to compete with the Federal Government.

Mr. President, the third objective is the widest possible tax base to support essential local services. For many years, I have consistently opposed the expansion of the Federal Government into areas such as Federal aid to education and other welfare measures. I am not unmindful of the need to provide the best possible training for coming generations of Americans. However, I am convinced that education and countless other matters can best be undertaken by State and local governments and should not be under the domination of the Federal Government.

Those who advocate Federal programs in these areas justify their position on the supposed inability of States and local communities throughout our great Nation to finance adequate programs. I propose to assist the States in securing the necessary revenues by eliminating activities presently conducted within their borders by the Federal Government. They provide little or no tax support to the States and the communities where these Federal operations are conducted. If private enterprise which does not enjoy a tax exemption supplies the same services to the Federal Government, we are providing immediate assistance to the States. This does not require either increasing the national debt or raising the level of Federal taxation. Furthermore, any profits which private enterprise may earn in the performance of these activities will add to Federal revenues.

Mr. President, for many years the subject of Government competition with private enterprise has been studied and reviewed by the Congress. It established the Hoover Commission in 1953 to study the organization of the executive branch of the Government. The Commission made an extensive appraisal of business enterprises within the Government.

The members of this Commission whose efforts were coordinated by former President Hoover included two of my colleagues, one a Republican, the senior Senator from New Hampshire, and the other a Democrat, the senior Senator from Arkansas. It also included two distinguished Members of the other body, again one a Republican, Representative CLARENCE J. BROWN, of Ohio, and the other a Democrat, Representative CHET HOLIFIELD, of California. Among the 12 dedicated Americans who served on the Commission were 2 outstanding Democrats, James A. Farley and Joseph P. Kennedy. They all supported the basic recommendations of the Commission in the report on business enterprises submitted to the Congress by the Chairman, Herbert Hoover, on May 4, 1955.

The views of the Commission with respect to this broad problem of Government competition with private enterprise are as valid today as they were in 1955. The excerpts from the preface of this report is as follows:

"PREFACE

"Our economic system is based on private enterprise regulated where necessary to prevent monopoly and to provide for freedom of competition.

"The genius of the private enterprise system is that it generates initiative, ingenuity, inventiveness, and unparalleled productivity. With the normal rigidities that are a part of Government, obviously, the same forces that produce excellent results in private industry do not develop to the same degree in Government business enterprises.

"The Government creates business-type enterprises in economic emergencies, in the emergencies of war, and for the development of projects which are not adapted to private enterprise because of their nature or their magnitude. A very large portion of the Government business enterprises originated in World War I, the depression, and World War II.

"One of the major problems before us is the continuation of Government business enterprises after the emergency that engendered them has terminated. One reason that these agencies tend to perpetuate themselves is that by the time their tasks have been completed their personnel and the citizens in the communities where they operate resist termination. As a consequence, all too often they continue to function long after the original need has passed and even though the operation of many of them is not in the public interest.

The Government business-type enterprises, except in a few instances, pay no taxes, and pay little or no interest on the capital invested; they seldom charge depreciation and frequently their directing personnel is not included on their payroll. Likewise the "fringe benefits" of Government personnel in most instances are not included in their costs. Moreover, in addition to the fact that most of them pay no taxes, they deprive the Government of taxes which would otherwise be paid by private enterprise if it conducted these operations. Therefore, their claims of financial success are often wholly invalid; and, worse, with the advantages they receive from the Government, they are unfair competition.

"Because of vested interests, misleading or incomplete accounts, or other reasons, some of these enterprises have established an astonishing longevity.

"A classical case of this phenomenon dating from World War I was the Inland Waterways Corporation, which survived for 33 years—and lost money practically every year. It was typical of the vested interests created within and around it.

"The continuance of such activities by the Government must be made subject to rigid justification; occasionally this can be done, but the burden of proof in all instances must be on the Government. Unjustified continuance is a definite injury to the vitality of the whole private enterprise system.

"Aside from the fundamental public policy of maintaining an economic system which has produced the highest standard of living for a whole Nation in all the history of mankind, this system has also amply proved its vitality in preparedness for national defense. It provided inventiveness and productivity which, second only to the valor of our officers and men, have won for us both World War I and World War II. It can, in another such emergency, provide again the national sinews to win.

"It is on these principles that this report is based.

"Yet as this report will show, the Government is conducting a multitude of projects in competition with and to the injury of the very system upon which our future security and prosperity is based.

"While this report was being prepared, the Department of Defense has reviewed the activities of the Department in reducing competition with private enterprise. They enumerate 97 facilities in 20 categories, the elimination of most of which is recommended specifically by our report, which have either been discontinued or scheduled for discontinuance. The action of the Department of Defense is most constructive."

President Eisenhower proceeded to implement the philosophy expressed by the Hoover Commission throughout the Federal Government. Great progress was made in eliminating many business-type activities which were still being conducted by the Federal Government. At one time or another, there had been a justifiable reason for the Federal Government to embark upon these activities. However, bureaucracy is slow to change, and many of these functions continue in operation even though the need for which they were authorized has been fulfilled.

The U.S. Spruce Products Corporation, organized during World War I to provide spruce for airplane fusilages, provides one of the more conspicuous examples of such a practice. Its functions were abolished by an act of Congress a few years after the close of World War I, but in 1946, the corporation still had a president, a secretary, a treasurer, a car, and a chauffeur. The Reconstruction Finance Corporation, liquidated by act of Congress in 1957, was provided with $65,000 for administrative expenses of liquidation in the President's 1962 budget.

The Bureau of the Budget during the Eisenhower administration issued directives in January of 1955 and supplemented them on February 5, 1957, and again on September 21, 1959. They clearly stated the basic policy which should guide every agency of the Government in a reexamination of those activities which compete with private enterprise. I shall quote at this point directly

from the policy as expressed in Bulletin No. 60-2 of September 21, 1959.

"It is the general policy of the administration that the Federal Government will not start or carry on any commercial-industrial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels."

During the Eisenhower administration the Federal Government sold to private interests the Federal Inland Waterways Corporation, which operated barge lines on the Mississippi and Ohio Rivers. It also sold the entire synthetic rubber industry which was built during World War II. The national industrial reserve of plants and industrial equipment, under the Department of Defense, had 24 facilities in its plant reserve in 1959. Early in 1961, there were only 13, of which the Government owns only 3.

In President Eisenhower's last state of the Union message, he said:

"There has been a firm policy of reducing competition with private enterprise. This has resulted in discontinuance of some 2,000 commercial and industrial installations and, in addition, the curtailment of approximately 550 industrial installations operated directly by Government agencies."

Now that a new administration has been in office for more than 8 months, the extent to which Government competition with private enterprise has been reduced or increased should be studied. Unfortunately, my examination of the record suggests that the Federal Government is once more embarking on programs which will provide further competition between the Federal Government and private enterprise rather than reducing it.

For example, during the closing days of this session, the Congress enacted an appropriation bill for public works, which provides funds to enable the Federal Government to build the transmission lines for the Colorado River storage project. If private enterprise were entrusted with this task, it is estimated that at least $61 million in Federal taxes and $107 million in State and local taxes would be collected over a 50-year period. Furthermore, $135 million in Federal construction funds would have been saved over the next few years at a time when the demands of national defense are so high. On the other hand, it is fortunate that the House of Representatives rejected the Senate's recommendations for the inclusion of a power reactor at Hanford, Oreg., in the atomic energy authorization bill for the coming year.

There are countless other activities which experience clearly shows could better be performed by private enterprise than through an expansion of business-type activities by the Federal Government. For example, the Defense Department operates air and sea transport services which often compete with private carriers.

Over the years, I have frequently referred to the obvious competition of Navy yards with private shipbuilding facilities. At the present time, more than 80 percent of conversions, alterations, and repairs to naval vessels are performed in naval shipyards. As a result of this competition, five major private facilities on the Pacific coast have been forced out of business since 1957.

To be sure, the Navy must maintain certain basic facilities to meet its needs in times of war. This has been the justification advanced for the continued operation of many shipbuilding and repair operations at a lower cost and more efficiently by existing private firms.

Is the basic concept that only Government facilities can meet wartime needs valid? Certainly, recent history reveals the fact that in every emergency it was necessary to turn to private shipyards and to expand them at an ever-increasing rate at great cost to the Government in order to meet the Navy's needs for new ships and the repair of battle casualties. This would lead to the conclusion that it is essential for the security of our country that private shipyards secure sufficient work at all times to maintain a trained and capable workforce which can furnish the base for necessary expansion in times of need. Fortunately, existing facilities are located along the seacoasts at strategic points, and they have always been at the disposal of the Federal Government.

The operation of naval shipyards which compete with private facilities immobilizes officers whose primary concern should be centered on military functions which are clearly outside the competence of civilians. Instead they are performing managerial functions for which their training and experience is inadequate. I fully recognize the need to maintain naval shipyards in certain locations where private facilities are not available and where national defense needs clearly justify their continuance or expansion.

In citing this competition between the U.S. Navy and private shipyards, I am merely using it as an example of the type of activity which must be constantly restudied in the light of the recommendations of the Hoover Commission. They have never been officially repudiated by any member of that dedicated group. They were accepted by President Eisenhower and implemented by the Bureau of the Budget.

The time has come when the Congress must once again take such steps as may be necessary to insure that every business-type activity presently conducted by the Federal Government is scrutinized with a view toward only maintaining those that are clearly necessary. Whenever it appears that private enterprise would be a more effective and less costly instrument of production, steps should be taken at least to permit it to demonstrate what could be accomplished with an environment conducive to securing its maximum participation.

We are engaged in a struggle to establish the rights of man throughout the world. In our foreign aid and development programs, it is essential that we encourage the maximum participation by American industry rather than channel our assistance on a government-to-government basis. American firms operating overseas with private capital destroy the Soviet allegations that economic efforts are inevitably linked to political ends. The pursuit of our present policies negates the very ends we are striving to achieve.

An article which appeared in the Saturday Review for September 30, 1961, by Dr. Heinrich Kronstein, director of the Institute for Foreign and International Common Commercial Law in Frankfurt, Germany, studied the delicate balance between private industry and government in their relationship with underdeveloped areas. The excerpts from Dr. Kronstein's article is as follows:

"During recent years the United States has developed, or at least accepted, a fresh approach to American activity in the new countries. The Government has conducted economic relations through its different agencies, or jointly with other governments, usually through the United Nations or an institution established under the auspices of the U.N. In turn, the recently sovereign nations have entered into economic relations through their governments. As a result, private enterprise has to a large extent lost its role as instigator, planner, and executor of development in these new lands. Adaptation of private policy to the needs of the countries or to American needs in foreign markets has declined. Many governments not in the Communist bloc have excluded private enterprise as a participant in important industrial fields or have created difficulties that amount to practical exclusion.

"A number of more or less settled practices have developed, such as making outright gifts of military and other technical materials, offering governmental long-term loans, and guaranteeing through governmental agencies credit which is made available as corporate loans.

"The combination of military and economic aid by the same organization, the U.S. Government, is a clear example of the confusion of social functions. The executive and the Congress, formulating one budget, make basic decisions on military, technical, and economic aid, even though these are administered by different agencies.

"Systematic planning of foreign development operations is a job ideally suited to the industrial experts in our corporations. Perhaps some corporations are engaged in this work, but I doubt that their part is substantial. The advisory services of industrial planners or economists not connected with industry may be helpful, but these people are not occupied with the actual job.

"It is interesting to see what great success a relative newcomer, Italy, has had in industrial planning. Fiat, Montecatini, Italian Edison, Innocento, and Pirelli established a joint agency to prepare a plan for underdeveloped territories. The Iranian Government employed it to outline the development of the southeast part of Iran. Argentina, Egypt, Tunisia, and Togo soon followed. Negotiations with central African states are now pending. This systematic inclusion of a private agency in the planning job is an important step. The Federal Republic of Germany is considering setting up a mixed agency composed of government and private groups to serve the same purpose. But this is still not enough. Private experts continue to be needed after the plan has begun to operate, as is evident in the recent efforts of the Argentine Government to bring American and European technicians there to run industrial plants erected with Government aid. In spite of the fact that the number of industrial plants in Argentina set up with Government aid had increased substantially by 1960, total production has decreased because of the lack of qualified people to run the plants."

One of America's greatest Presidents, Abraham Lincoln, defined the proper role of the Federal Government as follows:

"The function of government is to do for the individual all of those things which he cannot do at all or which he cannot so well do for himself; but in all those things where the community or the individual can take care of his own affairs, the Federal Government ought not to interfere."

A century later the fundamental and constitutional objectives set forth by President Lincoln are still valid. No justification for a continued encroachment upon the activities of private citizens who manifestly cannot compete with their own Government has been made.

The Small Business Legislative Accomplishments of the 1st Session, 87th Congress

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EXTENSION OF REMARKS

OF

HON. JOHN SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the small

business legislative accomplishments of the 1st session, 87th Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Year after year, since 1950, when the present Small Business Committee of the Senate was established by Senate Resolution 58, the Congress has expressed its concern for the welfare of the Nation's small businessmen by the enactment of legislation designed to foster and promote a healthy small business community. No session of Congress in the past decade has adjourned without adding to the legislative arsenal of small business new weapons to help the Nation's small and independent enterprisers wage their oftentimes desperate struggle for survival on today's business battleground.

Perhaps mindful of the growing casualty lists mirrored in the mounting number of small business bankruptcies, the 1st session of the 87th Congress again demonstrated its awareness of the problems of small businessmen through the enactment of various measures to strengthen the small business segment of our economy. In summarizing these at this time, I cannot let the occasion pass without taking notice of the combined efforts of the members of the Senate Small Business Committee to help small businessmen hurdle many of the obstacles which stand between them and the successful conduct of their enterprises. Without stint the members gave of their time and energy to make it possible for the owners and managers of small concerns, if not to overtake, at least to stay competitively within shouting distance of their larger and more powerful rivals. In no slight measure, these efforts of the committee members were responsible for the enactment of significant small business legislation during the 1st session of the 87th Congress.

When Congress passed the Small Business Investment Act of 1958, it in effect added a significant new dimension to the Nation's banking system by creating a new primary source of credit in the form of small business investment companies. The response of the investing public to the idea of small business investment companies has exceeded expectations. Today there are in existence 386 investment companies licensed by the Small Business Administration. These have aggregate capital in excess of $300 million available for long-term loans and equity capital for small business enterprises. Even so, as with all new and original concepts, it became evident that opportunities existed for improving and expanding the SBIC program, chiefly by means of making the formation of SBIC's more attractive to the investing public.

With this as an objective, Congress passed S. 902—Public Law 87-341—the Small Business Investment Act Amendments of 1961, to offer new incentives for the formation of SBIC's. These incentives took the following forms:

1. The amount of subordinated debentures in an SBIC which the Small Business Administration may purchase was raised from $150,000 to $400,000.

2. Banks may now invest 2 percent of their capital and surplus in SBIC's. Previously banks could only invest 1 percent of their capital and surplus in SBIC's.

3. The amount of section 303(b) loans which SBA may make to an SBIC is set at 50 percent of capital and surplus, with a limit of $4 million to any single investment company.

4. The amount of funds which an SBIC may lend to any one business firm was limited to $500,000, unless the SBA grants an exception.

5. SBA was given broad powers to investigate and issue cease-and-desist orders against SBIC's. After a hearing, SBA can suspend the license of an SBIC. Licenses, however, may not be revoked without Federal court action.

6. An additional $75 million was added to SBA's revolving fund for SBIC operations, an increase from $250 million to $325 million.

7. SBIC's may now cooperate with lenders and investors, whether incorporated or unincorporated, in furnishing funds to small business firms. Previously, such cooperation could only be extended to other lending institutions.

Two steps were taken during the 1st session of the 87th Congress to increase the effectiveness of the Small Business Administration as the champion of small business. H.R. 8762—Public Law 87-305—approved September 26, 1961, increased SBA's revolving fund by $105 million, thus assuring the agency funds to operate its lending programs throughout fiscal year 1962.

Additionally, Public Law 87-305 laid the foundation for a program designed to increase the role of small concerns as subcontractors on Government procurements. Under its provisions, SBA, the Defense Department, and the General Services Administration must within 90 days from the date of enactment develop cooperatively a small business subcontracting program. Before any regulations governing this program are issued by the Defense Department and GSA, the concurrence of SBA must be obtained. Lacking this, points of disagreement must be referred to the White House for resolution.

No summary of legislation helpful to small business concerns passed during the 1st session of the 87th Congress would be complete, Mr. President, without mention of the following enactments:

S. 2325—Public Law 87-311—should encourage small business to enter the world trade market by clarifying the authority of the Export-Import Bank to insure, coinsure, and reinsure U.S. exports and foreign exports doing business in the United States in an aggregate amount outstanding at any one time of $1 billion against political and credit risks of loss stemming from export activities.

S. 1922—Public Law 87-70—authorized the Small Business Administration to make disaster loans to a small business which has suffered substantial injury as a result of its displacement by federally aided urban renewal or highway construction program or any other construction program which was financed by Federal funds.

S. 1—Public Law 87-27—Area Redevelopment Act, extended indefinitely the authority of the Small Business Administration, due to expire June 30, 1961, to make loans to State and local development companies. In commenting on this provision, the House Banking and Currency Committee's report on S. 1, stated: "These loans can greatly benefit areas of substantial and persistent labor surplus and will therefore promote the general purposes of the area redevelopment bill. * * * Through March 17, 1961, loans totaling $10,700,000 had been made * * * under this authority. * * * No losses have been incurred to date."

Mr. President, these accomplishments of the 1st session of the 87th Congress with respect to small business legislation will undoubtedly help to improve the competitive position of our more than 4.5 million small and independent enterprises.

There remain, however, some important small business measures on which congressional action has not been completed. In the fields of tax relief and antitrust enforcement several bills that were introduced in the first session will again be considered when Congress convenes in January 1962. It is my hope that careful and prompt action on these measures next year will make it possible for the 87th Congress to go down in history as a Congress which left no doubt about its desire to strengthen our free enterprise system by fostering and encouraging small businesses to enjoy a healthy growth along with our rapidly expanding national economy.

A Way to World Peace

EXTENSION OF REMARKS
OF
HON. LAURENCE CURTIS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. CURTIS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article, in part, which I wrote for the Pythian International and which appeared in its issue of July 1961:

A WAY TO WORLD PEACE

(By LAURENCE CURTIS, of Massachusetts)

It might seem superfluous to write on brotherhood for a fraternal order founded in friendship, charity, and benevolence. But I shall touch on the worldwide and governmental aspects of brotherhood, and believe that my brother Pythians will find such a discussion not out of place, as our order "teaches its members to be interested in public affairs—National, State, and local" (as stated in the brief history of our order).

Members of the Foreign Affairs Committee are fortunate in having opportunities to meet people from the far corners of the world, and also to visit them. What has struck me most in these contacts is how much alike we human beings are in our fundamental reactions, whatever be the color of our skins, or the state of the civilization in which we grew up.

We found fine, friendly, intelligent, understanding, and understandable people everywhere, including such far-off places as southeast Asia and India. Only last week I was similarly impressed with five visitors from the heart of central Africa with whom some of us had luncheon. It is easy to have feelings of friendship, charity, and benevolence toward such people.

These experiences made me realize the significance of the poem by Ethel Blair Jordan, entitled "Foreign?":

"I thought that foreign children
Lived far across the sea
Until I got a letter
From a boy in Italy.
'Dear little foreign friend,' it said
As plainly as could be.
Now I wonder which is 'foreign',
The other child or me."

In this jet age, the world in effect grows smaller. People everywhere are now as much neighbors as were people in bygone days who lived only a few hundred miles apart. Neighborliness and brotherhood take on new dimensions.

The jet age has also brought to mankind incredible achievements in science, in space exploration, in the prolongation and enrichment of life—but also in the awful means of destruction. Brotherhood, to enable mankind to share these great benefits and to avoid these terrible threats, has become more important than ever.

So, when Pythians emphasize brotherhood, they are in tune with the needs of the times, and are raising a standard to which men of good will must rally.

As Americans we can be proud of the fact that world brotherhood, achieved through a world organization founded on peace and justice, has long been the foremost goal of American foreign policy.

Secretary of State Dean Rusk told the National Press Club on July 10, 1961 (referring

to World War II): "Before the fighting was over, we had concluded as a Nation that we must throw ourselves into the building of a decent world order in which such conflagrations could not occur."

He explained how the efforts of the peace-loving nations have been blocked:

"The Soviet Union did not join the United Nations in fact, as well as in form, and lend itself to the commitments they and the rest of us made in the midst of a great war. An entire people was sealed off from the rest of the world, and secrecy became a prime strategic weapon. The institutions of the international community were either ignored or undermined from within."

The ideal of brotherhood is based on religious conviction—on belief in the fatherhood of God and the brotherhood of man. Unfortunately, the Soviet leaders do not have religious conviction. They do not believe in brotherhood. They do not believe in the dignity of the individual. They imagine that they have a superior belief. It enthrones the state, and downgrades the individual. They seek through world revolution to "liberalize" the rest of mankind from their errors and force on them the Communist beliefs.

The greatest mistake which we can make—and unfortunately have made—is to imagine that we can expect honorable dealings and honorable negotiations with such people. The abortive tractor deal with Castro is but one example.

We must not expect Communists to act fairly, or to act as nationalists interested primarily in their own country, or to act as agrarian reformers, or as scientists, or as businessmen. These may be side issues for them, but we must expect them to act first and foremost as Communists and world revolutionists.

What can we do? Be strong, be united, be firm, and ride out the storm. We shall not be deflected from our goal of a world organized for peace and justice. We still share the "vision of the world" voiced by Alfred Tennyson in his poem, "Locksley Hall":

"Till the war-drum throbbed no longer,
And the battleflags were furled
In the Parliament of man, the
Federation of the world."

Summary of Legislation Considered by the House Banking and Currency Committee, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF

HON. BRENT SPENCE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. SPENCE. Mr. Speaker, under leave to extend my remarks, I include a summary of the legislation considered by the House Banking and Currency Committee during the 1st session of the 87th Congress and enacted into law:

LAWS ENACTED, FIRST SESSION

MOBILE 250TH ANNIVERSARY MEDAL

Public Law 87-21—House Report 185

S. 900: This act directed the Secretary of the Treasury to strike a national medal commemorating the 250th anniversary of the founding of Mobile, Ala. Up to 5,000 of the medals were authorized, to be delivered to the Mobile Two Hundred and Fiftieth Anniversary Celebration Corp., upon payment of all costs.

S. 900 passed the Senate March 15, 1961; passed the House April 11, 1961; and became law on April 24, 1961.

AREA REDEVELOPMENT ACT

Public Law 87-27—House Reports 186 and 256

S. 1 (H.R. 4569): This act establishes a new program to help areas of substantial and persistent unemployment and underemployment. It created an Area Redevelopment Administration in the Department of Commerce, and authorized the Secretary of Commerce to designate two types of redevelopment areas (roughly, industrial areas and rural areas) as eligible for this aid. Eligible industrial areas include those where there is 6 percent unemployment and where the annual average rate has been at least (a) 50 percent above the national average for 3 of the preceding 4 years, (b) 75 percent above the average for 2 of the preceding 3 years, or (c) 100 percent for 1 of the preceding 2 years. The Secretary may also designate other industrial redevelopment areas if he finds on the basis of comparable standards, that they have suffered from substantial and persistent unemployment over an extended period. In addition, the Secretary is authorized to designate rural redevelopment areas, including low-income areas, areas previously designated under the Agriculture Department's developing program, areas of low-production farming, and Indian reservations.

The act authorizes loans for industrial and commercial projects, and loans and grants for public facilities, in redevelopment areas. Loan funds of $100 million each were established for loans in industrial and in rural areas to finance industrial and commercial projects. The interest rate on these loans cannot exceed current average yields on marketable U.S. obligations of comparable maturities, plus one-half of 1 percent to cover the cost of administration. Such loans are limited to 65 percent of the total financing required for the project. The act also established a $100 million loan fund for local public facilities directly related to the economic improvement of the redevelopment areas. Such loans bear interest at a rate equal to the average rate on all outstanding Federal debt plus one-fourth of 1 percent. In addition, $75 million was authorized for appropriation to make grants for public facilities in these areas.

Before an area can receive this assistance it must undertake an economic study of its employment problems to establish that redevelopment is feasible and to indicate the best uses of the assistance available. It must then submit an overall economic development program to the Secretary of Commerce for his approval. Loans and grants will be made only for projects consistent with the approved program. The act explicitly prohibits the use of any of the aids provided to transfer industry and employment from one place to another.

The act also authorizes appropriations of $4.5 million annually to be used by the Secretary for technical assistance to communities in alleviating or preventing unemployment or underemployment. Additional appropriations of $4.5 million annually are authorized to assist in training unemployed or underemployed residents of redevelopment areas to qualify them for new jobs. Appropriations of $10 million annually are authorized for subsistence payments, based on State unemployment compensation benefits, to individuals receiving such training who are not receiving unemployment compensation.

The act also waives certain requirements of the urban renewal program to make urban renewal assistance more readily available for industrial redevelopment areas.

S. 1 passed the Senate March 15, 1961. It passed the House with an amendment in the nature of a substitute on March 29. The conference report was agreed to by the Senate on April 20 and by the House on April 26. The President approved the bill on May 1, 1961.

INTERIM INCREASE IN FHA AUTHORIZATION

Public Law 87-38—No House report

Senate Joint Resolution 89: This resolution provided a temporary increase of $1 billion in the Federal Housing Administration's authority to insure mortgages. This was needed to keep the FHA program in operation pending enactment of the Housing Act of 1961, described below.

It passed the Senate and House on May 18, 1961, and was signed into law on May 25, 1961.

DUPLICATES OF ROBERT FROST MEDALS

Public Law 87-39—House Report 373

S. 712: Public Law 86-747, enacted September 13, 1960, authorized the President to present a gold medal to Robert Frost, New England poet. It made no provision for bronze duplicates of the medal. Because of the public interest in the medal, Public Law 87-39 was enacted, amending the 1960 act so as to authorize the Secretary of the Treasury to coin bronze duplicates and make them available to the public at a price sufficient to cover their cost.

S. 712 passed the Senate on March 21, 1961; passed the House on May 15, 1961; and was approved by the President on May 25, 1961.

GOLD MEDAL FOR DR. THOMAS ANTHONY DOOLEY III

Public Law 87-42—House Report 374

House Joint Resolution 306: This act authorized the President to award a gold medal posthumously to Dr. Dooley in recognition of his gallant and unselfish public service in providing medical care for the underprivileged peoples of the world, particularly in southeast Asia.

House Joint Resolution 306 passed the House May 15, 1961; passed the Senate May 23; and was approved by the President May 27, 1961.

GOLDEN ANNIVERSARY OF NAVAL AVIATION

Public Law 87-43—House Report 375

House Joint Resolution 398: This act authorized the Secretary of the Treasury to manufacture a galvano commemorating the 50th anniversary of naval aviation, and to present it to the Secretary of the Navy in connection with the anniversary celebration at Pensacola, Fla.

House Joint Resolution 398 passed the House May 15, 1961; passed the Senate May 23; and was approved by the President on May 27, 1961.

OLD SERIES CURRENCY ADJUSTMENTS

Public Law 87-66—House Report 500

S. 1619 (H.R. 5306): This act authorized the Treasury to adjust its accounts with respect to the large-size currency issued before 1929 and the gold certificates issued between 1929 and 1934.

At the time it was enacted, the Treasury and the Federal Reserve System held about $98 million in gold, silver, and other assets as security for this currency. The act authorized the Secretary of the Treasury to transfer to the general fund of the Treasury the gold and silver (amounting to about $61 million) held by the Treasury as security for this old currency. After enactment, the transfer was made for the amount outstanding July 1. This was credited as a public debt receipt, and the dollar amount of the currency was set up on the books of the Treasury as public debt bearing no interest. The act also provided for payment to the Treasury by the Federal Reserve banks of some $37 million, the amount of old series Federal Reserve notes outstanding. With this payment (made after enactment for the amount outstanding as of July 1), the Federal Reserve banks were relieved of liability

on these notes, and the Treasury assumed full responsibility for their redemption and set them up on its books as public debt bearing no interest.

This process made the $98 million available to the Treasury for current use, reducing the Government's need to borrow an equivalent amount, and saving $3 to $4 million of interest a year.

The act provided that any of the currency affected should be redeemed from the general fund of the Treasury if presented; it did not impair the value or redeemability of these notes in any respect.

It also authorized the Secretary of the Treasury to determine, from time to time, how much of this old currency has been irretrievably lost or destroyed, and to make corresponding reductions in the non-interest-bearing public debt. Finally, the Secretary was authorized to preserve one piece of each kind of currency issued, in order to establish a historical collection.

S. 1619 passed the Senate on May 15, 1961. It passed the House on June 19, and became law on June 30, 1961.

HOUSING ACT OF 1961

Public Law 87-70—House Reports 447 and 602

S. 1922 (H.R. 6028): The Housing Act of 1961 was an omnibus measure covering most of our programs in the field of housing and urban affairs. Title I authorized several new programs to aid families of moderate income. The program of FHA mortgage insurance under section 221, previously restricted to families displaced by urban renewal or other Government action, was made available to all families, thereby providing liberal mortgage credit terms generally. Under this section homes priced up to $11,000 in normal-cost areas ($15,000 in high-cost areas) can be bought with as little as 3 percent downpayment and with loan maturities up to 35 years with an additional 5 years authorized if needed. This title also amended the section 221 rental housing program to permit loans with interest rates as low as 3⅛ percent in order to reduce monthly rental costs. Funds for these loans can be made available under FNMA special assistance. A new program of home improvement loan insurance under FHA was also established. Such loans may amount to as much as $10,000 per dwelling unit and carry maturities up to 20 years. In order to encourage new cost-saving materials and methods, the act also authorized a new program of FHA insurance for experimental housing.

Title II of the act contained measures to assist elderly families and those of low income. An additional $75 million was authorized for appropriation for the program of direct loans for housing for the elderly and, at the same time, the 2-percent equity requirement was eliminated so that loans can now be made for the full amount of the development cost. The act restored the full dollar authorization for low-rent public housing provided in the Housing Act of 1949, thereby permitting the construction of approximately 100,000 additional units. The Public Housing Administration was also authorized to make an additional subsidy payment of up to $120 a year in cases where income and rent-paying capacity of elderly occupants is so low as to threaten the solvency of a project. The act also abolished the requirement that there be a gap of 5 percent between the maximum income for admission to low-rent housing and the income required to obtain decent, safe, and sanitary housing in the private market in the case of families displaced by Government action. The income gap was also abolished for elderly families. This title also authorized $5 million for Federal grants for the purpose of developing and demonstrating new and improved housing for low-income families.

Title III authorized an additional $2 billion for urban renewal capital grants and also raised the Federal share of net urban renewal costs from two-thirds to three-fourths in the case of small towns up to 50,000 population, and depressed areas up to 150,000 population. Business firms displaced by urban renewal projects were benefited by provisions authorizing the Federal Government to pay the full amount of moving expenses (previously limited to $3,000) and by authorizing liberal loans through the Small Business Administration to help displaced business firms to meet the expenses of reopening in new locations. Assistance under the urban renewal program was extended to cover rehabilitation demonstration projects carried out by local public agencies. The proportion of funds which can be used for nonresidential urban renewal projects was raised from 20 to 30 percent. Hospitals were extended the same advantages in the urban renewal program as previously authorized for colleges and universities in the 1959 Housing Act. Under this provision certain expenditures by hospitals can be counted as part of the community's one-third (or one-fourth) share of urban renewal costs and the "predominantly residential" requirement is waived. Funds for urban planning grants were increased by $55 million and the Federal share of these costs was raised from one-half to two-thirds.

Title IV authorized additional funds for the college housing program, totaling $1.2 billion over a 4-year period.

Title V expanded and liberalized the public facility loan program. The act authorized $450 million for these loans which can be made to communities up to 50,000 population (up to 150,000 if in a depressed area). The interest rate on these loans was reduced by providing that it may not exceed (1) 3 percent, or (2) the average interest rate on all outstanding interest-bearing U.S. obligations plus one-half of 1 percent. An additional $10 million was authorized for the advanced planning program for local public works.

This title also contains a new, interim program of Federal aid for mass transit in urban areas, pending completion of longer range studies. Loans to public bodies are authorized for the acquisition, construction, and improvement of transportation facilities up to a total of $50 million. An additional $25 million is made available for demonstration grants (up to two-thirds of project costs) for projects designed to explore ways of overcoming mass transit problems. It also provides specific authority for grants under section 701 of the Housing Act of 1954 to develop comprehensive plans covering mass transportation as well as other urban problems.

Title VI contained amendments to the National Housing Act affecting the Federal National Mortgage Association and the Federal Housing Administration. The FNMA special assistance fund was increased by $750 million. In addition, the unused balance of existing authority provided by the Emergency Housing Act of 1958 (about $200 million) can be used at the discretion of the President. Also, repayments which FNMA receives on its management and liquidation fund (about $140 million a year after payment of interest to the Treasury and other expenses) can be used for special assistance purposes for a period of 4 years. Another provision authorizes FNMA to make short-term loans on security of pledged FHA and VA mortgages. Such loans can be for 80 percent of the amount of the pledged mortgages and can run for 12 months.

This title also removed the dollar ceiling on FHA mortgage insurance and in place of it extended the program to October 1, 1965.

FHA's basic homeownership program (sec. 203) was liberalized by giving the Commissioner authority to reduce downpayments above the $13,500 level. The new minimums are as follows: 3 percent of the first $15,000 of value, 10 percent of the next $5,000, and 25 percent of any amount above $20,000. The maximum mortgage was increased to $25,000 for single-family homes (formerly $22,500). Under previous law, minimum downpayments were: 3 percent of the first $13,500 of value, 10 percent of the next $4.500, and 30 percent of any amount over $18,000. Also, to reduce monthly payments, the maximum maturity was extended from 30 to 35 years for newly built homes.

Other provisions of this title authorized FHA insurance of supplementary loans made to management-type cooperatives for improvements and repairs for necessary facilities; gave the FHA Commissioner discretionary authority to reduce the insurance premium to as low as one-quarter of 1 percent; and increased the loan-to-value ratio of FHA insured mortgages on nursing homes from 75 percent to 90 percent.

Title VII authorized a new program of partial Federal grants to State and local governments to help them acquire land for parks and recreational areas and other permanent "open space" use. Such grants may cover up to 30 percent of acquisition cost, and $50 million is authorized for this aid.

Title VII extends the farm housing loan programs for 4 years and authorizes an additional $200 million for these loans. Nonfarm housing in rural areas is made eligible as well as farms. Also a new program of mortgage insurance on housing built for domestic farm laborers is authorized.

Title IX contains a number of miscellaneous provisions. The most important of these are four affecting Federal savings and loan associations. To help finance housing for the elderly, these associations are permitted to invest up to 5 percent of their assets in loans on such housing, including rest homes or nursing homes, with a maximum term of 30 years and a loan-to-value ratio of up to 90 percent. Second, to facilitate trade-in home financing, these associations are authorized to invest up to 5 percent of their assets in nonamortized loans with terms up to 18 months, and loan-to-value ratios up to 80 percent. Third, they are permitted to invest up to 5 percent of their assets in certificates of urban renewal trusts, thus permitting a number of associations to pool their resources to finance urban renewal housing. Finally, they are authorized to lend to or invest in business development credit corporations, up to $250,000 or one-half of 1 percent of their outstanding loans, whichever is smaller.

In addition, this title extends the voluntary home mortgage credit program to October 1, 1965.

S. 1922 passed the Senate on June 12, 1961. It passed the House with an amendment substituting the provisions of H.R. 6028, on June 22. The conference report was agreed to by the Senate and the House on June 28, and the President signed the bill into law on June 30, 1961.

EMERGENCY FEED FOR WILDLIFE

Public Law 87-152—House Report 746

S. 614: This act authorized the use of surplus grains owned by the Commodity Credit Corporation to feed wildlife in emergencies, such as severe ice and snow conditions or drought.

The act permits the States in such emergency situations to obtain grain from the Commodity Credit Corporation to prevent starvation of resident game birds and other resident wildlife. Such grain may be furnished, subject to CCC regulations, upon the following conditions: (1) It must be requested by the State fish and game authority or other State agency with similar authority;

(2) the Secretary of the Interior must find that the area involved is threatened with serious damage or loss to resident game birds and other resident wildlife from starvation; (3) the State must requisition the grain from CCC; (4) the State and CCC must agree upon the quantities needed; and (5) CCC must be reimbursed by the State for its expenses in packaging and transporting the grain.

Similar authority is granted to the Secretary of the Interior to requisition grain from CCC to feed migratory birds (as opposed to resident game birds, covered by the provisions described in the preceding paragraph) which are threatened with starvation.

S. 614 passed the Senate on June 22, 1961; passed the House on August 7; and became law on August 17, 1961.

ANNUAL APPRAISAL OF COMMODITY CREDIT CORPORATION

Public Law 87–155—House Report 751

S. 763: This act did away with a requirement, originally imposed in 1938, that the Secretary of the Treasury make an annual appraisal of the assets and liabilities of the Commodity Credit Corporation. This appraisal was required each year as a basis for determining the amount of appropriation, if any, authorized to reimburse CCC for net losses realized in the preceding fiscal year. The new act continues to authorize appropriations for this purpose, but provides that CCC's realized losses shall be determined on the basis of its financial statements (subject, of course, to audit by the General Accounting Office) rather than requiring an independent appraisal by the Secretary of the Treasury.

S. 763 passed the Senate July 17, 1961; passed the House August 7; and became law August 17, 1961.

INTERNATIONAL FINANCE CORPORATION INVESTMENT POWERS

Public Law 87–185—House Report 501

H.R. 6765: This act authorized the U.S. Governor of the International Finance Corporation to agree to an amendment to the Corporation's charter as so to authorize it to invest in capital stock.

The International Finance Corporation is an international organization established to stimulate private investment, including equity investment, in the less developed countries which are members of the International Bank for Reconstruction and Development. It carries out this purpose by investing in private enterprises in association with American and foreign private investors.

Under its original 1956 charter, IFC's investments could take the form of conventional, interest-bearing loans or they could be equity-type investments involving the use of convertible debentures, stock options, or other devices, but IFC could not invest in capital stock. This limitation, according to testimony received during the hearings on H.R. 6765, severely restricted IFC's ability to carry out its primary function of stimulating private enterprise in the less-developed areas.

The amendment to the charter as authorized by this act contains safeguards against IFC exercising management responsibilities in the private enterprises in which it invests.

H.R. 6765 passed the House on June 19, 1961. It passed the Senate on August 25, and became law on August 30, 1961. On the following September 5, the President of the International Finance Corporation announced that the votes required to put the charter amendment into effect had been received.

STRENGTHENING FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Public Law 87–210—House Report 823

H.R. 7108: This act is designed to increase the reserves of the Federal Savings and Loan Insurance Corporation, which insures accounts in savings and loan associations up to a statutory limit of $10,000. This will be accomplished through a system of premium prepayments by insured institutions. For most institutions, the required prepayments will be roughly offset by reducing the stock they must purchase in their Federal home loan bank.

Today, savings and loan associations that are members of the Federal Home Loan Bank System must hold stock in their Federal home loan bank equal to 2 percent of their outstanding home loans. The new act, which will take effect January 1, 1962, will reduce this requirement to 1 percent, but it will not allow any institution that is a member on January 1 to reduce its stockholdings below 2 percent of its unpaid loan principal on that date or 2 percent of its unpaid loan principal at the beginning of any subsequent year, whichever is lower. A reduction below the former figure may be made only to the extent allowed by the Federal Home Loan Bank Board.

The required premium prepayment for an insured institution under the new act will be equal to (A) 2 percent of the net increase in accounts of its insured savers during the preceding calendar year, minus (B) the net increase during that year in the stock it must hold in its Federal home loan bank. These prepayments will be credited to a "secondary reserve," which the Corporation is directed to establish in addition to its "primary reserve," which is to be the general reserve of the Corporation. The prepayment requirement will be suspended after the primary and secondary reserves together reach 2 percent of all accounts of insured savers and all creditor obligations of insured institutions. Prepayments must be resumed when this total falls to 1¾ percent. The obligation to make prepayments will cease permanently when the primary reserve reaches 2 percent. When that happens, the obligation to make regular premium payments will be suspended for institutions that have been insured 20 years or more. Regular payments must be resumed, of course, if the primary reserve falls below 2 percent.

FSLIC projections indicate the two reserves together will reach 2 percent for the first time in 1970, whereas the primary reserve alone will reach that figure sometime between 1993 and 1995. Thus, if the projections are correct, the new act will produce a 2-percent reserve ratio about 25 years sooner than previous law would.

H.R. 7108 passed the House on August 7, 1961; passed the Senate August 29; and was approved by the President on September 8, 1961.

ELECTION OF DIRECTORS OF FEDERAL HOME LOAN BANKS

Public Law 87–211—House Report 825

H.R. 8277: This act, which will take effect January 2, 1962, will improve and simplify the election of directors of the Federal home loan banks.

Today, the elective directorships are divided into four groups: class A, representing large member institutions; class B, representing medium-size members; class C, representing small members; and directors elected without regard to class. In addition, the Federal Home Loan Bank Board has provided by regulation for representation of each State in the district by a minimum number of elective directors ranging from one to three depending on the Federal home loan bank involved.

The interaction of these two requirements (division into four groups, plus minimum representation for each State) has resulted in a complex system of election under which the Federal Home Loan Bank Board may pass over a candidate who received a plurality of votes for a particular directorship and declare another candidate elected, or hold a runoff election among other candidates, in order to assure representation for a particular State.

The basic change made by the new act is to abandon the division of elective directors into classes. Instead, the act provides for apportioning the elective directors among the States in the Federal home loan bank's district by allotting a minimum of one directorship per State, with the remaining directorships distributed in approximate proportion to the shares of the Federal home loan bank's stock required to be held by member institutions in each State. No State will be allotted more than six directorships. Each State will be entitled to at least as many elective directors as it had on December 31, 1960, and the Board will add directors where necessary for this purpose.

Each directorship allotted to a State will be filled by an officer or director of a member institution in that State, nominated and elected by the member institutions in that State. In the election, each member institution may cast as many votes as the number of the bank's shares it is required to hold (which in turn is based on its home loans outstanding), except that no member may cast more votes than the average required stockholding for all members in the State. Any candidate receiving a plurality of the votes cast for a directorship will be elected.

The act also prohibits any director from serving more than three consecutive terms, and clarifies the Board's power to appoint directors in two situations: First, where a vacancy occurs in an elective directorship of an existing Federal home loan bank, and second, where a new Federal home loan bank is organized and it is necessary to make initial appointments of elective directors as well as appointive directors to get the bank started.

H.R. 8277 passed the House on August 7, 1961. It passed the Senate on August 29, and was approved by the President on September 8, 1961.

INTERIM INCREASE IN SBA BUSINESS LOAN AUTHORIZATION

Public Law 87–198—No House report

H.R. 8922: This act increased the ceiling on the amount of regular business loans the Small Business Administration may have outstanding, from $575 million to $595 million. This increase was needed to keep the business loan program in operation pending action on H.R. 8762, described on page 11, which provided a longer term increase.

H.R. 8922 passed the House on August 29, 1961. It passed the Senate on August 30, and was approved by the President on September 5, 1961.

EXPORT GUARANTEES AND INSURANCE

Public Law 87–311—House Report 1126

S. 2325 (H.R. 8381): This act authorizes the Export-Import Bank to guarantee, insure, coinsure, and reinsure against political and credit risks of loss arising in connection with U.S. exports.

Such a program is needed to place American exporters on an equal basis with foreign competitors. Private insurance companies have been reluctant to meet this need, but the new act is designed to encourage private enterprise to provide export guarantees and insurance coverage to the fullest extent practicable. It is anticipated that at the outset export guarantees and insurance will be issued through an association of insurance companies, with the companies assuming a portion of the credit risks, and the Bank assuming part of the credit risks and all of the political risks.

The Bank's liability under the new program is limited to $1 billion outstanding at any one time. The program will be established on a self-supporting basis, with fees and premiums being charged commensurate

with the risks covered. The Bank is required to set up reserves to cover its potential liabilities under the program at a ratio of 25 cents for each dollar of liability. The same ratio will be used in charging contracts written under the new program against the $7 billion ceiling on loans, guarantees, and insurance which the Bank is authorized to have outstanding at any one time under section 7 of the Export-Import Bank Act of 1945.

S. 2325 passed the Senate on August 25, 1961. It passed the House with amendments on September 13. The Senate agreed to the House amendments on September 14, and the President approved the bill on September 26, 1961.

SMALL BUSINESS ACT AMENDMENTS OF 1961

Public Law 87-305—House Reports 1039 and 1180

H.R. 8762: This act provided additional authority needed for the Small Business Administration's regular business loan program. Under previous law, SBA was authorized to have up to $595 million outstanding in business loans, and to take Government procurement contracts in amounts up to $25 million and subcontract them to small business concerns. Under the new act, these two authorizations are merged, and the combined authorization is increased by $105 million, to $725 million, estimated to be sufficient through June 30, 1962.

A program designed to assist small business concerns in obtaining a fair share of subcontracts let by prime contractors performing under procurement contracts with the Department of Defense and the General Services Administration is also provided for in the new act. Under this provision these two agencies and the Small Business Administration will develop the subcontracting program cooperatively. The program will provide that all contracts in excess of $1 million and all subcontracts in excess of $500,000 must include provisions (1) requiring that prime contractors and subcontractors consult with SBA through the procuring agencies when requested to do so by SBA and (2) enabling SBA to obtain subcontracting information through the procuring agencies. It is specifically provided that the program will be administered by the procuring agencies, and will not dictate to the contractor the extent to which he should make subcontracts or the persons to whom subcontracts should be let. Regulations implementing the program will be issued by the procuring agencies, with the concurrence of SBA. If concurrence is not obtained, the matter in dispute will be referred to the President for final determination.

Other provisions of the new act cover publication of proposed procurement actions; SBA grants for studies, research, and counseling; reports filed by SBA and the Attorney General under the Small Business Act and the Defense Production Act of 1950; and authority for SBA to make prepayments of rentals on safety deposit boxes.

H.R. 8762 passed the House September 6, 1961. It passed the Senate with an amendment in the nature of a substitute on September 7. The Senate agreed to the conference report on September 14 and the House agreed on September 15. On September 26, 1961, the President signed it into law.

SMALL BUSINESS INVESTMENT ACT AMENDMENTS OF 1961

Public Law 87-341—House Reports 1040 and 1179

S. 902 (H.R. 8870): The Small Business Investment Act of 1958 established two programs to increase the supply of long-term loans and equity capital for small business concerns. First, it provided certain incentives for private investors to form small business investment companies (SBIC's), which are licensed and regulated by the Small Business Administration, to make equity investments in, and long-term loans to, small business concerns. Second, it authorized SBA to make direct loans to State and local development companies for the benefit of small business concerns.

The 1961 act made several changes in the first program. First, it authorized SBA to invest up to $400,000, on a 50-50 matching basis, to provide initial capital for SBIC's, or to increase the capitalization of operating SBIC's. Under previous law, SBA was limited to $150,000, solely for initial capital. As another inducement to attract increased capital into this program, the 1961 act raised the limit on investments in SBIC's by commercial banks (insofar as Federal law is concerned) from 1 percent of capital and surplus to 2 percent. It also fixed a limit of $4 million on the amount of operating loans SBA may make to an SBIC; the provision of the 1958 act limiting such loans to 50 percent of the SBIC's paid-in capital and surplus was retained, so that whichever of the two limits is lower applies. A new provision was added, limiting investments by an SBIC in any one small business concern to $500,000, except as larger investments may be approved by SBA. Again, this limit is in addition to the limitation of 20 percent of the SBIC's capital and surplus, fixed by the 1958 act, so that investments over the lower of the two limits may be made only with SBA approval.

The 1961 amendments also strengthened the procedures for enforcing compliance with the Small Business Investment Act, by authorizing SBA to suspend SBIC licenses and to issue cease-and-desist orders through administrative proceedings, and by authorizing judicial proceedings to take control of the assets of SBIC's where necessary.

The 1961 act liberalized the second program established by the 1958 act, by raising the limit on section 502 loans by SBA to State and local development companies from $250,000 for each identifiable small business concern assisted to $350,000, and by raising the maximum maturity on such loans from 10 to 25 years.

Finally, the amount of loans SBA may have outstanding under the Small Business Investment Act of 1958 (both programs) was increased by $75 million, to $325 million.

S. 902 passed the Senate on September 1, 1961. On September 6 it passed the House with an amendment substituting the provisions of H.R. 8870, which had been reported to the House on August 25. The conference report was agreed to by the Senate on September 14 and by the House on September 15. The President signed the bill into law on October 3, 1961.

Comments on Accomplishments of 1st Session, 87th Congress

EXTENSION OF REMARKS

OF

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, my comments on the accomplishments of this 1st session of the 87th Congress for the benefit of my constituents in the great State of Indiana.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

The 1st session of the 87th Congress was one of activity and action, programs and progress.

It began, of course, as a new administration came to office. But it inherited many serious problems. Unemployment was high; farm income was low and dropping. Businesses were failing faster than in the great depression. The world was aflame. Cuba was Castro's. Laos and Vietnam were threatened. The Congo crisis was boiling. Berlin's coming events cast their shadow.

Against this backdrop of serious and ominous events, Congress and the administration went to work. First things were tackled first.

The hungry were fed and programs to stimulate the economy were enacted. Business was boosted. Credit was eased. Confidence was restored.

Our defenses were given new muscle. Aid for our allies was changed to cut out waste and inefficiency.

The farm problem was attacked with a new program. Congress, with the leadership of the new administration, set to work to build more and better homes, build our water resources, stamp out crime and rebuild our cities and areas suffering from chronic unemployment.

The President's 203 recommendations to Congress for new laws were the highest number in many years. Congress' action in voting 124 of these was also the highest number in years and the highest percentage of performance in years. Yet, Congress did not railroad legislation through nor did it rubberstamp. The budget recommendations for the bookkeeping year which began on July 1 were cut $1,368,993,290.

This was a hard-working Congress, involving long hours in committee and long days in session. Senate committees reported favorably on 1,239 measures, of which 1,133 were passed. We confirmed 4,164 persons for policymaking jobs in the new administration and 48,962 military officers for appointment or promotion.

It was my privilege to work on committees which were among those that contributed heavily to the accomplishments of the 87th Congress. In Finance Committee, we wrote the new social security benefits and new veterans' benefits as well as the new highway financing program. In Commerce, we wrote legislation on piracy in the skies, worked on safer air travel, expanded weather research, provided for exploration of the oceans for navigation, defense and food. In the District of Columbia Committee we made it possible for the people of Washington to vote for President and we attacked the juvenile delinquency problems.

It is, of course, impossible to list all the accomplishments of Congress and how the citizens of Indiana specifically will benefit. I shall, however, list some of the important bills passed and summarize how our State has benefited from some of these laws and from important programs administered by the Federal Government.

NATIONAL DEFENSE AND FOREIGN RELATIONS

In these days of international crises and threats from the Soviet Union, the most important work in Washington remains our efforts to keep the peace and to insure adequate defenses. There is no question but that our efforts were lagging. Much of the funds provided by Congress during the previous administration were not used. The Polaris submarine program through which we are able to hold nuclear bombs beneath the seas in readiness was one which Congress forced upon a reluctant administration.

This year we voted $6 billion more for defense than the previous administration

had asked for. (The budget for the bookkeeping year starting last July 1 was prepared by the outgoing administration and revised by President Kennedy.) This allows doubling the Polaris program, beefs up our missile production, increases our bomber alert and strengthens us for guerrilla-type and other limited warfare such as we may encounter in Berlin. We also gave the President authority to call up reserves and we provided new muscle for the civil defense program.

While we arm for possible war, we cannot overlook the hope that someday we may find the elusive peace we long for. Thus, this Congress provided for creation of a Disarmament Administration, which may eventually be our great hope for permanent peace. We also created a Peace Corps, as requested by the President, to bring American know-how to the underdeveloped countries of the globe. This, too, promotes friendship and peace and will help other nations help themselves to achieve what we have been able to under freedom. Unless the downtrodden countries and peoples of the world find prosperity and security under freedom, they will experiment with communism.

This, too, is the essence of the Alliance for Progress, the modern good-neighbor program for Central and South America which holds great hope for maintaining freedom in our hemisphere.

I look forward to the day when foreign aid will stop. Twice, as a delegate to the NATO meetings, I have told delegates from other nations that the burden of foreign aid is something that others should share with us and that the burden on American taxpayers must be lightened. The new administration is now trying, through long-term commitments and reorganization, to end waste and inefficiency. Congress has supported their efforts. These new concepts were backed in the Senate by 78 percent of the Democrats and 65 percent of the Republicans.

It is important to note that the foreign aid program does not cost American jobs. Actually it makes jobs for U.S. workers. Most of the foreign aid funds are spent here in the United States to buy goods made by U.S. workers. About three-fourths of aid funds have been spent in the United States—it is expected to reach 80 percent soon—and a recent study showed that it is responsible for 600,000 American jobs. By promoting prosperity of countries abroad, the aid program results in an enormous expansion of U.S. export markets, thus creating more job opportunities for American workers.

The total moneys proposed for all foreign aid programs is less than two-thirds of what America spends on tobacco every year and about half of America's expenditure for liquor.

I hope that my constituents thus are not misled into believing then, that foreign aid does not bolster our economy at home. The program helps us as much as it assists our neighbors abroad.

Further it should be emphasized that not one church denomination, to my knowledge, voiced a dissenting opinion on the administration's proposed foreign aid program. The churches viewed the foreign aid program, as an act of "doing unto others as one would have others do unto them."

In Indiana, a total of $1,101,289 was spent under the mutual security program—the so-called foreign aid—the 17th highest in the Nation—for freight and commodities of Hoosier products, for the fiscal year of 1960.

The following Indiana firms and cities which benefited under this program are: Cummins Engine Co., Inc., Columbus, $43,-143; Roots-Connersville Blower Division, Connersville, $4,122; Mead-Johnson & Co., Evansville, $57,646; Admiral Products, $1,-338; McClumpha Overseas, Inc., $77,970; Symington Wayne Corp., $4,924; Utility Products Co., $6,861; World Bestos, $4,880 (all Fort Wayne); Diamond Chain Co., Inc., $107,453; General Grain Inc., $128,676; Eli Lilly & Co., $50,145; P. R. Mallory & Co., Inc., $1,856 (all Indianapolis); Joy Manufacturing Co., $103,746, Michigan City; South Bend Lathe Works, $1,615; and Studebaker-Packard Corp., $506,915, South Bend.

It is interesting to note also that from January, 1954, until the beginning of this fiscal year, Indiana realized over $11 million in the foreign aid program. I personally voted also to prevent any aid from going into the hands of Communist countries. I am pleased to see that President Kennedy has taken action against some satellites and so-called neutrals since Congress has adjourned.

FOREIGN TRADE

When we began our session last January, America faced a serious drain on gold reserves. It was a real danger to the value of our money. This has been reversed by various means. Congress itself took several effective steps to stop this dangerous trend.

We passed certain incentives for foreign banks so that they would not insist on payments in gold. We reduced exemptions on goods America can import. We created an Office of International Travel to encourage travel by foreigners in this country. This last is a move taken by the Commerce Committee, of which I am a member. One-third of our gold drain was because we had more of our people traveling abroad and spending our money than there were foreign visitors to this country spending their money.

One bill which gained too little attention was the oceanography measure, on which I worked in the Commerce Committee. The Russians were getting far ahead of us in charting the ocean floor. This is important to navigation, to defense, and to commercial fishermen. The new law will help us catch up.

ANTIRECESSION MEASURES

Now that unemployment is falling and business is better, it is easy to forget the plight of the Nation's economy just a year ago. In the outgoing administration, there were jokes, but little action against this rising and dangerous tide.

Soon after we began this session, we took immediate steps to combat the recession. We passed a bill giving temporary extension of jobless benefits to more than 600,000 persons who had exhausted their benefits. We voted aid to dependent children whose jobless fathers were unable to support them. And we voted special loans and grants to communities which had high unemployment and few job opportunities over a period of many months and years.

Eleven of Indiana's 92 counties—containing about 400,000 Hoosiers—are eligible for help in getting over their own local recessions. These are Clark, Crawford, Henry, Harrison, Monroe, Ohio, Orange, Perry, Ripley, Switzerland, and Vanderburgh Counties.

GETTING MOVING AGAIN

To get the country moving forward again, this Congress worked in many fields.

The greatest impact is being felt in the improvement we made in the minimum wage. We increased coverage for the first time since 1938, bringing in about 150,000 Hoosiers not previously covered. And we provided for raising the minimum wage to $1.25 an hour in two steps, providing a new minimum for more than a million Hoosier workers.

Over the next few months, great impact also will be felt in the new Housing Act. It will give low-cost housing to 100,000 low-income families. It will allow hundreds of thousands of middle-income families to own their own homes. Thousands have already found that lower downpayments and extended periods of credit make it easier than ever to build or buy.

This year, the Housing Act has taken into consideration the commuting problems of big-city people and provides help for better public transportation. It also provides improved help to cities for community facilities such as sewers and other projects. This new law also has wisely provided for holding and developing future park and playground land as cities expand.

In our State, 170,000 homes were financed through FHA-insured loans. More than 10,500 apartments were built with FHA-guaranteed mortgages and more than 800,000 FHA home improvement loans had been used. These all will be speeded up and expanded.

The public housing provisions, which will aid the low-income families, will help Indiana greatly because of the backlog of plans for such units throughout our State. There are 4,600 apartments in 28 low-rent projects in Indiana now. There are 205 more under construction and 1,250 in planning stages, indicating the demand and the need.

Such housing is now being constructed in Indiana in New Albany, South Bend, Mishawaka, Evansville, Michigan City, and Terre Haute. We are pleased to have assisted these communities in pushing their programs forward.

Connected with the housing program is urban renewal—slum clearance. This is an effective Federal-State-private enterprise program to rebuild blighted areas. A dozen Indiana communities are engaged in this work now, with 14 projects going. Eventually, these will cost $162 million, of which $125 million will be in private enterprise funds. Newest projects are in Anderson, Bloomington, Fort Wayne, Kingsford Heights, La Porte, Marion, Michigan City, and Mishawaka.

Eight Indiana communities have borrowed interest-free funds to build needed community facilities. Up to now, these loans have been concentrated in major cities. The new law concentrates on those cities under 50,000 that need such planning help before they can float bond issues and begin work. This year we have worked with Terre Haute and New Albany on such projects. In New Albany they are building a needed hospital and in Terre Haute a much-needed sewer.

The Housing Act also assists colleges and universities in building dormitories to meet their expanded needs. Thirty such projects have been OK'd for our State with Hoosier colleges and universities borrowing $40 million. In these days of necessary higher education, this contribution cannot be overemphasized. Five Indiana schools during the past year availed themselves of these low-interest loans: Ball State, Muncie; Indiana State, Terre Haute (twice); St. Francis, Fort Wayne; Oakland City, and Notre Dame. They borrowed more than $8 million.

Eleven projects are underway in Indiana to provide housing for the elderly under various Federal programs.

The importance of the work of Congress this year in the field of agriculture cannot be overemphasized. The problem inherited at the beginning of this year was peculiar; food prices were going up and the farmers' income was dropping to depression levels.

We passed an emergency feed grains program and a new farm program. Farm income is now up and rising. It is estimated that total farm income is up $1 billion a year over last year. Yet, surpluses are being cut so that the taxpayer will save $800 million a year in storage costs alone. Two billion dollars worth of surpluses were taken to feed the hungry here and in friendly oversea countries. Some surpluses were sold to make up for production from land that had been taken out of production with proceeds from these sales going to farmers to make up for the food they did not sell from the lands they did not plant. Meanwhile, the housewife is finding that food prices have not increased.

WATER RESOURCES

The long-term value of our water resources and the value in developing them and controlling them cannot be stressed too much. Business, industry, and human life depend upon safe and adequate supplies of water. Yet, millions of dollars worth of damage occurs every year because of uncontrolled water. On the one hand, we find our water supplies polluted or dwindling. On the other, we find life and property damaged because of uncontrolled water. A stream which in summer may be so dry as to constitute a water supply problem and create a health menace, may in spring constitute a direct threat to homes and business and lives and may wash away tons of valuable topsoil because there is too much water.

For many years Indiana was left behind on water resource protection and development. We are, at last, beginning to get somewhere near our share. And we are beginning, at last, to solve the problems.

I am the author of the Wabash Basin Interagency bill, which has passed the Senate and is now pending action by the House. This would give us the tools we need for development and protection of the Wabash Valley, which is 70 percent of Indiana. Passage of this bill is one of the key water resource measures listed by the Senate leadership.

I am equally proud of our work in obtaining needed funds for water projects in Indiana, especially since several of them were added in the Senate. During the current bookkeeping year construction will go forward on the following flood control projects: Monroe, Mississinewa, and Salamonie Reservoirs and Niblack, West Terre Haute, Evansville, and Unit No. 5 levees. The Huntington Reservoir will be brought to the stage where it is ready for building.

Planning of the Uniontown locks and dam on the Ohio will be completed this year and construction of the following navigation projects will go forward: Markland, McAlpine, and Cannelton Dams on the Ohio, and Indiana Harbor and Calumet Harbors on Lake Michigan. In addition, work continues on the Calumet Harbor breakwater.

The following studies are being financed through the Corps of Engineers for possible future projects: Gary Small Peat Harbor, Great Lakes Water Level, Kankakee River (including the Yellow River near Plymouth), Little Calumet, Maumee Basin, Ohio Basin, Wabash Basin (including Vermillion River, Wolf Creek, Sugar Creek, Big Pine Creek, and Wildcat Creek), Whitewater River Basin, Oil Creek, Pigeon Creek, and the White River Basin including Monroe Reservoir, Salt Creek, East Fork of the Muscatatuck River, Big Graham Creek, Big Camp Creek, Sand Creek, Clifty Creek, Flat Rock Creek, Blue River, Indian Creek, Deer Creek, Beanblossom Creek, Richland Creek, Guthrie Creek, and Walnut Creek.

Watershed projects, which were approved this year under our Agriculture Department program are the middle fork of the Anderson River and French Lick Creek.

Congress has also provided for research funds with which to seek a breakthrough in finding ways to convert sea water into fresh water.

We also provided a 5-year program for helping local communities solve pollution problems. When a stream or a lake is polluted, the damage extends to many other communities, perhaps in other States. Therefore, there has been great need for Federal direction and assistance.

The backlog of communities who want to participate to end pollution and insure pure water supplies is lengthy. Dozens are waiting in Indiana alone for assistance in this field. The new law will help them. The State will receive $112,900 a year for administration of the new program instead of $63,100 up to now. A community in Indiana which was formerly limited to $250,000 in Federal grant money can now get up to $600,000 and several communities can pool their efforts to qualify for up to $2,400,000. Construction grants are also increased and this year Indiana communities will share in $1,673,480 worth of grants.

Grants were made this year for sewage treatment plants to: Andrews, Fortville, Marion, Nappanee, Nashville, Waterloo, Yorktown, and Zionsville.

SENIOR CITIZENS AND THE HANDICAPPED

In addition to the housing assistance for the elderly, this Congress made substantial progress in the social security field in assisting the ill, the handicapped, and the aged.

I am particularly proud that my efforts to provide for optional retirement of men at age 62 bore fruit. This provision was adopted. In addition, the social security law benefits were increased for those drawing the minimum amounts. It is estimated that 136,000 people in Indiana will receive $23.7 million in additional benefits through these changes which we first ratified in Finance Committee.

Restrictions also have been eased for eligibility for benefits and the pension paid to aged widows was raised.

My amendment to allow retired persons to earn more in part-time employment was adopted. I am hopeful that my bills to assist the blind in gaining greater benefit also will be adopted early next session. The Senate also took action to aid schools for the handicapped. Among those which will benefit is the Indiana School for the Deaf.

EFFORTS FOR HOOSIER BUSINESS AND INDUSTRY

In March of this year, I sponsored the first Washington Conference of Business and Local Government. Mayors, county officials, chamber of commerce executives and businessmen throughout the State attended. This one-day meeting brought these Hoosiers, representing virtually every community in the State except rural centers, together with representatives of Federal Government agencies.

These agency representatives were on hand to assist in coordination of efforts for such projects as stream pollution control, airport construction and rebuilding of depressed areas. But they were also on hand to help in business and industry problems in such fields as Small Business Administration and aid in selling products to the Government and to foreign countries.

The conference was so successful other Senators began holding similar meetings.

We have worked very closely with representatives of individual businesses and industries in an effort to help them. Sometimes this meant assisting them in appointment with Defense officials; sometimes this meant work with Small Business Administration; sometimes with such agencies as General Services Administration, the Federal Government's purchasing and building agency.

The success of such Hoosier industries as Magnavox, International Harvester, Allison, Avco, Bendix, Studebaker, and many smaller ones attests to our hard work. Through our efforts we have brought electronics, automotive, missile, truck, jet and other production dollars to our State. In the bookkeeping year just ended, Indiana received $353,202,000 worth of military contracts—1.6 percent of the total. This was better than previously, but not as much as our fair share. Recently awarded contracts, among them the Typhon missile system, sonobuoy work, radios and vehicle production should raise this during the current bookkeeping year.

Because of my position with the Finance Committee, I am often called upon to work with business and industry on taxation problems. In this session of Congress, my amendment on taxation of the clay products industry was adopted. The clay industry people have stated that my amendment has saved many Hoosier businesses in this field from bankruptcy.

My efforts have been equally diligent on behalf of the coal industry and the oil producers. In this connection, I have met with the Secretary of the Interior in connection with control of imports of residual oil which competes with domestic oil and coal production. I strongly supported a resolution directing a national fuel policy study, now being undertaken that should aid Indiana.

Some three dozen outstanding professors at Indiana colleges and universities have agreed to work with me as a sort of advisory group. After this group was organized, we had a highly successful meeting in Indianapolis with representatives of nearly all Indiana institutions of higher learning. The professors work with us in analyzing legislation and problems and in suggesting remedies.

Our office maintains close working arrangements with various groups representing all segments of Hoosier economy.

VETERANS

As a member of the Finance Committee, I have worked hard for better legislation for veterans. We had moderate success with GI bill for cold war veterans. Congress did pass extensions of home loan guarantees and direct loan programs for veterans of World War II and the Korean conflict. These programs are brought in line with present-day costs and with the new and better FHA housing program. The direct loans, for instance, now may go as high as $15,000.

As an indication of the desirability of these programs, Indiana veterans have used 108,450 guaranteed loans and 6,396 direct loans since the beginning of the VA programs. Total value of these loans is $815,866,531.

Further, I have introduced legislation (S. 468) which would provide veterans of World War I a $100 monthly pension. This bill is pending before the Finance Committee, and I shall work toward this goal.

TRANSPORTATION

Congress this year made several important strides in the transportation field. Financing of the Interstate Highway System was revised and the whole building program revamped. I only regret that I was unable to have my own amendment adopted that would have resulted in earlier completion of the System without disturbing the solvency of the program.

The 1961 act allots funds for interstate construction from 1963 through 1966. Indiana will receive $59,273,700 for this kind of highways in 1963. Additional funds will be available from later allocations.

During the fiscal year just ended Indiana received $51,798,132 in Interstate Highway System funds. In addition, more than $31 million was assigned for other Federal-State highway programs.

We on the Commerce Committee were shocked to learn that hijacking of airplanes was not a Federal offense. Since it is difficult to decide exactly in what State a crime of this kind occurs on a fast jet and since piracy is a crime which Congress can punish, we worked out a series of laws covering this kind of offense. It seems to have had the desired effect in that hijacking has stopped.

This year we also authorized a 5-year program for construction and modernization of airports. The new program will mean additional funds for Indiana communities which will be matched locally for safer and better airports.

In the fiscal year just ended, Indiana cities received $2,301,220 in Federal funds for airport construction. Cities which shared in these funds are: Bloomington, Elkhart, Evansville, Fort Wayne, Goshen, Indianapolis, Marion, Muncie, South Bend, and Valparaiso.

HEALTH PROGRAMS

Congress this year provided $50 million for each of the next 5 years for Federal-State programs to help care for the chronically ill and aged. We also provided $10 million a year for grants to colleges and universities to improve health services and care for these people.

The Hill-Burton Act through which many communities are able to begin hospital construction or expansion was extended. This has been an important law for our Indiana cities. During the past year, for instance, the following hospital construction was helped in our State: Auburn, De Kalb Memorial Hospital; Oaklawn Psychiatric Rehabilitation Center, Elkhart; Good Samaritan Home, Evansville; Parkview Memorial Hospital, Fort Wayne; McCray Memorial Hospital, Kendallville; White County Memorial Hospital, Monticello; Memorial Hospital and Nursing Home, New Albany; Henry County Hospital, New Castle; Porter Memorial Hospital, Valparaiso; and Pulaski Memorial Hospital, Winamac.

Many of these grants were arranged through our office.

OTHER HOOSIER CONSTRUCTION

During the year just ended, military construction in the State of Indiana totaled $2,848,000 other than for public works projects such as flood control and navigation. During the current year, Indiana has been allocated $2,310,000 for similar construction.

In the money year just closed, Bunker Hill Air Force Base received $1,777,000 for construction. The National Guard built armories at Jasper, Richmond, and Scottsburg; the Army Reserve built training centers at Lafayette and Rushville, and the Air Force Reserve built new facilities at Bakalar Air Force Base, Columbus.

In the current year, Bunker Hill will have $411,000 worth of new work done. Armories are to be built for the National Guard at Bedford, Monticello, and North Vernon. Terre Haute is to receive money for work on an Army Reserve Center and large sums are to be spent on Baer Field, Fort Wayne, and Hulman Field, Terre Haute, for the Air National Guard.

Jefferson Proving Ground, Madison, and Indiana Arsenal, Charlestown, are being reactivated for the present emergency and work at Crane Naval Ammunition Depot is being stepped up.

Post office construction work also has come to our State.

New post offices have been built or are being built this year for the following: Bruceville, Pittsboro, Poseyville, Selma, Shipshewana, North Terre Haute, Waveland, Fulton, Millersburg, Centerpoint, Lucerne, Paragon, Rockport, Russellville, Anderson, Jonesboro, Otterbein, Zionsville, Griffith, Jasonville, Kimmell, Richville, Clarke Hill, Hanna, Harlan, Burlington, Harmony, Hillsboro, Stockwell, Miller (Gary), Lynnville, Stilesville, Dublin, Losantsville, Lynn, Madison, Oakland City, and Williamsport. Major remodeling has been done at the Irving Station of Indianapolis.

The Senate also has confirmed new postmasters for Boonville, Carthage, Edinburg, Fowler, Gosport, Lanesville, Loogootee, Marshall, Spencer, Springport, Tangier, Tippecanoe, Union City, Universal, Wabash, and Williamsport.

The most notable success was at Portage, the new town in Porter County. Originally, it was decided not to create a separate post office to serve this community which includes the proposed new port and which includes the new Midwest Steel mill. We were able to have a post office designated for this community and I was present for the dedication of the new building in September.

EDUCATION

One of the important controversies in the 87th Congress has been how much Federal aid there should be for education. The issue of whether there should be any Federal aid was decided long ago when loans were authorized for institutions of higher learning and when direct aid for communities with large number of children of Federal workers was voted.

There followed the National Defense Education Act which set up new programs to aid needy and worthy college students. This act was passed after the Russians launched their first space vehicle, and it became apparent that the United States was behind in science and technology.

In addition, the principle of aid to schools and schoolchildren through the hot lunch program is well established.

Because of the large number of public schools in Indiana which share in the aid for areas with substantial enrollments of children of Federal workers—the so-called impacted areas—I polled trustees and school superintendents in these areas. I asked them to state whether they needed such aid and whether such aid has resulted in any Federal domination whatever. These trustees and superintendents unanimously reported a need and no Federal interference whatever.

Here is a list of Indiana school corporations which received impacted area aid in the bookkeeping year just ended:

O-Madison Townships, Odon; Holt Township, St. Bernice; Perry Township, Loogootee; City of Loogootee; City of Clinton; Shoals Community Schools; Charlestown Metropolitan School District; Rockville Consolidated Schools; Clinton School Township, Clinton; School Town of Edinburg; Vermillion Township, Newport; Washington Township, La Porte; Highland Township, Perrysville; Rutherford Township, Shoals; City of Franklin; Silver Creek Township, Sellersburg; Elnora Township, Elnora; Monroe Township, Henryville; Reeve Township, Cannelburg; Jeffersonville Township, Jeffersonville; Van Buren Township, Odon; Utica Township, Jeffersonville; Lawrence Township Metropolitan District, Indianapolis; City of Jeffersonville; Washington Township, Nabb; Barr Township, Montgomery; Blue River-Jackson-Spencer Townships, Corydon; Jennings Township, English; Town of Clarksville; Madison Consolidated, Madison; Pipe Creek Township, Peru; Peru Township, Peru; Washington Township, Peru; Steels Township, Plainville; Washington Township, Washington; Jasonville; Town of Vevay; Worthington-Jefferson Consolidated, Worthington; City of Peru; Jackson Township, Logansport; Mooresville Consolidated, Mooresville; Tipton Township, Logansport; Lincoln Township, Danville; Linton-Stockton Schools, Linton; Washington Township, Danville; South Central Corporation, Corydon; Butler Township, Peru; Deer Creek Township, Peru; Bean Blossom Township, Stinesville; City of Bedford; Indian Creek Township, Bedford; Marion Township, Mitchell; Marshall Township, Avoca; Perry Township, Springville; Shanswick Township, Bedford; Van Buren Township, Bloomington; Washington Township, Bloomington; Eminence Consolidated, Monrovia; Martinsville Metropolitan; Monroe Township, Monrovia; Warren Township Metropolitan, Indianapolis; Decatur Township; Indianapolis; Vigo Township, Bicknell; Franklin Township, Roachdale; Washington Township, Greencastle; Clay Township Metropolitan, Carmel; York Township, Vevay.

City of Greenfield; Delaware Township, Fishers; Patriot-Posey District, Patriot; Central School District, Switz City; Washington-Stafford Consolidated, Lyons; Rising Sun-Ohio County Consolidated, Rising Sun; White River Township, Greenwood; Franklin Township, Marion; Center Township, Marion; Monroe Township, Marion; Jefferson Township, Upland; Eastern District, Owensburg; Pleasant Township, Whiteland; Mississinewa Joint Schools, Gas City; Jefferson-Craig Consolidated, Vevay; Sims Township, Swayssee, Van Buren Township, Van Buren; City of Greenwood; Fairmount Township, Fairmount; town of Fairmount; city of Marion; Central District, Maxwell; Vernon Township, Fortville; Taylor Township, Kokomo; Bloomfield District, Bloomfield; Hobart Township, Hobart; Eugene Township, Cayuga; Owen Township, Charlestown; Spice Valley Township, Huron; Southwestern Jefferson County, Hanover; Sunman Consolidated, Sunman; City of Aurora; Milan Consolidated, Milan; Kelso Township, Lawrenceburg; Metamora Township, Metamora; Manchester Township, Lawrenceburg; Moores Hill District, Lawrenceburg; Miller-Logan-Harrison District, Lawrenceburg; Miller-York District, Lawrenceburg; Linton Township, Terre Haute; Dillsboro School-Clay Township, Lawrenceburg.

OTHER LEGISLATION

In the session just ended, I was successful in passage of legislation which has given Indiana two new Federal judgeships. These will be of tremendous value in cutting down a huge backlog of cases pending. Justice has been denied in the Federal courts because of long delays due to overcrowded dockets.

We have legislation pending on many other matters, most of them of direct interest to Hoosiers. I look forward, for instance, to favorable action on a bill which should lead to the freeing of the New Harmony Bridge from tolls since more than enough money has been collected to pay for the construction and maintenance. I look forward also to action on several bills creating national parks in our State.

The best known of the park proposals is the one in the dunes area. Senator PAUL DOUGLAS, of Illinois, some time ago offered a bill to create a huge Dunes National Monument. At first Senator DOUGLAS proposed to bar building of a deep water port that would accommodate seagoing vessels and would also bar the building of steel mills by Midwest and Bethlehem. Midwest has since built. Senator DOUGLAS then offered a bill to allow the port to be built, but to ban Bethlehem. He has offered still another bill, now pending, which would prevent the port and the other steel mill from being built, setting up a large national monument covering much of Indiana's Lake Michigan shoreline.

My position has consistently been that industry and recreation can be brought together on the shoreline and that dunes of historical value can be preserved. I have a bill pending which would divide this duneland, in effect, into two areas. The western part, adjoining Lake County, would be used for industrial and port development. The eastern part, adjoining La Porte County, would be used for the national monument. Interior Secretary Udall has indicated sympathy with my approach which provides for conservation, recreation and industry.

I am working hard also for establishment of a Lincoln Boyhood National Memorial in Spencer County, a Lincoln Parkway connecting the birthplace of President Lincoln in Kentucky with his boyhood home in Indiana and his adult home in Illinois and for a historical park at the site of Angel Mounds in Vanderburgh County. My bill for the Lincoln boyhood park has passed the Senate and we expect to clear remaining legislative hurdles early next year.

I intend to press my efforts to develop tourist trade for Indiana in this fashion. I also expect to press for canalization of the Wabash and for adequate flood control for our State.

In the field of national legislation, I am the author of a bill which would straighten out the allocation of radio and television channels. I am continuing to pursue my efforts for more freedom of information through

less restrictive news coverage by radio and television.

OTHER SERVICES

My office in Washington is a Hoosier headquarters. We receive an average of 275 phone calls a day, most of them from Indiana. We have had nearly 6,000 visitors during the past year, most of them from home. This past spring, 95 Indiana high schools had students on Washington trips who called on us.

From January 1, 1961, to September 30, 1961, we received 45,938 letters and mailed out 50,678 letters. Most of this mail concerns legislation and problems arising from legislation. But we perform a variety of services for Hoosiers. For instance, we had about 300 inquiries from people from Indiana who work for the Federal Government and want assistance with something pertaining to their jobs.

The defense buildup has resulted in a great number of service and veteran problems. Since January 1, we have handled 709 of these problems, with the number growing daily. We assisted 261 Hoosiers with social security problems, 27 with draft board problems, 18 with railroad retirements, and 711 persons who sought patronage employment.

I have helped also with 61 immigration cases who could be helped within the framework of present laws. Fifteen private immigration bills were introduced to assist those people who were worthy and who could not be helped through existing legislation. Many of these have united families who had been apart for years through circumstances beyond their control. One example is that of Krste Angeloff, of Yugoslavia. He is the adopted son of Mrs. Miles Angeloff, of Gary. He had been waiting 10 years to come to this country. During this time, Mr. Angeloff died and this further complicated the case. Krste was reunited with his family this year through our work. A similar bill united Mico Delic with his grandfather, Eli Delich in Terre Haute.

CONCLUSION

It is my sincere conviction that I am in Washington to serve. There are many ways for serving my State and my country. I feel we fight communism and work for the inevitable triumph of freedom by making America a better place in which to live and by helping other freedom-loving people. I feel that a strong and prosperous America which can be an example to the world is our strongest bulwark against enslavement.

The people who have sent me to Washington have asked me, in effect, to work hard, to study and to deliberate on the great issues of the day, to vote with sincerity and devotion and dedication to ideals, to assist my constituents, to consider the best interests of the State and Nation and to see that Hoosiers receive their fair share of bounty and assistance in solving their problems. I believe I am doing this. I welcome comments and suggestions from constituents.

Tito: A Case of Western Disillusionment and Defeat

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FEIGHAN. Mr. Speaker, the Conference of so-called uncommitted nations held at Belgrade, Yugoslavia, a few weeks ago produced far-reaching results of a positive nature for the cause of freemen. These positive results were a fortunate accident of the Conference. In no sense were they contemplated by all those attending the Conference. They were forced upon the participants in that affair through the resumption of nuclear weapons tests by the Russians. Exposure of the Russian nuclear weapons tests by the United States on the day the so-called uncommitted nations opened their meeting produced a unique situation in which solid judgments on the real character and fixed intentions of the participants could be made.

We must never forget, nor allow the peoples of the free world community to forget, that those who gathered at Belgrade have long claimed detachment from either the cause of the Western World or the camp of the Russian Communist bloc. Most of the characters in the Belgrade comedy had taken special precautions to avoid too much public identity with the ideals of either side in the struggle between freedom and slavery. Some took great public pride in choosing the course of "positive neutrality," while never explaining what they meant by "positive," preferring to stir up speculation and indeed false hopes among the gullible in the free world community. The third Russian-provoked crisis on Berlin, with its built-in implications of nuclear war stimulated by Moscow, was put forth as the justification for the gathering of the so-called uncommitted at Belgrade. As the self-proclaimed third force in world affairs they claimed custody of a moral force which was to be exercised to save the world from nuclear disaster.

Many years of propaganda effort were expended to create this image of the third force. Tito was a leader in this propaganda effort. He and his agents had labored patiently and persistently throughout south and southeast Asia, the Middle East, and Africa to establish this image. And the United States, by virtue of our self-delusion about Titoism and our extravagant economic and military assistance handouts to maintain Tito in power, must share the guilt for Tito's success. For Tito had succeeded in luring many of the newly independent nations into his Russian beartrap. Tito was the first to learn the technique of sailing along on cloud nine of the cold war; that is, appearing to be free from control of the Russian totalitarian bloc while at the same time appearing uncertain as to where his sympathies in the cold war should be anchored. The cloud nine techniques employed by Tito had won him an enviable stature among the international opportunists and he had no trouble in recruiting students avidly interested in learning the skills involved. When Tito called for a special meeting of his class at Belgrade his most adept students lost no time packing their propaganda bags and heading for their final exams in Titoland. This was to be the culmination of some 10 years of Tito's labors. He had every right to test the fruits of his labors. His Russian friends had prepared the favorable climate of world opinion for Tito to make the supreme test of his labors.

This was the background of political realism for the Belgrade Conference. This is the only reliable background against which valid judgments can be made of the individual participants and the overall results obtained.

It is a curious phenomenon which finds much of the free press shocked at the behavior of most of the participants at Belgrade when news of the Russian resumption of nuclear weapons tests burst over the Conference. This phenomenon has dangerous implications. It suggests that the cause represented at Belgrade was honest, that the concerns of those gathered were legitimate and that the so-called uncommitted were not handmade pawns of Moscow. A continuation of this self-delusion by responsible elements in the free world community portends total victory for the Russian drive of world conquest. A people who cannot distinguish friend from foe and who place any part of their future in the hands of professional blackmailers have no chance of survival in the ideological storm which grips the world. The Belgrade Conference exposed the intractable foes of the United States with a sharpness which reasonable men can no longer ignore. The blackmailers were marked with an indelible stamp that no amount of camouflage can disguise. And the weak and timid were marked for what they are—unreliable in situations requiring honesty and raw cou-age. The moral force which the chorus of the uncommitted has long claimed turned out to be the "league of immorality" by any standard of measurement.

These results are among the self-evident values of the Belgrade Conference. There are others not so self-evident which are more vital to the interests of the United States and the free world community. Among these are:

First. The bold and skillful manner in which Tito defended the Russian resumption of nuclear weapons test. Tito not only joined with the Russians in their efforts to frighten the free world community into submission, but he provided the escape hatch justification for their behavior. This he did by alleging that Khrushchev was under great pressures from contending forces within the Kremlin aristocracy, causing him to resume such tests. The implications of this allegation were that the refusal of the Western Powers to accept the dictations of Khrushchev on the Berlin crisis left him no other choice but to authorize the test resumptions.

Second. The calm Tito handling of the "unexpected" during the opening day of the Conference suggests that he was well briefed in advance by his Russian comrades and thus well prepared to act out his role as defender of their actions. It is altogether possible that this entire affair was carefully arranged between Tito and Khrushchev as a device to stampede the "uncommitted" nations into the Russian barnyard thus tipping the balance of power so strongly against the West that no other course but concession to Russian demands on Berlin would be open to us. This same technique was used by the Russians in 1957 with the successful launching of the first sputnik. Then the effort was

made to destroy NATO by frightening the European members into a panic of withdrawal from that mutual defense pact. An emergency meeting of the NATO Council to hear a strong appeal from President Eisenhower for unity and calmness was necessary to cushion the severe shocks of that Russian strategic maneuver. The unbridled attacks against the West in general and the United States in particular launched by the majority of those attending the Belgrade sessions, delivered in the immediate wake of the Russian nuclear tests, suggests a well thought out conspiracy against truth and justice. Tito was the key to the execution of that conspiracy and must henceforth be rated on that basis.

Third. The eagerness with which certain elements of the free press lent themselves to advertising the escape hatch Tito set up for Khrushchev indicates a critical need for politically mature news correspondents at international conferences. At face value the Belgrade gathering was calculated well in advance as a device for degrading and weakening the firm position taken by President Kennedy on the Berlin crisis. The only reasonable questions were how much damage the propagandists gathered there could do to us and how much help they could provide the Russians. In the face of the obvious, an American correspondent of one of the news services rushed into the trap and went overboard lending credibility if not substance, to the Tito-Khrushchev shell game. Reportorial imagination typical to writers of wild west novels but entirely out of place in the setting of an international conspiracy, had Khrushchev engaged in a life and death struggle with the Red army leaders, with the Red Chinese assaulting him from the flanks and the peace of the world hanging in the balance. Khrushchev came out of this fiction appearing as a highly motivated hero. Nothing has been done to correct this fraud upon the people so the Russian guilt for resumption of nuclear weapons tests remains blurred.

Fourth. A significant but disconnected story was reported from Tehran, Iran, by the same news service exposing Russian threats of nuclear destruction of Iran unless that nation withdrew from CENTO. These threats were given meaning by the reminder of Russian nuclear tests then taking place just across the common border. This story explains one of the pieces in the complicated pattern of Russian plans connected with her resumption of nuclear tests. Tito is another but much more important piece in this pattern and to judge him otherwise is to refuse to recognize a dangerous enemy.

The reaction of President Kennedy to the outcomes of the Belgrade gathering give high promise that the game of self-deception with respect to Tito will come to a proper close—with Tito excluded from the competitive contest of raiding our public treasury. It is time this game was ended. Tito took us for much more than $2 billion over a 10-year period. The record shows that the more we allowed him to pilfer from us, the harder he kicked us. A change for the better calls for kicking Tito and his henchmen where it will be felt the most—in their grabby and treacherous hands. In bringing this dangerous and costly game to a close, President Kennedy should cause to be written upon the scorecard this warning: "A case of Western disillusionment and defeat."

Buy Now, Pay Later

EXTENSION OF REMARKS
OF
HON. ERNEST GRUENING
OF ALASKA
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. GRUENING. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GRUENING

For those Americans who would escape a new and rapidly developing form of hornswoggling, honeyfugling, and horsefeathering, I strongly recommend a highly important, recently published volume which has as its title the intriguing, inviting, and enticing beckoning so alluringly presented to multitudes of Americans by a great variety of services and businesses: "Buy Now, Pay Later."

It is written by Hillel Black, published in New York by William Morrow & Co., and carries a foreword by our distinguished colleague, the senior Senator from Illinois, PAUL DOUGLAS.

The book exposes what, while a legitimate business—the wide extension of credit and installment purchasing—presents pitfalls of which the average consumer, householder, and housewife are innocently unaware. The pitfall consists in no small degree of their ignorance of what installment buying actually costs them. Thousands never even inquire. Others are content with a reply that the charge is such-and-such percent. This leaves unanswered how much percent for what unit of time. It omits mention, also, of all kinds of special charges, of which virtually every installment buyer remains unaware.

The startling fact which Mr. Hillel Black's book reveals is that the financing of purchases has in many cases become more profitable than the profit on the purchased article or service itself.

The interest of Senator DOUGLAS—a noted economist and, before his election to the Senate, professor of economics at the University of Chicago—is that the installment buyer shall be informed, before he signs his installment contract, whether for an automobile, a dishwasher, a TV set, housefurnishings, or uses his credit card for travel, for dining, or for any purpose whatever—what the credit service is actually costing him above the price of the article or service he is buying. To achieve this end, Senator DOUGLAS introduced in the 1st session of the 87th Congress, along with 20 cosponsors, of whom I am happy to be one, a bill which has become known informally as the truth-in-lending bill.

This bill (S. 1740) is entitled "A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extension of credit."

All that the bill requires is disclosure to the purchaser of what he is actually paying when he buys on credit; what the interest rate actually is; what fees, service charges, discounts, and other charges, not apparent on the face of the purchasing contract or not explicit in the use of a credit card, are.

Is there opposition to this legislation? Indeed there is. There is opposition from the vast and growing category of what Hillel Black, author of the book, rightly terms "the debt merchants."

Today, millions of Americans are being bombarded with pleas to "buy now, pay later." Credit cards are being generously handed to all possible takers, and persuasion to use them is a no less generous accompaniment.

Today, many an American family finds itself in precarious financial straits because it has succumbed, unaware, to the siren songs of the "debt merchants."

Reading of Hillel Black's "Buy Now, Pay Later" may avert countless domestic tragedies and contribute mightily to a sounder national economy which has been weakened by the spreading habit of buying things one doesn't need with money one does not have.

Keep Public Drinking Water Pure

EXTENSION OF REMARKS
OF
HON. WALTER S. BARING
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. BARING. Mr. Speaker, I feel it is of utmost importance that I focus the attention of this Congress on an issue which is sorely dividing our Nation at so critical a time when our very existence is dependent upon our ability to strengthen our national unity.

I refer to a program launched by a subagency in the Health, Education, and Welfare Department of this administration to promote fluoridation throughout cities, towns, communities, and all States of this Nation.

During the past year voters representing some 2,500,000 water users in 43 out of 56 cities rejected fluoridation with little more than about 50,000 having accepted.

Water is a prime necessity for life. All people are dependent upon pure, uncontaminated water. The addition of any substance to a public water supply for the purpose of affecting the bodies or mental function of the consumer establishes a dangerous precedent and preempts the inalienable right of the individual to determine what shall be done to and with his body as long as in the exercise of that right he does not infringe upon the equal rights of his fellow citizens.

An article which appeared in one of the most recent medical publications confirms that damage to bones can result from fluoride which occurs in natural water at a level as low as 0.8 parts per million. The U.S. Public Health Service claims on one hand that no harm can result from natural fluoride water as high as 8.0 parts per million, yet they require many communities where this occurs to reduce the fluoride content

when it exceeds 1.5 parts per million—or abandon the source of supply. This clearly demonstrates that the U.S. Public Health Service itself realizes that the margin of safety is either narrow or nonexistent.

To use the very words of Dr. Walter L. Bierring, M.D., past president of the American Medical Association:

> Prominence in the cause of disease is being given to man's management of the health hazards connected with air pollution, stream pollution, fluoridation, and radiation.

Fluoride additives have been consumed at an increasing rate over the past 50 years. Changes in disease pattern during that same period of time have not been explained away by medical science.

It is a fact that those who want their children to have fluoride can give it individually, in measured doses, with greater safety, greater reliability than if it were put into public water supplies.

Once the precedent of adding fluoride to the public drinking water has been established, there is almost no limit to the possibilities for the introduction of all manner of drugs. We may open a door which we will never be able to close.

Past errors should have taught official agencies that they should not assume an air of infallibility and an attitude of indifference to public wishes.

Among the many examples which have proven to be "human time bombs" we might cite the approval and use of radon, of thorium, and of iodide in public drinking water for the prevention of goiter, with disastrous results. More recently, the stilbestrol incident, involving a cattle fattening hormone, and the cranberry weedkiller pointed up the justification of the demand by the public for protection from introduction of unnecessary and unwanted chemicals into products intended for human consumption. When the harmful effects of these chemical agents, previously approved for use by an administrative agency of the Government, were brought to national attention, the then Secretary of Health, Education, and Welfare, Arthur S. Flemming, in ordering discontinuance of the use of stilbestrol and the cranberry weedkiller, stated:

> While the argument is going on, the consumer should not, in effect, be asked to serve as a guinea pig. The consumer should never be asked to take a risk of this kind.

I submit that this is the kind of action the Nation is entitled to in the case of fluoridation, especially when there are scientists of Nobel award stature who question the safety of fluoridating public water supplies.

The Association of American Physicians and Surgeons, composed of over 20,000 members of the American Medical Association, condemned mass medication, including fluoridation and the use of the public water supply as a vehicle for drugs. The Medical-Dental Committee on Evaluation of Fluoridation, sponsored by over 1,600 physicians, dentists, and scientists, have critically studied the fluoridation proposal and have shown that it is not safe, that its efficacy has not been demonstrated. They have also shown many reasons why prolonged intake of fluoride may lead to serious chronic conditions for some people. Fluoridation runs counter to the historic policy of the medical profession in maintaining the doctor-patient relationship.

Because of the very important fact that each individual reacts differently to medication, only a physician can determine when fluoride administration should be reduced or terminated.

Another aspect of this fluoridation problem is a need to bring to the attention of this Congress the unethical methods used in promoting fluoridation, starting with the fourth annual conference of the State dental directors and the Public Health Service held in Washington in June 1951, culminating in a now new accelerated high pressure program of the U.S. Dental Public Health Division that will be conducted through the use of undetermined funds now being requested under House bill 4742 and Senate bill 917.

Mr. Speaker, these are not good bills. They would permit uncontrolled use of Federal funds for promotional schemes not in the best public interest.

Furthermore, this unethical promotion, among other things, now takes the form of aiding certain questionable actions on the part of many State boards of health. These boards while working closely with the U.S. Dental Public Health Division, to impose fluoridation upon an unsuspecting public, are actually supplementing directives which originate at the U.S. Public Health Service. The results are not only misleading in content but, by misrepresentation and distortion, tend to convey to local communities that fluoridation of public water supplies is imperative.

The U.S. Public Health Service has aggressively, through the use of taxpayers' money, promoted fluoridation throughout these United States with grants-in-aid inducements. Fluoridation projects have been underwritten by/or subsidized with Federal funds.

The American Dental Association through close coordination with the U.S. Dental Public Health Division has coercive access to control of vast Federal health funds. It has for years been persistently promoting fluoridation on a national scale, using promotional methods not in accord with the finest American tradition.

Free expression of opinion is being prevented among physicians and dentists; publication and exchange of scientific data among scientists and members of the professions is inhibited by threat of retaliation and economic reprisals. Dentists opposed to fluoridation have reason to fear disciplinary measures from their local dental societies.

When approximately some 60 million people have rejected fluoridation, including those in 100 cities which discontinued it after a trial because of damage to health and property; and when 100 million Americans are now facing possible fluoridation of their drinking water, I believe a most serious Federal policy problem exists.

Our citizens have certain fundamental and constitutional rights. The sooner they are recognized, the sooner we shall resolve the fluoridation controversy. These rights must be expressed as:

First. The right of every citizen to a water supply free from any drug or chemical not required for the purification thereof.

Second. The right of every citizen to a freedom of choice in matters concerning his health so long as this choice does not infringe upon the rights of others.

Third. The right of the professional person, particularly the physician and dentist and scientist, to investigate and to speak freely according to conscience, without fear of censure, and/or reprisal.

I further submit that this program which would treat American citizens as statistical averages rather than individual human beings is needlessly provoking antagonism toward an otherwise effective and important agency of Government. Promotional fluoridation harassment and intimidation of the public is disturbing the tranquillity of this Nation at a time when we can least afford it.

Many letters received by the Greater New York Committee Opposed to Fluoridation, from citizen groups representing some several million people of this Nation, are pleading that something be done to combat at the Federal level this promotional menace of forced fluoridation. Certainly when citizens have demonstrated unmistakably their rejection of fluoridation, and when there exists substantial disagreement within the scientific and medical professions as to the safety and efficacy in the fluoridation of potable water, it should not, it must not, be supported at a Federal level.

Establishment of Voluntary Pension Plans by Self-Employed Individuals

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by me concerning H.R. 10, a bill to encourage the establishment of voluntary pension plans by self-employed individuals.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

For the past 10 years I have followed with considerable interest H.R. 10, a bill to encourage the establishment of voluntary pension plans by self-employed individuals. I have long been in favor of the principle of this legislation, but on several occasions during the course of this 10-year period I found it necessary to differ with the proponents as to the method of achieving their goal. Today I am pleased to say that I wholeheartedly endorse H.R. 10 as reported by the Senate Finance Committee. The features which I found objectionable in the past have either been eliminated or changed to the point where I can, in all good conscience, embrace this legislation.

Practically everyone who is acquainted with this subject will agree that the principle of this legislation as now proposed is sound. Certainly the Members of the House recognized this in the 85th and 86th Congresses and again in this session when they passed H.R. 10 by a practically unanimous vote. Certainly the members of the Senate Finance Committee in the 86th Congress recognized this when, after extensive hearings, they approved H.R. 10 by a 12 to 5 vote. On August 25 of this year, this committee ordered H.R. 10 favorably reported 14 to 3.

It was apparent to me, after reading the minority views in the Senate Finance Committee report, that a number of misconceptions still exist in the minds of two of my distinguished colleagues. Their proposals were heard and voted down by the committee in the 86th Congress and again this year. I am confident that the proponents of this legislation will, on the floor of this Congress, meet these arguments again and in such a way as to gain the overwhelming support of this body. Rather than criticize, I wish to commend the spokesmen for the various national self-employed groups because, to the best of my knowledge, at no time have they said, "If you won't give us these benefits, then we wish to have them taken away from the corporate employees."

This is a good bill and for a number of reasons, one of which is the fact that it encourages people to help themselves. It encourages initiative, self-reliance, and the other qualities which helped to make this country great, but qualities, which I regret to say, are disappearing rapidly from the American scene. This Congress has an opportunity to resurrect these attributes which are so desperately needed by our country at this time by enacting H.R. 10 into law.

This remedial legislation is designed to correct an inequity in our tax structure which prevents this Nation's 10 million small business, farm, and professional people from receiving treatment comparable to that which is accorded corporate employees.

The impetus for the steady growth in corporate coverage was supplied in 1942 by the 77th Congress when it wisely enacted legislation which encouraged corporations to promote the economic well-being and future security of their employees. One has only to look at the increase which has occurred since 1940 to appreciate the soundness of this legislation. In that year 4.1 million were covered; in 1950, 9.8 million; and in 1960 the figure rose to 20 million. Approximately 1 million people are being added each year to private pension plans.

When we add to the 1960 total the approximately 8 million covered by State and local government plans, civil service, armed services, railroad retirement systems, etc., the total number of Americans covered by pension plans is approximately 30 million people.

H.R. 10 does not, as its few opponents would have you believe, broaden a tax loophole, and open a Pandora's box, but rather extends what has been proven over the past 19 years to be sound legislation to the point where it includes a dedicated, courageous group of Americans, the self-employed.

To accomplish this, self-employed persons are treated for retirement plan purposes as the employers of themselves. This was the fundamental concept of the House bill and it is retained in the Senate Finance Committee's substitute. As employers, self-employed individuals are permitted, like other employers, to deduct contributions (within specified limits) made to pension or profit-sharing plans for the benefit of themselves and such other employees as may be covered under the plan. Under the committee bill, a self-employed person would be permitted to contribute to a retirement plan 10 percent of his earned income or $2,500, whichever is the lesser. He would be permitted to deduct 100 percent of the first $1,000 contributed and 50 percent of the remaining $1,500, which may be contributed. The maximum deductible amount would be $1,750.

As employees, as with other employees, they are not taxed on such contributions made for their benefit, or the income thereon, until they receive the funds upon retirement or otherwise.

The committee changes have drastically reduced the size of the revenue deferral, in fact to a point where this can no longer be used as a major argument against this measure. Oh, I am not deluding myself, because there will be some who will cry economy, who will use the international situation as an excuse for opposing this bill; but these few, time and time again have, and will continue, to support domestic programs with high price tags and questionable dollar value.

The estimates for H.R. 10 range from less than $100 million to $200 million. In view of the actual experience in other countries, Great Britain, Canada, and New Zealand, and the fact that the Treasury Department generally overestimates, I am inclined to accept the lower figure.

Regardless of the exact amount, I wish to remind you that the potential revenue deferral is already made possible in the present tax law since the establishment of tax-deferred pension plans is available to any self-employed person who incorporates his business or occupation.

If we fail to act in this Congress, we will, I am certain, force a great many of this Nation's self-employed to incorporate and in most cases solely for the purpose of gaining tax treatment relative to their retirement savings similar to that which is offered their corporate brethren. Passage of H.R. 10 will encourage these fine, hard-working Americans to retain their self-employed status; defeat will be a major blow to them and an invitation to incorporate for tax advantage because of their natural desire to protect themselves in their later years. Now I don't believe we can afford the loss of too many more self-employed without jeopardizing the position of this country both on the domestic and international fronts.

H.R. 10 is a good bill, it is a just bill. I urge my colleagues on both sides of the aisle to join with me in working for the early enactment of H.R. 10 in the 2d session of the 87th Congress.

Secretary of Agriculture Freeman's Report

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by me concerning Secretary of Agriculture Freeman's report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE

The Honorable Orville H. Freeman has issued under date of September 20, 1961, a summary of his conferences in London and Brussels during the period September 8 through 14, 1961. This summary is most interesting in that it presents clearly and concisely the position of the Secretary with respect to a number of the trade problems affecting American agriculture.

I was particularly pleased to note his comments with respect to apple and pear exports to the United Kingdom. Because I feel that this summary will be of great interest to many farmers in the State of Oregon, I wish to include the report at this point:

"I went to Europe for three major purposes: To open the first U.S. agricultural exhibit at the London Trade Center; to confer with United Kingdom and Belgium governmental authorities regarding import restrictions on U.S. farm products; and most importantly, to meet with the European Economic Commission, and particularly the Commissioner for Agriculture, regarding tariff and trade problems affecting U.S. agricultural interests in the European Common Market.

"COMMON MARKET

"Roughly about one-half of our current agricultural trade of $1 billion with the Common Market countries is still unsettled in the current Geneva negotiations. Some extremely important commodities not yet settled are: wheat, wheat flour, corn and grain sorghums, poultry, rice, tobacco, vegetable oils, and prunes.

"For grain products and poultry, the Common Market has proposed the use of variable import levies instead of fixed duties. These duties, without limits, could be used to exclude outside trade completely. As the true economic forces take hold in the Common Market, our trade may even be larger than it is today, but the immediate effect of the application of these unlimited duties would, in my judgment, significantly worsen our trade position. Therefore, I emphasized to the EEC the importance of maintaining our current trade position.

"For other commodities, the EEC has proposed tariffs which are higher than those we now enjoy. For tobacco, the EEC position is further complicated by the fact that whereas we now have a specific duty schedule, the EEC has proposed a split duty, under which a greater charge would be made for our tobacco since it is higher priced than the tobacco of our competitors.

"I felt it imperative to let the EEC know that its present offers could result in serious losses in our agricultural trade with the Community in the next 5 to 10 years. If these proposals were accepted, U.S. grain producers, poultry producers, the tobacco farmers and industry, and rice producers could only conclude that the Six have adopted a highly protective system against their products. The proposed fee system covers 75 percent of the agricultural output of the Six.

"Although my original schedule did not call for a meeting with the full European Economic Commission, I was delighted to find in Brussels that such a meeting had been arranged. After a lengthy talk with Agricultural Commissioner Mansholt, I met with the full Commission for 3 hours. This gave me an opportunity to present our views to the important officials who are charged with the entire EEC program.

"TRADE LIBERALIZATION

"In the United Kingdom we met with senior officials of the Ministry of Agriculture and with Mr. Reginald Mandling, head of the board of trade. In these talks we asked for more liberal trade treatment from the British for a number of U.S. agricultural products.

"First, we stressed the need for an end of the discriminatory treatment now accorded to U.S. exports of fresh grapefruit, grapefruit sections, and canned citrus concentrates. For these products, the United Kingdom has liberalized trade for all areas of the world except the dollar area, and that

means the United States. The British explained that this restriction has been necessary to protect the position of the British West Indies. We explained that our farm and trade interests in the United States are convinced that the restrictions are purely discriminatory, since other countries are free to supply the United Kingdom market without restriction. The result is that we are steadily losing ground in the United Kingdom market to other suppliers.

"With the British we also discussed apples and pears on which a quota system is in effect for northern hemisphere suppliers (the United States and Canada) which permits 20 percent of the annual quota to be delivered during the first 6 months of the year and 80 percent during the last 6 months. We emphasized that the quota is not flexible enough to permit the entry of larger imports from the dollar area during years of short crops in the United Kingdom. We therefore asked for an increase in the percentage of imports permitted earlier in the season and for an increase in the quota.

"In Belgium we discussed apples and pears and the high license taxes on imports of feed grains. With respect to apples and pears, the Belgians have a calendar system in effect which excludes apples and pears from the dollar area until February or March of each year. At the same time, imports from EEC countries are permitted all year round unless they interfere with Belgian market prices.

"License taxes which the Belgians impose on imports of feed grains are very much like the unlimited variable duties described above. At the present time these license taxes in Belgium have been increased to the point where they are practically equal to the amount our farmers receive for feed grains. We pointed out that the high cost of feed grains to Belgian livestock producers was adding to the cost spiral of livestock products in Belgium thereby inflating the cost of living and causing price problems for Belgian industrial exports; and, also, that they were not really assisting the small farmer in Belgium who would be more efficient in the production of livestock.

"While in Belgium, two other subjects were brought to my attention. First, the Belgian Minister of Agriculture said it was his impression that the United States was excluding ornamental shrubs from his country because of economic protectionism. I explained that I thought that the reason we did so was because of the possibility of disease and insect-transmission on the roots of the plants, but agreed to review the question to assure that the reason for our controls was scientific rather than economic.

"A second matter of great interest in Belgium was the matter of Belgian carpets. The Tariff Commission is now investigating the need for an increase in the tariff on carpet imports. Discussion of this item occurred during our visit with the Belgian Minister of Foreign Commerce. There is little doubt that the outcome of the current carpet investigation will be of great concern to the Belgian Government. In their minds, there is definitely a relationship between what they do for more liberal treatment of our agricultural imports and the outcome of the carpet investigation.

"I believe these discussions with the EEC members, the British, and the Belgians helped to clarify and strengthen our position. While no commitments were forthcoming on any of the specific matters discussed, I am hopeful that the way has been opened for improvement of our situation.

"LONDON TRADE CENTER AND MARKET DEVELOPMENT

"In London, I opened the first U.S. agricultural exhibit at the U.S. Trade Center. The exhibit was well done and attracted a large audience. More than 100 United States and British trade people were represented at a special preview of the exhibit. I am sure that through such promotion we can substantially expand our sales of these products in the British market, which has traditionally been our largest outlet for agricultural exports.

"Also in London, I met with U.S. market development cooperators in Europe. This is the joint effort with American farm and trade groups to expand the marketing and improve the utilization of American farm products in oversea markets. I was pleased to be able to report to them that the Congress has approved a dollar appropriation that will permit an expansion of our trade promotion program in Western Europe and provide funds to carry the programs forward on a 3-year basis instead of the 2-year basis previously authorized."

Interim Report of the Committee on Government Operations, House of Representatives, for the 1st Session, 87th Congress

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. MONAGAN. Mr. Speaker, I am pleased to present the following interim report on the activities of the Committee on Government Operations in the first 9 months of the 87th Congress:

INTERIM REPORT OF THE COMMITTEE ON GOVERNMENT OPERATIONS, HOUSE OF REPRESENTATIVES, FOR THE 1ST SESSION, 87TH CONGRESS

JURISDICTION

The jurisdiction and duties of the Committee on Government Operations are set forth in rule XI(8) of the House of Representatives.

Under this rule, all proposed legislation, messages, petitions, memorials, and other matters relating to (a) budget and accounting measures, other than appropriations, and (b) reorganizations in the executive branch of the Government shall be referred to the Committee on Government Operations.

The rule also assigns to the Committee on Government Operations the duty of (1) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such reports; (2) studying the operation of Government activities at all levels with a view to determining its economy and efficiency; (3) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government; (4) studying intergovernmental relationships between the United States and the States and municipalities and between the United States and international organizations of which the United States is a member.

ORGANIZATION

In order to perform its functions and to carry out its duties as fully and as effectively as possible, the committee, under the leadership of its chairman, the Honorable WILLIAM L. DAWSON, of Illinois, at the beginning of the 87th Congress, established five regular subcommittees, which cover the entire field of executive expenditures and operations. The names and chairmen of these subcommittees are as follows:

Executive and Legislative Reorganization Subcommittee, Hon. WILLIAM L. DAWSON, chairman.

Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.

Government Activities Subcommittee, Hon. JACK BROOKS, chairman.

Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman.

Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, Jr., chairman.

In addition, four special subcommittees were organized to handle special problems:

Special Donable Property Subcommittee, Hon. JOHN W. MCCORMACK, chairman.

Special Government Information Subcommittee, Hon. JOHN E. MOSS, chairman.

Special Subcommittee on Assigned Power and Land Problems, Hon. JOHN E. MOSS, chairman.

Special Subcommittee on the Federal Home Loan Bank Board, Hon. JOHN E. MOSS, chairman.

INVESTIGATIVE REPORTS

During the 1st session of the 87th Congress, the Committee on Government Operations approved and submitted to the Congress 11 reports of an investigative nature. At the close of the first session, a number of reports were in preparation and a number of investigations were underway. These will be considered by the subcommittees and the full committee early in the second session. Several hearings have been planned for the recess period between sessions.

For convenience, the published reports are listed here with the name of the originating subcommittee. A more detailed discussion of the material will be found below in the breakdown of the committee's activities by subcommittee:

First report (H. Rept. No. 184): "Activities Report of the House Committee on Government Operations, 86th Congress, 1st and 2d sessions, 1959–60." (Full committee, Hon. WILLIAM L. DAWSON, chairman).

Second report (H. Rept. No. 321): "Health Research and Training, the Administration of Grants and Awards by the National Institutes of Health" (Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman). (Additional views filed.)

Third report (H. Rept. No. 324): "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.) (Additional views filed.)

Fourth report (H. Rept. No. 795): "U.S. Aid Operations in Peru." (Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, Jr., chairman.)

Fifth report (H. Rept. No. 818): "Availability of Information From Federal Departments and Agencies (Progress of Study, July–December 1960)." (Special Government Information Subcommittee, Hon. JOHN E. Moss, chairman.) (Additional views filed.)

Sixth report (H. Rept. No. 1214): "Defensive Materiel Utilization Program." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.)

Seventh report (H. Rept. No. 1215): "Availability of Information From Federal Departments and Agencies (Telephone Monitoring)." (Special Government Information Subcommittee, Hon. JOHN E. MOSS, chairman.)

Eighth report (H. Rept. No. 1241): "Consumer Protection Activities of Federal Departments and Agencies." (Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman.)

Ninth report (H. Rept. No. 1249: "New Civil Defense Program." (Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman.)

Tenth report (H. Rept. No. 1250): "Cambodian Port Highway: A Supplemental Report." (Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, JR., chairman.) (Additional views filed.)

Eleventh report (H. Rept. No. 1257): "Availability of Information From Federal Departments and Agencies (Progress of Study, January–August 1961)." (Special Government Information Subcommittee, Hon. JOHN E. MOSS, chairman.) (Additional views filed.)

COMMITTEE PRINT

"Governmental Structure, Organization, and Planning in Metropolitan Areas (Suggested Action by Local, State, and National Governments)." A report by the Advisory Commission on Intergovernmental Relations.

LEGISLATION

The legislative jurisdiction of the Committee on Government Operations covers a wide range of important governmental operations. It includes all matters relating to budgeting and accounting measures other than appropriations and all matters relating to reorganizations in the executive branch of the Government. Moreover, by precedent, property disposals and other matters involving the Federal Property and Administrative Services Act are referred to the committee.

During the 1st session of the 87th Congress, the committee studied 176 bills and resolutions referred to it and reported 17 to the House. These are discussed more fully under the subcommittee breakdown below. However, those reported are listed here for convenience, with the name of the subcommittee which initially considered them:

H.R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 341; Public Law 87–139.)

H.R. 5742 (S. 153), to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1963. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 195; Public Law 87–18.)

H.R. 6094, to amend section 4 of the Employment Act of 1946. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 325; Public Law 87–49.)

H.R. 8099, to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the General Supply Fund. (Government Activities Subcommittee.) (H. Rept. No. 1217; Public Law 87–372.)

H.R. 8100, to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the General Supply Fund. (Government Activities Subcommittee.) (H. Rept. No. 1218.)

H.R. 8429, to establish a Department of Urban Affairs and Housing, and for other purposes. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 1053.)

H.R. 8603, to amend the Federal Property and Administrative Services Act of 1949 to provide for public information and publicity concerning instances where competitors submit identical bids to public agencies for the sale or purchase of supplies, equipment, or services, and for other purposes. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 989.)

H.R. 8798, to amend section 7 of the Administrative Expenses Act of 1946, as amended. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 1216.)

H. Res. 302, disapproving Reorganization Plan No. 1 of 1961 transmitted to Congress by the President on April 27, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 509.)

H. Res. 303, disapproving Reorganization Plan No. 2 of 1961 transmitted to Congress by the President on April 27, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 446.)

H. Res. 304, disapproving Reorganization Plan No. 3 of 1961 transmitted to Congress by the President on May 3, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 510.)

H. Res. 305, disapproving Reorganization Plan No. 4 of 1961 transmitted to Congress by the President on May 9, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 511.)

H. Res. 328, disapproving Reorganization Plan No. 5 of 1961 transmitted to Congress by the President on May 24, 1961. (Executive and Legislative Reorganization Subcommittee.) (H. Rept. No. 576.)

S. 537 (H.R. 5294), to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic monmument purposes. (Government Activities Subcommittee.) (H. Rept. No. 558; Public Law 87–90.)

S. 539 (H.R. 3259), to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended. (Government Activities Subcommittee.) (H. Rept. No. 559; Public Law 87–153.)

S. 540 (H.R. 3260), to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes. (Government Activities Subcommittee.) (H. Rept. No. 560; Public Law 87–91.)

S. 796 (H.R. 5096), to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes. (Special Donable Property Subcommittee.) (H. Rept. No. 561; Public Law 87–94.)

REORGANIZATION PLANS

Seven reorganization plans were transmitted to the 87th Congress by the President during the 1st session. In the case of each plan, disapproval resolutions (which would reject the plan and thus preclude its going into effect automatically after 60 days from transmittal) were introduced and referred to the Committee on Government Operations.

Reorganization Plan No. 1 of 1961 (Securities and Exchange Commission). Hearings were held on disapproval resolutions House Resolution 285 and House Resolution 302. House Resolution 302 was disapproved by the committee and reported unfavorably to the House, which likewise disapproved the resolution. However, the plan was rejected by the Senate.

Reorganization Plan No. 2 of 1961 (Federal Communications Commission). Hearings were held on disapproval resolutions House Resolution 286 and House Resolution 303. House Resolution 303 was approved by the committee and reported favorably to the House. The House approved the resolution, thus rejecting the plan.

Reorganization Plan No. 3 of 1961 (Civil Aeronautics Board). Hearings were held on disapproval resolutions House Resolution 287 and House Resolution 304. The committee disapproved House Resolution 304 and reported it unfavorably to the House, which likewise disapproved the resolution. Not having been rejected by the Senate, the plan went into effect July 3, 1961.

Reorganization Plan No. 4 of 1961 (Federal Trade Commission). Hearings were held on disapproval resolutions House Resolution 288 and House Resolution 305. The committee disapproved House Resolution 305 and reported it unfavorably to the House, which likewise disapproved the resolution. Not having been rejected by the Senate, the plan went into effect July 9, 1961.

Reorganization Plan No. 5 of 1961 (National Labor Relations Board). Hearings were held on disapproval resolutions House Resolution 322 and House Resolution 328. The committee disapproved House Resolution 328 and reported it unfavorably to the House. The House approved House Resolution 328 and thereby rejected the plan.

Reorganization Plan No. 6 of 1961 (Federal Home Loan Bank Board). Hearings were held on disapproval resolutions House Resolution 335 and House Resolution 337. The committee voted to lay on the table House Resolution 335, which was an action favorable to the plan. A motion to discharge the committee from consideration of the resolution was defeated in the House. Since the Senate took no action to reject the plan, it went into effect on August 12, 1961.

Reorganization Plan No. 7 of 1961 (providing for reorganization of maritime functions). Hearings were held on disapproval resolutions House Resolution 336 and House Resolution 338. The committee voted to lay on the table House Resolution 336, which was an action favorable to the plan. The House defeated a motion to discharge the committee from consideration of House Resolution 336. Since the Senate took no action to reject the plan, it went into effect on August 12, 1961.

COMMITTEE ACTION ON REPORTS OF THE COMPTROLLER GENERAL

Rule XI, clause 8(c)(1) of the rules of the House, imposes the duty upon this committee to receive and examine reports of the Comptroller General referred to it and to make such recommendations to the House as it deems necessary or desirable in connection with the subject matter of the reports.

In discharging this responsibility all reports of the Comptroller General received by the committee are studied and analyzed by the staff and referred to the subcommittee of this committee to which has been assigned general jurisdiction over the subject matter involved.

The committee has received a total of 128 General Accounting Office audit reports for processing during the 1st session, 87th Congress, inclusive of 15 reports received between the adjournment of the 86th Congress and the convening of the 87th Congress. After preliminary staff study, these reports were referred to subcommittees of this committee, as follows:

Executive and Legislative Reorganization Subcommittee	11
Military Operations Subcommittee	52
Government Activities Subcommittee	32
Intergovernmental Relations Subcommittee	18
Foreign Operations and Monetary Affairs Subcommittee	15
Total	128

Periodic reports are received from the subcommittees on the action taken with respect to individual reports, and monthly reports are made to the chairman on the status of all reports received. During the session, the subcommittees used the reports to further specific investigations and reviews. In some cases, additional information concerning the findings and recommendations of the Comptroller General was requested and received from the administrative agency involved, as well as from the General Accounting Office. In another section of the committee's annual report dealing with the activities of the various subcommittees, more specific information on the action taken on these reports is included.

The committee maintains complete files of all the Comptroller General's reports received. A record is kept showing the subcommittee to which referred, the date of

referral, and the action taken. All the reports received during the session will be reviewed by the committee in the light of additional information obtained and action taken by the subcommittees, and determination will be made whether specific recommendations to the House are necessary or desirable under rule XI.

SUBCOMMITTEE BREAKDOWN

A detailed description of the committee's activities, broken down by subcommittee, is given below. At the chairman's request, the subcommittee reports were prepared in accordance with the following outline:

OUTLINE FOR ANNUAL SUBCOMMITTEE REPORTS

I. Investigations:

(a) List investigative reports issued with name of report, date issued and a summary of each.

(b) List and describe other investigations not resulting in a formal report.

(c) Give money savings or recoveries as a result of any investigations, together with the estimated dollar amount of each.

(d) List and describe any other remedial measures taken and any nonmonetary benefits attained as a result of investigations.

(e) The number of days hearings were held.

II. Legislation:

(a) Total number of measures referred to the subcommittee.

(b) Reports issued with title, date and summary of each, and description of subsequent legislative action on reported measures.

(c) Number of days of hearings held.

III. Reports received such as notice of negotiated sales, General Accounting Office audit reports, and similar matters considered which are not legislation:

(a) Number of each received.

(b) Wherever action has been taken, name the report acted on, hearings held, if any; describe the action taken and the resulting monetary and nonmonetary benefits.

IV. Prior activities of the subcommittee of current or continuing interest:

(a) The cumulative money savings or recoveries from such prior activities, naming them.

(b) Other action, executive or otherwise, taken on such prior activities resulting in some affirmative benefit.

V. Projected program for the remainder of the 87th Congress.

EXECUTIVE AND LEGISLATIVE REORGANIZATION SUBCOMMITTEE

(Hon. WILLIAM L. DAWSON, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

1. A continuing study of budget and accounting procedures in the Federal Government with special attention to the joint accounting program of the Bureau of the Budget, the Department of the Treasury, and the General Accounting Office.

2. A study of administrative organization, procedures, and practices in the Federal Government. This involves, inter alia, continued analysis of replies to the detailed questionnaire submitted to the agencies by this subcommittee during an earlier Congress. The replies, made into a committee print, have been in great demand by legal scholars and other interested persons.

3. A study of the utilization of advisory committees, experts, and consultants in the executive branch. Congressman DANTE B. FASCELL, representing the subcommittee, conferred with White House officials following dispatch of a letter to the President from Chairman DAWSON urging the adoption of standards and procedures contained in a bill in the past Congress reported by the committee and passed by the House but on which no action was taken by the Senate.

4. A study of new regulations issued by the Corps of Engineers following issuance by the committee of a report (H. Rept. No. 1637, 86th Cong.) on an investigation of expenditures for housing construction at the Granite City Engineer Depot in Illinois.

5. A study of the management operations of the Bureau of the Budget based on a critical report of the General Accounting Office.

6. Federal real and personal property inventory report (civilian and military) of the U.S. Government, covering its properties located in the United States, in the territories, and overseas, as of June 30, 1961. This annual inventory undertaking will represent a compilation of assigned values of real and personal property owned or controlled by the Federal Government which is located throughout the world. The report lists estimated present-day evaluations of public domain, Capitol Hill properties, as well as realty previously recorded on the books of the Government at zero value. Zero value properties are those which have been donated to, or obtained by, the Government at no cost.

This inventory report will represent the seventh endeavor by the Committee on Government Operations to record, in a comprehensive and concise manner, assets of the Government. Data for inclusion in the current report are being received and analyzed. The property inventory report is expected to be issued in January 1962 as a committee print.

During August 1961, the committee was advised that the Department of the Interior would serve as a pilot agency to reevaluate its realty holdings so as to show acquisition cost value as well as estimated present-day values. Efforts are being made within the Department, with assistance from other Government departments, to formulate criteria which can be utilized by the Interior Department, and eventually by other departments, in this endeavor. Criteria will be proposed by the Department, after which they will be reviewed by an advisory committee of the American Institute of Real Estate Appraisers. Final approval of reevaluation formulas will rest with the Committee on Government Operations.

(c) Monetary savings or recoveries as a result of investigation: No estimate possible at this time.

(d) Other remedial measures taken and nonmonetary benefits: Included in (b) above.

(e) Days of hearings held: None.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: 81 legislative measures were referred to the subcommittee during the 1st session of the 87th Congress.

(b) Reports issued:

1. House Report No. 195 (H.R. 5742) further amending the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1963 (Mar. 23, 1961):

This bill, as reported, would revise the Reorganization Act of 1949, as amended, which had lapsed because the 86th Congress had failed to extend its terminal date. Under the bill, a reorganization plan transmitted to the Congress by the President would become effective within the allotted time unless a simple majority of either House votes to disapprove it.

The bill was reported to the full committee and subsequently to the House and was passed. S. 153, a similar measure, was then passed in lieu thereof and became Public Law 87-18 on April 7, 1961.

2. House Report No. 325 (H.R. 6094) amending section 4 of the Employment Act of 1946 (May 1, 1961):

This bill, as reported, was recommended to the Congress by the President and was designed to increase the ceiling on appropriations for salaries which may be granted the Council of Economic Advisers from its present figure to $2 million.

After hearings, the bill was approved by the subcommittee and the full committee, and was subsequently passed by the House. In the Senate the bill was amended to remove the appropriations ceiling, thereby placing no limit on the amount of funds Congress could appropriate to the agency. The House accepted the Senate amendments and the bill became Public Law 87-49 on June 16, 1961.

3. House Report No. 341 (H.R. 3279), travel expenses of Government employees (May 3, 1961):

This bill had as its purpose to amend existing travel expense legislation to increase the maximum per diem rates and mileage allowances for the use of privately owned vehicles for certain civilian employees of the Government, among other purposes. The maximum per diem rates were raised from $12 to $16 per day and the mileage allowance for autos from 10 to 12 cents per mile. Among other things, the bill authorized the payment to employees of parking fees; transferred to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States; and increased the maximum allowance for official travelers authorized to be paid on an actual expense basis.

After hearings, the bill was approved by the subcommittee and the full committee, and was passed by the House. In the Senate it was amended to include certain judicial employees and Senate Members and employees under its provisions. The amendments were accepted by the House and the bill became Public Law 87-139 on August 14, 1961.

4. House Report No. 446 (H. Res. 303), disapproving Reorganization Plan No. 2 of 1961 (Federal Communications Commission) (June 1, 1961):

This resolution represented the sense of the committee that Reorganization Plan No. 2 of 1961 relating to the Federal Communications Commission should not be approved. The plan, among other things, would have authorized the Commission to delegate any of its functions to a division of the Commission, an individual Commissioner or employees of the Commission, and would have abolished the Commission's mandatory review in cases of adjudication. It also would have transferred to the Chairman the Commission's functions with respect to assignment of Commissioners and commission personnel to perform the delegated functions.

Hearings were held on the plan and resolution by the subcommittee, and background materials and the committee report were prepared in cooperation with the staff of the full committee. The resolution was approved by the House on June 15, 1961, which had the effect of rejecting the plan and preventing it from becoming effective.

5. House Report No. 509 (H. Res. 302) approving Reorganization Plan No. 1 of 1961 (Securities and Exchange Commission) (June 12, 1961):

House Resolution 302 proposed that Reorganization Plan No. 1 of 1961 relating to the Securities and Exchange Commission be disapproved. The plan would have authorized the Commission to delegate any of its functions to a division of the Commission, an individual Commissioner, or to employees of the Commission, and would have given the Chairman of the Commission the authority to designate the individual Commissioners or employees who were to perform the delegated functions.

After hearings, the subcommittee referred the resolution to the full committee with a recommendation that it not be approved.

The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the Resolution, thereby approving the plan. Subsequently, however, the Senate, on June 21, voted to disapprove the plan, and it therefore failed to become law.

6. House Report No. 510 (H. Res. 304) approving Reorganization Plan No. 3 of 1961 (Civil Aeronautics Board) (June 12, 1961):

House Resolution 304 proposed that Reorganization Plan No. 3 of 1961 relating to the Civil Aeronautics Board be disapproved. The plan authorizes the Board to delegate any of its functions to a division of the Board, an individual Board member, or to employees of the Board, and gives the Chairman of the Board the authority to designate the individual Board members or employees to perform the delegated functions.

After hearings, the subcommittee referred the resolution to the full committee with a recommendation that it not be approved. The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the resolution, thereby approving the plan. Subsequently, the Senate voted to support the plan, and it therefore became effective on July 3, 1961.

7. House Report No. 511 (H. Res. 305) approving Reorganization Plan No. 4 of 1961 (Federal Trade Commission) (June 12, 1961):

House Resolution 305 proposed that Reorganization Plan No. 4 of 1961 relating to the Federal Trade Commission be disapproved. The plan authorizes the Federal Trade Commission to delegate any of its functions to a division of the Commission, an individual Commissioner, or to employees of the Commission and gives to the Chairman the authority to designate the individual Commissioners or employees to perform the delegated functions.

After hearings, the subcommittee referred the resolution to the full committee with a recommendation that it not be approved. The full committee supported this view and made the same recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House sustained the position of the committee and rejected the resolution, thereby approving the plan. Subsequently, the Senate voted to support the plan, and it therefore became effective on July 9, 1961.

8. House Report No. 576 (H. Res. 328) approving Reorganization Plan No. 5 of 1961 (National Labor Relations Board) (June 26, 1961):

House Resolution 328 had as its purpose the disapproval of Reorganization Plan No. 5 of 1961 relating to the National Labor Relations Board. The plan would have authorized the National Labor Relations Board to delegate its functions to a division of the Board, an individual Board member, or to employees of the Board.

After hearings, the subcommittee voted to recommend that the committee not favor the resolution, thereby approving the plan. The committee supported the position of the subcommittee and made the recommendation to the House. The committee report and background materials were prepared in cooperation with the staff of the full committee. The House subsequently voted in favor of the resolution on July 20, 1961, thereby rejecting the plan and preventing it from becoming effective.

9. House Report No. 989 (H.R. 8603), public information on identical bids to public agencies (Aug. 17, 1961):

This bill would require the making of reports by Federal procurement officers to the Attorney General where identical bids exceeding $10,000 are made in response to an advertisement to bid. Among other things, the bill required a noncollusion affidavit to accompany each bid.

After hearings, a clean bill was introduced and reported to the full committee, and subsequently to the House, where it passed. A committee report and other background materials were prepared by the subcommittee staff. No action to date has been taken by the Senate.

10. House Report No. 1053 (H.R. 8429), establishing a Department of Urban Affairs and Housing, and for other purposes (Aug. 28, 1961):

This measure was recommended to the Congress by the President and has as its purpose to create a Department of Urban Affairs and Housing. It would transfer to the Secretary of the new Department the functions of the Housing and Home Finance Agency and several of its constituent branches. The Federal Housing Administration and the Federal National Mortgage Administration would be transferred to the new Department. In addition to the housing functions, the new Secretary would conduct comprehensive studies of problems of housing and urban development, develop and recommend policies, exercise leadership in coordinating Federal activities affecting urban areas, and encourage comprehensive planning by State and local governments of community development activities.

After hearings, a clean bill was introduced and reported to the full committee and subsequently to the House. The committee report and other background materials were prepared by the subcommittee staff. The bill was then referred to the Rules Committee, where it is awaiting action.

11. House Report 1216 (H.R. 8798), travel expenses for student trainees when assigned to certain Government positions (Sept. 19, 1961):

This measure was recommended to the Congress by the U.S. Civil Service Commission and authorizes the payment of travel and transportation expenses to certain student trainees who were not included in more comprehensive legislation reported by this committee in the 86th Congress (Public Law 86-587).

The bill was reported favorably to the full committee and subsequently to the House, where it was passed. The committee report and other background materials were prepared by the subcommittee staff. No action to date has been taken by the Senate.

12. Action taken on House Resolution 335 and House Resolution 336:

In addition to the foregoing, hearings were held on House Resolution 335 relating to Reorganization Plan No. 6 of 1961, and House Resolution 336 relating to Reorganization Plan No. 7 of 1961.

Reorganization Plan No. 6 transferred from the Federal Home Loan Bank Board to its Chairman certain functions including the appointment and removal of personnel, the distribution of business among such personnel, the overall management, functioning, and organization of the Board. The Chairman, however, is governed by the general policies of the Board in carrying out his functions.

Reorganization Plan No. 7 created a new and fully independent Federal Maritime Commission and transferred to it the functions of the Federal Maritime Board, which was abolished. There were also transferred to the Chairman of the Commission the functions of the Chairman of the Federal Maritime Board and certain functions of the Secretary of Commerce. The Commission was given authority to delegate its functions to individual Commissioners or employees of the Board. A position of Maritime Administrator was provided for, and the present Maritime Administration was retained within the Department of Commerce. Certain functions of the abolished Federal Maritime Board relating to subsidies were transferred to the Secretary.

Background material was prepared in cooperation with the staff of the full committee. The subcommittee recommended to the full committee that the disapproval resolution on these plans be rejected. The full committee, however, decided to table both disapproval resolutions and make no recommendation to the House. This had the effect of approving the reorganization plans. No report was issued. Subsequently, the House acted upon both resolutions by motions to discharge the committee. By rejecting these motions the House sustained the plans. Since the Senate took no action to disapprove the plans, they both became effective on August 12, 1961.

(c) Twelve days of formal hearings were held during the 1st session of the 87th Congress.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS CONSIDERED, WHICH ARE NOT LEGISLATION

(a) Number of each received: Eleven audit reports of the General Accounting Office were received.

(b) Action taken:

1. Audit of the Southwestern Power System and related activities, Corps of Engineers (civil functions), Department of the Army, and the Southwestern Power Administration, Department of the Interior, for the fiscal years 1958 and 1959. (See item 3 below.)

2. Audit of selected activities of the Bureau of Reclamation, Department of the Interior, in the lower Colorado River Basin for the fiscal years 1957, 1958, and 1959. (See item 3 below.)

3. Audit on the financial statements of the Columbia River power system and related activities for fiscal year 1960.

With respect to the above three reports, the committee requested the comments of the Department of the Interior on questions and criticisms raised in the reports concerning depreciation accounting, interest during construction, inadequate statements comparing actual with planned repayment, administrative changes in important features of the Colbran project, energy rates charged the Government by the Yuma project, and trespass occupancy of lands along the lower Colorado River. The Department's detailed reply is being used as a basis for further committee inquiry.

4. A report on a general review of current automatic data processing developments in the Federal Government.

A detailed analysis of the report was prepared, and the Bureau of the Budget was asked to comment on a number of aspects of the report. The committee has had considerable correspondence and is maintaining close liaison with the Bureau on integrated long-range planning and coordination of ADP within the Government, as well as on equipment selection and acquisition policies. The Director of the Bureau of the Budget, on October 16, 1961, approved a circular to all executive departments and establishments which sets out policies on selection and acquisition of ADP equipment.

5. Audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1960.

The report questioned whether TVA may properly solicit suppliers by telegraph and telephone in lieu of public advertisement and submission of sealed bids in situations which appear not covered by the usual statutory exceptions. The committee has received conflicting legal opinions from the

TVA and the Comptroller General. The matter is under active study.

6. Audit of Federal Prison Industries, Inc., Department of Justice, fiscal year 1960. No further action contemplated.

7. Audit of the Federal Home Loan Bank Board for fiscal year 1960. Further study being made and comments will be requested from agency.

8. Review of admission and collection practices relating to the hospital and medical care program, Department of Public Health, District of Columbia government, January 1960. Further study being made and comments will be requested from agency.

9. Review of selected operations of Department of Highways and Traffic, District of Columbia government. Further study being made and comments will be requested from agency.

10. Review of selected activities of the Bureau of the Budget—Executive Office of the President, fiscal year 1960.

The report identified certain inadequacies in the Bureau of the Budget's program to improve management practices in the executive branch of the Government. In response to this criticism, a detailed review is being made of the records of the Bureau of the Budget pertaining to management survey contracts with private management consultant firms. A staff report on this aspect of the Bureau's management improvement activities will be prepared.

11. Audit of National Capital Housing Authority—fiscal years 1959 and 1960. Further study being made and comments will be requested from agency.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: No estimate possible at this time.

(b) Other affirmative benefits: See I(b) above.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

1. Study and possible hearings on pending and other legislation to be referred in the 2d session of the 87th Congress.

2. Continuation until conclusion of investigations reported in I(b) above.

3. The subcommittee study of the various Hoover Commission reports referred is continuing so that implementation can be pressed wherever efficiencies or economies for the Federal Government are indicated. An investigation is also being made into the advisability of recommending legislation to create another commission to study Government organization.

4. A study of the Government Corporation Control Act along with suggested changes recommended by the Bureau of the Budget.

5. The study of scientific research and development, on which one report has been made, will be continued.

6. The study of the functions of the General Accounting Office in Europe is continuing and a check being made on implementation of the committee's recommendations.

7. The investigation into the importation of foreign excess property will be continued with close attention given to the revision of policies and procedures by the Department of Commerce, including the advisability of further legislation.

8. A special study of payments in lieu of taxes on industrial and commercial-type properties owned by the Government will be made with a view toward the recommendation of permanent legislation.

9. The subcommittee will continue its annual compilation of Federal real and personal property.

10. The investigation and study of personnel practices and procedures in the Government departments and agencies, particularly in the Internal Revenue Service, Des Moines, Iowa, and Bureau of Public Debt, Chicago, Ill., will be continued. Specific followup action is being taken on the implementation of the recommendations made by the committee in earlier reports.

11. The study of the advisability of requiring the President's budget to be presented in a manner separating capital investments from operating expenses will be continued.

MILITARY OPERATIONS SUBCOMMITTEE

(Hon. CHET HOLIFIELD, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)," third report by the Committee on Government Operations, House Report No. 324, May 1, 1961 (58 pages).

This report reviews developments leading to the formation of Aerospace Corporation as the technical manager of Air Force space systems and advanced missile systems. Aerospace, a nonprofit corporation established in California, will direct certain projects formerly handled by Space Technology Laboratories, Inc. (STL), a wholly owned subsidiary of Thompson Ramo Woolridge, Inc. The former Air Force-STL arrangement was critically evaluated by the subcommittee in House Report No. 1121, 86th Congress, 1st session. STL continues to direct and engineer the Atlas, Titan, and Minuteman ICBM projects for the Air Force, with diminishing responsibilities as these projects approach the operational stage.

In the report, the committee recommends that the Air Force review the remaining contract functions of STL with a view to closing these out as rapidly as possible, in order to eliminate overlapping layers of technical management. The committee suggests that the Air Force place greater management responsibilities on Aerospace Corporation and the weapon contractors as rapidly as they can assume them.

The committee notes that the Air Force has become the dominant military agency for ballistic missile and space systems and that Aerospace Corporation, with its direction responsibilities, will perform a central role. In the future, Aerospace is expected to build up to about 1,000 scientific and engineering personnel, with possible further growth in the future. The report warns against empire building which might dilute the high quality of the technical staff.

The negotiations which were required in the formation of Aerospace resulted in a transfer of personnel from STL, the purchase by the Air Force of STL's nine-building research and development center at a cost of $23.5 million, and the provision of an advanced payment pool of $5 million for Aerospace working capital.

The report notes that Air Force contract payments to both Aerospace and STL in fiscal year 1961 will be $84 million, compared to a cost of $78 million for STL alone in fiscal year 1960.

The Air Force attributed this increase to the peak workloads in the Minuteman program schedule, and to other added administrative support requirements.

The report reviews other technical resources of the Air Force Systems Command (formerly the Air Reserve and Development Command) and its several associated contract agencies.

The report states that specialized contract agencies such as Aerospace have become important adjuncts of Government efforts in scientific and technical fields associated with the national defense. There are several kinds of opposition to the use of such contract agencies. However, the tendency to use this contract system is bolstered by the increasing complexity of new weapons, the accelerated pace of technological development, and the compelling competition with the Soviets.

2. "Defense Materiel Utilization Program," sixth report of the Committee on Government Operations, House Report No. 1214, September 19, 1961 (35 pages). This report reviews activities in the Department of Defense related to the efficient use of existing inventories in lieu of unnecessary new procurement. These screening, identification, and utilization operations are related to, but outside of, the more integrated supply operations under such programs as the single manager program.

The scattered and complex organization for utilization is discussed, and the variety of procedures that must be carried out by inventory managers in order to find and utilize excess or surplus property held by other defense agencies are described. A need was clearly indicated for great simplication and more effective utilization of assets.

There is an estimated $13 billion in long supply or excess inventory in the supply systems alone, which comprise only about one-third of the total personal property holdings of the Department of Defense. Only a small portion of excess reported as utilized was processed through centralized and fully coordinated utilization programs. Inadequate identification data and lack of centralized screening procedures were apparent deficiencies in the supply systems. The existence of a backlog of surplus property appeared to be overemphasized.

The disposal sales system is geared largely to a high rate of disposal without adequate concern for utilization. Examples of inadequate procedures were cited. Furthermore, the rate of return from surplus sales appeared to be too low, especially in comparison with the advantage to the Government of utilizing property to the end of its service life.

Thirteen recommendations are made in the report, aimed at increasing the emphasis on utilization work, and at increasing its efficiency.

It was noted that a new single defense supply agency is to be organized under the Secretary of Defense. One of the objectives of the agency is to improve materiel utilization. The subcommittee states, however, that added emphasis on utilization will be required even under the new agency, and that strong interim control measures are necessary.

3. "New Civil Defense Program," ninth report by the Committee on Government Operations, House Report No. 1249, September 21, 1961 (82 pages). This is the first comprehensive report on the recent reorganizations in Federal civil defense and the administration's program for fallout shelters. It is the seventh subcommittee report in the past 6 years on civil defense problems. The report reviews new policies and measures designed to produce a stronger civil defense organization and an actual civil defense capability for the Nation. It also reviews the chronological development of shelter and evacuation policies over the past decade as the background of the civil defense assignment to the Department of Defense. It considers some basic attitudes which are taken toward civil defense programs and also includes a discussion of the current Soviet civil defense preparation.

Stating that the shelter identification and marking program is only a first step, the report calls upon the Department of Defense to develop an optimum shelter plan for the United States as rapidly as possible.

The effectiveness of underground shelters against radiation and some degree of blast effects, the utility of group shelters as a basis for survival and recovery operations, and the cost of certain kinds of shelter systems are discussed. A need for stocking shelters with food and water introduces other problems. There also is a need for training programs to explain the use of shelters, and the other civil defense efforts that will be required, to the people.

The report calls for a sizable increase in civil defense research and development in order to find approaches to many unsolved problems. Such work also could lead to later savings in time, equipment, and money.

With regard to Soviet civil defense, the report concludes that the Soviet Union has been engaged in an expensive and expanding civil defense program. The Soviet Union now has shelters for a substantial part of its city populations.

The report includes a special warning note for the American people to avoid fly-by-night operators with civil defense-labeled schemes and to be wary of false advertising of civil defense merchandise and services.

(b) Investigations not resulting in a formal report:

1. Surplus property disposal: The staff has continuously scrutinized military surplus disposal actions, investigating more closely those which indicated dissipation of valuable Government resources.

A quantity of Navy radio sets were identified as having civil defense use, and through inquiries made of the OCDM these unused radio sets were made available to the civil defense organizations of New Jersey and Virginia, instead of being disposed as surplus. Savings are listed in I(c)3 below.

2. Missile site construction: The staff investigated delays in missile site construction and alleged irregularities in contractor performance. Certain matters were referred to the Comptroller General for opinion.

3. Military air transportation: Hearings were held on further developments in this field, particularly with regard to contract allocation procedures. A report will be prepared on this subject. Emphasis will be given to recent developments in MATS modernization and procurement of commercial airlift services.

4. Defense catalog and standardization programs: Hearings were held on the progress and accomplishments of these programs and on the extent to which prior committee recommendations have been followed. A report will be prepared on this subject.

5. Military flight pay: The staff is making a study of this matter in connection with the interest of many Members and current legislative proposals for changes in these pay regulations.

6. Military-civilian relations in air traffic control: The staff held conferences and reviewed developments in this field to determine whether economies can be achieved and air safety promoted by better integration and better use of facilities. A report prepared at the subcommittee's request by the FAA on "Air Defense Air Traffic Control Integration," was received and is being studied in connection with this investigation.

7. Defense reorganization: The staff is making a study of the reorganizations which have resulted from the Department of Defense Reorganization Act of 1958 and from the actions of the new administration.

8. Automatic data processing systems and equipment: The staff is studying certain aspects of the contracting for, and use of, automatic data processing systems and equipment in the Department of Defense.

9. Mutual weapons development program: The staff has conducted field investigations and preparatory studies to determine whether the mutual weapons development program in its present form is achieving optimum savings and the greatest possible technical benefits for military research and development.

10. Multilateral weapons production programs: The staff has studied programs for production of U.S.-developed weapons in NATO countries intended to replace or supplement direct military assistance. Included in this study is the question of the transfer of proprietary and patent data to foreign firms.

11. Procurement of aerial reconnaissance cameras: The staff investigated complaints alleging irregularities in the award of contracts, and the complainant was notified of a ruling made by the Comptroller General in this matter.

12. Supply of electric power for missile bases: A staff inquiry was made into the matter. The complainant was advised of decisions by the Air Force which would permit participation in such contracts by other companies.

13. Alleged irregularities in procurement of generators at McClellan Air Force Base, Calif.: A staff investigation was made of this matter and initial results were furnished to the complainant company. Further exploration of the issues raised was included in the investigation of the defense standardization program.

14. Many subject matters were investigated by the subcommittee at the request of Members of Congress. The subcommittee staff endeavors at all times to respond fully and promptly to Members' requests, to assemble and convey the necessary information, or to advise Members on appropriate courses of action that may be taken by constituents who refer matters to them.

(c) Monetary savings or recoveries as a result of investigation:

1. As a result of increased emphasis on the utilization program in the Department of Defense due in part to the subcommittee's investigation, the central utilization program has achieved an increase of about $62 million in reported utilization transactions.

2. The savings to the Government estimated to have resulted from the utilization of Navy radio sets for civil defense purposes in lieu of disposal as surplus (see I(b)1 above) are $500,000.

(d) Other remedial measures taken and nonmonetary benefits:

1. "Air Force Ballistic Missile Management (Formation of Aerospace Corp.)," House Report No. 324 (see I(a)1 above). Several developments with regard to Aerospace Corp. are of particular interest.

A. As noted on page 43 of the report, Aerospace Corp. will be included under the new defense policy with regard to Government patent rights arising from Government-sponsored research in new areas.

B. As noted on pages 33–34 of the report, there has been a strong interest generated in Aerospace Corp. on the problem of conflict of interest. Corporation policy has been formulated to avoid conflicts of interest which would reflect adversely on Aerospace or its mission for the Air Force.

C. This report has become a basic text in the study of contract organizations working for Government agencies. Several other studies have been initiated by groups within and outside the Government, utilizing the background data and issues presented in the report.

The following comment was made by the Secretary of Defense in a formal reply to House Report No. 324:

"A review of your report shows it to be an excellent, comprehensive and objective analysis of a complex subject. I am sure the report will prove to be of special value to the Air Force in developing the most effective utilization of the Aerospace Corporation. Like its predecessor, House Report No. 1121 on the 'Organization and Management of Missile Programs,' this report should be a valuable source document to all elements of the Department of Defense concerned with problems relating to the management of our major weapons systems."

2. "Defense Materiel Utilization Program," House Report No. 1214 (see I(a)2 above). The following nonmonetary benefits are being achieved in the utilization programs:

A. The utilization division as a part of the Armed Forces Supply Support Center will assume a central and higher role in the new Defense Supply Agency.

B. Work on a centralizing screening system is progressing and will be developed for use among all of the military agencies to increase the benefits of this program.

C. A single operating manual for utilization work is being developed at the Armed Forces Supply Support Center.

The following comment was made in the Department of Defense's formal reply to House Report No. 1214:

"The Department of Defense appreciates this opportunity to review and comment on this report, which is constructive and helpful. The recommendations contained in the report, after full implementation by this Department, will result in an improved materiel utilization program. Implementation of these recommendations in certain instances is already in process, and in other instances the recommendations will establish not only our objective for accomplishment, but a sound blueprint for achieving the objective."

In addition, the Department of Defense indicated that it concurred in all 13 of the committee's recommendations and that it was taking appropriate corrective action.

3. "New Civil Defense Program," House Report No. 1249 (see I(a)3 above). The subcommittee has already received indications that serious consideration is being given to many problems posed in this report in the new Office of the Assistant Secretary of Defense for Civil Defense.

A. The report emphasizes the need for economy and efficiency as well as the speedy execution of the shelter identification and marking program. There are indications that efforts will be made in the Department of Defense to accomplish these purposes.

B. Numerous requests are being received for this report and a large public interest has been evidenced in the committee investigation.

(e) Days of hearings held: A total of 12 days of public hearings were held by the subcommittee.

1. Defense cataloging and standardization programs: Executive briefing session on April 13, 1961, and public hearings on April 14, 1961.

2. Defense materiel utilization program: Hearing on May 16, 1961.

3. Military air transportation: Public hearings, June 19, 20, and 23, 1961.

4. Civil defense: Public hearings on August 1, 2, 3, 4, 7, 8, and 9, 1961.

II. LEGISLATION

(a) Number of measures referred to the subcommittee:

No legislative measures were referred to the subcommittee during the session under review.

However, a statement by Subcommittee Chairman HOLIFIELD was read before the Executive and Legislative Reorganization Subcommittee on H.R. 4570. This bill would amend the Federal Property and Administrative Services Act of 1949, as well as title 10 of the United States Code, to provide for public information and publicity concerning instances where identical bids are submitted to public agencies for the sale or purchase of supplies, equipment or services. The chairman's statement reviewed a number of cases which have been investigated by the Military Operations Subcommittee and made suggestions. Some of the suggestions made were incorporated into the committee bill (H.R. 8603), which passed the House on August 22, 1961.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS CONSIDERED WHICH ARE NOT LEGISLATION

(a) Number of reports received:

Forty-five reports on audits and reviews made by the General Accounting Office were received by the subcommittee. All these

reports were reviewed and analyzed by the staff, and the specific activities on the findings reported are shown below:

(b) Action taken:

1. The following GAO reports were used as background, documentation, or preparation of "Defense Materiel Utilization Programs," House Report No. 1215:

Review of interservice utilization of aeronautical supplies and equipment within the Department of Defense, B–133313, September 15, 1961.

Review of the reservation of Army excess material for the military assistance program, B–133363, July 31, 1961.

Review of planned procurement and concurrent disposal of compressed gas cylinders, Corps of Engineers, Department of the Army, B–133376, June 30, 1961.

Review of management within the Department of the Air Force of replacement equipment, B–133361, June 30, 1961.

Review of management of idle production equipment within the Department of Defense, B–133372, June 30, 1961.

Review of reciprocating engine spare parts, procurement and repair requirements, San Antonio Air Materiel Area, Department of the Air Force, B–133019, May 10, 1961.

Review of supply management of selected electronic equipment programs, Department of the Navy, B–133313, January 31, 1961.

2. The following GAO report was used as background and documentation for "Air Force Ballistic Missile Management (Formation of Aerospace Corporation)," House Report No. 324:

Findings resulting from initial review of the ballistic missile programs of the Department of the Air Force, B–133042, December 27, 1960.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Because of the nature of the investigations undertaken by this Subcommittee, all reports are of continuing interest. Prior reports have contributed to current hearings and reports, and continuing notice is taken of subjects relating to past reports and investigations.

(b) The earlier reports of the subcommittee in the civil defense area have continued to be basic texts for everyone interested in the field. These reports were:

(Those marked with an asterisk are no longer available for distribution from the committee.)

"Civil Defense for National Survival," H. Rept. No. 2946, 84th Cong., 2d sess., submitted July 27, 1956.*

"Status of Civil Defense Legislation," H. Rept. No. 829, 85th Cong., 1st sess., submitted July 22, 1957.*

"Analysis of Civil Defense Reorganization" (Reorganization Plan No. 1 of 1958), H. Rept. No. 1874, 85th Cong., 2d sess., submitted June 12, 1958.*

"Atomic Shelter Programs," H. Rept. No. 2554, 85th Cong., 2d sess., submitted August 12, 1958.*

"Civil Defense in Western Europe and the Soviet Union," H. Rept. No. 300, 86th Cong., 1st sess., submitted April 27, 1959.*

"Civil Defense Shelter Policy and Postattack Recovery Planning," H. Rept. No. 2069, 86th Cong., 2d sess., submitted July 1, 1960.

(c) Several earlier reports assisted in laying the foundation for the single manager program in the Department of Defense. The recent reports on military supply management—"Military Supply Management (Single Manager Agencies)," House Report No. 674, 86th Cong., 1st sess., and "Military Supply Management (Progress in Single Management)," House Report No. 2074, 86th Congress, 2d session—assisted in adding needed impetus and emphasis on the single manager program and in the establishment of the new Defense Supply Agency. This agency appears to be initially aimed at control and management of the expanding single manager agencies, bringing the bulk of common military supplies and services under central direction.

Savings so far reported from the single manager program are as follows (as of June 30, 1961): Annual savings $23,929,496. One-time savings $543,816,316.

The Secretary of Defense has stated that savings of $2 to $4 billion in inventory reduction may be possible under the Defense Supply Agency.

Another benefit derived from these hearings and reports on military supply management has been their use as the basis for further studies by other groups and agencies of problems which could not easily be documented or studied before. For instance, the Attorney General utilized the hearing and report on single manager agencies for study of the competitive situation in the petroleum industry, as faced by the Military Petroleum Supply Agency. The report was entitled "Military Procurement of Petroleum, Report of the Attorney General Pursuant to Section 708(e) of the Defense Production Act of 1950, as Amended, as of November 9, 1960."

(d) In the area of "Organization and Management of Missile Programs," House Report No. 1121, 86th Congress, 1st session, a number of adjustments have been made in the management of these programs in response to subcommittee criticisms.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

The projected program of the subcommittee will include the following subject areas, and consist of followup investigations, collateral inquiries, and reports where appropriate:

1. Organization and management of missile programs.
2. Military supply management, including cataloging and standardization.
3. Military air transportation.
4. Civil defense problems.
5. It is anticipated that other matters will arise which will require subcommittee action.

GOVERNMENT ACTIVITIES SUBCOMMITTEE

(Hon. JACK BROOKS, chairman)

I. INVESTIGATIONS

(a) Investigative reports issued:

It is anticipated that a formal report will be completed and presented during the 2d session, 87th Congress, in connection with the subcommittee's investigation and hearing of August 1961, concerning the Government's nickel plant at Nicaro, Cuba. (See below (b)1.)

(b) Other investigations not resulting in a formal report:

1. Following up extensive studies, public hearings, and formal reports[1] made by the subcommittee, beginning in the 84th Congress, regarding the Government's $110 million nickel plant at Nicaro, Cuba, a hearing on circumstances concerning the close down on November 4, 1960, of the costly plant, and its subsequent status, as well as efforts being made to maintain a proprietary interest in it, was held August 29 and 30, 1961.

The hearing was conducted in executive session because of the confidential nature of some of the matters examined. Witnesses heard included GSA Administrator John L. Moore and other officials of the GSA, which owned the plant in the name of the Government; officials of the National Lead Co., whose subsidiary operated the plant for the Government, and of the Department of State, which dealt with policy matters concerning the plant.

The transcript is being screened for possible exclusion of confidential portions prior to publication by the Public Printer. It is anticipated that a report on this investigation and hearing, with appropriate findings and recommendations, will be completed for presentation during the next session of the 87th Congress.

2. Maintained investigative liaison with concerned Government officials regarding the status of the Government's $248 million nickel-cobalt contract obligations at Moa Bay, Cuba, and Braithwaite, La. The subcommittee's investigation of this matter resulted in public hearings May 11 and 12, 1959, and subsequent study. A report was in preparation but was suspended because of the political changes in Cuba, which resulted in shutdown of the Moa Bay operation in late 1959 and its formal expropriation by the Castro government in July 1961. Current status of the Moa Bay operation was reviewed briefly in the course of the executive hearing cited above.

3. Continued investigation, initiated during 86th Congress, of method whereby the General Services Administration acquired the site for the proposed new Federal Building in Dallas, Tex. Further interviewed private citizens critical of the method, and conferred with concerned GSA officials. Studied documents obtained from GSA and a report made at subcommittee request by the General Accounting Office. Staff investigators prepared a detailed examination of the application of the law of eminent domain, a facet of the matter which continues under subcommittee study.

4. On request of a Member of Congress, investigated methods utilized in awarding contracts for cafeteria services in Government buildings in the Washington, D.C., metropolitan area. Reported to the Member in letter dated September 15, 1961, and further questions raised are currently being studied.

5. As a result of the subcommittee's extensive investigations of various facets of Government surplus property disposal, including an investigation in spring 1961, of disposal activities delegated to the Department of Defense, the subcommittee recommended informally to the GSA that the agency study the feasibility of assuming more control over such delegated disposal operations. The GSA, accordingly, began such a study in July 1961, in line with the subcommittee's expressed belief that advantages in economy and efficiency might be accomplished. Subcommittee is maintaining liaison in the matter with concerned GSA officials.

6. Investigated, in response to complaint of a Member of Congress, the failure of the National Capital Park Service to utilize competitive bidding procedures in obtaining public address service for the 1961 season for the Carter Barron Amphitheater in Washington, D.C. Upon having the facts in the matter brought to his attention, the Secretary of the Interior advised the subcommittee that action has been taken to prevent a repetition of this practice and pointed out that the failure to use the proper procedure was unusual in that the procurement report for the 6-month period ending June 30, 1961, shows the Park Service formally advertised 94 percent of its dollar procurement volume, most of the remaining 6 percent representing transactions under $2,500.

7. Investigated competitive bidding in connection with GSA offering of approximately 1,391 acres of land at the Joliet Arsenal, Joliet, Ill., on request of a Member of Congress. Examination of facts in the matter and conferences with GSA officials indicated that inasmuch as the bid by Thomas F. Seay & Associates, Chicago, Ill., was not

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[1] Public hearing Jan. 13, 16, 17, and 18, and Feb. 16, 1956, "Inquiry Into the Expansion and Operation by GSA of Government Nickel Plant at Nicaro, Cuba"; H. Rept. No. 2390, 84th Cong., 2d sess., June 19, 1956; part 2 of aforesaid hearing held Oct. 18 and 19, 1956; public hearing Apr. 23 and 24, 1958, on "Disposal Problems of Government-Owned Nickel Plant at Nicaro, Cuba"; H. Rept. No. 684, 86th Cong., 1st sess., July 17, 1959.

accompanied by the required bid deposit, it had been rejected as a nonresponsive bid.

8. Investigated GSA plans for remodeling the Roosevelt Park postal annex in Detroit, Mich., concluding that the agency had a sound, equitable basis for the proposed move, which hinged on approval of the renovation plan by the House Committee on Public Works.

9. Investigated policy and procedures of the GSA and other Government agencies with respect to the handling and disposition of articles which are lost and subsequently found in Government buildings. The inquiry was at the request of a Member of Congress and, upon its conclusion, the subcommittee drafted suggested legislation designed to standardize procedures in the matter.

10. Continued investigation, begun in 1960, in regard to operation and reorganization plans put into practice by GSA's Transportation and Public Utilities Service and effectiveness of its appearances before State regulatory bodies in rate cases. Conferred with GSA officials regarding personnel changes contemplated.

11. Investigated extensively the problems a Member's constituents encountered in their participation in the domestic manganese program administered by the GSA. Following conferences with officials concerned and careful study of records, it was determined that the case was an isolated one, rather than a general condition jeopardizing the efficiency and economy of the program, and already was on the docket of the U.S. Court of Claims. An appropriate report was made to the inquiring Member.

12. Upon learning that the Department of the Navy was in the process of negotiating the disposal of valuable Navy facilities at McCook, Ill., to the Reynolds Metals Co. as "contractor's inventory," a category which would not require submission of an explanatory statement to the Congress, the subcommittee initiated an investigation in April 1961. In a letter to the Assistant Secretary of the Navy on May 23, 1961, the subcommittee questioned the legality of that method for disposing of the property.

A conference between representatives of the GSA, which delegates disposal authority to the Navy, Navy representatives and the subcommittee chairman and staff members on June 23, 1961, resulted in an informal understanding, which was followed by submission of the appropriate explanatory statement on July 13, 1961. Submission of this statement in conformance with section 203(e) of the Federal Property and Administrative Services Act of 1949, as amended, prevented the establishment of a possibly dangerous precedent which the method originally advocated by the Navy might have set for disposition of other similar Defense Department surplus.

13. Investigated GSA plans for disposition of the surplus Keystone Ordnance Works, Crawford County, Pa. Conferred with GSA officials, studied records, and met with delegates from the Meadville, Pa., Area Industrial Commission, Pennsylvania State officials, and their Congressman in connection with the Meadville group's desire to acquire a portion of the property. The matter continues under subcommittee study.

14. Investigated circumstances surrounding bids for furnishing post office lock boxes to the Post Office Department. The study included conferences with complainants and General Accounting Office representatives. Following a review of the GAO decision of February 17, 1961, in the matter, no further action was indicated.

15. Completed an investigation, begun late in the 86th Congress, of an order by former Postmaster General Arthur Summerfield to move the northwest regional post office from Portland, Oreg., to Seattle, Wash. No further action was indicated upon assurance by the new administration that the interests of economy and efficiency would be upheld in the matter.

16. Upon request of a Member of Congress, the subcommittee investigated the well-drilling operations conducted by the Department of the Interior. Bids had been rejected by Interior for a well-drilling project and the Department had determined to drill the well itself.

A study of the records in the matter and conferences with Interior personnel indicated that, while it is the Department's general practice to obtain bids for well-drilling operations, the Department does maintain several drilling rigs of its own and performs a small percentage of its own drilling. In the instance investigated, it was determined that it would be economically advantageous for the Department to drill its own well.

17. Initiated continuing investigation of GSA plan for establishment of a new centralized, Government-wide communications system. Examined records, conferred with concerned officials; the matter continues under study.

18. Maintained investigative survey, initiated earlier, of proposals to sell communications facilities at Department of Defense installations, in line with study made by subcommittee regarding such a proposed sale during the 85th Congress at the Newport (R.I.) Naval Base.

19. Cumulative investigation in progress in connection with GSA use of brokers in disposition of surplus property. Recommendations will be made to agency, if warranted, upon completion of study.

20. At request of a Member of Congress, the subcommittee investigated use of Government land for approaches to the Jones Point Bridge in nearby Virginia. Approximately 56 acres on the Virginia side of the Potomac River, a property known as the Battery Cove Military Reservation, was reported excess by the Department of the Army in 1954 and no disposal action taken in view of developing plans for the bridge. GSA, in July 1958, transferred 7.26 acres to the Interior Department for use as approaches to the bridge, the remaining acreage being used under permit to the Commerce Department as an assembly and storage area for the bridge construction. Legality of the transfer for approaches' use was established and GSA will appraise the remaining acreage and formulate disposal plans when it is no longer needed for an assembly area.

21. Investigated, on request of a Member of Congress, problems of a constituent regarding a matter before the GSA Board of Review, which had not rendered a decision. It was determined that the constituent's attorney had been granted several delays to file a brief answering points raised at a hearing before the Board, but had not. The Board pointed out it could not render a decision until all the evidence in the argument was in the file. As a result of the subcommittee's investigation, the Board chairman initiated a telephone contact with the attorney, reminding him to file the brief and granted him an additional 30 days to do so.

22. An investigative examination disclosed an apparent relaxation in the GSA's policy regarding conveyances of property for park or recreational purposes under section 13(h)(2) of the Federal Property and Administrative Services Act of 1949, as amended. The subcommittee chairman and staff presented facts in the matter at a meeting with GSA officials on September 19, 1961. The GSA subsequently orally notified the chairman that the agency is revising its policy to more closely conform to congressional intent and the provisions authorizing conveyance of such properties at 50 percent of the appraised fair market value, based on the highest and best use of the property at the time it is offered for disposal, regardless of its former character or use.

23. As a result of an inquiry from a Member of Congress, the subcommittee investigated the awarding of contracts for auctioneer services by the GSA. Complaints alleging favoritism or unfairness in the Atlanta, Ga., regional office were not substantiated by the investigation. The GSA utilizes a rating system for auction firms to determine eligibility to auction Government property and the complaining firm, based on its past record, was qualified to auction smaller properties but was not eligible for consideration for a sale of great magnitude.

Factors used by GSA in rating the various auction companies seem reasonable and the subcommittee study of GSA files indicated that the standards are applied uniformly. As a result of the investigation, the subcommittee encouraged the GSA to continue its steps to put into practice two modifications which should do much to eliminate criticism which has arisen with respect to the practice of negotiating auction contracts: (a) While GSA regional offices are not required by law to advertise for bids in the awarding of auction contracts, they now are being encouraged to do so; (b) the Atlanta regional office now intends to solicit offers from those auctioneers qualified for sales of a particular value, rather than negotiate only with a particular auction firm. The new GSA property disposal handbook also urges the use of this method of inviting proposals by its regional offices rather than following the negotiation method.

(c) Money savings or recoveries as a result of investigations: Money savings were made in items under section II(b) and in section IV(a).

A greater proportion of proposed negotiated sales of surplus Government property reviewed by the subcommittee now is acceptable as originally proposed by the agency. The indicated greater agency concern with obtaining acceptable prices for surplus property is a direct result of the subcommittee's continued vigilance and careful study of each such proposal. Indirect savings through the preventive effects of the subcommittee's insistence upon maximum, fair returns for the Nation's taxpayers, on the basis of actual cash savings realized in the past, would amount to millions of dollars.

(d) Other remedial measures taken and nonmonetary benefits attained as a result of investigations:

1. As a result of the subcommittee's recommendation, based on many investigations of Government surplus property disposals, the General Services Administration is studying the feasibility of assuming more control over disposal activities delegated to the Department of Defense, agreeing with the subcommittee that advantages in economy and efficiency may be accomplished.

2. The Secretary of the Interior advised the subcommittee that action has been taken to prevent a repetition of the failure of the National Capital Parks Service to utilize competitive bidding procedures in obtaining public address service for the Carter Barron Amphitheater.

3. Subcommittee drafted suggested legislation designed to standardize procedures in regard to the handling and disposition of articles lost and subsequently found in Government buildings, investigation having disclosed broad differences in the manner in which such property now is being handled. The draft was forwarded to the Member who initiated the investigation.

4. The establishment of a precedent which was subject to possible costly abuse and economic losses was prevented when the Navy Department, as a result of subcommittee action, abandoned efforts to dispose of a valuable surplus Navy facility as contractor's inventory, which would not have required submission of an explanatory statement to the Congress. The Navy then disposed of the property by negotiation in

conformance with section 203(e) of the Federal Property and Administrative Services Act of 1949, as amended, submitting a proper explanatory statement to the Congress. The method originally advocated by the Navy could have served as a precedent for disposition of other similar Defense Department surplus, which should mount in volume with the announced closedown of outmoded installations.

5. The subcommittee's continued vigilance regarding any efforts to sell communications facilities on defense bases as surplus to private firms who then would furnish service to the base over the same lines (originally investigated during the 85th Congress) apparently has served as a deterrent to other defense efforts to take this uneconomic step.

6. As a result of subcommittee action, the GSA Board of Review took steps to speed up a decision in a case long delayed.

7. As a result of its investigation, the subcommittee encouraged the GSA to go ahead with steps to modify its method of awarding contracts for auctioneer services, evolving a more efficient system which should eliminate criticism which had arisen regarding its former method of negotiating auction contracts.

8. As a result of subcommittee action, the GSA reported orally to the subcommittee chairman that it was revising its policies regarding section 13(h)(2) of the Federal Property and Administrative Services Act, as amended, which concerns conveyances of property for park or recreational purposes, in order to conform more closely to congressional intent and obtain the maximum 50-percent return, under the law, for such properties.

(c) Days of hearings held: Formal investigative hearings were held on 2 days.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: During the first session of the 87th Congress the subcommittee has had a total of 44 bills and resolutions referred to it for consideration.

These measures are broken down as follows: 38 House bills, 1 House resolution, and 5 Senate bills.

(b) Reports issued: Reports issued with title, date, and summary of each and description of subsequent legislative action on reported measures.

1. House Report No. 558, dated June 21, 1961, to accompany S. 537 reported in lieu of H.R. 5294.

Summary: The purpose of the bill is to amend section 13(h)(2) of the Surplus Property Act of 1944, as amended, to remove the technical restriction imposed on transfers for historic-monument purposes now contained in that provision. The bill removes the stipulation restricting transfers to properties acquired by the United States subsequent to January 1, 1900, and substitutes a 50-year criterion for determination of historical significance.

S. 537 passed the Senate May 29, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 5294, which had passed the subcommittee. S. 537 passed the House July 10 and became Public Law 87-90 on July 20, 1961.

2. House Report 559, dated June 21, 1961, to accompany S. 539 reported in lieu of H.R. 3259.

Summary: The purpose of the bill is to amend the Surplus Property Act of 1944, as amended to permit nationals, American and foreign, to qualify for and receive financial assistance under the Fulbright Act, which provides such assistance for advanced education and study abroad.

S. 539 passed the Senate May 26, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 3259, which had passed the subcommittee. S. 539 passed the House August 7 and became Public Law 87-153 on August 17, 1961.

3. House Report 560, dated June 21, 1961, to accompany S. 540 reported in lieu of H.R. 3260.

Summary: The purpose of the bill is to amend existing law to provide uniform authority for Federal departments and agencies to make advance payment for publications which do not fall within the category of newspapers, magazines or other periodicals.

S. 540 passed the Senate May 26, 1961, and was referred to the Government Operations Committee and reported out June 21, as a substitute for H.R. 3260, which had passed the subcommittee. S. 540 passed the House July 10 and became Public Law 87-91 on July 20, 1961.

4. House Report No. 1217, dated September 19, 1961, to accompany H.R. 8099.

Summary: The purpose of this bill is to amend subsection (a) of section 109 of the Federal Property and Administrative Services Act of 1949, as amended, by removing the capital limitation of the general supply fund.

H.R. 8099 was reported out of the Government Operations Committee on September 19, passed by the House on September 22, passed by the Senate on September 25, and became Public Law 87-372 on October 4, 1961.

5. House Report No. 1218, dated September 19, 1961, to accompany H.R. 8100.

Summary: The purpose of H.R. 8100 is to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, to provide the General Services Administration with authority to use the general supply fund to pay transportation costs of supplies for Government agencies and to obtain reimbursement for those costs from customer agencies on a delivered price basis for the supplies distributed through the fund.

H.R. 8100 was reported out of the Government Operations Committee on September 19 and was passed by the House on September 22.

The subcommittee, after considering their merit and purpose, tabled the following two bills: H.R. 1015 and H.R. 2685.

(c) Days of hearings held: Hearings were held on legislative matters on 2 separate days.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received:

1. The subcommittee has received a total of 81 explanatory statements of proposed negotiated disposals of Government surplus property for consideration during the first session of the 87th Congress. The statements are submitted to the committee in accordance with provisions of section 203(e)(6) of the Federal Property and Administrative Services Act of 1949, as amended, and each has been thoroughly reviewed. The original estimated acquisition cost of the property proposed for sale amounted to $173,223,125 and had a current appraised value of $43,380,358, while the proposed disposal price was $41,346,905. Six of the explanatory statements concerned leasing of Government property at a rental of $177,940 per year.

Sixty-eight explanatory statements pertained to the disposal of real property having an original acquisition cost of $173,049,563. This same real property had a current appraised value of $43,301,512 and the proposed disposal price was $41,261,360.

Seven of the proposed sales were of personal property which had an estimated acquisition cost of $173,562 and a current appraised value of $78,846. This property was being sold for $85,545.

2. GAO audit reports—32.

(b) Action taken:

1. Negotiated sales:

a. In 13 instances of the 81 explanatory statements, more information was felt necessary to evaluate the proposal and the responsible Government officials accordingly were interviewed. The disposal agency's files also were examined in most of the cases and particular attention was given to a study of the appraisal upon which the sales price was based.

b. In one case it was determined that there was sufficient cause to warrant a personal inspection of the property being sold to properly evaluate the material made available to the committee. In this case an investigation of the circumstances surrounding the negotiation was undertaken which included interviewing of the prospective purchaser and other interested parties, as well as a study of the real estate market in the locale of the subject property.

This proposal concerned the sale of the former Naval Industrial Reserve Shipyard, located at Panama City, Fla., to the Panama City Port Authority. The property consisted of 118.03 acres of land together with 56 buildings and related personal property. The property had been appraised at $1,200,000 and was to be sold for $1,025,000, which price included the release of a Government claim against the port authority for $80,000 bringing the sales price down to $255,000 below the appraised fair market value.

GSA central and regional office files were reviewed and the appraisal thoroughly studied. In addition, the property was inspected and officials of the port authority were interviewed. It was concluded that the proposed sales price was less than the fair value of the property. Accordingly, it was recommended to the Administrator of GSA that the sale should not be consummated for less than the fair market value as reflected by the appraisal.

In the following months, the subcommittee chairman met with a delegation of citizens from Panama City, Fla., and the staff worked and conferred with GSA disposal officials regarding the agency's efforts to follow the subcommittee's recommendations. GSA negotiations subsequently brought a new offer from port authority officials and on April 11, 1961, the GSA Administrator submitted a new explanatory statement.

This proposal excluded a 3.3-acre tract of land and 4 buildings, leaving 114.73 acres of land, together with 52 buildings and related personal property, subject to the sale. The revised appraised value of the property to be sold was $1,114,500 and the proposed sales price was $1 million exclusive of any Government claims against the port authority.

While the sales price was below the appraised value, the new offer was considerably more than the previous offer and was sufficiently close to the appraised fair market value that it was determined that the new offer should be accepted. The sale was subsequently consummated and, as a direct result of the subcommittee's actions, the net monetary increase to the Government amounted to $145,500.

c. The subcommittee also was concerned with the sale of the $20 million Government surplus aluminum extrusion plant at Adrian, Mich. The property was offered twice competitively but all bids were rejected and negotiations were conducted with the Harvey Aluminum Co., one of the bidders for the plant.

In connection with the subcommittee's study, the chairman and staff met on March 2, 1961, with GSA officials and a delegation of prominent Adrian citizens who urged subcommittee support of the proposed sale to the Harvey firm, rather than to a scrap company, on grounds that resumption of

operation of the plant was vital to the community economy.

Following the administration's policy of selling the property subject to conditions requiring its operation as an entity to help alleviate unemployment in the area, GSA consummated the sale to Harvey Aluminum Co. for $3,626,100, which was $100,000 higher than the highest bid that had been received.

2. GAO audit reports:

a. Report on Review of Federal-Aid Airport Program and of the Program for the Establishment of Air Navigation Facilities and Materiel, Federal Aviation Agency, 1960. FAA queried as to corrective action taken with regard to GAO recommendations. Agency reply shows corrective action has been taken.

b. Review of certain contracts by the Federal Maritime Board, Department of Commerce, for construction-differential subsidy and related ship construction, March 1961. Agency reply to subcommittee inquiry shows that the corrective action taken is satisfactory.

c. Review of Accounting System and Related Matters, Office of the Administrator, HHFA, June 1961. In reply to subcommittee inquiry, agency states that it is now complying with most GAO recommendations.

d. Audit of the Government Printing Office, fiscal year 1960. Correspondence with GPO shows that corrective action has been taken.

e. Review of selected operations of the compensation and pension program, Veterans Administration, June 1960. Agency reply to subcommittee inquiry indicates necessary corrective action has been taken.

f. Review of Coast and Geodetic Survey, Department of Commerce, fiscal years 1959 and 1960. Agency reply disagrees with GAO recommendations. Further inquiry is contemplated.

g. Review of slum clearance and urban renewal activities of the Atlanta regional office, HHFA, September 1960. Agency reply indicates that action is being taken to correct deficiencies.

h. Audit of general supply fund, GSA, fiscal year 1960. Agency reply to subcommittee inquiry is under study.

i. Review of certain aspects of the program for the termination of Federal supervision over Indian affairs, Bureau of Indian Affairs, Department of the Interior, March 1961. Department of the Interior queried as to corrective action taken. Report of special task force on Indian affairs, received August 7, is under study.

j. Audit of helium operations of the Bureau of Mines, Department of the Interior, March 1960. Awaiting agency reply to subcommittee inquiry as to corrective action taken on GAO recommendations.

k. Review of fur seal operations and administration of the Pribilof Islands, Bureau of Commercial Fisheries, U.S. Fish and Wildlife Service, Department of the Interior, June 1961. Agency reply to subcommittee inquiry has not been received.

l. The following reports are under staff study:

(1) Review of local housing authorities, Public Housing Administration, HHFA, June 1961.

(2) Audit of GSA contracts DMP-49, 50, and 51 with the Hanna Mining Co., Hanna Nickel Smelting Co., and the M. A. Hanna Co., Cleveland, Ohio, April 1961.

(3) Audit of GSA contracts GS-OOP(D)-12006, 12143, 12192, and 12213 with Kaiser Aluminum & Chemical Corp. of Oakland, Calif.

(4) Audit of the Virgin Islands Corporation, fiscal year 1960.

(5) Review of certain activities of the government of the Virgin Islands, fiscal year 1960.

(6) Review of selected phases of manpower requirements for cleaning activities, Post Office Department, January 1961.

(7) Review of relocation housing program for small homes as administered by the Office of the Administrator and the Federal Housing Administration, HHFA, April 1960.

(m) After detailed analysis and review, no action was deemed necessary on the following GAO reports:

(1) Audit of Boston National Historic Sites Commission, April 1961.

(2) Audit of Lincoln Sesquicentennial Commission, November 1960.

(3) Audit of Inland Waterways Corporation, fiscal year 1960.

(4) Audit of abaca fiber program administered by GSA, fiscal year 1960.

(5) Audit of Federal Facilities Corporation, GSA, fiscal year 1960.

(6) Review of policies and procedures relating to leasing of space, Public Building Service, GSA, July 1959.

(7) Audit of Federal National Mortgage Association, HHFA, fiscal year 1960.

(8) Audit of revolving fund, Small Business Administration, fiscal year 1959.

(9) Review of education and training programs for Korean conflict veterans and war orphans, Veterans Administration, fiscal year 1959.

(10) Review of loan guarantee and direct loan programs, Veterans Administration, fiscal year 1960.

(11) Review of selected insurance operations of the Veterans Administration, fiscal year 1959.

(12) Audit of Veterans Canteen Service, Veterans Administration, fiscal year 1960.

(13) Audit of Public Housing Administration, HHFA, fiscal year 1960.

(14) Review of certain activities of the government of the Virgin Islands of the United States, fiscal year 1959.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: The subcommittee, during the 85th Congress, blocked the proposed negotiated sale of the Naval Industrial Reserve Shipyard at Newport News, Va., because the price of $3,510,000 appeared grossly out of proportion to the true fair market value of the $20,391,000 facility. GSA, at subcommittee request, withdrew its delegation of authority to the Secretary of Defense to dispose of the facility and made a new appraisal, which was evaluated by the GSA during the 86th Congress. The subcommittee continued liaison with GSA as the agency negotiated further with the potential buyer. An impasse was reached in the negotiations and GSA and the interested firm each agreed to obtain another appraisal. GSA's new appraisal was delivered in September 1961, and currently is under agency study. The subcommittee has maintained liaison with the agency in this prolonged matter, and an early settlement is in prospect at a price in excess of a million dollars more than the one originally proposed.

(b) Other affirmative benefits: Personnel changes designed to improve the administration of GSA's region 6, Kansas City, Mo., are a further result of the subcommittee's public hearings there March 25 and 26, 1960, which exposed serious irregularities in operation of the regional office, which serves a seven-State area. An executive hearing followed on April 27, 1960, in Washington. Transcripts of the public hearings were printed and distributed. GSA promptly issued orders strengthening rules governing real estate transactions, but it was not until January 1961 that recommended personnel changes were completed. Earl H. Lund, regional director of GSA's Public Buildings Service, was transferred to another region and the resignation of Thomas G. Jay, regional commissioner, was accepted in December 1960, and took effect January 20, 1961. Testimony before the subcommittee showed that Mr. Jay, whose wife engaged in the real estate business and sold houses to GSA employees was a partner in a deluxe motel venture in downtown Kansas City, and, among other things, was a key figure in contract transactions including one in which work was completed in a Federal office months before bids were invited for performance of the job and questionable tactics were used to screen the irregular procedure.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

A. Program outline:

1. Study legislation referred to the subcommittee.

2. Examine and take necessary action on all negotiated sales and leases of Government property referred to the subcommittee.

3. Study and take necessary action on all GAO reports referred to the subcommittee.

4. Take action on inquiries and complaints within jurisdiction which are filed with the subcommittee.

5. Study progress made subsequent to public hearings of August 1960 regarding Civil Service Commission exceptions in use of specialized registers for hearing examiners.

6. Continue study of manner whereby GSA acquired site for the proposed new Federal building in Dallas, Tex.

7. Observe and evaluate any developments which further effect the seized U.S. Government nickel plant at Nicaro, Cuba, and U.S. nickel-cobalt obligations in connection with private mining operations at Moa Bay, Cuba, and Braithwaite, La. Submit corrected transcript of Nicaro hearing of August 29 and 30, 1961, relative to close-down and subsequent status of the plant, to Public Printer and distribute printed copies upon receipt. Prepare formal report based on information obtained in the hearing.

8. Observe any resumption of proposed sales of communications facilities by the Department of Defense.

9. Maintain liaison with GSA in its efforts to sell the Naval Industrial Shipyard at Newport News, Va., in accord with earlier subcommittee recommendations.

10. Continue study of GSA plans for Government-wide centralized communications.

11. Continue study of GSA use of brokers in disposition of surplus property.

12. Confer further with GSA officials now working out a plan, in accordance with subcommittee recommendation, for the agency to assume more control over disposal operations delegated to the Department of Defense.

13. Update earlier study of GSA's Board of Review, particularly noting status of workload.

14. Prepare for preliminary public hearing scheduled in Washington, D.C., on November 29 and 30, 1961, on H.R. 8248, a bill to provide an orderly program of decentralization and relocation of facilities and personnel of executive agencies.

15. Continue study of GSA plans to dispose of the surplus Keystone Ordnance Works, Crawford County, Pa.

16. Further investigate methods utilized in awarding contracts for cafeteria services in Government buildings in the Washington, D.C., metropolitan area.

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE

(Hon. L. H. FOUNTAIN, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. Health Research and Training: The Administration of Grants and Awards by the National Institutes of Health.—House Report No. 321, April 28, 1961 (2d report of committee, 87th Cong.)

This report deals with the grant programs administered by the National Institutes of

Health, Public Health Service, for the support of medical and other health-related research and training activities conducted in non-Federal facilities. The report, which is based on a comprehensive study by the subcommittee staff, examines the participation of the Federal Government in the Nation's health research effort and gives detailed attention to the role of NIH in supporting such research, together with training in the health fields. The report evaluates the policies and procedures of NIH for administering its various grant programs. Special attention is given to the problem of determining the Government's obligation for the indirect costs associated with supported research.

The report contains 13 specific recommendations for improving the operation of the grant programs administered by the National Institutes of Health. Detailed information on these programs is given in appendix tables.

2. Consumer Protection Activities of Federal Departments and Agencies.—House Report No. 1241, September 20, 1961 (8th report of committee, 87th Cong.)

This report is the first of a series being prepared in an extensive study of consumer protection activities which the subcommittee is conducting. The 338-page report is based upon factual data obtained from 35 Federal departments and agencies and is believed to be the most comprehensive effort to date to compile basic information concerning the consumer protection activities of the Federal Government. The report describes 103 separate activities which directly protect consumer interests and gives information concerning the number of employees assigned and the approximate annual expenditures for these activities. The report also contains agency comments on the adequacy of resources available for each direct activity from the standpoint of legal authority, personnel, equipment, facilities, and funds. The report lists an additional 150 activities which advance consumer interests or protect them indirectly.

In addition to listing consumer activities by agency, the report also lists them by category according to their nature and purpose. For each category, the report contains a discussion of steps taken to coordinate related activities of various Federal agencies and presents available information concerning similar activities carried on by State and local governmental agencies.

(b) Investigations not resulting in a formal report: In addition to investigations resulting in formal reports, the subcommittee made many other inquiries into activities of the departments and agencies under its jurisdiction. Among the more important matters covered by these investigations are the following:

Activities of the Commodity Credit Corporation: The subcommittee has devoted considerable effort to continuation of its comprehensive inquiry into activities of the Commodity Credit Corporation. Subjects given particular attention include:

Government financed exports of agricultural commodities: Since the passage of Public Law 480 in 1954, sales of agricultural commodities for foreign currencies and other Government financed exports have totaled nearly $10 billion—more than a third of all U.S. agricultural commodity exports during this period. In most instances, the commodities financed have also been sold or subsidized for export by the Commodity Credit Corporation.

Conflicts of interest: The subcommittee is examining the extent to which the Department of Agriculture has established and enforced adequate policies and procedures to protect against conflicts of interest in connection with CCC activities.

Price support, production adjustment and storage activities: These activities require—and are likely to continue to require for a number of future years—expenditure of hundreds of millions of dollars annually.

Coordination of investigative and enforcement activities: The subcommittee is examining the extent to which departments and agencies having investigative or enforcement responsibility involving similar or related matters coordinate their activities in order to avoid duplication of effort and best serve the public interest.

Antitrust law violations: The subcommittee is studying precautions taken to guard against violations of the antitrust laws in connection with Government procurement and other Government programs.

(c) Monetary savings or recoveries as a result of investigation:

Health research and training:

As a result of the subcommittee's investigation of the grant programs administered by the National Institutes of Health, NIH has discontinued its former practice of making an indirect cost payment equal to 15 percent of the direct costs of a project regardless of whether and the extent to which indirect costs are actually incurred by the grantee institution when research is performed outside the institution. Although it is not feasible to estimate the total money saving which will result from this action, it might be noted that NIH makes grants of $2.4 million or more each year to non-Federal institutions for research performed in Veterans Administration hospitals. Since the VA actually bears the bulk of the indirect costs for this research (the grantee institution's expense being limited mainly to paperwork), it is estimated that the saving to the Federal Government in the indirect cost allowance for these projects alone will amount to at least $200,000 a year.

During the course of the subcommittee's investigation, NIH changed its policy of permitting commercial firms to take title to the ownership of equipment purchased from NIH grants. Now equipment purchased with funds from a grant will remain the property of the Public Health Service.

Also in response to the subcommittee's work, NIH is proceeding to initiate a number of management improvements in its grant programs, including the systematic financial review of the budgetary requirements of grantees. This action should lead to significant money savings.

Government financed export transactions: The subcommittee's investigation of Government-financed exports of agricultural commodities has resulted to date in identifiable refunds or recoveries in excess of $100,000, together with recurrent annual savings of approximately $1 million through new contracts for furnishing of recombined milk for troops in Japan, Okinawa, and Guam. Substantial additional savings or recoveries may result from other matters on which action is currently being considered.

(d) Other remedial measures taken and nonmonetary benefits:

Health research and training: In addition to achieving greater economy in the NIH grant programs, it is expected that the committee's recommendations will result in improved administrative policies and practices which will strengthen the effectiveness and productivity of these important research and training programs.

Consumer protection: In its study of consumer protection activities, the subcommittee gave particular attention to a 1960 Agriculture Department order allowing addition of 10-percent water to federally inspected hams. This order has been rescinded by the Department of Agriculture.

Antitrust law violations: Weaknesses in Agriculture Department procurement procedures disclosed by executive hearings were called to the attention of that Department. A number of matters indicating possible antitrust law violations were referred to the Department of Justice and are currently under investigation by its Antitrust Division.

Commodity Credit Corporation activities: As a report of information developed in the subcommittee's investigation, the Department of Agriculture reported it had taken action to prevent appointment of State ASC committeemen whose private interests might conflict with their public responsibilities.

The subcommittee's investigation disclosed that the Department of Agriculture had no centralized control records to show actions taken on reports from overseas indicating irregularities in departmental programs. Such records are now being established by the Department.

The subcommittee chairman met with the Secretary of Agriculture to bring to his attention some of the more significant matters disclosed by the subcommittee's investigation of CCC activities. A number of additional meetings between the subcommittee counsel and newly appointed policy making officials of the Department of Agriculture were held in order to discuss significant disclosures in current and past subcommittee investigations. As a result, the Department has taken some action to improve its procedures and further action is under consideration.

Coordination of investigative and enforcement activities: The subcommittee's examination of coordination of Government investigative and enforcement activities is still in its early stages. However, it appears a number of matters already called to the attention of appropriate Government agencies and being further investigated by those agencies may result in substantial savings or recoveries.

(e) Days of hearings held:

Executive hearings were held on July 11 and 13, and public hearings on August 1 and 2 (4 days).

II. LEGISLATION

(a) Number of measures referred to the subcommittee: Ten identical bills were referred to the subcommittee; H.R. 7802, H.R. 7803, H.R. 7804, H.R. 7805, H.R. 7808, H.R. 7814, H.R. 7892, H.R. 7928, H.R. 8310, H.R. 8534. These bills would provide for periodic congressional review of Federal grants-in-aid to State and local units of government.

(b) Reports issued: A draft report on H.R. 7802 has been prepared for consideration by the subcommittee.

(c) Days of hearings held: Hearings on H.R. 7802 and identical bills were held 2 days, July 25, and 27, 1961.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received: Seventeen formal reports to the Congress by the General Accounting Office were referred to the subcommittee during the first session of the 87th Congress. In addition, the subcommittee requested and received from the GAO a number of reports made to executive agencies. These documents have been or are being studied by the subcommittee.

At the request of the subcommittee, the General Accounting Office made a number of special reports concerning matters involving possible violations of antitrust laws.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries:

Grain storage: The subcommittee's investigation of CCC grain storage activities during the 86th Congress was a contributing factor in action taken by the Department of Agriculture to reduce storage rates approximately 19 percent. Estimated savings because of this reduction during fiscal year 1961 alone were about $80 million. It is

anticipated that additional savings of around the same amount will be realized during the current fiscal year.

Production adjustment: The subcommittee's 1960 report on price support and production adjustment activities pointed out the tremendous costs of storing grain acquired as a result of programs providing price supports without production controls. The new feed grain program put into effect in 1961 restricts eligibility for price support to those producers who comply with acreage limitations. It is expected that this program change will result in very substantial savings.

Cheese and butter transactions: As of October 1961, total recoveries in cheese and butter transactions investigated by the subcommittee reached $2,319,187.70.

(b) Other affirmative benefits: During the 85th Congress, in connection with its report on Federal procurement of polio vaccine, the subcommittee recommended that the Justice Department conduct an investigation to determine whether there were antitrust law violations in the sale of other drugs and hospital supplies. The subcommittee was later advised by the Justice Department that possible violations of antitrust laws were being investigated in connection with the sale of four major categories of drugs or hospital supplies. In August 1961, three drug firms and three of their officers were indicted on charges of antitrust violations in connection with the sale of antibiotics.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Health research and training: The subcommittee will continue its surveillance of the research and training grant programs administered by the National Institutes of Health and, in addition, will give attention to the agency's policies and procedures in contracting for research.

Metropolitan area problems: The subcommittee will continue its study of intergovernmental relations with the consideration of an appropriate role for the Federal Government in meeting the governmental problems of our rapidly growing metropolitan areas. To facilitate this work, the subcommittee has invited comment from a number of prominent political scientists on a recent report by the Advisory Commission on Intergovernmental Relations on "Governmental structure, organization, and planning in metropolitan areas." It is expected that these commentaries, together with the Commission's report, will provide valuable background for public hearings and further subcommittee consideration of this important matter.

Consumer protection: The subcommittee will study Federal-State-local relationships in the field of consumer protection, with particular attention being given to activities for the protection of the public with respect to food, drugs, and cosmetics, false and misleading advertising, and deceptive practices.

Commodity Credit Corporation activities: The subcommittee will continue its investigation of CCC activities. It is anticipated that reports will be prepared on several additional phases of its investigation.

Antitrust law violations: The subcommittee will continue its examination of precautions taken to guard against violations of the antitrust laws in connection with Government procurement and other Government programs.

Coordination of investigative and enforcement activities: The subcommittee will continue its examination of the extent to which departments and agencies having investigative or enforcement responsibility involving similar or related matters coordinate their activities in order to avoid duplication of efforts and best serve the public interest.

FOREIGN OPERATIONS AND MONETARY AFFAIRS SUBCOMMITTEE

(Hon. PORTER HARDY, JR., chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. House Report No. 795, 87th Congress, U.S. aid operations in Peru, issued July 26, 1961.

This report resulted from a comprehensive study of the U.S. aid program in Peru for the period 1955–60. It was the purpose of the study to determine whether the program, during that period of time, had been administered efficiently, economically, and according to law.

The report concluded generally that the principal deficiencies in the U.S. aid program in Peru during the period 1955–58, stemmed from the combination of an entrenched U.S. operations mission director who did not measure up to his responsibilities, and the failure of ICA/Washington to exercise supervision and control over his activities.

Specifically, the report concluded, in part:

1. Drought relief:

a. The USOM director (John R. Neale) divested himself of responsibility for this program by turning over its administration almost entirely to the Peruvian Government, without the knowledge of ICA/Washington, and in the face of a warning by the then U.S. Ambassador (Ellis O. Briggs) that the local government lacked the experience and facilities to cope with a program of such magnitude.

b. Almost 25 percent of the food provided remained undistributed at the time the drought was officially declared over by the Government of Peru; almost one-half of this amount still remained in the warehouses a year later.

c. Sales of grain generated the local currency equivalent of $3,600,000. Such sales were authorized by the agreement between the United States and Peru, providing that such funds were to be used to pay the wages of drought victims employed on work relief projects. However, as a result of Neale's failure to carry out his duties as USOM director, at least 60 percent of the sales proceeds were used improperly, that is, contrary to the uses contemplated when this program was inaugurated. The lack of adequate USOM and ICA/Washington records makes it impossible to determine what portion of the balance may also have been improperly used. An instance of improper use was the unapproved construction of eight houses at Puno and their sale, below cost and on an installment basis, to prominent persons in the town.

2. Road project: A $2 million loan to Peru, intended to aid its economy through construction of a road to open isolated areas for agricultural development and colonization, was the subject of such faulty and inadequate planning that after construction had actually started the route had to be completely changed, when belated soils tests established that the area to be served by the original route was unsuitable for farming. The road finally constructed under this loan ended in the middle of nowhere—"on the side of a mountain"—at a point about halfway along the projected route, where the project ran out of funds.

3. Pampas de Noco: A $125,000 irrigation project built at Pampas de Noco does not irrigate:

a. The significance of this particular failure lies in the stubborness with which USOM Director Neale continued the project even after he had received competent technical advice that the project was not feasible.

b. The reason the project was not feasible seems incredible, in any properly planned irrigation project—it was simply that there was not enough water available in the area to make use of the projected irrigation works.

4. Conflict of interest: USOM Director Neale entered into a conflict of interest situation for personal profit when he organized and invested in the corporation, Negociacion Bazo Velarde, S.A., for the purpose of operating a farm which was receiving aid under the U.S. program. He failed to inform his superiors of his participation in this operation.

a. ICA/W had information which should have compelled the pursuit of an inquiry into possible conflict of interest on the part of Neale for some 4 years before effective action was finally taken.

b. Even at Neale's administrative hearing, where the record clearly demonstrated that Neale was in fact in conflict of interest, both Regional Director Atwood and Ambassador Achilles persisted in impressing upon the board their beliefs that Neale was simply a victim of spite on the part of complainants.

c. ICA/W investigative personnel, Thomas E. Naughten, Michael Ambrose, Robert L. Shortley, and Charles A. Gannon, all demonstrated a peculiar disinterest in determining the validity of charges made concerning Neale's conflict of interest. This performance, inconsistent with what appears to be adequate investigative experience in the backgrounds of these men, points to a conclusion that ICA did not require, nor did they employ their best talents.

5. Internal audits: A lack of adequate internal audit facilities contributed to the difficulties experienced with the program in Peru, since the USOM was frequently unaware of developing difficulties for substantial periods.

a. The failure of the USOM to submit, or ICA/W to request, the submission of such internal audit reports as were made indicates a high degree of laxity at managerial levels both in Washington and in the field.

b. There were no end-use checks made of the drought program.

6. Poor supervision: Rollin S. Atwood, regional director, Office of Latin American Operations, ICA/W, did not properly perform his functions as the official primarily responsible for the effective operations of the U.S. aid program in Peru.

7. Investigative shortcomings: The Office of the Inspector General and Comptroller and its predecessor, the Office of Personnel Security and Integrity, ignored serious charges and delayed action in cases where prompt and adequate investigation might have proved embarrassing to ICA, the USOM, or to Neale.

The subcommittee recommended:

(1) That administrative action be initiated to prevent USOM directors and other key overseas personnel from becoming entrenched, as Neale did in Peru. Consideration should be given to developing, publishing, and adhering to a rotation policy limiting the tours of duty of such personnel.

(2) That before proceeding with any project, USOM directors be required to submit to Washington evidence of its technical and economic soundness, since roads that lead nowhere and irrigation projects that do not irrigate have a reverse impact on U.S. policy objectives, and add little or nothing to the economy of the recipient country.

(3) That policies and procedures for the administration of surplus agricultural commodity programs, such as the drought relief program in Peru, be developed, published, and adhered to, including clear provisions relating to distribution, accounting, and accountability.

(4) That investigative and audit functions concerned with the aid program be improved, either through administrative action or legislative requirement, to guarantee the independence of such functions from

interference by administrative officials. In this connection consideration should be given to:

a. Making the investigative and audit division chiefs directly responsible to the most senior aid officials and to no other administrative officials;

b. Giving individual auditors and investigators the right and requirement to report immediately in writing to their division chiefs any action or communication from any administrative official tending to obstruct or restrict the investigation or audit;

c. Requiring the division chiefs to forward such reports to the most senior aid official without delay;

d. Requiring division chiefs to report to the senior aid official, on a periodic basis, a record of the closing or other disposition of audits and investigative cases (other than routine security clearances) together with detailed reasons for the closing or suspending of unresolved cases.

(5) That the usefulness of internal mission audits and end-use audits be increased by requiring copies of them to be forwarded to the most senior aid officials, simultaneously with their submissions to mission directors.

2. House Report No. 1250, 87th Congress, Cambodian Port Highway: A supplemental report, issued September 21, 1961.

This report resulted from the subcommittee's inquiry into the present status of the $34 million 132-mile long Khmer-American Friendship Highway connecting the capital city of Phnom Penh with the port of Sihanoukville on the Gulf of Siam. The road, which was completed in June 1959, designed and built by American contractors and paid for by ICA, had been studied by the subcommittee in 1957–1958 and treated with in House Report No. 2012, 85th Congress, "Foreign Aid Construction Projects", issued June 26, 1958.

The subcommittee's principal findings and conclusions were that:

"On December 31, 1955, the engineering firm of Michael Baker, Jr., Inc., entered into a contract with the Government of Cambodia to design, supervise, and inspect the construction operations required to complete, in accordance with the latest U.S. techniques and methods, the above highway.

"The construction contractor, A. L. Dougherty Overseas, Inc., began operations under a letter agreement dated August 28, 1956. The construction was completed in May 1959, approximately 1 year behind original schedule, and the road was turned over to the Cambodian Government in July of that year.

"Almost immediately the road began to deteriorate, and in December 1959 a USOM highway engineer reported that the failure was due to serious deficiencies in either engineering or construction, or both.

"On the basis of evidence developed to date, ICA's engineering reports indicate that more than one-third of the road will require major repairs or rebuilding.

"The road, which was intended to be a showcase of American know-how, was so badly bungled that it has damaged our prestige, burdened us with costly repairs, and supplied the Communists with an effective source of anti-American propaganda."

The subcommittee recommended:

(1) That the Department of State and ICA keep in mind the irreparable harm that can be done to the prestige of the United States by the failure of any part of our foreign aid program. Since failure of "impact projects," such as the Cambodian highway, can be especially harmful, steps should be taken immediately to insure the success of each through adequate and intelligent planning, execution, and administration.

(2) That the Office of the Inspector General complete without further delay the investigation necessary to fix responsibility for the road failures, and, if the findings warrant, transmit a copy thereof to the Department of Justice and the General Accounting Office for review and such action as may be appropriate.

(3) That ICA replace generalities with specific language to define the authority and responsibility delegated to USOM personnel for the exercise of control over contractual operations.

(4) That, as recommended in the subcommittee's 1958 report (H. Rept. 2012, 85th Cong., 2d sess., "Foreign Aid Construction Projects"), ICA strengthen its program of personnel integrity.

(b) Investigations not resulting in a formal report:

1. Conducted an inquiry into the circumstances of the State Department's decision to permit the display of the Panamanian flag in the Canal Zone.

2. A country study of all U.S. programs in Bolivia.

3. Reviewed the Development Loan Fund operations in Peru, Bolivia, Chile, Argentina, Brazil, and Uruguay.

4. Examination of selected development loans in countries other than Latin America as questions arose as to whether the provisions of such loans were in accord with statutory requirements.

5. Reviewed work papers of various ICA internal audits of country programs as questions arose concerning such audits.

6. Checked information received from various informants alleging foreign aid irregularities.

7. Initiated an inquiry into the extent to which ICA and the Department of Agriculture are conforming to statutory marking requirements on all commodity containers used in shipments of food surpluses under the programs of the ICA voluntary aid agencies.

(c) Monetary savings or recoveries as a result of investigation:

The principal concern of the subcommittee, especially in the case of the mutual security program, is the conservation of funds through more effective planning and more efficient practices within the agencies handling those funds. Although this produces a greater return for tax dollars spent, it does not generally lend itself to an accurate quantitative measurement of savings.

However, in the case of the Cambodian highway investigation, it is possible that the U.S. Government may recover from $2½ to $3 million from the contractors involved.

(d) Other remedial measures taken and any nonmonetary benefits:

Under date of August 18, 1961, the Director of ICA advised the subcommittee that the recommendations contained in its report "U.S. Aid Operations in Peru," are receiving the agency's most careful consideration as it proceeds with the task of organizing a new agency to carry on the mutual security program and establishing procedures for that agency. The Director stated, "In general the recommendations of the subcommittee appear to offer practical solutions to the problems noted in the report." He further stated that many recommendations previously made by the subcommittee have been adopted and have resulted in improved administration.

Following its investigation of certain road contracts which had been awarded to the contractor who built the Cambodian port highway, the U.S. Corps of Engineers disqualified that contractor from bidding on the $40 million construction of the main section of the Afghanistan regional highway project. The Corps of Engineers ruled that the firm was ineligible to bid on grounds that included poor performance in Cambodia.

During the subcommittee's inquiry into possible failure on the part of voluntary relief agencies to conform with statutory marking requirements on all commodity containers used in shipments of food surpluses under the ICA Public Law 480 program, the voluntary agency whose alleged noncompliance had caused the initiation of the inquiry, issued letter instructions to its agents to prevent the recurrence of such incidents.

(e) Days of hearings held:

	Days
1. Peru investigation	10
2. Afghanistan highway	3
3. Cambodian highway	1
4. Bolivian aid program	1
Total	15

II. LEGISLATION

(a) Number of measures referred to the subcommittee:

1. H.R. 8793, 87th Congress, by Congressman HARDY, to amend section 313 of the Budget and Accounting Act of 1921 to require the furnishing of certain efficiency records and other material to the Comptroller General of the United States.

(b) Reports issued: None.

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received:

The subcommittee has received 15 reports to the Congress by the Comptroller General of the United States.

(b) Action taken:

1. Audit of Federal Savings and Loan Insurance Corporation supervised by Federal Home Loan Bank Board, year ended June 30, 1960. No action contemplated at this time.

2. Audit of the Office of Defense Lending, Treasury Department, for fiscal year ended June 30, 1961. Audit disclosed no deficiencies requiring action.

3. Audit of the Federal Deposit Insurance Corporation for year ended June 30, 1960. GAO recommended amendments noncontroversial. Inquiry disclosed Treasury not pressing for legislation at this time. No action contemplated.

4. Audit of Federal home loan banks supervised by Federal Home Loan Bank Boards, year ended June 30, 1960. Audit disclosed no matters requiring action.

5. Audit of Export-Import Bank of Washington, fiscal year 1960. Audit disclosed no matters requiring action.

6. Audit of Development Loan Fund, fiscal year 1960. Report being used in connection with present study of aid program in Latin America.

7. Review of mutual security program presentation to the Congress for fiscal year 1961 for economic assistance to Korea, Pakistan, and Vietnam, Department of State. No action at this time. May be used for next session.

8. Review of negotiation and administration of selected construction and technical service contracts, ICA, Department of State, fiscal years 1958–60. Report covers most points treated in prior studies of subcommittee. Used in connection with examination of ICA Afghanistan highway contracts. No further action at this time.

9. Audit of Federal Home Loan Bank Board, fiscal year 1960. No action contemplated at this time.

10. Review of civilian and military personnel utilization in district offices and of certain military pay functions, U.S. Coast Guard, Treasury Department, June 1960. In view of recommended Treasury studies, no action by subcommittee contemplated at this time.

11. Audit of Bureau of Engraving and Printing, Treasury Department, fiscal years 1959 and 1960. No further action contemplated at this time.

12. Examination of economic and technical assistance program for Iran, ICA, Department of State, fiscal years 1956 and 1960.

Reviewed and held in pending status for possible consideration next session.

13. Review of permissive activities relating to the manufacturing and taxation of distilled spirits, wine, beer, and tobacco products of the Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, November 1960. Reviewed and held in pending status for possible consideration next session.

14. Review of power activities, U.S. section—International Boundary and Water Commission; United States and Mexico, Department of State, fiscal year 1958–60. Reviewed and discussed with GAO. Will follow up to determine Department of Interior compliance with GAO recommendations.

15. Examination of the economic and technical assistance program for Thailand as administered by the ICA, Department of State, under the mutual security program for fiscal years 1955 through 1960. Reviewed and held in pending status for possible consideration next session.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries:

(See I(c) above.)

(b) Other affirmative benefits:

(See I(c) above.)

Under date of September 18, 1961, the Comptroller General directed a letter to the chairman of this subcommittee reading in part as follows:

"By highlighting significant deficiencies in the Peru aid program, the subcommittee has alerted the responsible agencies to the urgent need for effective supervision of all foreign aid operations and thus made an important contribution to better administration of the foreign aid program."

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

1. Continued study of operations of the mutual security program in several Latin American countries.

2. Continued study of marking requirements on containers used in shipment of Public Law 480 surplus food.

3. Study of certain of the functions and operations of the Office of Emergency Planning with particular emphasis on the rubber stockpiling program.

SPECIAL SUBCOMMITTEE ON DONABLE PROPERTY

(Hon. JOHN W. MCCORMACK, chairman)

I. INVESTIGATIONS

(a) Reports issued: No formal investigative reports.

(b) Investigations not resulting in a formal report:

The subcommittee, during the 1st session of the 87th Congress kept in close contact with the various executive agencies connected with the donable program as well as the State agencies for surplus property. Staff of the subcommittee has several problems under careful scrutiny and has been investigating them informally.

The staff administrator has attended several meetings this session. He attended regional meetings of the Department of Health, Education, and Welfare in Washington and Newington, Conn., a seminar at the University of Massachusetts, a dedication and meeting in Dayton, Ohio, where the University of Dayton has received surplus property for their school; visited the industrial school at Piketon, Ohio, where they are using many useful items of machine tools. In July the staff administrator attended the annual conference of the National Association of State Agents for Surplus Property at Phoenix, Ariz. En route to the meeting he stopped at Flint, Mich.; Dayton, Ohio, and the Davis-Monthan Air Force Base at Phoenix to investigate supply management operations.

The chairman of the subcommittee has requested the Secretary of Health, Education, and Welfare to cooperate with the State agencies and the subcommittee staff in investigating all possible ways of streamlining donable property administration in order to reduce costs and to contribute the maximum possible to the constructive purposes of the program. The Secretary agreed to do this; and a joint conference is planned at Seattle, Wash., during the week of October 16.

(c) Monetary savings or recoveries as a result of investigation:

During the fiscal year 1961, a total of $318,765,361 in surplus property, at acquisition cost, was received by the States. Despite the fact that a total of $318,765,361 was transferred during fiscal year 1961 and a total of almost $400 million in fiscal 1960, the Secretary of Health, Education, and Welfare states that the needs for institutions of public health, education, and civil defense, have not been met and this is readily understandable since there are at least 254,000 eligible institutions in the United States.

There is a continual expansion in the number of eligible donees as the Nation's population expands, and it would be difficult to estimate the amount of useful and needed surplus property that could be properly absorbed by these institutions.

The transfer of $318,765,361 in surplus property to donee institutions constitutes a saving to the taxpayers of many millions of dollars, since the property, if sold, would have returned no more than 5 percent on the average.

(d) Other remedial measures taken and nonmonetary benefits:

The Department of Defense has announced that the regulations have been amended to permit a longer screening time for nonreportable property to education, public health, and civil defense units. This was the result of a joint study by General Services Administration, Department of Defense, Bureau of the Budget, and the State agencies. The study was instituted as a result of a request to the Bureau of the Budget by the chairman of the Special Subcommittee on Donable Property.

On February 2, 1961, the subcommittee staff developed information that tax refunds, approximately $4 billion, are annually due on some 35 million returns. Consequently, if the submission of returns and payment of the refunds were expedited, large sums of money would be put in circulation as a stimulant to the economy. Furthermore, such a procedure would not cost anything, since the refunds are legal obligations against the Government.

A short memorandum developing this idea was prepared and the majority leader presented it at the next leader's meeting with the President. The Commissioner of Internal Revenue considered the idea favorably and issued instructions to the field to advise the public that speedy action would be given to requests for refunds. As a result, a large sum of money was placed in circulation; and this has been one of the successful recovery measures which is referred to by the President's Economic Advisers.

(e) Days of hearings held: None.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: 38 bills were referred to the subcommittee.

(b) Reports issued: House Report 561 (H.R. 5096) (S. Rept. No. 271 (S. 796)), to authorize the use of surplus personal property by State distribution agencies. Passed the House July 10, 1961—passed the Senate May 26, 1961—approved July 20, 1961. (Public Law 87–94).

At the request of the chairman of the subcommittee, the staff worked with the staff of the Foreign Affairs Committee and officials in the State Department (ICA) to amend section 608 of S. 1983 (H.R. 8400) concerning the amount of domestic excess property to be made available for foreign-aid programs. As originally drafted, the bill would have permitted an unlimited amount to be taken, thus seriously affecting our own donee institutions, since the donable program is based on surplus property; that is, excess property not required for the needs of Federal agencies. Section 608, as amended, permits ICA to utilize $45 million of domestic excess property for the foreign aid programs (Public Law 87–195).

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

(a) Number of each received: One executive communication, No. 174, consisting of a letter from the General Services Administration, dated December 30, 1960, was received by the subcommittee.

(b) Action taken: This report concerned the proposal of the General Services Administration to receive papers and other historical materials of former President Herbert Hoover for a presidential library at West Branch, Iowa. On March 1, 1961, the subcommittee took unanimous affirmative action to accept the proposal of the General Services Administration.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: Covered below.

(b) Other affirmative benefits: On August 31, 1961, the Secretary of Defense, Robert S. McNamara, announced the establishment of a Defense Supply Agency (DSA). This action will bring about the consolidation of several common supply and service activities in the three military departments with an anticipated savings of some $2 billion annually. This action by the Secretary stems in large part from the authority of the McCormack-Curtis amendment to the DOD Reorganization Act of 1958.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

As indicated above, there has been a reduction in the amount of surplus property available for the donable program. This results from better management and utilization in the Department of Defense and by the General Services Administration in the civilian program.

It is expected that the establishment of the Defense Supply Agency will bring about still further progress in the Department of Defense and that the amount of surplus property will continue to decrease after consolidated common use inventories are brought under management control by the new agency.

It is, therefore, essential that those responsible for the donable program in the executive and State agencies take advantage of all available surpluses for the unlimited needs of education, health, and civil-defense institutions. A program for the purpose as outlined above (I(b)), together with the analysis, evaluation, and disposition of pending bills, will constitute the projected program for the remainder of the 87th Congress.

SPECIAL GOVERNMENT INFORMATION SUBCOMMITTEE

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued:

1. House Report No. 818, "Availability of Information From Federal Departments and Agencies" (progress of study, July–December 1960), issued July 28, 1961.

A major purpose of this report is to record the results of the subcommittee investigation during the last 6 months of the 86th

Congress into improper restrictions on Government information. Also included in the report is an analysis of the Executive order establishing the system of restrictions on military information and a case study of a dramatic resolution of an attempt to use the claim of Executive privilege to withhold information from Congress.

Of the 28 cases discussed in this report, definite improvements in information availability can be reported in 11 instances. In 12 cases there was no change in the policy of restriction, and mixed results characterize the remaining 5 cases.

Improvements in information availability

1. The Department of Defense after long delay promulgated a directive establishing an automatic time-ladder method of downgrading various kinds of classified documents.

2. The Department of Defense modified a basic form used in the industrial security program in order to prevent needless and wasteful overclassification.

3. The Air Force abandoned its attempt to keep from the public the names of generals qualifying for flight pay without the necessity of flying.

4. The Air Force completed a lengthy review of questionable material in one of its training manuals and rescinded the publication in question.

5. The Navy conceded that one of its censors had been "overzealous" in deleting material from a manuscript submitted for security review.

6. The Navy reconsidered its claim of secrecy for the prices paid manufacturers of jet aircraft engines and made public all such information except classified data.

7. The Navy expunged from the records of Navy band members adverse entries made in retaliation against their criticizing the handling of information about the air crash at Rio de Janeiro.

8. The Department of Labor reversed the policy under which it had kept secret the facts about growers found guilty of violating the Mexican labor agreement.

9. The Coast Guard reaffirmed its intention to make available to the public as soon as possible information about violations of the Motorboat Act.

10. The Atomic Energy Commission finally released to Congress and the public photographs of the 15-year-old nuclear bombs, many years after they had been declassified.

11. The White House revised the basic Executive order setting up the military classification system so as to limit the number of agencies which can restrict information.

Continued restrictions on information availability

1. The Department of Agriculture persisted in contending that the people have no right to know about Govenment contracts.

2. The Department of Agriculture refused to make available to the public minutes of an advisory committee meeting dealing with management of national forest land.

3. The Army admitted it had managed release of information about helicopter test results in order to gain publicity, and denied that such news management infringed on the people's right to know.

4. The Navy refused to provide materials needed by Congress for a study of Navy information clearance procedures.

5. The Department of Interior withheld a procedural memorandum from the public despite questions raised as to its authority to do so.

6. The Department of Labor persisted in its refusal to provide Members of Congress or the public information about out-of-court settlements of wage-hour violations.

7. The Department of State refused to review newly imposed restrictions on availability of historical documents to scholars and students.

8. The Internal Revenue Service formalized the policy of cloaking in secrecy the names of persons or firms commenting on proposed changes in tax regulations.

9. The District of Columbia Commissioners declined to open their legislative meetings to the public, claiming that the law is silent on the matter.

10. The Federal Aviation Agency refused to discontinue its discriminatory policy among news media and make available tape recordings of commercial airplane crash sounds.

11. The Federal Aviation Agency continued to withhold from State aviation agencies reports of probable cause of airplane accidents.

12. The U.S. Information Agency, backed up by President Eisenhower, refused to make available to Congress public opinion polls obtained at public expense.

PARTIAL IMPROVEMENT IN INFORMATION AVAILABILITY

1. Although the Army conceded that a press dispatch had been improperly censored by one of its civilian personnel, it did nothing to correct the situation except issue a brief memorandum.

2. The Army finally released to the public an unclassified report that it had been requested by another agency to suppress, but in doing so maintained that it had the right to withhold such information.

3. The Army refused to make public information about unsuccessful bids, although the information was given to a Member of Congress, thus reversing an earlier refusal.

4. The Army withheld, until 1 day after the election, an unclassified report analyzing testimony given in public before a committee of Congress.

5. The Post Office Department clarified regulations on withholding certain personnel information but declined to seek specific statutory authority for the withholding.

* * * * *

2. House Report No. 1215, Availability of Information From Federal Departments and Agencies (Telephone Monitoring), issued September 19, 1961.

This report lists the results of a questionnaire sent to 37 Federal agencies on the practice of monitoring Government telephone calls which is not a planned development; it has just grown. Usually under no regulations—often without even the knowledge of responsible officials—it has become commonplace for a secretary or an electronic recording device to be listening in on many Government telephone calls.

A table summarizes the telephone monitoring practices in the 37 Federal agencies contacted. For purposes of the inquiry, telephone monitoring was defined to include electronic transcriptions as well as "a secretary or any other person being on the line for the purpose of taking either a verbatim or partial transcript of the conversation, whether or not the person on the other end of the conversation is notified of the monitoring." The summary shows that "33 of the 37 Federal agencies permit telephone monitoring; 21 have no regulations controlling telephone monitoring; 17 do not always require the other party to be warned a call is monitored."

As a result of the subcommittee's inquiry, many Government agencies apparently took a careful look at telephone monitoring practices for the first time. Seven agencies established telephone monitoring regulations after the inquiry, for example.

After the subcommittee's inquiry was initiated, reports were received that many Government telephones were equipped with special listening-in devices. Two systems in use are the transmitter cutoff switch installed on Government telephones for an extra charge of 25 cents a month and the listening-in circuit which costs 75 cents a month extra.

In view of the facts uncovered in the survey of telephone monitoring practices, the House Government Operations Committee concluded that—

Big brother may not be watching you, yet, but his secretary probably is listening in on your telephone calls to Government agencies. This telephone eavesdropping should be banned and all types of listening in should be tightly controlled by clear regulations which, at the very minimum, require Government officials to warn callers of telephone monitoring. When this is done it is unlikely that the Government will have to run up a monthly telephone bill for secret snooping devices to permit telephone eavesdropping.

The committee states that a complete survey of telephone monitoring practices in Federal Government is indicated to determine, among other things, exactly how many telephone listening-in devices the Government rents. The committee recommended that:

1. Every Government agency should control telephone monitoring by clear, written regulations.

2. The regulations should ban telephone eavesdropping.

3. The regulations should ban use of recording devices unless there is advance notice to the other party.

4. The regulations should clearly specify that advance notice must be given whenever a secretary or any other person is placed on the line for any purpose whatsoever.

* * * * *

3. House Report 1257, "Availability of Information From Federal Departments and Agencies" (progress of study, January–August 1961), issued September 22, 1961.

This report results from a decision, early in the 87th Congress, that the same procedures the subcommittee had followed in past studies would be employed with the new administration. Such a decision followed naturally from earlier findings that the problem of secrecy in Government is not a partisan one, but stems from the nature of bureaucracy as well as from the ever-present influence of military secrecy. Therefore, the subcommittee set out to investigate reports of continuing restrictions on the availability of information from Federal departments and agencies, to confer with the new administrators and executives on these restrictions, and to report the results of its studies to the committee and the Congress.

There were information problems left over from the previous administration in some 13 Federal departments and agencies. In addition to bringing these to the attention of the new administration, the subcommittee also worked on an equal number of new information restrictions which developed after the present administration took over. This report covers the attempts to clear up past information problems as well as the efforts to remove new information restrictions which arose during the first 8 months of the present administration.

The report includes a summary of each of the 34 information cases covered, a section setting forth findings and conclusions based on the cases, and a section covering the details of each of the cases.

The report states that most of the leftover information problems have been solved. Action came in nearly every case after a reminder from Congress of the President's unequivocal stand on freedom of information. And in those cases where congressional pressure was not enough, the weight of the White House was added to help reestablish the people's right to know.

Commenting on new information problems which have arisen this year, the report states

that the experience of the present administration with its own information problems shows that a thin veneer of new leadership, superimposed on the massive bureaucracy, is not enough to prevent secrecy-minded career officials from equating secrecy with good government. But day-by-day pressure from above can prevent secrecy from becoming a way of life in government.

In a special comment on military information problems, the report concludes that the reaction of the new officials of the present administration, as they faced the military-security information problems which have plagued democratic government since its inception, appeared to be confusion at first, followed next by a desire to hide the ugly facts on international life from the American public, and finally by a firm resolve to protect the people's right to know both the good and the bad. Translating that resolve into effective information practices is one of the crucial challenges the new administration faces.

(b) Investigations not resulting in formal report:

Additional subcommittee activities, not covered in the formal reports, include extensive assistance to Members and committees of Congress, and Members of the House and Senate in removing restrictions on information and solving related problems. Similar assistance has been provided regularly for other researchers and historians. Specific investigations also have been made of the following matters:

1. The head of the Federal Bureau of Prisons, Mr. James V. Bennett, took steps to force a broadcasting company and a number of local television stations to make changes in certain episodes of "The Untouchables."

2. Comdr. John James, USN, was relieved of his duties in the Clearance Branch, Office of the Chief of Information, following clearance of a magazine article. The Navy contended the action was a routine administrative shift.

3. The Air Force delayed announcing the cause of the crash of a B–52 in northern California, later reporting the crash due to gasoline shortage caused by a number of complicating circumstances.

4. The Federal Communications Commission, in letters to thousands of local radio stations, attempted to impose "national defense" secrecy restrictions on seemingly routine data. Investigation revealed, however, that the Commission had a unique problem, because certain information could apparently not be protected in a manner authorized by the appropriate Executive order.

5. The Upper Colorado River Commission, an agency set up under an interstate compact consented to by Congress and chaired by the representative of the United States, excluded the public from a meeting at which the Commission approved a proposal by private power companies.

6. The Weekly News Digest, circulated to more than 4,000 persons nationally from headquarters of the Office of Civil and Defense Mobilization, was accused of putting a partisan slant on news items. Changes in the operation of the magazine were expected with the change in administration.

7. C. Darwin Stolzenbach, head of the National Capital Transportation Agency, criticized for holding closed meetings on transportation problems, promised at his swearing in ceremony to follow an open door policy.

8. News photographers were summarily barred from a Military Sea Transportation Service ship involved in a fire at a San Francisco pier. Following the subcommittee's investigation, a change in Navy public information practices in the San Francisco area was promised.

(c) Monetary savings or recoveries as a result of investigation:

The value of breaking down the barriers of unnecessary Government secrecy often cannot be measured in dollars and cents, for the action contributes to an informed public and an effective democracy. Occasionally, however, it is possible to estimate direct monetary savings.

Such is the case with the decision by President Kennedy to follow the often repeated recommendations of the House Government Operations Committee and establish a system for routine declassification or downgrading of security documents filling thousands of Government file drawers. His Executive Order 10964 affects classified documents in storage and those in current use. It also makes unnecessary the use of expensive insulated safes. An economic analysis of the effect of the order disclosed that the reduction of unnecessary secrecy surrounding stored security documents will save the Government an estimated $48,000 a year. The new system for handling current security documents will save $712,500 a year, and the estimated annual savings on safes will be $248,000. Thus, this single action by the President—an action following up on recommendations made by the committee since 1958—will save an estimated $1,008,500 a year.

In another area substantial savings can be expected. The report on telephone monitoring practices (H. Rept. 1215) already has resulted in some administrative changes and more are expected. As a result of the report, for instance, the Health, Education, and Welfare Department disposed of telephone monitoring devices, resulting in an immediate saving of $1,500 a year.

(d) Other remedial measures taken and nonmonetary benefits:

Improvements in Government public information practices resulted from each of the investigations noted above; such changes are noted in each case.

(e) Days of hearings held:

No hearings were held.

II. LEGISLATION

No legislation was referred to the subcommittee.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

Because of the subcommittee's close work with GAO officials on problems of access to information, audit reports on other matters, when they also deal with information problems, are sent to the subcommittee in addition to their being referred to the subcommittees primarily concerned. The following three reports were received, and an investigation of the information problems is underway.

1. Examination of economic and technical assistance program for Iran.

2. Review of selected activities of the Bureau of the Budget.

3. Examination of economic and technical assistance program for Thailand.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

Many of the subcommittee's activities this year are an extension of investigations initiated in prior years. Among the continuing benefits is an estimated annual saving of $400,000 resulting from Defense Department action in late 1958 removing unnecessary restrictions from historical military documents.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Each one of the past investigations which has not resulted in removal of unjustifiable information restrictions is continuing; in addition, work will be done on new information problems expected to arise.

SPECIAL SUBCOMMITTEE ON ASSIGNED POWER AND LAND PROBLEMS

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

1. Kennecott Copper land exchange: The subcommittee is investigating allegations that the Bureau of Land Management exchanged public land worth about $493,000 for land worth less than $4,400, notwithstanding an alleged trespass on the public lands by building a town on the public lands under the guise of a mining lease.

2. Withholding of Central Valley power from Sacramento Municipal Utility District: The subcommittee is investigating charges that the top officials of the Interior Department in the previous administration refused to allow the Sacramento Municipal Utility District, a preference customer, to obtain power from the Central Valley project in California in excess of the district's allotment at a time when substantial quantities of power were being sold to the Pacific Gas & Electric Co., which is not a preference customer, thereby forcing on the district liability that may reach $990,000 a year during the next 10 years.

3. Increase of dependable power of Central Valley project: The generation of additional power that will begin in 1963 in the Trinity plants of the Central Valley project requires early action to redetermine the dependable power that will be available to preference customers of the Central Valley project and thereby increase the power revenues of the Government. This redetermination must be effected pursuant to the power and sales contract between the Bureau of Reclamation and the Pacific Gas & Electric Co. The subcommittee has been keeping a watchful eye on this matter. Unless the redetermination is made promptly and at the maximum possible level, the Government will not obtain maximum revenues from the additional power that will soon be available for sale to preference customers.

4. Water rights in Death Valley National Monument: The subcommittee is actively investigating charges that the Borax Co. in Death Valley National Monument has been illegally using water belonging to the Government and thereby also preventing the National Park Service from developing recreation facilities and public accommodations for which water must be available, as well as charges of malfeasance by certain officials in connection with the disposal of land and water rights in Death Valley National Monument.

5. Electric utility mergers: The subcommittee gave considerable study to the increasing trend toward mergers of electric utilities and the question as to whether the Federal Power Commission is applying adequate and proper criteria in reviewing applications filed in the Commission for merger of electric utilities pursuant to section 203 of the Federal Power Act (16 U.S.C. 824b).

6. Operations of U.S. Park Police: The subcommittee has been investigating charges concerning maladministration, misfeasance, and wasteful expenditures in the operations of the U.S. Park Police. This police force, consisting of almost 200 men, performs police functions in the National Capital Parks of Washington, D.C., and its environs, as a unit of the National Park Service. In conducting this investigation, the subcommittee has cooperated with other congressional

committees and Members of Congress interested in improving the operations of the U.S. Park Police, as well as with the officials of the Interior Department who have responsibility over the Park Police. Following the subcommittee's initiation of its investigation, the Interior Department adopted a new promotion policy for senior police officers, began to consider the filling of several senior positions that had been kept vacant for almost 2 years, and began to reexamine the function and objective of the police force to increase its efficiency and economy. The investigation of the Park Police has not been completed. The subcommittee also cooperated with the subcommittee on National Parks of the House Interior and Insular Affairs Committee in drafting proposed legislation to establish a trial board for the Park Police (H.R. 8567).

7. Electric power contract and Yellowstone National Park. The subcommittee has continued to prod the Department of the Interior to complete the restudy of the contract awarded by the Interior Department to the Montana Power Co. in 1959 for supplying electric power to Yellowstone National Park. The subcommittee's study and hearings during the 86th Congress (See H. Rept. No. 1932, 86th Congress, June 22, 1960) had revealed serious errors in the calculations which formed the basis for the negotiations with the company. But to date the Department has not revealed the results of the restudy.

8. Bonneville—California power intertie: During the 86th Congress, the subcommittee intensively examined into a proposal by the Interior Department to sell Bonneville project power at dump power prices to the Pacific Gas & Electric Co. The subcommittee's study revealed that the proposed contract would probably be contrary to the public interest, and the subcommittee therefore requested the Department to withhold approval of the contract until after a full and independent study could be made of an alternative proposal to construct an extra-high voltage common carrier transmission line between the Pacific Northwest and California. The proposed contract was deferred, and finally abandoned, as a study by an independent firm, sponsored by the States of California, Oregon, and Washington, showed that the public interest could best be served by construction of the extra-high voltage common carrier transmission line to interconnect the Bonneville and California electric systems. The Department of the Interior initiated a restudy of its previously limited analysis of such an intertie, and it is expected that the Department's report will be available shortly before the beginning of the 2d session of the 87th Congress. This report will be intensively scrutinized by the subcommittee.

9. In addition, the staff of the subcommittee cooperated with the staff of the full committee in preparing preliminary correspondence for the committee chairman on the following matters:

a. Yosemite Park and Curry Co. contract: Charges by the Comptroller General that the Yosemite Park and Curry Co. has, under its National Park Service concession contract, received commissions totaling $976,250 from a single subconcessionaire while paying less than half this sum to the Government as franchise fees for its entire concession operation during the past 18 years.

b. Minerals in railroad grant lands: Charges that public lands were patented to a railroad without investigation of the mineral character of the land, that the valuable minerals in the land still belong to the Government, and that the railroad has no right to exploit the minerals.

c. Contracts for professional engineering services: The propriety of certain contractual agreements for professional engineering services that ordinarily are performed by full-time Government employees.

d. Control of fires in coal deposits: The adequacy of the efforts of the Bureau of Mines to control fires in coal deposits on public lands and also in nonpublic lands. These fires consume large quantities of coal annually and create considerable danger to people, to property, and to natural resources.

e. Alleged conflict of interest in National Park Service: Charges that a park superintendent has received gifts and other personal favors from a concessionaire whose operations are subject to supervision by the superintendent.

10. Contract for electric service for Missileman bases in South Dakota: In the course of the subcommittee's work on other matters, an allegation was received that the Department of the Air Force was about to make contracts for electric service to Missileman bases in South Dakota, the effect of which would be to endanger the Government's security in Government loans to several rural electric cooperatives amounting to more than $12,449,000. As the result of a subcommittee inquiry, further examination of the several proposals made by the respective bidders resulted in contracts which preserved the security of these loans, and also resulted in reductions in the price of the power to be supplied under the contracts, thereby saving the Air Force $621,229 to obtain the same amount of power over a 10-year period as compared to the lowest bid initially made.

(c) Monetary savings or recoveries as a result of investigation:

Sizable benefits can be expected to flow from the investigative work of the Special Subcommittee on Assigned Power and Land Problems; however, not all of these benefits can be readily translated into dollar figures. In addition, since much of the investigative work is continuing, it is impossible to determine at this time the money savings or recoveries resulting therefrom. An indication of the saving, however, is that resulting from the subcommittee's inquiry on the contract for electric service for Missileman bases in South Dakota, the Air Force will save $621,229 as a result, over a 10-year period.

(d) Other remedial measures taken and nonmonetary benefits:

See I(b) above.

(e) Days of hearings held:

None.

II. LEGISLATION

The subcommittee handled no legislation directly, but did cooperate with other committees on various bills during the session, as noted above.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

No General Accounting Office reports were referred to the subcommittee. A few were reviewed for incidental interest.

IV. PRIOR ACTIVITIES OF THE SUBCOMMITTEE OF CURRENT OR CONTINUING INTEREST

See above.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

Work will continue on the following matters assigned to the subcommittee: Death Valley National Monument.

Withholding of Central Valley Power from Sacramento Municipal Utility District.

Increase of dependable power of Central Valley project.

U.S. Park Police.

Comparative costs of direct transmission of power to preference customers of the Bureau of Reclamation at various projects, including Deer Creek project in Utah, Central Valley project in California, and elsewhere.

Kennecott Copper land exchange.

Role of Federal Power Commission in reviewing applications for merger of electric utilities.

Electric power contract for Yellowstone National Park.

Bonneville—California Power Intertie.

SPECIAL SUBCOMMITTEE ON THE FEDERAL HOME LOAN BANK BOARD

(Hon. JOHN E. MOSS, chairman)

I. INVESTIGATIONS

(a) Reports issued: None.

(b) Investigations not resulting in a formal report:

The subcommittee has undertaken a complete and comprehensive investigation and study of the organization, operations, practices and procedures of the Federal Home Loan Bank Board and its constituent agencies, Federal Savings & Loan Insurance Corporation and the Federal home loan banks.

Relative to its previous activity in the 86th Congress, the subcommittee held 2 days of hearings, April 27 and 28, 1961, dealing with the Bank Board's seizure of the Long Beach Federal Savings & Loan Association, Long Beach, Calif. These hearings dealt exclusively with the Bellehurst Development. Testimony was received from C. S. Jones, the majority stockholder of the Bellehurst Development, and George A. Hart, Jr., attorney for the various corporations developing the Bellehurst tract.

In August, hearings were held in which testimony was received from two parties complaining of the operation of the bank board with respect to its supervisory and regulatory functions. These two parties were George West, Sr., chairman of the board of First Federal Savings & Loan Association of Atlanta, Ga.; and Robert R. Mullen, president of the Alice Savings & Loan Association, Alice, Tex.

Testimony was also received from employees and agents of the ninth bank board district relative to the board's role in supervising the Alice Savings & Loan Association and in an indictment of Robert R. Mullen that was later dismissed on motion of the defendant. The facts developed in connection with the indictment indicated a need for a searching investigation of the role of bank board personnel with other agencies of the Federal Government—the Department of Justice, the U.S. attorney in Houston, Tex., and the Internal Revenue Service.

The hearings occupied a total of 8 days, August 11, 14, 15, 21, 22, 23, 24, and 25, 1961.

The August hearings indicated a need for further investigation of bank board activities with respect to the Atlanta association and with respect to its activities in a number of other localities. Staff investigators will be sent to the field to study complaints channeled to the subcommittee through several Members of Congress.

(c) Monetary savings or recoveries as a result of investigation: The subcommittee's activities have been directed toward an improvement in the bank board's practices and procedures. Although dollar savings might result from such improvements, it would be difficult to state the result in terms of specific amounts.

(d) Other remedial measures taken and nonmonetary benefits: It is difficult at this time to say with any certainty what benefits will be attained as a result of the investigation and activities of the subcommittee. It is expected, as a result of the subcommittee's activities, that the position of the board with respect to its supervisory and regulatory responsibilities will be improved; that various apparent deficiencies will be corrected; that the savings and loan industry will benefit from a clearer pronouncement of the operating standards and practices promulgated by the board; and that the efficiency and economy of the Federal Home Loan Bank Board and its constituent agen-

cies in fulfilling its legislative responsibility will be improved.

(e) Days of hearings held: Hearings were held for 10 days during 1961, April 27 and 28 and August 11, 14, and 15 and August 21–25.

II. LEGISLATION

(a) Number of measures referred to the subcommittee: None.

(b) Reports issued: None.

(c) Days of hearings held: None.

III. REPORTS RECEIVED SUCH AS NOTICE OF NEGOTIATED SALES, GENERAL ACCOUNTING OFFICE AUDIT REPORTS, AND SIMILAR MATTERS WHICH ARE NOT LEGISLATION

Not pertinent.

IV. PRIOR ACTIVITIES OF CURRENT OR CONTINUING INTEREST

(a) Cumulative money savings or recoveries: None.

(b) Other affirmative benefits: The Federal Home Loan Bank has informed the subcommittee that a settlement of all outstanding disputes and differences between it and the Long Beach Federal Savings & Loan Association, going back some 17 years, is imminent.

V. PROJECTED PROGRAM FOR THE REMAINDER OF THE 87TH CONGRESS

The staff will undertake to study the complaints received by the subcommittee regarding the operations, practices, and procedures of the Federal Home Loan Bank Board. Conferences with Bank Board officials will be held when necessary relative to matters of common interest.

Consideration is being given to holding hearings during the present recess period.

Hearings will be scheduled, after Congress reconvenes in January 1962. It is expected that past and future hearings will result in one or more reports.

Summary of the Record and Accomplishments of the Committee on Ways and Means During the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MILLS. Mr. Speaker, in accordance with the usual custom of the chairman of the Committee on Ways and Means, I am pleased to take this opportunity to summarize the record of activity of the Committee on Ways and Means during the 1st session of the 87th Congress.

At the outset, however, I would like to express publicly to the members of the Committee on Ways and Means my sincere appreciation for their devotion to duty and for the conscientious and diligent manner in which they have carried out their responsibilities as legislators and as members of the Committee on Ways and Means. Members of the committee have been most assiduous in applying themselves to the business of the committee and in pursuit to their duties. Obviously, members of the committee have not always agreed on all of the measures which have been reported by the committee, just as I have not agreed with each and every such proposal, but this is the way the committee system operates and the results of our work during this session I am confident will stand the test of time.

As I have pointed out on past occasions in discussing the work of the Committee on Ways and Means, it is clear that the nature of legislation falling within the jurisdiction of the committee is of quite vital importance to each and every American citizen and to our Nation as a whole and it is, therefore, necessary that the members of the Committee on Ways and Means must always proceed with great caution and with the utmost prudence and care in carrying out our legislative functions. It is for this reason, among others, that the committee during this session of the Congress has conducted public hearings on a wide variety of subjects in order to receive extensive and detailed reaction from the general public as to proposals which have been referred to the committee. In fact, the committee has conducted public hearings on eight major legislative proposals in addition to executive hearings conducted on certain other major and minor proposals. During the course of this session, the committee has held a total of 52 days of public hearings—exclusive of executive sessions—and has directly received testimony, comments and recommendations from a total of over 550 individuals in the course of these hearings. Table 1, which follows, shows the subject and the details of these hearings:

TABLE 1.—*Hearings held by Committee on Ways and Means, 87th Cong., 1st sess.*

Subject and bill number	Dates held	Number of witnesses
Temporary Unemployment Compensation and Aid to Dependent Children of Unemployed Parents (H.R. 3864 and H.R. 3865). (Printed, 1 part.)	Feb. 15, 16, and 17, 1961 (3 days)	31
Federal-Aid Highway Financing. (Printed, 1 part.)	Mar. 14, 15, 16, 17, 20, and 21, 1961 (6 days).	93
Social Security Amendments of 1961. Executive hearings. (H.R. 4571.) (Printed, 1 part.)	Mar. 9, 13, 22, 24, and 27, 1961 (5 days)	5
President's 1961 Tax Recommendations. (Printed, 4 parts.)	May 3, 4, 5, 8, 9, 10, 11, 12, 15, 16, 17, 18, 19, 22, 23, 24, 25, 26, and 31; June 5, 6, 7, 8, and 9, 1961 (24 days).	217
Temporary Increase in Debt Ceiling. Executive hearing. (Printed, 1 part.)	June 15, 1961 (1 day)	2
Hospital Services for the Aged Under Social Security (H.R. 4222).	July 24, 26, 27, 28, and 31; Aug. 1, 2, 3, and 4, 1961.	140
Tariff Treatment of Shrimp Imports (H.R. 6168)	Aug. 8, 1961	22
Taxation of Mutual Savings and Loan Associations (H.R. 2899 and H.R. 2900).	Aug. 9 and 10, 1961	26
Taxation of Exchanges and Distributions Pursuant to Antitrust Decrees (H.R. 8868, H.R. 8190, H.R. 7349, H.R. 7496, H.R. 7348, H.R. 1123).	Aug. 24, 1961	13

During the course of this session, there was referred to the committee a total of 1,585 bills and resolutions, in addition to 31 executive communications. Moreover, 10 messages of the President of the United States were on subjects within the jurisdiction of the committee. Of the total of 1,585 such bills and resolutions, there were 897 tax bills, 280 tariff bills, 366 social security bills, in addition to 42 bills of a miscellaneous character falling within the committee's jurisdiction. This represents, as has been about the usual average in the past, just under one-fourth of all the public bills and resolutions introduced in the House of Representatives.

During the first session of this Congress, the committee favorably reported to the House of Representatives a total of 44 bills, which total breaks down as follows: 20 tax bills, 15 tariff bills, 4 social security bills, and 5 miscellaneous-type bills. It should be noted in this connection that quite often the committee reports omnibus legislation which, statistically, appears as one bill but which in fact may combine the provisions of a large number of individual bills which were pending before the committee.

For the further information of the Members, I shall insert at this point table 2, which shows a breakdown of the measures referred to the committee, followed by table 3, which sets forth statistics on the status of bills reported by the committee during this Congress:

TABLE 2.—*Bills and resolutions referred to the Committee on Ways and Means, 87th Cong., 1st sess., by category*

Tax	897
Tariff	280
Social security	366
Miscellaneous	42
Total	1,585

TABLE 3.—*Statistics on status of bills reported by the Committee on Ways and Means, 87th Cong., 1st sess.*

	Tax	Tariff	Social security	Miscellaneous	Total
Bills reported to House	20	15	4	5	44
Bills passed House	16	10	3	5	34
Bills reported to Senate	12	5	3	5	25
Bills passed Senate	9	5	3	5	22
Bills enacted into law	8	5	3	5	21

Before reviewing in some detail the legislation which was favorably reported by the committee during this first session, at this point I will present certain additional statistics on the committee activity which might be of interest.

From early January of this year until the adjournment of the first session, the full Committee on Ways and Means met in executive session 83 times. As I heretofore mentioned, the committee met 52 days in the conduct of public hearings and it is estimated that it will require approximately 13 volumes covering over 8,100 pages of testimony for the printing of these hearings when all are published. In addition to the oral testimony and written statements of those who appeared in person before the committee at the hearings, hundred of statements and expressions of views are printed in the hearings and were given careful consideration by the committee.

In terms of substantive subjects, the committee reported and there was enacted into law both major and minor legislation in a number of areas of the committee's jurisdiction. This included the substance of certain legislation which was recommended by the President as part of his program, in addition to other measures initiated by the committee.

Among the major legislative enactments which became law were the following: the Social Security Amendments of 1961; the Federal Aid Highway Revenue Act of 1961; a temporary major amendment to the aid to dependent children program; and the enactment of the temporary unemployment compensation program.

It should also be pointed out that the committee spent a considerable portion of its time giving consideration to the recommendations made by President Kennedy in his tax message of April 20, 1961. The committee conducted 24 days of public hearings, receiving oral testimony from 217 witnesses, and 25 days in executive sessions on this subject. Certain tentative decisions were made for the purpose of having statutory language drafted and have been embodied in a discussion draft, which has been made available to the public for comment and recommendations. It should be pointed out that no part of this draft has yet been approved by the committee. A summary of the major provisions of this discussion draft is presented immediately following the summary of those bills which were reported by the Committee on Ways and Means.

Mr. Speaker, for the information of the Members, there is presented here a brief summary and digest of the bills reported from the Committee on Ways and Means during the 1st session of the 87th Congress, including a statement of the stage in the legislative process reached by each bill.

TAX LEGISLATION

H.R. 10, by Mr. KEOGH; reported in Senate September 13, 1961: As reported to the House by the Committee on Ways and Means, this bill is designed to encourage the establishment of voluntary retirement plans by self-employed individuals by extending to such plans, and to self-employed individuals covered thereunder, many of the favorable tax benefits present law now provides in the case of qualified retirement plans established by employers for their employees. For retirement plan purposes, self-employed persons would be treated as the employees of themselves and permitted to deduct, within specified limits, contributions made to pension or profit-sharing plans for the benefit of themselves and such other of their employees as would be covered. They would not be taxed on such contributions, or the income thereon, until they receive the funds upon retirement, or otherwise.

In reporting the bill to the Senate, it having passed the House on a motion to suspend the rules, the Finance Committee amended the House bill substantially, retaining, however, the fundamental concept of the House bill.

H.R. 221, by Mr. HARRISON of Virginia; passed House September 19, 1961: This bill, which was reported unanimously by the Committee on Ways and Means and passed the House by voice vote, relates to the imposition of the manufacturer's excise tax on tires and inner tubes. Under present law, the tax is imposed at the time the tires or inner tubes are sold by the manufacturer, producer, or importer. In the case of manufacturers maintaining their own retail stores or retail outlets, this means that no tax is imposed until the manufacturer makes a sale at retail, that is, to the consumer. Thus the retail inventory of the manufacturer maintaining retail outlets enjoys a tax-free status, whereas the independent tire dealer, because the sale to him by the manufacturer, producer, or importer occurred prior to his acquisition of the tires and tubes, can have only taxpaid inventory. The Committee on Ways and Means was advised that independent tire dealers may have as much as 15 percent of their inventory investment tied up in these taxes, while their competitors, the manufacturers with their own retail outlets, need make no such investment.

This legislation would remove the competitive discrimination against independent tire dealers resulting from this situation by providing for the imposition of the tire or inner tube tax at the time the tire or inner tube is delivered to a retail store or retail outlet of the manufacturer, producer, or importer.

H.R. 929, by Mr. BYRNES of Wisconsin; Public Law 87–109, signed July 26, 1961: The purpose of this legislation was to conform income tax accounting to more accurately reflect generally accepted accounting principles in the case of prepaid income arising from membership dues. The bill, which became public law as reported by the Committee on Ways and Means, provided that prepaid membership dues income of membership organizations may, at the election of the taxpayer, for tax purposes be spread over the period during which there is a liability on the part of the organizations to provide the service, rather than reported in the earlier year in which the income is received. The liability involved must extend beyond the current year but may not extend for more than 36 months. The provision applies only to membership organizations having no capital stock and making no distributions of net earnings to members, and is effective for taxable years beginning with the calendar year 1961.

H.R. 1877, by Mr. O'NEILL; Public Law 87–59, signed June 27, 1961: As reported to the House by the Committee on Ways and Means, this bill provided that the Plumbers Union Local No. 12 pension fund, Boston, Mass., be considered a qualified and exempt trust from the time of its establishment in 1954 to June 3, 1959, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust was not operated in this period in a manner which would jeopardize the interests of its beneficiaries. The Senate passed the bill with several amendments, which while not changing the provisions of the House bill, added provisions; first, extending for 2 years the period within which certain stock life insurance companies may make deductible distributions to shareholders in pursuance of a plan of mutualization adopted prior to January 1, 1958; second, reducing the tariff in the case of hair of animals, like the cashmere goat; and third, relating to the effective date of the qualification as a qualified trust of the pension fund of the slate, tile, and roofing industry in New York City. The House accepted the amendments of the Senate, and the bill became law in this form.

H.R. 2016, by Mr. GREEN of Pennsylvania; reported to House September 2, 1961: As reported by the Committee on Ways and Means, this bill provides that, effective July 1, 1962, States and political subdivisions which operate retail liquor stores are to be required to pay only one special occupational tax imposed on retail liquor dealers under section 5123(b) of the Internal Revenue Code of 1954, each year, regardless of the number of locations at which the liquor is sold within the State or political subdivision.

H.R. 2017, by Mr. GREEN of Pennsylvania; reported to House May 9, 1961: This bill would amend the provisions of present law permitting the Federal Government upon request to enter into an agreement to withhold State or territorial tax from compensation paid Federal employees who are employed in the State or territory so as to also provide for withholding of city taxes by the Federal Government, with respect to its employees who are employed in a city with such a tax, if the city has a population of 60,000 or more. The restrictions of existing law applicable to State withholding taxes, designed to limit the administrative burdens of the withholding by the Federal Government and to prevent hardship and discrimination in the case of the Federal employees involved, would also apply to the city withholding taxes, under the bill. Enactment of this legislation is favored by the Treasury Department.

H.R. 2244, by Mr. HERLONG; reported in Senate July 20, 1961: This bill amends the provisions of present law relating to the deduction, for income tax purposes, of charitable contributions. Under existing law, the 20-percent maximum limitation generally applicable in the case of individuals is increased to 30 percent if the contributions to which the additional 10 percent relates go directly to churches, operating schools, or hospitals—or medical research organizations carrying on research in conjunc-

tion with a hospital. As unanimously reported to the House by the Committee on Ways and Means, this bill provided that the additional 10-percent deduction would also be available in the case of contributions to a foundation, and so forth, if the foundation, and so forth, is organized and operated exclusively for the purpose of turning over each year to one or more of these specified categories of institutions its entire net earnings and if any portion of its principal it may distribute may go only to one of these categories of organizations, to be effective with respect to taxable years beginning after December 31, 1961. The bill passed the House by voice vote; in reporting the bill to the Senate, the Finance Committee amended the House provision to also make the 10-percent deduction available in the case of contributions to a university endowment association, this provision to be effective with respect to taxable years beginning after December 31, 1960. At adjournment, the bill was pending in the Senate.

H.R. 2585, by Mr. UTT; Public Law 87–321, signed September 26, 1961: This legislation was designed to prevent the imposition of a double tax in the case of the Federal and State unemployment taxes resulting from a technical deficiency in the Federal tax laws arising from a variation in the definition of "employer" between the Federal and State laws. Under the law prior to enactment of this legislation, the predecessor employer, where a trade or business changed hands within the first 20 weeks of the year, was not treated as an "employer" for purposes of the Federal unemployment tax, but generally was so considered for most State unemployment compensation taxes. As a result, the first employer usually had to pay the State tax in such cases, and then the second employer had to pay the full Federal tax but could not obtain the credit usually available for the State tax paid by the first. This bill corrected the faulty operation of the Federal laws in this situation by making the usual credit available in such cases.

The bill was amended by the Senate in two respects, the first dealing with the effective date of the House bill—to make its application prospective only—and the second adding a provision relating to the percentage depletion deduction in the case of clay and quartzite used in making refractory products. The House accepted the Senate amendments to the bill, and the President approved it in this form.

H.R. 5189, by Mr. MILLS; Public Law 87–29, signed May 4, 1961: This legislation, which was enacted at the request of the President as one of various desirable steps intended to improve this country's ability to defend its gold reserves, provided an exemption from tax for income derived by a foreign central bank of issue from U.S. Government obligations, but only if the obligations are not held for, or used in connection with, commercial banking functions or other commercial activities. The exemption is effective with respect to income received in taxable years beginning after 1960, and is expected to have a negligible effect on revenues.

The Senate added to the House bill a provision extending to May 15, 1961, the period in which the spouse of a shareholder in a small business corporation may consent to an election not to be taxed as a corporation, in certain circumstances. The House agreed to the Senate amendment, and the bill became law as thus amended.

H.R. 6352, by Mr. BOGGS; reported to House May 16, 1961: This bill, which was reported unanimously by the Committee on Ways and Means to the House, amends the provisions of the income tax laws which provide an unlimited charitable contribution deduction where in the last 10 years the charitable contributions and income taxes paid by an individual equal 90 percent of his taxable income—with certain modifications—in each of 8 years. The bill provides that this 90-percent test will be considered as satisfied for each of 2 consecutive years where the test is met on the basis of the average of contributions, taxes, and income in the 2-year period. However, the charitable contributions and taxes in each of these 2 years must represent at least 75 percent of the income of that year and no more than two sets of consecutive years may be averaged in this manner, under the bill. It is also provided that the 2-year averaging provision is to be available only where the charitable contributions taken into account are those going to churches, operating schools and colleges, hospitals and related medical research organizations, and certain other educational, charitable, or religious organizations. The amendment would be effective with respect to deductions allowable for taxable years beginning after December 31, 1960.

H.R. 6371, by Mr. MILLS; passed House August 23, 1961: This legislation amends the provisions of present law relating to the retirement income tax credit. The retirement income credit was designed to give those who have retirement income, but who do not receive tax-exempt social security or similar types of tax-exempt benefit payments, a tax exemption of approximately the same size as that received by social security beneficiaries. A discrimination has arisen gradually, however, as changes have been made in the social security laws over the past several years without corresponding changes in the retirement income credit provisions of the income tax laws, so that the retirement income credit no longer provides equal tax treatment for those who may be retired under Government or private pension systems or may make provision through investment income for their own retirement.

This bill would again equalize the retirement income credit with the social security program by raising the maximum amount of income which can qualify for the credit to $1,524 a year, amending the earned income limitation to correspond with the amended provisions of the social security laws, and lowering, in certain cases, the age limit for qualification for the credit.

The bill as amended was reported unanimously by the Committee on Ways and Means to the House.

H.R. 6413, by Mr. KING of California; passed House May 10, 1961: As unanimously reported to the House by the Committee on Ways and Means, this bill would provide that, for purposes of the estimated income tax, fishermen are to be accorded the same treatment as presently is available for farmers, effective for taxable years beginning after December 31, 1961.

Under present law, taxpayers having income from farming have the privilege of filing the declaration of estimated tax, and paying the estimated tax, by January 15 after the end of the year in question—for calendar-year taxpayers—and this bill would extend this advantage to those having income from fishing.

H.R. 6713—title II—by Mr. FALLON; Public Law 87–61, signed June 29, 1961: The Committee on Ways and Means transmitted to the Committee on Public Works language for inclusion as title II to H.R. 6713, the Federal-Aid Highway Act of 1961, containing highway financing provisions making it possible for the greatly expanded program of Federal aid for interstate highways to be completed within the time originally contemplated, and without the necessity for a stretchout of the program. These revenue provisions will bring into the highway trust fund an additional $9.8 billion in revenues over the life of the program, in addition to transferring back to the general fund $2.4 billion in revenues attributable to passenger car and automobile parts taxes. Under the legislation, it will be possible for the construction program to be completed in 1972.

The legislation, as agreed to by the conferees and accepted by both the House and Senate, provided for, first, continuation of the taxes on gasoline, special motor fuels, and diesel fuel at the existing rate of 4 cents a gallon; second, increase in the taxes on tires for highway-type vehicles and innertubes to 10 cents a pound, and on tread rubber to 5 cents a pound; third, increase in the tax on highway vehicles weighing over 26,000 pounds to $3 per 1,000 pounds; fourth, dedication of 5 additional percentage points of the manufacturers' tax on trucks, buses, and trailers to the highway trust fund, received after June 30, 1962; fifth, continuation of the highway trust fund for an additional 3 months, to October 1, 1972, with all taxes now dedicated to the fund continued as highway trust fund revenues at these tax rate levels for the additional 3 months; sixth, repeal of the provision of previous law for diversion of 5 percentage points of the manufacturers' taxes on passenger cars, et cetera, and on automobile parts and accessories to the highway trust fund; and, seventh, provision for payment of the use tax on highway motor vehicles weighing over 26,000 pounds on a quarterly basis and for the exemption of gasoline from tax where it is sold for nonfuel purposes in the manufacture of another article. In connection with the deletion from the bill, in conference, of a Senate amendment relating to compensation of retail dealers of gasoline for tax paid on gasoline lost by shrinkage, evaporation, et cetera, the Treasury Department was

requested to conduct a scientific study on this subject and to report the results of the study to the Committee on Ways and Means and the Committee on Finance before January 1, 1962.

H.R. 7057, by Mr. IKARD of Texas; Public Law 87–312, signed September 26, 1961: As unanimously reported to the House, this bill provided in the case of brick and tile clay and certain other clays that insofar as the holding in the Cannelton Sewer Pipe case departs from the principles previously enunciated in the Cherokee Brick & Tile Co. and Merry Bros. Brick & Tile Co. cases, it is not to be applied retroactively for years beginning before the Supreme Court granted certiorari in the Cannelton case on December 14, 1959. Thus in the case of brick and tile clay and any other clay or shale where the finished product is the first commercially marketable product, percentage depletion for these past years to the extent they are open will be based upon the value of the finished or end product.

An amendment of the Senate providing that for the purpose of computing the percentage depletion deduction with respect to these minerals "gross income from the property" would be 50 percent of the gross income from the finished product but not to exceed $12.50 for each ton of clay or shale used in the finished product was agreed to by the House, and with this amendment the bill became public law.

H.R. 7446, by Mr. MILLS; Public Law 87–72, signed June 30, 1961: This legislation, which was enacted into law without amendment, continued for 1 year, until July 1, 1962, certain existing tax rates, including the 52-percent corporate income tax rate and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, and on general—local—telephone service and the transportation of persons. The extension of these tax rates for 1 more year was recommended by the President in his message on taxation, in which he said:

> Our present revenue requirements make such extension absolutely necessary again this year. * * * We cannot afford the loss of these revenues at this time.

H.R. 7859, by Mr. KEOGH; passed House September 19, 1961: This bill amends section 814 of the Internal Revenue Code of 1939—providing an election to take a credit against estate tax for estate taxes paid on certain prior transfers—to make it applicable to estates of decedents dying after December 31, 1949—instead of December 31, 1951—to make the credit against estate tax available where the death of the first spouse to die occurred within the 3 years prior to that of the decedent in question but after December 31, 1947—instead of within 2 years of the decedent—and by providing that, where the deaths of the husband and wife occurred more than 2 years apart, the credit for prior estate taxes is to be 80 percent instead of 100 percent.

H.R. 8652, by Mr. KING of California; vetoed by President October 4, 1961: This bill provided that in the case of a net operating loss sustained in the years 1953 or 1954, principally as a result of the conversion from street railway to bus operations, this loss, to the extent not offset against income in years before 1960, will be available in the year 1960 and 4 subsequent years as a net operating loss carryforward. The bill was designed to alleviate the unusual hardship existing in the case of the Twin Cities Rapid Transit Co., Minneapolis, Minn. While most transit companies have spread their conversion to buses over many years, affording a sufficient period to absorb the loss against income—present law providing a 3-year carryback and 5-year carryforward for business losses—this company completed its conversion in an 18-month period, while under the management of officers subsequently found guilty of conspiracy to defraud the company, who intentionally disregarded the income tax consequences involved. At the end of the 5-year carryforward period provided under existing law, there remained a $5,200,000 unused loss.

The President vetoed the bill, expressing the view that it would be unfair to shift the burden of losses resulting from the fraudulent conduct of the management of the company to the country as a whole, and that approval of the bill would be inconsistent with orderly tax administration.

H.R. 8847, by Mr. BOGGS; reported in Senate September 21, 1961: This bill relates to the income tax treatment to be afforded the recipients of stock distributed in pursuance of a court order enforcing the antitrust laws. In general, the bill provides that such distributions shall not be treated as a dividend distribution but shall be treated as a return of capital, and that the amount of such a distribution made to a corporation shall be the fair market value of the distribution. As reported by the Committee on Ways and Means to the House, the bill would have had general application to such cases involving antitrust distributions; however, at the request of the administration, committee amendments were adopted in the House at the time of passage of the bill which have the effect of limiting its application to distributions in the Du Pont antitrust case, as well as providing that in order for the provisions to apply the order pursuant to which the distribution is made shall require the divestiture of stock to be completed within 3 years or less from the date the order becomes final.

The bill was reported by the Finance Committee without amendment, and at adjournment of the first session was pending in the Senate.

H.R. 8876, by Mr. MILLS; Public Law 87–397, signed October 5, 1961: This bill, which became law without amendment, was designed to improve enforcement and collection of internal revenue taxes. The taxpayer account number system provided for in the bill will make possible a greatly expanded use of automatic data-processing—AUP—equipment by the Internal Revenue Service and will enable the Service to match information returns now filed with tax returns. Taxpayer account numbers are basic to a satisfactory identification system for ADP equipment, through the use of which the Service hopes to develop a single file which would contain, in one place, information relative to all of the tax transactions involving a taxpayer, thus making possible the reaching of objectives in enforcement and collection of the taxes that could only be partially achieved in the absence of this legislation.

The bill provides that persons required to file tax returns may be required to record their account numbers on their tax returns, and persons filing information returns—such as those relating to dividends or interest—are to include the account numbers of persons with respect to whom information is supplied—such persons to supply their numbers to the persons required to file the information returns.

The committee has requested the Internal Revenue Service to work out a system involving the least possible burden to taxpayers in obtaining account numbers, and the Service has indicated that it intends to use social security numbers as the account numbers in order to minimize the number of persons having to be assigned new numbers.

Enactment of this legislation, which was unanimously reported by the Committee on Ways and Means, was recommended by the administration.

H.R. 8952, by Mr. BURKE of Massachusetts; reported to House September 23, 1961: This bill relates to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers' excise taxes. The Excise Tax Technical Changes Act of 1958 provided that in determining the base for the computation of manufacturers' excise taxes, a constructive sales price could be used where sales were made to retailers or to consumers if sales were also made at the wholesale level. However, this provision applies only if the normal method of sales within the industry is not to sell articles at retail, to retailers, or to both. This bill provides that the latter restriction will not apply in the case of manufacturers' excise taxes on refrigerators and related items, on electric, gas, and oil appliances, and on radios and television sets and related items.

As unanimously reported by the Committee on Ways and Means, the provision would apply with respect to articles sold on or after January 1, 1962, with the understanding that this is not, however, intended to imply that this constructive sale price rule was not applicable to sales of articles covered by the bill prior to that date.

SOCIAL SECURITY LEGISLATION (INCLUDING BILLS AMENDING UNEMPLOYMENT COMPENSATION AND PUBLIC ASSISTANCE TITLES)

H.R. 4806, by Mr. MILLS; Public Law 87–6, signed March 24, 1961: This legislation, the Temporary Extended Unemployment Compensation Act of 1961, provided a temporary program of first, extended unemployment compensation to persons who have exhausted their unemployment compensation under State and Federal unemployment laws, and second, reimbursement to certain States in meeting their cost of long-term unemployment compensation. Enacted as

part of the administration's program to help offset the effects of the then current recession on unemployed workers and on the Nation's economy, the bill provided extended benefits for up to 13 weeks of total unemployment to workers who had exhausted their rights under State programs and under Federal unemployment compensation programs for ex-servicemen and Federal employees. Payments can be made to unemployed persons who have exhausted their benefit rights under State programs after June 30, 1960, and before April 1, 1962, for weeks of unemployment starting before July 1, 1962. The bill also provides that, to the extent a State pays unemployment compensation for more than 26 weeks of total unemployment in the benefit year, the State will be reimbursed for the number of weeks it pays in excess of 26, up to a maximum of 13 additional weeks, this number to be subtracted from the potential extended benefit payments under the bill to the individual. The cost of the program is financed by advances from the Treasury to be repaid by a temporary increase in the net Federal unemployment tax of 0.4 percent on the existing wage base of $3,000, for calendar years 1962 and 1963.

Under the conference agreement on the bill, an amendment was adopted relating to reduction in TEUC payments in certain cases of retirement pensions and annuities, as well as a provision increasing the ceiling for certain administrative expenses authorized under section 901(c)(1)(A) of the Social Security Act to $385 million for fiscal year 1961 and $415 million for fiscal year 1962; the conferees also accepted the Senate amendment directing the Secretary of Labor to collect certain information related to administering the TEUC program.

H.R. 4884, by Mr. MILLS; Public Law 87–31, signed May 8, 1961: This legislation added a new section to title IV of the Social Security Act to make available, during the period beginning May 1, 1961, and ending June 30, 1962, Federal grants to States wishing to extend their aid-to-dependent-children programs to include needy children—and relatives caring for them—of unemployed parents, on the same basis as Federal grants are available to needy children—and relatives caring for them—who have been deprived of parental support by the death, absence, or incapacity of a parent. The bill included provisions designed to facilitate the employment of unemployed parents, or the retraining of such parents, if appropriate, and provisions to assure that aid is not provided when the parent has refused employment that it would be reasonable for him to accept. All existing provisions of the aid-to-dependent-children program apply to the temporary expanded program, including, of course, the Federal-State matching formula. The legislation was recommended by the President as a part of his broad program to combat the then existing recession and to relieve resulting hardships.

Under the conference agreement on the bill, certain amendments of the Senate were accepted and/or modified and incorporated in the bill. These included provisions relating to the denial of aid under the program where the unemployed parent is receiving unemployment compensation; extending Federal matching funds under the plan to children placed in foster homes in certain circumstances; extending for 1 year, to June 30, 1963, the authorization for appropriation of sums for training grants for public welfare and increasing the Federal share to 100 percent; relating to the denial of aid, under a State plan, because of the conditions in the home in which the child resides and providing a period for further study of this problem; raising the overall ceiling on grants which may be made to Puerto Rico, the Virgin Islands, and Guam, to take into account the increased grants which would be made under the bill; and relating to the reimbursement of States for salaries and other expenses of the States' employees temporarily assigned to duty with the Department of Labor. Also included was a provision increasing from $12 to $15 the maximum medical care expenditures in behalf of old-age assistance recipients with respect to which there will be Federal participation.

H.R. 6027, by Mr. MILLS; Public Law 87–64, signed June 30, 1961: This legislation, the social security amendments of 1961, provided desirable and sound long-run improvements in our social insurance system, designed to make the old-age, survivors, and disability insurance program more flexible and effective in carrying out its basic purpose. With its enactment, additional purchasing power will be placed in the hands of people who very much need it, benefiting about 4,420,000 people within the first 12 months through new or increased benefits amounting to $780 million. The changes made, which were in general along the lines recommended by the President, are fully financed, consistent with policies established by the Congress in the past, and the program will thus continue to be self-supporting and on a sound actuarial basis.

The major provision of the legislation can be summarized as follows:

First. An increase from $33 to $40 in the minimum monthly retirement benefit payable to persons retiring at or after age 65 and in the minimum monthly disability benefit, with proportionate increases in the minimum benefits payable to dependents and survivors.

Second. Provision for payment of retirement benefits to men beginning at age 62—at their option—with the benefits payable to men claiming benefits before age 65 reduced to take account of the longer period over which the benefits will be paid.

Third. Liberalization of the insured status requirements, so that a worker will be fully insured if he has one quarter of coverage for every year elapsing after 1950—or after the year in which he attained age 21, if later—and up to the year of disability, death, or attainment of age 65 for men—62 for women. Previous law required one quarter of coverage for every three such elapsed quarters.

Fourth. An increase in aged widows', widowers', and parents' benefits from 75 to 82½ percent of the workers' retirement benefit—a 10-percent increase in benefits for these beneficiaries.

Fifth. Liberalization of the earned income limitation to increase from $300 to $500 the area in which only one-half of earnings above $1,200 are treated as excess earnings.

Sixth. An increase in the contribution rates of one-eighth of 1 percent each for employees and employers, with corresponding increases for self-employed persons, thus keeping the system fully self-supporting and actuarially sound.

Provisions were also included in this legislation for an increase in the Federal matching maximum for old-age assistance, aid to the blind, and aid to the permanently and totally disabled; for the expenditure of Federal funds for temporary assistance to certain U.S. nationals who have returned from foreign countries and are without immediately available resources; extending through December 31, 1962—or, if later, the expiration of 2 years after the date on which coverage was approved for the group which originally elected coverage—the time in which employees who did not elect coverage under a divided retirement system agreement may change their decisions; adding New Mexico to the list of States which are permitted to divide their retirement systems; permitting survivors of ministers or Christian Science practitioners to file a certificate of election for coverage of the minister or Christian Science practitioner, in certain circumstances; and moving up by 1 year, to 1968, the scheduled increases in rates of tax for employers, employees, and self-employed persons.

H.R. 6145, by Mr. RIVERS of Alaska; reported to House August 15, 1961: As reported by the Committee on Ways and Means, this bill would provide a 1-year postponement of the reduced credit provisions relating to the Federal unemployment tax insofar as they relate to certain past advances to a State under title XII of the Social Security Act. This will have the effect of preventing the reduced credit provisions from applying to wages paid by employers in Alaska for calendar year 1961. The committee is aware that existing requirements for repayment of costs of outstanding title XII advances pose serious problems for a number of States—the reduction of credits provided by section 104 of the Temporary Unemployment Compensation Act of 1958 is not affected by this bill. The bill does not present a permanent solution to the problem, but the committee felt that, because the cost of unemployment compensation in Alaska is extremely high and it is the only State in which the reduced credit provisions would come into effect this year, it is desirable to postpone the operation of these provisions pending a more detailed examination of the problem. The administration is presently developing proposals in this area for submission to the Congress. The committee was unanimous in reporting the bill, as amended, to the House.

CUSTOMS AND TARIFF LEGISLATION

H.R. 641, by Mr. BOGGS; passed House August 23, 1961: The purpose of this bill, as reported by the Committee on Ways and Means, is to provide for the free entry of one intermediate lens betaray spectrometer for the use of Tulane University, New Orleans, La., which that university has acquired from abroad to be used in the field of experimental nuclear physics. The committee was advised that this particular type of spectrometer is not available in the United States but can only be purchased abroad from a firm which specializes in the design of such instruments. Under these circumstances, the committee felt that Tulane University should not have to pay import duties on such a highly specialized instrument, which is not available in the United States and is utilized in important scientific projects.

H.R. 3385, by Mr. IKARD of Texas; Public Law 87–95, signed July 20, 1961: This legislation, which became law as reported by the Committee on Ways and Means, provided for the free entry of apparatus utilizing any radioactive substance in medical diagnosis or therapeutic treatment—such as cobalt 60 therapy units used in cancer diagnosis and treatment—and of electron microscopes, when imported for the use of, and not for sale by, nonprofit organizations and institutions, whether public or private, established for educational, scientific, or therapeutic purposes.

The committee was of the opinion that the general public interest would be served by permitting such organizations to import these needed tools of scientific research and educational pursuits without the burden of having to pay the substantial import duties which would apply in the absence of enactment of this legislation.

H.R. 3508, by Mr. BOGGS; reported to House September 20, 1961: As unanimously reported by the Committee on Ways and Means, the purpose of this bill is to permit the Secretary of the Treasury to designate any freight forwarder, authorized to act as such by any agency of Government, as a carrier of bonded merchandise not finally released from customs custody. At the time the provision of the Tariff Act authorizing the Secretary of the Treasury to designate carriers of such bonded merchandise was broadened to include freight forwarders, only freight forwarders under the jurisdiction of the Interstate Commerce Commission were authorized to be so designated, the only reason for this limitation apparently being that other freight forwarders—such as airfreight forwarders—were not then as prominent in this field as they now are. The committee was of the opinion that the Secretary of the Treasury should be authorized to extend the privilege of handling bonded merchandise to any freight forwarder licensed to act as such by any agency of the Government.

H.R. 3668, by Mr. MACK; passed House June 14, 1961: This bill, which passed the House without amendment, amends section 498 of the Tariff Act of 1930 to permit the extension of the informal customs entry procedure to import shipments not exceeding $400 in value. Present law permits informal customs entry to be made when the aggregate value of the shipment of imported merchandise does not exceed $250, thus obviating within this area the necessity for the more complex and burdensome customs procedures required for formal customs entry. The bill, which raises this ceiling to $400, retains the existing provisions of law giving the Secretary of the Treasury the discretion to establish lower ceilings for certain types of merchandise and transactions when circumstances warrant his doing so.

H.R. 4449, by Mr. MACHROWICZ; passed House June 14, 1961: The purpose of this bill is threefold: First, to add iconostases to the list of articles for which free entry is presently provided in paragraph 1774 of the Tariff Act of 1930, as amended, providing for the free entry of certain articles for religious purposes; second, to provide for the free entry of adjuncts and appurtenances of the named articles whether to be physically joined thereto or not; and third, to extend the application of paragraph 1774 to cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by corporations and associations organized and operated for religious purposes.

The committee was advised by the interested Government departments that enactment of this bill would assist in solving certain difficult interpretative questions which have arisen under the present provisions of paragraph 1774, and unanimously reported the bill to the House.

H.R. 4591, by Mr. MACHROWICZ; Public Law 87–110, signed July 26, 1961: The purpose of this bill, as reported by the Committee on Ways and Means, was to continue for 1 year, to the close of June 30, 1962, the suspension of duties on metal scrap. The limitations and provisos of existing law were continued under the bill. Favorable departmental reports were received on this legislation, and no opposition to its enactment was made known.

In addition to a technical amendment to the House bill, the Senate added a section providing for the free entry of horsemeat, fresh, chilled, or frozen, when imported in immediate containers weighing, with their contents, 10 pounds or more. The Senate amendments were accepted by the House, and the bill became public law as thus amended.

H.R. 4940, by Mr. WATTS; Public Law 87–47, signed June 16, 1961: This legislation, which became law as reported by the Committee on Ways and Means, was designed to prevent the circumvention of the control by the Philippine Government over the exports of Philippine tobaccos to the United States by providing that U.S. customs authorities shall only admit free of duty under the Philippine tobacco quota such tobacco as the Philippine Government has licensed for export to the United States free of duty under the provisions of paragraph 2 of article II of the Philippine-United States Trade Agreement.

H.R. 5193, by Mr. BAKER; reported to House September 26, 1961: The purpose of this legislation, as reported by the Committee on Ways and Means, is to impose sliding scale duties on imports of lead and zinc and lead and zinc articles. The duties would be imposed or removed, depending upon the domestic price levels of lead and zinc. The committee concluded that adoption of this formula is desirable, in view of the general dissatisfaction with existing quota arrangements.

H.R. 5852, by Mr. MEADER; Public Law 87–261, signed September 21, 1961: As reported by the Committee on Ways and Means, this bill provided for the free entry of a towing carriage for the use of the University of Michigan, which has a large ship model towing tank used for experimental testing and research on model vessels under simulated sea conditions, frequently under contract for the Maritime Administration and the Bureau of Ships of the Navy Department. The committee was advised that no company in the United States specializes in the design and construction of ship model laboratory equipment, and was of the opinion that it would be in the national interest that the University of Michigan not be burdened with substantial import duties in its efforts to modernize and up-date its ship research testing facility.

In reporting this legislation to the Senate, the Finance Committee added a provision to the House bill which amended the Tariff Act to allow nonresident visitors to bring up to $100 in gifts into the United States duty free. The House accepted the amendment of the Senate, and in this form the bill became law.

H.R. 6611, by Mr. MILLS; Public Law 87–132, signed August 10, 1961: As reported by the Committee on Ways and Means, this bill, which was proposed by the President as a part of his program to counter the unfavorable balance-of-payments situation, provided a temporary—to the close of June 30, 1963—reduction, from $500 to $100, in the amount of articles acquired abroad that a returning resident of the United States may bring into the United States exempt from duty, and waived, in the case of articles acquired in the Virgin Islands, the 48-hour period for which otherwise such resident generally must remain outside the United States in order to be entitled to the exemption.

The Senate amended the House bill to provide that in the case of articles acquired in the Virgin Islands by a U.S. resident arriving directly or indirectly from the Virgin Islands, the exemption would be $200 instead of $100, without regard to the 48-hour requirement. The Senate amendment also would allow such a resident who has remained outside the United States for 48 hours or more an exemption of $200, not more than $100 of which shall have been acquired elsewhere than in the Virgin Islands. Under the conference agreement, the House accepted the Senate amendments, and the bill became law in this form.

H.R. 6682, by Mr. WIDNALL; reported to House September 22, 1961: As reported to the House, this bill provided for the transfer from the dutiable to the free list of the Tariff Act articles known

as fowling nets. These nets are used to temporarily capture birds, and facilitate quick banding and release of the birds. These activities are carried out by persons and organizations, primarily under the coordination and sponsorship of the Department of the Interior, who are volunteer workers receiving no pay, although supplying their own nets or other equipment. The information and records developed from these activities are used in research by the U.S. Government. The committee was advised there is no knowledge of domestic production of fowling nets, and received favorable departmental reports on the bill.

H.R. 7431, by Mr. DADDARIO; reported to House September 22, 1961: As reported by the Committee on Ways and Means, the purpose of this bill is to provide for the free entry of certain stained glass windows imported for use in St. Joseph's Cathedral, Hartford, Conn., and in St. Francis Xavier Church and auxiliary buildings in Phoenix, Ariz.

The committee is of the opinion that this legislation is meritorious and consistent with prior congressional enactments.

H.R. 7678, by Mr. TEAGUE of California; passed House June 29, 1961: The purpose of this bill is to amend the Tariff Act of 1930 to extend the existing free importation provisions for wild animals and wild birds intended for exhibition in zoological collections for educational or scientific purposes to wild animals and wild birds imported by any importer for exhibition for any purpose, or imported by a person or firm who in turn would sell them for ultimate use in exhibitions for any purpose. The amendments suggested by the Departments of State, Commerce, and Treasury to an earlier bill on this subject have been incorporated in H.R. 7678, and the bill was reported unanimously by the Committee on Ways and Means.

H.R. 7692, by Mr. HERLONG; passed House September 7, 1961: The purpose of this bill, as reported by the Committee on Ways and Means, is to amend the Tariff Act of 1930 to provide, first, that when articles, imported in containers required to be marked to show the English name of the country of origin, are repackaged in the United States and offered for sale, the new packages shall be marked to show the country of origin of their contents, and, second, that such containers shall be marked, in addition to the country-of-origin marking, to indicate to any person who repackages such articles that the new packages must be marked to indicate to an ultimate purchaser the English name of the country of origin of their contents.

The committee is of the opinion that enactment of this legislation will provide a comprehensive plan for insuring, in appropriate cases, that purchasers are notified of the origin of imported merchandise, thus greatly assisting in fulfilling the purposes of our marking laws. Penalty provisions for violation are included in the bill, and the Secretary of the Treasury would be authorized to make exceptions from the marking requirements in certain circumstances.

H.R. 8938, by Mr. BASS of Tennessee; reported to House September 22, 1961: The purpose of this bill is to limit the tariff provisions for lightweight bicycles to typical lightweight bicycles and prevent classification thereunder of nontypical lightweight bicycles. The Committee on Ways and Means was unanimous in reporting this bill to the House.

MISCELLANEOUS (INCLUDING BILLS RELATING TO THE PUBLIC DEBT AND BILLS FALLING WITHIN MORE THAN ONE SUBJECT CATEGORY)

H.R. 311, by Mr. BENNETT of Florida; Public Law 87–58, signed June 27, 1961: The purpose of this bill, which became public law without substantive amendment, was to authorize the U.S. Government to accept gifts of money or other property which are to be used for the reduction of the public debt. It provides for the deposit of cash gifts, or proceeds from the sale of other gifts, in a special account on the books of the Treasury, and money in this account is to be utilized to retire obligations of the United States which are a part of the public debt.

Heretofore the Treasury Department, in the absence of specific directions to the contrary, has been treating gifts received by the United States for the purpose of reducing the public debt as unconditional gifts and depositing them in the general fund of the Treasury. The committee felt that those making gifts to reduce the public debt may prefer to have their contributions used for this specific purpose, and further that making this possible may encourage persons to make provision for gifts of this type.

H.R. 4317, by Mr. MILLS; Public Law 87–370, signed October 4, 1961: As reported to the House by the Committee on Ways and Means, the purpose of this legislation was to provide a system of annuities for surviving widows and dependent children of judges of the Tax Court of the United States. Prior to enactment of this bill the Tax Court was the only Federal court without an adequate system of survivorship protection, since the Congress in 1956 provided a survivor annuity system for other members of the judiciary generally.

The Senate amended the bill in several respects, and under the conference agreement—and as the bill became law—the House bill was amended to conform the benefit computation in the case of widows and dependent children of Tax Court judges to the formula provided in the 1956 act relating to widows and dependent children of Federal judges. In addition, a provision was added relating to the taxability of amounts contributed by an employer which is a public school system for annuity contracts for its employees.

H.R. 7500 (title II), by Mr. MORGAN; Public Law 87–293, signed September 22, 1961: The Committee on Ways and Means transmitted to the Committee on Foreign Affairs language amending the Internal Revenue Code of 1954 and the Social Security Act in relation to Peace Corps volunteers and volunteer leaders. The general effect of these provisions is to treat Peace Corps volunteers and volunteer leaders in a manner similar to enlisted men in the Armed Forces for income tax and social security purposes.

These amendments were included as title II of the bill reported by the Committee on Foreign Affairs establishing the Peace Corps, and were accepted by the Senate in conference on the legislation, subsequently becoming law as a part of the Peace Corps Act.

H.R. 7677, by Mr. MILLS; Public Law 87–69, signed June 30, 1961: This bill, which became law without amendment, provided for a temporary—1-year—to June 30, 1962, addition of $13 billion in the public debt limitation. The present permanent statutory debt limit is $285 billion; this legislation provided an additional $5 billion temporary increase over the temporary ceiling in effect at the time of its enactment—to $298 billion. Enactment of this legislation was recommended by the administration, the Secretary of the Treasury having advised the committee that this action was essential to the orderly and economical management of the Government's finances.

S. 1750, by Senator MAGNUSON; Public Law 87–342, signed October 3, 1961: This legislation, which was enacted at the request of the administration as an integral part of its anticrime legislative program, amended the provisions of the Federal Firearms Act by prohibiting the shipment, receipt or transportation of firearms in interstate or foreign commerce to or by any person who has been convicted of, or is under indictment for, a crime punishable by imprisonment for a term exceeding 1 year. Prior to enactment of the bill, these prohibitions in the act had applied to any person who was under indictment for, or had been convicted of, a "crime of violence," as defined in the act. The Attorney General advised that enactment of this legislation would aid Federal law enforcement officers in their assault on organized crime. The bill was unanimously reported by the Committee on Ways and Means, identical bills having been introduced by the chairman and ranking majority member of the committee.

SUMMARY OF MAJOR PROVISIONS OF "DISCUSSION" DRAFT OF REVENUE BILL OF 1961

The discussion draft consists of 10 sections. The first indicates that the bill may be cited as the Revenue Act of 1961. The remaining nine sections would make substantive amendments to the Internal Revenue Code of 1954. They, together with the Treasury proposal on "tax havens," can be summarized as follows:

First. Investment credit—section 2: A credit against income tax is allowed for new investments (and for purchases of up to $50,000 of used property) made in 1961 and subsequent years. The credit generally is equal to 8 percent of the purchase price of domestic investments. It is not available for property with a useful life of less than 6 years and in general is limited to tangible personal property or other tangible property, apart from buildings, used in manufacturing, production, extraction, transportation, or communications. It also generally is not available in the case of public utilities.

Second. Entertainment, et cetera, expenses—section 3: Restrictions are imposed on the deduction of entertainment expenses for income tax purposes. First, with specified exceptions, these expenses may not be deducted unless they relate directly to the production of income and are not merely for good will. Exceptions are provided for business meals, employee and stockholder meetings, trade association meetings, conventions, and so forth. Second, no deduction may be taken for business gifts to the extent they exceed $25 per recipient or for the payment of club dues. Third, entertainment and traveling expenses, to be deductible, must be substantiated in detail. Fourth, in the case of travel expenses, only a "reasonable allowance" may be deducted for meals and lodging.

Third. Mutual fire and casualty insurance companies, and so forth—section 4: Over a period of years mutual fire and casualty insurance companies are to be taxed on their underwriting income (their investment income presently is taxed) in substantially the same manner as stock casualty companies. After a 5-year transition period one-half of the underwriting income will be taxed in the year it is earned and the other half—to the extent it is not offset by intervening losses—will be taxed 5 years later. A transition rule gives partial exemption in the first 5 years. Small mutual companies will continue to be taxed only on investment income. Special provisions are applicable for reciprocal underwriters and interinsurers, factory mutual insurance companies, and companies with certain types of concentrated risks. In addition, the deduction now allowed life insurance companies for 2 percent of premium income from group accident and health business is repealed.

Fourth. Domestic corporations receiving dividends from foreign corporations—section 5: Domestic corporations receiving dividends from foreign corporations, if they elect to claim a foreign tax credit for foreign income, and so forth, taxes paid on the dividends they receive, must also include in their income these same foreign taxes for which they claim credit. This has been referred to as "grossing up" these dividends by the amount of foreign taxes paid with respect to them. Other technical amendments are also made.

Fifth. Exclusion for income earned from sources outside the United States—section 6: Earned income derived from sources outside of the United States presently is not subject to U.S. income tax if the individual involved is a bona fide resident of the foreign country. The draft limits this exclusion to some specified amount—undetermined in the committee's tentative decisions. In addition, contributions by employers to pensions, where the individuals worked abroad, are to be fully taxable to the individuals if they reside in the United States at the time they receive the pension in the same manner as employees who worked in the United States.

Sixth. Gain from disposition of depreciable personal property—section 7: Any gain on the sale of most types of depreciable personal property, is to be treated as ordinary income to the extent of any depreciation deductions previously taken. For this purpose only depreciation deductions taken in 1961 and subsequent years will give rise to this ordinary income treatment. This ordinary income treatment is to be applicable only in the case of sales and certain other dispositions of depreciable personal property. Taxpayers will be permitted to change to more conservative forms of depreciation if they desire to do so in order to minimize the possibility of realizing ordinary income under this provision. Also, taxpayers under this provision will be permitted to ignore salvage value in determining their depreciation base to the extent of 10 percent of the cost or other basis for the property.

Seventh. Tax treatment of cooperatives and patrons—section 8: Cooperatives are to be permitted to deduct patronage dividends only when they are paid in money, "qualified scrip," or other property except nonqualified scrip. In addition, a deduction is provided for nonqualified scrip when it is redeemed. The same amounts are to be includible in the income of the patron at about the same time the cooperative takes the deduction—except where the patronage is attributable to personal expense items. "Qualified scrip" means scrip with respect to which the patron had an option to receive cash or scrip for a 90-day period after issuance, or, in the case of farm cooperatives, scrip issued only after the farmer within the year to which it relates consents in writing to receive the dividend in scrip rather than cash. In the case of "exempt farm cooperatives," provision is also made for the deduction of amounts paid in money, qualified scrip, or other property (except nonqualified scrip) which is paid out of earnings derived from business done for the United States or from sources other than patronage, such as investment income.

Eighth. Withholding on interest, dividends, and patronage dividends—section 9: Provision is made for withholding at a rate of 16⅔ percent on interest, dividends, and patronage dividends. The recipient on reporting his income for tax purposes "grosses up" his net dividend or interest payment by one-fifth to obtain the gross payment which he reports for tax purposes. The withheld amount is then available as a credit against the tax otherwise due. No receipts are required under this system. A system of exemption certificates is provided for those having no tax liability and intra-annual, or quick, refunds are provided for those where the withholding is excessive because of the number of their exemption, eligibility for retirement income credit, et cetera.

Ninth. Information with respect to certain foreign entities—section 10: Under present law domestic corporations must furnish certain specified information with respect to foreign corporations which they control or foreign subsidiaries of these corporations. If the information is not supplied, reductions are made in any foreign tax credit the domestic corporation might otherwise enjoy. This reporting requirement is extended to include not only domestic corporations but also individuals controlling foreign corporations and also to require information to be supplied with respect to certain additional types of foreign subsidiaries. Another requirement of present law requires certain specified information to be supplied by American citizens or residents who are officers, directors, or important stockholders of foreign corporations if they held such positions or have such stock interests at any time within 60 days after the creation, organization, or reorganization of the foreign corporation. Beginning in 1962 such information is to be supplied by such American officers, directors, or important stockholders on January 1 of that year and also by those who become so at any time thereafter.

Tenth. Treasury proposal on "tax havens": The Treasury draft—available to the public but not in the committee print—identifies certain types of income such as income from exports, imports, licensing, certain dividends and interest, and reinsurance. Where such income arises from transactions of a foreign corporation with a related party outside of the country in which the foreign corporation is organized, it is to be taxed currently to U.S. shareholders of the foreign corporation even though there is no dividend distribution. This treatment applies only where five or fewer U.S. stockholders own more than 50 percent of the stock of the foreign corporation and then only in the case of those shareholders owning 10 percent or more of the stock of the foreign corporation.

Congressman Harold R. Collier, of Illinois, Reports to the People of the 10th District of Illinois

EXTENSION OF REMARKS

OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. COLLIER. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit herewith the report to the residents of the 10th Congressional District of Illinois covering a résumé of major legislation and my activities as their Representative in the 87th Congress.

Convening the first Tuesday in January of 1961 and extending through the waning days of September, the 1961 session has been the longest in history except for those of World War II years and during the Korean war. With the change of administration in January, the legislative wheels turned slowly for several weeks. Notwithstanding this fact, bipartisan support of emergency legislation in March and April offered evidence of a late summer adjournment. However, highly controversial legislation was delayed in a most untimely manner as the session moved into the summer months and resulted in wide-

spread political hassling behind the scenes. Misdirection and indecision within certain committees dealing with such issues as Federal aid to education, tax proposals, and foreign aid brought frequent deadlocks and delays. Contributing to congressional pressures were the series of critical developments in Cuba, Laos, West Berlin, and, finally, the tragic turn of events within the United Nations.

Reviewing the past session of Congress, its failures and its successes, one is reminded of the words of Winston Churchill:

To understand today's problems, one must have a sense of history.

We have lived in an aura of cold war tensions for more than a decade. Periodically the struggle between the free nations in the world and the Communist-dominated countries erupts with new fervor, and there is little reason for optimism in an early relief from these tensions. Thus the armament race is accelerated and national defense costs continue to rise.

As a nation we should have two primary concerns: First, to maintain peace without yielding principle in a world of grave international tensions and, second, to strengthen our economic and fiscal stability on the domestic front.

There is no question that deficit spending during this next fiscal year will reach a frightening figure of more than $7 billion. Many of us who are concerned with the mushrooming national debt of more than $290 billion are critical of several domestic programs which reflect imprudence at a time when the Nation has been called upon to make sacrifices. It is relatively simple for the average citizen to determine the extent of his Representative's anxiety over fiscal irresponsibility by evaluating his voting record; and this is particularly applicable to the record of the 1st session of the 87th Congress. Although authorization and appropriation bills passed this year exceeded by several billion dollars the basic needs of this Nation, one ray of hope was reflected in the repeated refusal of the House of Representatives to increase the back-door-spending approach on certain bills.

While it is impossible to list all important legislation and business transactions in Congress this year, here are several of the most important bills which were passed during this session and a summary comment on them:

DEFENSE BUDGET

An alltime record high defense budget for peacetime was almost unanimously approved by both the House and Senate for fiscal 1962. The estimated spending figure for national defense during the new fiscal year is $46,662,556,000. This figure was increased from the original estimated defense request with the development of the new crisis in Berlin. The additional sum will be for the construction of aircraft, missiles, and naval facilities. It provides for the continuation of the B–52 and B–58 bomber production programs and two new nuclear-powered missile frigates. The program also provides for stepping up the Polaris submarine program to a total of 29 by 1964, instead of 1967.

AMENDMENT TO THE SOCIAL SECURITY LAW

Voluntary retirement is now permitted for men at age 62 with reduced benefits and widow's benefits are increased 10 percent. Working pensioners are permitted earnings up to $1,700 without penalty. Minimum benefit payments are increased $7 monthly and qualification has been liberalized to one quarter out of every four instead of one out of every three. To meet the $825 million annual cost of these changes, social security taxes will increase again next January and the rate will continue to 4⅝ percent on each employee-employer in 1968.

UNEMPLOYMENT COMPENSATION

Congress voted to increase unemployment compensation through Federal assistance to a maximum of 39 weeks and added a later proposal providing benefits for children of the unemployed.

EXPANDED FEDERAL HOUSING PROGRAM

An authorized 5-year $4.9 billion housing program on liberalized terms was passed over stiff opposition. The bill includes 100,000 new units of public housing, extends the farm housing program, increases funds for housing for the aged, and provides for loans to acquire mass transportation facilities.

EMERGENCY FEED GRAIN PROGRAM

This legislation increases price support payments to participants for corn, grain, sorghum, other feed grains and soybeans and provides for a 1-year voluntary cut in acreage and crops of these feed grains.

LATIN AMERICAN AID

The appropriation bill effectuating the authorization passed previously provides for $600 million for a Latin-American development program. This sum includes $100 million for disaster relief in Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $1 million for loans and grants by the ICA.

EXPANSION OF SPACE PROGRAM

An authorization of $1.7 billion for the National Aeronautics and Space Administration was passed and signed into law to be effective in fiscal 1962. This includes increases for the manned moon-orbiting project and for research on solid and nuclear propellants.

AID TO DEPRESSED AREAS

The establishment of an Area Redevelopment Administration in the Department of Commerce carries an authorization of $300 million in loans and $95 million in grants for industrial plants and public facilities in areas designated as distressed. The program carries a termination date of June 30, 1965.

HIGHWAY CONSTRUCTION

An additional $11.5 billion was authorized in H.R. 6713 for the Interstate Highway System, to be tentatively completed by 1972. It will bring certain apportionments for primary, secondary, and urban programs up from $925 million to $1 billion annually. It fixes Federal gas and diesel taxes at 4 cents per gallon and it also raises taxes on tires, tubes, retread rubber, and on trucks and buses.

FEDERAL JUDGESHIPS

Finally meeting a long-needed increase in U.S. district court judgeships and 10 circuit court judgeships, Congress voted a bill providing for a total of 73 judges. Because caseloads in the courts have become increasingly heavy, and litigation badly delayed over the past several years, the Eisenhower administration had made a request for additional judges, upon which Congress failed to act. In the spring of this year, approval was given in both the House and Senate by a large bipartisan majority.

EDUCATION LEGISLATION

A 2-year extension of the National Defense Education Act was finally approved after the House had voted down consideration of an omnibus bill. The measure also extends to federally impacted school districts assistance for an additional 2 years, to June 30, 1963. The total authorization for these programs was $1.3 billion.

FOREIGN AID

A compromise $3,914,600,000 money bill was passed. The final figure was more than the House originally approved but less than the Senate voted and President Kennedy had asked. The bill authorized a 5-year program but required annual appropriations. The program includes loans and grants for foreign economic aid and development, military assistance and support, and contributions to international programs.

PEACE CORPS

The administration's request to establish the U.S. Peace Corps, commenced by Executive direction early this year, as an independent agency was approved and an authorization of $40 million for its operation was granted for fiscal 1962, although only $30 million was actually appropriated.

ARMS CONTROL AGENCY

A measure which establishes a U.S. Arms Control (Disarmament) Agency was approved by both the House and Senate and signed into law by the President at the close of the session. Actually, a division within the State Department composed of 72 staff members has been in existence for quite some time. The new Agency simply expands certain phases of research in this field and establishes a distinct entity for this operation, without providing any authority or jurisdiction which the erstwhile bureau within the State Department did not already possess.

MINIMUM WAGE

Increases in the $1 minimum wage to $1.25 an hour were approved with extended coverage to 3½ million additional workers by gradual wage step-ups in amending the Fair Labor Standards Act.

It must be understood that the legislation listed above is but a few of the more important items on the legislative agenda. As a matter of fact, there were nearly 200 bills which will undoubtedly become public law that must properly be considered major legislation. These do

not include scores of other legislative actions of the 87th Congress which were of a private or provincial nature.

In addition to the legislation acted upon favorably this past year, several administration proposals fell by the wayside, either in committee or through floor action. Among these was Federal aid to education, which was bottled up in the House after becoming entangled with religious and political issues. The proposed Department of Urban Affairs gathered little favorable support and may not even see the light of day next year. The Youth Conservation Corps, revamping of the unemployment pay system, major tax changes, and a postage rate increase plan all failed, but may get a second chance in 1962.

PERSONAL REPORT

During the 1st session of the 87th Congress, I introduced 29 bills covering a wide range of subject matter. Among these were:

H.R. 341. A bill to amend the Legislative Reorganization Act of 1946 so as to require the yeas and nays in the case of final action by the Senate and House of Representatives on appropriation bills.

H.R. 342. A bill to amend the Internal Revenue Code of 1954 to repeal the tax presently imposed on the transportation of persons.

H.R. 933. A bill to amend the act of August 16, 1960, relating to exclusion from the mails of obscene articles.

H.R. 934. A bill to require a study of the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway for navigation and other purposes.

H.R. 935. A bill to amend the Passport Act of July 3, 1926, to authorize certain restrictions and limitations with respect to the issuance and validity of passports.

H.R. 937. A bill relating to the treatment of certain advertising, sales promotion, and similar items in determining price and price readjustments for purposes of the Federal manufacturers' excise taxes.

H.R. 938. A bill to repeal the excise tax on communications.

H.R. 939. A bill to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent.

H.R. 940. A bill to amend the Internal Revenue Code of 1954 to provide funds for educational purposes by providing increased incentives for private giving through the allowance of a tax credit for charitable contributions to institutions of higher education.

H.R. 941. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from gross income of the proceeds of a scholarship, fellowship grant, or student assistantship without regard to whether it (or any part thereof) represents payment for services rendered.

H.R. 1145. A bill to provide for the preservation of audio recordings of historical importance.

H.R. 1146. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors.

H.R. 1147. A bill to limit the applicability of the antitrust laws so as to exempt certain aspects of designated professional team sports, and for other purposes.

H.R. 5395. A bill to amend the War Claims Act of 1948 to provide for the payment of benefits under such act to certain citizens and permanent residents of the United States.

H.R. 5396. A bill to amend the act of September 14, 1959, with respect to sales and use taxes and other business activities in interstate commerce, and authorizing studies by congressional committees of this type of taxation.

H.R. 5921. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without deductions from benefits thereunder.

H.R. 7271. A bill to provide an exemption from participation in the Federal old-age and survivors' insurance program for individuals who are opposed to participation in such program on the grounds of religious belief.

H.R. 7374. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed forces shall not be entitled to receive any pay or allowances from the United States after engaging in any activity or conduct, while a prisoner of war, which results in giving aid or comfort to an enemy of the United States.

H.R. 7375. A bill to amend the Internal Revenue Code of 1954 to provide that a return of a surviving spouse shall be treated as a joint return without regard to the time of the death of the other spouse.

H.R. 7679. A bill to amend the Federal Aviation Act of 1958, as amended, to provide for all-charter certificates of public convenience and necessity.

H.J. Res. 10. A joint resolution designating October 31 of each year as Youth Honor Day.

H.J. Res. 36. A joint resolution proposing an amendment to the Constitution providing for the popular election of the President and Vice President of the United States.

H.J. Res. 506. A joint resolution proposing an amendment to the Constitution relative to equal rights for men and women.

H. Con. Res. 184. A concurrent resolution providing that appropriations for the mutual security program shall be reported in three separate bills, one for military assistance, one for economic assistance (other than technical cooperation), and one for technical cooperation and other matters.

H. Con. Res. 194. A concurrent resolution opposing further reduction of tariffs by Executive order.

H. Con. Res. 318. A concurrent resolution expressing the sense of Congress that the President should transfer to the Department of Defense functions of the Office of Civil and Defense Mobilization.

H. Res. 312. A House resolution to establish a House Committee on the Captive Nations.

H. Res. 321. A House resolution amending clause 2(a) of rule XXI of the Rules of the House of Representatives (appropriations).

More than 300 residents of the 10th Congressional District visited my office in Washington during the prolonged 1961 session. In almost every instance my staff arranged for visits to the White House, provided gallery passes for both the House and Senate, and arranged for tours of places of historical interest in the Nation's Capital. School and church groups, representatives of various business and professional organizations, and vacationing tourists repeatedly expressed their gratitude for the assistance and courtesies extended by our office during their stay here.

Earlier in this session, I took a public opinion poll in my district to determine how the majority of my constituents felt about some of the more controversial major legislative issues. The poll was particularly successful in that there was an excellent response. In fact, it ran 50 percent higher than the rate on most legislative polls. The returns were carefully tabulated on each question, a task which absorbed many extra hours of work on the part of my staff members. The consensus of my constituency, based upon this poll, were given complete consideration in my deliberations in voting on the issues in this session of Congress.

Because of the unusually late termination of this session, it became necessary for me to cancel or postpone speaking engagements back in the district during the month of September. Many of these commitments were made on a contingent basis, since Congress heretofore usually adjourned just prior to Labor Day; however, I have a heavy calendar of speaking engagements for civic, church, service and school groups throughout my district during the recess period. Two members of my Washington staff are returning to the district for the recess period to join the home office operation which functions year round in Berwyn. Constituents desiring to discuss Federal problems or pending legislation may arrange appointments in the district office during the recess period by telephoning my executive secretary on Pioneer 9-4115.

Congressional mail, which has been unusually heavy for the past year, is expected to taper off during the months of October, November, and December, thus providing more time for individual attention to case problems and committee work.

As a member of the Committee on Interstate and Foreign Commerce and the Subcommittee on Transportation and Aeronautics, my special assignments for the recess period have not been definitely designated. Your Representative has been particularly active in committee work during the past 8 months with such problems as the rapidly transforming aviation industry presents. Interstate and foreign commerce has undergone broad changes and even critical problems have developed in almost every field which must be coped with in the accelerated transportation industry by the Congress and its affiliated agencies. It is expected that our committee will conduct a series of studies and investigations on the jet and helicopter noise problems which have become a source of serious aggravation to the residents of our own district as well as those in areas of close proximity to the expanding airports of the Nation. Solutions to the noise problem and naturally the safety facets of these studies offer a very difficult challenge to the legislative and regulatory agencies of the Federal Government.

In closing, let me state that while the 1st session of the 87th Congress was marked with certain achievements and admitted failures in dealing with some of the delicate and critical domestic and foreign problems of this Nation, we face an even more difficult session next year with the seething world situation and a series of domestic issues which must be dealt with in the shadow of a tremendous national debt and heavy burden of present taxation upon our citizens.

Since this report, while it might appear lengthy, is actually but a comprehensive brief analysis of legislative activity during the past year, my office is

prepared to provide detailed information on any and all bills of specific interest to all of my constituents. Requests may be made for such information either through the district office or by writing to my Washington staff, room 1622, New House Office Building.

Completely unsettled at the time of this report is the matter of congressional reapportionment in the State of Illinois. The State legislature has been unable to agree upon reapportioning the congressional districts as required following each decennial census. In the event an agreement cannot be reached during the special session of the State legislature in Springfield this month, I will join 24 incumbent Members in Congress and a host of other candidates in a statewide race for 24 at-large seats. Fully aware of the fact that any reapportionment agreement must be equitable within the realm of geographical and population standards, it is my earnest hope that a feasible plan can be adopted in the interest of preserving the constitutional concept of representative government. For whatever period of time the residents of my present district and citizens throughout the State of Illinois are without such representation on a district-by-district basis, they are without the type of personal representation which the constitutional system was designed to provide. This, however, is a matter which will be resolved by the time the 87th Congress returns for the 2d session next January.

Alert in the Sky

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. ROOSEVELT. Mr. Speaker, a few weeks ago my wife and I had the privilege of viewing a most extraordinary motion picture entitled "Alert in the Sky." I comment on this picture primarily because it reemphasizes once again the value of motion pictures in relating the story of America and individual Americans as human beings to the peoples of the world.

"Alert in the Sky" is not only fine entertainment and most moving in an emotional way, but it is not contrived. It has the ring of truth. It portrays the basic American instinct of real humanitarianism and a universal feeling toward mankind.

I do not know what the plans are for the picture's distribution. One can only hope that it will be seen by many Americans as well as by international audiences. Once again, it emphasizes that those who represent us in official missions dedicated to defend our freedom with all the strength and resources of our country still are capable of remembering and loving a small boy, an individual human being.

My colleague, the Honorable JOSEPH M. MONTOYA, viewed this film, and I am sure he is in agreement with me, as are others who have seen it and expressed the feeling that this is a film of merit, making a real contribution to a better and truer image than many have of our great country.

John E. Fogarty, of Rhode Island, Reviews Economic Change Since 1st Session of 87th Congress Began

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. FOGARTY. Mr. Speaker, as the Congress draws to a close, I think it is important that we review very briefly the dramatic change of the economic climate which has occurred since we first began in January.

The House will remember the low level of economic activity and the high levels of unemployment which prevailed at that time, especially after 8 years of increasingly high joblessness as each business cycle came to an end. Today the gross national product is on the rise to new record levels, total employment is at a record level for any August in our history, and the index of industrial production is at an alltime high. We have, and we are witnessing, a recovery which is taking place much more rapidly than expected. Now, problems do remain. We still do have a million persons unemployed for as long as 6 months or more, especially under the impact of structural changes such as automation. Still needed are important programs such as the training and retraining of our unemployed workers. But we must review the background of accomplishment of the past 9 months both in terms of legislation passed by this Congress to maintain and increase the level of economic activity and strike at the problem of joblessness, as well as the many administrative actions along these lines. If we review them, I think the path will become clear—a pattern of legislation and action which has enabled us to make such progress during the past 9 months, and which gives us a major vantage point from which to continue our efforts in the immediate months and years ahead. These actions have been and are important to us, not only in terms of our own aspirations and our domestic economy, but they are also surpassingly important for our position in relation to the rest of the world.

In terms of legislation by this Congress such as the Area Redevelopment Act, such as the aid to dependent children of unemployed fathers, such as the temporary extension of unemployment insurance benefits for the long-term unemployed, we see specific and concrete actions to help the jobless on the one hand and to spur economic recovery on the other. In such administrative actions as improving our employment service, reaching a record this past month in nonagricultural placements, in the substantial number of older workers placed, in the forward-looking program which has made important gains in equal opportunities for minority groups, as well as many others, again, are concrete examples of the actions I have described.

In the beginning of 1961, when the new Congress and President Kennedy took office, the United States was in the midst of a serious recession, marked by critically high levels and rates of unemployment.

The number of jobless workers stood at 5,400,000 in January 1961, equaling the postwar record for unemployment set in June 1958, and about 2½ times the jobless total in January 1953 when the Eisenhower administration first took office. Such diverse economic indicators as the gross national product, the Federal Reserve Board's Index of Industrial Production, manufacturers' new orders, employment on nonfarm payrolls, the factory workweek, weekly earnings—all were down considerably from previous marks.

I think it is important for all of us to recognize the fact that we have come a long way since then. Unemployment is down by about a million persons; employment on nonfarm payrolls is up by nearly a million on a seasonally adjusted basis. Moreover, our gross national product is up by about 5 percent, the index of industrial production by about 10 percent, manufacturers' new orders also by 10 percent—all on a seasonally adjusted basis. The factory workweek—a critical economic indicator—is up by a full hour on a seasonal basis and weekly earnings have moved up to about $94 a week—about $4 over the January level.

I would like to make it clear that despite the vigorous economic recovery we are experiencing, many problems still remain. Our rate of unemployment is still very high; long-term joblessness is still a major problem in this country. The impact of automation and technological change—in the face of a record crop of 26 million new workers expected to come upon the labor market during this decade—poses major challenges we still have to face and for which we must still devise realistic and meaningful solutions.

But I think it would be very instructive if we reviewed briefly the actions by the Congress and by this administration which have brought us to the point of economic recovery today.

Faced with a serious business recession when it took office, the Kennedy administration immediately took action to alleviate hardship and to stimulate recovery in the economy. Among the steps taken were release of surplus food to feed the needy unemployed, arrangements to provide assistance to the children of unemployed men, and early payment of Veterans' Administration insurance refunds.

One of the first legislative actions was a bill designed to pay, on a self-supporting basis, unemployment insurance to persons who had exhausted benefits under State and Federal programs. The need for this legislation was indicated because of the substantial increase in

the level of unemployment and the upward trend in the number of persons exhausting their rights to unemployment insurance benefits. The average number of persons receiving unemployment insurance in a week reached almost 3.4 million in February 1961, compared to less than 2.2 million in February 1960, an increase of 55 percent. For the same 2 months, the number of persons who had exhausted their rights to unemployment benefits was 204,600—February 1961—compared to 132,900—February 1960—an increase of 54 percent. In response to the increased number of exhaustees and the high level of unemployment, Congress passed the Temporary Extended Unemployment Compensation—TEC—Act of 1960, which was signed by the President on March 24, 1961.

The Temporary Extended Unemployment Compensation Act of 1961, which became effective on April 8 of this year, provided that participating States could pay extended benefits to individuals who had exhausted their rights to regular benefits after June 30, 1960. TEC benefits could not exceed 50 percent of the regular benefit entitlement or 13 times the weekly benefit amount, whichever was lesser. In addition, the act provided that participating States would be reimbursed during the life of the program for any benefits paid to an individual in excess of 26 times his weekly benefit amount. No TEC or reimbursement payments would be made for any week beginning after June 30, 1962. It is significant that all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands elected to participate in the TEC program.

From the beginning of the TEC program in April 1961 through August 31, 1961, some 1.8 million persons had filed claims under the TEC program. Of this number, about 1.6 million received TEC benefits amounting to more than $372 million during this period. A total of 11.9 million weeks of unemployment were compensated at an average rate of approximately $31.40 a week. An additional $19.2 million was sent to States as reimbursement payments through August 31, 1961.

This administration has also sent a bill to Congress proposing certain improvements in the unemployment insurance system. The bill would provide up to 13 additional weeks of unemployment benefits to workers with long-duration unemployment. It would provide such additional benefits at all times to workers who have a long and substantial record of employment, and during recessions to all workers who exhaust their regular unemployment benefits. Thus, both those who are suffering from long-duration unemployment due to recessions and unemployment due to technological displacement would have some additional income maintenance while they were finding other work. Such workers would be required to take a training course if it is determined that this will be necessary in order to secure reemployment. In addition, States would be required to continue their regular unemployment benefits to workers attending approved training courses, as a condition for receiving such benefits.

The bill would also strengthen State financing of unemployment insurance by broadening the taxable wage base from the first $3,000 of each worker's annual earnings to $4,800—the base used for the Federal old-age, survivors, and disability program. It would also provide for equalization grants by the Federal Government to defray part of the cost of benefits in States with high rates of unemployment, and therefore high benefit costs.

The bill would also provide strong inducements for the States to bring their weekly benefits up to levels that were advocated by the former administration; namely, to increase benefit maximums to a level under which the great majority of workers would be entitled to receive at least 50 percent of their former weekly wages when employed.

Extension of the protection of the system to an additional 3 million workers is also proposed, of which the principal groups would be employees of small employers and nonprofit organizations.

These proposals would go far toward providing more adequate income maintenance for the unemployed, as well as to encourage retraining of workers who are technologically unemployed.

To further help persons with low incomes, the administration introduced and succeeded in passing the Fair Labor Standards Amendments of 1961. They provided for increasing the minimum pay from $1 to $1.15 per hour on September 5, 1961. Nearly 2 million workers will receive a total of more than $300 million per year. This minimum will be increased to $1.25 2 years from now. In addition, about 3.6 million workers will be brought under the act for the first time and will receive a minimum of $1 per hour. Of these, about 550,000 workers were being paid less than $1 an hour. Their incomes will increase by about $200 million on an annual basis.

One of the outstanding achievements of the administration is the Area Redevelopment Act. This legislation provides for training of the unemployed and loans to local communities to enable them to attract business enterprises. For the first time in our history, the Federal Government has assumed a responsibility for helping people in areas which have been hurt by shifts in consumer tastes, drastic technological developments, and sudden loss of markets.

This act was signed by President Kennedy on May 1, 1961, after several unsuccessful efforts in the previous administration to secure an acceptable measure. It is directed at stimulating economic growth in those areas victimized by chronic and persistent unemployment or underemployment. The act is directed at one major form of structural unemployment—the problem of people who are out of work because they have the wrong skills, in the wrong place, at the wrong time.

The Congress provided funds and some basic new approaches for creating job opportunities in this pioneering legislation. These included first, $200 million for loans to new and expanding businesses, primarily for land and buildings, with machinery and equipment loans permitted in exceptional circumstances; second, $100 million for public facility loans, for such projects as water, sewer, and other facilities directly related to new business enterprises; third, $75 million for public facility grants; fourth, $4.5 million annually for technical studies to assist local areas; and, fifth, $14.5 million annually for retraining costs and subsistence payments for unemployed workers.

These funds will benefit urban areas of substantial and persistent unemployment as well as rural areas of low income, high unemployment or substantial underemployment. Many of the Nation's Indian reservations, which likewise have been plagued either by low family income or chronic joblessness will qualify for assistance. Most importantly, the economy of all America will benefit, for, as President Kennedy declared at the time he received the task force report on area redevelopment:

> The entire Nation suffers when there is prolonged hardship in any locality.

One week after the act was signed, Secretary of Commerce Hodges established the Area Redevelopment Administration. Thus far the ARA has designated 129 urban areas and 485 counties, 47 Indian areas and 3 territories eligible for assistance upon the submittal of appropriate projects for their economic recovery. Economic development programs have already been received from 85 areas and of these 37 have been provisionally approved. Both Congressmen and local communities have demonstrated an intense interest in the program.

The Area Redevelopment Administration hopes to channel the resources of many existing Federal programs into redevelopment areas. The legislation contemplates that existing Federal facilities will be used to the maximum extent. To this end, certain operating functions have been delegated to other agencies to be performed under the supervision and coordination of the Area Redevelopment Administration. These agencies include the Departments of Labor, Agriculture, Health, Education, and Welfare, Interior, the Housing and Home Finance Agency, and the Small Business Administration.

One of the most significant aspects of the Area Redevelopment Act is to provide through training or retraining job opportunities in those areas which have experienced substantial unemployment over a considerable period of time. To achieve this goal many thousands of workers must either have or acquire the skills which their new jobs will demand.

The Secretary of Labor makes manpower surveys of redevelopment areas to determine training needs, to test and counsel individual workers who are unemployed or underemployed to determine their occupational potentialities, and to select and refer individuals for training through vocational education, on-the-job, apprentice, or other appropriate methods of training. Subsistence payments to eligible workers receiving training are also provided, the duration of such payments being limited to not more than 16 weeks. The program

brings together the key education and labor agencies of the Federal Government along with State and local educational and manpower and employment personnel in a concerted program to assist thousands of unemployed and underemployed to meet their training needs.

State employment security agencies which are affiliated with the Department of Labor are meeting with local redevelopment area committees in those areas where overall economic development plans have been approved. They are examining through their local offices the occupational training and retraining needs of the area. These efforts are being assisted by Department of Labor apprentice and training field representatives who have likewise been consulting with local community groups in their review of their training needs. Training programs, tailored to meet the needs of redevelopment areas, are being formulated so that they may be instituted as quickly as possible in various communities throughout the country.

Several of the most important steps in combating unemployment were made through administrative action rather than legislation. Immediately on assuming office the administration set out to strengthen the national network of employment offices. As a result, employment office activity has been stepped up considerably. Attention is being more sharply focused on such problems as older workers, automation, and technological change, youth, and migratory workers. These advances were made possible by a supplemental appropriation which permitted the addition of 2,500 more positions in the local employment offices. It also provided for 143 more positions in the national office so that greater national leadership and direction could be given to improving employment office services. At the same time the budget request for fiscal 1962 was amended to provide 1,600 additional positions for allocation to State and local offices.

Concurrently with these actions, the Labor Department informed all State agencies of the basic goals for the revitalized public employment service and changes in program emphasis. States were also instructed to initiate staff recruitment efforts, even in advance of budget allocation, and to develop training programs for newly hired staff. Since April, when staff expansion began, about 3,000 positions have been added in the employment service.

Each State was instructed to develop an action program, specifying the particular labor market activities requiring improvement, for each major labor market center; the jobseeker and employer services to be given priority; and the personnel and other requirements needed to achieve the program objectives. Procedures were also developed for program and operations evaluation and for accountability of fund expenditures.

Plans were developed in the early spring to initiate an immediate action program involving a nationwide "Hire Now" campaign designed to encourage expanded employer use of local employment offices and step up job placement efforts. The momentum of this campaign is continuing—publicity has been uniformly favorable with complete cooperation from all media—press, radio, and television. Expanded employer visits and phone contacts are resulting in many employers becoming acquainted with employment office services for the first time.

Job placements are now at an annual rate of 6 million and local employment office employer service representatives have increased their visits and phone contacts by 70 percent. The "Hire Now" campaign has contributed significantly to improving the public image of the employment service and in the months and years ahead will result in increased job placements and listing of job openings in local offices.

A new unit within the employment service has been created to deal specifically with the impact of automation and technological change in employment and unemployment. This unit is expected to provide national leadership to the State employment services. It will supervise demonstration projects in the field to find out how much the employment service can accomplish through careful advance planning with the employer, the union, and community training facilities, toward minimizing employment dislocation in various situations, involving the introduction of automation and other technological change.

Another example of solid achievement under an improved employment service system are the stepped-up placement services for older workers. Middle-aged and older workers as a group do not experience especially high rates of unemployment since they are protected to a greater degree than younger workers by seniority. However, they are not protected by severe cutbacks and layoffs due to technological change, company mergers, and plant movements from one part of the country to another. Once unemployed, they usually remain out of work longer and experience greater difficulty in finding another job. While some companies have instituted private training programs to retrain their own workers for new jobs in their establishments, very often these new jobs do not exist in sufficient numbers to absorb a substantial number of the employees affected and younger persons are likely to get the preference. Hence, many in the middle and later years are laid off and their prospects for reemployment are often dim unless they can get trained or retrained. The responsibility for training workers who no longer have an attachment to an employer is necessarily a public one.

The Area Redevelopment Act will be helpful to middle-aged and older workers because they are affected to a greater degree than younger workers who are better able to move readily to areas where job opportunities exist. Frequently the relatively few opportunities that remain in their area of residence are closed to older workers because of the mistaken notion on the part of employers that they are less physically fit, less productive, and less trainable, and these opinions are reflected in age limits in hiring—often set at age 45, 40, or even lower.

The middle-aged and older worker, whether he be unemployed as a result of technological change, plant movements or the business cycle, often needs assistance in finding a job. The public employment service has established specialized employment counseling and job placement services for older workers to meet this need. In the past, however, the limited financing of the public employment service in the face of the increased population, workforce and demand for service, has tended to reduce the effectiveness of services to special groups, such as the older worker.

The public employment service recently has shown progress and success in the placement of middle-aged and older workers. During fiscal year 1961, 1.1. million nonagricultural job placements of workers 45 years of age and over were made by the 1,800 local offices in the system. This represents 19.9 percent of all placements made. The national job drive, inaugurated by the Secretary of Labor in May of this year, undoubtedly contributed to this record along with an increase in the placement of workers in the lower age groups.

Shortly after taking office, the Secretary of Labor established a new Office of Automation and Manpower, in addition to directing the employment service to pay more attention to the problems of automation. This step demonstrated a recognition of the crucial importance of technological change in the broad problems of production, foreign competition, and employment. In the months ahead this Office will develop recommendations on how best to reestablish full employment in the face of rapid introduction of technological improvements. The order establishing this Office stated:

> Automation and other technological developments have increased productivity and displaced workers. They have also brought benefits to the economy.
>
> The skills required of our manpower change as our technology changes. Automation and other technological developments require greater skills from the labor force and displace those with lesser skills. These developments will accelerate in the years ahead. They will pose special problems for workers who suffer unemployment and must acquire new skills to meet changing manpower needs.

Quoting from President Kennedy, the order stated:

> Another fundamental ingredient of a program to accelerate long-run economic growth is vigorous improvement in the quality of the Nation's human resources. Modern machines and advanced technology are not enough unless they are used by a labor force that is educated, skilled, and in good health.

The Office of Automation and Manpower was directed by the Secretary of Labor to—

> Examine employment and unemployment by industry, occupation and area; current and anticipated technological changes; and all phases of technological unemployment.
>
> Develop programs for expanding and improving testing, counseling, training and placement of workers displaced by automation and other technological developments.
>
> Serve as a clearinghouse for materials dealing with various aspects of automation and technological development; conduct conferences with employers and workers affected

by automation and other technological developments; and prepare appropriate informational materials for distribution to interested persons and organizations.

In addition to the actions I have just described, the administration introduced bills which were directed at two of the most critical unemployment problems. Unfortunately, neither of these bills reached the President.

The first of these two bills, the Manpower Development and Training Act of 1961, was designed to attack the problem of obsolete skills. Under it, the Federal Government would assist unemployed workers unable to find new jobs because of lack of skill by helping to pay for their retraining. This bill strikes at the root of our unemployment problem—the rapid obsolescence of skills in an economy where technological change necessarily occurs with great speed.

The second bill, the Youth Employment Opportunities Act of 1961, was designed to help our youth find useful employment in a period when the number of young jobseekers is increasing very rapidly and the kinds of unskilled jobs they ordinarily get are shrinking in number. The bill provides three different approaches to this general problem:

First. On-the-job training and related training programs, including classroom instruction.

Second. Public service and public works employment and training program.

Third. A camp-oriented Youth Conservation Corps.

One other important factor in the amelioration of unemployment and low income should be mentioned in this brief summary of the administration's recovery program. This has to do with discrimination in hiring because of race, creed, color, or national origin.

To promote employment opportunities for minority groups within the Federal Government and firms that do business with the Government, the President established the President's Committee on Equal Employment Opportunity. This step underscores the administration's recognition that every American is entitled to equality of opportunity and that, in the fierce struggle between our way of life and that of the Communist imperialists, we are going to have to fully develop our human resources, making the best use of the brains and skills of every group in our population.

In the 6 months since the Committee started its work—April 7, 1961—significant steps have been taken to effectuate the basic goal of equal employment opportunity. Even the short-range effects have become evident, but it is the long-range effects which will tell the full story of the Committee's true impact on achieving job equality.

One of the first actions taken by the new Committee was the launching of a survey of minority group employment in all executive agencies and departments. While the results of this survey still are not complete, enough information has been gathered to show conclusively that something definitely needed to be done if Government employees were all to be treated alike, without regard to race, creed, color or national origin. For example, while there are sizable numbers of Negroes employed, there also is evidence that their opportunity for progression above the lower grade levels has been completely out of balance.

The President, through the Committee and with the full cooperation of the heads of executive agencies and departments, set out to do something about this problem. Every executive agency and department has put into effect a strong policy of equal employment opportunity and has set up machinery to implement that policy. This policy is being carried down to the lowest supervisory level with the information that the President, the President's Committee, and the agency head all mean business.

At the same time, the agencies and the Committee have been receiving complaints from Government employees or applicants for employment who feel that they have been discriminated against because of race, creed, color, or national origin. In the first 6 months of its operation, the Committee received over 500 complaints, more than were received in any one of the 5 years in which the Government Employment Policy Committee of the prior administration operated. There could be no better evidence of the faith and trust of Government employees in the sincerity of this administration's approach to their problem. The fact that these complaints are being investigated and the situation remedied where justified proves that their faith and trust are justified.

But the administration did not stop just with insuring fair treatment for minority groups in Government at present, it went to the people to tell of this new opportunity for Government service. In this day and age when the Government has great need for workers with skills and devotion to public service, thousands of Americans possessing those skills were failing to offer them to the Government because of built-in discriminatory practices which discouraged them from seeking Government service. The Civil Service Commission and various agencies and departments sought out these potential public servants and interested them in Government service.

The same situation held true in Government contract employment: thousands of workers whose skills are needed in industry were being denied access to the employment where they could use those skills. Through the broad program of the President's Committee on Equal Employment Opportunity, industrial employment doors are being opened for the first time to thousands of Americans. Here, as in Government, the emphasis is on the positive program of insuring equal employment opportunity. One of the most important parts of the program is the development of plans for progress by major industrial firms and the Committee. To date, 9 of the largest defense contractors with more than 800,000 employees have voluntarily signed statements with the Committee pledging equal employment opportunity for all, regardless of race, creed, color, or national origin. Other firms now are developing similar plans for progress, and within a few months it is anticipated that several million American workers will be covered by these guarantees against discrimination. As a result, industry is finding a new wealth of skilled workers at all levels of employment to help provide the production we need to maintain and increase the pace of our industrial output.

These are some of the steps taken by this administration to obtain justice and fair treatment for all Americans and to put to use the skills of the great number of citizens who are underemployed and underutilized because of race, creed, color, or national origin.

The administration has recognized the importance of women in our labor force by designating a new Assistant Secretary of Labor with responsibility for that increasingly significant group of workers. A woman was appointed by the President to serve as the new Assistant Secretary. In addition, a bill was introduced calling for equal pay for equal work, prohibiting discrimination on the basis of sex in the payment of wages by employers having employees engaged in interstate commerce or the production of goods for interstate commerce.

Here is a record of achievement of which we may be proud. The program of the administration and the Congress has met the acid test, as I have indicated at the beginning of these remarks. Unemployment is down by a million persons and industrial business and commercial payrolls are up by a million persons, but we still have a long way to go, and I am hopeful that the next session will see the enactment of such programs as I have indicated—the training and retraining of unemployed workers under the impact of automation and technological change, a permanent extension of unemployment insurance benefits, and a training program for youth, among others.

Report by Congressman Perkins Bass to the Second Congressional District of New Hampshire on 1st Session, 87th Congress, September 1961

EXTENSION OF REMARKS

OF

HON. PERKINS BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BASS of New Hampshire. Mr. Speaker, it is a good time to look at the record, now that Congress has finally concluded this very lengthy 1st session of the 87th Congress. This report recaps the activities of the House and Senate during this past so-called honeymoon session.

If we were to characterize the congressional attitude of 1961 toward defense and foreign affairs, it would have to be one of bipartisanship and all but unanimous support of President Kennedy in his first 8 months of office. And this in spite of considerable feeling that

the new administration had badly handled situations in Cuba and Laos.

As it has been since the beginning of the cold war, the Communist threat to our security posed by the military power of Russia and their goal of world domination overshadows everything else. To meet this threat, Congress approved, and in several instances exceeded, Presidential requests for military spending. As a result, the United States will spend over $51 billion in fiscal year 1962 for its security or about $275 for every person in the United States. Vast as these expenditures seem, the final appropriations were approved by unanimous rollcall votes in both the House and Senate. Also authorized was the call up of some 250,000 reservists and national guardsmen.

Economic and military assistance to our allies and the uncommitted nations roughly equal to last year's $4 billion commitment, were passed. An economic development loan fund with a 5-year authorization was approved, but with the requirement of yearly congressional appropriations. Many felt, as I did, that while the 5-year authorization was necessary for continuity in programing long-range development projects, it was equally necessary that Congress maintain a fiscal review. In this instance, the Republican minority insisted upon a constructive requirement in the foreign-aid program.

From my own Science and Astronautics Committee came a $1.7 billion space exploration appropriation. While I favored the original Kennedy request for $1.2 billion, I could not support the last minute request of $500 million largely for a "crash" program to push the man-to-the-moon project. I felt this second request was wasteful of our scientific and fiscal resources.

To balance the vast armament expenditures, the Congress did move in a small way to implement the growing need for disarmament by approving the establishment of a Disarmament Agency to advise the President on effective disarmament techniques, looking to the time when the Russians are prepared to sit down and make serious progress toward world disarmament.

The Congress appropriated some $600 million to support President Kennedy's "Alliance for Progress" program for South American development. Also the successful Public Law 480 program for distributing surplus farm products to the needy of the world was extended indefinitely. Congressional approval was given to the President's Peace Corps and the Congress without dissent approved resolutions urging that the United States continue its firm opposition to U.S. diplomatic recognition of the Red Chinese Government or its admission to the United Nations.

On the homefront, New Hampshire residents will be interested in legislation to reimburse the State for claims paid by it for property damage suffered as a result of the 1957 Worcester, Mass., plane crash. Operated by a member of the New Hampshire National Guard, the plane was on a flight authorized by the Department of Defense. The State was reimbursed in the amount of $65,049.93. Also receiving congressional approval during the past session, were funds for the Souhegan Valley watershed project in Hillsboro County, as well as planning funds for a new Federal building for Concord.

The President's early anti-recession proposals were well supported by both parties and both Houses of Congress. Quickly passed were a 13-week $1 billion extension of unemployment benefits with a companion $300 million bill increasing benefits to dependent children of the unemployed. In the same "era of good feeling" a much needed increase in minimum social security benefits was approved.

More grudgingly approved by midsession were a $4.9 billion housing bill, a $400 million depressed areas program, and a minimum wage bill providing a gradual increase to $1.25 per hour and extending coverage to an additional 3.5 million workers.

But as Congress continued its lengthy session, its resistance seemed to stiffen so that the final tally lists many Kennedy domestic proposals that had been postponed or defeated by adjournment time. Several factors were responsible for this—the ever present question of whether or not new or expanded welfare programs should be undertaken by the Federal Government with accompanying erosion of local responsibility; the problem of further big deficit spending in a period of prosperity on top of large deficits for both fiscal years 1961 and 1962; and the general feeling in Congress that our national resources should be directed more to countering Russian pressures in West Berlin and elsewhere around the world. These feelings were particularly strong in the more conservative House where many controversial domestic proposals of the Kennedy administration such as Federal aid to education, medical care for the aged under social security, and a farm program that would bring all crops under Federal control were defeated or left for next year's session.

Perhaps the most glaring lapse of the Kennedy administration on the domestic scene was budgetary. The small surplus predicted by President Eisenhower for 1961 was wiped out in weeks by the new administration with its supplemental requests. In place of a projected Eisenhower surplus of $100 million, we finished up with a Kennedy deficit of over $3 billion on June 30. And vast new spending by the Kennedy administration for fiscal 1962, which began this July, promises an even greater deficit which may go as high as $10 billion. The unfortunate thing is that the new administration never matched spending requests with revenue requests.

We are told that an expanding economy will provide the necessary additional tax revenues to support the Kennedy program and that by late 1962 or early 1963 we will be "back in the black." But this method of stimulating tax revenue is highly inflationary and extremely difficult to control. Inflation-fed spending historically stays well ahead of revenues.

The failure of Congress and the administration to show restraint in spending and in its failure to pay for new programs will most surely be felt by us all in 1962. It will be most cruelly felt by people on lower and middle incomes, who are always hurt the most by a cheaper dollar and higher cost of living. This, I fear, is the bitterest domestic legacy of the first Kennedy Congress.

Women and the Republican Party

EXTENSION OF REMARKS
OF
HON. SEYMOUR HALPERN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HALPERN. Mr. Speaker, 41 years have passed since women were given the right to vote in the United States. On August 26 in 1920 the 19th amendment to the Constitution was proclaimed to be effective and a law of our land. In simple language the woman suffrage amendment states:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

The reasons why women should vote are the same as the reasons why men should vote—the same as the reasons for having a Republic rather than a monarchy. It is fair and right that the people who must obey the laws should have a choice in choosing the lawmakers, and that those who must pay the taxes should have a voice as to the amount of the tax, and the way in which the money shall be spent.

The Republican Party played a leading role in the long struggle which culminated in the adoption of the 19th amendment. We should be reminded that prior to its approval by a newly elected Republican Congress as its first order of business in 1919, the proposals had been defeated on earlier occasions by Democrat-controlled Senate and House.

Republican achievements in behalf of women should be a matter of record and it is my desire to bring some of the more important activities to your attention.

The Republican Party platform of 1876 approved the "substantial advances" of women in gaining equal personal and property rights through action by GOP State legislatures. It also approved the appointment of women to public offices. Prior to that in 1872 the Republican National Convention had gone on record with the first national declaration favoring "additional rights" for women. In 1870 the Massachusetts Republican State Convention had seated two women suffragetts as delegates.

The first woman delegate to a national political convention was a Republican. That was in the city of Minneapolis in 1892.

The first proposal to be introduced in the U.S. Senate—in 1878—to give women the right to vote was made by Republican Senator A. A. Sargent, of California,

and the measure lost in the Senate four times—three times while under Democratic control.

The first formal "rights for women" plank was contained in the Republican Party platform of 1896.

There were two ways through which women could be enfranchised: Congress could submit an amendment to the National Constitution which had to be ratified by three-fourth of the State legislatures; or the legislature of each State could submit an amendment to its own constitution which would receive the approval of the majority of the voters. Every Congress since 1869 had received the appeal for woman suffrage, but it was the Republican Party in 1916 that went on record favoring woman suffrage. That same year, 1916, Miss Jeanette Rankin, a Republican, was the first woman elected to Congress.

The newly elected Republican Congress in 1919 enacted as the first order of business the equal suffrage amendment which was introduced by Republican Representative James R. Mann, of Illinois. The measure passed the House 304 to 88 and the Senate 56 to 25. Prior to that, from 1913 to 1919, the Democratic Party controlled both the House and Senate and five times the proposals to provide suffrage to women were defeated.

When the suffrage amendment went to the States for ratification, 26 of the 36 States which ratified had Republican legislatures. Twelve Republican States had given women full suffrage in State elections before the 19th amendment became a part of the Constitution.

The endeavors of the Republican Party to give the right to vote to the women of our Nation did not by any means conclude the party's ardent support of future and further accomplishment for women. The 1940 Republican National Convention proposed a constitutional amendment providing for equal rights for men and women.

In 1948, the GOP platform favored "equal work regardless of sex," and the conventions of 1952 and 1956 reaffirmed these stands. The 1960 party platform stated:

> Congress should submit a constitutional amendment providing equal rights for women.

On February 16, 1953, President Eisenhower appointed Mrs. Clare Booth Luce as U.S. Ambassador to Italy and in July of that year Miss Frances Willis was appointed as U.S. Ambassador to Switzerland. Miss Willis was the first career woman diplomat to be promoted to the rank of Ambassador.

The appointment of Mrs. Oveta Culp Hobby was another milestone. She was the first women Administrator of Social Security Administration, and in that role she was the first woman to "carry the ball" in the creation of a new Cabinet post—the Department of Health, Education, and Welfare. She headed it as its first Secretary, serving from 1953–55.

Other firsts for the Republican Party include President Eisenhower's appointment of Mrs. Pearl C. Pace as the first woman Chairman of the Foreign Claims Settlement Commission on July 1, 1954, and the appointment of Mrs. Dorothy McCullough Lee as the first women Chairman of the Subversive Activities Control Board on August 31, 1956.

In January 1959, President Eisenhower designated Dr. Hazel K. Stiebeling to be the first woman to receive the highest honor the Nation can bestow on its career civil servants—the President's Award for Distinguished Federal Civil Service.

We should not forget that one-fourth of the delegates and alternates to the 1960 Republican National Convention in Chicago were women—an alltime high for any party.

It is the profound belief of the Republican Party that men and women together will be able to enact more humane laws than men alone can enact. It is a known fact that questions concerning women and children can be treated with deeper seriousness by men and women together. Government consisting of men and women together has made our Republic more profound. The Republican Party's record is indicative of the thesis that in the larger housekeeping interests of city, State, or Nation, women have as important functions as in the housekeeping affairs of the home.

It was Theodore Roosevelt who said:

> It is the right of woman to have the ballot; it is the duty of man to give it; and we all need women's help as we try to solve the many and terrible problems set before us. In the solution of these problems, we should use the full and not the cramped strength of every man and woman in the entire commonwealth.

Report to Constituents

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BAILEY. Mr. Speaker, when the 87th Congress convened in January, all of us were full of hope. On January 20, when a new President assumed the arduous duties of the White House, we were ready to march forward toward the New Frontiers, arm in arm and with our great Chief Executive.

Now that we have completed our first session's legislative schedule, it is time to take stock; to review our accomplishments and see whether our hopes of January have become realities in September.

Despite some setbacks and some unfinished business, the answer must be affirmative. Looking at the record of the first session objectively, we in the Congress can be proud of our accomplishments.

President Kennedy, on February 21, 1961, gave Democratic congressional leaders a 16-point priority list of legislation, which he said he hoped could be passed at the earliest opportunity. Much of this legislation was part of the basic Democratic program that Congress had pushed for years. A Democratic Congress, with the leadership and guidance of the Kennedy administration, acted favorably on three-fourths of this priority list.

A .750 average over a full season is championship performance, to use a baseball metaphor.

Subsequently, in special messages, the President submitted many other requests for legislation, the majority of which were given favorable consideration by the Congress.

The 87th Congress has met its responsibilities and has done so in such a manner that we can all be proud as we return to visit with the constituency we represent. We have worked hard. We have been productive. We have led the way to vast gains in our economic and military structure.

As for my own part in the work of the Congress, as a member of the Committee on Education and Labor, and as the senior subcommittee chairman, I have had an intimate relationship with important items on the President's priority list. The first bill our committee considered is the new Minimum Wage Act.

As the chairman of the general Subcommittee on Education, I listened to thousands and thousands of words of testimony relative to the educational needs of our Nation. More is in store for the forthcoming session, together with proposed consideration of a more liberal and fair school lunch program, as well as legislation to get a start on the special problems of the senior citizens.

I have also served as a member of the ad hoc Subcommittee on the Impact of Exports and Imports on American Employment. This subcommittee is gathering a wealth of material which will be of inestimable value as background when the Congress reviews our foreign trade policies next year. We have already collected a vast amount of statistics relating to the coal, steel, aluminum, glassware, pottery, and toy industries. More will be gathered and sifted during the congressional recess.

Other major bills upon which our committee acted favorably, and which I supported, were the youth employment opportunities bill and the bill authorizing a program of training of unemployed in vocational schools, or on-the-job retraining, to develop new skills.

Of special interest to the people I represent, I am most satisfied with the enactment of the Area Redevelopment Act, of which I was a cosponsor; the enactment of a stronger water pollution control act, which will provide for a study of the effect of runoff water from abandoned coal mines; the reporting from the Committee on Education of a bill extending the protection of the Federal Coal Mine Safety program to employees in smaller mines; the extension of the National Defense Education Act which has meant so much to high schools in each of West Virginia's counties and has enabled more than 1,200 West Virginians to attend a college or a university; and the appropriation of funds to start construction on armories and reserve training centers, including facilities at Fairmont and New Martinsville.

From a nonlegislative standpoint, I am extremely gratified at the success of

efforts to open the Army's oversea coal procurement to West Virginia mines, which will directly promote the economy of so many areas of my State.

Mr. Speaker, I am proud that my voting record is such that I have both feet on the New Frontier. I have supported and fought for the President's measures to strengthen the domestic economy, to improve education, to combat organized crime, to control juvenile delinquency, to strengthen our ties with Latin America, to improve and extend our program of combating Communist aggression through foreign aid, and to strengthen national defense and internal security.

This then is a summary of the 1st session of the 87th Congress and my part therein. Any constituent, old or new, may obtain information as to any specific vote by addressing an inquiry to my office.

Report of U.S. Senator Everett McKinley Dirksen on the 1st Session of the 87th Congress

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EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. DIRKSEN. Mr. President, the 87th Congress convened on January 3, 1961. The Senate was composed of 65 Democrats and 35 Republicans—100 in all, or 2 from each of the 50 States as provided by the Constitution.

The House of Representatives with a total of 437 authorized Members consisted of 260 Democrats, 172 Republicans, 1 undetermined, with 4 vacancies.

SECTION I. THE REPUBLICAN REPORT: ISSUES, FACTS, AND ACTIONS, 87TH CONGRESS, 1ST SESSION

ADMINISTRATION MAJORITY OF 28 IN SENATE

Senator LYNDON JOHNSON resigned his Senate seat to become Vice President, thereby becoming the Presiding Officer of the Senate and leaving a vacancy from Texas which was filled by the appointment of William A. Blakley. This vacancy from Texas was subsequently filled by a general election as a result of which JOHN TOWER, age 36, a Republican, and a professor at Midwestern University at Wichita Falls, Tex., was elected by a decisive vote. This changed the party ratio in the Senate to 64 Democrats and 36 Republicans. I emphasize the fact for the purpose of showing that the administration party had a majority of 28 votes in the Senate.

EFFECTS OF 1960 CENSUS

The population shifts shown by the 1960 census mean that 25 States must redistrict their congressional seats. In nine of these States the House delegations will be increased, and in 16 States they will be reduced. It is quite likely that the 88th Congress, which will be elected in November of 1962, will show substantial changes in the makeup of the State delegations.

EFFECT OF CLOSE PRESIDENTIAL ELECTION

The spirited preconvention contests for the Democratic nomination for the Presidency, and the close election in November of 1960, stimulated a sharp interest in a modification of present laws dealing with national elections. Resolutions were quickly introduced for the nomination of candidates for the Presidency by direct primary, for the abolition of the electoral college, for the selection of presidential electors on the basis of congressional districts, together with other proposals. All of these, however, can be consummated only by a constitutional amendment, and thus a change from the present system is not imminent inasmuch as the Congress took no action on any of these proposals during the session just closed.

NEW PROPOSAL FOR INAUGURATION DAY

Still another suggestion dealing with the election process was to reduce the 10 weeks' time between election day and the day on which the President under the Constitution takes the oath of office. It has been suggested, therefore, that a new President might well take the oath immediately after election day and that the inaugural ceremonies be held in the spring when the weather is balmy and stable.

There is, however, a time factor in all this. A new President must have time to select a Cabinet and other high officials and also plan his program. In addition, newly appointed officials must have time to prepare for their new responsibilities. Moreover, such a proposal could only be carried out by a constitutional amendment, and that usually takes a considerable period of time.

EXECUTIVE RELATIONS

The Republican minority relationship with the President and the executive branch has been agreeable, objective, and firm. The President, having served with so many Members of the House and Senate in the legislative branch, brought an understanding background to the consideration of national problems, whether on the domestic level or in the international field. The Republican minority has always contended that it was entitled to be consulted on matters of national import, that it should have an opportunity to comment and criticize where important policies were involved and thereafter abide the result so far as policies in the foreign field were concerned.

With respect to domestic legislation the Republican minority has not hesitated to approve if approval was deemed in the national interest, to amend if amendments were necessary, and to oppose if such measures were not conducive to our national well-being and to the preservation of our free system. We regard this as enlightened opposition and the record on domestic measures speaks for itself.

There is set out in the following pages of this report a brief summary of the most important legislative measures which were enacted into law. It is necessary to highlight the essential provisions of these measures in order to afford complete understanding of their content.

A FILIBUSTER AT BOTH ENDS OF THE SESSION

The 1st session of the 87th Congress was unusual in at least one respect. It began with a filibuster and almost ended with a filibuster. The first order of business in the Senate when Congress convened was an endeavor to secure a change in a standing rule of the Senate numbered XXII. This rule deals with the procedure of closing off debate and the bone of contention for a good many years has been the number of Senators required to vote on cloture in order to bring it into effect.

Several attempts have been made over the years to liberalize this rule. The effort to do so this year was promptly met with long speeches, live quorum calls to which all Senators must respond, and other procedures to prevent action on a modification of this rule. The debate continued day after day and, in fact, within a few days before the inauguration of the President. This presented a real dilemma.

Unless an accord was reached on the matter, or the rule change withdrawn, the Senate could not confirm the President's Cabinet selections and the country might have been confronted with the spectacle of a President duly inaugurated but without a Cabinet.

BIPARTISAN AGREEMENT REACHED

In the face of this predicament a bipartisan leadership conference was held at which all groups who had an interest in the matter agreed to defer further consideration of the proposed rule change until the end of the session, at which time the Rules Committee would be asked to report a modified rule for further consideration by the Senate.

BIPARTISAN PROMISE KEPT

In late August the Rules Committee did report such a rule change in the form of an amendment to the existing rule XXII but without recommendation by the committee. Thus the matter was again in the hands of the Senate for further consideration.

CLOTURE PETITION DEFEATED

An amendment to rule XXII was finally offered providing that cloture could be effected by a vote of three-fifths of the Members present and voting. Along with this rule modification there was filed a petition under existing rules to close debate on this motion, which was signed by 22 Senators. The cloture petition required a two-thirds vote. It was, in fact, defeated and that ended any endeavor during this session to bring about a modification of rule XXII.

SAMENESS OF LEGISLATIVE PATTERN

There is always a certain sameness to the legislative pattern year after year and Congress after Congress. In this respect the 1st session of the 87th Congress did not differ materially from its predecessors. Early in the session came the committee assignments to standing, select, and special committees and the usual requests for funds to carry on various investigations.

COST OF INVESTIGATIONS

Each year it seems that the investigations grow in number and in length. In the 84th Congress the Senate spent

$7 million on investigations; in the 85th it was $8.2 million; in the 86th it was $10.8 million. At the close of the first session of this Congress $4.1 million had already been authorized for Senate investigations.

NATIONAL ISSUES

DEPRESSED AREAS

The depressed areas bill which had languished before the House and Senate for many years was finally enacted into law. Such a measure could have become law several years ago if the Democratic Congress had been willing to modify certain provisions which President Eisenhower had objected to as excessive and extravagant.

CIVIL RIGHTS

Strangely enough there were no administration proposals in the civil rights field other than the extension of the life of the Civil Rights Commission, and this is the only item in this field on which the Congress took action.

MINIMUM WAGES

Modifications of the Fair Labor Standards Act, commonly referred to as the minimum wage law, were enacted. Here again one might properly point out that there could have been modifications in the Minimum Wage Act several years ago if Presidential recommendations had been at least in substantial part met by the Congress.

AID TO EDUCATION

Congress voted to continue for 2 years the program of aid to federally impacted areas—where children of Federal workers and military personnel have required the building of additional school facilities—and the National Defense Education Act to encourage studies in science, foreign languages, and mathematics. Although lengthy consideration was given to an overall Federal Aid to Education Act, it fell by the wayside.

AGRICULTURE

Seldom is there a session when farm legislation does not command great attention. In this session two administration bills—one referred to as the emergency feed grains program and the other as the omnibus farm bill—were enacted into law. However, the latter was very substantially changed by Congress before it went to the President for signature.

MEDICAL AID FOR SENIOR CITIZENS

No further action was taken in this Congress on medical aid to the aged. Therefore, the law enacted in the 86th Congress and signed by President Eisenhower is still in effect and many States through legislative action are now giving effect to this program.

LABOR

Principal items in the labor field on which Congress took action this session included temporary unemployment aid, social security changes, aid to dependent children of jobless parents, and extension of the Mexican migratory farmworker program. A limited job retraining program was part of the depressed areas bill approved by Congress. A large-scale job retraining program, approved by the Senate, was pending in the House at adjournment time.

NATIONAL SECURITY

The acute Berlin crisis and the new Communist offensives in Asia raised anew the threat of conventional, as well as of missile, warfare. Congress gave all that the administration requested, and more, in the way of military appropriations.

A new interest in civilian defense became manifest as a result of these crises. Some $300 million was authorized and appropriated to make a nationwide survey as to what might be done to develop more effective civilian defense measures, including both mass and individual shelters.

Space exploration was continued and at the request of the administration expanded to a billion-dollar-a-year program.

ARMS CONTROL AND DISARMAMENT

The administration requested that a new agency be established to study ways and means of disarmament. Congress insisted on the use of the term "arms control" as well, on the grounds that it would more accurately describe the purpose of such an agency.

HOUSING

The most expensive omnibus housing bill in history was enacted into law in this session. Among other things FHA mortgage insurance was extended to a new so-called middle-income housing program under which practically no downpayments are required and the mortgage repayment period may be extended up to 35 years, and in so-called hardship cases up to 40 years. In addition, subsidized public housing was provided for the first time for middle-income families.

NEW JUDGESHIPS

Because of crowded dockets there has long been a pressing need for an increase in the number of Federal judges at the district and circuit level. President Eisenhower had pointed out this need for over 3 years, but it was not until this session that Congress agreed to meet this need by providing for 73 new judgeships.

PUBLIC DEBT

Toward the end of the session the administration chose to claim as one of its "major" accomplishments the raising of the ceiling on the public debt—from its permanent limit of $285 billion to a temporary limit of $298 billion, effective until next June 30.

While the administration preferred to regard this as a major achievement, Congress recognized that, as required by the Constitution, it was done only to cover the debt increase due to enormously expanded domestic, military, and foreign spending programs.

OTHER LEGISLATION

Other enactments of general interest included the Highway Financing Act to continue the present interstate highway construction timetable, the water pollution control program, and tax extension.

APPROPRIATIONS

In addition, there were the usual appropriation bills which are always a "must," consisting of appropriations for the Departments of Agriculture, Defense, Interior, Labor, Health, Education, and Welfare, State, Justice, Commerce, Treasury, and Post Office, and the District of Columbia, the independent offices and agencies, legislative, military construction, foreign aid, judiciary, plus the various supplemental appropriations.

The control over the appropriation of money is one of the most important of the constitutional powers of Congress. It was here that an intensive struggle between the administration and Congress was waged this session. The administration put constant pressure on Congress to agree to direct borrowing from the Treasury—so-called back-door financing—for many of its most expensive programs; that is, housing, depressed areas, and the loan program for underdeveloped countries in the foreign aid bill. If agreed to, Congress would have relinquished its traditional control over appropriations insofar as such programs were concerned. Because of the vast costs of these programs, the weakening effect of the loss of congressional control over spending could have been incalculable. It is gratifying to observe that as finally passed the foreign aid bill eliminated back-door financing. Moreover, in the supplemental appropriations bill, Congress struck out other back-door financing of depressed areas, housing, mass transit, and open spaces programs, and thereby went a long way toward reestablishing a proper equilibrium in power as between the executive and legislature.

LIGHTER MOMENTS IN NEW FRONTIER LAND

With becoming modesty the New Frontiersmen mentioned only 33 major accomplishments during the first session—more than Roosevelt and Eisenhower combined. We would give credit where credit is due, and call attention to other imperishable moments of greatness:

First. The request—which the House, good sport that it was, went along with—that tickets to the "entertainments" connected with the inauguration of President-elect Kennedy be exempt from Federal admission taxes. No previous administration had requested such exemption, which cost the Federal Government an estimated $60,000 in tax revenues. This might be termed the first sacrifice a la New Frontier. However, the Senate balked and took no action.

Second. The removal of some Eisenhower plaques from new post office buildings, so they could be replaced by Kennedy plaques. Sacrifice No. 2.

Third. The order that all White House cooks, maids, valets and other household help must sign statements that they would not write or speak publicly about their association with the Kennedys. Many potential literary careers were nipped in the bud, and this was sacrifice No. 3.

Fourth. Interior Secretary Udall's request that gas and oil lobbyists sacrifice by buying tickets for a Presidential birthday dinner.

Fifth. The cloud of Madison Avenue-type "explanations" thrown about Defense Secretary McNamara after he let slip the fact that, contrary to Mr. Kennedy's presidential campaign propaganda, no "missile gap" existed as between the United States and Russia.

Sixth. Mr. Kennedy's Economic Report to Congress, which provided the President with a self-serving alibi, that is, if economic conditions improve he can say, "Fine, we Democrats did it," and if things get worse he can say, "That's what Eisenhower handed me."

Seventh. An order, apparently issued by the public relations section of the New Frontier, to the effect that executive agencies should glorify even their routine actions by dramatic press releases crediting these developments to the chief scout of the New Frontier, President Kennedy.

INTERNATIONAL ISSUES

There are always many matters in the international field which receive a thoroughgoing discussion in the Senate even though they do not come before the Congress for specific action. This session they included the Berlin crisis, the Cuban debacle, the problems in Laos and the Congo, proposals to admit Communist China and Outer Mongolia into the United Nations, and others.

There are, however, a good many items in the international field which do require congressional action. These include the foreign aid authorization bill and the appropriation measures to go with it, funds for various agencies operating abroad such as the Export-Import Bank, the Inter-American Bank, and necessary funds for the participation of this country in the Southeast Asia Treaty Organization, the North Atlantic Treaty Organization, Central Treaty Organization, the United Nations, the Congo venture, and other activities.

PEACE CORPS

A new agency in the international field, known as the Peace Corps, established earlier by Executive order, was made permanent. It was designed to send Americans to countries in need of additional trained manpower.

NUCLEAR TESTS

One item in the executive domain which received a great deal of discussion was the matter of banning nuclear and atomic tests. This was under the direction of the President. After nearly 350 fruitless sessions at Geneva, Switzerland, the Soviet Union broke up the test ban conference and saluted its action by a series of bomb tests in the atmosphere.

CONSTITUTIONAL AMENDMENTS

The urge to amend the Constitution never dies. Every session of the Congress sees the introduction of proposals to amend that organic document. In spite of this it has been amended only 23 times in 164 years, including the 10 amendments known as the Bill of Rights adopted in 1791 and the 3 which were the direct result of the Civil War.

These proposals come in great variety and deal with such matters as presidential primary, abolition of the electoral college, providing a vote for 18-year-olds, poll tax repeal, giving the President power to veto single items in appropriation bills without vetoing the entire measure, Presidential disability, repeal of the Presidential two-term amendment, providing a 4-year term for Members of the House, filling House vacancies in the event of disaster, exclusion of the Federal Government from school control, and a good many others.

There were a total of 39 resolutions introduced to amend the Constitution but only 2 received as much as Senate subcommittee approval; none was passed.

THE "MONEYMOON" IS NEVER OVER

We hear much of honeymoons between the President and the Congress, but there are also "moneymoons"—that is, the continuing exercise of the spending function by the Congress.

I can state it no better than was stated in an editorial in the Wall Street Journal on Friday, August 25, 1961, and at this point I shall set out the editorial in its entirety. It needs no elaboration and speaks for itself. From all this it must be quite evident that the "moneymoon" has not stopped:

[From the Wall Street Journal, Aug. 25, 1961]

SEVEN MONTHS OF SPENDING

When President Kennedy took office a bare 7 months ago the fiscal outlook for the Federal Government was for a slight surplus for the year ending last June 30 and an appreciable surplus of $1.5 billion for the current fiscal year, ending next June 30.

By the time last June rolled around that slight surplus had been converted into a deficit of $3.9 billion. And now Mr. Kennedy's Budget Director has toted up the figures for the present fiscal year and foresees a deficit of at least $5.3 billion.

Now, then, a little arithmetic will show you that if, instead of a $1.5 billion surplus you have a $5.3 billion deficit, the total change for the worse in the Government's accounts is $6.8 billion for this present fiscal year. And when you add on the $3.9 billion deficit created in the last 6 months of the last fiscal year, you come up with the staggering total of $10.7 billion by which this administration has changed things for the worse.

It would be an error to suppose that this dramatic change from comfortable surplus to staggering deficit has been caused by a sharp drop in the Government's revenues or that it can all be laid at the door of the Berlin crisis.

The administration has, it is true, shifted its revenue estimates around quite a bit. Originally, the President thought Mr. Eisenhower's estimate for 1961–62 revenues was too high and he cut it back. But now the present administration thinks the previous administration was about right, or if anything slightly low. The current revenue estimate for this year is $82.4 billion, some $100 million more than Mr. Eisenhower hoped for.

The real change has been in spending. Of last June's $3.9 billion deficit, $2.6 billion represented greater expenditures from the Eisenhower budget. And the whole of the $6.8 billion change in outlook for this fiscal year is accounted for by an increase in planned spending from $80.9 billion to more than $87.7 billion in the revised Kennedy budget.

Moreover, this spending increase has by no means been due entirely to new spending on arms. The military accounted for less than $800 million of that $2.6 billion increase in spending from January to June; most of it came from accelerated spending by the administration for its antirecession program. As for the 1961–62 budget, only $3.7 billion of the total $6.8 billion increase is to go for new military spending.

Out of this maze of figures, one thing emerges. A total of $10.7 billion has been added to the fiscal burden of the Government in its first 7 months, of which not more than $4.5 billion, by the administration's estimate, can be attributed to defense costs—less than a billion in the 1961 fiscal year, $3.7 billion in the current fiscal year.

The remaining $6.2 billion of the increase is made up of sums added for welfare spending, education, housing, public works, the Peace Corps, the general administration of the Government, and all the rest. That $6.2 billion, it might be noted, would have turned the Eisenhower surplus into a Kennedy deficit if the Nation had never heard of Berlin.

But since the Nation has, that $6.2 billion is $6.2 billion of added weight which the country must carry in addition to all its present and future burdens for military defense. For those military burdens will increase. Budget Director Bell warns that it may even be necessary to take additional action this year and that certainly next January's budget will carry higher defense costs.

As for what that total budget will be—welfare, pump priming, and all the rest—we have no idea. But clearly you can put aside the thought, so often expressed in Washington, that all this new spending is just due to the urgent needs of defense.

And we don't think you need expect anything trivial in next January's budget from an administration that can achieve a $10.7 billion change from black to red ink in a bare 7 months' work.

NEW PEACETIME SPENDING RECORD

The 1st session of the 87th Congress voted a grand total of $95.8 billion for President Kennedy to spend—more than any other President has received in peacetime. The previous peacetime record was $83.8 billion voted last year.

Some of the new money that Congress authorized this year will be spent in future years. But spending is certain to set a peacetime record during the fiscal year that started July 1. Official administration estimates place the figure for this year at $88 billion, an outlay exceeded only in 2 war years.

THE CUBAN DEBACLE

The failure of the invasion at the Bay of Pigs in Cuba last April 1961 caused dismay and consternation and ever since has been the subject of repeated discussions in the hope that the whole factual story might at long last be set forth.

This is a matter of vital importance to the Nation in view of the fact that a Communist infection festers only 90 miles from our shores. One could ventilate this subject at great length from many sources, but I have seen no account which sets forth the whole history of the matter in more compact fashion that the article which appeared in Time magazine on September 1, 1961,

which was excerpted from a more detailed article in the September issue of Fortune magazine.

Certainly, the Cuban debacle will continue to be discussed, and it is not inappropriate, therefore, that this summation be included in this report for ready reference for any discussion which may arise:

[From Time magazine, Sept. 1, 1961]

HOW THE CUBAN INVASION FAILED

Last April's U.S.-backed invasion of Cuba's Bay of Pigs will be long remembered and angrily debated. In the September issue of Fortune, the magazine's Washington correspondent, Charles J. V. Murphy, tells in behind-the-scenes detail the incredible story of how that invasion failed.

The idea for the invasion had taken root during the early summer of 1960. By then, thousands of defectors from Castro's Cuba were in the United States. Many of them were soldiers. The job of organizing and training them was given to the Central Intelligence Agency. It became the specific responsibility of one of the CIA's top deputies, Richard M. Bissell, a former economist who is also a highly practical executive.

During the summer and fall of 1960, President Eisenhower from time to time personally reviewed the scheme. In late November, the last time it came up for his comprehensive review, an operational plan had not yet crystallized. It was taken for granted that a landing in force could not possibly be brought off unless the expedition was shepherded to the beach by the U.S. Navy (either openly or in disguise) and covered by air power in whatever amount might be necessary. Eisenhower, the commander of Normandy, understood this well enough.

After his election, Kennedy had been briefed fairly frequently on the Cuban situation. He discussed Cuba at length in both his preinaugural talks with Eisenhower. On taking office, Kennedy decided that he had to have from the Joint Chiefs of Staff a technical opinion of the feasibility of the project.

HOW IT WAS PLANNED

The plan still assumed that U.S. military help would be on call during the landing. Castro's air force consisted of not quite two-score planes—a dozen or so obsolete B–26's, plus about the same number of obsolete British Sea Furies. But in addition there were seven or eight T–33 jet trainers, the remnants of an earlier U.S. transaction with the Batista government, so the force was not the pushover it appeared at first glance. Armed with rockets, these jets would be more than a match in a battle for the exiles' B–26's.

It stood to reason that, considering how small the landing party was, the success of the operation would hinge on the B–26's controlling the air over the beachhead. And the margins that the planners accepted were narrow to begin with. The B–26's were to operate from a staging base in a Central American country more than 500 miles from Cuba. The round trip would take better than 6 hours, and that would leave the planes with fuel for only 45 minutes of action over Cuba. In contrast, Castro's air force could be over the beachhead and the invaders' ships in a matter of minutes. Hence the absolute necessity of knocking out Castro's airpower, or at least reducing it to impotence, by the time the ground battle was joined.

This, in general terms, was the plan the Chiefs reviewed for Kennedy. They judged the tactical elements sound, and indeed they accorded the operation a high probability of success. But some of Kennedy's closest advisers were assailed by sinking second thoughts. What bothered them was the "immorality" of masked aggression. They recoiled from having the United States employ subterfuge in striking down even as dangerous an adversary as Castro, and they were unanimously opposed to having the United States do the job in the open.

THE CHANGES

The "immorality" of the intervention found its most eloquent voice before the President during a meeting in the State Department on April 4, only 13 days before the date set for the invasion. The occasion was Bissell's final review of the operation, and practically everybody connected with high strategy was on hand—Secretary of State Rusk, Secretary of Defense McNamara, Secretary of the Treasury Dillon, Joint Chiefs of Staff Chairman Lemnitzer, CIA Chief Allen Dulles, as well as McGeorge Bundy, Paul Nitze, then Assistant Secretary of State for Inter-American Affairs, Thomas Mann, and three Kennedy specialists in Latin American matters—Adolf Berle, Arthur M. Schlesinger, Jr., and Richard Goodwin. There was also one outsider, Senator WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee, whose support Kennedy wanted. After Bissell had completed his briefing and Dulles had summed up risks and prospects, Fulbright denounced the proposition out of hand: It was the wrong thing for the United States to get involved in.

Rusk said he was for it, in answer to the President's direct question, but, as would presently be manifest, he privately had no heart for it. Two other men among the President's senior foreign policy advisers, not present at the meeting, shared FULBRIGHT'S feelings: Under Secretary of State Chester Bowles and Adlai Stevenson. In deference to these views, Kennedy made two separate rulings which were to contribute to the fatal dismemberment of the whole plan. First, U.S. airpower would not be on call at any time. Second, the B–26's flown by "our" Cubans could be used in only two strikes before the invasion—first on D-minus-2-days and again on the morning of the landing.

Dawn of April 15, by the timetable, the B–26's, having flown undetected through the night from their Central American staging base, appeared over Cuba and bombed the three fields on which Castro's ready air was deployed. The attack was, on the whole, highly successful. Half of Castro's B–26's and Sea Furries and four of his T–33 jets were blown up or damaged.

REQUEST FOR "BOXER"

Sunday evening, only some 8 hours after Kennedy had given the final go-ahead, the expedition in the first dark was creeping toward the Cuban shore. In Bissell's office, there was a call on the White House line. It was Bundy, being even crisper than usual: The B–26's were to stand down, there was to be no air strike in the morning, this was a Presidential order. Rusk was now acting for the President in the situation. Bissell was stunned. He and CIA Deputy Director General Charles Cabell, an experienced airman, went together to the State Department to urge Rusk to reconsider. Cabell was greatly worried about the vulnerability to air attack of the ships and then of the troops on the beach. Rusk was not impressed. The ships, he suggested, could unload and retire to the open sea before daylight; as for the troops ashore being unduly inconvenienced by Castro's air, it had been his experience as a colonel in the Burma Theater that air attack could be more of a nuisance than a danger. One fact he made absolutely clear: military considerations had overruled the political when the D-minus-2 strike had been laid on; now political considerations were taking over.

Past midnight Bissell and Cabell restudied the battle plan while signals of consternation welled up from their men far to the south. At 4 o'clock, less than an hour before first light on the Cuban shore, Cabell went back to Rusk with another proposal. It was manifestly impossible for the Cuban Brigade's small force of B–26's (only 16 were operational) to provide effective air cover for the ships from their distant base. Cabell now asked whether, if the ships were to pull back to international water, the U.S.S. *Boxer*, a carrier on station about 50 miles from the Bay of Pigs, could be instructed to provide cover. Rusk said "No." The President was awakened. Cabell registered his concern. The answer still was "No."

THE END

The invasion force had little chance. They were without the ranging firepower which the B–26's with their bombs and machineguns had been expected to apply against Castro's tanks and artillery. Castro's forces came up fast. He still had four jets left, and they were armed with powerful rockets. He used them well. Before the morning was done he had sunk two transports and driven off two others.

Now Kennedy and his strategists became alarmed. About noon on Monday, Bissell was told that the B–26's could attack Castro's airfields at will. But the orders came too late. Most of the pilots had been in the air for upward of 18 hours in an unavailing effort to keep Castro's planes off the troops and the remaining ship. That night a small force was scratched together. It was over Cuba at dawn, only to find the fields hidden by low, impenetrable fog.

Tuesday was the turning point. The men ashore had fought bravely and gained their planned objectives. They had even seized and bulldozed the airfield. But they were desperately short of ammunition and food, and under the pressure of Castro's superior firepower and number they were being forced back across the beach. There remained one last chance to make the thing go. *Boxer* was still on station. The release of a few of its jets simply for air cover should see two landing craft with ammunition and rations safely to the shore.

At a White House meeting that night, Bissell made it plain that unless U.S. airpower was brought forward, the men on the beach were doomed. He asked that *Boxer's* planes be brought into the battle. Rusk still would not have this. Several others were also opposed, including the President's personal staffers. Chief of Naval Operations Arleigh Burke vouched for the worth of Bissell's proposition. The outcome of the meeting was a singular compromise. Jets from *Boxer* would provide cover next morning for exactly 1 hour, long enough for the ships to run into the shore and start unloading and for the remaining B–26's to get in a hard blow.

Next morning, through an incredible mischance, the B–26's were over Cuba half an hour ahead of schedule. *Boxer's* jets were still on the flight deck. But Castro's jets were ready. Two of the B–26's were shot down; others were hit and forced to abort. That was the melancholy end.

VITAL STATISTICS

I presume it can be properly said that there are certain vital statistics about every session which, while quite undramatic, nevertheless set forth in some detail the days when House and Senate were in session, the size of the RECORD which was compiled, the number of bills introduced and enacted, and items of a similar nature. It would be proper, therefore, to include at this point in this report a résumé of congressional activity for the entire session.

RÉSUMÉ OF CONGRESSIONAL ACTIVITY, 1ST SESSION OF 87TH CONGRESS

The first table gives a comprehensive résumé of all legislative business trans-

acted by the House and Senate. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

Data on legislative activity, Jan. 3 through Sept. 26, 1961

	Senate	House	Total
Days in session	146	147	
Time in session:			
Hours	1,005	569	
Minutes	00	43	
Congressional Record:			
Pages of proceedings	12,755	7,489	20,244
Appendix			7,878
Public bills enacted into law	[1] 121	[1] 206	327
Private bills enacted into law	[1] 88	[1] 176	264
Bills in conference		7	
Bills through conference	14	41	
Measures passed, total	1,133	1,232	
Senate bills	459	245	
House bills	433	678	
Senate joint resolutions	25	11	
House joint resolutions	27	31	
Senate concurrent resolutions	23	19	
House concurrent resolutions	23	25	
Simple resolutions	143	223	366
Measures reported, total	[2] 1,239	[2] 1,159	
Senate bills	501	179	
House bills	433	772	
Senate joint resolutions	27	6	
House joint resolutions	26	24	
Senate concurrent resolutions	29	11	
House concurrent resolutions	23	19	
Simple resolutions	200	148	348
Special reports	35	54	
Conference reports		62	
Reported measures not acted on	[3] 36	[3] 60	
Measures introduced, total	3,071	10,955	14,026
Bills	2,644	9,480	12,124
Joint resolutions	145	593	738
Concurrent resolutions	55	401	456
Simple resolutions	227	481	708
Quorum calls	33	115	148
Yea-and-nay votes	207	116	323
Bills vetoed	[1] 1	[1] 5	
Vetoes overridden			

[1] Figures on laws and vetoes are complete through Sept. 26.

[2] These figures on measures reported included all placed on calendar or acted on by Senate even if there was no accompanying report. A total of 1,115 reports has been filed in the Senate; a total of 1,275 has been filed in the House.

[3] This figure does not agree with the total difference between bills reported and bills passed, because resolutions and bills placed on the House Calendar without having been formally reported were not included in figures of measures reported to the House: the difference in the case of Senate figures is due to uncounted bills "laid on the table" or "indefinitely postponed."

Disposition of executive nominations, Jan. 3 through Sept. 26, 1961

Postmaster nominations, totaling 2,097, disposed of as follows:	
Confirmed	704
Withdrawn	1,243
Unconfirmed	150
Army nominations, totaling 10,563, disposed of as follows:	
Confirmed	10,540
Unconfirmed	23
Air Force nominations, totaling 12,637, disposed of as follows:	
Confirmed	12,635
Unconfirmed	2
Navy nominations, totaling 18,362 disposed of as follows:	
Confirmed	18,361
Unconfirmed	1
Marine Corps nominations, totaling 3,541, disposed of as follows:	
Confirmed	3,262
Unconfirmed	279
Civilian nominations other than postmaster, totaling 3,570, disposed of as follows:	
Confirmed	3,460
Withdrawn	28
Unconfirmed	82

Disposition of executive nominations, Jan. 3 through Sept. 26, 1961—Continued

SUMMARY

Total nominations received	50,770
Total withdrawn	1,271
Total unconfirmed	537
Total confirmed	48,962

APPROPRIATIONS

When each session of the Congress closes it is customary to insert in the CONGRESSIONAL RECORD a verified table of budget estimates and appropriations for the entire session, together with requests for and congressional actions on loan authorizations contained in appropriation bills, so that a complete fiscal picture of what was contrived during the session might be available. To make this report reasonably complete, therefore, there follows a résumé of actions in the appropriations field. This has been compiled by the staff of the Senate Appropriations Committee. This is a highly competent staff and there is every reason to believe that the figures are accurate and correct in every detail.

Fiscal year 1962

[In millions]

	Original January 1961 submission	Revised as of Mar. 28, 1961	Revised as of May 25, 1961	Revised as of July 26, 1961
EXPENDITURES ESTIMATED				
Major national security	$47,392	$48,172	$48,322	$50,922
Other	33,473	36,087	36,661	36,801
Total	80,865	84,259	84,983	87,723
SURPLUS OR DEFICIT				
Receipts	82,333	[1] 81,433	[1] 81,433	[1] 81,433 [2] $82,433
Expenditures	80,865	84,259	84,983	87,723 87,723
Surplus (+) or deficit (−)	+1,468	−2,826	−3,550	−6,290 −5,290
NEW OBLIGATIONAL AUTHORITY				
Major national security	46,278	48,062	48,584	51,831
Other	34,589	37,964	41,005	41,212
Total	80,867	[3] 86,026	[3] 89,589	[3] 93,043

[1] Estimates prepared in March 1961.

[2] President estimated an additional $1,000,000,000 in revenue a few days after July 26, thus making the deficit $5,290,000,000.

[3] Includes $1,982 transferred from 1961 to 1962 by action on 3d supplemental appropriations bill.

NOTE.—No figures from trust fund accounts are included in above tables.

Table of appropriation bills, 87th Cong., 1st sess.

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase (+) or decrease (−) compared to budget estimates
			House	Senate		
	1961 SUPPLEMENTALS					
H.R. 5188	3d supplemental	$5,275,213,127	$803,506,119	$4,637,419,970	$1,604,055,637	[1] −$3,581,157,490
H.R. 6518	Inter-American program	600,000,000	600,000,000	600,000,000	600,000,000	
H.R. 7712	4th supplemental	88,024,000	47,214,000	47,214,000	47,214,000	−40,810,000
	Total, 1961 supplementals	5,963,237,127	1,450,720,119	5,284,633,970	2,341,269,637	−3,621,967,490
	1962 APPROPRIATIONS					
H.R. 5954	Treasury-Post Office	5,371,801,000	5,281,865,000	5,327,631,000	5,298,765,000	−73,036,000
H.R. 6345	Interior [2]	782,387,000	753,319,000	813,399,850	779,158,650	−3,228,350
H.R. 7035	Labor-HEW	5,004,281,681	4,327,457,000	5,161,380,000	4,915,965,000	−88,316,081
H.R. 7208	Legislative	136,082,802	104,353,335	135,432,065	135,432,065	−650,737
H.R. 7371	State, Justice, judiciary	795,891,202	751,000,050	762,038,550	756,422,550	−39,468,652
H.R. 7444	Agriculture	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	−121,749,500
	Loan authorizations	(612,000,000)	(629,900,000)	(725,500,000)	(725,500,000)	(+113,500,000)
H.R. 7445	Independent offices	9,174,561,000	8,404,098,000	9,098,769,500	8,966,285,000	−208,276,000
H.R. 7577	General Government-Commerce	663,278,000	629,958,000	650,438,200	641,135,800	−25,142,200
H.R. 7851	Defense	46,396,945,000	42,711,105,000	46,848,292,000	46,662,556,000	+265,611,000
H.R. 8072	District of Columbia	(292,827,398)	(268,122,400)	(270,438,360)	(270,067,897)	(−22,759,501)
	Loan authorizations	(24,600,000)	(29,000,000)	(29,000,000)	(28,000,000)	(+4,400,000)
	Federal payment	39,753,000	32,753,000	32,753,000	32,753,000	−7,000,000

[1] Major reductions include two items submitted directly to Senate (S. Doc. 19) (1) $2,969,525,000 to restore funds of Commodity Credit Corporation. Entire estimate disallowed in conference $1,951,915,000 resubmitted for 1962 in budget estimates for Agriculture (H. Doc. 155); (2) $490,000,000 for "Payment to the Federal extended compensation account." Reduction made by Senate. Resubmitted to Senate for 1962 in Labor-HEW bill (S. Doc. 30).

[2] Includes borrowing authority as follows: Budget estimate, $15,000,000; House reported and passed, $10,000,000; Senate reported and passed, $10,000,000.

Table of appropriation bills, 87th Cong., 1st sess.—Continued

Bill No.	Title	Budget estimates	Amount as passed		Final action, amount as approved	Increase (+) or decrease (−) compared to budget estimates
			House	Senate		
H.R. 8302	Military construction	$1,047,568,000	$883,359,000	$1,020,146,750	$951,690,750	−$95,877,250
H.R. 9033	Foreign assistance	4,993,991,000	3,835,245,000	4,416,091,000	4,123,345,000	−870,646,000
H.R. 9076	Public works	4,000,788,000	3,662,701,380	3,940,926,980	3,908,880,980	−91,907,020
H.R. 9169	Supplemental	1,134,639,841	573,040,923	1,068,503,903	1,125,333,341	−9,306,500
	Total, 1962 appropriations	85,634,210,926	77,896,020,688	85,243,260,198	84,265,217,636	−1,368,993,290
	Total, all appropriations	91,597,448,053	79,346,740,807	90,527,894,168	86,606,487,273	−4,990,960,780
	Total, loan authorizations	636,600,000	658,900,000	754,500,000	754,500,000	+117,900,000

NOTE.—Indefinite appropriations are included in this table.

EPILOG

The session is over. The appraisal now begins.

Generally, postsession appraisals are on the quantitative side. How much has been done? How many bills have been introduced? How many laws have been enacted? What percentage of the administration's program has been approved? Truly this is important, but not nearly so important as the question of what kind of measures have been enacted and how they affect the national direction.

A QUALITATIVE ANALYSIS

First. From the qualitative standpoint, let it be said that when claims are made about the enactment of a Wage-Hour Act this could have been done more than a year ago under the Eisenhower administration at $1.15 per hour. But the Democrats at that time insisted on $1.25 and the inclusion of much intrastate business within the jurisdiction of the Federal Government by using the dollar sign and sales volume as the criterion of what constituted matters affecting interstate commerce.

This year, however, the Kennedy administration itself proposed $1.15 an hour with increases in the future and made substantial concessions on the invasion of intrastate commerce, but the precedent was set: The new law now extends Federal jurisdiction over enterprises which are and should be within the jurisdiction of the States.

Second. There could have been a distressed areas and area redevelopment program long before the new administration came into power but its leaders insisted upon criteria which were objectionable to the Eisenhower administration.

Third. In the farm field this year Congress successfully resisted administration efforts to persuade it to give up primary responsibility for the development and enactment of new farm programs. What the administration sought to do was reverse the traditional roles of the legislative and executive branches by, in effect, delegating to the Agriculture Department the power to proclaim new farm laws, leaving Congress with no alternative but to accept or reject such programs without modification. Congress, in its infinite wisdom, declined the honor.

Fourth. As the States continue to provide legislation and formulate their plans for health care for the aged under the medicare program enacted in the Eisenhower administration, certainly this administration could properly have done much to encourage that program rather than insist on supplanting it with an entirely new program calling for additional social security taxes. Any claim by the present administration to great achievement in the field of health care for the aged would be hollow indeed.

Fifth. Doubtless, full credit will be taken for the enactment of a foreign assistance program, but it should be remembered that enactment occurred only after the program was considerably modified and the back-door financing eliminated by the Congress. Curiously, the administration then did an about-face on its foreign aid financing proposal and announced the new program was wholly acceptable.

Sixth. Congress also prevailed against the demands of the administration by (1) approving extension of aid to federally impacted school areas and extension of the National Defense Education Act without enacting an omnibus Federal aid to education bill, and (2) rejecting proposals to generate and sell public power at the proposed atomic energy plant at Hanford, Wash.

These, then, were the major areas in which the administration was forced to bow to the will of Congress.

These were not instances where Congress sought to show its mastery of the administration solely for the satisfaction of victory. The stakes were much higher.

The will of Congress prevailed in these cases because any other course would have been detrimental to the interests of our citizens and this Nation's leadership in world affairs.

If, therefore, the New Frontier emphasizes quantity, we might well look at the quality and consider how the New Frontier proposals were radically modified by the Congress under the spur of Republican determination that extremism in new enactments must be avoided.

More important still is the question of our national direction.

We adjourned in the month of September when we observe the anniversary of the formulation of the Constitution of the United States.

Since its birth, the Republican Party has always shared the constitutional concept and devotion to the purpose and meaning of that document in order to give fixed direction to the National Government. It includes the dedication of Republicans to the concept of a central government with divided powers, a State-Federal system with proper regard for the rights of the States, the guarantees of freedom, limitations upon the authority and jurisdiction of the National Government, and a wholesome repect for the principle that the legitimate object of government is to do for people what needs to be done and which they cannot do at all or effectively in their separate and individual capacities.

It embraces also the basic principle of our whole free competitive market system, which permits economic decisions to be made in the marketplace with a minimum of governmental intrusion. It includes also the fundamental idea of growth through incentive and opportunity.

POLICIES OF NEW FRONTIER

All this, however, does not seem to be the dogma of the New Frontier. Its platform and policies clearly disclose that it follows a purported line of growth through spending, through the enhancement of Executive power, through more and more regulation, through deeper intrusion into the affairs of the States, through use of Federal funds to handcuff the States and local communities, and through the achievement of a kind of collectivism by small doses.

ASSESSING FLOUNDERING OF ADMINISTRATION

It is strange, indeed, as one assesses the floundering of the administration that it should claim kinship with Jefferson, who was so jealous of centralized government. It is a kind of outlandish heresy for the New Frontier to style itself as the "party of hope" when the smothering of freedom can only be the ultimate result of its program.

The New Frontier is still floundering. It seeks firmly to face up to the Communist menace abroad by toying with the collectivist view at home, but the choice will have to be made. We cannot have it both ways.

In this month of our constitutional anniversary—or in any month—we might well remember what Benjamin Franklin, wise counselor that he was, said to the wife of former Mayor Powell of Philadelphia in the afternoon of September 17, 1787, when she inquired, "Dr. Franklin, what have we got, a monarchy or a republic?"

Quickly came Franklin's reply, "A republic if you can keep it."

Our Republic will be kept only as we reenergize our devotion to the meaning and purpose of the Constitution of the United States, for therein lies firm direction for the Nation both at home and in our relations abroad.

SECTION II. THE REPUBLICAN REPORT—SUMMARY OF MAJOR LEGISLATION AND TREATIES, 87TH CONGRESS, 1ST SESSION

AGRICULTURE

Special feed grain program

(Public Law 87–5. Approved March 24, 1961)

The special program for feed grains (H.R. 4510) amended section 105 of the Agricultural Act of 1949 and section 16 of the Soil Conservation and Domestic Allotment Act, as amended, by adding a new subsection which provided:

(1) The level of price support for the 1961 crop of corn shall be established by the Secretary at such level not less than 65 percent of the parity price as the Secretary may determine and be made available on crops not to exceed the normal production of the 1961 acreage based on its average yield per acre for the 1959 and 1960 crop acreage.

(2) Eligibility for price support on the 1961 crop of corn, grain sorghums, and any other feed grain, will require that the producer shall participate in the special agricultural conservation program for 1961 for corn and grain sorghums to the extent prescribed by the Secretary.

Section 2

(1) Producers who divert acreage from the production of corn and grain sorghums and increase their average acreage devoted in 1959 and 1960 to designated soil conserving crops or practices by an equal amount will be paid. Any producer may elect in lieu of such payment to devote such diverted acreage to castor beans, safflower, sunflower, or sesame, but must take measures to keep such diverted acreage free of insects, weeds, and rodents. The acreage eligible for payments in cash or its equivalent in kind must equal 20 percent of the average acreage planted to corn and grain sorghums in the crop years 1959 and 1960 or up to 20 acres, whichever is greater, with payments in cash or in kind at the basic county support rate not in excess of 50 percent of the normal production of the acreage diverted from corn or grain sorghums. Payments in kind only may be made by the Secretary for the diversion of up to an additional 20 percent of such crops at the basic county support rate not in excess of 60 percent of the normal production of the acreage diverted and based on the 1959 and 1960 crop acreage. Adjustments in acreage and yields for the 1959 and 1960 crop years may be made as are necessary to correct abnormal factors and to give due consideration to tillable acreage, crop rotation practices, type of soil, and topography. The Secretary may not exceed 50 percent of any payments to producers in advance of determination of performance.

(2) Appropriations were authorized in such amounts as may be necessary to enable the Secretary to carry out the program, and obligations may be incurred in advance of appropriations. The Commodity Credit Corporation was authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with the program during fiscal year ending June 30, 1961, and to pay such costs as may be included in carrying out section 3 of the act.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis and in keeping with existing contracts.

Section 3

Payments in kind are to be made through the issuance of negotiable certificates which the CCC will redeem for feed grains, and the Secretary will assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the 1961 feed grain program. In the case of any certificate not presented for redemption within 30 days after its issuance, reasonable costs of storage and other carrying charges for the period beginning 30 days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

Section 4

Not later than 90 days after the effective date of this act, the Secretary shall submit to Congress a detailed report, including estimates where final figures are not available, setting forth, but not limited to the number and percent of cooperators under this act, the acreage retired from production by States, the cash payments made, the quantity and kind of feed grains made available under the payment-in-kind provisions and the value thereof, the overall cost of the program, the estimated savings compared with the program in effect before this act became effective, and other such information as will indicate the progress, cost, and reduction of surpluses under this act.

Farm-operating loan program adjustment

(Public Law 87–8. Approved March 29, 1961)

Under this law (H.R. 1822), which adjusted the amount of funds available for farm-operating loans made pursuant to section 21(b) of the Bankhead-Jones Farm Tenant Act, as amended, the Farm Home Administration was authorized to use up to 25 percent of the funds annually appropriated for operating loans to make loans to farmers whose credit needs exceed $10,000. Previously, only 10 percent of the funds could be used for this purpose. A limit of $20,000 was placed on the amount of this type of credit for which a borrower could be indebted at any one time. Repayment was to be made in accordance with the borrower's ability to repay, over periods up to 7 years, and at an interest rate of 5 percent.

Increase in funds for sale of surplus farm commodities

(Public Law 87–28. Approved May 4, 1961)

This law (S. 1027) amended title I of Public Law 480 by increasing from the present $1.5 billion to $2 billion for calendar year 1961 authorization to finance the sale of surplus farm commodities to certain countries against "soft currencies" which cannot be converted into dollars.

Temporary release and reapportionment of pooled acreage allotments

(Public Law 87–33. Approved May 16, 1961)

This law (S. 1372) amended section 378(a) of the Agricultural Adjustment Act of 1938 by authorizing pooled acreage allotments to be transferred by the owner within a particular county where they are put in a pool and the land is taken by virtue of eminent domain instead of being available for use of the original owner only. This authorization was for a period not to exceed 3 years.

Agricultural Adjustment Act amendment relative to flooded cotton acreage

(Public Law 87–37. Approved May 20, 1961)

This law (H.R. 7030) amended the Agricultural Adjustment Act to permit farmers whose cotton acreage has been flooded to transfer their acreage allotment to another farm within the county or adjoining county where they can plant on higher ground without increasing the allotted acreage. The law applied to 1961 only.

Special milk fund extension and increase

(Public Law 87–67. Approved June 30, 1961)

This law (S. 146) extended and increased the special milk program for children through June 30, 1962, and authorized the expenditure of up to $105 million in Commodity Credit Corporation funds for this purpose during that fiscal year.

Surplus foods to assist underdeveloped areas

(Public Law 87–92. Approved July 20, 1961)

This law (S. 1720) amended Public Law 480, as amended, to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy people and to promote economic development in underdeveloped areas of the world. It repealed section 601(a)(2) of the Mutual Security Act of 1960. This law will terminate December 30, 1961, with the termination of title II of the Agricultural Trade Development and Assistance Act of 1954.

Amendment of section 107(a)(3) of Soil Bank Act to provide additional relief for disaster areas

(Public Law 87–127. Approved August 7, 1961)

Emergency Feed for Livestock

This law (S. 2197) amended that section 407 of the Agricultural Act of 1949, as amended, making feed owned or controlled by the act available at any price not less than 75 percent of the current support price for such feed (or comparable price if there is no current price support) for assistance in the preservation and maintenance of foundation herds of cattle (including producing dairy cattle), sheep, and goats, and their offspring, in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such areas, the Secretary determines that an emergency exists which warrants such assistance. Such feed is to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for such livestock.

The law was made effective only until June 30, 1962.

Agricultural Act of 1961

(Public Law 87–128. Approved August 8, 1961)

This law (S. 1643) included the following provisions:

The 1962 Wheat Program

1. Limited foreign relief use of 1962 marketing excess wheat to friendly countries.

2. Excluded new wheat allotment farms from the 1962 wheat diversion program.

3. Provided for control of all insects on diverted wheat acreage.

4. Provided that acreage diverted from wheat may be planted to castor beans, guar, sunflower, safflower, or sesame, but no diversion payment would be made therefor.

5. Provided that the total acreage of cropland on the farm devoted to soil conservation uses, including idle land shall be increased in 1962 by the acreage diverted. The Secretary of Agriculture could, under his authority, include additional terms and conditions, prohibit noncropland from being put into crops.

6. Provided for payment rates of 45 percent for the first 10-percent reduction and 60 percent for any further reduction.

7. Required the Secretary, in fixing wheat diversion payments, to use actual 1959 and 1960 farm yields where they are proved; and made discretionary the use of adjusted county yields and farm productivity where actual yields are not proved.

8. Permitted any farmer to divert up to a total of 10 acres so long as the total wheat acreage diversion does not exceed the larger of (1) its highest wheat acreage of 1959, 1960, or 1961, or (2) its 1962 allotment.

9. Limited the provision for increasing Durum wheat acreage allotments to 1962, 1963, and 1964; and provided that the demand for Durum wheat for export at subsidized prices not be considered in determining the need for and amount of any increase.

Feed Grain Program

1. Provided an additional limitation on the malting barley exemption from the feed

grain diversion program, limiting it to malting barley producers who do not exceed 110 percent of their average 1959–60 barley acreage.

2. Provided that the average acreage of cropland on the farm devoted to soil-conserving uses, including idle land, shall be increased in 1962 by the acreage diverted. The Secretary could, under his authority, include additional terms and conditions, prohibit noncropland from being put into crops.

3. Provided for use of actual 1959–60 farm acreages and yields when proved and provided for adjustment of farm yields for the same factors as used for adjusting acreage, and included soil and water conservation measures among the factors for which adjustments may be made.

Marketing Orders

1. Added the following commodities to those for which marketing orders may be issued:

(a) Apples produced in Maryland, New Jersey, Indiana, California, Michigan, New York, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

(b) Apples for canning or freezing produced in all of the States named above and products of apples produced in those States, except canned or frozen products. Orders applicable to apples for canning or freezing would be subject to the same processor approval required for cherries or cranberries for canning or freezing.

(c) Peanuts, but no peanut products.

(d) Retained marketing authority for tobacco.

The law repealed the marketing order authority for soybeans and extended the marketing order authority to the following commodities (but not their products): cherries and cranberries for canning or freezing, turkeys, turkey hatching eggs, and all other agricultural commodities not specifically covered or excepted.

Commodities specifically excepted are honey, cotton, rice, wheat, corn, grain, sorghums, oats, barley, rye, sugarcane, sugarbeets, wool, mohair, livestock, soybeans, cottonseed, flaxseed, poultry (other than turkeys), eggs (other than turkey hatching eggs), fruits and vegetables for canning or freezing (other than those specifically covered), and apples (other than those specifically covered).

Section 8(e) of the law was amended relating to marketing orders to prohibit the importation of oranges, onions, walnuts, and dates (other than dates for processing) which do not meet the grade, size, quality, or maturity requirements of orders applicable to the domestic commodities.

Wool Act Extension

Extended the Wool Act for 4 years.

Public Law 480

1. Authorized the use of foreign currencies for dollar sales to American tourists.

2. Required 5 percent of the proceeds of title I sales in each year to be set aside in amounts and kinds of foreign currencies specified by the Secretary of Agriculture for agricultural market development and required such amount of sale and loan proceeds as the Secretary determines necessary, but not less than 2 percent, to be convertible into currencies of other foreign nations which are or may become dollar markets.

Agricultural Credit

1. Provided for a $60,000 indebtedness limit on Farmers Home Administration farm real estate loans.

2. Limited indebtedness of associations for soil and water conservation loans to $500,000 in the case of direct loans and $1 million in the case of insured loans.

3. Provided for a $35,000 indebtedness limit on operating loans.

4. Authorized loans to soil conservation districts for purchase of conservation equipment.

5. Made clear that claims referred to the Attorney General may be compromised.

6. Prohibited exercise of the Farmers Home Administration authority to borrow from the Treasury unless authorized "in appropriation acts."

General Provisions

1. Authorized a 5-year extension of the school milk program with no limitations on amount, and to be paid for by direct appropriations.

2. Extended the Veterans' Administration and Armed Forces milk program 3 years, to 1964, with CCC furnishing the funds.

Congress flatly rejected the Kennedy administration's revolutionary farm legislative proposals. Practically all of the administration's plan suffered defeat. These proposals, which would have stripped the elective representatives in Congress of considerable right to determine directly the needs of the agricultural industry, were as follows:

A proposal which would have permitted farmer advisory committees to draw up their own commodity support programs for submission to Congress if approved by the Secretary of Agriculture. Congress could then have vetoed them or let them take effect in 60 days, without amendment. This would have stripped the Congress of its constitutional right to legislate.

An administration request for national marketing agreements and orders and the authority to set up production allotments under marketing orders if approved by producers.

Secretary Freeman expressed two views after passage of this act. Once he admitted the administration's failure when he remarked after the signing of the bill that he was "disappointed" that it did not include key administration requests to "enable farmers to adjust their production and marketing more effectively on a long-term basis." Later, he did a complete turnabout and tried to give the administration credit by claiming the act "as the most constructive and promising farm legislation in many years."

In fact, the administration's original farm plan was completely "gutted."

Amendment to farm credit laws

(Public Law 87–343. Approved October 3, 1961)

This law (S. 1927) amended the Federal Farm Loan Act and the Farm Credit Act of 1933 to improve the lending service and other operations of the cooperative system of associations and banks which are regulated by the Farm Credit Administration. The amendments, largely of a technical nature, concerned the Federal land banks, the Federal intermediate credit banks and production credit association, and the banks for cooperatives.

Extension of Mexican farm labor program

(Public Law 87–345. Approved October 3, 1961)

This law (H.R. 2010) extended for 2 years the program under which American farmers were permitted to hire Mexican nationals as temporary, seasonal workers when domestic help was not available. This law amended title V of the Agricultural Act of 1949, as amended, by further refining the regulations governing the Mexican farm labor program.

This legislation was the subject of extensive debate on the floor of the Senate, particularly with respect to the administration position that greater protection should be afforded migratory American farmworkers by the establishment of a minimum wage in this field. This position was not sustained by the Congress.

ATOMIC ENERGY

Amendments to Atomic Energy Act and Euratom Cooperation Act

(Public Law 87–206. Approved September 6, 1961)

This law (H.R. 8599) amended existing atomic energy legislation including the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958.

These amendments were either technical or updated the act. Included were amendments involving procedures with respect to inventions, patents and patent rights, access to and exchange of restricted data, annual congressional hearings, damages arising out of programs, and claims settlement.

Authorizing funds for the Atomic Energy Commission

(Public Law 87–315. Approved September 26, 1961)

This law (H.R. 7576) authorized appropriations of $270,440,000 to the Atomic Energy Commission to provide for, among other things, construction of production and weapon facilities, research and development facilities, and power generation assistance projects. The law extended the date for approving proposals under the cooperative power reactor demonstration program for 1 year to June 30, 1962. As finally enacted, a controversial provision for production of electric energy at the Hanford, Wash., reactor was omitted.

The proposed conversion of the Hanford reactor to steam generating facilities, which had the unqualified support of the administration, would have added an additional $95 million to the authorization. Its inclusion would have been a first step in the creation of a gigantic nationalized power grid and would have placed the Atomic Energy Commission in direct competition with the public utilities. The provision passed the Senate and Senate conferees held out at length for its acceptance by the House. Members of the House, however, including many Representatives of the Pacific Northwest, were not persuaded to favor this uneconomical, low-efficiency project.

Those who advocated the Hanford project, including the administration, finally had to give up in defeat.

CIVIL AND POLITICAL RIGHTS

District of Columbia election law

(Public Law 87–389. Approved October 4, 1961)

This law (H.R. 8444) amended Public Law 376 of the 84th Congress and implemented the 23d amendment to the Constitution, which provided the vote for residents of the District of Columbia in electing the President and Vice President of the United States. It established the minimum voting age at 21 and the minimum residency at 1 year.

CIVIL SERVICE

Making permanent certain increases in civil service annuities

(Public Law 87–114. Approved July 31, 1961)

This law (H.R. 5432) made permanent certain increases in annuities payable from the civil service retirement and disability fund, approved June 25, 1958 (72 Stat. 219; Public Law 85–465).

Increasing Federal employees per diem rates for official traveling

(Public Law 87–139. Approved August 14, 1961)

This law (H.R. 3279) increased the maximum rates of per diem allowances for employees of the Federal Government traveling on official business from $12 to $16.

Other principal increases included:

1. Maximum allowance for official travel authorized on an actual expense basis from $25 to $30 per day.

2. Maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.

3. Maximum allowance for use of privately owned motorcycles from 6 cents to 8 cents per mile.

4. Allowance of reimbursement on actual expense basis up to $10 in excess of normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances.

5. Raising the authorized maximum per diem of certain State Department advisory committees to the same rate applicable to other Federal employees.

6. Addition of parking fees when incurred in official status as an item of expense for reimbursement.

7. Transferral of the President's authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.

8. Preservation of the status of Alaska and Hawaii that existed prior to their obtaining statehood in areas in which travel allowance would be fixed on the basis of cost.

Defense of suits against Federal employees

(Public Law 87–258. Approved September 21, 1961)

This law (H.R. 2883) amended title 28 ("Judiciary and Judicial Procedure"), United States Code, to provide a method for assumption by the Federal Government of responsibility for claims for damages against its employees arising from the operation by them of vehicles in the scope of their employment.

Salary protection for classified and postal field service employees

(Public Law 87–270. Approved September 21, 1961)

This law (H.R. 7043) would extend to employees in the postal field service the same salary retention protection in cases of reduction in grade as was provided employees under the Classification Act of 1949 since 1956; would validate certain statutory salary increases made pursuant to Civil Service Commission regulations but ruled not proper by the General Accounting Office; and would make ineligible for salary retention protection certain employees whose reduction in grade resulted from a temporary promotion to a higher grade.

Forfeiture of Federal benefits in cases of offenses involving the national security

(Public Law 87–299. Approved September 26, 1961)

This law (H.R. 6141) amended the act of September 1, 1954 (so-called Hiss Act), to limit to cases involving the national security the prohibition against payment of annuities and retired pay. The Hiss Act had prohibited, also, payment of civilian annuities or military retired pay in cases of conviction of any of a long list of other criminal offenses.

EDUCATION

Federally impacted schools and NDEA extension

(Public Law 87–344. Approved October 3, 1961)

This law (S. 2393) extended the provisions of Public Laws 815 and 874 (relating to Federal assistance in the construction and operation of schools in federally impacted areas) for 2 years to June 30, 1963, and the provisions of the National Defense Education Act of 1958 (otherwise expiring June 30, 1962) for 2 years to June 30, 1964.

When the President signed this law on October 3, he made the statement that he did so with "extreme reluctance." That statement was a dead giveaway of what the administration had tried to do with the extension of the Federal aid to impacted school areas legislation.

They had wanted this extension for only a 1-year period, for obvious reasons. If they had succeeded in getting only a 1-year extension, then another extension would have been necessary during the next session of Congress—an election year. At that time, they planned to use this legislation as "bait" or blackmail to force the enactment of the President's general Federal aid to education program—which did not even get off the ground during this session.

As it was, and as the President indicated by his "extreme reluctance" comment, the administration failed in this highhanded maneuver. The extension was made for 2 years, eliminating the chance to use federally impacted areas as a lever to bring about the socialization of education in this country.

Also, something else should be noted about this extension.

News stories about the passage of this legislation read as follows:

> President Kennedy's Senate lieutenants moved * * * to salvage the bare bones of his education program and put off until next year his broader school-aid proposals.

The Democratic leader called for debate "on legislation to extend impacted areas aid to school districts crowded by children of Federal workers and military personnel."

This was actually a belated reversal of an entirely different position taken by the Democratic leadership. Republican Members of the Senate had attempted previously on three different occasions to extend aid to impacted school districts. It was President Kennedy's party in the Senate which succeeded in defeating these extensions.

The original recommendation by the President would have decreased the authorization for these laws by half.

It was the Republican Members, joined with some from across the aisle, who brought about the extension of these laws, and not, as news stories went, that the Democratic leadership was salvaging part of the President's program.

Notable also is the fact that the extension of 2 years instead of 1 year proposed by the administration came about through Republican support.

How odd to be told of the need for forward planning and future programming in the extension of financial aid abroad, only to have that necessity vigorously denied by the same administration spokesmen when it was a matter of extension of financial aid to our own children.

FINANCE AND TAXATION

Railroad loan guarantee authority extension

(Public Law 87–16. Approved April 1, 1961)

This law (H.R. 1163) amended section 510 of the Interstate Commerce Act so as to extend for 15 months to June 30, 1963, the loan guarantee authority of the Interstate Commerce Commission which expired on March 31, 1961.

Study on amendment of Public Law 86–272 relating to State taxation of interstate commerce

(Public Law 87–17. Approved April 7, 1961)

This law (H.R. 4363), to amend Public Law 86–272 relating to State taxation on interstate commerce, broadened the congressional study of State powers to tax concerns in interstate commerce by authorizing the House Judiciary Committee and the Senate Finance Committee, separately or jointly, to make full and complete studies of all matters pertaining to the taxation of interstate commerce by the States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

Exemption from tax income derived by a foreign central bank of issue from obligations of the United States

(Public Law 87–29. Approved May 4, 1961)

This law (H.R. 5189) amended the Internal Revenue Code of 1954 to exempt from tax income derived by a foreign central bank of issue from obligations of the United States by not including such sums in gross income unless such obligations are held for or used in connection with the conduct of commercial banking functions or other commercial activities.

This could not be considered an accomplishment of the New Frontier. In fact, it could not even be considered an original idea of the New Frontier. Although the measure had been recommended by the Kennedy administration to ease the drain on U.S. gold reserves, they had obtained the idea from the Eisenhower administration, which had originally come forth with the recommendation.

Acceptance of gifts to be used to reduce public debt

(Public Law 87–58. Approved June 27, 1961)

This law (H.R. 311) specifically authorized the Secretary of the Treasury and the Administrator of General Services to accept gifts of money or other property which are made to the Government on the sole condition that they are to be used for the reduction of the public debt.

Old series currency adjustment

(Public Law 87–65. Approved June 30, 1961)

This law (S. 1619) adjusted the accounts of old series currency in the Treasury Department in order to permit the Treasury to make a bookkeeping entry of the fact that $410 million of old currency was unaccounted for and from evidence that at least $100 million had been destroyed. This action relieved the Government from paying interest and releasing the gold and silver redemption fund for this $100 million for which the Government was paying interest at the rate of 3 to 4 percent.

Extension of debt limit

(Public Law 87–69. Approved June 30, 1961)

This law (H.R. 7677) increased the national debt ceiling from its permanent $285 billion level to $298 billion during fiscal year 1962. The ceiling was scheduled to drop to the permanent level July 1, 1961.

In spite of the oft-repeated intention to achieve a balanced budget, huge domestic expenditures made it necessary for the administration to request another temporary extension of the debt limit. It now stands at an alltime high. The

new ceiling is $5 billion above the temporary extension which expired June 30, 1961.

There are grave fiscal implications involved in the compulsive and unrestrained spending practices of the Kennedy administration, practices which have changed surpluses to deficits and abandoned any semblance of concern for a balanced budget. The administration has vainly attempted to substitute bigger Government spending for effective leadership as it has temporized with crises at home and abroad. A record peacetime debt ceiling is the result after only 8 months, with more than 3 years yet to go.

Excise, corporate tax extension

(Public Law 87–72. Approved June 30, 1961)

This law (H.R. 7446) extended for 1 year, until July 1, 1962, the present taxes on corporations, new cars, auto parts, liquor, cigarettes, telephone calls, and travel.

The corporate income tax remained at 52 percent. The law continued the following excise taxes imposed during the Korean war: Distilled spirits, $10.50 a proof gallon; beer, $9 a barrel; cigarettes, 8 cents a pack; passenger cars, 10 percent; auto parts and accessories, 8 percent; general telephone service, 10 percent; transportation of persons, 10 percent.

On April 20, President Kennedy sent to the Congress a message recommending changes in the Federal tax system, pending a long-range tax reform. The message was broken down into five major categories: First, tax incentive for modernization and expansion; second, tax treatment of foreign incomes; third, correction of other structural defects; fourth, improvements in tax administration machinery; and fifth, excise tax and corporate income tax rate extension. The latter was taken care of under the public law listed above, and was the only portion of the message that met with success during this session of Congress.

And it should be noted that this extension was another example of a recommendation which had been borrowed from the Eisenhower administration. Its enactment was merely carrying out what Eisenhower had asked for.

The House Ways and Means Committee handed the President a direct slap in the face on the rest of his tax proposals. After spending a major part of this session on consideration of the President's tax proposals, that committee postponed action on his recommendations until next session.

This decision stemmed from the fact that the initial Treasury recommendations were not thought out in sufficient detail and were not based on thorough study. During the hearings the Treasury repeatedly reversed itself and it was not hard to see that the Treasury had no informed policy which could stand up under committee examination.

In other words, the President's tax proposals were such a mess that, no matter how much time the Ways and Means Committee spent on trying to untangle them, its efforts were to little avail. The Treasury did not know what it was talking about, so how could the House committee come to any decision?

Even the President's calling the Democratic members of the committee to a secret meeting at the White House did not get the President's proposals reported out this session.

Perhaps the administration needs to do one of two things—either change its economic policies, or get a complete new set of tax advisers who know what they are doing in the Treasury.

Maybe they need to do both.

GOVERNMENT

Creation of joint committee to commemorate the 100th anniversary of the 1st inauguration of Abraham Lincoln

(Public Law 87–1. Approved March 1, 1961)

House Joint Resolution 155 created a joint committee to commemorate the 100th anniversary of the 1st inauguration of Abraham Lincoln.

Authorization for distribution of copies of the Congressional Record to former Members of Congress

(Public Law 87–2. Approved March 21, 1961)

S. 451 authorized distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress.

Restoring the military rank of General of the Army to former President Eisenhower

(Public Law 87–3. Approved March 22, 1961)

S. 1173 restored the military rank of General of the Army to former President Eisenhower on the active list with his former date of rank in such grade without, however, entitling him to the pay or allowances of General of the Army. It authorized the Secretary of Defense to assign military assistants to General Eisenhower as General of the Army. It also authorized the Administrator of General Services under section (b) of the act of August 25, 1958 (Public Law 85–745) to reduce the sum to provide an office staff for a former President of the United States by the sum of pay and allowances of any such military assistants so assigned. Provision was made that nothing contained in the law will affect or limit the benefits provided the widow of any former President under the act of August 25, 1958 (Public Law 85–745).

Supplemental appropriations for fiscal 1961

(Public Law 87–14. Approved March 31, 1961)

This law (H.R. 5188) provided $1.69 billion in supplemental appropriations for the following major departments and agencies for fiscal year ending June 30, 1961:

Department of Agriculture	$127,943,000
Department of Commerce	9,313,000
Department of Defense	286,900,000
Executive Office of the President and Development Loan Fund	51,732,000
Department of Health, Education, and Welfare	133,156,500
Independent Offices	196,948,650
Department of the Interior	21,246,000
Department of Justice	15,880,000
Department of Labor	527,315,500
Department of the Treasury	36,097,000

Renewal of reorganization authority

(Public Law 87–18. Approved April 7, 1961)

This law (S. 153) further amended the Reorganization Act of 1949, as amended, so that such an act would apply to reorganization plans transmitted by the President to the Congress at any time before June 1, 1963.

President Kennedy met defeat this session on his plans to reorganize the Federal Communications Commission and the Securities and Exchange Commission.

The House killed the FCC reorganization plan by a lopsided vote of 323 to 77 on June 15. The Senate rejected the SEC reorganization by a vote of 52 to 38 on June 21.

The plans were defeated on the grounds that, in some instances, they provided for excessive delegation of powers to lower echelon officials and in other cases they concentrated too much authority in the hands of the agency chairman. Overall effect of the plans, opponents charged, would be to deny litigants many of their legal rights and to put independent Government agencies under White House domination and control.

Clarification of membership, functions, and responsibilities of the National Aeronautics and Space Council

(Public Law 87–26. Approved April 25, 1961)

This law (H.R. 6169) amended the National Aeronautics and Space Act of 1958, replacing the President by the Vice President as Chairman of the Council. It also repealed the existing authority of the President to appoint a member from the Federal departments and agencies of the Government and three members from civilian life and, instead, in addition to the Vice President, the Council would be composed of the Secretary of State, the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, and the Chairman of the Atomic Energy Commission. It authorized any member, in the case of unavoidable absence, to designate another officer of his department or agency as his alternate provided the alternate holds an office in the Federal Government to which he was appointed with the advice and consent of the Senate or his service as an alternate is with the advice and consent of the Senate.

Appointment of additional circuit and district judges

(Public Law 87–36. Approved May 19, 1961)

This law (S. 912) provided for creating 73 new judgeships of which 10 were new circuit judgeships, 61 permanent district judgeships, and 2 temporary district judgeships.

Since 1954, the Democratic congressional leadership had refused, for political purposes, to permit a judgeship bill to be brought up for a vote. The Eisenhower administration time and again pressed for action in the Congress. The need for additional judges was becoming critical. During the 2d session of the 86th Congress, President Eisenhower offered to appoint new judges on a 50–50 basis—half Republicans, half Democrats. Still no action was taken in the Democratic-controlled Congress.

After the Democrats won control of the White House, however, things changed. The Kennedy administration's first request, made 3 weeks after the inauguration of President Kennedy, was for a judgeship bill. It was acted upon with great haste, and in less than 3 months this bill, creating new judgeships to alleviate the congestion in our Federal courts, became law.

As the chairman of the House Judiciary Committee said, the Democrats gambled and won. As a result they handed the President's brother, the Attorney General, one of the biggest political plums to be doled out in this country.

Indian Claims Commission extension

(Public Law 87–48. Approved June 16, 1961)

This law (S. 751) extended the existence of the Indian Claims Commission for 5 years from and after April 10, 1962, or at such earlier time as the Commission shall have

made its final report to the Congress on all claims filed with the Commission. Upon the dissolution of the Commission, the records of the Commission shall be delivered to the Archivist of the United States.

Fourth supplemental appropriations for fiscal 1961

(Public Law 87–74. Approved June 30, 1961)

This law (H.R. 7712) provided for $47,214,000 of additional funds for fiscal year 1961. Funds were provided for—

(1) Department of Defense (military), for retired pay, $14,500,000.

(2) Department of Justice, for support of U.S. prisoners, $405,000.

(3) Department of State, for contributions to international organizations, $32,204,000.

(4) Treasury Department, for salaries and expenses, $105,000.

National Aeronautics and Space Administration authorization

(Public Law 87–98. Approved July 21, 1961)

This law (H.R. 6874) authorized $1,784,300,000 for the National Aeronautics and Space Administration for fiscal year 1962 for salaries and expenses, research and development, construction of facilities, and other purposes.

Legislative branch appropriations for fiscal 1962

(Public Law 87–130. Approved August 10, 1961)

This law (H.R. 7208) made appropriations in the amount of $135,432,065 for the legislative branch for fiscal year 1962.

The Senate total was $28,421,840; the House, $47,856,835.

Among other agencies included in this law were the Library of Congress and the Office of the Architect of the Capitol.

Independent offices appropriations for fiscal 1962

(Public Law 87–141. Approved August 17, 1961)

This law (H.R. 7445) made appropriations of $8,966,285,000 for the various independent executive offices for fiscal year 1962.

Among items included were:

Veterans' Administration: $4,889,270,500 (more than one-half the total.)

National Aeronautics and Space Administration: $1,671,750,000 (about one-fourth earmarked for moon exploration program).

General Services Administration: $568,904,500 (a large portion to be used for construction of new Federal buildings in various locations).

Federal Aviation Agency: $724,800,000.

Housing and Home Finance Agency: $427,843,000.

National Science Foundation: $263,250,000.

Authorizing funds to reimburse Commodity Credit Corporation

(Public Law 87–155. Approved August 17, 1961)

This law (S. 763) repealed the requirement for annual appraisal of assets and liabilities of the Commodity Credit Corporation by the Secretary of the Treasury. The law authorized payment on the basis of the financial statements of CCC, subject to audit by the General Accounting Office, for net realized losses sustained during any fiscal year.

Treasury-Post Office Department appropriations for fiscal 1962

(Public Law 87–159. Approved August 21, 1961)

This law (H.R. 5954) made appropriations of $5,298,765,000 for the Department of the Treasury, the Post Office Department, and the Tax Court of the United States for fiscal year 1962.

The Treasury Department total was $928,515,000. Of that amount $452 million was for the Internal Revenue Service (1961 appropriation, $413.9 million).

The Post Office Department total was $4,368,500,000.

The Tax Court total was $1.75 million.

In connection with the Post Office Department, one defeat might be called by some a victory for the Kennedy administration. In his message to Congress March 24, on the budget and fiscal policy, the President stated with reference to an increase to postal rates:

The January budget submitted by my predecessor called for an additional $843 million in postal revenues to eliminate the deficit in that Department's operations. Such an increase must be effective July 1 to close the gap between postal expenditures and postal revenues * * *. I urge the Congress to close this gap * * *.

Subsequently, an open rule was granted by the Rules Committee of the House of Representatives to consider postal rate increases—legislation having been submitted and hearings held in the House. This means that the House as a whole could amend the bill in any way it saw fit. Administration representatives intervened and requested a closed rule, which, in effect, would prevent any amendments to the bill. This gag rule was granted. The bill came to the floor the following day under the rule which prevented any Member of the House from offering any amendment. Representative BROWN, Republican, Ohio, and Representative COLMER, Democrat, Mississippi, opposed the granting of a closed rule, citing the right of the House to amend the bill in any way it saw fit and, by a vote of 142 yeas to 222 nays, the gag rule was defeated. The administration refused to bring the postal rate bill to the floor of the House under an open rule for fear it would be amended to such a point that it would be unacceptable by reason of increase in rates for second and third class mail. Therefore, no postal rate increase bill received consideration by the Congress.

Continuing appropriations for fiscal 1962

(Public Law 87–182. Approved August 30, 1961)

This law (H.J. Res. 544) amended clause (c) of section 102 of the joint resolution of June 30, 1961 (Public Law 87–65), by striking out "August 31, 1961," and inserting in lieu thereof "September 30, 1961." This enabled continuing appropriations for the fiscal year 1962.

Also the law amended subsection (b) of section 101 of Public Law 87–65 by increasing the following appropriations: (1) Administrative expenses for area redevelopment programs from $400,000 to $600,000; (2) mutual security programs from $485 million to $665 million; and (3) payment to the Federal extended compensation account from $45 million to $70 million.

Communications Act of 1934 amendments

(Public Law 87–192. Approved August 31, 1961)

This law (S. 2034) provided (in lieu of rejected Reorganization Plan No. 2 concerning FCC)—

(1) Authority for the Commission to delegate certain of its functions to a panel of Commissioners, an individual Commissioner, an employee board, or an individual employee, provided that any such delegating authority shall not be rescinded without a vote of a majority of the members of the Commission then holding office;

(2) That any order, decision, report, or action made by such delegation shall be enforced in the same manner as any other action of the Commission;

(3) That every application of a person aggrieved by any such delegated decision shall be passed upon by the Commission;

(4) That the Commission may deny the application for review without saying why;

(5) That, if the Commission grants a review, it may set aside any past action or may order a rehearing; and

(6) That any employee to whom the Commission may delegate review functions in any case of adjudication shall be qualified by training, experience, and competence to perform such review duties.

Securities Exchange Act of 1934 amendment

(Public Law 87–196. Approved September 5, 1961)

This law (H.J. Res. 438) amended the Securities Exchange Act of 1934 so as to authorize and direct the Securities and Exchange Commission to conduct a study and investigation of the adequacy, for the protection of investors, of the rules of national securities, exchanges, and national securities associations. The results of such a study shall be reported to the Congress on or before January 3, 1963. There was authorized to be appropriated the sum of $750,000 to carry out such a study and investigation.

Prohibiting transmission of bets by wire communications

(Public Law 87–216. Approved September 13, 1961)

This law (S. 1656) amended chapter 50 ("Gambling") of title 18, United States Code (with respect to the transmission of bets, wagers, and related information), to assist the States in the enforcement of their laws pertaining to gambling, bookmaking, and like offenses, and to aid in the suppression of organized gambling activities, by prohibiting the use of wire communication facilities which are or will be used for the transmission of bets or wagers and gambling information in interstate and foreign commerce, subject to a penalty of not more than $10,000 or imprisonment for not more than 2 years or both.

Prohibiting interstate transportation of wagering paraphernalia

(Public Law 87–218. Approved September 13, 1961)

This law (S. 1657) amended chapter 95 of title 18, United States Code, to combat interstate crime and to assist the States in the enforcement of their criminal laws by prohibiting, subject to a fine of not more than $10,000 or imprisonment for not more than 5 years, or both, the transportation in interstate and foreign commerce of wagering paraphernalia.

Prohibiting travel or transportation in aid of racketeering enterprises

(Public Law 87–228. Approved September 13, 1961)

This law (S. 1653) amended chapter 95 of title 18, United States Code, to prohibit travel or transportation in aid of racketeering enterprises, subject to a fine of not more than $10,000 or imprisonment for not more than 5 years or both.

Interstate Commerce Commission authority to delegate to employee boards

(Public Law 87–247. Approved September 14, 1961)

This law (H.R. 8033) amended section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards. Under previous law every case in which a hearing had been held and exceptions to a recommended order had been filed, the matter had to go to the Commission, or to a division of the Commission,

for a decision. This law would permit the Commission to delegate to employee boards the function of reviewing recommended orders entered in cases in which hearings had been held.

This legislation effects a form of procedural reorganization within the ICC by statute rather than by reorganization plan.

State-Justice Department appropriations for fiscal 1962

(Public Law 87-264. Approved September 21, 1961)

This law (H.R. 7371) made appropriations of $756,422,550 for the Departments of State and Justice, the judiciary, and related agencies for fiscal year 1962.

Of this total appropriation, the State Department total was $269,717,000, the Justice Department total was $294,489,900, the judiciary total was $54,777,650, the U.S. Information Agency total was $136,550,000, and the Commission on Civil Rights total was $888,000.

The Civil Rights Commission, due to expire 60 days after its final report was due September 9, 1961, was extended for 2 years to September 30, 1963.

Candidate Kennedy and the 1960 Democratic platform made glowing promises on just about every phase of the many-faceted subject of civil rights. The 2-year extension of the Civil Rights Commission, however, was the only fragment passed in this session of Congress. A great volume of legislation introduced was bottled up in the Democratic-controlled committees of the Congress. Vigorous Republican efforts to secure action were thwarted.

District of Columbia appropriations for fiscal 1962

(Public Law 87-265. Approved September 21, 1961)

This law (H.R. 8072) made appropriations of $32,753,000 for the District of Columbia for fiscal year 1962.

Juvenile Delinquency Act of 1961

(Public Law 87-274. Approved September 22, 1961)

This law (S. 279) established a grants-in-aid program involving demonstration and study projects, personnel training, and technical assistance to local, State, and private agencies in the field of juvenile delinquency. It authorized appropriations of $10 million annually for 3 years beginning with the fiscal year ending June 30, 1962.

Labor Department and Health, Education, and Welfare Department appropriations for fiscal year 1962

(Public Law 87-290. Approved September 22, 1961)

This law (H.R. 7035) made appropriations of $4,915,965,000 for the Department of Labor, the Department of Health, Education, and Welfare, and related agencies for fiscal year 1962.

The Labor Department total was $629,350,000.

The total for the Department of Health, Education, and Welfare was $4,260,429,000, of which the National Institutes of Health total was $738,335,000.

Among the related agencies for which appropriations were included in this law were the National Labor Relations Board, the National Mediation Board, and the Railroad Retirement Board.

Telecasting of professional sports contests

(Public Law 87-331. Approved September 30, 1961)

This law (H.R. 9096) amended the antitrust laws to authorize pooling of sponsored telecasting by a professional football, baseball, basketball, or hockey league and to permit each league to sell pooled rights to a television network without violating the antitrust laws, provided such sale does not impair college football gate receipts through network telecasts of professional football contests at times when college games are normally played.

Supplemental Appropriation Act of fiscal 1962

(Public Law 87-332. Approved September 30, 1961)

The following allocation of funds for fiscal 1962 was provided under this law (H.R. 9169):

Department of Agriculture	$16,520,000
Department of Commerce	221,353,136
Department of Defense (civil functions)	5,000,000
Department of Defense (military)	40,150,000
Department of Health, Education, and Welfare	253,579,000
Executive Office of the President	560,000
Funds appropriated to the President (disaster relief)	15,000,000
Independent offices	487,639,000
Department of the Interior	17,175,000
Department of Justice	985,000
Department of Labor	14,429,000
Department of State	10,482,150
Treasury Department	675,000
The Judiciary	3,115,000
Legislative branch	821,150
Claims and judgments	37,850,905
Total	1,124,983,341

The law contained House-sponsored amendments providing that no part of the funds included in the measure shall be used for administrative expenses in connection with loans to be financed with funds borrowed from the Treasury for the following programs: area redevelopment, mass transportation loans and grants, open space land grants, and low-income housing demonstration grants.

These amendments constituted a stunning defeat for the administration with respect to its sponsorship of back-door financing, particularly since in each of the four above-mentioned programs back-door financing had been authorized earlier in separate legislative enactments.

False bomb information

(Public Law 87-338. Approved October 3, 1961)

This law (H.R. 6834) amended section 35 of title 18, United States Code, to increase penalties in certain cases for imparting false bomb information by (1) making it a misdemeanor knowingly (but without malice) to impart or convey such false information, subject to a penalty of not more than $1,000, or imprisonment for not more than 1 year, or both; and by (2) making it a felony to convey such false information willfully and maliciously or with a reckless disregard for human life, subject to a penalty of not more than $5,000, or imprisonment for not more than 5 years, or both.

Amending Federal Firearms Act

(Public Law 87-342. Approved October 3, 1961)

This law (S. 1750) strengthened the Federal Firearms Act, which prohibited the shipment of firearms in interstate or foreign commerce to or by persons under indictment or convicted of certain specific crimes of violence, by striking out "crimes of violence" and inserting "crime punishable by imprisonment for a term exceeding one year" (Federal standard of a felony). The penalty of not more than $2,000, or imprisonment for not more than 5 years, or both, remained the same.

Amending Foreign Agents Registration Act to broaden coverage

(Public Law 87-366. Approved October 4, 1961)

This law (H.R. 470) amended the Foreign Agents Registration Act to broaden the definition of "foreign principal" under the act to include domestic organizations which are substantially "supervised, directed, controlled, or financed" by a foreign government or foreign political party. This law also further refined criteria for commercial exemptions under the act by providing that a foreign principal, in order for its agents to be eligible for exemption from registering under the act, must be engaged in activities which are either private and nonpolitical and financial, or private and nonpolitical and mercantile.

Extending the application of U.S. espionage laws outside the jurisdiction of the United States

(Public Law 87-369. Approved October 4, 1961)

This law (H.R. 2730) extended the application of chapter 37 of title 18, United States Code, relating to espionage and censorship, to acts committed anywhere in the world by repealing section 791 of title 18. Under that section the provisions of chapter 37 had applied only within the admiralty and maritime jurisdiction of the United States, on the high seas, and within the United States.

HOUSING

Interim increase in FHA mortgage insurance authorization

(Public Law 87-38. Approved May 25, 1961)

This law (S.J. Res. 89) granted to the Federal Housing Administration an additional $1 billion mortgage insurance authority by amending section 217 of the National Housing Act, as amended, and increasing this authority from $15 billion to $16 billion.

Housing amendments of 1961

(Public Law 87-70. Approved June 30, 1961)

This law (S. 1922) authorized and expanded the housing program by providing for urban renewal, $2 billion; college housing loans, $1.2 billion; community facilities loans, $500 million; farm housing loans, $407 million ($200 million in new funds in addition to $207 million existing authorization); "open space" grants, $50 million; housing for the elderly direct loans, $75 million; urban renewal planning grants, $55 million.

The major provisions of the law were:

Title I—New Housing Programs

1. Limited-interest loans (5 to 6 percent), made to commercial developers, for construction or rehabilitation of both sales and rental housing for moderate-income families.

2. Forty-year, no-downpayment loans for the rental program.

3. Maximum term for new single-family sales housing was 35 years, except term may be extended to 40 years in hardship cases.

4. Maximum term for existing sales housing was 30 years.

5. Downpayment fixed at 3 percent, including closing costs, on a maximum mortgage of $15,000 in high-cost area.

6. A 3-percent downpayment and a 35-year term was provided for two-, three-, and four-family units to be sold to families displaced by urban renewal or other governmental action.

7. FHA authority to contract for new guarantees under this program was limited to July 1, 1963.

8. Forty-year, no-downpayment loans (at below-the-market-rate interest) were pro-

vided for nonprofit organizations and public agencies, for construction and rehabilitation of five-family or larger rental dwellings for moderate-income families with guarantees under this program limited to July 1, 1963.

9. Twenty-year, limited-interest (6-percent maximum) loans were provided for improvement of existing dwellings within urban-renewal areas or one- to four-family dwellings outside such areas. Loans may be as high as $10,000 per family unit.

10. Regular mortgage loans may be made on housing incorporating new and advanced designs and techniques.

11. Loans on apartments in a multifamily dwelling that are individually owned and have individual mortgages were permitted.

Title II—Elderly and Public Housing

1. Expanded to $125 million the 1959 authorization of a $50 million revolving loan fund to make direct loans to nonprofit groups at below market rate for construction of housing for the elderly.

2. Expanded eligible groups to include consumer cooperatives and public agencies.

3. Authorized the Public Housing Administration to contract for construction by local housing agencies of an additional 100,000 public housing units. (PHA has $336 million available for contracts through previous authorization.)

4. Authorized $5 million for demonstration programs by local housing authorities for experimentation with new methods of providing housing for low-income families.

5. Raised the limit on per room expenditures for public housing for the elderly from $2,500 to $3,000.

Title III—Urban Renewal and Planning

1. Authorized an additional $2 billion in Federal capital grants for urban renewal projects.

2. Authorized $25 million at 3½-percent disaster loans by the Small Business Administration to small businesses forced to vacate by urban renewal project or other governmental action.

3. Permitted local urban renewal agencies to sell land and property to cooperatives, nonprofit organizations, and public agencies who intend to build moderate income rental units on the land.

4. Raised the existing authorization from $20 to $75 million for grants to States and localities for planning various types of urban and small-city rehabilitation projects, and raised the Federal share from one-half to two-thirds of the cost of each planning project. Under this provision, mass-transport studies can be financed and, in addition, it gave States blanket authority in advance to conclude interstate compacts to undertake joint planning projects.

Title IV—College Housing

1. Raised from $1,675 million to $2,875 million (in four steps by July 1, 1964) the Federal revolving fund for low-interest, long-term loans to colleges, universities, and hospitals for construction of housing, and raised the limit on the portion of the fund that can be used for dining halls, student centers, and other nonhousing facilities on college and university campuses and on hospital housing for nurses and interns by $120 million each.

Title V—Community Facilities

1. Raised from $150 million to $650 million the communities facilities loan fund for local water, gas, and sewage plant improvements.

2. Provided $50 million of this increase for low-interest loans to metropolitan agencies for construction of mass-transportation systems, with authority limited to December 31, 1962.

Title VI—National Housing Act Changes

1. Authorized the Federal National Mortgage Association to borrow an additional $750 million from the Treasury for its special assistance program, with an additional $760 million of existing FNMA funds transferred to the program.

2. Expanded the existing home-improvement loan guarantee program for 4 years to October 31, 1965.

3. Increased the terms for regular FHA home mortgage insurance by raising the maximum mortgage maturity for new homes from 30 to 35 years and by lowering the required downpayment for one-family dwellings, but retained the 30-year maturity for resale housing. The new schedule required 3 percent on the first $15,000 valuation of a home, 10 percent on the next $5,000, and 25 percent on anything over $20,000. The maximum mortgage for a one-family home was increased from $22,000 to $25,000 and for two-family dwellings from $25,000 to $27,000.

4. Removed the dollar limit on the number of loans that can be insured by the FHA for all general mortgage insurance programs.

5. Made October 1, 1965, the cutoff date on the FHA's authority to insure new loans.

6. Permitted FHA to reduce its premium on any regular mortgage insurance from one-half to one-quarter of 1 percent.

7. Extended for 1 year, through October 1, 1962, the FHA authority to insure mortgages on housing for military personnel and civilian armed services employees in areas around defense installations (Capehart housing) and on similar housing around National Aeronautics and Space Administration and Atomic Energy Commission installations.

8. Raised from 25,000 to 28,000 the number of housing units that can be built under the Capehart program after June 30, 1959.

Title VII—Open Space Land

1. Authorized $50 million in Federal grants to States and localities to pay up to 30 percent of the cost of acquisition of land in and around urban centers to create open space areas for recreation, conservation, scenic, and historical purposes.

Title VIII—Farm Housing

1. Extended the farm housing program for 4 years, through June 30, 1965, and increased the existing $207 million authorization previously granted in 1956 by $200 million.

Title IX—Miscellaneous

1. Extended the voluntary home mortgage credit program for 4 years, through October 1, 1965.

This law has a unique legislative history in the Democratic-controlled Congress. It is an example of omnibus legislation at its worst. A number of sound, proved housing programs were made hostages to all sorts of unrelated and unsound proposals which could not have been enacted on their own merits. To get a continuation of the former, Congress had to accept the latter. As a result, a considerable number of Senators who had always supported housing bills in the past, voted against the conference report. They had just been lectured to by the President on unnecessary spending programs, and then found that they were expected to support a bill that exceeded by $1 billion the total authorizations requested by that same administration.

The housing bill this year was the great sop to far-out liberals. They were allowed to play with it and insert any and all expensive plans they had been toying with for a number of years. In a sense, it was a sort of psychiatric treatment—they could get rid of their frustrations and inhibitions in this bill. It may have saved them from a crackup, since the Kennedy administration deliberately refused to carry out any of its promises with reference to civil rights or immigration reform.

The result, however, will be an enormously expensive housing program, not only because of the swollen authorizations, but also because of new programs which will inevitably grow and grow in years to come. The genetics of this kind of legislation is such that old programs never die, they simply get bigger and bigger.

During the consideration of this bill in the Senate, the administration nearly suffered a first-class spanking. One of the heralded new features of the bill was a so-called moderate-income housing program, calling for 40-year, no-down-payment loans up to $15,000 for single-family housing. It would mean that almost 20 years would have to pass before the buyer built up a 6-percent equity. So unsound did this proposal appear that it was eliminated on the floor by a bipartisan vote. Enormous pressure was then brought to bear by administration leaders, and a slightly modified middle-income program was restored to the bill by a very narrow margin of victory.

The conference report on this bill adopted the worst features of Senate and House versions of the bill. It was successful because authorizations of the "pork barrel" variety were sharply increased and helped to break down resistance to other parts of the bill about which there was great doubt or suspicion. However, every success has its price, and the price here was the refusal of many Senators hitherto friendly to housing legislation to support such an extreme measure.

Amendment concerning Federal Savings and Loan Insurance Corporation

(Public Law 87-210. Approved September 8, 1961)

This law (H.R. 7108) amended the Federal Home Loan Bank Act and title IV of the National Housing Act and was designed to strengthen the Federal Savings and Loan Insurance Corporation which insures savings accounts in savings and loan associations and similar institutions up to a statutory limit of $10,000. Supplemental payments would be required by insured associations in order to build up the Corporation's reserve fund. The law would require insured institutions to pay a premium prepayment equal to 2 percent of the annual net increase of the accounts of their insured members in addition to the usual one-twelfth of 1 percent annual premium and would reduce the home loan bank stock purchase requirement to 1 percent of outstanding home mortgages and other similar obligations.

IMMIGRATION

Amendments to Immigration and Nationality Act

(Public Law 87-301. Approved September 26, 1961)

This law (S. 2237) revived and made permanent the Alien Orphan Adoption Act by amending the Immigration and Nationality Act so as to provide for the issuance of special nonquota immigrant visas to certain eligible orphans under the age of 14; provided for judicial review of deportation and exclusion orders; authorized acceleration of issuance of visas to aliens on the second and third preference waiting list; lifted the quota ceiling of 2,000 numbers from the Asia-Pacific triangle and provided 100 quota

numbers for each country in that area; and made permanent a liberalization of tuberculosis exclusion provisions.

There is no question but that this legislation is a small step forward, and does provide relief in a number of hardship categories. It is, however, a piecemeal correction; that is, just the type of correction that was soundly denounced in the Democratic platform of 1960. That platform made sweeping criticisms of existing immigration laws, and said that sweeping revisions of these laws—as opposed to "piecemeal" changes—could be expected in the event of a Democratic victory.

In addition, the Democratic candidate, Mr. Kennedy, was and is an expert in this field. While a Senator, he had written a handsome booklet which was widely distributed free of charge wherein was set forth our immigrant heritage, and the need for liberalizing the immigration laws. During the 1960 campaign, Mr. Kennedy repeatedly said that he took the platform pledges on immigration reform very seriously, and, if elected, would throw the weight of his Office into such an effort. Evidently he developed a sore arm, because nothing remotely resembling what was promised came from the administration during this session, despite the topheavy Democratic majority in both Houses. The President might have started with the Eisenhower proposals laid before Congress in 1953 and several times thereafter, or the reforms proposed by Republicans in both the House and the Senate in accordance with the Republican 1960 platform.

The absolute silence of the administration means that immigration reform will again be what it should not be, a campaign issue raised during election year, and dropped thereafter.

INTERNATIONAL AFFAIRS

Sugar Act extension

(Public Law 87–15. Approved March 31, 1961)

This law (H.R. 5463) extended the Sugar Act of 1948, as amended, for 15 months. It also permitted the President to cut off the 800,000-ton share of the Cuban quota earmarked for the Dominican Republic and it provided that in setting quotas special consideration should be given Western Hemisphere countries buying U.S. farm commodities.

Inter-American social and economic program and Chilean reconstruction program appropriations

(Public Law 87–41. Approved May 27, 1961)

This law (H.R. 6518) made appropriations of $500 million for loans for programs of economic projects intended to improve living standards in Latin America. Of the $500 million, $394 million went into the International Development Bank, $100 million to the International Cooperation Administration, and $6 million to the Organization of American States.

The law also carried an additional $100 million for loans to aid Chile's recovery from earthquake damage.

The law contained a provision that none of the funds could be loaned or reloaned at interest rates considered to be excessive by the Inter-American Development Bank or higher than the legal rate of interest of the country in which the loan was made.

On interest rates on Latin American aid funds, the administration had to settle for less than a complete victory. Here is what happened:

Originally, the administration indicated that it wanted no restrictions on the interest that could be charged to Latin American borrowers of American aid funds—H.R. 6518. The Senate, however, approved the Williams of Delaware amendment providing an 8-percent ceiling. The House refused to accept this amendment. The State Department got hysterical and asked the Senate to back down. The Senate refused, whereupon the House finally agreed to require that money could not be loaned or reloaned at interest rates considered excessive by the Inter-American Development Bank, or at a rate above the legal limit in the country where the loan was made. The Senate finally agreed to this in lieu of the Williams of Delaware 8-percent ceiling. So the administration wound up with some limitations on the interest that could be charged, although originally it apparently sought no restrictions. The principal amount involved here was $500 million.

Office of International Travel

(Public Law 87–63. Approved June 29, 1961)

This law (S. 610) provided for the establishment of an Office of International Travel within the Department of Commerce for the purpose of encouraging foreign travel within the United States. The Department of Commerce was authorized to spend up to $4.7 million annually for this purpose except for the first year, beginning July 1, 1961, when a $3 million ceiling would apply.

Establishment of Caribbean Organization

(Public Law 87–73. Approved June 30, 1961)

This law (H.J. Res. 384) dissolved the Caribbean Commission, composed of France, the Netherlands, the United Kingdom, and the United States, and created the Caribbean Organization to be composed of the Caribbean territories of these four countries as a formalization of the growth of the self-governing powers of these dependent territories.

Oil Pollution Act of 1961

(Public Law 87–167. Approved August 30, 1961)

This law (S. 2187) implemented the provisions of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, by—

(1) Making unlawful the discharge by any person from any ship, which is a tanker, within any of the prohibited zones, of oil or any oily mixture which fouls the surface of the sea; and, the discharge by any person into the sea from a ship, other than a tanker, the same type of polluting substance.

(2) Excepting from prohibition the discharge of such substance for the purpose of securing the safety of the ship, preventing damage to the ship or cargo, or saving life at sea; or the unavoidable escape by leakage of such pollution; or the discharge of sediment which cannot be pumped out because it had become solid or which arises from the purification of oil fuel or lubricating oil, provided the discharge is made as far from land as practicable.

(3) Providing the following penalties for persons who violate the provisions of this act: (a) that such a person is guilty of a misdemeanor; and (b) that, upon conviction, punishment shall be a fine not exceeding $2,500 nor less than $500, or imprisonment for up to 1 year; or both.

(4) Providing that the administration and enforcement of this act shall be under the jurisdiction of the Secretary of the Army.

(5) Providing that the prohibited zones for all ships shall be all sea areas within 50 miles from land, with certain specific exceptions for tankers, and other specific exceptions for ships other than tankers.

International Finance Corporation charter amendment

(Public Law 87–185. Approved August 30, 1961)

This law (H.R. 6765) authorized acceptance of an amendment to the articles of agreement of the International Finance Corporation. Under this law, the U.S. Governor of the Corporation was authorized to agree to an amendment to the charter of the Corporation which authorizes the Corporation to make investments of its funds in capital stock and to limit the exercise of voting rights by the Corporation unless exercise of such rights is deemed necessary by the Corporation to protect its interests.

Foreign Assistance Act of 1961

(Public Law 87–195. Approved September 4, 1961)

This law (S. 1983) authorized a total of $4,253,500,000 for fiscal year 1962 for foreign aid. The total authorization was $11,963,500,000. In addition to fiscal 1962 authorizations, there was $1,700 million authorized for fiscal year 1963 and $6 billion authorized for fiscal years 1963 through 1966. The law's principal provisions included:

(1) Development Loan Fund: (a) The President was authorized to make loans from this Fund payable as to principal and interest in U.S. dollars on such terms and conditions as he may determine. (b) For fiscal year 1962, $1,200 million was authorized to be appropriated, and for the next 4 years, $1,500 million was authorized to be appropriated each year on an annual basis.

The President was authorized to establish an interagency Development Loan Committee which shall, under his direction, establish standards and criteria for lending operations of these funds.

(2) Development grants and technical cooperation: (a) The President was authorized to furnish assistance on such terms and conditions as he may determine to promote the economic development of less-developed friendly countries and areas. (b) For fiscal year 1962, there was authorized to be appropriated to the President $500 million to be available until spent.

(3) Investment guaranties: (a) The President was authorized to issue guaranties of investments in connection with projects, etc., in any friendly country with which such an agreement has been reached. (b) This authority shall continue until June 30, 1964.

(4) Surveys of investment opportunities: (a) The President was authorized to participate in the financing of investment opportunity surveys undertaken by any person on such terms and conditions as he may determine. (b) There was authorized to be appropriated $5 million for fiscal year 1962 for this purpose.

(5) Development research: (a) The President was authorized to use funds made available to carry out programs of research into, and evaluation of, the process of economic development in less-developed friendly countries.

(6) International organizations and programs: (a) The President was authorized to make voluntary contributions on a grant basis to international organizations and to their programs on his own terms and conditions. (b) There was authorized to be appropriated for fiscal year 1962 for this purpose $153,500,000.

(7) Supporting assistance: (a) The President was authorized to furnish assistance to friendly countries in order to support or promote economic or political stability on his own terms and conditions.

(8) Contingency fund: (a) There was authorized to be appropriated to the President for fiscal year 1962 $300 million for use by

the President for assistance when he determines such use to be important to the national interest. (b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed of the use of these funds.

(9) Military assistance: (a) The President was authorized to furnish military assistance on his own terms and conditions to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the United States and promote world peace. (b) There was authorized to be appropriated to the President $1,700 million for fiscal year 1962 and $1,700 million for fiscal year 1963 to be available until spent.

(10) Administrative provisions: (a) The President was authorized to exercise any functions conferred upon him by this act through such agency or officer of the U.S. Government as he shall direct. (b) There was authorized to be appropriated for administrative expenses to the President for fiscal year 1962 the amount of $50 million.

The administration claimed a major victory on this issue. However, in fighting for the 5-year authorization for the Development Loan Fund, to be financed through Treasury borrowing, representatives of the administration bitterly contended that retention of the process of annual appropriations would greatly hinder the new program and would be completely unacceptable. When the final version of the bill was passed, providing for annual appropriations and eliminating all provisions which would have permitted back-door financing, the tune changed and the administration chanted, "wholly satisfactory."

An amendment to the foreign-aid bill providing that no assistance be given an international organization of which Communist China is a member was deleted from the final version.

Another aspect of the foreign-aid program concerned the administration's attempts to liberalize the Battle Act to permit trade with Communist countries. This proposal was high priority on the President's 16-point program for this session. While it was passed by the Senate, no action was taken on the House floor.

(NOTE.—The Senate unanimously adopted a bipartisan resolution (S. Con. Res. 34) expressing the sense of the Congress against the seating of Communist China in the United Nations. The House vote likewise was unanimous. Nevertheless, the speculation in Washington is that, as soon as Congress adjourned and its presence no longer serves as a restraint on the administration, Communist China will be seated in the United Nations.)

Mutual Educational and Cultural Exchange Act of 1961

(Public Law 87-256. Approved September 21, 1961)

The law (H.R. 8666) sought to provide for improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges, and was designed to improve the quality and effectiveness of these programs, administered and sponsored by the U.S. Government, especially by consolidating in one act various existing pieces of legislation authorizing such programs.

Among provisions in the law were—

Reaffirmation that all foreign currency utilized would be subject to the appropriations process;

Dollar appropriations would be available until spent;

Liberalization of the Immigration and Nationality Act with respect to families of exchange visitors; and

Liberalization of the Internal Revenue Code with respect to tax on incomes of students and exchange visitors.

Peace Corps Act

(Public Law 87-293. Approved September 22, 1961)

This law (H.R. 7500) provided for a Peace Corps to help peoples of interested countries and areas in meeting their needs for skilled manpower. It made permanent a Peace Corps established earlier by Executive order of the President. It authorized appropriations to the President for fiscal 1962 not to exceed $40 million to carry out the purposes of the act.

Arms Control and Disarmament Act

(Public Law 87-297. Approved September 26, 1961)

This law (H.R. 9118) provided for establishment of a U.S. Arms Control and Disarmament Agency to deal with the problems of limitation, reduction, and control of armaments. It would be a fully staffed independent agency, but subject to the direction of the Secretary of State. The Director, who would serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters, would be appointed by the President, subject to Senate confirmation, and would receive a salary of $22,500. The law authorized appropriations of not to exceed $10 million, available until expended, to carry out its provisions.

Foreign Assistance Appropriation Act of 1962

(Public Law 87-329. Approved September 30, 1961)

This law (H.R. 9033) appropriated for fiscal 1962 funds in the amount of $4,123,345,000, a decrease from the $4,993,991,000 requested by the President.

The funds were allocated as follows:

Title I:	
1. Economic assistance:	
Development loans	$1,112,500,000
Development grants	296,600,000
Surveys of investment opportunities	1,500,000
International organizations and programs	153,500,000
Supporting assistance	425,000,000
Contingency fund	275,000,000
Administrative expenses	47,500,000
2. Military assistance	1,600,000,000
3. Department of State	3,000,000
Title II: Ryukyu Islands, Army	7,089,000
Title III: Export-Import Bank	[1,300,000,000]
Title IV: Treasury Department	171,656,000
Title V: Peace Corps	30,000,000

Exchange of military atomic energy information with France

(Public Law 87-363. Approved October 4, 1961)

This law (H.J. Res. 569) authorized the United States and France to immediately exchange classified information to permit French military forces to be trained in the employment of and defense against atomic weapons. It also provided for the transfer of nonnuclear parts of atomic weapon systems, but not parts of atomic weapons, to French military forces assigned to NATO.

This law waived the 60-day waiting period (before such agreements take effect) during a congressional session.

LABOR

Temporary Extended Unemployment Compensation Act of 1961

(Public Law 87-6. Approved March 24, 1961)

This law (H.R. 4806) provided for the establishment of a temporary program of extended unemployment compensation and a temporary increase in the rate of Federal unemployment tax.

To be eligible for this extended compensation, an individual must have exhausted, after June 30, 1960, all rights under the State law and have no rights to unemployment compensation under any Federal or State law.

Federal funds were made available to the States to extend benefits for up to 13 weeks, but for a total of not more than 39 weeks in a year.

The program will expire June 30, 1962, and is to be financed by a temporary increase in unemployment tax employers pay on a wage base of $3,000 and will increase this basic tax by a special 0.4 percent tax to 3.5 percent, which will be effective on wages paid between January 1, 1962, and December 31, 1963.

The law extended benefits to those who have used up their State unemployment compensation between June 30, 1960, and March 31, 1962.

The law contained a provision which reduced unemployment compensation for those who are receiving pensions from private organizations but excluded from this provision those receiving disability and social security benefits.

The Federal Government would not be reimbursed for the funds advanced until January 1963 and 1964.

The act established an unemployment trust fund which is to be maintained as a separate book account from which compensation payments and State reimbursements shall be made with a terminal date of December 31, 1964, for transfers to or from the fund.

Section 3301 of the Internal Revenue Code of 1954 was amended to increase the taxes on wages paid during the calendar years 1962 and 1963 from 3.1 to 3.5 percent.

The amount authorized to be made available for the purposes of this act was increased to—

(1) Three hundred and eighty-five million dollars for fiscal year ending June 30, 1961.

(2) Four hundred and fifteen million dollars for fiscal year ending June 30, 1962.

Unemployment was 6.6 percent when the New Frontier dawned last January. The jobless rate has been higher in every month since. In 1961 unemployment has averaged 6.8 percent of the work force—as against an average of 5.8 percent in the comparable months of Republican 1960.

Temporary extended railroad unemployment insurance benefits

(Public Law 87-7. Approved March 24, 1961)

This law (H.R. 5075) provided temporary extended railroad unemployment insurance benefits for railroad workers similar to those provided workers in industry generally by providing additional unemployment benefits on a temporary basis to those unemployed railroad workers who have after June 30, 1960, and before April 1, 1962, exhausted all their rights to unemployment benefits under the Railroad Unemployment Insurance Act.

The act authorized the transfer of funds to the railroad unemployment insurance account from the general funds of the Treasury, such transfers to be without interest and to be repaid without interest.

A temporary increase in the tax rate payable under the Railroad Unemployment Insurance Act of one-quarter of 1 percent was made on compensation paid in 1962 and 1963. There were no changes in the existing law. The provisions for the payment by employers of a contribution rate of 3¾ percent paid after December 31, 1961, and before January 1, 1964, was suspended by a provision in this bill which would make the rate 4 percent with respect to such compensation.

Minimum wage amendments

(Public Law 87-30. Approved May 5, 1961)

This law (H.R. 3935) amended the Fair Labor Standards Act of 1938, to provide minimum wage coverage for certain employees.

Major provisions of the law:

(1) Raised the $1-an-hour minimum wage to $1.25 by 1963 and brought under the Wages and Hours Act an additional 3.62 million workers, most of them in retail stores.

(2) Took effect 120 days after bill was signed into law.

(3) Provided a wage floor of $1.15 on the effective date of the law with the minimum of $1.25 to take effect 2 years later.

(4) Brought under the law 2.18 million employees of large retail stores and service establishments.

(5) Included employees of enterprises which do more than $1 million of annual business provided $250,000 of the goods sold move across State lines.

(6) Included employees of a unit of a chain which grosses $1 million in the year provided the unit did at least $250,000 business.

(7) Exempted from coverage under the retail provisions: hotels, motels, restaurants, auto dealers, farm implement dealers, motion picture theaters, hospitals, nursing homes, schools for handicapped or gifted children, amusement or recreational establishments operating on a seasonal basis, and laundry workers.

(8) Gave newly covered workers $1 an hour for the first 3 years, $1.15 for the fourth year, and $1.25 the fifth year.

(9) Gave no overtime coverage to newly covered employees for the first 2 years but coverage after 44 hours the third year; after 42 hours the fourth year; and after 40 hours the fifth year.

Political expediency, necessary to gain Democratic support in the House, guided consideration of this legislation. There was real horse trading involved in this issue. Despite the President's campaign promises to achieve the widest possible coverage, a number of workers who were previously covered were excluded under the law. Administration supporters, in order to pick up support from southern Congressmen, and those from other farm areas, were willing to make these "minor" concessions.

Three large groups of workers did not receive coverage under the new extension: about 140,000 employees of laundries, about 305,000 employees of auto and farm equipment dealers, and about 17,000 employees of transit systems with less than $1 million annual sales.

Extension of the minimum wage was one item on the President's 16-point priority program. A bill was signed into law and the end result hailed as a great victory, with that ease of turnabout which has characterized this administration. In actuality, it is an ignoble monument to political expediency which sacrifices those workers in greatest need.

The record should be made clear, that because of the gyrations of the administration on the minimum wage issue, it can be shown that American workingmen are losing more than a billion and a quarter dollars in increased pay because President Kennedy failed to live up to the campaign pledge on minimum wages. The loss figures are from the Department of Labor. Here is the record:

In 1960 the Republican administration tried to get the Democratic-controlled Congress to raise the minimum wage to $1.15 as of January 1 of this year. Senator Kennedy helped scuttle this, flatly pledging he would raise it to $1.25 if elected President.

Last February, President Kennedy did not request $1.25, but $1.15 declaring it should not get to $1.25 for 2½ more years.

Since the $1.15 minimum wage law did not go into effect until September 5, 120 days after the law was signed, then it is clear that nearly 2 million workers lost a total of $224 million in increased pay that they could have had under the Republican administration's proposal, if adopted last year.

Thus, that is the sacrifice, or price, workers have paid for the 8 lost months on the New Frontier.

However, that is not all the story.

When the law goes to $1.25, 2½ years after President Kennedy pledged it would, then the workers covered—an estimated 3 million—can ask themselves how much they are out of pocket between the Democratic pledge and performance. The answer is a further loss of $1 billion in wage increases promised but not delivered. This is the additional price workers are now paying for the 2½ years which have disappeared in 8 months of the New Frontier.

When President Kennedy signed the law May 5, he said: "I want to express my satisfaction in signing the bill to increase the minimum wage to $1.25 an hour."

Not a word was said about $1.15.

Not a word about the 2½-year wait ahead.

Here is the factual record:

August 3, 1960: Democratic-controlled Senate-House conferees failed to agree on President Eisenhower's proposed legislation for increasing the minimum wage to $1.15 effective January 1, 1961, the conference collapsing because Senator Kennedy insisted on $1.25.

August 30, 1960:

I intend to take this fight to the American people. I am sure that they will support me in November in my goal of a minimum living standard of $1.25 an hour * * *" (Senator Kennedy to the Minimum Wage Conference).

November 4, 1960:

We have a minimum wage—but to be of any help at today's prices it must be raised to $1.25 an hour (Senator Kennedy in a campaign speech).

February 6, 1961: President Kennedy asked Congress for a $1.15 law plus broader coverage with provision to go to $1.25, 28 months after the effective date.

May 5, 1961: President Kennedy signed the minimum wage bill into law thus making September 4, 1961, the effective date for $1.15, and September 4, 1963, the effective date for $1.25.

February 14, 1961: Secretary of Labor Goldberg told the House Education and Labor Committee that there were 1,906,000 covered workers who were making less than $1.15 and that the increase to $1.15 would mean an additional $336 million in their pay envelopes annually. Based on these figures the workers lost $224 million in their pay envelopes when Senator Kennedy scuttled President Eisenhowers' bill—eight-twelfths of $336 million.

February 14, 1961: Secretary of Labor Goldberg also testified that there were 3,021,000 covered workers who made less than $1.25 and that the increase to $1.25 would result in $836 million more annually in their pockets. This means that the 2-year delay in President Kennedy's fulfillment of his promise to obtain a $1.25 minimum is costing the workers $500 million annually or a total of $1 billion for 2 years—$336 million subtracted from $836 million.

Increased benefits under Longshoremen's and Harbor Workers' Compensation Act

(Public Law 87-87. Approved July 14, 1961)

This law (H.R. 1258) increased the maximum level of weekly compensation benefits payable to workers or to the beneficiary of workers under the act who are injured or disabled within the course of their employment from $54 to $70; provided a comparable increase in death cases, adjusting the ceiling on average weekly wages from $81 to $105; and increased the statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000. These increases were based on the principle of the original act in 1927 which provided that compensation equal two-thirds of the difference between the average weekly wage prior to injury and the earning capacity of the worker after injury. Compensation under this act would not be paid by the Government and no appropriations would be necessary.

NATIONAL DEFENSE

Missiles, planes, and ships authorization

(Public Law 87-53. Approved June 21, 1961)

This law (S. 1852) authorized $12,371 million for the purchase of missiles, planes, and ships for fiscal year 1962.

Included in the law was $596.2 million of authority for the procurement of heavy long-range jet bombers.

Military construction authorization

(Public Law 87-57. Approved June 27, 1961)

This law (H.R. 5000) authorized the sum of $893,947,750 for military construction for fiscal year 1962. Among other items in the authorization were 3,000 units of Capehart housing previously authorized and an additional $12 million in authorization for the Department of the Air Force to be used for the construction of test facilities for its large solid propellant booster in connection with the Nation's space effort.

Status of Naval Reserve Officers' Training Corps graduates

(Public Law 87-100. Approved July 21, 1961)

This law (H.R. 4349) placed the Naval Reserve Officers' Training Corps (Regular) graduates in a status comparable to that of U.S. Naval Academy graduates, with respect to the form of regular commission received by members of this corps. This law neither increased, decreased, nor otherwise affected the period of obligated service for these graduates.

The law also repealed existing provisions relating to the requirement for application to remain on active duty as a Regular officer.

As a result of this law, these officers will have to make application in order to get out of the service at the expiration of their obligated tour.

The law would not apply to NROTC (contract) students who only agree to serve in the Reserve after graduation.

Providing uniformity for entitlement to reenlistment bonuses

(Public Law 87–103. Approved July 25, 1961)

This law (H.R. 4324) made the period within which reenlistments must be entered into under both section 207 of the Career Compensation Act of 1949 (reenlistment within 3 months) and section 208 which required reenlistment within 90 days uniform at 3 months. The law also provided relief to those persons who were erroneously paid higher reenlistment bonuses as a result of the technical difference between "90 days" and "3 months."

Authorization for President to order units and members of Ready Reserves to active duty

(Public Law 87–117. Approved August 1, 1961)

This law (S.J. Res. 120) authorized the President to order units and members in the Ready Reserve to active duty for not more than 12 months or until July 1, 1962. The law restricted the number to not more than 250,000 members of the Ready Reserve who may be on active duty (other than for training) without their consent at any one time.

The law also provided that until July 1, 1962, the President may authorize the Secretary of Defense to extend enlistments, appointments, periods of active duty, periods of active duty for training, periods of obligated service, or other military status, in any component of an armed force, or in the National Guard, that expire before July 1, 1962, for not more than 12 months.

This legislation was part of the overall defense buildup asked for by the President in light of the international situation. It should definitely be noted that in all such instances, the administration received wholehearted backing from the Republicans in the Congress. Partisanship did not enter the picture, and the defense of the country was placed above all else.

Aircraft, missiles, and naval vessels authorization

(Public Law 87–118. Approved August 3, 1961)

This law (S. 2311) authorized additional appropriations in the amount of $958,570,000 for the procurement of aircraft, missiles, and naval vessels. It was an expansion and continuation of the previous authorization (H.R. 6151) which became Public Law 87–53.

Under this law the Army was allocated $36,700,000 for aircraft and $33,770,000 for missiles; the Navy and Marine Corps, $281,400,000 for aircraft, $262,200,000 for missiles, and $41,600,000 for naval vessels; the Air Force, $294,100,00 for aircraft, and $8,800,000 for missiles.

Permitting enlistment of certain aliens in Army and Air Force

(Public Law 87–143. Approved August 17, 1961)

This law (H.R. 181) permitted enlistment in the Army and Air Force by aliens lawfully admitted to the United States for permanent residence.

Defense Department appropriations for fiscal 1962

(Public Law 87–144. Approved August 17, 1961)

This law (H.R. 7851) made appropriations for the Defense Establishment of $46,662,556,000 for fiscal year 1962.

Of this total appropriation, the Army received $11,802,312,000; the Navy, $14,505,665,000; the Air Force, $18,836,534,000; and the Office of the Secretary of Defense, $1,310,445,000.

The above funds included about $3.5 billion which was requested as emergency funds for the Armed Forces buildup.

Nearly $1 billion was provided to continue development and production of long-range jet bombers. The Congress added $180 million over the administration request in an item of $400 million for development of B–70's.

The law also contained $207.6 million for civil defense projects, including fallout shelters to be constructed in Federal buildings.

This was one instance where, believe it or not, the administration did not want some additional money voted by the Congress. For instance, the Congress added $514,500,000 for the procurement by the Air Force of B–52 and B–58 long-range bombers, in addition to the $180 million over the administration request for development of the B–70's.

The Congress completely disregarded the administration's idea that there were already enough B–52's and B–58's provided for, and did not heed the administration's plea that this money not be added. The Congress felt that this country was in bad enough position relative to national defense and that it should not be allowed to get any worse. The use of missiles is new and relatively untried. Therefore, the manned bomber unmistakably would be our chief weapon of defense for the present and for several years to come. Also, the Congress had sense to realize that Russia was not relying on missiles alone, but was also building up her manned bomber force. So this additional money was added.

The Democratic-controlled Congress "charitably" gave as one of its reasons for the addition that they must appropriate enough money to make it possible for the administration to change its mind, implying that they were still hoping that the administration would open its eyes in this respect.

Military construction appropriations for fiscal 1962

(Public Law 87–302. Approved September 26, 1961)

This law (H.R. 8302) made appropriations of $951,690,750 for military construction for the three service branches of the Department of Defense, including installations at home and overseas, for fiscal year 1962.

Naval vessels loan to friendly countries

(Public Law 87–387. Approved October 4, 1961)

This law (H.R. 7726) authorized the President to extend for an additional 5 years the loan of 2 naval vessels to Portugal and to Spain, respectively; to loan an additional 14 naval vessels to friendly foreign countries for 5 years (6 to NATO for Denmark and Greece, 2 to SEATO for Pakistan, 6 to the Republic of Korea and the Republic of China); and to place 2 vessels in the reserve pool to be loaned in case of loss by enemy action or act of God.

As originally proposed by the administration, extension of the ship loan beyond the original 5-year period would have been permitted at the discretion of the President without requiring congressional action. Congress deleted such discretionary authority.

NATIONAL ECONOMY

Reducing duty-free allowances for returning resident travelers

(Public Law 87–132. Approved August 10, 1961)

This law (H.R. 6611) amended paragraph 1798(c)(2) of the Tariff Act of 1930 by reducing temporarily from $500 to $100 the duty-free allowance permitted returning resident travelers from foreign lands with the exception of the Virgin Islands for which a duty-free allowance of $200 was permitted. The law would take effect 30 days after enactment and would be in effect for 2 years to July 1, 1963.

Small Business Act amendment

(Public Law 87–198. Approved September 5, 1961)

This law (H.R. 8922) amended the Small Business Act to increase by $20 million the amount available for regular business loans thereunder.

Increasing small business loan authority

(Public Law 87–305. Approved September 26, 1961)

This law (H.R. 8762) amended the Small Business Act to increase the amount available for regular business loans. The law authorized new appropriations of $105 million and merged the revolving fund authorization for the business loan program and the prime contract program. Not to exceed $1,125 million would be in the revolving fund in the Treasury for use of the SBA in the performance of its duties and powers. The disaster loan fund was not pooled with that of the other two programs.

Export insurance and guarantees

(Public Law 87–311. Approved September 26, 1961)

This law (S. 2325) amended the Export-Import Bank Act of 1945 to authorize the Export-Import Bank of Washington to guarantee, insure, coinsure, and reinsure U.S. exporters and importers against political and credit risks of loss, and to authorize the Bank to establish a reserve of not less than 25 percent of its contractual liability in connection with such guarantees and insurance. The law placed a limit of $1 billion on the aggregate contractual liability of the Bank for such guarantees and insurance.

Amendment to the Small Business Investment Act of 1958 relating to small business investment companies

(Public Law 87–341. Approved October 3, 1961)

This law (S. 902) amended the Small Business Investment Act of 1958 by (1) raising the amount of capital the SBA may invest in a small business investment company (SBIC), on a matching basis, from $150,000 to $400,000; (2) by limiting to $4 million the amount of operating loan SBA may make to any one SBIC (in addition to the former limit of 50 percent of the SBIC's capital and surplus) and imposing as a limitation on loans and investments by SBIC without approval of SBA ceiling of $500,000 or 20 percent of the original capital and surplus of any one small business concern, whichever is the lesser; (3) by giving SBA authority to undertake administrative procedures to suspend an SBIC license or to issue a cease-and-desist order against violations of the act or regulations; and (4) by amending the provisions for loans to State and local development companies by raising the ceiling to $350,000 for each identifiable small business concern and by raising the maximum maturity on such loans from 10 to 25 years.

NATURAL RESOURCES AND PUBLIC WORKS

Area Redevelopment Act

(Public Law 87–27. Approved May 1, 1961)

This law (S. 1) provided for designation of "redevelopment areas" based on amount

and persistence of unemployment, with the Secretary of Labor providing basic data. It also provided—

(1) For designating areas not meeting standards of "redevelopment areas," taking into account the number of low-income families and amount of unemployment and underemployment.

(2) For industrial and commercial loans not exceeding $100 million for standard areas and $100 million for nonstandard areas. Loans were not to exceed 65 percent of the cost of the project with interest rate based on a formula that amounts to about 4⅜ percent. Maturities up to 25 years were permitted. An area must have an approved economic development program to receive financial assistance under this act.

(3) For public facility loans, the total of such loans not to exceed $100 million with interest rate at about 3½ percent and maturities up to 40 years.

(4) For grants for public facilities, the total of which was not to exceed $75 million.

(5) For establishing a revolving fund of $300 million for loans to be obtained by borrowing from the Treasury.

(6) For assistance to redevelopment areas and other areas in the form of information, advice, and research.

(7) For $4.5 million for technical assistance which may be provided by contract or directly.

(8) For administrative provisions.

(9) For authority to terminate designation as a "redevelopment area."

(10) For amending the Housing Act to increase flexibility in providing urban renewal assistance for nonresidential purposes.

(11) For amending the Housing Act to authorize urban renewal planning grants in redevelopment areas for not more than 75 percent of the cost of the project.

(12) For occupational retraining, $4.5 million a year to finance State and local retraining classes.

(13) For retraining subsistence payments, $4.5 million a year for States to pay weekly checks to unemployed while attending retraining classes.

The administration "worked both sides of the street" insofar as the financing for most of this program was concerned. In a bill sent to the House, the President proposed that the main feature—a $300 million loan fund—be provided for by the regular appropriations method. In the Senate, however, administration spokesmen noted that Mr. Kennedy—when a Senator—had favored so-called back-door financing of the program. Moreover, these spokesmen said the back-door method would be quite acceptable to Mr. Kennedy today. The back-door method was the one Congress eventually voted.

The program finally approved was nothing more than a blown-up version of a more sensible, more logical, more economical approach which President Eisenhower had called for on a number of occasions. The only new jobs which the program guaranteed to create were those of the Washington bureaucrats hired to administer the effort.

By a few strokes of the pen, so to speak, the administration has created 647 new distressed areas—often to the astonishment and dismay of residents of the communities involved.

When the area redevelopment bill was under debate in Congress earlier this year, the Department of Labor listed 103 labor surplus areas in the United States. The term depended upon a variety of formulas. One required that a labor surplus area must have had an annual average unemployment rate of at least 50 percent above the national average for 3 of the preceding 4 calendar years.

But when the area redevelopment bill became law, something new had been added. The Secretary of Commerce was empowered "to distribute (area redevelopment) projects widely among the several States so far as is feasible and proper, in order that actual experience with this program may be had in as many States and in as many different circumstances as possible."

This is the language which has brought on the rash of administration-designated "distressed areas"—a total of 750 such areas, or 647 more than under the old "labor surplus" definition. And there is nothing in the law which requires the Secretary of Commerce to consult local citizens before he tags their community as "distressed."

That is what happened this past summer in Tyler, Tex., which suddenly found itself a distressed area to the dismay of the inhabitants, at least one of whom found his credit shut off. Ironically, just a short while earlier, Tyler was feeling mighty good about business conditions thereabouts. The July issue of Progressive Tyler, a local publication, said building permits for the second straight month had topped the million-dollar mark, a tire company was getting set to open a big new plant, bank deposits were up. Tyler's newspaper, Morning Telegraph, reported Tyler was leading all east Texas in retail business activity and purchasing power.

Then on July 22, now termed "Black Saturday" by local residents, came word that the New Frontiersmen in Washington had decided that the area was "economically distressed." The first reaction of one Tyler newspaper was: "Where can we file suit for slander?"

Federal-aid-to-highways program

(Public Law 87-61. Approved June 29, 1961)

This law (H.R. 6713) made available an additional $11.7 billion for the interstate highway program.

Included in the financing of the program were $600 million a year from continuance of the present 4-cents-a-gallon tax on gasoline until 1972; $150 million from other highway taxes; and $150 million made available by switching the 5-percent excise tax on trucks and buses from the General Treasury to the highway trust fund.

The law contained these tax increases:

1. Use tax on trucks and buses over 26,000 pounds increased from $1.50 per 1,000 pounds to $3 per 1,000 pounds.

2. Tax on highway tires increased from 8 to 10 cents per pound and on inner tubes, including tubes for bicycle tires, from 9 to 10 cents per pound through September 30, 1972.

3. Tax on tread rubber increased from 3 to 5 cents a pound through September 30, 1972.

4. Tax of 2 cents a pound on tires, 1 cent a pound on inner tubes, and 2 cents a pound on tread rubber on floor stocks on hand July 1, 1961.

The law also continued for 2 years the provision granting bonuses in allocations to States banning advertising billboards along the new roads.

The law provided that the manufacturers' tax on trucks, buses, and trailers already classified as a highway trust fund revenue source was to be transferred to the highway trust fund as of July 1, 1962.

A few interesting facts about this law.

The studies for such a program were begun by Congress as far back as 1946.

The program itself was begun under the Eisenhower administration.

There is a wide disparity between what the Kennedy administration proposed and what Congress agreed to, as indicated by the following examples:

First. The administration proposed that the diesel fuel tax be increased from 3 to 7 cents, but Congress set it at 4 cents.

Second. The administration proposed that none of the 10 percent manufacturers' tax on autos, trucks, buses, and trailers be diverted from the general to the highway trust fund, but Congress diverted the entire tax to the trust fund from July 1962 to October 1, 1972, on the grounds that nonhighway users would benefit from the program.

Third. The administration proposed that the tax on vehicles be raised from $1.50 to $5 per 1,000 pounds over 26,000 pounds when loaded, but Congress set the rate at $3.

Fourth. The administration proposed that the tread rubber tax was to be increased from 3 to 10 cents per pound, but Congress set this at 5 cents per pound.

Fifth. The administration proposed that the billboard control program be extended for 4 years, but Congress provided for a 2-year extension.

On this measure, most issues were bipartisan, and the voting did not in any sense of the word follow party lines.

Federal Water Pollution Control Act Amendments of 1961

(Public Law 87-88. Approved July 20, 1961)

This law (H.R. 6441) provided that the Secretary of Health, Education, and Welfare shall administer the act.

Other provisions were:

1. The Corps of Engineers, Bureau of Reclamation, or other Federal agency concerned shall give consideration in the survey or planning of any reservoir to inclusion of storage for streamflow regulation for water control purposes, except that such storage and releases shall not be provided as a substitute for adequate treatment or other waste-controlling methods at the source.

2. The Water Supply Act of 1958 was amended to permit the Federal agency concerned to make its own determination of future water supply needs and, on the basis of such determination, to include capacity in a project without definite contractual commitments from State or local authorities.

3. An authorization of not to exceed $5 million per fiscal year with a total limitation of $25 million was provided for the development and demonstration by the Secretary of practical means of treating sewage and other wastes to remove the maximum amounts of pollutants in order to maintain the Nation's water at a quality suitable for repeated reuse; improve methods of identifying and measuring pollution; and methods for evaluating the effects of augmented streamflows to control pollution not otherwise susceptible to abatement.

4. Authorization for construction grants for sewage treatment plants provide for $80 million for fiscal year 1962; $90 million for fiscal year 1963; and $100 million for each of the fiscal years 1964 through 1967 for a total of $570 million.

5. A conference can be called in the case of interstate pollution upon the request of the Governor, the State water pollution control agency, or with the concurrence of both and the governing body of any municipality. The Secretary may call a conference on his own initiative in the case of interstate pollution. In intrastate pollution, a conference may be called only when requested by the Governor of the State where the pollution is occurring. In cases involving intrastate pollution, the Secretary may refuse to exercise Federal jurisdiction if in his judgment the pollution is not of sufficient significance to warrant so doing.

6. If pollution is not abated within the time specified in the notice following the public hearing, the Secretary of Health, Education, and Welfare may request the Attorney General to bring suit in the name of the United States only with the written consent of the Governor of the State.

The administration had wanted to give power exclusively to Federal officials to determine areas of pollution. The Congress clamped down on this attempt to further extend the control of the Federal Government and the executive branch, by providing that such determination be made with the cooperation and compliance of State officials.

Establishment of Cape Cod National Seashore Park

(Public Law 87–126. Approved August 7, 1961)

This law (S. 857) provided for the establishment of the Cape Cod National Seashore Park and authorized the Secretary of the Interior to acquire by purchase, gift, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property and improvements thereon and any interest therein, within the area described. The Secretary also was authorized to use donated funds and appropriated funds in making acquisitions under this law. Also established was a Cape Cod National Seashore Advisory Commission which is to terminate 10 years after the date the seashore was established.

In a message to the Congress of February 23, President Kennedy called for the establishment of this national park, and also requested the establishment of two other parks by name, at Padre Island, Tex., and Point Reyes, Calif. S. 4, by Senator YARBOROUGH, Democrat, of Texas, to establish the Padre Island park, and S. 476, by Senators ENGLE, Democrat, of California, and KUCHEL, Republican, of California, to establish the Point Reyes park, hardly got off the ground. Why? Did their location have something to do with it?

According to a story in a Chicago newspaper of September 17, the Kennedy administration is listing this as one of the "major achievements" of its "magnificent" record during the 1st session of the 87th Congress. It should be pointed out that this bill, S. 857, was sponsored by the two Senators from Massachusetts, Senator SALTONSTALL, Republican, and Senator SMITH, Democrat, former roommate of the President. That bill also received bipartisan support, and was not passed by Democrats alone.

Perhaps what makes this such a "major achievement" is the fact that it lies within Kennedy's home State of Massachusetts and deals with an area that has long been the playground of the Kennedy clan.

Amendments to Federal Airport Act

(Public Law 87–255. Approved September 20, 1961)

This law (H.R. 8102) amended the Federal Airport Act by authorizing Congress to appropriate up to $75 million a year for 3 years for grants for airport construction to be matched generally on a 50–50 basis by States and local communities.

This represented a major setback to the New Frontiersmen in their drive to commit Congress to appropriation by back-door financing. The Kennedy administration had requested a 5-year $375 million program based on the form of back-door spending called contract authorization. Firm opposition, primarily in the House of Representatives, eliminated the back-door financing and cut the length of the program to 3 years. The new law also adopted the program originally proposed by Republicans to limit airport aid only to measures which contribute to the safety of the traveling public.

Saline water conversion program expansion and extension

(Public Law 87–295. Approved September 22, 1961)

This law (H.R. 7916) provided for expansion and extension of the saline water conversion program, under the Interior Department, for developing practicable low-cost means for the large-scale production of water from saline water, with authorization for appropriations of not to exceed $75 million, to remain available until expended, through fiscal year 1967.

Among other things, the measure specifically provided for—

Saline water research, demonstration plants, financial assistance for construction of conversion plants, and grants and contracts to States and local bodies.

Delaware River Basin compact

(Public Law 87–328. Approved September 27, 1961)

This law (H.J. Res. 225) granted the consent of Congress to the Delaware River Basin compact for the conservation, utilization, development, management, and control of the water and related resources of the Delaware River Basin. It provided for participation in the compact by the United States and involved the States of New York, Pennsylvania, New Jersey, and Delaware.

Public works appropriations for fiscal 1962

(Public Law 87–330. Approved September 30, 1961)

This law (H.R. 9076) appropriated $3,908,880,980 for civil functions of the Army and certain agencies of the Interior Department, the Atomic Energy Commission, the Tennessee Valley Authority, and several study commissions for fiscal year 1962.

The total included $724,021,880 for river and harbor and flood control construction by the Army's Corps of Engineers.

The Bureau of Reclamation received $152,405,500 for construction and rehabilitation of reclamation projects, power transmission facilities, and related activities. For plant acquisition and construction by the Atomic Energy Commission, $195,360,000 was appropriated.

This bill was one of the last to pass the 1st session of the 87th Congress—and for a very good reason. It had been purposely held up so that the projects in the legislation might be used by the administration to stimulate certain votes for other parts of its program contained in other bills.

Lead and zinc subsidies for small producers

(Public Law 87–347. Approved October 3, 1961)

This law (H.R. 84) provided for subsidy payments for the mining of lead and zinc by small producers. The Secretary of the Interior was authorized to pay small producers 75 percent of the difference between 14½ cents per pound and the market price for lead, and 55 percent of the difference between 14½ cents per pound and the market price for zinc. A small producer was defined as one who has not produced or sold more than 3,000 tons of lead or zinc combined during any 12-month period between January 1, 1956, and the first day for which he seeks payment. Maximum individual production eligible for stabilization payments was set on a descending scale for 1962 through 1965. A total maximum authorization for payments each year was provided on a descending scale over the same period of time. Lead and zinc producers in about 20 States would be eligible for such subsidies.

A bill somewhat similar to this was pocket vetoed by President Eisenhower last year.

PERSONAL AND PUBLIC WELFARE

Food Additives Transitional Provisions Amendment of 1961

(Public Law 87–19. Approved April 7, 1961)

This law amended the transitional provisions of the act approved September 6, 1958, entitled "An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of additives which have not been adequately tested to establish their safety" (Public Law 85–929), by extending from March 5, 1961, to June 30, 1964, the final effective dates of this law and Public Law 86–139, the Nematocide, Plant Regulator, Defoliant and Desiccant Amendment of 1959. This extension (H.R. 3890) authorized the continued use of certain additives and pesticide chemicals not covered by regulations issued by the Secretary of Health, Education, and Welfare, if the Secretary finds that such continued use would involve no undue risk to the public health, that such additives and pesticide chemicals were in commercial use prior to January 1, 1958, and that scientific investigations to determine safe levels of use were being pursued with due diligence.

Practical Nurse Training Extension Act of 1961

(Public Law 87–22. Approved April 24, 1961)

This law (S. 278) extended for 4 years, to July 1, 1965, the program under which the Federal Government on a 50–50 matching basis aids the States to train practical nurses and made available $5 million yearly to carry out the program.

Aid to dependent children of unemployed

(Public Law 87–31. Approved May 8, 1961)

This law (H.R. 4884) amended title IV of the Social Security Act to authorize Federal financial participation in aid to dependent children of unemployed parents. The program is a temporary one for a period of 14 months from May 1, 1961, through June 30, 1962, and is estimated to cost $200 million in Federal funds.

The law provided Federal participation in benefits for such children on the same basis as the existing Federal-State programs for children whose wage-earning parents have died, deserted them, or become disabled.

The new program was optional for the States.

Included in the law was a provision for some $10 million for an increase from $12 to $15 a month in Federal funds for medical care of persons on old-age assistance rolls.

Social Security Amendments of 1961

(Public Law 87–64. Approved June 30, 1961)

This law (H.R. 6027) amended and broadened the social security program, effective 30 days after enactment, in the following manner:

1. Increased minimum benefits for retired workers from $33 to $40 per month.

2. Permitted men as well as women to start collecting benefits, on a permanently reduced basis, at the age of 62 years.

3. Increased widows' benefits from 75 to 82½ percent of the husbands' benefits.

4. Changed eligibility requirements to permit payment of benefits to workers employed in a job covered by social security for one quarter out of every four calendar quarters since 1950, instead of one quarter out of every three quarters as now provided.

5. Raised from $1,201–$1,500 to $1,201–$1,700 the level of earnings of retired persons for which a dollar is deducted from benefits for every $2 earned. Deductions above $1,700 will be subject to dollar-for-dollar deductions.

6. Extended for 1 year, through June 30, 1962, the deadline for applications by disabled persons made eligible for benefits under the 1960 law.

7. Amended the Internal Revenue Code to increase scheduled social security payroll taxes by adding an additional one-eighth of 1 percent on employees and employers and an additional three-sixteenths of 1 percent tax on the self-employed. The new tax schedule, effective January 1, 1962, was (for employees and employers in 1962) 3⅛ percent; for 1963–65, 3⅝ percent; for 1966–67, 4⅛ percent; for 1968 and after, 4⅝ percent. For the self-employed the tax for 1962 was 4.7 percent; for 1963–65, 5.4 percent; for 1966–67, 6.2 percent; and for 1968 and after, 6.9 percent.

8. Increased for 9 months, $15.8 million in funds for matching Federal grants to the States for public assistance payments to the aged, blind, and disabled, and changed the formula to increase to $31 the amount for which the Federal Government will pay 80 percent, and upped the limit from $65 to $66 with the change effective from October 1, 1961, through June 30, 1962.

9. Authorized for 1 year, ending, June 30, 1962, funds for temporary aid to U.S. nationals returning home under distressed circumstances.

What noble words have been uttered about the needs of the older people for better medical care. What statesmanlike phrases, what unkept promises have been spoken on this subject. What deathless prose.

What dead prose.

The President has said:

This is a matter of national concern. I believe the need for such insurance is urgent.

He placed medical care for the aged under social security on his 16-point priority program for action this session of Congress. Nothing whatsoever has happened to implement his recommendation.

The President promised on November 1, 1960, that, if he were elected President he would submit "to Congress within 30 days" after he took office and immediately enact a plan for medical care for the aged under social security. Well, he kept part of that promise. He did submit the program.

That is as far as it went. The House Ways and Means Committee which would first have to take action on such a proposal, became so bogged down trying to untangle the mess of the President's tax-revision proposals, that it never got around to medical care for the aged under social security.

But, other plans, not under social security, were introduced into this session of Congress. But, alas, they, for the most part, were Republican plans—and of course nothing happened in regard to them.

After all, what Democratic committee chairman would dare take action on any medical care plan—particularly a Republican one—that was not under social security. The administration wants such a plan under the social security system, but apparently they can't get what they want.

So, nothing has been done.

The beautiful, heart-rending speeches about the needs of the older people were as hollow and shallow as many of the orators from whom they emanated.

The concern voiced was not—as the people were led to believe—with the urgent need for such legislation. The concern was actually with just how to further lead this country down the road to socialism—by placing the medical care under the social security system.

Aid for training teachers of the deaf

(Public Law 87–726. Approved September 22, 1961)

This law (S. 336) established a grants-in-aid program to assist in training teachers of the deaf. It authorized appropriations of $1.5 million annually for 2 years beginning with the fiscal year ending June 30, 1962.

Community Health Services and Facilities Act of 1961

(Public Law 87–395. Approved October 5, 1961)

This law (H.R. 4998) (1) expanded such facilities for the chronically ill and the aged; (2) provided for expanded research to more effectively develop and utilize hospitals and other medical care facilities; and (3) increased grants to assist in constructing health research facilities.

To accomplish these three purposes, the law did the following:

1. Increased authorization from $30 million to $50 million a year for the next 5 years for the chronically ill and the aged.

2. Set up a new 5-year program of $10 million annually for special project grants to public and nonprofit organizations for developing new or improved methods outside hospitals, also for the chronically ill and the aged.

3. Increased for a 3-year period from $10 million to $20 million authorization for grants-in-aid to States for constructing private and other nonprofit nursing homes.

4. Liberalized eligibility criteria for constructing rehabilitation centers under Hill-Burton program by requiring such centers to provide medical service and either psychological, social, or vocational services.

5. Extended Hill-Burton authorizations for construction loans for hospitals and other medical facilities until June 30, 1964.

6. Increased annual appropriations ceiling for hospital research grants from $1.2 million to $10 million, extended the program to facilities other than hospitals, and authorized grants for constructing and equipping experimental facilities.

7. Amended authority of the Surgeon General, PHS, to make nonmatching grants to construct health research facilities by restricting same to projects of regional or national significance.

8. Extended for an additional 3 years the matching grant program for constructing health research facilities, with an increase in authorized annual appropriations from $30 million to $50 million.

TRANSPORTATION

Extension of authority for dual-rate contract agreements by steamship conferences

(Public Law 87–75. Approved June 30, 1961)

This law (S. 2154) extended until September 15, 1961, the dual-rate contract agreements by steamship conferences which permits temporary exemption from the antitrust laws.

Federal Aviation Act of 1958 Amendment

(Public Law 87–197. Approved September 5, 1961)

This law (S. 2268), known as the antihijacking law, provided—

(1) That aircraft piracy, or attempted aircraft piracy, is punishable by death, if so recommended by the jury, or by not less than 20 years imprisonment, if the death penalty is not imposed;

(2) That interference with flight crew members or flight attendants on board an aircraft in flight in air commerce is punishable by a fine of not more than $10,000, imprisonment for not more than 20 years, or both;

(3) That the carrying of weapons on aircraft by unauthorized persons is punishable by a fine of not more than $1,000, or imprisonment for not more than 1 year, or both; and

(4) That the imparting of false willful, and malicious information concerning an alleged attempt to commit any act of aircraft piracy is punishable by a fine of not more than $5,000, or imprisonment for not more than 5 years, or both.

Subsidy to American-flag steamship lines

(Public Law 87–243. Approved September 14, 1961)

This law (H.R. 6309) amended title VI of the Merchant Marine Act of 1936 to provide that, effective July 1, 1962, advance payments of vessel operating-differential subsidies could not exceed 90 percent of the estimated subsidy, except that an additional 5 percent might be paid after the contractor's audit was completed and the Secretary of Commerce had verified its correctness. Under previous law the foregoing percentages were 75 and 15 respectively.

The Department of Commerce in its report on the bill indicated opposition. Department opposition was cited when the bill was considered in the Senate. However, the House report stated the Department "subsequently withdrew its objections, after further study, because of the permissive nature of the legislation which leaves discretion to the Secretary of Commerce as to the percentage of subsidy payable before audit."

Licensing independent ocean freight forwarders

(Public Law 87–254. Approved September 19, 1961)

This law (S. 1368) amended the Shipping Act of 1916 to require licensing by the Federal Maritime Commission of all persons independently engaged in the business of forwarding shipments by oceangoing common carriers from the United States or its possessions, and to authorize payment by the carriers to forwarders as compensation for services performed in connection with the dispatch of such shipments.

GSA favored provisions requiring licensing of forwarders, opposed provisions to permit carriers to compensate forwarders for services furnished shippers. The Budget Bureau indicated no objection from standpoint of administration's program. GAO opposed provi sions to permit carriers to compensate

forwarders for services furnished shippers.

Construction and maintenance of American-flag vessels built in American shipyards

(Public Law 87-266. Approved September 21, 1961)

This law (H.R. 6732) amended the Merchant Marine Act of 1936 to exclude from the 50-percent minimum U.S.-flag participation under section 901(b) all vessels built, rebuilt, or documented abroad (after enactment) until such vessels have been documented under U.S. laws for 3 years. It was designed to discourage American operators from transferring vessels to foreign registry and then redocumenting them under the American flag at their convenience, and to provide an incentive to American-flag tramp operators to build new vessels in the United States.

Use of vessel reserve funds for research and new design (containerization)

(Public Law 87-271. Approved September 21, 1961)

This law (H.R. 6974) amended the Merchant Marine Act of 1936 to authorize operators of subsidized vessels to use their capital reserve funds to finance research, new design, and development programs; to permit borrowing from capital reserve funds to acquire cargo containers; and to provide safeguards against undue depletion of such reserve funds.

Extending preferred status to mortgages covering vessels, including tugboats, of 25 or more gross tons

(Public Law 87-303. Approved September 26, 1961)

This law (H.R. 2308) amended the Ship Mortgage Act to extend preferred status to mortgages covering towboats, barges, scows, lighters, car floats, canalboats, or tank vessels of 25 or more gross tons in order to meet the needs of the small operators and generate construction work for shipyards. The previous law conferred such preferred status only on vessels of 200 or more gross tons.

Dual-rate contracts for shipping

(Public Law 87-346. Approved October 3, 1961)

This law (H.R. 6775) amended the Shipping Act of 1916, as amended, to provide permanent legalization of steamship conferences, notwithstanding our antitrust laws, and to authorize ocean common carriers and conferences thereof to enter into dual-rate contracts with shippers.

TREATIES

Columbia River Basin Treaty

(Ex. C, 87th Cong., 1st sess. Ratified March 16, 1961)

Under the treaty, three large storage dams would be built in Canada, doubling former storage capacity for regulating the flow of the main part of the Columbia River. The increased storage capacity would be used for controlling floods and increasing the generation of electric power for the benefit of the United States and Canada. The treaty would be in force for 60 years, termination optional.

Convention on the Organization for Economic Development

(Ex. E, 87th Cong., 1st sess. Ratified March 16, 1961)

OECD would replace OEEC and add to the 18-nation OEEC membership the United States and Canada. The convention provided for consultation and voluntary cooperation among member nations for the purposes of (1) promoting the economies of member countries, and (2) assisting the less developed countries and distributing the aid burden more equitably. The resolution of ratification included a declaration intended to protect the constitutional division of powers between the Executive and Congress.

Second agreement between the United States of America and the Federal Republic of Germany regarding certain matters arising from the validation of German dollar bonds

(Ex. D, 87th Cong., 1st sess. Ratified May 4, 1961)

The agreement would provide for validation of German dollar bonds whose owners obtained them from legitimate sources and not as a consequence of Soviet seizures of bonds in Berlin at the close of World War II. The procedures for validation would be the same as those provided in a 1953 treaty between the United States and the Federal Republic of Germany with respect to bonds of issuers located in the Federal Republic and the western sectors of Berlin.

International Convention for the Prevention of Pollution of the Sea by Oil, 1954

(Ex. C, 86th Cong., 2d sess. Ratified May 16, 1961)

The convention was designed to alleviate pollution of the high seas by prohibiting discharge of oil and oily wastes by tankers and other ships in prescribed areas and thereby to control their harmful effect on coasts and coastal waters, birds and other wildlife, and fish and marine resources. In 1960, the President recommended acceptance, subject to an understanding, reservations, and recommendations, which were included in the resolution of ratification.

Proposals by the United Kingdom for modification of the International Loadline Convention

(Ex. I, 87th Cong., 1st sess. Ratified May 16, 1961)

The convention prescribed the depths to which ships engaged in international commerce might be loaded and required such ships be marked with loadlines in accordance with the convention's terms. The proposal was designed to prevent retroactive application of the provisions of the convention involving ship structures.

Treaty of Extradition Between the United States and Brazil

(Ex. H, 87th Cong., 1st sess. Ratified May 16, 1961)

The treaty followed the pattern of some 65 other extradition treaties then in force, including all the countries of South America except Brazil. Neither country would have to extradite if the death penalty might be imposed, primarily due to the fact that capital punishment is prohibited under Brazilian law. Crimes subject to extradition, conditions to be satisfied, procedures to be followed, and circumstances when extradition would not be granted were contained in the various articles of the treaty.

Treaty of Friendship and Navigation Between the United States and Belgium

(Ex. J, 87th Cong., 1st sess. Ratified September 11, 1961)

The treaty contained provisions designed to provide protection for the property and interests of American citizens and companies in Belgium.

This treaty required that if any dispute regarding any provisions of these conventions arose between the parties, and if such dispute was not satisfactorily settled by other means, the dispute would be submitted to the International Court of Justice.

Treaty of amity and economic relations between the United States and Vietnam

(Ex. L, 87th Cong., 1st sess. Ratified September 11, 1961)

The treaty contained provisions designed to provide protection for the property and interests of American citizens and companies in Vietnam.

This treaty required that if any dispute regarding any provisions of these conventions arose between the parties, and if such dispute was not satisfactorily settled by other means, the dispute would be submitted to the International Court of Justice.

Geneva Radio Convention

(Ex. I, 86th Cong., 2d sess. Ratified September 25, 1961)

The main purpose of this convention, dealing with the international regulation of radio communication, was to replace those which were adopted at Atlantic City in 1947 and approved by the Senate in 1948.

The new regulations included special provisions for research purposes, to support the space program; recognition of the unique spectrum requirements of radio astronomy, by designating a number of bands for radio astronomy observations; and special procedures to eliminate interference in the field of high-frequency broadcasting.

Geneva International Telecommunications Convention

(Ex. J, 86th Cong., 2d sess. Ratified September 25, 1961)

The main purpose of the treaty was to continue in effect the principal provisions of the convention signed in Buenos Aires in 1952 and approved by the Senate in 1955.

It contained provisions governing composition, functions, and structure of the International Telecommunication Union—ITU—a specialized agency of the United Nations with permanent headquarters in Geneva.

The ITU was generally recognized as an effective organization for carrying on negotiations among its members and for coordinating the use of all forms of international telecommunications.

VETERANS

Veterans' home loan extension

(Public Law 87-84. Approved July 6, 1961)

This law (H.R. 5723) extended both the VA guarantee and direct home loan programs for veterans. The program for veterans of World War II was extended to July 25, 1967. The program for veterans of the Korean war was extended to January 31, 1975.

The law also increased from $13,500 to $15,000 the maximum amount an eligible veteran may borrow from the Government as a direct loan in areas where private financing cannot be obtained. For this purpose $1.2 billion was provided for direct home loans over the next 6 years.

Under this law, a veteran will be eligible for a GI loan for 10 years from the date of his discharge from his last period of wartime service, plus an additional year for each 3 months of active wartime duty.

Board of Veterans' Appeals

(Public Law 87-97. Approved July 20, 1961)

This law (H.R. 866) amended section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals. It also required that these decisions of the Board shall be in writing and shall contain findings of fact and conclusions of law separately stated. The amendment takes effect as of January 1, 1962.

Increasing special pension payments to certain persons awarded Medal of Honor

(Public Law 87-138. Approved August 14, 1961)

This law (H.R. 845) liberalized the requirements for entry on the Army, Navy, and Air Force Congressional Medal of Honor rolls by prescribing age 50 as an eligibility

requirement. It increased the special pension from $10 to $100 for those recipients who specifically indicate a desire to receive such special pension. Recipients who are now receiving the $10 special monthly pension would not have to indicate such a desire for the increase but would automatically be paid the new $100 rate from the effective date which began on the first day of the first month following enactment of this act.

Special dividends for certain national service life insurance policyholders

(Public Law 87-223. Approved September 13, 1961)

This law (H.R. 4359) amended section 723 of title 38, United States Code, to provide for payment of dividends on insurance issued under section 621 of the National Service Life Insurance Act of 1940 which had been converted or exchanged for new insurance under such section.

The administrative expense to the Veterans' Administration involved in the payment of the special dividend would be borne by the revolving fund. The Bureau of the Budget believed that these expenses should be paid from retained earnings of the fund before distribution. The VA favored the legislation.

This legislation was nothing more than a hoped-for popularity by paying veterans in advance.

Increased dependency and indemnity compensation for certain veterans' widows

(Public Law 87-268. Approved September 21, 1961)

This law (H.R. 6969) amended section 417 of title 38, United States Code, to adjust dependency and compensation rates so that benefits for certain widows of veterans whose deaths are due to service connection will not be less generous than benefits payable to widows of veterans whose deaths are nonservice connected.

Goals of the New Frontier: Agriculture

EXTENSION OF REMARKS

OF

HON. LESTER R. JOHNSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. JOHNSON of Wisconsin. Mr. Speaker, thus far in 1961, the Kennedy administration has sparked more constructive action on the critical problems of boosting farm income and managing our food abundance than had been recorded through all the previous 8 Republican years. Under leave to extend my remarks, I would like to include in the RECORD a résumé of the accomplishments of this administration and the 1st session of the 87th Congress in the field of farm legislation.

Executive and congressional actions since Inaugural Day have improved the position of farm families in terms of income, morale, and prestige.

We have, indeed, come a long way since the 20th day of January.

Here are just five of the steps:

First. Net farm income in 1961 will be about a billion dollars above the total for 1960—the last of the do-nothing Benson years.

Second. In cities and towns across the land there is a growing appreciation for farm families and their ability to produce abundance for what they really are—blessings. The last administration's concept of farmers and abundance as burdens, as a basis for frustration and admission of failure, is fading away under the impact of truth.

Third. The family farm is again recognized as a fundamental part of the free enterprise system and a major contributor to a rich and rewarding social, spiritual, and cultural life.

Fourth. The farmer has been returned to full citizenship status through a strengthened system of farmer-administration of agricultural programs, through expanded use of farmer-advisers in mapping policies at the Washington level, and through the administration's clearly expressed confidence in the ability and the willingness of farmers to utilize self-help opportunities in production and marketing management, and;

Fifth. Full recognition is being given to the need for coordinating farm and food policies, so consumers and producers may share equitably in the benefits of abundance.

Mr. Speaker, we have come a long way. Yet, as every farm family knows, we still have a long way to go—and President Kennedy, Secretary of Agriculture Orville Freeman, and Members of the Congress who share their philosophy and their goals know it, too.

The solution to the farm problem, President Kennedy said in his first farm message to the Congress, "lies not so much in severe restrictions upon our talent to produce as upon proper channeling of our abundance into more effective and expanded uses. American agricultural abundance can be forged into both a significant instrument of foreign policy and a weapon against domestic hardship and hunger."

And, in combination with those objectives, the President added this significant point:

It is also our purpose to insure that the farm family that produced this wealth will have a parity in income and equality in opportunity with urban families—for the family farm should be protected and preserved as a basic American institution.

As he took over direction of the Department of Agriculture to administer programs aimed at achieving the administration's goals, Agriculture Secretary Freeman left no doubt about his will to put vitality and purpose into remedial action—and to do it with an all-out appreciation for the need to act right now.

"We can neither ask nor expect an indefinite continuation of programs and policies under which the U.S. Government pays ever-increasing amounts for stockpiles of commodities that threaten to become evermore unmanageable," he declared. "Nor," he added—and this is the guideline for the Secretary's efforts—"can we either ask or expect that the American farmer shall continue to invest his capital, his labor, his skill and his management ability for a reward that is not only shockingly below the national average but substantially below any accepted American standard for a minimum wage."

Words, of course, can carry purpose and promise, but they are meaningless unless they lead to deeds.

What has been done by the President, the Secretary of Agriculture and the Members of the House and Senate who have a sincere concern for the welfare of farmers?

Mr. Speaker, the first big effort was in the field of bringing the supply of feed grains into balance with current and carryover needs, and out of this push came the emergency feed grains program of 1961. It was adopted by the Congress in the face of almost solid Republican opposition, and then adopted by farmers in the major feed grains areas with an enthusiasm that surprised supporters and shocked critics.

The widespread willingness to cooperate in this initial nationwide program of the new administration proves three things:

First. Farmers are willing to face up to the proposition that price stability must be accomplished by supply management;

Second. Farmers are convinced the administration has both sincerity and stamina in its approach to farm and food problems; and

Third. Farmers have a revived faith in their stability to work with one another, using the facilities of Government to do that which they cannot immediately do for themselves, in the interests of farm welfare and the general welfare.

You will hear increasing complaints that while the 1961 feed grains program has reduced acres devoted to corn and grain sorghums it has not reduced the tonnage of these feeds. It is true that in anticipating production there must be primary dependence upon averages—and in much of the Corn Belt this year perfect growing conditions have brought per-acre yields above average. But no farmer who has ever experienced drought or flood or heavy insect infestation—and no farmer has ever escaped them all—finds fault with nature when she provides sun and shower and temperature in perfect proportion. He accepts this good fortune gracefully, and so does his Department of Agriculture.

Yet the fact remains we are going to consume more feed grains in the year ahead than we produce in 1961—and this will be the first dent made in the carryover in a long, long time.

The feed grains bill was followed by the introduction in Congress, and the passage of the Agricultural Act of 1961. When President Kennedy signed this bill he signed the most comprehensive piece of farm legislation our Nation has seen since the thirties.

It extends the feed grains program for another year, it provides facilities for adjusting the wheat supply that growers later approved in a referendum, it strengthens the role of food as an instrument of foreign policy, it makes credit a more useful tool in maintenance of the family farm system, it widens the opportunities for self-help programs through the avenue of marketing agreements and orders, and it continues the wool program and the programs for conserving our soil and water resources.

Mr. Speaker, Secretary Freeman has called the Agricultural Act of 1961 a license for hard work—by the Department of Agriculture, and by farmers who want to play a role in repairing the income leaks in their own industry while feeding our own Nation and helping meet the food needs of the free world.

I can assure you, on the basis of association and observation, the Secretary of Agriculture is using this license and will continue to ignore the limitations of both clock and calendar in agriculture's interests. But he can not do it alone. He and the President need an understanding Congress and cooperative farm families.

The Kennedy administration has not lost sight of the fact farm families must live while seeking to make a living, and that housing, electricity, and telephone service figure prominently in living standards.

The pace of Rural Electrification Administration activities has been accelerated. Generation and transmission loans are being evaluated with the aim of protecting the security and effectiveness of REA financed systems—systems which, I remind you, are owned by the users of the electric and communication services they provide, not by the Government. The administration's housing bill, passed by the Congress in June, makes approximately $430 million available for home construction loans in rural areas.

The Department of Agriculture is active in the area redevelopment program, through which rural communities may receive assistance in their efforts to attract new industries that will provide more jobs.

We can know a better way of life on the farm and in rural communities—but I would again emphasize that its achievement demands from each of us a will for understanding, a faith in one another and in our ability to use wisely and well the facilities of our Government, a flexibility that enables us to measure the status quo against change unhampered by either passion or prejudice, and a rededication to the dream that kept our forefathers moving into new frontiers.

I assure you that our President is investing that will, that faith, that flexibility and that rededication in the future of all of us.

Report on the 1st Session of the 87th Congress

EXTENSION OF REMARKS

OF

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ROUSH. Mr. Speaker, with the 1st session of the 87th Congress now a matter of history and record, I would like to review the activities of the session and the relation of these actions to my district and the State of Indiana.

For more than 5 months of this legislative year, the Fifth Congressional District of Indiana was without representation in this body. It was a most unfortunate circumstance for the 460,000 residents of my district to be without a voice in this national assembly. The reason for this vacancy was the investigation into the election by order of the House of Representatives.

The manner of the investigation into our extremely close election again proved the integrity of the House and its committees. The result of the complete recount of the ballots proved that errors in tabulation and reporting could have denied the will of the majority of the voters in the district. A simple recount and tabulation of the ballots counted on election night by local precinct election officials gave me a majority of the votes. A count based on the application of uniform acceptance standards throughout the district also showed a majority in my favor.

Members of both political parties acclaimed the fairness and objectivity of the investigation. In their separate views to the unanimous committee report of my election, the Republican Members expressed their opinion that the contested election matter "was directed in a thorough and fair manner." The defeated contestant himself complimented the committee which handled the matter for "conducting the recount in an equitable manner."

Upon being seated, I introduced legislation which would provide a system of recount for congressional elections. My plan would allow States to pursue their own election contest procedures before certifying the results of the election to the Clerk of the House. This would speed the contest procedures and reduce the possibility of a district being without representation again for this reason. I am hopeful that the committee will consider the bill early in the next session.

Statistics of the session indicate that it was a hard-working, productive year. The length of the session was the longest in peacetime in decades. The number of measures introduced and acted upon were at near-record highs.

Most important to residents of the Fifth District of Indiana was congressional approval of the flood control construction in our district. After years of planning, construction will finally begin on the three-reservoir flood control system along the Wabash River. Congress appropriated $700,000 to begin construction of the Salamonie Reservoir in Wabash County. The Mississinewa Reservoir will be begun with a $500,000 appropriation. The Huntington Reservoir will undergo final planning and design; $53,000 was appropriated for this purpose.

President Kennedy's strong support for flood control and water resources development was a great factor in our legislative work this year. It gives renewed promise for rapid completion of these needed projects. His revised public works program included the three projects after the final Eisenhower recommendations had neglected the important Mississinewa project.

Thus, we begin the flood control system which is so vitally needed by the people of Peru, Wabash, and all those along the Wabash River in Indiana. With the construction of these reservoirs come additional benefits to the residents of the area. Plans for the development of the reservoirs as recreation and conservation areas are progressing in the Indiana Department of Conservation. The construction period will provide jobs for hundreds over the next several years. The ready supply of water will help alleviate desperate needs experienced by Marion, Huntington, and other area cities in recent years. The good of these projects is just beginning to unfold as construction starts.

The Federal judiciary of the State was increased with the addition by this Congress of one additional judge each for the northern and southern districts of Indiana and the addition of a judge to the Seventh Circuit Court of Appeals. This increase in the staff of the courts will aid the cause of justice by relieving the backlog of cases in each court and speed judicial action.

Indiana's benefits from legislation which bolstered the general economy are measurable. More than 36,000 unemployed persons in the State took advantage of the extension of unemployment compensation immediately after it was effective. This alone pumped more than a million dollars a week into the Indiana economy. Rapid return of Federal income tax payments, payment of veterans' insurance annuities and the speedup of military spending aided Indiana in its recovery from the recession of 1960. Economic statistics in the State are encouraging and the general economic outlook for Indiana is favorable.

Indiana and Fifth District farmers have been enthusiastic in their reaction to the feed grains program. This program, initiated by the 87th Congress, has been largely responsible for the increase in total national farm income. It will, for the first time in years, cut the total grain surplus in storage. By doing so, it can cut the total cost of the farm program.

As a former prosecuting attorney, I know the need for the Attorney General's crime program. The benefits to be derived from the anticrime legislation he was given by the Congress will accrue to all. It will be of assistance to every law-enforcement agency in the Nation and will go a long way toward final success in the fight against organized crime.

The social security amendments of this session of Congress have improved the program in light of today's needs. These new benefits include: optional retirement for men at 62 with proportionately reduced benefits; a raise in benefits to widows from 75 percent of that to which the primary insured was entitled to 82½ percent of those benefits; raised earnings ceiling for retired persons; and broadened insured status requirements.

The Housing Act of 1961 was the most comprehensive housing bill passed by Congress in years. The provisions of this bill will make it easier for families, especially moderate income families, to own their own home or to make improvements in their present dwellings. The

program of urban renewal and development in this act is of great encouragement to towns and cities in our district which are planning needed local projects. The programs for housing for the elderly citizens, for farm families and for colleges will be of great use in our district.

Several communities in our district are planning airport improvements. The extension of airport programs by this Congress will enable these cities to provide more modern, safer airport facilities. Marion is completing work on a runway built under this program at the present time. Anderson, Huntington, and Wabash have contacted my office concerning their own airport development plans.

Many workers in the district have been affected by the change in the Federal wage and hour law. This Congress broadened the coverage of the law to include some 3.6 million more workers nationally and raised the minimum wage, in steps, to $1.25 per hour.

The national defense posture was a subject of much concern in this past session of Congress. Acting on the recommendations of the President, Congress quickly approved increased strength both in conventional and modern armaments, and in our fighting forces. At the same time a concerted drive by the Congress and the administration has resulted in giving the Nation more for its defense dollar. The badly mismanaged M–14 rifle procurement has been corrected and this improved weapon is being delivered on schedule to our fighting men around the world. The shocking labor problems at key missile bases which existed in past years have been corrected. The administration's efforts have reduced the time lost in labor disputes from an average of 21,500 man-days per quarter in 1960 to 763 man-days in the second quarter of 1961.

The Small Business Administration program was expanded by this Congress. Activities of this agency have increased rapidly this year. The SBA provides valuable assistance to small independent businessmen and to communities. Conferences are being arranged in the district to better acquaint businessmen with their activities.

My assignment on the House Committee on Science and Astronautics has enabled me to observe the Nation's space efforts at first hand. The successes of our program this year, including the two successful suborbital manned launchings, give preview to the developments of our space technology which are to come. With the impetus of increased emphasis for the moon program and other space efforts, our progress should be swift and the evidence of our progress increasingly more dramatic.

The committee activity is but one area in which I have taken special interest.

I introduced a bill to provide for the establishment of an Indiana Dunes National Park. My plan would enable both the park and the Indiana deep water port to be established. These two projects complement each other. The port is of great economic significance to the State and I am happy to see the leadership in this project being provided by Gov. Matt Welsh. The park is of great conservation and recreation value. We can and should have them both in Indiana. To this end I have directed my efforts.

The construction of the Mississinewa Reservoir will necessitate the removal of the grave of the historic Indian figure, Frances Slocum. The present Slocum Cemetery will be inundated by waters from the reservoir. Attempts to have her body reinterred in Pennsylvania have been thwarted, I believe, by the alert expression of intense local interest in this historic monument. Plans are being made to secure a suitable site for her grave near the present location and I have introduced legislation to have it recognized as a national historic memorial.

In this age of nuclear terror, civil defense is valuable insurance for every family and a strong deterrent force for the Nation. To encourage the needed local efforts in our area, I called a district civil defense conference. Response to the conference was enthusiastic. I hope the results of the ideas expressed by civil defense experts to some 350 community leaders from the district will soon be evident in projects in the various communities.

The Federal Government has a program of disposing of its surplus properties to certain governmental and civic groups. I introduced a bill which would allow youth services and welfare organizations, the YMCA, Boys' Clubs, and the like to take advantage of this program.

These are the activities and products of the 1st session of the 87th Congress which stand as highlights to me. It has been an active, productive session. I look forward to the second session next year to continue the work begun this year of constructive, responsible legislation which will benefit the Nation, our State of Indiana, and my district.

Report of Legislative Activities of the Committee on the District of Columbia, 1st Session, 87th Congress

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EXTENSION OF REMARKS

OF

HON. ALAN BIBLE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by me concerning the legislative activities of the Committee on the District of Columbia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

In my capacity as chairman of the Committee on the District of Columbia, I am pleased to present to the Senate a report of the activities of the committee for the 1st session of the 87th Congress.

Your committee has seen the busiest session in some years. I believe the statistics and explanations presented hereafter will support the belief that 1961 has been legislatively productive in the best interests of the Nation's Capital City—the hub of one of the country's fastest growing metropolitan areas and the recipient of the inherent problems accompanying such mushrooming growth.

Congressional action was not completed on two matters of vital importance to the District's well-being; namely, the District's financial plight and the understaffed juvenile court where additional judicial manpower is critically needed.

To me, it is of paramount importance that conferees on the District's revenue bill return to conference sessions at the earliest opportune time next year to reach a decision to raise critically needed revenue for the operation of the District government. In my judgment, the Congress must face up to the hard facts that increasing governmental expenditures brought on by problems of a changing city require more local tax revenues and a greater Federal payment if the Nation's Capital City is to meet its obligations to its citizenry.

In the improvement of judicial machinery, again I believe it is regretful that the Congress has not seen fit to meet squarely the grave problems of the juvenile court where unattended juveniles today will become the full-fledged criminals tomorrow.

The Senate again passed legislation calling for 2 additional judges for the juvenile court whose backlog still numbers over the 1,000-case mark. The Judiciary Subcommittee, under the chairmanship of the distinguished junior Senator from Indiana, Mr. HARTKE, conducted a series of hearings on juvenile opportunities and the causes of juvenile delinquency in the District, taking testimony from many of the city's youth leaders and law enforcement officers. Again, I am hopeful that early next year, if additional judges are not the entire answer, then opponents of this effort will propose a realistic, workable yet not a backward youth correctional alternative for wayward juveniles.

The Committee on the District of Columbia, I believe, is unique among Senate committees by virtue of the great variety of problems, running the gamut of legislative proposals, which come before it. Constitutionally, the Congress is the legislative arm for the District. The committee serves not unlike the upper house of a State legislature, a board of county commissioners and a city council combined, dealing with matters ordinarily common to both State, county, and municipal governments.

Many of us believe the District's legislative duties should be delegated by the Congress to a locally elected body, giving to this National Capital City true representative self-government. However, the Congress has not yet seen fit to approve this step although the Senate has passed such home-rule legislation 5 times in the last 12 years.

Since I realize the fact that few Members of this distinguished body seek out this committee for service, I believe that my colleagues on this committee are most deserving of the gratitude of the entire Congress, the people of the District of Columbia, and the country generally for the long hours they spend in office conferences, hearings, and executive sessions to tend to the business of the Nation's Capital City and away from national and international matters and those dealing with their respective home States.

Therefore, I take this opportunity to express my deep appreciation to my subcommittee chairmen who so unselfishly gave of their time and energies in the service of the District of Columbia.

They are my distinguished colleague, the very effective and hardworking senior Senator from Oregon, Mr. MORSE, who is chairman of the Public Health, Education, Welfare and Safety Subcommittee; my close friend and a willing worker, the junior Senator from Maryland, Mr. BEALL, whose long service both in the Senate and House on the District Committees, has made his work most valuable as chairman of the Business and Commerce Subcommittee; the distinguished junior Senator from Indiana, Mr. HARTKE, whose skill and experience in municipal government and as an outstanding lawyer have been invaluable to our committee as chairman of the Judiciary Subcommittee; and the capable and efficient junior Senator from Massachusetts, Mr. SMITH, whose municipal government background served so well in his capacity as chairman of the Fiscal Affairs Subcommittee.

To the other committee members, the junior Senator from Vermont, Mr. PROUTY, whose past service in the House and keen interest has been of great value to our committee; and the junior Senator from Iowa, Mr. MILLER, whose capable enthusiasm and warm attention to the affairs of the Nation's Capital City have been invaluable to our committee deliberations, I wish to express my sincere thanks and deep appreciation for the hours they gave to the problems of the District of Columbia and its local government.

I believe the Senate and the Congress this year made real strides in the field of constructive legislation for the District.

Unquestionably foremost was enactment of a law to implement the 23d amendment to the Constitution of the United States, granting to the citizens of the Nation's Capital City for the first time the right to vote for President and Vice President along with all other Americans. In this matter, the Congress acted with dispatch. Less than 6 months before, the 23d amendment had been certified as a part of the Constitution following its ratification by more than the required three-fourths of the States, also in near record time.

It is the fervent hope of many of us that since presidential voting has been granted to the previously voteless Nation's Capital that its plight as a city with taxation but without representation can also be changed. The next step in bringing fullfledged democracy to the citizens of Washington, D.C., is securing an elective city government under home rule legislation.

It is my wish that hearings on home rule legislation now before this committee can be scheduled early in 1962 and the bill be given a priority in the committee's deliberations.

Probably ranking second in the foremost legislative achievements in 1961 was the first implementing step in developing a mass rapid transit system for the Washington metropolitan area. Legislation was enacted authorizing a $2½ million program by the National Capital Transportation Agency to acquire land in suburban Maryland and Virginia for median strips for express transit service on two major highway links, express bus service on a third suburban arterial highway and parking areas and stations adjacent to such routes.

In the field of law enforcement, so important to a city where the crime rate has continued to climb year after year, the Congress authorized a 3,000-man Metropolitan Police force, interestingly enough 100 years after the Nation's Capital City saw its first organized police organization formed in 1861.

In an associated field, the Senate approved legislation establishing a juvenile division of the District's Youth Correctional Center at the Lorton, Va., reformatory to permit eventual abandonment of the National Training School.

The committee again approved a bill outlawing mandatory capital punishment in the District, the only jurisdiction in the country with such a requirement, believing the District must get into step with other States in this field.

In an effort to curb traffic fatalities, the Senate passed legislation permitting the courts to increase jail sentences for traffic violations from 10 to 90 days.

The Senate passed bills providing for the District government to dispose of properties seized incident to violations of gambling and indecent publication laws of the District of Columbia. In addition, provision was made for the use of injunctions in connection with premises that have been involved in violation of the indecent publication laws.

In the field of improved judicial machinery the Senate authorized an increase in jurisdiction of the small claims court to aid many more residents in recovering money due and owing, provided the municipal court with authority over more civil cases by giving it jurisdiction over all counterclaims and cross-claims regardless of the amount of such cross-claims and counterclaims, amended the District of Columbia divorce, legal separation, and annulment laws and extended privileged communications to ministers of religion.

The Senate voted to strengthen the District's unemployment compensation laws to increase and extend benefits for workers and grant more protection for employers in connection with disqualification provisions.

In the education field, the Senate authorized establishment of a junior college division at D.C. Teachers College to meet an increasing demand for qualified teachers locally.

In the public welfare field, the Senate approved a bill consolidating the District's public assistance laws, providing a 1-year residence requirement, increasing relative responsibility requirements and making penalties uniform for fraudulent practices.

Two health regulatory measures won Senate approval. The District Commissioners were empowered in one bill to set standards and criteria for the regulation of the practice of physical therapy and a second bill authorized the establishment of tissue banks to aid the development of constructive medicine and surgery.

The Senate approved a bill extending for 1 year the Hospital Center Act with the assurance that the administration would send draft legislation to the Congress next year setting out a framework for orderly planning and developing of metropolitan area hospital needs, rather than providing hospital facilities paid for by the District and presently used 40 percent by non-District patients.

In connection with this activity report, I should like to draw the Senate's attention to one overall figure in the statistical table hereafter. The committee in the 1st session, 87th Congress, had referred to it for action a total of 136 bills, acts, and nominations. Of this total 46 are awaiting final action by the committee and 62 were cleared by the committee for Senate action. The committee's active consideration of these matters stands as a commendable record in which the Senate should take justifiable pride.

The Committee on the District of Columbia received for consideration in the 1st session, 87th Congress, the following:

Senate bills	84
Housing bills	25
Nominations	27
Grand total	136

During the session, there were reported to the Senate from the committee 30 Senate bills and 17 House bills. Two Senate bills and one House bill remain on the Senate Calendar.

Of the 25 House bills referred to the Senate, 8 are pending before the committee.

Eighteen bills and acts have become public law as of this date (September 27, 1961).

Fourteen Senate-passed bills are pending before the District of Columbia Committee of the House.

Forty-seven hearings were held by subcommittees on Senate bills, 13 hearings were held by subcommittees on House bills.

The full committee held hearings on 18 bills and nominations.

The full committee met in executive session on five occasions.

Number of bills, acts, and nominations referred to committee: 136.

Number of bills, acts, and nominations reported to Senate: 62.

Number of bills and acts in process (hearings held): 2.

Number of bills and acts indefinitely postponed within committee, including consolidation, and nominations withdrawn: 26.

Number of bills, acts, and nominations awaiting final action: 46.

The following is a list, by title and number, of all bills and acts passed by the Senate during the 1st session of the 87th Congress (those that became law are indicated by the public or private law number):

S. 158. A bill to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro. (Private Law 87-208.)

S. 486. A bill to provide for the appointment of two additional judges for the juvenile court of the District of Columbia.

S. 502. A bill to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia, by the Federal Government.

S. 557. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof and for other purposes," approved March 1, 1899, as amended.

S. 558. A bill to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia.

S. 559. A bill to amend the District of Columbia Traffic Act, 1925, as amended.

S. 560. A bill to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925.

S. 561. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes. (Public Law 87-203.)

S. 563. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended.

S. 564. A bill to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland.

S. 588. A bill to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes.

S. 914. A bill to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes.

S. 1291. A bill to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits.

S. 1292. A bill to amend the act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia.

S. 1328. A bill to authorize the establishment of a junior college division within the District of Columbia Teachers College, and for other purposes.

S. 1528. A bill to make the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 applicable to retired former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, and the U.S. Secret Service; and to their widows, widowers, and children. (Vetoed.)

S. 1529. A bill to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended. (Public Law 87-281.)

S. 1651. A bill to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000.

S. 1761. A bill to amend the act of March 3, 1901, relating to divorce, legal separation, and annulment of marriage in the District of Columbia.

S. 1762. A bill to regulate the practice of physical therapy in the District of Columbia. (Public Law 87-280.)

S. 1918. A bill to extend benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired or who died in the service of any such organization prior to the effective date of such amendments.

S. 2194. A bill to amend the District of Columbia Unemployment Compensation Act of 1935, as amended.

S. 2299. A bill to provide for the establishment of a juvenile division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the juvenile court of the District of Columbia to commit to such juvenile division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older.

S. 2321. A bill to encourage and aid the development of constructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating antemortem and postmortem donations of human tissue for tissue bank purposes, and for other purposes.

S. 2356. A bill to amend the act known as the "Life Insurance Act" of the District of Columbia, approved June 19, 1934, and the act known as the "Fire and Casualty Act" of the District of Columbia, approved October 3, 1940.

S. 2397. A bill authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537).

H.R. 256. A bill to amend the District of Columbia Alcoholic Beverage Control Act. (Public Law 87-238.)

H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes.

H.R. 3222. A bill to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and cross claims in any action in which such court has initial jurisdiction. (Public Law 87-242.)

H.R. 4669. A bill to amend the law relating to gambling in the District of Columbia. (Public Law 87-259.)

H.R. 4670. A bill to amend the law relating to indecent publications in the District of Columbia.

H.R. 4913. A bill to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act. (Public Law 87-79.)

H.R. 5486. A bill to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication. (Public Law 87-318.)

H.R. 5968. A bill to amend the District of Columbia Unemployment Compensation Act, as amended.

H.R. 6495. A bill to amend the Life Insurance Act of the District of Columbia. (Public Law 87-249.)

H.R. 6798. A bill to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation. (Public Law 87-226.)

H.R. 7044. A bill to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia. (Public Law 87-245.)

H.R. 7154. A bill to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs. (Public Law 87-227.)

H.R. 7218. A bill to provide that the authorized strength of the Metropolitan police force of the District of Columbia shall be not less than 3,000 officers and members. (Public Law 87-60.)

H.R. 7265. A bill to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes. (Public Law 87-246.)

H.R. 7482. A bill to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended. (Vetoed.)

H.R. 7622. A bill to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia. (Public Law 87-267.)

H.R. 8032. A bill to amend the Healing Arts Practice Act, District of Columbia, 1928, and for other purposes. (Public Law 87-248.)

H.R. 8444. A bill to amend the act of August 12, 1955, relating to elections in the District of Columbia.

H.R. 8466. A bill to authorize the construction of a railroad siding in the vicinity of Taylor Street NE., District of Columbia. (Vetoed.)

H.R. 9080. A bill to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate branch sidings over First Street SW., in the District of Columbia. (Public Law 87-325.)

The following is a list of nominations confirmed by the Senate:

Neville Miller, to be a member of the District of Columbia Redevelopment Land Agency to fill the unexpired term of James E. Colliflower, resigned, whose term expires March 3, 1961.

Walter N. Tobriner, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

Neville Miller, to be a member of the District of Columbia Redevelopment Land Agency, for a term of 5 years, effective on and after March 4, 1961.

C. Darwin Stolzenbach, of Maryland, to be Administrator of the National Capital Transportation Agency.

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the unexpired term of 5 years from March 4, 1957, vice Andrew Parker, resigned.

Warrent D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

Thomas L. Farmer, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency.

G. Franklin Edwards, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency.

Frederick Gutheim, of Maryland, to be a member of the Advisory Board of the National Capital Transportation Agency.

Donald C. Hyde, of Ohio, to be a member of the Advisory Board of the National Capital Transportation Agency.

May C. Barlow, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years.

James A. Washington, Jr., of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1964.

Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years.

Goal of the New Frontier: New Civil Defense Program

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HOLIFIELD. Mr. Speaker, the course of civil defense in the United States has taken a dramatic new turn within the past few months. Since May 1961 these events have occurred:

First. The President personally has addressed the Congress and the American people on the vital importance of civil defense as national "insurance."

Second. The Department of Defense has been made responsible for carrying out major civil defense functions, including shelter protection, vested in the President by law and policy.

Third. The Office of Civil and Defense Mobilization is being reconstituted as the Office of Emergency Planning to assist and advise the President in exercising his civil defense and mobilization planning responsibilities.

Fourth. The Congress, responding to the President's call for a stepped-up civil defense program, has appropriated funds for shelter and other civil defense purposes four times as great as those appropriated in fiscal year 1960.

Fifth. Civil defense authorities in the Department of Defense have taken the first steps in a national program to identify, mark, improve, and equip existing structures in the United States for shelter against fallout hazards.

Sixth. Among the citizenry there has been a quick upsurge of interest in civil defense which appears to be more substantial and enduring than at any time in the past.

In sum, America is coming of age in the thermonuclear age.

We find it heartening and fortunate that the President recognizes the vital importance of an effective civil defense. His personal messages to the Congress and to the American people have banished, almost overnight, a great deal of public apathy and indifference. We have always believed that if the President, as the Chief Executive and the Commander in Chief, would speak out clearly on the subject and show that the Federal Government itself takes civil defense seriously, the people also would be convinced. They would be more willing to help themselves and support the national effort. Public apathy, in the final analysis, is merely a reflection of official apathy.

In what manner does the new civil defense shelter program announced by President Kennedy differ from that of the preceding administration There is no radical departure in civil defense doctrine or concept but a decided shift in coverage, agency jurisdiction, magnitude of funding, and degree of Federal participation.

The new program emphasizes the largest number of shelters to be obtained in the quickest time at the least cost. Consequently, it is directed to finding suitable fallout shelter space in existing structures, making improvements where appropriate, and stocking the shelters with emergency supplies. Federal funds will be spent for these purposes. In this sense it is a public shelter program, although privately owned as well as public buildings will be surveyed, marked, and equipped.

In summary, the major differences characterizing the new shelter program are reflected in the decisions, first, to assign fallout shelter functions to the Department of Defense; second, to embark upon a nationwide Federal program of identifying and marking available community shelter space in existing buildings throughout the United States; third, to stock these shelter spaces with federally procured emergency rations, water, and monitoring and other equipment; and fourth, to undertake some limited improvements, starting with existing Federal structures, to expand the occupancy potentials.

Thus the Federal Government is prepared to spend more money and do more things for civil defense preparation than has been done before.

In the 11 years, 1951 through 1961, actual Federal expenditures for civil defense aggregated $532 million. The appropriations for fiscal year 1962 include $206.7 million to the Department of Defense, $86.5 million to the Office of Emergency Planning, and $13 million to the Department of Health, Education, and Welfare for procurement of medical supplies associated with the emergency hospital program.

These funds, totaling $306 million for fiscal year 1962, represent 58 percent of the total outlay for the past 11 years. There is no doubt that the civil defense program has been stepped up.

The shelter survey and marking program is scheduled for completion by the end of December 1962. Stockage of shelter spaces will be completed the following year, although shelter spaces will be equipped as they are identified.

Under my direction, the Military Operations Subcommittee of the House Committee on Government Operations prepared a comprehensive report on the new civil defense program. See House Report No. 1249, 87th Congress, 1st session. The report stresses the need for an optimum shelter program, and the national shelter survey should provide important data for the development of such a program. Construction of shelters in schools and other suitably located places will be necessary to supplement the fallout shelter spaces in existing buildings.

Our report includes a special note of warning to the American people:

Avoid fly-by-night operators with shelter-building schemes and would-be sellers of expensive or useless gadgets and devices under the label of "civil defense."

Be wary of false advertising of merchandise or services, including insurance policies, which are offered as civil defense protection.

Do not sign a contract for construction of a home shelter until you have consulted civil defense officials in your city, or other government unit, and have received reliable information on requirements and cost estimates.

Be sure that what you buy for individual or family civil defense needs is really essential and meets the necessary standards of performance.

What To Do About Red China

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. GOLDWATER. Mr. President, in This Week magazine of September 17, I wrote an article entitled "What To Do About Red China." It outlined the reasons why our policy as a nation should be one of opposing the admission of Red China to the United Nations. And it went further and suggested that if the admission of Red China is ever voted by the United Nations the United States should suspend its political and financial support of the U.N. Since publication of the article, I am advised that This Week magazine has received over 100,000 communications from readers supporting my contention that Red China should be kept out of the world organization. I ask unanimous consent that the article from This Week magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT TO DO ABOUT RED CHINA

(By Senator BARRY GOLDWATER)

(As the U.N. again weighs the admission of Red China, millions of words will fill the General Assembly. This Senator believes the best U.S. policy can be put into just two words—"Say No.")

WASHINGTON, D.C.—In the affairs of nations, the time inevitably comes to take strong action. Such a time is here. The Communists are moving on many fronts, among them the United Nations.

The Communist strategy is to undermine our position in the Far East by insinuating Red China into the United Nations. Supporters of that maneuver tell us they have the votes in the United Nations General Assembly to do it, that in the next week or two Red China will have been afforded a seat.

Now is the time for us to act, and my proposal is that the United States declare that if the United Nations votes to admit Red China, our Government will, from that moment until the action is revoked, suspend its political and financial support of the United Nations.

NO PEACE WITHOUT LIBERTY

Let us never forget that we support the United Nations not because it is an international organization—but because the United Nations was created to serve great human ends. Those ends are liberty and peace. We do not want peace if, to have it, we must forego our liberty. And our liberty is imperiled if we cannot have peace. If free China's base in the Far East were undermined, the United Nations would also be an instrument for undermining liberty. It would endanger world peace if the anti-Communist alliance were to be weakened, thus encouraging the Communists in their aggressiveness. In these events, the United Nations would not be supporting the aims it was conceived to support.

It follows that, in the interest of the very goals the United Nations was designed to serve, the United States must use every pressure at its disposal to redirect the United Nations back to the great aims stated in its Charter. The procedures of the United Nations are no substitute for our own policy.

Our policy is to preserve our freedom. The United Nations helps or hinders that policy according to the decisions it makes. If it makes decisions that militate against its own original purpose, it is no longer useful.

It is objected: But what if every nation decided to boycott the United Nations every time the General Assembly took a move of which it disapproved? Wouldn't that mean the end of the United Nations? The answer is this, and let us not avoid stating it simply: The United States is not just every nation.

Providence has imposed upon us the task of leading the free world's fight to stay free. Ours are the principal decisions to make, and we must make them with reference to the enduring interests of the free world, even if they are not so recognized by all members of the free world. There would not tomorrow be a free country in the world if the United States were to lose its independence of action in this time of crisis.

Only by exercising that independence of action, even in so drastic a way as I now propose, do we continue to discharge our duty as leader and most powerful member of the free community of nations. By refusing to use the resources at our disposal, we forfeit our strength, and weaken our cause.

The Soviet Union often talks about boycotting the United Nations. In fact, it has not done so—but would freely do so exactly at that moment when withdrawal could be shown to advance the fortunes of the Soviet revolution. It is every nation's sovereign right to withdraw from an international body. But the point is to exercise that right, not as the Soviet Union might, but as a nation must if its vital interests are at stake.

THE USES OF POWER

The United States should never use its power cynically, or trifilingly. We must never use the United Nations for any petty nationalistic enterprise. We do not seek to transform the United Nations into the servant of our frivolous national interest. We are willing to abide by majority votes on

matters that do not involve the national security or the impoverishment of a vital ally. But when the United Nations by a majority vote seriously weakens the international structure of our resistance, as would be done if the Republic of China's claim to the legitimate governorship of mainland China were undermined, we cannot afford to acquiesce simply out of a regard for the United Nations bylaws. This is the moment where policy must transcend mere parliamentary procedure.

Fortunately, it is inconceivable that the United Nations would admit Red China if the United States took an unrelenting policy of opposition. We have taken such a policy in the past and year after year Red China lost her bid to batter her way in. Why is the situation different this year from last? What has changed?

Has Red China become more civilized? The evidence to the contrary is striking—reports from the mainland are of the worst misery from starvation and repression in the entire history of China.

Has Red China become so strong now that we cannot afford to exclude her? The columnist Joseph Alsop, a close student of Far Eastern developments, reports, and in this others concur, that the Government of Red China may be in a more difficult position now than at any time in its 12-year history. This is precisely because of the costly and tragic blunders of the lustful ideologists who have so wrecked the nation's economy and morale.

Is opposition to Red China weaker in the Far East now than last year? On the contrary it is stronger. The swarm of refugees from Red China have carried the word of misery under Communist totalitarianism to every corner of Asia. By contrast, Formosa's economy is thriving. Land redistribution has brought a wide ownership of property. The morale of its armed forces is at an all-time high.

Why, then, should we be worrying this year about the outcome of the forthcoming debate? In part it is because of the admission over the past year of a dozen or so African nations whose foreign policy is oriented toward Moscow's, owing to a residual bitterness against the colonialist policies of the West, and other factors. But if we are deeply convinced of the soundness of our Far Eastern policy, are we prepared to allow a dozen African states to change the course of foreign affairs?

If we were truly resolved to have our way on China, we could, of course, win the votes of the African states. We could approach them in terms they understand. And we could show them that the greatest colonialism ever effected, anywhere, is that of communism in China. If the President's team worked as hard to get the votes of the African members as it worked to get the votes of the Democratic delegates in Los Angeles, we could sit back secure in our conviction that the Communists will not prevail in the United Nations.

The important change of the past year, obviously, has been the weakness of the present administration in the field of foreign affairs—whether in Cuba, in Laos, in Outer Mongolia, or in the United Nations. Instead of showing resolution, what has our Government done? Our Ambassador to the United Nations, Mr. Adlai Stevenson, said in January that it was perhaps "inevitable" that Red China should be recognized. Many of the men who surround the President have long been accused of policies of appeasement toward Red China.

A TRIAL BALLOON

In June the White House floated a trial balloon in the New York Times, suggesting that we were prepared to offer a seat to Red China—because we were confident she would refuse it unless we simultaneously ejected the Government of Nationalist China. And this, clearly, we were not prepared to do. The effect of that maneuver was to go a long way in collapsing the entire edifice of arguments, strategic and moral, by which over the years the Government had painstakingly constructed the absolute case against admitting Red China under any circumstances.

In July a second trial balloon was floated to the effect that by recognizing Outer Mongolia our Government hoped to appease the forces clamoring for recognition of Red China.

Such a policy of appeasement and militant indecisiveness has thrown despair into the ranks of our closest allies. Our friends no longer know just exactly what the intentions of the United States are. It is on such confusion and indecision that communism thrives.

But the situation is not irreparable, and there is evidence in the past few weeks that the back of the United States is stiffening. It is not too late. The answer to the forces of appeasement in the United Nations in the forthcoming debate is a simple one. It can be expressed in just two words of one syllable each: Say no. We cannot cooperate in a venture of self-destruction.

The United States has—right now—the power to prevent the United Nations from becoming an instrument of Soviet foreign policy. We are the guardians of the ideals which the United Nations was formed to serve. A loyalty to those ideals requires that we work to save the United Nations by refusing to cooperate with it for so long as it betrays those ideals.

The true friends of international peace and freedom everywhere, including millions upon millions of Asiatics, will look upon us with gratitude and confidence if we will just say no—and prove we mean it.

Need for Immediate Nationwide Action on White House Conference Recommendations in Education for Aging

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I would like to include a speech I made recently at the New England Conference on Education for Aging at the University of Rhode Island, pointing up the need for immediate nationwide action on White House Conference recommendations in education for aging:

NEED FOR IMMEDIATE NATIONWIDE ACTION ON WHITE HOUSE CONFERENCE RECOMMENDATIONS IN EDUCATION FOR AGING

(By Congressman JOHN E. FOGARTY, New England Conference on Education for Aging, University of Rhode Island, Kingston, R.I., August 29–30, 1961)

WANTED: LESS TALK AND MORE ACTION IN AGING

Reverend Collins, Governor Notte, Mr. Bresnahan, Dean Browning, ladies and gentlemen, it was with sincere pleasure that I accepted the invitation to speak here today. I consider this New England Conference on Education for Aging to be one of the truly hopeful results of the White House Conference.

The Office of Education deserves a great deal of credit for its foresight in planning for the series of regional meetings to implement the recommendations of the Conference that are uniquely the responsibility of education and educators throughout the Nation.

I was glad to see the statement in the preliminary material for this meeting, sent out by your program chairman, that you are expected to develop "specific action recommendations" and not a "repeat of the recommendations which emerged from the White House Conference on Aging."

Those of you who have heard me speak before, on the subject of aging, know of my plea for action. I believe we have long since passed the stage where words can be substituted for tangible deeds. If we are sincere, we can start to build with the tools at hand and with the vast amount of information and knowledge we already possess.

I would not be honest with you, if I did not also share my disappointment in the lack of positive planning and action that has followed the national conference that was said by many to be "the beginning—not the end," "the launching pad," "a milestone for action," and other high-sounding promises. So far, these can be considered empty phrases, or professional oratory.

No conference is expected to perform miracles. but I do not think the American public was expecting too much, to believe that following all of the local and State meetings involving thousands of citizens, building toward a national conference that included the outstanding people in the field of aging, that there would be more reassuring activity than we have had to date.

Is it any wonder that meetings are being held to consider the political aspects of aging? The elderly are beginning to lose faith in those who speak in their behalf and are wondering whether the only recourse remaining is action through pressure. I hope this will never be necessary, but rather that we, together with the older persons may find answers to the complex situations that have resulted for this rapidly expanding segment of our population.

Your deliberations these 2 days can exert a very positive influence on the role that education will play in accepting and discharging its responsibility for the elderly who have earned the right to fair treatment and stand ready to share in the effort necessary to put words into action.

As I reviewed the background statements for the White House Conference and the policy statements developed at the meetings, I became aware of two recurring themes that seemed common to each: (1) The need to involve older persons in the research and planning for their age group, and (2) the need for further education at all levels and in every phase of the problem.

It would be presumptuous of me, in the presence of so many educators, to attempt to suggest the methods. Instead, I would like to suggest some of the areas where the need for additional information or education is apparent, if we are to face up to the Nation's second most challenging problem. Next to achieving peace, the problem of our aging is considered to be the most serious social problem of our time.

My list of areas requiring educational support and assistance is not complete, nor is it arranged in any way to suggest priorities. To some degree, they are interrelated.

1. The image of aging itself is old fashioned and inaccurate. We, of course, are vitally concerned with the problems of all older persons, but we have emphasized the indigent and senile aged and have neglected the elderly who are enjoying better health in their later years than at any time in our history. This group will continue to reap the benefits of the millions of dollars being devoted to research into every aspect of health that will benefit all age groups including senior adults.

I am aware that the theme of a recent conference was "Changing the Public Image

of Aging." I am not aware, however, of any significant action that is being taken to accomplish it.

2. Ability still is not accepted as the basis for hiring and retiring—in spite of the studies that have proven older workers to be more of an asset than a liability. Who educates management to the point of removing age barriers to employment or replacing chronological age as the basis for separation?

3. Never before have we been so acutely aware of the housing needs of the elderly. New legislation offers greater hope for achieving the goal. But, who will convince local authorities to amend zoning restrictions and who will overcome the concept that homes for the aged are undesirable and breed future slum areas.

Perhaps even more discouraging to older persons are the age restrictions that exist in available housing. Even where they can afford to pay the rentals and apartments are vacant, individuals over 50 and 55 are being rejected as undesirable—too old.

4. Much has been said about the need to introduce an understanding of the problems of aging at the earliest reasonable period in our educational program. Who is preparing or revising the curriculums and textbooks? Who has trained the instructor to teach the material?

5. Everywhere I hear about the need for professionals in the field of aging. Where are such courses being given? Is there sufficient subject matter and research to establish a collegiate degree in the field of aging?

6. For the retired persons who may be bed- or home-bound and for others who depend on television for filling time—what kind of educational viewing is beamed toward them to challenge their minds, overcome illiteracy for some, and to train them for more responsible senior citizenship?

7. Where are the educational programs needed to supplement earlier training? It was recently said that doctors and others who have worked in the medical field for any length of time should attend graduate courses or seminars in geriatric psychology. For whom and by whom should such sessions be arranged?

8. With shortages in teacher supply or teacher assistants what efforts are underway to take advantage of the experience and talents of the thousands of retired teachers who are interested and willing to serve?

9. Preparation for the later years is recognized as the key to successful retirement. But at best, it is still being scheduled on a hit-and-miss basis. Who should sponsor such training, and by whom should it be given?

You can and will add other areas to my nine-point list in your deliberations, but it is unmistakably clear that there is a job to be done at every educational level and by every available educator.

I would hope that every first-rate college and university throughout the Nation would develop a program for its retired alumni that would make it financially feasible and possible for them to return to the campus to participate in programs that will keep them interested and alert throughout their later years.

Adult education leaders in every community should consider ways to bring the instruction to the retirement or nursing homes—either in person or by way of educational television.

Under the cooperative research program of the Office of Education, grants can be made for programs in aging. This law has been in effect for several years, but to my knowledge the University of Michigan has submitted the only acceptable application to be approved. Following this series of meetings across the Nation, there should be many dynamic projects initiated, under this research program, that will give real meaning to the authorizing legislation.

Before closing, I would comment on two recommendations that I made when I last spoke on the subject of aging in this region: (1) That a regional center on aging should be established on this campus, and (2) that I would introduce legislation establishing a Federal Commission on Aging.

Plans are well along for the regional center, meetings have been held on the campus and in Washington to identify distinguished leadership for the project and to establish guidelines for grants. It is appropriate that the University of Rhode Island serve as host for this regional meeting.

As you know, I introduced my bill H.R. 2238 to establish a Federal Commission on Aging immediately following my remarks at the opening session of the White House Conference on Aging. I expected an action program to be submitted by the Department of Health, Education, and Welfare.

During the hearings on the Department's appropriation, I severely criticized their representatives for failure to give leadership to a Federal program in aging. These remarks I also included in the report of the hearings. Because I believed action could not wait for the next session of Congress, I scheduled hearings on my bill for a Federal Commission on Aging.

Representatives of the Department of Health, Education, and Welfare advised me of several organizational changes and expressed a sincere interest in initiating an immediate program of action. Rather than divert any staff from this goal, I had the hearings on my bill postponed.

Confirming my action to postpone the hearings, I wrote to Secretary Ribicoff and raised seven basic questions that I believed required answers, if the Department were to demonstrate its interest and support of a program that would measure up to the known needs and provide the leadership expected of the Department that expends two-thirds of the money spent by the Federal Government for services and benefits for older persons.

Briefly the questions covered: my concern for the failure of the Federal Council to carry out a dynamic interdepartmental program; the need for more direct and effective channels for initiating legislation and public relations activity; the assurance, that following the White House Conference, the relationship with national organizations, the vital place of the regional representative on aging, and the continuation of projects begun under the conference act would not terminate with the final report of the meeting.

I also expressed my deep conviction in maintaining a bipartisan approach to the entire field of aging and the desirability of a citizens advisory group.

It would have been far better for the expanded program to have been included in the regular budget proposals. However, I advised the Secretary of the possibility of a supplemental appropriation and the need for immediate action.

I have been assured the Department will submit a supplemental request for funds that will make it possible to expand staff, authorize grants for research, training, and demonstration projects in addition to those presently permitted under existing authority. Also, it is my understanding that a nonpartisan advisory committee will be named by the Secretary.

If all of this comes to pass, I believe we would all agree, that we are off to a good start. The success of the Department's program will not depend entirely on their efforts, but the combined efforts of Government at all levels, with interested volunteers and private organizations and most important of all—the energy, imagination, and support of citizens of all ages throughout the Nation.

Your efforts here will make a significant contribution toward the responsibilities of the Office of Education in the total departmental program. I must say the Adult Education Section of the Office of Education has a headstart with one regional conference completed, with this one well under way, and the planning for the seven others nearly completed.

We can all hope that statements like the following quotation may by eliminated if our efforts are successful. It reads, "Never have so many said or written so much about a class of people so old. Everywhere you look is an article, a speech, an interview, or theory expounded about retirement. People just retired, or about to retire, must be getting self-conscious. But there is one peculiarity about this flow of concern and counsel regarding senior citizens. It is full of paradoxes—exact opposite approaches."

I do not suggest that we shall all suddenly agree on a single answer to each of our problem areas. We are dealing with individuals, separately molded, with widely different backgrounds and experience gained during an earlier 40 or 50 years.

As the article states further, "It takes all kinds, and these days all kinds grow old." To which we may also add—that by whatever route an individual reaches later maturity, he never surrenders his right to independence or dignity—and he never loses his desire to be needed and appreciated.

For those of us who believe that education is a lifelong experience, the task before us, though broad and uncharted, will give a special measure of deep personal satisfaction.

At a time in world affairs when all available manpower and every existing talent needs to be alert, prepared, and strong, we dare not falter or delay in our efforts to recognize and reclaim the vast army of senior soldiers who have served and whose experience and wisdom are still very much needed. Time is of the essence—the deadline for action is now.

Statement of Senator Dodd

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. DODD. Mr. President, on Tuesday, September 26, I had the honor of speaking before a meeting convened under the auspices of the Citizens Alert Committee of Corpus Christi, Tex.

To me this meeting was another impressive evidence of the remarkable grassroots anti-Communist movement that has sprung up in this country. This movement is, to a certain degree, amorphous and groping for leadership. What it signifies, however, is that our people are tired of defeats and retreats under Communist pressure, that they are looking for answers, that they are prepared to face up to the dangers.

In my statement before the Citizens Alert Committee, I tried to point out that the Communists have greatly accelerated their timetable of conquest and that the major battles which will decide the fate of mankind for centuries to come loom immediately on the political horizon.

I ask unanimous consent to insert the text of my speech before the Citizens Alert Committee of Corpus Christi.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR THOMAS J. DODD, DEMOCRAT, OF CONNECTICUT, BEFORE THE CITIZENS ALERT COMMITTEE, CORPUS CHRISTI, TEX., TUESDAY, SEPTEMBER 26, 1961

FIVE MINUTES TO MIDNIGHT

"Five Minutes to Midnight" may sound like a melodramatic subject. But I assure you it is not melodramatic in the context of the present world situation. I have, in fact, chosen this subject with all deliberation because I believe that it truly and accurately reflects the gravity of our peril.

In a speech I made last year, I recounted all the defeats that the free world had suffered during the postwar period. I said that we stood with our backs to the wall, that we had no more room for retreat, no more margin for error. Another 15 years like the past 15 years, I said, and there would be no free world left to defend.

In the light of everything that has happened since last November, I now feel obliged to revise this estimate.

I am now convinced that the major battles which will decide the fate of mankind for centuries to come, loom immediately on the political horizon. I am convinced that, instead of 15 years, we now have to think in terms of a timetable of 2, 3, or 5 years at the most.

Berlin is not the only point of crisis. There are signs that the Communists are preparing for assaults at a score of different points—in Laos, in Vietnam, in Korea, in Iran, in the Congo, in Portuguese Angola, in Brazil, and Venezuela, and Mexico, and throughout Latin America.

During the entire postwar period, the free world has enjoyed military superiority over the Communist world. But it is the Communist world which has held the initiative and won the victories in the cold war.

They have held this initiative and they have won their victories for a very simple reason: the Communists have chosen always to attack, and we have chosen always to defend. They are trying to win the world for communism; we are always in the position of simply trying to hang on to what we have.

It is almost as though there were an understanding on a set of rules which call for the cold war to be fought only on the territory of the free world and never on the territory which has been incorporated by force into the Communist world.

If you took the best army in the world, with the best generals in the world, and the best equipment in the world, and compelled it to fight a war in which it could only defend but never attack, "the best army in the world" would soon lose this war. And we shall certainly lose the cold war and lose our own freedom in the process if we continue to fight under the arbitrary, senseless one-sided handicap that we have imposed on ourselves.

Every American has been brought up to believe in the power and invincibility of his country. It is almost impossible for us to conceive of America being defeated, of America becoming part of an international slave empire dominated by Moscow.

But no nation is invincible for all time, as mighty Rome learned at the time of the Barbarian invasions.

Let us have no illusions about it, America can be defeated. We can become slaves. If we place our comforts before survival, if we shrink from danger, if we indulge in pipedreams rather than facing up to reality, then the future is black indeed.

If, on the other hand, we mobilize our resources, if we face up to facts with open eyes and face up to dangers without flinching, then I am certain that we will ultimately prevail.

The evidences are many that the world Communist movement is girding itself for massive assaults on what is left of the free world.

The conference of the Communist and Workers Parties which took place in Moscow last November issued a manifesto that should be read with care by everyone who wants to understand better what the future holds in store for us.

This manifesto was an unmistakable declaration of war against human freedom and free people everywhere. Above all, it was a declaration of war against the United States.

There was some exceedingly ominous language in this manifesto, the kind of language that a commander in chief would employ in preparing his lieutenants for an all-out assault. Let me read one of these passages from the manifesto to you:

"Indeed, the Socialist Parties and the Communist Parties must synchronize their watches. * * * It is necessary to check the time of the Communist movement so that our powerful army keeps in step and makes confident strides toward communism. Every party will adhere to these decisions in a strict and sacred manner throughout its activities."

The manifesto was full of phrases indicating the total confidence in the early victory of communism on a worldwide basis. It reeked of an almost drunken sense of power. It said that the international Communist movement had become the most influential political force of our time. It claimed that victory would soon be theirs.

When Khrushchev visited our country in 1959 at the invitation of President Eisenhower, he took advantage of our hospitality to inform us that our grandchildren would live under communism.

The proposed timetable for Communist world conquest has been dramatically accelerated since this statement was made.

In the manifesto issued by the Moscow conference and in the 4-hour speech made by Khrushchev on January 6, 1961, it was apparent that the Communists were thinking of a timetable of some 10 or 15 years.

The developments of recent months, the crescendo of threats and ultimatums, the increasing arrogance of their manner, now suggest that the Communists have decided to further step up the tempo of their attack because they feel that they have the free world divided, in retreat, incapable of effective reaction.

On at least two occasions in the past 6 months, Khrushchev has indicated that he now hopes to see the worldwide triumph of communism in his own lifetime. Since he is heading toward 70, obese, and disposed to fits of rage, it is clear that Khrushchev is thinking of several years rather than 15 years. Khrushchev had never made such statements previously; I believe it would be a serious mistake not to attach significance to them.

The first aftermath of the Moscow conference was Soviet intervention in Laos. Indeed, the signatures on the manifesto were hardly dry when the first Soviet planes arrived in Laos bearing supplies for the pro-Communist faction.

At that time, they were still not as confident as their language suggested. They felt their way gingerly, because they were worried over the possibility of a vigorous free world reaction.

The first Soviet planes that landed in Laos in early December 1960 carried only benzene.

We did nothing.

The next round of Soviet planes brought in small arms munition. Still we did nothing.

The next group of planes brought in mortars and howitzers and the ammunition for these weapons. Still we did nothing.

Finally, when it was clear that we would take no action to interfere with the buildup of Communist strength of Laos, the Soviet planes started ferrying in Vietminh officers and technicians.

The complete inactivity which had characterized the closing days of the outgoing administration, carried into the opening days of the new administration. There had been some talk of invoking the SEATO Treaty if the Communists persisted in their invasion of Laos. We said that we would not stand idly by while the Communists moved from one position to another position.

But we did nothing.

By May of this year, the situation in Laos had deteriorated to the point where the Royal Government forces had no alternative but to seek an armistice. Now we find ourselves negotiating for the establishment of a coalition government in Laos, under conditions where the Communists hold all the trump cards.

Even before the free world's defeat in Laos had been consummated in a formal cease-fire, there came the Cuban fiasco. Here again we demonstrated a terrifying incapacity for decisive action.

There is no question but that the great majority of the Cuban people had by that time turned against the regime because of its destruction of human freedom, its persecution of the church and the labor movement and the universities and the middle classes. The Kremlin had already intervened heavily on the side of Castro by providing him with massive quantities of arms. But in the name of nonintervention, we did not lift a finger to assist the Cuban freedom fighters once we had put them ashore. And the hopes of the Cuban people for early liberation went crashing to the ground.

On August 21 we suffered another crushing defeat in Latin America when Cheddi Jagan and his People's Progressive Party triumphed in the British Guiana elections. He was a minority victor who won with only 42 percent of the votes. But he had a plurality of three seats. This tiny plurality, I fear, will be enough to enable him to establish another Castro regime, which will give Moscow its first beachhead on the South American mainland.

We did nothing to encourage or assist the parties opposing Jagan. On the contrary, to the extent that we did intervene in the British Guiana elections, we intervened on Jagan's side. We intervened when, only 6 weeks before the election, we approved a World Bank loan of $1¼ million to British Guiana, which was personally signed for by Cheddi Jagan as Minister of Commerce.

Our handling of the Berlin situation has also been characterized by a seeming incapacity for action. We have committed ourselves to defend Berlin, and I believe we will. But when Khrushchev, on August 13, closed the access roads from West Berlin to East Berlin and erected a barbed wire and concrete barricade across the breadth of the city, it took us 3 whole days in which to file a protest so flimsy that the West Berliners demonstrated in indignation against it.

Again no action was taken.

No one, of course, wants a war, if war can be avoided. But a war of miscalculation becomes far more likely every time Khrushchev puts us to the test and we confine our reactions to expressions of indignation. Khrushchev will stop at nothing if he believes that the West always talks big but that it backs away from action.

In the case of the Berlin crisis, there were many things we could have done and should have done that would in no way have increased the danger of war. The simplest, the most dramatic, the most effective, and at the same time the safest measure, would have involved the imposition of economic sanctions.

It is my belief that, in response to the sealing off of East Berlin, the West should have immediately suspended all shipments of machine tools and industrial and chemical processing equipment and that it should have warned the Kremlin that it would follow this measure with a total economic embargo if there were any further provocations.

I have advocated this measure repeatedly on the floor of the Senate. It is a measure which would hit the Soviet regime in its industrial solar plexus.

The Soviet regime, from its inception, has shopped the free world systematically for the best industrial equipment it could find. If the Soviet regime today has a powerful industrial plant, if it has a technology with which it can threaten the entire free world, it is largely because of the assistance it has received from the United States and other free countries.

But despite Soviet successes, they have still not developed a capacity for the production of high precision machine tools and other precision equipment. These items they still try to obtain from the free world. And, in far too many cases, the free world places profit above survival and above principle, and sells the Soviet Union the machinery in which it is interested. Let me give you an example of what I mean.

Early this year, we stopped the shipment of 37 machines used in the production of the ultra-high-precision ball bearings that are employed in our missile guidance systems and firing systems. We were able to demonstrate in the course of our investigation that the Soviet Government had been trying desperately for many years to make such machines but had not been able to do so. We were also able to demonstrate that these machines, produced by American engineering genius, were absolutely unique in the world. And it was on these grounds that we were able to get the license revoked.

But I am greatly afraid that things like this are going on all the time, not merely in our own country, but in France and England, and throughout the NATO alliance.

This is why I say that an embargo on the shipment of machine tools and other critical industrial equipment would hit the Soviet Union like a blow in the solar plexus.

Such an action would be worth 10,000 speeches in convincing the Soviets that we mean business.

But so far no such action has been taken.

The pattern of paralysis which I have just described to you is all the more frightening because it goes back so many years. In fact, we have taken no really heroic action since we intervened in Korea. And even this heroic action was vitiated later when the paralysis of which I speak set in, and caused us to throw away the victory which could have been ours.

Our failure to act at the time of the Hungarian Revolution was probably the gravest and most costly of all our recent political delinquencies.

The Hungarian revolution was without question the greatest opportunity the West has had to force the Kremlin back to its prewar frontiers and to reestablish a stable political balance in Europe. The satellite empire was seething with discontent. Poland and East Germany, in particular, stood on the very brink of explosion. The Red army units stationed in Hungary had, in the first phase of the fighting, given indications of massive disaffection. Thousands of them, in fact, had gone over to the side of the Hungarian freedom fighters with their weapons. The Kremlin itself, as Khrushchev has publicly admitted, was aware of the gravity of the crisis and was divided on the course to be followed.

But instead of taking action to support the heroic freedom fighters of Hungary, we limited ourselves to pious declarations of sympathy. We did not even take the simple and obvious action of insisting on the immediate dispatch to Hungary of a corps of U.N. observers. Nor did we move immediately to make it clear that we recognized the government of Imre Nagy.

It would have been bad enough if we had been completely inactive. But our guilt went further than this. In almost so many words, President Eisenhower assured the Kremlin that we looked upon Eastern Europe as its legitimate sphere of influence and that we had no intention of intervening.

The Kremlin was encouraged by these assurances. The Soviet troops, which had been withdrawn from Hungary after their first inglorious defeat by the Hungarian freedom fighters, were sent pouring back into Hungary in a surprise attack, supported by a force of 5,000 tanks.

I can think of no more dismal moment in our entire history. I believe that the man who said, "The blood of the Hungarian people is on our hands," spoke for a considerable part of the American public.

In the present Berlin crisis we are paying for our inaction in Hungary, our inaction when the Communists were overrunning North Vietnam, our inaction in Laos, our inaction in Cuba.

There may be some people who believe that by inaction we are preserving peace.

But I believe, on the contrary, that, when you are faced with a ruthless and implacable aggressor, with a Hitler or a Khrushchev, inaction and appeasement lead inevitably to war.

The only road to peace is the one of resoluteness and courage and principle.

The time has come to call an end to our retreats before the worldwide offensive of the international Communist movement.

The time has come for action instead of words.

The time has come to recognize that we are engaged in mortal combat with a merciless enemy, that there can be no coexistence between communism and freedom because communism does not tolerate coexistence.

The international Communist offensive has been gathering momentum at a terrifying pace.

The more momentum it gathers, the more we retreat and concede under its pressure, the more difficult it will be to stop this offensive.

To stop it, we must somehow go over to the counteroffensive.

Communism has openly proclaimed its goal to be the establishment of a worldwide Communist order.

Let us openly proclaim our goal to be the worldwide triumph of freedom over communism.

Communism appears to be invulnerable only because we have granted it invulnerability.

Actually, it is the most vulnerable of all systems precisely because it is the most despotic and most hated of all systems.

The resentment and the hatred and the national spirit which made the Hungarian Revolution, and the Poznan Rebellion, and the East German uprising, and the Tibetan Revolution are not dead.

They are alive today in Hungary, and Poland, and Tibet and in all the countries that have been subjected to Bolshevik tyranny.

This hatred and this national spirit are also alive in China and in the Soviet Union itself. Remember that 80 percent of the Chinese soldiers captured in Korea refused to return home despite the strong ties of family, while in Hungary thousands of Red army soldiers defected to the side of the revolution.

On the day that the United States commits itself in all earnestness to a policy of liberation, on the day that it announces that it seeks nothing less than the worldwide triumph of freedom over communism, the weaknesses of communism will be increased tenfold.

Let us seek out these weaknesses systematically.

Let us stop helping them build up their economic strength with shipments of machine tools and critical industrial machinery and surplus food.

Let us stop pouring billions of dollars of aid into Communist countries.

Let us do our utmost to tear down the Communist tyrants, not build them up. Let us add to their difficulties whenever we can.

If they mount guerrilla movements in South Vietnam, let us mount them in North Vietnam.

Let us take the counteroffensive, let us strike a blow for freedom, whenever the opportunity presents itself.

The opportunities will not be lacking.

We could begin and should begin by helping the people of Cuba to recover their freedom from the most tyrannical regime that has ever oppressed them.

Let us do these things with a sense of urgency, without stint, with all the dedication and energy we can muster.

It is 5 minutes to midnight. There is very little time in which to reverse the trend to disaster.

Goals of the New Frontier: Immigration Policy and Refugee Programs

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. FARBSTEIN. Mr. Speaker, in our endeavors to strengthen the economic and military defenses of the free world we should recognize immigration policy as one of the elements in achieving economic and political stability as well as social equilibrium. Immigration policy is an essential part of our diplomacy.

Nine years have elapsed since our present immigration law—the McCarran-Walter Act of 1952—has seen a revision. Several related laws have been passed in the meantime, however, they have been mostly temporary in nature and designed to meet an emergency need.

This session of Congress saw an important achievement in the first substantial revision and codification of the Immigration Act of 1952.

The Alien Orphans Adoption Program, which previously was subject to periodical temporary extensions, was made permanent. Under this program, since 1957, about 10,000 orphans have come into this country. The lives of thousands of helpless orphans and of many American couples who will make homes for these children will be brightened because of this legislation.

Of tremendous importance is the provision which will expedite the entrance into this country of about 18,000 spouses, parents, and unmarried children of naturalized citizens and aliens who have already been admitted to the United States for permanent residence. Those close relatives whose visa petitions were filed by July 1, 1961, will now be issued nonquota immigration visas and will shortly be reunited with their families here in the United States. This will remove a terrible hardship and remedy many psychological, moral and economic problems caused by the separation of families for years.

Also included in the omnibus revisions is the creation of a single, statutory form of judicial review of alien deportation and exclusion orders issued by the Justice Department.

Other progressive revisions in our outdated immigration law eliminate the requirement that a visa applicant state his race and ethnic classification in his application. Korean war veterans are granted equal naturalization privileges as now accorded veterans of World War I and World War II.

The 2,000 quota ceiling currently imposed on the Asian-Pacific triangle is removed so that newly independent nations will be eligible for a minimum annual quota of 100, without causing a reduction of quota numbers from other Asian and Pacific areas.

Newly independent countries are assured a quota equal to the total quota currently set for each of the parts which comprised the new nation.

Laws against "sham" marriages which are entered into for the purpose of evading immigration laws are tightened.

Another revision which will preserve family unity permits the spouse and children of a retired naturalized U.S. citizen, over 60 years of age, to remain with their spouse or parent without losing their naturalized citizenship.

Closely related to immigration policy is our refugee program. In the face of world tensions and political oppression attention is focusing once again on the world refugee problem. President Kennedy has called for increased attention to the U.S. refugee resettlement programs and legislative action to strengthen our programs. Legislation that will centralize the authority to conduct and to appropriate funds to support U.S. refugee programs is in conference and in all likelihood will be enacted in the second session.

Our refugee programs are of utmost importance in our present-day world. If a person risk flight from behind the Iron Curtain, but finds no haven in the free world, his escape from communism will end in complete disillusionment with democracy.

President Kennedy's pledge to revise the immigration law to make it more humanitarian and to reunite families has been carried out through enactment of Public Law 87-301. This is just the first step in an overall revision to be undertaken under the leadership of President Kennedy who while serving in Congress was one of the top authorities on immigration matters.

Our immigration policy will be adjusted to the condition of the world of today and tomorrow and to our place and role in that world. Our hands need not be tied to national origin quotas based on legislation enacted over 35 years ago in circumstances which no longer exist. We are capable of admitting, absorbing, and assimilating more newcomers than is permitted under present legislation.

The legislation enacted this session is proof that the Democratic administration is well on its way toward the thorough modernization of our immigration policy necessary if we are to accept our responsibility as leader in the world's struggle for peace and freedom. For, if we fail to modernize our immigration policy we will negate our own best interest in foreign affairs, as well as our own domestic, economic, and social well-being.

Needed: A National Alert

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. HILL. Mr. President, there has been a good deal of discussion lately concerning the will and the determination of this country to employ its military strength in defense of freedom. In this connection, I would like to call to the attention of Members of Congress a letter from President Kennedy to the president of the Air Force Association, which was read to the delegates at the AFA convention in Philadelphia on September 22, and the statement of policy adopted by the association at the convention.

I ask unanimous consent to have these documents printed in the CONGRESSIONAL RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

NEEDED: A NATIONAL ALERT

(NOTE.—Following is the full text of the Air Force Association's 1961-62 statement of policy, as adopted by delegates to AFA's 15th annual convention, in Philadelphia, Pa., September 21, 1961.)

In this, our 15th anniversary year, with the Nation in grave peril, we respectfully acknowledge the heavy responsibility that weighs upon our new Commander in Chief—a burden that is his alone. And we are well aware that it is far easier to advise than to decide.

Nevertheless, we would be remiss in our duty as Americans were we not to state, particularly at this time, our deeply held beliefs, our aims, and our objectives. We offer them here, together with our pledge of personal effort and sacrifice to achieve them, in this 1961 statement of policy of the Air Force Association.

POWER EQUATION

If the record of 40 years of oppression, aggression, deceit, and duplicity had not already done so, events of the past several weeks have made it abundantly clear that the Soviet system—regardless of what form it may take at any given time in any given part of the world—is incompatible with the existence of freedom.

The cloak of coexistence no longer conceals Soviet aims. Communist intent and Communist power stand naked before the world. We must face the Soviet system with the only force it understands and respects—even stronger power, accompanied by the avowed determination to use this power if and when it is needed.

FREEDOM OR COMMUNISM

Mankind cannot exist indefinitely in a world that remains half slave and half free. Preservation of the status quo is not adequate as a national goal. Freedom must bury communism or be buried by communism.

Complete eradication of the Soviet system must be our national goal—our obligation to all free people—our promise of hope to all who are not free.

NATIONAL ALERT

To attain the level of national power needed in this crusade, the energies and talents of the American people must be mobilized on new terms. We therefore petition the President to declare a national alert—a new and higher level of national effort.

Such a declaration would establish a basis on which to build and maintain the power we need. It would make clear to the Soviets and to the world that we are determined to back our words with action, even at the risk of war—that we seek not merely to preserve our freedoms but to extend them.

A CREDIBLE DETERRENT

The overriding priority of the day must be the unquestioned credibility of our nuclear deterrent. This credibility has been undermined by Soviet confidence in its own rising strength and by Soviet belief that the United States is unwilling to engage in nuclear war in behalf of freedom.

MILITARY PROGRAMS

A credible deterrent will require accelerated military programs now and in the future. We consider the following to be basic:

Greater survivability for our striking forces.

Airborne alert for a substantial portion of the Strategic Air Command.

Expansion of our manned bomber programs, including rapid development and production of the B-70 as a high-priority weapon system.

Acceleration of our strategic missile programs in terms of numbers and effectiveness.

Improved intelligence and reconnaissance systems, both aeronautical and spaceborne, to obtain more information on Soviet capabilities and intentions, and to guard against surprise nuclear attack.

Greater reliability and survivability of the national command and control system, to reduce the chances of war by error, and to insure immediate, effective, and sustained employment of our forces.

Equipping of our aerospace defense system to counter the full spectrum of the Soviet aerospace threat as evidenced by Soviet progress in supersonic bombers, missiles, and manned spaceborne systems.

Increase of our ability to deter or promptly prevail in situations short of general war.

Accelerated research and development efforts to attain and maintain technological superiority in areas of our choice.

NATIONAL SPACE PROGRAM

Currently, our national space program gives priority to nonmilitary applications. It fails to recognize the important contributions that space systems must make to the extension of our military capability. This faulty emphasis must be reversed to utilize U.S. space technology as a prime factor in the international power equation. All phases of the national space program must

first be measured against the yardstick of national security needs.

NUCLEAR EMPLOYMENT

National policy must make it abundantly clear that the United States will not hesitate to employ its nuclear strength in response to Soviet aggression—whether that aggression takes the form of nuclear attack, nonnuclear attack, nuclear blackmail, aggression by Soviet satellite nations, infiltration, or subversion—should the military situation dictate that use of nuclear weapons is in the best interest of the United States.

National policy must prescribe that the choice between nuclear and nonnuclear weapons is neither moral nor political but is essentially a military consideration. If this principle is not recognized as national policy and firmly enunciated to the world, we are seriously compromising the effectiveness of our nuclear arsenal and thus increasing the danger of general conflict.

SURVIVAL OF THE PEOPLE

The national alert program must also insure the survival of the majority of the American people and the survival of viable government machinery in the event of general war. Needed measures include protection of individuals, military, and civilian, against blast, heat, and radiation—including fallout. They must provide for reestablishment of the national social and economic fabric following a general war.

THE ONLY INSURANCE

The ability to fight, win, and purposefully survive a general nuclear war provides the best, indeed the only, insurance against such an eventuality. We must be willing and able to risk war, and make sure that both our willingness and ability are firmly implanted in the minds of the Soviet leaders. Only from such a position can we then apply economic, diplomatic, technological, and other pressures against the Soviets.

To those who say that today such a position cannot be sustained, that deterrent credibility cannot be achieved, that it deteriorates into a stalemate of bluff—to these arguments we reply: "Your stalemate philosophy is a philosophy of despair and defeat. Its acceptance by the United States would, in itself, break the stalemate in a psychological sense—and in favor of the Soviets. World leadership would automatically revert to the loudest rocket rattler. Initiative would pass to the aggressor."

The President has said, "We must never negotiate through fear. But we must never fear to negotiate." In turn, we must never fear to refuse to negotiate that which is not negotiable. We must never compromise basic principles. We must never appease.

TECHNOLOGICAL REALITIES

The stalemate philosophy ignores the realities of technological progress. The advent of nuclear weapons has changed the international power equation. But technology also can wipe out equations and write new ones. It has done so in the past.

There is no reason to believe that nuclear weapons, no matter how they may increase in numbers and ferocity, mark the end of the line in military systems development. New weapons, more selective in application and less destructive of life and property, may come into being. Their possession by one side and not the other could surely break a nuclear stalemate in a dramatic fashion. Thus, the search for new and advanced systems must have a high priority in our military research and development effort.

THE PEOPLE ARE READY

We believe that events in this fall of 1961 have convinced the American people, if any were unconvinced before, that Soviet aims are both evil and implacable. We believe the people are willing and eager to respond to whatever level of effort may be required of them, if the need is made truly clear. We are convinced that the people are ready to work toward, and fight for if necessary, the elimination of communism from the world scene.

Let the issue be joined.

PRESIDENT KENNEDY'S MESSAGE TO AFA

THE WHITE HOUSE, *September 15, 1961.*

DEAR MR. STACK: While it will not be possible for me to be present, please convey my warm greetings to all attending the 15th annual convention of the Air Force Association, and assure them of my deep interest in the proceedings. The subjects under discussion are of major significance in helping to safeguard our ideals and way of life in this age of international tension and change.

I know that many members of the association, veterans of earlier service to our country, meet this year in the full knowledge that their services may be required again. I am confident that, if the need should arise, they will respond in the same spirit of devotion to national security and international justice that has moved the Air Force Association since its inception a decade and a half ago as a citizens' organization dedicated to adequate airpower as a necessary adjunct to world peace and national survival.

In the years that have passed since your founding, airpower has become aerospace power and both its capabilities and responsibilities have taken a quantum jump. Technology has shrunk the world while the ferocity of modern weapons have multiplied manifold. The forces of nature, unleashed by scientific progress, unfortunately know no ideology. They serve those who would enslave the world as well as those who would make it free.

Thus we face, in the short run and the long, a wide range of military and diplomatic challenges by a strong and determined adversary. We must be prepared to respond to these challenges across a wide spectrum of military capability, taking full advantage of the flexibility and effectiveness of modern weaponry to deter aggression, but also, if necessary, to fight and win against it. In this great effort our Air Force will, as it has in the past, play a vital role.

This is the basis of our military doctrine in a difficult decade and I welcome the continued support of the Air Force Association in the strengthening of the forces required to achieve it.

Sincerely yours,

JOHN F. KENNEDY.

Accomplishments of the Senate Committee on Commerce

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD accomplishments of the Senate Committee on Commerce.

I am pleased to report to the Senate that of the 236 bills and resolutions referred to your Committee on Commerce, 72 were reported to, and 68 passed by the Senate. Of these, 44 were signed into law by the President, 22 are still pending in the House, and 2 were Senate resolutions.

Your committee received, reported favorably, and the Senate confirmed 1,081 routine nominations in the Coast Guard and the Coast and Geodetic Survey.

Of the 44 major nominations submitted to us, 6 were withdrawn by the President, 32 were reported to and confirmed by the Senate, and the remaining 6 were received too late in the session to be acted upon.

Your committee held 64 days of public hearings, and our subcommittees held 77, a total of 141.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BILLS AND RESOLUTIONS

Number referred to the committee	236
Number reported by the committee	72
Number passed by Senate	68
Number pending in House	22
Number pending on Senate Calendar	4
Number of Senate resolutions approved	2
Number signed by President	44

NOMINATIONS

Number of routine nominations in the Coast Guard and Coast and Geodetic Survey received, approved, and confirmed	1,081
Number of major nominations received	44
Number withdrawn by President	6
Number approved and confirmed	32
Number received too late to be acted upon	6

DAYS OF PUBLIC HEARINGS

By committee	64
By subcommittees	77
Total	141
Number of executive sessions	21

We have been busy during this 1st session of the 87th Congress. Here are a few of the highlights:

THE MERCHANT MARINE

Among the more important measures given approval by the committee and the Congress in this field after public hearing, were the following:

H.R. 6775 (Public Law 87–346) to amend the Shipping Act, 1916, to provide for the operation of conferences;

H.R. 6100 (Public Law 87–45) to amend title VI of the Merchant Marine Act, 1936, to authorize the payment of operating-differential subsidy for cruises;

S. 576 (Public Law 87–93) to clarify the status of the faculty and administrative staff of the U.S. Merchant Marine Academy;

S. 1368 (Public Law 87–254) to provide for licensing independent ocean freight forwarders;

H.R. 6309 (Public Law 87–243) to increase certain interim payments of estimated accrued operating-differential subsidy;

H.R. 6974 (Public Law 87–383) to authorize the expenditure from capital reserve funds of amounts for research, etc.; and

H.R. 2457 (Public Law 87–222) to clarify the construction subsidy provisions, with regard to reconversion, etc.

A public hearing was held on Presidential Reorganization Plan No. 7, to reorganize the Federal Maritime Board, which became effective when neither House disapproved.

Pending for action in the committee in the 2d session, 87th Congress, are a few maritime bills of particular importance, including:

S. 882, to provide emergency authority for priorities in transportation by merchant vessels;

S. 885, to provide a flexible rate of interest for Government financing of vessels;

S. 1183, to reimburse certain vessel owners for expenses caused by allocation of vessel construction contracts to shipyards on another coast; and

S. 1886, to repeal and amend certain statutes fixing or prohibiting collection of fees for services under the navigation and vessel inspection laws.

FISHERIES AND WILDLIFE

Your committee had before it legislation to promote effectual planning, development, maintenance and coordination of these great natural resources.

Segments of our commercial fisheries continue to have problems and we had before us legislation to provide a program to enable this industry to regain a favorable economic status. Fish passage facilities over river dams, new fish hatcheries, shellfish laboratories, and fisheries research legislation have been under consideration.

An alien fishing fleet is operating in waters adjacent to Alaska. We need legislation to improve and modernize our fleet to meet this competition. Such legislation is before the committee to assist industry to meet this threat.

Sports fishing and hunting continue to grow in popularity and it is apparent that it will grow during the foreseeable future. Fifty million of the 130 million people in this Nation over 12 years of age went fishing or hunting in 1960. Millions of American families take advantage of these outdoor recreational sports. They spend millions of dollars, hundreds of millions of days and travel billions of miles to enjoy sport fishing and hunting. These sportsmen spent almost $4 billion for goods and services in 1960. Legislation for the betterment of hunting and fishing is a subject of major importance to our committee, as every year people have more time for recreation and pastime activities.

The wetlands bill, to expedite the purchase of lands for the use of waterfowl, and legislation to implement the International Convention To Prevent the Pollution of the Sea by Oil were also enacted and signed into law.

COMMUNICATIONS

Extensive hearings have been held on a number of bills and issues involving various phases of the communications industry ranging from the report of the operation of section 315 of the Communications Act of 1934 as it pertained to the presidential and vice presidential campaign of 1960, to the bill, S. 2034, which involved the reorganization of the Federal Communications Commission.

FCC REORGANIZATION

Hearings were held on Reorganization Plan No. 2 as it related to the Federal Communications Commission. This reorganization plan was rejected by the House of Representatives and following our hearings, at the request of Senator JOHN O. PASTORE, chairman of our Subcommittee on Communications, the Commission submitted a legislative proposal that would accomplish the desirable objectives of the plan. This became S. 2034. Further hearings were held, the bill was reported and passed by the Senate July 27, 1961, and the House on August 3, 1961. The differences between the two bills were resolved in conference and, on August 31, 1961, S. 2034 became Public Law 87-192.

This is the first major revision of the Communications Act in 10 years and brings into effect certain administrative procedures which we hope will serve as a guide for other administrative agencies.

POLITICAL BROADCASTING

Extensive hearings were held to receive the reports of the Federal Communications Commission, and the radio and television networks as to the manner in which S. J. Res. 207, 86th Congress, which suspended section 315 as it applied to the presidential and vice presidential candidates during the 1960 campaign, actually functioned. All the reports, particularly the extensive analysis prepared by the Federal Communications Commission, indicated the huge success of the suspension during the 1960 campaign.

SPACE COMMUNICATIONS AND FREQUENCY ALLOCATIONS

Hearings were commenced on the subject of space communications, and the important question of the manner in which the radio spectrum is allocated between Government and nongovernment groups, so essential to an orderly development of a sound telecommunications system. S. J. Res. 32, which called for the creation of a special five-man group to study and report on the manner in which the radio spectrum is allocated with a view to determining how much frequencies may be utilized to the maximum degree possible was part of these hearings.

In view of the fact that the Commission had not made a final determination as to what system shall be used, who shall operate the system, etc., further hearings have been deferred until such determination is made. In addition, the chairman of our Subcommittee on Communications has been notified that the question of Government and nongovernment use of frequencies and the manner in which they are allocated for such purposes, is presently being studied by the administration and that a policy is expected to be announced in the near future. Further hearings are being deferred until such determination is made.

BOOSTERS AND COMMUNITY ANTENNA

During the 86th Congress, your committee was responsible for the enactment of the so-called booster legislation which authorized the Federal Communications Commission to adopt regulations to regulate VHF boosters. The Commission has since done so, and hearings were held in Wyoming and Utah to ascertain the practicality and workability of the FCC's new procedures. As a result of these hearings certain cumbersome procedures were brought to the attention of the Commission and in most instances, were improved. Others are still being worked on.

EDUCATIONAL TV

For the third straight Congress your committee has reported out the chairman's educational television bill which would expedite the utilization of television facilities in our public schools and colleges and in our adult training program.

After extensive discussion on the floor of the Senate, the bill passed 67 to 13 and in August was reported favorably by the House Interstate and Foreign Commerce Committee. This is an important piece of legislation that is designed to assist in putting on the air the more than 200 television channels that have been reserved for educational purposes. The bill is now before the House.

NETWORKS

The committee has held extensive hearings with regard to network practices in the past and, as a result of special funds appropriated to the FCC for a network study, the Commission has recommended specific legislation that would lead to the regulation of the networks.

This bill, S. 2400, was introduced by Senator PASTORE and will require extensive hearings.

CLEAR CHANNELS

S. 2290, to amend the Communications Act, as amended, is the so-called clear channel bill. Hearings will be held on this legislation in the next session. On September 14, the FCC issued its final decision in the so-called clear channel case in which it opened up 13 of the 25 clear channels heretofore used by one station at night so that now it will be a shared operation by an additional unlimited time station on the basis of one new station on each of the 13 channels. It reserved for future consideration possible changes with respect to the 12 clear channels. S. 2290 would maintain the status quo.

FREEDOM OF COMMUNICATION

The investigation authorized under Senate Resolution 305 (86th Cong., 2d sess., June 14, 1960) was delegated to the Freedom of Communications Subcommittee, a subcommittee of the standing Communications Subcommittee.

Extensive public hearings, covering 50 Representatives' complaints which arose during the political campaigns of 1960, were held by the subcommittee; and witnesses from the Federal Communications Commission, radio and television licensees, interested organizations, and the public were heard.

The subcommittee report (S. Rept. 994, Sept. 13, 1961) has been presented in six parts as follows:

Part I, "The Speeches, Remarks, Press Conferences, and Statements of Senator John F. Kennedy, August 1 through November 9, 1960."

Part II, "The Speeches, Remarks, Press Conferences, and Study Papers of Vice President Richard M. Nixon, August 17 through November 7, 1960."

Part III, "The Joint Appearances of Senator John F. Kennedy and Vice President Richard M. Nixon and Other 1960 Campaign Presentations."

Part IV, "The 15-Minute Radio and Television Network Newscasts for the Period September 26 through November 7, 1960."

Part V, "Hearings Before the Freedom of Communications Subcommittee, March 27, 28, and 29, 1961."

Part VI, "Recommendations."

Parts I, II, and III constitute a unique record in American political history. For the first time, we have the complete press conferences, speeches, remarks, and statements of the two major candidates for the Presidency throughout the presidential campaign period. Here, then, is the presidential campaign of 1960.

Part I was submitted on September 13, 1961, and consent was granted by the Senate, authorizing the filing of parts II through VI with the Secretary of the Senate during the adjournment sine die of the 87th Congress, 1st session. The report was ordered printed with illustrations.

AVIATION

Of the many bills considered in this field, I believe the three most important that were approved by the Senate to be:

S. 1703, as originally introduced, would have extended the provisions of the Federal aid to airports program for a period of 5 years and increased the level of funds from $63 million to $75 million annually. The bill included a provision which would for the first time limit Federal participation to items directly related to air safety. The Senate considered the House bill, H.R. 8102, striking all after the enacting clause and substituting the language of S. 1703 and passed the amended House bill on September 1. A conference was called to resolve the differences between the bills. However, the conferees were unable to agree as to the method of funding, the Senate urging that the contract method of funding be employed and the House supporting the annual appropriation method. Because the differences could not be resolved, the conference was discharged. Subsequently, the House further amended H.R. 8102, as amended by the Senate, to provide for a 3-year $225 million program at the rate of $75 million annually and adopted the an-

nual appropriation method of funding. Since it was apparent that the House would not recede in its position opposing contract authority and in view of the lateness of the session, the Senate on September 14 accepted the House bill to insure that the Federal aid to airports program would continue without interruption.

The Senate on August 28 passed S. 1969, a bill to provide for a class of supplemental air carriers. The bill made clear that a supplemental certificate was primarily one authorizing charter service but provided that the Board may, when the public convenience and necessity required, authorize individually ticketed service. The bill would provide for a statutory definition of charter service specifically authorizing all certificated carriers to engage in all-expenses-paid tours. The Federal Aviation Act would be amended so as to authorize the Board to impose civil penalties for violations of its economic regulations.

A bill, H.R. 7318, incorporating many features of the Senate bill was reported favorably by the House Committee on Interstate and Foreign Commerce, and passed the House on September 18. Because of the many differences in the two bills, the required conference will not be called until 1962.

S. 2268, to make certain acts if committed aboard aircraft in air commerce Federal crimes, passed the Senate on August 10. Included would be such acts as assault, maiming, murder, manslaughter, malicious mischief, robbery; the act of hijacking was made the equivalent of piracy and subject in the discretion of the jury to the death penalty. The bill was approved by the President on September 5, 1961.

Our subcommittee conducted extensive hearings on the subject of air safety over a a period of 3 weeks. Examination of the following areas was emphasized:

1. The status of air transportation in 1961—commercial, business and private—in relation to air safety problems of today and tomorrow;

2. The responsibility of various Government agencies for the promotion and advancement of air safety and the practices and procedures used to discharge same;

3. The responsibility of the aviation community itself for self-imposed vigilance and discipline in achieving a maximum degree of air safety and the manner and method of fulfilling it;

4. The areas of safety hazard disclosed by the 1960 accident record, considered in the light of the accident record of prior years—which include, among other things, aircraft design, terminal area facilities, weather, and air traffic control; and

5. The present planning being conducted by both Government and the aviation industry, including research and development projects, for overcoming any existing weaknesses in our system of air safety or anticipated hazards of the near future. The essential objective of the hearings was to provide a means for the free exchange of ideas to the end that all segments of the aviation community, including Government agencies, could acquire a sympathetic understanding of the problems confronting one another and proceed to take such action as the record indicated, so as to promote the highest degree of safety in all aspects of air travel.

Aside from the three principal measures discussed above, S. 1931, a routine bill to extend the provisions of the Federal Aviation Act relating to war risk insurance until June 13, 1966, was passed by the Congress and signed by the President July 20, 1961.

The subcommittee held 1 day of hearings on CAB Reorganization Plan No. 3. The full committee did not take an official position on the plan but at the direction of the chairman, its vote of 9 to 8 in support of the plan was reported to the Government Operations Committee.

SURFACE TRANSPORTATION

Our Subcommittee on Surface Transportation reports its activities during this session as follows:

S. 320 (S. Rept. 528), to amend provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State.

Passed Senate with floor amendments—July 17.

Reported out by House committee—August 31 (H. Rept. 1090).

H.R. 1163 (S. Rept. 126), extending the loan guarantee provisions of part V of the Interstate Commerce Act. (S. 1146.)

Public Law 87-16.

H.R. 8033 (S. Rept. 839), to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards. (S. 1667.)

Public Law 87-247.

S. 1725 (S. Rept. 443), to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates.

Passed Senate June 27.

Pending in House Interstate and Foreign Commerce Committee.

S. 2491 (S. Rept. 838), to permit the application of the bulk commodity exemption when other commodities are concurrently transported in the same vessel.

Pending on Senate Calendar.

Senate Joint Resolution 21, to authorize the Secretary of Commerce to sell 10 Liberty-type merchant vessels to citizens of the United States for conversion into barges.

Passed Senate September 1.

Pending in House Merchant Marine and Fisheries Committee.

In addition, the Surface Transportation Subcommittee held the following miscellaneous hearings:

Government competition with regulated carriers.

Domestic offshore trade with Alaska, Hawaii, Puerto Rico, and Guam.

Decline of the common-carrier industry.

Rail transportation of new automobiles.

Need for temporary technical amendment to the water carrier section of the Interstate Commerce Act.

The subcommittee advised your committee that the following bills were likely to receive consideration during the second session of this Congress:

S. 1283 (companion bill H.R. 5596 has been reported by House Committee on Interstate and Foreign Commerce), to amend sections 204(a) and 406(a) of the Interstate Commerce Act in order to provide civil liability for violations of such act by common carriers by motor vehicle and freight forwarders.

S. 1197, to amend section 15a(3) of the Interstate Commerce Act with respect to the rule of ratemaking where competition between carriers of different modes of transportation is involved. This bill was put over to the second session by a vote of the full committee.

S. 1145, to amend section 22 of the Interstate Commerce Act.

S. 1284, to repeal section 303(b) of the Interstate Commerce Act, as amended, relating to the water-carrier bulk commodity exemption, and for other purposes.

S. 2560, to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes.

S. Res. 150, urging the Interstate Commerce Commission to act with extreme caution and full deliberation on applications for approval of railroad mergers in order to afford Congress time to review the problems arising from the railroad merger movement.

MISCELLANEOUS LEGISLATION

Your committee handled many other very important pieces of legislation that do not fall into the fields of jurisdiction of our standing subcommittees, and I desire to comment on a few of them.

FOREIGN COMMERCE

S. 610, a bill to strengthen the domestic and foreign commerce of the United States by providing for the establishment of travel service in the Department of Commerce, and S. 1729, a bill to promote the foreign commerce of the United States, grew out of our study of such commerce during the 86th Congress. S. 610 was signed by the President on June 29, 1961, and S. 1729 is awaiting House action. This bill would implement and expand our export program.

OCEANOGRAPHY

Oceanographic research received much attention by your Committee on Commerce during the 1st session of the 87th Congress, just as it did during the 86th Congress.

S. 901, to advance the marine sciences and establish a comprehensive national 10-year program of research and surveys in the oceans and the Great Lakes, was introduced by the chairman on February 9, 1961; reported favorably, following hearings, by the committee on June 20, and passed the Senate on July 28 by a vote of 50 to 32.

The bill then was sent to the House of Representatives, where it was referred to the Committee on Merchant Marine and Fisheries. At the close of the recent session, the House committee had taken no action on this proposed legislation.

The bill would authorize—

1. Expanded oceanographic research or surveys by 6 departments, 3 independent agencies, and 13 bureaus, offices and services in the executive branch of the Federal Government.

2. Coordination of the national oceanographic effort by a Division of Marine Sciences in the National Science Foundation, the Division to be established under the proposed act.

3. Participation by educational and scientific institutions, State agencies, associations, organizations, industries, and qualified individuals who would, in the opinion of contracting or granting authorities of the Federal Government, contribute to the scientific knowledge of the oceans and Great Lakes.

4. Construction of 43 oceanographic research ships and 18 ships for ocean surveys. Twenty-three of the research ships would be for use by institutions, including universities, 14 for fisheries research and 6 for military oceanography.

5. Construction of shore facilities for institutions engaged in oceanographic research and for Federal agencies conducting coastal or deep ocean surveys under the program.

6. Development and acquisition of new and improved scientific devices, instruments, and tools for marine exploration and research.

7. Education and training of marine scientists, including biologists, geophysicists, chemists, geologists, meteorologists, bacteriologists, pharmacologists and taxonomists required to achieve the objectives of the 10-year program.

8. Formal and reciprocal cooperation with other nations in marine research and oceanographic surveys.

The scientific community, in general, supported the bill. Objectives of the proposed legislation were applauded by Departments to which the bill was sent for comments, but the Departments took the position that legislation was unnecessary.

The bill contained 21 sections. Section 1 constituted the title section, stating that "this act may be cited as the 'Marine Sciences and Research Act of 1961.'"

Title 2 set forth a declaration of policy which asserted, in part that:

"The Congress further declares that sound policy requires that the United States not be excelled in the fields of oceanographic research, basic, military, or applied, by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to and utilization of ocean fisheries, or contamination of adjacent seas by dumping therein radioactive wastes or other harmful agencies."

The subsequent 18 sections set forth duties and authorized funds for the National Science Foundation, Coast and Geodetic Survey, Weather Bureau, and Maritime Administration of the Department of Commerce; Office of Education and Public Health Service of the Department of Health, Education, and Welfare; Atomic Energy Commission; Bureau of Commercial Fisheries, Geological Survey and Bureau of Mines, Department of the Interior; Corps of Engineers, Department of the Army; United States Coast Guard, Department of the Treasury; Office of Naval Research, Bureau of Ships and Hydrographic Office, Department of the Navy; and the Smithsonian Institution.

A number of general provisions were included in the concluding section. Among these:

1. Secretaries of departments, and administrators of bureaus or offices participating in the national oceanographic program would be authorized and directed to include in their annual reports a report on major activities or programs undertaken pursuant to the act.

2. The Bureau of the Budget would be required to provide the Congress, in connection with the annual presentation of the budget, a horizontal budget showing the totality of the program for marine sciences, funding assigned to each agency, and estimated goals and financial requirements to complete the program.

3. Construction or modernization of any ships or subsurface craft would be required to be done in domestic commercial facilities.

4. Information, uses, products, processes, and patents developed as a result of contracts or grants made under provisions of the act would, with such exceptions as may be determined to be necessary in the interest of national defense, be fully and freely available to the general public.

During hearings in the 86th Congress on proposed legislation to authorize a national oceanographic program it was developed that the U.S. Coast Guard was precluded under its organic act from conducting oceanographic research except in connection with the ice patrol.

On October 25, 1960, the chairman addressed a letter to Adm. Alfred C. Richmond, Commandant of the Coast Guard, inquiring as to the capabilities of the Coast Guard fleet for ocean research in addition to existing duties and responsibilities provided statutory restrictions were removed.

A comprehensive report was prepared by the Coast Guard and submitted to the committee on November 14, 1960. This report showed that the Coast Guard has 347 vessels in operation, of which approximately 100 are large, sturdy, oceangoing vessels which, with proper instrumentation, could be used for marine research without interfering with the traditional agency activities. Limited oceanographic research also could be conducted from a considerable number of other ships of the Coast Guard Fleet, including lightships, and from offshore towers which are being constructed to replace lightships.

The Committee on Oceanography of the National Academy of Sciences also was contacted by your committee and they warmly endorsed legislation to enable the Coast Guard to engage in oceanographic research, and to collect and analyze oceanographic data. The Committee on Oceanography recommendation also was sent to the Committee on Merchant Marine and Fisheries of the House of Representatives.

On March 2, 1961, I introduced S. 1189, following closely the recommendations of the Committee on Oceanography, and stated on the floor of the Senate: "The U.S. Coast Guard has the greatest potential of any agency of our Federal Government for obtaining certain types of valuable oceanographic data in the quickest possible time and at the lowest cost."

Hearings on the bill were held on May 2, 1961, and the bill was reported favorably by the committee on June 6. Meanwhile the House had passed a similar bill which, however, did not contain provisions for the collection and analysis of oceanographic data. On June 12, the Senate passed the House bill, substituting the language of the Senate bill as an amendment. The House disagreed to the Senate amendments and conferees were appointed.

House and Senate conferees met on September 14 and agreement was reached. Both House and Senate approved the conference report, and on October 5, 1961, the President signed the bill into law (Public Law 87-396).

I would be remiss if I did not express my heartfelt appreciation for the cooperation and untiring effort of all the members of the Committee on Commerce in carrying through to a successful conclusion our first session's program. I am deeply and sincerely appreciative. By their efforts they have made this a truly wonderful committee.

Our staff again has done a fine job, and I am confident I speak for the committee when I thank them for it.

WARREN G. MAGNUSON,
Chairman.

A Report to the People

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. RHODES of Pennsylvania. Mr. Speaker, every Representative has an obligation to report to his constituents.

This is my report to the people which deals with the work and the record of the 87th Congress. It summarizes my activities and states my position on important issues.

Citizens have a right to know the views, the record, and the performance of their Representative in Congress. For that reason, I make weekly radio broadcasts, send out occasional newsletters to those who request them, and mail a report at the end of each session to my constituents.

It is difficult for me to acquire all their names and addresses. Some have missed my reports. Others have received duplicate copies. A large number of letters are returned with incorrect addresses.

In an effort to provide better service and to eliminate extra work and difficulties, a new method of mail distribution was approved which will help in getting my report to all interested persons.

There have been efforts to deny Representatives the opportunity of mailing these reports by taking away their congressional franking privilege. Behind this effort are interests that would deny citizens the right to know about their Congress through their elected representatives.

This would keep important information from the people which often is difficult, if not impossible, for them to receive otherwise.

It has been charged that this service to the people is too costly. The facts are that the cost last year for franked mail for all Members of Congress was $3,800,000. The per capita cost to Berks County citizens for this service is less than 2 cents a year.

Since the cost of franked mail is paid by direct appropriation from the Treasury, it is not included in the postal deficit which last year was more than $800 million.

The loss in second-class mail service to newspapers and magazines accounts for much of the postal deficit. It costs American taxpayers more in 4 months for postal subsidies to one big publisher than it does to pay the cost for the franked mail of all Congressmen for a whole year. Subsidies to the six Luce publications which include Time, Life, and Fortune, amount to $1 million a month.

The subsidy to this big news monopoly for 1 year amounts to more than the combined annual salary of all the 437 Members of the House of Representatives. Yet syndicated columnists and political writers who attack the franking privilege maintain complete silence about the cost of subsidies to these giant publishers.

THE CONGRESS AND THE PEOPLE

It is quite obvious that many persons do not realize how closely their welfare, their opportunities for jobs, for education, health services, old-age and disability pensions, and a decent livelihood are affected by action or inaction of the Congress.

Good government depends to a large extent upon the interest and the participation of our citizens in political and governmental affairs. In the complexities of our modern society it is often difficult for the average citizen to understand how government actually affects him.

It is my hope that this report will be helpful in giving my constituents a better understanding of controversial issues and of the conflicting interests and philosophies which divide the two political parties.

There will always be differences of opinion which are essential in a vibrant democracy, if differences are kept on a high plane and every opportunity is given to the people to learn the truth and the facts.

That is why I feel obligated to inform my constituents on the work of the 87th Congress and what their Congress means to them and to our country.

THE 87TH CONGRESS SETS RECORD

The 1st session of this 87th Congress has been one of the most productive in history. This record has been the result of the joint efforts of a Democratic Congress and a Democratic administration. It has been likened to the memorable first 100 days of the Roosevelt adminis-

tration. In March 1933, it was closed banks and soup lines. In January 1961, it was sagging farm prices, rising unemployment, stifled credit, and an unfavorable balance of payments.

To fight unemployment and to reverse the recession trend, President Kennedy stepped up the release of already authorized funds for Federal procurement and for construction of highways and other projects. He asked local communities to initiate "boost the economy" programs.

He accelerated farm price-support payments, cut the interest rate on loans by the Small Business Administration to firms in areas of heavy unemployment, lowered the maximum permissible interest rate of FHA home mortgages.

The President recommended to Congress and secured the enactment of:

Extended unemployment compensation.

A higher minimum wage with coverage for 3.6 million added workers.

Aid for dependent children of people who have exhausted their regular unemployment benefits.

An area redevelopment program which will provide, over a 4-year period, $300 million in loans to areas of high unemployment or depressed income. The program also calls for grants for public facilities and funds for the retraining of workers, subsistence payments, and technical assistance to communities.

A liberalized Social Security Act.

A comprehensive Housing Act which will help meet the needs of more of our people, provide stimulus for the economy, and permit a stronger attack on slums, urban blight, and unemployment.

New highway legislation to assure the financial solvency of our Interstate program and to improve construction planning.

An expanded airport construction program.

Increased appropriations to combat the pollution of our rivers.

A 6-year program aimed at achieving economic conversions of salt water to fresh—with vast potential benefits to millions of people who do not have access to Minnesota's 10,000 lakes.

An emergency feed grain program, and an omnibus farm bill.

Legislation to extend the life of the Civil Rights Commission. There was substantial progress in other ways in civil rights for all citizens.

New laws to combat organized crime, and a 3-year program of demonstration projects for control of juvenile delinquency.

The first major addition to our National Park System in 14 years.

And a community health facilities program to help our 17 million senior citizens through nursing homes, diagnosis and advisory centers, improved hospitals, and other community services.

People who say the Kennedy administration is really not so different from the Eisenhower administration should, as Al Smith used to say, "look at the record."

BATTLE OF WORDS

These are programs that the Republican leadership in Congress have opposed with such arguments as wasteful and unnecessary spending, States rights, welfare statism, big government, and Federal control. Throughout our history, however, liberal programs such as offered by President Kennedy have always been opposed by ultraconservative interests.

There is, of course, a sharp conflict between the Republican philosophy which Democrats refer to as trickle-down and the Democratic belief that progress and prosperity depend upon the purchasing power of the people and their opportunities for jobs and expanding public service.

Republican leaders contend that the Nation cannot afford to do the things which the administration proposes, while Democrats insist that our country cannot afford to ignore them.

Like my Democratic colleagues, I am alarmed at the terrible waste in human and natural resources which goes on in the name of economy.

The real wealth of our Nation lies in these human and natural resources, the intelligence, health and know-how of our people, and the productive power of men and machines. Unemployment is waste. Failure to use the services of partially handicapped persons and many men over age 50, who are willing and able to work, is wasteful. To deny our youth educational opportunities is a waste to our Nation which needs to develop the best of its talent.

The waste in lost productivity and wealth due to economic curtailment, unemployment and recession during the last several years is too staggering to estimate, running into untold billions of dollars. President Kennedy reversed this trend with his progressive program and strong leadership which won substantial congressional support including some help from the more liberal Republican Members.

PENNSYLVANIA DEMOCRATIC WHIP

In this session of Congress I again served as whip and floor leader of the Pennsylvania Democratic delegation, and as an assistant to the majority whip, Congressman CARL ALBERT, of Oklahoma. Mr. ALBERT is one of the seven top leaders of the Kennedy administration. His ancestors migrated from Berks County almost a century ago.

As a party whip, I had occasions to meet with House and Senate leaders, with the Vice President, and with President Kennedy himself. During the session I met with the President on four different occasions in the White House. I was pleased to have played a part in securing favorable consideration for his program in the Congress.

SPEAKER RAYBURN

During the session I enjoyed several opportunities of briefly serving as Speaker pro tempore, substituting for the immortal House Speaker, SAM RAYBURN. Representatives of both parties are grieved by Speaker RAYBURN's illness. There is no doubt but that he will go down as one of the great men in American history. To know him as a close and dear friend is a real privilege.

SAM RAYBURN is well known to many Berks citizens. He graciously accepted my invitation to meet and talk to individuals and groups who visited the Capitol. It was an annual event for students and their teachers from Woodrow Wilson High School at West Lawn to meet Speaker RAYBURN in his private office or on the floor of Congress.

ATTENDANCE RECORD

My attendance record was again one of the highest in Congress. On 231 quorum calls and votes, I missed only 3, giving me an attendance record of 98.7 percent. It is extremely difficult to get a 100-percent record because of conflicting duties which Members frequently face.

COMMITTEE ASSIGNMENTS

I am a member of the Interstate and Foreign Commerce Committee. This committee has jurisdiction over the following regulatory agencies: Federal Trade Commission, Securities and Exchange Commission, Federal Communications Commission, Civil Aeronautics Board, Federal Aviation Agency, Federal Power Commission, and Interstate Commerce Commission.

The Commerce Committee specializes in the fields of transportation, communication, finance, health, and safety. As a member of this committee, I voted for the reorganization of the Communications Commission, which regulates the broadcasting industry.

I supported the new Commissioner, Newton N. Minow, in his effort to promote educational features on television and to eliminate fraud and deception and those evils which contribute to juvenile delinquency and crime.

As a ranking member of the Subcommittee on Health and Safety, I gave special attention to programs which seek to find the cause and cure of crippling and killing diseases. My bill to aid the graduate schools of public health in training doctors, nurses, technicians, and other specialists, was passed by the Congress as part of the overall community health facilities bill.

Our subcommittee also deals with problems on food additives and labeling, smog and air pollution, and travel safety.

I am also a member of the House Administration Committee which manages the House side of the Capitol. It has jurisdiction over House employees, committee appropriations, contested elections, and printing of Government documents. I also serve as member of the Printing Subcommittee and the Committee on Accounts.

BILLS INTRODUCED

In this session of the Congress I sponsored legislation to raise income tax exemptions to $800 a year; increase minimum social security benefits to $50 a month; allow benefits to men who retire at age 62; women at 60; establish a Federal Agency for the Handicapped; grant a deduction for income tax purposes to handicapped persons for transportation expenses to and from work; and provide an additional tax exemption for a taxpayer supporting handicapped dependents unable to care for themselves.

Other bills I introduced were designed to provide a massive public works program to put jobless people back to work;

provide a pension for World War I veterans; aid in the creation of a nationwide system of junior colleges; increase the Federal authorization to assist schools of public health in training specialists for public health service and institutional work; establish a U.S. Arms Control Agency; limit postal subsidies to giant publications; honor the Dean of March Music by naming one of the buildings of the Library of Congress the John Phillip Sousa Memorial Library.

DISCUSSION AND DEBATE

As part of my congressional duties, I presented testimony before several House committees on pending legislation. They included such subjects as aid to the handicapped, pensions for veterans of World War I, postal subsidies, and public health legislation.

I have taken part in discussions on the floor of the House on such questions as foreign policy, mutual security, automation, social security, aid to education, disarmament, and the Berlin crisis.

ANTIRECESSION PROGRAM

When President Kennedy took office last January, the country was in the midst of its third serious recession in 6 years. Five and a half million Americans were out of jobs. Business failures were at the highest levels since the great depression. Our major industries were operating between 50 and 80 percent of capacity. Housing starts were at their lowest since 1949, farm incomes were critically low, and millions of our fellow citizens looked hopelessly for work in the many areas throughout the Nation.

Here is a brief report on the most important bills which were introduced to restore health and vitality to our economy, to increase our rate of economic growth, and to meet urgent needs.

UNEMPLOYMENT COMPENSATION

To aid the unemployed, President Kennedy asked that Congress extend unemployment benefits for an additional 13 weeks. Within 63 days after taking office, the Congress passed President Kennedy's proposal. I gave full support to this effort.

To aid the hungry in areas of heavy unemployment, President Kennedy issued an Executive order increasing the quantity and quality of surplus food available to needy families throughout the Nation.

AREA REDEVELOPMENT

Twice vetoed by former President Eisenhower, the Area Redevelopment Act was passed in this Congress and signed by President Kennedy. It provides $394 million in Federal loans and grants to assist urban and rural areas suffering from excessively high rates of unemployment. I supported this bill which was important to Berks County and to the people of many other areas of Pennsylvania, particularly to distressed coal region areas like neighboring Schuylkill County.

HOUSING

To meet housing needs and to increase our rate of economic growth, Congress passed the most comprehensive housing program in congressional history.

This new law will help to give every American an opportunity to own his own home. To help our citizens in the lower income groups to buy their own homes, the law contained a low-interest, low-downpayment, 35-year loan program.

This bill also included an expansion of urban renewal, public housing, housing for the elderly, and college housing. In addition, a program was established to obtain open spaces in urban renewal areas for children to enjoy fresh air and recreation.

The housing program is extremely beneficial to Berks County. It makes it possible for thousands of our citizens to purchase decent homes through FHA-insured mortgages. It provides loans for our colleges. This year Albright College received $920,000 to build needed dormitory space.

The city of Reading was given a grant under the housing law to begin a study of its urban renewal program, to say nothing of the Federal grants the city has received for parking lots and other redevelopment projects. Many of our boroughs in the county have benefited from this legislation.

Projects such as the Hensler Homes to provide decent shelter for our senior citizens also comes under this important program.

It was necessary for the President to muster substantial party support for the housing program which was strongly opposed by 84 percent of the Republican Members of the House. Because of my long experience and interest in housing, I gave my full support to President Kennedy on the housing issue.

IMPROVED SOCIAL SECURITY

As part of his antirecession program, President Kennedy proposed a liberalization of our social security program.

Minimum monthly benefits were raised from $33 to $40. Widows' benefits were increased. Men were given the option to retire at 62 years of age with slightly reduced benefits. The requirements for eligibility were liberalized to enable thousands of our senior citizens to come under the social security program. Yet, of all welfare programs, this is the one which Republican leaders most bitterly oppose. One of the leading objectives of the John Birch Society, a conservative front organization which includes many millionaires, is to repeal social security. The Birch Society has strong influence in the Congress. Its influence was felt at this year's national convention of Young Republicans in Minneapolis, which passed a resolution calling for the abolition of our compulsory social security program. The popularity of social security, however, causes many other conservative leaders to conceal their hostility toward this program.

With many liberal Democratic colleagues, I feel that much still remains to be done to improve social security. Benefits generally are too low and coverage should be expanded to those old folks who are not covered. However, the minor social security changes made this year will help an additional 4½ million people to enjoy improved living conditions in their retirement years.

COMMUNITY HEALTH FACILITIES BILL

The community health facilities bill which was recently enacted will provide community health services and facilities for our aged people and for the chronically ill. It calls for expanded research in seeking the cure of crippling and killing diseases. The bill provides matching funds for improved nursing home programs, home health care plans, and outpatient diagnostic services. Increased authorizations for the construction of public and nonprofit nursing homes are also provided.

The need for this legislation was pressing. With the lengthening of the lifespan in America, the problems of chronic illness have increased. More than half of the 17 million persons over 65 years of age, excluding those in institutions, have some kind of chronic health problem which interferes with their daily living. In addition to this, many middle aged, young adults, and even children are affected by chronic illnesses.

Included in this act was a proposal which I sponsored. I was pleased to play an active part in the drafting and final passage of this important bill.

AGRICULTURE

Efforts were made to improve farm incomes which for the past 8 years had declined sharply. The drop in buying and consuming power of American farmers helped to aggravate the recession and had an effect on the whole economy.

This year net farm income will be about a billion dollars above the total for 1960. Both executive and congressional actions since Inauguration Day have been directed toward improving the position of farm families.

Congress enacted the broad scale and long-range program called the Agricultural Act of 1961. This act extends the feed grains program for the 1962 crop, liberalizes farm credit programs, establishes wheat programs for 1961–62, encourages acreage reduction, extends and broadens the food-for-peace program, and extends such important instruments of national policy as the school milk program, and the conservation programs.

The objective of the President and his administration is to insure that the farmers who feed our people will have a parity in income and equality in opportunity with urban families.

As President Kennedy said in his first farm message to Congress:

> The solution to the farm problem lies not so much in severe restrictions upon our talent to produce as upon proper channeling of our abundance into more effective and expanded uses. American agricultural abundance can be forged into both a significant instrument of foreign policy and a weapon against domestic hardship and hunger.

NATIONAL DEFENSE BUILDUP

On taking office, the President and Secretary of Defense Robert McNamara set about on an immediate review of our defense posture which resulted in a revamping of our military strength. It was designed to protect and strengthen our strategic deterrent by improving such programs as Polaris missile production, our continental defense, and our bomber

warning systems, and by strengthening our ability to deter and confine limited and guerrilla type wars.

Included in the new defense appropriations are some $300 million for a more effective civil defense program.

The recent Russian achievements in space were another factor in increasing our defense buildup. This year Congress increased its outer space authorizations by 75 percent to start us on the road to match and eventually surpass the Soviets in space technology and exploration. Success in the field of space exploration would also lead to better weather forecasting, improved land and sea navigation, untapped resources in solar power, and better communications throughout the world.

NEW STARTS IN FOREIGN POLICY

Military might alone is not sufficient for our Nation's security or for future peace. The skill of our diplomats and the molding of foreign policy are also of vital importance.

When President Kennedy took office, he faced the grimmest situation in foreign relations that has ever confronted a new Chief of State.

Communist guerrillas were advancing in Laos and threatening at every weak point in southeast Asia. Communist puppets and agents from Moscow were moving to consolidate their positions in Africa. A Communist beachhead had been established only 90 miles from our shore in Cuba, despite the best efforts of the previous administration to contain the influence of Moscow, and our alliances with old allies abroad were steadily deteriorating.

REBUILDING OLD TIES

The administration at once responded to these problems not only by increasing our military strength but by repairing our relations with our old allies in Europe. A strong free Europe is seen as our first line of defense against the Communist menace. Soon after his inauguration, President Kennedy was meeting with the leaders of the European powers in an attempt to strengthen and reactivate NATO. Today, when the Berlin crisis looms high, Europe and the United States are standing firm as a solid block against the irresponsible demands of the Communist world.

WAR ON THE BREEDING PLACES OF COMMUNISM

As an effective means in fighting communism, President Kennedy placed the emphasis on eliminating conditions that breed communism. In his address announcing the new Alliance for Progress, the President announced our Nation's commitment to cooperate with the underdeveloped nations in ending the poverty, illiteracy, hunger, and unemployment upon which communism thrives.

Along with our assistance, the underdeveloped nations would be expected to make necessary internal reforms such as land redistribution and tax revision in order to make their governments more stable and to make a greater contribution to their own national development. The President has pledged to rid our foreign aid programs of waste and corruption, and to insure that our aid would help all the people and not just the favored few.

Many in Congress feel that economic assistance is a vital part of our defense effort. It will do little good to forge strong military alliances in the chain to contain world communism if our economic links are weak. Many of us agree with President Kennedy who declared that military pacts cannot help nations whose social injustice and economic chaos invite insurrection and chaos.

PEACE CORPS

Congress voted to establish a permanent Peace Corps as part of our overall effort to avoid war and chaos. It is hoped that this relatively inexpensive program will contribute toward curbing Communist aggression throughout the world. It also strikes at poverty, illiteracy, hunger, insecurity, and such evils on which communism breeds.

ARMS CONTROL AGENCY

Another new start in our foreign policy came when Congress passed an Arms Control Agency that would emphasize our Nation's peaceful intentions, concentrate the work of all Federal, State, and local disarmament groups, and work out practical and effective alternatives to nuclear war.

This legislation, which I helped to sponsor, enjoyed the wholehearted bipartisan support of former President Eisenhower and former Secretary of State Christian Herter, as well as all leading Members of both parties in the 87th Congress.

UNMET PUBLIC AND HUMAN NEEDS

Despite excellent progress made in this session, several major measures will face the Congress next January.

AID TO EDUCATION

It was unfortunate that the administration's aid to education proposals were killed by the conservative coalition in the House. The final move to consider even a modified general aid to education bill on the House floor was killed by almost solid Republican opposition with the help of conservative southern Democrats. One hundred and sixty of the one hundred and sixty-six Republicans voted to kill the school bill.

The President's proposals are essential to help meet the growing shortage of classrooms and teachers. On the national level, there is a shortage of 142,000 classrooms and 135,000 qualified schoolteachers.

The administration's proposals would have meant an extra $28 million for the State of Pennsylvania to spend on education, to say nothing about the 1,000 or more scholarships to needy high school seniors and other programs to be expanded under the National Defense Education Act.

MEDICAL CARE FOR THE AGED

The President's proposal for financing hospital and nursing home care through the social security system to meet the needs of our senior citizens is also awaiting action by the next session of Congress.

This program is essential to meet the health needs of the more than 17 million people who are now over age 65. At a time when the health needs of these people are greatest, their income is at the lowest levels in their lives.

PRESIDENT MOVES TO HALT INFLATION

At a recent press conference, President Kennedy expressed his fear that inflation would again rob our people if our major industries did not hold the line on unjustified price increases.

Acting upon the advice of his Council of Economic Advisers, the President pointed out the inflationary tendency of excessive concentration in some of our major industries. The President told the people that administered or rigged prices in some of our Nation's major defense industries have played a key role in the inflation of recent years and have robbed our people of millions of dollars in real income.

Inflation is a real problem which is too often associated with deceptive efforts to defeat programs which are in the public interest. In recent years, however, it has been revealed that unjustified hikes in the price of steel have been a leading factor in the inflationary trend. The prices in this key industry have been pushed up faster and further than the average of all other commodities.

President Kennedy is deeply concerned about increasing the Nation's rate of economic growth and in preventing inflation from robbing our people of their hard-won social gains. To prevent this, President Kennedy has called upon both labor and management to show moderation and self-restraint in price hikes and labor contract negotiations.

INVESTING IN AMERICA'S FUTURE

Every informed person knows that there needs to be a proper balance between Government spending and revenues. But there is a big difference between investments for public service, education, health, housing, and the big spending which benefits a favored and powerful few.

One road leads to a strong and prosperous economy. The other leads to unemployment and recession and the neglect of human needs and public service.

ABUNDANCE SHOULD BE USED WISELY

In these days of great confusion, it is important to look beyond scare words and deception, and seek the truth and the facts.

We are blessed in our country with abundance and with great human and natural resources. Yet there is unnecessary suffering and distress. There is no need to fear the future if we have faith, courage, and understanding, and if we dedicate ourselves to promoting the public welfare and the common interest we all share in a strong, united, and prosperous America.

As a Member of Congress this has been my objective. This is why I have supported legislation for schools, jobs, old age security, and programs to meet the needs of our people and our country.

FEDERAL FUNDS AID BERKS

More than $24 million in Federal funds have entered Berks County during the first 8 months of this year. Nearly a million and a half dollars a month

comes to local citizens every month as pension payments to our aged and disabled folks through social security. This purchasing power is also a stimulant to business.

Aid to Albright College was given in the form of a long-term, low-interest loan of $920,000 for needed dormitories. It supplements the funds received from local citizens who are making voluntary contributions toward the long-range development of the college.

An additional $143,000 went to both Albright and Kutztown State College in the form of student loan funds to enable needy youths in Berks County to achieve a college education.

READING GETS FEDERAL AID

Three and a half-million dollars in loans and grants went to the city of Reading to assist in building needed parking facilities and other urban renewal projects.

One hundred and fifty thousand dollars has been advanced to help extend the city's sanitary sewer system to include the 18th and 19th wards. Another quarter of a million dollars went to several of our local boroughs and townships to assist them in building adequate sewage and water treatment systems.

Recently, a number of local businessmen and Reading city officials came to Washington to seek Federal funds under the community facilities program for assistance in the elimination of the Seventh Street grade crossing. Senator CLARK and I have introduced legislation which would make this aid possible.

Almost a million dollars went to the Reading Hospital to help provide 228 additional beds for that institution. One hundred and eighty thousand dollars in small business loans were cited for Berks. Federal funds also come into the county through other progressive programs.

Federal aid helps to pay for our highways and for many other programs like aid to the blind and public assistance. It has been a major factor in providing employment and in keeping the community prosperous and the Nation strong.

EDUCATIONAL AID FOR READING AND BERKS

The Reading School District this year received more than $100,000 in Federal aid to education. Some of the money, provided by the Defense Education Act, was used to develop new programs in mathematics, science, foreign languages, and guidance.

Federal funds helped elementary schools to acquire microprojectors to increase scientific knowledge of our youngsters. Visual-aid equipment and reference books to aid teachers and pupils in fields of vital importance to the Nation were also acquired with Federal aid.

Federal assistance helped to build the language laboratory at Reading High School and at Northwest Junior High School. To the credit of local school authorities, the Reading School District has taken full advantage of Federal aid to education.

Educational opportunities for local students have been enhanced and the burden of educational costs for Reading taxpayers has been alleviated by Federal funds. Educational aid funds for Reading schools are being used for everything from teachers' salaries and reference books to low-priced daily luncheon platters.

The Reading School District has received $34,000 in Federal aid funds for the practical nursing program. In addition, $15,286 under the Smith-Hughes Act of 1917 helps to pay for teachers salaries in the field of vocational education.

As far back as 1861, Federal aid to education programs have been beneficial to school districts which took advantage of Federal assistance. These aid programs prove that the old scare slogans of "Federal Control" and "Wasteful Spending" do not stand up when all the facts are available for consideration.

The need for Federal aid is more urgent today than ever. If President Kennedy's school aid proposals are adopted it will provide many Federal scholarships for talented young people in Berks County who are now being denied the full opportunity to develop their talents and brain power.

To meet educational needs and to relieve local taxpayers of increasing school costs, the Kennedy school aid program is most essential.

Federal aid programs such as these which have helped Berks County, and other sections of the Nation, meet with strong opposition from opponents of the Kennedy administration. It is on these important domestic programs that the two parties sharply disagree.

POLITICAL SPENDING

A congressional committee has reported that millions of dollars are being spent each year in national political campaigns. Yet influencing election contests involves much more than the expenditures which are cited in such reports. To get a more realistic picture of political spending, one should also include the cost of political efforts of syndicated columnists and political writers and the value of free space given by the big news monopolies to influence political thinking and voting trends.

Nearly all of the big high-salaried national columnists hold conservative views or reflect the interest and philosophy of those who own and control the big news syndicates.

It is this fact that causes a one-sided presentation of news and information and makes it difficult for a clear public understanding of the controversial and crucial issues which confront the people of the Nation.

Political spending reports are not complete unless they include all the organized efforts to influence public opinion and election results.

COOPERATION WITH INDUSTRY

Our business community has made steady recovery from the recession. All the important statistics point to a rising level of business activity, which will mean both greater employment and profitable enterprise.

Whenever I could properly be of assistance to business and industry in Berks County, I have cooperated in every possible way. I fully appreciate the importance of a successful and prosperous industry to our community. A healthy climate for business means jobs for working men and women, and prosperity for our city and county.

Politics are never permitted to interfere with my responsibility to all of my constituents. I am sure that many Berks County business leaders will attest to this fact.

Pennsylvania's Democratic Senator JOSEPH S. CLARK is a good example. As former mayor of Philadelphia, he has gained nationwide attention for the big city's rebirth and progress under his leadership.

Senator CLARK has a business and professional background and comes from a well-to-do family. Yet Senator CLARK is one of the most progressive Members of the Senate. He is a man of impeachable integrity, great ability, and political courage.

In his years in the U.S. Senate, Senator CLARK has become known for his untiring efforts for social reform, civil rights, and progressive and humanitarian legislation. The more progressive leaders of industry understand that Senator CLARK's efforts for economic growth and social reform legislation are not only in the public interest but also essential to business and industry.

SPECIAL REPORTS AVAILABLE

Persons interested can get special reports on social security, the Maidencreek and Blue Marsh water development proposals, the dividend withholding tax issue, television reform, political spending, and postal subsidies. Write to my Washington office for any of my special reports or for any other information in which you are interested.

NATIONAL CITATION

One of the most rewarding experiences during my service in the Congress was to receive a citation of merit for my efforts and work in the Congress on behalf of the handicapped citizens of our country.

The award was presented to me by the Indoor Sports Club of America at their national convention banquet in Washington last summer.

On a number of occasions I have discussed the problems of our handicapped people on the floor of Congress and have called attention to the legislation which I have introduced in their behalf. Much progress has been made in getting recognition and consideration by the Congress for an effective program to aid the handicapped.

CONGRESSIONAL REAPPORTIONMENT

Because of population trends, Pennsylvania will lose 3 of its 30 seats in the next Congress. Unless the State legislature acts to eliminate 3 districts, a statewide election for 27 Representatives is necessary.

It is expected that Berks County will be joined with one of the neighboring counties to form a new district. Schuylkill County is the most probable because it will bring the total population of the district to 447,000 which is close to the new population average of 419,000.

Schuylkill County is one of the many depressed areas in Pennsylvania. It sorely needs Federal cooperation and

help in meeting the needs of its people. If a Berks-Schuylkill district is formed, it will cement ties between the two counties that will be of mutual benefit to the citizens in both counties.

After his inauguration, President Kennedy said that the greatest danger which faces us is our unwillingness to do the things that need to be done. It is evident that our first task is to arouse greater public interest in politics and government and an understanding of fundamental issues. To assist in this effort, I will make myself available during the congressional recess to appear before any and all groups to speak or to answer questions on issues before the Congress and the Nation. Those interested can contact me through my Reading office.

Goals of the New Frontier: Medical Care Under Social Security

EXTENSION OF REMARKS
OF
HON. AL ULLMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. ULLMAN. Mr. Speaker, high on the agenda of unfinished business which will face the Congress when we meet again next year is the problem of insurance against health care expenses for our retirees under social security. In a special message last February President Kennedy reaffirmed this as a major goal of the New Frontier in these words:

> Twenty-six years ago this Nation adopted the principle that every member of the labor force and his family should be insured against the haunting fear of loss of income caused by retirement, death, or unemployment. To that we have added insurance against the economic loss caused by disability. But there remains a significant gap that denies to all but those with the highest incomes a full measure of security—the high cost of ill health in old age.

A few facts indicate the extent of the need to which the President referred. There are currently 16 million of our citizens who are over 65 years of age. They go to the hospital more often and stay longer than their younger neighbors. As a result, their annual medical bill is twice that of those in the rest of the population but their annual income is only about half as large. In addition, it must be remembered that among those who can least afford medical care, the tendency is to do without it, frequently until an emergency situation develops, so that these figures actually understate the increased need for medical care among older citizens.

To meet this pressing need—to fill the gap described by the President—legislation has been introduced which would utilize the social insurance approach, enabling people to pay during their working years toward meeting the health costs they will face in old age. The bill represents a sound and practical answer to a national problem. It does so without proposing to limit the patient's choice of doctor or hospital or to subject people to a means test which would deny them dignity and self-respect in their days of retirement.

It should be emphasized that the President's proposal centers around the problem of meeting hospital and nursing home costs. This has the advantage not only of eliminating any question whatever of disturbing the doctor-patient relationship, but also allows us to focus on the element of health care costs that have risen the most rapidly in recent years. Hospital rates have more than doubled since 1948 and they threaten a continuing rise. By providing a program to meet a large part of this high-cost element, we can bring more adequate health care on a broad basis within reach of our senior citizens.

In so doing, I am convinced that we will also expand the opportunities for private insurance plans to provide adequate coverage for other aspects of health care to our older citizens and for across-the-board protection to people who have not yet reached retirement age. This is true because the fact that our retired people have a much greater need for medical care also means that they represent a high-risk market to the private insurance firms who must either deny them coverage, reduce benefits, or else raise their rates to a level that puts coverage beyond the reach of many, both young and old. Handling this high-risk, high-cost aspect of the situation through social insurance will remove a major obstacle to the extention of private insurance to meet more fully the other aspects of our medical care cost problem.

Mr. Speaker, the Ways and Means Committee, on which I serve, held extensive hearings on the President's proposal. Our study deepened my conviction that we need this program and that it is a sound and moderate program. The record of the hearings includes a mass of facts and figures documenting both the need and the practicality of the recommended solution. But, as Secretary Ribicoff pointed out in his appearance before us, "statistics cannot measure the anxiety and suffering of elderly people who see their small savings, their homes, their security about to be swept away by the near certainty of expensive illness." The Congress can and should eliminate this source of fear and insecurity and favorable action on the President's recommendation is the logical and fair way to do so.

Shooting From the Hip

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. DODD. Mr. President, on September 8 I made a speech on the floor of the Senate in rebuttal to an address delivered by Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis.

On September 15 the Washington Post printed an editorial critical of my speech and on September 16, the Post printed my answer to the editorial.

I ask unanimous consent that the text of the editorial and my reply be printed in the RECORD.

There being no objection, the editorial and reply were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 15, 1961]

SHOOTING FROM THE HIP

After a succession of fumbling and amateur efforts to impersonate the late Joe McCarthy, Senator THOMAS J. DODD has at last achieved success. Last Friday he called for a congressional investigation of the U.S. Information Agency and asked it to dismiss forthwith Ralph K. White, one of its Russian affairs specialists—all because Dr. White had expressed in a speech to the American Psychological Association some provocative ideas about the Soviet Union of which the Senator did not wholly approve.

Dr. White's principal thesis was that there exists a "mirror-image" relationship between Soviet thinking and American thinking—a relationship in which there are striking similarities except that, "what was black and white in the American image system is white and black in the Soviet image system, just as, in a mirror, what was left and right appears as right and left. He thinks that the misconceptions on either side constitute a danger and he urged his fellow psychologists to cultivate an attitude, "best characterized as tough-minded empathy, or empathic tough mindedness—not a sneaking sympathy for the Communist cause but a realistic, imaginative understanding of how the whole world looks from a Communist point of view, as a preliminary to a critical dissection of that point of view.

Now, one may agree or disagree with this diagnosis. But surely it reflects an opinion clearly within the range of Dr. White's professional competence, clearly consistent with the aims of the Agency in which he holds a responsible position and clearly reflective of devotion to the interests of the United States. Why, then, should Senator DODD denounce it in so unbridled a way and say that if USIA leaders share White's approach, "this entire Agency must be either cleaned up or dismantled."

We suggest a possible explanation—that the Senator never saw the speech itself but shot from the hip on hearing or reading an account of it. We rather think that if the Senator were to read the speech in its entirety with some care, he would find very little fault with it. For, in sober truth, it is an honest attempt to provide a measure of that realism which, as Dr. White says, we desperately need "if we are to win either our ideological battle against communism or the joint battle that we and the Communists are waging against mutual suicide."

In his illuminating study of the relations between Russia and the West under Lenin and Stalin, George Kennan concludes that the misunderstandings and errors of judgment at the end of World War I resulted in large part from "the inadequacy of the information at the disposal of the allied governments." He offered an astringent observation:

"Sometimes I think it might be made a maxim of democratic statesmanship in difficult situations to seek its information, however distasteful this might be, from the study of its enemies rather than from the consultation of its friends."

[From the Washington Post, Sept. 16, 1961]

SHOOTING FROM THE HIP

Your editorial of September 15 is a further example of the continued indulgence

by the Washington Post in what it likes to call McCarthyism when practiced by others.

My Senate speech about the recent address of Dr. Ralph K. White, Chief of the Soviet Bloc Division of USIA's Office of Research and Analysis, referred to a dozen or more specific statements of Dr. White and made specific criticisms of those statements. The Washington Post ignores all this and picks out a rather routine and noncontroversial thesis of Dr. White's, pretending that this was the object of my critique.

Few will argue with Dr. White's contention that we must try to gain "a realistic, imaginative understanding of how the world looks from a Communist point of view." While this idea may seem novel and exciting to Dr. White and your paper, it is basic to anyone who concerns himself with the cold war. What I did object to in Dr. White's speech, I spelled out clearly; and since your editorial chose to ignore these specific criticisms, I shall restate them now.

Dr. White contends that Soviet aggression in Berlin and around the world originates partly in defensive fear and in a sincere desire to stabilize the cold war conflict; that we are too inclined to look upon Communist leaders as villains; that we overestimate their evil: that we should not dismiss the words of Soviet leaders as lies because most of the time "what they say is close to what they really think."

White leaves a clear implication that differences in the relative moral standing between Soviet Russia and the United States are only of degree and he lists our U–2 flights and our attempt to help Cuban freedom fighters as proofs that we are not unlike the Reds. And throughout his remarks, he indicates that the Russian people have the same basic outlook and attitude as their Communist leaders.

If these views were the speculations of some obscure academician talking to his fellows, they would still be subject to the give and take of criticism. But when they come from the man who is charged with advising the USIA on the best means of bringing the American message to the world with respect to the Soviet Union, then this is a matter which calls either for the dismissal of Dr. White or the announcement by our Government that it has rejected the basic premises upon which our postwar policy of resistance to Communist aggression has been based.

My criticisms of Dr. White's remarks, briefly stated, are as follows:

Communist aggression in Berlin and around the world is based not on their legitimate or even imagined fears of the free world but on their oft-expressed intention to bury the free world and subjugate it to communism.

We are not inclined to overestimate the evil of the Communists; we are inclined to underestimate it. How can you exaggerate the evil of men who have murdered 20 million of their own people, who have enslaved hundreds of millions of others, who have destroyed the independence and national life of a dozen nations, who have systematically committed every form of villainy known to man?

Soviet leaders are not saying what they really think. Their approach to their own people and to the rest of the world is one of calculated deceit. Thus, they have broken more than 1,000 treaties solemnly agreed to; they have deliberately lied about germ warfare in Korea, about alleged U.S. aggression all over the world, and about disarmament. They lie consciously and deliberately every day of every week of every month of every year.

We need not condemn our country for either the U–2 flights or for the assistance to the Cuban freedom fighters. The one was a necessary action to protect ourselves from surprise attack, the other was a fulfillment of a moral obligation to help a once-free people liberate themselves from a Communist dictatorship, sustained in power by Communist arms.

Finally, my belief, contrary to that of Dr. White, is that the Russian people and all peoples enslaved by communism do not share the same outlook and beliefs as their enslavers.

Thus, the incredible defection of several million Russian troops to the Nazis during World War II, the exodus from East Germany, the mass defection of Soviet troops to the side of freedom during the Hungarian uprising, the multi-billion-dollar jamming program by which the Communists prevent news from getting to their people, the most highly developed system of terror in history that would certainly not be necessary if, as Dr. White alleges, the Soviet people shared the attitudes of their masters.

This was the substance of my speech, all the particulars of which the Washington Post chose to omit in its critical editorial.

As for your assumption that I did not read the complete White text, I wish to assure you that I read it carefully, just as I am sure you read it carefully.

The essential difference between you and me is that you share these theories of Dr. White and I reject them. This is the real basis for your continuing attacks upon me. Since you decided to ridicule my views, it would have been more manful to debate them openly, point by point, rather than make a sneak, hit-and-run attack with a dose of innuendo and personal vilification, which ducked all the vital questions involved.

THOMAS J. DODD,
Senator from Connecticut.

The 87th Congress

EXTENSION OF REMARKS
OF

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. STAGGERS. Mr. Speaker, in a long drawn out and argumentative 1st session, the 87th Congress disposed of an impressive amount of business. The legislation enacted included 33 measures which are classed as major legislation, more of such legislation than has been enacted in the last half-dozen years combined. Much of it was highly controversial, requiring repeated adjustment and debate before it reached the final voting stage. Additional important proposals raised serious questions of constitutionality or of expediency, and after serious and protracted consideration were rejected for the time being. It was a hard session, and the final effects of its accomplishments are not immediately evident in domestic and foreign situations beset by unprecedented difficulties. The general public attitude seems to be a tendency to wait to see what happens. Criticism seems to be more or less perfunctory, and much of its sting is dulled both by rising industrial activity on the home scene and by preoccupation with increasing foreign danger. Clearly, the Congress did not move as far and as rapidly as some of the progressives had hoped. On the other hand it did not plunge headlong into action which might upset prevailing practice and tradition. The mood of the country is essentially conservative, disinclined to experiment with speculative social projects involving radical departures from the past. The Congress went along with that mood. We must await developments before we can pronounce judgment.

The least controversial subject before Congress was military preparedness. A record peacetime military budget of more than $47 billion received scarcely a dissenting whisper, either from the Congress or from the Nation as a whole. The President got all he asked for, and more, to build up every arm of the service. Foreign economic aid got a more critical scrutiny. There is a growing disposition to demand that such aid should at least be not prejudicial to national interests. Generous special aid for Latin America was voted, with needed precautions that such aid should be used to improve living conditions in the areas where it is to be applied. Two innovations in our dealings with foreign powers were put into law: the Peace Corps; a permanent disarmament agency. Both represent idealistic approaches to the problem of promoting peace and well-being among all men. Only time can reveal their efficacy.

On the home front, a vast array of domestic problems received careful consideration. One of the first acts of the new Congress was to pass a bill designed to aid depressed and underdeveloped areas. Understandably, the Congress cannot legislate new industries into being. They must be organized, furnished with capital, manned with a working force possessed of the necessary skills, and provided with a market in which their output can be absorbed. Again, time is required to determine the practical results of the measure passed by Congress.

A new farm bill designed to reduce agricultural surpluses without further detriment to the whole farming industry was passed. A regrettable consequence is an increase in the price of grain to those farmers who must buy feed for livestock. The problem of import quotas, particularly of residual oil and textiles, under the Reciprocal Trade Act received considerable argument, but no immediate solution. Veterans gained various additional benefits, and the minimum wage was increased. Social security laws were further improved, with widened coverage. More money was made available for hospitals, airports, and a variety of public works. The water pollution program was expanded. Unemployment benefits were provided for a longer period, and aid was offered to the children of the unemployed. All these are of direct interest to West Virginians.

In response to a long-felt need, 73 new Federal judgeships were authorized, which should speed up the work of the Federal courts.

In the matter of taxes, the only proposal to receive favorable consideration was an increase in highway taxes to complete the interstate roads program. Proposals to permit more rapid writeoffs of industrial development investments were turned down; likewise, a proposal to raise postal charges to those who already pay the major costs of postal service.

One leak through which American money flows to foreign countries was blocked by a substantial cut in duty-free allowance for returning tourists.

This is a random sampling of the many domestic problems which were considered, either favorably or unfavorably, by the 87th Congress. The second session of this Congress looms before us in a few short weeks. The interval should provide perspective from which to assess accomplishments of the first session and suggest further action.

Meanwhile, there are personal problems whose solution may be aided by a voice from Washington. Every citizen has a right to expect from his Congressman a sympathetic and active interest in these problems, whether their respective views on national and general issues coincide or do not coincide. It is the purpose here to say with all the sincerity at my command that I shall be happy and honored to hear from you, be it a matter of promoting industrial and business activity, of employment, of veterans' concerns, of social security regulations, or of any other of the many problems involving Federal Government participation. Further, your thinking on recent and pending legislation will be invaluable in helping me to appraise public opinion. May we all work constructively for the common good of this great country. In the long run, the common good resides in the sum of all the many individual lives made better and freer and richer by the interaction of social forces. In the Western World, thank Heaven, the individual is important.

The supreme challenge to all of us is to seek wisdom. Earthly wisdom is not enough. Only a divine wisdom is sufficiently farseeing to guide us through the universal turmoil of this perilous age. If we can lay aside our petty prejudices and self-seeking, and fix our faith firmly on the goodness and rightness of the God of all the earth, we may finally find a way through our difficulties to peace and happiness. May the meditations of our hearts and the work of our hands be found acceptable in Thy sight, O Lord, our strength and our salvation.

Report on the 1st Session, 87th Congress, by Hon. Peter W. Rodino, Jr., of New Jersey

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. RODINO. Mr. Speaker, normally I submit the report of my stewardship to my friends and neighbors of the 10th Congressional District of New Jersey at the end of each Congress.

The productive efforts of the 1st session of the 87th Congress have been such, however, that I believe a separate report of this new completed session is due to my constituents. It is with considerable pleasure that I summarize the activities of this Congress, of which I am proud to be a Member.

In many respects, at the advent of this Congress and the new administration there was a similarity in our national posture to the first days of Franklin Roosevelt's administration. In March 1933, banks were failing, soup lines extending. In January 1961, unemployment was rising, farm prices falling. Credit was tight, balances of payments were unfavorable.

Intelligent action was needed, and quickly, to stimulate our national economy. Action came, and quickly, under the dynamic leadership of President Kennedy.

The President's first official act was to order the distribution of surplus food to the victims of the recession. Then, in partnership with our beloved, wise and tireless leader, Speaker SAM RAYBURN, the President urged legislative remedies for our domestic ills.

As a result of this new and necessary close cooperation between the President and Congress, some of the most vital and far reaching legislation in our history came forth.

MINIMUM WAGE

Broadening the basic coverage for the first time in 23 years, the 1961 act goes far toward achieving the goal I have always sought: to assure that each of our citizens receives a decent living wage.

UNEMPLOYMENT COMPENSATION

My longstanding struggle to improve our unemployment compensation system was at least partially realized by passage of the Unemployment Compensation Act of 1961, which benefited approximately 700,000 jobless workers and their families immediately and will benefit an additional 2.5 million workers over the next year.

A companion act benefited approximately 60,000 railroad workers. And a third act made families of unemployed workers with dependent children temporarily eligible for Federal public assistance payments. This will benefit another 1 million of our Nation's needy.

HOUSING

The most comprehensive Housing Act in our history was signed into law by the President on June 30. This legislation will be of particular benefit to people of the middle and lower income groups, enabling many to purchase homes who had not previously been able to do so. Other sections of the law will assist renovating old homes, and help communities to build parks and recreational areas.

SOCIAL SECURITY

Although not as desirable as my own bill to assist our senior citizens, the Social Security Act of 1961 does much to assure a better life for those who have so richly earned it.

AREA REDEVELOPMENT

The act to improve the plight of economically hard pressed areas finally became law. Although I had helped to pass this legislation in 1958 and again in 1960, each time previously it had been vetoed by the former President.

SMALL BUSINESS

The 1961 act improved the ability of our small business firms to participate in our national industrial effort.

AGRICULTURE

The most comprehensive farm bill in many years was passed by the 87th Congress, and signed by the President. The effect of this act is already being felt, as the index of prices farmers receive from their crops has begun to rise slowly in the past 2 months. In addition to this general farm legislation, the Feed Grain Act, signed into law on March 22, promises to successfully reduce our surplus wheat and feed grain, the holding of which is most costly to all Americans.

In addition to these and other acts designed to stimulate our domestic economy and provide assistance to our individual citizens, there were other laws enacted which were most significant for our Nation.

CIVIL RIGHTS

My continuing and vigorous efforts on behalf of civil rights had already resulted in the Civil Rights Act of 1960—the first real positive accomplishment in the civil rights field in 80 years. This year, though not made a permanent part of our Government as I had struggled to make it, the Civil Rights Commission was extended for another 2 years.

VETERANS

The home loan program for World War II and Korean veterans was extended, and insurance dividends were provided for certain Korean veterans.

ALIEN ORPHANS

Although not as broad as the bill I have introduced in this and previous sessions, the act made permanent the provision for admission of alien orphans.

EDUCATION

The differences in view were so wide, and the complexities of the legislation so involved that a comprehensive program for Federal aid to education was not possible this year. I am hopeful that such a program will come forth during the next session, for a strong educational system is one of the basic requirements for our continued national preeminence. Fortunately, the Impacted Areas and National Defense Education Act were extended for another 2 years. Another bill I was most happy to see enacted was one I had sponsored. The law—276 of the 87th Congress—will encourage and assist our young and dedicated people who wish to become teachers of the deaf.

LAW ENFORCEMENT

The subcommittee of the Judiciary Committee of which I am the ranking member steered through the House three important bills to combat organized crime and racketeering. Signed into law by the President, the acts will prohibit travel or transportation in commerce in aid of racketeering enterprises. This includes transmission of bets and transportation of gambling equipment.

Another much needed piece of legislation was put through by my subcommittee: The bill to provide 73 additional Federal judges, which will help to relieve

the crowded calendars throughout our Federal courts.

As important as all the above legislation is to all our citizens, the most important concern of everyone from one end of our Nation to the other is our position in the world and our national security. For upon that security depends our very existence as a nation of freemen.

With the stirring words of his inaugural address still ringing in the minds of all peoples throughout the world, the President has continually demonstrated to the Russians that we shall negotiate only from a position of strength.

Congress has assured that we shall continue to maintain that position of strength. The largest peacetime military budget in history—$47 billion—was approved. With this budget we shall be able to prepare for all types of conflict. And by such preparations, we hope that conflict will be avoided. Our Polaris submarine program has been expanded. Our strategic bombers are on a more intense alert. Our antiguerrilla forces are being strengthened. Minuteman and Skybolt missile programs are being expanded. More funds have been provided for our military research and development effort. Production of B–52 and B–58 bombers was accelerated and funds were authorized for the immediate development of the B–70 supersonic bomber. The President requested and Congress granted authority to call up military Reserve and National Guard units.

An area of our defense effort that affects every citizen is civil defense. Over the past years, this entire program was without life. The President has changed this, I am happy to say. I have personally emphasized the necessity for a meaningful civil defense program, and we are at long last seeing that program shape up.

An extension of our national defense is our foreign aid program. With enactment of the Foreign Assistance Act of 1961 we demonstrate to the world that we are willing to help those less fortunate than ourselves, particularly those nations whose people are ready to help themselves and preserve their freedom.

Perhaps the most significant act passed by this Congress and signed into law was establishment of the U.S. Disarmament Agency for world peace and security. This is the one single act of this session that may be remembered in the history books of future centuries. Passage of this act at the very time the Russians had resumed their nuclear tests has dramatized before the eyes of the world our sincere dedication to the cause of peace.

Such an act does not imply any weakness. Our military budget proves the contrary. But rearmament efforts and disarmament studies are not incompatible. We must continue to prepare for the worst. We must no less vigorously continue to seek what has up to now been impossible. As one of my constituents put it, ' We must end the arms race before the arms race ends the human race."

As a sponsor of this legislation for the past 2 years, I was especially gratified by its enactment.

Of particular interest to my friends in the 10th District were the following measures:

MEADOWLANDS

As I have sought for many years, an appropriation of $50,000 was approved to make a study of the meadowlands redevelopment.

JET NOISES

A resolution adopted by the House as an outgrowth to my own resolution directs a study of the problems created by use of jet aircraft to be conducted by the House Committee on Interstate and Foreign Commerce. I do not want the people living in the vicinity of Newark Airport and the plane patterns about the airport to suffer as those on Long Island have suffered.

WOODROW WILSON MEMORIAL

Public Law 364, signed recently is an outgrowth of a resolution I introduced in February, and is the first step to establishment of a permanent memorial to our distinguished and far-seeing President from New Jersey.

EAST-WEST TUNNEL

Although no legislative action was here necessary, the Office of Civil and Defense Mobilization at long last agreed to study the recommendation I have made and stressed for the past 2 years—use of the proposed First Mountain Tunnel for civil defense purposes.

Goals of the New Frontier: The Peace Corps

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. REUSS. Mr. Speaker, "Ask not what your country can do for you—ask what you can do for your country."

These ringing words in President Kennedy's inaugural address caught the imagination of our country.

A direct, personal response to this challenge was offered by President Kennedy's proposal for a Peace Corps—a band of dedicated, trained Americans who have volunteered to go abroad to help the people of less fortunate nations in the interests of world peace.

It is a tribute to the President's perception of the mood of America that the Peace Corps has received such enthusiastic support. It is a tribute to the people of the United States that they have responded to the Peace Corps challenge in a way that demonstrates to the world that Americans are motivated by moral purpose, that they are generous and that they have not lost the pioneer spirit of neighborliness.

I am proud that the Democrats in Congress supported Peace Corps legislation solidly and forcefully, and that it is through their efforts that the Peace Corps has been established on a continuing basis.

Because the time in the affairs of the world was late, and because the previous administration had failed to rise to the challenge of the Peace Corps idea, President Kennedy established the Peace Corps by Executive order on March 1.

This has made a quick start possible, and it is now likely that as many as 1,000 Peace Corps volunteers will be in training or overseas by January 1. Already there are some at work abroad.

There are 62 in Colombia where they will work for the improvement of conditions in Colombian villages.

Sixteen men and women are on their way to the island of St. Lucia in the West Indies Federation, where they will help to improve agricultural methods, teach personal health and establish farm youth groups.

Fifty volunteers are in Ghana teaching mathematics, physics, English, biology, and chemistry in secondary schools.

By the end of this month 35 volunteers will be at a training camp on the slopes of Mount Kilimanjaro in Tanganyika. They will survey farm-to-market roads for the Government of Tanganyika. Four geologists will map unknown Tanganyika areas and four civil engineers will design bridge, culvert and road construction.

Thirty-eight volunteers trained at Harvard University are now in Nigeria, where they will teach in secondary schools. By the end of October, 48 more will begin community development work in Chile. A month later, 130 will be helping to teach English and science in Philippine village schools.

Thirty-two volunteers are now in training at Putney, Vt., for service in east Pakistan. Twenty-nine are at Colorado State University training for west Pakistan, 35 at Michigan State University for Nigeria and another 50 at the University of California at Los Angeles for Nigeria. About 35 people will begin training October 2 at Ohio State University for agricultural extension work in India.

Volunteers are now being selected for service in Malaya, Thailand, and Sierra Leone. By June 30, 1962, the Peace Corps expects to have 2,700 volunteers in training or overseas.

Practicality has been the goal of planning for Peace Corps operations. Its volunteers have been selected with extreme care, and its training programs have been rigorous. Projects have been weighed carefully to make certain that they will really benefit the people of the host country and that the Peace Corps can furnish the skills requested by foreign governments.

But all of this caution and the emphasis upon being practical cannot disguise the fact that the energizing force behind the Peace Corps volunteers is idealism.

Some opponents of the Peace Corps have been unable to understand idealism. One was openly incredulous that any sane American would give up a good job to go overseas to live in humble circumstances at low pay just to help other people. Others sneered at the idea of unselfish service and called the whole plan a boondoggle.

The Peace Corps will not revolutionize the world, but it is worth trying.

We Democrats are determined to keep our defenses strong. We are determined to preserve freedom in the world and honor at home. But at the same time we believe in idealism. We have not given up hope. We shall always stand ready to extend the helping hand of friendship, symbolized in this session of Congress, and throughout the world, by the Peace Corps.

Report to the Fifth District of Massachusetts

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MORSE. Mr. Speaker, we have just concluded a long and strenuous session—the longest since 1951 at the peak of the Korean conflict. As a new Member, I want to express my gratitude to the House leadership for its courtesy and helpfulness to me. I also want to thank the good people of the Fifth Massachusetts District who have helped me immeasurably in my work here in the Congress by sharing with me their suggestions and their criticisms, by letting me know of their apprehensions and their hopes. I am grateful to them for the sympathetic reception accorded my first 9 months of service.

Throughout this session I have kept in direct touch with the people I am privileged to represent through newsletters, radio talks, and frequent trips to my district. I have maintained an office in Lowell at 15 Kearney Square and another at 1705 Federal Building in Boston to better serve those constituents of the district who reside in the metropolitan area. Only by keeping close to the source of all government power—the voters themselves—can honest, reliable representation be possible.

This, then, is my first annual report to the Fifth District of Massachusetts, the area which gave birth to the liberties we cherish today.

COMMITTEE ASSIGNMENTS

Early in the session the House leadership assigned me to two committees: the Committee on Government Operations and the Committee on Merchant Marine and Fisheries. The former includes service on the Military Operations Subcommittee, one of the most powerful bodies in the Congress, which audits the expenditure of defense funds, seeking always to eliminate waste and inefficiency in the expenditure of more than one-half of our Federal budget outlay. Within the scope of this subcommittee's responsibility also falls our civil defense program. The Merchant Marine Committee assignment permits me to keep an active eye on many matters directly affecting our great port of Boston and our New England shipbuilding industry.

LEGISLATIVE ACTIVITIES

FOREIGN AFFAIRS AND NATIONAL SECURITY

From the very outset, the 1st session of the 87th Congress was darkened by the lengthening shadow of the Kremlin. The tragedy of Cuba, the erosion of free soil in Laos, the deteriorating Berlin situation, the chaos in Africa—all were telescoped within the first 9 months of 1961. Within constitutional limitations, the Congress worked to lift the Communist shadow.

We granted a special $500 million Latin American appropriation, and $100 million for Chilean disaster relief, as requested in 1960 by President Eisenhower and recommended again by President Kennedy this year. We passed a foreign-aid bill designed to meet the needs of people fighting communism on the one hand, and poverty and hunger on the other. While granting the President a generous contingency fund and the power to program development loans on a 5-year basis, Congress prudently retained its responsibility to review the program each year.

In an attempt to carry freedom's message to the people of newly merging nations, to work side by side with them in developing their full potential, we created a Peace Corps. We also supported the establishment of a U.S. Arms Control and Disarmament Agency, to search for workable, effective approaches to the solution of the world's problems.

As we intensified our peaceful offensive against Communist ambitions, we steadfastly continued our efforts to maintain a strong deterrent force—a defensive strength so powerful that it will continue to hold any would-be aggressor at bay. When the President called for additional defense funds as the Berlin crisis took shape, Congress responded readily and unanimously. In all, we granted a record-breaking peacetime total of $47.6 billion for the Department of Defense.

Without a single dissenting vote, the House of Representatives made clear its opposition to the recognition of Red China and its admission to the United Nations.

DOMESTIC ISSUES

While the Congress displayed a generally united front on foreign affairs, there was considerable division among Members of both parties on homefront legislation.

I supported the minimum wage increase with the hope that it would bring into closer competitive range those States which have lured away so much of our New England industry through low-wage inducements.

When the Congress considered the area redevelopment bill, I warned my colleagues that it could open the door to federally subsidized raids on existing industries. Fortunately, antipirating guarantees were written into the legislation, and I voted for the bill as it passed the House, although I preferred, and worked actively in support of, a substitute proposal which would not only have reduced the drain on the Federal Treasury, but would also have provided more meaningful assistance to those areas which most urgently need it. After the bill emerged from the Senate and came back to the House from conference, it contained what I regarded as dangerous and unnecessary back-door spending provisions. This factor, coupled with my earlier misgivings about the bill, prompted me to vote against the conference report.

Another major dispute arose when the Congress was called upon to choose between a $1.1 billion continuation of the housing program and a vastly expanded bill with an inflated price tag of $8.8 billion. I voted for the measure which would have continued all existing programs, and against the massive committee bill, following the clear mandate of President Kennedy only a few weeks earlier when he pleaded with the Congress not to expand his proposals and to "hold tightly to prudent fiscal standards."

We were successful in preventing an all-out abdication of power to the Secretary of Agriculture, but the farm legislation which was passed still was costly and entwined in redtape, a hangover from depression and war days when high supports and rigid controls were inaugurated. We were, however, able to block an administration proposal to sell U.S. farm products, subsidized by American taxpayers, to Russia.

The Federal aid to education bill ended in deadlock in the very Rules Committee I had voted to expand earlier in the session in the hope that the House would have an opportunity to work its will on every major issue to come before it. The House itself refused to be steamrollered into debate on a hastily contrived measure which was brought to the floor after but a few minutes' consideration by the Education Committee, and under rules which severely restricted adequate consideration of a highly complicated subject. Many wholehearted supporters of Federal school aid in both parties opposed the consideration of this makeshift bill. Even the National Education Association, which has worked so hard over the years for school aid legislation, labeled it a bad bill. I worked diligently for legislation to continue necessary and just aid to impacted school areas, and was pleased when the Congress enacted a bill practically identical to one I filed in February to achieve this purpose. In company with the overwhelming majority of my colleagues, I supported continuation of the vitally important National Defense Education Act.

I supported the water pollution control program; the extension of unemployment benefits to jobless workers and to their dependent children; the motion to eliminate the wartime excise tax on transportation; the bill to create the

Cape Cod National Seashore; the move to eliminate funds for the Hanford Reactor Plant, which I believe would have been an unwarranted intrusion in the field of private endeavor; and the proposal to continue the Civil Rights Commission for another 2 years—although, like many other Members, I was deeply disappointed in the administration's apparent indifference to civil rights legislation.

MORSE LEGISLATION

During this first session I introduced a total of 33 public and private bills and resolutions. Some of these measures evidenced my support of identical bills introduced earlier, others were original with me. Among them were a bill to create a U.S. Agency for World Peace and Security, ultimately passed by the Congress under the title of the Agency for Arms Control and Disarmament; a proposal to provide credit toward retirement for periods of hospitalization for service-connected disabilities immediately following discharge from military service; legislation to provide a long overdue increase in veterans' compensation for disability incurred during active military service; a plan to expand oceanographic research activities of the Department of the Interior; a bill to grant to self-employed persons the same tax deferment privileges on money put aside for pension purposes as now enjoyed by employed persons—identical, by the way, to a bill which passed the House and now is pending in the Senate; legislation to authorize wider distribution of books and other instruction material for the blind; a resolution to create a House Select Committee on Urban Affairs; the Cape Cod National Seashore proposal; the bill, to which I previously referred, to extend for 2 years Federal assistance in the construction and operation of schools in areas affected by Federal activities; a resolution calling on the United Nations to conduct free elections in the Baltic nations; and a resolution to name our Bedford Veterans' Administration Hospital in honor of the late beloved Congresswoman Edith Nourse Rogers.

Hearings before my Military Operations Subcommittee prompted me to draft H.R. 8404, which would allow a 50-percent tax writeoff on construction of home fallout shelters. The financial problems which may confront the 250,000 reservists who may be called to active duty inspired H.R. 8470, my bill to provide a moratorium on principal payments on federally insured or guaranteed mortgages for reservists and guardsmen called to active duty who are unable to make such payments while serving.

I was particularly pleased when, late in the session, my colleagues in the House joined in unanimous support of my resolution to place a bust of my distinguished colleague, the beloved former Speaker of the House, JOSEPH W. MARTIN, JR., in the rotunda of the Old House Office Building.

HOMEWORK

There are many facets to the job of representing a district of 475,000 people. Fascinating and important as the legislative tasks are, I find that the efforts I am able to put forth to aid the Fifth District bring equal satisfaction.

Our district reflects the economic character of the entire Commonwealth of Massachusetts. We are heavily dependent upon industry. In recent years we have seen our traditional sources of employment drift to low-drift States. We have come out second best in the textile import situation. We must seek remedies for these problems. I have taken the floor of the House to call for a commonsense approach to trade matters, so that the essentiality of our domestic textile industry and the plight of our own textile workers will be ignored no longer. I am actively working with a group of colleagues to find affirmative answers to the questions involved in retraining workers to acquire new employment skills. I have been gratified that some $250 million new defense contracts have come to our district since January.

Working closely with civic, business, and labor leaders, I sponsored a conference here in Washington last summer to bring together private citizens and top Government figures, experts in the fields of defense procurement, housing, area redevelopment, small business, and trade. From the generous comments I received from those who participated, it was a smashing success. Plans are already underway for a second conference in 1962.

A splendid example of appropriate Federal, State, local cooperation occurred when the tragic fire struck the town of Ayer in June. When I learned of the catastrophe, I arranged an emergency conference in Washington between Ayer officials, Governor Volpe, our two Massachusetts Senators, and representatives of Federal agencies which possibly could provide assistance. Ayer is getting back on its feet, primarily through its own inspiring initiative, with the proper encouragement of other levels of government.

Last June, I urged the Secretary of Health, Education, and Welfare to establish the Northeast Water Pollution Research Laboratory, authorized in the 1961 Water Pollution Act, in Lowell. We have the misfortune to have one of the Nation's most badly polluted rivers, the Merrimack, in our district. With our magnificent Lowell Technological Institute, and the facilities and resources of so many other outstanding universities and colleges within easy reach, Lowell provides an ideal and logical location for the facility. Senator Saltonstall has vigorously supported this effort since its inception and we were joined by Senator BEN SMITH in a joint plea to Secretary Ribicoff in the closing days of the session. I have received word that the Department of Health, Education, and Welfare will call upon my office for assistance in arranging an inspection tour of the area.

Although the President's budget had called for a 1962 appropriation of but $500,000 for the Minuteman National Park in the heart of Middlesex County, it became apparent that an accelerated program of land acquisition would ultimately reduce overall costs because of the rapidly increasing land values in the area. With the vigorous support of Senator SALTONSTALL and Majority Leader JOHN MCCORMACK, we obtained congressional and Presidential approval of a 1962 budget for the park of $2.5 million. There is no doubt that this action will significantly hasten the completion of the park which will preserve for posterity the battlegrounds where our struggle for independence began.

One of the first tasks I undertook after taking office was a vigorous campaign to ease residual oil restrictions. Industrial expansion has been discouraged by the severe controls on residual imports; industrial fuel costs have soared. Residual oil costs skyrocketed by more than $118 million in 1 year alone because of Government-inflicted quotas. I have asked the Attorney General to determine if this quota system has not resulted in a Government-sponsored violation of antitrust laws. I have also urged the House Small Business Committee to consider the dilemma of New England residual oil users at the same time it investigates the problems facing domestic oil and coal producers.

One of the most enjoyable parts of my job is sitting down with the people I have the honor to represent in Washington. Nearly 2,000 folks from home stopped by my office in room 136 of the Old House Office Building during the session. It is always a pleasure to help arrange appointments if a constituent is in town on business with the Federal Government, or tours of our various historic shrines if it is a pleasure trip.

In retrospect, the 1st session of the 87th Congress—in fact the entire year of 1961—was a critical period. Never before has there been such an urgent necessity for responsible Government. Convinced of the right of the people of my district to know firsthand of the issues that the Congress has considered and of the activities of the man they have chosen to represent them, I have prepared this report in recognition of my responsibility to them.

I earnestly hope that it will inspire an even greater interest in the business of government, for not without a lively, personal interest on the part of all our citizens in the conduct of public affairs can we expect our freedom long to endure.

Voting Record

EXTENSION OF REMARKS

OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ROUSSELOT. Mr. Speaker, in order that my constituents may know exactly how I voted on matters coming before the House of Representatives during the 1st session of the 87th Congress, I, under unanimous consent, insert in the CONGRESSIONAL RECORD my complete voting record.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961

Rollcall No.		Vote
1	Call by States. Jan. 3, 1961	Present.
2	Election of Speaker. Jan. 3, 1961. Rayburn 258, Halleck 170, present 2	Halleck.
3	H. Res. 1. A resolution referring the election of a Member from the 5th Congressional District of Indiana to the Committee on House Administration. On ordering previous question. Jan. 3, 1961. Yeas 252, nays 166.	Nay.
4	Call of the House. Jan. 31, 1961	Present.
5	H. Res. 127. A resolution providing that during the 87th Congress the Committee on Rules shall be composed of 15 members. On agreeing to resolution. Jan. 31, 1961. Yeas 217, nays 212, present 1.	Nay.
6	Call of the House. Mar. 1, 1961	Present.
7	H.R. 4806. A bill to provide for the establishment of a temporary program of extended unemployment compensation, to provide for a temporary increase in the rate of the Federal unemployment tax, and for other purposes. On passage. Mar. 1, 1961. Yeas 392, nays 3.	Nay.
8	H. Res. 167. A resolution to authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities. On agreeing to resolution. Mar. 1, 1961. Yeas 412, nays 6.	Yea.
9	H.R. 5188. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes. On Fogarty amendment. Mar. 7, 1961. (Payment for school districts—$29,990,000.) Yeas 339, nays 62.	Yea.
10	Call of the House. Mar. 8, 1961	Present.
11	Call in committee. Mar. 8, 1961	Present.
12	Call of the House. Mar. 9, 1961	Present.
13	H.R. 4510. A bill to provide a special program for feed grains for 1961. On motion to recommit with instructions. (Strike out sec. 3.) Mar. 9, 1961. (Failed.) Yeas 196, nays 214.	Yea.
14	H.R. 4510. A bill to provide a special program for feed grains for 1961. On passage. Mar. 9, 1961. Yeas 209, nays 202	Nay.
15	Call of the House. Mar. 10, 1961	Present.
16	Call of the House. Mar. 15, 1961	Present.
17	H.R. 4510. A bill to provide a special program for feed grains for 1961. Conference report. On adoption. Mar. 21, 1961. Yeas 231, nays 185	Nay.
18	Call of the House. Mar. 21, 1961	Present.
19	H.R. 5463. A bill to amend and extend the Sugar Act of 1948, as amended. On motion to suspend rules and passage. Mar. 21, 1961. Yeas 284, nays 129.	Yea.
20	H.R. 4806. A bill to provide for the establishment of a temporary program of extended unemployment compensation, to provide for a temporary increase in the rate of the Federal unemployment tax, and for other purposes. Conference report. On adoption. Mar. 22, 1961. Yeas 363, nays 31.	Nay.
21	Call of the House. Mar. 23, 1961	Present.
22	H.R. 5000. A bill to authorize certain construction at military installations, and for other purposes. On Yates amendment (Quartermaster Research and Engineering Center, Natick, Mass.). Mar. 23, 1961. Yeas 269, Nays 145.	Nay.
23	H.R. 5000. A bill to authorize certain construction at military installations, and for other purposes. On passage. Mar. 23, 1961. Yeas 412, nays 0.	Yea.
24	Call in committee. Mar. 23, 1961	Present.
25	Call in committee. Mar. 23, 1961	Present.
26	Call of the House. Mar. 24, 1961	Present.
27	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On Ayres amendment. Mar. 24, 1961. Yeas 216, nays 203.	Yea.
28	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended. to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On motion to recommit. Mar. 24, 1961. (Failed.) Yeas 196, nays 224.	Nay.
29	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. On passage. Mar. 24, 1961. Yeas 341, nays 78.	Yea.
30	Call of the House. Mar. 28, 1961	Present.
31	Call of the House. Mar. 29, 1961	Present.
32	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On motion to recommit. (Widnall substitute.) (Failed.) Mar. 29, 1961. Yeas 127, nays 291.	Yea.
33	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On passage. Mar. 29, 1961. Yeas 251, nays 167.	Nay.
34	Call of the House. Apr. 11, 1961	Present.
35	Call of the House. Apr. 13, 1961	Present.
36	Call of the House. Apr. 18, 1961	Present.
37	Call of the House. Apr. 19, 1961	Present.
38	S. 912. An act to provide for the appointment of additional circuit and district judges, and for other purposes. On passage. Apr. 19, 1961. Yeas 336, nays 76, present 1.	Yea.
39	Call of the House. Apr. 20, 1961	Absent.
40	H.R. 6027. A bill to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes. On passage. Apr. 20, 1961. Yeas 400, nays 14.	Nay.
41	Call of the House. Apr. 25, 1961	Present.
42	H.R. 6518. A bill making appropriations for the inter-American social and economic cooperation program and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes. On passage. Apr. 25, 1961. Yeas 329, nays 83.	Yea.
43	Call of the House. Apr. 26, 1961	Present.
44	S. 1. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. Conference report, on adoption. Apr. 26, 1961. Yeas 224, nays 193.	Nay.
45	Call of the House. May 3, 1961	Absent.
46	H.R. 3935. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. Conference report, on adoption. May 3, 1961. Yeas 230, nays 196, present 1.	Nay.
47	H.R. 6441. A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control. On motion to recommit with instructions. May 3, 1961. (Failed.) Yeas 165, nays 256.	Yea.
48	H.R. 6441. A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control. On passage. May 3, 1961. Yeas 308, nays 110.	Nay.
49	Call in committee. May 4, 1961	Present.
50	Call in committee. May 9, 1961	Present.
51	Call of the House. May 10, 1961	Present.
52	Call of the House. May 11, 1961	Present.
53	H.R. 2010. A bill to amend title V of the Agricultural Act of 1949, as amended, and for other purposes. On passage. May 11, 1961. Yeas 231, nays 157.	Yea.
54	H.R. 6094. A bill to amend sec. 4 of the Employment Act of 1946. On motion to recommit with instructions. May 11, 1961. (Failed.) Yeas 152, nays 196.	Yea.
55	H.R. 6094. A bill to amend sec. 4 of the Employment Act of 1946. On passage. May 11, 1961. Yeas 209, nays 137	Nay.
56	Call of the House. May 15, 1961	Absent.
57	Call of the House. May 16, 1961	Absent.
58	H. Res. 284. A resolution providing for the consideration of H.R. 4614, a bill to direct the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On agreeing to resolution. May 16, 1961. Yeas 241, nays 70.	Not voting (paired for).
59	Call in committee. May 16, 1961	Absent.
60	Call of the House. May 17, 1961	Present.
61	H. Con. Res. 226. Concurrent resolution expressing the sense of the Congress that such steps as may be necessary should be initiated in the Organization of American States to reevaluate the role of the Government of Cuba in inter-American affairs for the purpose of imposing sanctions under the Inter-American Treaty of Reciprocal Assistance, and for other purposes. On motion to suspend rules and passage. May 17, 1961. Yeas 404, nays 2.	Yea.
62	H.R. 4614. A bill to direct the Secretary of Commerce to take steps to encourage travel to the United Statesby residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On passage. May 17, 1961. Yeas 305, nays 104.	Nay.
63	Call of the House. May 24, 1961	Present.
64	S.1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. On passage. May 24, 1961. Yeas 402, nays 0.	Yea.
65	H.R. 1986. A bill to repeal the provisions of sec.5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. On motion to recommit with instructions. May 25, 1961. (Failed.) Yeas 16, nays 346.	Nay.
66	Call in committee. June 1, 1961	Absent.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
67	H.R. 7371. A bill making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 1, 1961. Yeas 256, nays 71.	Nay.
68	Call of the House. June 6, 1961	Present.
69	Call in committee. June 6, 1961	Present.
70	H.R. 7444. A bill making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On Reuss amendment (agricultural conservation program) (strike out $250,000,000 and insert $150,000,000). June 6, 1961. (Failed.) Yeas 184, nays 196.	Yea.
71	H.R. 7444. A bill making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 6, 1961. Yeas 320, nays 65.	Nay.
72	Call of the House. June 7, 1961	Present.
73	Call of the House. June 8, 1961	Present.
74	Call of the House. June 8, 1961	Present.
75	H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On motion to recommit with instructions (transportation tax repeal). June 8, 1961. (Failed.) Yeas 189, nays 196.	Yea.
76	H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. On passage. June 8, 1961. Yeas 295, nays 88.	Nay.
77	Call of the House. June 12, 1961	Present.
78	H.R. 7053. A bill to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes. On motion to recommit. June 12, 1961. (Failed.) Yeas 104, nays 252.	Nay.
79	Call of the House. June 13, 1961	Present.
80	Call of the House. June 14, 1961	Present.
81	Call of the House. June 15, 1961	Present.
82	H. Res. 303. A resolution disapproving Reorganization Plan No. 2 transmitted to Congress by the President on Apr. 27, 1961. On agreeing to resolution. June 15, 1961. Yeas 323, nays 77.	Yea.
83	H. Res. 302. A resolution disapproving Reorganization Plan No. 1 transmitted to Congress by the President on Apr. 27, 1961. On agreeing to resolution. June 15, 1961. (Failed.) Yeas 176, nays 212.	Yea.
84	Call of the House. June 19, 1961	Absent.
85	H.R. 6765. A bill to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock. On motion to suspend rules and pass. (⅔ required.) June 19, 1961. Yeas 329, nays 18.	Not voting.
86	H.R. 7712. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes. On passage. June 19, 1961. Yeas 292, nays 63.	Not voting (paired against).
87	Call of the House. June 20, 1961	Absent.
88	H. Res. 304. A resolution disapproving Reorganization Plan No. 3 transmitted to Congress by the President on May 3, 1961. On agreeing to resolution. June 20, 1961. (Failed.) Yeas 178, nays 213.	Not voting (paired for).
89	H. Res. 305. A resolution disapproving Reorganization Plan No. 4 transmitted to Congress by the President on May 9, 1961. On agreeing to resolution. June 20, 1961. (Failed.) Yeas 178, nays 221.	Not voting (paired for).
90	Call of the House. June 21, 1961	Present.
91	Call of the House. June 21, 1961	Present.
92	Call in committee. June 21, 1961	Present.
93	Call in committee. June 21, 1961	Present.
94	Call of the House. June 22, 1961	Present.
95	H.R. 6028. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. On motion to recommit with instructions. June 22, 1961. (Failed.) Yeas 197, nays 215, present 2.	Yea.
96	H.R. 6028. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. On passage. June 22, 1961. Yeas 235, nays 178, present 2.	Nay.
97	Call of the House. June 26, 1961	Absent.
98	Call of the House. June 26, 1961	Present.
99	H.R. 7677. A bill to increase for a 1-year period the public debt limit set forth in sec. 21 of the Second Liberty Bond Act. On passage. June 26, 1961. Yeas 231, nays 148.	Nay.
100	Call of the House. June 27, 1961	Absent.
101	Call in committee. June 27, 1961	Present.
102	Call in committee. June 27, 1961	Present.
103	Call in committee. June 28, 1961	Present.
104	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Saylor amendment. June 28, 1961. (Failed.) Yeas 173, nays 239.	Nay.
105	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 28, 1961. Yeas 412, nays 0.	Yea.
106	S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. Conference report, on adoption. June 28, 1961. Yeas 229, nays 176.	Nay.
107	H. Res. 354. A resolution to provide for a flag for the Members of the House of Representatives. On agreeing to resolution. June 29, 1961. (Failed.) Yeas 108, nays 270.	Nay.
108	H.J. Res. 225. A joint resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes. On motion to recommit with instructions. June 29, 1961. (Failed.) Yeas 92, nays 257, present 1.	Yea.
109	H.R. 187. A bill to provide for the judicial review of orders of deportation. On motion to suspend rules and pass. (⅔ required.) July 10, 1961. Yeas 304, nays 59.	Yea.
110	H.R. 5786. A bill to provide for the establishment of Cape Cod National Seashore. On motion to suspend rules and pass. (⅔ required.) July 10, 1961. Yeas 278, nays 82.	Nay.
111	Call of the House. July 13, 1961	Present.
112	H.J. Res. 435. A joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes. On motion to suspend rules and pass. (⅔ required.) July 17, 1961. Yeas 367, nays 12.	Yea.
113	H.R. 2555. A bill to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes. On motion to suspend rules and pass. (⅔ required.) July 17, 1961. Yeas 285, nays 87.	Nay.
114	Call of the House. July 19, 1961	Absent.
115	Call in committee. July 19, 1961	Present.
116	H.R. 6874. A bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes. Conference report, on adoption. July 20, 1961. Yeas 354, nays. 59.	Nay.
117	H. Res. 328. A resolution disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961. On agreeing to resolution. July 20, 1961. Yeas 231, nays 179, present 2.	Yea.
118	H. Res. 336. A resolution disapproving Reorganization Plan No. 7 transmitted to Congress by the President on June 12, 1961. On motion to discharge Committee on Government Operations from further consideration of resolution. July 20, 1961. (Failed.) Yeas 184, nays 218.	Yea.
119	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Yates amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) July 25, 1961. Yeas 241, nays 170.	Nay.
120	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. July 25, 1961. Yeas 409, nays 0.	Yea.
121	Call of the House. July 26, 1961	Present.
122	Call of the House. July 27, 1961	Present.
123	Call of the House. July 31, 1961	Present.
124	S.J. Res. 120. A joint resolution to authorize the President to order units and members in the Ready Reserve to active duty for not more than 12 months, and for other purposes. On agreeing to the joint resolution. July 31, 1961. Yeas 403, nays 2.	Yea.
125	Call of the House. Aug. 1, 1961	Present.
126	Call of the House. Aug. 2, 1961	Present.
127	S. 2311. An act to authorize additional appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. On passage. Aug. 2, 1961. Yeas 406, nays 0.	Yea.
128	H.R. 30. A bill granting the consent and approval of Congress to the northeastern water and related land resources compact. On motion to recommit with instructions. Aug. 2, 1961. (Failed.) Yeas 140, nays 261.	Yea.
129	Call of the House. Aug. 3, 1961	Present.
130	S. 1643. An act to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes. Conference report, on adoption. Aug. 3, 1961. Yeas 224, nays 170.	Nay.
131	Call in committee. Aug. 3, 1961	Present.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
132	H.R. 7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission. On passage. Aug. 3, 1961. Yeas 198, nays 151.	Nay.
133	H.R. 7728. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, or when in the best interests of the United States, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Aug. 7, 1961. Yeas 307, nays 78.	Nay.
134	Call of the House. Aug. 8, 1961	Present.
135	H. Res. 404. A resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On motion that motion to instruct conferees be laid on table. Aug. 8, 1961. (Failed.) Yeas 164, nays 235.	Nay.
136	H. Res. 404. A resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On Van Zandt motion instruct conferees on H.R. 7576 not to agree to Senate amendment. ($95,000,000, Hanford, Wash., electric energy generating facilities.) Aug. 8, 1961. Yeas 235, nays 164.	Yea.
137	Call in committee. Aug. 8, 1961	Present.
138	H.R. 8033. A bill to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employees boards. On passage. Aug. 8, 1961. Yeas 212, nays 174.	Nay.
139	Call of the House. Aug. 9, 1961	Present.
140	H. Res. 406. A resolution providing for the consideration of H.R. 6882, a bill to provide for 1 additional Assistant Secretary of Labor in the Department of Labor. On agreeing to resolution. Aug. 9, 1961. Yeas 369, nays 16.	Yea.
141	Call of the House. Aug. 9, 1961	Present.
142	H.R. 6302. A bill to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes. On passage. Aug. 9, 1961. Yeas 321, nays 61.	Yea.
143	Call of the House. Aug. 10, 1961	Absent.
144	H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. Aug. 10, 1961. Yeas 383, nays 0.	Not voting.
145	Call in committee. Aug. 10, 1961	Absent.
146	Call of the House. Aug. 14, 1961	Absent.
147	Call of the House. Aug. 14, 1961	Absent.
148	Call of the House. Aug. 14, 1961	Absent.
149	Call in committee. Aug. 14, 1961	Absent.
150	Call of the House. Aug. 15, 1961	Absent.
151	Call in committee. Aug. 15, 1961	Absent.
152	Call in committee. Aug. 15, 1961	Absent.
153	Call of the House. Aug. 16, 1961	Present.
154	Call in committee. Aug. 16, 1961	Present.
155	Call of the House. Aug. 17, 1961	Absent.
156	Call of the House. Aug. 18, 1961	Present.
157	H.R. 8400. A bill to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes. On passage. Aug. 18, 1961. Yeas 287, nays 140.	Nay.
158	Call of the House. Aug. 21, 1961	Present.
159	Call of the House. Aug. 21, 1961	Present.
160	H.R. 8384. A bill to amend the Federal Aviation Act of 1958 to provide for the application of Federal criminal law to certain events occurring on board aircraft in air commerce. On motion to suspend rules and pass. (⅔ required.) Aug. 21, 1961. Yeas 374, nays 5.	Yea.
161	Call of the House. Aug. 21, 1961	Present.
162	Call of the House. Aug. 22, 1961	Present.
163	Call of the House. Aug. 22, 1961	Present.
164	H.R. 7763. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Aug. 22, 1961. Yeas 353, nays 42.	Nay.
165	Call of the House. Aug. 23, 1961	Present.
166	Call of the House. Aug. 24, 1961	Present.
167	H.R. 84. A bill to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes. On passage. Aug. 24, 1961. Yeas 196, nays 172.	Nay.
168	Call in committee. Aug. 24, 1961	Present.
169	H.R. 8181. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia. The question is on engrossment and 3d reading of the bill. Aug. 28, 1961. Yeas 223, nays 120.	Nay.
170	H.R. 8181. A bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia. On passage. Aug. 28, 1961. Yeas 208, nays 135.	Nay.
171	H.R. 7176. A bill to provide for a national hog cholera eradication program. On passage. Aug. 28, 1961. Yeas 337, nays 3	Yea.
172	Call of the House. Aug. 29, 1961	Present.
173	H.R. 8773. A bill to amend sec. 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), relating to lump-sum readjustment payments for members of the Reserve components who are involuntarily released from active duty, and for other purposes. On passage. Aug. 29, 1961. Yeas 394, nays 0.	Yea.
174	Call of the House. Aug. 29, 1961	Present.
175	H.R. 6242. A bill to amend section 508 of title 28, United States Code, relating to attorneys' salaries. On passage. Aug. 29, 1961. (Failed.) Yeas 172, nays 223.	Not voting (paired against).
176	Call of the House. Aug. 30, 1961	Present.
177	H.R. 8890. A bill to amend Public Law 815 and Public Law 874, 81st Cong., so as to extend their expired provisions for an additional year and to authorize payments under Public Law 815 for school construction in school districts with severe classroom shortages, to extend for 1 year the student loan program of title II of the National Defense Education Act of 1958, and for other purposes. On question of consideration. Aug. 30, 1961. (Failed.) Yeas 170, nays 242.	Nay.
178	Call in committee. Aug. 30, 1961	Present.
179	H.R. 8028. A bill to provide Federal assistance for projects which will evaluate and demonstrate techniques and practices leading to a solution of the Nation's problems relating to the prevention and control of juvenile delinquency and youth offenses and to provide training of personnel for work in these fields, and for other purposes. On Griffin amendment. Aug. 30, 1961. (Failed.) Yeas 187, nays 217.	Yea.
180	S. Con. Res. 34. A concurrent resolution relative to the relationship of the United States with the Republic of China and Communistic China. On agreeing to resolution. Aug. 31, 1961. Yeas 395, nays 0, present 2.	Yea.
181	S. 1983. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic development and internal and external security, and for other purposes. Conference report, on adoption. Aug. 31, 1961. Yeas 260, nays 132, present 1.	Nay.
182	Call of the House. Sept. 5, 1961	Absent.
183	Call in committee. Sept. 5, 1961	Present.
184	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On Ford amendment. (Strike out $1,300,000,000 and insert $1,600,000,000.) Sept. 5, 1961. Yeas 243, nays 151.	Nay.
185	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On passage. Sept. 5, 1961. Yeas 270, nays 123.	Nay.
186	Call of the House. Sept. 6, 1961	Present.
187	Call of the House. Sept. 6, 1961	Present.
188	H.R. 9000. A bill to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Cong., and the National Defense Education Act of 1958, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 378, nays 32.	Yea.
189	Call of the House. Sept. 6, 1961	Present.
190	H.R. 8723. A bill to amend the Welfare and Pension Plans Disclosure Act with respect to the method of enforcement and to provide certain additional sanctions, and for other purposes. On suspension of rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 245, nays 161.	Nay.
191	H.R. 8666. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges. On suspension of rules and pass. (⅔ required.) Sept. 6, 1961. Yeas 329, nays 66.	Nay.
192	Call of the House. Sept. 6, 1961	Present.
193	Call of the House. Sept. 11, 1961	Absent.
194	Call of the House. Sept. 12, 1961	Present.
195	Call in committee. Sept. 12, 1961	Present.
196	Call of the House. Sept. 13, 1961	Present.
197	H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On Sheppard motion to recede and concur in Senate amendment, with an amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) Sept. 13, 1961. Yeas 212, nays 185.	Nay.
198	H.R. 7371. A bill making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes. On motion to recede and concur in Senate amendment No. 25, with an amendment. (Civil Rights Commission—extension.) Sept. 13, 1961. Yeas 300, nays 106.	Yea.

Individual voting record—Subjects of rollcalls, 87th Cong., 1st sess., convened Jan. 3, 1961; adjourned Sept. 27 (legislative day Sept. 26), 1961—Continued

Rollcall No.		Vote
199	H.R. 9076. A bill making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes. On motion to recommit with instructions. (Transmission lines and facilities.) Sept. 13, 1961. (Failed.) Yeas 182, nays 225.	Yea.
200	H.R. 9076. A bill making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1962, and for other purposes. On passage. Sept. 13, 1961. Yeas 378, nays 31.	Nay.
201	Call of the House. Sept. 13, 1961	Present.
202	H.R. 7576. A bill to authorize appropriations for the Atomic Energy Commission in accordance with sec. 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. Conference report, on adoption. (Failed.) Yeas 157, nays 251.	Nay.
203	H.R. 8102. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes. On motion to recede from its disagreement to Senate amendment and agree to same with an amendment. Sept. 13, 1961. Yeas 398, nays 4.	Yea.
204	Call of the House. Sept. 14, 1961	Present.
205	H.R. 7500. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. On passage. Sept. 14, 1961. Yeas 288, nays 97, present 3.	Nay.
206	Call of the House. Sept. 15, 1961	Absent.
207	H. Res. 455. A resolution taking H.R. 2010 from the Speaker's table and agreeing to the conference. On agreeing to resolution. Sept. 15, 1961. Yeas 243, nays 135.	Not voting.
208	H. Res. 464. A resolution providing for the consideration of H.R. 7927, a bill to adjust postal rates, and for other purposes. On previous question. Sept. 15, 1961. (Failed.) Yeas 142, nays 222, present 2.	Not voting.
209	Call of the House. Sept. 16, 1961	Absent.
210	S. 2393. An act to extend for 2 additional years the expired provisions of Public Laws 815 and 874, 81st Cong., and the National Defense Education Act of 1958, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 342, nays 18.	Yea.
211	S. 1459. An act to amend the provisions of law relating to longevity step increases for postal employees. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 362, nays 4.	Yea.
212	H.R. 5751. A bill to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political propaganda within the United States as agents of a foreign principal, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. Yeas 369, nays 2.	Yea.
213	H.R. 8914. A bill to amend subsec. (d) of sec. 16 of the Soil Conservation and Domestic Allotment Act, as amended. On motion to suspend rules and pass. (⅔ required.) Sept. 18, 1961. (Failed.) Yeas 213, nays 151.	Nay.
214	H.R. 7377. A bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized, and for other purposes. On motion to suspend rules and pass. (⅔ required.) Sept, 18, 1961. Yeas 305, nays 53.	Nay.
215	Call of the House. Sept. 19, 1961	Present.
216	H.R. 9118. A bill to establish a U.S. Arms Control Agency. On passage. Sept. 19, 1961. Yeas 290, nays 54	Nay.
217	Call of the House. Sept. 20, 1961	Present.
218	Call of the House. Sept. 20, 1961	Present.
219	H.R. 7500. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. Conference report, on adoption. Sept. 21, 1961. Yeas 253, nays 79.	Nay.
220	H.R. 5628. A bill to provide for a study and investigation of the desirability and feasibility of establishing and maintaining a National Tropical Botanic Garden. On motion to suspend rules and pass. Sept. 21, 1961. (⅔ required.) (Failed.) Yeas 215, nays 125.	Nay.
221	H.R. 4172. A bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States. On motion to suspend rules and pass. Sept. 21, 1961. (⅔ required.) (Failed.) Yeas 166, nays 173.	Nay.
222	Call of the House. Sept. 22, 1961	Present.
223	H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption. Sept. 22, 1961. (Failed.) Yeas 142, nays 159.	Nay.
224	Call of the House. Sept. 23, 1961	Present.
225	H.R. 7377. A bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized; to fix the compensation of hearing examiners; and for other purposes. Conference report, on adoption. Sept. 23, 1961. Yeas 229, nays 71.	Nay.
226	H.R. 9118. A bill to establish a U.S. Arms Control Agency. Conference report, on adoption. Sept. 23, 1961. Yeas 253, nays 50	Nay.
227	Call of the House. Sept. 26, 1961	Present.
228	Call of the House. Sept. 26, 1961	Present.
229	H.R. 258. A bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption. Sept. 26, 1961. (Failed.) Yeas 97, nays 173.	Nay.
230	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. Sept. 26, 1961. Yeas 192, nays 81, present 3.	Nay.
231	H.R. 9033. A bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on motion to recede and concur in Senate amendment No. 27 with an amendment. (General provisions—certification of certain data.) Sept. 26, 1961. Yeas 152, nays 119, present 1.	Nay.

A Salute to the Ladies of Hadassah

EXTENSION OF REMARKS
OF
HON. SEYMOUR HALPERN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. HALPERN. Mr. Speaker, it is again my privilege to bring to the attention of this House the commendable spirit and notable accomplishments of the dedicated ladies of Hadassah, the Women's Zionist Organization of America.

Through the years I have marveled at the singular lack of selfishness and the magnificent spirit of devotion to a cause which characterizes this organization. I am sure my colleagues in this House join me in expressing a sense of honor to number among their constituents such public-spirited ladies.

In August, Hadassah held its 47th annual convention in Denver, Colo. This year was an especially notable one because of the impressive dedication, on June 6, 1961, of the Hadassah-Hebrew University Medical Center near Jerusalem.

Hadassah was founded a half century ago for the purposes of conducting health work in Israel—then Palestine—and of fostering Jewish ideals in the American-Jewish community. With the opening of this magnificent medical center, another milestone has been reached in Hadassah's health-for-peace program, dedicated to the marshaling of every possible resource in a battle to defeat the scourges of mankind.

Hadassah-Hebrew University Medical Center is a vast complex of buildings, housing a 500-bed hospital, a medical school, a nurses' training school, clinical and preclinical laboratories, research laboratories, and a mother-and-child pavilion. Dedicated as it is to the principles of humanitarianism, it is a magnificent blending of the latest in modern technology and the oldest of philosophies—love of mankind.

I was privileged to visit the site of the center during my trip to Israel early in 1960. I was impressed then, and I am sure that the finished product is fabulous.

In addition to the tremendous scientific achievements which will be made under the aegis of this medical center, the ladies of Hadassah have also made possible one of the most significant contributions ever made to the development of modern art. The synagogue which has been built on the grounds of the center features 12 magnificent stained glass windows created by one of the geniuses of contemporary art—Marc Chagall. These windows represent the best in contemporary technique and reflect the inspiration of religious faith. It is not surprising that the ladies of Hadassah should have been responsible for such a flawless merger of art and science, for a vital part of their philosophy has always been that cultural contributions go hand in hand with scientific advancement.

Mr. Speaker, I should like to call the attention of the Members of this House to the fact that these magnificent windows will be on display in New York City's Museum of Modern Art, beginning November 5 of this year. In January of 1962, they will be sent to Israel to take their place as the living monument to the indomitable spirit and devotion of the ladies of Hadassah.

It takes no small amount of determination—and capital—to create such an institution as Hadassah-Hebrew University Medical Center. With the exception of the $4 million medical school fund which was raised by the university, the members of Hadassah are solely responsible for almost $20 million which has gone into the construction of this center. This represents voluntary contributions on the part of the membership, and the ladies are to be commended for their generosity and sense of purpose, even though I am sure there was considerable sacrifice on their part.

But, again, it is axiomatic that any project of this organization should be carried out with devotion to the cause and little regard for the personal sacrifices which may have been involved. I am certain that the organization's determination to fulfill its purpose will remain just as strong and that the next project undertaken will be just as successfully and energetically completed.

The idealism which has inspired the ladies of Hadassah to exert every possible effort to bring to Israel the most modern medical care facilities, educational opportunities, and public health institutions, is equaled only by their interest and participation in community affairs throughout our own country. Hadassah members have made significant contributions to the enhancement of American spiritual and moral values, and their guiding principle has always been preservation of human rights and freedoms.

Mr. Speaker, I should also like to congratulate their extremely able and personable president, Mrs. Seigfried Kramarsky, of New York, on her reelection. Her untiring efforts and inspiring leadership have helped to guide Hadassah to the heights of unselfish greatness.

I salute the wonderful ladies of Hadassah, Mr. Speaker, and I am confident that my colleagues join in heartfelt appreciation of their achievements and goals.

Analysis of Proxmire Votes on Federal Spending

EXTENSION OF REMARKS

OF

HON. WILLIAM PROXMIRE

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. PROXMIRE. Mr. President, all Members of the Senate are subject to criticism or approval on the basis of their position on spending and economy.

Often it is helpful to hear a public official express his attitude on economy in government. But there is no substitute for the actual record.

This year I am following my policy in the Senate of reporting to the people of Wisconsin my vote on every appropriation bill that came before the U.S. Senate in 1961.

My votes on Senate amendments and passage of appropriations bills amounted to a net reduction of over $2.1 billion in the administration's budget requests.

I voted to cut defense spending by $101 million—$525 million below the Senate figure.

I voted to cut foreign aid spending by $727.9 million.

I voted to cut domestic spending by $1.2 billion.

A summary of my votes on appropriations follows:

	President's budget request to the Senate	Proxmire vote	Remarks
DEFENSE			
Defense	$46,396,945,000	$46,323,292,000	The Senate Appropriations Committee recommended $46,848,292,000. I sponsored an amendment to cut $525,000,000 for B–52 and B–58 manned bombers which the President had not requested and which the Secretary of Defense repeatedly said we do not need.
Military construction	1,047,568,000	1,020,146,750	
FOREIGN AID			
Mutual security	4,993,991,000	4,266,091,000	In addition to a $577,900,000 reduction voted by the Senate, I voted to reduce funds for military assistance by $150,000,000.
Inter-American program	600,000,000	600,000,000	I voted against the authorization for this program when it passed the Senate in [illegible] I voted against the conference report on the appropriation bill in 1961 to protest this unnecessary spending. I am not claiming any saving, however, since there was no opportunity to speak against this bill when it passed the Senate this year.
DOMESTIC			
Agriculture	6,089,244,000	5,967,457,500	
Commerce and general government	666,278,000	649,493,200	In addition to a $15,839,800 reduction voted by the Senate, I sponsored an amendment to cut funds for the U.S. Travel Office by almost $1,000,000.
District of Columbia (Federal payment)	39,753,000	32,753,000	
Independent offices	9,174,561,000	9,020,681,500	In addition to a $75,791,500 reduction voted by the Senate, I sponsored amendments to cut 7 items back to the administration's requests, which would have saved $59,488,000. I also voted for amendments to eliminate a $12,000,000 subsidy for a commercial supersonic airplane and a $6,900,000 subsidy for helicopter service in New York, Chicago, and Los Angeles.
Interior	782,387,000	823,024,850	
Labor-HEW	5,004,281,081	4,863,518,500	The Senate bill was $157,098,919 over the President's request. On 29 items the Senate was $297,861,500 above the President. On other items they were $140,762,581 below the President. The Proxmire amendment would have reduced each of the 29 items to the level requested by President Kennedy, leaving the cuts made by the Senate on other administration requests intact. As a result my amendment would have reduced the Senate bill by $297,861,500 and the President's request by $140,762,581.
Legislative	136,082,802	135,432,065	
Public works	4,000,788,000	3,940,926,880	
State-Justice-judiciary	795,891,202	762,038,550	
Treasury-Post Office	5,371,801,000	5,327,631,000	
Supplemental, 1962	1,134,639,841	1,068,503,903	
3d supplemental, 1961	5,275,213,127	4,637,419,970	
4th supplemental, 1961	88,024,000	47,214,000	

Proxmire reduction in Federal spending

Defense	−$101,074,250
Foreign aid	−727,900,000
Domestic	−1,282,849,135
Total	−2,111,823,385

Can't Change National Thinking by Passage of a Law or Gift of Dollars

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. HOFFMAN of Michigan. Mr. Speaker, if we are to judge by the standards used by the people of the Fourth Congressional District and, I assume, that of the Midwest generally, the House has seemed to show a lack of responsibility—a lack due not to a lack of knowledge of our situation, but rather to what might be termed the "atmosphere" or "the climate," as the intellectuals put it, which exists here in Washington, which, overall, seems to be that our resources, our ability, and our power are unlimited. That there is no bottom to the barrel; that, willy-nilly, our taxpayers can and should in some way give to all other people in other parts of the world everything they may desire and some things they do not want—that we can not only give them everything they ask, but force them to accept some things they do not want and will not use—while we at the same time prepare for an all-out war. That is

a false assumption. If we continue to accept and act on it, we will meet disaster.

There seems to be a feeling on the part of our Congressmen and their advisers that we can, by the passage of a law, change not only the habits but the thinking of groups and nations which existed long before Columbus first saw America.

There are in Congress Members who have traveled abroad quite often and extensively, sometimes at their own expense, usually at the taxpayers' expense.

These individuals see misery and want and a lack of Christianity and freedom in other parts of the world. They are determined that we shall, by the enactment of legislation—by the stroke of a pen as it were—by either the loan or the gift of dollars, by technical aid, by teaching, demonstration and other assistance, solve all their problems—make them happy, prosperous, and contented—accomplish the task which Christ and his Disciples undertook more than 2,000 years ago.

The same individuals seem to be convinced that, if other Members do not agree with their thinking, if we do not favor overall foreign aid—we lack Christianity, all feelings of decency, would let all others continue in their misery and want without extending a helping hand.

That is not our attitude. Speaking for myself, I have always endeavored to aid others, contribute to missionaries, will always continue to do so. Will always hope and work for improvement and the betterment of other peoples throughout the world.

But I can find no reason for attempting to force others to accept my thinking, my way of life, when, during the centuries, they have thought and lived otherwise.

Bringing freedom to people beyond the seas, as some of our international-minded one-worlders are trying to do, does not mean the imposition of the religion in which we believe, the customs under which we live, upon all others, certainly not by force.

The League of Nations, which Wilson accepted, was designed to bring peace throughout the world, and that without force.

United Nations has the same purpose, but would bring it about by gifts and loans, and, if necessary the use of force—through a one-world organization with laws applicable to every nation, imposed upon every individual, every nation.

As was pointed out by the chairman of the Foreign Relations Committee, who has long been an advocate of internationalism, U.N. has failed, and, I quote, "We must look elsewhere." He so wrote in the October 1 issue of Foreign Affairs Quarterly, and reprinted in the October 2 issue of U.S. News & World Report.

The League of Nations failed; United Nations has fallen short of its objective, because nations throughout the world do not—no more than individuals—conform to one pattern.

People have different ideas—not only as to the God which they should worship, but as to what they should eat, wear, and how and where they should live.

Nations, as individuals, are naturally selfish, and there is no evidence that as of today anyone will make the welfare, prosperity and happiness of his neighbor his chief objective in life, forget or abandon his own desires.

It does not follow that we should not try to aid others. It does follow that, while so doing, we must take into consideration our own needs, our own ability, for, except as we individually and nationally remain strong, we cannot effectively aid any other people or nation.

The foregoing may give you some idea as to why I have advocated and do now advocate a policy which will avoid waste and inefficiency in our own Government, maintain and build up our own strength, while continuing our individual and national efforts to help others who need and desire aid.

Because it is my conviction, and that is based upon the history of our Nation and my own 26 years' experience here in Congress, that our form of government, with the people retaining all power not expressly granted to the Congress, to the Executive, to the judiciary department, is the best yet devised to give a people freedom and opportunity, I have consistently opposed the delegation by the Congress of any part of its authority to either of the other two branches of the Government.

It is the reason why I have vigorously, sometimes perhaps too vigorously, opposed all efforts to surrender to any international organization any part of our national sovereignty. We should remain master in our own house.

The folly of such a surrender has been demonstrated. Though we have contributed billions upon billions to other nations, our situation today is no better—in fact, it is admittedly worse, so far as our national security is concerned—than when the program originated.

Today we are on the verge of war because we have disregarded Washington's advice not to become entangled in the affairs of other nations. Only by what may be almost unbearable sacrifices will we be able to extricate ourselves from our involvement in the present world situation. To our own national security must our efforts now be devoted.

We cannot continue unlimited spending and win a war.

Prospects in Power

EXTENSION OF REMARKS
OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. SAYLOR. Mr. Speaker, because the public power issue occupied so much time and attention on the part of both the House and Senate this year, it would seem appropriate that the final issue of the CONGRESSIONAL RECORD contain at least a brief review of developments that have occurred. One of the most persistent phases of this controversy involved the proposal to erect steam-generating facilities at the Hanford plutonium reactor.

The House successfully resisted efforts to force American taxpayers to contribute $95 million for construction of an 800,000-kilowatt powerplant at Hanford; not satisfied with this definitive decision against the Federal Government's further intrusion into the electric power field, Hanford proponents came back with a watered-down version that would have cost the U.S. Treasury a mere $58 million for a 400,000-kilowatt station. The House responded with an overwhelming 251 to 155 vote in opposition to this idea.

Under the circumstances, the average citizen might assume that public power addicts would be satisfied to permit Hanford to lie dormant for the remainder of the 87th Congress, if not for all time. Certainly the House left no doubt as to its opinion of the project. According to a published report, however, in some quarters there is reluctance to accept our decision.

Why the House should be suspect of caprice in this matter is not immediately definable. Perhaps proponents feel we can be persuaded to revise our appraisal on the theory that the U.S. Government is going to be in a position to venture out more recklessly with the taxpayers' contributions in the years immediately ahead. If such is the case, the basis for these hopes is not generally clear.

At the present time we must suffer through the largest debt in all history, with no relief anticipated. Interest alone amounts to approximately $10 billion a year. In the face of this gloomy picture, the heavily burdened taxpayer would logically expect responsible Government officials to make every effort to keep nonessential spending to a minimum. If, somewhere in the administration, a method of reducing military expenditures without jeopardizing the defense structure has been devised, the plan will unquestionably receive a unanimously enthusiastic welcome throughout our land. In no event, however, should any ensuing savings be invested in bureaucratic enterprises of the Hanford variety.

Mr. Speaker, any substantial reduction of expenses for military purposes is as improbable as the sudden conversion of Khrushchev to Christianity. We hope and pray for such a miracle, but we are too practical to expect it. The free nations of the world are in for a long struggle unless the tension explodes and envelops the world in another holocaust. Recognizing the severity of this struggle against the totalitarian plan for destruction of all governments outside the Red orbit, Congress and the executive department have a moral obligation to conduct the Nation's affairs in the most efficient manner possible and to eliminate all extravagances, particularly wherein issues are clearly divorced from the national security.

It was disturbing to read that one of the Senate sponsors of Hanford was quoted as saying he will "never give up" in his efforts to prevail upon Congress to establish the project to which the House has repeatedly objected. Now it becomes obvious that we who have joined together in blocking this wasteful bureaucratic creation must resign ourselves

to the fact that we are likely to be exposed again to the same pressure to which we were subjected when the public power enthusiasts went to work on us last year. Unfortunately, much of the propaganda in favor of Hanford originates within Government departments and is, therefore, being subsidized by the taxpayer. One of these days Congress may finally have had its fill of these methods and refuse to appropriate funds that are, in effect, being used in an attempt to unbalance the balance of power which was established to guarantee this Nation's welfare and integrity. Meanwhile let us be prepared for another bureaucratic onset in 1962.

Two editorials which have appeared in newspapers published in the State of Washington in the past several weeks are highly relevant to the Hanford controversy. I ask unanimous consent that they be included in the RECORD at the conclusion of my remarks. The one published by the Centralia, Wash., Chronicle on September 13, which is a reprint from the Longview, Wash., Daily News, needs to be studied carefully in the light of statements made in the House and Senate with respect to the availability of coal in the Northwest. The distinguished gentleman from California [Mr. HOLIFIELD] on July 12 made this statement in the course of his remarks in favor of the Hanford powerplant:

> Mr. Speaker, at this point I would like to insert a statement on the relation of the Hanford reactor electric generating facilities and the development of coal resources in the Northwest. You will note that the Northwest uses very little coal, and the Hanford installation itself is the biggest user. In the future, the use of coal cannot support the major power requirements of the area.

Figures provided by the U.S. Geological Survey show Washington alone has in excess of 30 billion tons of recoverable coal reserves, which in the overall are but a small part of the generous supplies with which the United States has been blessed. Only last week the Associated Press reported that the Geological Survey's latest estimates place recoverable coal at 830 billion tons for the Nation as a whole. In addition to the vast storehouse in Washington itself, there are more than 100 billion tons of recoverable reserves in Montana, 46 billion tons in Utah, 60 billion tons in Wyoming, and 40 billion tons in Colorado.

The United Mine Workers of America have opposed Hanford with good cause. The president of district 10, with headquarters in Renton, Wash., issued public protests against a subsidized powerplant that would take away from miners, railroad men, truckers, and employees of numerous allied industries the opportunity to earn a livelihood for their families. The editorial to which I refer definitely confirms the UMWA's hopes for a better tomorrow through expansion of Washington coal industries.

I remind my colleagues that the coal industry of the Northwest would not be the exclusive loser to a subsidized Hanford powerplant. One of the avowed objectives of the Department of the Interior's grandiose scheme in supporting Hanford is the long-range power grid to carry electricity through a series of exchanges from the Pacific coast to the Mississippi Valley. Thus Hanford constitutes a direct threat to coal producers in the Midwest. Furthermore, through the proposed intertie grid system, even the electric powerplants in my district could eventually be deprived of market outlets because of the allegedly harmless but admittedly extravagant Hanford plan.

The other editorial which I include herewith, from the Boise, Idaho, Statesman, presents a brief but concise summary of the philosophy of public versus private power. As stated, private industry has met every obligation for industrial power and has paid enormous Federal taxes that have been misused, in part, to create Federal competition through such facilities as are now envisioned for Hanford. The Duquesne Light Co. in Pittsburgh illustrated its advertisement in the Pittsburgh Post-Gazette of October 3 with dramatic drawings of the extent to which America's investor-owned light and power companies have taken care of rising requirements and will handle whatever needs develop in the ensuing years. In 1930 there were 150,000 miles of transmission lines, a figure that rose to 364,000 miles in 1959 and will reach half a million miles by 1970. The electric companies will add more than $7 billion in transmission facilities in the present decade. This money will come from the voluntary investments of American citizens who believe in the free competitive economy that built this Nation to the greatest power on earth in less than two centuries. Bureaucratic intrusion is the surest way to throttle industry progress, destroy investor confidence, and dim America's outlook for the years ahead.

Mr. Speaker, I consider myself a sincere friend of the West. During the past several years I have received hundreds of letters from residents of communities from the Mississippi River to the Pacific Ocean commending me for my efforts to preserve the natural beauty of western areas threatened by unnecessary and devastating Federal wrecking projects. I have had scores of callers in my office who are in enthusiastic sympathy with my philosophy but would not want to be publicly identified with opposition to bureaucratic plans because of the fear of reprisal.

My first obligation is to the 22d District of Pennsylvania, but I shall always support legislation designed to benefit the national welfare. The proposed powerplant at Hanford would be unfair because it would directly subsidize competition for hard-pressed regions elsewhere in the country where new industry is badly needed but where no similar federally provided advantage of low-cost power prevails.

There are many other factors weighing against Hanford, Mr. Speaker. They were reflected in the several House votes during the session just closed and need not be repeated here. But it appears obvious that this file of objections must be kept at hand and resubmitted for public display if the Hanford proposal is resurrected as indicated.

The newspaper editorials follow:

[From the Boise (Idaho) Statesman, Sept. 20, 1961]

PUBLIC POWER LIGHT DIMS

The refusal of the House of Representatives to approve a plutonium reactor at Hanford, Wash., to produce electricity has started a new line of protest from the public power proponents that is amusing. The Portland Oregonian views the Hanford refusal as evidence that Congress is opposed to growth in the Northwest. The Oregonian reasons that there "is abject fear that it (the Northwest) will take industries away from their districts and States." Continuing, the Oregonian says:

"If this be true (and how else can this vote be interpreted?) the Northwest may expect similar opposition to new Federal multipurpose projects including electricity (which repays its own cost and helps irrigation). It may expect congressional pressure to increase the Bonneville power rate to further restrict industrial expansion. It may expect raiding of our power resources from other areas.

"Those who thought the Federal Government never should have started development of the Columbia Basin's resources—for flood control, navigation, irrigation, and power—evidently have gained some recruits in the House. The drive is to keep the Northwest in colonial status, a vacation land, a semi-wilderness, a place to visit but not to settle, a region unable to find enough jobs for its children."

The Oregonian offers new and different reasoning than any we have read before. Apparently it has been concluded in the Columbia Basin area that the Government is obligated to forever spend more and more millions of money provided by the entire Nation for the public power subsidy that is provided the Northwest. This is an unusual philosophy as is evidenced by the expression of opinion that "other areas fear industries will be taken from them and transplanted to the Northwest." The Portland area got most of its new industry in this manner. Its aluminum industry, which processes bauxite with federally subsidized public power, was and is a highly questionable arrangement. No one ever saw any bauxite produced in Oregon. It comes from Texas.

All of which is an excellent illustration of Federal largesse of huge proportions. Naturally the Oregonian is unhappy that the Federal Government isn't continuing to subsidize its area forever.

The Oregonian, in its protest over the Hanford situation, renders important illustrative service. Take Idaho, for example, the source of part of the water resource that makes Northwest power. Idaho fought tooth and nail and won the fight against the high Hells Canyon Dam. The promoters of this project assured everyone in sight that it had many benefits and no dangers. Protective legislative clauses were offered in the way of amendments to the bill that sounded as though Idaho would be protected.

The Portland complaint over a change in congressional attitude (Congress voted the money for the string of dams along the Columbia) makes quite plain the danger that exists in Federal encroachment in any area for the simple reason that Congress—the supreme power—can, and does, change its mind. The protective amendments in the high Hells Canyon legislation could have been repealed just as the Oregonian points out that Congress presently is opposed to expansion of the Federal Columbia power system.

In plainer words, what the Government gives, it may take away. And any area that runs the risk of resource involvement with the Federal Government, if it is at all possible to avoid it, only asks for inevitable disappointment. The sure way is the Idaho way—keep the Government off the river and

let private enterprise assume the responsibility under State commission control.

Private industry has met every obligation for industrial power and has paid enormous Federal taxes that have been used, in part, to build the Bonneville and the John Day and the McNary Dams. Never have these dams brought the Northwest a stable economy. And they never will for the simple reason that Congress, the representation of all the States, just can't keep on doling money out to support two isolated areas—the Northwest and the Tennessee Valley Authority. It is not the American system to make residents of roughly 45 of our States the underwriters of cheap power in the other 5. Oregon wouldn't want to help any other State in the same manner that she has received Federal assistance. And Oregon does not hesitate to see spooks under the public power table now that Congress has decided it can no longer provide larger bait through cheap power for the northwest area.

Should the Hanford situation mark the end of one of the really raw giveaways by Federal Government, the Nation may breathe a sigh of relief. While the Oregonian calls the Hanford House vote "the most cold-blooded expression of this intention yet to be publicly displayed," we view it in another light. It is the signal of a welcome new day.

"What will the Northwest do about it?" the Oregonian asks. A Federal corporation to absorb Bonneville with bonding powers to finance projects Congress refuses to vote?

That's not the answer.

Oregon, and the State of Washington as well, ought to quit smoking the public power opium and get back to the old days of sound business without dependence on the Federal Treasury. In addition to the stability the private enterprise tradition provides, there is the pride of self-accomplishment. Idaho, without Federal power aid or threats, sets a fine neighborly example.

[From the Centralia (Wash.) Chronicle, Sept. 13, 1961]

FUTURE OF COAL

Could it be that Washington State might some day become a major coal-producing region of the Nation? It is a possibility, as well as a distinct probability.

At the present time an estimated 64 trillion tons of bituminous coal lies practically untouched in areas where it is impracticable to mine by orthodox methods. Much of it is buried in hard rock in hills from 5 to 95 percent off horizontal. The uncovered coal in Washington, according to estimates, amounts to 465,000 times more than in our neighboring State of Oregon.

The Bureau of Mines is now preparing to set up an experimental project at Roslyn, near Cle Elum, at mine No. 9 of the Northern Pacific Railroad, by an installation of special equipment to determine if these vast resources of coal can be tapped by hydraulic mining instead of the methods employed on the east coast. Water pressure at 4,500 pounds per square inch would cut away the coal from the solid mass. Hydraulic mining on the surface is not new, but this will be the first attempt to employ it in uncovering underground coal beds.

The Japanese are now buying large amounts of American coking coal, which comes out of the eastern mines, involving not only expensive methods of extraction, but also a long, expensive haul. If the Roslyn experiment is successful we will not only have the opportunity of supplying this rapidly increasing demand, but we will have the added advantage of abundant water for hydraulic mining and close proximity of ports for shipping overseas. As the economy of the West expands there will be added markets on our own shores.

Presently Washington State's coal-mining industry is almost nonexistent, with the State ranking only 35th in all phases of mining.

Southwest Washington should keep an eye on this experiment. Many of the oldtimers of Cowlitz County remember that in the early 1920's substantial amounts of coal were used in home furnaces. Rock Springs coal, from Wyoming, competed with Chehalis coal mined only a few miles away.

While such a development of this kind might not be right around the corner, it could be before we realize it and give us something other than the major industries, involving forest products, to sustain our economy and push it ahead.

We have a huge ace in the deck here in Longview, too, in that we are ideally equipped to handle large exports of all kinds to every area of the Pacific.

Is the Area Redevelopment Program Needed in East Texas? What Are the Facts of Employment, Purchasing Power, New Industries, and Displaced Families?

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. PATMAN. Mr. Speaker, passage of the area redevelopment bill has set off a furor in Texas, particularly in east Texas.

No sooner had the legislation become law than some of the Texas newspapers, particularly the big metropolitan dailies, began condemning the legislation as unwanted and unneeded. Indeed, some of the newspapers, reporting that 41 counties in east Texas had been designated as "distressed areas" or "depressed areas," declared that the Federal Government had heaped "insults" on these communities, as a forerunner to unwanted Federal intervention in local affairs.

On August 23, the East Texas Chamber of Commerce meeting at Tyler, Tex., adopted resolutions declaring that the Secretary of Commerce had "arbitrarily" designated 41 counties in the region served by this organization as "distressed areas" without any such designation being either sought or desired by the counties themselves and demanding that this "odious designation" be withdrawn. These resolutions further suggested that no Federal assistance is needed or wanted in these counties. They made claims that Texas, and east Texas in particular, is leading the Nation in the number of new industrial plants and plant expansions and in the creation of new job opportunities. Figures were cited to show the number of new industrial plants and plant expansions in Texas and east Texas.

Specifically, this resolution states:

And keeping in mind that the State of Texas leads the Nation in the number of new industrial plants and plant expansions and in the creation of new job opportunities not only during the calendar year 1960, but for the first 6 months of the current year.

And in view of the fact that out of a total of 378 new industrial plants established in the State of Texas during 1960, 235 of them were located in east Texas, even though the East Texas Chamber of Commerce region comprises only 20 percent of the geographical area of the State; as against 143 new industrial plants located in the other 80 percent of the State.

And taking note of the fact that out of a total of 487 industrial plant expansions, during the same period, 299 were located in east Texas as against 188 for the rest of the State.

In contrast to this glowing description of economic conditions in the 71 counties of east Texas, some of the smalltown newspapers of the region have posed questions of this kind:

If job opportunities are so plentiful, why are so many people in our hometown unemployed, and why are so many people moving away in search of jobs?

I have been doing some research into these questions to try to find out what the facts are, and I think I now have the facts rather clearly.

Before citing them, however, let me point out why the figures on new industrial plants and plant expansions fail to answer the question whether or not there is a need—even great need—in east Texas for the Federal assistance available under the area redevelopment program.

NUMBER OF NEW INDUSTRIAL PLANTS DOES NOT REFLECT NEED FOR JOB OPPORTUNITIES

First, a simple count of new plants and plant expansions does not tell us anything about how many new jobs are created. A majority of these so-called plants are very small shops which will hire half a dozen people or so—many even less.

Second, a simple count of new plants and plant expansions does not tell us how many previously existing businesses have gone out of business in the same period the new business units were being created.

Third, a count of new plants and plant expansions refers only to industrial plants. It gives no information about the greater source of jobs in service establishments, or on farms, or in the professional services. Nor, of course, does the number of new and expanded industrial plants tell us anything about the total number of jobs that may be needed to provide employment for the people of the region.

Finally—and this proves to be most important—a simple count of the number of new industrial plants and plant expansions in the whole of the 71 counties tells us nothing about employment or other economic conditions in the individual counties. The area comprising the 71 counties of east Texas is larger than several whole States on the eastern seaboard, and these counties differ from one another in vast degree. A few contain large cities, such as Dallas, in Dallas County; Galveston and Texas City in Galveston County; Houston and Baytown in Harris County; Beaumont and Port Arthur in Jefferson County; Waco in McLennan County; and Austin in Travis County. But the majority of this vast area is made up of rural, smalltown, and small-city communities.

In order to obtain a clearer picture of what the employment trends have been in these counties, I have obtained from the Texas Employment Commission information on the number of business establishments, the number of employees, and the wages paid in each county over a series of years back to 1956. The Texas Employment Commission data covers not just industrial establishments, but all kinds of establishments—including retail establishments, and so on—where the establishment has four or more employees. In addition, I have compared the population changes as reported to the Bureau of the Census and the estimates of income, or what is called "Effective Buying Power," as reported by Sales Management magazine.

The facts, in a nutshell, are these: A few large cities—particularly Dallas and Houston—have indeed been growing very rapidly. New industrial plants, many new businesses of all kinds, have come in; employment has been growing rapidly and, indeed, the populations of the big cities are increasing enormously. People have been moving into the cities from the smalltown and rural areas. They have had to in order to obtain jobs.

In contrast, however, the overwhelming percentage of the smaller towns and rural areas of east Texas are going downhill. In most of these counties employment in the first quarter of the present year was less than it was a year ago, 2 years ago, and even 5 years ago. Thus there have been fewer jobs, despite the fact that the population tends to increase at a rate of about 20 percent each decade, and the number of persons of employment age tends consistently to increase. What is happening, in fact, however, is that the populations of most of these counties are actually declining, because families are being forced to move away in search of employment opportunities.

In many of the 71 counties of east Texas, purchasing power has actually gone down within the past year.

DISPLACED POPULATION A NATIONAL PROBLEM

These basic facts as to these differences between the big cities and the small towns and rural areas have, I am afraid, been overlooked by the East Texas Chamber of Commerce and by many other well-meaning groups who are no less concerned about progress and expanding economic opportunities.

New businesses and new job opportunities in the big cities are no solutions to the problems of declining economic opportunities in the small cities, towns, and rural areas. Some people are adventurous, it is true—like to move to the city and can readily do so. But a great many families in the small-town and rural areas cannot easily move and will not move until extreme pressures force them to move. They have ties of many kinds holding them to the community, including, in many cases, a home and a home mortgage which they cannot readily leave. The fact is that we will have extremely serious unemployment and underemployment in these communities so long as nothing is done to expand economic opportunities on a decentralized basis.

On the other side of the coin, the huge migration to the cities is also causing great problems for the city governments and the State governments and for the people concerned. There is too little room, too little police protection and social services, and too little money in the city budgets to meet the great financial demands that this movement of population—frequently unemployed population—places upon them.

What we are dealing with here is not a trend peculiar to Texas, but one which is creating grave problems throughout the Nation. Almost everywhere the story is the same—people are being pushed out of the small towns and rural areas of America and are piling into the great cities, causing overcrowding and all of the other social and economic problems associated with the big cities. For at least 20 years now people have been moving away from the farms and into the cities at a rate of about a million people a year. Clearly the Nation is reaching a crisis. Something must be done to help create new kinds of economic activity and expanding job opportunities in the rural and small-town communities.

EISENHOWER ADMINISTRATION RECOGNIZED THAT 41 COUNTIES OF EAST TEXAS NEED FEDERAL ASSISTANCE

I might add that the Department of Agriculture has long recognized this problem, though when it had the problem to itself, under the previous administration, it did not recognize it to the extent that it was willing to urge the kind of steps that are needed to cope with the problem.

Incidentally, the Secretary of Commerce has not designated any area in Texas as a "distressed area" or as a "depressed area." He has called them only "redevelopment areas," meaning areas of serious unemployment or underemployment—just as the Department of Agriculture has since 1955.

Furthermore, the Secretary of Commerce has not arbitrarily designated the 41 counties of east Texas as redevelopment areas under the area redevelopment bill; these areas were automatically designated as eligible to participate in Federal assistance by virtue of the fact that they had been designated as "redevelopment areas"—under the rural areas development program adopted by the Department of Agriculture in 1955 and operated throughout the Eisenhower administration. In other words, even the Eisenhower administration recognized these 41 Texas counties as areas of serious unemployment—as areas needing Federal assistance and efforts to create new economic opportunities—although, of course, the Federal assistance offered during the Eisenhower administration did not involve any financial assistance.

It should be made clear also that under the new area redevelopment program the Federal Government will not force any Federal assistance on any area. Under this program areas suffering from severe unemployment are recognized as eligible for Federal assistance, in certain kinds of projects, which the local communities must themselves propose and must help to finance.

CONTRASTS BETWEEN EXPANDING EMPLOYMENT IN BIG CITIES AND DECLINING OPPORTUNITY IN OTHER EAST TEXAS COMMUNITIES

Now let me point out more specifically just what has been happening in the rural and small-town areas of east Texas, as compared to the few big cities.

In the decade 1950–60, the population of the two largest counties increased by 54 percent. These are the counties in which Dallas and Houston are centered. In contrast, the population of the other 69 counties increased by only 5 percent, while the population of the Nation as a whole was growing by 19 percent.

If we omit from our totals of east Texas the 4 largest counties—Harris, Dallas, Jefferson, and Travis—we find that the population in the other 67 counties increased in the decade by only 1 percent.

Between 1959 and 1960 the total effective buying income—that is, income after taxes—as estimated by Sales Management magazine, increased by 15 percent in the 2 largest counties, but by only 3 percent in the other 69 counties as a whole. Omitting all 6 of the big-city counties from our totals for east Texas, we find the total effective income actually declined in the other 65 counties by almost 2 percent.

In the 11 counties of the First Congressional District of Texas—counties in which I am naturally especially interested—effective buying income dropped by 8 percent. This was in a period when effective buying income in the Nation as a whole increased by 7 percent. Whatever may have been done by the East Texas Chamber of Commerce to bring new industries into Dallas and Houston, and perhaps into three or four other cities, this obviously has not solved our problem in the First Congressional District, in view of an 8 percent total decline in income.

I might add that, according to the Texas Employment Commission, employment in these 11 counties actually decreased by 4 percent between the first quarter of 1960 and the first quarter of 1961. So, in the year when the East Texas Chamber of Commerce can boast of many new industrial plants in some parts of east Texas, employment in the 11 counties of my district actually declined by 4 percent. Furthermore, total wages paid in these 11 counties dropped by 3 percent.

The basic data from which I have drawn these remarks appears in the tables to follow.

The first table summarizes data for population, total and per capita income, business establishments, employment and wages for the 71 counties of east Texas, for the State of Texas, and for the United States as a whole. The 71 counties of east Texas are compared in several different ways.

First, the counties containing the 2 largest cities are compared with the totals of the other 69 counties; second, the 6 big-city counties are compared with the other 65 counties. In addition, separate totals are shown for the 11 counties of the First Congressional District of Texas.

TABLE 1.—*Population, estimated effective buying income, business establishments, employment and wages, selected counties in east Texas, the State of Texas, and the United States (dates as specified)*

	East Texas							
	71 east Texas counties	2 counties versus 69		6 counties versus 65		11 counties of 1st Congressional District	Texas total	U.S. total
		2 large city counties	69 other counties	6 large city counties	65 other counties			
Population:								
April 1950 [1]	3,713,547	1,421,500	2,292,047	2,020,823	1,692,724	276,945	7,711,194	150,697,361
April 1960	4,610,668	2,194,685	2,415,983	2,942,935	1,667,733	245,942	9,579,677	179,323,175
Estimated effective buying income (thousands of dollars):								
1955	$6,319,724	$3,443,870	$2,875,854	$4,504,256	$1,815,468	$254,882	$12,938,800	$265,601,325
1957	$6,945,371	$3,869,391	$3,075,980	$4,996,919	$1,948,452	$277,739	$14,287,425	$298,254,624
1959	$7,649,856	$4,126,016	$3,523,840	$5,368,097	$2,281,759	$319,895	$15,712,535	$333,381,285
1960	$8,354,844	$4,735,907	$3,618,937	$6,108,477	$2,246,367	$295,382	$16,888,189	$358,100,646
Estimated per capita, effective buying income: [2]								
1955	$1,498	$1,843	$1,224	$1,761	$1,094	$959	$1,449	$1,602
1957	$1,571	$1,903	$1,288	$1,829	$1,154	$1,041	$1,528	$1,734
1959	$1,646	$1,933	$1,402	$1,867	$1,287	$1,154	$1,601	$1,866
1960	$1,790	$2,108	$1,494	$2,033	$1,350	$1,214	$1,740	$1,974
Business establishments (number): [3]								
Mar. 31, 1956	33,262	17,023	16,239	22,290	10,963	1,609	62,031	1,867,768
Mar. 31, 1958	37,638	19,708	17,930	25,692	11,946	1,689	70,118	2,092,998
Mar. 31, 1960	39,798	21,122	18,676	27,404	12,394	1,765	74,705	2,281,876
Mar. 31, 1961	40,757	21,741	19,016	28,174	12,583	1,813	(4)	(4)
Average employment in 1st quarter of year (number): [3]								
1956	917,782	569,313	348,469	713,763	204,019	32,707	1,622,448	37,586,000
1958	966,629	609,477	357,152	765,467	201,162	31,596	1,812,868	40,039,000
1960	917,954	564,252	353,702	714,542	203,412	32,609	1,861,146	41,967,000
1961	983,522	628,933	354,589	780,914	202,608	31,265	(4)	(4)
Wages paid in 1st quarter of year (thousands of dollars): [3]								
Mar. 31, 1956	$911,874	$602,324	$309,550	$742,604	$169,270	$26,475	$1,542,462	$38,826,070
Mar. 31, 1958	$1,035,823	$693,889	$341,934	$855,933	$179,890	$27,573	$1,859,009	$43,935,803
Mar. 31, 1960	$1,111,953	$760,238	$351,715	$921,682	$190,271	$31,216	$2,005,022	$49,946,685
Mar. 31, 1961	$1,150,756	$783,463	$367,293	$953,993	$196,763	$30,338	(4)	(4)

[1] Bureau of the Census, census of population.
[2] Sales Management magazine.
[3] Texas Employment Commission (data is for business establishments with 4 or more employees).
[4] Not available.

The second table shows for each county employment and wages paid in the first quarter of each of several selected years, as reported by the Texas Employment Commission. The counties are arranged in alphabetical order, except that the 11 counties of the First Congressional District of Texas appear separately.

This table shows that employment in the 11 counties of the First Congressional District of Texas in the first quarter of this year was not only less than it was a year ago, it was even substantially less than employment 5 years ago in 1956.

TABLE 2.—*Employment and wages in establishments having 4 or more employees 1st quarter of the year, 1956, 1958, 1960, and 1961*

[Dollars in thousands]

	Average employment in 1st quarter				Wages in 1st quarter of year			
	1956	1958	1960	1961	1956	1958	1960	1961
71 counties, total	917,782	966,629	917,954	983,522	$911,874	$1,035,823	$1,111,953	$1,150,756
6 big-city counties, total	713,763	765,467	714,542	780,914	742,604	855,933	921,682	953,993
Dallas	269,406	285,741	265,352	298,870	278,494	318,190	351,223	362,822
Galveston	29,638	33,428	31,027	31,794	27,539	33,896	34,968	36,969
Harris	299,907	323,736	298,900	330,063	326,830	375,699	409,015	420,641
Jefferson	60,560	67,876	59,816	61,153	68,959	82,749	74,110	80,258
McLennan	25,372	24,641	25,912	26,056	21,798	21,449	24,504	24,986
Travis	28,880	30,045	33,535	32,978	21,984	23,950	27,862	28,317
11 counties of 1st Congressional District, total	32,707	31,596	32,609	31,265	26,475	27,573	31,216	30,338
Bowie	9,134	7,353	7,283	7,386	6,853	5,837	5,818	6,349
Cass	1,383	1,320	1,261	1,338	959	964	937	1,010
Delta	186	153	194	258	107	81	113	197
Franklin	458	359	310	244	304	313	338	276
Harrison	7,281	7,466	8,360	8,233	6,235	7,312	9,130	9,609
Hopkins	1,629	1,684	1,804	1,794	1,129	1,225	1,361	1,316
Lamar	4,386	5,276	4,869	4,764	2,853	3,861	3,768	3,733
Marion	672	639	481	488	482	556	381	414
Morris	4,831	4,343	5,143	3,065	5,593	5,224	7,082	4,940
Red River	792	851	824	924	408	478	547	599
Titus	1,955	2,152	2,080	2,171	1,552	1,722	1,751	1,895
65 counties, total	204,019	201,162	203,412	202,608	169,270	179,890	190,271	196,763
11 counties of 1st Congressional District, total	32,707	31,596	32,609	31,265	26,475	27,573	31,216	30,338
54 other counties:								
Anderson	2,749	2,988	3,046	2,895	1,963	2,455	2,550	2,445
Angelina	9,231	7,964	8,021	7,667	8,032	7,415	7,822	7,274
Bell	8,933	8,271	8,699	8,869	6,550	6,190	6,961	7,113
Brazoria	13,929	15,640	13,930	16,179	16,008	20,898	19,673	24,435
Burleson	285	356	405	415	133	162	230	240
Camp	553	583	610	885	312	352	379	372
Chambers	1,192	1,091	1,389	1,286	1,250	2,251	1,861	1,691
Cherokee	3,979	3,836	3,571	3,516	2,532	2,767	2,724	2,715
Collin	3,292	3,506	3,886	4,147	2,246	2,404	3,031	3,528
Ellis	4,232	4,658	5,132	4,750	2,969	3,425	4,091	3,731
Falls	1,547	1,628	1,351	1,367	774	877	749	759
Fannin	2,064	2,089	2,336	2,194	1,240	1,439	1,839	1,847
Freestone	899	855	832	727	401	672	670	472
Grayson	11,119	11,796	11,590	11,148	8,738	9,962	10,163	9,919
Gregg	14,733	14,517	14,796	14,583	13,869	13,801	14,742	15,160
Grimes	763	807	846	794	470	552	621	646

TABLE 2.—*Employment and wages in establishments having 4 or more employees 1st quarter of the year, 1956, 1958, 1960, and 1961*—Continued

[Dollars in thousands]

	Average employment in 1st quarter				Wages in 1st quarter of year			
	1956	1958	1960	1961	1956	1958	1960	1961
54 other counties—Continued								
Hardin	2,728	2,723	2,944	2,654	$2,083	$2,354	$2,622	$2,269
Henderson	2,118	2,274	2,089	2,496	1,559	1,824	1,646	2,129
Hill	1,835	1,752	1,589	1,738	1,118	1,129	1,082	1,237
Houston	3,686	1,214	1,278	1,411	3,354	875	905	949
Hunt	4,725	4,934	5,903	6,087	3,351	3,945	5,364	5,972
Jasper	2,600	2,712	2,752	2,693	2,246	2,470	2,550	2,607
Kaufman	2,194	1,884	1,858	1,742	1,394	1,325	1,299	1,360
Lee	316	302	446	464	155	159	302	252
Leon	266	321	330	337	130	153	165	177
Liberty	4,825	4,032	4,137	3,471	4,138	3,448	3,747	3,311
Limestone	2,012	1,971	1,788	1,710	1,382	1,346	1,284	1,282
Madison	341	547	502	499	206	351	389	394
Milam	3,296	2,843	2,517	2,462	3,509	3,008	2,835	2,984
Montgomery	3,246	2,846	2,697	2,508	2,540	2,387	2,211	2,244
Nacogdoches	3,537	3,305	3,362	3,474	2,467	2,478	2,568	2,649
Navarro	5,121	4,607	4,574	4,383	3,847	3,580	3,474	3,360
Newton	547	552	510	560	280	321	307	317
Orange	9,661	11,131	9,784	11,012	10,869	13,685	13,092	15,300
Panola	1,352	1,279	1,173	1,190	1,161	1,164	1,159	1,224
Polk	1,712	1,558	1,639	1,573	1,095	1,116	1,308	1,208
Rains	95	60	77	43	51	26	41	17
Robertson	1,007	982	963	1,014	759	744	679	816
Rockwall	442	356	552	391	374	419	609	423
Rusk	4,278	4,343	4,423	3,983	3,758	4,199	4,012	3,820
Sabine	676	1,058	927	905	445	790	643	628
San Augustine	423	595	514	440	244	354	362	298
San Jacinto	138	132	143	129	89	97	94	96
Shelby	2,243	1,923	1,987	1,916	1,461	1,234	1,301	1,284
Smith	14,781	14,205	15,682	15,740	12,484	13,024	15,220	15,657
Trinity	468	390	486	386	244	200	292	216
Tyler	1,014	906	876	1,032	571	547	579	678
Upshur	902	923	1,043	1,034	547	592	679	735
Van Zandt	1,449	1,447	1,563	1,482	1,169	1,279	1,385	1,224
Walker	1,227	1,415	1,416	1,472	719	991	935	1,050
Waller	747	726	709	794	655	684	713	813
Washington	1,753	1,848	2,077	2,107	997	1,158	1,413	1,412
Williamson	2,605	2,607	2,867	2,928	1,584	1,666	1,880	1,944
Wood	1,747	1,778	2,126	1,961	1,373	1,483	1,903	1,742

Finally, the third table shows for each county the population in 1950, and again in 1960, together with the total effective buying income, as estimated by Sales Management magazine, in 1959 and in 1960:

TABLE 3.—*Population, 1950 and 1960, and estimated effective buying income, 1959 and 1960, 71 counties of east Texas*

	Population		Effective buying income	
	1950	1960	1959	1960
			Thousands	*Thousands*
6-county total	2,020,823	2,942,935	$5,368,097	$6,108,477
2 largest counties:				
Dallas	614,799	951,527	1,812,907	2,141,158
Harris	806,701	1,243,158	2,313,109	2,594,749
Next 4 largest counties:				
Galveston	113,066	140,364	220,482	264,652
Jefferson	195,083	245,659	453,261	484,680
McLennan	130,194	150,091	223,324	239,972
Travis	160,980	212,136	345,014	383,266
11 counties of 1st Congressional District, total	276,945	245,942	319,895	295,382
Bowie	61,966	59,971	84,944	80,933
Cass	26,732	23,496	23,346	24,266
Delta	8,964	5,860	7,737	7,115
Franklin	6,257	5,101	5,849	5,156
Harrison	47,745	45,594	60,800	55,002
Hopkins	23,490	18,594	28,378	24,387
Lamar	43,033	34,234	47,857	41,315
Marion	10,172	8,049	8,889	8,265
Morris	9,433	12,576	11,747	13,629
Red River	21,851	15,682	18,329	15,242
Titus	17,302	16,785	22,019	20,072
54 other counties, total	1,415,779	1,421,791	1,961,864	1,950,985
Anderson	31,875	28,162	41,182	36,265
Angelina	36,032	39,814	54,540	54,573
Bell	73,824	94,097	175,949	174,774
Brazoria	46,549	76,204	114,281	132,086
Burleson	13,000	11,177	11,908	12,104
Camp	8,740	7,849	9,889	8,413
Chambers	7,871	10,379	12,641	16,021
Cherokee	38,694	33,120	41,142	37,664
Collin	41,692	41,247	56,217	53,040
Ellis	45,645	43,395	59,009	61,232
Falls	26,724	21,263	25,896	23,229
Fannin	31,253	23,880	28,606	26,801
Freestone	15,696	12,525	17,333	13,832
Grayson	70,467	73,043	$119,779	$113,037
Gregg	61,258	60,436	124,655	118,589
Grimes	15,135	12,709	14,977	13,728
Hardin	19,535	24,629	29,782	32,040
Henderson	23,405	21,786	27,994	25,088
Hill	31,282	23,650	37,788	33,178
Houston	22,825	19,376	21,422	20,588
Hunt	42,731	39,399	54,904	54,562
Jasper	20,049	22,100	22,771	24,552
Kaufman	31,170	29,931	31,208	34,424
Lee	10,144	8,949	10,041	9,437
Leon	12,024	9,951	12,548	10,337
Liberty	26,729	31,595	38,635	43,825
Limestone	25,251	20,413	23,730	22,462
Madison	7,996	6,749	7,233	7,344
Milam	23,585	22,263	25,004	24,362
Montgomery	24,504	26,839	32,593	34,798
Nacogdoches	30,326	28,046	38,967	34,171
Navarro	39,916	34,423	47,664	45,424
Newton	10,832	10,372	9,363	9,960
Orange	40,567	60,357	94,188	99,436
Panola	19,250	16,870	22,166	21,168
Polk	16,194	13,861	17,662	16,592
Rains	4,266	2,993	3,330	3,028
Robertson	19,908	16,157	19,518	17,618
Rockwall	6,156	5,878	6,622	6,766
Rusk	42,348	36,421	57,114	50,427
Sabine	8,568	7,302	7,496	7,718
San Augustine	8,837	7,722	6,661	6,819
San Jacinto	7,172	6,153	6,427	5,865
Shelby	23,479	20,479	24,877	22,068
Smith	74,701	86,350	123,325	129,630
Trinity	10,040	7,539	8,504	7,903
Tyler	11,292	10,666	12,833	12,398
Upshur	20,822	19,793	19,819	22,209
Van Zandt	22,593	19,091	23,504	23,524
Walker	20,163	21,475	20,834	27,285
Waller	11,961	12,071	17,926	18,722
Washington	20,542	19,145	20,034	21,478
Williamson	38,853	35,044	47,356	44,853
Wood	21,308	17,653	22,017	22,938

Source: Population from Bureau of the Census; effective buying income from Sales Management magazine.

Résumé of Activities of the Committee on House Administration, 1st Session, 87th Congress

EXTENSION OF REMARKS
OF

HON. OMAR BURLESON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. BURLESON. Mr. Speaker, I should like to submit a summary of the major legislative accomplishments of the Committee on House Administration for the 1st session of the 87th Congress.

During this session 256 items of legislation were referred to the Committee on House Administration. Of these 99 were subsequently approved by the Committee and reported favorably to the House.

At the first meeting held in the current Congress the chairman appointed four standing subcommittees: Accounts, Elections, Printing, and Enrolled Bills—Library—Memorials. At the same time three special subcommittees were appointed to deal with, first, electrical and mechanical office equipment; second, parking; and third, audit of the contingent expenses of the House.

Under the chairmanship of Hon. SAMUEL N. FRIEDEL the Accounts Subcommittee conducted hearings on requests of 18 standing committees and 2 select committees for funds to finance authorized studies and investigations during the 87th Congress, as follows:

Committee	Authorizing resolution	Funds resolution	Funds approved	Amount requested	Amount approved	Period (years)	Foreign travel
Agriculture	H. Res. 86	H. Res. 94	Feb. 28, 1961	$50,000	$50,000	2	Yes.[1]
Armed Services	H. Res. 78	H. Res. 79	do	150,000	150,000	2	No.
Banking and Currency (Housing).	H. Res. 143	H. Res. 144	do	100,000	100,000	1	Yes.[2]
Banking and Currency	Rule XI(4)	H. Res. 200	Mar. 15, 1961	5,000	5,000	2	No.
District of Columbia	Rule XI(5)	H. Res. 189	do	10,000	10,000	2	No.
Education and Labor	H. Res. 141	H. Res. 149	Feb. 28, 1961	633,000	633,000	2	Yes.[3]
Foreign Affairs	H. Res. 60	H. Res. 61	do	150,000	150,000	2	Yes.
Do		H. Res. 348	June 29, 1961	5,000	5,000	2	No.
Government Operations	Rule XI(8)	H. Res. 70	Mar. 1, 1961	640,000	640,000	1	Yes.
House Administration	Rule XI(9)(k)	H. Res. 158	Feb. 28, 1961	20,000	20,000	2	No.
Do	do	H. Res. 357	June 29, 1961	10,000	10,000	2	No.
Interior and Insular Affairs	H. Res. 92	H. Res. 128	Feb. 28, 1961	60,000	60,000	2	Yes.[3]
Interstate and Foreign Commerce.	H. Res. 108	H. Res. 165	do	435,000	435,000	2	Yes.
Do	H. Res. 420	H. Res. 439	Sept. 7, 1961	150,000	150,000	2	Yes.
Judiciary	H. Res. 56	H. Res. 68	Feb. 28, 1961	200,000	200,000	1	No.
Do	Public Law 86-272.	H. Res. 204	Mar. 15, 1961	165,000	150,000	1	No.
Merchant Marine and Fisheries.	H. Res. 98	H. Res. 99	Feb. 28, 1961	75,000	75,000	2	Yes.
Post Office and Civil Service.	H. Res. 75	H. Res. 76	do	100,000	100,000	2	No.
Public Works	H. Res. 23	H. Res. 136	do	950,000	950,000	2	Yes.[4]
Do	do	H. Res. 433	Sept. 7, 1961	150,000	150,000	2	Yes.[4]
Science and Astronautics	H. Res. 55	H. Res. 85	Feb. 28, 1961	300,000	300,000	2	No.
Small Business	H. Res. 46	H. Res. 148	do	580,000	580,000	2	No.
Un-American Activities	Rule XI(18)	H. Res. 167	Mar. 1, 1961	331,000	331,000	1	Yes.
Veterans' Affairs	H. Res. 49	H. Res. 50	Feb. 28, 1961	50,000	50,000	2	Yes.[3]
Do	do	H. Res. 392	Aug. 10, 1961	100,000	100,000	2	No.
Ways and Means		H. Res. 201	June 13, 1961	25,000	25,000	2	No.
Select Committee To Investigate Export Control Act of 1949.	H. Res. 403	H. Res. 453	Sept. 19, 1961	60,000	40,000	2	Yes.
Total				5,354,000	5,319,000		

The House of Representatives has authorized travel outside the United States with the following limitations:
[1] By subcommittees of not to exceed 5 members.
[2] To any commonwealth (of the United States) or possession thereof.
[3] Territories and possessions of the United States, Puerto Rico, the Trust Territory of the Pacific Islands, and the Pacific flag areas of the United States.
[4] Canada; and 2 subcommittees not exceeding 6 members and not exceeding 2 staff members each, as authorized by the chairman of the committee to do so, are authorized to travel outside the United States in connection with highway conferences.

In this report no attempt will be made to list bills or resolutions considered by the committee other than those which affect the entire membership of the House or those which are of general public interest. As a matter of fact a large proportion of the legislation considered by the Committee on House Administration is primarily connected with the administrative functions of the House.

House Resolution 219, authorizing an increase in the basic clerk hire of Members of the House of Representatives by an additional $3,000 per annum, and authorizing one clerk in addition to those to which each Member is entitled by law, was approved by the committee and passed by the House on March 15, 1961.

The Subcommittee on Accounts approved, and the full committee authorized, a favorable report on House Joint Resolution 538, which would allow each Member to be reimbursed for transportation expenses incurred by him in traveling on official business between Washington and his congressional district, such reimbursements to be in addition to mileage to which a Member is otherwise provided by law. This legislation would also provide reimbursement of travel expenses between Washington and each Member's congressional district for two round trips for one staff member, or one round trip for each of two staff members in each fiscal year. The proposed legislation did not reach the stage of final consideration in the House before adjournment.

Many resolutions were referred to the committee which would authorize additional personnel for committees and offices of the House and would provide increases in compensation.

Hearings were held on many subjects on which action was postponed until the second session. One of more than routine interest was the proposal, on which hearings have been held in many recent Congresses, to provide a residence for pages of the House and Senate. Seven bills are pending on this subject.

The special Subcommittee on Electrical and Mechanical Office Equipment, under the chairmanship of Hon. PAUL C. JONES, of Missouri, inspected and approved several new models of various types of office equipment for Members, and authorized the Clerk of the House to add these to the "approved list" of such equipment. In this connection the committee further recommended the enactment of House Joint Resolution 392—Public Law 87-107. This provided additional electric typewriters for Members of the House, and in certain cases, depending upon the population of a Member's district, provided an additional $500 allowance for such equipment.

Probably the most important and time-consuming legislation confronting the Committee on House Administration during the 1st session of the 87th Congress was the question referred to it of the right of J. EDWARD ROUSH or George O. Chambers to a seat in the 87th Congress. The Subcommittee on Elections, under the chairmanship of Hon. ROBERT T. ASHMORE, conducted a thorough investigation of the matter, including a recount of all the ballots cast for the respective candidates for Representative in Congress in the Fifth District of Indiana at the general election of November 8, 1960. After several months of intensive study and investigation, the committee reported to the House of Representatives on June 13, 1961—House Report 513—the result of its findings, namely, that J. EDWARD ROUSH was duly elected a Member of the House of Representatives from the Fifth Congressional District of the State of Indiana in the 87th Congress, and was entitled to a seat therein.

Further, the committee recommended—House Resolution 340—that payment be authorized both to Mr. ROUSH and Mr. Chambers covering compensation provided by law for Members of the House of Representatives for the period beginning January 3, 1961, and ending on the date of the adoption of the resolution—House Resolution 339—declaring that Mr. ROUSH was duly elected.

The Subcommittee on Printing, of which Hon. WAYNE L. HAYS is chairman, reported favorably to the House 68 resolutions authorizing the printing of various documents, manuscripts, and hearings, of which 14 were legislative proposals originating in the Senate. The majority of requests for such printing resulted from demands upon the Committee on Un-American Activities in the House, and the Internal Security Subcommittee of the Senate Judiciary Committee for copies of documents relating to communism and subversive tactics threatening the security of the United States.

The committee authorized a revision and reprinting of the document entitled "The Capitol: A Fictorial Story of the Capitol in General and the House of Representatives in Particular," which it is hoped to have available for Members early in the 2d session of the 87th Congress.

A manuscript written by Dr. George B. Galloway, senior specialist in American Government, Legislative Reference Service, Library of Congress, was authorized to be printed as a House document, under the title "History of the House of Representatives."

Following is a list of the resolutions authorizing printing in the 1st session of the 87th Congress:

H. Con. Res. 12. Concurrent resolution authorizing the printing of additional copies of House Document 412, 85th Congress—"The Capitol."

H. Con. Res. 51. Concurrent resolution to print as a House document the publication "Facts on Communism—Volume II, the Soviet Union, From Lenin to Khrushchev" and to provide for the printing of additional copies.

H. Res. 91. Resolution authorizing the printing as a House document certain material relating to the Fryingpan-Arkansas project.

H. Con. Res. 81. Concurrent resolution to provide for the printing of a House document.

H. Res. 104. Resolution authorizing the printing of additional copies of House Report No. 2237, 86th Congress, 2d session.

H. Con. Res. 142. Concurrent resolution authorizing the printing of additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics."

H. Res. 201. Providing for additional copies of House Document No. 118, 86th Congress, 1st session, entitled "The House Committee on Un-American Activities, What It Is—What It Does."

H. Res. 250. Providing for the printing as a House document the report of the Judicial Conference of the United States, held March 13, 14, 1961, at Washington, D.C.

H. Res. 251. To provide for the printing of the Constitution of the United States, with an index and ancillaries, as a House document.

H. Res. 259. Authorizing the printing as a House document of a compilation of General Accounting Office findings and recommendations for improving Government operations; and providing for additional copies.

H. Con. Res. 307. Providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session.

H. Con. Res. 308. Providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups."

H. Con. Res. 309. Providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership."

H. Con. Res. 310. Providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress of Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress."

H. Con. Res. 311. Providing for additional copies of House Document No. 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, The Communist Ideology."

H. Res. 292. Providing for additional copies of a consultation entitled "Language as a Communist Weapon."

H. Res. 293. Providing for additional copies of testimony of Peter S. Deriabin, former officer of the Union of Soviet Socialist Republics committee of state security (KGB) entitled "The Kremlin's Espionage and Terror Organizations."

H. Res. 294. Providing for additional copies of staff consultations entitled "The Ideological Fallacies of Communism."

H. Res. 295. Resolution providing for additional copies of hearings entitled "Communism in the New York Area—Entertainment," 85th Congress, 2d session.

H. Res. 296. Resolution providing for additional copies of a consultation with Edward Hunter, author and foreign correspondent, entitled "Communist Psychological Warfare—Brainwashing," 85th Congress, 2d session.

H. Res. 297. Providing for additional copies of House Document 119, 86th Congress, 1st session, entitled "Patterns of Communist Espionage."

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies.

H. Con. Res. 327. Authorizing the printing of additional copies of House Document 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations."

H. Res. 349. Authorizing the printing of "United States Defense Policies in 1960" as a House document.

H. Con. Res. 342. Authorizing the printing as a House document of the tributes extended to be the Honorable SAM RAYBURN, and providing for additional copies.

H. Con. Res. 364. To print as a House document the publication "World Communist Movement—Selective Chronology 1818–1957, Volume 1," and to provide for the printing of additional copies.

H. Res. 397. Providing for additional copies of House Report No. 2228, 86th Congress, 2d session, entitled "The Communist-Led Riots Against the House Committee on Un-American Activities in San Francisco, Calif., May 12–14, 1960."

H. Res. 398. Providing for additional copies of House Report No. 2237, 86th Congress, 2d session, entitled "Annual Report for the Year 1960," prepared by the Committee on Un-American Activities."

H. Res. 408. Authorizing the printing of additional copies of the report, House Report No. 851, on H.R. 8400.

H.J. Res. 558. Providing for printing copies of "Cannon's Procedure in the House of Representatives."

H. Con. Res. 384. Authorizing the printing of additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics."

H. Con. Res. 385. Authorizing the printing of a manuscript entitled "History of the House of Representatives."

H. Res. 473. Authorizing the printing of additional copies of House Report No. 1249 entitled "New Civil Defense Program."

S. Con. Res. 7. To print as a Senate document a compilation of studies of U.S. foreign policy.

S. 451. To authorize the distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress requesting such copies.

S. Con. Res. 15. To print as a Senate document, with additional copies, "A Report on United States Foreign Operations," submitted by Senator ALLEN J. ELLENDER.

S. Con. Res. 17. Authorizing the printing of the pamphlet entitled "Our Capitol" as a Senate document and providing for additional copies.

S. 1748. To provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal judiciary.

S. Con. Res. 23. To print additional copies of part I of hearing on migratory labor.

S. Con. Res. 24. Relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary.

S. Con. Res. 27. Authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium.

S. Con. Res. 39. To print 3,000 copies of a compilation of the hearings, reports, and committee prints of the Subcommittee on National Policy Machinery.

S. Con. Res. 40. Authorizing the printing as a Senate document of the 40th biennial meeting of the Convention of American Instructors of the Deaf; and providing for additional copies.

S. Con. Res. 44. To print certain hearings before the Internal Security Subcommittee of the Judiciary Committee in Spanish, French, and Italian languages.

S. Con. Res. 47. To print additional copies of report entitled "Freedom of Communications."

As a result of intensive hearings conducted in previous Congresses, the committee recommended approval of H.R. 8141, a bill providing for the revision of the laws relating to depository libraries. The bill was passed by the House on August 22, 1961.

The chairman of the Subcommittee on Enrolled Bills—Library—Memorials is Hon. PAUL C. JONES, of Missouri. One of the more important items of legislation approved by the committee in this session was the approval of the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson. Seventeen Members of the House had introduced legislation on this subject, but in the closing days of the session the committee approved Senate Joint Resolution 51, which was passed by the Senate on September 7, 1961. After approval by the House the resolution was signed by the President and became Public Law 87–364.

Another bill of importance which was approved by the committee was H.R. 4659, which authorized the establishment of a National Armed Forces Museum Advisory Board of the Smithsonian Institution, and also authorized the expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States. This bill eventually became Public Law 87–186.

Many other items of proposed legislation are under consideration by the Subcommittee on Enrolled Bills—Library—Memorials, but action on many of them has been postponed until the second session of this Congress.

Under the rules of the House the Committee on House Administration is responsible for "examining all bills, amendments, and joint resolutions after passage by the House; and in cooperation with the Senate, of examining all bills and joint resolutions which shall have passed both Houses, to see that they are correctly enrolled; and when signed by the Speaker of the House and the President of the Senate, shall forthwith present the same, when they shall have originated in the House, to the President of the United States in person, and report the fact and date of such presentation to the House."

During the 1st session of the 87th Congress the Committee on House Administration reported to the House the enrollment of 422 House bills and 27 joint resolutions, which, in accordance with the Rules of the House of Representatives, were delivered to the President for signature.

A Call for Austerity in the Federal Government

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD a statement I have prepared entitled "A Call for Austerity in the Federal Government." This statement directs itself to a trend in the fiscal affairs of our Government which concerns me greatly and, indeed, should be of concern to all Americans.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A CALL FOR AUSTERITY IN THE FEDERAL GOVERNMENT

For 25 years I have been working and urging the executive branch of our Government to exercise economy and restraint in the vast spending programs which have been presented to the Congress. I believe the time has now come when the administration must sponsor a program of austerity in spending the tax dollar. If we are unable to economize, I predict we will do irreparable damage to the value of our money and to our economic well-being. I can foresee an economic depression that will not only curl your hair, it will singe your hide like an atomic blast.

I realize that my views run counter to the theories so popular with certain latter day economists and others who have abandoned the idea that the function of Government is to do only those things which the States or the people are unable to do for themselves. Their idea—briefly stated—is that a program, any program, should be financed by the Federal Government if it seems to be a good program. The extension of this theory was described by that great Senator from Ohio, Robert A. Taft, as "creeping socialism." If he were to comment on the spending antics of 1961, he would no doubt call it "galloping socialism."

The dollar perhaps is not a particularly accurate yardstick for measuring the cost of Federal Government. Even so, I think a table showing the funds appropriated by each session of each Congress since I came to the Senate in 1937 is of interest. I ask unanimous consent to have this table inserted in the body of my remarks at this point:

Appropriations made by the U.S. Congress from 1789 to 1961, by Congress and session

Congress	Years	Number of sessions, unless shown [1]	Amount of appropriation	Cumulative totals
1st	1789-91	3	$8,991,600.15	$8,991,600.15
2d	1792-93	2	18,523,469.97	27,515,070.12
3d	1794-95	2	23,288,547.94	50,803,618.06
4th	1796-97	2	7,813,952.45	58,617,570.51
5th	1798-99	3	33,244,745.68	91,862,316.19
6th	1800-1801	2	25,426,779.67	117,289,095.86
7th	1802-3	2	25,745,012.11	143,034,107.97
8th	1804-5	2	26,134,921.62	169,169,029.59
9th	1806-7	2	31,401,908.53	200,570,938.12
10th	1808-9	2	16,072,086.80	216,643,024.92
11th	1810-11	3	44,547,705.53	261,190,730.45
12th	1812-13	2	28,492,349.71	289,683,080.16
13th	1814-15	3	114,950,002.87	404,633,083.03
14th	1816-17	2	86,518,342.43	491,151,425.46
15th	1818-19	2	60,402,480.92	551,553,906.38
16th	1820-21	2	43,933,019.87	595,486,926.25
17th	1822-23	2	40,698,131.62	636,185,057.87
18th	1824-25	2	48,723,180.67	684,908,238.54
19th	1826-27	2	46,472,063.95	731,380,302.49
20th	1828-29	2	48,467,710.77	779,848,013.26
21st	1830-31	2	25,523,357.64	805,371,370.90
22d	1832-33	2	33,158,534.72	838,529,905.62
23d	1834-35	2	31,937,708.51	870,467,614.13
24th	1836-37	2	67,057,928.40	937,525,542.53
25th	1838-39	3	75,275,307.65	1,012,800,850.18
26th	1840-41	2	46,889,439.52	1,059,690,289.70
27th	1842-43	3	58,815,068.31	1,118,505,358.01
28th	1844-45	2	46,148,783.40	1,164,654,141.41
29th	1846-47	2	109,458,767.11	1,274,112,908.52
30th	1848-49	2	84,849,872.59	1,358,962,781.11
31st	1850-51	2	78,703,382.25	1,437,666,163.36
32d	1852-53	2	93,589,493.26	1,531,255,656.62
33d	1854-55	2	136,682,218.62	1,667,937,875.24
34th	1856-57	3	139,384,097.35	1,807,321,972.59
35th	1858-59	2	123,267,455.03	1,930,589,427.62
36th	1860-61	2	158,529,756.83	2,089,119,184.45
37th	1862-63	3	2,133,183,800.75	4,222,302,985.0
38th	1864-65	2	1,658,190,940.49	5,880,493,925.69
39th	1866-67	2	301,451,202.89	6,181,945,128.58
40th	1868-69	3	314,197,415.71	6,496,142,544.29
41st	1870-71	3	347,464,849.23	6,843,607,393.52
42d	1872-73	3	372,669,413.68	7,216,276,807.20
43d	1874-75	2	302,732,699.01	7,519,009,506.21
44th	1876-77	2	212,478,994.05	7,731,488,500.26
45th	1878-79	3	345,426,730.20	8,076,915,230.46
46th	1880-81	3	380,602,488.43	8,457,517,718.89
47th	1882-83	2	439,339,683.74	8,896,857,402.63
48th	1884-85	2	308,059,511.37	9,204,916,914.00
49th	1886-87	2	402,605,244.04	9,607,612,158.04
50th	1888-89	2	463,135,612.69	10,070,747,770.73
51st	1890-91	2	$611,505,568.32	$10,682,253,339.05
52d	1892-93	2	623,722,043.37	11,305,975,382.42
53d	1894-95	3	594,845,924.59	11,900,821,307.01
54th	1896-97	2	613,965,943.52	12,514,787,250.53
55th	1898-99	3	1,135,560,043.90	13,650,347,294.43
56th	1900-1901	2	936,517,800.53	14,586,865,094.96
57th	1902-3	2	915,286,077.25	15,502,151,172.21
58th	1904-5	3	956,401,394.33	16,458,552,566.54
59th	1906-7	2	1,105,173,690.33	17,563,726,256.87
60th	1908-9	2	1,275,707,923.09	18,839,434,179.96
61st	1910-11	3	1,298,275,356.24	20,137,709,536.20
62d	1912-13	3	1,429,665,118.72	21,567,374,654.92
63d	1914-15	3	1,605,939,097.86	23,173,313,752.78
64th	1916-17	2	19,848,162,534.66	43,021,476,287.44
65th	1918-19	3	32,721,505,312.88	75,742,981,600.32
66th	1920-21	3	7,465,218,995.40	83,208,200,595.72
67th	1922-23	4	7,171,247,259.15	90,379,447,854.87
68th	1924-25	2	6,619,879,000.00	96,999,326,854.87
69th	1926-27	2	7,022,691,000.00	104,022,017,854.87
70th	1928-29	2	7,679,715,000.00	111,701,732,854.87
71st	1930-31	3	8,565,355,000.00	120,267,087,854.87
72d	1932-33	2	11,956,392,000.00	132,223,479,854.87
73d	1934-35	2	15,702,722,442.00	147,926,202,296.87
74th	1936-37	2	8,935,846,274.00	156,862,048,570.87
75th	1938 [2]	1st sess.	[3] 9,183,701,740.92	166,045,750,311.79
75th	1939 [2]	2d and 3d sess.	[4] 10,333,996,189.84	176,379,746,501.63
76th	1940 [2]	1st sess.	[5] 11,447,634,076.84	187,827,380,578.47
76th	1941 [2]	2d and 3d sess.	[6] 16,878,865,241.77	204,706,245,820.24
77th	1942 [2]	1st sess.	[7] 57,792,715,367.26	262,498,961,187.50
77th	1943 [2]	2d sess.	[8] 147,071,208,961.89	409,570,170,149.39
78th	1944 [2]	1st sess.	[9] 114,564,008,594.62	524,134,178,744.01
78th	1945 [2]	2d sess.	[10] 67,614,266,774.74	591,748,445,518.75
79th	1946 [2]	1st sess.	[11] 69,780,137,109.60	661,528,582,628.35
79th	1947 [2]	2d sess.	[12] 35,734,209,164.94	697,262,791,793.29
80th	1948 [2]	1st sess.	[13] 35,982,887,708.01	733,245,679,501.30
80th	1949 [2]	2d sess.	[14] 41,675,480,957.05	774,921,160,458.35
81st	1950 [2]	1st sess.	[15] 46,497,456,897.86	821,418,617,356.21
81st	1951 [2]	2d sess.	[16] 81,045,040,441.00	902,463,657,797.21
82d	1952 [2]	1st sess.	[17] 101,117,786,897.00	1,003,581,444,694.21
82d	1953 [2]	2d sess.	[18] 85,999,646,411.00	1,089,581,091,105.21
83d	1954 [2]	1st sess.	[19] 65,156,254,797.00	1,154,737,345,902.21
83d	1955 [2]	2d sess.	[20] 58,160,445,563.00	1,212,897,791,465.21
84th	1956 [2]	1st sess.	[21] 63,947,281,321.00	1,276,845,072,786.21
84th	1957 [2]	2d sess.	[22] 73,041,364,417.00	1,349,886,437,203.21
85th	1958 [2]	1st sess.	[23] 73,064,958,328.00	1,422,951,395,531.21
85th	1959 [2]	2d sess.	[24] 81,119,818,276.00	1,504,071,213,807.21
86th	1960 [2]	1st sess.	[25] 81,572,357,732.00	1,585,643,571,539.21
86th	1961 [2]	2d sess.	[26] 83,799,241,957.00	1,669,442,813,496.21

[1] Number of sessions per Congress, until 1938, were varied and are not shown separately until that date.
[2] Fiscal year.
[3] Excludes $172,473,242 payable from trust-fund receipts.
[4] Excludes $1,022,819,464 payable from trust-fund receipts.
[5] Excludes $1,904,152,417 payable from trust-fund receipts.
[6] Excludes $2,193,125,902.29 payable from trust-fund receipts.
[7] Excludes $3,062,440,984.94 payable from trust-fund receipts.
[8] Excludes $3,861,678,074.46 payable from trust-fund receipts.
[9] Excludes $4,642,328,743.56 payable from trust-fund receipts.
[10] Excludes $6,749,006,537.59 payable from trust-fund receipts.
[11] Excludes $6,662,202,694.43 payable from trust-fund receipts.
[12] Excludes $4,653,376,294.93 payable from trust-fund receipts.
[13] Excludes $5,487,396,936 payable from trust-fund receipts; includes $914,286,500 contained in 3d Supplemental Appropriation Act, 1948, approved Dec. 23, 1947.

NOTE.—Prior to the fiscal year 1938, 75th Cong., 1st sess. trust fund appropriations (payable from trust fund receipts) were not an important portion of the total appropriations. Commencing with that fiscal year they have greatly increased due to the sums in the unemployment trust fund, the railroad retirement account, and the Federal old-age and survivors insurance trust fund and other trust funds. Commencing with the fiscal year 1938 trust fund appropriations are not included in the total appropriations but are shown in the footnotes for eacn fiscal year.

[14] Excludes $5,480,063,813 payable from trust-fund receipts.
[15] Excludes $6,517,603,514 payable from trust-fund receipts.
[16] Excludes $6,632,999,495 payable from trust-fund receipts, and includes $19,841,684,745 contained in public laws approved subsequent to November 27, 1950.
[17] Excludes $8,127,323,548 payable from trust-fund receipts.
[18] Excludes $8,532,644,348 payable from trust-fund receipts.
[19] Excludes $8,999,782,171 payable from trust-fund receipts.
[20] Excludes $9,891,179,453 payable from trust-fund receipts.
[21] Excludes $10,871,988,245 payable from trust-fund receipts.
[22] Excludes $11,679,248,757 payable from trust-fund receipts.
[23] Excludes $15,610,607,572 payable from trust-fund receipts.
[24] Excludes $16,382,991,651 payable from trust-fund receipts; $4,708,950,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.
[25] Excludes $19,495,828,782 from trust-fund receipts; $5,402,200,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.
[26] Excludes $22,329,891,975 payable from trust-fund receipts; $6,053,675,000 for refunding internal revenue collections; and $633,349,085 for cumulative sinking fund.

If you study this table, you will realize that this session of the Congress has approved the fourth highest spending budget in the history of the Republic. The $86 billion—excluding authority to spend money directly from the Treasury without benefit of congressional blessing—is exceeded only by the amount this Nation spent during 1943 and 1944—at the height of World War II and the amount spent during the Korean war in 1952.

The Kennedy administration will spend more during the 1952 fiscal year than all the administrations of all the Presidents spent during the first 133 years in which the United States of America existed, from 1789 to 1922.

This administration will spend four times more than the record spending year during World War I when the budget was $18.5 billion.

The 1962 spending of $86 billion compares with $4 billion spent in 1933, and $10.3 billion in 1937 when I came to the U.S. Senate.

I observe that the Congresses of which I have been a Member for the last 25 years have voted slightly over $1,600 billion in that period.

The United States is doing precisely what the Communists hope we will do—spend ourselves bankrupt.

Are we going to persist in this easy path so that the Communist hopes will come true—that the Communists will take over an economic ruin without firing a shot?

Or shall we harken to the advice of Thomas Jefferson of Virginia? I realize that Jefferson is not as popular with the Frontiersmen as he was with old-fashioned Democrats. Here is what he said: "I place economy among the first and most important virtues—and public debt as the greatest of dangers. To preserve our independence—we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty or profusion and servitude."

What did Andrew Jackson, of Tennessee, have to say on this question? I quote him: "From our past experience, it cannot be doubted that simplicity in the character of the Federal Government and a rigid economy in its administration should be regarded as fundamental and sacred."

This is the advice this Nation had from the two men who are regarded as the patron saints of the Democratic Party. If Republicans advocate following this advice, why do Democrats ignore it?

Let me quote another man—a Democrat with a most distinguished record in the modern era. James F. Byrnes was a Congressman, a U.S. Senator, a Justice of the Supreme Court, the assistant to the President during the greatest war in our history, Secretary of State in our postwar Government and Governor of the great State of South Carolina. On February 18, 1952, he said, "We are going down the road to statism. Where we will wind up no one can tell, but if some of the new programs, seriously proposed, should be adopted, there is a danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the Ship of State."

Why does the administration ignore the wisdom of great Democrats and accept the advice of the power-grabbers?

Doesn't our new President remember what he said a year ago? On October 3, 1960—in a campaign speech—he said, "It is extremely important that the United States maintains, to the extent that it is possible, a balanced budget."

Has he now concluded a balanced budget is not possible? Or does he plan to attempt to balance the budget, as he hinted in his Berlin speech, by raising taxes?

The American people now pay about 31 percent of their incomes in taxes. Does he plan to pile on more taxes? That would be austerity for the people, but what about some austerity in Government? On my motion, the following language was inserted in the Senate report which accompanied the defense appropriation bill to the floor:

"ECONOMY AND AUSTERITY

"The committee desires to make a point of the fact that, where an approved capability can be attained at less cost than estimated, funds appropriated by the Congress need not be spent in their entirety and can be returned to the Treasury. The committee and the American people would be encouraged if there were more evidence of cost consciousness on the part of both civilians and uniformed personnel in the Defense Establishment and a more objective determined effort made at all levels of the Defense Establishment to effect savings in the use and expenditure of monetary, human, and materiel resources. Further, the committee recommends that high-ranking officials and officers of flag rank give particular attention to the practice of austerity in connection with their privileges in order to set an example and to popularize the idea of getting the most fight out of each tax dollar."

What do I mean by austerity? I checked the dictionary, and Funk and Wagnalls says the word means "severely simple, unadorned." Perhaps we understand the word better when we look at the antonyms—the words which have an opposite meaning: "affable, appeasing, bland, easy, genial, gentle, indulgent, mild, pliable, soft, sweet, tender, tractable, yielding."

We need some austerity—some self-discipline—on the part of the servants of the people—not alone on the part of the people.

The very able and distinguished senior Senator from Virginia, a great man in the tradition of a great State, has made a study of the self-indulgent programs proposed by this administration since it came to power last January. He has concluded that the tax increase required to support these programs would be in the neighborhood of 20 percent. I believe his conclusion is conservative.

If Senator BYRD's estimate is correct, it would mean adding one-fifth more to each person's tax bill. This would raise the average tax to 37 percent of your average income.

Mr. President, even the most ardent social planners concede that taxes which take over one-third of an individual's income will kill the incentives which make our free enterprise system work. There has been a good deal of evidence in recent years that these incentives are blighted and dying.

Mr. President, even these ardent high taxers concede that excessive tax rates destroy capital and restrain incentives needed for economic progress and job creation. Before we were confronted with new increases in the monetary budget, even the present administration was committed to a tax program next year which would reduce the high tax rates. At that time, administration spokesmen were placing great emphasis on the need to improve the long-term growth rate of the economy. Secretary of the Treasury Dillon alluded such need in his statement of May 3 before the House Committee on Ways and Means:

"As we look back over the past century we see that our record of economic growth has been unmatched anywhere in the world. But of late we have fallen behind. * * * Clearly, we must improve our performance. Otherwise, we cannot maintain our national security, we cannot maintain our position of leadership in the eyes of the world and we cannot achieve our national aspirations. The pressing task before us, then, is to restore the vigor of our economy and to return to our traditionally high rate of economic expansion and growth."

Since the new monetary buildup was launched, however, the administration has taken a new tack. Now it has fallen back on the discredited theory that more Government spending will in and of itself provide the greater economic growth which the Nation needs. The point which the administration planners do not make, however, is that they are substituting a shot in the arm, with all its inflationary potential, for fundamental policies which will enable the economy to modernize and expand more rapidly and without inflation over the years ahead.

As we peer into the future, it is not too difficult to see where this new approach will take us. Through a new surge of deficit financing, the administration expects to touch off a boom which will carry through the 1962 election. If inflation results, they will blame everyone but themselves for this fact—while retaining full credit for what they contend is prosperity.

In the August issue of the Morgan Guarantee Survey, Dr. Arthur F. Burns, formerly economic adviser to President Eisenhower, says:

"The economy at large has been experiencing a revival since February. The recovery is widespread and is proceeding at a rather brisk rate. Total production already exceeds the prerecession peak, and total employment is not far behind. It appears, therefore, that the bulk of the new spending commitments by the Federal Government will come to fruition, not in a time of recession for which many of them were intended, but when recovery is well advanced and the economy is expanding of its own momentum—perhaps when it is already booming."

Mr. President, here we go again. We know that hot deficit money will stir up a semblance of prosperity. We equally know that this condition will be temporary unless extended by the pouring in of more hot money. Looking beyond 1962, and to 1964, the question is: Will we be in for another whirl of deficit financing in the intervening period?

I personally do not take too seriously the statements of the administration that it will ask for tax increases, if necessary, next year to balance the budget. Its testimony in the Ways and Means Committee hearings provides ample evidence of its recognition that the present tax structure retards expansion of the private sector of the economy including the provision of new jobs in new and old industries. It seems obvious to me that if it is not going to provide leadership to relax the tax brakes on the private economy then it will take new and repeated action to further expand spending in the public sector, including new and liberal doses of deficit financing as required to extend the boom and postpone the day of the bust.

Is this a calculated program to destroy free enterprise? Are the planners deliberately setting about to change our economic system?

Whether the effect is planned or mere accident, the results are the same and the problem is the same.

Unless we are completely irresponsible we must quickly and consciously make a decision as to how we will handle the cost of our Government. There are three possible choices:

1. We can keep on the way we are going. We can forget about the future and live in a dream world present. We can follow the advice of the Democratic national chairman who blandly asserts we can have both guns and butter. This is the easy way. This is the way Rome fell. They appeased the barbarians and held circuses for their own people. And the Dark Ages followed. I will not accept this choice.

2. The Government can require ever increasing austerity from the people by demanding higher taxes and giving them in

return more and more Federal "services"—which is another way of saying more control and less individual freedom. I will not accept this choice.

3. The Government can practice austerity. This means no new programs unless they contribute to our ability to defend ourselves. This means a cutback in domestic programs. This means a reduction in the Federal payroll. This means some hard thinking to devise policies to serve America rather than programs which destroy our country. This means a renewed public interest in pulling down the tax barriers to our economic progress—a program which should have priority over all nonessential spending. This means an end to appeasing and coddling special groups in the United States and the beginning of appeals directed to our people because they are first and foremost Americans.

This is the path we should take; it is the path we must take if the United States is to survive. To my mind we don't have three choices—we have only one, a genuine, far-reaching and protracted period of austerity on the part of the Federal Government. This path will require courage in high places in this Government—the courage to say "No." Our new President likes to talk about courage. I would like to see him exhibit courage and take the action which the times require of him.

If he fails this responsibility in the next few months, the people have only one recourse. In November of 1692 the people must elect to the Congress, regardless of political party, men who are zealously dedicated to a program of Federal austerity. If the executive branch fails in its clear duty—those of us in the legislative branch who have the courage to vote against the concept of both guns and butter must be reinforced. Give Congress the votes and it can do the job.

Alaska Has Shared in New Frontier Progress

EXTENSION OF REMARKS
OF
HON. ERNEST GRUENING
OF ALASKA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. GRUENING. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GRUENING

At the beginning of this session of Congress, I listed certain objectives of major importance for the development of the State of Alaska on which I intended to concentrate attention during the 1st session of the 87th Congress. These are: (1) The development of low-cost sources of power for the 49th State; (2) the rehabilitation of Alaska's fisheries; and (3) the development of low-cost transportation and the improvement of existing transportation systems for the State.

At the close of this historic session of Congress, which was the first session during which President Kennedy was in the White House, I am happy to see that we have made significant progress in each of these areas. It is a source of great satisfaction to me that the Democratic administration in the White House has cooperated in working with me for a better Alaska.

In addition to the three major areas in which I concentrated efforts during this session, I am also pleased by significant progress in other areas of Federal administration which will be of great benefit to the 49th State.

The record of the 1st session of the 87th Congress has been one, generally and from the broad national point of view, of extraordinary activity. More affirmative legislation of benefit to the Nation has been produced than in any other session, certainly, since the end of World War II.

Responsible for this record of achievement, in my view, were (1) the fact that the Government was under the leadership of the same party in both the executive and legislative branches; (2) the time was upon us for action to meet piled-up problems; and (3) the leadership of President Kennedy proved to be vigorous and informed.

President Kennedy's watchword has been action—action on behalf of the American economy and action on behalf of American security. His dynamic leadership has strengthened America's position, both domestically and internationally. Where the Eisenhower administration maintained the status quo, the Kennedy administration took the initiative. Where President Eisenhower used the veto, President Kennedy has offered constructive proposals to move America forward.

As his first official act, President Kennedy ordered the distribution of surplus food to those hardest hit by the recession. He urged Congress to enact—and Congress enacted—area redevelopment legislation which President Eisenhower had vetoed. He urged Congress to enact—and Congress enacted—the most comprehensive housing program in more than a decade. He urged Congress to enact—and Congress enacted—a wage and hour statute increasing the minimum wage and broadening coverage under this law for the first time in many years.

This Democratic Congress passed and a Democratic President signed legislation making 600,000 additional persons eligible for increased social security benefits and earlier retirement. This Democratic Congress, cooperating with a Democratic President, produced 33 major items of legislation for the American people.

The result of all this is a stronger America. Economically, we are looking forward to a year of record prosperity. Every major economic indicator points up. Four million more Americans were working in July than in January with experts predicting substantial declines in unemployment in the near future. We are moving rapidly toward full employment, a condition our economy has not enjoyed since early 1957.

In international financing, President Kennedy reversed the drain on our gold reserves, stabilizing the value of the dollar and reassuring the world of the soundness of the American economy.

President Kennedy let our potential enemies and the world know that henceforward we would operate from a position of strength, not weakness, and he backed his words with action. He, with the cooperation of Congress, doubled our Polaris submarine program insuring a full operational fleet 3 years sooner than originally scheduled. He increased long-range missile programs, expanded naval and ground forces, and stepped up troop carrier plane procurement, increasing the mobility of our forces. President Kennedy, with the cooperation of this Congress, has moved to give us alternatives other than capitulation or nuclear holocaust.

Where legislation was needed, the President requested it and the Congress responded with major legislative enactments in almost every legislative field.

I am happy to be able to report that Alaska shared in full measure in this welcome activity, which has moved the Nation forward. The following are specific accomplishments of the 1st session of the 87th Congress on which I wish to report.

HYDROPOWER

Rampart Dam

The importance of constructing Rampart Dam on the Yukon River is essential to planning for economic development in Alaska. The Alaska congressional delegation has consistently worked to bring this project and its importance to national attention and also to obtain action which will make it a reality.

This year the Kennedy administration recommended an increase of $200,000 over the $100,000 recommended by the outgoing Eisenhower administration in the budget estimate for continuing engineering and economic studies of Rampart. The fact that this magnificent dam has caught the imagination and attention of Congress as well as the administration, was demonstrated by the fact that the appropriation which was voted for this undertaking was even larger than the budget estimate. The Senate voted an appropriation of $400,000 for Rampart, an amount that was cut to $350,000 for the 1962 fiscal year in a conference between the House and the Senate Appropriations Committees.

Other progress on Rampart included the appointment of an eight-member economic advisory board to the Corps of Engineers on Rampart, of which five members are residents of Alaska. I was privileged to attend the first meeting of this important group which was held in Anchorage during the weekend of May 27 to 30, and which included a field trip to the site of the project.

Another promising development for Rampart was the selection of a widely known economic consultant organization—Development & Resources Corp.—to make the economic study which is so important to the authorization of Rampart. This is the firm which is headed by the former Chairman of the Atomic Energy Commission, David E. Lilienthal.

I look forward to further progress on Rampart during the coming sessions of Congress.

Snettisham project

Early in the session, I introduced a bill, S. 594, which would authorize construction of the Crater-Long Lakes division of the Snettisham project near Juneau. This prospective source of low-cost power is an important part of plans for economic development of southeastern Alaska. Plans for this hydropower facility have, in the past, been based on construction of the entire project at one time. As it is now unlikely that an industrial consumer of large quantities of this power can be obtained in the near future, consideration is being given by the Bureau of Reclamation to a three-stage development of Snettisham. This possibility, which is being explored, would provide a source of low-cost power for growing community requirements of the Juneau-Douglas area meeting actual estimated power shortages even without a potential industrial consumer.

FISHERIES REHABILITATION

Early in the past session of Congress I introduced, with 23 other Senators, a bill, S. 1230, which would authorize distribution to State fish and wildlife agencies of funds collected from tariffs on imported fishery products. The significance of this legislation is that funds for fisheries rehabilitation would be allocated directly to States having important fishery resources rather than being diverted to the Fish and Wildlife Service of the Department of the Interior. I am hopeful this legislation will receive early and favorable action by the Congress in the next session.

TRANSPORTATION

There were a number of highly significant developments in the field of air and surface transportation for Alaska during the 1st session of the 87th Congress which give promise of improving and lowering the cost of transportation to Alaska.

Airport aid

Of major importance was the enactment of an extension of Federal airport aid legislation which, for the first time, places Alaska on the same basis as the other States in the allocation of these funds. I pointed out on the floor of the Senate that the State of Alaska has a greater need for adequate appropriations for airports than any other State in the Union in view of the necessity for reliance upon air transportation for the greatest portion of Alaska travel. As passed by Congress, the new airport aid bill authorizes an allocation to Alaska each fiscal year of nearly $4 million, as contrasted with the $1,350,000 annually to which Alaska was previously entitled.

Another significant aspect of the Federal airport aid legislation was the inclusion of a provision authorizing Federal agencies having inspection and clearance duties at international airports such as immigration, customs, plant quarantine, etc., to acquire space at airports necessary for the performance of these duties. Before enactment of this legislation such facilities had to be provided by the airports or carriers serving them.

Highways

With the hope of developing an improved system of highways for Alaska, I introduced legislation, Senate Joint Resolution 137, which would authorize an initial expenditure by the Department of Commerce of $800,000 for the purpose of studying the importance to the Nation of developing highway communications to and within Alaska. This legislation, which at my urging was recommended for introduction by the Kennedy administration, is the first step in making possible the construction of highways in Alaska equivalent to those in all the other States. I look forward to early and favorable action on this bill in the next session of Congress.

Maritime agency reorganization

As I have pointed out to the Senate repeatedly, a major requirement for the development of the State of Alaska is the reduction of the exorbitantly high water freight rates which now retard growth in the 49th State. I have taken advantage of every suitable occasion during my service in the Senate to call attention to the existence of this serious transportation problem and to recommend congressional and executive action for its solution.

Early in this session, I testified before the Merchant Marine and Fisheries Subcommittee of the Senate Commerce Committee that there is a desperate need to reduce transportation costs affecting Alaska. This was in the course of hearings conducted by Senator BARTLETT on the general question of problems in offshore shipping. At that time I recommended a number of possible courses of action which could be taken to reduce water freight rates and improve this form of transportation to Alaska.

One of my recommendations was the reorganization of the Federal Maritime Board. I pointed out that this might be one means of establishing a regulatory agency for water transportation which would recognize the public interest—a recognition which has not been noticeable with previous regulatory agencies. I was, therefore, gratified when the President sent to Congress a plan for reorganization of this agency into the Federal Maritime Commission.

The plan of the President, which I strongly supported, and which was adopted, provided for reconstitution of the Federal Maritime Board with five rather than three members, and further provided for separation of regulatory functions of the agency from promotional responsibilities—a correction of an anomalous situation which, I believe, was often the cause of decisions by the agency which were not in the public interest.

Although the President did not accept my recommendation that an Alaskan be appointed to the reconstituted Commission, I am hopeful that when the next vacancy arises it will be possible to appoint a qualified Alaskan.

The operation of this important agency remains one of the most important factors in the establishment of equitable water freight rates to Alaska.

Dual-rate amendment

Another important achievement in the struggle to obtain a fair break for Alaska on water freight rates was the enactment of an amendment to the bill, H.R. 6775, which modifies the laws governing conference agreements of water carriers in foreign commerce. The amendment, which I introduced with Senator BARTLETT as cosponsor, and which was enacted will give special procedural advantages to Governors of States against which conference-imposed rates discriminate against consumers. My amendment provides that in cases where a Governor—for example, the Governor of Alaska—finds that a rate for water shipments imposed by a conference is discriminatory, the Maritime Commission will be required to make a prompt ruling on the Governor's protest. The amendment would require action by the Maritime Commission within 180 days in such cases.

The reason I felt this amendment was important arose from the discovery in the course of discussion of the dual-rate legislation that the Trans-Pacific Conference, which includes Japanese carriers serving Alaska, has been exacting an arbitrary surcharge of 30 percent on shipping rates between Japan and Alaska above the rate from Japan to other States. I am happy to point out that, as a result of attention focused on this discrimination by my amendment, this arbitrary surcharge was removed by the Trans-Pacific Conference prior to enactment of the new dual-rate bill.

Railroad transportation

Another source of transportation rate discrimination against Alaska has existed for many years with respect to charges for transportation of freight by transcontinental railroads. In 1957 the General Services Administration filed a formal complaint with the Interstate Commerce Commission against the practice of transcontinental railroads of requiring payment of higher rates for shipment across the continent of freight by railroad if it is to be transshipped to Alaska than is applied to shipments destined for any other place in the Pacific Ocean area. The Interstate Commerce Commission, however, ruled against the GSA, and it is still the case that transportation rates on transcontinental railroad shipments are considerably higher on goods going to Alaska than on the same commodities moving exactly the same distances over the same railroads that are eventually destined for Samoa, Japan, Guam, Hawaii, and the west coast of South America.

To correct this discriminatory situation I introduced a bill, S. 1723, which would prohibit transcontinental railroads hauling shipments destined for Alaska from charging more for such shipments than for shipments bound for other parts of the Pacific Ocean area. I am hopeful we will obtain early and favorable action on this legislation during the next session of Congress.

Another proposal which would have the effect of lowering transportation costs to Alaska was discussed with the Alaska and Washington State congressional delegations by representatives of four transcontinental railroads—the Great Northern, Northern Pacific, Union Pacific, and the Milwaukee Railroads. These four railroads have been making plans for what, in effect, would be the extension of transcontinental rail service to Alaska. This would be accomplished by utilizing sea trains to be operated by a New York firm, McAllister Bros., from Seattle and Tacoma to Seward. The proposal of the railroads was based on transportation of commodities in carload lots, rates to be set on the basis of an entirely new rate structure. The plan originated with the recognition that Alaska has grown sufficiently and the prospects for its future growth are such that the city of Anchorage should be used as the distribution center for the State rather than Seattle.

Joint rates

Again at this session of Congress, the bill, S. 1725, introduced by Senator BARTLETT, was passed. This would permit carriers to Alaska to establish through routes and joint rates.

PUBLIC LAND MANAGEMENT

The management of land in Alaska, which is still almost entirely under the control of the Department of the Interior, remains one of the most important factors in the economic growth of our State. The improvement of management, in a way that will release Alaskans from the bondage of bureaucracy they have suffered for so many years at the hands of the Bureau of Land Management, is one of my major objectives as a member of the Senate Committee on Interior and Insular Affairs.

While progress on this line proceeds exceedingly slowly, there is hope of recognition of the importance to Alaska and the other public land States of improved means of disposing of the land and transferring it into private ownership.

Public Lands Act

I was pleased by the submission to Congress, as one of the first acts of the new Secretary of Interior, Stewart Udall, of a bill (introduced in the Senate by Senator BIBLE and in the House by Representative WAYNE ASPINALL, chairman of the House Committee on Interior and Insular Affairs) which would completely revise existing legislation governing disposition of public lands. The enactment of this legislation would, I believe, make land transfer procedures of the Department of the Interior more efficient than has been the case in the past.

A 5,000-acre withdrawal limitation

As another means of controlling the use of the public domain in the interest of citizens of States in which it lies, I, together with 17 other Senators, again sponsored legislation which would limit land withdrawals by the Interior Department for any purpose to 5,000 acres in the absence of a specific act of Congress.

As I strongly believe the power of the Secretary of Interior to withdraw land from productive use has been abused in the past, thus hindering its effective use by the citizens who in the last analysis really own it, I am hopeful the next session of Congress will see the enactment of this legislation.

Military land withdrawal legislation for Alaska

It will be recalled that there has been in effect, since the 85th Congress, legislation which was introduced by Senator ENGLE of California to limit withdrawals of public land for military purposes to areas of less than 5,000 acres unless they are specifically withdrawn by act of Congress.

Pursuant to this legislation, five bills were passed at the first session of the 87th Congress which will authorize withdrawal of designated areas in Alaska needed for military purposes. In order to obtain firsthand knowledge of the feeling of Alaskans about this legislation, I conducted hearings at Anchorage and Fairbanks in May of this year at which all those interested in the matter had an opportunity to testify. Certain amendments were made in the legislation, as a result of these hearings, which are direct results of suggestions of Alaska residents. Among these are amendments which require the military to decontaminate areas they have used before the land is restored to its prior use. In another case, that of the bill to withdraw land on the Granite Creek area, an amendment reducing the amount of land withdrawn along the Richardson Highway was adopted after citizens of the area protested that the Army did not need for its purposes land which was valuable for settlement because of its accessibility.

The areas withdrawn by the five bills are as follows:

1. Two hundred and fifty-six thousand acres in the Eielson Air Force Base area for use of the Army for 10 to 15 years.

2. Lands 40 miles east of Fairbanks for use by the Army as a Nike range.

3. Lands in the Big Delta area for continued use of the Army at Fort Greely.

4. Lands in the Granite Creek area for use by the Army at Fort Greely.

5. Lands in the Campbell Creek area for use of the Army at Fort Richardson.

The fact that the public, which is greatly concerned with the use of these lands, had an opportunity to express its views concerning these withdrawals seems to me to be an excellent example of the reasons why legislation, such as the "5000 acre withdrawal bill" I have sponsored is needed to control withdrawals for other than military purposes.

Equalization of Alaska with other States in land transactions

Two public land management bills were passed during the first session of the 87th Congress, which, while not of overwhelming national significance, are of great importance to Alaskans as demonstrations of recognition of the fact of statehood and of the fact that Alaskans should have the same kind of treatment as residents of other States insofar as administration of the public domain is concerned.

These bills, both of which I sponsored, are:

1. Isolated tract sales: This bill, which is now Public Law 87–147, authorizes the sale, in Alaska, of isolated tracts of public domain having mineral deposits, with a reservation of minerals to the Federal Government. Prior to passage of this act it was the opinion of the Department of the Interior that, although such sales could be made under legislation applicable in the other States, the law did not permit such sales in Alaska.

2. Repeal of law affecting filing of adverse claims against mining patents:

Until passage of Public Law 87–260, adverse claims against mining patents could be filed in Alaska during a period 8 months longer than that allowed in the other States. The law that was repealed was enacted in 1910 in recognition of exceptional difficulties in communication and transportation in Alaska which provided a basis for extending the time within which adverse claimants could oppose mining patents far beyond that required in the other States.

Now, there is official recognition that this was a hindrance to development of Alaska resources and that there no longer exists a valid reason for slowing up mining claims in Alaska for periods beyond that in effect in the other States.

The significance of these laws is their recognition that Alaska has a status which must be recognized as equal with that of her sister States, as well as their importance in removing obsolete statutory hobbles on Alaska development.

Homesteaders

During the 1st session of the 87th Congress, it became possible to assess the benefits of Public Law 86–789, which I introduced in the 86th Congress to allow certain Alaska homesteaders to obtain mineral rights in their homesteads.

The rights of homesteaders to these deposits in cases where they were deprived of them by arbitrary action of the Department of the Interior remains of deep concern to me. It will be recalled that the legislation I introduced in the 86th Congress would have authorized the Interior Department to quitclaim mineral rights to all Alaska homesteaders who had initiated their compliance with homestead procedures before the Kenai Peninsula oil strike in July of 1957. Because then Secretary of the Interior Seaton demanded that the bill be drastically amended I agreed, reluctantly, to his amendments to avoid a certain veto of such legislation as could be enacted and in order to provide the benefits it would bring to the homesteaders who met his stipulations. It will be recalled that the result was enactment of Public Law 86–789, which limited relief to homesteaders on the Kenai Peninsula who had completed homestead requirements by the date of the oil strike in July 1957.

While I was dissatisfied that I could not obtain enactment of more generous legislation, I am gratified that some of the Alaska homesteaders for whose benefit the law was passed have received official notification from the Department of the Interior that they may receive full title, including title to oil deposits in their homesteads.

The first cases adjudicated under Public Law 86–789 were decided in March 1961. A number of others are pending on appeal in the Office of the Secretary of Interior at this time. Until final adjudication by the Department it is impossible to determine how many Alaska homesteaders will receive rights to mineral deposits in their homesteads.

Wildlife ranges

One of the actions of Secretary Seaton which was most strongly protested, as an aggression against the rights of Alaskans to manage the land on which they live, was the establishment by the Secretary, of the Arctic Wildlife Range. It was adding insult to injury, in my opinion, that, as one of the last acts of the Eisenhower administration, and despite the opposition of the State of Alaska, the people of Alaska, the Governor, and the entire congressional delegation, Secretary Seaton set aside the 9-million-acre Arctic Wildlife Range in northeastern Alaska. At the same time the Interior Department announced establishment of two other wildlife ranges—the Izembeck Range and the Kuskokwin Range.

As one means of effecting the wishes of Alaskans to prevent establishment of these ranges—especially their opposition to establishment of the Arctic Wildlife Range—I, together with Senator BARTLETT, was able to defeat the appropriation of any funds for management of the Arctic Range and the Izembeck Range for the 1962 fiscal year.

I pointed out at the hearing of the Interior Subcommittee of the Senate Appropriations Committee that the Arctic Wildlife Range had been steadily and strongly opposed by Alaskans and that no purpose could be served by appropriation of funds to manage it. In the case of the Izembeck Range, Senator BARTLETT and I pointed out that there was very little justification for the expenditure of funds requested by the Department. Happily, the Appropriations Committee agreed with us, and this is one expenditure taxpayers will not be called upon to make in the 1962 fiscal year.

I am now hopeful, in accordance with a suggestion and a plan advanced by Governor Egan and in accordance with views of the Secretary of the Interior that recreation and wildlife areas will be managed by the States in which they are located, that the new Secretary of the Interior will soon see the way clear to return the Arctic Wildlife Range to Alaskans and allow it to be managed by the people who know best how to do it in the State department of fish and game.

Forestry research laboratory near Fairbanks

Of great potential importance to the development of Alaska's vast forest resources was the appropriation this year of $350,000 for a forestry research laboratory to be operated by the Department of Agriculture near Fairbanks. This laboratory was one of several which had been recommended earlier but for which funds were never requested by the Eisenhower administration or appropriated during that period.

During the 1st session of the 87th Congress I made a strong appeal for these funds before the Senate Committee on Appropriations. Although it was not in the administration budget and the House of Representatives had not voted the money, I was persuasive in obtaining an amendment to the budget recommendations of the Department of Agriculture when the appropriation measure came before the Senate which included the $350,000 required for the laboratory which will be located on the campus of the University of Alaska.

In view of the fact that these funds were not in the original budget submitted by the administration, and in view of the failure of the House to recognize the importance of this appropriation, I believe it is quite significant that the Senate appropriated this money and that the appropriation was retained in conference with the House of Representatives.

The wilderness bill (S. 174)

The Senate passed on September 6 a piece of legislation having a potentially important effect on the management of the public domain. This is known as the wilderness bill. Alaskans, like residents of other States of the Union, are well aware of the great importance of conserving for posterity some of our natural resources of scenic grandeur which, if not protected, might be lost to future generations. To accomplish this, conservation groups have long been interested in enactment of legislation which would provide for permanent preservation of wilderness areas.

The State of Alaska is, of course, in a somewhat different position from other States with respect to establishment of wilderness areas. Our State has only begun to develop, unlike many other areas of the West where economic development has been proceeding rapidly for many generations.

To take account of Alaska's special position, I was able to obtain an amendment to the wilderness bill, as passed by the Senate, which will require that before wilderness areas are established in Alaska special consideration will be given by an advisory group, which must include a majority of representatives from the State of Alaska. I am hopeful that the requirement that potential reservations of wilderness areas in Alaska be reviewed by citizens of the State will insure that areas which are needed by Alaska for economic development will not be forever removed from exploration and the establishment of beneficial enterprises, as might be the case without this protection.

NATIVE BENEFIT LEGISLATION

William Beltz homestead bill

Early in this session of Congress, I introduced S. 1065 for the purpose of conveying to the widow and children of William Beltz, the late noted Eskimo legislator, a home-

stead which he had begun to establish prior to his tragic death. It seems to me entirely fitting that the widow and young children of Bill Beltz should have the benefit of ownership of this land. After an adverse report had been drafted for the Department of the Interior by the Bureau of Land Management, I am happy to report that as a result of my emphatic protests the essential principles of this bill have now been approved by the Department of the Interior, and I am hopeful this humane legislation will be enacted soon after Congress reconvenes.

"NORTH STAR" FUNDS RESTORED TO INTERIOR DEPARTMENT APPROPRIATION

Among services of the Bureau of Indian Affairs to Alaska natives which are particularly beneficial is the operation of the Indian Affairs vessel, *North Star*, which provides necessary supplies for a large number of isolated communities in remote areas of the North Pacific, the Bering Sea, and the Arctic Ocean. The Department of the Interior had requested in its 1962 budget an appropriation of $375,000 to be used for refitting a vessel to perform this essential service. Although the funds were approved by the House of Representatives, the Senate Appropriations Committee, perhaps capitulating to pressure from shipping interests opposing this vital service, failed to include the funds required for the *North Star* in the appropriation measure reported by the committee.

I fought hard for the restoration of this money on the floor of the Senate, overcoming substantial opposition, to obtain the funds needed for the *North Star* by a rollcall vote of 48 to 43. As it is rarely possible to upset the action of the Appropriations Committee when an appropriation measure is reported to the Senate floor, my colleague, Senator BARTLETT, and I were required to exert a major effort to persuade our fellow Members that deprivation of the Bureau of Indian Affairs of the $375,000 needed to refit the *North Star* would be a catastrophe to the native people of northwestern Alaska who are totally dependent upon it for the transportation of necessary supplies.

INDIAN REVOLVING LOAN FUND INCREASE

Among the most important actions of Congress affecting the native population of Alaska and Indian citizens everywhere, was the enactment of Public Law 87–250 to increase the authorization of funds for the Indian revolving loan fund. This fund was increased from $10 to $20 million. Although the Senate had voted an even larger increase in the fund, the House of Representatives failed to agree to the amendment of the Senate and, therefore, the law was passed as described above.

AREA REDEVELOPMENT LEGISLATION

One of the primary objectives of the Kennedy administration is the redevelopment and rehabilitation of areas of the United States that have suffered exceptionally from unemployment over the last few years. One of the first acts signed by President Kennedy was Public Law 87–27, the Area Redevelopment Act. This act provides a program of loans and grants for industrial rehabilitation to stimulate employment and eradicate unemployment in the distressed areas where unemployment has been substantial and persistent over a long period of time.

In addition, the act provides assistance to certain Indian reservations and farm areas where per capita income is very low.

As a first step in obtaining assistance under the Area Redevelopment Act, an area must be classified for this purpose by the Area Redevelopment Administration. Incident to this is the classification of the area as one of substantial and persistent unemployment. On September 8, the Department of Labor classified every election district in Alaska except districts 4 and 5 as areas of substantial and persistent unemployment. It thus appears likely that almost the entire State of Alaska will be eligible for area redevelopment assistance.

To acquaint civic leaders and municipal officials with requirements for obtaining area redevelopment assistance and procedures to be followed in establishing area redevelopment programs, a series of meetings was held in Alaska in August by Daniel L. Goldy, Deputy Director of the ARA. These meetings, which were well attended, were held at Ketchikan, Juneau, Anchorage, and Fairbanks. In a number of areas of Alaska enthusiastic planning and programing are in progress for redevelopment programs which should contribute much to the greater prosperity of Alaska.

AID TO EDUCATION

As I firmly believe that a strong educational system is essential to the welfare of the United States, and as it has become increasingly clear over the years that local communities of the United States can no longer support the system we require in this age of peril, I have consistently supported Federal aid to education.

In the Senate an adequate bill, S. 1021, was passed on May 25 to provide Federal contributions to the States for construction of educational facilities and payment of teachers' salaries. I spoke on the floor of the Senate in support of this important measure which was, unfortunately, stalled in the House of Representatives and not finally enacted.

As introduced, S. 1021 contained a provision for allocation of funds to the States on the basis of per capita income which was manifestly unfair to Alaska. Immediately upon analysis of this provision it was clear that, under its terms, our State would receive far less of the funds provided than those it needs and those to which it is entitled. I immediately pointed out to the Senate Committee on Labor and Public Welfare that the allocation provision, which placed Alaska in the same category as wealthy States such as New York, New Jersey, Connecticut, and Pennsylvania, was totally unrealistic when consideration is given to the extraordinarily high costs of education in Alaska.

For the purpose of developing an amendment to the aid to education bill to take account of the special needs of Alaska, I arranged with the University of Alaska, in cooperation with the Alaska State Board of Education, for the advisory services of Dr. George Rogers, professor of economics at the university, to assist in developing a formula for Alaska that would put our State in a position equivalent with that of the other States.

Dr. Rogers' research revealed that the costs of education in Alaska can be demonstrated, on the basis of wholly reliable data, to be so much greater than the same costs in other parts of the United States that a strong case can be made for specialized treatment of Alaska in the apportionment of school aid funds.

The presentation of the facts concerning Alaska's needs for educational assistance and the abnormally high costs of construction and other school expenses in Alaska brought recognition from the Senate that a special formula should be applied for Alaska. The amendment finally adopted was suggested by Senator BARTLETT, and authorizes a special allotment ratio in cases such as that of Alaska in which costs of education appreciably exceed costs in other States.

IMPACTED AREAS AND NATIONAL DEFENSE EDUCATION ACT

Although a comprehensive program of Federal aid to education was one of the principal objectives of the administration of President Kennedy, obstruction of his efforts in the House of Representatives made it impossible to pass legislation to accomplish this. At the end of the session it was possible to enact only a 2-year extension of the impacted-areas program for Federal assistance for construction and operation of public schools in areas in which there are large numbers of Federal employees and a similar extension for 2 years of provisions of the National Defense Education Act under which the Federal Government provides loans and fellowships to graduate and undergraduate students in institutions of higher learning and makes other benefits, such as assistance in construction of facilities for science and language instruction available to public and private elementary and secondary schools.

HOUSING LEGISLATION

Among the most important of the administration bills passed at the last session of Congress was President Kennedy's bill to improve and extend provisions of Federal housing legislation. Among provisions of the bill that will be very important to Alaska and the rest of the Nation are: (1) A new program to provide benefits of homeownership to families in the moderate income brackets by allowing them to obtain mortgage insurance of loans on long terms (40 years), at low cost, with a downpayment of only 3 percent of the acquisition cost of the property; (2) a new program of community facility loans for acquisition of mass transportation equipment for urban communities to be administered by the Housing and Home Finance Agency; (3) a program of grants by the Housing and Home Finance Agency to States and local public bodies for the acquisition of open space land near housing developments and urban areas for the purpose of preventing urban blight and making communities more pleasant places in which to live; (4) liberalization of farmers' home loan programs to authorize farmhousing loans in rural areas not previously qualified as farms, and the authorization of funds to increase farmhousing research.

Maurice Gebhart, executive director of the Alaska State housing authority, called my attention, during consideration of the housing legislation, to the importance of including in the act an amendment to increase cost limitations on housing for elderly persons and on low-rent housing in Alaska in accordance with long-standing precedent under which Alaska has had special consideration for costs of construction under mortgage insurance provisions of title II of the National Housing Act. Accordingly, I introduced an amendment, which was passed, which increases the normal room cost limitation on low-cost housing in Alaska from $2,500 to $3,000 and for housing for elderly persons from $2,500 to $3,500.

SOCIAL SECURITY ACT AMENDMENTS

Public Law 87–64 was another early recommendation of the President. This law, amending the Social Security Act, increases benefit amounts for certain beneficiaries of the old-age and survivors insurance program.

AID TO DEPENDENT CHILDREN

Another recommendation of the President which was enacted, to improve existing programs of assistance to dependent children, was Public Law 87–31, which will make it possible for the Federal Government to provide aid to dependent children whose need arises from the unemployment of their parents. Previously, aid to dependent children was not authorized in these cases.

WATER POLLUTION CONTROL LEGISLATION

Public Law 87–88, Water Pollution Control Act Amendments of 1961, is another important legislative act that will benefit Alaska and the other States.

Of particular importance to Alaska is the authorization for establishment in Alaska of a water pollution control laboratory. Seven such laboratories for the research, experimentation, and study of water pollution control were authorized by the act, but only

Alaska was singled out as a State in which one of them should be located.

The Water Pollution Control Act also extends this program of importance to the health of the Nation for an additional 5 years and increases amounts of money authorized for it.

At my suggestion a representative of the Surgeon General's Office visited Alaska this year for the purpose of inspecting needs of the State for increased Federal assistance, particularly in native villages, for the control and abatement of water pollution.

VETERANS BENEFITS

The men and women who serve the Nation as members of the Armed Forces are among those citizens to whom we should provide every benefit needed to make up to them such loss of time as they suffer from their education and careers because of military service.

I have always believed it is as important for us to recognize the contributions of those who serve in peacetime as those who serve in time of war. Accordingly, I have been a cosponsor and strong supporter of the bill, S. 349, introduced by Senator YARBOROUGH, to equalize veterans benefits of post-Korea GI's with those available to veterans of wartime service. This bill was reported by the Senate Committee on Labor and Public Welfare on August 10, and I hope it will receive favorable action at the next session of Congress.

UNEMPLOYMENT COMPENSATION

In March the Congress passed, and the President signed into law, a bill to provide temporary unemployment benefits to States. The law authorizes Federal advances of money to the States to prolong duration of benefits by 50 percent for any jobless worker who exhausted his regular benefits under State unemployment insurance programs between June 30, 1960, and March 31, 1962. However, certain workers who started to receive the special benefits before March 31, 1962, and had not used them up by that date, will continue to receive them through June 30, 1962. The act limits the special benefits to 13 weeks and the total of all benefits in a year (regular plus special) to 39 weeks.

A Federal extended compensation account within the unemployment trust fund was created, and the act directs that funds from the account be used to repay the Federal Government for advances to the States under the act. To finance the account, the net Federal unemployment tax was raised from four-tenths of 1 percent to eight-tenths for calendar 1962–63 only.

POSTPONEMENT OF REDUCTION OF CREDITS AGAINST UNEMPLOYMENT TAXES

Representative RALPH RIVERS introduced a measure in the House (H.R. 6145) that would allow a 1-year postponement of the reduced credit provisions relating to the Federal unemployment tax insofar as they are required by certain past advances to a State under 1954 amendments to title XII of the Social Security Act. The measure would have had the effect of preventing the reduced credit provisions from applying to wages paid by employers in Alaska for calendar year 1961. Representative RIVERS succeeded in getting the measure reported out by the Committee on Ways and Means—no easy task—even though the full House did not take action on it prior to adjournment.

MINIMUM WAGE

An achievement of the Kennedy administration this year was passage by Congress of the Fair Labor Standards Amendments of 1961—the so-called minimum wage bill—which was signed into law May 5. The new law, as finally enacted, did the following:

Raised the minimum wage for workers already covered by the minimum-wage provisions of the Fair Labor Standards Act (about 23.9 million persons) from $1 an hour to $1.15 an hour during the first 2 years after the amendments went into effect and to $1.25 an hour thereafter;

Made the overtime provisions of the act applicable (with certain exceptions) to newly covered workers on the following basis: no overtime pay required during the first 2 years amendments are in effect; overtime pay required for more than 44 hours work in a week during the third year; for more than 42 hours during the fourth year; for more than 40 hours thereafter;

Brought under the minimum-wage and overtime provisions of the act various new categories of workers (estimated at 3,624,000 persons) at the following minimum wage scales: $1 an hour during the first 3 years in effect, $1.15 an hour during the fourth year and $1.25 thereafter.

The bill also specified that supervisory personnel (retail assistant managers) remain exempt from the Fair Labor Standards Act even if they spend up to 40 percent of their time in nonsupervisory work.

RIVER AND HARBOR PROJECTS

The most generous river and harbor appropriations bill in many years, as far as Alaska is concerned, was passed late in the session. I was particularly gratified at inclusion of $25,000 to begin surveys for causeways across Knik Arm and Turnagain Arm in the vicinity of Anchorage. I used all the persuasion of which I am capable with my fellow Members to obtain this appropriation.

The bill also appropriates $785,000 for completion of navigation improvement at Wrangell Narrows, which will permit the dredging of an anchorage basin 500 yards long, 200 feet wide and 26 feet deep at mean lower low water on this important transportation artery in southeastern Alaska. The anchorage basin is particularly needed in connection with operation of the new State of Alaska ferry system which is scheduled to begin late next year.

The Senate also inserted and managed to retain in conference appropriations of $10,000 for a study of how the Seward small boat harbor can be expanded and $14,000 for a study looking toward dredging the harbor at Wrangell where heavy oversea shipping is handicapped through silting in from the Stikine River. The Senate also managed to insert $10,000 for a flood control study on the Tanana River at Nenana and increased from $15,000 to $25,000 the amount which will be available for a Knik River flood control study.

Another addition, inserted initially in the House, consisted of raising the appropriation for Bureau of Reclamation investigations in Alaska from $250,000, which was the maximum permitted by law, to $350,000.

All Alaska appropriations for the Corps of Engineers requested in President Kennedy's budget were voted by the Congress. These included $150,000 for advance engineering on an $11,100,000 Chena River flood control project near Fairbanks, $1 million for a start on construction of a $2,030,000 second small boat basin at Juneau, $11,000 for investigations for a project to deepen and enlarge the small boat harbor at Petersburg, $8,000 for similar investigations at Valdez, $15,000 for flood control investigations at Kodiak, $10,000 for Valdez flood control investigations, $43,800 for general navigation and flood control investigations in Alaska and the following sums for operation and maintenance: Cordova Harbor, $150,000; Juneau Harbor, $180,000; Nome Harbor, $53,000; Valdez Harbor, $125,000.

FREE ZONE FOR ANCHORAGE INTERNATIONAL AIRPORT

Late in the session, in order to give the Senate Committee on Commerce an opportunity to hold hearings before the convening of the second session of the Congress in January, I introduced a bill which would provide for establishing and operating a foreign-trade zone, a Hall of States, and an international reception and information center at the Anchorage International Airport.

It occurred to me while at Shannon Airport recently, returning from a trip to Scandinavia for the Senate Public Works Committee during an informal recess of the Senate, that the situation there and at the Anchorage International Airport were almost identical. Foreign visitors to the Anchorage airport now number close to 150,000 annually.

Former Mayor George Byer, of Anchorage, had proposed and vigorously fought to establish an international reception center at the Anchorage airport. He felt that these many visitors, most of them catching whatever glimpse of the United States they will have while at the airport at Anchorage for a few brief hours, should be told in the most attractive manner possible about U.S. history, ideals and accomplishments. With that I wholeheartedly agreed.

But after seeing the free port at Shannon, it seemed to me that we could proceed a step further and establish a free port at Anchorage so that visitors there could purchase U.S.-made products, as well as those from other countries, without paying duty. I thought also that this might be coupled with a Hall of States where each State would be invited to exhibit some of its history and how it developed as well as some of the products for which it is famous.

I am pleased that the Senate Commerce Committee will shortly hold hearings on this measure and I hope it will be reported promptly and favorably to the Senate in January 1962, so that this very important center—important for Anchorage, for Alaska, and for the United States as well—can soon become a reality.

TRUCKING MAIL TO ALASKA

In September, the Post Office Department inaugurated the trucking of surface mail to Alaska, from Seattle to Fairbanks, on an experimental basis. Postmaster General J. Edward Day announced the plans during May, when he was in Alaska to dedicate new post offices at Anchorage and Kenai. Seattle departures are scheduled for 12:01 a.m. each Tuesday, Thursday, Friday, and Saturday.

While mail is to be trucked only to Fairbanks and its outlying areas in the initial phases of the experiment, I have urged postal officials to extend this service to other communities, including Anchorage, at the earliest possible time.

The contract calls for mail to reach Fairbanks not more than 96 hours after leaving Seattle, reducing the transit time between Seattle and Fairbanks by a minimum of 3 days, as compared with previous boat and train service. Airmail will continue to be flown to Alaska and letter mail will be airlifted to the 49th State on a space-available basis from Seattle.

JUDGESHIP BILL

On the advice of State officials, members of the Alaska bar and others whose opinions I solicited, I introduced during the 86th Congress a bill to provide for an additional Federal judgeship for Alaska. In the 87th Congress my objective was achieved by the enactment of Public Law 87–36, the omnibus Federal judgeship bill, which included a provision for appointment of an additional judge for Alaska.

In support of this additional judicial position, I pointed out to my colleagues in the Senate that Alaska's lone Federal judge had to hold court in an area larger than falls to the lot of any other Federal judge. Alaska's area of 586,400 square miles is one-fifth of the area of the 48 older States. Hearings in Federal cases have to be held in communities hundreds of miles apart, in Ketchikan, Juneau, Anchorage, Fairbanks, Nome, and perhaps elsewhere. The Judiciary Committees and Congress agreed that these distances

are too great to subject a single district judge to such extensive journeyings, and the omnibus measure as enacted included the Alaska position.

Raymond E. Plummer of Anchorage was nominated for the second judicial post by the President and confirmed by the Senate as Alaska's second U.S. district court judge.

CRABMEAT BAN LIFTING

Early in March of this year, I strongly protested to the Secretaries of State, Treausy, and Commerce a proposed move to lift the 10-year-old ban on importations of crabmeat from the Soviet Union, pointing out that Alaska king crab is the outstanding and only example of a new development in the Alaska fisheries which otherwise have been sadly depleted. The basis of the ban on the importation of Russian crabmeat was that it was produced by forced labor, namely, Japanese prisoners of war. After Japan publicly announced that all prisoners of war had been repatriated to their homeland, there was little justification for continuing the ban, particularly in view of the fact that the Russians were using the ban as a propaganda device against this country, in other matters. Moreover, it was indicated that the impact on king crab sales from Alaska might not be as great as first expected, because of the high tariff on imported crabmeat—15 percent on frozen crabmeat and 22.5 percent on prepared crabmeat—and also, because crabmeat is in short supply.

FOREIGN AID

A major enactment of the 1st session of the 87th Congress is Public Law 87–195, the Act for International Development of 1961. This law embodies the new program of the Kennedy administration for aid to underdeveloped countries and for mutual defense assistance to allied nations. I am hopeful that its enactment and the establishment of a new agency, the Agency for International Development, will provide corrections for many of the mistakes in foreign aid of the past. It is the hope of the President, and my hope, that the new Democratic administration can make the foreign aid program a meaningful tool of American foreign policy.

However, there was a provision of this legislation which I felt should be amended. This was the chapter relating to the Development Loan Fund under which funds are loaned to other nations for the purpose of assisting in carrying out long-range plans and programs designed to develop economic resources and increase productive capacities. It has been my observation from long experience in countries of Latin America that one of the major inhibiting factors on economic development is the imposition by banks of exorbitantly high interest rates, which makes it extremely difficult to distribute the wealth of the country where it is most needed. It seemed to me that in establishing a new program of foreign aid, it was essential that the legislation be amended to limit interest rates on loans derived from funds loaned by the United States to recipient countries. Therefore, I introduced an amendment, which was adopted by the Senate on a rollcall vote of 74 to 16, providing that loans by the Development Loan Fund would be made only on the condition that interest charged by borrowers of funds derived from U.S. loans could not exceed the rate of interest charged by the U.S. Government by more than five percentage points. Although, as I noted, this amendment was adopted in the Senate by an overwhelming vote, the conferees of the House of Representatives on the foreign aid bill refused to accept the amendment and it was rejected in the law as finally passed. The foreign aid program as passed does, however, contain a related, but not as effective, limitation on interest rates. The provision enacted is that the funds shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower.

DUCKS, GEESE AND ESKIMOS

When news came of the arrests in Alaska of Eskimos for shooting ducks, along with my colleagues in Congress, Senator BARTLETT and Representative RIVERS, I protested to Secretary of the Interior Stewart Udall.

Secretary Udall, who apparently was taken as much by surprise at the unprecedented action of the agents of the Fish and Wildlife Service in Alaska as were nearly all Alaskans, and was so to speak "on the spot," stated in his earlier reactions that he had no choice but to "enforce the law." That would mean that henceforth Eskimos taking waterfowl for food between March 10 and September 1 would be considered to be in violation of the migratory bird treaties with Canada and Mexico, and therefore subject to arrest, confiscation of their guns, and to prosecution if they were apprehended while taking waterfowl.

Various groups and individuals, concerned with the serious plight of the Eskimos in these circumstances, urged that steps be taken by the State Department to negotiate a modification of the treaties with Canada and Mexico.

On the other hand, I was convinced that such efforts were unnecessary and instead urged my view that the Eskimos had not violated the provisions of the treaties, and that they could properly be so interpreted. I presented this view in letters to Secretary of State Dean Rusk, to Secretary of the Interior Stewart Udall, and to others.

I pointed out in an address to the Senate that no action had ever been taken during administrations prior to this to prosecute natives of Alaska for taking migratory fowl out of season and that this had not been the practice, either, of Canada or Mexico, the other signatories to the migratory bird treaty. It was my view that the treaty never contemplated a prohibition against taking of fowl for necessary food by Indians or Eskimo populations of the signatory nations. I hope and believe that my presentation of this solution to the problem which has arisen will be accepted as national policy and that further difficulties will not arise in Alaska.

INTERNAL REVENUE OFFICE OPENED IN ANCHORAGE

In accordance with my long-term ambition that all Federal Government services should be moved closer to the people of Alaska than they are in distant locations in the other States, I was happy to attend the ceremonies marking establishment of an Internal Revenue Service office in Alaska at Anchorage in January 1961. The transfer of this office from its former location at Tacoma is one more improvement in services to Alaska that are made possible by the fact of statehood and the representation of the people of the State by a congressional delegation at Washington.

CONSTRUCTION OF HIGHWAY ON ANNETTE ISLAND

As a result of my efforts, the Bureau of Indian Affairs has agreed to construct eight-tenths of a mile of road on Annette Island, to provide access to the Metlakatla powerplant. Funds for this improvement will be programed soon.

NEW POST OFFICES

In addition to the Kenai and Anchorage International Airport postal facilities already mentioned, we have succeeded in having a major Federal building programed for Juneau, the capital. This is now being designed.

Post offices were established during the year at Dot Lake, Kotlik, Buckland, New Stuyahok, Eagle River, Russian Mission, Halibut Cove, and Napakiak. Work began on new post office buildings at Spenard, College, Valdez, and Eastchester. Weekly mail service by air to Port Walter, Washington Bay, Port Armstrong, and Port Alexander was established at my request. Additional star route service was put into effect in the north Kenai area.

MISCELLANEOUS

At the urging of the Alaska delegation, the Department of the Interior agreed to modify the terms of a contract by the city of Kodiak to repay indebtedness incurred in connection with an Alaska public works project.

The first Alaska cost-of-living studies being made on a regular basis by the Bureau of Labor Statistics as a result of appropriations we obtained were issued this year for Anchorage and Fairbanks. Juneau and Ketchikan reports will follow.

At my urging, the Department of Agriculture assigned an assistant Farmers Home Administration supervisor to Alaska, to have headquarters at Fairbanks.

Higher per diem payments for Federal employees traveling on official business were put into effect this year by virtue of new legislation which I supported.

Mr. President, the list of accomplishments for Alaska and the Nation in this 1st session of the 87th Congress is a long one. I think we may take pride in what has been achieved.

At this turning point in history, the virility and the strength of the United States, the health of her economy, the versatility and might of her Armed Forces, and, above all, the determination of her people, are indispensable to our leadership in the free world and our capacity to insure the preservation of human dignity. The stakes are high; the problems difficult. What we do in the 2d session of the 87th Congress may be our supreme test. We will not fail our responsibilities.

District of Columbia Motor Vehicle Parking Agency Revitalization

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me concerning the revitalization of the District of Columbia Motor Vehicle Parking Agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

As one who has lived in Washington for many years while serving in the Senate, and who takes a keen personal interest in the welfare and future of our Capital City, I am deeply concerned over a part of the District of Columbia revenue bill just considered by the Senate and House of Representatives.

This measure was brought up during the closing days of Congress, and was reviewed in the heavy legislative logjam at the end of the session. Although passed by the Senate and discussed in one of two subsequent conferences, it was finally voted down for the second time by the House on September 26, and now remains to be considered next session.

Due to my desire to see Washington's fiscal needs relieved through passage of H.R.

258, and due to the minimum of time available for its enactment, I voted for the conference report in its present form. However, I must confess that one portion of the bill caused me concern, and my subsequent extended study has confirmed this feeling.

I refer to the so-called parking amendment which would permit money held by the Motor Vehicle Parking Agency to be spent for fringe lots, parking space underneath new freeways, and lots adjacent to Federal installations—but which would require legislative authorization for spending on all other parking purposes.

My own analysis indicates that this amendment, if permitted to stand in future years, will cripple Washington's parking program and deal a severe blow to all efforts to improve the city's physical development.

Right now, we see the paradox wherein millions of dollars are being spent on highways and freeways, to bring more automobiles into downtown Washington—but inadequate provision being made for parking these cars, once they are there.

Provision of adequate parking, adequately planned, is vital to every major program of improvement in Washington. It is essential to the success of downtown revitalization, Southwest redevelopment, and other projects in which private citizens have invested millions of dollars.

The body assigned to plan and build Washington's parking facilities is the Motor Vehicle Parking Agency. If effective solutions are to be found to Washington's parking difficulties, the Agency must be allowed to retain its full powers and financing. This it will not do under the new amendment. Although this amendment is somewhat more acceptable than the original House version, which would have completely stripped the Agency of all authority, it would still tend to destroy the city's parking program.

The Agency cannot function effectively if its authority to build facilities is restricted to a few kinds of parking. It cannot carry out a coherent program if it must beg its authority to construct general parking facilities from Congress each year.

Continuation of this amendment would leave the general citizenry of Washington to the mercy of a few interests chiefly interested in personal gain—the same interests which set out to destroy the Agency in the first place.

We cannot permit this to happen. This great Capital should and must have adequate parking facilities.

Therefore, I want to go on record as urging that the so-called parking amendment be eliminated when the conferees next meet to consider H.R. 258. I further urge that Congress take every opportunity to strengthen and encourage the Motor Vehicle Parking Agency in its efforts to meet and solve the top-priority problem of providing adequate parking in Washington, D.C.

Report on Accomplishments of 87th Congress

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. KEFAUVER. Mr. President, this 1st session of the 87th Congress has been the busiest that I can remember since World War II days. And it has also been one, I believe, of great accomplishment.

Strides have been made in almost every field, domestic as well as foreign. With a recession dogging us, more surplus food was made available to the needy and employment benefits were expanded. To get people working again, we put the Interstate Highway program back on schedule and started things moving in the airport construction and housing fields. And we began an area redevelopment program—a program that offers a lot of hope to idle people in both rural and urban areas of Tennessee.

We made the greatest improvement in the minimum wage law since its original passage under Franklin D. Roosevelt. Social security was liberalized. We enabled some 5,000 communities to begin ridding their lakes and streams of pollution.

We enacted legislation to step up the war against interstate crime, gambling, and racketeering—bills that were originally recommended by the Senate Crime Committee, of which I was chairman, back in the early 1950's, and that were pressed for this year by our Attorney General, Mr. Robert Kennedy.

In defense and foreign affairs, this Congress has cooperated fully with the President. Our Military Establishment was greatly strengthened. We took steps to catch up in the space race. And perhaps most important, we enacted a more effective foreign-aid program and established a permanent Peace Corps—the most imaginative and potentially the greatest contribution to world peace in years.

My deepest regret is that the House did not join the Senate in passing a full Federal-aid-to-education program, and that no program of medical and hospital care for the elderly has yet been enacted. But I am hopeful that we shall provide funds for school construction and increased teachers' salaries, as well as enacting a sound program of medical care for our older people, after the Congress returns in January.

Mr. President, I have prepared a topical résumé of the major legislative action taken in the 1st session of the 87th Congress, based on a compilation by the Senate Democratic Policy Committee. Bills passed by both Houses and signed by the President are designated by their Public Law number; those which passed the Senate but have not yet cleared the full Congress are designated by their Senate bill number.

This résumé is as follows:

ECONOMIC AREA—AGRICULTURE

Omnibus farm bill: Enacted a major farm bill to reduce wheat and feed grain surpluses; authorized Secretary to consult with farmers, farm organizations, and other groups to develop new farm programs; extended the Agricultural Trade and Development Act to December 31, 1964; consolidated and modernized the Farmers Home Administration; extended the Wool Act for 4 years to March 31, 1965; extended Great Plains conservation program to December 31, 1971; authorized a 5-year extension of the school milk program to be paid by direct appropriations; and extended the Veterans' Administration and armed services milk program to 1964, with CCC furnishing the funds—Public Law 87–128.

Feed grains: Authorized a 1-year emergency price support for the 1961 crop of corn at $1.20 a bushel, with the other feed grains to be supported at fair and reasonable levels in relation to corn, in an effort to raise the incomes of feed grain producers and to reduce the mounting surpluses of feed grains in Government hands—Public Law 87–5.

Drought relief: Enacted a temporary 1-year program authorizing the sale of Government surplus corn and feed grains to needy farmers and ranchers in drought areas at 75 percent of Government price-support levels and permitting grazing of livestock on grasslands idled by the soil bank and other conservation programs or moving hay on these lands in or near drought areas—Public Law 87–127.

Farm loans: Increased proportion of appropriated farm loan funds available for individual farms with debt over $10,000 from 10 percent to 25 percent to help meet the rapid and increased cost of farming—Public Law 87–8.

Mexican farm labor: Extended and revised the Mexican farm labor program for 2 years, to December 31, 1963; prohibited infringement upon the rights of domestic workers—Public Law 87–345.

Cotton farmers' relief: Authorized emergency relief to cotton farmers where floods have made it impossible to plant—Public Law 87–37.

Farm credit: Liberalized farm credit laws to: permit installment payments on Federal land bank loans to be scheduled more frequently than semiannually if desirable to the borrower; permit Federal land bank loans to be made to corporations set up by farming families—now restricted to persons—extend from 5 to 7 years the permissible maturity of intermediate term loans; require in applying the earnings at the end of each fiscal year that one-half of 1 percent of the loans outstanding be held in reserve up to the accumulation of 3½ percent of the outstanding loans—Public Law 87–343.

GENERAL ECONOMY

Federal unemployment compensation: Authorized Federal advances to permit the States to extend unemployment benefits up to an additional 13 weeks for workers who have exhausted their regular benefits during the recession, thus providing an unemployed worker with benefits up to a total of 39 weeks in an effort to ease the unemployment problem throughout the country—Public Law 87–62.

Aid to dependent children: Authorized a 14-month program, from May 1, 1961, through June 1962, of aid to dependent children, permitting States to aid needy unemployed parents and their children who are not now eligible for aid in which the Federal Government participates; and increased by $3 the minimum amount to which the Federal Government will participate on a matching basis in State programs carrying out the special medical care provision for recipients of old age assistance—Public Law 87–31.

Railroad unemployment compensation: Approved benefits of a similar nature for unemployed railroad workers under the Railroad Unemployment Insurance Act—Public Law 87–7.

Railroad retirees: To bring the railroad retirees in line with the beneficiaries of social security, this amendment to the Railroad Retirement Act permits men without 30 years service to receive reduced annuities upon reaching age 62; and reduced from 3 to 1 year the required time which must elapse after marriage before a wife or husband, otherwise qualified, may receive the annuity—Public Law 87–285.

Minimum wage: Increased minimum wage to $1.25 (from $1) and extended coverage to 3.6 million additional workers—Public Law 87–30.

Area redevelopment: Established the Area Redevelopment Administration in the Department of Commerce, and authorized a 4-year program of $300 million in loans and

$94 million in grants for industrial plants and public facilities in economically distressed areas—Public Law 87–27.

Social security: Increased minimum old age insurance benefits and benefits to widows under the Social Security Act; provided reduced benefits to men at 62; liberalized disability provisions; increased tax for workers and employers by one-eighth of 1 percent; increased (for 1 year) the amount of public assistance payments for old age assistance, aid to the blind, and aid to the permanently and totally disabled—Public Law 87–64.

Manpower Training Act of 1961: Authorizes a 4-year, $655 million manpower training program to help alleviate the unemployment problems by enabling workers whose skills are obsolete to receive training which will qualify them to obtain and hold jobs, with priority to unemployed persons including those in farm families with a net income of less than $1,200 a year. (S. 1991.)

Housing Act of 1961: Enacted a housing program, authorizing $4.9 billion in new funds. The act provides for a new 2-year experimental plan of low-interest rate, 35-year mortgage loans for middle-income housing (except in hardship cases the mortgages may be extended to 40 years); requires a 3-percent downpayment on low-income housing, with a permissive inclusion of settlement costs; authorizes $75 million for mass transportation systems, and $50 million for "open space" grants; and includes a reauthorization of approximately 100,000 public housing units—Public Law 87–70.

FHA: Increased by $1 billion the mortgage insurance authorization of FHA—Public Law 87–38.

Veterans' home loans: Extended direct and guaranteed home-loan programs for World War II veterans to July 26, 1967; and for Korean conflict veterans to February 1, 1975; authorized an additional $1.2 billion for direct loan program through fiscal 1967—Public Law 87–84.

Federal Aid Highway Act: Enacted the Federal Aid Highway Act of 1961, revising the original estimated authorization for 41,000-mile, 13-year program of interstate highways by increasing the Federal Government's share from $25 billion to $37 billion; extended for 2 years the incentive bonus for States to enter into agreements for billboard controls—Public Law 87–61.

Federal Airport Act extension: Extended the Federal Airport Act for 3 years to June 30, 1964, and authorized a total appropriation of $225 million, or $75 million annually—Public Law 87–255.

Small business loans: Increased by $20 million the amount that the Small Business Administration may commit for loans under their regular business loan program, which will enable SBA to continue its loan program without interruption for approximately 1 month—Public Law 87–198.

Small business amendments: Increased SBA's revolving fund by $105 million which, in addition to the $20 million approved in Public Law 87–198, increases the total SBA revolving fund to $1,125 million—Public Law 87–305.

Small Business Investment Act: Increased limit on amounts Small Business Administration may lend small business investment corporations and on latters' investments in individual enterprises—Public Law 87–341.

ICC loans: Extended for 27 months (to June 30, 1963) authority of Interstate Commerce Commission to make loans to help ease the credit difficulties of railroads—Public Law 87–16

Small towns and rural counties: Established a 20-member bipartisan Commission on Problems of Small Towns and Rural Counties to study and investigate Federal policies and programs relating to the economic needs and problems of these areas (S. 1869.)

Water pollution control: Authorized an additional $270 million to help communities construct sewage treatment plants to control water pollution, thus raising the annual limit on grants from $50 million yearly to $80 million for fiscal 1962, $90 million for fiscal 1963, $100 million for fiscal 1964, through and including 1967. In addition, this measure increased from $3 to $5 million the annual Federal matching grants to States to administer water pollution control programs and extended the program through June 30, 1968, and authorized $5 million a year for the Secretary to use to develop demonstration program to treat sewage, to measure pollutants, and to evaluate the effects of sewage treatment—Public Law 87–88.

Lead-zinc subsidy: Aided the domestic lead-zinc industry by authorizing a 4-year program of stabilization payments for small mineowners—75 percent for lead and 55 percent for zinc of the difference between 14½ cents a pound and the market price whenever the market falls below 14½ cents—Public Law 87–347.

TRADE AND COMMUNICATIONS ECONOMY

Broadcasting: Liberalized antitrust law to validate certain contracts for television broadcasting of professional sports games—Public Law 87–331.

Civil antitrust investigations: Authorized the Attorney General to compel the production of documents required as evidence in civil antitrust investigations—S. 167.

AEC sales: Accelerated property sales to stimulate the economic growth of atomic energy communities—Public Law 87–174.

Metal scrap: Extended to June 30, 1962, the existing suspension of import duties on metal scrap—Public Law 87–110.

Corporate excise extension: Extended for an additional year the existing 52 percent corporate income tax rate, excise tax rates on automobiles, liquor, and tobacco, and taxes on local telephone calls and passenger transportation, thus preventing a loss of revenue of some $2.5 billion—Public Law 87–72.

Clay and shale—tax treatment: Permits miners of clay and shale to include as a depletion allowance the process of manufacturing brick and tile—Public Law 87–312.

Income-tax returns: Curbed tax evasion by assigning identifying numbers to all taxpayers—Public Law 87–397.

Unemployment tax credits: Prevented double taxation in the case of Federal and State unemployment taxes arising as a result of a technical deficiency in the Federal tax law—Public Law 87–321.

Federal savings and loan: Strengthened the Federal Home Loan Bank Act and the National Housing Act by increasing the reserves and cutting the overcapitalization of the Federal Savings and Loan Insurance Corporation created as a reserve credit facility for savings and home mortgage credit institutions—Public Law 87–210.

VETERANS' AID

Disabled veterans' compensation increase: Provided increases in rates of service-connected disability compensation (to reflect cost-of-living increases since last compensation raise in 1957) ranging from 2.6 to 16.7 percent, depending upon degree of disability; restores for 2 years after January 1, 1962, the eligibility of veterans who served between October 8, 1940, and April 24, 1951, to apply for national service life insurance. (H.R. 879.)

Veterans' widows: Increased payments to veterans' widows. (Public Law 87–268.)

INTERNATIONAL AREA

Foreign assistance authorization: Authorized a total appropriation of $4,253,500,000 for fiscal 1962; a long-term (5-year) Development Loan Fund program authorizing an appropriation of $1.2 billion for fiscal 1962 and $1.5 billion for each fiscal year from 1963 to 1966; and established a new foreign aid agency. (Public Law 87–195.)

Latin American aid: Appropriated $600 million for Latin-American aid program, which includes $100 million in disaster relief for Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants by the International Cooperation Administration—Public Law 87–41.

OECD: Ratified the creation of the Organization for Economic Cooperation and Development consisting of 18 European member nations, the United States, and Canada, to promote economic stability and an orderly growth of the economies of the member states.

OECD—Permanent representation: Authorized the President to appoint, subject to Senate confirmation, a permanent representative of the United States to the Organization for Economic Cooperation and Development, and provided for the cost of U.S. participation in OECD including salaries of the American representative and his staff. U.S. share is 25 percent of the OECD budget which will run to about $5 million annually. (S. 2423.)

Battle Act revision: Strengthen U.S. policy abroad by authorizing the President to permit economic aid to Iron Curtain countries, except the Soviet Union and Communist-held areas of the Far East, when he considers it important to U.S. security. (S. 1215.)

Peace Corps: Carried out the President's recommendation to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples to help themselves. The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for our mankind—Public Law 87–293.

Disarmament: Established a U.S. Arms Control and Disarmament Agency to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament—Public Law 87–297.

Surplus as aid: Authorized disposal of additional $2 billion in surplus commodities under the Agricultural Trade Development and Assistance Act—Public Law 87–27.

Agricultural aid: Authorized the administration to continue and expand the use of our agricultural abundance in helping needy people in the less-developed countries through development programs under title II of Public Law 480, Agricultural Trade Development Act—Public Law 87–92.

Alien Orphan Adoption Act: Made permanent and expanded the Alien Orphan Adoption Act which permits orphans adopted or to be adopted by U.S. citizens to enter the country on nonquota visas—Public Law 87–301.

Caribbean Organization: Authorized the President to accept on behalf of the United States the agreement establishing the Caribbean Organization; the participation of Puerto Rico and the Virgin Islands in the Organization; made available to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act; and authorized the Secretary of State to appoint a U.S. observer to the Organization. Organization is to concern itself with social, cultural, and economic matters of common interest to the Caribbean area—Public Law 87–73.

Fulbright Act: Authorized legally classified American nationals to qualify and receive financial assistance under the Fulbright Act for advanced education abroad—Public Law 87–153.

U.S. food reserve: Expressed an interest in exploring with other nations the possibility

of establishing an international food and raw materials reserve under the United Nations and related international organizations to acquire and store in appropriate countries raw or processed farm products and other raw materials exclusive of minerals.

Export-Import Bank: Authorized Export-Import Bank to guarantee and insure U.S. exporters and importers against political and credit risks of loss in foreign countries—Public Law 87–311.

Red China: Expressed as the sense of the Congress that:

First. The United States should continue to support the Government of the Republic of China as the representative of China in the United Nations.

Second. The United States shall continue to oppose seating of the Chinese Communist regime in the U.N. so long as that regime persists in defying the principles of the U.N. Charter; and

Third. The American people support the President in not according diplomatic recognition to the Chinese Communist regime.

International Finance Corporation amendment: Amended the charter of the IFC to allow purchase of capital stock to encourage private investment in underdeveloped countries by creating a wider flexibility of financing to meet the varying needs of private enterprise—Public Law 87–185.

Mercy fleet: Supported the establishment by the President of a White Fleet—a force of mercy ships to assist in disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the public health field and other works of technical assistance.

NATO: Extended through June 30, 1962, the life of the U.S. Citizens Commission on NATO, a commission established to explore means of increasing cooperation and unity of purpose among NATO countries—Public Law 87–116.

United States-France: Provided immediate effectiveness for atomic cooperation for mutual defense purposes between the United States and France—Public Law 87–363.

Loans to friendly nations: Authorizes loan of naval vessels to certain friendly nations—Public Law 87–387.

DEFENSE AND SPACE EXPLORATION AREAS

Ready Reserves: Granted authority, requested by the President, to call to active duty up to 250,000 ready reservists, authority to continue until July 1, 1962; and to grant discretionary authority to the Secretary of Defense to extend enlistments, appointments, and other service obligations up to 12 months, which would otherwise expire on July 1, 1962—Public Law 87–117.

Military procurement: Authorized $12.4 billion procurement program for aircraft, missiles, and naval vessels for fiscal 1962—Public Law 87–53.

Military: Clarified the reemployment provisions of the Universal Military Training and Service Act—Public Law 87–391.

Additional military procurement authorizations: As requested by the President, authorized additional funds to provide for additional equipment primarily to improve the nonnuclear defense capabilities of our ground forces and of the Navy and Air Force; to provide increased air and sea lift; and to expand our antisubmarine warfare program. The overall request for additional authorization for procurement of weapons, equipment, and ammunition was $1,753 million; however, of this amount, additional authorizations are required only for $958,570,000—Public Law 87–118.

Military construction: Authorizes $831 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases—Public Law 87–57.

Aeronautics and Space Council: Reactivated and strengthened the usefulness of the Aeronautics and Space Council, and provided that it be administered by the Vice President—Public Law 87–26.

NASA authorization: Authorized $1,784,300,000 for the National Aeronautics and Space Agency—Public Law 87–98.

War hazards: Increased monthly disability and death compensation payable under the War Hazards Compensation Act—Public Law 87–380.

Marine Corps: Improved the combat effectiveness of the Marine Corps by providing for the expanded assignment of supply-duty-only officers to unrestricted duty—Public Law 87–123.

Emergency evacuation: Provided for advances in pay to Armed Forces personnel in cases of emergency evacuation of dependents from oversea areas—Public Law 87–188.

Coast Guard—Temporary appointments: Extended to January 1, 1964, the authority of the President to make temporary appointments in the Coast Guard, or until such time as the Secretary of the Treasury determines that the number of officers holding permanent appointments on the active list of the Coast Guard is equal to 95 percent of the number authorized by law—Public Law 87–257.

AEC authorization: Authorized $270,440,000 for a total of 40 new AEC projects including the Stanford linear electron accelerator and electric generating facilities—Public Law 87–315.

AEC omnibus amendments: Enacted numerous amendments to the AEC Act designed to provide a better framework and to help us keep pace with emerging developments in atomic energy. Amendments included the transfer of 3 kilograms of plutonium and 500 grams of uranium 233 to the International Atomic Energy Agency to aid in the prestige of the IAEA as a center for distribution of special nuclear materials, and the transfer of 8 additional kilograms of plutonium and 30 kilograms of uranium 233 to Euratom for research purposes and to help start an experimental plan for reprocessing fuel elements—Public Law 87–206.

Air Force promotions: Provide a temporary program through June 30, 1963, for promotion for all active duty Air Force officers below the grade of colonel—Public Law 87–194.

Reserves: Provides more flexible regulations regarding terms of enlistment in the National Guard to make service in that unit more attractive, and other changes include making ROTC graduate training program run from 3 to 6 months at the discretion of the service Secretary—Public Law 87–378.

WELFARE AND GENERAL GOVERNMENT AREAS

EDUCATION AND TRAINING

Aid to education: Enacted a $2,550 million 3-year Federal-aid-to-education program for school construction and increasing teachers' salaries. (S. 1021.)

Impacted areas—NDEA extensions: Enacted bill which extends for 2 years, until June 30, 1963, Federal assistance to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities, and authorizes an additional $20 million for this purpose. Also, extended for 2 years, until June 30, 1964, the provisions of the National Defense Education Act, passed in 1958, to stimulate a nationwide effort to strengthen instruction in science, mathematics, and modern foreign languages—Public Law 87–344.

College housing: Increased the loan authorization by $300 million for each of the 4 years beginning July 1, 1961, through 1964—Public Law 87–70.

Educational TV: Authorized Federal grants up to $1 million for any State to purchase TV transmission equipment for educational purposes, providing the State or sponsoring agency furnish the land, building, and guarantee to operate and maintain the channel. (S. 205—H.R. 132.)

Educational opportunities for migratory farm families: Authorized a 5-year program to aid in educating children of migratory workers. The Federal Government is to pay 100 percent of the program the first 2 years and the States and Federal Government will match costs for the next 3 years. (S. 1124.)

Juvenile delinquency: Authorized a program of Federal grants to communities and nonprofit agencies of $10 million a year for 3 years to aid in financing projects to combat juvenile delinquency—Public Law 87–274.

Nurses' scholarships: Extended for 4 years (to June 30, 1965) $5 million a year program for grants and scholarships for training of practical nurses under Vocational Education Act—Public Law 87–22.

Vocational teacher training: Authorized two 1-year programs of Federal grants for training teachers of the deaf, and advanced training of speech pathologists and audiologists—Public Law 87–276.

HEALTH AND SOCIAL PROBLEMS

Migratory health services: Authorized $3 million annually in Federal grants to public or nonprofit agencies and organizations for paying part of the cost of establishing and operating family health clinics and special health projects for domestic migratory farm families. (S. 1130.)

National Advisory Council on Migratory Labor: Established a 15-member council to advise the President and Congress on the operation of Federal law, regulations, programs, policies, and all other matters relating to migratory agricultural labor to provide a better understanding of conditions, needs, and long-range solutions of this problem. (S. 1132.)

Community health services: Expanded and improved community health services and facilities for the health care of the aged, construction of nursing homes, and training of public health personnel—Public Law 87–395.

Mass transit: Authorized a new $75 million program to help overcome commuting problems in cities; $25 million is authorized for demonstration grants (covering up to two-thirds of project cost) for projects to explore ways of overcoming mass transit problems; $50 million is authorized for low-interest loans to public bodies for acquiring, constructing, and improving transportation facilities and equipment—Public Law 87–70.

RESOURCE BUILDUP

Saline water conversion program: Extended the saline water conversion program, enacted in 1952, from 1962 through 1967 and authorized a total appropriation of $75 million, but does not limit the annual appropriation to a pro rata share of the total amount—Public Law 87–295.

Air pollution: Extended air pollution control authorization to June 30, 1966, provided for public hearings, and authorized $5 million a year to finance the studies. (S. 455.)

Shoreline areas: Authorized the Department of Interior to study means and costs of acquiring and preserving 14 ocean, lake, and river shoreline areas appropriate for recreational parks. Authorized the Department of Agriculture to study appropriate shorelines within the Nation's 186 million acres of national forests. Each department is to report its findings and recommendations within 2 years. Authorized $400,000 for each survey and a grand total of $25 million of matching funds to assist the States in acquiring State shoreline areas. (S. 543.)

Wilderness bill: Established a national wilderness preservation system providing that any time within 10 years, the President may recommend to Congress the permanent inclusion within the wilderness system areas totaling approximately 54 million acres. (S. 174.)

National fuels study: Approved a resolution authorizing the Senate Interior Com-

mittee to make an investigation and study of the current and prospective Government policies, to determine changes for an effective national fuels policy. Report of the findings to be submitted by January 31, 1961. (S. Res. 105.)

Migratory waterfowl conservation: Authorized a 7-year migratory waterfowl conservation program permitting advances to States to purchase necessary lands—Public Law 87–383.

CRIMINAL LAWS STRENGTHENED

Circuit judges: Created 73 additional U.S. district and circuit court judgeships to help ease the present workload and overcrowded court calendars—Public Law 87–36.

Jury commissioners: For the first time since 1884, increased the fees of jury commissioners in the U.S. district courts from the present $5 to $10 per diem for each day employed in the performance of duties. (S. 1899).

Agency investigations: Prohibits obstruction of any lawful inquiry or investigation by the Department of Justice or Treasury and strengthens prohibitions against injuries to persons furnishing information in connection with the inquiry. (S. 1665).

Gambling devices: Broadened the definition of gambling devices to cover additional types of machines manufactured for gambling purposes, and requires detailed records of all such devices shipped in interstate commerce. (S. 1658).

Racketeering enterprises: Prohibits the use of the mail or any transportation in interstate or foreign commerce for the purpose of distributing the proceeds of any unlawful activities—business enterprises involving gambling, bootlegging, narcotics, etc.—Public Law 87–228.

Transmission of bets: Forbids the use of wire communications (telephone, telegraph, or any other means of interstate wire communications) for gambling. Exempts information carried for use of the press and wireless communication—Public Law 87–216.

Wagering paraphernalia: Prohibits interstate transportation of wagering paraphernalia for bookmaking, wagering pools, numbers games, or similar games carried by means other than common carrier in the usual course of its business, but allows transportation of equipment from a State where it is manufactured into a State where parimutuel betting is legal—Public Law 87–218.

Felons: Extended Fugitive Felon Act to all felonies—Public Law 87–368.

Espionage: Extended laws against espionage and censorship to acts committed anywhere in the world—Public Law 87–369.

Tax stamps: Made it a Federal crime to transport fraudulent State tax stamps in interstate commerce—Public Law 87–371.

Plane hijacking: Made airplane hijacking a Federal crime subject to a possible death penalty—Public Law 87–197.

Aircraft claims: Authorized immediate payment of up to $1,000 to anyone who might suffer injury or personal damage as a result of an accident involving military aircraft or missiles—Public Law 87–212.

Supplemental air carriers: Provided a permanent place in the aviation industry for supplemental air carriers without adverse effect upon scheduled carriers. Provides that a carrier may request and be authorized to perform limited services supplemental to those furnished by the regular air carriers, and authorizes the Board to issue certificates of public convenience and necessity for supplemental service containing limitations on the type and extent of service authorized (S. 1969.)

REORGANIZATION AND GOVERNMENT AIDS

Government reorganization: Restored the authority of the President to submit plans for the reorganization of the Government—Public Law 87–18.

Civil Rights Commission: Extends the life of the Commission for 2 years, or until September 30, 1963—Public Law 87–264.

HEW: Authorized two additional Assistant Secretaries—one to handle international affairs, the second to handle medical and scientific matters. (S. 2073.)

Labor: Authorized an additional Assistant Secretary to perform functions relating primarily to the employment and effective utilization of women in our labor force—Public Law 87–137.

FTC reorganization: Provided for the reorganization of the Federal Trade Commission to expedite the present workload—plan No. 4. Effective July 9.

CAB reorganization: Authorized the reorganization of the Civil Aeronautics Board to provide greater flexibility and a more expeditious handling of CAB cases—plan No. 3. Effective July 3.

Maritime reorganization: Authorized reorganization of Maritime Board—plan No. 7. Effective August 12.

ICC: Authorized reorganization of Interstate Commerce Commission—Public Law 87–247.

FCC reorganization: Authorized FCC to delegate functions in adjudicatory cases to expedite and improve the administrative process—Public Law 87–192.

SEC reorganization: Authorized the Securities and Exchange Commission to delegate certain of its functions by published order or rule to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of such delegations. (S. 2135.)

SEC investigation: Authorized $750,000 for the Securities and Exchange Commission to conduct a special investigation of the adequacy of its rules, for the protection of the investor, governing stock exchanges and over-the-counter securities trading. SEC is to report its findings to Congress by January 3, 1963—Public Law 87–196.

Internal Revenue employees: Appropriated funds for an additional 4,265 Internal Revenue Service employees—Public Law 87–159.

Travel expenses: Increased the allowances of Government employees for traveling expenses when on official business. Increases include from $10 to $16 per diem allowances and from 10 to 12 cents a mile by private automobile—Public Law 87–139.

Interstate commerce—Property destruction: Strengthened existing Federal law by making it unlawful to destroy, injure, set fire to, or otherwise damage goods moving in interstate or foreign commerce, break into or enter any railroad car, vessel, aircraft, truck, or other vehicle for such purpose—Public Law 87–221.

Rural carriers: Increased equipment allowance for rural mail carriers to 12 cents a mile. (S. 189.)

Postal employees: Extended to employees in the postal field service the same salary-retention protection in cases of reduction in grade as provided under the Classification Act since 1956—Public Law 87–270.

NSLI special dividend: Authorized the payment of a special insurance dividend averaging from $100 to $150, for those veterans who have RS or W insurance. The RS insurance is entirely term insurance and the premium increases at the end of each 5-year period. The W insurance is both term and permanent, with the increased rate at the end of each 5-year period—Public Law 87–223.

ELECTIONS AND THE WHITE HOUSE

Federal election laws: Passed a clean-elections bill to strengthen our electoral system, provide more realistic ceilings on campaign expenses, make available at the State level information on campaign financing, and provides for a tax credit for political contributions to candidates for Federal office or to political committees acting for such candidates. (S. 2426.)

National conventions: The Senate adopted unanimously a resolution expressing as the sense of the Senate that the party conventions held every 4 years to nominate candidates for President and Vice President should not be commenced prior to the first Monday in September of the year in which the election is to be held. (S. Res. 141.)

District of Columbia elections: Implements the 23d amendment to the Constitution giving the residents of the District of Columbia the right to vote for President and Vice President; retains the voting age at 21 and provides for a 1-year residency requirement—Public Law 87–389.

White House: Established the White House as a national monument—Public Law 87–286.

Progress by Solid Accomplishment Without Headlines or Fanfare

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EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MULTER. Mr. Speaker, last November the people of our country elected a Democratic President and reaffirmed their faith in the Democratic Party by continuing that party's control of the Congress.

Let us reflect on this American decision for a moment now that the heat of political battle has cooled and the comfortable breezes of autumn approach the Capitol to sweep away, equally, the fiery oratory, the impassioned pleas, the acrimonious arguments, and the hot air.

The 1st session of the 87th Congress has ended and we near the end of the first year since the election of President John F. Kennedy. The time for reflection—the time for judgment—is here.

On February 21, 1961, 1 month after taking office, President Kennedy sent to the Democratic congressional leaders a 16-point priority list of legislation. The President did not pull these programs out of a hat. Many of them have been part and parcel of the Democratic Party's platform for years—all of them reflect that concern for the welfare of our people and country which has always characterized the Democratic Party.

A review of prior first sessions of Congress reveals these interesting facts:

In the 1st session of Congress under President Roosevelt 11 major bills were passed. They all dealt with the domestic scene.

In the 1st session of Congress under President Eisenhower, 12 major bills were passed. That included extensions of four existing programs, amendments to two others, and three reorganizations of executive agencies.

In 1950, under President Truman, an alltime high, until this year, was accomplished by the passage of 14 major bills.

In this 1st session of the 87th Congress, under President Kennedy, we can boast of the passage of 33 major bills.

Numbers alone, however, are not too important. The content is of maximum concern. It will be much too burdensome to analyze in detail all of these items. I will try to be as concise as possible.

Of the 16 priority measures requested by the President, 12 were enacted into law during this 1st session of the 87th Congress. Of course, many more than 12 bills have been enacted—many of these others also came before the Congress at the request of the President. Including treaties submitted to, and ratified by the Senate, the Congress approved 138 separate matters submitted by the President. Few were disapproved or killed by the Congress. Three, of major importance, will be considered in the second session of this Congress which begins on January 10, 1962, they are, first, aid to education; second, medical care for the aged; and, third, tax revision.

Actually, both Houses of this Congress passed and sent the President a total of 693 bills and resolutions. All but eight were approved by the President.

On the domestic front Congress has enacted a series of major legislative proposals designed to stimulate our lagging economy, to promote sound economic growth and development of our human and natural resources, to alleviate the hardships of unemployment, and to promote the well-being of all Americans. They include a number of measures previously vetoed by former President Eisenhower or stymied as a result of "divided government" during the prior 6-year period.

In the area of national defense and foreign policy the Kennedy administration has worked vigorously to rebuild our military strength and to restore our international prestige. Congress has responded by providing necessary funds to improve our defense posture in the face of renewed aggressive activity by the Soviet Union in many parts of the world. It has cooperated in undertaking important new programs to aid the peoples of Latin America and to provide a more efficient and comprehensive type of mutual security program to strengthen our allies, newly emerging nations, and underdeveloped areas of the world.

The Rules Committee has been made more responsive to the Democratic leadership and to the majority will of the House. With the exception of comprehensive aid to education legislation, the new 15-member Rules Committee has provided a majority to assure floor action on all major legislation recommended by the administration so that the membership of the House could work its will in connection therewith.

On the other hand, the record of Republican conduct has been extremely irresponsible. For example, 97 percent of the Republicans voted in the House against consideration of the education bill, 86 percent against the conference report on the minimum wage bill, 84 percent against the conference report on the omnibus housing bill, 80 percent against the conference report on the area redevelopment bill and 50 percent against the conference report on the mutual security bill.

Apparently the Republicans plan to continue their do-nothing policy. The achievements of this session, however, cannot be hidden by Republican carping and negativism.

NATIONAL DEFENSE AND SECURITY

In this vital area the Congress has authorized $12.5 billion in additional funds for fiscal 1962 for construction of aircraft, missiles and naval vessels, stepping up Polaris submarine production to 29 by 1964 instead of 1967. It has authorized $893.9 million for construction and improvement projects at military bases at home and abroad, including missile sites and nuclear submarine bases. $1.7 billion has been authorized for the National Aeronautics and Space Administration for fiscal 1962. This includes increases for a manned moon-orbiting project and for research on solid and nuclear propellants.

There has been $131.4 million authorized for Atomic Energy Commission construction projects. In addition to this, the Congress has authorized the President to call up 250,000 reservists and National Guardsmen for active duty of not more than 1 year. It is believed that nothing less than this will suffice in the face of Khrushchev's continuing threats over Berlin.

INTERNATIONAL AFFAIRS

In this area the President came very near getting what he wanted in a foreign aid bill. But the Congress held back on the blanket authorization for Treasury borrowing and insisted that—although long-term commitments could be made—the various committees on Capitol Hill be required to review these commitments each year.

Treasury borrowing is invidiously referred to by many as back-door financing. It is no such thing. Treasury borrowing merely means that the Congress in a single bill authorizes the lending and directs the Treasury to make the money available. The bill must pass both Houses of Congress and be approved by the President. Any time the Congress desires, it can pass a repealer of such law. It does in one step what usually requires two steps. In the case of most Government expenditures a law is first enacted authorizing them and then a second law is enacted directing the expenditure by appropriating the money. The two-step procedure is usually followed for spending. The one-step procedure has been traditionally followed for lending.

THE PEACE CORPS

One of the really valuable measures enacted into law during this session was the bill creating the Peace Corps.

The Peace Corps will not revolutionize the world, but it is well worth trying. It is a tribute to the President's perception of the mood of America that the Corps has received such enthusiastic support from the American people. This group of dedicated young volunteers will bring great credit to our Nation and enhance American prestige throughout the world. This is one of the positive ways of combating communism.

U.S. ARMS CONTROL AGENCY

Perhaps, aside from the foreign aid bill, the most important piece of legislation passed by the Congress in the area of international affairs was that establishing a permanent U.S. Arms Control Agency. This Agency may well make a major contribution to disarmament and the establishment of peace.

THE ALLIANCE FOR PROGRESS

Six hundred million dollars was appropriated to effectuate a previously authorized aid program for Latin America. This important action provides $100 million for disaster relief in Chile, $394 million for loans by the Inter-American Development Bank, $6 million for social and economic programs of the Organization of American States, and $100 million for loans and grants through the International Cooperation Administration.

Two measures important to the hungry of the world were also approved by the Congress. One extends indefinitely the President's authority to use surplus farm products to aid the peoples and economies of undeveloped nations and permits a broadened program. The second expresses the desire of the Senate that the President should explore with leaders of other nations the possible establishment under the United Nations of an international food and raw materials reserve.

A U.S. Travel Service to promote and encourage foreign tourist travel in the United States was established in the Department of Commerce.

THE NATIONAL ECONOMY

Nine hundred and twenty-eight million dollars have been authorized to provide 13 weeks' additional unemployment compensation, up to June 30, 1962, for jobless people whose payments expire. This measure also increased the tax on employers by four-tenths of 1 percent for 2 years beginning January 1, 1962. Similar benefits were supplied for unemployed railroad workers in separate legislation.

Legislation for aid to dependent children provided temporary grants to States to finance their inclusion in the Federal-State unemployed assistance program. This will expire on June 1, 1962.

The minimum wage bill raised the minimum from $1 to $1.25 an hour and extended coverage to 3½ million additional workers by gradual wage step-ups.

Three hundred ninety-four million dollars in loans and grants for industrial plants and public facilities has been authorized for the new Area Redevelopment Administration in the Department of Commerce.

An additional $11.5 billion has been authorized for completion of the Interstate and Defense Highway System as scheduled by 1972.

Construction aid under the Airport Act has been extended for 5 years to June 30, 1966; $375 million is authorized for grants for that period.

SOCIAL SECURITY AND HEALTH, EDUCATION, AND WELFARE

An important amendment to the Social Security Act raises the minimum monthly old-age insurance payments from $33 to $40, increases the benefits to widows, provides that male workers may draw reduced benefits upon retirement at age 62, liberalizes the disability provisions, and increases the tax for workers and employers by one-eighth of 1 percent each.

Although the comprehensive aid-to-education bill did not get out of the Rules Committee, the Congress did pass legislation extending for 2 years the provisions of the National Defense Education Act and for assistance for schools in federally impacted areas.

One of the most important programs enacted by this first session of the 87th Congress is the Housing Act of 1961. It authorizes a 4- to 5-year $4.9 billion housing program for low and moderate income families on liberalized terms, urban renewal, open space development in cities, college dormitory construction loans, 100,000 new units of public housing, community facilities, an extended farm housing program, an increase in funds for housing for the aged, and a provision for loans to cities to acquire mass transportation facilities.

The Community Health Services and Facilities Act of 1961 expands and extends the programs of Federal grants to the States and communities for construction of nursing homes, training of public health personnel, and studies to improve services for the aged outside of hospitals.

An interim increase of $1 billion has been provided in FHA mortgage insurance authority for dwellings.

Five million dollars a year for 4 years has been provided for the extension of a program of grants and scholarships for the training of practical nurses under the Vocational Education Act of 1946.

One hundred and five million dollars has been authorized for a 1-year extension of the special milk program for schools and child care agencies.

The Juvenile Delinquency Act of 1961 provides a program of Federal grants to communities and nonprofit agencies of $5 million a year for 4 years to help finance projects to combat juvenile delinquency. This marks the first effort in this field by the Federal Government.

GOVERNMENTAL REORGANIZATION

Reorganization plans for the Civil Aeronautics Board, the Federal Trade Commission, and the Home Loan Bank Board, became effective during July and August as a result of congressional approval. A similar plan abolished the Federal Maritime Board and replaced it with a five-man Federal Maritime Commission.

Seventy-three new Federal judgeships were created with the enactment of Public Law 87-36 to relieve the tremendous backlog in almost all Federal courts.

Three important anticrime bills—the first such package since 1934—were enacted. Among other things, these bills prohibit transmitting gambling information. Such a proposal had been made 35 times in the last 52 years.

VETERANS AND SERVICEMEN

An extension of direct and guaranteed home loan programs for World War II veterans to July 26, 1967, and for Korean veterans to February 1, 1975, was enacted. This measure authorizes an additional $1.2 billion for the direct loan program through fiscal year 1967.

Veterans have been authorized to combine separate periods of service in different periods of war to permit them to qualify for a non-service-connected pension under the 90-day service requirement.

Payment of $60 million special dividend to eligible policyholders of national service life insurance was authorized by the Congress on September 1, 1961.

Other measures include a pension increase for holders of the Congressional Medal of Honor and a requirement that the Board of Veterans' Appeals make findings of fact and conclusions of law in each case.

MISCELLANEOUS

Natural resources: In the natural resources area an expansion of the water pollution control program increases the grants to State and interstate agencies from $3 million annually to $5 million for operations through 1968, and from $50 million to $100 million annually for construction of treatment works. A minor year-to-year saline water research program has been converted into a $75 million, 6-year program to achieve a major breakthrough.

Corporate and excise taxes: Pending a complete revision of our tax laws, the Congress extended for 1 year the present tax rates on corporations and excise levies on distilled spirits, beer, wine, cigarettes, automobiles, parts and accessories, local telephone service, and transportation of persons.

Civil service retirement annuity increase: We made permanent the temporary increase in Civil Service Retirement annuities enacted in 1958.

Food for peace: We raised the authorization under title 1 of Public Law 480 by $2 billion for calendar year 1961 providing for the sale of surplus agricultural commodities to friendly nations for foreign currencies.

Postal workers: A new provision for three longevity steps which are assigned after 10, 13, and 16 years of service respectively will give each employee for each step an amount equal to one step increase for his position.

The Postmaster General, we hear, is urging the President to veto this bill, until such time as the Congress authorizes an increase in postal rates. I have joined many of my colleagues in asking the President to disregard such advice.

The two problems are separate and distinct and should not be confused. Equity and simple fairness dictate that these workers are entitled to this relief. It is long overdue.

Whenever the Postmaster General will recommend to the Congress that business mail be made self-supporting, I believe the Congress will pass a proper rate increase bill. But the longevity increase bill should not be made dependent on a postal rate increase.

This, then, is the record. It is an impressive one; a record that will surely be considered one of the best that any Congress has made. I am proud to have contributed to it.

The work, however, is not done. Many important programs must still be acted on. Prime targets in the second session which begins in January are comprehensive Federal aid to education and medical care for the aged through the social security system.

It has been a difficult and hard-working first session. The New Frontier has not yet been reached. We have, however, gone a long way toward a revitalization of our Nation.

On September 15, 1961, I went with Secretary of the Treasury Dillon to the Vienna meetings of the World Bank, the International Monetary Fund, the International Finance Corporation, and the International Development Association. These meetings were most valuable. They were attended by the official representatives of 74 countries. They help knit the free world into a harmonious organization of mutual help for building a peaceful economy.

From Vienna I went to Rome as a member of the President's commission to the centennial celebration of the unification of Italy. The good will engendered by this delegation was well worth the time and energy expended.

Although my attendance at the closing days of this session was excused because of the official business, to which I attended, it is well to note that there was not a single rollcall during my absence, the result of which would have been changed by my presence. In fact, that is true of the entire session. Excluding the calls on days on which my presence was officially excused, I missed only five rollcalls and five quorum calls out of a total of 231.

On a more personal level, I urge all of my constituents—regardless of their political sympathies—to write to me at my Washington office, Room 1305, House Office Building, Washington 25, D.C., and share their views with me. They are welcome to acquaint me with such problems, with which they believe I can assist them. It is only thus that democracy can work.

Goals of the New Frontier: Fair Labor Standards

EXTENSION OF REMARKS

OF

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. O'HARA of Michigan. Mr. Speaker, on virtually the same battleground on which previous minimum wage battles were carried on, the Democrats fought and this time won a substantial

victory. Attempts have been regularly made to expand the coverage of the Fair Labor Standards Act, but it has taken 23 years to achieve that result.

We succeeded this year where we had failed before because of the vigorous action of President Kennedy, who, in implementing the goals of the New Frontier, is determined to see that all of our people share in our growing national prosperity. The bill that passed this year is very similar to the measure that was requested by the President. It was, in fact, very similar to the measure he had supported so vigorously in the last Congress as a Senator.

This year's amendments to the Fair Labor Standards Act include an increase in the minimum wage for the 23.9 million workers previously covered from $1 to $1.25 an hour. The higher level is to be reached in two steps over a 2-year period. Protection of the minimum wage provisions and, with some exceptions, of the overtime provisions of the act was extended to 3,624,000 workers not previously covered. The newly covered will reach the level of $1.25 an hour and a 40-hour workweek in three steps over a 4-year period. The bulk of the newly covered employees are in the retail and construction industries.

As important as the increase in the minimum wage and the numbers of newly covered workers is the change of philosophy and policy implicit in other amendments of this year, where we succeeded in introducing the dollar-volume-of-business test as a criterion of coverage. In providing for "establishment coverage" we have eliminated the anomaly under which some workers in a given plant or firm were covered and others not.

In the course of debate on this measure the same tired old alibis and excuses were raised by the conservatives to stave off action in this field. The chief charge was that any raise in the wages and any extension of protection would be "inflationary."

The wages of a little over 3 million workers previously covered will be affected, adding approximately $836 million to the annual wage bill. Of the 3.6 million workers newly covered, the wages of approximately 1⅓ million will be raised, adding approximately $700 million to the annual wage costs. The employers' annual wage bill will thus be raised by approximately $1,536 million—less than three-tenths of 1 percent of the gross national product—$520 billion a year.

Not only is the increase proportionately small, but studies of the economic effects of the original act and the subsequent raising of the minimum wage demonstrate that the increase in wage costs was not necessarily reflected in consumer prices. As a matter of fact, during periods of relatively high unemployment such an increase in purchasing power can be expected to have a beneficial rather than a harmful effect on the economy.

Very little, if any, of the increase will be spent for items in short supply. Studies of low-income consumer expenditures show that over half of the increase will be spent for food and clothing. An increase in the wages of those at the bottom of the income scale can be expected to give a boost to those very sectors of the economy that need stimulus.

It will contribute, in a small way perhaps, to a reduction of farm surplus. Substantial amounts will be drained away in excise, income, and social security taxes.

I delight in the passage of this year's act, but I am not satisfied. As President Kennedy said as he signed the amendment last May:

> This does not finish the job. It is a very meaningful step forward, but we have need for further improvement in this most vital field.

Failure to extend the act will encourage the continuing growth of a depressed class, numbering in the millions, whose members cannot realistically hope to share in our prosperity or to share in what we think of as the American way of life.

As a nation we can ill afford the cost of such cheap labor. Poverty below the subsistence level quickly translates itself into slums, crime, delinquency and disease for which ultimately we must pay the price. The protection of the wage-hour law must be extended to all who need it. To fail to do so would be indefensible—socially, politically, and economically indefensible.

Permitting the Secretary of Labor on his own and without a request initiated by a worker to bring suit for back wages due under this act is an important and worthwhile improvement in its enforcement procedures. It does not, however, go far enough. Unscrupulous employers failing to comply with this act in years past have cheated workers of over $350 million a year. This must be stopped. After experience has been gained with this new provision, we should plan to move forward with still more effective procedures.

I would urge, in addition, extension of the child labor provisions of the original Fair Labor Standards Act to agriculture. Exploitation of children on the "factory farm" is not a bit less vicious, not a bit less cruel than exploitation of children in the mine, the mill, or the smelter. Elimination of this abuse is an imperative goal of the New Frontier.

A Report to the People of Union County, N.J.

EXTENSION OF REMARKS
OF
HON. FLORENCE P. DWYER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mrs. DWYER. Mr. Speaker, if the 1st session of the 87th Congress were to be evaluated on the basis of what the people were led to expect from it—and this standard is, I believe, a fair one—it would have to be concluded that the record is inadequate and disappointing.

People's expectations were high, and for a number of reasons: The 1960 platforms of both political parties promised action on a wide variety of problems; for the first time since 1954, the President belonged to the party which controlled both House and Senate; the majorities in both Houses were substantial; the session was the longest since the wartime year of 1951; and the President submitted no less than 355 specific legislative requests to the Congress.

Although Congress passed a large volume of legislation, most of it was relatively unimportant. On the big issues—tax reform, education, foreign aid, civil rights, transportation, agriculture, labor, and others—Congress either failed to act at all or drastically revised Presidential proposals.

There are several explanations for Congress' poor record. Most important, perhaps, was the administration's failure to establish priorities and to concentrate on obtaining approval for its most important recommendations. Related to this was the impression created by the administration that it favored quantitative solutions to problems rather than qualitative solutions, that it believed that spending more money and starting new programs would automatically produce desirable results. As the session progressed and it became more apparent that a deficit was inevitable, Congressmen developed a healthy fear of the inflationary effects of an unbalanced budget. This, together with the mood of moderation shared by most Members this year, brought an increasingly negative response to administration requests.

The worsening international situation, and the huge increase in defense spending it required, took Congress' attention away from domestic matters and confirmed Members' reluctance to embark on new and expensive programs.

SOME WORK TO DO

However valid these reasons may be, Congress in 1961 has left an immense amount of work for its second session to do. Since 1962 will be a national election year, political pressures are not likely to make it any easier to obtain sound and constructive legislation.

The first and possibly most controversial issue of the first session was the question of enlarging the House Rules Committee to assure that the majority leadership could bring its legislative program to the floor for a vote, and decision, by all the Members. Together with 21 of my Republican colleagues, I voted for enlargement, and I am convinced our vote was a wise and proper one. It did not, as some feared, open the gates to a flood of big spending programs, but it did serve to place responsibility for the record of the Congress where it belongs—with the majority.

To a considerable extent, the accomplishments of the session just ended can be attributed to two emergency situations: The economic recession earlier in the year and the Berlin crisis which came to a head in the closing weeks of the session.

For instance, temporary extension of unemployment compensation and a

temporary program of aid to the dependent children of unemployed workers—both very worthwhile—were the direct results of the effort to fight the recession. The area redevelopment or depressed areas program, which was also passed as an antirecession measure, was far less defensible and I opposed it in its final form because of its implicit threat to established industrial areas like our own and because of its failure to direct help to areas needing it most. Only two small projects, by the way, have been started in the more than 5 months the agency has been in existence.

Although somewhat less directly related to the recession, the minimum wage and the omnibus housing bills both benefited from the widespread desire to stimulate the economy by increasing purchasing power. The housing bill presented me with a particularly difficult decision. Having worked hard in our Banking and Currency Committee for several of the programs in the bill, including housing for the elderly, college housing, middle-income housing, and mass transportation, I was nevertheless strongly opposed to the rather bald-faced attempt to pass the bill by loading it with "sweeteners" in the form of benefits for almost everyone. One section of the bill, for example, provided 10 times the amount of funds requested by the President. Consequently, I supported amendments to trim the fat from the bill, but when these failed it seemed clear that, on balance, the bill contained so much of importance that it ought to pass.

RESPONSE TO EMERGENCY

The major legislative accomplishments in the fields of national defense and foreign policy likewise depended largely on the existence of an emergency. In direct response to the President's address to the Nation in July on the Berlin crisis, Congress voted $46.7 billion in defense funds, $6.4 billion above last year's appropriation and the largest amount in a single year since the Korean war. Congress also quickly approved the President's request for authority to call to active duty 250,000 reservists for up to 12 months and to extend the service of those currently on active duty for the same length of time. A reorganization of the civil defense agency, which the President transferred to the Pentagon, was supported by Congress, as was the President's request for a huge increase in funds for the National Aeronautics and Space Administration to make possible a speedup in the man-in-space and space satellites programs.

In foreign affairs, the creation of two new agencies—the Peace Corps and the Arms Control and Disarmament Agency—attracted special attention as well as widespread bipartisan support in Congress. While both agencies are frankly experimental, each is a hopeful attempt to take the initiative in a key area of cold war politics. The Peace Corps, which is already helping to channel the talents and energies of young Americans into constructive service in several less fortunate countries which are striving for self-development, will also help prove to a skeptical world that our people are genuinely and unselfishly interested in helping others. The Arms Control Agency, on the other hand, will provide a new and deeper dimension to much of our foreign and defense policy by doing the planning and research and making the technical studies and tests necessary to make certain we know what we are doing in the complex business of disarmament negotiations. I supported both new agencies.

Congress also first, approved an expansion of our valuable cultural and educational exchange programs; second, ratified a convention joining the United States, Canada, and 18 European nations in the Organization for Economic Cooperation and Development which, among other objectives, is designed to help ease our balance-of-payments problem; third, appropriated funds to back up our Latin American economic cooperation program; fourth, extended the food-for-peace program under which we sell farm surpluses for local foreign currencies; and fifth, passed an immigration bill which made permanent the alien orphan adoption program and speeded up the process of reuniting relatives abroad with their families in the United States.

But the most important foreign policy program of all—foreign aid—was one of the year's notable failures and, together with the collapse of education legislation, accounts to a large extent for characterizing the first session as disappointing. The basic aims of the two measures—to put foreign aid on a long-term financing basis and thereby help to overcome much of the waste and inefficiency in the program, and to provide Federal help in building classrooms in areas where overcrowding is most serious—were supported by substantial majorities in both House and Senate. Yet, for reasons that apply to both bills, Congress decisively rejected them.

WHAT WENT WRONG

In both cases, administration proposals were much too ambitious. The foreign aid bill failed to provide an effective means of congressional control of the program, while the education bill proposed a permanent program including subsidy of teachers' salaries. Moreover, administration supporters refused to compromise on terms that could have assured at least partial victories. A temporary program of Federal aid limited to classroom construction, for example, passed the House last year and could have become law this year. In neither case did administration spokesmen make a convincing demonstration that their objectives were clear and obtainable. Floor leadership of the bills, too, was inadequate and was marked by contradictions and inconsistencies as well as by a failure to cooperate with the minority in writing legislation that would meet national needs.

As a result, foreign aid was limited to a 1-year appropriation, and the only education bill to pass was a 2-year extension of the existing National Defense Education Act and the program of aid to school districts burdened with nearby Federal establishments.

The list of administration proposals defeated or postponed by the 1st session of the 87th Congress is a long one. The President's comprehensive tax revision recommendations, a few of which I favor but a number of which I find unwarranted, including the plan to repeal the 4-percent dividend credit, were put off until next year. Other major bills met the same fate: oceanography research, medical care for the elderly under social security, a new Cabinet-level Department of Urban Affairs, establishment of a national wilderness preservation system, a program of building college classrooms and providing college scholarships, and improvement of educational television.

Congress also left unfinished the President's request for a retraining program for unemployed workers; it postponed action on the administration's export promotion program; and ignored entirely the President's proposals for major changes in the Federal-State unemployment compensation program. It postponed action on his proposed Youth Conservation Corps, rejected a bill for more effective enforcement of the Welfare and Pension Plans Disclosure Act, and failed to complete action on five bills to aid U.S. migrant farmworkers. Congress refused to consider an administration request for increased postal rates, and took no final action on the President's proposal to make the conflict-of-interest laws more effective.

One of the most serious failures of the Congress this year, for which the administration must share the blame, was the refusal of both to seek action on civil rights legislation, legislation endorsed in the platforms of both political parties.

In addition to the more important measures passed under the impetus of the critical international situation and the recession, Congress completed action on a number of significant bills. The social security laws were liberalized to provide a small increase in the minimum benefits for retired workers, and to permit men as well as women to retire at age 62 on a reduced-benefit basis. The water pollution control program was expanded to help more communities construct sewerage treatment plants. The Community Health Services and Facilities Act provided increased assistance for public health services, nursing home construction, hospital facilities and outpatient services.

SEVERAL ACCOMPLISHMENTS

A new U.S. Travel Office was established to promote foreign travel in the United States. A program to develop ways of converting salt water into fresh water was approved. Residents of the District of Columbia were granted the right to vote in presidential elections. Four of the seven plans by which the President proposed to reorganize regulatory agencies were approved and three rejected. The Justice Department received new antiracketeeer weapons in the form of several bills barring the use of interstate transportation and communications facilities to further illegal purposes. A 3-year program to help control juvenile delinquency also became law. And, after ignoring the need for

new Federal judgeships for several years, 73 new positions were quickly created—14 more than the President had requested.

Other, more routine and expected measures, were also approved, including a revised farm program which continues, I believe, to follow the wrong road—the road to high food prices and huge supplies of surplus commodities.

As in every Congress, most of the basic legislative work was done in the various committees. Both my own committees—Banking and Currency and Government Operations—have unusually broad jurisdictions, and our workloads reflected this fact.

In addition to the housing bill and the area redevelopment bill—which, as reported by our committee, was a much better bill than that finally passed by Congress—the Banking and Currency Committee greatly strengthened American small business: First, by increasing the Small Business Administration's business loan authority; second, by improving small business opportunities to obtain Government contracts; and, third, by expanding the supply of long-term loan and equity capital for small business concerns through privately owned small business investment companies. Moreover, we saved taxpayers $4 million annually in interest charges by authorizing the Treasury to adjust its accounts with respect to unredeemed currency issued before 1934. We permitted the Government's Commodity Credit Corporation to use surplus grains to feed wildlife in cases of drought or other emergencies. We approved two bills to strengthen the savings and loan association industry. And we helped place American exporters on an equal basis with foreign competitors by authorizing the Export-Import Bank to protect exporters against political and credit risks, a measure I hope will stimulate lagging American exports and improve our balance-of-payments position.

STUDYING THE GOVERNMENT

Much of our activity on the Government Operations Committee is continuing in nature, in keeping with our "watchdog" responsibilities which cover all aspects of the Federal Government.

This year, for instance, we maintained a close check on foreign aid and military operations, exposing weaknesses and recommending ways of improving programs. We continued to persuade Government agencies to liberalize their information policies and respect the people's right to know. Besides the several reorganization bills and the legislation to create a Department of Urban Affairs, which I previously mentioned, two of our reports were of special importance—a detailed study of the new civil defense program, of immense significance to each one of us, and an investigation of the growing practice in the Federal Government of secretly recording telephone conversations, an unauthorized and potentially dangerous invasion of privacy. As a result of the former study, I introduced legislation to provide a tax deduction for the costs of building fallout shelters and to authorize FHA-insured loans for this purpose.

As ranking minority member, much of my time was devoted to the work of the committee's Intergovernmental Relations Subcommittee. Among other things, we continued our long-range investigation of the Agriculture Department's administration of certain of its price-support programs. We held hearings which helped convince the Department to prohibit the watering of hams, a practice which, in effect, inflated the consumer price of ham by approximately one-third. We studied and recommended to the National Institutes of Health improvements in their administration of health research programs which they have already put into effect and which are estimated to save the Government at least $200,000 a year. And we are presently reviewing certain intergovernmental problems in metropolitan areas.

Recently, we began an intensive study of the consumer protection activities of the Federal Government. Our objectives are to increase the effectiveness of this protection and to improve the coordination of consumer protection activities between Federal, State, and local governments and private agencies. Already, some startling inadequacies have been found. The Food and Drug Administration, for example, reported that this year it was able to examine only one-fifth of 1 percent of the interstate shipments of food to determine whether hazardous levels of pesticide residues were present.

Our subcommittee also completed hearings on legislation which I cosponsored which would require that all new Federal grant-in-aid programs be formally reviewed by Congress periodically to determine whether they should be repealed, continued, expanded or drastically revised. Because too many Federal grant programs are permitted to continue long after they have served an important purpose, I am convinced this legislation can both save the Government money and improve the Government's service.

However we may feel about individual grant programs, it is clear that Federal grants-in-aid are indispensable to the States. In fiscal year 1959, the last year for which figures are available, New Jersey received $172.7 million in Federal grants, more than half as much—51.4 percent—as our State raised in tax revenues, $336.3 million. Several States received more from the Federal Government than they raised themselves, and Alaska got almost twice as much.

UNION COUNTY IN CONGRESS

Union County, the Sixth Congressional District of New Jersey, is directly affected by what Congress did and did not do this year. The year's most significant success was unquestionably the beginning of a new program of aid to metropolitan areas like our own for the purpose of bolstering commuter mass transportation systems. Although Congress at the last moment reduced funds for this program to the point where it could barely get started this year, I shall continue to press the administration to reallocate money previously appropriated for other, far less important projects and put it to work in this highly critical field.

Approval of the new program was particularly gratifying to me since I was a cosponsor of the legislation and because I have worked hard on this problem for more than 3 years. A major factor in winning congressional approval of the program, by the way, was the timely endorsement of the Advisory Commission on Intergovernmental Relations in its comprehensive commuter transportation study, which it had undertaken at my request. Better transportation is the key to halting the deterioration of our cities and making metropolitan areas more pleasant, attractive, and efficient places in which to live and work. I hope, therefore, the new program will receive the imaginative and energetic administration it needs.

For the first time, the serious flood control situation on the Elizabeth River received concrete attention from Congress. At my request, Congress appropriated funds for a Corps of Engineers' survey of flood damage along the river which will, I hope, result in Federal participation in constructing flood protection facilities. The people of Elizabeth, Hillside, and Union in particular have suffered increasingly from the frequent flooding of the Elizabeth River and, unless effective protection is provided soon, will suffer even greater damage as urbanization of this heavily populated area continues.

This year, too, brought the results of several years of constant effort to improve post office facilities in Union County. After years of investigation, planning, and necessary preliminary work, new and remodeled post office buildings and substations were begun or completed in a number of our communities, including Elizabeth, Mountainside, Fanwood, Scotch Plains, Garwood, Roselle Park, Springfield, and Summit.

Changes in the immigration law, I am happy to report, will benefit numerous Union County families. Congress authorized the wives and husbands of permanent residents and the immediate families of citizens to come to the United States without regard to existing quota limitations. This will eliminate the lengthy delays experienced by many in seeking to reunite their families. Acting immediately on the basis of the new law, I have already received dozens of reports from American consulates abroad informing me of their cooperation in speeding the issuance of immigrant visas.

JET NOISE ARRIVES

At the beginning of this year, most of Union County was deeply concerned at reports that the Port of New York Authority intended to build a huge new jet airport in the Great Swamp of Morris County, adjacent to our own county, and planned to permit jet aircraft to operate out of Newark airport. Although we have been successful in blocking the Great Swamp jetport, jets have now ar-

rived at Newark. Despite my own efforts, and those of many others, to convince the Governor of New Jersey that jets should not be permitted at Newark until methods of eliminating noise hazards had been perfected, the Governor allowed the port authority to initiate jet service on a limited basis. According to recent reports, however, many more jet flights will be scheduled from Newark in the near future. I shall continue to urge the Governor and the port authority to insist that every possible noise prevention technique be used to protect airport neighbors from the hazards of jet noise.

Among the several methods I have used to keep in close touch with the people I represent and the problems of our district—including my annual congressional questionnaire, my regular report to the people, office hours in the district, and so forth—a new one this year, an industrial survey, proved very worthwhile. At the height of the recession, I prepared a detailed questionnaire covering major aspects of the economic situation in the county, employment and production trends, labor relations, taxes and community services, and prospects for the future, and asked the principal manufacturers and union locals to reply. Their answers revealed that our area economy is strong, that it suffered somewhat from the recession, but that improvement was expected and long-range growth anticipated.

Union County has both economic assets and liabilities, and I found the survey results very helpful in determining how best I could contribute to the future well-being of our people.

As always, my staff and I, both in Elizabeth and in Washington, have obtained a great deal of satisfaction from the daily business of helping the people of Union County. While no statistics are available, we have welcomed literally thousands of constituents who wrote and visited us in Washington and who sought help with a multitude of business, labor, civic, and personal problems with the Federal Government. I have always considered this the most rewarding aspect of my work as your Representative in Congress, and I want to take this opportunity once again to remind you that, no matter what your request, I shall always try to be of service.

Two other assignments, related to my work in Congress, deserve mention in this summary report of the first session. The Advisory Commission on Intergovernmental Relations, of which I am one of three Members from the House of Representatives, undertook a number of studies aimed at increasing cooperation between Federal, State, county, and local governments in such fields as estate taxes, Federal grants-in-aid to State and local governments, State, and local taxation of private property located on Federal areas, and intergovernmental cooperation in tax administration. As a sponsor of the legislation which created the Commission, I have been extremely pleased with the quiet but effective way in which this new and unique agency of government has gone about solving some of the thorniest, if least glamorous, intergovernmental problems.

STUDYING MASS TRANSPORTATION

Its best work this year, however, was done in two studies, which the Commission made at my request, in fields of special interest to Union County. One study dealt with ways of improving governmental cooperation in metropolitan areas and the other attacked the fundamental problem of intergovernmental responsibilities for mass transportation in metropolitan areas.

My position as a member of the board of directors of Gallaudet College in Washington, which is the only institution of higher learning in the world for deaf students, continued to be a rewarding one. Great progress has been made in expanding the facilities of the college and, consequently, its service to young people throughout the country who have been deprived of their hearing. Congress also gave this cause a boost when it appropriated $3 million for training more teachers of the deaf.

In concluding this report, I want to express my thanks to the more than 500,000 residents of Union County whom it is a privilege to serve and who have continued to make it possible for me to represent them at the Nation's Capital. While I have tried to render a comprehensive report on the work of Congress in 1961, space limitations prevented me from providing adequate detail for those of you who are interested in particular issues. Any of you who desire additional information or wish to delve more deeply into any of the matters I have mentioned, please write to me either in Elizabeth or in Washington and I shall be delighted to furnish you with additional information.

Congressman O'Hara Reports

EXTENSION OF REMARKS
OF
HON. JAMES G. O'HARA
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. O'HARA of Michigan. Mr. Speaker, the 1st session of the 87th Congress began in a period of economic recession and is ending at a time of international crisis.

When we convened in January, it was evident that strong measures were needed to stimulate our lagging economy and to promote the sound and orderly growth of our human and natural resources. Evident, too, was the need to rebuild our defenses and restore our prestige abroad.

The Congress and the administration, acting in cooperation, took steps to get our economy rolling again. Area redevelopment, minimum wage, omnibus housing, and major amendments to the farm program—these and other measures followed one after the other in quick succession as Congress moved to meet the challenge of the sixties.

President Kennedy's domestic program suffered somewhat from the changes in the international situation. Both he and the Congress had of course been prepared to expand our space program, to strengthen our military defense, and to improve the operation of the foreign aid program. Over the months, however, the worsening of the international tensions called for ever more attention to our defense and foreign policy.

The Congress responded by granting the President the authority and the funds to strengthen our Armed Forces and increase our military effort. Our space program has been substantially stepped up and important new tools have been forged to do the long-term job of strengthening our allies and assisting the newly emerging and underdeveloped nations of the world.

In keeping with my previous practice, I am reporting these events to the people of the Seventh District of Michigan. What follows is that report:

AGRICULTURE

The Emergency Feed Grain Act and the omnibus farm bill are designed to effect a substantial reduction in wheat and feed grain surpluses. These measures and administration action raising price support levels will mean an increase in farm income of a billion dollars in the next year. Federal storage costs will be down—some $500 million will be saved—consumer food prices stabilized, and greater protection afforded the family farm.

The school milk program was extended as were the veterans and armed services milk programs. The farm housing loan and credit programs were liberalized—loan ceilings were raised and the funds available were increased.

The Mexican farm labor program was extended for 2 years with modest revisions designed to protect the domestic farmworker. The disposal abroad of an additional $2 billion in surplus commodities was authorized. The Sugar Act was extended setting quotas for domestic and foreign producers and continuing the President's authority to exclude Cuban sugar and reallocate Cuba's share of the sugar quota.

GENERAL ECONOMIC

The minimum wage was raised, in steps, to $1.25—from $1 per hour—and coverage was extended to an additional 3.6 million workers.

The Area Redevelopment Administration was established and authorized to make loans—$300 million—and grants—$90 million—for industrial and commercial projects and public facilities in areas of substantial and persistent unemployment. The cities of Warren and Port Huron among others in our district are considering plans to participate in this program. An occupational training program with retraining subsistence payments to trainees was provided to help equip unemployed workers for new jobs.

The most comprehensive housing bill yet provides expanded Federal funds in the form of loans and grants to communities for urban renewal, public housing, housing for the elderly, community

facilities, open-space development, and mass transportation systems. FHA interest rates were reduced and low downpayment, long-term loans were made available to medium-income families buying new homes.

The 41,000-mile, 13-year Federal highway program was modified, increasing the Federal share of the cost and the users' share of the taxes. The incentive bonus to the States which enter into agreements for billboard controls was extended for 2 years.

The Federal Airport Act was extended.

Small business loans were made available in increased amounts.

Among the steps taken to reduce the flow of gold were the following: Reduction in the duty-free allowance—from $500 to $100—for Americans returning from abroad; establishment of the U.S. Travel Service in the Commerce Department to promote travel from abroad; an increase in Commerce Department services to U.S. exporters.

TAXES

The existing 52-percent corporate income tax and the excises on automobile, liquor, tobacco, local telephone calls, and passenger transportation were continued. A loss of $2.5 billion in revenue at this time seemed too much despite the dissatisfaction with these taxes.

A curb on tax evasion was promised by a new program of assigning identifying numbers to taxpayers. For most it will be their social security number. An additional 4,265 Internal Revenue Service employees will soon be on the lookout for tax evaders.

GENERAL WELFARE

Minimum social security benefits and the benefits of certain widows were increased; benefits at a reduced level were made available to men as well as women on reaching age 62. A similar provision was enacted for railroad retirees.

Federal aids to communities and nonprofit organizations were made available to combat juvenile delinquency.

Impacted areas legislation under which schools in our district get some $300,000 a year in Federal assistance was extended for two years as was the National Defense Education Act designed to strengthen education in science, math, and languages. Grants and scholarships for the training of practical nurses will continue to be available.

Local communities will be helped to expand health services for the aged, to construct nursing homes, and train public health personnel.

Federal loans to the States were authorized to permit the extension of unemployment benefits up to 13 weeks for workers who had exhausted their benefits. Railroad workers were separately provided for.

Federal aid to the States was made available for the needy children of the unemployed on the same basis as to the needy children of deceased or deserting fathers.

DEFENSE

The President was granted authority to call 250,000 ready reservists to duty. The Secretary of Defense now has authority to extend enlistments, appointments, and other service obligations up to 12 months.

Procurement of aircraft, missile, and naval vessels has been stepped up. The Polaris submarine program, for example, was accelerated so that we will have a full fleet in commission 3 years sooner than previously planned.

Substantial improvement can also be expected in our defense capabilities in nonnuclear areas. Congress has provided additional funds for the purchase of weapons, equipment, and ammunition, to provide increased air and sea lift, and to expand our antisubmarine warfare program. The training of special forces in guerrilla warfare has been increased.

Operations in space will be stepped up by the $1¾ billion made available to the NASA, a substantial increase over previous appropriations.

Civil defense was taken off its starvation diet. Congress, encouraged by the President, increased by a factor of four the annual appropriation for civil defense. Money is not the whole answer, however, and the complete reorganization of the Civil Defense Administration is being undertaken by the Secretary of Defense. The lives of tens of millions of Americans may depend on the success of this effort.

A military construction bill this year provided for essential military building projects including a $5 million administration building at the arsenal in Warren. We now have an atomic cooperation program for mutual defense purposes with the French. The President has been authorized to loan naval vessels not essential to our own needs to certain friendly nations.

INTERNATIONAL

A distinctly Kennedy flavor was imparted to legislation in the international field.

The Arms Control and Disarmament Agency was created. It will have primary responsibility for coordinating research, managing negotiations, and directing U.S. participation in inspection systems.

The Peace Corps was made permanent. American youngsters will carry American skills, talents, and idealism abroad to help others help themselves. Our younger generation, which has so often been called upon to fight wars, will now be given an opportunity to work for peace.

The foreign aid program emphasized long-term planning and development loans instead of grants. President Kennedy has indicated that he will insist that recipient nations be willing to help themselves.

The establishment of the Inter-American Alliance for Progress and the appropriation of additional funds for the Inter-American Development Bank will be of substantial assistance to our often forgotten neighbors to the south.

Here, too, the President has called for new concepts of social reform and self-help on their part.

The food-for-peace program was expanded.

Orphans adopted by U.S. citizens were permitted to continue entering the United States without regard to immigration quotas.

Aid for resettlement was provided for refugees and escapees from the Iron Curtain and Cuba.

MISCELLANEOUS

The life of the Civil Rights Commission was extended for 2 years.

The cutoff date for veterans' home loans was moved forward and the funds available for them increased. Certain veterans' widows will get increased benefits. Congressional Medal of Honor winners can now receive a $100 a month pension at the age of 50 if they so desire.

Seventy-three additional U.S. district and circuit court judgeships were created to ease the present workload and overcrowded court calendars.

Use of the mails, the telephone, the telegraph, and other means of interstate communication was prohibited to the operations of gamblers, bootleggers, and dope peddlers. Airplane hijacking was made a Federal crime.

The equipment allowance for rural carriers was increased. Salary retention protection was made available for the postal field service.

The water pollution control program was continued and additional funds made available to help construct sewage treatment facilities. The city of New Baltimore is receiving almost $220,000 toward the cost of their new plant under this program.

COMMENTS

This has been a hard-working Congress. This session lasted longer and produced more legislation than any in the last 10 years. If in spite of the volume of legislation enacted our efforts seem not to have been spectacular, it is perhaps because the efforts of this Congress were in many respects familiar. Much of the domestic legislation particularly had been previously proposed but not enacted. A great deal remains to be done of course, but many of the committee hearings and much of the work completed this year will bear fruit when we meet next year.

NEXT YEAR

Among the important measures to be considered next year will be:

Aid to education—classroom construction and teachers' salaries for elementary and secondary schools.

A Federal program in aid of higher education.

Overall revision of the Internal Revenue Code—to plug loopholes and encourage capital improvement and plant expansion.

Health care of the aged under social security.

Postal rate increases.

Establishment of a Department of Urban Affairs.

An increase in veterans' service-connected disability benefits—to reflect the cost of living changes since the last raise.

A Federal program to encourage the development and use of educational television.

Migrant worker legislation—providing increased medical services and educational opportunities for the migrant

farm families and greater protection from exploitation for the children.

Strengthening the Welfare and Pension Plan Disclosure Act.

Tightening of antitrust laws.

Tax-free retirement funds for the self-employed.

Permanent overhaul of the unemployment compensation setup and the establishment of Federal standards.

A program of retraining jobless workers displaced by automation.

A youth conservation corps and an occupational training program for jobless youngsters.

Aid for medical education—construction of facilities and scholarships for students.

Amendments to the Labor Acts, including jobsite picketing and emergency strike provisions.

Changes in the salary schedule of Federal employees.

YOUR REPRESENTATIVE

I am not only your legislative representative. In a very real sense I am your representative in all your relations with the Federal Government. If you are having a problem with any Federal agency and feel that I can be of assistance, please let me know. We won't always be able to get a favorable ruling; indeed, it is not my function to do so. I will assure you, however, that I will see that you receive prompt consideration and that you are given a fair opportunity to present your side of the case. I expect to be in Michigan for most of the remainder of this year, and within the limits of my schedule will make myself available to any person or group that wishes to meet with me.

Voting Record of Congressman Charles McC. Mathias, Jr.

EXTENSION OF REMARKS

OF

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MATHIAS. Mr. Speaker, under the permission granted I include in the CONGRESSIONAL RECORD my voting record for the 1st session of the 87th Congress:

Rollcall No. 1: Call by States, January 3, 1961; MATHIAS, present.

Rollcall No. 2: Election of Speaker of the House of Representatives for the 87th Congress. The nominees were Representatives SAM RAYBURN, Democrat, of Texas, and CHARLES A. HALLECK, Republican, of Indiana, An "R" on the chart represents a vote for RAYBURN, and an "H," a vote for HALLECK, (R) 258, (H) 170; January 3, 1961; MATHIAS, H.

Rollcall No. 3: House Resolution 1, a resolution barring George O. Chambers, Republican, the certified victor in Indiana's Fifth District, or his opponent, J. Edward Roush, Democrat, from taking the oath as Representative. The resolution was to refer the election results to the Committee on House Administration for investigation on motion to move the previous question "thus terminating debate," January 3, 1961; yea, 252; nay, 166. MATHIAS, nay.

Rollcall No. 4: Call of the House, January 31, 1961; MATHIAS, present.

Rollcall No. 5: House Resolution 127, a resolution providing that during the 87th Congress the Committee on Rules shall be composed of 15 members. On agreeing to resolution, January 31, 1961; MATHIAS, yea.

Rollcall No. 6: Call of the House, March 6, 1961; MATHIAS, present.

Rollcall No. 7: H.R. 4806, Temporary Extended Unemployment Compensation Act of 1961, authorizing Federal grants to the States for the temporary extension of unemployment benefits to workers who had exhausted their benefits from regular State unemployment programs. Passed 392–30, March 1, 1961; MATHIAS, yea.

Rollcall No. 8: House Resolution 167, a resolution to authorize the expenditure of funds for the expenses of the Committee on Un-American Activities. Adopted 412–6, March 1, 1961; MATHIAS, yea.

Rollcall No. 9: H.R. 5188. Third supplemental appropriation bill for fiscal 1961. FOGARTY, Democrat, of Rhode Island, amendment to provide an additional $29,990,000 for payments to school districts in impacted areas (principally those with Federal installations). Agreed to 339–62, March 7, 1961; MATHIAS, yea.

Rollcall No. 10: Call of the House, March 8, 1961; MATHIAS, present.

Rollcall No. 11: Call in Committee, March 8, 1961; MATHIAS, present.

Rollcall No. 12: Call of the House, March 9, 1961; MATHIAS, present.

Rollcall No. 13: H.R. 4510, emergency feed grains program for 1961. On motion to send bill back to the Committee on Agriculture for further consideration and to omit from the bill the granting of authority to the Secretary of Agriculture to sell Government-owned corn and grain sorghums on the market at 17 percent below the price-support price. Recommittal motion rejected, 196–214, March 9, 1961; MATHIAS, yea.

Rollcall No. 14: H.R. 4510, emergency feed grains program for 1961. Passage of the bill. Passed 209–202, March 9, 1961; MATHIAS, nay.

Rollcall No. 15: Call of the House, March 10, 1961; MATHIAS, present.

Rollcall No. 16: Call of the House, March 15, 1961; MATHIAS, present.

Rollcall No. 17: H.R. 4510, emergency feed grains program for 1961. Adoption of the conference report. Agreed to 231–185, March 21, 1961; MATHIAS, nay.

Rollcall No. 18: Call of the House, March 21, 1961; MATHIAS, present.

Rollcall No. 19: H.R. 5463, extend the Sugar Act of 1948 through December 31, 1962, and authorize the President to deny the Dominican Republic any quota bonus resulting from a cutback in the Cuban allotment. Passed under suspension of the rules (two-thirds majority required) 284–129; March 21, 1961 (276 yeas were necessary for passage); MATHIAS, yea.

Rollcall No. 20: H.R. 4806, Temporary Extended Unemployment Compensation Act of 1961, authorizing Federal advances to permit the States to extend unemployment insurance payments for up to 13 weeks beyond the regular payment period for workers who exhausted normal benefits during the recession. Adoption of the conference report. Agreed to 363–31, March 22, 1961; MATHIAS, announced for.

Rollcall No. 21: Call of the House, March 23, 1961; MATHIAS, present.

Rollcall No. 22: H.R. 5000, military construction authorization bill for fiscal 1962. Amendment to strike an authorization of $3,812,000 for an Army Quartermaster research project in Natick, Mass., and substitute a section authorizing $10,000 for a study of the feasibility of keeping the project in Chicago. Agreed to 269–145. March 23, 1961; MATHIAS, nay.

Rollcall No. 23: H.R. 5000, authorize appropriations of $804,573,000 in fiscal 1962 for military construction. Passage of the bill. Passed 412–0, March 23, 1961; MATHIAS, yea.

Rollcall No. 24: Call in Committee, March 23, 1961; MATHIAS, present.

Rollcall No. 25: Call in Committee, March 23, 1961; MATHIAS, present.

Rollcall No. 26: Call of the House, March 24, 1961; MATHIAS, present.

Rollcall No. 27: H.R. 3935, Fair Labor Standards Amendments of 1961. Committee version, raising the minimum wage for 23.9 million workers already covered from $1 an hour to $1.25 in two steps, and extending minimum wage and overtime coverage to 4,311,000 additional workers. AYERS, Republican, of Ohio; KITCHIN, Democrat, of North Carolina, amendment substituting a new text raising the minimum for the 23.9 million covered workers to $1.15 an hour, and extending minimum wage coverage (at $1 an hour) but not overtime coverage to 1,300,000 additional workers. Agreed to 216–203, March 24, 1961; MATHIAS, yea.

Rollcall No. 28: H.R. 3935, HIESTAND, Republican, of California, motion to recommit the bill. Rejected 196–224, March 24, 1961; MATHIAS, nay.

Rollcall No. 29: H.R. 3935, passage of the bill as amended by AYRES and KITCHIN. Amended 341–78, March 24, 1961; MATHIAS, yea.

Rollcall No. 30: Call of the House, March 28, 1961; MATHIAS, present.

Rollcall No. 31: Call of the House, March 28, 1961; MATHIAS, present.

Rollcall No. 32: S. 1, an act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On motion to recommit (WIDNALL substitute) (failed), March 29, 1961; MATHIAS, nay.

Rollcall No. 33: S. 1, an act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. On passage, March 29, 1961; MATHIAS, yea.

Rollcall No. 34: Call of the House, April 11, 1961; MATHIAS, present.

Rollcall No. 35: Call of the House, April 13, 1961; MATHIAS, present.

Rollcall No. 36: Call of the House, April 18, 1961; MATHIAS, absent.

Rollcall No. 37: Call of the House, April 19, 1961; MATHIAS, present.

Rollcall No. 38: S. 912, an act to provide for the appointment of 10 new Federal circuit court judgeships and 60 new district court judgeships, April 19, 1961. Yea, 337; nay, 76. MATHIAS, yea.

Rollcall No. 39: Call of the House, April 20, 1961; MATHIAS, present.

Rollcall No. 40: H.R. 6027, Social Security Amendments of 1961, increasing minimum benefits for retired workers, permitting men as well as women to retire at age 62 with reduced benefits, liberalizing eligibility requirements and providing an increased payroll tax. April 20, 1961; yea, 400; nay, 14; MATHIAS, yea.

Rollcall No. 41: Call of the House, April 25, 1961; MATHIAS, present.

Rollcall No. 42: H.R. 6518, a bill to appropriate $500 million for the Inter-American Social and Economic Cooperation Program and $100 million for the Chilean Reconstruction and Rehabilitation Program for the fiscal year ending June 30, 1961. April 25, 1961; yea, 329; nay, 83; MATHIAS, yea.

Rollcall No. 43: Call of the House, April 26, 1961; MATHIAS, present.

Rollcall No. 44: S. 1, Area Redevelopment Act, authorizing $394 million in Federal loans and grants for redevelopment of economically depressed industrial and rural areas. Adoption of the conference report. April 26, 1961. Yea, 224; nay, 193; MATHIAS, yea.

Rollcall No. 45: Call of the House. May 3, 1961; MATHIAS, present.

Rollcall No. 46: H.R. 3935, Fair Labor Standards Amendments of 1961. Conference report, raising the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act to $1.25 an hour, reached in two steps over 2 years, and extending minimum wage coverage (at $1.25 an hour, reached after 4 years (and overtime coverage (with some exceptions) to about 3,624,000 additional workers, mainly in the retail trade. May 3, 1961. Yea, 230; nay, 196; MATHIAS, nay.

Rollcall No. 47: H.R. 6441, Federal Water Pollution Control Act Amendments of 1961, increasing the annual authorization for Federal grants to help communities construct sewage treatment plants from $50 million ot $100 million and the overall limit from $500 million to $1 billion. CRAMER, Republican of Florida, motion to recommit the bill with instructions that the Public Works Committee reduce the amount of the annual authorization to $75 million and the overall limit to $750 million and require that after June 30, 1964, grants in any one fiscal year exceeding the original $50 million allotments be matched by the State. May 3, 1961; yea, 165; nay, 256; MATHIAS, yea.

Rollcall No. 48: H.R. 6441, Federal Water Pollution Control Act Amendments of 1961 Passage of the bill May 3, 1961; yea, 308; nay, 110; MATHIAS, yea.

Rollcall No. 49: Call in Committee, May 4, 1961; MATHIAS, present.

Rollcall No. 50: Call in Committee, May 9, 1961; MATHIAS, present.

Rollcall No. 51: Call in the House, May 10, 1961; MATHIAS, present.

Rollcall No. 52: Call of the House, May 11, 1961; MATHIAS, present.

Rollcall No. 53: H.R. 2010, extend for 2 years, without change, the law permitting Mexicans to enter the United States for farmwork (Public Law 82-78). May 11, 1961; yea, 231; nay, 157; MATHIAS, nay.

Rollcall No. 54: H.R. 6094, raise the ceiling on appropriations for salaries of members and employees of the Council of Economic Advisers from the current $345,000 annually to $2 million. GROSS, Republican, of Iowa, motion to recommit the bill to the Government Operations Committee with instructions to reduce the salary ceiling to $700,000. May 11, 1961; yea, 152; nay, 196; MATHIAS, yea.

Rollcall No. 55: H.R. 6094, passage of the bill, May 11, 1961; yea, 209; nay, 137; MATHIAS, nay.

Rollcall No. 56: Call of the House, May 15, 1961; MATHIAS, present.

Rollcall No. 57: Call of the House, May 16, 1961; MATHIAS, present.

Rollcall No. 58: House Resolution 284, a resolution providing for the consideration of H.R. 4614, a bill to direct the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries, to establish an Office of International Travel and Tourism, and for other purposes. On agreeing to resolution, May 16, 1961; yea, 241; nay, 70; MATHIAS, yea.

Rollcall No. 59: Call in Committee, May 16, 1961; MATHIAS, present.

Rollcall No. 60: Call of the House, May 17, 1961; MATHIAS, present.

Rollcall No. 61: House Concurrent Resolution 226, concurrent resolution expressing the sense of the Congress that such steps as may be necessary should be initiated in the Organization of American States to reevaluate the role of the Government of Cuba in inter-American affairs for the purpose of imposing sanctions under the Inter-American Treaty of Reciprocal Assistance, and for other purposes. On motion to suspend rules and passage, May 17, 1961; yea, 404; nay, 2; MATHIAS, yea.

Rollcall No. 62: H.R. 4614, passage of the bill establishing an Office of International Travel and Tourism. The bill directs the Secretary of Commerce to take steps to encourage travel to the United States by residents of foreign countries. May 17, 1961; yea, 305; nay, 104; MATHIAS, yea.

Rollcall No. 63: Call of the House, May 24, 1961; MATHIAS, present.

Rollcall No. 64: S. 1852. Authorize appropriations for procurement of aircraft, missiles, and naval ships in fiscal 1962. May 24, 1961; yea, 402; nay, 0; MATHIAS, yea.

Rollcall No. 65: H.R. 1986. A bill to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. On motion to recommit with instructions. May 25, 1961; yea, 16; nay, 346; MATHIAS, nay.

Rollcall No. 66: Call in Committee, June 1, 1961; MATHIAS, present.

Rollcall No. 67: H.R. 7371. Appropriate $751,300,050 for the Departments of State and Justice, the judiciary and related agencies in fiscal 1962. June 1, 1961; yea, 256; nay, 71; MATHIAS, yea.

Rollcall No. 68: Call of the House, June 6, 1961; MATHIAS, present.

Rollcall No. 69: Call in Committee, June 6, 1961; MATHIAS, present.

Rollcall No. 70: H.R. 7444, Agriculture Department appropriations for the fiscal 1962. REUSS, Democrat, of Wisconsin, amendment to reduce the $250 million authorization for agricultural conservation program payments in calendar 1962 to $150 million, as proposed by the President. June 6, 1961; yea, 184; Nay, 196; MATHIAS, nay.

Rollcall No. 71: H.R. 7444. Passage of the bill appropriating $5,948,466,000 for the Agriculture Department and Commodity Credit Corporation. June 6, 1961; yea, 320; nay, 65. MATHIAS, yea.

Rollcall No. 72: Call of the House, June 7, 1961; MATHIAS, present.

Rollcall No. 73: Call of the House, June 8, 1961; MATHIAS, present.

Rollcall No. 74: Call of the House, June 8, 1961; MATHIAS, present.

Rollcall No. 75: H.R. 7446. A bill to provide a 1-year extension of the existing corporate nomal tax rate and of certain excise tax rates. On motion to recommit with instructions to remove extension of excise tax on transportation from the bill. June 8, 1961; yea, 189; nay, 196; MATHIAS, yea.

Rollcall No. 76: H.R. 7446. A bill to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates. On passage. June 8, 1961; yea, 295; nay, 88; MATHIAS, yea.

Rollcall No. 77: Call of the House, June 12, 1961; MATHIAS, present.

Rollcall No. 78: H.R. 7053, a bill to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes. On motion to recommit, June 12, 1961; yea, 104; nay, 252; MATHIAS, nay.

Rollcall No. 79: Call of the House, June 13, 1961; MATHIAS, present.

Rollcall No. 80: Call of the House, June 14, 1961; MATHIAS, present.

Rollcall No. 81: Call of the House, June 15, 1961; MATHIAS, present.

Rollcall No. 82: H. Res. 303. Resolution disapproving the President's reorganization plan for the Federal Communications Commission. June 15, 1961; yea, 323; nay, 77; MATHIAS, yea.

Rollcall No. 83: H. Res. 302. Resolution disapproving the President's reorganization plan for the Securities and Exchange Commission. June 15, 1961; yea, 176; nay, 212; MATHIAS, yea.

Rollcall No. 84: Call of the House, June 19, 1961. MATHIAS, present.

Rollcall No. 85: H.R. 6765, authorize U.S. acceptance of an amendment to the charter of the International Finance Corporation, an affiliate of the World Bank, to permit the IFC to extend its investments in private companies in underdeveloped countries by acquiring capital stock. June 10, 1961; yea, 329; nay, 18; MATHIAS, yea.

Rollcall No. 86: H.R. 7712, fourth supplemental appropriation bill for fiscal 1961, providing $47,214,000 for the Departments of State, Justice, Treasury, and Defense, of which $32,204,000 in State Department funds was committed to pay the U.S. assessment for the U.N. action in the Congo. June 19, 1961; yea, 292; nay, 63; MATHIAS, yea.

Rollcall No. 87: Call of the House, June 20, 1961; MATHIAS, present.

Rollcall No. 88: House Resolution 304. Resolution disapproving the reorganization plan for the Civil Aeronautics Board. June 20, 1961; yea, 178; nay, 213; MATHIAS, yea.

Rollcall No. 89: House Resolution 305. Resolution disapproving the President's reorganization plan for the Federal Trade Commission. June 20, 1961; yea, 178; nay, 221; MATHIAS, yea.

Rollcall No. 90: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 91: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 92: Call in Committee, June 21, 1961; MATHIAS, present.

Rollcall No. 93: Call in Committee, June 21, 1961; MATHIAS, present.

Rollcall No. 94: Call of the House, June 21, 1961; MATHIAS, present.

Rollcall No. 95: H.R. 6028, Housing Act of 1961. Motion to instruct Currency Committee to report out a substitute bill extending existing programs for 1 year, with a $1.1 billion authorization. June 22, 1961; yea, 197; nay, 215; MATHIAS, yea.

Rollcall No. 96: H.R. 6028, passage of the bill, authorizing $4.9 billion in housing programs over 4 years. June 22, 1961; yea, 235; nay, 178; MATHIAS, nay.

Rollcall No. 97: Call of the House, June 26, 1961; MATHIAS, present.

Rollcall No. 98: Call of the House, June 26, 1961. MATHIAS, present.

Rollcall No. 99: H.R. 7677, increase the national debt limit ceiling for 1 year from its permanent $285 billion level to $298 billion during fiscal 1962. June 26, 1961; yea, 231; nay, 148; MATHIAS, yea.

Rollcall No. 100: Call of the House, June 27, 1961; MATHIAS, absent.

Rollcall No. 101: Call in Committee, June 27, 1961; MATHIAS, present.

Rollcall No. 102: Call in Committee, June 27, 1961; MATHIAS, present.

Rollcall No. 103: Call in Committee, June 28, 1961; MATHIAS, present.

Rollcall No. 104: H.R. 7851, defense appropriations for fiscal year 1962. Amendment to delete a provision, submitted in the President's defense budget, prohibiting price differentials in favor of economically depressed areas. June 28, 1961; yea, 173; nay, 239; MATHIAS, yea.

Rollcall No. 105: H.R. 7851, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On passage. June 28, 1961; yea, 412; nay, 0; MATHIAS, yea.

Rollcall No. 106: S. 1922, Housing Act of 1961, authorizing $4.88 billion in housing programs over 4 years. Conference report agreed to by House. June 28, 1961; yea, 229; nay, 176; MATHIAS, nay.

Rollcall No. 107: House Resolution 354, a resolution to provide for a flag for the Members of the House of Representatives. June 29, 1961; yea, 108; nay, 270; MATHIAS, yea.

Rollcall No. 108: House Joint Resolution 225, a joint resolution to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related

purposes. June 29, 1961; yea, 92; nay, 257; MATHIAS, yea.

Rollcall No. 109: H.R. 187, establish uniform procedures for Federal court review of alien deportation and exclusion orders issued by the Justice Department. Passed under suspension of the rules (two-thirds majority required). July 10, 1961; yea, 304; nay, 59; MATHIAS, yea.

Rollcall No. 110: S. 857, a bill to provide for the establishment of Cape Cod National Seashore. July 10, 1961; yea, 278; nay, 82; MATHIAS, yea.

Rollcall No. 111: Call of the House, July 13, 1961; MATHIAS, present.

Rollcall No. 112: House Joint Resolution 435, a joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture and for other purposes. July 17, 1961; yea, 367; nay, 12; MATHIAS, yea.

Rollcall No. 113: H.R. 2555, a bill to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes. July 17, 1961; yea, 285; nay, 87; MATHIAS, yea.

Rollcall No. 114: Call of the House, July 19, 1961; MATHIAS, present.

Rollcall No. 115: Call in Committee, July 19, 1961; MATHIAS, present.

Rollcall No. 116: H.R. 6874, authorize fiscal 1962 appropriation of $1,784,300,000 for the National Aeronautics and Space Administration. Adoption of the conference report. July 20, 1961; yea, 254; nay, 59; MATHIAS, yea.

Rollcall No. 117: House Resolution 328, resolution disapproving the President's reorganization plan for the National Labor Relations Board. July 20, 1961; yea, 231; nay, 179; MATHIAS, yea.

Rollcall No. 118: House Resolution 336, resolution disapproving the President's reorganization plan for the Federal Maritime Board and the Maritime Board and the Maritime Administration. GROSS, Republican, of Iowa, motion to discharge House Resolution 336 from the Government Operations Committee. July 20, 1961; yea, 231; nay, 179; MATHIAS, yea.

Rollcall No. 119: H.R. 8302, a bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes. On YATES' amendment. (Quartermaster Research and Engineering Center, Natick, Mass.) July 25, 1961; yea, 241; nay, 170; MATHIAS, nay.

Rollcall No. 120: H.R. 8302, appropriate for fiscal 1962, $883,359,000 for construction at military installations in the United States and abroad. July 25, 1961; yea, 409; nay, 0; MATHIAS, yea.

Rollcall No. 121: Call of the House, July 26, 1961; MATHIAS, present.

Rollcall No. 122: Call of the House, July 27, 1961; MATHIAS, present.

Rollcall No. 123: Call of the House, July 31, 1961; MATHIAS, present.

Rollcall No. 124: Senate Joint Resolution 120, give the President discretionary authority to call up to 250,000 members of the Ready Reserves and extend for 12 months the tours of duty of persons currently on active duty with the Armed Forces, for the purpose of meeting a possible crisis in Berlin or elsewhere. July 31, 1961; yea, 403; nay, 2; MATHIAS, yea.

Rollcall No. 125: Call of the House, August 1, 1961; MATHIAS, present.

Rollcall No. 126: Call of the House. August 2, 1961; MATHIAS, present.

Rollcall No. 127: S. 2311, authorize $958,570,000 additional appropriations for aircraft, missiles, and naval vessels to meet a possible crisis in Berlin or elsewhere. August 2, 1961; yea, 460; nay, 0; MATHIAS, yea.

Rollcall No. 128: H.R. 30, a bill granting the consent and approval of Congress to the Northeastern Water and Related Land Resources Compact. August 2, 1961; yea, 140; nay, 261; MATHIAS, yea.

Rollcall No. 129: Call of the House, August 3, 1961; MATHIAS, present.

Rollcall No. 130: S. 1643, an act to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with requirements therefor, to improve distribution and expand exports of agricultural commodities to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes. August 3, 1961; yea, 224; nay, 170; MATHIAS, nay.

Rollcall No. 131: Call in Committee, August 3, 1961; MATHIAS, present.

Rollcall No. 132: H.R.7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission. August 3, 1961; yea, 198; nay, 151; MATHIAS, yea.

Rollcall No. 182: H.R. 7856, a bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, or when in the best interests of the United States, and for other purposes. August 7, 1961; yea, 307; nay, 78; MATHIAS, nay.

Rollcall No. 134: Call of the House, August 8, 1961; MATHIAS, present.

Rollcall No. 135: House Resolution 404, a resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On motion that motion to instruct conferees to be laid on table. August 8, 1961; yea, 164; nay, 235; MATHIAS, nay.

Rollcall No. 136: House Resolution 404, a resolution taking H.R. 7576 from the Speaker's table and agreeing to a conference. On Van Zandt motion instruct conferees on H.R. 7576 not to agree to Senate amendment. ($95 million, Hanford, Wash., electric energy generating facilities.) August 8, 1961; yea, 235; nay, 164; MATHIAS, yea.

Rollcall No. 137: Call in Committee, August 8, 1961; MATHIAS, present.

Rollcall No. 135: H.R. 8033. Reorganize the Interstate Commerce Commission to permit delegation to employee boards of ICC review authority in adjudicative cases. August 8, 1961. Yea, 212; nay, 174; MATHIAS, yea.

Rollcall No. 139: Call of the House. August 9, 1961. MATHIAS, present.

Rollcall No. 140: House Resolution 406. A resolution providing for the consideration of H.R. 6882, a bill to provide for one additional Assistant Secretary of Labor in the Department of Labor. On agreeing to resolution. August 9, 1961. Yea, 369; nay, 16. MATHIAS, yea.

Rollcall No. 141: Call of the House. August 9, 1961. MATHIAS, present.

Rollcall No. 142: H.R. 6302. Transfer ownership and administration of Freedmen's Hospital, D.C., from the Federal Government to Howard University and authorize appropriations for construction of a teaching hospital to replace the old Freedmen's Hospital plant. August 9, 1961. Yea, 321; nay, 61. MATHIAS, yea.

Rollcall No. 143: Call of the House. August 10, 1961. MATHIAS, present.

Rollcall No. 144: H.R. 7851, Defense appropriation bill for fiscal 1962, appropriating $46,662,556,000 for the Armed Forces and civil defense. Adoption of the conference report. August 10, 1961; yea, 383; nay, 0; MATHIAS, yea.

Rollcall No. 145: Call in Committee, August 10, 1961; MATHIAS, present.

Rollcall No. 146: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 147: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 148: Call of the House, August 14, 1961; MATHIAS, present.

Rollcall No. 149: Call in Committee, August 14, 1961; MATHIAS, present.

Rollcall No. 150: Call of the House, August 15, 1961; MATHIAS, present.

Rollcall No. 151: Call in Committee, August 15, 1961; MATHIAS, present.

Rollcall No. 152: Call in Committee, August 15, 1961; MATHIAS, present.

Rollcall No. 153: Call of the House, August 16, 1961; MATHIAS, present.

Rollcall No. 154: Call in Committee, August 16, 1961; MATHIAS, present.

Rollcall No. 155: Call of the House, August 17, 1961; MATHIAS, present.

Rollcall No. 156: Call of the House, August 18, 1961; MATHIAS, present.

Rollcall No. 157: H.R. 8400, a bill to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes. On passage August 18, 1961; yea, 287; nay, 140; MATHIAS, yea.

Rollcall No. 158: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 159: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 160: H.R. 8384, amend the Federal Aviation Act of 1958 to make airplane hijacking a Federal offense punishable by imprisonment or death and to provide penalties under Federal law for other crimes committed in commercial aircraft. August 21, 1961; yea, 374; nay, 5; MATHIAS, yea.

Rollcall No. 161: Call of the House, August 21, 1961; MATHIAS, present.

Rollcall No. 162: Call of the House, August 22, 1961; MATHIAS, present.

Rollcall No. 163: Call of the House, August 22, 1961; MATHIAS, present.

Rollcall No. 164: H.R. 7763, a bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes. On motion to suspend rules and pass. August 22, 1961; yea, 353; nay, 42; MATHIAS, yea.

Rollcall No. 165: Call of the House, August 23, 1961; MATHIAS, present.

Rollcall No. 166: Call of the House, August 24, 1961; MATHIAS, present.

Rollcall No. 167: H.R. 84, a bill to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes. August 24, 1961; yea, 196; nay, 172; MATHIAS, nay.

Rollcall No. 168: Call in Committee, August 24, 1961; MATHIAS, present.

Rollcall No. 169: H.R. 8181, a bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia and for oceanographic research. The question is on engrossment and third reading of the bill. August 28, 1961; yea, 223; nay, 120; MATHIAS, yea.

Rollcall No. 170: H.R. 8181, a bill to authorize the Secretary of the Interior to construct a National Fisheries Center and Aquarium in the District of Columbia and for oceanographic research. August 28, 1961; yea, 208; nay, 135; MATHIAS, yea.

Rollcall No. 171: H.R. 7176, a bill to provide for a national hog cholera eradication program. August 28, 1961; yea, 337; nay, 3; MATHIAS, yea.

Rollcall No. 172: Call of the House, August 29, 1961; MATHIAS, present.

Rollcall No. 173: H.R. 8773, a bill to amend section 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), relating to lump sum readjustment payments for members of the Reserve components who are involuntarily released from active duty, and for other purposes. August 29, 1961; yea, 394; nay, 0; MATHIAS, yea.

Rollcall No. 174: Call of the House, August 29, 1961; MATHIAS, present.

Rollcall No. 175: H.R. 6242, a bill to amend section 508 of Title 28, United States Code,

relating to attorneys' salaries. August 29, 1961; yea, 172; nay, 223; MATHIAS, nay.

Rollcall No. 176: Call of the House, August 30, 1961; MATHIAS, present.

Rollcall No. 177: H.R. 8890, on question to consider under Calendar Wednesday procedure, a bill to amend Public Law 815 and Public Law 874, 81st Congress, so as to extend their expired provisions for an additional year and to authorize payments under Public Law 815 for school construction in school districts with severe classroom shortages, to extend for 1 year the student loan program of title II of the National Defense Education Act of 1958, and for other purposes. August 30, 1961; yea, 170; nay, 242; MATHIAS, nay.

Rollcall No. 178: Call in Committee, August 30, 1961; MATHIAS, present.

Rollcall No. 179: H.R. 8028, authorize $10 million annually for 3 years for conducting pilot projects and training personnel for controlling juvenile delinquency. GRIFFIN, Republican, of Michigan, amendment to limit all pilot demonstration projects to the District of Columbia. August 30, 1961; yea, 187; nay, 217; MATHIAS, nay.

Rollcall No. 180: Senate Concurrent Resolution 34, resolution stating the sense of Congress as opposed to the admission of Communist China to the United Nations and to U.S. recognition of Communist China. August 31, 1961; yea, 395; nay, 0; MATHIAS, yea.

Rollcall No. 181: S. 1983, Foreign Assistance Act of 1961, conference report, authorizing $4,253,500,000 in fiscal 1962 for foreign aid and $1.5 billion in each of the following 4 years for development loans. August 31, 1961; yea, 260; nay, 132; MATHIAS, yea.

Rollcall No. 182: Call of the House, September 5, 1961; MATHIAS, present.

Rollcall No. 183: Call in Committee, September 5, 1961; MATHIAS, present.

Rollcall No. 184: H.R. 9033, Foreign Assistance Appropriation Act of 1961. PASSMAN, Democrat, of Louisiana, amendment as amended by FORD, Republican, of Michigan, increasing the military aid appropriation from $1.3 billion to $1.6 billion in fiscal 1962. (The Passman amendment would have increased the military aid appropriation for fiscal 1962 from $1.3 billion to $1.475 billion.) September 5, 1961; yea, 243; nay, 151; MATHIAS, yea.

Rollcall No. 185: H.R. 9033, Foreign Assistance Appropriation Act of 1961. Passage of the bill. September 5, 1961; yea, 270; nay, 123; MATHIAS, yea.

Rollcall No. 186: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 187: Call of the House, September 3, 1961; MATHIAS, present.

Rollcall No. 188: H.R. 9000, 2-year extension of Federal aid to schools in federally impacted areas and of the National Defense Education Act. Passed under suspension of the rules (two-thirds majority required). September 6, 1961; yea, 376; nay, 32; MATHIAS, yea.

Rollcall No. 189: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 190: H.R. 8723, amend the Welfare and Pension Plans Disclosure Act of 1958 to provide for its more effective enforcement. POWELL, Democrat, of New York, motion to pass the bill under suspension of the rules (two-thirds majority required). September 6, 1961; yea, 245; nay, 161; MATHIAS, yea.

Rollcall No. 191: H.R. 8666. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges. September 6, 1961. Yea, 329; nay, 66; MATHIAS, yea.

Rollcall No. 192: Call of the House, September 6, 1961; MATHIAS, present.

Rollcall No. 193: Call of the House, September 11, 1961; MATHIAS, absent.

Rollcall No. 194: Call of the House, September 12, 1961; MATHIAS, present.

Rollcall No. 195: Call in Committee, September 12, 1961; MATHIAS, present.

Rollcall No. 196: Call of the House, September 13, 1961; MATHIAS, present.

Rollcall No. 197: H.R. 8302, military construction appropriation bill. SHEPPARD, Democrat, of California, motion to disagree to a Senate amendment denying $3,812,000 for transferring the Army's Food and Container Institute from Chicago, Ill., to Natick, Mass., September 13, 1961; yea, 212; nay, 185; MATHIAS, nay.

Rollcall No. 198: H.R. 7371, appropriation bill for the State and Justice Departments, ROONEY, Democrat, of New York, motion to agree to a Senate amendment extending the Civil Rights Commission for 2 years, September 13, 1961; yea, 300; nay, 106; MATHIAS, yea.

Rollcall No. 199: H.R. 9076, public works appropriation bill for fiscal 1962. JENSEN, Republican, of Iowa, motion to recommit the bill to the Appropriations Committee with instructions to reduce by $4,225,000 the appropriation for construction of transmission lines in connection with the upper Colorado River Basin project and prohibit construction by the Federal Government of grid lines interconnecting the three major hydroelectric powerplants in the project. September 13, 1961; yea, 182; nay, 225; MATHIAS, yea.

Rollcall No. 200: H.R. 9076, passage of the bill, September 13, 1961; yea, 378; nay, 31; MATHIAS, yea.

Rollcall No. 201: Call of the House, September 13, 1961; MATHIAS, present.

Rollcall No. 202: H.R. 7576, authorize $328,440,000 for construction by the Atomic Energy Commission. Adoption of the conference report, which authorized $58 million to add electric generating facilities to a plutonium production reactor at Hanford, Wash., September 13, 1961; yea, 156; nay, 252; MATHIAS, nay.

Rollcall No. 203: H.R. 8102, extend the Federal Airport Act. HARRIS, Democrat, of Arkansas, motion to amend the Senate version of the bill by limiting extension of the act to 3 years, and authorized appropriations, without contract authority, to $225 million, September 13, 1961; yea, 398; nay, 4; MATHIAS, yea.

Rollcall No. 204: Call of the House, September 14, 1961; MATHIAS, present.

Rollcall No. 205: H.R. 7500, a bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower, on passage, September 14, 1961; yea, 288; nay, 97; MATHIAS, yea.

Rollcall No. 206: Call of the House, September 15, 1961; MATHIAS, present.

Rollcall No. 207: House Resolution 455, resolution to send H.R. 2010, extending the Mexican farm labor program for 2 years, to conference. September 15, 1961; yea, 243; nay, 135; MATHIAS, nay.

Rollcall No. 208: House Resolution 464, rejection of closed rule prohibiting amendments from being offered to a bill raising postal rates (H.R. 7927) SISK, Democrat, of California, motion that, in effect, would assure consideration of the bill under the closed rule. September 15, 1961; yea, 142; nay, 222; MATHIAS, nay.

Rollcall No. 209: Call of the House, September 16, 1961; MATHIAS, present.

Rollcall No. 210: S. 2393. Two-year extension of Federal aid to schools in impacted areas and of the National Defense Education Act. Passed under suspension of the rules (two-thirds majority required). September 18, 1961; yea, 342; nay, 18; MATHIAS, yea.

Rollcall No. 211: S. 1459. Increase the amounts of longevity step pay increases for postal workers and make the workers eligible after shorter service. September 18, 1961; yea, 362; nay, 4; MATHIAS, yea.

Rollcall No. 212: H.R. 5751, publicize the dissemination of Communist propaganda through the mails, September 18, 1961; yea, 369; nay, 2; MATHIAS, yea.

Rollcall No. 213: H.R. 8914, permit farmers in the summer fallow area (western Kansas and nearby areas) to plant a barley cover crop on land prepared for wheat before the acreage control program for 1962 took effect. POAGE, Democrat, of Texas, motion to suspend the rules and pass the bill (two-thirds majority required). September 18, 1961; yea, 213; nay, 151; MATHIAS, nay.

Rollcall No. 214: H.R. 7377, amend the Classification Act of 1949 to increase the number of "supergrade" positions under Civil Service. September 18, 1961; yea, 305; nay, 53; MATHIAS, yea.

Rollcall No. 215: Call of the House, September 19, 1961; MATHIAS, present.

Rollcall No. 216: H.R. 9118, a bill to establish a U.S. Arms Control Agency. On passage, September 19, 1961; yea, 290; nay, 54; MATHIAS, yea.

Rollcall No. 217: Call of the House, September 20, 1961; MATHIAS, present.

Rollcall No. 218: Call of the House, September 20, 1961; MATHIAS, present.

Rollcall No. 219: H.R. 7500, a bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower. Conference report on adoption, September 21, 1961; yea, 253; nay, 79; MATHIAS, yea.

Rollcall No. 220: H.R. 5628, a bill to provide for a study and investigation of the desirability and feasibility of establishing and maintaining a National Tropical Botanic Garden. On motion to suspend rules and passed, September 21, 1961; yea, 215; nay, 125; MATHIAS, nay.

Rollcall No. 221: H.R. 4172, a bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the Nation's Capital and elsewhere in the United States. On motion to suspend rules and pass, (two-thirds majority required). September 21, 1961; yea, 166; nay, 173; MATHIAS, yea.

Rollcall No. 222: Call of the House, September 22, 1961; MATHIAS, present.

Rollcall No. 223: H.R. 258, a bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on adoption, September 22, 1961; yea, 142; nay, 159; MATHIAS, yea.

Rollcall No. 224: Call of the House, September 23, 1961; MATHIAS, present.

Rollcall No. 225: H.R. 7377, a bill to increase the limitation on the number of positions which may be placed in the top grades of the Classification Act of 1949, as amended, and on the number of research and development positions of scientists and engineers for which special rates of pay are authorized; to fix the compensation of hearing examiners; and for other purposes. Conference report, on adoption. September 23, 1961; yea, 229; nay, 71; MATHIAS, yea.

Rollcall No. 226: H.R. 9118, a bill to establish a U.S. Arms Control Agency. Conference report, on adoption. September 23, 1961; yea, 253; nay, 50; MATHIAS, yea.

Rollcall No. 227: Call of the House, September 26, 1961; MATHIAS, present.

Rollcall No. 228: Call of the House. September 26, 1961. MATHIAS, present.

Rollcall No. 229: H.R. 258, a bill to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes. Conference report, on

adoption. September 26, 1961; yea, 97; nay, 173. MATHIAS, yea.

Rollcall No. 230: H.R. 9033, a bill making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on adoption. September 26, 1961; yea, 192; nay, 81; MATHIAS, yea.

Rollcall No. 231: H.R. 9033, a bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1962, and for other purposes. Conference report, on motion to recede and concur in Senate Amendment No. 27 with an amendment. September 26, 1961; yea, 152; nay, 119; MATHIAS, nay.

Goals of the New Frontier: Housing Programs

EXTENSION OF REMARKS

OF

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the Housing Act of 1961 has been hailed as one of the greatest pieces of housing legislation ever to pass the Congress. In speaking of the act, President Kennedy said:

> For the communities of the Nation, large and small, it provides an opportunity for a giant step toward better cities and improved housing. And I think the beneficial effects of this legislation will be felt by every American.

Those who remember the bitter frustrations of recent years can fully appreciate the monumental accomplishment that this act represents. For years we were confronted by an administration which opposed any new housing legislation. We had to fight vetoes, threats of vetoes and obstructive parliamentary tactics to get even the most modest housing measures. The Housing Act of 1961 provided, for the first time, an FHA loan program which will benefit low income families, and added to the Housing Act such forward looking measures as loans and grants to communities to attack the problem of mass transportation, and assistance to them in preserving open spaces for recreation and conservation.

MIDDLE INCOME FAMILIES

There are many families whose incomes were a little too high for low-rent public housing and yet not quite high enough to be able to afford decent private housing who have received little benefit from previous housing programs. The Housing Act provided that modest income families be eligible for loans with terms as long as 35 years, and even 40 if needed, and downpayments of as little as 3 percent of the sales price. In addition, under a new program of low interest loans for rental and cooperative housing the FHA can insure a mortgage on a project with an interest rate as low as 3⅛ percent. This will mean a saving of as much as $20 a month per family, compared to ordinary rental housing financing.

HOUSING CONSERVATION

The Housing Act also deals directly with the problem of maintaining and improving existing homes. It is far more economical to prevent the development of slums than it is to spend hundreds of millions of dollars in clearing away slums once they have been created. To aid persons in providing major repairs and alterations of existing housing the Housing Act permits FHA to insure 20-year rehabilitation loans up to $10,000 per dwelling unit.

HOUSING FOR THE ELDERLY

Despite two vetoes specifically objecting to housing for the elderly, the Democratic Congress in 1959 forced through a new program of direct Federal 3⅜-percent interest loans to help build rental housing suited to the needs of the elderly and within their financial reach. The Housing Act of 1961 authorized an additional $75 million for this program, and extended the eligibility requirements to include cooperatives and certain public bodies.

LOW-RENT PUBLIC HOUSING

The Housing Act provided long overdue additional authority for the low-rent housing program—the program aimed directly at our most critical housing needs. The Housing Act of 1961 has revitalized the low-rent housing program by authorizing an additional 100,000 units—enough to meet at least our most pressing needs and permit local authorities to plan ahead.

The act also amends the low-rent housing program to meet the special needs of low-income elderly families where incomes are so low that they threaten the solvency of housing projects. To enable local authorities to take care of these families, the law now authorizes an additional payment of up to $120 a year where this extra help is necessary.

URBAN RENEWAL

Our most direct attack on slums and urban blight is provided by the program of slum clearance and urban renewal created by the Housing Act of 1949. When the new administration took office it found that the $2 billion authorized in previous years had been wholly committed. To replenish the program, the Housing Act authorized an additional $2 billion, an amount estimated to carry the program for the next 4 years.

The act also amended the urban renewal law to give more equitable treatment to small communities and depressed areas. Since these places suffer some disadvantage in meeting their share of urban renewal costs, the 1961 act increased the Federal share from two-thirds to three-fourths for towns and cities up to 50,000 population and depressed areas up to 150,000.

SMALL BUSINESS AND URBAN RENEWAL

The Housing Act also provided some well-justified benefits for small business firms in urban renewal areas who are often hard hit by the process of clearing and rebuilding blighted areas.

To alleviate these hardships the Housing Act provides for 20-year 3⅜-percent loans through the Small Business Administration, to help displaced business firms relocate elsewhere. In addition, displaced business firms will benefit by the elimination of the $3,000 ceiling on Federal payments for moving expenses.

URBAN RENEWAL FOR BUSINESS DEVELOPMENT

The new Housing Act also recognizes the fact that sound rebuilding of our cities requires the elimination of more than just residential blight. Business districts can become sore spots just as well. To meet this need, the Housing Act increased from 20 to 30 percent the proportion of urban renewal grant funds which can be used for nonresidential projects. These projects can be of special benefit to municipalities by increasing manifold the tax returns to the city.

COLLEGE HOUSING

One of our most successful programs in the field of housing is that of low interest, liberal loans to finance needed housing for institutions of higher learning. To help our universities, so vital to the educational and scientific advances on which our Nation's welfare and its very safety are dependent, the Housing Act authorized a total of $1.2 billion for these loans to carry the program for the next 4 years.

COMMUNITY FACILITIES

One of our most pressing national needs, particularly in small communities, is the improvement and expansion of our investments in public facilities to serve all of our people. To provide for these needs the Housing Act of 1961 greatly expanded and liberalized the program of public facility loans. The interest rate on these loans was reduced to approximately 3½ percent. At the same time an additional $450 million was provided for these loans which can be made to any community up to 50,000 population and designated redevelopment areas up to 150,000.

MASS TRANSIT

One of the most serious problems facing our metropolitan centers is that of efficient transportation. City after city is finding that it is choked by traffic. The Housing Act takes a major step toward meeting the transit needs of our urban areas by a provision which authorized $50 million in low-interest loans which can be used by public bodies for the acquisition, construction and improvement of public and/or private transportation facilities and equipment. In addition, the act authorizes $25 million for demonstration grants covering up to two-thirds of project cost for projects designed to explore new and better ways of overcoming mass transit problems.

FHA HOME LOAN INSURANCE

To make the benefits of FHA loan insurance and home ownership available to additional families, the Housing Act liberalizes the terms by reducing minimum downpayment requirements, by increasing the maximum mortgage amount for a single family home from $22,500 to $25,000, and by increasing the maximum maturity for newly built houses from 30 years to 35 years.

OPEN SPACE LAND

There has been growing concern over the fact that the rapid population increase in our towns and cities has led to the virtual disappearance of open space suitable for parks and playgrounds. In order to help communities to preserve some open land, the bill authorizes $50 million for partial Federal grants to acquire open land to be held permanently as park land. These grants can cover up to 20 percent of the cost in the case of individual political subdivisions. However, if the land will serve all or a substantial part of the whole urban area, the Federal share can be increased to 30 percent.

FARM HOUSING

The act recognizes that housing problems in rural areas, while different from those in the cities, are just as serious. In particular, mortgage credit is generally very difficult to obtain. To meet this need, the existing program of direct Federal loans for farm housing is extended for 4 years and an additional $200 million is made available for these loans.

The Housing Act of 1961 represents a tremendous step toward the goal of providing decent housing and a suitable environment for every American.

Radio and Television Licenses

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, September 26, 1961

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ESTES KEFAUVER

In a speech in the Senate several days ago, the senior Senator from Wyoming raised a fundamental question of public policy: Should large corporations doing a considerable amount of business with the Government be licensed to operate radio and television stations?

The Senator from Wyoming raised another question of public policy related specifically to the radio and TV licenses held by two such corporations, General Electric and Westinghouse: Should these two companies be entitled to retain their licenses, having been the principal defendants convicted in the recent electrical conspiracy cases at Philadelphia?

As chairman of the Senate Antitrust and Monopoly Subcommittee, I have had the opportunity to examine at close hand some of the management failures that led to the involvement of GE and Westinghouse in these conspiracies. We discovered that these cases simply dramatized what had been a way of life in the electrical manufacturing industry for decades. The companies involved, notably GE and Westinghouse, had been flagrantly disregarding the antitrust laws for years and getting away with it.

It was therefore most distressing to me to read published reports that some members of the Federal Communications Commission are now prepared to vote for renewal of the radio and TV licenses of GE and Westinghouse without a careful hearing.

Accordingly, on September 20, 1961, I sent a telegram to the Chairman of the FCC, the Honorable Newton N. Minow, urging a full public review of this matter before the FCC votes on renewal. Mr. Minow replied by letter the following day that my telegram would be brought to the attention of the full Commission and that no decision on the question of renewing the GE and Westinghouse licenses had been made to that time.

I have since been advised that the FCC can be expected to act before the middle of November.

In my opinion, the FCC will be failing its public trust if it renews the GE and Westinghouse licenses without a public hearing. The public has a right to know whether the same corporate attitude which led Westinghouse and GE to flout the antitrust laws carries over into their operation of radio and television stations—channels of communications which are themselves a public trust.

Some reflection of this attitude was made plain in the comment on a recent "Meet the Press" program by Attorney General Robert F. Kennedy:

"We have found in going through past cases that there have been antitrust violations by companies continuously. That there is a fine paid and the practice continues. For instance, in General Electric there must have been dozens of violations of the antitrust laws over a period of years. It didn't have any effect on them."

I can imagine the public outcry that would ensue if a radio or television license were renewed without a hearing for an individual who had been fined several thousand dollars and sentenced to jail for 30 days, as some of the executives of GE and Westinghouse were. Even if the individuals had been convicted only once there would doubtless be protests. But here we have the word of the Attorney General of the United States that GE has been involved in dozens of violations and that "It didn't have any effect on them."

And what of the objectivity in molding public opinion of a large corporation which depends heavily upon the Government for business? According to the official announcements of the Department of Defense for the 100 companies doing the most business with that Department from July 1950, through December 1957, Westinghouse ranked 19th with a total of $1,555,600,000. In 1960, Westinghouse bettered this by jumping to the rank of 16th among defense contractors with a total business in that year alone of $257,600,000.

In the public hearing that I urge the FCC to hold on the proposed renewals of GE and Westinghouse licenses, the FCC certainly should go into the question of whether these stations gave uninhibited coverage in their news programs to the involvement by GE and Westinghouse in the electrical conspiracy, to our subcommittee's investigation of this matter, and to other, related matters.

I do not know whether such full coverage was given; but in all fairness—not only to the public but to the stations themselves—this question should be fully and publicly explored.

While the FCC is about it, it might apply the same test to the coverage given over GE and Westinghouse stations of other public policy questions in which these companies—as electrical manufacturers—have been directly involved in the period covered by the Philadelphia indictments.

For example, how did the stations owned by these companies deal with an important controversy in 1959 in which GE and Westinghouse were involved with the Tennessee Valley Authority over the purchase by TVA of a 500,000-kilowatt turbogenerator for one of its steamplants in Alabama? The GE and Westinghouse bids were virtually identical and very high—around $17 million. A British firm, C. A. Parsons Co., Ltd., bid low—around $12 million. The TVA awarded the contract to the British company, and immediately GE and Westinghouse began a campaign to mold public opinion on their side and to pressure the Government into awarding one of them the contract.

Were GE and Westinghouse TV and radio stations used as outlets for this effort to mold opinion to one point of view?

And how are GE and Westinghouse radio and TV stations treating on their news programs today the news about the mass of damage suits brought against these companies as a result of the Philadelphia convictions? Indeed, what will these stations report about this very statement being placed in the CONGRESSIONAL RECORD?

The RECORD is full of newsworthy matters in which GE and Westinghouse have been involved during the years; congressional committee hearings in which GE and Westinghouse, together with other basic suppliers, were accused of discriminating against rural electric cooperatives in the delivery of scarce equipment; and in which GE has been accused of shortening the life while increasing the prices of electric bulbs. Details of these and many more involvements are available and should be looked into by the FCC.

It is my understanding that, in support of their current applications for radio and television license renewals, GE and Westinghouse have submitted to the FCC general information about the news coverage their stations have given to controversial matters involving these two companies.

While this self-serving material is available to public inspection, the public looks to the FCC to scrutinize it as the FCC is equipped to do and to judge whether GE and Westinghouse stations are dealing objectively with unfriendly news.

This can be done satisfactorily only through public hearings. I urge the FCC to hold such hearings.

Goals of the New Frontier: Area Redevelopment

EXTENSION OF REMARKS
OF
HON. WINFIELD K. DENTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. DENTON. Mr. Speaker, one of the major problems confronting this Nation of ours at the time of the 1960 presidential election was that of the so-called depressed or distressed areas. This is still a problem today. But what I would like to point out at this time is the fact that since the election there has been a great deal of progress made in the solving of many of the problems associated with the chronic and persistent unemployment which exists in these areas.

I think we all know the definition of a "depressed or distressed area." It is one where there has been serious unemployment which has existed for a considerable length of time. This unemployment has been caused by several factors, singly, or working in concert. These have included: technological changes; migration of industry; changes in demands for products; protracted seasonal unemployment, and depletion of resources. My hometown of Evansville,

Ind., has been hard hit for several years by unemployment. The percentage of unemployment there has been consistently over the 6-percent mark most of the time. In many other parts of the country similar conditions have existed. In February of this year the figure was 7.9 percent in the city of Evansville.

At the beginning of 1960, the figure was 8.5 percent. At the present time, the percentage of unemployed is now down to 6.5 percent. This is still far from what we would like to see. But it is some improvement. Under the area redevelopment program, passed by a Democratic Congress during this Democratic administration, we hope that we can get that figure much lower.

The unemployment situation in Evansville has been repeated time and time again all over the country. The Chrysler plant there was closed down, and the operations there, bodybuilding and assembly, were moved to St. Louis. Servel, Inc., makers of refrigerators, discontinued their operations in Evansville. Several other concerns in the community also closed up their operations there. To combat this, the people of the city and its outlying area raised $1 million to help attract new industries to the area; $300,000 was raised to help small business in the city. The people of this city did just about all that they were able to do to combat the unemployment. The assistance of the Federal Government was clearly necessary, if they were to ever really rise above the tremendous economic problems that continually pressed in about them. This same situation has been true in the eastern part of my district—the Greater Louisville area. In this area are the cities of Jeffersonville, in Clark County, and New Albany, in Floyd County.

For some years, I have been greatly concerned over this situation, not just as it applies to the Eighth Congressional District of Indiana, but to other areas of the country likewise. I am proud to say that I introduced one of the very first so-called depressed areas bills. During the 85th and 86th Congresses, we Democrats passed such legislation, only to have it fall under the veto of the Republican occupant of the White House. The story changed during this Congress as the Democrats with effective leadership from President Kennedy, passed the Area Redevelopment Act of 1961. When the President signed the legislation on May 1 of this year, he commented:

> In this free society we want to make it possible for everyone to find a job who wants to work and support their families, and this bill is an important step in that direction.

Under the provisions of the Area Redevelopment Act, the Federal Government is able to go into these areas of chronic and persistent unemployment and assist State and local leaders to attract new industries; to help in the improvement of needed public facilities; and provide assistance to those workers displaced by the migration of industries from their areas through job retraining. This will enable them to be qualified for new jobs which may become available in their communities. All this will be a big boost to these distressed areas.

Under the act, $300 million is provided in revolving loan funds—$100 million for industrial and commercial loans in urban areas, $100 million for similar loans in rural areas, and $100 million for loans for public facilities. For fiscal 1962, Congress appropriated a total of $122,500,000 for these loans. In addition, Congress appropriated $40 million for the current fiscal year for public facility grants, $3,325,000 for technical assistance, and $4,875,000 for operating expenses. To date, the Area Redevelopment Administration has designated 663 areas—covering some 863 counties or parts of counties—as eligible for assistance under the terms of the act. They have been so designated because of high unemployment or underemployment or because of low farm income or family income. The Department of Labor has certified some 120 additional areas as surplus small labor markets, enabling them to be eligible for assistance under the program as soon as they are officially termed "redevelopment areas" by the Area Redevelopment Administration in the Department of Commerce. More areas are in the process of being designated as the Labor Department continues to make studies as to their economic situation.

Mr. Speaker, there has not been sufficient time since the enactment of the Area Redevelopment Act to be able to predict just how much better off these economically distressed areas—both urban and rural—will be under the program. But I do know that we are making progress in the right direction. That direction is the helping of such areas to assist themselves to bring in new industries through a study of their economic capabilities, through improvement in their community facilities which will be used by such industries, by assistance in the retraining of the area's workers, and by the bringing to these communities and rural areas a sense of hope and direction which many of them have been lacking for years. Through this legislation, we can help dispel much of the fog of discouragement and frustration which has arisen out of the lack of economic growth.

The area redevelopment program involves a new partnership made up of the Federal Government's agencies which have a direct interest in these areas. These include the Department of Agriculture, the Department of the Interior, the Department of Labor, the Department of Health, Education, and Welfare, the Housing and Home Finance Agency, and the Small Business Administration. The Congress directed all these agencies to coordinate their activities toward the effective carrying out of the mandate of the act. That mandate is the return of economic growth and prosperity, and along with it, a return of human dignity and hope to the people and the communities and farm areas suffering from the hardships of industrial relocation and economic recession. Under the previous administration, little if anything was done to assist these areas and their people. The Democratic Party has always been dedicated to the welfare and human dignity of the American people. The area redevelopment program, enacted by this Congress, is a significant example of that doctrine.

The first two projects under the act have been approved. One is the $160,000 loan and grant for a water system which was needed in order to help a new firm locate in the community of Gassville, Ark. This will provide 1,000 permanent new jobs initially for workers in a four-county redevelopment area. The other project is that of Cambridge, Md. Here, a $213,300 loan and grant for a sewerage system will result in bringing in one new industry and expansion of an already existing firm. The result here will be 875 permanent new jobs initially. There are other projects in the process of being approved now by the Redevelopment Administration. This is a sample of the assistance that will be afforded eligible areas. This is a sample of the type of human and community assistance which the Democratic Party believes in. Helping people to help themselves.

Much has been written and spoken on the subject of the depressed areas of the country. Heavy unemployment existed. Some still does. Hope dwindled as local and State resources were unable to cope with the problem. These areas have a right to share the economic growth that the rest of the country is experiencing. Their people have a right to hope and jobs. Their children have a right to the kind of education and opportunities which economic progress will help bring to these areas, just as they have to the guarantees spelled out in our Constitution. This program is a step in the right direction. It is still a relatively small step, but it will go a long way in restoring the confidence of these peoples in their communities, their local way of life, and in themselves.

Congressman Joseph E. Karth Reports on Activities During the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF
HON. JOSEPH E. KARTH
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. KARTH. Mr. Speaker, this 1st session of the 87th Congress has been an eventful period for the Nation and for the people of Ramsey County.

Job and business opportunities in the St. Paul area are looking brighter than ever as the result of Federal projects. Work started on the $8,317,000 St. Paul-South St. Paul floodwall which will make possible a whole new industrial park in the Riverview area when the floodwall is completed. Soon construction will be begun, within weeks, on a $7,600,000 annex to the present post office and custom house. By far the most spectacular development was the rapid authorization for a completely new Federal office building and courthouse for St. Paul to cost $11,700,000 when completed.

Already $1,553,000 has been appropriated for buying a site and making preliminary designs.

In addition, swift progress is being made to build a new Lake States Forest Experiment Station on the University of Minnesota St. Paul campus. Preliminary plans for this $1,250,000 building and facilities are well along.

Included in the public works appropriations for this fiscal year are $750,000 in funds to continue work on the Mississippi River floodwall and $15,000 for a survey of Pig's Eye Lake to determine its capabilities as a harbor. The lake is envisioned as the great barge terminal of the upper river which will exploit more fully St. Paul's advantage as the great gateway to the Northwest of the North American Continent.

I sought in all ways possible to attract defense, space, and commercial work to the Twin Cities area and Minnesota to help our economy.

NATIONAL SCENE

In Washington the erratic joint performance of Congress and the new administration during this last session reminds me of a couple of skittish farm horses working in a doubletree for the first time. There's much snorting, confusion, backing and hauling, kicking, rearing, jumping the traces, and getting tangled up in the harness before the hard work gets started.

But for all these early difficulties the "team" turned in a pretty impressive performance on legislation during the first session. True, not all the important domestic legislation proposed was given adequate consideration. What best characterized the new administration's attitude in this field was a basic concern for our country's human resources. At its request Congress passed an extension of temporary unemployment compensation benefits for long-term jobless workers in industry and on the railroads; benefits for the children of the unemployed on the same basis as fatherless children; improvements in social security benefits, involving increased minimums, allowing men to retire at 62 with reduced pensions, and raising widows' benefits—involving 4.4 million people; an authorization to distribute surplus food to the destitute; improvements in minimum wage protection to include 3.6 million more workers and to raise the wage to $1.25; a vast new housing and urban renewal program to help in the rebuilding of the country's deteriorating cities; and, an Area Redevelopment Act to encourage economic rebuilding of cities and farm areas which have lost substantial industry.

Other congressional action, of special interest to Federal workers, was the passage of bills to increase the allowances of those who are required to travel, and legal protection of Federal employees involved in auto accidents while on official duty.

I worked for the enactment of a longevity pay bill which would give postal workers benefits at least comparable to those in the Federal classified system. This is important unfinished business to be taken up in the second session and should be enacted into law.

In the field of civil rights the new administration has concentrated on using the vast and effective powers of the executive department in broadening employment opportunities for all workers wherever this Government has any influence. The results have been substantial. In advancing civil rights in housing, education, transportation, and voting, the administration's achievements have been truly impressive.

American agriculture has become a problem heretofore unknown in history—a farm economy which produces more than its intended market can possibly consume. Under the preceding national administration, policies encouraged farmers to grow ever-larger crops for storage. The present administration has attempted to reduce excess production of wheat and feed grains to ease the tremendously expensive problem of storage. It has sought, too, to save the farmer's level of income. The omnibus farm program which was passed by Congress developed new approaches which it is hoped will best accomplish these objectives.

To ease the worst effects of the recent drought in Minnesota and the region, I helped work for the enactment of laws to preserve the basic herds of livestock through Government assistance for feed and loans.

To encourage local communities to do a better job for the health of their people this Congress passed a water pollution control law to double the rate of building new sewage treatment plants and to encourage the construction of community health facilities, mainly for nonhospital health services including nursing homes for the chronically ill and the aged.

INTERNATIONAL SCENE

National defense and the response to Russian attempts at technological terror in atomic energy and space have preoccupied a substantial part of the attentions and the energies of the administration and the Congress.

Laos, Cuba, Congo, Berlin, and Vietnam are world trouble spots which recently highlighted the clash of interests between communism and democracy.

Our major task was rebuilding our country's armed strength which had been somewhat dismantled during the last 8 years behind the slogans of "more bang for a buck," "massive retaliation," and the like.

Billions of our treasure have had to be appropriated for ballistic missiles, bombers, Polaris submarines, armored vehicles, atomic cannon, and the vast amounts of fabulously expensive hardware that go into a modern defense establishment.

Khrushchev's missile-rattling and threats of military adventures raised our arms budget from an estimated $40.3 billion last January to an appropriation of $46.7 billion now.

In addition we have had hurriedly to develop an orderly scheduled U.S. space program to counter the Russian policy of technological terror which has had the effect of shaking the confidence of our allies and the so-called neutrals in our ability to maintain a superiority in science. From my knowledge I am sure we are well ahead in the overall scientific spectrum although we have suffered a propaganda setback as the result of Russia's "space spectaculars."

Congress approved $1,671,750,000 in funds for the National Aeronautics and Space Administration for our country's civilian space program in the next year. Some of this money will be spent to speed up our program for a manned moon expedition which has now been given an urgent priority. While the physical act of landing a man on the moon is not in itself too important, the technological knowledge gained by acquiring this ability is of immeasureable value.

It is to our foreign relations that the administration and this Congress have given special attention.

Foreign economic and military assistance to help friendly nations to help strengthen themselves so they do not fall prey to Communist subversion and assault was of first importance. Congress approved $3.9 billion for this purpose in the final hours of the session. Included in this legislation was $30 million for a bold new idea, a Peace Corps of dedicated men and women who will live with and teach special skills to the peoples of underdeveloped areas in the world.

Communist attention to Latin American lands in turn stimulated the administration to propose a new alliance for progress program implemented by $500 million in funds. The shock of Cuba's line-up with the Communist world has forcefully called American attention to the threatening revolutionary situations in the Western Hemisphere.

As part of our worldwide offensive of new ideas the administration and Congress worked out a new U.S. Arms Control and Disarmament Agency to gather together the best available brains of our country to prepare research and data for the day when arms control becomes the subject of genuine negotiation among the world powers. I am proud to have been associated with the enactment of this idea because it deals with the crucial matter of human survival and also because it will explore the very fundamental relationships of an economy whose prosperity has become alarmingly dependent upon huge defense budgets. Economists and Government officials have long asked each other the worried question, "What will happen if peace really breaks out?" Through the Arms Control Agency we at last have an important means to make a serious, continuing study of gearing a highly productive economy to peace.

UNFINISHED BUSINESS

While this session has been one of the most productive in many years, Congress has much to do when it reconvenes in January 1962. A few of the important matters it will surely have to consider are bills for:

Tax reform—plugging loopholes to raise money to alleviate a deficit caused by defense increases;

Manpower retraining—providing a program to train workers made permanently jobless through technological change and shifting industry;

Education—authorizing programs for Federal assistance, such as for medical students and elementary and secondary school-age children;

Aged—adequate medical and hospital care for the aged under the social security system;

Labor—setting minimum standards in the administration of the unemployment compensation system; and, clarifying provisions of labor relations laws; and

Federal postal and classified workers—revising employee legislation to improve and equalize salary schedules and to provide machinery for collective bargaining.

Other important bills will of course come up and may even precede those I have listed because events will dictate the action to be taken.

I am confident, though, that the Congress and this administration will continue to move ahead in mutual respect and harmony to meet successfully whatever challenges will arise and to assure as best we can the well-being of the American people and the peoples of the world.

Taras Shevchenko: Ukrainian Poet-Hero

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. FEIGHAN. Mr. Speaker, under leave previously obtained, I insert in the RECORD an address I delivered on March 19 at the Cleveland Public Auditorium at commemoration ceremonies upon the 100th anniversary of the death of the Ukrainian poet-hero, Taras Shevchenko:

Taras Shevchenko, national poet-hero for generations of Ukrainians, was born in serfdom, orphaned at a tender age, labored for heartless taskmasters, won literacy by hard sacrifice, sketched the spirit of his countrymen with pen and brush, offended the crude feelings of Czar Nicholas I, was exiled to military servitude for 10 years, was denied the right to spend his last years in his native land, died at the age of 47 years but his mortal remains were put to rest in the soil of his beloved Ukraine.

This, in brief, is the sketch of a man whose spirit has been a source of lasting inspiration to the people of a nation long submerged by Russian imperialism.

That spirit which so well characterizes the history of Ukraine will be memorialized here in the United States through the erection of a statue of Taras Shevchenko in our Nation's Capital.

This year marks the 100th anniversary of the death of Taras Shevchenko.

The passing of those years in a century has brought events which have earned due and proper recognition for this remarkable man.

In his time he won warm appreciation from his countrymen who saw in him and his works the courageous voice of their long-held national aspirations.

His enemies, the Russian autocrats, viewed his artistic expressions with contempt, but their fears of his influence in awakening and stimulating the national consciousness of the Ukrainian nation brought him years of political exile and banishment from the land of his birth.

But exile, banishment, cruel deprivation, and the tyrants whip cannot stamp out ideas and ideals which spring from the inspired spirit.

During the century since his death the cause of the Ukrainian nation has become known to those who love liberty and freedom in many distant lands.

The first half of the 20th century has been filled with great human pathos and far-reaching changes in the affairs of nations.

Wars and revolutions have toppled kings, monarchs, and czars, dismembered empires, and liberated long-suffering peoples and submerged nations.

In these circumstances the old chains which enslaved the people of Ukraine were broken, the golden age of independence which filled the dreams of Shevchenko, was realized.

With the collapse of the empire of the Russian czars in 1917, an independent Ukraine emerged from the ashes of corruption and despotism.

The strivings of a people rich in heritage, and proven worthy in the test of sacrifice, had been fulfilled.

Joined by the people of other nations long submerged by the tyranny of the Muscovites, success for the long awaited era of national independence seemed assured.

Russian imperial power had been broken.

A spirit of national revival moved the people of Ukraine and the other non-Russian peoples from the Baltic to the Caspian Seas.

But this golden era of liberty, freedom and national independence was short lived.

A new despotism had seized control at the former seat of imperial Russian power.

Western in its origin, but Moscovitic in its application, this new tyranny soon put new chains of serfdom upon the Ukrainian nation, constraining her national development, thwarting her cultural revival and preventing her from taking a rightful place in the community of free nations.

This episode in history finds some parallel in the life and times of Shevchenko.

After 10 years of exile in military servitude where his health was broken, Shevchenko was allowed to return to Petrograd.

Expecting to return to his beloved Ukraine and there to carry on his work of national emancipation he soon learned that the personal decision of Czar Nicholas I, restricted his movements and forbade even short visits to the land of his birth.

Thus, Shevchenko with high spirits upon his release from the outposts of the empire, soon found that the same tyranny of spirit was exercised in many ways.

The hand of Moscow had not changed, it held him in spiritual bondage.

That is the case with the Ukrainian nation today.

Freed of the tyranny of the czars a new tyranny of Red imperialism has been imposed upon it.

The same land of Moscow remains. It has not changed, only the faces and titles of the masters have changed.

The new imperialism of Moscow has, however, been forced to recognize the existence of a Ukrainian nation and even claim it to be an independent nation.

This the czars refused to do, preferring to delude themselves and many innocents abroad that Ukrainians were some sort of little Russians.

How Shevchenko despised that reference of "Little Russians."

But Shevchenko would not be happy with the kind of recognition given to Ukraine today by the Russian commissars.

For it is meaningless.

It accords to Ukraine a national independence in form while imposing by force a substance called socialism, which in reality is nothing more than old-fashioned Russian despotism.

The heart, the life, the soul of the Ukrainian nation is held in Russian bondage.

And today there are innocents abroad who continue to look upon the Ukrainians as "Little Russians" while others are deluded into believing that the Ukrainian nation is independent and its people are free.

The skill of massive deception practiced by the czars has been refined and perpetuated by the commissars.

Meanwhile, the yearnings and aspirations of the Ukrainian people so well expressed by Taras Shevchenko have been strengthened, they have become emboldened in this revolutionary era, they too are refined and perpetuated in this generation of Ukrainians on both sides of the Iron Curtain.

In his last years, while in exile, Shevchenko devoted his talents to the preparation of textbooks in his native language, so confident was he that Ukraine would be emancipated from the Moscals.

Knowing the need for these tools in the rebirth of national independence, he spent himself in these preparations.

We can learn much from this chapter in the life of the man we honor today.

Confident of victory he admonished preparation for the tasks which would quickly follow the day of national liberation.

That must be your spirit today. That lesson followed with dedication in our times will bring a rich harvest of blessings in the future.

We must not, we may not, wait another 100 years for the dismemberment of the unholy Russian empire.

Goals of the New Frontier: Amendments to the Social Security Act

EXTENSION OF REMARKS

OF

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ULLMAN. Mr. Speaker, during the election campaign last year and since taking office this year, the Democratic Party and President Kennedy have made it clear that one of the basic goals of the New Frontier is to broaden and extend the social security program—to make it more adequate to the problems and the needs of the sixties. In this first year of the Kennedy administration, we have made real progress toward that goal, particularly in the area of improving existing provisions of the law.

The need for these changes was summarized by the President in his message of February 2 when he noted that the average retired worker's benefit was only $74 a month, and that a majority of these people have no other significant income. As the President said:

We must not permit the benefits of retired workers and their families to lag behind rises in living costs; we cannot decently exclude our older population from the general advances in standards of living enjoyed by employed workers.

To meet these needs, the Kennedy administration recommended five changes in the present program to increase the minimum benefit level, expand coverage

under the act, permit optional retirement at age 62 by men as well as women, increase the size of widow's benefits, and broaden protection under the disability program added to the act in 1960. The amendments enacted by the Congress, while not meeting fully the President's recommendations, are substantially in accord with them and, as I have indicated, represent real progress toward the goal of updating this basic social insurance program to fit changed and changing conditions. Let me review briefly the changes which we have made.

First, the minimum monthly benefit has been increased from $33 to $40. It is estimated that more than 2 million people will benefit from this change during its first year of operation, and it should be emphasized that these are the people who most need help—the people who, in too many instances, have been subsisting below the minimum standards of health and comfort.

Second, we extended coverage of the social security program by liberalizing the requirements for achieving insured status. This change brings under the act an estimated 170,000 new workers in the first year and is of particular importance to those whose most productive periods were in occupations not covered by the program in its earlier years.

Third, we provided a 10-percent increase in the level of benefits going to widows. Again, this is a change which works to help those who have been most disadvantaged. A recent survey of the economic situation of our older citizens showed that widows have less retirement income than either single persons or retired couples. An estimated 1½ million women will benefit from this long overdue change in its initial 12 months of operation.

Fourth, increased flexibility has been added to the social security retirement program by the change we enacted giving men workers the option of retiring with somewhat reduced benefits at age 62. This change was in line with one provided earlier for women workers.

Fifth, the Congress this year modified the ceiling on outside earnings of retired persons. While recognizing that there is substantial sentiment in favor of greatly increasing the outside earnings allowance which the act utilizes as a test of retirement, it must be remembered that this type of change can be a costly one, which would require a further substantial increase in contributions to the trust fund. The modification worked out by the Congress raises from $1,500 to $1,700 the level of outside earnings which a retiree can have with only $1 of benefits deducted for each $2 earned beyond the basic $1,200 annual earnings limitation.

While the Congress did not act on President Kennedy's recommendation for a broadening of the disability program's coverage, we did extend until June 30, 1962, the deadline for establishing eligibility under this program. This assures more adequate time for workers disabled for many years to learn of the provisions of this relatively new program and to seek benefits under it.

Finally, it should be noted that continued actuarial soundness is assured for the trust fund by a raise in the payroll tax rates to cover the costs of these improvements. The cost is a modest one, amounting to only one-fourth of 1 percent of annual wages up to $4,800, evenly divided between employers and employees. The benefits provided are great and become even more meaningful when we think of them, not just in terms of dollars and cents, but in terms of people trying to live out their years of retirement in dignity and some measure of comfort.

Mr. Speaker, many of us would like to have seen the Congress enact amendments to the Social Security Act which would go even further toward our goal of meeting the increased needs of our retired persons. We have before us as unfinished business the President's separate recommendation for a program to help social security retirees meet the costs of hospital and nursing home care. As noted before, further improvements in the disability benefit program are also warranted. At the same time, the improvements which I have reviewed bring us measurably closer to a social security program which fully meets the challenge of the sixties. They are part of a record of achievement as well as reminders of still-unfinished business.

Report to the People of Oklahoma

EXTENSION OF REMARKS
OF

HON. ROBERT S. KERR

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. KERR. Mr. President, I submit herewith my report to the people of Oklahoma, covering legislation and other activities, as their senior Senator in the 87th Congress, and ask unanimous consent to have it printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

My fellow Oklahomans, early autumn fishing trips were out of the question this year for Members of Congress, so I missed my customary date with a hook and line in September. However, while remaining in Washington, we helped string up a "record catch" for Oklahoma in one of the longest sessions of Congress in my experience.

The fine results of the session can be attributed to the favorable administration, and to a hard-working delegation which had the help of thousands of dedicated Oklahomans who took an interest in legislation contributing to the well-being and progress of our State. Every project received the joint efforts of Oklahoma citizens and their Senators and Congressmen. These included bills to expand highway building, step up social security and old-age benefits, strengthen farm commodity and soil conservation programs, and meet the critical new needs for better educational opportunities.

One way to measure our accomplishments is to total up the amounts which will be returned to Oklahoma people through Federal investments in Oklahoma and Oklahoma-related programs and projects. This year the total was increased to more than three-quarters of a billion dollars. The figure includes Federal aviation and military payrolls as well as benefits from legislation which covers both grants and loans for hospitals, rest homes, waterworks, sewage systems, and other community facilities or urban renewal projects. The number of such projects sponsored locally will determine the exact totals.

HIGHWAY BILL PASSED

A major project of the Senate Public Works Committee on which I serve as ranking Democrat was the new highway bill. This will greatly assist highway construction in Oklahoma by providing about $47 million more between fiscal years 1963 and 1966 than did the previous measure.

As chairman of the Senate Aeronautical and Space Sciences Committee, I worked with the President to speed up the Nation's space program. This included the appointment of James E. Webb of Oklahoma City to head up the National Aeronautics and Space Administration. The program, including the goal of sending a manned vehicle to the moon and back, will require an investment of $30 billion or more in this decade—including, I hope, hundreds of millions in Oklahoma.

As ranking Democrat on the Senate Finance Committee, I took a leading role in amending the unemployment compensation laws and the social security laws which provide increased payments to widows of retired workers, raise the minimum retirement payments, and provide the option for retirement at age 62 to men. Increased subsistence payments and medical care for the aged and higher benefits for dependent children were secured.

RIVER PROJECT SPEEDED UP

The most substantial gains from this session are for land, wood, and water. Appropriations for these increased from $80 to $130 million. Included are funds permitting a speedup in the Arkansas River navigation project which should make completion possible by 1970, 3 years sooner than previously expected.

Our hopes for the proposed central Oklahoma water supply and navigation project are much brighter than ever before. Survey funds were obtained for the Corps of Engineers to revise and expand previous studies. The new study will be on the basis of a broader evaluation of economic benefits to be derived from the project. This will be possible because of both legislative amendments and changes in administrative regulations secured by us. This reinforces our purpose to complete navigation into central Oklahoma simultaneously with northeastern Oklahoma.

Other good news in the water program: The Arbuckle and Waurika reservoir projects were economically justified. Both will come before Congress next session. Little River Reservoir at Norman was allocated $900,000, and its construction was started.

Soil conservation appropriations will provide $18,095,844 for Oklahoma projects.

SCHOOLS GET FUNDS

U.S. Government aid to schools in federally impacted areas gained a 2-year extension this session, providing $10,899,400 for 1962 to Oklahoma schools.

Congress also appropriated $15,229,000 for military construction at Armed Forces bases in Oklahoma, and the airport bill assures us of at least $2,389,065 for better aviation facilities over the next 3 years.

Other high points for the year include the statewide Community Development Clinic held August 26, in Oklahoma City, successful negotiations to purchase the Oklahoma Ordnance Works, Pryor, for a vast industrial development, First National Conference on the Peaceful Uses of Space held in Tulsa, an important new Federal antipollution and water quality improvement laboratory and experiment project at Ada, and the final report of the Senate Select Committee on National Water Resources, which I headed.

Encouraged by a vigorous new administration, the 1st session of the 87th Congress was off to a fast start. One of my first duties was to give the final report on the 2-year study done by the Senate Select Committee on National Water Resources.

This report showed Oklahoma to be some 10 years ahead of most of the Nation in developing its natural resources and was called "excellent and timely" by President Kennedy.

NEW COMPLETION DATE FIXED

Early in the year Maj. Gen. Robert J. Fleming, Jr., head of the southwestern division, Corps of Engineers, advised that several years could be cut off the expected completion date of 1973 for the Arkansas River navigation project. This project basically is a 500-mile barge navigation channel being constructed from the Mississippi up the Arkansas and Verdigris Rivers to near Tulsa. But it has other great benefits including flood control, hydroelectric power, municipal and industrial water, and recreation.

I arranged a meeting of the Oklahoma delegation to start action in Congress on the accelerated program. This involved the need for an additional $4,150,000 in the 1962 budget for planning and Arkansas River bank stabilization.

We were able to get the Bureau of the Budget to recommend this in the President's revised budget. Congress then appropriated the funds and for good reason. The speedup (1) provides badly needed employment, (2) saves money because of the rising cost of construction materials, and (3) will reduce transportation rates much sooner.

The river navigation appropriation for 1962 also includes $250,000 for planning on the Short Mountain project, the first of six locks and dams to be built in Oklahoma. This project near Sallisaw will consist of a lock, and a dam 6,700 feet long and 64 feet high. Estimated cost is $101 million.

RESERVOIR FUNDS LISTED

Construction on larger reservoirs will move along with Eufaula getting $28 million; Keystone, $27,500,000; and Oologah, $1,759,000 for its completion.

Two other major projects in eastern Oklahoma received funds. Pine Creek Reservoir in McCurtain County gets $175,000 for planning so it will be eligible for construction next year. Broken Bow receives $1,250,000 for construction.

Study funds voted by Congress include $16,000 for the Bird-Caney project on the Verdigris; $50,000 for the Central Oklahoma project; $500,000 for the Arkansas-Red River pollution study; $37,000 for Boswell Reservoir; $3,500 for Crutcho Creek, and $25,000 for the Kaw Reservoir near Ponca City.

Also $15,000 for Oklahoma City floodway; $11,000 for Shidler Reservoir; $15,000 for extension of navigation from the Arkansas to Eufaula Dam; $15,000 for exploring navigation possibilities on the Poteau River; and $10,000 for start of surveys on the Cimarron in Oklahoma, Kansas, and New Mexico.

Bureau of Reclamation projects in Oklahoma add $2,906,000 to the water program. These funds mainly will go to start construction on Little River Reservoir near Norman and toward completing Fort Cobb and Foss reservoir projects on the Washita. The Waurika project reached the Senate Interior Committee just before adjournment and favorable hearings were held. I will be pushing for approval of both the Waurika and Arbuckle projects in the next session.

RECLAMATION STUDIES APPROVED

Congress also approved study funds for several Bureau of Reclamation projects including Mangum, $36,000; Mountain Park, $2,700; Chikaskia (at Blackwell), $10,000; and a general study of Oklahoma basins, $106,000.

Although not actually in our State, projects for which funds were appropriated in Kansas, Texas, and Arkansas also will greatly benefit Oklahoma.

This was another big year for soil conservation watershed projects, which do so much to hold water where it falls. Of the $18,095,844 appropriation, $10,620,250 goes to the Soil Conservation Service for upstream development and retardation structures, $7,290,000 to the Agricultural Conservation program, and $185,594 to research at Chickasha.

The Public Works Committee on which I serve approved the Sallisaw Creek watershed project with $4,552,584 in Federal funds, helping to provide Stilwell and Sallisaw a water supply. Congress also acted favorably on Upper Red Rock Creek (Garfield, Kay, Noble, and Grant Counties), $1,985,844; Haikey Creek (Tulsa County), $419,000; and Cane Creek (Muskogee and Okmulgee Counties), $1,529,365.

Another major victory this session was the passage of my antipollution bill. With it, Oklahoma communities can share $7,218,860 in matching Federal funds over the next 5 years for improving sewage treatment facilities. Other provisions include (1) authority to hold additional water in reservoirs to maintain streamflow during dry periods, and (2) charging up to 30 percent of a reservoir's cost to future municipal water needs without requiring cities to make immediate contracts in advance of such needs.

As the only Senator serving on both the Public Works and Finance Committees I had two opportunities to work on the highway bill. It gives Oklahoma $195,100,000 in matching funds for fiscal years 1963–66. Moreover, an amendment Senator MONRONEY and I sponsored requires the Defense Department to repair State highways damaged in the process of certain military construction. Legislation I earlier sponsored enables relocated roads around the new lakes to be built according to present needs, not as they were.

HOUSING ACT PASSED

Another measure passed by Congress this session was the Housing Act. It will aid both the young and the elderly in our State.

One provision makes $246,875,000 available for loans in constructing college dormitories in 1962 with a reduced interest rate of 3⅜ percent. During this session loans totaling $5,873,000 were made to six Oklahoma educational institutions. Another provision of the act gives the same interest rate and makes more money available to private, nonprofit sponsors—such as church groups—for building housing for the elderly.

Planning funds amounting to $106,000 were allocated toward construction of two new State park lodges on the Eufaula Reservoir.

This session's farm program was worked out with the help of thousands of progressive farm leaders. Under the plan, Oklahoma's 1962 wheat allotment will be nearly 5 million acres. Based on an average yield, the new price support of $2 per bushel, is expected to give Oklahoma wheat farmers about 10 percent more income next year. The feed grains measure is expected to add to farmers' purchasing power by about 10 percent of this year's feed grain production value.

The reopening of Camp Chaffee at Fort Smith, Ark., near the end of the session brings needed jobs to eastern Oklahoma. But military bases within the State itself will add more than $250 million to Oklahoma's economy next year through civilian and military payrolls, according to the Department of Defense.

ORDNANCE WORKS OBTAINED

Earlier in the report I referred to the hard work, resourcefulness, and energy of Oklahoma citizens in the successful efforts of the session. The negotiations for the Oklahoma Ordnance Works at Pryor for a big, new industrial site is a good example. Cooperating with the Governor and other State and local officials, the delegation was able to get the General Services Administration to release the facility for $1,700,000. With 10,000 acres of land, a complete railroad network, and many other improvements, this will be a real magnet for much industrial growth.

The delegation teamed up to help Tulsans obtain a new mission for the federally owned aircraft plant operated by Douglas in Tulsa, and the delegation assisted the Cherokees in gaining payment of their $14,769,000 claim which had been pending for 10 years.

Teamwork by the delegation and citizens in the lead and zinc areas resulted in passage of the long-sought bill providing production payments for small mine operators.

The Oklahoma delegation also had unlimited backing on two other major projects—the statewide Community Development Clinic at Oklahoma City and the first National Conference on Peaceful Uses of Space at Tulsa. The development clinic drew 1,500 Oklahomans interested in improving their communities. The space conference introduced hundreds of America's top scientists and industrialists to the advantages of our great State.

Of utmost importance to me, too, was the average of 1,000 letters a week delivered to my office during this session. Assisted by my staff, I have tried to give prompt attention to each letter. And, I want to remind everyone in Oklahoma that the purpose of my office is to serve you. Please do not hesitate to call on me if you think I can be of some assistance.

And, finally, I want to thank each individual citizen—civic leaders, State and local officials, the press, radio, and television—for your splendid cooperation and assistance during the 1st session, 87th Congress.

Sincerely,

ROBERT S. KERR.

Press Reports Pentagon Efforts To Trim Waste in Procurement

EXTENSION OF REMARKS

OF

HON. WILLIAM PROXMIRE

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, September 26, 1961

Mr. PROXMIRE. Mr. President, several articles in newspapers and magazines have appeared recently describing the Defense Department's new attack on waste and inefficiency. With a Defense budget now topping $47 billion, the importance of this effort cannot be emphasized enough. The present international situation, which has prompted a major military buildup including the callup of National Guard and Reserve units, makes it all the more essential to achieve maximum military efficiency for the sums which are appropriated. The opportunities for waste in a period of military expansion are notorious. Therefore it is welcome news that the officials in charge of spending operations, led by Deputy Secretary Roswell L. Gilpatric and Assistant Secretary Thomas D. Morris, are mounting a concerted campaign of cost cutting.

One article describing certain aspects of this campaign appeared in the Wall

Street Journal. Written by Louis Kraar, a Journal staff reporter, it outlined the kinds of procedures that the Pentagon seeks to adopt to achieve greater economies. I was impressed with the overall picture presented in this article, and desiring further clarification I wrote Assistant Secretary Morris to request a more detailed report on the new methods that are being adopted. I ask unanimous consent that the Wall Street Journal article and my letter to Assistant Secretary Morris be printed in the RECORD.

A major defense procurement reform that has already been adopted is the consolidation into a central supply agency of all the nonmilitary purchases of the Armed Forces. This reform has been advocated for some years by the Defense Procurement Subcommittee of the Joint Economic Committee, led by Senator PAUL DOUGLAS of Illinois. As a member of this committee I have strongly supported this change and now hope that it will achieve the economies that are predicted. According to the Pentagon, this single step may save as much as $250 million per year once it is in full operation. It should put an end to the wasteful duplication in procurement and stockpiling that was documented over and over again in the hearings conducted by the Joint Economic Committee.

An article in Newsweek magazine describes the difficulties inherent in spending billions of dollars efficiently. It quotes Pentagon leaders and industry spokesmen on the kinds of new procedures which may be most helpful. As in the case of Mr. Kraar's Wall Street Journal piece, this article raises some questions about which more clarification would be desirable. I ask unanimous consent that this article also be printed in the RECORD.

One of the most obvious causes of waste in all military spending operations has been the increasingly widespread use of cost-plus contracts. In the past decade the percent of budget-fattening cost-plus procurement has risen from 12.7 percent to over 42 percent. During the same period the volume of defense spending increased enormously, so the total amount of cost-plus procurement has risen an even greater amount. Commenting on the need for efficient defense production, the New York Times recently noted:

> The cost-plus method of guaranteeing profits for defense contractors is another breeder of waste. More than one-third of all defense contracts are let on a cost-plus basis—virtually all in fields that carry the highest priority or involve the most experimental work. The Defense Department is now looking for a system that will provide a greater spur to speed and quality.
>
> When billions of dollars are being spent on negotiated contracts, in the belief that these assure more dependable and economical performance than could be obtained through competitive bidding, the country is entitled to prompt notice that it is getting value received.

I ask unanimous consent that the editorial from the New York Times entitled "Efficient Defense Production" also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Honorable THOMAS MORRIS,
Assistant Secretary of Defense, Installations and Logistics, Department of Defense, Washington, D.C.

DEAR SECRETARY MORRIS: The Wall Street Journal of October 5, 1961, carried an article by Louis Kraar describing Defense Department efforts to eliminate waste and reduce costs in military spending. The article quotes you several times. Mr. Kraar apparently discussed this subject with a number of other Pentagon officials, and he may also have drawn on the printed text of the hearings before our Subcommittee on Defense Procurement of the Joint Economic Committee.

I am impressed with the overall picture of your Department's efforts to reduce spending in defense procurement which is presented in this article. However, there are several points in the article about which I would like more information. They are as follows:

1. Specifically what steps are being taken to "expand competition among suppliers of military hardware?" Mr. Kraar suggests that the saving in the current fiscal year resulting from this more vigorous competition "may reach $100 million." Is this figure correct? Have you looked into the possibility of renegotiating existing contracts to inject a similar money-saving element of competition?

2. What exactly are the plans to revise buying regulations to provide stronger incentives for cutting costs? The Journal article suggests that you may use the "powerful incentive of the profit motive" to achieve this? Is this correct, and if so, how would this be accomplished?

3. The article states that cost-plus contracts "may be deemphasized." Specifically, what steps are being taken to accomplish this? What share of defense procurement is now cost-plus? How much do you think this share can be reduced?

4. The article also quotes you as saying that savings of $50 million per year can be achieved in the purchase of airplane spare parts, and that the percentage of such parts bought competitively can be increased from 15 percent to 30 percent. What specific steps are being taken to achieve this revision? Are similar changes being adopted for all spare parts procurement?

5. I would also like to have more information on the proposed "sliding scale of 'award fees' tied to total performance" described in the final paragraph of the article.

I look forward to hearing from you.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

PENTAGON'S PURSE: MILITARY SEEKS TO CUT COSTS, PARTLY OFFSET BERLIN BUILDUP OUTLAY—OFFICIALS AIM TO BOOST USE OF COMPETITIVE BIDDING, CENTRALIZE MORE BUYING—MR. MCNAMARA'S BLACK BOOK

(By Louis Kraar)

WASHINGTON.—As the big bills for the Berlin buildup begin to pour in, Defense Chief McNamara and his Pentagon band are resolving to strive harder than ever to save military dollars.

Their best economy efforts, it's conceded, won't prevent the Nation's defense outlays from surging to a new post-World War II high of around $50 billion in the year starting next July 1. But, policymakers vow, they will help keep costs from climbing more than is necessary. By streamlining military purchasing, shutting down unneeded installations, and using less dramatic devices, officials expect to reap annual savings high in the millions.

"We must allot and use men and units as if we had to reach into our own pockets to meet the payroll," declares Army Secretary Stahr, whose service is bearing the brunt of the current expansion in troop strength.

Right up to Mr. McNamara himself, civilian leaders insist their aim is to avoid any Berlin-born letdown in economy and efficiency efforts. "We have no intention of using the present crisis as an excuse for easing up our drive" declares the tough-minded former Ford Motor Co. executive who bosses the Pentagon.

BEGINNING MOVES

Beyond mere rhetoric, defense policymakers are steaming ahead on various economy courses. The degree of final success, of course, depends on how far they'll really push—often against opposition from Congress and from military men inside the Pentagon. Nonetheless, these beginning moves are being made with some visible effect:

On orders from Secretary McNamara, the military services are expanding competition among suppliers of major hardware they buy. Thus, after first picking Borg-Warner Corp.'s Ingersoll-Kalamazoo division alone to develop a new aluminum amphibious vehicle called LARC, the Army awarded a production contract to LeTourneau-Westinghouse as well as to Ingersoll-Kalamazoo. "We reduced the price almost 50 percent, saving over $40,000 per unit, compared with what we would have paid if there had been no competition," estimates an Army purchasing agent. Such competition before long will be extended to aeronautical and other spare parts, among other things. Savings may reach $100 million in the fiscal year ending next June 30, officials reckon.

Pentagon procurement officials are laying plans for revising complex, often-rigid buying regulations to provide stronger incentives to contractors for cutting costs and improving performance of aircraft, missiles and other weapons. While such schemes have seen limited past action, the idea now is to make far greater use of what one top official terms the powerful incentive of the profit motive. One possibility under study: Giving contractors added fees for a particular efficient, economical job, but charging them a penalty for an especially poor showing. The cost-plus contract, under which a supplier gets a set fee plus reimbursement of expenses, may be deemphasized.

The new Defense Supply Agency, designed to centralize purchasing of items used by all the services, will gradually expand its scope. It's starting out with clothing, food, petroleum, medical, automotive, construction, and a few other things on its shopping list; soon it will take over certain services, including transportation management, and buying of electrical and electronic equipment. Chemical supplies and aviation parts may be added later on. Within 4 years, officials estimate, annual operating savings will run about $50 million.

SURPLUS INSTALLATIONS

The campaign to close down surplus military installations is becoming a Pentagon fixture. A special office is working full time to scrutinize some 6,700 sites in this country and abroad for possible closing or cutback. Besides the 73 installations now slated for shutdown or curtailment, more are expected to be disclosed before the year's end, and news of the same sort may come periodically thereafter. Prime targets include supply depots, which now burden the Pentagon with 41 million square feet of excess storage space.

"This current Berlin buildup," declares one high official, "will require more rapid, rather than slower, action in closing unneeded bases. We need the men and materials that can be reassigned to high-priority missions."

The McNamara Pentagon team pursues these and other economy efforts with a special style of management designed to bring quick results, that concentrates authority at the top. The Secretary, for instance, demands that aides keep a special scoresheet on every major weapons project for his personal scrutiny; in a thick black looseleaf notebook, Mr. McNamara gets a monthly review of the important events in each project, including possible delays, financing problems, and an indication of whether a decision is required on the program during the next month.

"This notebook gives the boss a panoramic view of all important programs," explains a McNamara aide. "It means he gives much tighter surveillance and closer personal attention to these programs than others did in the past."

" 'Managing by projects' has become a way-of-life in the Pentagon," adds the Assistant Defense Secretary for Installations and Logistics, Thomas D. Morris. "It means we concentrate our time and our staff talent on a few major, well-defined problems that can be pursued to a point of action, as opposed to dispersing our efforts."

This technique has brought swift action on such things as centralized procurement. Mr. McNamara raised the issue in a confidential memo to associates last March 23; they studied it, and by September 1 plans for the Defense Supply Agency were set. That 5-month feat is considered better than par for the course in the Pentagon's bureaucratic jungle.

But the McNamara methods have brought sharp complaints from military and civilian leaders of the Army, Navy, and Air Force who maintain too much authority is centered at the top and too little use is made of lower echelon expertise.

"Mr. McNamara tries to run everything himself. He's almost smart enough to do it, but he's only human and can't know all," snaps a veteran Pentagon civilian official. "Often, these people decide to do things without really understanding the facts."

The Air Force, for instance, contends that local purchasing of automotive parts proves more economical in the long run than centralized buying. The reason, service officials say, is less paperwork and delay. Now, however, these parts will be handled by the new central procurement agency.

Apart from any internal misfires, the economy drive is encountering formidable obstacles on the outside. Stanch local resistance to base closings and curtailments is being faced by the Pentagon leaders. Delegations from affected towns have streamed into the Capital to plead for their bases, and Congressmen have sought to reverse shutdown decisions. So far, however, the administration has reversed itself only occasionally. When the Pentagon decided to retain in operating forces six wings of B–47 medium bombers originally earmarked for retirement this year several bomber bases in this country won new leases on life. And now, in step with the Berlin buildup, the Air Force is postponing next year's scheduled closedown of four airbases in Britain.

STEPPED-UP TRAINING

In addition, stepped-up training for the Berlin crisis has caused the Army to reopen Fort Chaffee, Ark., though Mr. McNamara insists: "We don't have plans for any more reactivations."

Even if all economy efforts were to succeed, defense outlays still would rise. "Notwithstanding all our efforts to effect economies in the execution of the defense program," warns Defense Comptroller Charles Hitch, "defense expenditures are likely to continue their upward trend in fiscal 1963." Spending then is expected to hit $50 billion, up from this year's post-World War II high of about $47 billion, thanks to a series of Kennedy-ordered step-ups in military strength.

But added efficiency is considered all the more vital now. Increased outlays alone don't produce more defense capability, warns Deputy Defense Secretary Gilpatric. Without special efforts at squeezing more value from available money, he declares, the country could get shortchanged in military strength. And in the current crisis atmosphere top civilians say, they're getting good cooperation from below in tightening up on unnecessary spending.

The individual military services, it's reported, have diligently pursued the search for more competition in defense procurement. The Navy, for one, estimates that by having two producers rather than one for its Sidewinder air-to-air missile, the cost has been lowered by 30 percent to $2,300 per missile; Philco Corp. and General Electric Co. are the two major contractors for the Sidewinder.

BUYING SPARE PARTS

A new area for reducing prices through competition will be the purchase of various spare parts according to Assistant Secretary Morris. "Our studies of aeronautical parts have revealed that the percentage of such parts bought competitively can probably be increased from 15 to 30 percent and that price savings on the order of $50 million per year can be realized," he reports.

As things stand now, procurement from a single source still represents the bulk of all defense contracting—about 60 percent of the total. Service officials have tended to shun more competition for many reasons, including fear of buying from unproven sources, and lack of time and manpower to conduct competitions. Moreover, buying from a single source often is inherent in certain stages of defense work; a major missile or airplane whose details must be worked out bit by bit can usually be developed only by a single major contractor known to have the needed manpower and facilities for the job.

Where they are feasible, even relatively small increases in competitive procurement, defense officials say, can bring significant cost cuts. "It's believed that price savings of at least $100 million can be achieved this fiscal year," states a high official.

EXTRA FEES FOR CONTRACTORS

In another effort to achieve savings, the services will be urged to make greater use of contract arrangements that offer companies a substantial share of the fruits of any cost-cutting plans they can devise. Often if speed of delivery or special performance features—extra high altitude for a plane or extra long range for a missile—are urgently wanted, extra fees may be given for exceeding certain standards.

The most fundamental change in the works is simply modifying administrative procedures to allow the military services to pay higher profits, when warranted by contractors' good work. Present laws allow up to 15 percent profit for research and development work and 10 percent for production; but in practice contractors rarely get more than 10 percent for research and 7 percent for production.

To stimulate better, cheaper work, too, procurement chiefs plan to give more weight to past performance in selecting contractors for future jobs.

And as a special incentive for contractors, Assistant Secretary Morris, the Pentagon's top procurement man, proposes a sliding scale of award fees tied to total performance. While details have yet to be decided it would work primarily like this: The Government would select a board of professional experts not directly involved in a particular contract to determine how much profit a concern should get for a given job after it's completed. A particularly good job would mean a higher than normal profit in the form of an extra award fee; especially poor performance would mean a penalty instead.

WEAPONS: THE STRUGGLE TO BUILD MORE OF THEM BETTER AND FASTER WITHOUT UNDUE COSTS OR PROFITS

(The Nation's biggest business—and its biggest challenge—is defense. The record in meeting that challenge is good, but it may not be good enough. This week Senior Editor James M. Cannon and Associate Editor Lawrence S. Martz turn the spotlight on the problems of the defense industry, and what's being done about them.)

Ever since 1777, when Washington's ragged troops were freezing at Valley Forge and the Continental Congress was complaining about war contractors' "lust of avarice," the problem has remained: How can the country produce the best weapons, with the least delay, and at the lowest possible cost? As the weapons have evolved from muskets to missiles and the cost of defense has soared to $50 billion a year, the problem has become as complex as the 1.5 million parts of a Nike-Zeus antimissile battery. And in Washington today, the continuing search for solutions has assumed a new urgency—and a new sense of purpose.

Top defense industry leaders, in New York 2 weeks ago for a meeting of the National Security Industrial Association, heard this blunt warning from Roswell L. Gilpatric, Deputy Secretary of Defense: "We cannot afford production delays. We cannot tolerate unsatisfactory material. Overall, your industry's performance has been good, but 'good' is not enough in these times. There have been far too many failures. We are by no means satisfied."

Reasons for dissatisfaction weren't hard to find. There was the supercarrier *Kitty Hawk*, now on extended sea trials some 22 months behind schedule; there was the M–14 rifle, only now free of the production bugs that have beset it for 2 years. There was the missile that malfunctioned because a workman let a drop of solder fall into a semiconductor; there was the new jet aircraft delayed for 6 months because a company official didn't tell his superiors that there were problems with the engine.

For all the horrid examples, Gilpatric made it clear that his warning was not an indictment of the defense industry. He also acknowledged what businessmen have been guardedly grumbling about for year—that the Government shares the blame for delays, rising costs, and uneven quality in defense contracts. His basic message: Fundamental changes are being made in defense procurement. They will hurt some firms—the inefficient, the incapable, the careless. But they will reward good performance, and they will benefit the country.

Cheers: The businessmen were enthusiastic. "We'll have accomplished a great deal if we can get rewards for good performances and penalties for bad work," said E. V. Huggins, NSIA president and chairman of Westinghouse Electric Corp.'s executive committee. "I've never seen a time when there was a better approach to cooperation [between industry and the Pentagon] than there is today."

What are the problems? Understandably, both defense and industry officials are reluctant to jeopardize their improving relations with quoted criticisms; the president of one space-age company dismissed the whole subject as "too touchy" for comment. Off the record, though, they list a bewildering variety of often contradictory complaints on the difficulties of defense business.

Government aids accuse the contractors of bidding low on competitive contracts, counting on raising the price later in renegotiating sessions; of, on the other hand, bidding high on negotiated cost-plus contracts, hoping to make a profit on the cost figure; of neglecting quality controls; of

failing to coordinate parallel stages of projects and permiting delays in whole programs. The contractors, in turn, accuse the Government of forcing their profits down (from an average 7 percent to 3 percent in 8 years, one industry official says); of making unnecessary design changes on contracts in work; of erecting mountains of redtape and trying to supervise niggling details.

Shortcomings: "There has not been a widespread failure in defense procurement," Gilpatric told Newsweek last week, "but we've noticed on a number of occasions that contractors on whom we've relied for excellence * * * have not taken the kind of precautions, particularly in quality control, that we expected.

"The other day, we were suddenly told the engine for a new aircraft wouldn't be ready until 5 months after the scheduled date. Top management was not made aware by its own people that the problem had developed. So the flight test was thrown off by 6 months.

"Industry is often blameless (when failures occur). It is not always easy to identify contractor failures. We are moving into a new order of things. We are pressing all designs and engineering beyond pragmatic experience (and) men have to set constantly higher standards."

Experted to death: Most businessmen, for their part, admit they're not always blameless. But many of them echo the complaint of George M. Bunker, board chairman of the Martin Co.: "We are being overmanaged by the (Government), especially in research and development, and are being experted to death." Other contractors agree with the Boeing engineer who told Newsweek: "If an automobile manufacturer started out to build a racing car, then changed to a stock car, then to a passenger car, then went back to building a racing car, he'd have something of the same problem Boeing is having with the Dyna-Soar space glider, thanks to the Air Force and its constant changing of design goals.

"There's almost no such thing any more as a blanket cost-plus contract," the spokesman for another top contractor said. "If you do your damnedest to be efficient, you just get renegotiated."

Despite the friction, Government and industry both recognize underlying problems they must learn to live with.

First and most basic, weapons are advancing so fast that they become obsolete before they've gone into production; thus a shrinking proportion of defense work is on production contracts, and a swelling amount on research and development. General Electric, for example, did 90 percent of its defense work on production during the Korean war, estimates now it's less than 40 percent.

At the same time, as weapons become more complex and expensive, the quality standards soar out of sight. This is most obvious in such fields as missile testing, where failure of a single widget can set back a whole program for months. And the high standards are requiring extensive advances in techniques. One contractor noted: "When you're building a missile silo you've got to pour concrete to tolerances of fractions of an inch. What concrete man has ever done that? It's building with calipers. You've got to develop a whole new breed of workers."

Complicating the question is the fluctuating world crisis, which makes speed essential. The Minuteman missile, its rocket motor and its underground silo are being developed simultaneously; a change in any stage can require extensive redesigning of the others—which inevitably adds to cost and time.

Politics: A final fact of life is the semipolitical nature of defense contract awards. One disappointed contractor said: "You put up a highly qualified bid, and then because of some purely political consideration—unemployment in some other area, or because a Senator has the ear of the buying agency, or whatever—you get knocked out."

None of these factors is likely to change. But other problems can be solved—as illustrated by the cases of the *Kitty Hawk* and the M–14.

New York Shipbuilding Corp., a subsidiary of Merritt-Chapman & Scott, won the *Kitty Hawk* aircraft carrier contract 5 years ago with a bid of $119.8 million—reportedly below what the work-hungry yard figured would be final cost. There were a host of design changes; as costs mounted, the Navy says, the company cut corners wherever it could. About $1 million a year was saved in housekeeping costs—but metal shavings and other debris littered the decks and found their way into fuel, water, and chemical lines. Thus, considerable work had to be done twice to clear out the pipes, says the Navy.

No one will estimate the final cost of the *Kitty Hawk*, and the debate over who pays for how much of the added price continues. Navy Secretary John B. Connally, Jr., estimates the Navy's design changes were responsible for about 12 months of the delay, and New York shipbuilding's inefficiency for the remaining 10 months. In any case, published reports say the Navy found from 700 to 1,400 deficiencies in the ship.

Inevitable: As the first missile-firing supercarrier, the *Kitty Hawk* was in many ways a development contract, subject to the inevitable design changes that go with a new weapon. But such problems can extend to production work, too—as the M–14 rifle demonstrates.

"I think it is a disgrace the way the project was handled," Defense Secretary McNamara told the House Armed Services Committee in July. "I don't mean particularly by the Army, but by the Nation. This is a relatively simply job, to build a rifle * * * and yet this project languished for months—years, actually."

One explanation was offered by L. E. Kreig, vice president and general manager of Olin Mathieson's Winchester Western Division: "This is not a gun; this is a machine tool." Olin and Harrington & Richardson, Inc., which got the first contracts for the M–14 early in 1959, couldn't unsnarl the production problems until this summer. The rifle has 110 parts, many of which must be machined to close tolerances; in addition, major design changes became necessary.

"Design changes are a way of life," Kreig said. "Nobody can foresee everything. The problem is not the changes themselves, but the way they have to be made. Every piece of paper accounting for every action must be approved [by the Government] before the action is taken. This looks like economy, but it's probably one of the most expensive measures that could ever be taken."

Pledges: The problems are obvious; the solutions are not. But in the new atmosphere that followed the Kennedy administration into Washington, defense and industry leaders have agreed on a surprising number of changes. In a speech to the NSIA, Secretary McNamara last June promised the Government would try to simplify its specifications; reduce development times; hold down the number of design changes, and cut the amount of information required from contractors. Both industry and the Government are working to cut costs, with some impressive results. Samples: The Polaris fusing assembly, which formerly cost $50, can be made now for $5; Martin Co. found a way to make a $45 missile component for $7.

The Defense Department is trying to reverse the trend to cost-plus contracts, up from 12.7 percent of the budget in 1951 to 42.6 percent in fiscal 1960. And Thomas D. Morris, Assistant Secretary of Defense, hopes to raise the number of contracts let by competitive bidding from the current 15 percent to 25 or 30 percent. Success, he says, will save tens of millions of dollars.

Businessmen welcome all these moves, though some are skeptical about the chances for fixed-price contracts and competitive bidding on today's complex contracts. The plan they like best is McNamara's emphasis on rewarding good performance and punishing failure.[1] He wants more contracts like the one just signed for a new missile: If it works on the first, second, or third shot, the producer gets a 15-percent bonus. If it works on the fourth or fifth shot, he gets no incentive payment. If it does not work by the sixth firing, he loses 5 percent, and the penalties go higher after that.

To keep the ball rolling, McNamara has set up an independent Logistics Management Institute, headed by Charles H. Kellstadt, board chairman of Sears, Roebuck & Co. The institute, under acting executive director Dr. Sterling Livingston, a Harvard Business School professor and defense-buying expert, will study the whole Government supply field and propose new ideas.

Livingston, who rewrote the Navy's procurement instructions in World War II and helped rebuild the military buying apparatus in the Korean war, thinks the new emphasis on the profit motive will make a big difference in raising quality, cutting delays and costs. "Now we pay a man to goof as well as perform," he says. "In the future, we will penalize a man who goofs, and pay him better to perform."

Will the changes make any real difference? Some veterans on both sides of the fence tend to doubt it; they see the problems as too complex, and too well established, to permit more than token improvement. But the consensus was summed up by Livingston, who expects no overnight production miracles but is convinced that great steps forward can be made. "These problems have been around a long time, and people have been working on them for a long time," he said. "But Secretary McNamara and his staff have an astonishing determination to get things done. The real difference is that the top level wants something to happen."

EFFICIENT DEFENSE PRODUCTION

The Pentagon is dissatisfied with the way many large defense contractors are doing their job. Quality is poor on some weapons; delivery dates are not being met and costs are too high. The record has been distufbing enough to prompt Deputy Defense Secretary Gilpatric to tell the heads of defense industries: "We are by no means satisfied that the unique managerial talent with which this Nation is endowed has yet made itself fully effective in defense production."

This is a dismaying comment in a year when we are spending $25 billion on military procurement and the exigencies of the world situation compel us to be ready with a wide range of arms and the means to get them swiftly to any part of the globe. In a crisis we must never find ourselves obliged to use nuclear weapons because we do not have enough conventional arms to meet the requirements of a limited war. The anxiety being expressed by Air Force units in Europe over just this possibility indicates the need for top speed in fulfilling all our procurement goals.

Allocating the blame for waste in defense production is never an easy task. The military services themselves often are much at fault, as they were on the M–14 rifle and many aspects of the missile program. The

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[1] The idea isn't new. In 1907 the War Department hired the Wright brothers to build a plane, agreed on a 10-percent bonus for each mile of speed over 40 miles an hour and a 10-percent penalty for each mile under the target. The Wrights hit 42.25 miles per hour, got a $5,000 bonus.

hangover of the Pentagon's own "troika" system of divided procurement responsibility, delays in the approval of designs and the issuance of contracts, the kind of perfectionism that results in frequent changes after contracts go into production—all these have been factors in slowing deliveries and driving up costs.

The cost-plus method of guaranteeing profits for defense contractors is another breeder of waste. More than one-third of all defense contracts are let on a cost-plus basis—virtually all in fields that carry the highest priority or involve the most experimental work. The Defense Department is now looking for a system that will provide a greater spur to speed and quality.

When billions of dollars are being spent under negotiated contracts, in the belief that these assure more dependable and economical performance than could be obtained through competitive bidding, the country is entitled to prompt notice that it is getting value received.

Goals of the New Frontier: Education

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. THOMPSON of New Jersey. Mr. Speaker, in his message to the Congress on education, President Kennedy stated that our goals in this area must be "a new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it." More specifically he pointed out that "we must give attention to both teachers' salaries and classrooms, both college academic facilities and dormitories, both scholarships and loans, both vocational and general education."

Had Congress accepted the legislative proposals made by the President, or, indeed, had it accepted any of the other more modest proposals that followed during the course of this session, great strides could have been made toward the realization of the goals stated by the President—goals which themselves could not conceivably be the subject of partisan or political dispute. But in a blazing display of political factionalism the House of Representatives not only rejected these proposals, it refused even to discuss the subject.

A number of Members who voted against debating the bill that was brought to the floor attempted to avoid their share of the responsibility for blocking Federal assistance to education by complaining of the procedure that was employed. The procedure, known as Calendar Wednesday, has existed in the rules of the House for over 50 years, and it was chosen, of course, because it was the only feasible means of allowing the entire membership to express their position on Federal school aid. It is significant to note that those who complained of the procedure were not so vocal when a bare majority of the Rules Committee precluded the use of more familiar procedures. Furthermore, had the House voted to consider the bill that was called up on Calendar Wednesday, there would have been ample time for discussion of the administration's proposal and opportunity for the introduction of amendments or substitutes. The only fair conclusion that can be drawn is that those who voted against debating the school bill are opposed to Federal aid to education.

This conclusion would seem absolutely fair but for one thing: only shortly after the House blocked consideration of the school bill it voted overwhelmingly to extend for 2 years the so-called impacted areas law and the National Defense Education Act—both of which are undeniably Federal aid to education. Federal aid to school districts that are "impacted"—that is, overcrowded because of Federal activity in the locality—is really only a little less Federal aid than the administration proposed.

Only a relatively few of the Nation's school districts receive impacted area aid, and the needs of those districts that do not receive this aid are equally critical and immediate. More than 2 million children attend school in unsatisfactory facilities, and in the next 10 years some 600,000 new classrooms will be required, at an average cost of $40,000 each. The average salary of American teachers is about $4,800 annually, and we now have a shortage 250,000 public-school teachers. If the impacted areas program is to be continued, therefore, it should be continued as part of a comprehensive, nondiscriminatory Federal effort. As President Kennedy said in his education message, "one-sided aid is not enough."

The stated goals of the New Frontier in the field of education—attaining new standards of excellence and making this excellence available to those who are willing and able to pursue it—are not really the goals of a political party. They are the goals of an enlightened society that understands where the real sources of progress and strength lay. Reasonable men may differ over the means to attain these goals, but the time has arrived when these differences must be honestly debated and put to the test of public opinion. The goals involved are too important for anything less.

United States Should Continue Friendly Relations With Venezuela

EXTENSION OF REMARKS
OF
HON. WILLIAM FITTS RYAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. RYAN. Mr. Speaker, on Saturday, September 23, the gentleman from California [Mr. ROUSSELOT] was recognized under previous order of the House. His remarks in the CONGRESSIONAL RECORD attack the President of Venezuela, Romulo Betancourt, with the same kind of false charges which the enemies of democracy in the Western Hemisphere often have used in unsuccessful efforts to discredit him.

Since competent observers of Latin America recognize instantly the incredible distortions contained in the statement, at first I thought the attack should not be dignified with a rebuttal. However, most of us do not have the opportunity to follow the intricacies of Latin American political developments. So the public will know only that a Member of Congress has indicted the President of Venezuela with grave charges. Generally it will not be known that the statement was entered in the RECORD in the waning hours of the session when urgent legislation was before us. If no voice is raised to counter them, the public perhaps will be inclined to give credence to the accusations. Therefore, I believe that the record must be set straight.

The present Goverment of Venezuela is one of the principal foundations for democracy in Latin America. Yet, there is an active lobby engaged in undermining the friendly relations between the United States and Venezuela.

I am compelled to ask: Is Mr. ROUSSELOT's statement unwittingly a part of an effort to establish a climate of sympathy for the ex-dictator of Venezuela who is currently in Miami fighting extradition to Venezuela?

Let us consider Mr. ROUSSELOT's charges and the evidence he submits to support them.

The gist of his argument is that President Betancourt is a Communist and that, by giving aid and moral support to Betancourt's government, the United States is supporting a Communist takeover in Venezuela.

Mr. ROUSSELOT asserts:

> The facts pinpoint Betancourt as a lifelong supporter of Communist objectives and ideology.

The principal "facts" related to support his view are: First, Betancourt was a Communist in the early 1930's; second, quotes from letters allegedly written by Betancourt in 1932; third, the relationship between Betancourt and Castro is that of "teacher and disciple"; fourth, Betancourt "welshed" on an alleged agreement with the United States at the OAS conference at San Jose to support a strong declaration against Castro in return for the U.S. vote for sanctions against the Dominican Republic; fifth, the Betancourt government's "wavering" support for the U.S. position on important issues in the United Nations; sixth, the Betancourt government's alleged interference with private property and foreign investments in Venezuela.

Mr. ROUSSELOT's conclusions are based on some strange distortions of history.

In point of fact, since 1935 Romulo Betancourt has been one of the outstanding anti-Communist, democratic leaders in Latin America.

Venezuela has had a tortured political history. Since achieving independence in 1830, Venezuela has been plagued by tyrannical rulers, political instability, and revolt. The exploitation of Venezuela's vast oil deposits since World War I brought great wealth to a handful of people, while the rest have lived in the

same abject poverty as before the oil bonanza.

Three decades ago Romulo Betancourt and a group of other young university students began to seek a way to remedy conditions in a country where the vast majority of the people had no voice in governing their own society and in determining their own destiny.

The students' first attempt came in 1928 with the organization of a general strike to break the grip of the dictator, Juan Vicente Gomez, who had ruled Venezuela with an iron hand for 20 years. The strike failed, and most of the young men, including Romulo Betancourt, were deported.

During his exile in Costa Rica, Betancourt did indeed become a Communist. However, close contact with militant Communists convinced him of the evils of communism.

He broke with the party in 1935. Betancourt's subsequent history has been one of constant combat against the Communists whose ideology he had learned by firsthand experience to detest.

Upon the death of Dictator Gomez in 1935, his successor, Gen. Lopez Contreras, permitted the exiles to return. Most of the opposition groups banded together into two political organizations. The Communists founded the PRP—Partido Republicano Progresista—as a front organization because Communist activities were outlawed. The group of democratic leaders, including Romulo Betancourt and most of his present associates, formed ORVE. In 1936 the dictator prohibited all political activity. ORVE and PRP went underground and joined forces under the name of the Partido Democratico Nacional in order to better combat the totalitarian government.

From the outset dissension arose between the Communist and non-Communist members of the Partido Democratico Nacional. The non-Communists, led by Betancourt, insisted that the Communists should break all ties with the international Communist movement. When the Communists refused, the two groups split—in 1937—with the Communists coming out openly as the Partido Comunista de Venezuela—Venezuelan Communist Party.

In 1941 Betancourt's party was legalized by the government and adopted its present name, Accion Democratica, or AD, which later became the majority party in Venezuela.

The constant conflict between Accion Democratica and the Communists is overwhelming evidence of their animosity. During World War II the fledging AD party took a strong stand for the Allies and against the Soviet-Nazi pact. The Communists, as they did the world over, at first denounced the conflict as imperialist. Only when the Nazis attacked the Soviet Union did the Venezuelan Communists, as Communists again did the world over, become violent opponents of the Axis.

During World War II Communists maintained close relations with the regime of Gen. Medina Angarita. Medina's official party presented joint lists of candidates with the Communists which were contested by Accion Democratica candidates.

In 1945 a coup d'etat deposed Medina and brought Betancourt and Accion Democratica briefly to power. The Communists even took up arms to defend the Medina regime.

In 1948 the AD supported government of President Romulo Gallegos, the first democratically elected president in Venezuelan history, was deposed by a military coup led by Col. Marcos Perez Jimenez.

The Perez Jimenez decade helped the Communists in Venezuela. The military government immediately prohibited action by Accion Democratica, jailing and exiling its political leaders, as well as its union leaders. The Communist Party, on the contrary, was permitted to function and to publish its daily newspaper for almost 3 years. Thus, the Communists took advantage of the vacuum left by the persecuted AD union leaders.

To maintain his power, the dictator had to strangle the vigorous free trade unions which Betancourt and the AD had nurtured. The democratic leadership in the unions was destroyed, and the labor movement was taken over by the Communists.

Since the overthrow of Perez Jimenez in 1958, Accion Democratica and other democratic labor leaders have had a bitter fight to recapture the labor movement from Communist leadership. By the beginning of this year, democratic elements managed to win 122 out of 135 elections in the various labor unions which comprise the Venezuelan Confederation of Labor.

On the political side during the Perez Jimenez decade, the Communists also were active. In December 1951, the Communists published a letter, directed to the National Executive Committee of Accion Democratica, urging joint action. AD did not reply.

The following year the Communists issued another call for a united front proposing that they join with Accion Democratica in forming a provisional government. Again AD did not reply.

To a subsequent appeal in 1955 for a united front between the Communists and Accion Democratica, Venezuela Democratica, an AD publication in Mexico, answered:

> Communist participation [in unified action against the regime] would mean an attempt to convert what should be an instrument of struggle against the Venezuelan dictatorship into an apparatus for struggle and propaganda against the United States in its controversy with the Soviet bloc.

After Perez Jimenez was finally ousted in January 1958, Betancourt's Accion Democratica still would have nothing to do with the Communists. As a matter of historical fact, in the free elections at the end of 1958, in which Betancourt was a candidate for President on AD's ticket, the Communists aggressively supported his opponent, Adm. Wolfgang Larrazabal, candidate of the URD Party. Larrazabal officially welcomed their support.

The final tabulation gave Betancourt 49.18 percent of the total vote, Larrazabal 34.61 percent, and Rafael Caldera—Social Christian—16.21 percent. There can be no doubt about for whom the Communists voted. In Caracas, the country's major urban and industrial center, where Communist efforts were concentrated, Larrazabal drew 69 percent of the vote to Betancourt's mere 11 percent.

Since President Betancourt assumed office in February 1959, the Communists have worked to create situations of instability for him, to weaken him, to overthrow him. If President Betancourt were a secret Communist agent, as Mr. ROUSSELOT suggests, would it make any sense for the Communists to be undermining him?

As for President Betancourt himself, he has made his ideological position unequivocally clear. In public life for over three decades, he has written numerous books, made innumerable speeches and public statements, and governed the country twice. He vigorously has stated and defended his anti-Communist position.

For example, on his return to Venezuela from exile in 1941 Betancourt published some statements in the newspaper Ahora on May 20. These declarations are reproduced on page 99 of the book, "Romulo Betancourt, Semblanza de un Politico Popular," published in Caracas in 1948, and also beginning on page 68 of the book, "Romulo Betancourt, Interpretacion de Su Doctrina Popular y Democratica," published in Caracas in 1958. There he states:

> I am not a Communist. The sector of Venezuelans who as Communists have organized such a political group, affiliated with the Third International, say in No. 3 of their clandestine publication, El Martillo (June 1938): "Romulo Betancourt is not a Communist, is not a member of the Communist Party and never has belonged to its ranks." I will not limit myself to reject a political label capriciously hung on me as upon almost all Venezuelan opposition political leaders. I add that I consider unnecessary a Communist Party in the country. Venezuela urgently needs a profound renovating transformation of its political, economic, and social organization, which, to have historical vigor and a guarantee of permanency, must be channeled by a great democratic party to which adhere, around a concrete program and subject to a single-party discipline, the most brilliant of all the creative, productive social classes, not just one class: the working class.
>
> Moreover, I reject the Communist Party, with all the force of my intransigent Venezuelanism, because its dependence on Moscow converts it into a simple bureaucratic appendix to the Soviet state. And if we reject nazism, for acting globally in accord with the dictates of Hitler, for the same reason we reject communism, which acts globally in accord with the dictates of Stalin. There is nothing in common, therefore, between us and the European internationals, whether it be the Second Socialist International, the Second International of Moscow or the Fourth International which Leon Trotsky tried to create.
>
> We are advocates of the democratic forces of our America, politically organized, taking up the ideal of continental unity foreseen by Bolívar and the great leaders of the first republic, but without renouncing for a moment the basic principle that each country is autonomous to resolve its own domestic problems.

From 1941 to 1945 Betancourt was the most outstanding leader of Accion Dem-

ocratica and a daily columnist in the newspaper El Pais.

From that journalistic position he maintained an active campaign against communism.

In 1944 Betancourt opposed the Communist candidate for the Caracas City Council for the district of San Agustin, and won.

After the revolution of October 1945, when Betancourt became President of the revolutionary junta, the Communist Party bitterly opposed him. Betancourt's position at that time with regard to communism, and that of the revolutionary junta, is contained in some statements made to Ernie Hill of the Chicago Daily News in April 1947. These statements are reproduced on page 471 of the book "Trayectoria Democratica de una Revolucion," published in Caracas in 1948. Here Betancourt states:

I must say, in this respect, that the attitude of the government which I preside is absolutely different than that of the government of Gen. Medina Angarita, deposed on October 18, 1945. That government through its party maintained a close alliance with the Venezuelan Communist groups, and joint lists of candidates of the Communists and the official party were combated by us when we were in the opposition. From the government we have maintained an attitude of complete independence toward the Communist groups and there is not the remotest possibility that the organized political forces which back the present regime would present joint lists of candidates with the Communists.

After the military coup of 1948 Betancourt again lived in exile. In those 9 years of exile he wrote many articles, lectured and published two books, "Pensamiento y Accion" and "Venezuela, Politica y Petroleo." In the latter, on page 69, Bentancourt explains his decision to break away from the Communists:

None of those who later founded Accion Democratica became active in his first exile in political groups subordinate to the third international. Despite being quite young, because the majority had just passed the age of 20, we resisted the temptation to transfer our political will to Soviet directorship, then so attractive to educated youth. When we approached the Communists' tents, the roots of the group's Venezuelan and American sentiments were badly shaken. We collided with a foreign group, deaf and blind to the vital necessities of our peoples, a kind of bigotry genuflexing before the imperious orders of the Comintern bureaus. The small group of compatriots then organized into the embryo of what would later be the Communist Party of Venezuela took charge of deepening the open trench between our group and theirs, unleashed against us an offensive of insults in which they still persist with extraordinary tenacity 20 years later.

After the overthrow of Perez Jimenez in 1958 Betancourt's presidential candidacy was launched by Accion Democratica. From public platforms Betancourt attacked the Communist Party and declared that he would never accept Communist assistance or cooperation. In a speech at the close of the campaign on the night of December 5, 1958, in Caracas' Plaza de el Silencio, he stated:

I want to say explicitly that in the formation of this Government, if the people of Venezuela carry me to the Presidency of the Republic with their votes, that I will not seek the collaboration of Communist Party. The Communist Party, as any other group of Venezuelans who uphold a political ideology, have a perfect right to sustain their press and their propaganda; but the Communist Party cannot form part of the executive train of the democratic Venezuelan Government because its political philosophy is not in accord with the democratic structure of the State, and because its position in international policy is not only foreign, but also opposed to the interests of Venezuela.

In the almost 3 years President Betancourt has occupied the highest post in his country he has continued to repudiate the Communists and to exclude them from the councils of his coalition government.

On his inauguration as constitutional President of Venezuela, February 13, 1959, he declared:

My talks regarding the formation of the Government were limited to COPEI and URD. It was those two parties and Accion Democratica, the latter the one which nominated me for the Presidency, which signed the triparty pact of October 31, 1958. The Communist Party was excluded from that agreement by the considered decision of the signatory organizations. During my election campaign I made it perfectly clear that I would not consult the Communist Party on the formation of a government and, while respecting that party's right to operate as an organized group within the country, I would not invite any of its members to hold administrative posts from which they might exercise an influence on Venezuela's domestic or international policy. This position is well known among Venezuelans, and it was based by the three major parties on the fact that the Communist political philosophy is not consonant with the democratic structure of the nation and that the party's views on the course Venezuela should follow in international affairs are not in keeping with the best interests of the country.

In a thunderous speech on November 1, 1960, in which President Betancourt first denounced rightwing attempts to overthrow the constitutional government, he went on to state:

But some have sought to have a lenient and soft attitude adopted when leftwing elements, submissive to orders from abroad, carry out revolutionary attempts. But we, as has been said emphatically again and again by spokesmen for the labor and rural workers movement, we are Venezuelans, we will choose our course and follow our path. Because we were not born in Cuban Sagua La Grande nor in Havana; because we were not born in the Ural Mountains, in the Siberian steppes, nor in a Moscow neighborhood, because we were not born in Peiping, China. We were born in San Cristobal, in Achaguas, in Carupano, in Caracas, in any place in this immense Venezuelan land, and we were fed at the breast of a Venezuelan mother. And we have been nourished by the fruits of a land fertilized with the blood and bones of our grandfathers and our great-grandfathers, of the men who died in the War of Independence so that this country would be sovereign.

For that reason, and because the sovereign will of the nation was expressed in the elections of December 7, 1958, Venezuela is not disposed to tolerate any attempt to establish in the country either a dictatorship of a totalitarian Fascist type or a dictatorship of a totalitarian Communist type.

It seems impossible to me that anyone could read the above denunciation of the Communists by President Betancourt without sensing his violent opposition to the Communists who are trying to destroy democratic government in Venezuela.

Remember, Betancourt's denunciations of Communist activities in Venezuela are published in Venezuela, stated in the press in Venezuela, or addressed to the Venezuelan public over radio and TV in Venezuela. It is absurd to assert that a man who has spent practically his entire adult life building a democratic political party and defending it from Communist onslaughts is a secret Communist agent.

Betancourt's public and evident record of anticommunism cannot be ignored. Instead, his enemies try to cloud it and cast doubt upon it. Let us examine the process in Mr. ROUSSELOT's statement:

Betancourt's so-called breaks with Communist objectives—

According to Mr. ROUSSELOT—

have been hollow gestures. As far as I can determine, he never actually left communism even though for expedient reasons, he has often put on the mask of anticommunism.

Then later Mr. ROUSSELOT says:

The fact must be faced that he is a former functionary of the Communist International and is still working consistently for Communist ends.

What evidence does Mr. ROUSSELOT submit? We are treated to lengthy quotations from letters allegedly written in 1932 by Romulo Betancourt, supposedly captured by the then Dictator Lopez Contreras and published in a red book. In these letters Betancourt is supposed to outline his course for introducing communism into Venezuela by posing as a democrat.

I suggest that Mr. ROUSSELOT look again at the red book. He will find that it has no publisher's imprint. Photostatic copies of the letters allegedly written by Betancourt are not reproduced in it.

The red book contains anonymous, unproved, and unverified allegations which were used against Betancourt by the dictator, Lopez Contreras, in the 1930's to discredit the leader of Venezuela's first major democratic movement. The fact that the same dictator republished the allegations in a book in 1955 does not establish their authenticity.

As for President Betancourt's relationship with Cuba's Castro, Mr. ROUSSELOT asserts that "the relationship between the two men has been that of teacher and disciple." As proof, Mr. ROUSSELOT avers:

As long ago as 1948 Betancourt intervened and saved Castro's life when the latter was in danger of death in Bogotá for his active participation in the bloody Communist riots. Betancourt certainly knew at the time that Castro was a Communist for both the Colombia police and the American FBI had documentary material in their files proving Castro's communism. Nevertheless, Betancourt threw the mantle of his protection around Castro and saved him to become the Communist midwife of Cuba.

If "documentary material" establishing Castro as a Communist existed in the FBI files, it was unknown to the Deputy

CIA Director, Gen. C. P. Cabell, who testified on November 5, 1959, before the Senate Internal Security Subcommittee as follows:

That question is related to the question, Is Cuban Prime Minister Fidel Castro a Communist?

Let me develop that thought for you, sir. Our information shows that the Cuban Communists do not consider him a Communist Party member, or even pro-Communist.

On the other hand, they are delighted with the nature of his government, which has allowed the Communists opportunity, free opportunity, to organize, to propagandize, and to infiltrate.

We know that the Communists consider Castro as a representative of the bourgeoisie, and were unable to gain public recognition or commitments from him during the course of the revolution.

We know that the Communists were concerned when, at the time of his trip to the United States, he showed evidence of a friendly attitude toward the United States.

We know also that it has been the assigned task of the Cuban Communist Party to prevent Castro's revolution from establishing friendly relations with the United States, or ending its tolerance of Communist activities.

Our conclusion, therefore, is that Fidel Castro is not a Communist; however, he certainly is not anti-Communist. His extreme policies, including confiscation of private property, lead him to take positions and make statements such as his violent anti-U.S. outbursts which are extremely useful to international communism and are being exploited by the Communists to the maximum extent.

How could Romulo Betancourt, a Venezuelan, "certainly" know that Castro was a Communist in 1948 because "the American FBI had documentary material in their files proving Castro's communism"? Indeed, the Deputy Director of the U.S. CIA, who has access to FBI files, seems to have overlooked the purported FBI documents.

I ask, moreover, with whom did Betancourt "intervene" in Bogotá "to save Castro's life"? The Conservative Party was in power in Colombia in 1948. The murder of Liberal Leader Jorge Eliecer Gaitan triggered the Bogotá riots that year. Romulo Betancourt's sympathies and political convictions lay with the Colombian liberals. What influence could Betancourt bring to bear upon anyone influential in the reigning Conservative Party?

The hostility between Betancourt and Castro is too well publicized to be ignored. Castro's puppet radios blast Betancourt daily as the pseudo-president of Venezuela who is servile to Washington. In Venezuela, the Fidelistas join their Communist mentors in violent attacks on the Betancourt government.

At the OAS conference in Punta del Este in August, Cuba's Che Guevara, in an attempt to undermine Venezuelan prestige and drive a wedge between the United States and Venezuela, read portions of a stolen U.S. Embassy document which relate some of the economic difficulties which Venezuela faces. Venezuela responded with a scathing statement:

The offensive launched by the Cuban delegate against the Government of Venezuela can only be explained by a desire to create diversions in order to obscure the submission of the Cuban Government to Chinese-Soviet interests to the discredit of American traditions and prevailing international agreements.

Mr. ROUSSELOT admits that Castro followers fight Betancourt politically in Venezuela. Then he comes up with the following incredible reasoning:

Betancourt and Castro have parted company in respect to their rival programs to bring about communism in Latin America. [Betancourt] believes he can sneak communism into power by fooling the liberals into helping him. For that reason he puts on the masquerade of anticommunism. Castro, on the other hand, is seeking to bring communism through terrorism. Moscow sits back complacently and lets both of them try their techniques.

Shades of "Alice in Wonderland." No one who knows the fierce Communist-Castro fight to overthrow Betancourt can take this seriously. Furthermore, no one who understands Communist strategy can believe that Moscow would welcome a death struggle between two of its adherents in Latin America, if indeed Venezuela were in the Communist camp.

In fact, Betancourt is opposed because he represents a powerful democratic barrier and a threat to Castro in Cuba.

Apropos of the stolen U.S. Embassy document, I will diverge for a moment to correct a serious distortion.

Mr. ROUSSELOT quotes a passage from the memorandum which points out the administrative difficulties in Venezuela. Mr. ROUSSELOT quotes the passage for the same reason Communist Che Guevara did—to discredit the Betancourt regime.

Those familiar with Venezuela's history know that its present administrative problems stem from the heritage of decades of maladministration. In fact, our Embassy wrote a sympathetic memorandum, listing the deficiencies and pointing out the importance of a sound technical assistance program to help Venezuela to overcome present problems. The Betancourt regime recognizes the urgent need for corrective measures and has exerted itself to reform conditions which have existed through decades of dictatorships.

Furthermore, Mr. ROUSSELOT attempts to leave the impression that an author of the Embassy document was castigated for criticizing the Venezuelan regime. I do not think I misread Mr. ROUSSELOT's intention. He said:

What has happened to one courageous man who worked on the preparation of this report, knowing full well that it would be unwelcome to his superiors?

Perhaps it is a coincidence, but it is interesting to know that John M. Gates [sic], Jr., was recalled to Washington subsequent to the issuance of this report and a new First Secretary appointed.

The staff memorandum in its entirety was a sympathetic examination of the problems faced by Venezuela's first democratically elected government. I do not know what powers of mind-reading Mr. ROUSSELOT may possess to infer that "the courageous man who worked on the preparation of this report" knew "full well that it would be unwelcome to his superiors." I am certain, Mr. ROUSSELOT did not discuss the matter with those involved.

Furthermore, Mr. John Cates, far from being recalled to Washington "subsequent to the issuance of this report"—the implication being that he had displeased his superiors in the Department of State—actually had completed his 4-year tour of duty in Caracas, was rotated back to Washington as a routine matter, placed in a key position on Latin American affairs and was on duty in Washington several weeks before Che Guevara publicized the matter in question.

Mr. ROUSSELOT's version of the Betancourt government's action on matters of foreign policy of interest to the United States required examination.

Mr. ROUSSELOT informs us:

Adlai Stevenson is a trusting admirer (of Betancourt) although the wavering vote of the Venezuelan Ambassador in the United Nations on issues important to the United States should put him on his guard.

First of all, Dr. Carlos Sosa Rodrigues, Venezuela's Ambassador to the United Nations, is not even a member of Betancourt's Accion Democratica. He is an independent, a member of one of the richest families in Venezuela, and conservative politically.

In the second place, what "wavering vote"? Let us examine the record.

During the 15th regular session of the General Assembly the U.S.S.R. introduced a resolution to consider the U–2 and RB–47 incidents. Venezuela voted with the United States against the resolution; the Dominican Republic under Trujillo, whom Mr. ROUSSELOT seems to admire so much, abstained.

Again, on a recommendation to allocate the Cuban complaint against the United States to committee—to keep it off the the General Assembly floor where the Cubans wanted it in order to make propaganda against the United States—Venezuela supported the U.S. position, while the Dominican Republic—which Mr. ROUSSELOT claims "gave 100 percent support to the United States in all security situations"—abstained.

During that same session Venezuela voted with the United States on the question of Chinese representation, although other allies in the Western camp, such as Ireland, Norway, Denmark, and Sweden, voted with the Soviet Union's position to consider the Chinese question.

Venezuela under Betancourt also has voted with the United States on such disputed issues as the Hungarian question and the resolution reaffirming United Nations objectives in Korea and calling upon UNCURK to continue in accordance with past General Assembly resolutions.

It is true that Venezuela does not vote down the line with the United States on every issue. I do not think that we expect blind support from our friends as the Russians demand from their satellites. On matters concerning colonialism, nuclear testing, and underdeveloped nations, Venezuela takes an independent course, as do many other nations in the Western alliance.

Venezuela has, for instance, voted against the U.S. position and for a resolution calling upon the administering

authority to organize a plebiscite in western Samoa. True, the Soviet Union supported the plebiscite. But so did Guatemala, Ecuador, Haiti, and the Dominican Republic.

On a resolution requesting France to refrain from nuclear tests in the Sahara, which the United States opposed and the Soviet Union supported, Venezuela cast its vote against the position taken by the United States. But so did Mexico, Costa Rica, Panama, Iceland, Ireland, and Canada, among others.

The fact is that on key issues affecting Soviet-Western relations Venezuela has supported the Western position.

In the present General Assembly, Dr. Marcos Falcon Briceno, Venezuelan Foreign Minister, backed a single Secretary General, condemned the Soviet Union for resumption of nuclear tests, and urged self-determination for Berlin.

I have dwelled at some length on the question of Venezuela in the United Nations because a seemingly casual remark like Mr. ROUSSELOT's can have far-reaching and damaging effects upon our foreign policy.

One more assertion in the foreign policy field by Mr. ROUSSELOT cries out for clarification. According to Mr. ROUSSELOT:

> Betancourt had promised that if we met his wishes in the Dominican matter [OAS sanctions for the Trujillo-inspired attempt on President Betancourt's life], he would back the United States in a strong OAS declaration against Castro. But no sooner had we kept our part of the unsavory deal than Betancourt welshed on his pledge. He joined in a move to pass a weak, anti-Communist declaration which studiously refrained from citing Castro by name.

As a matter of record, the Dominican sanctions were voted unanimously by the 20 American Republics. There was never any doubt that the American nations would condemn the Dominican dictator for his attempt upon the life of a democratically elected president of a sister republic. President Betancourt had no need to make "a deal" for U.S. support on that issue.

As for the OAS declaration to condemn Castro's Cuba, the United States encountered firm resistance almost everywhere in the Western Hemisphere. The key big powers—Argentina, Brazil, and Mexico—opposed the move. Not that they, or Venezuela, or any of the smaller nations present, approved of Castro. But they believed that an OAS condemnation at that time would not have the desired effect of turning Castro away from the Soviet Union.

Moreover, democratically elected governments in Latin America must be responsive to public opinion to remain in office. Unfortunately, at the time of the San Jose conference, most of the Latin American governments were in a difficult position. Their people still regarded Fidel Castro as the Robin Hood of the Caribbean. In the judgment of most of the Latin American regimes—many of them quite conservative—direct condemnation of Fidel Castro would have opened a Pandora's box of domestic problems by handing their leftwing elements ammunition to attack the moderate governments.

As a matter of fact, Betancourt demonstrated great courage with regard to the anti-Communist resolution which the OAS conference did pass. The Venezuelan Foreign Minister was then Ignacio Luis Arcaya, a member of the leftist political party, URD, which had supported Betancourt's opponent, Larrazabal, for the Presidency. Arcaya was a member of Betancourt's cabinet in accord with the coalition agreement signed by the three major Venezuelan parties prior to the elections in an effort to assure political peace in Venezuela during the reorganization following 10 years of dictatorship. Arcaya refused President Betancourt's orders to sign the resolution on behalf of Venezuela. Betancourt substituted him on the spot and ordered his replacement to sign. This act took courage, for URD withdrew from the coalition government and moved into the opposition.

Mr. ROUSSELOT's statement also distorts the Venezuelan economic picture. He states:

> Perez Jimenez literally rebuilt the country out of his national revenues in an extraordinary public works program and still was able to accumulate a surplus.

To quote Mr. ROUSSELOT further:

> At the end of 1957, on the eve of Perez Jimenez' departure, the Treasury of Venezuela had a surplus of Bs2,384 million. This was the nest egg which Larrazabal and Betancourt inherited when they came to power. Against this huge surplus, there was outstanding virtually no foreign debt and a domestic debt of only Bs1 billion.
>
> In 3 years Betancourt has succeeded in squandering all this inherited surplus and Bs5 billion more which his regime has raised through taxation.

The true situation is revealed in the Quarterly Review of the Bank of London and South America for January 1961. It says:

> With the overthrow of the dictatorship, hitherto unsuspected economic problems were revealed. Despite the large fiscal revenue from the petroleum industry—which had been swollen in 1956–57 by Bs1,200 million from the auctioning of new concessions, for the first time since 1943—maladministration and extravagance in the public works program had led to the accumulation of obligation estimated at Bs4,500 million. At the same time, external influences on the economy became unfavorable because of the rapid change in the international petroleum situation. As conditions returned to normal after the Suez crisis it became clear that the growth of productive capacity had substantially outstripped the rise in world consumption. The present Venezuelan Government, though dedicated to a program of reform, appears to be pursuing its aims with moderation. It has been extremely unfortunate in taking office at a period of unprecedented economic difficulties.

Let us examine Venezuela's economic situation from another objective source, the International Bank for Reconstruction and Development. Of Perez Jimenez' vaunted "extraordinary public works programs," the IBRD mission headed by Henry R. Labouisse reports:

> Before the change of government in 1958, a large part of Government investment was concentrated on the development of the central, notably the Federal district. Furthermore, the Government's investment effort was accompanied by waste and lack of planning. As examples of large investments in projects either of low priority or constructed to extravagant standards or both, one may cite the appropriation of over Bs300 million for 12 luxury hotels and 2 teleféricos, over Bs100 million for military clubs and housing, and Bs140 million for the Caracas racetrack.

While the racetrack and military club, which resembles the United Nations in New York, and the luxury hotels were going up, the IBRD has this to say about the state of education in Venezuela:

> Past governments have not paid sufficient attention to many of those functions which are important for economic development and which involve substantial current expenditures. For example, prior to 1958 expenditures for education and training were not accorded a high priority.
>
> In fact during the school year 1957–58, when the move toward constitutional government took place, only 57 percent of school-age children were actually attending school. Furthermore, retention rates had been so low that relatively few of those who had been in school in previous years had attended for more than a year or two. Thus in 1957–58 more than half of total enrollment was to be found in the first two grades while only some 6 percent were in the sixth grade.
>
> The present Government has done a remarkable job in rapidly enrolling the backlog of school-age children who were without previous education. By the school year 1959–60 it is estimated that some 400,000 of these backlog children had been enrolled while at the same time in each of the 2 years 1958–59 and 1959–60 more than 200,000 or some 75 percent of the children reaching 7 years of age, had also been enrolled in the first grade. Total primary school enrollment for all grades went up from 751,561 in 1957–58 to 1,067,900.

On maladministration in the Perez Jimenez administration the IBRD reported:

> In 1958, the new Venezuelan Government found that there was a great deal of disentangling to be done in the allocation of expenditures among the several parts of the petrochemical project before the exact value of the fixed assets could be established. This work was well underway during the mission's visit. Although it was not possible to state precise amounts by mid-1960, we estimate that, after taking into consideration a fair share of the expenditures on services and facilities used in common with the oil refinery, the investment in the chemical plants * * * will amount to about Bs600 million when completed. This amount is far above the expenditure that should be required—probably three or four times higher—to provide plants of their capacity in Venezuela.

The petrochemical industry is but one of the many lucrative public works whose expenditures were diverted. I recommend a reading of the IBRD missions report entitled, "The Economic Development of Venezuela" to anyone who is interested in a complete picture of Venezuela before 1958 and the difficulties facing Romulo Betancourt's government in bringing order out of chaos.

Mr. ROUSSELOT speaks of a "huge surplus" against which "there was outstanding virtually no foreign debt and a domestic debt of only Bs1 million."

On the contrary, as the Bank of London intimates, the unsound accounting

systems and a system of short-term borrowing by the ministerial offices and autonomous bureaus resulted in the accumulation of tremendous credits in the hands of nationals and foreigners. In the careful language of the IBRD:

In both 1956 and 1957 petroleum company payments for concessions contributed to very large capital inflows which in fact were permitted to augment the Government's cash balances. At the same time, however, the Government and its autonomous agencies borrowed on short term and medium term to finance investment projects. Although no reliable estimates are available, it is conceivable that the Government's unrecorded indebtedness may have increased by Bs2 billion in 1956 and 1957, with the largest borrowing concentrated in 1957. An undetermined amount of this debt was owed abroad.

"Where then has the money gone?" asks Mr. ROUSSELOT, referring to the nonexistent surplus in Perez Jimenez' treasury. The money—not the nonexistent surplus, but Venezuela's reserves—has gone to pay off the debts left by the dictator. The provisional Government paid off around Bs1,900 million and the constitutional government has paid off Bs100 million, which makes a total of Bs2,000 million, an amount which has exhausted the fiscal reserves of the country. Betancourt honored the debts to protect the country's credit.

What about the charge that President Betancourt is opposed to private and foreign investment?

Mr. ROUSSELOT states in this regard:

Although he has not yet actually expropriated American property—remember he is still playing the role of an anti-Communist—he has made it so uncomfortable for private enterprise that there has been a flight abroad of over $1 billion of capital during Betancourt's 2½ years.

Capital flight did indeed occur after the overthrow of the Perez Jimenez dictatorship. Some of the money was "hot money." Some of the capital fled because of fear of loss of usurious profits or fear of the modern social reforms which the new democratic government promised. Some of the flight was caused by speculators who thought that Venezuela would establish exchange controls followed by devaluation and that it would be a profitable maneuver to purchase dollars at 3.35 bolívares in order to reimport them and sell them later at 5 or 6 bolívares per dollar.

Of the capital flight, the IBRD says:

Some part of the movement of private capital was a natural response to the ending of the petroleum boom, and this should cause no concern, particularly since exchange reserves had been accumulated with which to finance such outflows. Another segment of this outflow may have resulted from the political uncertainties associated with the transition to a democratic regime in 1958 and early 1959. The acceleration of capital flight which occurred in the latter part of 1959 was however the result of vague, and even exaggerated, fears of measures the government might take to control the economy.

I have attempted to deal with the principal points raised in Mr. ROUSSELOT's statement and to correct the major distortions. It is impossible to untwist all of them.

I have concentrated upon the attack upon President Betancourt. However, the statement did not ignore other sincere Venezuelans who have risked life and fortune for many years to bring democratic and responsible government to Venezuela. Dr. Raul Leoni, President of the Venezuelan Congress, has devoted himself to the establishment of constitutional government in Venezuela. Ambassador Jose Mayobre, who has shown himself to be a sincere friend of the United States, is glibly labeled a "Communist" without any credible evidence.

I cannot help but wonder what prompted Mr. ROUSSELOT's statement. As I suggested at the beginning of this reply, could Venezuela's deposed dictator, Marcos Perez Jimenez, be hovering in the background?

Mr. ROUSSELOT makes the extraordinary statement that "Perez Jimenez has been under constant harassment and legal persecution" in the United States. We have an extradition treaty with Venezuela under which proceedings were instituted to return Perez Jimenez for trial upon charges of embezzlement. The proceedings began in August 1959, and Perez Jimenez is free on $100,000 bail while the decision granting extradition is on appeal.

All during the pendency of the extradition proceeding Perez Jimenez was free to enjoy his $400,000 mansion and the charms of Miami night life. He went fishing on his luxurious cabin cruiser, traveled to New York whenever it suited his pleasure, and even took a vacation in the Hawaiian Islands. Only now, after the court's determination that he would be extradited, has he been restricted and denied the use of this yacht.

This extradition is not, as Mr. ROUSSELOT suggests, a farce brought for political vengeance. Perez Jimenez himself provided the evidence upon which the proceedings was based. When in his unseemly but prudent haste to escape Venezuela on the night of January 23, 1958—when almost the entire Venezuelan population took to the streets in protest at this brutal rule—the dictator inadvertently left behind one of his suitcases.

The suitcase was crammed full with currency, negotiable bonds, title deeds to real estate in Venezuela, and a number of documents in his own handwriting showing how the funds of the Venezuelan Treasury were siphoned.

From that evidence the Venezuelan authorities were able to reconstruct the theft or embezzlement of approximately $13 million. This charge was buttressed by canceled checks, bank deposit slips, and statements, and papers in the handwriting of Perez Jimenez and of his principal lieutenants.

Extradition in the United States is a judicial proceeding which requires a finding of probable cause that the accused is guilty of the crimes with which he is charged.

The U.S. district court in Miami just a few months ago—after a proceeding that had gone on for nearly 2 years—held that there was probable cause to believe that the embezzlements had been committed.

Perez Jimenez immediately filed a petition for a writ of habeas corpus which has been denied. I might add parenthetically that in doing so he was availing himself of a remedy which he himself abolished in Venezuela during his tenure in power and which the present democratic government of Romulo Betancourt has reinstituted.

I am sure Mr. ROUSSELOT does not mean to imply that the U.S. courts are lending themselves to an improper or vengeful proceeding. The extradition will be determined by the courts of the United States in accord with the law and on the basis of the evidence presented by the Venezuelan Government.

It appears that an attempt to confuse public opinion in the United States is being made for the purpose of saving Perez Jimenez. This endeavor to discredit the present Government of Venezuela can have a dangerous effect upon the conduct of our foreign policy in Venezuela and Latin America and should be thoroughly explored by the appropriate congressional committees when Congress reconvenes.

Goals of the New Frontier: Natural Resource Conservation

EXTENSION OF REMARKS
OF
HON. CLEM MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CLEM MILLER. Mr. Speaker, this 1st session of the 87th Congress has been one of solid accomplishment for conservation of our natural resources. Significant new laws have gone on the books and wise and timely investment has been made in new resource programs. As the result of hearings completed this session and other work accomplished in the committees, the stage is now set for further progress during the second session to begin next January.

This is a field of legislation which even more than most requires looking forward and moving forward. Idling in neutral gear loses ground. As President Kennedy said to the Congress last February 23 in his precedent-setting special message on natural resources:

Wise investment in a resources program today will return vast dividends tomorrow, and failures to act now may be opportunities lost forever.

And he pointed out that—

Problems of immediacy always have the advantage of attracting notice—those that lie in the future fare poorly in the competition for attention and money.

Since last January the Kennedy administration and a Democratic-led Congress have taken natural-resources conservation and development machinery that was blithely idling in neutral and put it into forward-moving gears. Where the existing machinery was inadequate to the job to be done we have built new

machinery. We will build more next session.

Let me review some of the conservation highlights of this session's record:

CAPE COD NATIONAL SEASHORE

Until this year, 14 years had passed and our population had increased by 37 million since the last major unit was added to our national park system in the continental United States. It had been 24 years and 52 million people since a portion of our rapidly vanishing ocean shorelines had been set aside for the recreational use of our people.

President Kennedy had been in office little more than a month when he expressed to the Congress his strong recommendation for establishment of the Cape Cod National Seashore. One hundred and sixty-five days later the Congress directed that the magnificent beaches of Cape Cod were to be set aside, forever, for all the American people. Later this year we provided a supplemental appropriation of $2,250,000 to permit the National Park Service to begin land acquisition.

WETLANDS CONSERVATION

This same session of Congress, working together with the new administration, enacted a measure that probably ranks as one of the five most significant pieces of wildlife conservation legislation in our history. It provides the means whereby the Fish and Wildlife Service can protect the vital "wetlands" required for conservation of ducks and geese before these opportunities are lost.

Public Law 87-383 (H.R. 7391)—known as the Dingell bill for its author, the gentleman from Michigan—authorizes appropriation of $105 million for acquisition of wetlands for waterfowl refuges over the next 7 years. These appropriations are to be repaid to the Treasury through the sale of duck stamps. In view of the increasing competition for land use and rising land prices, this "crash" program is our only reasonable chance of saving our great continental flights of migratory waterfowl. At the same time it will not be at the expense of the general taxpayer since the expenditures will be repaid by the hunters who buy duck stamps.

I believe this bill ranks with the Migratory Bird Treaty Act of 1918, the Migratory Bird Conservation Act of 1929, the Migratory Bird Hunting Stamp Act of 1934, and the amended Fish and Wildlife Coordination Act of 1958 as one of the most significant authorities yet enacted for conservation of wildlife resources.

WATER POLLUTION CONTROL

This same session we enacted significant amendments to the Federal Water Pollution Control Act. These provide effective new tools for conservation of fish and wildlife resources, which depend upon clean water, as well as for public health. The 1961 amendments are described in detail elsewhere in this series of remarks by the gentleman from Minnesota [Mr. BLATNIK], author of the bill—H.R. 6441, Public Law 87-88. In summary, the new amendments authorize additional water storage in Federal reservoirs for release during periods of low streamflow, extend Federal enforcement authority against polluters to all navigable waters, authorize regional laboratories for both enforcement and basic research, and increase the authorization for matching incentive grants to local governments for construction of State-approved treatment plants.

It is also significant that later in the session this major new conservation authorization was implemented by appropriation of $80 million—the new fiscal 1962 ceiling which it authorized—for the construction grant program.

OPEN-SPACE CONSERVATION

The Housing Act of 1961—Public Law 87-112; H.R. 7444—also broke new ground in the conservation field. It authorizes for the first time a program of Federal grants to assist local governments and States conserve permanent open-space land near urban areas for park, recreation, scenic, watershed, and other natural resource conservation uses while the open space is still available.

OTHER LEGISLATION ENACTED

Water pollution control in offshore waters was advanced when the Senate approved U.S. participation in the International Convention for the Prevention of the Pollution of the Sea by Oil. This treaty sets penalties for discharge of waste oil at sea within 50 miles of shore, thereby helping to prevent damage to fish and sea and shore birds and fouling of beaches and harbors. Subsequently, legislation to implement the treaty was enacted as Public Law 87-167—H.R. 1290.

Public Law 87-112—H.R. 7444—the Department of Agriculture appropriations bill—for the first time makes wildlife conservation practices eligible for agricultural conservation program (ACP) Federal cost sharing.

Public Law 87-61—H.R. 6713—the Federal Aid Highway Act of 1961—extends for 2 years the national program of billboard advertising control.

Public Law 87-27—S. 1—the Area Redevelopment Act—authorizes Federal assistance to help local governments build new public facilities, specifically including facilities with resource conservation values.

Public Law 87-152—S. 614—authorizes use of surplus grain for feeding of wildlife to tide them over in emergencies such as those caused by unusually severe weather.

Public Law 87-119—H.R. 1182—establishes the Wyandotte National Wildlife Refuge on two islands in the Detroit River, Mich., an important stopping and wintering area for waterfowl 10 miles south of Detroit.

Public Law 87-295—H.R. 7916—authorizes $75 million for accelerated research into problems of converting sea and chemically polluted waters for consumptive uses.

Public Law 87-328—House Joint Resolution 225—provides the consent of Congress to an interstate-Federal commission which will plan and operate comprehensive development of water resources of the Delaware River Basin.

UNFINISHED BUSINESS

Legislation to establish other national seashores progressed in both bodies. The Senate passed S. 476 and the House Committee on Interior and Insular Affairs completed hearings on H.R. 2775, companion bills to establish the Point Reyes National Seashore, 30 miles north of San Francisco, Calif. S. 4, H.R. 5013, and H.R. 5049, to establish Padre Island National Seashore in Texas, have been the subjects of hearings. Action is pending on S. 1797 and similar bills to preserve the Indiana Dunes; and on S. 992 and the differing H.R. 6258, to preserve portions of the Oregon Dunes.

S. 543, to authorize coastal and inland shoreline area studies and grants to the States for acquisition of shoreline areas, has been passed by the Senate.

The Senate passed S. 77, to establish the Chesapeake and Ohio Canal National Historical Park in Maryland. Action is pending in both bodies on S. 1760, to establish a Great Basin National Park in Nevada. Hearings have been conducted on H.R. 5712 and S. 1381, to establish the Ozark Rivers National Monument, and on H.R. 6289, to establish the Ozark Scenic Riverway.

The Senate-passed wilderness bill, S. 174, is pending in the House Committee on Interior and Insular Affairs and the Subcommittee on Public Lands is holding field hearings this fall.

H.R. 8520, which would help control Federal financial and technical participation in drainage of natural wetlands in waterfowl-nesting areas in Minnesota and the Dakotas, was passed by the House. Enactment would help eliminate the contradiction of the Department of Agriculture helping to subsidize drainage of such lands while the Department of the Interior is attempting to preserve them to conserve waterfowl.

H.R. 8181, to establish a National Fisheries Center and Aquarium, was passed by the House.

H.R. 7490, protecting sea otter, walrus, and polar bear on the high seas, was passed by the House.

Hearings were held on the Water Resources Planning Act, S. 2246, H.R. 8155 and others. The President's proposal would establish a framework for comprehensive river-basin planning.

H.R. 9084 and S. 2516, and others, introduced late in the session, would apply principles of multiple use to public lands administered by the Bureau of Land Management. Also pending for consideration next year: H.R. 6793, to establish the King Range Conservation Area in California. The bill would provide additional authority to consolidate "checkerboarded" public lands and provide orderly procedures for reconciling conflicting uses.

S. 404 and H.R. 8354, to establish a Youth Conservation Corps, were both reported favorably out of committee; floor action is pending.

The House Committee on Interior and Insular Affairs approved six cooperative Federal-State land and wildlife management areas in California which will result in improved habitat for fish and game of interest to sportsmen. The same committee established significant review procedures relating to withdrawal of public lands for military use.

The Congress this session granted the request of the Outdoor Recreation Resources Review Commission for an extension of time to submit its long-awaited report and recommendations to us next January—at the beginning of what promises to be another landmark session for conservation.

Before Time Runs Out

EXTENSION OF REMARKS
OF
HON. WM. J. RANDALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. RANDALL. Mr. Speaker, about the 20th of September, it was our privilege to have a discussion with one of the officials of the Aerospace Medicine Division of the Office of the Surgeon General of the Department of the Air Force. The subject of our discussion was the effects of radiation from atomic tests upon tissues of the human body.

The conference was arranged at our request after a trip to the Nevada Testing Grounds back in April where we became extremely interested in the effect of radiation and came back to Washington with a determination to find out if any research was being done or performed which might lead to the discovery of a prophylaxis, or some means or methods whereby medical science could build up in advance, a degree of resistance or immunity to radiation comparable in a way to vaccination or immunization measures for virus or disease.

Since the publication of the book in 1958 entitled "On the Beach," we have been intensely interested and devoted to the idea that along with all other types of atomic research and development, there should also be funds appropriated for radiobiology research, that is, for those who remain alive and physically competent, some medical treatment might or could be researched and developed in the hope that it would reduce to a minimum the effects of radiation which would otherwise continue to deteriorate and degrade the remaining population.

Mr. Speaker, I wish to insert as extraneous matter an excerpt from an article in the Washington Post of September 23, 1961, by Drew Pearson, entitled "Russian A-Tests Will Cause Cancer." And I quote part of that article as follows:

Experts estimate that the Russians have already spread enough strontium 90 during the month of September to cause 100,000 cases of bone cancer in the United States alone. In most victims the cancer will develop slowly in the next two decades—far removed in time and space from the September in Siberia when the poison was turned loose.

Thus Premier Khrushchev's cute grandchildren whom I saw playing in the sand beside the Black Sea will not know for a long time whether they will suffer cancer from the bombs exploded by their grandfather; nor will my grandchildren and all the other children of the United States and Russia know for 10 or 20 years whether they will suffer.

Another thing: The United States may well receive a heavier dose of radioactive fallout than the Soviet gets from its own tests. This is because the winds move from west to east, and come next spring will drift south with the polar air masses bringing radioactive spring showers. It's the rain that deposits the greatest amount of fallout and we get far more rainfall than Russia.

Regardless of whether the United States or Russia suffers most, however, one thing is certain; Scandinavia and Canada are directly in the northern airstream; Africa, South America and southeast Asia, in contrast, will suffer least.

Thus the white races and the cultural centers of the world, where the population is least dense, are getting the heaviest dose of radioactive poison. The underdeveloped countries with their heavy population centers in India, Indonesia, and southeast Asia will suffer least.

Our tests caused far less contamination of the world's atmosphere than current Soviet shots which scatter almost all their radioactive residue into the jet streams. The contamination is 5 to 10 times more concentrated than around the equator.

In short, the Russian tests will deposit hotter fissionable material on the people of the world in greater quantity and in a shorter time. So far, we are keeping our tests underground.

Some further facts about fallout:

1. Any dose of radiation, no matter how small, produces a harmful biological effect.

2. The people of northern and central China will absorb more strontium 90 than the people of the West. For the orientals get their dietary calcium mostly from cereals, westerners mostly from milk. But the dose of strontium 90 in milk is expected to double in many U.S. areas as a result of the Soviet tests.

3. Russia's radioactive blasts will linger in the atmosphere for another year, hanging like an invisible pall over the Northern Hemisphere. And the most dangerous poisons—strontium 90 and cesium 137—will come down with either rain or snow. This is why the poison will fall unevenly depending on the snow or rainfall in certain areas. You are certain to see "hot snow" next winter and "radioactive rain" in the spring.

4. Some experts warn that radiation danger is increasing so rapidly that nations won't be able to test nuclear weapons in the atmosphere. World outrage and the danger to their own people may become too great. These experts have suggested privately that Russia may have been in a hurry to get her atmospheric testing accomplished before the radiation level rises to the point that the world rises in anger against the tester.

Our conference with officials of the Department of Defense in the interest of intensified radiobiological research was very encouraging. The representatives of the Air Force and the Atomic Energy Commission agreed that while the mission of the Medical Department of the Department of Defense in support of radiobiology research program is to insure the capabilities of the combat personnel to accomplish their assigned mission in war, the responsibility goes much broader than this in the concept of national survival. National survival, of course, requires survival of the people, our most important single national resource. The importance of conserving this resource is the long lead-time required to replace it. National survival after a thermonuclear holocaust requires not only that the people remain alive, but that they retain their competence to rebuild that which has been destroyed, in order to arise again as a well-integrated nation.

This requires not only that they remain alive and physically competent at that time, but if at all possible to reduce to a minimum any late effects that radiation in the environment might have, thereby deteriorating and degrading the competence of the population of this country. To this end better knowledge of the effects of radiation upon the tissues of the human body is required. In order to do this appropriately, we must counteract the extremes of opinion which say at one end, "Radiation is no problem," and which say at the other end, "It is too devastating to comprehend." Somewhere between these two extremes lies the truth, and the elucidation of this truth on a scientific factual basis is the goal of radiobiological research.

Mr. Speaker, in our opinion, this field of radiobiology research is not just simply interesting and fascinating, it is of vital importance to every person in our land.

The United States spends sizable sums of money on general medical research each year, but here is a field of research which must be thoroughly—but hurriedly—explored while there may yet be time.

The clock is turning fast. The danger may be great from present tests, but if the tests should cease and thermonuclear war should commence, the very research so desperately needed might have to be suspended.

It is our sincere hope that with the coming of the new session, careful and earnest thought will be given to adequate appropriations leading to the discovery of a possible prophylaxis against the effects of radiation.

Let us hurry with this important goal of radiobiology research while there is yet time.

Report to the People of My District

EXTENSION OF REMARKS
OF
HON. ALFRED E. SANTANGELO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. SANTANGELO. Mr. Speaker, at the conclusion of each session of Congress I have made it a practice to report to the people of my district on the accomplishments, as well as the shortcomings, of Congress. I believe that an informed public is an intelligent public.

This is my report for the 1961 session. I urge my constituents to read it carefully, to learn what has been achieved and what still remains to be done. Above all, I want them to know that I have always sought to represent the interests of all the people of my district, regardless of race, color, creed, or political affiliation.

THE 1961 SESSION OF CONGRESS

This year's session of Congress was not only one of the longest, lasting nine

full months from early January to the end of September, but it was also one of the most hard-working and productive sessions in the last 10 years. Under the vigorous leadership of President Kennedy, we have enacted many important and far-reaching measures of the new administration's program, which is designed to meet the challenges of the 1960's. Congress passed most of the legislation promised in the Democratic platform of 1960 and requested later by President Kennedy. We proved that the Democratic Party is truly concerned with the interests of the people and is making a serious effort to deal with pressing social and economic problems which have been neglected during 8 years of Republican administration.

The major task faced by President Kennedy was to rebuild our military strength and to restore our international prestige. In this respect, Congress gave him full cooperation by providing the necessary funds to strengthen our national defense to meet the aggressive activity of Soviet Russia in various parts of the world. We undertook new programs to aid the Latin American nations, and we also adopted a more efficient foreign aid program to strengthen our allies and to help the underdeveloped areas of the world.

The Kennedy administration was also faced with many problems at home which required legislative action by Congress to stimulate our lagging economy. Again, Congress cooperated by adopting legislation to relieve the hardships of unemployment, to increase the minimum wage and extend coverage to more millions of workers, to help the chronically depressed areas, to develop our natural resources, and to combat the recession in other ways. Congress also enacted liberalizing amendments to the Social Security Act providing more benefits, new programs for housing and slum clearance, aid to dependent children, control of polluted waters to protect our water supplies, combating crime and juvenile delinquency, and others. Some of these had been previously vetoed by former President Eisenhower, but I am glad that President Kennedy has signed them into law.

Needless to say that I have strongly supported the President and his program in Congress. I fought for progressive and liberal measures or amendments on every occasion. The administration and the Congress were faced with grave responsibilities at home and abroad to an extent greater than ever before, and I did everything within my power to share in those responsibilities. As a member of the House Appropriations Committee I was in the midst of it all, and we worked harder and longer than ever before.

ACHIEVEMENTS OF THE 1961 SESSION

Among the more important achievements of the 1961 session, which I supported, may be listed the following measures:

Unemployment compensation: This act provided for an additional 13 weeks of unemployment compensation benefits to those who have exhausted their unemployment benefits. It helped alleviate the severe hardship of unemployed workers and their families.

Aid to dependent children: A sum of $200 million in aid over a 14-month period was approved to help nearly a million children of unemployed parents who were suffering great hardship.

Area redevelopment: This is a special assistance program to help urban and rural areas which have a high unemployment rate or a low income. It provides loans to these areas to build new industries and create jobs. Many of my constituents who are of Puerto Rican origin will be pleased to know that industrial areas in Puerto Rico will be aided under this program.

Minimum wage: This is one of the most important acts adopted by Congress this year which is providing wage increases to 27½ million workers in the country. Minimum hourly wage rates are increased from $1 to $1.15 this year, and to $1.25 in 1963. In addition, minimum wage coverage is extended to 3.6 million more workers—the first such expansion since the law was adopted in 1938. I was in favor of increasing the minimum wage to $1.25 this year and introduced a bill for the higher rate, but this was the best we could get.

Social security benefits: Liberalized benefits were enacted which have already increased social security payments for 3.7 million elderly people. The new law also provides retirement for men at the age of 62—women already have this privilege—it increased benefits for widows by 10 percent; it raised the earnings ceiling for retired people; it also provides other assistance for the needy aged, the blind, and the disabled.

Housing program: This is a comprehensive housing measure, the first of this kind to be passed by Congress in the last 12 years. It provides nearly $5 billion in loans and grants for urban renewal, public housing for 100,000 low-income families, housing for moderate-income families, for elderly people, college housing; also home improvement, liberalization of the FHA mortgage insurance program, urban mass transportation systems and other community facilities.

Milk program for children: The special milk program for children, which is of great benefit to many needy and undernourished children, has been extended for another year and a sum of $105 million was authorized. This is $10 million more than last year, so that more children will benefit from it.

Crime and delinquency: Three new major laws were enacted to combat gambling, rackets, and other organized crime; 3-year program was started to combat juvenile delinquency, the first such program undertaken by the Federal Government; also 73 new Federal judgeships were created which will reduce the huge backlog of court cases.

Water pollution control: A 5-year program was approved to help communities protect their water supplies, construct plants for waste treatment, and reduce pollution of rivers and harbors.

Other measures: There were many other measures adopted, among the more important being: a program to convert saltwater into fresh water to meet future water shortages; modernization of the Nation's airports; additional funds to complete construction of the 41,000-mile Interstate Highway System; training more nurses; extension of the home loan program for World War II and Korean veterans; a program to help construction of nursing homes for the aged, improving hospitals and other health services; extension of the National Defense Education Act and also extension of the school program to aid federally impacted areas.

The record of achievements in the field of international affairs and the security of the Nation during the 1961 session is equally impressive. We hope and trust it will bring the desired results in safeguarding our Nation and the free world and in raising our country's prestige to new heights. Among the more important steps taken by Congress in enacting defense and foreign policy legislation may be listed the following:

Foreign aid: Congress voted over $4 billion for military, economic, and technical aid to our allies and to underdeveloped countries of the free world. Included in the program is authority for the United States to extend long-term aid over a 5-year period for economic and development projects, but Congress will have to review and approve such appropriations annually. This should be of help to many countries in planning ahead, raising their standard of living, and resisting Communist expansion.

Peace Corps: This provides for direct participation by American volunteers in helping people in less-developed countries. Some 2,700 young Americans will serve under this program to help such nations develop their resources, education, and health services.

Defense funds: Congress voted an increase of $6 billion in defense budgets to strengthen the Nation's security, which includes increased missile programs, a stepped-up bomber alert, increased Armed Forces personnel, and other steps.

Civil defense: Congress voted a big expansion in civil defense to provide the people of America with the first serious shelter program in the event of emergency.

Space exploration: Funds to enable the United States to take the lead in space exploration and achievement were doubled, including the first steps toward putting a man on the moon.

Alliance for Progress: A fund of $600 million to help Latin American countries and to improve U.S. relations with those countries was set up by Congress. This program is known as Alliance for Progress and was proposed by President Kennedy. It seeks to encourage social and economic reforms in Latin America and eliminate the threat of a Communist takeover such as occurred in Cuba.

Arms control: For the first time, the United States has set up a new arms control and disarmament agency, whose task it will be to seek ways to curb the arms race. It will be a planning and research organization.

Food for peace: Expansion of this program was urged by President Kennedy and approved by Congress. It provides for the sale of our surplus agricultural

products at reduced prices to friendly nations, and also to use some of these commodities to help feed needy people in underdeveloped countries.

This is not the complete record of achievements. There are others too numerous to mention here; but it is a record of which the entire Nation should be proud.

UNFINISHED BUSINESS

I do not want to appear partisan in stressing only the achievements. There have been some failures and shortcomings, too, which I trust the 2d session of the 87th Congress will correct in 1962. I prefer to call them unfinished business, and among the measures on our list of unfinished business which are of paramount importance are these:

Medical care for the aged: We must provide adequate medical care for the 17 million elderly and retired Americans, and this care should be set up under the social security system. President Kennedy has termed this legislation of "highest priority" and I look to its enactment in 1962.

Aid to education: Aid to our schools remains a major domestic problem, which also affects the welfare and security of the Nation. We need adequate schools, more classrooms, and better paid teachers, and such programs should include aid to public and nonpublic schools without discrimination. This is purely an educational matter and religious issues should not be brought into it.

Civil rights: The only civil rights action taken by Congress in 1961 was to extend the Civil Rights Commission for another 2 years, but this is not sufficient. We need effective legislation to eliminate every vestige of discrimination, whether in education, in employment, in voting, in housing, or in other fields. We must assure all our citizens true equality and opportunity as guaranteed under the U.S. Constitution.

Tax reform: A general tax revision is needed to close loopholes benefiting the rich, create new incentives for business, and lighten the tax burden for the poor.

Manpower retraining: This is a program for training or retraining jobless workers displaced by automation, so that they can obtain employment in other industries. This should be of great help in reducing unemployment.

There are a number of others, which I shall list briefly: public works projects in areas where unemployment remains high; increasing medical school facilities and providing scholarships for medical students; changes urged by unions to liberalize labor laws; improvement of foreign trade policies; maximum development of our natural resources; protection for consumers against high prices in drugs, high interest on loans, and consumer products.

LEGISLATION WHICH I INTRODUCED OR COSPONSORED

The following are some of the more important bills which I introduced or cosponsored during the 1961 session:

Amend the immigration laws so as to base quotas on the 1950 census, make available unused quotas to countries whose quotas are oversubscribed, reunite families, and other reforms. An immigration law was enacted which permitted the approved second and third preference cases to be considered nonquota. Thus, families in these categories will be reunited.

Alleviate unemployment conditions in economically depressed areas. I was a cosponsor of this bill which was enacted and steps are now in process to help such areas.

Allow taxpayers a deduction up to $1,000 from gross income for educational expenses for themselves or dependents.

Designate March 9 of each year as "Amerigo Vespucci Day," in honor of the Italian explorer after whom "America" was named.

Establish a U.S. Travel Service in the Department of Commerce to encourage tourism to the United States and foreign trade. I was a cosponsor of this bill, which was enacted and a bureau has been set up.

Make Federal grants to the States in order to provide facilities and services for the day care of children outside of their homes.

Provide assistance for projects to develop techniques for the control of juvenile delinquency. This bill, of which I was a cosponsor, was also enacted.

A resolution that the United States oppose the seating of Communist China in the United Nations.

Authorize the construction of more low-rent public housing units. By reason of the fact that New York City has availed itself of the provisions of the public housing program, the allowable units were completely used up. My proposal, which was adopted, will enable the city of New York to continue to build additional new low-rent public housing projects.

Provide an additional $2,400 exemption from income tax for amounts received as annuities, pensions, or retirement benefits.

Provide hospitalization, nursing home and other health services to the aged under the social security system.

Establish a U.S. Disarmament Agency for World Peace and Security. This bill, which I cosponsored, was adopted and such an agency is now being set up.

Require the disclosure of finance charges in connection with extensions of credit. This is known as truth in lending bill, and is aimed to protect consumers against high interest rates.

Establish hospital facilities and post-hospital care for the treatment and rehabilitation of narcotic addicts.

Authorize the Secretary of Health, Education, and Welfare to make grants to the States to assist in the provision of facilities and services for the day care of children.

CONCLUSION

Due to space limitations, it is impossible for me to discuss other legislation and issues of interest to the people of my district. Whenever called upon, my staff and I have always been ready to help them with their personal problems. These services will be continued to my constituents in 1962. I am very grateful for the many letters of appreciation for my efforts and the assurances of continued support.

In addition to my office in Washington, I also maintain offices in the district which are located at 1484 First Avenue and 208 East 116th Street. Constituents are welcome to come to either office and to discuss their problems. We shall do all in our power to help them. If they cannot come, they may write to me at my office in Washington, 1507 New House Office Building. My very able and devoted staff in Washington and New York consists of the following: Melba J. Coutsonikas, Max Feigin, John F. Aiello, and Modesto Munoz.

Report by Congressman Laurence Curtis to the People of the 10th Congressional District of Massachusetts

EXTENSION OF REMARKS
OF
HON. LAURENCE CURTIS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, September 26, 1961

Mr. CURTIS of Massachusetts. Mr. Speaker, as this legislative year draws to a close, I think it is important to review the activities of the session.

THE COLD WAR

The House Committee on Foreign Affairs is the committee most closely concerned with the nonmilitary aspects of the cold war, the most dangerous issue now confronting the American people. I therefore report first on my work as a member of that committee.

Although the Foreign Affairs Committee does not make or administer foreign policy—that being the constitutional function of the President and the State Department—it does authorize the spending of the funds to carry out foreign policy, and it proposes resolutions on vital foreign policy issues.

The Congress this year passed provisions against the admission of Red China to the United Nations, prohibiting assistance to the present Government of Cuba, and prohibiting assistance to any other country if the President determines that it is dominated or controlled by the international Communist movement.

Berlin, Laos, and Cuba present critical problems. The Secretary of State and military leaders have kept the committee fully advised of the situations. Under the committee's procedure each member is given an opportunity to ask questions or to express his individual views. The communication is two sided and thorough. I have joined the Foreign Affairs Committee in giving the President's cold war policies strong bipartisan support. It urged firmness in the face of threats.

My votes have been cast in the realization that the present nonmilitary aggression against the United States is war; that we are in a period of great danger to our country; that Americans must have stout hearts and steady nerves and that it may be necessary to risk war in order to avoid certain war; that once a country gives in to threats,

only eventual war, or surrender and enslavement, can follow.

A strong military posture is our first line of defense, and I have supported the President's policies, which have included added billions for defense, and more manpower for our military forces.

FOREIGN AID

This is the subject to which the Foreign Affairs Committee devotes its major attention.

There is growing opposition to these programs. Some of it is of the extremist variety. Much of it results from past mistakes and unsatisfactory performance of the program. But after the most detailed and lengthy hearings, a great majority of the committee, including myself, was convinced that the program must go on and past mistakes be avoided.

Foreign aid is one of America's most important tools in the cold war. The military aid now goes almost entirely to undergird the military potential of countries on the borders of Soviet bloc nations, such as Greece and Turkey. The Chairman of the Joint Chiefs of Staff and other top military officials were unanimous in stating that money spent on this aid was just as important to the defense posture of the United States as money spent on our own Defense Establishment.

The most important function of economic aid is to show developing countries that they can raise their standards of living in freedom without having to choose the road to the Soviet type of tyranny. Developing peoples want freedom, but in many cases they want economic progress even more, and are prepared to turn to Communist methods, if necessary, not realizing that such a turn will lead to Communist slavery.

The Foreign Affairs Committee heard much evidence of the extent of similar programs being undertaken by Soviet bloc nations. This is persuasive evidence of the effectiveness of our own programs.

As a result of Cuba and the threatened increase of Soviet influence in South America, the need for development aid has become greater than ever.

The act governing foreign aid was redrawn this year. It sought to tighten up the administration of foreign-aid programs, emphasize economic development, and place reliance on countrywide programs of a long-term nature rather than on more piecemeal projects. The Agency handling economic foreign aid will now be called Agency for International Development.

After some controversy as to the financing of the program, the Congress made provision for long-range planning which was satisfactory to the President. Future commitments were authorized, backed up by annual appropriations. The House refused to sanction Treasury borrowing as a method of financing development loans. I urged and supported such refusal. Treasury borrowing is also referred to as back-door financing or financing from the public debt. There is mounting feeling in the House that it is an undesirable financial practice.

The Congress reduced the funds requested by the President for foreign aid. But this was in line with past practice, and if the cuts turn out to be too hampering, further amounts can be provided for by supplementary appropriations, which can be taken up next January. Aside from the Treasury borrowing issue discussed above, I supported the President's requests.

THE MIDDLE EAST

The new foreign aid legislation reiterated support of policies which have particular application to Arab-Israel nations: Freedom of navigation in international waterways, increased economic cooperation and trade between countries, disapproval of discrimination against American citizens based on race or religion. It directed that these principles be supported in the administration of foreign aid.

The statements of these principles have this year been somewhat watered down from the stronger form in which they appeared in last year's legislation. The House retained them in their stronger form. This was done through amendments made in the Foreign Affairs Committee, one of which I offered. The Senate, at the request of the administration, weakened them, and the House had to agree to a compromise. I serve on the Subcommittee for the Middle East and have visited that area and Israel on three occasions.

PEACE CORPS

A new approach to foreign aid was inaugurated this year through the Peace Corps. The bill establishing this program was referred to the Foreign Affairs Committee, which conducted hearings and reported it favorably.

The idea of using trained young American men and women to work on cultural and development projects in many parts of the world had been discussed and studied. I took part in a study mission of members of the Foreign Affairs Committee which visited foreign projects in developing countries. It found that some of the programs looking to capital improvements had not been satisfactory.

The study mission was favorably impressed by development projects where young American college graduates were performing the type of work planned for the Peace Corps volunteers. In one project recent graduates of American agricultural colleges were working shoulder to shoulder with their Vietnamese counterparts on an experimental agricultural station, testing the adaptability to that area of produce and fibers not previously grown there. The study mission recommended projects of that type which would reach the grassroots.

I supported the Peace Corps, both as a result of this experience, and because I believe that we need more trained people working abroad to match the growing numbers of Russian and Chinese agents and "technicians." The House supported the Peace Corps by a vote of 287 in favor to 97 against. Its success will depend largely on careful selection of personnel, thorough training and wise management. The plans for its administration, training and operation appeared to be well conceived.

ARMS CONTROL AND DISARMAMENT AGENCY

The Foreign Affairs Committee also had jurisdiction over the legislation setting up the new Arms Control and Disarmament Agency. It is an expansion of the work of an existing agency within the State Department. Its primary function is to prepare for disarmament negotiations. This involves technical studies covering wide fields. It is important to the national security that this work be done with great thoroughness and competence to avoid the risk of getting trapped into unwise negotiations.

The bill established a strong independent Agency, although it is under the supervision of the Secretary of State. The Agency will point the way to areas where negotiation will be possible and where agreements will be verifiable, but the bill does not move in the direction of appeasement. It is not antimilitary, and had the support of our top military people. The House passed the bill, 290 in favor to 54 against. I voted with the majority.

The disagreement in Congress as to the name of the Agency points up the divergent views held about the Agency. At one stage it was called Disarmament Agency for World Peace and Security. At another, Arms Control Agency. The final name, a compromise, was Arms Control and Disarmament Agency.

NATO PARLIAMENTARIANS CONFERENCE

As a delegate from the House, I attended the NATO Parliamentarians Conference in Paris last November. It is a meeting of delegates from the legislative bodies of the NATO countries. The United States sent nine delegates from the Senate, and nine from the House. There were committees on military, economic, and political questions.

Discussions before the Economic Committee, of which I was a member, made it clear that the Communist bloc nations use trade not for peaceful commercial intercourse, but as a means of political and economic aggression. A dictatorship can move fast and wield unified economic power. By focusing that power on a given product or a given market the Communist bloc nations can cause total disruption. There was discussion of means by which the free world can protect itself from this type of aggression.

This Conference was a valuable experience.

DOMESTIC ISSUES

In my report of last year I said:

> I have cast my votes in the direction which I believe would promote a free economy, sound money, and wise governmental economy * * * avoiding the extremes on either side.
>
> The danger of overcentralization of governmental powers in Washington needs continual watching. Government should be kept close to the people, and local control of local matters is a cornerstone of American democracy. The fight for home rule and against unwarranted Federal interference must be a continuous one. Federal power has a tendency to feed on itself.

I still believe strongly in these principles. Many bills before the House this year aimed at desirable objectives, but went too far both as to spending and as

to centralization of power in Washington. I found it necessary to vote for amendments reducing the excesses. My voting record, which will be found below, gives examples of this. In many cases a majority of the House shared that view, and amended or rejected the bills, or held them over for action next year.

As Congress completed this fall only the 1st session of the 87th Congress which lasts 2 years, legislative matters not disposed of remain active and can be taken up at the 2d session starting next January.

SPENDING

This has been a spending Congress. The world situation required increased military spending, but domestic spending was also increased, and would have been greater if the more moderate views by a majority of the House had not brought about some reductions.

The budget for the fiscal year ending June 30, 1961, had been submitted by the previous administration as a balanced budget. Due largely to increased expenditures since January, it ended up with a deficit of $3.9 billion.

A balanced budget for the fiscal year ending June 30, 1962, had been promised by the new administration, but increased expenditures have admittedly now thrown it out of balance, and a deficit of $6 billion or $7 billion is estimated.

The Federal civilian employment rolls have grown with a net increase of 100,000 persons since last January.

The American public must heed the warnings voiced by two great Americans, both Democrats. Congressman CLARENCE CANNON, Democrat, of Missouri, chairman of the powerful Appropriations Committee, and by no means regarded as an extreme conservative, warned the House on August 16, 1961. Referring to the current spending, he said:

> Now, of course, we are not taking in money enough to pay this. * * * Ever since this session began we have been spending in the red at the rate of $1 million every hour, day and night. * * * I do not have to tell you what this is leading to. If we continue to spend at this rate, especially with these backdoor provisions, spending will accelerate at an even greater rate.

Senator HARRY F. BYRD, Democrat, of Virginia, told the Congress on September 13, 1961:

> The big increases in Federal spending in the recent past, the present, and the future, have been and (short of war) will be in domestic-civilian programs; not defense or foreign aid. These programs are financed through both the regular budget and trust funds. * * * Indefinite deficit financing of vast increases in both nondefense and defense expenditures at the same time will create uncontrollable inflation and reopen the run on our gold. These are elements of weakness.

DOMESTIC LEGISLATION

That part of the President's program dealing with familiar issues previously before the Congress was the most successful. Much of it was enacted, although often in modified form: foreign aid, stepped-up defense, housing, minimum wage, pollution control, depressed areas, judgeships. New programs established the Peace Corps and the Arms Control and Disarmament Agency.

Other parts of the President's program were less successful. The education bills were lost in a morass of cross currents, including religious and racial questions. Tax proposals went by the board, including increased postal rates to reduce the postal deficit. The farm program was refused in part, while part of it went through in modified form. The powerful Ways and Means Committee decided to postpone consideration of medical care for the aged under social security.

The following issues deserve special comment. Other issues are discussed in connection with my voting record, reported on below.

MINIMUM WAGE

A partisan note was injected into the discussion of minimum wage legislation. It was pointed out that the President as a Senator had a year ago refused an increase to $1.15 an hour, while insisting on $1.25. But this year his bill provided for an immediate increase only to $1.15 and a postponed increase to $1.25 in 1963, and was passed in that form. It was argued that but for the President's insistence a year ago on an immediate increase to $1.25, the increase to $1.15 could have been had a year sooner.

CIVIL RIGHTS

The administration was criticized for lack of legislation on civil rights, despite platform and campaign promises. It decided to seek progress through Executive action rather than through legislation. It seemed clear that the President did not desire the divisive effect on Democrats in the Congress at the start of his administration which would have followed a drive for civil rights legislation.

The Executive action brought the Federal power to bear in the enforcement of existing laws protecting minority rights in voting, school segregation, interstate transportation, and jobs with the Government and its contractors.

The Congress extended the life of the Civil Rights Commission for 2 years. The Commission has recommended legislation to prevent the unfair use of educational requirements to block the registration of voters; to extend the rights of the Attorney General to intervene in cases involving deprivations of constitutional rights beyond the present law which limits such intervention to cases involving voting rights; to require every segregated school district in the South to produce within 6 months a plan of desegregation. Further legislation is needed and must be taken up next year. It will have my wholehearted support.

IMMIGRATION

An immigration bill was passed this year which will be helpful in many respects, but does not face up to the issue of discrimination resulting from the quota system. The new law makes permanent the provisions regarding the admission of orphans and adopted children, provides an appeal in deportation cases, and speeds the admission of certain applicants entitled to a preference. Bills seeking more extensive revision of the law have been filed and must be taken up next year. They will have my support.

SOCIAL SECURITY

Social security benefits were again increased, mostly for those in the lower ranges. Men as well as women were made eligible to retire at age 62 on benefits somewhat reduced from what they would receive if they retired at age 65. Payroll deduction and employers' contributions—both really taxes—were slightly increased to cover the cost of the above changes. These increases are in line with developments over many years of gradually increasing benefits. The average monthly old-age retirement benefit has increased as follows: 1950, $43; 1955, $61; 1960, $74.

The so-called retirement test governing the amount which a person may earn after retirement without forfeiting any part of his retirement benefits was again slightly increased. I have filed a bill and have strongly supported legislation to bring about a larger increase.

MASSACHUSETTS PROBLEMS

Massachusetts problems, of course, receive my special attention.

Bills beneficial to Massachusetts, which were enacted and which I worked for, were: to establish the Cape Cod National Park; an appropriation for the development of the Minuteman National Park in Concord and along the "battle road"; an appropriation to transfer the Quartermaster Container Institute from Chicago to the Quartermaster Research and Engineering Center at Natick, Mass., where the Army felt it could function more efficiently.

I worked to see that Massachusetts got its fair share of appropriations for such programs as urban renewal, airport construction, military construction, flood control.

On the other hand it is necessary to oppose bills that are unfair to Massachusetts.

Some of the programs for Federal grants-in-aid to the States have a tendency to drain money unfairly from Massachusetts taxpayers for the benefit of other sections of the country whose industries are in competition with ours.

Massachusetts people are ready to do their fair share on problems of truly national importance, but when Federal aid is provided for the solution of local problems, Massachusetts—a high Federal taxpaying State—usually suffers. It is necessary to be constantly on the alert to see that Federal aid is not taken advantage of by other areas whose combined legislative power is great, to the disadvantage of Massachusetts.

Many problems affecting Massachusetts must be handled by the executive departments rather than by legislation. The Massachusetts congressional delegation acts as a unit in seeking action favorable to Massachusetts. I have joined in these efforts, and have personally taken up many of these problems with the departments concerned.

Such problems are: efforts to have some of the facilities for the proposed moon shot—Project Apollo—located in Massachusetts; relief for railroads; opportunities for small business, which is of particular importance to Massachusetts; removal of quotas on the imports

of residual oil which hurt our area; fair protection of the textile industry; protection for the fishing industry; maintenance of the workload at the Boston Shipyard and Watertown Arsenal in order to preserve job opportunities.

VOTING RECORD

As the fairest and most impartial way of reporting on the highlights of my voting record at this session, I am listing the votes chosen annually by the New York Times as the key House rollcall votes of the year.

NEW YORK TIMES KEY ROLLCALL VOTES, 1961

(What follows is copied directly from the New York Times except for the addition under each item of how CURTIS voted and of his comment on the vote.)

1. Enlarge Rules Committee: January 31, 1961, RAYBURN, Democrat, of Texas, proposal to enlarge Rules Committee membership from 12 to 15 members, increasing Democratic membership by two and Republican membership by one. Passed: Yea, 217; nay, 212. Democrats: Yea, 195; nay, 64. Republicans: Yea 22; nay, 148. CURTIS voted "nay."

It was argued that this enlargement was intended to reform the Rules Committee so that it would not hold back bills from House consideration as it had done in the past. I believed that it was really an effort to transfer the power of the Rules Committee from the hands of one group to another group. Subsequent events have justified that belief, as the enlarged Rules Committee has withheld as many bills from House consideration as did the previous committee before enlargement.

2. Minimum wage: March 24, 1961, KITCHIN, Democrat, of North Carolina,-AYRES, Republican, of Ohio, substitute amendment to the administration's fair labor standards proposal. The amendment limited the President's proposal of a $1.25 an hour minimum wage to $1.15 an hour and reduced the number of persons affected. Passed: Yea, 216; nay, 203. Democrats: Yea, 74; nay, 177. Republicans: Yea, 142; nay, 26. The Senate bill, which prevailed, provided for a $1.25 minimum. CURTIS voted for the Kitchin-Ayres substitute.

The above description of the President's proposal is subject to criticism. The bill bringing forward the President's proposal when the Kitchin-Ayres substitute amendment was presented did not call for an immediate increase to $1.25 an hour. It called for an increase to $1.15, together with a postponed increase to $1.25 to be effective in 1963.

I voted for the immediate increase to $1.15 as provided for in the President's proposal, but felt that the postponed increase for 1963 should be passed on at a later date. I also felt that some of the increases in the number of persons affected in the President's bill violated the concept of interstate commerce, which was the ground for Federal jurisdiction over those persons. I therefore voted for the Kitchin-Ayres substitute as a more reasonable bill.

3. Depressed areas: April 26, 1961. Conference report compromising Senate-House differences and authorizing direct borrowing from the Treasury, in lieu of congressional appropriations, for Federal loans to areas of chronic economic distress. Passed: Yea, 224; nay, 193. Democrats: Yea, 193; nay, 56. Republicans: Yea, 31; nay, 137. CURTIS voted "nay."

I disapproved of Treasury borrowing, also known as back-door financing, as a means of providing funds for this program. I also believed that the bill was highly disadvantageous to Massachusetts. Many commentators felt that rural areas had been included in order to attract southern votes.

4. Housing: June 22, 1961. Administration's proposed Housing Act of 1961, authorizing $4,900,000,000 in Federal grants and loans over a 4-year period. Passed: Yea, 235; nay, 178. Democrats: Yea, 210; nay, 38. Republicans: Yea, 25; nay, 140. CURTIS voted "yea."

I believed that this bill went too far in some respects, but nevertheless voted for it, feeling that the good outweighed the bad.

5. Omnibus farm bill: August 3, 1961. Acceptance of the conference report compromising Senate-House differences on the Agricultural Act of 1961, extending production and price controls but not including a controversial proposal authorizing the Secretary of Agriculture to establish commodity control programs unless Congress objected within 60 days. Passed: Yea, 224; nay, 170. Democrats: Yea, 175, nay, 58. Republicans: Yea, 49; nay, 112. CURTIS voted "nay."

I believed that this bill represented a continuation of discredited farm policies, and would not bring surplus production under control as claimed. Subsequent events have justified that view.

6. Foreign aid: August 18, 1961. Final passage of the $4,368,500,000 authorization without the provision, requested by the President, for long-term borrowing authority. Passed: Yea, 287; nay, 140. Democrats: Yea, 195; nay, 63. Republicans: Yea, 92; nay, 77. CURTIS voted "yea."

The bill authorized long-range planning, but eliminated the borrowing authority as the result of a compromise satisfactory to the President. I have supported foreign aid.

7. School aid: August 30, 1961. Emergency Educational Act of 1961—a compromise offered after other permanent school legislation bogged down in the Rules Committee—providing $325 million for a 1-year public school classroom construction program. The bill also extended for 1 year student loan provisions of the National Defense Education Act, and extended the existing program of aid to schools in federally impacted areas. Rejected: Yea, 170; nay, 242. Democrats: Yea, 164; nay, 82. Republicans: Yea, 6; nay, 160. CURTIS voted "nay."

The question before the House on this vote was not passage of the bill, but was whether to take up consideration of the bill under the unfamiliar Calendar Wednesday procedure. This was a hastily thrown together and ill-conceived bill. Although it brought forward some entirely new approaches to the problem, the procedure used to bring it before the House was unfair and gave insufficient time for consideration. The fact that the House refused even to consider the bill by a vote of 242 against to 170 in favor is eloquent testimony. Even the National Education Association opposed the bill.

Subsequently the House passed bills extending the impacted area and NDEA laws, and I voted for them.

CURTIS BILLS

It is the practice of some Congressmen to file a large number of bills, many of which are repetitions of other bills already before the Congress on subjects of popular interest. I have not followed that practice, but have limited my bills to matters of special interest to the 10th District or to matters which I felt were insufficiently covered.

Among the bills which I filed this year were the following:

H.R. 5975, to increase earnings limitations for persons retired under social security to $2,400.

H.R. 4730, to equalize overtime and holiday pay for substitute postal employees with those of regular employees.

H.R. 2884, to make veterans disability benefits the same whether the disability was incurred in peacetime or in wartime.

H.R. 3432, to extend to Government employees who are not veterans the same rights of appeal on civil service questions as are now given to Government employees who are veterans.

H.R. 2754, to rename the Veterans' Administration hospital on South Huntington Avenue in Boston as the Edith Nourse Rogers Memorial Veterans' Hospital.

H.R. 5113, to authorize the Veterans' Administration to provide space for State veterans' agencies as they now do for certain national veterans' organizations, as desired by the Massachusetts Office of Veterans' Services.

These bills will be further taken up at the second session of the present Congress.

PRIVATE BILLS

I also filed nine private bills relating to individual problems regarding immigration. These usually seek an exception to some law or regulation which would create hardship if literally applied.

The objectives of two of these bills were accomplished by administrative action. The remainder will be considered at the next session beginning in January. As Congress completed this fall only the 1st session of the 87th Congress which lasts 2 years, pending legislation will be carried over until Congress reconvenes in January.

OTHER ACTIVITIES

I believe that one of my major duties is to see to it that constituents are fairly treated in all their dealings with the Federal Government. I maintain offices open throughout the year in both Boston and Washington for every possible service to constituents. I conduct periodic meetings with constituents in every section of the district.

My newsletters published in the local press seek to keep people in touch with matters of interest in Washington, and report on my activities. I both write these letters and do the necessary research myself.

In appearances at local gatherings I have pointed out the falseness of Soviet claims—especially those relating to

peaceful coexistence, immediate and total disarmament, and Western colonialism. I have urged greater understanding and appreciation of the American heritage of freedom. I have urged increased efforts in the cold war, especially in the field of propaganda in which the Soviet-bloc nations have so outmatched us.

CONCLUSION

In closing this report, I express my appreciation to the people of the 10th District for the honor and privilege of representing them in the Congress of the United States.

Highlights of Legislative Accomplishments During the 1st Session of the 87th Congress

EXTENSION OF REMARKS
OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. ADDABBO. Mr. Speaker, as a freshman Member of Congress, I am proud of the accomplishments of the 1st session of the 87th Congress. That an outstanding and enviable record was achieved is indisputable, if one is familiar with the real facts.

This Congress has gone a long way, in a few short months, in enacting beneficial legislation for all the people of our country. We have seen the tide of recession turned back with increased employment, and we have seen our gold reserves increase from a minus percentage to lofty heights in plus percentage.

I have embraced the responsibility and the privilege to work with our President on many of these programs—each designed to benefit our Nation. Understandably, my assignment has required long hours of hard work not only on problems of the national and international fronts, but also our own local topics, which also received the priority importance they all demanded.

At this point, in keeping with my planned intentions, I wish to set forth some of the highlights of legislative accomplishments in this session, with my brief analysis of each one.

MINIMUM WAGE INCREASE

Labor Day, 1961, brought pay raises totaling an estimated $536 million to more than 27½ million employees. An additional 3,624,000 workers coming under the new law will receive a minimum hourly wage of $1 to be increased to $1.14 in 1964 and $1.25 a year later. Those already covered by Federal wage laws will be raised to $1.15 this year and to $1.25 in 1963.

While the new law may not be all that some of us desired, it represents a compromise which was the best we could get and a real victory over those who fought to maintain the status quo. The new law does provide at least some assistance to our underpaid workers, which they desperately needed in order to exist in view of present alltime high living costs.

INCREASED SOCIAL SECURITY BENEFITS

More than 3.7 million Americans are now receiving bigger social security checks under the new Social Security Act Amendments of 1961. One out of every four persons drawing social security received the automatic increase under the liberalized benefits enacted by this session of Congress. The new law also reduced the optional retirement age for men to 62—with reduced benefits—increased widows' benefits by 10 percent; raised the earnings ceiling for retired persons; increased the Federal share of State programs for the needy, aged, blind, and disabled; and liberalized the law in other respects.

Again, this law does not provide all the needed benefits a great many of us would like to see furnished. It does, however, represent a step forward—a step we know will provide the impetus to work toward the next. It was my hope that the Social Security Amendments of 1961 would include the provisions of my bill, H.R. 4807, which provides that an individual's entitlement to child's insurance benefits shall continue, after the child attains age 18, for so long as he is regularly attending high school or college. This is an important and much-needed provision, and I shall continue to work for its enactment.

HOUSING ACT OF 1961

This is the most comprehensive housing measure passed by Congress in 12 years. It provides assistance, through Federal loans and grants to cities, towns, and rural areas for urban renewal, elderly housing, farm housing, college housing, urban mass-transportation systems, home improvements, community facilities, to list some of the benefits.

ADDITIONAL MAJOR DOMESTIC LEGISLATION, DEFENSE AND FOREIGN POLICY LEGISLATION

The Temporary Unemployment Compensation Act provided for repayable Federal grants to States to provide 13 weeks' additional unemployment compensation benefits to unemployed workers exhausting their benefits. This helped alleviate the severe hardships of unemployed workers and their families during the recession period.

The bill providing aid to dependent children of needy unemployed parents was of great help to the children of our Nation who were suffering untold hardships and deprivations. Another law also extends the special milk program for children.

The veteran's home loan program was extended; other laws beneficial to our veterans were passed.

I also voted for the extension of the Civil Rights Commission; the bill providing for the Peace Corps; the bill to assist our youth and help control juvenile delinquency. I was happy to vote out of my committee and vote on the floor of the House for the longevity pay raise bill to assist our postal workers.

We also passed the National Aeronautics and Space Act amendments; a bill providing increased authorization for the food for peace program; funds for inter-American social and economic cooperation program were provided. Numerous defense authorizations and appropriations measures, as recommended by President Kennedy, have also been enacted by the Congress.

While not of great interest nationally, possibly, but of primary interest to a great majority of my constituents, we have taken a long step forward in our search for a solution to the noise problem of low-flying aircraft over residential areas. The passage of legislation, with which I associated myself as a coauthor and strong advocate, authorized and directed the Committee on Interstate and Foreign Commerce to conduct a full and complete investigation and study of the problems involved in, and measures to minimize or eliminate, aircraft noise nuisances and hazards to persons and property on the ground. However small the program may seem, it is a forward step and it has given those living in the vicinity of large airports reason to hope for a better tomorrow. American technology can conquer and solve any problem. In my opinion, this investigation will reveal that it is possible to minimize aircraft noise and we shall be able to set criteria. Once the criteria is set, industry will find the way to meet the criteria. It is difficult to reach a goal when the goal hasn't been specified. This investigation and study, I am confident, will succeed in setting forth the goal and engineering technology will do the rest. However, we must be ever alert to insure that appropriate steps are taken to protect the people should industry fail to do what is necessary on its own.

Each Congressman has his own projects which may not be far-reaching but are nevertheless important. It has been my pleasure in recent days to arrange for the famed Fanfaren Korps from Düsseldorf, Federal Republic of Germany, to perform on the steps of the Capitol at noon on Friday, September 29, 1961. I invite my colleagues to be present and welcome this group to our country. The Honorable Edward R. Murrow, Director, U.S. Information Agency, will welcome them on behalf of President Kennedy. The impression this fine group of young people take back with them to their native land can be of great benefit in our relations with Germany. Quite often this type of thing gets to the individual citizen the impressions we desire when high-level diplomacy cannot.

DISTRICT CONGRESSIONAL OFFICE

It is not possible here to discuss all the legislation and questions of importance to my constituents. I have represented them to the best of my ability in Congress; I have been anxious to help them whenever called upon, concerning their personal problems. It has been gratifying to receive letters expressing their confidence in me and assuring me of their continuing support. I shall continue my best efforts in their behalf.

I maintain a Queens congressional office at 93–11 101st Avenue, Ozone Park, telephone Virginia 9–6625, which is open

daily. I invite my constituents to call there and discuss any problems or requests they may have. I am pleased to have them write to me at my Washington office, 1720 New House Office Building, and urge them to visit my office when they are in the Nation's Capital.

Congressman Samuel S. Stratton's Report to the People of the 32d Congressional District on the Accomplishments of the 1st Session of the 87th Congress

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EXTENSION OF REMARKS
OF

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 26, 1961

Mr. STRATTON. Mr. Speaker, once again it is my privilege to report to the people of the 32d Congressional District of New York, whom I have the honor to represent, on the record of accomplishments of this 1st session of the 87th Congress, the first Kennedy Congress.

A PRODUCTIVE SESSION

This has been a long session, the longest in 10 years, but it has also been a most productive session, one of which we and the people we represent can, I believe, be justly proud.

Some idea of the extent of our accomplishments can be gained by noting that during this session, quietly and without great fanfare, we have enacted some 33 major pieces of legislation. Even if not all 33 were of equal importance, this record still measures up most favorably alongside the 11 pieces of legislation enacted by the first Congress under Franklin D. Roosevelt, for example, or the 12 enacted under the first Eisenhower Congress.

COMBATING UNEMPLOYMENT

One of the biggest jobs that faced us this year was taking prompt action to end the recession, to get our economy moving again, and to bring new job opportunities into our distressed unemployment areas like Amsterdam, Gloversville, Johnstown, Schenectady, and Oneonta.

Our first big step was enactment of the distressed areas bill, or the Area Redevelopment Act, for which I have long been fighting as a cosponsor. In fact, for me the high point of the whole session came when President Kennedy invited me to the White House to see him sign the bill into law. And on my office wall in Schenectady today is proudly displayed the pen he used that morning.

As soon as the bill was signed I arranged for a special area redevelopment conference for upstate New York. This was held in Amsterdam on July 21. A later conference was held in Oneonta on August 22. Already steps are underway to bring help under this bill to the unemployment areas of our district.

STIMULATING JOBS AND BUSINESS

Also designed to stimulate jobs and business were the housing bill, the water pollution bill, and the Interstate Highway Finance Act of 1961. These measures made it possible for communities like Gloversville and Johnstown to continue to take advantage of urban renewal programs to revitalize their downtown areas. They enable communities like Canajoharie to move forward in building a new sewage treatment and incinerator plant. They pushed along construction on the northway and the thruway spur in Schenectady, with all the added construction jobs those projects entailed.

Also to combat the recession, Congress passed an extension of unemployment benefits, provided for voluntary social security retirement for men at age 62, extended aid to children of unemployed persons, increased the minimum wage in certain fields, and underwrote an extensive broadening of the surplus food distribution program.

STRENGTHENING THE NATION'S DEFENSES

Perhaps the most significant action which this Congress took was to authorize a sweeping increase in our armed forces to meet increased Soviet belligerence. The more than $2 billion we added to the defense budget went for greater protection—more of those Polaris submarines I have been pushing for, more manned bombers, more ships and tanks, and more guns for our troops.

DEFENSE CONTRACTS AND ROAMA

A corollary result of our new defense buildup was the welcome decision, for which I have long been pressing, to retain the Griffiss Air Force Base in Rome at full strength, and without any cutback in the vital 6,200 civilian jobs located at the Rome Air Materiel Area—Roama. Besides that, defense contracts being channeled into unemployment areas of New York State rose by over 300 percent in the second quarter of 1961 and rose by 12 times in the Schenectady area, another substantial boost in putting people back to work.

BIG LEAP FORWARD IN SPACE

Still another program of vital importance to our overall national defense was the bill authorizing $2 billion more for an all-out crash program designed to overtake and surge ahead of the Soviet Union in space travel. This so-called man-on-the-moon program was not a gimmick. It was a very necessary effort to gain for our country the same kind of predominance in space that our Navy presently affords us on the high seas and that our Air Force provides for us in the air. It should be noted that this crash space program passed the House without a single dissenting vote, in spite of the added budget cost.

STANDING FIRM IN BERLIN

Another historic accomplishment of this session was the legislation calling up our Reserves as evidence of American determination to back up President Kennedy in his firm resistance to Communist pressures and threats in Berlin. By coming to Congress for this authorization, instead of acting entirely on his own as he could have done, the President made it possible for Congress to register unmistakably our complete national unity behind the freedom of the people of West Berlin.

LOCAL FLOOD CONTROL PROJECTS

The fight for adequate flood control protection for our district was successfully advanced in this session of Congress. Funds were appropriated to continue flood protection works on the South Chuctanunda Creek in South Amsterdam, and also to initiate, at my request, a new study of flood protection measures along the Mohawk at Schenectady. Congress also appropriated funds to get underway the new overall survey for the north branch of the Susquehanna River in Otsego County. In fact, a public hearing in line with this new survey was held in Oneonta earlier this spring. The purpose of this survey is to develop a successful alternative to the old 1936 plan for constructing three big dry reservoir dams in the Otsego County area.

At my request, the U.S. Army Engineers also moved in promptly on July 29 when flash floodwaters hit the village of Unadilla, and they are currently studying the possibility of Federal help to Unadilla for rebuilding needed flood control works.

GLOVE AND CARPET IMPORT PROBLEMS

Several major strides forward were made in Congress in the fight against destructive low-cost foreign import competition, especially in the glove and carpet industries. This progress was largely the result of the actions of two congressional groups, of which I have been a charter member, formed to combat excessive imports. One of our groups, headed by the chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], paid several visits to the White House, conferring with the President and with some of his top advisers, seeking help and relief.

The biggest developments of the year along this line were the two favorable decisions handed down by the Tariff Commission, one in the baseball case, the other in the Wilton and Velvet carpets case. In both instances, the Commission reversed its earlier decision and recommended additional tariff protection. Although final approval of the Commission's recommendations has been delayed by the President to permit the submission of additional evidence, I am most hopeful that in the end he will approve them both, and thereby demonstrate his determination to make the escape clause of the Trade Act really work. And so, in comparison with events of the last few years these have been promising happenings indeed.

COOPERATION WITH THE PRESIDENT

One major reason for the substantial amount of constructive legislation adopted by Congress this year was the unusually high level of cooperation between Congress and the new President. Mr. Kennedy was never too busy to welcome a visit from a Congressman with

a problem to discuss—or even, as I discovered, with just a baseball from the Baseball Hall of Fame in Cooperstown to be autographed.

In general, I supported the President's program in Congress this year. I did so for two reasons. First, because it was directed at what I regarded as the two absolutely vital goals of restoring jobs and business at home, and building an invulnerable deterrent to Communist aggression abroad; and second, because I believed most strongly that any President, especially a new one, deserves a fair and reasonable opportunity to get his program underway. In this same spirit I supported a good deal of Mr. Eisenhower's program, too, in the last Congress, and I refused to join in attacks on his conduct of foreign affairs over such things as the U–2 incident. In this Congress I similarly believed it was essential for us to back up President Kennedy's request for greater long-range leeway in the administration of our mutual security measures, and his proposal for a Peace Corps and a new Arms Control Agency. We live in perilous days today, and in the conduct of our foreign policy, we must, I believe, speak with one, clear, firm voice.

FARM POLICIES

As the representative of a major dairy and poultry farming area in upstate New York, I found myself this year one of the few Congressmen of my party in the whole northeastern section of our country whose district included major farming regions. In fact, not a single New York State Congressman was on the House Agriculture Committee this year.

A number of events have been helpful to the farm area of our district in this session, for example, the expanded school milk program, the increased use of farm surpluses abroad, the action of the Agriculture Department in boosting the price of class III manufacturing milk, and the public hearing on possible further boosts in this class III price.

I did not, however, support the feed grain bill or the omnibus farm bill, because of the effect which I believe these pieces of legislation would have on farm costs in New York State at a time when real relief for our own dairy farmers is still a long way off. It seems to me shortsighted for the Department to help grain farmers in the Middle West without making corresponding protection available to the equally important interests of dairy and poultry farmers in New York State.

DEFEAT FOR THE MILK SANITATION BILL

I am pleased to report success once again this year in my perennial fight to kill off the so-called milk sanitation bill. This measure would, under the guise of setting up health standards, actually make it possible for midwestern dairy farmers to flood New York State markets with their "tired midwestern milk," thereby depressing still further the income of New York State farmers. I can report that following my own testimony against the bill this year, it has been bottled up in committee for still another year.

ANTICRIME BILLS

As a former mayor who gained some experience in office fighting against organized crime and racketeering, I was especially pleased that Congress this year passed by an overwhelming vote three pieces of legislation I had joined in sponsoring and which had been requested by Attorney General Robert F. Kennedy to break up interstate criminal and racketeering organizations.

BUDGET, FISCAL MATTERS, AND THE GOLD OUTFLOW

While Treasury experts estimate that fiscal year 1961 will end up with a budget deficit, which usually happens in a recession year, there are a number of encouraging matters to be kept in mind.

First, about three-quarters of the expected $6 billion deficit stems from our expanded defense and space programs, which were, as I have mentioned, supported virtually unanimously by Members of the House and Senate of both major parties. Most of the balance went for antirecession measures, a top emergency item.

Second, the total deficit expected from the current recession, about $8 billion, compares very favorably with the overall deficit of $15 billion that was left over from the 1957–58 recession.

Third, while overall Government spending was up somewhat this past year, the percentage of our total national income spent for Federal Government purposes was actually smaller than in the preceding year, which means that the public sector of our economy has not expanded in relation to the private sector during this past session of Congress, but just the opposite.

Fourth, President Kennedy's fiscal policies have now completely stopped the dangerous outflow of American gold supplies that was underway at the end of last year. Now, by contrast, gold is moving back into our country, a most encouraging indication of fiscal stability.

CONCLUSION

While this session of Congress, this first Kennedy Congress, has been a genuinely productive one, much remains to be done, for example, in the field of health insurance and education. The whole reciprocal trade agreements program is also up for reconsideration in 1962. These problems lie ahead of us to be dealt with in the second session of the 87th Congress which opens on January 10.

In the meantime, I want to express my thanks and appreciation to all who have written me to express their views, to those whose cooperation made our annual questionnaire a success once again, and to those whose advice and assistance have made the job of being a Congressman more effective. It has been an honor once again to serve as your Representative in Washington.

In the weeks ahead I look forward to meeting and talking with all of you in the course of my regular open air office hours and my other visits around our district. My Schenectady office, FR 4–4000, is always open to serve you, and my Washington office, CA 4–3121, extension 5076, will also remain open daily during the recess. At both locations my staff and I stand ready to be of service to you at any time and in any way we can.

